



CMHC Housing Solutions: Funding and Financing Opportunities Canada



Housing Continuum



Continuum of housing solutions

FUNDING SOLUTIONS

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



MORTGAGE LOAN INSURANCE

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



Seed Funding at a glance

**Non-repayable
contributions**

_____ and/or _____

Interest-free loans

New construction

Preservation



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Interest-free loans

New construction

a contribution of up to \$150K and/or
an interest-free loan of up to \$350K

Preservation

up to \$50K per community housing project
(up to \$75K in some cases)



Who can apply?

New construction

Community housing providers

Municipalities, provinces & territories

Indigenous governments & organizations

Private sector groups



Preservation

Those who are currently or have previously been under an operating agreement



What's it for?

New construction

Pre-development
activities for new
affordable
housing



Preservation

Pre-renovation
activities for
existing housing



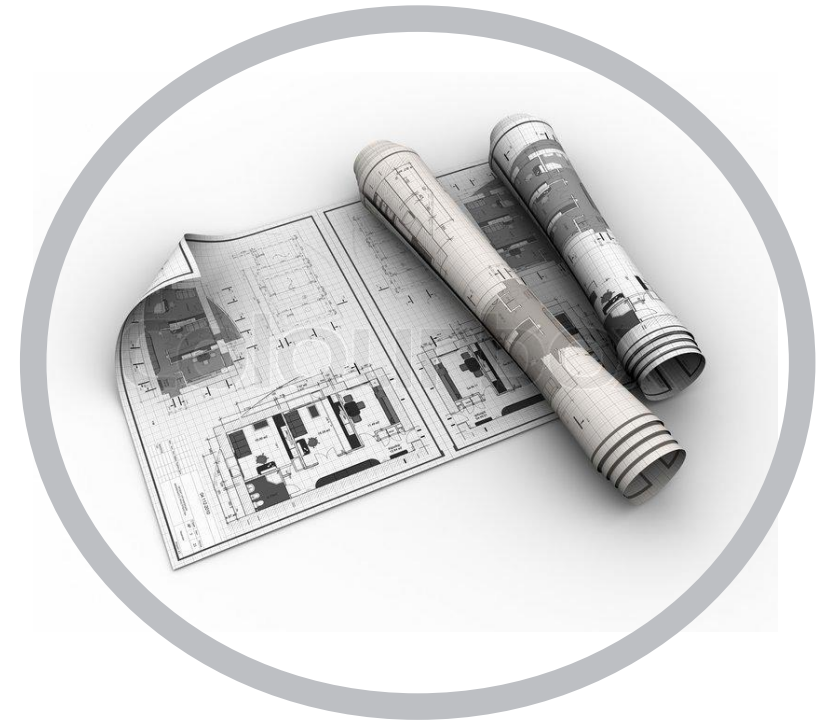
Eligible Activities - New Construction

- Professional appraisal
- Construction cost estimates
- Quantity surveyor
- Geotechnical surveys
- Incorporation



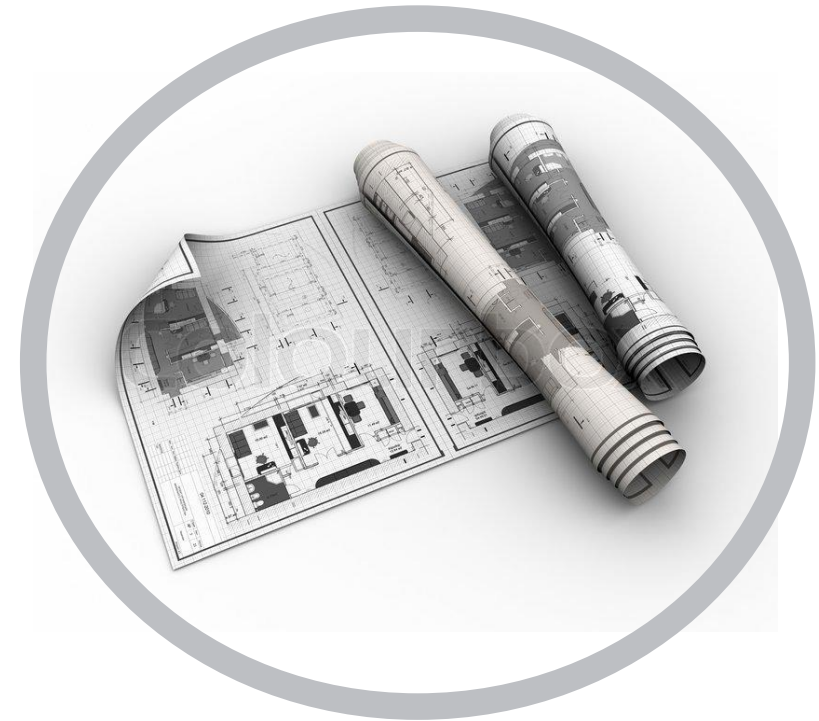
Eligible Activities - New Construction

- Analysis of need and demand
- Preliminary financial viability
- Municipal planning fees
- Energy / accessibility modelling
- Engineering studies
- So much more.....



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Eligible Activities - Preservation

- Building condition audit/assessment (BCA)
- Capital replacement reserve planning (CRP)
- Refinance consultation, analysis, assessment
- Operating viability analysis
- Age-friendly conversion assessment
- Energy audit



Prioritization Criteria

Intended residents
(serving a vulnerable population)



5+ affordable units or beds

5+



Financially viable

Affordability: degree & duration

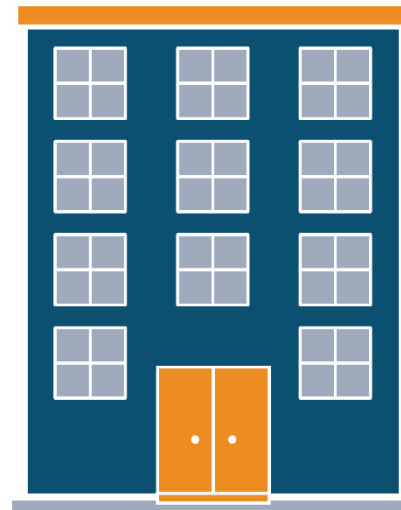


Measures for resource efficiency

Access to transit & amenities



Accessibility features



How long to complete the activities?

3 yrs

Interest-free loans

A 3-year period to complete and advance all activities.
Loans can be combined with non-repayable contributions.

2 yrs

Non-repayable contributions

Available under both the New Construction and Preservation Streams, contributions offer a 2-year period to complete and advance all activities.



Early stage projects?

ELIGIBLE

The documents required with an application align with the planning stage

PROGRAM APPLICATION INFORMATION: SEED FUNDING

PROJECT PROFILE

Please indicate if the following activities have been completed, so that we may assess the stage of your project.

Activity	Completed	Not Completed	N/A
*Analysis of need and demand for the proposed project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special purpose surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Preliminary financial feasibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Incorporation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Option to purchase (loan only)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Registration of security (loan only)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional appraisal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Site surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Planning fees (for example, rezoning, subdivision, and agreement costs)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Preliminary design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project viability assessment / analysis - pro forma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental site assessments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Geotechnical surveys (soil load-bearing tests)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Energy/accessibility modelling studies (cost-benefit analyses)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engineering studies (for example, wind, shadow and traffic impact analyses)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Project drawings and specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Construction cost estimates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quantity surveyor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contract documents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development permits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Final viability assessment / analysis - pro forma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Completion appraisal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Need and demand, and preliminary financial feasibility are activities that must be completed before the project may move forward and be eligible for additional Seed Funding.

Reviews start 1st of month

February 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	1	2

Assessments

Based on outcomes
Reflecting project team,
nature of project, and
alignment with criteria



Process

Reviews start 1st of month

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Assessments

Based on outcomes
Reflecting project team,
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Once approved

Work commences
Invoices reimbursed
based on work completed



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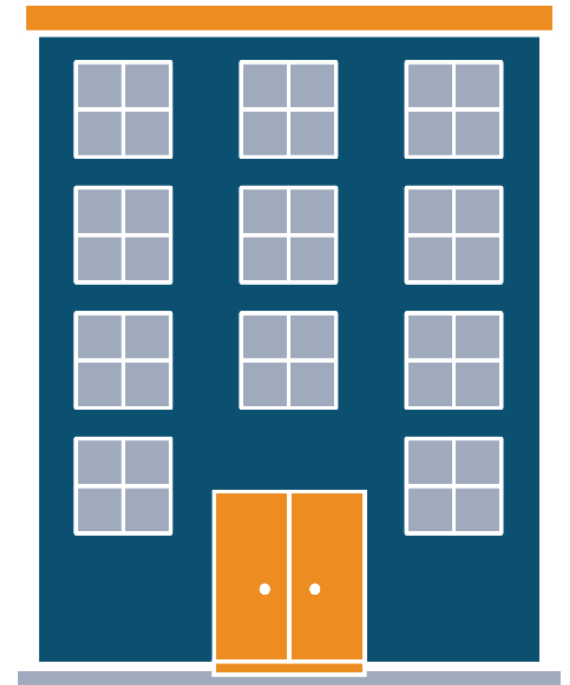
Up to **40%**
of the approved total funding
as a contribution



What do you mean by “up to 40% contribution”?

Easy Math Example:

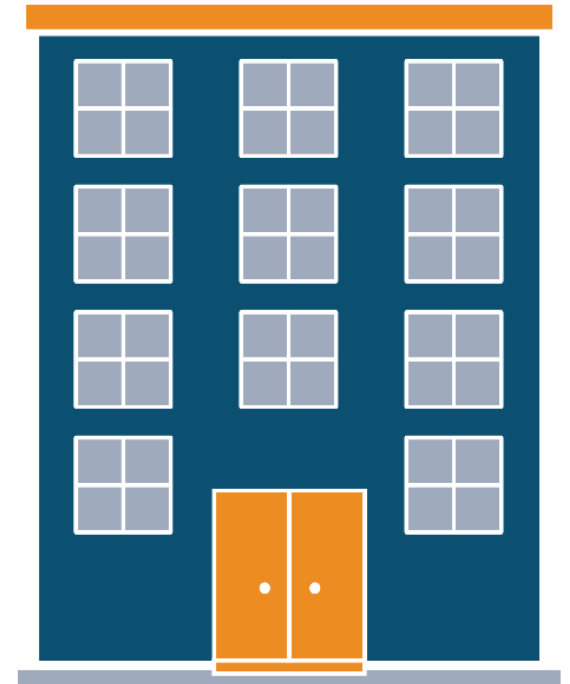
A non-profit housing provider is approved for total funding of \$100,000, with \$40,000 (40%) as a contribution and the rest as a loan



What do you mean by “up to 40% contribution”?

Maximum Amount Example:

A non-profit housing provider is approved for total funding of \$500,000, with \$150,000 (40%) as a contribution and the rest as a loan



What do you mean by “up to 40% contribution”?

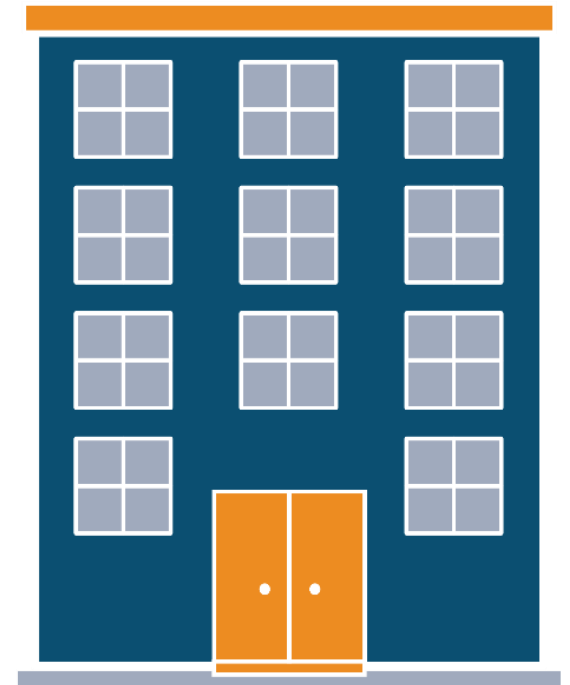
Maximum Amount Example:

A non-profit housing provider is approved for total funding of \$500,000, with \$150,000 (40%) as a contribution and the rest as a loan

Non-Profits:
up to **40%**

Governments:
up to **30%**

Private Sector:
up to **15%**



Tips

- ✓ Experience of project team is important (partnerships)
- ✓ Need & Demand and Financial Viability first key steps
- ✓ Providing supporting verification
- ✓ Contact your CMHC Affordable Housing Specialist early and often





National Housing Co-Investment Fund

National Housing Co-Investment Fund Targets

CREATE OR REPAIR

4,000

SHELTER SPACES
FOR VICTIMS OF
FAMILY VIOLENCE

CREATE

2,400

NEW AFFORDABLE
UNITS FOR
PEOPLE WITH
DEVELOPMENTAL
DISABILITIES

CREATE

60,000

NEW UNITS

CREATE

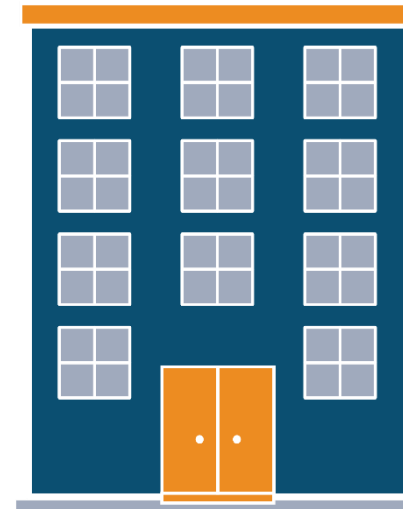
7,000

NEW AFFORDABLE
UNITS FOR
SENIORS

REPAIR

240,000

EXISTING UNITS



Funding

**\$8.65
BILLION**

AVAILABLE THROUGH
**LOW-COST REPAYABLE
LOANS OVER 10 YEARS**

**\$4.52
BILLION**

AVAILABLE THROUGH
**CAPITAL CONTRIBUTIONS
OVER 10 YEARS**

Combination of both to offset higher costs of meeting or exceeding minimum requirements or where cash flow is insufficient to support additional financing



National Housing Co-Investment Fund Requirements

High-performing

Energy-efficient

Financially
Viable

Affordable

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

Minimum of 20 years.

Inclusive

Accessible

Priority Groups

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



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



CMHC Regional Contact for more information

Region	Contact	Email
Vancouver Island & Gulf Islands	Candace Koo & Marcia Jean-Baptiste	ckoo@cmhc.ca mjeanbap@cmhc.ca
Vancouver, Tri-Cities, Burnaby, North Shore, Sea-to-Sky	Andrew Middleton	amiddlet@cmhc.ca
Vancouver, Richmond, Delta, Surrey, Whiterock, Fraser Valley, Kootenays, Thompson-Okanagan, Northern BC	Rob Jaswal	rjaswal@cmhc.ca
Vancouver, Lower Mainland	Olga Baranova	obaranov@cmhc.ca



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