

Loan-to-Value	Premium on Total Loan		Premium on Increase to Loan Amount for Portability and Refinance	
	Standard Premium	Self-Employed without 3 rd Party Income Validation	Standard Premium	Self-Employed without 3 rd Party Income Validation**
Up to and including 65%	0.50%	0.80%	0.50%	1.50%
Up to and including 75%	0.65%	1.00%	2.25%	2.60%
Up to and including 80%	1.00%	1.64%	2.75%	3.85%
Up to and including 85%	1.75%	2.90%	3.50%	5.50%
Up to and including 90%	2.00%	4.75%	4.25%	7.00%*
Up to and including 95%	2.75%	N/A	4.25%*	*
90.01% to 95% - Non-traditional Down Payment***	2.90%	N/A	*	N/A

For portability and refinance, the premium is the lesser of Premium on Increase to Loan Amount or the Premium on Total Loan Amount. In the case of portability, a premium credit may be available under certain conditions.

* Premiums shown with an “*” do not apply for refinance. For portability the maximum LTV ratio is 90%, but CMHC may consider higher LTV ratios when the new ratio is equal to or less than the original LTV. For portability, the premium is higher for non-traditional down payments on Increase to Loan Amount.

** For conversion from Self-Employed with traditional 3rd party income validation to Self Employed without traditional 3rd party income validation, the premium is the lesser of: a) the Premium on Total Loan Amount or; b) the outstanding balance multiplied by a 1.5% premium plus the Premium on Increase to Loan Amount.

*** See reverse for more information on down payment requirements.

Premiums in Ontario and Quebec are subject to provincial sales tax – the sales tax cannot be added to the loan amount.

Surcharges
Extended Amortization: For every 5 years of amortization beyond a 25 year period: add 0.20%
Blended Amortization for Portability and Refinance: add 0.50%

Amortization Options—Portability and Refinance Transactions (when paying the Premium on Increase to Loan Amount)

- Maintain the remaining amortization period of the existing CMHC-insured loan.
- Where there is an increase to the loan amount, the amortization period of the existing CMHC-insured loan and the loan increase may be blended using a weighted average. A 0.50% blended amortization surcharge on the loan increase applies to the Premium Increase to Loan Amount.
- Options are available to extend the amortization period of the existing loan or the combined balance of the existing loan and loan increase beyond the amortization permitted when blending. Contact CMHC for information on premium calculations.

Note: Where Premium on Total Loan Amount is paid, amortization can be extended up to the lesser of 25 years or the remaining economic life of the property.

Closing Costs

For purchase and refinance transactions, borrowers need to demonstrate the financial capacity to cover closing costs. In cases where the closing costs are paid by the borrower in cash, the Approved Lender should confirm this and document the file accordingly. If closing costs are to be borrowed, the loan payment should be included in the Total Debt Service ratio calculation.

For more information about CMHC’s products, contact your Business Development Officer or call **1 888 GO emili (463-6454)**.

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CMHC Quick Reference Mortgage Loan Insurance

When your goal is to comprehensively serve existing clients and find new ones, it’s reassuring to know that you’re backed by the wealth of Canada Mortgage and Housing Corporation (CMHC) information, insight, and industry-leading tools. Only CMHC delivers this complete support—support you need to confidently grow your business. After all, your clients aren’t the only people who are looking towards the future.

Working with CMHC provides you with the following benefits:

- Our products and services are available coast-to-coast-to-coast.
- No maximum house price or loan amount.
- 1 – 4 unit properties.
- Every deal is considered on its own merit. No auto declined applications.
- Flexibilities for energy-efficient homes.
- Access to a world of housing information to help you grow your business.

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Everything you need to open new doors

	CMHC Purchase		CMHC Self-Employed Without Traditional 3rd Party Income Validation	CMHC Refinance
	Traditional Source of Down Payment	Non-traditional Source of Down Payment		
Loan Purpose	Purchase	Purchase	Purchase and Refinance	Refinance
Loan to Value (LTV) Ratio	Up to 95% for 1 – 2 Units Up to 90% for 3 – 4 Units	90.01% to 95%	Purchase: up to 90% LTV Refinance: up to 85% LTV	Up to 90% LTV for 1-4 units
Maximum Purchase Amount or Refinance Amount (New Funds)	No Maximum	No Maximum	No Maximum for Purchase Up to \$200,000 for Refinance	Up to \$200,000
Down Payment Requirement *	Traditional Sources	Non-Traditional Sources	Traditional Sources (with the exception of gift down payments which are not permitted)	Not Applicable
Number of Units**	1 – 4	1 – 2	1 – 2	1 – 4
Maximum Amortization	LTV > 80%: 35 Years LTV ≤ 80%: 40 Years Chattel Mortgages: 25 Years	35 Years	LTV > 80%: 35 Years LTV ≤ 80%: 40 Years	LTV > 80%: 35 Years LTV ≤ 80%: 40 Years Chattel Mortgages: 25 Years
Borrower Eligibility***	Permanent Residents and Newcomers to Canada Non-Permanent Residents are limited to 1 owner occupied unit only – max 90% LTV	Permanent Residents and Newcomers to Canada	Permanent residents with < 3 years business operation. Not available for borrowers without a Canadian credit history, commission-based borrowers and non-permanent residents. No assumption of CMHC-insured loans.	Permanent Residents and Newcomers to Canada
General Guideline for History of Managing Credit (Credit Score)	LTV 60.01% to 80%: 580 Required LTV > 80%: 600 Recommended Standard VRM: LTV 90.01% to 95%: 610 Recommended	650: Recommended	LTV up to 75%: 600 Recommended LTV 75.01% to 85%: 620 Recommended LTV 85.01% to 90% (Purchase only): 650 Recommended	LTV < 60%: No minimum score required LTV 60.01% – 80%: Minimum score of 580 LTV 80.01% up to 90%: Recommended minimum score of 600
Debt Service Guideline	<680: 35% / 42% 680+: n/a / 44%	<680: 35% / 42% 680+: n/a / 44%	<680: 35% / 42% 680+: n/a / 44%	<680: 35% / 42% 680+: n/a / 44%
Loan Security	1st Mortgage and Chattel Mortgage	1st Mortgage Only	1st Mortgage or 2nd Mortgage (Refinance)	1st or 2nd Mortgage, Chattel Mortgage
Interest Rate Types (Fixed, Standard, Capped or Adjustable) ****	All	All	All	All
CMHC Portability	Yes	Yes	Yes	N/A
CMHC Green Home	10% Premium Refund. No surcharge for extended amortization.	10% Premium Refund. No surcharge for extended amortization.	10% Premium Refund. No surcharge for extended amortization.	10% Premium Refund. No surcharge for extended amortization. Refinance for improvements only.
CMHC Improvement	Single or progress advances (up to 4 advances at no cost)	Single or progress advances (up to 4 advances at no cost)	Single or progress advances (up to 4 advances at no cost)	Single or progress advances (up to 4 advances at no cost)

***Down Payment Requirements** – Traditional sources of down payment include: Applicant's savings, RRSP withdrawal, funds borrowed against proven assets, sweat equity (<50% of min. required equity), land unencumbered, proceeds from sale of another property, non-repayable gift from immediate relative, equity grant (non-repayable grant from federal, provincial or municipal agency).

Non-traditional sources of down payment include: Any source that is arm's length to and not tied to the purchase or sale of the property, such as borrowed funds, gifts, 100% sweat equity, lender cash back incentives.

****Property** – For Homeowner Mortgage Loan Insurance, the home can be located anywhere in Canada and must be suitable for, and available for, year round occupancy. At initiation, the home or one unit of the property must be intended for occupancy at some point during the year by the borrower or relative of the borrower on a rent free basis. Maximum of 2 CMHC-insured homeowner properties per borrower. Note: CMHC Second Home product is only available for 1 unit owner occupied properties.

***** Borrower Eligibility** – Permanent residents of Canada include Canadian citizens as well as immigrants that intend to remain permanently in Canada. For borrowers without a Canadian credit history, where the LTV is > 80%, CMHC considers alternative sources of information to validate ability and willingness to repay debts. *Newcomer to Canada* is a permanent resident to Canada but with no established Canadian credit history. *Non-permanent resident* is a foreign worker with a valid Canadian Work Permit.

Self-Employed borrowers with traditional income validation – eligible for all CMHC products. To establish income: 2 year average of total income on NOA grossed up by 15% or add eligible expenses to net income.

The qualifying interest rate used to assess borrower eligibility for loans with a LTV ratio greater than 80% is as follows:
Fixed Rate (FR) Mortgages and Variable Rate (VR) Mortgages: For FR term of less than 5 years and for all VR mortgages, regardless of the term, the qualifying interest rate is the greater of the benchmark rate¹ and the contract interest rate. For FR term of 5 years or more, the qualifying interest rate is the contract interest rate. **Mortgages with Multiple Interest Rates (e.g. Multi-Component):** Each component must be qualified using the applicable criteria defined above.
¹Visit www.cmhc.ca and search key word benchmark rate for more information.