

MORTGAGE LOAN INSURANCE

MULTI-UNIT INSURANCE SERVICING



Who We Are

CMHC's Multi-Unit Insurance Servicing exists to assist lenders from the moment a loan is fully disbursed to providing default management advice and approval, as well as the administration and application of insurance servicing policies and guidelines.

The team provides best in class service and support to Approved Lenders on insured mortgage matters throughout the life of the loan.

What We Do

- Provide guidance to Approved Lenders on post-IAD (interest adjustment date) matters throughout the duration of the Certificate of Insurance (COI) and authorize changes to the COI conditions that require CMHC's approval as per the Handbook.
- Work with Approved Lenders and mortgage professionals to find solutions for all types of multi-unit properties in financial difficulty.
- Provide guidance and authorization to Approved Lenders in the undertaking of remedial actions addressing loan default situations, including the efficient disposal of properties, in order to prevent and minimize losses and manage risk.

How We Can Serve You

Insurance Servicing Requests

Any questions related to the servicing of a loan, when a loan is fully disbursed, must be addressed to the Insurance Servicing team. Examples of questions are:

- Replacement of covenant
- Changes in borrower's structure
- Partial release of a mortgaged property, easements and encroachments
- Loan renewal
- Subsequent financing
- Release of a Collateral security
- Any questions pertaining on the Special conditions
- Sale of property via assumption by mortgagor
- Amendment to Mortgage Terms
- Change in the usage of the property, or major renovations requiring vacating part or all of the property.
- Refund request for energy efficient properties
- Social outcome covenant

Default Management

The Lender should notify CMHC's Insurance Servicing team as soon as it is discovered that:

- a rental loan is in imminent financial difficulty, or
 - *Bankruptcy of a borrower/guarantor*
 - *Registration of a Legal mortgage*
 - *The last instalment is unpaid for 1 month and 15 days and can include arrears of accrued interest on construction loan advances, arrears of monthly instalments, arrears of taxes (school and property), arrears for utilities*
- *Client's real estate portfolio puts the loan repayment at risk*

To report a loan in arrears, please click [here](#)*

* <https://assets.cmhc-schl.gc.ca/sf/project/cmhc/pdfs/content/en/report-of-loans-in-arrears-for-multi-unit-properties.pdf>

- the Lender becomes aware of circumstances related to the borrower or to the property that might negatively impact the project's viability, or
 - *Death of the borrower/guarantor*
 - *Damages by fire or other insurable perils that exceed \$5,000 per unit*
 - *Environmental impairment*
 - *Marijuana Grow Operations*
 - *Urgent repairs as part of Approved Borrower's Charges*
 - *Easements and Encroachments*
 - *Change of vocation or reconfiguration*
- the Lender becomes aware of any default to the terms and conditions set out in the Special Conditions issued as part of CMHC's Commitment to Insure, such as but not exclusive to.
 - *Review of financial statements*
 - *Replacement reserve fund*
 - *Property taxes*
 - *Social outcome covenant*
 - *Etc.*
- Circumstances may put a particular loan or portfolio of loans in jeopardy.
 - *Wildfires*
 - *Economic circumstances of a municipality*
 - *Flooding*

Reporting loans in default in a timely manner is essential. This allows CMHC to work with the Approved Lender in managing the default and identifying workout opportunities. It also allows CMHC to anticipate the level of claims and resource requirements. Failure to report arrears on insured loans may result in a loss of interest in the event of a claim.

Approved Lenders are required to report arrears to CMHC. Approved Lenders are required to report loans in arrears to CMHC no later than 1 month and 15 days from the date of default. Please use the Report of Loans in Arrears for Multi-Unit Properties form (CMHC Form 19-E) and submit to CPCdocs@cmhc-schl.gc.ca.

CONTACT

The Handbook for CMHC Lenders should be consulted in all cases before contacting CMHC as it provides guidance on many of the above matters, and sets out instances where the lender can act without CMHC intervention.

Inquiries for all of the above-mentioned activities must be sent to: MUIS-ICAA@cmhc-schl.gc.ca

Assistance can also be obtained by telephone at **1-877-MULTIGO** (1-877-685-8446).

This material is provided for informational purposes and provides product highlights only. This information is subject to change at any time. CMHC does not guarantee or warrant that the product highlights are complete, adequate or up-to-date. Any applicable CMHC standard terms and conditions would apply and should be referenced and reviewed.

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cmhc.ca/multi-unit
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