

## **First Nations Market Housing Fund is Open for Business**

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Canada Mortgage and Housing Corporation

May 5, 2008

Attention News Editors:

GATINEAU, QC, May 5 /CNW Telbec/ - The Government of Canada is making home ownership a reality for more First Nations people living on reserve. Today, Monte Solberg, Minister of Human Resources and Social Development and Minister responsible for Canada Mortgage and Housing Corporation (CMHC) and Chuck Strahl, Minister of Indian and Northern Affairs Canada and Federal Interlocutor for Métis and Non-Status Indians announced the official opening of the First Nations Market Housing Fund.

The plan for the \$300 million Fund was first announced in Budget 2007. It is a new and innovative way to give First Nations members the opportunity to own their own homes on reserve or on settlement lands, where appropriate. It is anticipated that up to 25,000 new homes over 10 years will be provided through this Fund.

"Our Government understands how important home ownership is in Canada, which is why we wanted to give this opportunity to First Nations people living on-reserve," said Minister Solberg. "By creating this First Nations Market Housing Fund, more First Nations families and individuals living on-reserve will be able to own their own homes - homes suited to their personal housing needs, financial situations and choice. We expect that in 10 years, this Fund will help to build 25,000 new homes."

"Our Government has created this important new opportunity for First Nations families to obtain loans from financial institutions and build, buy or renovate a house on-reserve. First Nations members will now have the same housing opportunities and responsibilities as other Canadians, and a new ability to meet housing demands," said Minister Strahl. "I would like to recognize the leadership and innovative thinking of our partners who have worked with our Government to achieve this, including the Assembly of First Nations and Canada's financial community."

"The Assembly of First Nations have had an active role in creating the Trust Fund parameters and must now consider the more important role of how First Nation communities can use this new optional tool available to them in the near future," noted Assembly of First Nations Regional Chief of Nova Scotia and Newfoundland, Rick Simon.

"We're hopeful that the success of the First Nations Market Housing Fund will demonstrate the value of investing in an on-reserve housing market and promote home ownership. Our emerging middle class needs to have access to the same quality of life that other Canadians take for granted." said Grand Council Chief John Beaucage, Chair of the First Nations Market Housing Fund.

"Good housing for a First Nation family isn't just built on a foundation – it is a foundation that contributes to the health and self-sufficiency of our community members." BMO Bank of Montreal National Director of Aboriginal Banking Stephen Fay says this new initiative with the federal government enables BMO to enhance its existing housing on-reserve loan program and respond to the specific needs of First Nation communities.

"BMO Bank of Montreal is pleased to participate in the Government of Canada's Market Based Housing Fund initiative," said Mr. Fay. "For more than a decade, BMO has been working with First Nations to help provide affordable housing, with the bank's On-Reserve Housing Loan Program available to qualified members of 35 First Nations across Canada."

The Government of Canada also acknowledged the new Fund's Board of Trustees - with its Chair John Beaucage and Vice-Chair Ruth Williams. CMHC will support the day-to-day activities of the Fund in the initial years, under the direction of the Board of Trustees. For further information on the trustees, please see the attached biographies.

*For further information on the First Nations Market Housing Fund, please call 1-866-582-2808.*

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## Backgrounder

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The First Nations Market Housing Fund (the Fund) is an innovative new approach to give First Nations people living on-reserve a better chance to own their own home, while respecting the communal ownership of the lands. The Fund's Credit Enhancement Facility provides a backstop to a First Nation's housing loan guarantees, made to lenders. This backstop will make it easier for First Nation families and individuals to access financing to build, buy or renovate a house on-reserve or on settlement lands where appropriate, to either live in or rent to others. This will not only increase the housing supply, but will provide families and individuals on-reserve the means to build equity and generate wealth.

### The Engagement Process

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Key stakeholders were engaged in discussions to help shape the development of the Fund. Between July and December 2007 more than 60 engagement meetings involving more than 500 individuals representing First Nations, First Nations organizations and the financial community took place across Canada. An opportunity to respond in writing to the engagement paper was also provided.

The purpose of the engagement process was to obtain input on three foundational elements of the Fund's design, specifically:

- How should First Nations satisfy the Fund's Access Criteria?
- What capacity building opportunities are needed to increase the number of First Nations who can meet the Fund's Access Criteria?
- How should the Fund's mechanism and processes be designed?

The three main areas of focus emerging from the engagement process and adopted by the Fund for the Access Criteria are:

- 1) financial management;
- 2) good governance; and,
- 3) community commitment and evidence of demand for market-based housing.

In relation to the qualifications of First Nations, the Access Criteria for the Fund were developed to be principles-based rather than rules-based in order to provide greater flexibility and choice in terms of how a First Nation can demonstrate competency in a particular category.

### How the Fund Works

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Application to the Fund is voluntary in that a First Nation chooses to apply. Once the Fund qualifies a First Nation, the First Nation will make an arrangement with a lender or lenders to

allow its members to obtain housing loans. The First Nation will guarantee its members' housing loans.

Members of that First Nation will then be able to apply for a housing loan, in a similar way households do off-reserve, with similar lending terms and conditions. Lenders will review the value of the house, the borrower's income and the borrower's ability to repay a loan when their other expenses are considered. Assuming the borrower meets the lender's criteria, he or she would be approved for a loan.

The Fund will provide a partial financial backing for the lender. The lender can access the Fund if the borrower fails to repay the loan and the First Nation does not honour its obligation to step in, using its own resources, to remedy the default.

#### Fund Governance

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The Fund was established on March 31, 2008 through an indenture of trust, which sets out the structure, authorities, limits and basic accountabilities for the Fund. The Fund is intended to be a self-sustaining entity which will deal with First Nations, lenders, loan insurers and others to facilitate market-based housing over the long term.

The Fund is overseen by nine Trustees, including a chairperson, appointed by Ministers of Human Resources and Social Development Canada and Indian and Northern Affairs Canada. The Trustees provide governance and leadership, and are stewards of the Fund. The Trustees are responsible for overseeing the Fund's policies and practices and they are responsible for guiding the direction of the Fund to achieve its business objectives.

In the early years, Canada Mortgage and Housing Corporation (CMHC) will manage the day-to-day activities of the Fund, under the oversight of the Trustees. Over the long term, the intent would be for the Fund to become a First Nations-controlled entity, in order to further enhance First Nations control and responsibility for housing matters.

It is estimated that the Fund will help to provide for up to 25,000 housing units on-reserve over 10 years.

For further information, please contact the FNMHF at [info@fnmhf.ca](mailto:info@fnmhf.ca) or by telephone at 1-866-582-2808.

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Backgrounder  
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**BIOGRAPHIES - FIRST NATIONS MARKET HOUSING FUND  
BOARD OF TRUSTEES**

Chair John Beaucage (Ontario) - In October 2004, Grand Council Chief John Beaucage was elected to serve the 42-member First Nations of the Anishinabek Nation. He served as the elected Chief of Wasauksing First Nation for eight years, and as the Lake Huron regional member of the Union of Ontario Indians' board of directors. Grand Council Chief Beaucage spent more than 15 years with Canada Mortgage and Housing Corporation and worked out of Ottawa, Toronto, Regina and Saint John, New Brunswick. He currently sits on the Chiefs' committees providing advice and direction to the Anishinabek Nation self-government negotiations with Canada. He co-chairs the National Chiefs' committee on Housing. Grand Council Chief Beaucage currently holds the Ontario region portfolio in Housing and Infrastructure and serves as Chair of the Ontario First Nation Steering Committee on Housing. Grand Council Chief Beaucage is a graduate of the University of Western Ontario with degrees in English and Economics, and he completed post-graduate work in First Nation planning from the University of British Columbia.

Vice-Chair Ruth Williams (British Columbia) - Ms. Williams is a member of the Shuswap First Nation and has spent over 20 years working in the area of Aboriginal/First Nations housing. She is currently Chief Executive Officer of All Nations Trust Company and has held this position for 11 years. She currently serves on seven different boards of organizations that deal with Aboriginal issues and is a partner in R & J Property management firm.

Maurice Biron (Ontario) - Mr. Biron is a member of the Garden River First Nation, near Sault Ste. Marie, Ontario. He is Vice-Chairperson, a Finance/Loan Committee member and a founding member of the Two Rivers Community Development Centre, an Aboriginal Capital Corporation, near Brantford, Ontario. Currently, he is President of Nativest Incorporated, a Toronto consulting company. He has extensive financial and investment experience, including three years in the early 1980s with the Federal Business Development Bank (now Business Development Bank of Canada), followed by three years with the TD Bank. Mr. Biron holds a Bachelor of Arts and a Bachelor of Commerce, is an Accredited Mortgage Professional and a Certified General Accountant.

Eric J. Menicoche (Northwest Territories) - Mr. Menicoche is Dene from the Dehcho First Nation and a member of the Liidlii Kue First Nation in the Northwest Territories. He is President and Chief Executive Officer of Xah Ndah Resources Limited. Mr. Menicoche has experience working with the Government of the Northwest Territories as Regional Community Justice Coordinator - Dehcho; as Wellness Coordinator for Pedhzeh Kue First Nation; and as Economic Development Coordinator for Liidlii Kue First Nation. Mr. Menicoche is also a member of the Mackenzie Valley Land and Water Board.

Dean Ozanne (Alberta) - Mr. Ozanne is from Alberta. He is currently the Vice President of Central Services and Operations for Alberta Treasury Branches (ATB) Financial. His career

experience includes positions as Vice President, Sales - Northern Alberta for ATB Financial; Senior Director, Aboriginal Banking, Alberta and Northwest Territories for Royal Bank of Canada (RBC); and Senior Manager, Commercial Lending for RBC. He has also held various senior lending and sales positions for RBC. Mr. Ozanne continues to serve as a board member for civic and professional organizations. Jim Prodger (Nova Scotia) - Mr. Prodger has worked on reserve with First Nation governments as a financial advisor and more recently as Finance Manager for the Millbrook First Nation in Truro, Nova Scotia. He is currently serving a two-year term as Director, First Nations Financial Management Board (appointed May 2007). Mr. Prodger is a Certified Aboriginal Financial Manager.

Gail Shawbonquit (Ontario) - Ms. Shawbonquit is a member of Whitefish Lake First Nation, near Sudbury, Ontario. She is retired from Indian and Northern Affairs Canada, where she held various positions, including Manager of Capital Management, and District Director for the Sudbury office. Following her service with the federal government, she was elected Chief of Whitefish Lake, where she served two terms. She continues to serve on various boards both on and off reserve. Ms. Shawbonquit holds a Bachelor of Arts in Native Studies and Political Science.

Randall E. Swanson (Manitoba) - Mr. Swanson was adopted by a Cree family in Pugatawagam, Manitoba, is a Blood Brother of the Rolling River Tribe, and has been presented with the Eagle feather. He is Vice-President of Forestry and Aboriginal Services with Meyers Norris Penny chartered accountants. He is also an independent trustee for five First Nations Trusts, including Mathias Colomb Cree Nation and Rolling River First Nation, overseeing and administering budgets of more than \$10,000,000. He is a faculty head of the Aboriginal Leadership and Management program at the Banff Centre for Management and a Certified Aboriginal Financial Manager. Mr. Swanson is a former Royal Canadian Mounted Police officer.

Benoit Taillon (Québec) - Mr. Taillon has more than 30 years experience in analyzing, developing, implementing, and monitoring sustainable development and environmental management policies and strategies. Many of the projects he has undertaken involved First Nations in Québec. Since 2003, he has been President of Pigamon Incorporated, a firm specializing in environmental studies. Prior to that position, he worked for more than 20 years in various federal departments, including Environment Canada and Fisheries and Oceans Canada. Mr. Taillon holds a Masters in Political Science (Public Administration) from Université Laval in Québec City, as well as a Masters in Environmental Science from Université de Sherbrooke.

For further information: Lesley Harmer, Director of Communications, Office of the Honourable Monte Solberg, Minister of Human Resources and Social Development, (819) 994-2482; Josée Bellemare, Press Secretary, Office of the Honourable Chuck Strahl, (819) 997-0002; Kristen Scheel, CMHC Media Relations, (613) 748-4632, C: (613) 513-6546, kscheel@cmhc.ca; INAC Media Relations: (819) 953-1160

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