



CMHC's First Quarter Financial Report (2017)

Media Briefing – May 30, 2017

Canada



Introduction

- The QFR presents the financial results for the quarter ended March 31, 2017.
- In support of the QFR results, we continue to provide additional data through our complementary Mortgage Loan Insurance, Securitization Business and Covered Bonds Supplements.

Operating environment

Mandate:

Facilitate access ... contribute to financial stability

Strategic directions:

Achieve better outcomes
by managing risk

Lead through
innovation and insight

Be a high-performing
organization

Vision:

The **HEART**
of a **world-leading**
HOUSING SYSTEM

Mission:

We help
CANADIANS
meet their **HOUSING NEEDS**

Providing support for Canadians in need

- In the first quarter, CMHC provided more than \$1.5 billion for housing programs on behalf of the Government of Canada.

Budget 2017 proposed:

- New federal investments of over \$11.2 billion over 11 years and support affordable housing through new investments and lending
- CMHC to directly deliver \$9.1 billion of this important investment.
- CMHC is well positioned to lead the development of a National Housing Strategy, a once-in-a-lifetime opportunity to ensure Canadians have the housing they need and that they can afford.

CMHC continues to generate positive returns for all Canadians

- CMHC's mortgage loan insurance and securitization guarantee programs operate on a commercial basis without the need for funding from the Government.
- CMHC's net income (after taxes) for the quarter ended on March 31, 2017 was \$370 million, compared to \$313 million for the same quarter in 2016.
- On the continued strength of our performance, CMHC will pay a dividend of \$145 million to our shareholder, the Government of Canada.
- Going forward, CMHC will consider a quarterly dividend to the Government in the event its actual capital exceeds its capital target. We also expect to declare a special dividend during the year to align our actual capital with our capital holding targets.

Facilitating access and financial stability

In the 1st quarter of 2017, \$34.2 billion of securities were guaranteed:

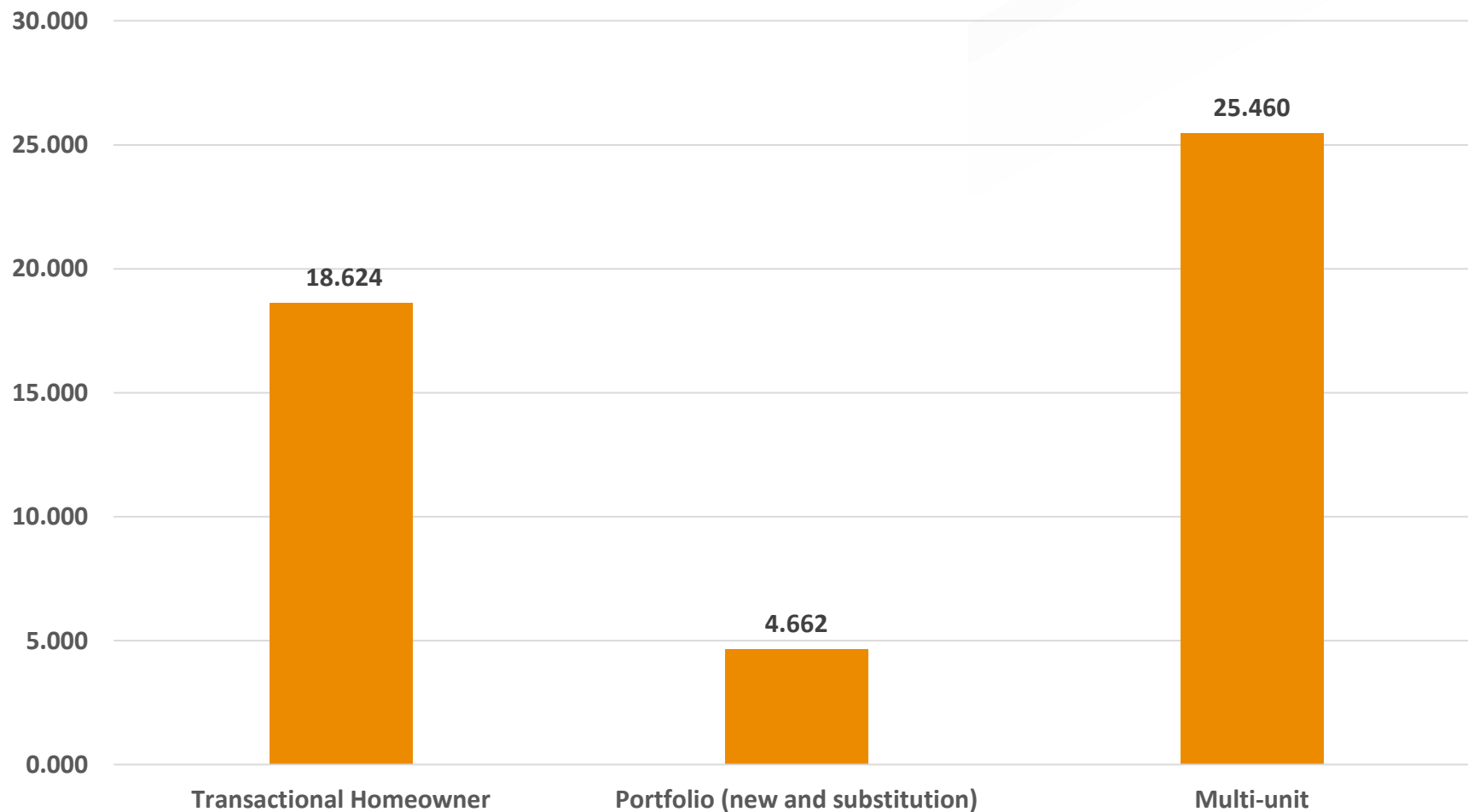
- \$23.4 billion of NHA MBS
- \$10.8 billion of CMB.

More than 90% of the active participants in CMHC's securitization programs are regulated institutions.

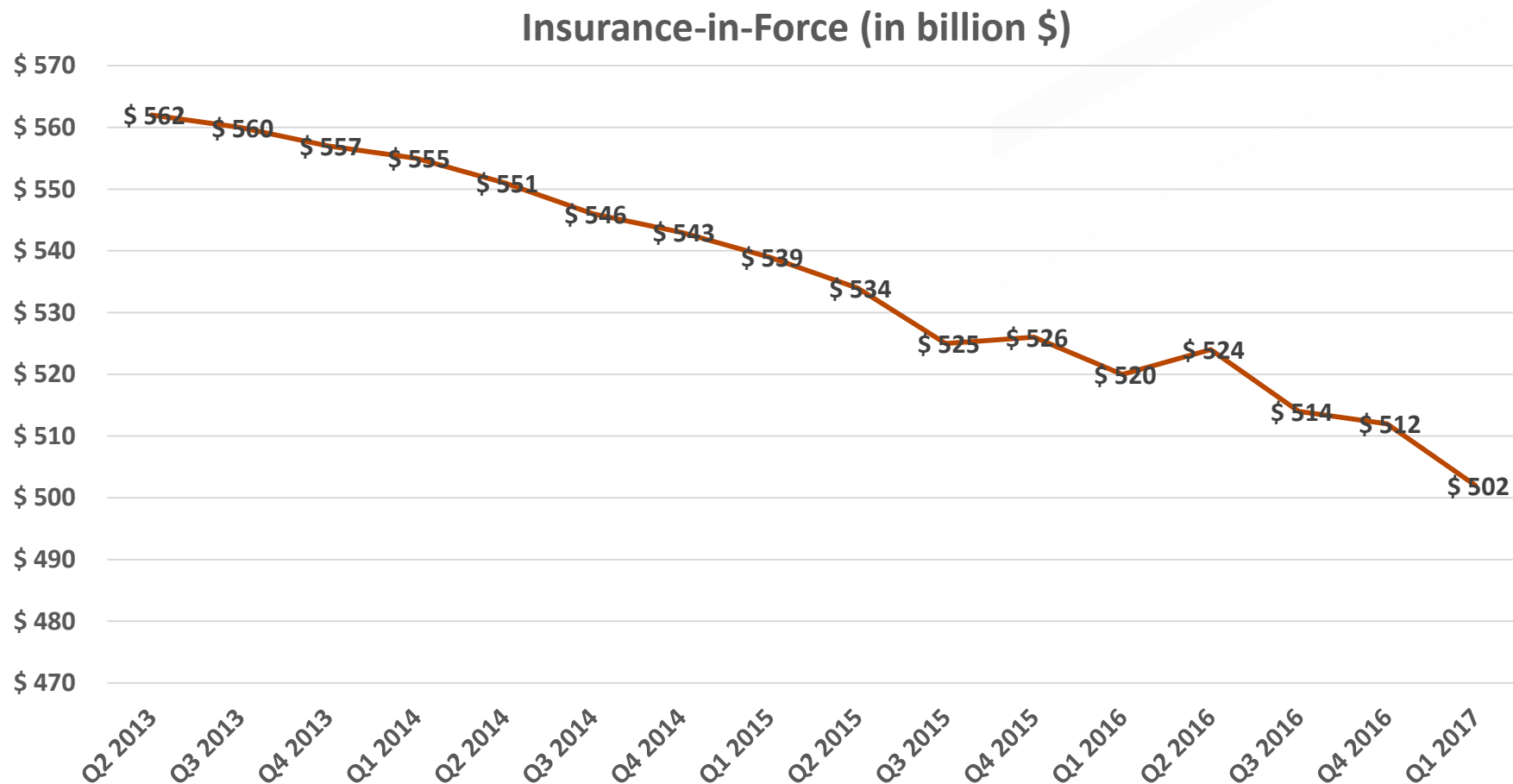


Facilitating access and financial stability

2017 Q1 MLI Volumes
(units)

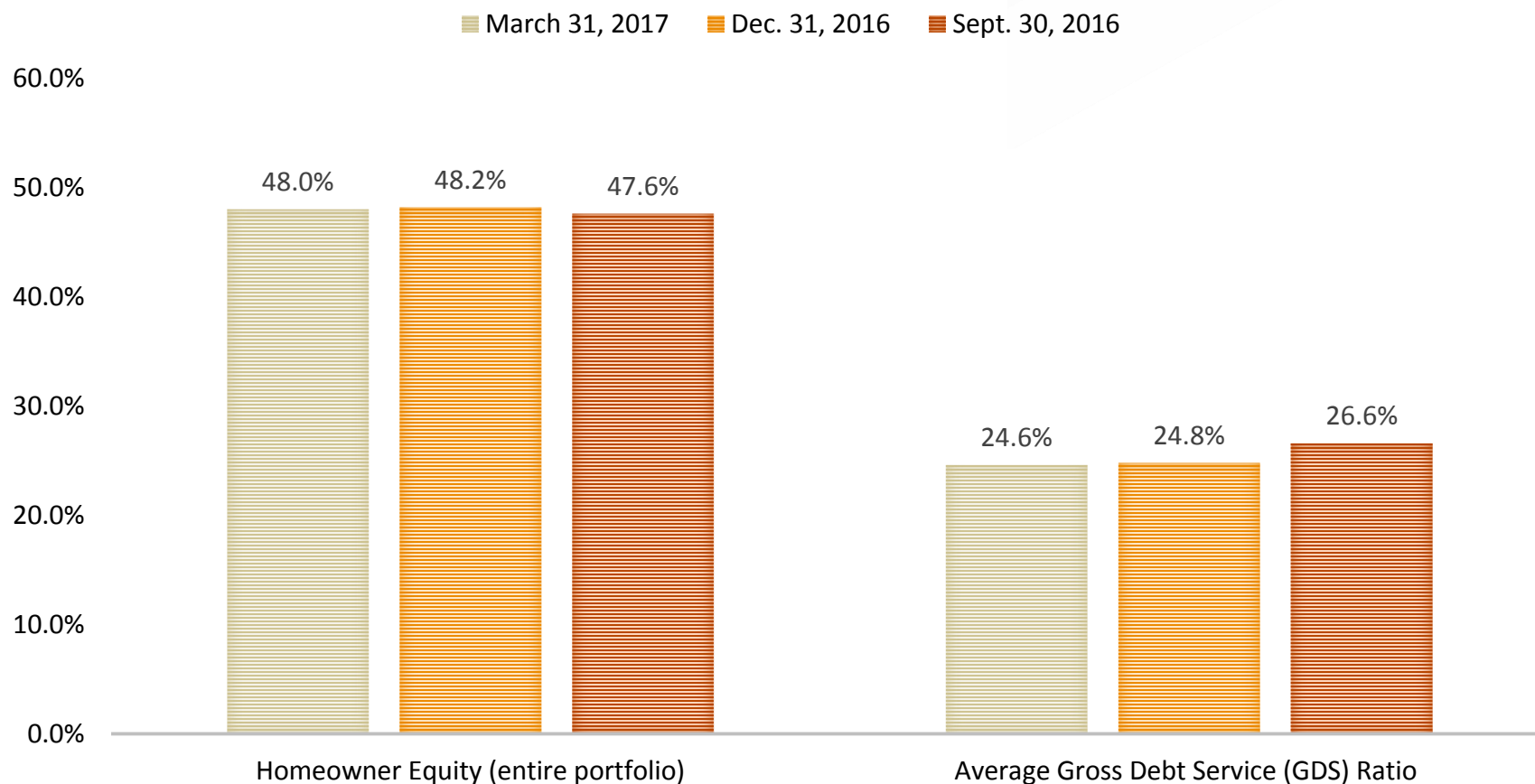


CMHC Insurance-in-force continues to decline



The quality of CMHC's loan portfolio is strong

- The strength of CMHC's portfolio is reflected in the arrears rate which was 0.32% as at March 31, 2017.



Looking forward

CMHC will continue to:

- Facilitate access to housing and contribute to financial stability
- Manage our risks appropriately with due regard for loss
- Provide industry leading data, knowledge and analysis
- Help reduce core housing need for Canadians