KCI's Solution

Keewaywin Capital Fund I LP
(the "**Fund**") is a 100% Indigenous-owned private credit fund established to provide capital exclusively to Indigenous communities and housing corporations to build critically necessary housing.

The Fund aims to fund the construction of 300-600 homes over the next 5 years.

KCI entered into a 5-year partnership with CMHC to build additional units in their Section 95 program in MB and SK.

KCI will also lend directly to communities in various projects nationwide

Meet
Our Team

Tracee Smith is currently the President and CEO of Keewaywin Capital Inc. founded in 2022. Ms. Smith has extensive work experience in both corporate and charitable sectors. A member of Missanabie Cree First Nation, she began her professional career while completing her MBA working for TE Wealth and creating a national investment strategy for Indigenous communities settling large land claim settlements. She went on to create a similar economic opportunity strategy for BMO. Ultimately landing at TD Bank and TD Securities, she completed roles in Human Resources, Wealth, Commercial Banking, Technology and Operations. She has also completed various contracts at Nestle Waters, Imperial Oil, Dundee Investment Corporation, Mohawks of the Bay of Quinte, National Aboriginal Capital Corporation Association and recently co-lead the project for RBC Economics "Building Bandwidth: Preparing Indigenous Youth for a Digital Future".

Known for her work in the charitable sector, she launched a business that she later turned into a charity, called Outside Looking In, which has become the largest Indigenous youth charity in Canada, raising over $25M over its 17 years of existence. The charity has worked in over 50 Indigenous communities and organizations and has provided programming to over 15,000 Indigenous youth.

Before her career in business, Ms. Smith attributes her discipline and hard work to her roots in dance from a young age, turning professional and completing her undergraduate degree in Dance from York University. She has also completed her MBA in Indigenous Economic Development, and a Masters In Finance from Queens University. She is currently on the Board of the Shoebox Project for Women, and past directors of the National Arts Centre in Ottawa, Ontario Nature, and Smilezone Foundation. She served for one term as Councilor of her First Nation and is the recipient of many awards and scholarships including being named one of Canada's Top 50 Artists by Canada Council for the Arts and was the first dancer to perform for the Governor General of Canada, The Right Honourable Michaelle Jean.

Two Ways we can Lend to Your Community

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1. CMHC Section 95 Pilot Project

2. Directly Between your community and KCI

Partnership with CMHC

- In February of 2025, **KCI and CMHC entered into a written memorandum of understanding**, whereby the parties agreed to collaborate on providing First Nation communities in Manitoba and Saskatchewan with short term construction loans to permit the accelerated building of housing projects, which projects could subsequently receive funding through CMHC programming.
- CMHC will act as a convener between Indigenous communities and KCI to support the launch of the Accelerated Construction Pilot Project. Through its longstanding and extant relationships with First Nation communities, CMHC is well positioned to support KCI's outreach and loan origination.
- Through the On-Reserve Non-Profit Housing Program (Section 95), First Nation communities that meet requirements will have the option to accelerate the construction of multiple years of housing units allocated under the program while working with KCI to finance and oversee this construction. **After construction completion and subject to conditions, CMHC will take-out KCI's positions on an annual basis.**
- KCI, CMHC and the applicable First Nation community will enter into a written tripartite agreement which sets out the terms and conditions of the funding arrangement, including the number of housing units to be built, the schedule of construction and other Section 95 program criteria to be satisfied.

KCI Loan structure

- Construction Financing Lender: We provide interest-only loans during the construction process
- We provide all capital to you to get the project completed from beginning to end
- Once the homes receive final inspection certification, KCI gets taken out by a third party lender (ie. Bank), and the long-term loan is between your community and the bank
- Our #1 priority is to finance homes for Indigenous families in their communities

Workshop – 9 steps of Consideration

1. How many units do you want to renovate, build, acquire, or purchase?
2. What (type of units) do you want to renovate, build, acquire or purchase?
3. Where is the geographic location of these units?
4. When do you want to do this?
5. How much financing do you require?
6. What is your current financial position as a community, organization, NFP?
7. What an you reasonably afford?
8. What governance (policy) issues around who is eligible for these units do you need to consider?
9. What other barriers are preventing you from doing the steps above? (from acquiring or building more units)

Step #9 Barriers

- What are the barriers in preventing you from building, acquiring more housing units?
  - Access to financing
  - Financial limitations of your organization, community, corporation etc.
  - Human resources (lack thereof)
  - Chief and Council - priorities
  - External barriers (municipal policies, city approvals)

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Step #1 – Number of Units

- What is your current housing shortfall?
- Are there groups that require priority over others (elders, families, singles, multi-generational?)
- How many units can be purchased and renovated?

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Step #2 Type of Units

- What type of units do you want to build?
  - Build new
  - Acquisition
  - Renovation
  - Transfer ownership
- Modular, RTM, stick build
- How many bedrooms?
- Who is the house for?

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Step #3 Location

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- What location do you want to build, renovate, acquire?
- Do environmental considerations need to occur?
- Is there existing infrastructure considerations that need to be explored? (water treatment, sewage)
- Are there amenities close enough for families? Schools, daycares, health facilities?
- Are there density considerations that need to be addressed, and cultural protocols that need to be honoured?

Step #4 Timeline

- When do you want this to be complete for your overall timeframe?
- How can you breakdown timeframes into smaller steps?
  - Ie. 15 units per year for the next 5 years = 75 units by 2030
- Are there seasonal considerations you need to consider for construction?
- Who needs to access to what units, by when?
- Are there any urgent family situations that can be addressed in the next 6 months – 1 year?

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Step #5 Financing

Acquire quotes from modular companies for the costs of new builds via contractors, companies, engineers etc.

Based on Steps #1-4, and Step #1 above, determine what your organization can afford to build in the short-term. (* KCI highly advises with coming up with a 12-18 month housing strategy for near-term build/acquisition)

Work with your finance team, understand how you can pay principal and interest payments. If a family will be occupying the units, how and can they pay these payments if required?

Step #6
Current Financial State

- What is the current financial state of your organization, community, NFP, corporation?
- Are your audits current and unqualified? If not, what is the reason and what needs to be cleaned up?
- What assets do you have on your balance sheet that can be used as security and collateral?
- What revenues or free cash flow can be used for principal and interest payments?

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Step #7 What can you reasonably afford?

- Based on what you discovered in Step #6, what can you reasonably afford?
  - This may be something the builder and lender together would be able to tell you
  - It is important that you have the financial position ready to present to the lender in order for them to help you navigate this question, especially if your audits are not 'clean'. **<u>This is usually the biggest delay and prevents a project from moving forward.</u>**
  - It is also vital for housing and finance to work closely as a unit, when there are discrepancies or a difference on opinion of what needs to be done and what can be done, this is how projects also get delayed.

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Step #8 Governance

What policies do you need to consider or review for these new units?

Do you already have strong governance policies around who can access new housing ? (ie. Lottery system, proof of employment etc,)

What needs to be in place before you start the acquisition or building of new homes, so there is no delay in occupancy once home is build/acquired?

Step #9 Barriers

- After going through these steps, what other barriers have come up for you?
- How can you address them?

What we need in order to Lend

1. Confirmation of **what you want to build and how soon**
2. A review of your **current financial statements**, to ensure you can pay the interest payments, and get security for the principal portion
3. Once we determine that we can get comfort, we will ask you to issue us a **BCR (or similar) that you want to proceed forward**
4. We will provide the **signing documents** including the loan agreement, security agreement, and a tripartite agreement with the third party lender.

We are here to help for all financing needs

We provide interest-only loans to Indigenous communities, organization, corporations and not-for-profits.

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Please contact us anytime to discuss the above.

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