

# CMHC Housing Solutions



# Continuum of housing solutions

## FUNDING SOLUTIONS

- Co-Investment Fund (New Projects)
  - Repair & Renewal
  - Black Led Organizations
- Rental Construction Financing
- Canada Greener Affordable Housing
- Housing Accelerator Fund



## MORTGAGE LOAN INSURANCE

- MLI Select
- Mortgage loan insurance multi-unit rental properties

# Financing incentives for social outcomes

## Social outcomes

- **Affordability**
- **Energy Efficiency**
- **Accessibility**
- **Proximity to Amenities**
- **Partnerships**

## Incentives

- **Lower interest rates**
- **Low equity requirement**
- **Longer amortization**
- **Lower Debt Coverage Ratio**
- **Longer loan terms**

# Priority Groups

The NHS prioritizes projects that target:

- Women and children fleeing domestic violence
- Seniors
- Young adults
- Indigenous peoples
- People with disabilities
- People dealing with mental health and addiction issues
- Veterans
- LGBTQ2+
- Racialized groups
- Recent immigrants, especially refugees
- People experiencing homelessness



# Affordable Housing Benchmarks

## Funding Program

- National Co-Investment Fund
- MLI Select
- Rental Construction Finance Initiative

## Benchmark

- Median Market Rent (80%)
- (30%) Median Renter Household Income
- (30%) Median Household Income (All families)

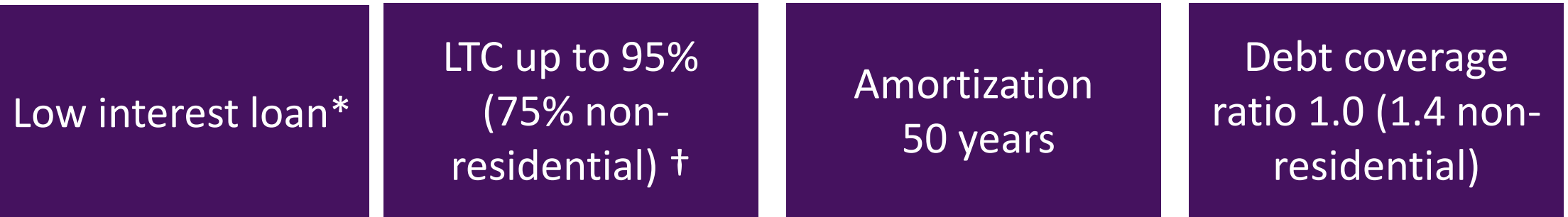
# National Housing Co-Investment Fund

## Minimum Requirements

Partnerships	Affordable	Energy efficiency	Accessibility
Federal funding & investments from other partners	30% of units have rents <80% of median market rents for 20yrs	25% reduction in energy use & greenhouse gas emissions	20% of units accessibility standards & barrier-free common areas

# National Housing Co-Investment Fund

## FINANCIAL INCENTIVES



\* 10-year term and fixed interest rate, renewable another 10 years

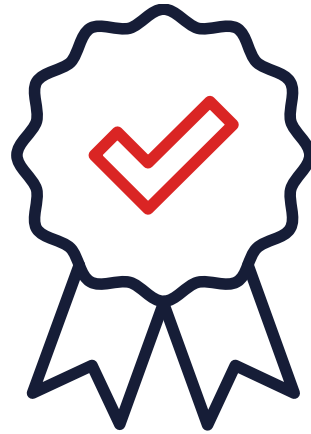
† Non-residential aspect up to 30% of project costs and area

**Forgivable loan: may be considered if projects exceed targeted criteria**

# Benefits

## New Construction

- Up to 50 years repayable loan amortization.
- Interest-only payments financed by the repayable loan during construction through to occupancy permit and interest-only payments paid by the borrower from occupancy permit to 12 months of stabilization.



## Revitalization

- Up to 40 years repayable loan amortization.
- Interest-only payments until completion of repairs.

# Canada Greener Affordable Housing

## Program Overview

July 11<sup>th</sup>, 2023



# Key Highlights

To assist affordable housing providers complete **deep energy retrofits** on their multi-unit residential buildings.

- Deeper reductions in energy consumption and Greenhouse Gas emissions
- Improve building quality
- Adapt to climate change and extreme weather events

To make the transition to a greener building more affordable and sustainable by providing necessary financial support.



# Funding Opportunities for Retrofits

## Pre-Retrofit Funding

Contributions to help fund pre-retrofit activities needed to **plan, prepare, and apply** for Retrofit Funding.

## Retrofit Funding

**Repayable and forgivable loans** to complete deep energy retrofits on multi-unit buildings.



**Pre-Retrofit Funding activities lead into your Retrofit Funding application**

*Documents that are paid for by Pre-Retrofit Funding show eligibility and are required to be submitted as part of the Retrofit Funding application.*

# Eligible Activities and Costs

## Pre-Retrofit Funding

May include, but are not limited to:

- Building Condition Assessment (BCA) Report
- Energy Audit (ASHRAE 3 or equivalent)
- Energy Modelling Study
- Project Drawings and Specifications
- Engineering Studies
- Construction Cost Estimates
- Business Case to demonstrate benefits/impact of the retrofit
- Environmental Site Assessments / Hazardous Materials Report
- Site Surveys

## Retrofit Funding

- Retrofit measures, systems, software and/or equipment
- Repair and maintenance
- Renewable energy
- Climate resiliency measures
- Closing costs
- Other measures and costs deemed appropriate by CMHC

**NOTE: Applicable retrofit measures that will be funded through the program should not be experimental**

# Funding Opportunities for Retrofits

## Pre-Retrofit Funding

\$19.5 million in contributions

Maximum \$130,000 per project



## Retrofit Funding

Up to \$1.1 billion in loans (forgivable and repayable combined)

CMHC will fund 100% of eligible retrofit costs, up to \$170,000/unit (repayable and forgivable loans combined).

Forgivable loans will be the lesser of:

- \$85,000 per unit, or
- Eighty percent (80%) of eligible retrofit project cost.

# Thank you

For questions or more information:

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