



CMHC Housing Solutions

Canada 



	Seed Funding	Preservation Funding	National Housing Co-Investment Fund	Affordable Housing Innovation Fund	Federal Lands Initiative	Rental Construction Financing Initiative (Direct Insured Lending)	Mortgage Loan Insurance (MLI)	MLI Select
Description	Interest-free loans and non-repayable contributions to develop and preserve affordable housing	Financial assistance to help housing providers (currently under a federally administered operating agreement) complete activities that will allow them to transition to a more viable and sustainable model, as well as prepare them for future funding opportunities	Low-cost repayable loans and forgivable loans to create new or repair existing affordable housing that covers a broad range of housing needs	Repayable or forgivable loans and financial contributions to encourage new funding models and innovative building techniques to revolutionize the affordable housing sector	Non-repayable contributions to support the transfer of surplus federal properties at discounted to no cost for the development of affordable housing	Low-cost loans to encourage construction of rental housing across Canada where the need for supply of rental housing is clearly demonstrated	Mortgage loan insurance products to support the construction, purchase and refinancing of multi-unit residential rental properties	
Benefits	<p>New construction: Supports costs for completing predevelopment activities related to the construction of new affordable housing supply</p> <p>Preservation: Supports costs for completing preservation activities related to the sustainability of existing community housing projects</p>	Helps to cover costs of completing preservation activities related to the sustainability of existing community housing projects	Offers long-term, low-cost repayable loans and/or forgivable loans to ensure that existing rental housing is not lost to disrepair and that new, high-performing, affordable housing is built close to needed supports and amenities such as public transit, jobs, daycares, schools and health care	Tests new, innovative financing models and unique designs used to make housing more accessible and lower the costs and risks associated with affordable housing projects	Creates new affordable, sustainable, accessible and socially inclusive housing through repurposing of surplus federal properties	Offers low-cost loans to housing developers, non-profit organizations and municipalities during the earliest stage of new rental housing development; benefits include a 10-year fixed-rate loan term, up to 50-year amortization period and mortgage loan insurance	Provides access to preferred interest rates, lowering borrowing costs for the construction, purchase and refinance of multi-unit residential properties, facilitates renewals throughout the life of the mortgage and provides opportunities for lower premiums where units are made affordable	Offers scaling flexibilities to encourage the preservation and creation of affordable, accessible and climate compatible units. Flexibilities include higher loan-to-value ratios, increased amortizations, lower debt coverage ratios, and reduced premiums.
Property type	<ul style="list-style-type: none"> • All tenure types and building forms • No restrictions on future residents of the project • Must have a minimum of 5 affordable units (beds) • Primary use must be residential 	All tenure types or building forms	<ul style="list-style-type: none"> • Community and affordable housing • Urban indigenous community housing • Mixed use market/affordable rental housing • Shelters • Transitional housing • Supportive housing • Affordable homeownership 	Varies based on projects	<ul style="list-style-type: none"> • Mixed-income • Mixed-use (non-residential component should not typically exceed 30% of gross floor area) • Mixed-tenure • Shelters • Transitional housing • Supportive housing • Rental housing • Affordable homeownership 	Standard rental apartment buildings	<ul style="list-style-type: none"> • Standard apartment • Retirement housing • Supportive housing • Single room occupancy • Student housing 	<ul style="list-style-type: none"> • Standard apartment • Retirement housing • Supportive housing • Single room occupancy • Student housing

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Investment type	<p>New construction: Non-repayable contributions, interest-free loans</p> <p>Preservation: Non-repayable contributions</p>	Non-repayable contributions	Low-cost repayable loans, forgivable loans	Repayable loans, forgivable loans, contributions, equity capital investments, other innovative arrangements	Non-repayable contributions	Low-cost insured loans	Mortgage loan insurance	
Eligibility	<p>New construction</p> <ul style="list-style-type: none"> Community housing sector (non-profit housing organizations and rental co-operatives) Municipal, provincial and territorial governments, including their agencies Indigenous governments and organizations (including First Nation bands and tribal councils) Private entrepreneurs/builders/developers <p>Preservation</p> <ul style="list-style-type: none"> Community housing sector groups who were previously under a federally administered operating agreement or those transferred under a social housing agreement whose federal operating agreements have ended 	Community housing providers (non-profit housing organizations, including urban Indigenous groups and rental co-operatives)	<ul style="list-style-type: none"> Community housing sector (public or private non-profit housing organizations, rental co-operatives) Provincial, territorial and municipal governments including their agencies Indigenous governments and organizations (including First Nation bands and tribal councils) Private sector developers and builders 	<ul style="list-style-type: none"> Municipalities Private sector developers and builders Non-profit housing providers (including faith-based organizations) 	<ul style="list-style-type: none"> Non-profit organizations or registered charities Co-operative housing organizations Municipal, provincial and territorial governments including their agencies Indigenous governments and organizations, including tribal councils For-profit organizations 	<ul style="list-style-type: none"> For-profit developers, not-for-profit developers, municipalities Must have at least 5 years' experience operating a property of similar type and size and construction management experience Alternatively, a formal property management contract must be in place with a professional third-party property management firm Three-year history of positive cash flow (3 years financial statements preferred) and excellent credit and repayment history 	<ul style="list-style-type: none"> For-profit developers, not-for-profit developers, municipalities Must have at least 5 years' experience operating a property of similar type and size and construction management experience The borrower must have demonstrated competence and experience and a good track record with substantial evidence indicating the borrower's ability to successfully manage a number of multi-unit residential properties without incident 	
** Interest rate	N/A	N/A	Varies based on projects and CMHC's cost of borrowing	Varies based on projects	N/A	Varies based on projects and CMHC's cost of borrowing	Negotiated with Approved Lender or correspondent	
Term	N/A	N/A	Twenty-year loan with a 10-year term, renewed for another 10 years	Varies based on projects	N/A	10 years	Negotiated with Approved Lender or correspondent (minimum 5 years)	

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Amortization	N/A	N/A	New construction: up to 50 years Repair/renewal: up to 40 years*	Varies based on projects	Term of forgivable mortgage equivalent to term of operating agreement	Up to 50 years	Up to 40 years (premium surcharges for those > 25 years)	Up to 50 years
** Loan to cost (LTC)/ loan to value (LTV)	N/A	N/A	Repayable loans: <ul style="list-style-type: none"> • Up to 95% for co-operatives, non-profit organizations, Indigenous groups • Up to 75% for provincial, territorial and municipal governments, private sector • Up to 75% for non-residential component Forgivable loans: <ul style="list-style-type: none"> • Up to 40% for co-operatives, non-profit organizations, Indigenous groups • Up to 30% for provincial, territorial and municipal governments • Up to 15% for private sector <i>Other partners are required to contribute to the project. In addition, projects must have a form of investment from another level of government.</i>	Varies based on projects	N/A	Residential: up to 100% LTC Non-residential: up to 75% LTC	New construction Residential: up to the lesser of 85% loan-to-value (LTV) (CMHC lending value) and 100% LTC Non-residential: up to 75% LTV (CMHC lending value, non-residential) Existing properties Residential: up to 85% LTV (CMHC lending value) Non-residential: up to 75% LTV (CMHC lending value, non-residential)	New construction Residential: up to 95% LTC Non-residential: up to 75% LTC Existing properties Residential: up to 95% LTV (CMHC lending value) Non-residential: up to 75% LTV (CMHC lending value, non-residential)

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Minimum debt coverage ratio (DCR)	N/A	N/A	Residential: 1.00 Non-residential: 1.40	1.10	1.10	Residential: 1.10 Non-residential: 1.40	†Standard apartment: Residential: 1.20 (term of 10+ years) Residential: 1.30 (term of < 10 years) Non-residential: 1.40 (term of 10+ years) Non-residential: 1.50 (term of < 10 years)	†Standard apartment: Residential: 1.10 Non-residential: 1.40
Minimum number of units	5	N/A	5	5	No requirement	5	5	5
Investment amount	New construction: Contribution of up to \$150,000 and/or an interest-free loan of up to \$350,000 Preservation: Contribution of up to \$50,000 per community housing project. Amount can be increased to \$75,000 in some cases	N/A	New construction: \$1,000,000 minimum federal investment (Repayable and forgivable loan) Repair/renewal: \$250,000 minimum federal investment (repayable and forgivable loan) For forgivable loans only, smaller investments will be considered.	Varies based on proposals (expected to range between \$25,000 and \$125,000 per unit)	No minimum	Minimum loan size: \$1 million		

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Affordability requirement	Proposed rents must be affordable as determined by the municipality, province or territory, or as otherwise accepted through CMHC programs	N/A	Rents for a minimum of 30% of the units must be less than 80% of the median market rent for a minimum of 20 years	Based on municipal or provincial affordability definition for a minimum of 10 years	Rents for a minimum of 30% of the units must be less than 80% of the median market rent, for a minimum of 25 years	<p>OPTION A: Minimum 20% of the units must have rents at or below 30% of the median total income for all families for the area (Statistics Canada); for example, Vancouver (30%*\$91,750)/12=\$2,293.75 per month (any unit type) (Statistics Canada 2016)</p> <p>AND</p> <p>Total residential rental income must be at least 10% below its gross achievable residential income supported by an independent appraisal</p> <p>Affordability must be maintained for at least 10 years from the date of first occupancy</p> <p>OR</p> <p>OPTION B: Project approved under other housing programs/initiatives (municipal, provincial or federal) that provide support for development of affordable housing, such as capital grants, municipal concessions or expedited planning</p> <p>Affordability must be maintained for at least 10 years from the date of first occupancy</p>	<p>Market MLI No requirement</p> <p>MLI Select <i>For borrowers making an affordability commitment</i></p> <p>New construction Evaluated based on the % of units in the project with rents below the threshold. For all levels, the affordability commitment is a minimum of 10 years. For borrowers making an affordability commitment of 20 years, an additional 30 points are awarded. Level 1, 10% of units at 30% of median renter income - 50 points Level 2, 15% of units at 30% of median renter income - 70 points Level 3, 25% of units at 30% of median renter income - 100 points</p> <p>Existing properties Existing buildings; Evaluated based on the % of units in the project with rents below the threshold within the subject market. For all levels, the affordability commitment is a minimum of 10 years. For borrowers making an affordability commitment of 20 years, an additional 30 points are awarded. Level 1, 40% of units at 30% of median renter income - 50 points Level 2, 60% of units at 30% of median renter income - 70 points Level 3, 80% of units at 30% of median renter income - 100 point</p> <p><i>Affordability commitments are not available for student housing; however other outcomes remain available for these projects (i.e., climate and accessibility).</i></p>	

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Energy efficiency requirement	N/A	N/A	<p>New construction: Minimum 25% decrease in energy consumption and greenhouse gas (GHG) emissions based on the 2015 National Energy Code for Buildings or the 2015 National Building Code</p> <p>OR</p> <p>Minimum 15% decrease in energy consumption and greenhouse gas (GHG) emissions based on the 2017 National Energy Code for Buildings.</p> <p>Repair/renewal: Minimum 25% decrease in energy consumption and GHG emissions relative to past performance</p>	<p>New construction: Minimum 10% decrease in energy intensity and GHG emissions based on the 2015 National Energy Code for Buildings or the 2015 National Building Code</p> <p>Existing: Minimum 10% decrease in energy intensity and GHG emissions relative to past performance</p>	<p>New construction: Minimum 25% decrease in energy consumption and greenhouse gas (GHG) emissions based on the 2015 National Energy Code for Buildings or the 2015 National Building Code</p> <p>OR</p> <p>Minimum 15% decrease in energy consumption and greenhouse gas (GHG) emissions based on the 2017 National Energy Code for Buildings.</p> <p>Repair/renewal: Minimum 25% decrease in energy consumption and GHG emissions relative to past performance</p>	<p>Projects must be a minimum of 15% more efficient in energy consumption and GHG emissions than current model building codes:</p> <ul style="list-style-type: none"> • Low-rise multi-unit buildings under Part 9 of the National Building code must demonstrate a minimum 15% improvement over the 2015 NBC. • All other multi-unit buildings under Part 3 must demonstrate a minimum 15% improvement over 2015 NECB. Starting November 1, 2022, all buildings under Part 3 must demonstrate a minimum 15% improvement over 2017 NECB. RCFi will accept modeling against 2017 NECB immediately. 	<p>Market MLI No requirement</p> <p>New construction: Eligible for up to 10% CMHC premium refund/reduction if building is 5% more energy-efficient than if constructed to meet provincial/territorial requirements or the National Energy Code for Buildings.</p> <p>Existing properties: Eligible for up to 15% CMHC premium refund/reduction based on overall reduction in energy consumption.</p> <p>MLI Select <i>For borrowers making a climate commitment.</i></p> <p>New construction: Evaluated based on the % decrease in energy consumption and Greenhouse Gas (GHG) emissions relative to the energy requirements of the 2017 National Energy Code for Buildings (NECB) – Part 3 multi-unit buildings, or the 2015 National Building Code (NBC), as applicable.</p> <p>Level 1 - 20% better than NECB/NBC - 30 points Level 2 - 25% better than NECB/NBC - 50 points Level 3 - 40% better than NECB/NBC - 100 points</p> <p>Existing properties: Evaluated based on a minimum % decrease in energy consumption and Greenhouse Gas (GHG) emissions relative to pre-renewal consumption and emission levels.</p> <p>Level 1- 15% decrease - 30 points Level 2 - 25% decrease - 50 points Level 3 - 40% decrease - 100 points</p>	

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Accessibility requirement	N/A	N/A	<p>New construction: 20% of units within the project must meet or exceed accessibility standards and its common areas must be barrier-free OR have full universal design applied</p> <p>Repair/renewal: 20% of units within the project must meet or exceed the accessibility standards and its common areas must be barrier-free</p>	Minimum 10% of units	<p>New construction: 20% of units within the project must meet or exceed accessibility standards and its common areas must be barrier-free OR have full universal design applied</p> <p>Repair/renewal: 20% of units meet accessibility standards and common areas must be barrier-free</p>	<p>At least 10% of the project's units must meet or exceed accessibility standards as regulated by local codes; in addition, access to the project and all common areas must be barrier-free as regulated by the local codes or the 2015 National Building Code</p> <p>The accessibility requirements are intended to overcome barriers and increase accessibility for the tenants</p>	<p>Market MLI No requirement</p> <p>MLI Select <i>For borrowers making an accessibility commitment</i></p> <p>New and existing properties: Evaluated based on the level of accessibility and adaptable building design. There is a baseline requirement for all levels that the building is 100% visitable in accordance with Canadian Standards Association (CSA) standard B651-2018 (section 7.3 visitable dwelling units) and common areas are barrier free in accordance with B651-2018.</p> <p>Level 1 - 15% of the units are considered accessible in accordance with the CSA standard B651-18, or 15% of units are universal design or the building receives Rick Hansen Foundation Accessibility Certification (60%-79% score) - 20 points</p> <p>Level 2 - 15% of units are considered accessible in accordance with the CSA standard B651-18 and 85% of units are universal design, or 100% of units are universal design or 100% of units are accessible in accordance with the CSA standard B651-18 or the building receives Rick Hansen Foundation Accessibility Certification "Gold" (score of 80% or better) - 30 points</p>	

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Other social outcome requirements	N/A	N/A	Higher prioritization given to projects in close proximity to transit	Within 500 to 1,000 m of bus or services	Evidence of community need Proponents must provide a clear description of how their project will meet the needs of the community, a market study and at least one of the following: 1) Letter of support from the community; and/or 2) Waiting lists for social or affordable housing in the community	Higher prioritization given to projects with access to public transit and partnerships between for-profit or not-for-profit developers, urban Indigenous groups and municipalities as well as projects having other government supports and land donations	No requirement	
Learn more	cmhc.ca/seedfunding	cmhc.ca/preservationfunding	cmhc-nhs.ca	cmhc.ca/innovationfund	cmhc.ca/federallands	cmhc.ca/financinginitiative	cmhc.ca/multi-unit	cmhc.ca/mliselect

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