

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 the development of standard rental housing, seniors rental housing, and on- and off-campus student housing across Canada where there is a demonstrated need for supply.	Low-interest repayable loans, forgivable loans and/or contributions to create new affordable and community 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 or previously 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 affordable housing.
Benefits	Provides low-cost funding to eligible borrowers during the riskiest phase of development: construction through to stabilized operations. Benefits include the opportunity to qualify for more favorable lending terms.	Offers a variety of funding options which provide either long term, low-interest repayable loans, forgivable loans, and/or contributions to ensure that new affordable housing is built for those in greatest need.	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 • Seniors Housing • Student Housing	• Community and affordable housing • Urban indigenous community housing • Mixed use market/ affordable rental housing • Shelters* • Transitional housing* • Supportive housing* • Affordable homeownership <i>*The Rapid Housing Sub-Stream provides funding for low-cost rental housing and single-room occupancy: specifically, shelters, transitional housing, and supportive housing.</i>	Varies based on projects	• 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	• 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	• 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	• 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	• All tenure types and building forms • 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-interest repayable loans, forgivable loans and/or contributions	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	Non-repayable contributions	New construction: Non-repayable contributions and/or interest-free repayable loans
Eligibility	• Private entrepreneur/ builder/developer • Public or private non-profit housing organization • Rental co-operative (Note: equity co-ops are not eligible) • Other levels of government (Indigenous Governing Body, Province, Territory, Municipality) For Student Housing: • Post-secondary educational institution	• Community housing sector (public or private non-profit housing organizations, rental co-operatives) • Private sector developers and builders (not eligible under the Rapid Housing Sub-Stream) • Indigenous governments and organizations (including First Nation bands and tribal councils) • Provincial, territorial and municipal governments including their agencies <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> Note: the Rapid Housing Sub-Stream does not require partners, however, projects with confirmed partners will be prioritized.	• Private sector and for-profit entities including developers and builders • Non-profit housing providers and developers (including faith-based organizations) • Co-operative housing organizations • Municipal, provincial and territorial governments including their agencies • Indigenous governments and organizations, including tribal councils • Other proponents interested in innovative approaches to affordable housing	• 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	• 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	• 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 <i>[*]Land trusts are only eligible when partnered with a non-profit housing co-operative and the developing project is a non-profit co-operative</i>	• Non-profit organizations or registered charities • Co-operative housing organizations • For-profit organizations • Municipal, provincial and territorial governments including their agencies • Indigenous governments and organizations, including tribal councils	• 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)	Existing community housing providers (for example, non-profit housing organizations and rental co-operatives): • 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. This includes projects previously administered under a federally administered operating agreement that were transferred under a Social Housing Agreement (SHA) which have since expired	New construction: • Community housing sector (non-profit housing organizations and rental co-operatives) • Private entrepreneurs/ builders/developers • Municipal, provincial and territorial governments, including their agencies • Indigenous governments and organizations (including First Nation bands and tribal councils)
**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	One 10-year term and the ability to qualify for the option of one 20-year term	Option of one 10-year term, with an option to renew for a second 10-year term; or one 20-year term	Varies	N/A	10-year term, can renew for another 10-year term	10-year term, with an option to renew for a second 10-year term, or have a single 20-year term.	The minimum term of the forgivable loan is 25 years	N/A	N/A	For interest-free repayable loans: 3 years
Amortization	Up to 50 years	New construction: up to 50 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: • 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: • 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 Rapid Housing Sub-Stream: Up to 100% of the eligible construction and development costs of the project, depending on the needs of the project. CMHC does not cover ongoing operations and maintenance costs of units and/or projects.	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: Standard Rental: 1.10 Student Housing: 1.20 Seniors Housing: 1.20 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	Based on shelter model: Standard Rental: 5 Student Housing: 5 Seniors Housing: 50	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	For projects that are CURRENTLY subject to an operating agreement: no requirement. For projects that were PREVIOUSLY subject to an operating agreement: 5 units/beds.	5
Investment amount	Minimum loan size: \$1 million	New construction: \$1,000,000 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	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 repayable loan of up to \$350,000.

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Affordability requirement	In all cases, affordability must be maintained for a minimum of 10 years from the date of first occupancy of the project. Criteria A: Standard Rental/Seniors Housing: A minimum of 20% of the units must be affordable with rents at or below 30% of the median total income - all families in the subject market. Student Housing: At the time of loan initiation, the rents for all units/ beds must be comparable to existing on-campus student housing within the local market considering project details. If existing on-campus student housing projects are not appropriate comparables, the mandatory appraisal/ market study must demonstrate how the project and rents are tailored to meeting the needs of students and the viability and marketability of the project. As a general guideline, the proposed base rents should not exceed the lower end of the local rental market for comparable projects. Criteria B: Alternatively, the requirement may be met if rents are established pursuant to an affordable housing program or other initiative (federal, provincial, territorial, municipal) that approves the proposal and provides support for the development of the housing project.	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	For projects that are CURRENTLY subject to an operating agreement: No requirement. For projects that were PREVIOUSLY subject to an operating agreement: Proposed rents must be affordable as determined by the municipality, province or territory, or as otherwise accepted through CMHC programs.	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	Additional prioritization given to projects that commit to greater levels of energy efficiency.	New Construction: Projects must achieve Tier 2 of the 2020 National Energy Code for Buildings (NECB) or Tier 3 of the 2020 National Building Code (NBC).	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.	Project must achieve Tier 2 of the 2020 National Energy Code for Buildings (NECB) or Tier 3 of the 2020 National Building Code (NBC).	Projects must achieve Tier 2 of the 2020 National Energy Code for Buildings (NECB) or Tier 3 of the 2020 National Building Code (NBC).	N/A	N/A	N/A
Accessibility requirement	Additional prioritization given to projects that include accessible units.	New construction: Minimum 20% of all units within the project meet or exceed accessibility standards (CSA B651:23/652:23 or Rick Hansen Foundation GOLD Accessibility Certification) with access to the project and its common areas being barrier free OR, full universal design throughout the entire project (common areas and dwelling units), in accordance with <u>CMHC's universal design requirements table</u> ¹ .	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 in accordance with <u>CMHC's universal design requirements table</u>².	The project must contain a minimum of 20% accessible units (CSA B651:23/652:23 or Rick Hansen Foundation GOLD Accessibility Certification) AND all common areas must be barrier-free; or, the entire project (common areas and dwelling units) has full universal design, in accordance with <u>CMHC's universal design requirements table</u> ³ .	N/A	N/A	N/A

¹ <https://www.cmhc-schl.gc.ca/professionals/industry-innovation-and-leadership/industry-expertise/accessible-adaptable-housing>
² <https://www.cmhc-schl.gc.ca/professionals/industry-innovation-and-leadership/industry-expertise/accessible-adaptable-housing>
³ <https://www.cmhc-schl.gc.ca/professionals/industry-innovation-and-leadership/industry-expertise/accessible-adaptable-housing>
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Other social outcome requirements	Additional prioritization given to projects with the following features: • Include accessible units within the project • Commit to deeper levels of affordability • Commit to a higher proportion of units being considered affordable • Commit to longer affordability periods • Commit to greater levels of energy efficiency • Support community-oriented solutions* • Work with other partners • Commit to support student, seniors, or a unit-mix that supports family sized units *Note: There is a recognition that community-oriented solutions may not be applicable to projects located in rural communities.	Additional prioritization given to projects based on the achievement of outcomes: • Greater number of units and/or depth of affordability • Greater energy efficiency improvement and GHG emission reductions • Greater number of accessible units and level of accessibility provided • Projects that demonstrate shovel readiness/ construction start date • Stronger financial partnerships with other funders • Proximity to public transit, childcare centers, and community centers • Integrated support and services for tenants on-site • Projects that target NHS priority group populations • Projects that are rural, Northern and/or Indigenous-led	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: • 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/federallands	cmhc.ca/haf	cmhc.ca/preservationfunding	cmhc.ca/seedfunding

NOTES

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