

# Help when *you* NEED IT.

The answers to your questions are just a phone call away. Call **I-877 Multi-GO**

Applications for multi-unit residential 5 and 6 units properties can be submitted to:

CMHC Quebec Business Centre:

1100 René Lévesque Boulevard West, 1<sup>st</sup> Floor

Montreal, Quebec, H3B 5J7

Fax: 514-496-1302

Email: [multi\\_qc@cmhc.ca](mailto:multi_qc@cmhc.ca)

Check out these and other CMHC Multi-Unit products at [www.cmhc.ca/multi-unit](http://www.cmhc.ca/multi-unit):

## CMHC Multi-Unit Affordable Housing

To support the creation of affordable multi-unit housing, CMHC offers financing flexibilities, including loan-to-value ratios of up to 95% and reduced premiums. Consult CMHC Multi-Unit Affordable Housing (OPIMS 66792) for additional details.

## CMHC Multi-Unit Energy-Efficient Properties

When constructing multi-unit housing, or improving the energy-efficiency of existing projects, CMHC mortgage loan insurance can offer big savings, including up to 15 per cent premium refunds. Consult CMHC Multi-Unit Energy-Efficient Properties (OPIMS 66790) for additional details.

The terms and conditions herein are in addition to and subject to CMHC's mortgage insurance standard terms and conditions and underwriting policies, unless specifically specified otherwise. The terms and conditions may change at any time. © 2015, Canada Mortgage and Housing Corporation.



## CMHC MULTI-UNIT RESIDENTIAL 5 AND 6 UNIT PROPERTIES AT-A-GLANCE

### PURCHASE, NEW CONSTRUCTION AND REFINANCE

CMHC mortgage loan insurance enables Approved Lenders to offer flexible loans for the construction, purchase, and refinance of multi-unit residential 5 and 6 unit properties.

### SUMMARY OF FEATURES AND BENEFITS

- Borrowers can obtain mortgage financing up to 85% of the "as is" or "as improved" lending value of the property.
- CMHC-insured financing provides access to competitive interest rates for the life of the mortgage.
- Flexible financing options available, including extended amortization periods and fixed or floating interest rates.
- First, second, and pari passu mortgages are permitted.

68308 31-03-15

### Loan Purpose:

- Purchase and refinance (with or without improvements)
- New construction or substantial improvements

### Loan-to-Value Ratio:

- Up to 85% for existing properties
- Up to the lesser of 85% of value or 100% of cost for new construction

### Debt Coverage Ratio:

- 1.10 for purchase
- 1.20 for refinance

**Interest Rate:** Fixed interest rate or floating (with ceiling rate).

### Borrower Net Worth:

- Borrower must have a net worth equal to at least 25% of the loan amount, with a minimum of \$100,000.

### Insurance Application Fees:

- Without construction advances: \$150 per unit
- With construction advances: \$200 per unit
- Additional fee for CMHC approved advances: \$350 per advance beginning with the third advance

CMHC will retain an amount of the fees relative to the work done (minimum of 10%) if the application is declined by CMHC or withdrawn by the applicant. CMHC will retain the full fee once a mortgage insurance certificate is issued.

### Insurance Premiums:

Loan-to-Value Ratio	Premium as % of Loan
Up to and including 65%	1.75%
Up to and including 70%	2.00%
Up to and including 75%	2.25%
Up to and including 80%	3.50%
Up to and including 85%	4.50%

*Premium surcharges may apply. Surcharges vary according to the loan details. All surcharges are in addition to the base premium rate. Premium credit for refinance of an existing CMHC-insured loan may apply.*

The fee and premium may be added to the loan. For a detailed list of fees and insurance premiums, please refer to "CMHC Multi-Unit Fees and Premiums" (OPIMS 66798).

### Main Documentation Requirements:

- "Request – Certificate of Insurance" (OPIMS 60335);
- Application fee at time of application;
- The Approved Lender's description of the property including age, construction type, number and type of units, condition; income/expense analysis on lender's form or Application for NHA Insured Loan (OPIMS 60369);
- Copy of the executed purchase and sale agreement, if applicable;
- Current credit reports for Borrowers and Guarantors;
- Copies of property taxes, insurance and utilities invoices for the most recent 12 month period;
- The amount and the source of the down payment;
- Signed and up-to-date personal net worth statements for all individual Borrowers/Guarantors, including details for any real property held: address, description, income and expenses, mortgage balance, mortgage payment and value. The Approved Lender must validate substantive asset-values;
- A complete appraisal report, including Schedule A which outlines revenue and expenses of the property.

Certain applications may require documents other than outlined above. Unnecessary delays may be avoided by submitting applications with the required minimum documentation. For additional details, please refer to "CMHC Multi-Unit Documentation Checklist" (OPIMS 66800). CMHC may require additional guarantees or security in certain cases as it deems appropriate.

***For more detailed guidelines, please refer to The HANDBOOK for CMHC Approved Lenders.***