

CMHC Housing Solutions



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Canada



	Apartment Construction Loan Program (Direct Insured Lending)	Affordable Housing Fund	Affordable Housing Innovation Fund	Canada Greener Affordable Housing Pre-Retrofit Funding	Canada Greener Affordable Housing Retrofit Funding	Co-op Housing Development Program	Federal lands Initiative	Housing Accelerator Fund	Preservation Funding	Seed Funding
Description	Low-cost loans to encourage construction of rental housing across Canada where the need for supply of rental housing is clearly demonstrated	Low-cost repayable loans and forgivable loans to create new or repair existing affordable housing that covers a broad range of housing needs	Flexible financing options will be considered to encourage new funding models and innovative building techniques to revolutionize the affordable housing sector	Non-repayable contributions for completing pre-retrofit activities	Low-interest repayable loans and forgivable loans to complete deep energy retrofits	Funding to support the construction of new co-op housing projects.	Forgivable loans to support the transfer of surplus federal properties at discounted to no cost for the development of affordable housing	Non-repayable contributions to encourage the implementation of initiatives that will speed up housing development approvals and increase supply	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	Interest-free loans and non-repayable contributions to develop and preserve affordable housing
Benefits	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	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	Supports costs for completing the pre-retrofit activities needed to plan, prepare, and apply for CGAH Retrofit Funding	Provides access to low-interest repayable and forgivable loans to support deep energy retrofits of multi-unit residential buildings while maintaining project affordability	Forgivable loans and low-interest repayable loans to build rental co-operative housing to support a new generation of non-profit co-operative housing.	Creates new affordable, sustainable, accessible and socially inclusive housing through repurposing of surplus federal properties	Offers support to local governments to create conditions where more homes can be built faster	Helps to cover costs of completing preservation activities related to the sustainability of existing community housing projects	New construction: Supports costs for completing predevelopment activities related to the construction of new affordable housing supply
Property type	Standard rental apartment buildings	<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"> • Community and affordable rental housing • Mixed income rental or mix-use with affordable rental housing • Indigenous community housing and cultural spaces • Shelters, transitional, and supportive housing • Single-room occupancy 	<ul style="list-style-type: none"> • Community and affordable rental housing • Mixed income rental or mix-use with affordable rental housing • Indigenous community housing and cultural spaces • Shelters, transitional, and supportive housing • Single-room occupancy 	<ul style="list-style-type: none"> • New construction of residential development • Conversion of non-residential to residential • Property type may include multi-unit, stacked townhouses, semi-detached buildings • Properties must be rental co-operative housing 	<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 	All tenure types and building forms	All tenure types or building forms	<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

*Cannot exceed economic life of project

**For further details on the qualifying interest rate, refer to the Approved Lender Handbook or contact your housing specialist.

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Note: for loan-to-cost ratio, visit the CMHC website.

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Investment type	Low-cost insured loans	Low-cost repayable loans, forgivable loans, contributions as well as repayable and forgivable	Flexible financing options that may include repayable loans, forgivable loans, equity capital investments, other innovative arrangements	Contributions	Low-interest repayable loans, forgivable loans	Combination of repayable and forgivable loans in all cases	Forgivable loans	Non-repayable contributions to encourage the implementation of initiatives that will speed up housing development approvals and increase supply	Non-repayable contributions	New construction: Non-repayable contributions, interest-free loans
Eligibility	<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"> 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 (not eligible under the Contribution Only stream) <p><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></p>	<ul style="list-style-type: none"> Municipal, provincial and territorial governments including their agencies Private sector and for-profit entities including developers and builders Non-profit housing providers and developers (including faith-based organizations) Indigenous governments and organizations, including tribal councils Co-operative housing organizations Other proponents interested in innovative approaches to affordable housing 	<ul style="list-style-type: none"> Community housing providers (e.g. non-profit housing organizations, public housing agencies, and rental co-operatives) Indigenous governments and organizations (including First Nation bands, tribal councils, and Indigenous housing providers) Provincial, territorial, and municipal governments 	<ul style="list-style-type: none"> Community housing providers (e.g. non-profit housing organizations, public housing agencies, and rental co-operatives) Indigenous governments and organizations (including First Nation bands, tribal councils, and Indigenous housing providers) Provincial, territorial, and municipal governments 	<ul style="list-style-type: none"> Non-profit housing co-operatives Land trusts Indigenous housing co-operatives Indigenous governments and organizations (including First Nations bands and tribal councils) – both on and off reserve 	<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"> Local governments within Canada, including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals A regional district or province or territory that has authority for land use planning and development approvals (in the absence of a municipal level authority) 	<p>Existing community housing providers (for example, non-profit housing organizations and rental co-operatives):</p> <ul style="list-style-type: none"> projects that are currently subject to an active, eligible federally administered operating agreement; projects that were previously subject to a federally administered operating agreement that have since expired. <p>This includes projects previously administered under a federally administered operating agreement that were transferred under a Social Housing Agreement (SHA) which have since expired.</p>	<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
**Interest rate	Varies based on projects and CMHC's cost of borrowing	Varies based on projects and CMHC's cost of borrowing	Varies	N/A	Varies based on projects and CMHC's cost of borrowing	Varies based on projects and CMHC's cost of borrowing	N/A	N/A	N/A	N/A

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Term	10 years	Twenty-year loan with a 10-year term, renewed for another 10 years	Varies	N/A	10-year term, can renew for another 10-year term	10-year term, with an option to renew for another 10 years	The minimum term of the forgivable loan is 25 years	N/A	N/A	N/A
Amortization	Up to 50 years	New construction: up to 50 years Repair/renewal: up to 40 years*	Varies based on projects	N/A	Up to 40 years	Up to 50 years	N/A	N/A	N/A	N/A
**Loan to cost (LTC)/ loan to value (LTV)	Residential: up to 100% LTC Non-residential: up to 75% LTC	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 	N/A	N/A	Up to 100% LTC	Repayable loans: Up to 100% of costs Forgivable loans: Up to 1/3 of costs	N/A	N/A	N/A	N/A

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Minimum debt coverage ratio (DCR)	Residential: 1.10 Non-residential: 1.40	Residential: 1.00 Non-residential: 1.40	Varies, if applicable based on project/proposal type	N/A	Residential: 1.00 Non-residential: 1.40	Residential: 1.00 Non-residential: 1.40	1.10	N/A	N/A	N/A
Minimum number of units	5	5	N/A	5	5	Based on project type: • Large urban centres (CMAs or populations over 100,000): 75 unit minimum • Small and Medium urban centres (CAs or populations of 10,000 to 99,999): 30 unit minimum • Rural and Remote, Northern, and Indigenous: 5 unit minimum	No requirement	N/A	N/A	5
Investment amount	Minimum loan size: \$1 million	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	N/A	N/A	N/A	No minimum	N/A	Preservation: Contribution of up to \$50,000 per community housing project. Amount can be increased to \$75,000 in some cases	New construction: Contribution of up to \$150,000 and/or an interest-free loan of up to \$350,000

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Affordability requirement	<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); AND Total residential rental income must be at least 10% below its gross achievable residential income supported by an independent appraisal 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 Affordability must be maintained for at least 10 years from the date of first occupancy</p>	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	Applicants must have an affordable housing purpose and a proven mandate to provide housing to lower income households or population in need	Applicants must have an affordable housing purpose and a proven mandate to provide housing to lower income households or population in need	Rents for 100% of the units must at or below 110% of the median market rent of post-2000 builds in the subject area, for a minimum of 20 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	N/A	N/A	Proposed rents must be affordable as determined by the municipality, province or territory, or as otherwise accepted through CMHC programs

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Energy efficiency requirement	Projects must be a minimum of 15% more efficient in energy consumption and GHG emissions than the current applicable reference model building codes: • Low-rise multi-unit buildings under Part 9 of the National Building code must demonstrate a minimum 15% improvement over the 2015 NBC • All buildings under Part 3 of the National Building Code must demonstrate a minimum 15% improvement over 2017 NECB	Varies, however, proposals must demonstrate how their project will positively contribute to Canada's Climate Change goals	Varies, however, proposals must demonstrate how their project will positively contribute to Canada's Climate Change goals.	Intention to complete deep energy retrofits	A projected reduction in energy consumption, targeting 70% relative to pre-retrofit performance, and a projected reduction in greenhouse gas (GHG) emissions targeting 80% - 100% over pre-retrofit performance	Must achieve Step 2 of the 2020 NECB or Step 3 of the 2020 NBC	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 OR Minimum 15% decrease in energy consumption and greenhouse gas (GHG) emissions based on the 2017 National Energy Code for Buildings Repair/renewal: Minimum 25% decrease in energy consumption and GHG emissions relative to past performance	N/A	N/A	N/A

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Accessibility requirement	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 The accessibility requirements are intended to overcome barriers and increase accessibility for the tenants	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 Repair/renewal: 20% of units within the project must meet or exceed the accessibility standards and its common areas must be barrier-free	No minimum, however proposals will be prioritized where a minimum of 10% of units will be deemed accessible	N/A	N/A	Two options for meeting accessibility requirement: • Minimum 20% of all units must meet or exceed accessibility standards with access to the project and its common areas being barrier-free, or • Full universal design throughout the entire project	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 Repair/renewal: 20% of units meet accessibility standards and common areas must be barrier-free	N/A	N/A	N/A

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Other social outcome requirements	Additional 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	Higher prioritization given to projects in close proximity to transit	Proposals will be prioritized where other social outcomes will be focused on e.g. priority groups	N/A	N/A	N/A	Evidence of community need Additional consideration given to projects with: <ul style="list-style-type: none"> • units dedicated to vulnerable populations • partnerships that will help achieve better outcomes • onsite integrated support or services for tenants 	N/A	N/A	N/A
Learn more	cmhc.ca/ACLP	cmhc.ca/AHF	cmhc.ca/innovationfund	cmhc.ca/CGAH	cmhc.ca/CGAH	cmhc.ca/chdp	cmhc.ca/federalands	cmhc.ca/haf	cmhc.ca/preservationfunding	cmhc.ca/seedfunding

