

Are you eligible for an HST rebate if you're an investor?

Categories : [HST housing rebate](#), [Rebate Blog](#)

Many property investors might have the misconception that they're only eligible for the government's [HST rebate](#) if the property is their principal residence. This isn't correct. In fact, investors can receive up to \$30,000, similar to homeowners who purchase a new condo or house.

When buying a home or a condo, your builder will ask you to sign a form that declares whether you plan to live in it. If you plan to stay there, the builder will claim the HST rebate on your behalf and deduct it from the price of your property. Meanwhile, if you're an investor, you will only be eligible once you have a tenant sign a one-year lease.

Did you know that when you buy a new house or condo in Ontario, you pay development charges that is included in the final purchase price. On top of that, you pay HST on that too.

While development charges go towards paying for a city's infrastructure, for a new home, one fifth of its costs is government fees, which the majority of them are development charges, [according to a study by Altus Group, a Toronto-based global real estate consultant](#). In the GTA, the average development charges was \$116,200 for a single family home (23 per cent of a home's cost) and \$64,000 for each condo unit (20 per cent of a condo's cost). And since 2004, development charges have risen between 143 and 357 per cent in six municipalities, says Bryan Tuckey, president and CEO of the Building Industry and Land Development Association. These charges are costly, but investors can claim some of the money back from the taxman through an HST rebate for rental properties.

Toronto claims the title of city with the most high rise buildings under construction in North America with a whopping 130 projects in the works, according to Emporis, a global provider of building data. Of these tall structures, 92 per cent of them being built in Toronto, Markham, Ont., and Burnaby, B.C., are residential buildings.

Urbanation expects that condo sales will climb slowly and steadily in 2014. "We're moving out of this volatile period and entering a new period of stability," [Shaun Hildebrand, senior vice president of Urbanation, told the Toronto Star](#). There were 13,797 new condo sales for 2013 and it's expected that there will be 15,500 sales in 2014, but with prices holding steady at around \$543 for an average square foot.

Vancouver's housing market also continues to grow after it suffered a slight slump. Condos in Greater Vancouver rose its benchmark price to \$371,500 and detached homes rose its benchmark price to \$929,700.

Whether you decide to invest into a new house or condo, check that you're eligible for the government's HST housing rebate.

[Rebate4U](#) can help property investors receive the maximum HST rebate amount you are eligible for. Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.