CMHC Housing Solutions

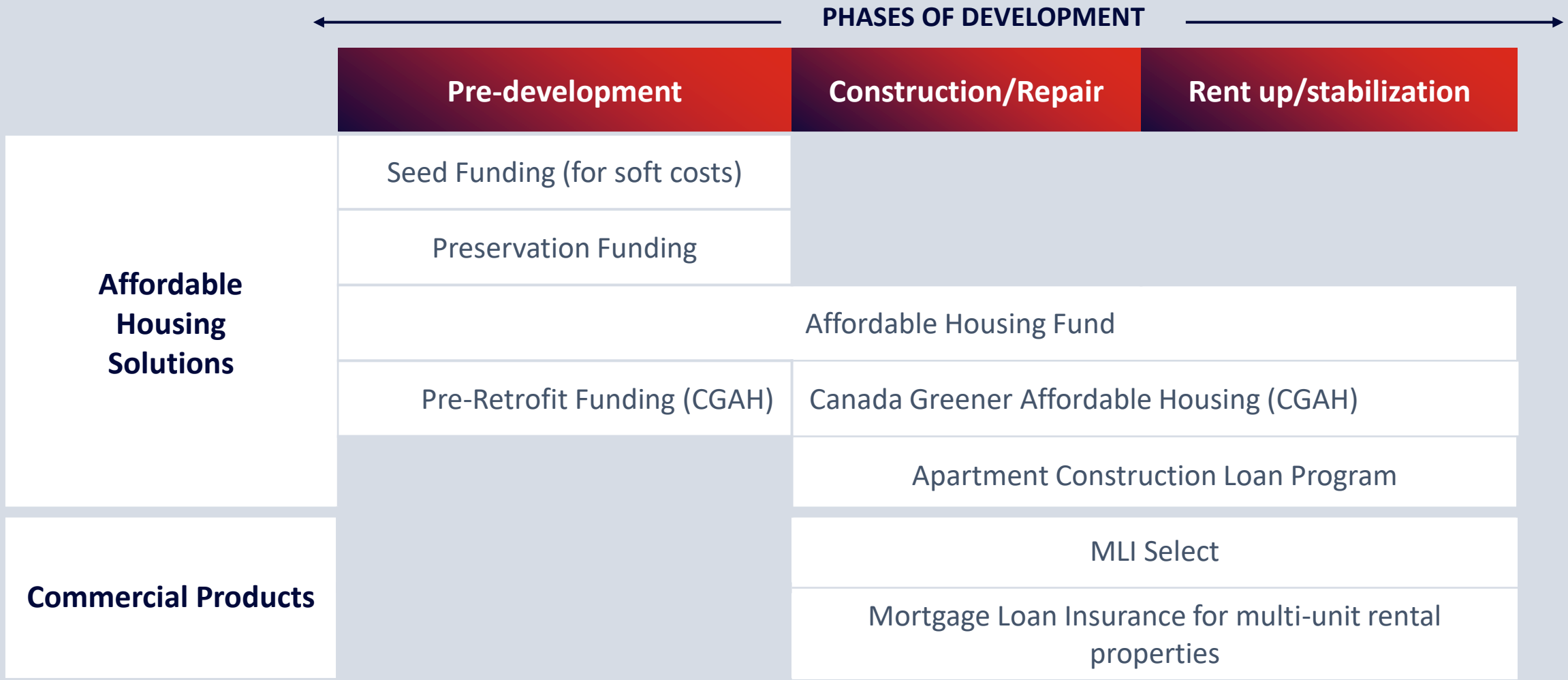
SCHL Solutions logement

Canada

CMHC SCHL

HERE WE GATHER

Phases of development and CMHC product offerings



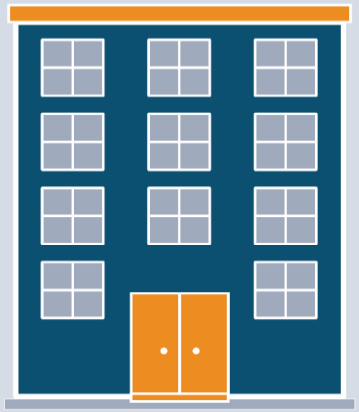
Criteria and Priorities

Intended residents
(serving a priority population)

5+ affordable units or beds

Affordability: degree & duration

Access to transit & amenities



Financially viable

Energy efficiency & GHGs

Accessibility features

Partnerships

Affordable Housing Benchmarks

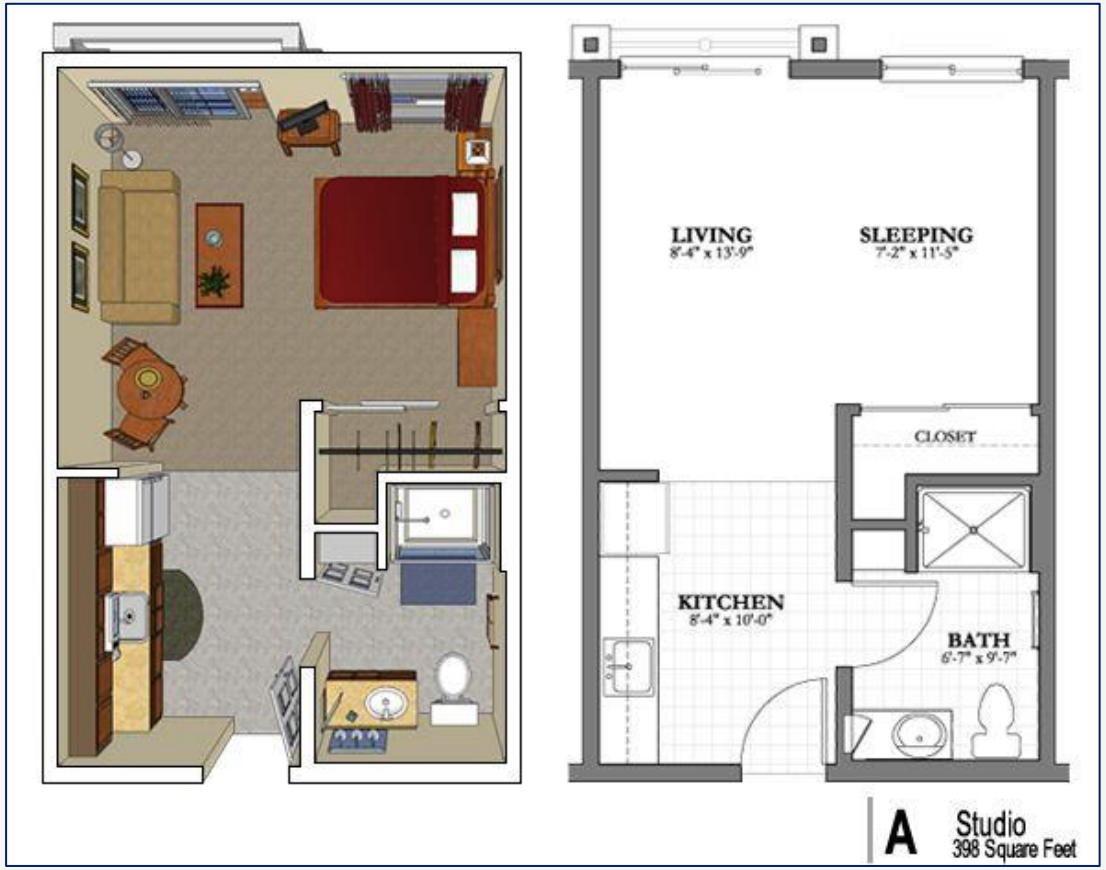
Funding Program	Benchmark
• Affordable Housing Fund	• Median Market Rent (80%)
• Apartment Construction Loan Program	• (30%) Median Household Income (All families)
• MLI Select	• (30%) Median Renter Household Income

SEED Funding

SEED Funding

ELIGIBLE ACTIVITIES

- Analysis of need and demand for proposed project
- Special purpose surveys
- Preliminary financial feasibility
- Business plans
- Incorporation
- Professional appraisal
- Site Surveys
- Preliminary Design
- Site drawings and specifications
- Contract documents
- Development permits
- Construction cost estimates, etc.



CANADA MORTGAGE AND HOUSING CORPORATION

Unclassified

SEED - 3 Stages of Funding

Stage 1: Concept development/pre-design

- The land is determined, but not acquired, and soil or environmental considerations are unknown.
- No funding partner has been identified.
- The proponent has no designs for the suggested project.

Stage 2: Schematic development

- The land is now owned by the proponent, but there is still work to be done (e.g., environmental site assessment and zoning).
- Sources of funding have been determined, with a few letters of agreement.
- Conceptual and preliminary plans have been obtained.

Stage 3: Design development

- The land is owned by the proponent, has been evaluated and is suitable for the project.
- The majority of funding sources have been confirmed.
- The proponent has plans and designs for the project and is almost at the tendering process.

Affordable Housing Fund (previously Co-Investment Fund)

Project requirements

to support the construction of socially inclusive communities

Have at least

5 units or beds

Ensure primary use is

residential

Meet

minimum requirements

for: Partnerships, financial viability, affordability, energy efficiency, and accessibility

Minimum eligibility requirements

Partnerships

Projects **must have support from another level of government** and can be in the form of investment of resources and/or the form of a letter of endorsement

Contributions from collaborators can be **monetary or in-kind**

To make federal investments go further, applicants to the National Housing Co-Investment Fund must have **additional sources of funding**

Apartment Construction Loan Program

*Formerly knows as Rental Construction Financing Initiative

Low-cost loans encouraging the construction of **sustainable rental apartment** projects across Canada.

Unclassified

Minimum eligibility requirements

Social Outcomes

Affordability*
10% below gross achievable residential income

&

Affordability*
20% of units at 30% median household income

Energy Efficiency

15% above NECB/NBC

Accessibility
10% of units & common areas barrier-free

Borrowers must demonstrate an **affordability commitment for a minimum of 10 years**
* Or project approved under other housing programs/initiatives (municipal, provincial or federal)

Apartment Construction Loan Program

Financial Incentives

Low Interest Loan* including MLI

LTC 90% - 100% (75% non-residential) †

Amortization up to 50 years

Debt coverage ratio 1.1 (1.4 non-residential)

*10-year term and fixed interest rate, with access to Mortgage Loan Insurance
† Non-residential aspect up to 30% of project costs and area

MLI Select

An innovative new multi-unit mortgage loan insurance product focused on affordability, accessibility, and climate compatibility.

Unclassified

New Construction

New Buildings

Affordability – Rent Levels (10 year affordability commitment*)			Energy Efficiency and GHGs Reductions over 2017 NECB / 2015 NBC			Accessibility**	
10% of units at 30% of median renter income	15% of units at 30% of median renter income	25% of units at 30% of median renter income	20% above code	25% above code	40% above code	15% accessible	15% accessible AND 85% adaptable/UD
50 Points	70 Points	100 Points	30 Points	50 Points	100 Points	20 Points	30 Points

*For borrowers making an affordability commitment of 20 years, an additional 30 points are awarded
**Buildings must be 100% Visitable (CSA B651-2018 Visitability)

Flexibilities

Based on total points:

	LTC	DCR*	Amortization	Rental Achievement	Recourse	Replacement Reserve
Min. 50 points	Up to 95%	Min. 1.1	Up to 40 years	Waived	Recourse	Discretionary
Min. 70 points	Up to 95%	Min. 1.1	Up to 45 years	Waived	Recourse	Discretionary
Min. 100 points	Up to 95%	Min. 1.1	Up to 50 years	Waived	Limited-recourse	Discretionary

*Min. DCR of 1.10 for standard rental housing, 1.20 for other shelter models, 1.4 for non-residential space
Affordability, climate and accessibility commitments are available for standard rental, SRO and retirement housing. Affordability commitments are not available for student housing, however climate and accessibility commitments remain available for these projects

Budget Updates

Budget 2024

Launching Canada Builds

- The federal government is leveraging its $55 billion Apartment Construction Loan Program by making it available to support partnerships with provinces and territories that launch their own ambitious housing plans.

Canada Rental Protection Fund

- The Fund will provide $1 billion in loans and $470 million in contributions to non-profit organizations and other partners so they can acquire units and preserve rent prices in the long term.

Affordable Housing Fund

- $1 billion top-up to enable the now $15 billion program to support more affordable housing and launch a permanent Rapid Housing Stream.
- This is in addition to the $1 billion announced in the 2023 Fall Economic Statement.

Co-operative Housing Development Program

- Launch the $1.5 billion Co-operative Housing Development Program

Reforming ACLP

- Providing a further $15 billion in loans in addition to the $15 billion announced in the 2023 Fall Economic Statement.
- Includes $500 million in low-cost loans to support rental housing projects using innovative techniques.
- Includes $100 million in low-cost loans to build homes above existing shops and businesses across the country.
- Reforms: extend the terms of the loans, extend access to financing to housing projects for students and seniors, introduce portfolio approach, launch a new frequent builder stream to fast-track the application process for proven home builder

Budget 2024

Canada Housing Infrastructure Fund

- To accelerate the construction and upgrading of critical housing infrastructure. This includes water, wastewater, stormwater, and solid waste infrastructure to support the construction of more homes.

Public Lands for Homes

- To unlock underused public land to build more housing, accelerate the process of making public land available for housing, lease public land instead of selling it off, and create a new mapping tool to keep track of federal lands that can be used for housing.

Housing Design Catalogue

- A total of $11.6 million will be invested to standardize up to 50 efficient, cost-effective, and liveable home blueprints.

Indigenous Housing and Community Infrastructure

- Budget 2024 announces investments of $918 million to accelerate work in narrowing housing and infrastructure gaps in First Nations, Inuit, and Métis communities.

Launch new Canada Secondary Suite Loan Program

- A total of $409.6 million over four years, starting in 2025-26 to launch a new Canada Secondary Suite Loan Program, enabling homeowners to access up to $40,000 in low-interest loans to add secondary suites to their existing homes.

The Atlantic Community of Practice

Join the Atlantic Community of Practice – a dedicated hub on ECoH where community members in the Atlantic region can come together, exchange ideas, and collaborate seamlessly.

As a member of the Atlantic Community of Practice, you can:

Access essentials resources, events and tools

Join in regular drop-in events, like Q&As with CMHC staff

Engage in learning opportunities, like webinars

Network with likeminded individuals and organizations in your area

Thank you! Merci!

Gurveer Birk

Account Representative

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