



Press Release

FOR IMMEDIATE RELEASE

FIRST NATIONS MARKET HOUSING FUND AND FIRST NATIONS BANK OF CANADA JOIN FORCES

Whitehorse, Yukon, July 17, 2013 – The First Nations Market Housing Fund (the Fund) today announced the approval of the First Nations Bank of Canada as a lender qualified by the Fund to serve First Nations.

The First Nations Bank of Canada, which is over 80 percent Aboriginal owned and controlled, will work with the Fund to offer loans to approved First Nations using the Fund's Credit Enhancement Facility. The Fund's partnership with the Bank not only provides First Nations with more choice when considering financial institutions, but helps to expand the Fund's reach as it looks to provide residents of First Nations communities with the same housing choices and opportunities as people in non-First Nations communities.

"As the First Nations community gathers for the 34th Annual General Assembly to discuss ways of empowering First Nations citizens to drive change, there is no better time for the Fund to announce a partnership with a national organization like the First Nations Bank," said John Beaucage, Chair of the Fund. "It is together, through partnerships like this, that we can grow the Aboriginal economy and the economic well-being of Aboriginal people across the country."

Launched in May 2008, the Fund supports the creation of market-based housing agreements between First Nations and lenders. The Fund was created with a one-time federal investment of \$300 million that can potentially be leveraged into \$3 billion in on-reserve housing investments across Canada. Through its partnership with 107 First Nations communities across the country, the Fund now has over \$555 million approved in potential loan credit for First Nations citizens to use in applying for housing loans to start on home renovation and construction, as well as for First Nations to provide rental accommodations.

"First Nations Bank of Canada was created to support and advance the economic interest of Aboriginal People, so supporting and promoting the capacity of First Nations people to achieve home ownership is an important part of our mission," said Keith Martell, Chairman and CEO of First Nations Bank of Canada. "We have the experience, understanding and relationships to help First Nations communities and their members make the best of the First Nation Market Housing Fund. We know this is not the only answer to the housing shortage on reserve and settlement lands, but it is one more tool we can use to address the problem."

First Nations Bank of Canada (FNBC) is the third national lender to work with the Fund. FNBC joins BMO and Peace Hills Trust in serving First Nations across the country, in addition to eleven regional lenders backed by the Fund.

It is completely voluntary for First Nations to make use of the Fund's market-based fund. The Fund, which builds on the work of the Assembly of First Nations and the successes of innovative communities across Canada, recognizes the differences amongst First Nation communities and works with them on their own timelines to provide them with the choice and flexibility they need to address their unique housing challenges.

"The Annual General Assembly provides the First Nations community with the time needed to reflect on the progress made over the last year and to focus on our collective way forward," said Mr. Beaucage. "For the Fund, 2013 has been a monumental year – not only did we reach our 5th year anniversary – we announced our 100th First Nation partner. In less than two months since, another seven First Nations have chosen to work with us. We could not have reached such heights without the support of First Nation leaders across the country. Together we are making a difference. "

About the First Nations Market Housing Fund

The Fund is an innovative initiative established by the Government of Canada, through Canada Mortgage Housing Corporation (CMHC), to give First Nation members greater access to housing loans on reserve and on settlement lands, where appropriate. The \$300 million fund became operational in May 2008.

The Fund helps First Nation communities by:

- Providing a 10% backstop for housing loans guaranteed by the First Nation;
- Providing financial leverage to negotiate with lenders that results in lower interest rates, reduced program access fees, risk sharing and administrative arrangements;
- Strengthening First Nation communities and supporting the idea of self-sufficiency by providing new financial literacy and financial management tools, encouraging good governance and financial transparency and developing capacity with education, information and innovative services.

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For more information, please visit the Fund's website at www.fnmhf.ca.

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Backgrounder

First Nations Bank of Canada

First Nations Bank of Canada is a Canadian chartered bank primarily focused on providing financial services to the Aboriginal marketplace in Canada.

The Bank offers Aboriginal and non-Aboriginal people, corporations and governments a full range of personal and business banking services including deposits, term loans, mortgages and lines of credit. The Bank's specialty is financing projects and operations for Aboriginal Governments, Aboriginal owned enterprise and non-Aboriginal enterprises that are doing business with these groups. The Bank, together with its strategic partners, offers access to structured financing for larger resource development, power generation and infrastructure projects. A large percentage of the Bank's business is in northern and remote markets.

First Nations Bank was founded in 1996 and today 80% of the Bank's shares are owned by Aboriginal groups from Nunavut, Northwest Territories, Yukon, Saskatchewan, Manitoba and Quebec. The Bank's Aboriginal shareholders are progressive, like-minded organizations, culturally and linguistically diverse and all respected leaders in their regional economies.

With the support of its Aboriginal shareholders, the Bank has demonstrated consistent growth and profitability during each of the past fifteen years. Bank services are available through a network of seven full service branches (three on reserve) and two community banking centres and through electronic banking channels.