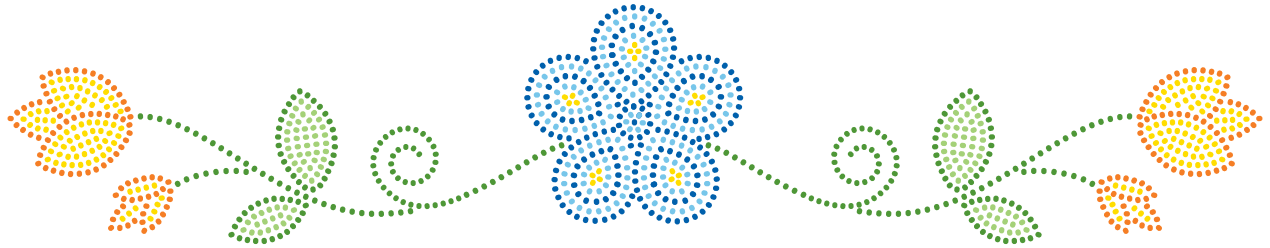




Métis Nation—Saskatchewan First Time Home Buyers' Program

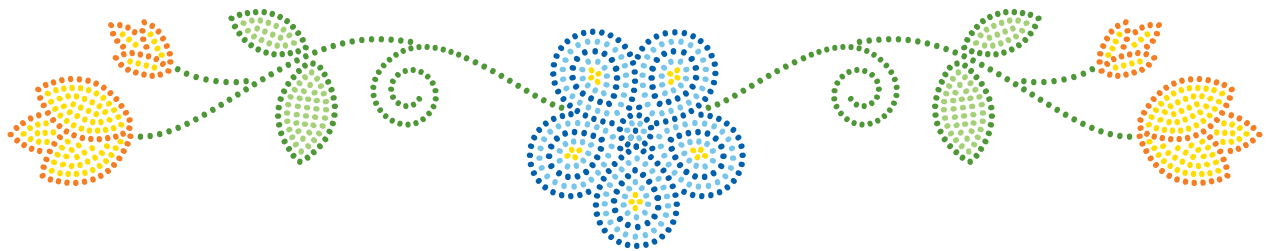
PROGRAM GUIDELINES – VERSION 3.0 AUGUST 2022

MN—S HOUSING DEPARTMENT



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The MN—S First Time Home Buyers' Program (FTHB) is for Métis citizens in Saskatchewan who are purchasing their first home. It is a one-time indirect grant to provide financial assistance with the down payment and legal fees associated with the purchase of their first home.

Key Objectives

- Provide increased opportunities for Métis citizens in Saskatchewan to become homeowners where they may not otherwise have this opportunity. The FTHB is designed to help Métis citizens overcome the challenge of saving sufficient funds that financial institutions require for a down payment to buy a home that will be their principal residence.
- Deliver a Métis-specific First Time Home Buyers' Program that will provide a maximum of:
 - \$15,000 towards the cost of a down payment; and
 - \$2,500 towards home purchase legal fees.
- Assist Métis citizens by referring them to local professionals to help complete the home-buying process such as: realtor, banker, mortgage broker, lawyer etc.
- Ensure that the design, delivery, and administration of the FTHB is fully accountable, fair, open, and transparent.
- Allow for flexibility and future adjustments to the Program Guidelines according to social and economic needs.
- Promote and educate about the FTHB to all Métis citizens throughout Saskatchewan.

Program Parameters and Mandatory Criteria

- Applicantⁱ must be over the age of 18;
- Applicant must provide proof of identity;
- Primary Applicantⁱⁱ must be a member of Métis Nation—Saskatchewan and provide proof by:
 - Copy of MN—S Registered Métis Citizenship Card
 - or
 - Confirmation from MN—S Registry that their application for Métis citizenship has been approved;
- Applicant can only participate in the FTHB once in a lifetime; this includes the FTHB previously administered by Saskatchewan Métis Economic Development Corporation (SMEDCO);
- Applicant must be able to qualify for a mortgage through a reputable financial institution;
- Applicant must not have owned a home within the last four (4) years. This includes:
 - Primary Applicant and all title holders who will be residing in the home;
 - Does not include co-signers who are not residing in the home;
- Applicant must not have income tax arrears with Canada Revenue Agency;
- The home must be considered an Eligible Home as set out in these Guidelines;
- The home must be the Applicant's primary residenceⁱⁱⁱ for a minimum of five (5) years;
- Applicant must have a Gross Annual Household Income^{iv} of \$150,000 or less;



- FTHB Contribution amounts are:
 - \$15,000 towards the down payment
 - Up to \$2,500 towards all Eligible Legal Fees as set out in these Guidelines;
- The FTHB contribution is in the form of a Forgivable Loan Agreement (FLA). The contribution is interest-free and will not have to be repaid provided the recipient adheres to the terms of the Agreement and retains the home as their primary residence for a minimum of five (5) years;
- The FTHB can only be applied to home mortgages and not any other type of loan;
- All recipients of the FTHB will not be eligible for the MN—S Emergency Repairs Program for a period of five (5) years;
- Applicant must be willing to sign a Statutory Declaration and Promissory Note per the Terms of Forgiveness as set out in these Guidelines;
- It is strongly encouraged that applications are received and deemed eligible before searching for a home. Applications that are submitted during an existing offer, must be received by MN—S before conditions are removed.
- By applying for the FTHB program, the Applicant must provide personal information to MN—S. By doing so, the Applicant agrees and consents to the release and sharing of that information both internally with MN—S and with other financial institutions as required; and
- As part of conditional approval, MN—S may request that the Applicant attends an educational workshop on basic home maintenance and financial budgeting.

Eligible Homes

- Newly constructed homes with new home warranty;
- Resale market homes: single family, side-by-side, townhouse, condominium, multi-unit;
- Ready-to-move homes (RTM) on a permanent foundation;
- Mobile homes on owned land and approved for a mortgage by a reputable financial institution;
- Homes on titled land;
- Property must be free of any liens, caveats, or other interests; and
- Property must be insurable.

Ineligible Homes

- Homes located on leased land;
- Homes located on rented or reserve land;
- New construction mortgages;
- Mobile homes in trailer parks;



- Homes on property registered with a lien, caveat, judgment, or other interest against it;
- Commercial or industrial properties;
- Homes that have already been purchased prior to approval of the FTHB;
- Homes that are not the primary residence of the Applicant;
- Homes that are not deemed suitable for mortgage approval by a reputable financial institution;
- Homes that are not insurable; and
- Homes outside the province of Saskatchewan.

Legal Fees and other Expenses

Métis Nation–Saskatchewan will provide the FTHB recipients' lawyer with \$2,500 to cover all legal fees associated with the purchase of the home.

The payment for legal fees will be sent to the lawyer's office before the applicants' possession date.

Should the Applicant's legal fees be more than \$2,500, the excess amount will be the responsibility of the Applicant.

Should the Applicant's legal fees be less than \$2,500, the remaining contribution amount shall be provided to the Applicant to go towards their Homeowner Maintenance Plan.

Please follow the link below for a useful Home Buying and Maintenance Checklist:

https://metisnationask.com/wp-content/uploads/2021/07/MN-S-FTHB-Program-Checklist_July-13.pdf

PLEASE NOTE:

The MN–S FTHB does not directly cover costs of home inspections, deposits, or any other costs that lead up to the purchase of the home.

Down Payment vs Deposit

Métis Nation–Saskatchewan does not contribute any funding toward the deposit that accompanies the conditional offer. However, the FTHB recipient may request to be reimbursed up to the deposit amount, through their lawyer, if the combination of the forgivable loan and deposit amount total more than the required 5% down payment.

Evaluation and Approval Process

- The review and approval process begins once MN—S receives a fully completed FTHB Application Form and all required supplementary documentation.
- The application will be reviewed for completeness and eligibility by the MN—S FTHB team.
- All eligible applications will be reviewed and approved on a first-come, first-serve basis based on the date that the application was deemed complete by MN—S.



- Recipients of the FTHB will not be eligible to participate in the MN—S Emergency Repairs Program (ERP) for a period of five (5) years from the date of the Forgivable Loan Agreement. Additionally, approval to the FTHB does not guarantee approval to the ERP or any other program.

PLEASE NOTE:

Priority may be given to individuals or families who are currently residing in social housing, escaping situations of abuse or violence, or who may be facing other health and safety risks.

MN—S reserves the right to discretion when reviewing and approving all applications.

Transfer of Funds

- Once approved, MN—S will provide the Applicant with a Conditional Approval Letter. An accepted offer must occur within 120 days upon MN—S issuing the letter.
- Once an offer on a home has been accepted, the Applicant will be required to sign a Forgivable Loan Agreement and provide MN—S with contact information for the lawyer responsible for the home purchase transaction. MN—S will then contact the Applicant's lawyer and forward the approved contribution amount to be held in trust along with conditional instructions.
- Prior to funds being released, MN—S will require the following:
 - Signed copy of the Home Purchase Agreement satisfying all conditions including first mortgage financing;
 - Signed Promissory Note;
 - Signed Statutory Declaration;
 - Confirmation of property insurance; and
 - Copy of certificate of title.

Terms of Forgiveness

As part of the FTHB, the contribution amount will be provided in the form of a Forgivable Loan Agreement that will be completely forgiven upon the Applicant successfully fulfilling all the conditions of the program for a period of five (5) years.

The Applicant and any co-signer(s) will be required to legally agree upon the terms and conditions of the program. As part of this process, the Applicant and any co-signer(s) will be required to sign a Promissory Note and Statutory Declaration:



Promissory Note

The promissory note will require that the Applicant legally promises to repay the full value of the forgivable loan contribution if the terms are not met for the five (5) year period.

Statutory Declaration

The Statutory Declaration will require that the Applicant swears that all information provided as part of the FTHB is accurate and true.

The following conditions, while not inclusive, may trigger a default of the terms and conditions for the FTHB resulting in a requirement to repay the contribution amount in full:

- a) the Applicant sells the property;
- b) the Applicant ceases to occupy the property as their primary residence;
- c) MN—S determines that any portion of the advanced contribution was not used for its intended purpose as outlined in the FLA;
- d) the Applicant defaults on the first mortgage and the financial institution proceeds with foreclosure or power of sale; or
- e) the Applicant misrepresents themselves or the information disclosed on the application or fails to provide information required for the MN—S – FTHB. PLEASE NOTE:

Successful applicants may be required at the sole discretion of MN—S to provide evidence from time-to-time that they are utilizing the property as a primary residence. This may be in the form of utility payments in their name, tax documents or other forms of documentation.

MN—S may review any applications that have exceptional circumstances or needs which have not been addressed in the FTHB Guidelines. Such situations will be assessed on a case-by-case basis.

ⁱ “Applicant” refers to the Primary Applicant and all individuals purchasing (on title) and residing in the future home. Co-signers who are not residing in the home but are still on title are not considered an “Applicant”.

ⁱⁱ “Primary Applicant” is the individual who submits an application for the FTHB on behalf of all Applicants. The Primary Applicant is responsible for all communications with MN-S.

ⁱⁱⁱ “Primary Residence” is a residence that is ordinarily inhabited by the Applicant(s). “Primary Residence” also meets the definition of “Principal Residence” as set out in the Income Tax Act of Canada and is claimed as such on an Applicant’s tax return.

^{iv} “Gross Annual Household Income” includes the sum of all annual earnings for all adult members 18 years or older who are residing in the future home as economic family members or unattached individuals not paying rent. An economic family is defined as a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common law or adoption. An unattached individual is a person living either alone or with others to whom he or she is unrelated. Unattached individuals who are paying rent may be omitted in calculating the Annual Household Gross Income. However, the rental income from the unattached individual(s) must be included in the Applicant’s income calculation.