



Owen Hart Home Owners Program

Report to:



2016 Annual Report

March 31, 2017

Introduction

The Owen Hart Home Owners (OHHO) program operates within the Financial Literacy Department at Momentum, which is in its 18th year of delivering Money Management education and matched savings programs. Homeownership is often just a dream for most people living on low-incomes as they simply cannot afford to save for a down payment or navigate through the complex banking and real estate systems. The OHHO program strives to close this gap and it is offered as an extension to one of Momentum's initial matched savings programs.

In 2016, the program revised its structure to increase overall effectiveness and participant success. The Core Needs Income Threshold (CNIT) was adopted as our income eligibility standard, which is commonly used in affordable housing programs across Canada, so that participants' income levels match local housing market prices. As well, the applicant pool was opened to past matched savings graduates from the previous five years. Lastly, the matched savings rate was altered so that more participants could go through the program each year.

In the new structure, up to fifteen selected low-income participants save up to \$250 per month in their own savings account for a total of \$3000 in 12 months. Throughout the one year program, they attend home ownership education classes. Upon completion, they are matched at 2:1 rate, equalling \$6000. A total of \$9000 plus any additional savings from previous matched savings programs or from their own resources is then used toward the purchase of a home of their choice in Calgary.

2016 was another successful year; some highlights include: ten homes purchased, nine out of nine participants graduated from the program, and another fourteen participants were recruited for the new group that began this past October. To date, 91 homes have been purchased with assistance from the OHHO program. In combination with the other matched savings programs, the total number of homes purchased through Momentum since 2000 is 150.

Results

Goals for 2016	January – December	
	#	%
15 new participants in the program	14/15	93%
7 houses purchased	10/7	143%
90% of participants save at the maximum towards a down payment for a home	OHHO 25: 100% OHHO 26: 100%	100%
80% of participants complete a plan to purchase their home with their facilitator	9/9	100%
80% of participants increase their social assets	8/9	89%
Participant Satisfaction: Helped by Momentum	9/9	100%
Participant Satisfaction: Would recommend Momentum	9/9	100%

Program Activities

Selection of Participants

All applicants to OHHO must have graduated from an initial matched savings program at Momentum (Fair Gains, Family Saves, Savings Circles, or Youth Fair Gains) within the last five years. Screening criteria includes:

- Shown successful attendance and ability in their previous program participation
- They demonstrated that they have saved regularly
- They demonstrated they would eventually qualify for a mortgage based on their income, debt level, credit rating and net worth

Current Participant Profile

OHHO group #26 began in October with 14 new participants. Demographics include:

- 1 single individual
- 2 are single mothers
- 7 are dual parent families
- 8 are immigrants to Canada

Program Delivery & Account Management

Participants meet once every 6 to 8 weeks. Each month they are expected to provide monthly bank statements as proof of their savings. In 2016, participants saved 100% of their maximum amounts, and thus maximized their matched savings.

Topics covered by the OHHO facilitator and by professional volunteers are:

- Introduction to Home Ownership
- Mortgages and Mortgage Brokers
- Working with Realtors
- House Hunting
- Home Inspections & Maintenance
- Home Energy & Green Efficiency
- Real Estate Law / Conveyancing
- Final Evaluation & Review
- Words of Wisdom Celebration

Home Purchase

When participants are ready to purchase a home, they provide the OHHO facilitator with the appropriate legal documents in order for Momentum to process a cheque which is sent to their lawyer, in trust. Under OHHO's funding contract with Alberta Housing and Urban Affairs (HUA), a legal caveat is registered with Alberta Land Titles, stating if participants sell their home within ten years, a portion of the HUA matched savings must be repaid.

In 2016, participants cashed-out a total of \$119,330 for the down payments toward the purchase of ten homes. There are currently 13 graduated participants who have yet to purchase their homes and have a total of \$128,800 in matched funds allocated to them.

Program Enhancements

Workshop Development & Process

The OHHO program continually finds ways to improve its program. In 2016, some major program enhancements include:

- Changing the income eligibility criteria to 80-100% of the Core Needs Income Threshold (CNIT). This benchmark is used across Canada for affordable housing programs and is unique to each municipality's actual housing market pricing.
- Opening the candidacy pool to participants who've graduated from any of the four selected matched savings programs at Momentum within the past five years. Previously the program was only offered to two program streams and there was a shorter application timeline. This new process allows participants to use their initial matched funds to increase their income situation by using the funds for education, tools for work, or business start-up, for example.
- Reducing the matched rate from 3:1 to 2:1, thus increasing the number of participants accepted into each yearly cohort. At the end of each year, participants can apply for a further subsidy, based on their financial situation and if the program budget allows.

Funding and Partnerships

Momentum continually seeks to find diverse funding streams for the OHHO apart from the contribution of the Owen Hart Foundation. A portion of 2016's budget revenue came from The United Way.

Momentum continues to partner with The Home Program Alberta, enabling qualifying OHHO participants to receive up to an additional \$3000 in down payment assistance. Momentum also continues to have qualified, professional volunteers participate as guest workshop presenters.

Program Impact

The OHHO program provides an excellent opportunity for low-income participants to gain physical assets in the form of a home, leading to an increase in their net worth. The program also provides participants with opportunities to move towards a sustainable livelihood. Some key areas of asset increase identified by participants are:

- Increased sense of self
- Increased confidence
- Increased courage to ask questions
- Increased sense of overall well-being
- Increased home maintenance skills
- Stronger network of support and community

OHHO 25 graduates' answers provided the following feedback during their final evaluation forms:

- Excellent class, staff, presenters. Such a positive influence in so many people's lives
- Momentum put so much towards my life in all areas and made me successful in all areas

- Excellent for assisting in home buying
- I have a great wealth of knowledge and feel comfortable discussing a mortgage
- Thank you for the opportunity to be in this program.
- Excellent facilitator. You put smiles on people's faces. You are Awesome.
- Thank you, I learned a lot about money management
- The facilitator is helpful, nonjudgmental, and supportive and gives the right advice and leadership.

Success Story

One participant, *Nathan**, had begun his journey with the Fair Gains program in the spring of 2012, two years after immigrating to Canada with his wife from their home country. When Nathan had applied for the OHHO program in 2013, his application was incomplete and had incomprehensible paragraphs. It would have been easier to select a different applicant; however, the facilitator asked Nathan to come in for an interview and realized that Nathan simply just didn't have the full literacy skills to complete the application in writing but was able to answer all of the questions appropriately in person. Since then, Nathan and his wife have worked really hard to achieve home ownership in Canada. Nathan worked two jobs as a security guard and eventually secured a solid full time job with the City of Calgary security department. His wife also worked two jobs and attended school to get her day care certification. She is now working in her field. This past December, after much dedication and perseverance, they were able to purchase their first home! Nathan sent the below email shortly thereafter.

Email correspondence - December 16, 2016

Hi,

I am glad to let you know that we have taken possession of the house yesterday 15.12.2016 at 19.00 hrs. Everything is OK and (our Realtor) has help us in setting the door code for the house. The kids were very happy. I want to thank you personally and the Momentum team to making our dream comes true, and for your continuous support and advice during these years at Momentum.

I want also to thank the Owen Hart foundation in helping the low income Calgarians and for inculcating the art of saving, saving..... We wish a Merry Christmas and the Momentum team and will always be dedicated to help in future.

I would never forget where I started: as a part-time cook helper at Swiss Chalet barely able to pay the rent, and now I own a house.....Unbelievable.

'Nathan'

**actual name not disclosed.*