

# **Qurtuba Housing Cooperative** **Coopérative D'habitation Qurtuba**

*( Established in 1990)*

Non- interest financing, an Islamic alternative. Over four million dollars have been invested by Muslim community in Montreal.

## **Principal Objectives:**

To provide Islamic financing to Muslims in Quebec:  
To help in acquiring a house at a reasonable cost.  
To avoid interest or Riba associated with house acquisition.  
To provide investors, ‘Halal’ financing opportunity as a moral obligation.  
To assist Muslims to become home owners avoiding Riba (interest)  
Providing Halal return on investment.

## **Other Objectives:**

To allow like-minded Muslims to acquire houses in the same neighbourhood where Muslim families can live and grow in an Islamic environment.  
To bring together Quebec Muslims from different parts of the world to share the joys of working in harmony on an Islamic and mutually beneficial project. To give Muslims of Quebec additional economic and political clout.

## **Who is eligible to benefit from the Housing Coop?**

Any member of the Housing Coop in good standing can benefit from the Co-op.

## **How does one become a member in good standing?**

By filling out the prescribed membership form and paying \$75 membership fee.  
By paying \$2000 for a minimum of 20 shares at the time of joining and maintaining good standing by adding 20 or more shares during each calendar Year

## **When do I become eligible?**

You must have shares equivalent in value to \$45,000. Then your name is entered into the priority list as a potential house buyer according to the seniority in the priority list. Your waiting time is approximately 12 to 18 months according to our experience but it could be sometime earlier than that when members do not avail their turn.

## **Explanation of minimum No of shares required related to house prices**

## **Examples of minimum number of shares required based on house price.**

House price: \$200,000 - Minimum required	
20% x \$ 100,000	\$20,000
30% x (\$200,000-\$100,000)	\$30,000
Total	\$50,000

House price: \$250,000 -Minimum required	
20% x \$ 100,000	\$20,000
30% x (\$200,000-\$100,000)	\$30,000
40% x (\$250,000 - \$200,000)	\$20,000
Total	\$70,000

## **How do I get a housing unit?**

Eligible member in the priority list is informed and given a letter of authorization letter to start looking and negotiating the price of a house. Once the house is selected an inspection report by a qualified and certified inspector by the Govt. of Quebec must be submitted to Qurtuba Housing for approval. Eligible member will be given the name of Qurtuba notary to make appointment for signing and the name of the insurance company to insure the house.

Eligible member will be responsible for all the expenses related to house purchase: inspection, evaluation, legal fee, and welcome tax.

## **What happens if I already own a house?**

A separate list is maintained for those members who already own a house and wish to payoff their existing mortgage in favour of Coop financing through Coop purchase of their unit. The eligibility requirements regarding down payment are the same as for new home buyers; in addition, the member must have had shares equal to 10% of the outstanding balance of his mortgage for at least six months. Separate competitions and selections take place for members of this list.

The Coop will establish the value of the house at the time of purchase by the Coop.

## **What if I have to move before I have finished paying for my house?**

The house will be evaluated and made available to eligible Co-op members on the basis of right of first refusal.

Should it be necessary the house will be sold on the open market. If you own share for 50%, of the cost of the housing unit, you will be entitled to 90% of any gain in the value at the time of sale. If your share value is less than 50%, you still be entitled to 80% of the gain.

## **What are the conditions under which I occupy a housing unit?**

Once the Coop has purchased a housing unit for your benefit, you will surrender all your common shares and will be issued special shares of equal value. These special shares are not eligible for dividend but keep track of your share of investment in the housing unit.

Housing Coop will establish a rental value of your share of your unit. All taxes and expenses for the property will be deducted from the rent and the balance of rental will be split between you and the Housing Coop according to your share of the total investment.  
An administration fee of \$10 per month will be charged to member occupant to process and to provide periodic report for rent, tax and capital account.

## **What happens when I finish paying for my home?**

When you have acquired special shares of the cost of the house at the time of purchase by the Coop, you will become eligible to apply for transfer of the house in your name.  
The house will be evaluated and you must acquire one class G share at a cost equal to 10% of the net capital gain in the value of the house since purchase by the Coop.  
You can surrender the shares in exchange of a transfer of the house in your name.  
The notary fee and welcome tax pertaining to the transfer will be paid by the Coop.

## **As an investor, what kind of return should I expect?**

You will be entitled to an annual dividend based on the quarterly balance of shares.  
Dividends are paid on shares that were held from the beginning to the end of the quarter.  
Instead of keeping your saving in the bank, you can buy co-op shares and earn Halal income.  
You can start investment now on behalf of your children so they can buy their houses easily when they get married.  
You can also start investing for your children's college/university education and marriages.

## **What if I need money in an emergency?**

You can redeem your shares as investor any time by giving one-month notice for the first \$10,000 and an additional month notice for each block of \$10,000 above the amount.  
The maximum notice required will be six months.

## **What is required for house signing:**

- Appointment with the notary.
- Proof of house insurance.
- The member occupant will pay notary fee and welcome tax initially and Qurtuba will pay notary fee and welcome tax at the time of house transfer to member occupant.
- Member occupant will be responsible for municipal, school and water taxes. Member occupant will be responsible for house insurance, repairs and maintenance.

## **Project for investment in Muslim businesses**

Al-Ittihad Investments: for financing, cars, computers, equipment needed for business, for each project a business plan is required to be submitted. Our experts will study the plan, its viability before financing.

## **Address:**

QURTUBA HOUSING COOP

7445, Chester Avenue

Montreal, Qc, H4V 1M4

Tel: (514) 484-2967

Fax: (514) 486-3802 <sup>1</sup>

Cell : (514) 895-0845

Need correction



