

Homeowner

# CMHC Portability



## Providing flexibility and financing choice for borrowers who are relocating

CMHC's Portability feature saves money for repeat users of mortgage loan insurance by reducing or eliminating the premium payable on the new insured loan for the purchase of a subsequent home.

For more information, please visit [cmhc.ca/mlipproducts](https://cmhc.ca/mlipproducts) or call **1-888 GO emili** (1-888-463-6454).

## Highlights



### Different options for different needs

**A. Premium credit:** The portability feature may allow for a premium credit to reduce the premium payable on a new loan insurance application. The premium credit is based on the elapsed time (up to a maximum of 24 months) from the original closing date of the existing CMHC-insured loan to the application received date for the new CMHC-insured loan request.

#### Elapsed Time

(From original closing date of existing CMHC-insured loan to the new request for loan insurance)

#### Premium Credit

(% of premium previously paid for the existing CMHC-insured loan)

Within 6 months	100%
Within 12 months	50%
Within 24 months	25%

Mortgage loan insurance is portable beyond 2 years; however, a premium credit will not apply.

To request an alternate format, please contact us at:

1-800-668-2642  
[contactcentre@cmhc.ca](mailto:contactcentre@cmhc.ca)

700 Montreal Road,  
Ottawa, Ontario K1A 0P7

Canada



**B. Portability with increase:**

- to loan amount
- to loan-to-value ratio (with no increase in loan amount)

The maximum new loan-to-value (LTV) is 90%. CMHC may consider a higher LTV ratio, up to 95%, when the new LTV ratio is equal to or less than the original LTV ratio (at time of original purchase).

**C. Straight portability:** The existing mortgage balance, remaining amortization, and loan-to-value ratio on a new property remain unchanged (or are lower). No requalification is required and no new mortgage loan insurance premium is payable.

More details on portability options and premiums can be found at [cmhc.ca/portability](https://cmhc.ca/portability).

**Availability and eligibility**

Available for all CMHC-insured mortgage loans covering residential properties originally insured by CMHC through **emili**. Borrower(s) on the new loan must be the same as those on the original CMHC-insured loan.

*The back page contains eligibility requirements applicable to this product.*



# Eligibility Requirements

	Homeowner Loans (owner-occupied) <sup>1</sup>	Small Rental Loans (non-owner occupied)
<b>Loan-to-Value (LTV) Ratio</b>	1 – 2 units: up to 95% LTV 3 – 4 units: up to 90% LTV	Up to 80% LTV 2 – 4 units
<b>Minimum Equity Requirement</b>	1 – 2 units: 5% of the first \$500,000 of the lending value and 10% of the remainder of the lending value. 3 – 4 units: 10%	20%
<b>Purchase Price / Lending Value</b>	The maximum purchase price / lending value or as-improved property value must be below \$1,500,000.	The maximum purchase price / lending value or as-improved property value must be below \$1,000,000.
<b>Amortization</b>	The maximum amortization period is 25 years. (Buyers may qualify for a 30-year amortization through CMHC Home Start.)	
<b>Location</b>	The property must be located in Canada, be suitable and available for full time / year round occupancy and have year round access including homes located on an island (via a vehicular bridge or ferry).	
<b>Traditional Down Payment</b>	The down payment can come from sources such as savings, sale of a property, or a non-repayable financial gift from a relative.	
<b>Non-Traditional Down Payment (homeowner loans only)</b>	<ul style="list-style-type: none"> <li>• The down payment must be arm's length and not tied to the purchase and sale of the property, either directly or indirectly such as unsecured personal loans or unsecured lines of credit.</li> <li>• Available for 1 – 2 units, 90.01% to 95% LTV for borrowers with a strong history of managing credit.</li> <li>• Non-permanent residents and loans under chattel loan insurance program are not eligible.</li> </ul>	
<b>Creditworthiness</b>	<ul style="list-style-type: none"> <li>• At least one borrower (or guarantor) must have a minimum credit score of 600.</li> <li>• CMHC may consider alternative methods of establishing creditworthiness for borrowers without a credit history. Examples of borrowers without a credit history could include newcomers to Canada, or recent graduates.</li> </ul>	
<b>Debt Service</b>	Maximum threshold: GDS 39% / TDS 44%.	
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>• The GDS and TDS ratios must be calculated using an interest rate which is the greater of the contract interest rate plus 2 per cent, or 5.25 per cent.</li> <li>• Fixed, capped and standard variable, and adjustable.</li> </ul>	
<b>Advancing Options</b>	<ul style="list-style-type: none"> <li>• Single advances: improvement costs ≤ 10% of the <i>as-improved</i> value.</li> <li>• Progress advances: new construction financing or improvement costs &gt; 10% of the <i>as-improved</i> value. <ul style="list-style-type: none"> <li>– Full Service: CMHC validation of advances for up to 4 consecutive advances at no cost.</li> <li>– Basic Service: Lender validation of advances without pre-approval from CMHC.</li> </ul> </li> </ul>	

<sup>1</sup> CMHC-insured financing is available for one property per borrower/co-borrower at any given time.