

The Habitat Homeownership Program



Everything You Need to Know About Becoming a Habitat Homeowner

The Habitat Homeownership Program

VISION

A world where everyone has a safe and decent place to live.

Mission

To mobilize volunteers and community partners in providing affordable housing and promoting homeownership as a means of breaking the cycle of poverty.



Who is Habitat Saskatchewan?

Habitat for Humanity Saskatchewan is a team of passionate, enthusiastic, and caring volunteers, community partners and staff.

Through generous support from individuals, businesses, and community groups, we can help families realize the dream of owning their own home.

With the help of over 1000 volunteers annually, Habitat Saskatchewan has served over hundreds families with safe, decent and affordable housing.



HOW TO QUALIFY FOR HOMEOWNERSHIP

Family Selection Criteria

To qualify for homeownership with Habitat Saskatchewan, you must match the following criteria to be eligible:

1. You and your family are in need of safe and affordable housing.
2. You and your family have a stable source of income (1 year or more), with gross annual earnings between \$32,000 and \$66,500.
3. You and your family are permanent residents of Canada and have lived in the Saskatchewan region for 1 year or more.
4. You and your family must be able to manage debt in a responsible way and have not declared bankruptcy in the last 2 years.
5. You and your family's savings should be below \$30,000 (savings that could be used towards a conventional mortgage down payment).
6. You and your family are willing to complete 500 volunteer hours and partner with Habitat Saskatchewan.



Habitat for Humanity Saskatchewan uses an objective point score system based on the following in order to select our future homeowners:

Need



Each applicant must demonstrate a clear need for safe, decent and affordable housing by telling their story and allowing us to come to the home where they currently live.

What we look for: rent is not affordable (family spends more than 30% of their gross household income on rent), lack of adequate shelter (structural inadequacies or unsafe living environment), living in an overcrowded situation, not enough bedrooms for parents and children under the national occupancy standards, living in an unstable environment or another person's home.

Ability to Pay



Each applicant must demonstrate the ability to purchase and maintain a home on a reliable and consistent basis.

What we look for: Your family's gross annual household income must be between \$32,000 and \$66,500 unless someone in your home has a disability. Debt and assets also play a role in this decision. We also want to ensure that the applicant and/or co-applicant have a stable income, which means they have been working at the same place of employment for more than one year.

Willingness to Partner



Each applicant must be able to demonstrate their willingness and ability to complete 500 volunteer hours in the one year they are given, with the help of friends and family members. This includes representing Habitat Saskatchewan and participating in several mandatory homeownership education classes that are run by the organization.

What we look for: the family has a plan to complete their hours, and friends or family to help them in completing some of the required hours. The family is willing to attend several mandatory homeownership classes and be the positive face in our community. You may have to take time off work to complete these hours.

HOW OUR HOMEOWNERSHIP PROGRAM WORKS

Build: Families selected for Habitat homeownership help build their homes with Habitat staff, volunteers, future neighbours and other community members. If it weren't for Government grants, donated funds and materials, and volunteers, building homes for families would not be possible.



Volunteer Hours: It is mandatory to complete a total of 500 qualified volunteer hours prior to purchasing your home. When applicable, you and your family would be required to complete 200 hours at the build site and 200 hours at the Habitat ReStore, and the remaining 100 hours can be performed in the community or at Habitat events and education classes. You will have a year to complete the hours and it will be a lifestyle change. You will have to take time off work to complete your hours and be required to attend Habitat events, like a sod turning and key ceremony, during your partnership year.

Buy: Families who partner with Habitat Saskatchewan purchase their homes from Habitat for Humanity at fair-market value a zero down payment, interest free mortgage with payments set at 25% of the family's gross annual household income. Habitat homes are not free – like any other homeowner, you will be buying a home and paying monthly mortgage payments. This partnership is a hand-up and not a hand-out.

There is no guarantee that you would purchase a brand-new home from Habitat Saskatchewan. Occasionally we select families for properties that were previously lived in by another Habitat family.

Reinvest: Mortgage payments are invested into a revolving fund, called the Fund for Humanity, which is used by Habitat Saskatchewan to build more homes for low-income families in the community.

Financial Information



MONTHLY MORTGAGE AND PROPERTY TAX PAYMENTS

A Habitat homeowner is required to make consistent monthly mortgage and property tax payments. Condo fees may also apply if you purchase a townhouse condo. Your monthly payment is set at 25% of your family's gross annual household income. Your payments are subject to change annually based on a mandatory review of your family's income.

This mortgage calculator below gives an approximate outline of your monthly mortgage and property tax payment combined based on your gross annual household income. This does not include condo fees, utilities, home insurance, and other homeowner expenses.

Gross Annual Household Income Amount	Approximate Monthly Payment Including Property Taxes
\$32,000 (Minimum income requirement)	\$650
\$40,000	\$800
\$45,000	\$900
\$50,000	\$1,000
\$55,000	\$1,100
\$60,000	\$1,250
\$66,500 (Maximum income requirement)	\$1,350

Therefore, if your gross annual household income is \$32,000, your monthly mortgage and property tax payment combined would be \$650/month.

The calculation is as follows:

$$\text{\$32,000} \times 25\%, \text{ divided by } 12 = \text{\$650}$$

If you make more than the maximum income requirement once you are a homeowner, your mortgage payment will continue to be set at 25% of your gross annual household income, based on your annual review of your family's income. We never put a cap on your mortgage payment - if you start making more money every year, your mortgage will increase. For example, if you make \$75,000, you can expect your monthly payment to be approximately \$1,600.

OTHER HOMEOWNER EXPENSES

Upon purchasing your new home, you will have a one-time expense for New Home Warranty and property title transfer fee. The one-time warranty fee payment is approximately \$600-\$700 and the title transfer fee is \$1000 and will be paid to Habitat Saskatchewan when you sign your mortgage with us and become the homeowner.

Other Homeowner expenses include condo fees (when applicable), utilities, home insurance, maintenance and repairs and other expense that may be expected or unexpected.

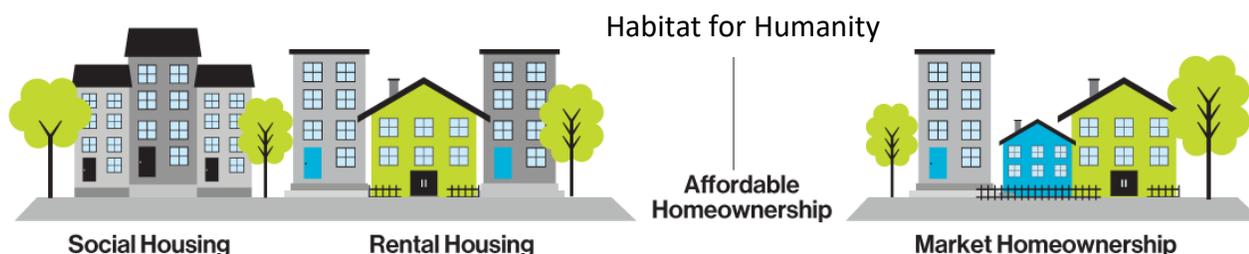
Utility Expenses

All the numbers below are averages for townhouse condos and single-family homes. You should not assume that this is the most you will have to pay for your utilities. Your monthly utility bill will depend on your usage and if you decide to put yourself on equal billing. Some service providers like SaskEnergy and SaskPower have programs that you can join as a low-income family to help reduce your power and energy costs.

The utilities are your responsibility to have hooked up/registered when you move in and Habitat will require verification of this upon move in or before we will sign your mortgage with you.

Utility	Monthly Average
Electricity	\$90 to \$250
Heat/Gas	\$90 to \$180
Water/Sewer	\$90 to \$160

You can call your utility company and request an equalized payment plan for your utilities to make it easier to budget your expenses. Contact any of the above utility companies for more information on equalized payment plans.



Homeownership Terms

MONTHLY MORTGAGE PAYMENTS

- Allows you to build up equity, which creates a savings account for your family.
- Mortgages with Habitat are interest free with no down payment required.
- Are held by Habitat Saskatchewan for the duration of the mortgage loan period (typically 30 years), which means we act as your bank once you purchase your home.
- Are determined by your family's gross annual household income and are subject to change each year, depending on how much your family has earned that year. Your payment will always be set at 25% of your gross annual household income.

For example, if your gross annual household income is \$50,000 you would calculate your monthly mortgage payment as follows:

\$50,000 x 25%, divided by 12 = \$1040 (your property taxes are included in this amount).

PROPERTY TAXES

- Are included in your monthly mortgage payment.
- Are determined by the City and are subject to increase annually in Saskatchewan.
- Are approximately \$150-\$350 per month.

HOME INSURANCE

- Is mandatory as a homeowner and must be renewed yearly. As a requirement of your mortgage, you must provide proof of insurance each year upon renewal.
- Covers your belongings and property.
- Can range from \$200-\$300 per year for a condo townhouse and \$2,000-\$3,000 per year approximately for a single-family home. We encourage you to shop around for the best price when it comes to house insurance.
- Is not included in your mortgage payment.

CONDO FEES

- Are not included in your monthly mortgage payment.
- Help pay for building and common property insurance, property maintenance, garbage and recycling pick-up, and savings for unexpected expenses (roof maintenance, etc.).
- Are subject to increase yearly and are approximately \$150.00 a month depending on what condominium complex you are involved in.
- Must be paid if you are living in a condo townhouse.

BUY BACK (OPTION TO PURCHASE)

- The Option to Purchase is a part of our mortgage agreement which outlines that Habitat Saskatchewan can purchase your property back from you in the first 18 years of owning your Habitat home. Habitat Saskatchewan has the first right to buy back your property from you before you sell it on the open market.
- If we decide not to buy back your property, at that point you would be free to sell your home on the open market. If you sell it on the open market, you will be responsible to pay back the outstanding balance of your mortgage to Habitat Saskatchewan. There is never any guarantee that we will buy back your property and gaining equity back should never be an expectation as every persons situation is different.

MAINTENANCE AND REPAIRS

- Are your responsibility. If your water heater starts leaking, your furnace breaks down, appliances fail, plumbing stops working, you are responsible for having the issue fixed and paying for it.
- Are often unexpected. Therefore, you should set aside money monthly (10% of income is recommended) into a savings account for maintenance and repairs.

NEW HOME WARRANTY PROGRAM

- Is a mandatory program designed for new homeowners to use for the first year from when they move into their property up to one year from that date.
- Will cost approximately \$600-\$700 and will be a one-time payment that will be paid in the first months when you move into your new home. Habitat Saskatchewan offers the homeowner the option to pay this payment for that first month instead of paying for the mortgage payment if the homeowner is unable to save for this cost.
- Covers specific home deficiencies that are identified within the first year of homeownership and will be rectified within that year.
- Does not apply to previously lived in Habitat properties.

FORECLOSURE

- Occurs if you fail to pay your mortgage and property taxes.
- Means that Habitat Saskatchewan will take back ownership of your home and that you will have to move out of the property.
- Is the last option when families have not made their payments. We try to work with families that are experiencing difficulties in making their payments.

86% of new Habitat homeowners report being happier since moving into their new home.



70% reported improved health, including reduced colds and flu, allergies, asthma symptoms and stress.

Application and Screening Process

STAGE 1 – Eligibility Quiz:

- In order to be put on Habitat’s waitlist for homeownership, you need to go to our website, under eligibility information and take the eligibility quiz. Once you have taken the quiz, you will be added to our waitlist. We are not always building or have a home to sell to a family, therefore you would be put on our waitlist until we are ready to start contacting families.



STAGE 2 - Full Application:

- Habitat Family Services will contact the families from our waitlist who qualify and give those families a full application to fill out, we will give you 3 weeks to fill in the application and get it back to the Family Services department with all supporting documents.
- The full application requires supporting documents that are mandatory to complete your application for both the applicant and co-applicant. We will be asking you to supply us with bank statements, pay stubs, child tax information, letters of employment, debt and asset information, Notice of Assessment documentation, and any other information that we ask for you to provide us in the checklist provided.
- Please keep in mind that we will be pulling a credit check on the applicant and co-applicant.
- If you are successful in the full application stage, you will be contacted by the Family Services department to book your in-home interview/walk through.

STAGE 3 – In-Home Interview/Walk Through:

- If you have been selected for an in-home interview/walk through, you will be contacted by a Family Services team member to book that appointment.
- The in-home interview/walk through is conducted for us to determine what your housing need might look like and to ask you some more questions around your application and willingness to partner with Habitat Saskatchewan.

Other Things to Note:

- If English is not your first language and you struggle to understand any of the information we have provided, we recommend that you work with someone who can help you interpret the information. Please contact someone you might know or someone in your community to help assist you.
- If you are unsuccessful in any of the application stages and we have sent you a declined letter, which will explain to you why we declined your application, you would be eligible to apply again once your situation has changed or improved.

Family Services Contact Information

The Family Services Department encourages families to contact us if you have any questions about the program that you might need us to help clarify.

In order for you to be successful in making your decision on if Habitat's Homeownership program is right for you, please watch our Homeownership Informational video and take the eligibility quiz to see if you qualify for the program.

Here is the Family Services contact information:

Director of Family Services	Family Services Coordinator
<p>Tara Goulet</p> <p>Email: tgoulet@habitatsask.ca</p> <p>Phone: #306-347-4657</p>	<p>Jessica Rorison</p> <p>Email: jrorison@habitatsask.ca</p> <p>Phone: #306-212-7270</p>