



Housing Responsibilities by Tenure

Guide to Rent-To-Own Housing



First Nations Housing
Professionals Association

L'Association des professionnels de
l'habitation des Premières Nations

Table of Contents

PJILA'SI – GREETINGS!	2
SECTION 1 - APPLYING FOR RENT-TO-OWN HOUSING	5
Eligibility	5
Applying for Rent-to-Own Housing	5
Process to Offer a Rent-to-Own Unit	5
SECTION 2 – GETTING READY TO MOVE-IN	5
What to Plan For	5
Before Moving In	6
The Rent-to-Own Tenancy Agreement	6
The Move-In Inspection	6
SECTION 3 – ROLES AND RESPONSIBILITIES	6
Rent and Other Housing Charges	7
Maintenance and Repairs	8
Alteration or Addition to the Rent-to-Own Unit	8
Energy Use	8
Privacy and Enjoyment	8
Planning To Be Away from the Unit?	9
Ending Tenancy	9
SECTION 4 – RENT-TO-OWN REQUIREMENTS	10
Conditions of the Rent-to-Own Option	10
Understanding Homeownership Responsibilities	10
Benefits of Homeownership	10
Ready for Homeownership?	10
No Longer Interested in Homeownership?	11
INFORMATION AND SUPPORT	11
IMPORTANT PHONE NUMBERS	11

PJILA'SI – GREETINGS!

We are pleased to provide you with this Guide to Rent-to-Own Housing in Our First Nation.

Rent-to-Own Housing in Our First Nation

Our First Nation offers rent-to-own housing in XX single family homes. Our First Nation owns the units and rents them to individuals who meet the eligibility criteria for rent-to-own housing. Our First Nation is the landlord and the eligible individual selected to live in the rent-to-own unit is the tenant. The rent-to-own tenant has no right of ownership for the unit until Our First Nation confirms they can transfer ownership of the unit and that the tenant has met the conditions to transfer ownership according to the rent-to-own tenancy agreement.

Rent-to-Own Housing – A Shared Responsibility

Our First Nation is committed to providing suitable and affordable rent-to-own housing. Through the housing department, Our First Nation manages the units by carrying out/arranging for and paying the cost of maintenance, repairs, insurance, repaying any loan obtained to build/buy or renovate the unit and by providing services such as water, sewer, garbage removal. Our First Nation also pays the costs of staff to provide these services. Our First Nation charges the tenant a monthly rent to help pay these costs however, to keep the rent affordable, Our First Nation provides a monthly rent subsidy for eligible tenants.

Tenant Responsibilities - The Difference between Rental and Rent-to-Own Housing

The tenant contributes to the cost of their housing by making a monthly rent payment, by paying for their own utilities and services such as phone, internet, etc. and by carrying out basic home maintenance. As a rent-to-own tenant has an option for eventual homeownership, in addition to paying rent, they will carry out additional minor home maintenance and repairs. The housing department will explain these responsibilities and will provide information and training to carry out this work. This extra contribution recognizes the benefit the tenant will have of eventually owning the unit which is not available to a tenant in an Our First Nation rental unit.

The Rent-to-Own Housing Policy

The rent-to-own housing policy has been developed to confirm the rules, regulations and processes required to deliver and manage rent-to-own housing in Our First Nation. Chief and Council have approved the policy and have directed the housing department to implement and enforce the policy. This means that the housing department must follow the rules to select new tenants and to manage the rent-to-own units.

The Guide to Rent-to-Own Housing

This Guide provides a summary of rent-to-own housing in Our First Nation; it does not contain all the information that is included in the rent-to-own housing policy. If you are interested in learning more, you can obtain a copy of the housing policy from the housing department.

Preparing for Homeownership

The housing department will provide information to the tenant to increase awareness of the responsibilities of homeownership. This can include:

- Confirming the annual operating costs that Our First Nation pays to manage the unit.
- Confirming other costs that will be the responsibility of the tenant (e.g. services such as water, sewer etc.).
- Providing advice on planning and budgeting for preventive maintenance and replacement of major building components as they age (e.g. roofing, windows).
- Reviewing the Our First Nation homeownership policy to confirm the responsibilities of homeowners in Our First Nation.

The housing department is committed to providing this information so that the rent-to-own tenant can make an informed decision about owning the unit.

When can Homeownership be made Available?

Before a tenant in a rent-to-own unit can become a homeowner, there are several conditions which must be met by Our First Nation and by the tenant. Full details are in the rent-to-own policy and the rent-to-own agreement. Here is a summary of those items:

Our First Nation will confirm when they can offer homeownership to the tenant. This usually happens when the loan that Our First Nation obtained to build/buy the unit has been paid in full and all the other legal and financial obligations have been met.

Following are some of the conditions that must be met to be eligible to become a homeowner:

- The tenant has paid in full all rent and other housing charges owing on the account.
- The tenant has met all the conditions of the rent-to-own tenancy agreement and has no unresolved agreement violations.
- The tenant has no arrears or outstanding payments on any accounts with Our First Nation.
- The tenant has fulfilled the minimum period of continued occupancy of the unit as confirmed in the rent-to-own tenancy agreement.

After Our First Nation has confirmed that they can offer homeownership to the tenant, the tenant confirms they wish to own the unit and has met all the conditions, Our First Nation will transfer the right of possession of the unit to the tenant. Once this is done the rent-to-own tenancy agreement will be terminated and Our First Nation will have no further interest in the unit.

After a Tenant becomes the Homeowner

After a tenant becomes the homeowner, they are responsible to carry out and pay all the costs associated with the unit including but not limited to regular and preventive maintenance and repairs, fire/property insurance, and payment of service costs to Our First Nation (e.g., garbage pick-up, sewage/septic services).

SECTION 1 - APPLYING FOR RENT-TO-OWN HOUSING

Eligibility

To be eligible for rent-to-own housing in Our First Nation, you must must:

- a) Complete an application for rent-to-own housing;
- b) Be 18 years of age or older;
- c) Be a registered member of Our First Nation;
- d) Provide verification of the annual income of all adults (18 or older) that would be living in the rent-to-own unit;
- e) Obtain written confirmation from Our First Nation finance department that you have no arrears/outstanding payments on accounts with Our First Nation (e.g., housing/rent payments, loans, or other services);
- f) Obtain a written credit report from Equifax Canada or TransUnion Canada to confirm that you pay debts/bills within 30 days;
- g) Provide a letter from BC Hydro to confirm you have an account in good standing or, if you do not have a current account, confirm that there are no arrears on a previous account; and
- h) Provide a letter of reference from your most recent landlord confirming that there were no rental tenancy agreement violations. If you haven't been in a rental arrangement in the past five years (i.e., have lived with family), a character reference is required from a reliable source (e.g., employer).

Note: *An applicant will meet the family size required for the available unit (i.e., a single person will not be considered for a three-bedroom unit).*

Applying for Rent-to-Own Housing

When a rent-to-own unit becomes available, the housing department will post a notice on the Our First Nation website and social media and will post a notice on the community bulletin board. If you are interested in applying for the available unit, you must submit a completed application within

the deadline included in the notice. The housing department will send you a letter acknowledging receipt of your application. The application will be reviewed to confirm it is complete and that you meet all of the eligibility requirements and, to confirm the priority of your application. If you need help completing the application, please contact the housing department at 123-456-7890.

Important - Your application is only considered for the available unit. If you are not selected to move into the unit, but are interested in applying for another unit when it becomes available, you will have to re-apply.

Process to Offer a Rent-to-Own Unit

If your application is selected for the available unit, the housing department will contact you by phone or by letter. You will have five working days to contact the housing department and accept the offer of the rent-to-own unit. If you do not do so, the offer will be withdrawn and the unit will be offered to the next eligible applicant. If you accept the offer of a unit, the housing department will set up an appointment with you to start work on the required documentation.

SECTION 2 – GETTING READY TO MOVE-IN

What to Plan For

If you accept the offer of a rent-to-own unit, here are some of the costs you will be responsible to pay before you can move in:

- ☐ The first month's rent of \$_____
- ☐ A security deposit of \$_____

You must also:

- ☐ Set up a BC hydro account in your name.
- ☐ Plan to pay your moving expenses.
- ☐ Plan to pay move-in expenses (phone and internet hook-up, supplies, etc.)

You should also:

- ❑ Investigate options for tenant insurance. Our First Nation has no legal responsibility to replace or pay for your personal possessions if they are damaged or destroyed.

Before Moving In

Before moving into the rent-to-own unit, you will:

- ❑ Meet with a representative of the housing department to learn about your responsibilities and those of Our First Nation.
- ❑ Review and sign the rent-to-own tenancy agreement (see below for more information).
- ❑ Pay the first months' rent of \$ _____ by cheque or through electronic fund transfer.
- ❑ Pay the security deposit of \$ _____ by cheque or through electronic fund transfer.
- ❑ Provide the housing department with the BC hydro account number to confirm this has been set up in your name.
- ❑ Participate in a move-in inspection to confirm the condition of the unit before you move-in.

The Rent-to-Own Tenancy Agreement

The rent-to-own tenancy agreement is a contract that confirms the rights and responsibilities of the tenant (you) and the landlord (Our First Nation). It is administered according to the rent-to-own housing policy and applicable Our First Nation Bylaws, regulations, etc.

A representative of the housing department will meet with you before you move in to explain the rent-to-own tenancy agreement (the agreement). If you are unsure of anything, ask for more information -- be sure to understand what the agreement says before you sign it! You will be given a copy of the agreement after it has been signed.

The agreement will be renewed every year and you will be contacted by the housing department to schedule an appointment to do this.

The Move-In Inspection

Before you move in, a representative of the housing department will contact you to arrange a move-in inspection. The purpose of the inspection is for both you and the housing department to confirm the condition of the unit when you moved in. Together, you will check everything in the unit ...flooring, walls, windows, light fixtures, plumbing, heating systems, etc. The housing department representative will also review the operational aspects of the unit (e.g., the furnace, plumbing, fire safety systems and heat recovery ventilator). If you have any questions or concerns, this is your opportunity to ask.

It's important to participate in the move-in inspection. You will be offered two opportunities for the inspection. If you are unable to participate in the inspection you can have another adult be there in your place but you must notify the housing department if this is going to be done. If you or another person can't participate in the inspection it will be done without you; this means you may lose the right to dispute charges for damages/required repairs identified after you move in.

The housing department has a checklist that will be completed to confirm any damage or repairs needed when you moved in. The checklist will be signed by the housing department representative and you (or the person participating in the inspection) and you will receive a copy.

SECTION 3 – ROLES AND RESPONSIBILITIES

The rent-to-own housing program is based on Our First Nation and the tenant sharing responsibilities. Some of these responsibilities include:

Our First Nation Responsibilities

As the landlord, Our First Nation is responsible to manage the rent-to-own unit according to the

housing policy approved by Chief and Council. Some of these responsibilities include:

- Carrying out maintenance and repairs, excluding those related to tenant damage (refer to the item titled *Tenant Responsibilities*).
- Paying the operating costs for the unit (e.g., maintenance, repairs, loan repayment, cost of infrastructure, etc.).
- Maintaining property insurance for the rent-to-own unit (i.e., not contents insurance).
- Maintaining/providing services (e.g., water, sewer).

Tenant Responsibilities

As the tenant, some of your responsibilities include:

- Honouring the rules set out in your rent-to-own tenancy agreement.
- Paying the rent on time and in full (refer to the section on *Rent and Other Housing Charges* later in this document).
- Maintenance and repairs (refer to the section on *Maintenance and Repairs* later in this document).
- Maintaining reasonable health, cleanliness, and sanitary standards in the unit.
- Carrying out minor maintenance and repairs as confirmed in the rent-to-own tenancy agreement.
- Caring for the property surrounding the unit such as maintaining the lawn, snow removal from the sidewalk and driveway.
- Keeping the unit and property free of garbage, debris, and hazardous materials.
- Obtaining contents insurance for your personal possessions.
- Recognizing the right to privacy and enjoyment of neighbours and Our First Nation.
- Paying the cost to repair tenant damage which means damage to the unit, beyond normal wear and tear, that the housing department can confirm has been caused by the tenant/authorized occupants, guests, or pets.

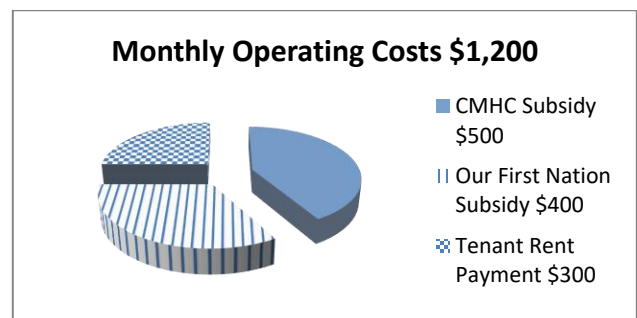
Rent and Other Housing Charges

Rent Payments

Every tenant is required to make a monthly rent payment to help cover the costs of building/managing the unit.

To help keep rent affordable for the tenant, Our First Nation also provides a monthly subsidy to every tenant; this subsidy comes from Our First Nation own source revenues. Here is an example of how your rent is subsidized.

Our First Nation receives a monthly subsidy from CMHC for the unit (for a limited amount of time). Because of the CMHC subsidy and the Our First Nation subsidy, the rent payment you make covers only 25% of the monthly operating costs for the unit.



Making Your Rent Payment

Rent is due to be paid to Our First Nation on the 1st day of each month unless otherwise arranged (e.g., through payroll deduction). Rent can be paid by cheque or electronic fund transfer to Our First Nation finance department or, through voluntary payroll deduction if you are employed by Our First Nation.

If your monthly rent payment is not paid **in full** on the 1st of the month then your account is in arrears. If you have a concern about making your rent payment, contact the housing department **right away!** The housing department will work with you to make an arrangement to pay the arrears however if you are unable or unwilling to pay the rent owed, Our First Nation has the right

to take steps to collect the rent or to end your tenancy (eviction).

Other Housing Charges

In addition to the monthly rent payment, you must pay your heating/hydro costs. You are also responsible to pay all other services such as phone, cable, and internet.

Maintenance and Repairs

Our First Nation Responsibilities

Our First Nation is responsible for maintenance and repairs that are a result of normal wear and tear (i.e., wear that inevitably happens because of normal everyday use) on items such as:

- Heating.
- Plumbing.
- Electricity.
- Walls, floors, ceilings, roofing.
- Windows, doors, locks.
- Heat recovery ventilator (HRV).
- Appliances supplied with the unit.

Tenant Responsibilities

You are responsible for:

- Day-to-day upkeep of the unit.
- Replacing light bulbs, furnace filters and other maintenance items as confirmed in your rent-to-own tenancy agreement.
- Keeping the fire safety equipment operational (e.g. smoke and carbon monoxide detector) including replacing batteries, or contact the housing department immediately when the equipment is not operational.
- Completing additional minor maintenance and repairs as confirmed in the rent-to-own tenancy agreement.
- Maintaining the property surrounding the unit (where applicable) free of debris and hazards.

Emergency Repair

An emergency repair includes any break or defect in interior plumbing, heating, or electrical systems. You are responsible to immediately report to the housing department the need for an emergency repair. Please call the housing department's 24-hour emergency number (123-

456-7891) to report the need for an emergency repair.

Alteration or Addition to the Rent-to-Own Unit

You are not permitted to make an alteration or addition to the rent-to-own unit or property without having first obtained written permission from the housing department to do so. If your request to make an alteration or addition is approved, here are some of the conditions that will apply:

- You will be responsible for all costs.
- The alteration or addition is subject to an inspection by Our First Nation and must meet the requirements of the building code.
- The alteration or addition becomes the property of Our First Nation without compensation to you at any time.
- Other conditions as required by Our First Nation.

Please contact the housing department to learn more about making an alteration or addition to the unit.

Energy Use

Because of ever-increasing energy costs, consider these energy efficiency tips:

- ✓ Keep all windows and doors closed during the winter.
- ✓ Set thermostats at 20° C or 68° F during the day and reduce the temperature at night.
- ✓ Switch off lights in rooms that are not being used.

Privacy and Enjoyment

You have the right to privacy and quiet enjoyment of the unit. This means that a representative of Our First Nation cannot come into the unit without a reason unless:

- There is an emergency.
- You have given consent for a representative of Our First Nation to enter.

- The housing department has given at least a 24-hour written notice of entry (e.g. repair/inspection).
- The housing department has reasonable grounds to believe that the unit is abandoned.

Except in the case of an emergency, the housing department will enter the unit only between 8:30 am and 4:30 pm.

Planning To Be Away from the Unit?

Temporary Absence

A temporary absence is an absence greater than 14 consecutive days and up to 30 consecutive days and, where you will return to the unit at the end of the temporary absence. If you are going to be away from the unit temporarily you do not need to notify the housing department but you are responsible to:

- ✓ Pay all housing costs including rent, hydro and other services.
- ✓ Arrange for an on-site visit (interior and exterior) at least twice per week by a family member or responsible adult (for insurance purposes).
- ✓ Ensure the unit is secured (doors and windows locked).
- ✓ Pay the cost to repair any damages to the unit that occur during your absence.

Indefinite Absence

If you wish to be away from the unit longer than a temporary absence and want to retain your tenancy, you must contact the housing department. The housing department will confirm the eligibility for and conditions of retaining tenancy during an indefinite absence. Be aware that an indefinite absence may impact your ability to exercise the rent-to-own option so be sure to check with the housing department!

Ending Tenancy

Tenant Rights

You have the right to end tenancy (move out of the unit) by giving one full month written notice to the housing department.

Rent-to-Own Option

If you move out of the unit/end tenancy, the rent-to-own option will be terminated without any compensation to you from Our First Nation.

Our First Nation Rights

Our First Nation has the right to end tenancy where you have failed to carry out your responsibilities as confirmed in the rent-to-own tenancy agreement. This is called a breach of the rent-to-own tenancy agreement.

Some of the reasons to end tenancy include when you:

- Have failed to pay the rent.
- Interfered with the reasonable enjoyment of Our First Nation or another tenant.
- Jeopardized the health or safety of Our First Nation or another tenant or a neighboring household.
- Performed or allowed another person to perform illegal acts or carry on illegal trade or business in the unit or on the property rented with the unit.
- Failed to maintain heat/power in the unit.
- Damaged the unit willfully, negligently, or accidentally.
- Sublet the unit.

When the housing department is made aware of a breach of the rent-to-own tenancy agreement, they will try to contact you by phone and by mail and identify options to resolve the breach.

If the breach can't be resolved to the satisfaction of the housing department, you will be given written notice to terminate tenancy and you will be evicted from the unit. ***Termination of tenancy will be used as a last resort, when all other options have failed.***

Rent-to-Own Option

If tenancy is terminated, the rent-to-own option will be terminated without any compensation to you from Our First Nation.

SECTION 4 – RENT-TO-OWN REQUIREMENTS

Before you can become a homeowner, there are several conditions that must be met. Full details on the requirements for the rent-to-own option are included in the rent-to-own policy and the rent-to-own tenancy agreement.

Conditions of the Rent-to-Own Option

Following are *some* of the conditions which must be met for you to be eligible to become a homeowner:

- Our First Nation has confirmed that they can offer homeownership to you.
- You have paid in full all rent and other housing charges owing on the rent-to-own account.
- You have met all the terms and conditions of the tenancy agreement.
- You have no arrears or outstanding payments on accounts (e.g., housing/rent payments, loans, or other services) with Our First Nation.
- You have fulfilled the minimum period of continued occupancy of the unit as confirmed in the rent-to-own tenancy agreement.

Understanding Homeownership Responsibilities

When you move forward with the rent-to-own option, you (as the homeowner) will be responsible for everything related to the unit. Some of the responsibilities include:

- Paying and arranging for maintenance and repairs (including emergency repairs).
- Paying and arranging for house insurance (fire/property, liability).
- Paying services fees to Our First Nation for garbage pick-up and snow removal.
- Planning to pay for preventive maintenance needed over the long term (e.g. replacing roofing, windows, doors, heating, or other systems).

To help increase awareness of the responsibilities of homeownership, housing staff will provide you with:

- A summary of the average annual operating costs paid for the unit by Our First Nation.
- A copy of the guide to homeownership and the Our First Nation homeownership policy to confirm roles and responsibilities of the homeowner and Our First Nation.
- Information to confirm the support available to a homeowner in Our First Nation (e.g., assistance for repairs/renovations).
- Training or information to support you as you assume the responsibilities of homeownership (e.g. maintenance and repairs).

Benefits of Homeownership

There are many benefits to homeownership and these include:

- No rental payments to Our First Nation.
- Ability to make changes to the unit at any time (e.g., improvements, addition).
- Ability to rent or sublet the unit (subject to the regulations confirmed in the homeownership policy).
- Being able to will or sell the unit to a family member or other eligible individual.

Ready for Homeownership?

After Our First Nation has confirmed that we can offer homeownership to you and you have confirmed you wish to own the unit, Our First Nation will:

- Encourage you to obtain an independent legal opinion about the impact of exercising the rent-to-own option.
- Prepare a Homeownership Agreement between you and Our First Nation. The Agreement confirms your rights and obligations and the rights and obligations of Our First Nation for the homeowner unit.
- Terminate the rent-to-own tenancy agreement.
- Transfer the right of possession of the unit to the tenant. Ownership of the land remains with Our First Nation.

When Our First Nation transfers ownership of the unit to you, the following will apply:

- You will become the homeowner and will be responsible for all costs associated with the unit (e.g. maintenance, repairs, fire/property insurance, and payment of service costs to Our First Nation for garbage pick-up and snow plowing).
- The rules and regulations in the Our First Nation homeownership policy will apply.

No Longer Interested in Homeownership?

At any time during the term of the rent-to-own tenancy agreement, you can cancel the rent-to-own option. When this is done, the rent-to-own option is terminated permanently and no compensation will be provided to you by Our First Nation.

If you wish to continue to live in the unit and the housing department confirms there are no outstanding rent-to-own tenancy agreement violations you may be permitted to remain in the unit. At that time, you will be required to sign a rental tenancy agreement with Our First Nation and the unit becomes a rental unit without a rent-to-own option.

INFORMATION AND SUPPORT

The housing department is committed to providing information and support to tenants. If you have any questions about the rent-to-own housing program, please contact us at 123-456-7890. We are here to help.

IMPORTANT PHONE NUMBERS