



National Housing Strategy

Affordable Housing Programs – St.Thomas

National Housing Strategy: A Vision for Inclusive Housing

Housing is more than just a roof over our heads

People

Communities

Partnerships



EXAMPLES OF PARTNERSHIP



Direct Financing

Grants / Contribution / Sponsorship

Alternative Financing Models

Challenge Platform

- Sponsor innovation challenges related to housing (ex. Environment & Housing)



Capability & Expertise

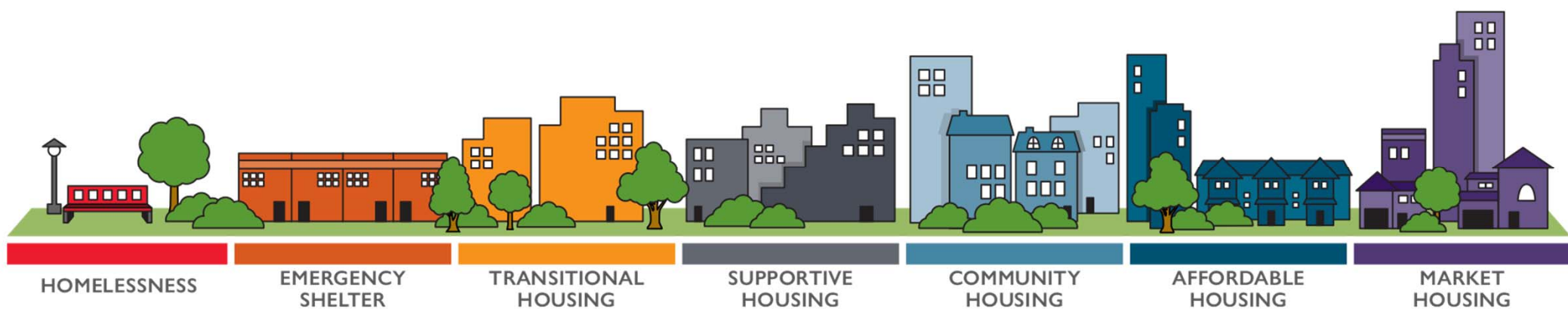
- Sharing tools and technical capabilities or expertise.
- Skilled-Base Volunteerism and Enhanced CSR Employment Engagement

Program & Policy Solutions

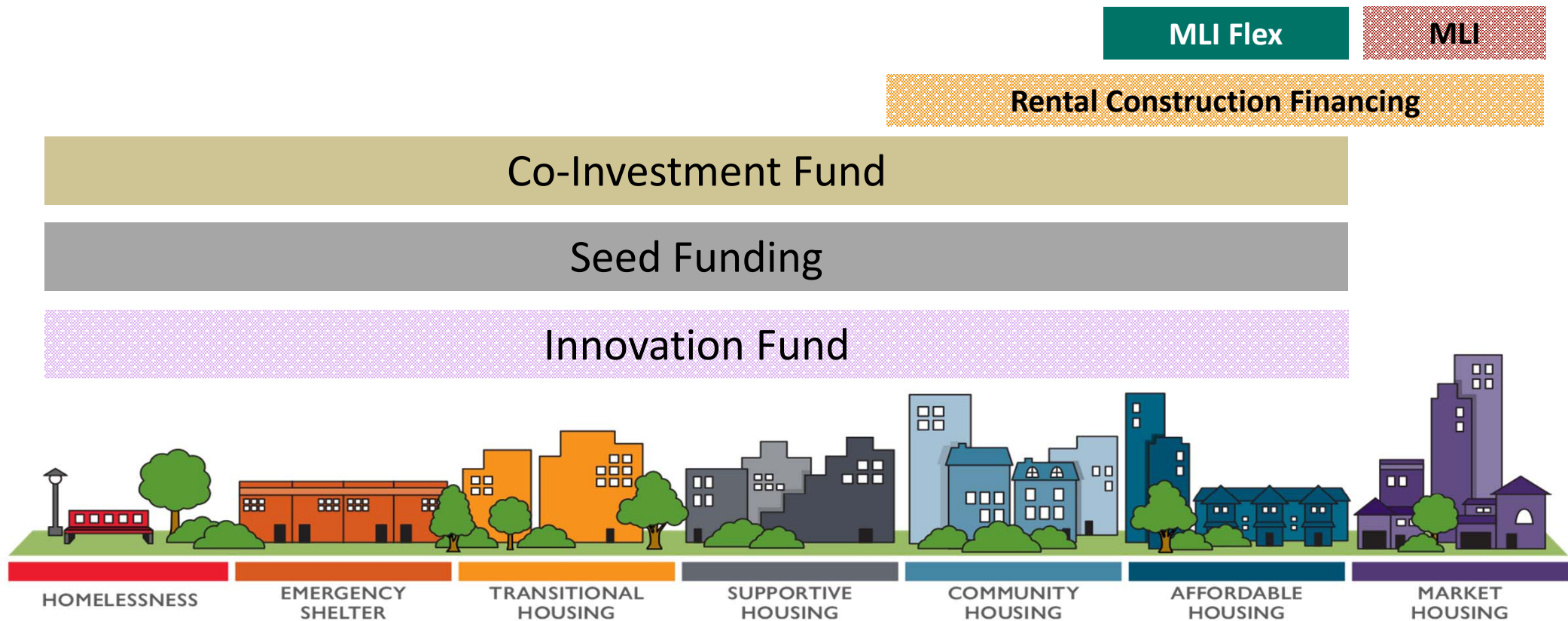
- Adjusting internal programs and policies to enable greater outcomes.



Housing Continuum



CMHC Solutions Along the Housing Continuum



Continuum of housing solutions

FUNDING SOLUTIONS

- Seed Funding
- Co-Investment Fund
- Federal Lands Initiative
- Rental Construction Financing



MORTGAGE LOAN INSURANCE

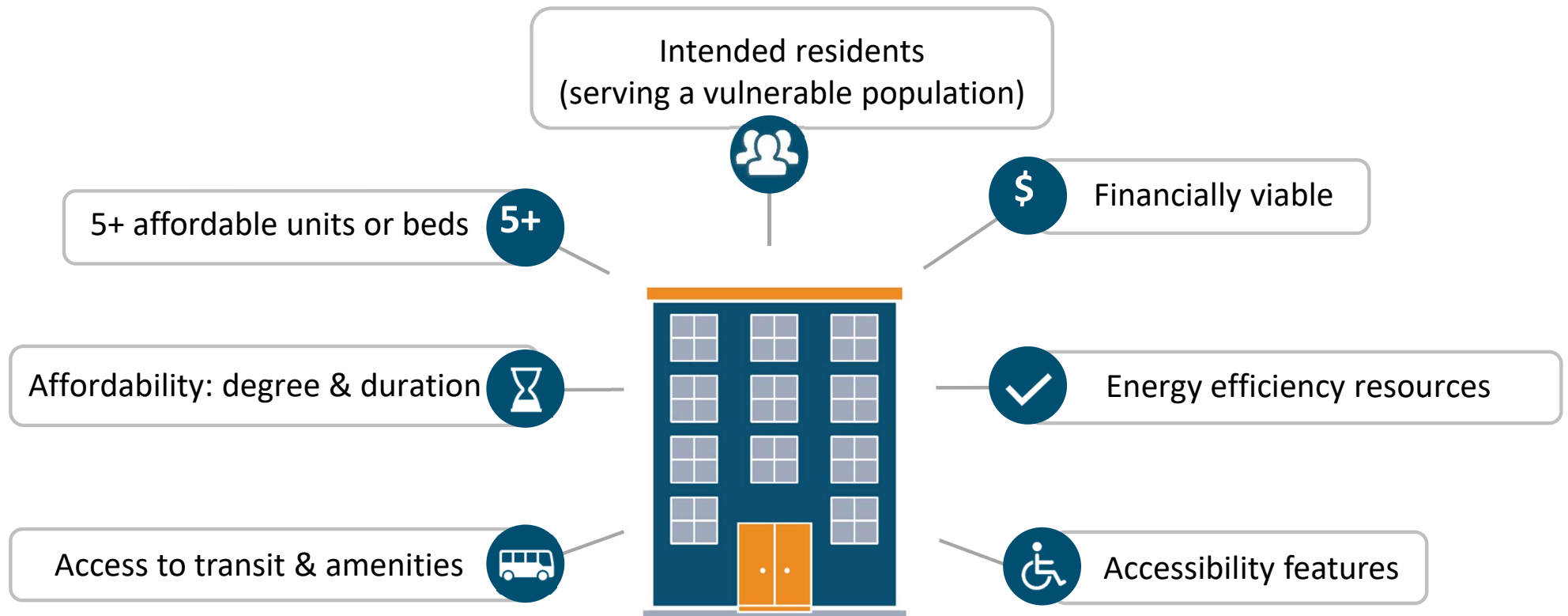
- Flexibilities for affordable housing
- Mortgage loan insurance for market properties

Minimum Eligibility Requirements

SOCIAL OUTCOMES



Prioritization Criteria



Seed Funding Program Design

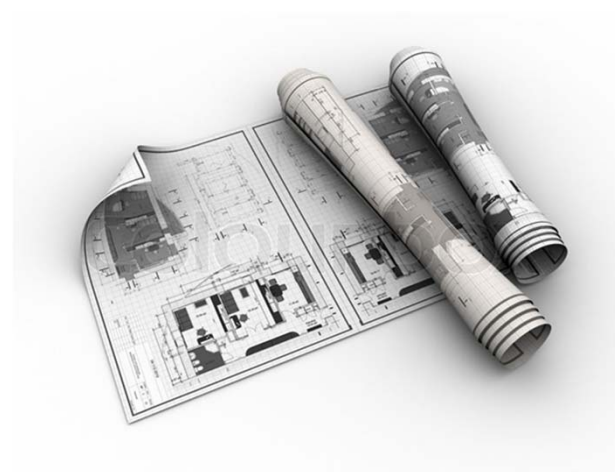
**Seed Funding:
Two streams**

**NEW
CONSTRUCTION**
Up to \$150 K funding
contribution and up
to \$350K interest
free loan

PRESERVATION
Up to \$50 K
funding
contribution

SEED Funding – Eligible Activities

- ✓ Need & Demand Analysis
- ✓ Special purpose surveys
- ✓ Preliminary financial feasibility
- ✓ Business plan
- ✓ Incorporation
- ✓ Professional appraisal
- ✓ Site surveys
- ✓ Preliminary design
- ✓ Site drawings and specifications
- ✓ Contract documents
- ✓ Development permits
- ✓ Construction cost estimates, etc.





National Housing Co-Investment Fund

Eligibility

Projects

Urban Indigenous
community housing

Mixed-use market
and/or affordable
rental housing

New construction
and/or conversion
from a non-
residential use to
affordable multi-unit
housing

Shelters

Transitional and
supportive housing

Project requirements



**Have at least 5 units or
beds.**



**Ensure primary use is
residential.**



**Meet minimum
requirements for:**

Partnerships, financial viability,
affordability, energy efficiency,
and accessibility.



National Housing Co-Investment Fund

High-performing

Energy-efficient

Viable

Responds to need

Affordable

30% of units must have rents at less than 80% of median market rents

Minimum of 20 years.

Inclusive

Proximity to services

Accessible

Priority groups

Integrated services

Partnerships



Co-Investment & Loan Structure

	Loan (up to)	Contribution (up to)
Co-ops & non-profits, Indigenous peoples	95% of cost	40% of cost
PT & municipal governments	75% of cost	30% of cost
Private sector	75% of cost	15% of cost

- 10 year term, renewable for another 10 years
- Intent to hold loans for 20 years, not CMHC insured
- Interest rate fixed for 10 year term
- Term locked in at first advance
- Minimum 1.0 DCR for residential

Amortization
New: up to 50 years
Repair: up to 40 years





Rental Construction Financing

STANDARD APARTMENTS

Excludes niche-type housing such as retirement homes, single room occupancy and student housing

Minimum Eligibility requirements - Affordability

1

- The total residential rental income must be at least 10% below its gross achievable residential rental income; and
- **20%** of units with rents at or below **30%** of the median household income
- Affordability maintained for at least 10 years

OR

2

- Proposal already approved under other government housing program
- Programs/initiatives aimed at developing affordable rental housing (capital grants, concessions, expedited planning processing);
- Affordability maintained for at least 10 years

Benefits

- ✓ Offers low-cost loans during the riskiest phases of financing development (construction and stabilization/rent-up)
- ✓ Delivers financing features not available in the private market, such as fixed-rate construction/stabilization loans and mortgage loan insurance from the onset
- ✓ Stimulates rental housing construction sector
- ✓ Complements and is compatible with local affordable housing initiatives
- ✓ Incentivizes projects for great social outcomes



Rewarding for Greater Social Outcomes

Prioritization Tiers	Based on the following:	Max. Points
Up to 100% LTC (from 19 to 25 points)	Duration of affordability beyond 10 years	3
Up to 95% LTC (from 10 to 18 points)	Greater depth of affordability in rents	3
Up to 90% LTC (from 0 to 9 points)	Greater proportion of affordable units	3
	Energy efficiencies beyond minimum requirements <ul style="list-style-type: none"> Maximum points given for net zero ready energy or equivalent performance standards 	5
	Accessibility for future needs (adaptable units) and for greater social inclusion (universal design)	4
	Collaboration, partnerships, and other government supports	5
	Transit Oriented	2



Mortgage Loan Insurance (CMHC-Insured Financing Through Your Lender)



Advantages for Borrowers

Flexibility in Financing

Higher loan-to-value (LTV),
all locations

Lower Interest Rates

Competitive
interest rates

Reduced Renewal Risk

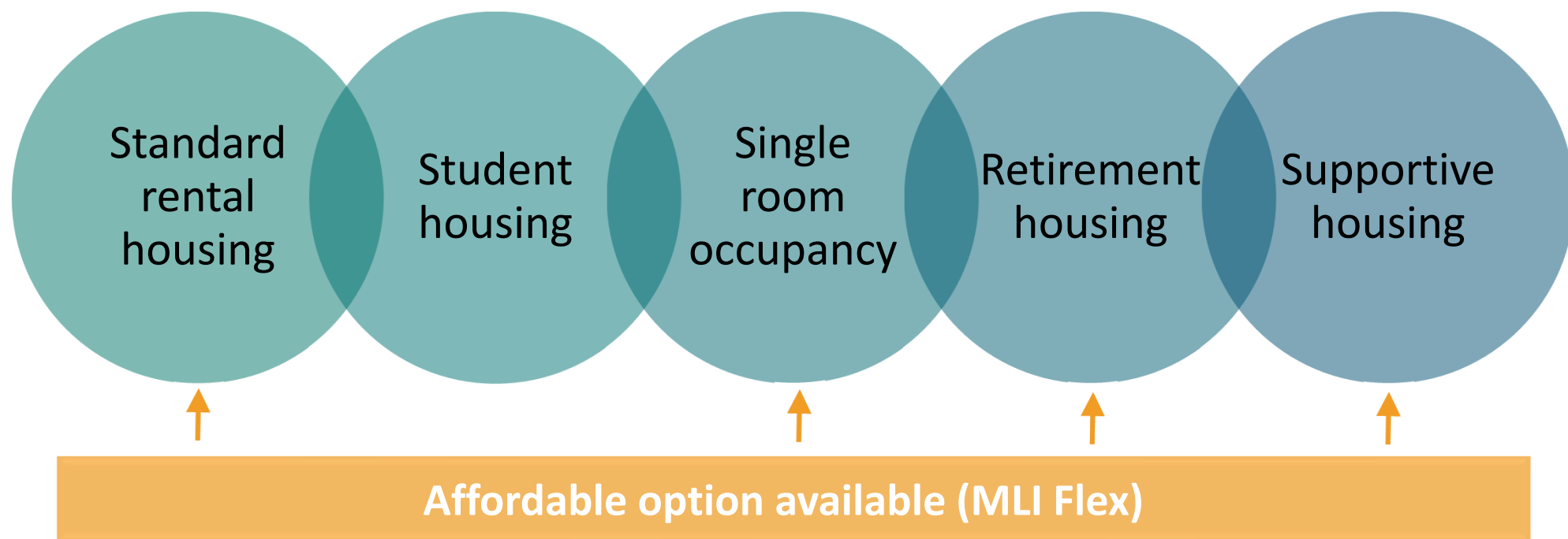
Reduced renewal risk
for entire
amortization period

Multi-Unit Transaction Types

- ✓ New residential construction (and/or takeout)
- ✓ Refinance of existing residential housing
- ✓ Improvements on existing properties
- ✓ Purchase of existing or new buildings



Multi-Unit Shelter Models



Underwriting Flexibilities for Affordable Projects

- ✓ **Market affordability requirements (same as RCFi)**
Goal: generate supply targeted to “missing middle”
- ✓ **Lower DCR**
1.10 regardless of loan term (vs. 1.2 or 1.3 for Market MLI)
- ✓ **Net Worth**
Some flexibility on requirement (25% of loan amount) with risk mitigations
- ✓ **Advancing**
Full loan (up to 95% LTC) available once construction is complete (no rental achievement holdback, *provided no additional risks identified in file*)



Lower Premiums for Affordable Projects

**Construction Loan
(85% LTC): \$10M**

Market Premium

\$525,000

Affordable Premium

\$250,000

Retirement Homes/Supportive Housing				
Student Housing*/Single Room Occupancy (SRO)				
Standard Rental Housing				
LTV	Market Rental		Affordable Rental	
	Purchase/ Refinance	New	Purchase/ Refinance	New
Up to and incl. 65%	1.75%	2.50%	1.50%	1.85%
Up to and incl. 70%	2.00%	3.00%	1.60%	1.95%
Up to and incl. 75%	2.50%	3.50%	1.70%	2.10%
Up to and incl. 80%	3.50%	4.25%	1.85%	2.30%
Up to and incl. 85%	4.50%	5.25%	2.05%	2.50%
Up to and incl. 90%				2.75%
Greater than 90%				3.00%



Options to Help Make Your Vision a Reality

Rental Construction Financing Initiative

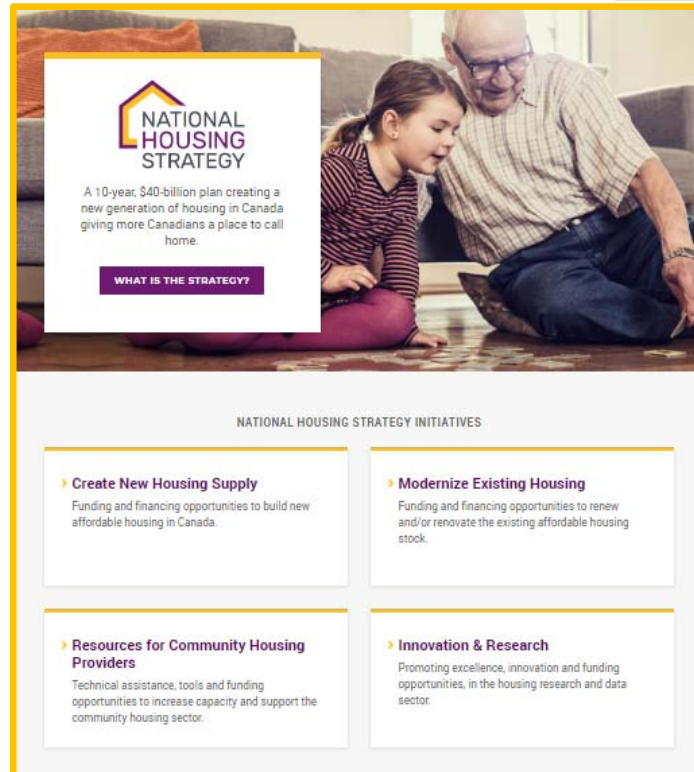
- CMHC direct lending for projects with middle-income affordability
- Designed to stimulate rental supply

Mortgage Loan Insurance (Market/Affordable)

- CMHC-insured financing through your Lender
- New Construction and/or takeout financing
- Purchase/Refinance



NHS Website



www.Placetocallhome.ca

CANADA MORTGAGE AND HOUSING CORPORATION



Required Documentation - pdf



National Housing
Co-Investment Fund

REQUIRED DOCUMENTATION

The following checklist outlines the minimum information and documentation that will be required for making a final decision. Additional details in regard to documentation requirements will be made available once the applicant has been selected to proceed to the credit assessment stage.

All projects

PROPERTY-RELATED DOCUMENTS

- ☐ **Project summary:** Including address, legal description, number of units, gross floor and net leasable area, number of parking stalls, summary of amenities, etc.
- ☐ **Project budget:** Including the cost of each item in the development OR repair/renewal of the project (see "New construction" below for further details).
- ☐ **Sources of financing:** Borrower equity, CMHC loan, other funding sources (that is grants, forgivable loans, land equity) and waivers of development charges (if applicable).
- ☐ **Pro forma operating statement:** For each of the residential and non-residential components (if applicable), annual rental income, other income and annual operating expenses.
- ☐ **Property insurance:** Evidence of satisfactory insurance.

The following are to be prepared by an accredited independent third party.

Note: The costs of these reports may be considered as eligible project costs.

- ☐ **Accessibility review:** Must demonstrate that the project will achieve its proposed accessibility requirements.
- ☐ **Appraisal:** To be completed by an independent, Accredited Appraiser Canadian Institute (AACI) certified appraiser.
- ☐ **Cost consultant report:** Must confirm the project budget, project cash flow, project sources and uses of funds, fixed-price contracts, zoning compliance and construction schedule.
- ☐ **Environmental efficiency:** Must demonstrate that the project will achieve its proposed level of energy efficiency.
- ☐ **Environmental assessment reports:** Phase I environmental site assessment and



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