

Required Documentation Checklist

Repair and Renewal Stream

The following checklist outlines the minimum documentation required at each stage of the process. Inability to provide the outlined documents within specified timelines will result in withdrawal of the application.

The Affordable Housing Fund (AHF) process has 4 stages. The documentation listed below are the minimum documents that are needed for processing the application at a particular stage. Submitting the documents well in advance is advisable to facilitate a timely processing.

If you have questions regarding the documentation requirements, please contact your Client Solutions Specialist¹ for support.

Application

Underwriting

Loan Agreement

First Advance

Proponent(s) Details

Integrity Declaration

All proponents must provide a newly signed CMHC Integrity Declaration², even if one has been provided previously for another CMHC application.

Corporate Documents

Proponents and guarantors must provide all documents listed below, as applicable:

- Letters, Patents, Bylaws, and any applicable operating and shareholders' agreements.
 - Detailed information about the organization's structure, including any related entities.
 - Organizational chart
 - The names and relationship of all registered and beneficial owners of the property (not applicable if the property located in Quebec).
- Considerations for On-Reserve Applicants:
- Chief and council should be included in the organizational chart.

¹ <https://www.cmhc-schl.gc.ca/about-us/contact-us>

² <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/project-funding-and-mortgage-financing/funding-programs/integrity-declaration-en.pdf>

To request an alternate format, please contact us at:

1-800-668-2642
contactcentre@cmhc.ca

700 Montreal Road,
 Ottawa, ON K1A 0P7



Financial Statements

Audited financial statements for the most recent three years for the proponent(s) and each guarantor(s). Review Engagement may be accepted at CMHC's sole discretion.

Project Details

Building Condition Assessment

Report outlining the building condition and scope of work for the repairs. The report will provide an overview of the general condition of the building and detailed evaluation of key building components, and may also contain details on the risk of hazardous materials.

NOTE: At the underwriting stage, the report must authorize the lender and its assigns to rely on the report for financing purposes.

Hazardous Material Report

An assessment to identify any existing hazardous building materials (e.g. asbestos, lead paint or pipe, mold) to determine if in any type of abatement will be required).

NOTE: At the underwriting stage, the report must authorize the lender and its assignees to rely on the report for financing purposes.

Operations Statements

Unless already reflected in the Borrower's financial statements, provide three years of historical detailed operating statements with actual income and expenses for the subject property.

Tenant Displacement Plan

If the scope of repairs requires tenant displacement, a tenant displacement plan is required.

Scope of Work or Detailed Repair Plans

Itemized description of the projected repair work.

Appraisal Report

A professional appraisal report confirming the market value of the subject property "as-is" and "as-improved".

The appraisal report must:

- Be completed by an independent appraiser holding an Accredited Appraiser Canadian Institute (AACI) designation;
- Include comments on remaining economic life of the project, "as-is" and "as-improved" values using appropriate methodologies, comparison of valuation across different valuation methodologies, market feasibility, etc.; and
- Use actual rents (NOT market rents) when performing the Income Approach to valuation.

NOTE: Some flexibility may apply to waive the appraisal report requirement depending on the scope of repairs.

NOTE: At the underwriting stage, the report must authorize the lender and its assignees to rely on the report for financing purposes.

Environmental Site Assessment

- Phase 1 Environmental site assessment report.
- Phase 2 Environmental site assessment report, if applicable.
- Record of Site Condition application, if applicable.
- Risk assessment, if applicable.
- Confirmation of site remediation, if applicable.

NOTE: At the underwriting stage, the report must authorize the lender and its assignees to rely on the report for financing purposes.

Geotechnical Test Report (if applicable)

Signed by a qualified professional demonstrating that the proposed construction and site improvements of the lands are feasible under existing soil conditions.

NOTE: At the underwriting stage, the report must authorize the lender and its assignees to rely on the report for financing purposes.

Project Description Form (if applicable)

Projects on federal lands (including on-reserve) must comply with the *Impact Assessment Act*. Please provide a project description form to ensure compliance with the Act by completing either:

- [Fillable](#)³ (download the file then open it)
- [Print only](#)⁴

³ https://www.sac-isc.gc.ca/DAM/DAM-ISC-SAC/DAM-FNDNG/STAGING/texte-text/83-183_fillsave_1650917488349_eng.pdf

⁴ https://www.sac-isc.gc.ca/DAM/DAM-ISC-SAC/DAM-FNDNG/STAGING/texte-text/83-183-print_1650917538805_eng.pdf

Attestation for Accessibility Target⁵

Signed by a recognized professional to confirm Accessibility.

Attestation for Energy Efficiency⁶

Signed by a recognized professional to confirm Energy Efficiency and Greenhouse Gas emissions reduction.

On-Site Tenant Support Agreements (if applicable)

In case of third-party service provider. Letter and/or agreement confirming the types of support that will be provided on site for tenants that represent priority groups.

Property Ownership

This may include an abstract of Title, a copy of property tax assessment or any other document that confirms the ownership of the subject property and its Legal Description (PIN or PID).

Consideration for On-Reserve Applicants:

- Project location identifier may be GPS Data, the civic address, or general site location.
- The “Land Status Report” issued by Indigenous Services Canada meets the requirements.
- Applicant must confirm the type of security being proposed. For example, Ministerial Loan Guarantee, Pledge of Land, Leasehold Interest, Business Revenue and Personal Property, or Letter of Credit. See CMHC’s Alternative Types of Security⁷ webpage for further details.

Project Financials

AHF Project Assessment Workbook⁸

Preliminary Project Budget

- For small scope repair projects, third-party professional report or a minimum of three quotes, including the rationale for the selection of the preferred quote is required.
- For larger scope repair projects, Class B estimate report prepared by a recognized professional (such as a Professional Quantity Surveyor or Engineer) is required.

NOTE: At the underwriting stage, the report must authorize the lender and its assigns to rely on the report for financing purposes.

Funding Sources

A list of all co-funders, and all the documents listed below, as applicable:

- Capital Funding: Letter or other documentation supporting all sources of financing, including grants, in-kind, forgivable loans, and waiver of development charges & fees (as applicable).
- Operational Funding: letter or other documentation for all sources of operational funding support (e.g. rent supplement, operating subsidy, property tax waiver, etc.);
- For operational funding arrangement not available for full term of the target affordability period, provide a working plan on how the project will remain viable.

Draft funding documents will be acceptable at this stage as it is understood that some funding can be contingent on CMHC support.

⁵ <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/affordable-housing-fund/affordable-housing-fund-project-accessibility-target-attestation-en.pdf>

⁶ <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/affordable-housing-fund/affordable-housing-fund-energy-efficiency-attestation-en.pdf>

⁷ <https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/indigenous/alternative-types-of-security>

⁸ <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/affordable-housing-fund/affordable-housing-fund-project-assessment-workbook-repair-renewal-en.xlsx>



Project Details

Other Draft Agreements

All the documents listed below, as applicable/available:

- Funding Agreements
- Beneficial Owner Agreement
- Partnership/Shareholder Agreement
- Lease Agreement
- Condo bylaws
- Share Facility Agreements
- Management/Operating Agreement



Proponent(s) Details

Officer Certificate or Band Council Resolution

A certificate, agreement or Band Council Resolution noting the designated signing authority.

- Confirmation to CMHC of the project budget (hardcosts, soft costs, etc.), project cash flows, and project funding sources; and
- Evidence of a fixed price contract or construction management arrangement wherein fixed price contracts are entered into for no less than two-thirds (2/3) of the hard construction cost and identification of all material contracts (contract that is 5% or more of the hard construction cost).

Project Details

Executed Agreements

All drafted agreements have been executed for the project (as determined by CMHC Legal).

Labour, Material, and Performance Bond

Evidence that Labour, Material, and Performance Bond is in place. Each must be in an amount of not less than 50% of the contract price and CMHC should be listed as a dual obligee.

NOTE: Some flexibilities to waive this requirement may apply depending on the scope of repairs.

Project Financials

Final Project Budget Confirmation

- For smaller repair projects, if deemed appropriate, confirmation that fixed price contract(s) with trade(s) and/or professional(s) are secured.
- For larger scale repairs projects, a final cost report prepared by a recognized professional (such as a Professional Quantity Surveyor or Engineer) must be provided and shall include:

Side Letters pertaining to funding agreements (tripartite/direct agreements) (if applicable)

Application

Underwriting

Loan Agreement

First Advance

Project Details⁹

Finalized Drawdown Schedule

Confirmation of the finalized timeline outlining payment dates including 3rd party funding, any client equity injection, and when CMHC repayable funding is provided.

Municipal Approvals

- Copy of repair permit(s).
- Confirmation of zoning (for major repairs project only, as required).

Registration/Security Agreements

For example, guarantees.

Borrower Certificate to Forgivable Loan Advance

Included in the CMHC Loan Agreement.

Project Status Certificate

Included in the CMHC Loan Agreement.

Project Consultant's Certificate

Included in the CMHC Loan Agreement.

Statutory Declaration Form

CCDC Form 9A-2001 or equivalent.

Occupancy Permit (if applicable)

Certificate of Substantial Completion (if applicable)

Advance Notice

Included in the CMHC Loan Agreement.

Project Financials

Updated Quantity Surveyor's Report

Updated report, provided to CMHC prior to each advance, to demonstrate costs incurred versus cost-to-complete, cost-to-date reconciliation, committed costs, construction schedule (and rationale for any deviations from the initial schedule), contingency budget details, use of funds, etc.

Insurance Consultant Report

An Independent Insurance Consultant's report prepared by a professional holding a Certificate in Risk Management (CRM) designation and/or Construction Risk and Insurance Specialist (CRIS) designation. The report must:

- Meet the requirements set in the Insurance consultant's scope of work;
- Include details of all insurance policies in place during repairs as per CMHC's insurance requirement; and
- Include certificate(s) of insurance.

NOTE: For small scale projects, the insurance consultant report is not required. That said, a copy of the certificate of insurance will be required and must provide details of all insurance policies in place during repairs as per CMHC's insurance requirement.

Banking Information

- Proof that a separate and distinct bank account has been opened exclusively for the project.
- Repayment account: details of a separate and distinct bank account where repayments will come from.

⁹ Advancing requirements may vary based on the type of funding being provided.

NOTES:

For the avoidance of doubt, all requested Professional reports are to be prepared:

- By independent, arms-length professionals holding a current, industry recognized designation in their field and be in good standing with their governing body, unless prior approved by CMHC;
- Not more than 12 months (18 months for Environmental Site Assessment Report and 36 months for Building Condition Assessment Report) old from the date of the AHF application;
- Prepared for CMHC or accompanied by reliance/transmittal letter from the author acknowledging that CMHC will be relying on the report for funding purposes; and
- Copy of professional liability (Errors and Omissions) insurance coverage in line with the minimum required by the respective professional body. For repairs project with a total project cost of \$25M or more, a minimum coverage of \$2M is required.

CMHC, at its sole discretion and on a case-by-case basis, reserves the right to request additional documentation not included in this list.