

HOME OWNERSHIP TIMELINE CALCULATOR

User Guide

Allen Ehlert, Mortgage Agent Level 2

v.26 | Canadian Home Purchase Planning Tool



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Introduction

The Home Ownership Timeline Calculator is a browser-based planning tool designed to answer one of the most practically important questions in Canadian personal finance: "When can I realistically afford to buy a home — and at what price?" Rather than offering a single back-of-envelope estimate, the calculator runs a month-by-month projection that tracks both the savings required to close a transaction and the income-based mortgage qualification capacity the buyer brings to the table. The result is a clear, evidence-based timeline that shows not just whether home ownership is achievable within a planning horizon, but which specific constraint — savings shortfall, mortgage qualification ceiling, or both — is determining the timing.

The calculator was built to close a persistent gap in Canadian home-buying planning. Most available tools ask a buyer what they can afford today, ignoring the trajectory of their savings, the growth of their income, the compounding of home prices, and the regulatory parameters that govern how much a lender will advance. The Home Ownership Timeline Calculator models all of these dimensions simultaneously, month by month, over a planning horizon of up to twenty years. It applies the correct Canadian semi-annual compounding to mortgage qualification calculations, enforces the actual minimum down payment rules that apply at different price points, calculates land transfer tax by province (with a specific option for the additional Toronto Municipal Land Transfer Tax in Ontario), adds mortgage default insurance premiums where LTV thresholds trigger them, and accounts for closing costs, moving allowances, and post-closing reserves in the cash-to-close calculation.

The tool runs entirely in the browser. No data is transmitted to any server, no account is required, and the results update in real time as inputs are changed. A PDF export function allows the summary to be saved or shared directly from the browser.

The Need This Calculator Addresses

Prospective home buyers in Canada face a layered readiness problem. Cash to close and mortgage qualification are governed by different rules and move at different rates. A buyer may accumulate a sufficient down payment before their income supports the mortgage required at that price point — or, conversely, may have the income to service a mortgage long before their savings reach the cash-to-close threshold. Without a model that tracks both dimensions in parallel over time, buyers tend to either underestimate their timeline or misidentify the constraint that is slowing them down.

The problem is compounded by the fact that home prices are not static. A buyer targeting a \$700,000 home today who will not be ready for three years is not targeting a \$700,000 home — they are targeting whatever that home will cost in three years; at whatever price growth rate the market produces. A planning tool that does not account for home price appreciation will systematically underestimate the savings and qualification targets a buyer needs to hit.

The calculator addresses each of these gaps directly. It projects savings forward using a user-specified contribution rate, contribution growth rate, and blended return assumption. It projects income forward using a base growth rate and an optional future income increase event. It projects home prices forward using a configurable annual appreciation rate. It then evaluates, at every point in the projection, whether the buyer is simultaneously cash-ready and mortgage-qualification-ready for each price point in their target range. The first month where both conditions are met simultaneously is reported as the full readiness date for that price.

Who Uses This Calculator and How

The calculator is designed for three primary audiences, each of whom approaches it from a different angle and uses its outputs for a different purpose.

Mortgage Professionals

A mortgage agent or broker working with a prospective home buyer who is not yet financially ready to purchase uses the calculator to give the client a structured, quantitative picture of their timeline. The agent enters the client's current savings balances, monthly contribution rate, income, existing debts, and purchase assumptions, and the calculator produces a month-by-month projection of when each price point in the target range becomes fully achievable. This gives the conversation a concrete anchor: rather than advising a client to "keep saving," the agent can show them that they are, for example, cash-ready for a \$600,000 home in fourteen months but not mortgage-qualified for that price until month twenty-two because of their car payment — and that eliminating the car payment today would shift that date to month fifteen.

The calculator also provides a scenario comparison tool that allows the agent to show, side by side, how the Conservative, Balanced, and Aggressive preset assumptions affect the timeline. A client who is uncertain about their savings rate or their income growth trajectory can see immediately how sensitive their timeline is to those assumptions, which supports a more grounded discussion about what realistic planning looks like versus optimistic planning.

Home Buyers

A prospective home buyer who wants to understand their own path to home ownership can use the calculator independently to explore their situation. The three preset chips — Conservative, Balanced, and Aggressive — provide a structured starting point that loads a coordinated set of assumptions appropriate to each orientation, so the buyer does not need to understand the full parameter space to get a meaningful first result.

The Detailed Readiness Table at the bottom of the results panel is particularly useful for a self-directed user. It shows, for every price point in the configured target range, the first month when savings alone would cover the cash-to-close requirements, the first month when income would support mortgage qualification, and the first month when both conditions are met simultaneously. The Main Limiting Factor column names clearly whether savings, mortgage qualification, or both are responsible for the gap at each price point, allowing the buyer to understand where to focus their effort.

Financial Planners and Investment Advisors

A financial planner incorporating home purchase planning into a broader wealth plan uses the calculator to quantify the interaction between a client's savings trajectory and their home-buying timeline. The Upfront Cash Breakdown section makes the full composition of the cash-to-close requirement visible — separating the down payment, land transfer tax, legal and closing costs, moving and setup allowance, and post-closing reserve — which is directly useful for savings allocation planning. The What May Be Holding You Back section identifies the specific dollar gap between the buyer's current position and the readiness threshold, which supports a targeted conversation about whether to accelerate savings, reduce debts, or revisit the target price range.

The planning insight generated at the bottom of the results panel synthesises the projection into a plain-language summary that can be used as a starting point for client meeting notes or a planning memorandum.

Use Cases

The following use cases illustrate the range of planning tasks the calculator supports. Each is explored in detail in the Scenarios section of this guide.

- Establishing a realistic first-purchase timeline for a first-time buyer who is currently renting and has accumulated partial savings, to identify when both the cash-to-close and mortgage qualification thresholds will be met for their target price range.
- Identifying whether savings or mortgage qualification is the binding constraint at different price points, so that planning effort can be directed at the right problem.
- Modelling the impact of a specific financial change — such as paying off a car loan, receiving a lump-sum gift, or accepting a new job with a higher salary — on the home-buying timeline.
- Comparing Conservative, Balanced, and Aggressive planning scenarios side by side to understand how sensitive the timeline is to assumptions about savings returns, income growth, and home price appreciation.

Interface Description

The calculator is a single-page web application that loads entirely in a browser with no account, login, or server dependency. The interface is divided into two regions: a sidebar on the left containing six labelled input sections, and a results column on the right that displays outputs after the first calculation and updates in real time with each subsequent input change.

At the top of the page, a dark header bar displays the calculator title, the advisor's contact information, and two action buttons — Contact Allen and Share as PDF. A brief introductory guidance panel below the header describes how to use the tool.

Sidebar — Input Sections

Section 1 — Your Savings Today

This section captures the buyer's current savings balances across all account types, together with the monthly contribution pace and the expected growth rate for both the contributions and the savings balances.

Field	Description
FHSA Balance	Current balance in the buyer's First Home Savings Account. FHSA funds count toward the available down payment without triggering a repayment obligation (unlike the RRSP Home Buyers' Plan).
RRSP Available for HBP	The portion of RRSP savings the buyer intends to access under the Home Buyers' Plan. Up to \$35,000 per buyer can be withdrawn tax-free under the HBP, subject to repayment over fifteen years.
TFSA Balance	Current balance in the Tax-Free Savings Account. TFSA funds can be used for a home purchase without restriction.
Non-Registered Savings	Any savings held outside registered accounts, such as a high-interest savings account, a GIC, or a brokerage account.
Monthly Savings Contribution	The total amount the buyer adds to their savings each month across all accounts. This is the primary lever for accelerating the timeline.
Annual Contribution Growth (%)	The rate at which the monthly contribution amount grows each year. A value of 3% means the contribution increases by 3% compounded annually, modelling the assumption that the buyer will save more as their income grows.
Expected Annual Savings Return (%)	The blended annual return expected on the total savings balance. The calculator applies this as a monthly compounding rate to the running savings balance each month.
Future Lump Sum (Optional)	A one-time addition to savings — for example, an inheritance, a property sale, or a bonus — that will occur at a specific future date. If not applicable, leave at zero.
Lump Sum Year	The number of years from today when the lump sum will be received. A value of 2 means the lump sum is added to savings 24 months from the calculation date.

Field	Description
Lump Sum Month (1–12)	The specific month within the lump sum year when the funds will be received.

Section 2 — Income and Borrowing Profile

This section captures the income variables used to calculate mortgage qualification capacity. The calculator uses income to determine how large a mortgage the buyer can qualify for under the stress test, which in turn determines when mortgage readiness is achieved for each price point.

Field	Description
Gross Annual Income	The buyer's total employment income before taxes. For employed applicants, this is typically confirmed employment income. For self-employed applicants, the qualifying income may differ — this is a planning tool and actual qualification depends on lender underwriting.
Annual Bonus / Commission	Variable income components such as bonuses, commissions, or overtime that are typically given partial or full credit by lenders, depending on the nature of the income and the lender's guidelines. The default assumption in this calculator is that this income is included in the qualifying total; actual treatment varies by lender.
Co-Borrower Income	The income of a co-borrower, if applicable, such as a spouse or partner who will be on the mortgage application.
Other Allowable Income	Any additional income that would be counted for qualification purposes, such as rental income, pension, or investment income. The treatment of non-employment income varies significantly by lender and product.
Annual Income Growth (%)	The expected rate at which total qualifying income grows each year. Used to project forward how the buyer's mortgage qualification capacity increases over time.
Future Income Increase (Optional)	A specific, one-time income increase that will occur at a known future date — for example, a confirmed promotion, a new job offer, or the completion of a professional designation. This is added to the base projected income starting from the month specified.
Future Income Increase Year	The number of years from today when the future income increase takes effect.
Future Income Increase Month (1–12)	The specific month within the income increase year when the higher income begins.

Section 3 — Debts and Monthly Obligations

This section captures the existing monthly debt obligations that reduce the buyer's mortgage qualification capacity. All obligations entered here are included in the Total Debt Service ratio calculation, which determines how much mortgage the buyer can qualify for after accounting for their existing commitments.

Field	Description
Car Payment	Monthly payment on any vehicle loan or lease obligation.
Student Loan	Monthly payment on outstanding student loan balances.
Other Loan Payments	Monthly payments on any other personal loans or lines of credit.
Credit Card Minimums	The monthly minimum payment on credit card balances, calculated as a percentage of the outstanding balance. Note that lenders typically impute a minimum payment on credit card limits, not just current balances — the actual qualifying treatment depends on the lender.
Support Obligations	Monthly child support or spousal support payments that are a legal obligation.
Other Debt Payment	Any other recurring monthly payment obligations not captured in the fields above.

Section 4 — Purchase Assumptions

This section defines the target price range, the expected rate of home price growth, the provincial land transfer tax regime, and the non-down-payment cash requirements that must be met at closing. These inputs determine the cash-to-close threshold at each point in the projection.

Field	Description
Province	The province in which the buyer intends to purchase. The calculator uses province selection to apply the correct provincial Land Transfer Tax formula. Currently supported: Ontario, British Columbia, Alberta, Quebec, Nova Scotia, and Manitoba. Alberta has no provincial LTT. The Ontario calculation includes a separate checkbox for the Toronto Municipal LTT.
Min Price	The lowest home price the buyer is considering. The calculator evaluates readiness for every price point from Min Price to Max Price in increments defined by the Price Increment field.
Max Price	The highest home price the buyer is considering.
Price Increment	The step size between price points in the evaluation grid. Options are \$50,000, \$100,000, or \$250,000. A smaller increment produces a more granular results table.
Home Price Growth (%)	The expected annual rate of home price appreciation. Applied monthly to the target price for each evaluation — meaning that a buyer who will not be ready for three years is evaluated against the price the home is expected to reach by that time, not today's price. A negative value can be entered to model a market decline scenario.
Planning Horizon (Years)	The number of years over which the projection runs. Options are 10, 15, or 20 years. Price points that are not reached within the horizon are reported as "Not reached."

Field	Description
Property Tax (% of Home Value)	An estimate of the annual property tax rate, expressed as a percentage of the home value. Used to calculate the monthly property tax component of the GDS ratio in the mortgage qualification calculation.
Heating Estimate (Monthly)	An estimated monthly cost of home heating, used in the GDS ratio calculation. Lenders use a standardised figure for qualification — this input allows the planner to set a realistic regional estimate.
Condo Fees (Monthly, Optional)	If the target property is a condominium, the estimated monthly condo fees. Lenders typically count 50% of condo fees in the GDS ratio; the calculator applies this treatment automatically.
Legal / Closing Costs (Flat)	An estimate of legal fees, title insurance, and other flat closing costs. These are part of the cash-to-close requirement but are not part of the down payment.
Inspection / Moving Allowance	An estimate of home inspection fees, moving costs, and initial setup costs. Treated as a non-recoverable cash requirement at closing.
Post-Closing Reserve	The minimum cash buffer the buyer wants to retain after closing. This amount is added to the cash-to-close requirement to ensure the buyer is not fully depleted at the time of purchase.
Apply Toronto Municipal LTT	Visible only when Ontario is selected as the province. Enables a second layer of land transfer tax at the Toronto municipal rate, which applies to properties within the City of Toronto boundaries.

Section 5 — Mortgage Assumptions

This section captures the parameters used to calculate mortgage qualification capacity and estimated carrying costs.

Field	Description
Contract Rate (%)	The interest rate on the actual mortgage, used to estimate the monthly payment the buyer would carry. This rate does not affect qualification — lenders qualify borrowers at the higher of the stress test rate or the contract rate plus 2%.
Qualifying Rate (%)	The rate used for stress test qualification. The current regulatory minimum is the greater of 5.25% and the contract rate plus 2%. This field allows the planner to enter either the regulatory floor or a custom rate appropriate to the lender and product.
Amortization (Years)	The amortization period used for both qualification and payment estimation. Options are 25 years (the standard for insured mortgages) and 30 years (available for conventional mortgages above 20% down).
Debt Service Mode	Controls the GDS and TDS ratio limits used in the qualification calculation. Conservative mode (GDS 35% / TDS 42%) is appropriate for a more cautious planning assumption. Balanced mode (GDS 39% / TDS 44%) reflects typical lender guidelines. Aggressive mode (GDS 42% / TDS 47%) models conditions where a lender applies higher limits for strong borrower profiles.

Section 6 — Scenario Presets

Three preset buttons — Conservative, Balanced, and Aggressive — load coordinated sets of assumptions across multiple input fields simultaneously. The Balanced preset is the default and is loaded when the page first opens. Selecting a preset overwrites the corresponding input fields; the user can then modify individual fields to customise the scenario further.

Field	Description
Conservative	Loads lower savings return (3%), lower income growth (2%), lower home price growth (2%), higher qualifying rate (7.29%), and Conservative debt service mode. Appropriate for planning that emphasises resilience to adverse conditions.
Balanced	Default preset. Loads moderate savings return (4.5%), income growth (3%), home price growth (3.5%), contract rate (4.79%), qualifying rate (6.79%), and Balanced debt service mode.
Aggressive	Loads higher savings return (6%), income growth (4%), home price growth (5%), and Aggressive debt service mode. Appropriate for exploring the optimistic end of the planning range.

The Calculate Timeline button runs the projection and displays the results. The Reset Demo Inputs button restores all fields to the demonstration defaults.

Results Column — Output Sections

Readiness Summary Panel

The top panel in the results column displays three key performance indicators in summary tiles: the Earliest Purchase Window (the first calendar month when any price point in the range becomes fully achievable), the First Realistic Home Price (the lowest price point that becomes achievable within the planning horizon), and the Main Constraint (whether the limiting factor across the target range is primarily savings, mortgage qualification, or both). A coloured badge — yellow while building, green when results are available — indicates the current state of the calculator.

Reachable Home Price Over Time Chart

A line chart that shows, across the full planning horizon, two trajectories: the black line represents the maximum price point that the buyer's savings alone could support at each month (cash-to-close readiness); the red line represents the maximum price that is fully affordable when both savings and mortgage qualification are considered simultaneously. The gap between the two lines visualises which constraint is binding at any given time. Hovering over the chart displays a tooltip with the exact values at that month. A dot marker indicates the earliest fully-affordable price point and the month it is first reached.

A scenario badge in the upper right of the chart panel identifies whether the home price growth rate entered represents a normal-market scenario or a market-decline scenario, providing a quick visual reminder of the assumption in use.

Milestone Home Prices

A row of cards showing when specific price milestones — drawn from the range between the configured minimum and maximum prices — are projected to first become fully achievable. Each card shows the target price and the projected readiness date, or "Not reached" if the price point is not achievable within the planning horizon. Clicking or hovering over a card provides additional context.

What May Be Holding You Back / Estimated Upfront Cash Breakdown

A two-column section. The left panel identifies the current limiting factor — the gap between the buyer's current position and the readiness threshold — and represents it as a proportional bar showing how close the buyer is to each threshold. The right panel breaks down the estimated cash required to close at the first realistic price point, itemising the down payment, land transfer tax, legal and closing costs, moving allowance, and post-closing reserve as separate bars. This decomposition makes it immediately clear how much of the cash-to-close requirement is attributable to each component, which supports targeted planning about where to focus savings effort.

Detailed Readiness Table

A scrollable table with one row for each price point in the configured target range. The columns are: Target Price Today (the price expressed in today's dollars), Future Adjusted Price (what

that price will be at the time of readiness, after applying home price growth), Down Payment (the amount applied to the purchase at readiness, which may exceed the regulatory minimum if the buyer has excess savings), Years to Readiness, Cash Ready (the first month savings alone would cover the cash-to-close requirement), Mortgage Ready (the first month income would support qualification for the required mortgage), Fully Ready (the first month both conditions are met), Required Cash, Required Mortgage, and Main Limiting Factor.

Rows where full readiness is not achieved within the planning horizon display "Not reached" in the relevant columns. The table is sortable and scrollable; for large price ranges the most useful reference is the Fully Ready column.

Planning Insight

A plain-language paragraph synthesising the key findings of the projection, updated automatically whenever inputs change. This section is designed to provide a starting point for a client conversation or a planning note, identifying the first realistic price, the binding constraint at that price, and the most actionable implication of the analysis.

Preset Comparison

A side-by-side comparison tool that runs two preset scenarios simultaneously and displays the key results for each in adjacent panels. The user selects the left and right scenarios from dropdown menus and clicks Compare Presets. The output shows the earliest window, first price, and main constraint under each scenario, allowing the buyer to immediately see the range of possible outcomes depending on whether planning assumptions prove optimistic or conservative.

Save Your Timeline and Contact Allen

A panel for generating a personalised planning summary and preparing a message to the advisor. The user can enter their name, email address, and notes or questions, and the calculator populates a text summary of the results. Three buttons provide options: Prepare Email to Allen opens the default mail client with the summary pre-loaded; Download Summary saves the text to the device; Copy Summary copies it to the clipboard. A row of suggested next actions provides contextual guidance on what to do with the results.

Assumptions and Disclosure

A collapsible section at the bottom of the results panel that displays the professional disclosure, advisor licensing information, and a plain-language description of the calculator's limitations. Users who wish to share the results with a lender or advisor are encouraged to review this section.

Scenarios

The four scenarios below illustrate how the calculator is used in different planning contexts. Each begins with a description of the client's situation and what the advisor was trying to determine, describes how the calculator was configured and run, and concludes with the decisions that the results made available.

Scenario 1 — First-Time Buyer Establishing a Realistic Timeline

The Situation

Priya is 28 years old, renting in a mid-sized Ontario city, and beginning to think seriously about home ownership for the first time. She earns \$72,000 per year as a project coordinator and has been saving diligently: she has \$11,000 in her FHSA, \$9,000 in her RRSP available under the Home Buyers' Plan, \$14,000 in her TFSA, and \$6,000 in a non-registered high-interest savings account, for a total of \$40,000. She saves \$1,500 per month and has a car payment of \$380 per month and credit card minimums of \$60 per month. She is not in a position to purchase today, but she wants to understand how long she realistically needs to wait and what she should be targeting as a first home price. She is uncertain whether to target a \$550,000 townhouse or wait longer and target a \$700,000 semi-detached home.

The advisor's objective is to establish a concrete timeline for both price points, identify which constraint — savings or mortgage qualification — will determine the timing at each, and give Priya a clear view of what would accelerate either timeline.

How the Calculator Was Used

The advisor loaded the calculator and clicked the Balanced preset to establish starting assumptions, then customised the inputs as follows.

In Section 1, the balances were entered as described above: FHSA \$11,000, RRSP HBP \$9,000, TFSA \$14,000, non-registered \$6,000, monthly contribution \$1,500, contribution growth 3%, savings return 4.5%.

In Section 2, gross annual income was entered as \$72,000 with no co-borrower income. Annual income growth was set at 3%.

In Section 3, car payment \$380 and credit card minimums \$60 were entered.

In Section 4, Province was set to Ontario, Toronto LTT was unchecked (Priya is not purchasing in the City of Toronto), Min Price \$550,000, Max Price \$750,000, Price Increment \$50,000, home price growth 3.5%, planning horizon 10 years, property tax 0.8%, heating \$150, closing costs \$3,500, moving allowance \$3,500, post-closing reserve \$5,000.

In Section 5, contract rate 4.79%, qualifying rate 6.79%, amortization 25 years, Balanced debt service mode.

The advisor ran the calculation.

The Readiness Summary panel showed: Earliest Purchase Window — month 22 (approximately 1 year and 10 months from the calculation date); First Realistic Home Price — \$550,000; Main Constraint — Savings.

The Detailed Readiness Table confirmed that at a \$550,000 target price, cash readiness would be reached at month 22 and mortgage qualification readiness had already been met (Priya's income was sufficient to qualify for the mortgage required at \$550,000 at current income levels, even before projected growth). At \$700,000, full readiness was projected for month 47 — nearly four years — with mortgage qualification as the primary constraint for the first two years of that interval, as her income needed to grow before qualifying for the larger mortgage.

Decisions Enabled by the Results

The simulation gave Priya and her advisor a structured basis for several specific decisions.

- The 22-month timeline for the \$550,000 target was longer than Priya had expected, but the results showed that the binding constraint was savings — not income. She could accelerate her timeline by increasing her monthly savings contribution. A quick sensitivity test (increasing monthly savings from \$1,500 to \$2,000) showed the \$550,000 target becoming cash-ready at month 16, a saving of six months. This became a concrete near-term goal.
- The \$700,000 target was confirmed as a longer-horizon objective. The 47-month timeline was primarily income-constrained for the middle portion of the projection, meaning that saving more aggressively would not materially shorten it — income growth was the binding factor. Priya understood that the \$700,000 scenario required patience and income progression, not just additional saving.
- The What May Be Holding You Back panel showed that the car payment was reducing Priya's mortgage qualification capacity by approximately \$28,000 at today's income level. If the car loan were paid off before the purchase, mortgage readiness at the \$700,000 price point would shift forward by approximately nine months.
- The Preset Comparison showed that under the Conservative scenario, the \$550,000 target was pushed out to month 28 — primarily because a lower savings return and lower home price growth together meant the savings gap closed more slowly relative to a price that was also growing more slowly. The Aggressive scenario brought the \$550,000 target down to month 19. Priya chose to use the Balanced scenario as her planning base but noted the Conservative scenario as a floor for expectation management.

Scenario 2 — Identifying the Binding Constraint at Different Price Points

The Situation

Marcus and Jordan are a couple, both 32, targeting a home in the \$800,000 to \$1,100,000 range in British Columbia. Marcus earns \$95,000 per year and Jordan earns \$68,000, for a combined income of \$163,000. Their debts are modest: Marcus has a student loan payment of \$240 per month and they share a credit card minimum of \$80 per month. They have combined savings of \$145,000 (FHSA \$18,000, RRSP HBP \$35,000, TFSA \$52,000, non-registered \$40,000) and contribute \$3,200 per month toward savings.

Their question is not whether they can buy — they believe they are close — but which price point is realistic now versus which requires further preparation, and specifically whether the

constraint at the higher price points is savings or mortgage qualification, so they can direct their planning effort appropriately.

How the Calculator Was Used

The advisor loaded the Balanced preset and customised the inputs as follows.

Section 1: FHSA \$18,000, RRSP HBP \$35,000, TFSA \$52,000, non-registered \$40,000, monthly contribution \$3,200, contribution growth 3%, savings return 4.5%.

Section 2: Gross annual income \$95,000, co-borrower income \$68,000, annual income growth 3%.

Section 3: Student loan \$240, credit card minimums \$80.

Section 4: Province BC (no provincial LTT applied for planning purposes — BC applies the Property Transfer Tax, which uses a different formula; the advisor noted this as a limitation of the current calculator version and will verify PTT separately), Min Price \$800,000, Max Price \$1,100,000, Price Increment \$100,000, home price growth 4%, planning horizon 10 years.

Section 5: Contract rate 4.79%, qualifying rate 6.79%, amortization 25 years, Balanced mode.

The advisor ran the calculation.

The results showed: at \$800,000, full readiness was already met (month 0) — the couple could purchase today. At \$900,000, full readiness at month 8. At \$1,000,000, full readiness at month 19, with mortgage qualification as the binding constraint for the full interval. At \$1,100,000, full readiness at month 34, again primarily mortgage-constrained.

The Detailed Readiness Table confirmed that at \$1,000,000, cash readiness was achieved at month 4 (savings sufficient for the down payment, LTT, and costs), but mortgage readiness was not achieved until month 19. The couple's combined income was not yet sufficient to qualify for the mortgage required at the \$1,000,000 future-adjusted price under the stress test, given their existing debt obligations.

Decisions Enabled by the Results

- Marcus and Jordan confirmed that the \$800,000 price point was immediately accessible. They had not expected this result and had assumed they needed more time. The cash breakdown showed that their total cash-to-close at \$800,000 would be approximately \$172,000, which was below their \$145,000 in savings at today's level.
- The mortgage qualification gap at \$1,000,000 was identified precisely: at month 19, Jordan's income would have grown enough that the combined qualifying income could support the required mortgage under the stress test. The advisor noted that eliminating the student loan before purchasing would shift that threshold forward by approximately four months, a relatively modest gain — the primary driver was income growth, not debt reduction.
- The \$1,100,000 scenario was acknowledged as a longer-term objective requiring meaningful income progression. The couple decided to target \$900,000 as their near-term purchase price, aiming for a purchase in approximately eight months, while building toward the \$1,000,000 range for a future move-up.

- The Preset Comparison showed that under the Aggressive scenario (higher income growth, higher home price appreciation), the \$1,000,000 fully affordable date moved to month 14 but the future-adjusted price also increased substantially. Under the Conservative scenario, the \$900,000 target moved from month 8 to month 14. The couple chose to plan for month 8 as the target, with the understanding that a conservative outcome might push that to month 14.

Scenario 3 — Modelling the Impact of a Specific Financial Event

The Situation

Elena is 35 and purchasing on her own. She earns \$88,000 per year in a stable public sector role and has been saving consistently: \$22,000 in FHSA, \$15,000 RRSP HBP, \$28,000 TFSA, \$12,000 non-registered, for a total of \$77,000. She saves \$2,000 per month. Her existing obligations are significant: a car payment of \$520 per month, a personal loan of \$310 per month (with 18 months remaining), and credit card minimums of \$90 per month.

Elena knows she is currently mortgage-qualification-constrained — her debts are pulling down her GDS/TDS ratios. She expects to receive a \$25,000 lump sum from her parents as a gift in approximately 18 months. She also knows that her personal loan will be fully paid off at month 18. She wants to understand how these two events — the lump sum and the debt payoff — will together affect her timeline, and specifically whether they will allow her to reach a \$750,000 price point sooner than her baseline projection suggests.

How the Calculator Was Used

The advisor ran two scenarios: a baseline without the lump sum or the debt payoff accounted for, and then a second run incorporating both events.

Baseline run: all inputs entered as described above, lump sum amount left at \$0, personal loan payment included at \$310/month (with the understanding that this is a simplification — the model projects the debt obligation forward indefinitely rather than terminating it at month 18). Min Price \$600,000, Max Price \$900,000, planning horizon 10 years.

The baseline showed full readiness at \$750,000 at month 31.

Second run: the lump sum amount was set to \$25,000, lump sum year 2, lump sum month 6. The personal loan payment was removed from the debt inputs (to model the post-payoff state, acknowledging that this overstates the benefit for the first 18 months but is a valid planning approximation for the purpose of the exercise). All other inputs unchanged.

The second run showed full readiness at \$750,000 at month 22 — nine months earlier than the baseline.

Decisions Enabled by the Results

The simulation gave Elena a concrete quantitative basis for assessing the combined value of two specific events on her home-buying timeline.

- The nine-month improvement was material and confirmed that the combination of the lump sum and the debt payoff would meaningfully accelerate her timeline. Elena had

previously been uncertain whether these events would matter significantly — the calculator showed they would.

- The cash breakdown in the second run showed that the lump sum contribution at month 18 would allow her to reach the cash-to-close threshold for \$750,000 approximately two months after receipt, with the freed-up cash flow from the personal loan payoff simultaneously improving her mortgage qualification by the amount that had been counted against her TDS ratio.
- The advisor noted that the model simplification — treating the personal loan as eliminated from day one rather than from month 18 — meant the second scenario understated the constraint for the first year and a half of the projection. The true full readiness date was likely month 23 or 24 rather than 22, a one to two month difference. Elena accepted this approximation as adequate for planning purposes.
- The Conservative scenario in the second run pushed full readiness at \$750,000 to month 28. Elena decided to target month 24 as her planning horizon for a first purchase, with the understanding that a conservative outcome would push that by up to four months.

Scenario 4 — Comparing Scenarios to Understand Planning Sensitivity

The Situation

David is a 40-year-old self-employed consultant with variable income. In good years he earns \$130,000; in average years approximately \$95,000. He has significant savings — \$45,000 FHSA, \$35,000 RRSP HBP, \$60,000 TFSA, \$35,000 non-registered, total \$175,000 — and contributes \$3,500 per month. His debts are minimal: \$80 per month in credit card minimums. He is targeting a home in the \$1,000,000 to \$1,500,000 range in Ontario, and he intends to apply based on a conservative income representation of \$95,000 (his average year) rather than the higher figure. His primary concern is understanding how sensitive his timeline is to assumptions, given that his income and savings returns have both been volatile in the past.

The advisor's objective is to use the Conservative, Balanced, and Aggressive presets alongside the Preset Comparison tool to show David the full range of planning scenarios, identify which assumption is most sensitive, and give him a basis for deciding which scenario to plan around.

How the Calculator Was Used

The advisor first ran the Balanced scenario with David's actual inputs:

Section 1: Total savings \$175,000 as described, monthly contribution \$3,500, contribution growth 3%, savings return 4.5%.

Section 2: Gross annual income \$95,000 (conservative representation), no co-borrower, income growth 2% (conservative for self-employed).

Section 3: Credit card minimums \$80.

Section 4: Province Ontario, Toronto LTT checked (David is purchasing in Toronto), Min Price \$1,000,000, Max Price \$1,500,000, Price Increment \$100,000, home price growth 3.5%, planning horizon 10 years.

Section 5: Contract rate 4.79%, qualifying rate 6.79%, amortization 25 years, Balanced mode.

The Balanced run showed full readiness at \$1,000,000 at month 14, and at \$1,200,000 at month 32. The \$1,500,000 price point was not reached within the 10-year horizon because of mortgage qualification constraints at the conservatively represented income level.

The advisor then used the Preset Comparison tool to compare the Conservative and Aggressive scenarios side by side, using the same custom input fields.

Conservative scenario results: \$1,000,000 fully ready at month 22; \$1,200,000 at month 41; \$1,500,000 not reached.

Aggressive scenario results: \$1,000,000 fully ready at month 9; \$1,200,000 at month 24; \$1,500,000 at month 48.

Decisions Enabled by the Results

- The range between Conservative and Aggressive for the \$1,000,000 target was thirteen months (month 9 to month 22). For the \$1,200,000 target it was seventeen months. These ranges gave David a concrete sense of how much planning uncertainty existed given his volatile income and return history.
- David observed that in the Conservative scenario the \$1,500,000 price point was unreachable within the planning horizon, even with his substantial savings. This was entirely due to mortgage qualification — at a conservatively represented income of \$95,000, the qualifying income was insufficient to support the mortgage required at a \$1,500,000 future-adjusted price under the stress test, regardless of how much cash he had. The calculator made this constraint visible and explicit in a way that a simple affordability estimate would not.
- The advisor noted that if David applied for a mortgage in a high-income year (\$130,000) rather than at the conservative representation, the \$1,500,000 price point would likely become reachable. A sensitivity test was run using \$130,000 as the income figure: the \$1,500,000 price point appeared at month 52 in the Balanced scenario, confirming that income representation at the time of application would be the decisive variable for the upper end of his range.
- David decided to plan around the Balanced scenario, targeting the \$1,000,000 to \$1,200,000 range for a purchase in approximately 24 to 36 months, with the understanding that his timeline would compress if his income in the year of application was above the conservative baseline. The Aggressive scenario provided a useful optimistic floor; the Conservative scenario set the ceiling for patience.

Technical Specifications

This section describes the mathematical logic and design rationale behind the calculator's calculations at a high level. It is intended for readers who want to understand why the calculator produces the numbers it produces, not merely how to enter inputs and read outputs. All calculations execute client-side in the browser with no server transmission.

Savings Projection

The calculator maintains a running savings balance that begins with the sum of the four account balances entered in Section 1. At each monthly step, the balance is compounded by the monthly equivalent of the blended annual savings return, and the current month's contribution is added. Contributions themselves grow at the monthly equivalent of the annual contribution growth rate, so the contribution in month n is: $\text{Monthly Contribution} \times (1 + \text{monthly contribution growth rate})^n$. This models the assumption that the buyer's savings discipline increases gradually over time as their income grows.

If a future lump sum is specified, it is added to the savings balance at the month corresponding to the specified year and month inputs. If no lump sum year is specified (or the value is zero), no lump sum is applied.

The savings balance represents total available funds, drawn from all account types simultaneously. The calculator does not model account-type restrictions (such as FHSA annual contribution limits or RRSP HBP repayment requirements) beyond the initial balance constraints the user enters. These are planning-tool simplifications that are appropriate for timeline estimation but should be verified with a tax advisor before implementation.

Income Projection

The calculator maintains a projected annual income that begins with the sum of all income fields in Section 2. Income grows at the monthly equivalent of the annual income growth rate, compounded monthly. If a future income increase is specified, it is added to the projected income from the month corresponding to the specified year and month inputs.

Monthly income for qualification purposes is the projected annual income divided by 12. This figure is used in both the GDS and TDS ratio calculations.

Home Price Projection

Each target price in the grid is projected forward from today's value at the monthly equivalent of the annual home price growth rate. The future adjusted price in month n for a target price P is: $P \times (1 + \text{monthly home growth rate})^n$. This means that a buyer who will not reach full readiness for a \$700,000 home until month 30 is being evaluated against the price that home is expected to carry in 30 months, not the price today. The Future Adjusted Price column in the Detailed Readiness Table shows this projected future price explicitly.

Cash-to-Close Calculation

At each monthly evaluation point, the calculator determines the total cash required to close a purchase at the future-adjusted price. This total has two components: the down payment, and the non-down-payment cash costs.

The minimum down payment is calculated using the Canadian regulatory rules: 5% on the first \$500,000 of the purchase price, 10% on the portion between \$500,000 and \$1,500,000, and 20% on properties above \$1,500,000. If the buyer's available savings — after reserving for non-down-payment costs — exceed the minimum down payment, the surplus is applied as additional down payment, reducing the required mortgage. This "excess savings to mortgage" logic means that a buyer with substantial savings who is not yet mortgage-qualified may improve their qualification position by putting more down.

Mortgage default insurance (CMHC) is applied where the Loan-to-Value ratio exceeds 80% and the purchase price is below \$1,500,000. The applicable premium rates are: LTV above 90% — 4.00%; LTV 85.01% to 90% — 3.10%; LTV 80.01% to 85% — 2.80%. The premium is added to the mortgage balance (not paid in cash at closing), consistent with standard Canadian insured mortgage treatment.

Land Transfer Tax is calculated using the provincial formula for the selected province. For Ontario, the calculation applies the graduated tax brackets from the Land Transfer Tax Act. When the Toronto Municipal LTT option is enabled, the Ontario LTT is doubled to reflect the additional municipal layer applicable to Toronto properties.

The non-down-payment cash costs are: Land Transfer Tax + Legal and Closing Costs (flat amount) + Inspection and Moving Allowance + Post-Closing Reserve. These must be covered by savings beyond the down payment. A buyer is considered cash-ready when their total savings balance equals or exceeds the total of the down payment plus the non-down-payment cash costs.

Mortgage Qualification Calculation

Mortgage qualification capacity is calculated using a planning-oriented model based on the stress test qualifying rate and the GDS and TDS debt service ratios.

The maximum monthly housing payment the buyer's income will support is determined by taking the lesser of: (a) qualifying income $\times$ GDS limit $\div$ 12; and (b) qualifying income $\times$ TDS limit $\div$ 12 – total monthly non-housing debt obligations. The GDS and TDS limits depend on the Debt Service Mode selected: Conservative (35% / 42%), Balanced (39% / 44%), or Aggressive (42% / 47%).

The monthly housing budget is further reduced by: monthly property tax (purchase price $\times$ annual tax rate $\div$ 12), monthly heating cost, and 50% of monthly condo fees (where applicable). The remaining budget is the maximum monthly mortgage payment.

The maximum mortgage is calculated from the maximum monthly payment using the standard present-value annuity formula applied at the qualifying rate, with Canadian semi-annual compounding — the standard prescribed by the Interest Act of Canada for federally regulated mortgages. The effective monthly rate is derived as $(1 + \text{qualifying rate} \div 2)^{(1/6)} - 1$, not as a simple monthly division of the annual rate. This matches the compounding convention used by Canadian lenders.

A buyer is considered mortgage-ready when the maximum affordable mortgage at the qualifying rate is equal to or greater than the required mortgage (base mortgage plus CMHC premium if applicable) at the future-adjusted price.

Full Readiness Determination

For each price point in the evaluation grid, the calculator steps through every month of the planning horizon and evaluates both cash readiness and mortgage readiness at each step. The first month where both conditions are simultaneously satisfied is recorded as the full readiness date for that price point. If either condition is never met within the planning horizon, the price point is reported as "Not reached."

The calculator separately records the first month when cash readiness alone is achieved and the first month when mortgage readiness alone is achieved. These dates are displayed in the Cash Ready and Mortgage Ready columns of the Detailed Readiness Table. The gap between these dates and the Full Ready date identifies whether the constraint at that price point is cash, qualification, or both.

Scenario Presets

The three preset configurations load coordinated sets of assumptions as follows. Conservative: savings return 3.0%, income growth 2.0%, home price growth 2.0%, qualifying rate 7.29%, Balanced debt service mode. Balanced: savings return 4.5%, income growth 3.0%, home price growth 3.5%, contract rate 4.79%, qualifying rate 6.79%, Balanced debt service mode. Aggressive: savings return 6.0%, income growth 4.0%, home price growth 5.0%, contract rate 4.54%, qualifying rate 6.54%, Aggressive debt service mode.

These presets represent coordinated views of the interest rate and economic environment, not independent variable selections. In a higher-return environment (Aggressive), both savings grow faster and incomes are assumed to grow faster, but home prices also appreciate more quickly. The net effect on the timeline depends on which variable is binding for the specific buyer's situation.

Readiness Chart Visualisation

The Reachable Home Price Over Time chart displays two derived series. The black series (savings-only ceiling) shows, at each month, the highest price point in the evaluation grid for which the buyer is cash-ready at that month — regardless of mortgage qualification. The red series (fully affordable ceiling) shows the highest price point for which the buyer is both cash-ready and mortgage-ready at that month. The gap between the two series at any month represents the price range where savings are sufficient but mortgage qualification is the remaining obstacle.

In a normal scenario where savings accumulate steadily and income grows, both series rise over time. The fully affordable series will lag the savings-only series in the early months if mortgage qualification is the binding constraint, and will catch up — or may overtake — as income grows and debts are reduced.

Compliance and Disclaimer

Compliance

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Disclaimer

The Home Ownership Timeline Calculator is provided for general informational, educational, and illustrative purposes only. The results generated are based on user-entered information and modelling assumptions regarding savings returns, income growth, home price appreciation, interest rates, debt obligations, and provincial tax formulas.

This calculator does not constitute financial advice, tax advice, mortgage advice, a mortgage approval, a commitment to lend, or a legal opinion. Actual mortgage qualification and approval depend on income verification, credit history, property type, down payment source, lender underwriting policies, and regulatory requirements that may change without notice.

Land transfer tax calculations are estimates based on standardised provincial formulas as of the date of publication. Buyers should verify applicable tax obligations with a lawyer or notary prior to entering into any purchase agreement. Property transfer taxes in British Columbia are based on a separate formula (the Property Transfer Tax) that the calculator does not currently apply; BC buyers should verify their PTT obligation separately.

All calculations are approximations. For advice tailored to individual circumstances, please consult with a qualified mortgage professional.

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