

Hiyam Home Loan Program (HHLP)

Phase 2

Frequently Asked Questions

To support our community affected by the housing crisis, the Skwxwú7mesh Nation Council has announced the Hiyám Home Loan Program (HHLP). The HHLP program will provide Squamish Nation members that wish to apply for a guarantee in respect of a loan;

(A) To construct or renovate a single family home on a lot the member owns on Squamish Nation reserve lands.

OR

(B) Apply to be allocated a lot (new subdivisions on Capilano Reserve) and build a single family home.

The program is being administered by Hiyám ta Skwxwú7mesh Housing Society (Hiyám Housing).

Applications for HHLP will be accepted Friday March 29, 2024, at 8:30am until Friday, April 12 at 4:30pm.

Applications will be mailed to all registered Squamish Nation Members. You can also find the application on the Hiyám Housing website or request one from Hiyám Housing by contacting our office.

Address

336 West 4th Street
North Vancouver, BC, V7M 1J1, Canada

Website

www.hiyamhousing.com

Questions

604-210-9126
applications@hiyamhousing.com

Once you have completed the application, the following are the ways you can submit it:

- drop off the Application at the Hiyám Housing office at the address noted below, or
- email to applications@hiyamhousing.com, or
- mail to the address.

Hiyám Housing
336 W. 4th St.
North Vancouver, BC V7M 1J1

1) What are the eligibility requirements for HHLP?

To be eligible for HHLP, applicants must:

- a) Be a registered Squamish Nation member 19 years and older.
- b) Apply to Bank of Montreal (BMO) and meet the bank's lending criteria for a loan.
- c) If the applicants are both Squamish Nation members or member has non-member spouse, eligibility to apply for this program will be based on joint income.
- d) Be able to contribute 5% of equity required by the bank (5% of total project cost).
- e) Be in good standing with the Nation and Hiyám Housing. Applicants with outstanding accounts (money owing to) Squamish Nation or Hiyám Housing are not eligible to apply until:
 - a. The outstanding accounts have been paid in full; or
 - b. With the exception of an outstanding account related to tenant damage, the applicant has entered into a repayment agreement with the Nation or Hiyám Housing and has paid the agreed upon payments on the due date for a minimum of six consecutive months.
 - c. The outstanding account relates to tenant damage for a Squamish Nation or Hiyám Housing rental or social housing home occupied by the applicant(s), this outstanding account must be paid in full.
- f) Occupy the new home as their principal residence;
- g) Agree that if occupying an existing Nation or Hiyám rental or social housing home that the loan recipient will terminate their housing agreement for the rental unit or social housing home by giving two months written notice of the intent to vacate the home prior to moving into their new home.
- h) Agree to participate in a basic home maintenance workshop offered by the Nation and complete within one year of move-in.
- i) Be capable of meeting their obligations under the loan (regular principal

and interest payments, insurance premiums, etc.) and maintain full responsibilities for the physical and financial responsibilities and costs, expenses, fees, permits, licenses, services, utilities, applicable taxes and any other liability relating to ownership and occupancy.

- j) Designate a beneficiary.
- k) Obtain loan life insurance.
- l) Meet all other eligibility requirements in the HHLP policy and comply at all times with the terms of the same, the loan and the Nation guarantee agreement.

2) What is the process for the Home Loan Program?

- a) Launch the program in March 2024
- b) Information session on the application process:

Eslha7an Activity Room
345 5th St W, North Vancouver, BC
Thursday, April 4
6:00 PM - 8:00 PM

Totem Hall
1380 Stawamus Rd, Squamish BC
Wednesday, April 10
6:00 PM – 8:00 PM

- c) Receive and review applications.
- d) Conduct a lottery, if necessary, as described in Q 12.
- e) The lottery system will also determine which applications fall into Stage 1 or Stage 2. The stages will be established so that approximately half of the selected projects will move forward through the approval and project planning components at a time. Once construction of the stage one projects are started, the stage 2 projects will move forward through the approval and project planning components. It is anticipated that stage 2 will proceed about 4 - 6 months after the stage 1 projects.
- f) Conditional approval by Hiyám Housing and assignment to one of the two stages.
- g) Finalize project budgets.
- h) Council approval of loans and the allocation of the lots.
- i) Construction/renovation of homes can start
- j) Complete steps e-h for stage 2

3) Will you ask for further supporting information for my application?

Hiyám may follow up with your application to ensure all information is true and accurate, and any missing information.

4) What are the minimum and maximum loan amounts?

To provide eligible Squamish Nation members with a loan guarantee to the bank:

- Minimum loan \$25,000
- Maximum loan \$500,000

5) What is the maximum number of years the loan can be for?

The maximum amortization period for a loan to construct a new home is 25 years.

6) How much does it cost to build a single-family house?

The cost to build one of the Nation's standard home plans is approximately \$360,000. If the applicant chooses a different set of plans or chooses to make changes to those plans or the standard finishes, the cost to construct the home will increase. The Nation will make an application to Indigenous Services Canada (ISC) and ISC will contribute \$80,000. This reduces the amount you need to borrow.

7) Are there any other costs or fees I need to consider?

- a) The Nation contributes significant staffing and other resources to participate in the HHLF. To offset some of the administrative costs of the HHLF, the Nation charges an administrative fee of \$5,000 for each new home construction loan and \$2,000 for each renovation loan under the HHLF.
- b) Members receiving a loan for new construction on the 10 newly allocated lots will reimburse the Nation by paying an infrastructure fee of \$23,270 based on the pro-rated portion of the Nation's cost to develop the subdivision.

Example of estimated cost to build on a newly allocated lot:

New Home Construction Cost	*360,000
Infrastructure fee	23,270
Management fee	5,000
Total	388,270
Member downpayment 5%	-19,414
ISC contribution	-80,000
Estimate of loan amount	288,857

*This is the estimated cost to construct a basic home using one of the Nation's preapproved sets of plans.

8) What types of renovations can you apply to in Phase 2 of the Home

Loan Program?

Priority for home loans will be given to projects that create a new, separate unit (suite) within the existing home.

Planning and Capital Projects (PCP) will contact you to determine feasibility and a budget estimate. All renovations will need to comply with the 2018 BC Building Code.

9) Can I use my own contractor to build my own home or complete my renovations?

You may choose to work with your own contractor; however using Planning and Capital Projects (PCP) as your general contractor can result in significant cost savings. The Nation receives discounted prices on materials and does not impose a surcharge on those materials as is standard practice with most contractors. In addition, most general contractors charge significant fees for their work, including a surcharge on the fee charged by all the subcontractors. If one chooses to use one's own contractor, it may also be difficult to meet the timelines necessary to meet BMO's timelines from pre-approval to construction commencement. One of the members who used funding through Phase 1 of the Home Loan Program found that using PCP as the general contractor saved him well over \$100,000 in cost compared to the cost estimate provided by an outside general contractor.

10) Can I use my own house plans?

Yes, you may use your own house plans, but all plans will need to comply with the 2018 BC Building Code. You will be responsible for the cost of the plans and ensuring that they meet the code. If one chooses to use one's own house plans, it may be difficult to meet the timelines necessary to meet BMO's timelines from pre-approval to construction commencement. Planning & Capital Projects has several sets of house plans that meet the BC Building Code for you to choose from. These are provided to you at no cost.

11) What is the Squamish Nation Community Lands Department Role?

Community Lands role is to provide information and services for residential lot ownership, transfer of ownership, and estate issues. They will also provide confirmation if applicant is occupying Squamish Nation rental or social housing home.

12) How will the eligible applicants be selected?

Phase 2 of the Home Loan Program will be split into two stages.

- Stage 1 will be comprised of 5 homes on newly allocated lots; 2 homes on member owned lots; and 3 renovations.
- Stage 2 will be comprised of 5 homes on newly allocated lots; 3 homes on member owned lots; and 2 renovations.
- Stage 2 will follow Stage 1 by approximately 4-6 months.

Depending on the number of eligible applications received, a lottery may need to be done to determine who will receive a loan. For this to be a fair and transparent process, if a lottery selection needs to be done, Hiyám Housing will be using a lottery selection software to select from those who are eligible. The first group of applicants selected will be placed in stage 1 and the second group will be in stage 2.

HHLP Lottery Selection processes will be as follows:

- 1) Applications that are eligible will be notified and given a lottery reference number.
- 2) We will conduct the lottery virtually using lottery selection software.
- 3) Applicants are welcome to attend the lottery drawing virtually.
- 4) Applicants' names will be randomly selected by the software.
- 5) The selected applicants will be notified.

13) What if I don't own my own lot and want to request from the Nation to allocate me a lot?

In Phase 2 of this program, the Nation has 10 lots available to allocate to members for this program in the new Capilano subdivisions.

14) Do I need to live in the new home?

Yes, it's required that the applicant occupy the new home as their principal residence.

15) Can I apply if I have an old home that I want to demolish and build a new one?

Yes, the applicant's loan will include the cost to demolish and build the new home.

16) Can I build different housing types such as a tiny home, laneway home, or duplex?

No, not in phase 2 roll out.

17) If I build a home under this program, will my name come off the Housing List?

If you don't own your own lot and are requesting an allocated lot, your name will come off the housing list.

If you own a lot, your name will not come off the housing list.

18) What will be the length of the loan?

The maximum number of years the loan can be for is 25 years. This is called "amortization period" of the loan.

19) Can I go to any bank to get the pre-approval of the loan?

No, in Phase 2 of this program, you have to go to Bank of Montreal (BMO) Park Royal or Squamish branch for the pre-approval of the loan.

20) Do I have to put a down payment on the loan?

Yes, it's required that the applicant(s) contribute a minimum of 5% equity of the total project cost to construct or renovate the home.

21) Can I put more than 5% down payment on the loan?

Yes, you can contribute as much as you want but as long as the minimum loan amount is \$25,000.

22) Am I making loan payments to the Nation or the bank?

As part of the application procedure, you must be pre-approved by the bank for a loan. A banking loan document will be signed by the applicant(s) and the applicant(s) will be paying the bank the loan payments.

23) If I can't make the payments (default) on the bank loan, will I be evicted from my home?

If an applicant does not make the required loan payment when it's due, the bank will contact the applicant to resolve the issue (breach). The bank will also notify the Nation and Hiyám.

Where the applicant does not resolve the breach to make the required loan payment, the bank will notify Hiyám and Hiyám will contact the applicant to resolve the issue.

If Hiyám and the applicant do not resolve the breach to make the required loan payment, Hiyám will notify Council and recommend action be taken against the applicant as per the HHLF policy.

If the applicant fails to resolve the breach, Hiyám shall notify their board and recommend that eviction action be taken.

24) What does it mean to apply for a "guarantee" in respect of a loan?

The applicant must apply to the bank for a loan. If the applicant defaults on the bank loan (doesn't make the required payment), the bank cannot take ownership of the home and lot because it's reserve lands.

Squamish Nation has to guarantee the applicant's loan from the bank. If the applicant defaults on the bank loan, Squamish Nation is required to make full payment of the loan to the bank, subject to following steps in Q22.