



SOCIÉTÉ D'ÉPARGNE
DES AUTOCHTONES
DU CANADA

ABORIGINAL
SAVINGS CORPORATION
OF CANADA

ABSCAN APPROACH TO FIRST NATION HOUSING

ABSCAN: LEVERAGING OUR SAVINGS TO REVITALIZE OUR HOUSING

ABSCAN is a non-profit corporation active in First Nations since 2005. ABSCAN shares management team and board of directors with an Aboriginal Capital Corporation, the Native Credit Corporation of Canada. ABSCAN raises personal First Nation savings and institutional investments through bonds issued in conformity with the Quebec Financial Market Authority – close to \$30M over 12 years. Proceeds are mainly invested into private and community First Nation homeownership.

ABSCAN VALUE PROPOSITION: LOANS AND TOOLS FOR CHANGE

ABSCAN's goal is to help First Nations and their members widen the continuum of housing options with innovative financial products designed to meet their objectives, given their needs and capacities. Our loans are based, as homeownership loans are verywhere else in Canada, on borrower creditworthiness and home values – rather than local government guarantees. But it takes more than loans to change how housing is done in our nations; ABSCAN assists partner First Nation councils and change leaders by sharing ideas, tools and best-practices developed in other nations, and works with families and early adopters to develop housing and financial literacy.

No two First Nation is alike in terms of needs, priorities, assets, strengths and means. The ABSCAN approach is designed with the flexibility to adjust to your community's rhythm and circumstances. The model presented here is a tool for us to better understand your objectives and needs. It's yours to use and improve!



THE ABSCAN MODEL: A SYSTEMS CHANGE APPROACH TO FIRST NATIONS HOUSING SELF-SUFFICIENCY

The First Nations housing crisis is caused in part, but in part only, by a lack of access to capital resulting from Indian Act restrictions on using land as security for loans. Other factors include slow economies, limited jobs, inadequate land and property regimes, lack of internal market for housing, and concentration of all housing resources and responsibility in government assisted housing

solutions, with few options for individual initiative. These factors reinforce each other in ways that perpetuate the problem. Our aim is to understand this complex web of factors, address them and reverse their dynamic for lasting positive change. We do this with councils, change agents and early adopters who see housing less as a problem to fix than an opportunity to revitalize their Nation's

cultures and economies. The ABSCAN loans and tools for change model below illustrates how our **strategic process** is brought to bear on key **dimensions of change** in a concerted way with an **incremental approach** we consider essential to ensure community support based on tangible benefits at every step.

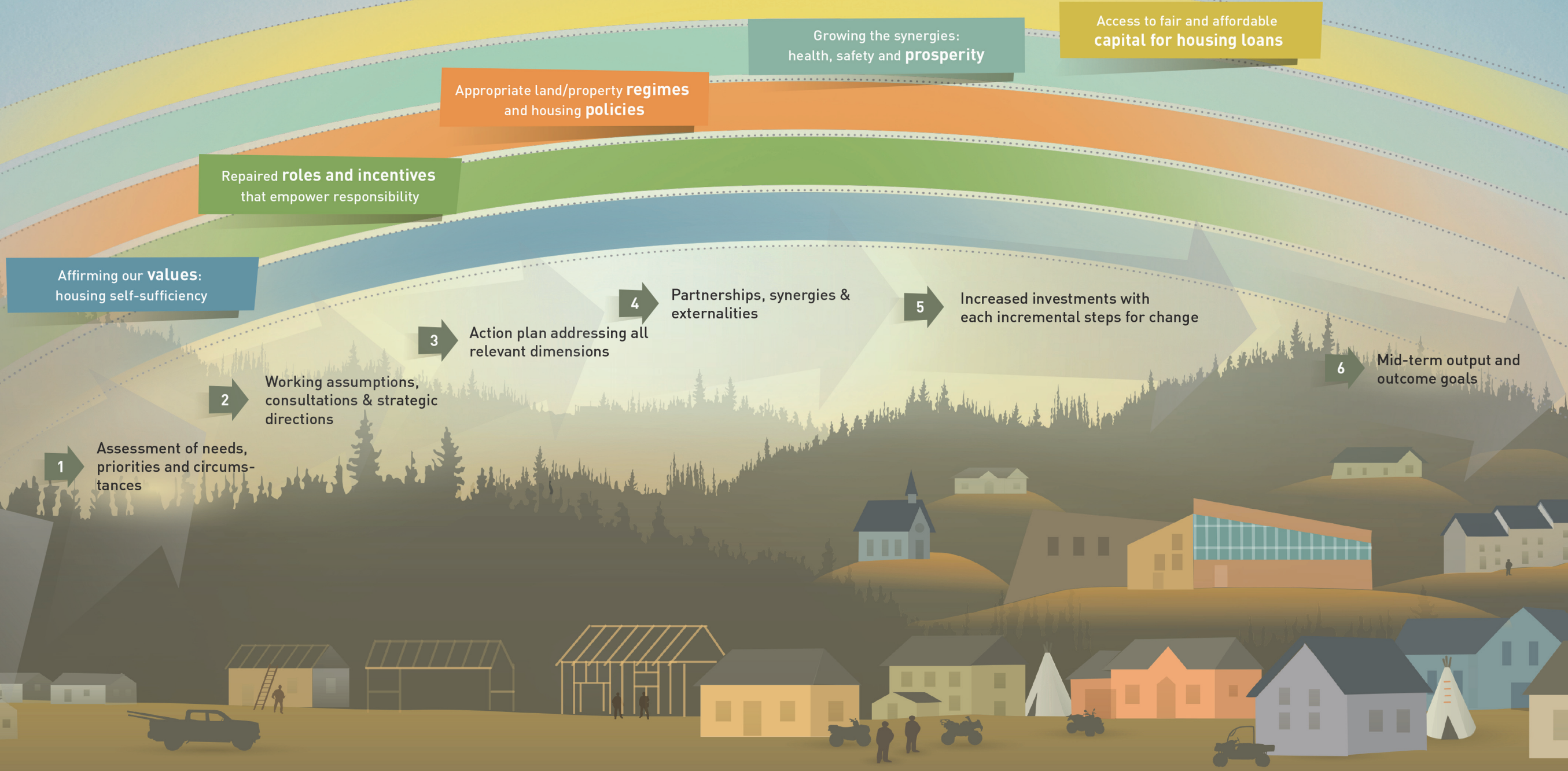
1
Dimensions
of change

LOANS

TOOLS
FOR CHANGE

2
Strategic
process

3
Incremental
approach



Past horizon:
insufficient, inadequate,
one-size-fits-all community
housing funded and
managed by governments

Starting point:
local leadership buy-in; transformation
underway; improved rental management,
testing new ways of doing things; housing and
homeownership policies; change agents and
early adopter initiatives

Accelerated incremental steps for change:
implementing preconditions for internal housing markets, appropriate
land and property regimes, diversification along the housing continuum,
transition towards homeownership, socio-economic impact of increased
housing activity

Mid-term:
optimal balance between
social and private housing
given current circumstances

Long-term horizon:
diversified continuum of housing solutions
based on needs and capacities; availability of
fair and affordable financing; employment and
economic impact of housing driving return of
members at large, prosperity at home and hope
for future generations

FIVE DIMENSIONS OF CHANGE

Affirming our **values**:
housing self-sufficiency

Reaffirming cultural and community values related to self-sufficiency, care for others, initiative and responsibility. Rebuild the trust relationship to empower market housing and put capital to work for the community and its values.

Repaired **roles and incentives**
that empower responsibility

Implement sustainable and fiscally responsible incentives to encourage initiative and recalibrate the balance of responsibilities between

- governments and members,
- lenders and borrowers, and
- housing managers and tenants.

access to fair and affordable
capital for housing loans

ABSCAN products support the development and growth of homeownership, paving the way for conventional sources of capital.

Our financial products:

- First Nations loans for higher density social housing and infrastructure
- early adopters loans pending implementation of land/title regimes
- members loans to support privatization and renovation of community housing
- members loans to purchase, renovate or build homes
- entrepreneur loans for economic activity related to housing
- entrepreneur loans based on home equity
- assistance to establish and operate community revolving loan funds for housing
- loans to community revolving loan funds to increase their reach

Appropriate land/property **regimes**
and housing **policies**

Implementation of fair, appropriate and functional land and property regimes, social and private housing policies, building codes, controls, registers, and other instruments supporting the operation of internal housing markets in a way that is consistent with community values.

Growing the synergies:
health, safety and **prosperity**

Community health, safety, education, employment and economic development affect and are affected by the quality of housing. Generating the level of housing activity needed to meet housing needs will result in the critical mass required for ongoing local employment and business benefits.

ABSCAN

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