

cent by the provincial government. The provincial government may require the municipality to pay part of the 25 percent provincial share on a mutually-acceptable basis. Operational deficits are shared by the federal and provincial partners in the same 75-25 percent ratio. Each project is managed by a housing authority appointed by the province subject to federal approval.

- (2) Through long-term loans to provinces, municipalities or their agencies for the construction of new units, or acquisition and conversion of existing housing. Such loans may be up to 90 per cent of the costs involved. The Federal Government may make an annual contribution of up to 50 per cent to help pay for operating losses.

**Land assembly** Under federal-provincial arrangements, the Federal Government will provide, through the Corporation, 75 per cent of the cost of acquisition and development of land for public and general housing purposes; profits and losses of such an undertaking are shared on the same 75-25 percent basis by the Federal Government and the provincial governments. The land acquired may be serviced by the municipality and sold in lots, either to prospective homeowners or merchant builders. In some areas a similar federal-provincial partnership may assemble raw land for future development.

Under the NHA, loans of up to 90 per cent of the cost of acquiring and servicing land for public and general housing purposes may be made to a province, municipality or public housing agency.

**Loans to non-profit companies** The Federal Government may also make loans to non-profit organizations for low-rental housing projects. Such projects may be rented either to low-income families or to the elderly, whose limited resources often bar them from the general housing market. A province, a municipality or a private group of public-spirited citizens may form a non-profit company. If the company can show evidence of need in its locality for a low-rental housing project, the Central Mortgage and Housing Corporation is authorized to lend, at a low interest-rate, up to 100 per cent of the lending value of a municipality or privately-sponsored projects as determined by the corporation. Provincially-sponsored projects may receive up to 95 per cent of lending value. Any non-profit organization may apply to CMHC for a contribution up to 10 per cent of cost to be applied against loan repayment. Private sponsors may receive a grant of up to \$10,000 for use as "starter-funds". The housing may consist of self-contained units, hostels or dormitories, or any combination of these.