



**Habitat
for Humanity®**
Camrose

Homeowner Education Program

HOMEOWNER HANDBOOK

An Outline

of the

Habitat Homeownership Process



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THIS GUIDE DOES NOT MODIFY THESE AGREEMENTS IN ANY WAY.**

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PART A: HABITAT'S AFFORDABLE HOMEOWNERSHIP PROGRAM

1. What is Habitat's Affordable Homeownership Program? Is this program for Me?

a. What is the Affordable Homeownership Program?

Habitat for Humanity partners with families who are ready for the responsibility and challenges of homeownership, but would not qualify for a traditional mortgage.

To qualify for a Habitat home, a family must meet the following criteria:

- Need
- Ability to Pay
- Willingness to Partner

b. What is the difference between your current rental and the Habitat program?

RENTING	HABITAT HOMEOWNERSHIP
Rental rates are set by your landlord	Habitat mortgages will not exceed 30% or your total family income.
Home maintenance and repairs are taken care of by your landlord	You are responsible for home maintenance and repairs
Once made, rental payment money is gone	Mortgage payments build equity
No stability or permanency in your dwelling	Builds a relationship with a bank
	Builds a stable home for your family

c. What are your responsibilities: renting vs. homeownership?

RENTER RESPONSIBILITIES	HOMEOWNER RESPONSIBILITIES
Home Maintenance	Home Maintenance
Report major issues to Landlord	Everything. Some examples include:
Address small maintenance problems yourself	-Appliance warranties and maintenance
	-Replace roof shingles when necessary
	-lawn maintenance
	-being a good neighbour
Rental Payments	Homeownership Payments
Rent (sometimes includes utilities, sometimes not)	Mortgage payment (no more than 30% of your family income)
utilities	Utilities
Renters insurance	Home insurance
	Property taxes
	lawyer fees for mortgage transfer to your name

d. What are the differences between a bank mortgage and a mortgage through Habitat?

	BANK MORTGAGE	HABITAT FOR HUMANITY MORTGAGE
Down Payment	5 – 25% of purchase price	No \$\$\$ down payment
Interest Rate	3 – 10%	Bank mortgage at discounted rates
		0% interest for 20 years on second mortgage amount

e. Reflection: Is homeownership right for me?

Before applying for Habitat Homeownership you need to be ready for the reality of homeownership. You will need to be able to take responsibility for money management (including saving for home repairs), maintaining your home inside and out, and be willing and able to partner with Habitat (includes completing Volunteer Hours and completing Habitat's Homeowner Education Seminars).

PART B: APPLYING

1. Application Process

a. Initial short form application. (Link to short application found [here.](#))

b. Family Liaison assignment

- Family Services Committee Chair Assigns application to one of the committee members

c. First Meeting

- That Committee member sets up a meeting with the family at ReStore
 - **PURPOSE:** verification of financial ability to qualify for a Habitat home
- Liaison goes through 'Questionnaire at First Meeting with New Applicant.' ([see Appendix I](#))
- Family is given form requesting
 - Income verification
 - Line 150 of your Income Tax NOA (Notice of Assessment)
 - Credit Check - may cost up to \$50.00
 - [Equifax](#)
 - 3 months' proof of Canadian child tax benefit
 - [CCTP Calculator](#) Child and Family Benefits Calculator

d. Second Meeting

- Once the family has collected the above info, a second meeting with Family Services Committee member is required.
 - **PURPOSE:** The committee member reviews income, credit check and Canadian child tax benefit. If all ok, then provide full Package which includes a full application and check list of documents required
- Full application. (Link to full application found [here.](#))
 - Liaison will explain documents required
 - For example: rental history, present housing conditions, employment information, annual household income & expenses, debt & assets, references.

e. Review

- once full application has been returned a Family Services Committee member will verify all the information is there and contact family if anything is missing
 - **PURPOSE:** Family Service Committee Member reviews and recommends to Family Services Committee for approval or denial

f. Family Home Interview

- Home interview performed by two Family Services Committee members
 - **PURPOSE:** To determine if Family's shelter fits into Habitat's need requirements
- References are called

g. Presented to Executive Director for Approval

h. Acceptance

- Family Services Committee lets family know if they have been selected.
- Family is introduced to the Project Coordinator to start volunteer hours

PART C: LETTER OF AGREEMENT

1. I've been Accepted

a. What is expected of me?

Before you move into your Habitat home we will have some expectations of you and there are a few things that need to be completed.

i. Letter of Agreement

- What is it?:
 - It summarizes the partnership you've entered with Habitat.
 - It outlines your responsibilities to Habitat and Habitat's responsibilities to you.
- **ACTION ITEM:**
 - Once you are approved, you will meet with the Executive Director or Project Coordinator to sign this document to commit to Habitat's Affordable Homeownership Program.
 - The meeting will be scheduled with you.

ii. Volunteer Time

- What is it?:
 - All families must contribute 500 hours of volunteer time on the build site or at ReStore.
 - You, your family, and friends help build your home and the homes of other families, as well as assist at ReStore and in other capacities with Habitat.
- How does it work?:
 - You will be given a form to track your hours which are approved by a Habitat Site Supervisor and/or Habitat Full-time Staff Member.
 - See [Appendix VIII: Volunteer Hours Tracking Sheet](#)
 - Prospective Homeowners may enlist the support of family and friends. The time allocation for all participants is as follows:
 - For two parent families, each parent completes 200 hours. The remaining 100 hours may be completed by friends, extended family, church family or community groups.
 - For single parent families, the lone parent completes 200 hours and up to 300 hours may be completed by friends, extended family, church family or community groups.
 - The purpose of volunteer hours is to add value to HFH Camrose; therefore, Partner Families may not receive hours from pre-existing Habitat volunteers already working at ReStore, on the Build, or volunteering in another capacity with HFH Camrose.
 - A detailed policy is available [here](#).
- How can you complete your Sweat Equity hours?
 - Volunteer at ReStore
 - Volunteer on the Build Site (minimum suggested 100 hours)

- 100 hrs can be volunteered at other non-profit organizations by your immediate family.
 - We will require a letter from the organization acknowledging the dates of completion and duties fulfilled.
- You can find more detailed information about Volunteer Hour guidelines in this [Sweat Equity Guide](#).
- **ACTION ITEM:**
 - As soon as you are accepted to receive a Habitat home you can start your sweat equity hours. Contact the ReStore Manager or Project Coordinator to get started.

iii. PR Work

- What will be expected of me?:
 - Ideally, we would love for you to become an advocate for our program by speaking publicly or by writing about your experience and how Habitat has made a difference in your family's life.
 - Public Events:
 - You will be asked to appear at public events in order to help Habitat promote its Affordable Homeownership Program.
 - Examples : Ground Breaking
: Home Dedication Ceremonies
 - Interviews:
 - You will be asked to be involved in interviews with the newspapers
 - Share your story:
 - We ask that you share your family story in writing
 - Especially what brought you to apply for a Habitat home and what changes you are expecting to receive from it.
 - You can find the Partner Family Profile Questionnaire in Appendix IV or [here](#).
 - Family Photo:
 - We would also appreciate using your family's photo (ie. Social media, website, local newspapers).
- **ACTION ITEM:**
 - None immediately required. We will approach you when PR is needed.

iv. HABITAT HOMEOWNER EDUCATION PROGRAM

As part of your sweat equity, you are required to complete Habitat's Homeowner Education Program. You will need to attend each seminar in totality otherwise you will have to repeat the whole seminar at a later date.

It includes 3 modules:

1. Financial Foundations (two 4 hour sessions)
 - a. is taught at ReStore by members of our Family Services Committee and Habitat Staff

- b. this seminar is scheduled twice a year. Once in late Fall and once in the Spring.
 - c. you learn about your perspective on money, how to evaluate priorities, build a budget, and stick to it.
 - d. you will also learn how to save money and build a stable future for your family.
2. Understanding Habitat's Mortgage
- a. is taught by the Executive Director
 - b. this seminar is scheduled twice a year as needed. Once in late Fall and once in the Spring.
 - c. it is important for you to understand the agreement you are entering in to with Habitat. In this seminar the mortgage agreement is broken down to help you understand the details.
3. Home Maintenance (2 hours)
- a. is taught by our Construction Manager and takes place in your home, to help you learn the basics of taking care of your home.
- **ACTION ITEM:**
 - We will schedule with you for these classes.

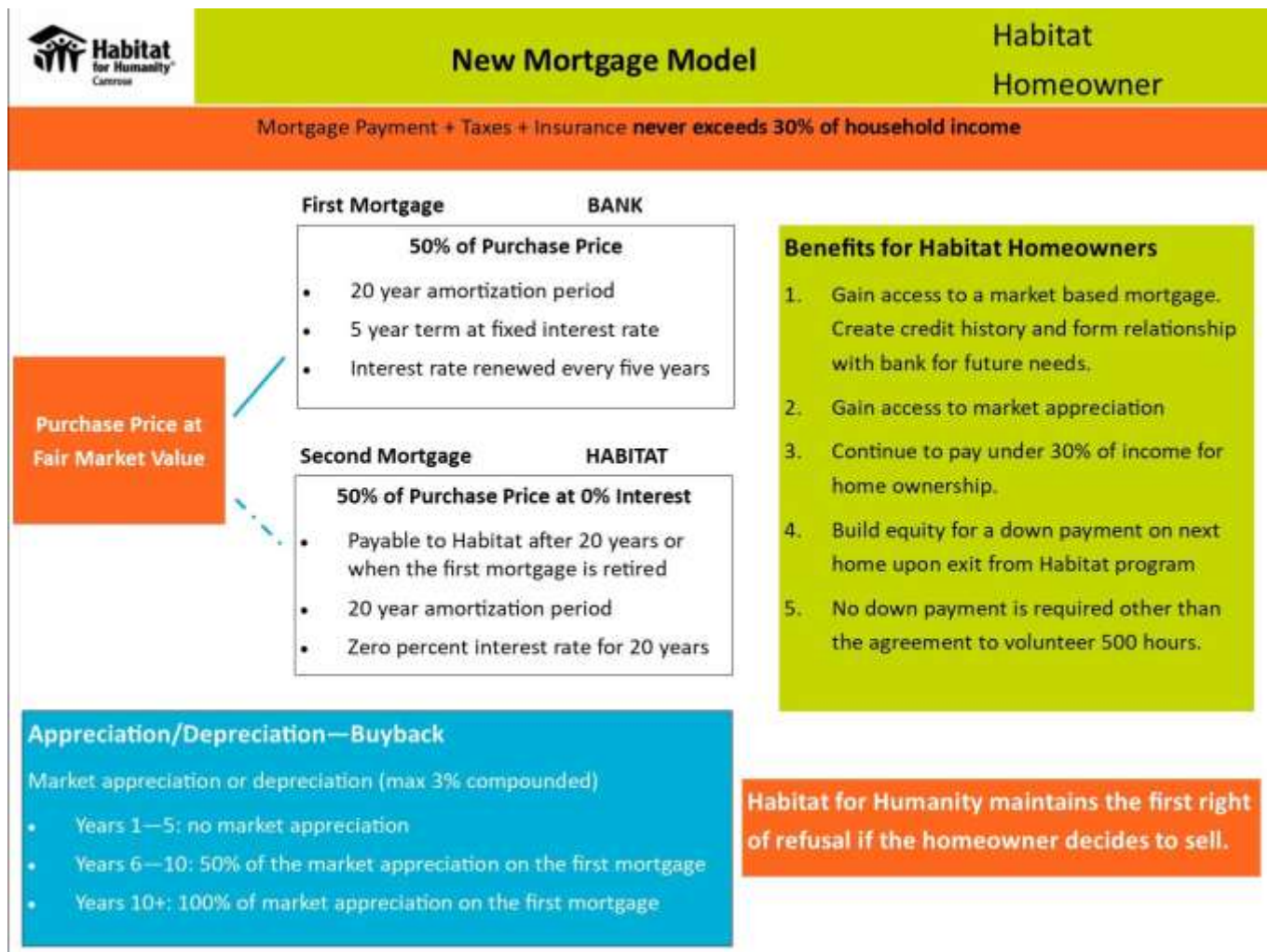
v. SAVINGS

- **You should start saving as soon as you are approved for Habitat's Affordable Homeownership Program. A good goal would be \$1000 - \$2000 per year.**
 - When you are ready to sign your mortgage, you will pay approximately \$1,000 to cover the legal costs of signing your mortgage.
 - When you move in to your home, you will need to pay your first month's mortgage payment.
 - There may be other costs upcoming for you as well associated with your move to a Habitat home (moving costs, utility company deposits, home insurance, etc.).
 - Even after you've moved and signed your mortgage, we recommend you continue to save money (at least \$1,000-\$2,000 per year) to pay for the costs of maintaining your home.
- **ACTION ITEM:**
 - If you haven't already, start saving immediately! Put a little away each month. If you need help with this, the personal finance course is a great place to ask questions and get help with planning.

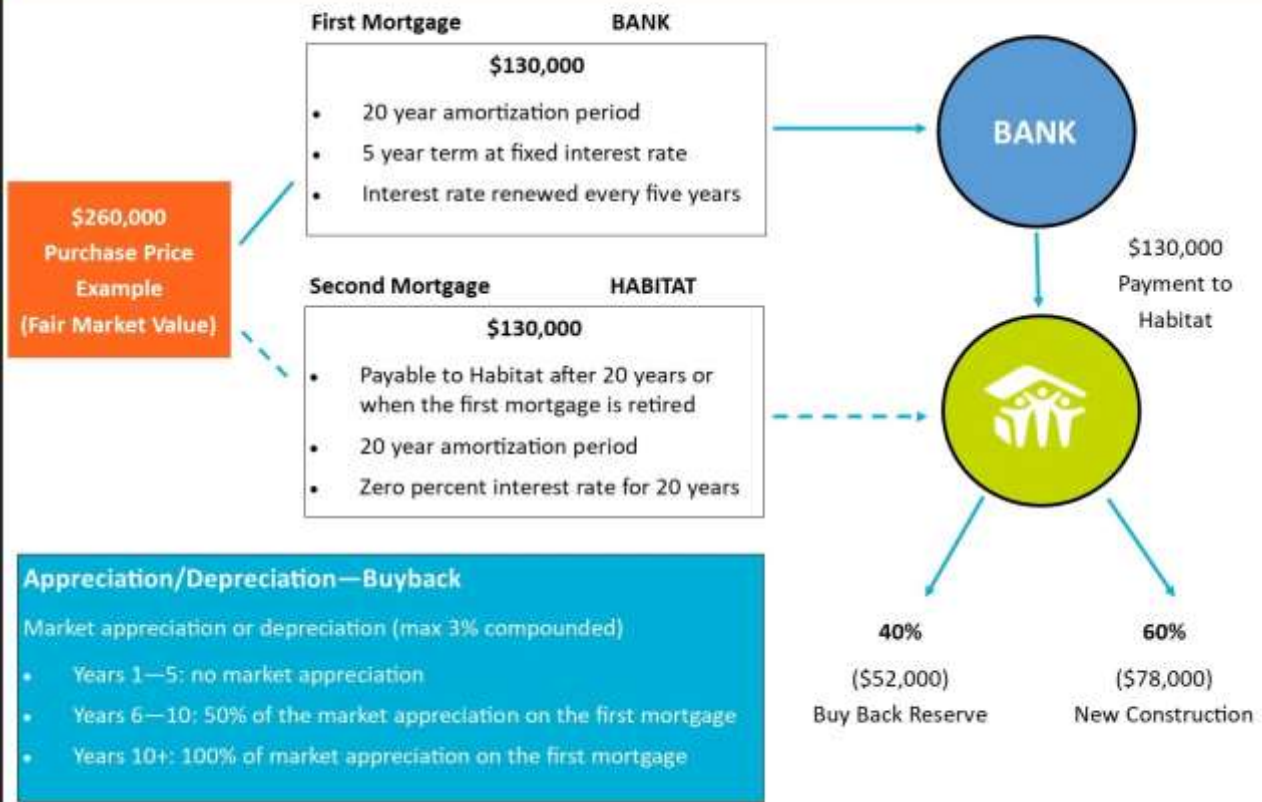
PART D: MORTGAGE AGREEMENT

1. Understanding Your Mortgage

- An independent appraisal of the home determines the sale price
- In order to make the sale price affordable for you, the price is divided into two mortgages
 - 50% of sale price; First mortgage with the bank, on a 5 year fixed term, with a 20 year amortization
 - 50% of sale price; Second mortgage with Habitat, interest free for 20 years
- Habitat retains right of first refusal if home sells
- Market appreciation/depreciation sharing clause on the first mortgage only
 - 0% in years 1-5
 - 50% in years 6-10
 - 100% in years 11 +
- Habitat has right to ensure maintenance is done and home retains its value
- What this means for you:
 - No down payment other than 500 volunteer hours
 - Relatively low and consistent payments
 - Access to housing market appreciation
 - Build equity
 - Create credit history and build a relationship with a bank



Mortgage Payment + Taxes + Insurance **never exceeds 30% of household income**



3. Your Mortgage Document

- You can see a draft of a mortgage document [here](#). (update this when new mortgage finished)
- Note:
 - Structural Changes (Paragraphs 13A & B)
 - See also [Part G: FAQs - #5](#)
 - Home business (Paragraph 14B)
 - Maintenance of your home (Paragraph 16A & B) (See also [4a](#) of this document)
 - Default (Paragraphs 19 & 20)
 - When to move on/Right of First Refusal (See Right of First Refusal document; Part [F](#) of this document)

3. Mortgage Payments

- Your mortgage payment is determined by the bank for your first mortgage.
- Your total payment will never be more than 30% of your annual gross household employment income.

- c. Payments are made by automatic debit. Cheques and/or cash are not accepted.
- d. You still make your mortgage payments to Habitat, not directly to the bank.
 - Each payment will include:
 - **Principal payment** (set by bank) – paid by homeowner to Habitat
 - **Property taxes** – paid by homeowner to Habitat (Habitat pays the City on your behalf)
 - For example:
 - Household income is \$50,00
 - Total purchase price of Home price is \$240,000
 - First bank mortgage is \$120,000
 - 5 year fixed term at 3.99% with a 20 year amortization
 - Total payment \$924
 - 328.75 (principal)
 - \$395.72 (Interest)
 - \$200 property taxes

b. What does my annual mortgage statement mean?

- Each year you will receive an annual mortgage statement from the bank as well as from Habitat. It will detail:
 - the amount you've paid toward the principal
 - the balance owing on your mortgage
 - the remaining number of years it will take to pay off the mortgage assuming your payment remains constant.

PART E: GETTING READY TO SIGN & MOVE IN

1. Will I receive a newly built home?

Homes are available on first-come, first-served basis. Your home may be newly constructed, but from time-to-time other partner families “graduate” from our program and sell their homes back to Habitat. These homes are then sold to a new partner family. If you are “next in line,” this existing home will be offered to you.

2. When will I find out when I can move into my Habitat home?

We will confirm the move-in date as early as possible, based on the construction process and/or the availability of a “buy-back” home. We do our best to give you at least 30 days’ notice.

3. What Habitat needs from you?

- a. Prior to signing the mortgage document, you will need to let us know the following requirements are in place:
 - i. \$1,000 for the legal costs
 - ii. Home Insurance ready to go.
 - When you sign your mortgage, you are responsible for the Home Insurance.
 - Homeowners insurance covers the building and contents
 - Homeowners insurance must be for the full replacement value
 - Call your insurance company and let them know the date you will be signing your mortgage and taking possession of your home. Tenants Insurance, if you have already, can be transferred to Homeowners Insurance.
 - Bring proof of homeowners insurance to Habitat before your mortgage signing.
 - ii. Confirmation that utilities have been changed into your name at the correct address
 - You can let the utility companies know the date of your move in so that billing can be transferred on time.
- b. We will also need:
 - i. Confirmation of your income
 - Bring in your Notice of Assessment (Line 150) from the previous year for all adults living in the home. (ie move in July 2020, bring your 2019 NOA’s)
 - **ACTION ITEM:** Submit NOA one month prior to move in date
 - ii. Pre-authorized debit form from your bank and a void cheque
 - Your first month’s payment will come out automatic debit
 - **ACTION ITEM:** Submit a pre-authorized debit form from your bank and a void cheque, which will be used to automatically debit your bank account.

Do I have to use electronic payments?

- Yes. You must pay by automatic debit. Cheques and/or cash are not accepted.
- You will submit a pre-authorized debit form from your bank and a void cheque, which will be used to automatically debit your bank account.

You can use the checklist in Appendix II to help prepare yourself for signing your mortgage.
[Check list: Checklist – Signing Your Mortgage - Getting Ready to Move In](#)

c. All adults on title will need to be at the mortgage signing

4. What money will I need?

- First month's mortgage payment due when you move in
- Money for setting up utilities (see below)
- Money for Home Insurance (see below)
- **ACTION ITEM:** Have money set aside for initial move-in costs
 - for example:

1 st month mortgage payment	\$ 924
Utility transfers/setup	\$ 200
Home Insurance	\$ 150/mo
Total Move-in Costs	\$1275

6. Utilities

When transferring utilities into your name you will need:

- The lease agreement
- Photo id
- Monetary deposits

You are responsible for setting up utility accounts as follows:

- **NATURAL GAS**
 - Habitat uses Camrose Energy, but you are free to choose your own provider
 - Direct Energy 1-866-420-3174
 - Camrose energy 780-781-4115
 - Average setup cost: \$200.00
- **ELECTRICITY**
 - Habitat uses Camrose Energy, but you are free to choose your own provider
 - Direct Energy 1-866-420-3174
 - Camrose Energy: 780-781-4115
 - EPCOR: 310-4300
 - Average setup cost: \$200.00
- **UTILITIES/WATER**
 - City of Camrose: 780-672-4426
 - Average setup cost: \$300.00
 - The deposit is held for one year. If you have perfect payment history then you will receive it back, either as a credit on your account or as a cheque.
- **TELEPHONE** (landline – if you require one):
 - Telus: 310-3100

- Average setup cost: no cost
- **ACTION ITEM:** Utility set-ups/transfers need to be done before you move in to your home. You can inform the utility companies of your possession date for the date to start charging.
 - can/should be done a month in advance

7. Home Insurance

It is your responsibility to obtain Home Insurance, which insures the house and contents of the home. Insurance coverage must be for the full replacement value.

- As with utilities, you can inform your insurance company of the date of your move and have your coverage start at this date. You can have this set up a month in advance of your move.
- **ACTION ITEM:** Before you move in, you will need to have Home Insurance in place.

8. Home Inspection checklist

Prior to moving in, we will do a “walk through” inspection of the home and note any issues.

- **ACTION ITEM:** We will schedule the walk through with you.

F. Move In Day

1. Key Ceremony

A. What is it?

- Before you move in we will be having a Key Ceremony where we officially present you with the key to your home.
- It is a public celebration for helping another family into homeownership.
- Community, dignitaries (i.e. Mayor, MLA) and media will be present

B. **ACTION ITEM:** What is expected of myself and my family?

- It is expected that your entire family be present for this ceremony
- Dress nicely and appropriately for meeting the public and media
- We would appreciate if you could say a few words if even just, 'Thank you,' to the community.
- Habitat and media will be taking pictures of you. Habitat will arrange to meet with your family before the ceremony to take some special promotional pictures.

2. Moving In

- As soon as the Key Ceremony is complete you may start moving in
- **ACTION ITEM:** Before moving in you will want to make sure that:
 - You have switched your power, utilities and water (see above)
 - You have Home Insurance (see above)

3. Your Responsibilities

a. Home Maintenance

- When you move into your Habitat home you are responsible for home maintenance.
 - It is important that you save for these important expenses (see 'savings' above)
 - [Maintaining a Healthy Home Module 4 – Homeowners Education Program](#)
- List of common home maintenance issues:
 - Furnace goes out
 - Furnace Repair Cost. The average price homeowners pay for a furnace repair is roughly **\$300**. Most homeowners paid between **\$160** and **\$400** to have their furnaces fixed. At a minimum, homeowners spent \$50 for the furnace repair, while at the high end, the maximum cost was \$800.
<https://www.homeadvisor.com/cost/heating-and-cooling/repair-a-furnace/>
 - Furnace replacement
 - The average life of a well-maintained furnace can be as long as 25 years. But that means you need to maintain your furnace. That means:
 - consistently changing the filters (at least once per season, if not more); paying for semi-annual or annual inspections
 - personally inspecting and cleaning the furnace's different components (such as fan and blower) on a regular basis
 - ATCO can be contacted on an annual basis to inspect your furnace for no charge (780-310-5678)
 - Do all this and your furnace could easily last 25 years. Neglect this work and you may only get 10 to 15 years, give or take. <http://www.moneysense.ca/spend/real-estate/renovations/replace-the-furnace/>

- “Expect to pay about \$2,500 *at the minimum* for a new furnace including installation. On average, for a high-efficiency furnace with at least two stages, most homeowners in Canada will pay somewhere between \$2,500 and \$5,000 when all is said and done.” <https://www.furnaceprices.ca/>
- Hot water heater
 - Replacement: The cost of replacing a water heater in Canada can range from \$105 to \$8,300, with the average cost being \$1,466. <https://www.yellowpages.ca/tips/how-much-does-it-cost-to-replace-a-water-heater-in-canada/>
 - Water heaters have an average lifespan of 5 years.
- Toilet or drains plugged
 - Plumber rates can be anywhere from \$45 - \$150 per hour
- Shingles blown off
 - \$1,700 - \$3,000 depending on damage and replacement area
- Siding blown off
 - \$3 - \$10 per installed square foot
 - www.sidingestimator.org
- Appliances breakdown
 - New Stove - \$700 - \$1000
 - Microwave - \$200 - \$600
- These are the contractors that worked on your home:
 - Plumber/gas fitter Clockwork Plumbing & Gasfitting
Travis Csernyanszki 780.781.7622
 - Electrician JTB Electric
Jarrod Banack 780.878.1776
 - Furnace/Heating (?)KRM Heating
Randy Kross 780.417.4044
 - Roofing 2020 Builds
Sevenson Builders Inc
Colin Severson - 780.679.4850
2018 – 2019 Builds
Dura-Con Concrete
Joel & James Wiebe 780.608.3180
- Other Resources:
 - Appliance repair Easy Save Appliances 780-672-7199
 - Landscaping FT Aggregates 780.608.7125
- Check your yellow pages, neighbours, etc, for other contractors to use.
- ATCO Gas can be called once a year to check on the safety of any gas appliance. 780-310-5678

Please refer to this guide in the appendix for owning your own home:

[Appendix IV: New Homeowner Checklist](#)

b. Appliance Warranty

- Habitat homes come with the following appliances: microwave, stove, fridge, furnace, hot water tank.
- It is the responsibility of the home owner to register any appliances for warranty
- Habitat Camrose cannot register for warranties on behalf of you. It is not already in place when the appliances are installed.
- Make sure to store all appliance manuals in a safe place for future reference (warranty card/sheets should be with the manuals)
- **ACTION ITEM:** If you want warranty coverage on any of your appliances, etc, in the house, do so.

c. Home Warranty

- Habitat offers new home warranty coverage identical to Alberta New Home Warranty. Details are [here](#).
- If you are moving in to a previously built home, warranty is still in effect based on the original occupancy date of the home.
- This warranty does not apply to homes built prior to 2013.
- [Alberta New Home Warranty Guide](#)

d. Home Insurance

- You are responsible to cover your home with Home Insurance. In fact, this requirement is included in your legal agreement with Habitat when you sign your mortgage.
- This means that if you fail to obtain or hold home insurance, you are in default of your mortgage agreement. Habitat will insure the home for the remaining mortgage balance only to protect our interests. Your interests are not covered. Habitat will invoice you for the payment of insurance.

c. Mortgage Insurance

- Mortgage Insurance and/or life insurance is protection for your family. The coverage can be for life insurance that will cover the outstanding mortgage in the event of a mortgage holder's death and/or disability insurance that will give you an income in the event of a disabling injury of illness.
 - Life insurance companies provide various options for life insurance and disability insurance including ones that are mortgage balance dependent and one that are not.
 - Mortgage insurance can also be obtained. Talk to your insurance advisor.
 - It is best to talk to more than one company for your best financial option.

4. Annual Check-in

Each year you will be responsible for checking in with Habitat. These check-ins will require:

- meeting with the Executive Director or Project Coordinator
- submission of income Line 150 or your CRA Notice of Assessment
- Certificate of Home Insurance
- Home Insurance Premium

- As part of your mortgage calculation, we need to know what your Insurance premium is.
- review of any home maintenance issues
- review of financial budget and goals
- [Partner Family Annual Survey](#) (Appendix V)

PART G: MOVING ON

1. When am I prepared to move on from my Habitat Home?

If you are thinking it's time to move on from your Habitat home, how will you know if your life will be better in another home? There are many things to consider.

- Talk to your banker to know what amount of a mortgage you qualify for.
- The economics of moving to market rental or ownership. What am I gaining from being in a Habitat home?
- How much equity do I have in my Habitat home? Is this enough money for a down payment on another home?
- Will I be saving more money by obtaining regular mortgage? Or would it make more sense to stay in my Habitat home?
- How much is the average home in Camrose? How old is it? What does this mean for maintenance, upkeep, energy efficiency?
- What would the community be like, quality of the neighbourhood, school, proximity to amenities, etc.? How will it affect my commute time?
- How much of a down payment do I need for an average home in Camrose?
- How much of a down payment do I need to *upgrade* from my Habitat home?
 - The down payment is based on the purchase price of the home.
 - A [Canada Mortgage & Housing Corporation](#) (CHMC) insured mortgage down payment is a minimum of 5% of the value of the home, plus a mortgage insurance fee.
 - For a conventional mortgage, the minimum down payment is 20% down.
- How much will the payment be?
- How much of my payment goes to interest? What is the impact of interest on the payments?
 - Monthly payments are comprised of principal and interest. During the early years of a mortgage a larger amount goes to interest.
- Here are some websites to estimate costs of a traditional mortgage
 - [Government of Canada Mortgage Calculator](#)
 - [Mortgage Payment Calculator Canada](#)

Click [here](#) for a link to average living wage costs to live in Camrose.

2. What happens if I decide I am ready to sell my Habitat home?

If you make the decision that you want to sell your Habitat home, we require that you have a meeting with the Executive Director to go over your options.

In most cases, it is recommended that you stay in the home long enough to build sufficient equity.

a. Right of First Refusal.

- Habitat has a right of first refusal.
 - You can see this document [here](#).
- Habitat has 1 year to let you know whether or not we will repurchase the home from you, or will advise you that you can sell the home yourself on the open market.

b. Equity in your home

YOUR EQUITY:

All principal mortgage payments made,

PLUS The current market value of any improvements made by you

MINUS The cost of all repairs incurred by Habitat in restoring the Property to a good and marketable state;

MINUS Any overdue, outstanding, or otherwise unpaid monthly mortgage payments, including principal, property taxes, and interest owing to Habitat

- Depending on length occupancy the Partner Family may share in the appreciation or depreciation of the home as determined by an independent appraisal.
 - Market appreciation or depreciation (max 3% compounded)
 - Years 1 – 5: no market appreciation Year
 - Years 6 – 10: 50% of the market appreciation on the first mortgage
 - Years 10+: 100% of market appreciation on the first mortgage

Always refer to your Right of First Refusal document for accurate outline of equity

c. 1st Walk-Through Inspection

- There will be a walk-through inspection by Habitat construction staff to determine the cost of necessary maintenance/repairs.
- You are responsible for maintenance/repair/cleaning of your home before sale.

d. 2nd Walk-Through

- There is a walk-through 2 days before possession to determine if the home is clean and repairs are done.
- If not:
 - Any outstanding repair and cleaning costs (holdback) will be deducted from your equity.
 - A holdback is funds that are held back in trust by a lawyer until the above has been completed.
- If repairs and cleaning are completed by you to the satisfaction of Habitat staff, you will receive your equity payout.

PART H: FAQ

1. What happens if I get a property tax notice from the City of Camrose?

- This is an error since you pay your property taxes to Habitat and we send them to the City of Camrose on your behalf.
- Please forward your property tax notice to Habitat and we will correct the error with the City of Camrose.

2. What happens if I miss a payment?

- Yes you will have to make up the payment and you will incur interest on the outstanding balance. Contact us as soon as possible for details.
- You will receive an email notification reminding you to make your payment. Please do so as soon as possible.
- If your account is 30 days overdue, you must meet with the Executive Director to determine a plan to catch up on your payments.
 - We will do our best to work with you in difficult financial circumstances; we sincerely want all of our families to succeed.
 - However, if no reasonable solution is found and your account becomes 90 days overdue, Habitat will take legal action to end its partnership with you.
 - Making all your payments and making them on time is a legal obligation of your partnership with Habitat.
 - **If you encounter financial challenges, it is always best to contact Habitat and work with the Executive Director on a solution. Do not delay.**

3. What happens if there's a family crisis and my income is affected?

- In rare and exceptional circumstances, Habitat may temporarily reduce your payment to help your family get back on its feet.
- Generally, Habitat will reduce payments for up to 3 months, but only in the event of serious illness and/or loss of income.
- Reduction of payment is not a permanent solution. It is meant to provide temporary payment relief.
- To request a reduction of payment you must submit a Request for Reduction of Payment form one month prior to the payment you want reduced.
- Situations will be evaluated on a case by case basis.
- [See Appendix VI: Payment Reduction Request Form](#)

4. What happens if there is a problem with my home or if it needs repairs?

- Once you move in to your Habitat home, you are responsible for maintenance like any other homeowner.

- In some occasions we will partner with you to fix the problem. Please contact the Executive Director.
- See [Home Maintenance](#)

5. What if I would like to make changes to my home?

- Once you sign your mortgage contract you may make changes that you would like.
- The procedure for making changes/improvements to your home is:
 1. Prior to applying for any municipal permits or starting any construction, you will need to submit a written request to HFH Camrose of your intention to complete any buildings, additions, alterations or improvements on or to the property.
 2. At its discretion, Habitat will approve or deny request.
 - a. Approval is subject to HFH Camrose's satisfactory receipt of a copy of all required permits granted by the City of Camrose.
 3. You will need to investigate any necessary permits, by-laws or regulations required by the City of Camrose for additions or improvements to your property.
 - a. ie major changes such as a deck, addition of a garage, garden shed, etc.
 4. You will obtain any necessary permits from the City of Camrose prior to construction. You will be required to show proof of permits and any required City of Camrose inspections to HFH Camrose.
 5. Construction should be completed as quickly as possible. Substantive work on the project should be undertaken on each of 30 days of construction otherwise HFH Camrose may enter the premises and complete all work necessary. Cost of such will be added to the principal amount of the home.
 6. If deemed necessary by Habitat, Habitat may complete a mid-point inspection of construction progress and quality. Habitat will complete a mandatory final inspection of construction.
 7. If construction or improvements do not pass HFH Camrose standards at the mid-point or final inspection, HFH Camrose may, at its sole discretion, hire a contractor to finish or re-do any such construction that was undertaken by the Partner Family. All related costs for work done by the contractor will be added to the Principal Amount and shall be a charge against the Property.
 8. If construction or improvements meet HFH Camrose standards, and if you have complied with the procedures of making changes/improvements to your home, when you are prepared to sell your home, the written appraisal report will include the fair market value at the time of sale of any such improvements made by and at the expense of you. You can refer to the Buy-Back Procedure when you signed your mortgage for more information on this.

PART I: APPENDIX

Questionnaire at First Meeting with New Applicant

How did you hear about Habitat for Humanity?

What is your understanding of Habitat for Humanity?

Three Selection Criteria:

1. Need of Adequate Shelter

- Is your home in poor repair?
- Is your home in an unsafe area?
- Is your living quarters inadequate for your family?
- Is your rent too high (more than 30% of income)?
- Have you applied for a conventional Mortgage?
- Have you declared Bankruptcy in the last 3 yrs.?

2. Ability to Pay

- Is your income within the following ranges based on your family size?

2016 core Needs Income Threshold (CNIT) for Camrose Alberta

Required Living Space	Bachelor	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms +
Maximum Allowable Income	\$33,000	\$36,500	\$44,500	\$56,000	\$56,000 - \$64,500	64,500 +

- Do you understand that your mortgage payment which includes principle payment, taxes and Home insurance cannot be more than 30% of your gross income?
- What is your Debt to income Ratio? Housing costs and debt repayment cannot exceed 40% of your gross income.

- Can you save \$1500.00 for closing costs?
- Do you have a good credit bureau rating?
- Do you have any Savings?

3. Willingness To Partner

- Do you understand what Habitat is all about?
- Do you understand you need to complete 500 hours of Sweat Equity?
- Do you understand you will appear in newspaper, etc.?
- Do you understand you must make your payments without default?
- You will sign a letter of Acceptance once you have been accepted.
- Are you comfortable with us contacting your landlord, employer and personal references?
- Are you willing to attend Habitat functions?
- Do you realize it's your responsibility to maintain your home? Give an example of when you fixed something.

Appendix II: CHECKLIST – Signing Your Mortgage - Getting Ready to Move In

One month before signing your mortgage/move-in date

- most recent Notice of Assessment
- current credit check (Equifax)
- \$1,000 for Lawyer fees (approximately)
- Pre-authorized debit form from your bank
- void cheque
- first month Mortgage payment
- Home Insurance
- Utilities set-up – gas
- Utilities set-up – electricity
- Utilities set-up – water
- Utilities set-up – phone
- Renter/content insurance
- Savings in your bank account for home maintenance needs

Appendix III: Partner Family Profile

Partner Family Profile Questionnaire

When you signed the partnership agreement with Habitat for Humanity, you were asked to sign a publicity/media release form, giving Habitat for Humanity permission to use your personal information. At that time, we mentioned that we would be asking you to complete a Family Profile and to provide Habitat for Humanity with a photo of your family.

Enclosed is a copy of the Family Profile form we will be asking you to complete. If you wish, a Family Services Liaison or a member of our staff can assist you.

Habitat is sensitive to your personal situation. We will try to promote your family in the best possible light. By completing a Family Profile form, you provide information you agree to have published about your family. We only expect you to be as detailed answering the questions as you feel comfortable doing. You do not have to write down anything that you are not comfortable sharing about your family.

From this information, we will create a one-page story about your family.

Once the profile is complete, you will have the final approval of the contents of the profile. As part of your profile, we would like to include a photo of your family. Please provide a family photograph or we can arrange to take one for you.

Your Family Profile and photo may be used in one or several of the following:

- on our website
- shared with donors, staff and volunteers who require information about you
- for press releases
- on signs promoting the work of Habitat for Humanity
- in newsletters
- Habitat for Humanity Annual Report

Family Name: _____

Please provide the names of the members of your family that will be living with you in your new home.

Family Member	Relation

Please write your family story up to, applying for, and, if applicable, after receiving, your Habitat home. If you need guidance, you can include answers to the questions below. They are only a guide, please do not just answer the questions as they appear. Only include information in your story that you are comfortable with the public knowing about our family.

1. How did you learn about Habitat for Humanity?
2. What brought you to apply for a Habitat home? What challenges were you facing?
3. Describe why you want to be a homeowner. How do you think purchasing a new Habitat home will change you and your children’s future?
4. What will be the first thing you do when you move in to your new home?
5. What does ‘home’ mean to you?
6. Do you have anything else you want to share with us as a part of your Family Story?

NEW HOMEOWNER CHECKLIST

Emergency numbers:

Emergency Services (Police, Fire, EMS) : 911
 Health Link: 811

Non Emergency numbers:

Fire Department: _____
 City Police: _____
 ATCO: _____
 FORTIS: _____

Home

	Do I have manuals for all of the below?	Questions to ask yourself	Answers	Who to contact
Stove	<input type="checkbox"/>	Have I/do I want to register for warranty?	Yes/No	
Fridge	<input type="checkbox"/>	Have I/do I want to register for warranty?	Yes/No	
Microwave	<input type="checkbox"/>	Have I/do I want to register for warranty?	Yes/No	
Furnace	<input type="checkbox"/>	Am I aware of what maintenance needs to happen?	Yes/No	
		Who installed my furnace?	Company: Phone #:	
		What service does ATCO offer for my furnace?		
Hot water heater	<input type="checkbox"/>	Am I aware of what maintenance needs to happen?	Yes/No	
		Who installed my hot water heater?	Company: Phone #:	
Thermostat	<input type="checkbox"/>	Do I understand how the thermostat works?	Yes/No	
Smoke/CO detector	<input type="checkbox"/>	What kind of detector do I have? (smoke/CO/combo; individual units with battery backup/connected to a system)		
		Have I read the manual/do I know how the detector works/how to reset it?	Yes/No	
		Do I know what the different sounds/blinking lights mean?	Yes/No	

		Do I know what CO (carbon monoxide) is?	Yes/No	
		Do I know how to respond if the smoke detector goes off?	Yes/No	
		Do I know how to respond if the CO detector goes off?	Yes/No	
		Do I know what maintenance needs to happen?	Yes/No	
Sump Pump		Do I understand how a sump pump works?	Yes/No	
		Does it need any maintenance?	Yes/No	
Down Spouts		Do I know how using (or not using) a downspout affects my house?	Yes/No	

Lawn Care

Questions to ask yourself:	
Do I have a:	
Lawn mower?	Yes/No
Sprinkler?	Yes/No
Hose?	Yes/No
Snow Shovel?	Yes/No

General

Questions to ask yourself:	Answer:
Do I have a step ladder so I can reach the ceiling? (ie. If smoke detector goes off)	Yes/No

CITY REGULATIONS www.camrose.ca

The best place to look for answers to City regulations is:

<https://www.camrose.ca/en/living-here/living-here.aspx> OR
<https://www.camrose.ca/en/your-government/policies.aspx?mid=960>

For Example	Where to find answers:
Garbage/Recycling	https://www.camrose.ca/en/living-here/garbage-and-recycling.aspx#Preparing-Your-Carts
Sidewalks	https://www.camrose.ca/en/living-here/snow-and-ice-removal.aspx#Sidewalk-and-Trail-Clearing
Landfill fees	https://www.camrose.ca/en/your-government/fees-and-charges.aspx#Landfill-Fees
Animal Control – Licensing Fees	https://www.camrose.ca/en/your-government/fees-and-charges.aspx#Animal-Control

Home Maintenance Checklist

January		Year:	Year:	Year:	Year:
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	Check/change furnace filter				
	Check furnace fan				
	Check water heater				
	Check exhaust fans				
	Clean range hood filters				
February					
	Check/change furnace filter				
	Check dishwasher				
	Check inside surfaces				
	Check door locks				
	Check smoke detectors				
	Check window locks				
	Check for potential fire hazards				
March					
	Check/change furnace filter				
	Check attic				
	Check ceilings				
	Check sump pumps				
	Clean range hood filter				
April					
	Check eavestroughs and downspouts				
	Clean humidifier				
	Inspect basement/crawl space				
	Check roof				
	Check driveway & walks				
	Check water heater				
	Check landscaping for settling, etc				
May					
	Inspect fences				
	Check ground slope				
	Check exterior finishes				
	Check window & screens				
	Clean range hood filters				
	Rake and fertilize lawn				
	Inspect air conditioner				
June					
	Check roof				
	Check garage and sheds				
	Check doors				
	Clean range hood filter				
	Check dishwasher				
	Clean tile grout				
July					
	Air out damp basements				
	Clean air conditioner				
	Check exhaust fans				

	Clean range hood filter				
	Check water heater				
	Fertilize lawn				
August					
	Clean air conditioner filter				
	Check ground slope				
	Air out damp basement				
	Inspect driveway & walks				
	Inspect doors and locks				
	Have furnace & humidifier serviced				
September					
	Check exterior finishes				
	Check caulking				
	Check chimney				
	Check range hood filter				
	Check basement/crawl space				
October					
	Check windows & screens				
	Drain exterior water lines				
	Check roof				
	Check weather stripping				
	Check doors				
	Clean range hood filter				
	Winterize landscaping				
	Clean furnace filter				
	Check eavestroughs & downspouts				
November					
	Inspect floor drains				
	Check/change furnace filter				
	Check teleposts				
	Check for condensation & excess humidity				
December					
	Check/change furnace filter				
	Check air ducts				
	Check snow on roof				
	Clean range hood filters				
	Clean humidifiers				
	Clean tile grout				

Appendix V: Partner Family Annual Survey

Five important questions about your personal finances	Always	usually	sometimes	never	don't know
1. Have you been able to save more money than a year ago?					
2. Are you able to pay all your bills, including credit card charges, completely every month?					
3. Are you able to pay your bills each month without having to use borrowed money from a loan, credit card or line of credit?					

Appendix VI: Payment Reduction Request Form

- Temporary payment reductions may be granted on an individual, needs-based basis for no longer than three (3) months.
- Temporary payment reduction must cover property taxes and homeowner insurance, plus some amount towards the mortgage principal.
- These temporary arrangements are limited to loss of income or illness. Supporting documents will be required.
- Amount of payment reductions will be repaid when income is regained or recovered from illness. Partner Families are required to submit plan of repayment at time of request.
- Partner Families who require a reduction in payment must fill out a Payment Reduction Request form one month prior to the payment that requires reduction.
- HFH Camrose has discretion to refuse any requests that fail to provide one month notice for payment reduction request.

I, _____, am requesting a payment reduction for the period of _____ to _____
Month, Day, Year Month, Day, Year

for: Loss of Income Illness/Medical reasons.

Current payment: _____ Requested payment: _____

Comments:

Submitted: _____
Signature of Applicant Month/Day/Year

Office Use Only:

Approved: _____ Signature: _____
Month/Day/Year Executive Director



Applicant Permission to Release Confidential Information

In order to be approved for Habitat Camrose’s Affordable Homeownership Program, applicants must meet Habitat Camrose’s qualification criteria for issuing a second mortgage, AND, applicants must also meet a primary lender’s qualification criteria for issuing a first mortgage.

The applicant hereby acknowledges and agrees that Habitat Camrose will grant a first mortgage to a primary Lender. The applicant further acknowledges and consents to Habitat Camrose communicating with and sharing the applicant’s personal and financial information with the Primary Lender.

I/we, _____, have applied for Habitat for Humanity Camrose’s Affordable Homeownership Program. As part of the qualification process for this program, I/we consent to Habitat Camrose sharing my/our personal and financial information with a Primary Lender.

Applicant Signature

Date

Applicant Signature

Appendix VIII: Volunteer Hours Tracking Sheet



Volunteer Hours Tracking Sheet

DATE	Workers NAME	ACTIVITY	Number of Hours	SUPERVISOR SIGNATURE
		Page Total:		

Appendix IX: Other Learning Opportunities

What is listed below is just a starting point for resources and information that is available.

COMMUNITY PROGRAMS

- [CDSS help book](#) – Everything that is available in Camrose, including subsidies for sports, free children’s programs, etc.

PERSONAL FINANCE RESOURCES

Courses

[CALC Money Smart Challenge](#) (Camrose & Area Adult Learning Council)

Websites

<https://www.mymoneycoach.ca/>

Personal Finance Blogs

<https://www.halfbanked.com/blog/>

<http://www.mrmoneymustache.com/>

<http://earlyretirementextreme.com/>

Mortgage Calculators

- Use this calculator from Canada Mortgage and Housing Corporation to compare your income with your current or planned expenses and debt payments and see what kind of mortgage you can comfortably fit into your budget.

https://www.cmhc-schl.gc.ca/en/co/buho/buho_022.cfm

- Amortization Calculator - Calculate an amortization payment schedule for input mortgage terms.

Canada Mortgage <http://www.canadamortgage.com/calculators/amortization.cgi>

- Use these calculators to compare your options and find the mortgage payment amount that best suits your needs.

TD Bank <https://tools.td.com/mortgage-payment-calculator/>

Scotia Bank <http://cgi.scotiabank.com/mortgage/payment/en/payment.html>

CIBC <https://www.cibc.com/ca/mortgages/calculator/mortgage-payment.html>

RBC <http://www.rbcroyalbank.com/mortgages/mpcrds/start.html>

Large Purchases

- Vehicle Purchase
 - Determine how much you're willing and able to spend on a car and how much your payments will be before heading to the dealership.
<http://www.practicalmoneyskills.ca/calculators/calculate/autoloan.php?category=auto>

Credit & Debt

- Determine how much you are really paying for a specific loan or credit card purchase, decide whether you should consolidate your debt, or start saving for an emergency fund using the resources here.
http://www.practicalmoneyskills.ca/calculators/land_creditDebt.php

EDUCATION & SKILLS TRAINING

[Government of Alberta](#) - Helping individuals get back to work through workplace skills and training programs.

[Athabasca University](#)

[SAIT](#)

[NAIT](#)

[Norquest College](#)

[CDI College](#)

[Grand Prairie Regional College](#)

[Red Deer College](#)

[MacEwan University](#)

Upgrading

[Battle River Alliance for Economic Development](#)

Employment training - This section is dedicated to skills upgrading that will improve the knowledge and performance of today's workforce.

[Camrose & Area Adult Learning Council \(CALC\)](#)

[Alberta Distance Learning Centre](#)

Complete your high school diploma, improve your high school marks, learn a new skill, or fulfill post-secondary requirements.

[Government of Alberta](#) – Distance Learning Information