



RBC On Reserve Housing Loan Policy

1. APPLICATION AND APPROVAL PROCESS

- a) An applicant must be:
 - i. A registered member of Nipissing First Nation (NFN) who is eighteen years (18) of age or older and;
 - ii. The applicant may make an application in the following circumstances:
 - (1) In the event of divorce and has no ownership in another home on NFN.(must provide separation agreement).
 - (2) Where a home has been inherited.
 - (3) Where there is an existing NFN Housing Loan and the RBC Loan is intended to add value to the primary residence.
 - iii. This loan must be for the applicant's primary residence.
- b) Applicant/s completes preliminary information form at Nipissing First Nation Housing Department to confirm membership to NFN.
- c) The applicant/s must receive approval by RBC staff in order to qualify for this program.
- d) Where two (2) NFN members' apply/cohabitate/reside for a housing loan a joint ownership agreement must be signed for both the house and the land.
- e) No person other than the NFN member may own, inherit or sign documents of joint ownership for land.
- f) All outstanding loans with NFN must be paid in full in order to qualify for a housing loan through NFN.
- g) Prior to final approval, each applicant must:
 - i. Provide proof of a lot located on NFN Land;
 - ii. Provide an inspection report stating the lot is a suitable building lot from the Environmental Health Officer and Housing Inspector.
 - iii. Prepare the site for construction;
 - iv. Provide detailed house plans to be approved by Housing Inspector and the Housing Inspector
 - v. Provide detailed cost estimates;
 - vi. If detailed construction costs is expected to exceed the maximum loan amount. The successful applicant must utilize their own resources BEFORE the funds from the NFN will be released and provide proof that the funds have been utilized and paid.
 - vii. Provide a site inspection report for septic system from the Environmental Health Officer from Health and Welfare Canada.
- h) Applicants who have been approved for a loan from the RBC Loan Program must sign a mortgage agreement with the bank and sign a promissory note and security agreement with NFN before commencing to build and must give a completion date, which an agreed date for the first payment shall begin.
- i) Housing Loans:
 - i. Loan Advances are administered by the NFN Housing Department.
 - ii. Minimum and Maximum loan(s) allowable is **\$25,000.00** up to **\$300,000.00**.
 - iii. The bank notifies the NFN Housing Department, in writing, of conditional loan approval.
 - iv. This loan is intended to assist the applicant/s in constructing, purchasing, renovating, and repairing a single family dwelling with all infrastructures. When purchasing a house the applicant must have the house inspected by the Housing Inspector and provide an appraisal by

a certified appraiser prior to signing the loan documents.

2. CONSTRUCTION AND INSPECTIONS

- a) All building construction for single-family dwellings that are funded through the NFN Housing Department must have a Building Code Identification Number (BCIN) and must comply with the 2005 edition of the Ontario Building Code.
- b) All construction on NFN lands must comply with zoning bylaws, including allowances and easements set out in the **NFN Land Code**.
- c) All housing projects under this Housing policy are subject to six **(6) mandatory inspections** by a Qualified Housing Inspector before further monies are released;
 - i. Site Plans
 - ii. Excavation before concrete poured in footings
 - iii. Foundation/footings before backfill
 - iv. Framing/rough in plumbing & electrical
 - v. Insulation/vapour barrier
 - vi. Final **before occupancy** Re-inspection of any infractions or deficiencies
- d) At the scheduled date of site inspection, the site must be prepared for construction.
- e) Failure to comply with all the mandatory inspections will result in the denial of all future disbursements of money for construction of this house.

3. NON-SERVICED LAND

- a) When a NFN member chooses to build on Non-Serviced Nipissing Lands, the NFN member shall be responsible for;
 - i. Roads
 - ii. Driveway
 - iii. Water supply (drilled well)
 - iv. Lot development
 - v. Sewage system
 - vi. Hydro installation
- b) There must be access to the property attainable by a vehicle.

4. SERVICED LAND

- a) When a NFN members chooses to build in a serviced subdivision, the NFN member is responsible for;
 - i. Driveway
 - ii. Lot development
 - iii. Sewage system
 - iv. Hydro hook-up
- b) All houses constructed in a serviced subdivision will have water line hook-up to the community water system completed by NFN Public Works Department.

5. SEPTIC SYSTEM

- a) All septic systems installed on NFN Lands must be installed by a certified installer.
- b) All septic systems must receive;
 - i. A site inspection prior to construction
 - ii. Inspection prior to back fill;
 - iii. Final inspection and approval from an Environmental Health Officer

- c) All inspections must be provided by the local Environmental Health Officer from Health Canada.
- d) The NFN member will be responsible to provide proof to the housing department that they have enough funds to complete the septic system.

6. MAINTENANCE

- a) All maintenance of house and septic systems are responsibility of homeowner. Please see Housing Department for maintenance tips and information.
- b) Homeowners who have attained money to construct, purchase, a home from NFN Housing Program will be fully responsible for the upkeep of their home.

7. INSURANCE

- a) The homeowner(s) are responsible to purchase their own Homeowner’s insurance policy and a copy of the policy is to be kept in the Housing department file until the total amount is paid in full.
- b) The homeowner(s) are responsible for the Builder’s Risk Insurance during construction.
- c) The Mortgager shall insure the said dwelling against loss or damage by fire, tempest, tornado, cyclone, lightning and other risk and hazard.
- d) The NFN housing department shall be listed as the First Mortgagee.

8. DOWN PAYMENT

A **5% cash down payment** is required based on the total loan amount. The down payment must be provided to NFN prior to signing the loan documents. These funds will be release to the homeowner(s) as part of the 1st release.

Example:	\$150,000.00	5%	\$7,500.00
Example:	\$200,000.00	5%	\$10,000.00
Example:	\$300,000.00	5%	\$15,000.00

9. OTHER FEES

Borrower/s required to pay an administration fee amounting to 3% of the loan amount to Nipissing First Nation Housing Department. This fee will cover the guarantee of the loan and administration fees associated with disbursing the loan

Example:	\$150,000.00	3%	\$4,500.00
Example:	\$200,000.00	3%	\$6,000.00
Example:	\$300,000.00	3%	\$9,000.00

8. DEFAULT POLICY

- a) See *Finance Policy* procedures.

Approved this 17th day of June, 2014.

Amended this 16th day of June 2015.