

# **TOP 10 FREQUENTLY ASKED QUESTIONS (FAQs)**

## **From interested BNI Homeownership Bridge Program (HBP) homeowners**

**BlackNorth Initiative (BNI)** is the program lead and will be responsible for fundraising, reporting and ensuring the success of the program

**Dream Legacy Foundation (DLF)** is responsible for providing support with recruitment, managing the application process and engaging with families throughout the application process. DLF is also primarily responsible for program outreach.

**Habitat for Humanity GTA** is responsible for providing support throughout the partnership with the homeowner including recruitment, administering and managing mortgages and homeowner education. Habitat is also helping to acquire homes through its own Habitat builds or by engaging with developers eager to provide homes to the program.

### **1. How do I get a BNI HBP homeowner application form?**

The first step in the process of becoming a BNI HBP homeowner is to fill out an eligibility questionnaire. It should take you 5 – 10 minutes to complete. You will need to gather some numbers from your and any co-applicant's Notice of Assessments (NOA), Canada Child Benefits (CCB), and any Credit Card and Lines of Credit that you have. This questionnaire will be used to determine if you meet our basic requirements for a current project.

Please review the basic program requirements before filling out the eligibility questionnaire. Requirements may differ from one project to the next based on location, type of building, size of units, etc.

Based on your questionnaire, you will receive an email indicating if you are eligible for next steps or if you did not qualify. If you pre-qualify, we will then provide you with Online Informational Videos where you will learn more about our Homeownership Bridge Program and everything it entails.

## **2. What is the BNI HBP homeowner application process?**

- Based on the responses provided in the eligibility questionnaire, you will receive an email within 2-4 weeks stating if you are eligible or not for one of our current projects. If eligible, you will receive the invitation to the Online Informational Videos.
- During the Online Informational Videos, families will receive full details about the BNI HBP Homeownership Program, the mortgage model, project profiles and receive a link to the application form.
- Once we receive your application form, the review process takes anywhere between 1-3 months, and may include a follow-up phone call or a virtual home visit. Our process can only be initiated online at our website [www.dream....](http://www.dream...)

## **3. Why didn't I qualify/meet the requirements?**

There could be several reasons why a family does not meet our requirements. Please remember to review our eligibility criteria to learn about the minimum requirements before filling out the eligibility questionnaire.

- It is possible that the area you applied for does not have any current projects available or matches your family information.
- It is possible that your debt-to-income ratio is too high, or income is above or below the bands set for each project.
- It is possible that your family size is smaller or larger than the unit size available.

- It is possible that the number of years of work experience in Canada is less than 3 years.
- Our Homeownership Program is only available for families with children 16 years or under.

#### **4. Can I apply to the BNI Homeownership Bridge Program in person?**

Unfortunately, we do not have the resources at our facility to have in person registration or submissions. Our process can only be started online. If you don't have access to internet or a computer at home, please visit a public library or a community/employment centre near you.

#### **5. How long does the process take... When are Habitat homes ready and/or available after being approved?**

The average process time from completing the eligibility questionnaire to having the application approved takes approximately 2 - 4 months. Please note, this time frame is not the same as the period from approval to the occupancy date for an approved home. The period before occupancy can vary from between 3-24 months after being approved, depending on the specifics of the project and when the home is ready.

#### **6. Is Ontario Disability Support Program, Employment Insurance, Long Term Disability, Ontario Works benefits count as income to apply?**

Ontario Disability Support Program (ODSP):

- Not accepted if it is your only source of income.
- May be accepted at the discretion of our Lending partners as a supplement to income.

Long Term Disability (LTD):

- Not accepted if it is your only source of income.
- May be accepted at the discretion of our Lending partners as a supplement to income

Employment Insurance (EI):

- Not accepted if it is your only source of income.
- May be accepted at the discretion of our Lending partners as a supplement to income. It will be used only if there is evidence that the applicant has had regular employment over a three-year period, and EI was only collected between seasonal employment periods (e.g., substitute teachers).

Ontario Works (OW):

- Not accepted if it is your only source of income.
- May be accepted at the discretion of our Lending partners as a supplement to income in situations where OW serves as a top-up to regular employment, staff may require additional proof to calculate expected income.

## **7. What is Gross household income? What is the minimum household income requirement?**

Gross Household income is the combined gross income of the applicant and any co-applicants listed on the application. It also includes Canada Child Benefits (CCB) for children in the household under 12 years old.

Here is an example of household income. Please note that this is not a real example.

- Pierre earns \$30,000 per annum from his job as a Walmart Cashier.
- His wife Catherine earns \$20,000 as part-time hairdresser.
- Pierre's brother Jean also lives with them and plans to do so long term, is applying as a co-applicant. He earns \$15,000 as a salary from his permanent part-time job.
- Pierre and Catherine have two young children and receive \$10,000 in Canada Child Benefits (CCB) per annum.
- This brings their total household income to \$75,000.

The minimum and maximum household income varies for each project based on unit size, area, market value price of the unit and other such factors. We calculate the minimum income requirement based on the mortgage required for the value of the home and to ensure the family can afford the mortgage. We always aim to set our families up for success!

### **8. Can I apply for the BNI Homeownership Bridge Program if I am on parental leave?**

Yes, you can apply if you are on paternity or maternity leave. But your household income will be looked at accordingly. If the return date is within six months of the letter being issued, then we will use 100% of the stated salary on the application. If the return date is not within six months of the letter, then we can only use 60% of the stated salary. You will need to provide documentation from your employer about your Maternity leave, your expected return to work date and your position and salary upon returning.

### **9. What is equity sharing?**

A shared equity model lowers the cost of homeownership for families and in exchange the equity in the home is shared between the BNI partner homeowner and BN. Families can obtain a mortgage that is affordable to them based on their income and BNI provides an additional mortgage for the difference. Thus, giving families a hand-up to be able to afford and purchase a home that would otherwise not be possible.

You earn equity in your home in two ways. First, by making your mortgage payments, a portion of your monthly payment is turned into equity. Second, you earn appreciation on the value of your first mortgage. The amount of appreciation is determined by a formula. The BNI partner homeowner still holds the title to the home.

How our mortgage model works at a glance:

Getting in the door...

- Your family purchases the home at fair market value.
- You obtain a first mortgage from one of our partner credit unions based on your income.
- BNI then provides a second mortgage for the difference between the first mortgage and market value of the home.
- Family size and configuration is considered.
- Approved families undertake 500 volunteer hours as part of their partnership.

Staying in your home...

- BNI HBP helps keep payments affordable, initially set at 32% of your household income.
- We support you throughout BNI Homeownership journey.

Long term affordability...

- BNI HBP will buy your home back when you are ready to sell and help another family just like yours!

### **10. Can I re-apply for BNI HBP if I didn't qualify previously? If so, how?**

If you were informed as not eligible/not qualified at the online questionnaire stage, you may fill in the online questionnaire again when your family information submitted changes or if it has been over 12 months since you submitted your previous questionnaire.

If you were informed that you are not qualified after you submitted your application form (i.e. after viewing the Online Informational Videos), you may contact us at **housing@dreamlegacy.org**, referencing your original file number, to inform us about any changes in the original application that you submitted after six months. Beyond that

time frame, you may submit the online questionnaire again to check eligibility for new projects.

**We hope this article is helpful! Please visit our Homeownership page to learn more about our Program and start your application process.**

**Apply Now!!**