

**Instructions**

As part of the band-owned rental housing program, tenants shall make monthly payments. They may also be responsible for housing costs they may not be required to make in their current accommodation (i.e. heating, insurance, repairs). An affordability analysis is an important part of the application package so that both the housing department *and* the applicant can determine whether the applicant can afford to make the required housing payment and pay for other related housing costs. It is recommended that the housing staff assist the applicant to complete this form.

**Step 1** - Confirm Monthly Household Income

Ensure the applicant includes the net household income (after deductions) from all sources of all adult members who shall be living in the unit. The exception is income earned by dependants who are attending school full-time.

**Step 2** - Confirm Monthly Housing Expenses

***Important - Complete this section of the affordability analysis before the interview!***

This information should be based on the past year's average operating costs for the unit that the applicant is applying for, or similar costs (i.e. average heating costs).

**Step 3** - Confirm Non-Housing Expenses

Have the applicant review and fill in each item on the list to ensure they are considering all non-housing expenses.

**Step 4** - Affordability (amount remaining)

Take the net monthly income from Step 1, then deduct the monthly amount of housing expenses noted in Step 2, then deduct the applicant's non-housing monthly expenses from Step 3. This will demonstrate to the applicant whether they can afford the monthly housing payment and other related housing costs as well as their current non-housing expenses. If the remaining figure is low or a negative amount, schedule a visit with the client counsellor to discuss options to increase the level of affordability.

**What Housing Costs Can I Afford?**

Applicant Name: \_\_\_\_\_

Housing Unit #: \_\_\_\_\_

Date of Interview: \_\_\_\_\_

**Step 1 Determine Monthly Household Income**

List the regular NET monthly income (after deductions) for all permanent adult members of the household who shall be living in the unit.

<b><u>Net Monthly Income</u></b>	<b>Average monthly income amount</b>
Net employment income (after taxes and deductions)	\$
Social Assistance benefits	\$
Pension benefits	\$
Employment insurance benefits	\$
Child Tax Benefit	\$
Alimony, child support	\$
Other income	\$
<b>Total net monthly income</b>	<b>\$</b>

**Step 2 Confirm Expected Monthly Housing Expenses**

This section will be completed with a representative of the housing department who will give you the average housing costs you can expect to pay based on the average costs for the type of housing assistance you have applied for.

<b>Expected Housing Related Expenses</b>	<b>Average Monthly Amount</b>
Rent/mortgage/occupancy charge, maintenance fee, loan payment	\$
Utilities (if paid separately including hydro, water/sewer, garbage pick-up, etc.)	\$
Insurance (car, home contents, life, etc.)	\$
Repairs and maintenance	\$
Other costs (specify)	\$
<b>Total housing-related expenses</b>	<b>\$</b>

**Step 3 Determine Non-Housing Expenses**

Now confirm all of your current monthly non-housing expenses.

<u>Current Non-Housing Expenses</u>	<u>Average monthly amount</u>
Groceries	\$
Clothing	\$
Child care, school/sporting fees and related expenses	\$
Phone, cable, internet	\$
Insurance (house, car, medical)	\$
Car/truck loan payment	\$
Gas and other transportation costs including car repairs	\$
Personal loan payments	\$
Credit card payments	\$
Entertainment	\$
Other debts	\$
Savings	\$
<b>Total Monthly Non-Housing Expenses</b>	\$

**Step 4 Amount available for housing-related expenses**

Total net monthly income from Step 1		\$
Total monthly housing expenses from Step 2	<i>Minus</i>	\$
Amount available for monthly non-housing expenses	<i>Equals</i>	\$
Total non- housing-related expenses from Step 3	<i>Minus</i>	\$
Difference	<i>Equals</i>	\$

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Total net monthly income from Step 1	<b>(A)</b>
Total expenses from Step 2 <i>plus</i> Step 3	<b>(B)</b>
Total expenses as a percentage of total income <b>(B ÷ A)</b>	