CMHC Purchase

Helping to Make Dreams of Homeownership Come True

For most people, the hardest part of buying a home – especially a first home – is saving the necessary down payment. CMHC-insured financing can help open the doors to homeownership by enabling homebuyers to purchase a home with a minimum down payment of 5%.

Features

- Loan-to-value ratios up to 95% for I 2 unit owner-occupied properties.
- Loan-to-value ratios up to 90% for 3 − 4 unit owner-occupied properties.
- Down payment flexibility In addition to traditional sources, nontraditional sources of down payment are permitted for loans with loanto-value ratios from 90.01% - 95%.
- Flexible financing options single advance and progress advances are available.
- CMHC-insured mortgages are portable helping to reduce or eliminate the premium on the purchase of a subsequent home.
- CMHC homeowner mortgage loan insurance is available to a maximum of one property (1-4 units) per borrower/co-borrower at any given time.
- CMHC offers mortgage loan insurance premium refunds for homeowners who purchase an energy-efficient home or purchase and make energysaving renovations to an existing home. See CMHC Green Home for more information.

Benefits of CMHC Purchase

Access to Homeownership

With a minimum down payment of 5% from flexible sources.

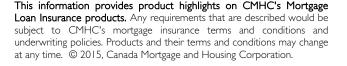
Competitive Interest Rates

Access to CMHC-insured financing, and as a result, competitive interest rates.

Availability

Products and services available coast-to-coast-to-coast.

www.cmhc.ca







Product Highlights:

	Traditional Sources of Down Payment	Non-Trad. Sources of Down Payment
Loan Purpose	Purchase	•
Loan-to-Value Ratio	Up to 95% for 1 – 2 units; Up to 90% for 3 – 4	90.01% to 95% for 1 – 2 units
	units	
Down Payment	Applicant savings, RRSP withdrawal, funds	Any source that is arm's length to and not
•	borrowed against proven assets, sweat equity	tied to the purchase or sale of the property
	(<50% of min. required equity), land	such as borrowed funds, gifts and 100% sweat
	unencumbered, proceeds from sale of another	equity.
	property, non-repayable gift from immediate	
	relative, equity grant (non-repayable from	
	federal, provincial or municipal agency).	
Number of Units	I – 4 units	I – 2 units
Maximum Amortization	25 years	25 years
Maximum Purchase	Maximum purchase price or as-improved property value must be below \$1,000,000.	
Price		
Occupancy	At initiation, the property that secures a CMHC-insured mortgage loan must be intended for	
• •	occupancy at some point during the year by a borrower; or a relative of the borrower on a rent-	
	free basis. Lenders must confirm owner occupanc	y and maintain the confirmation on file.
Borrower Eligibility	Permanent residents including newcomers to	Permanent residents including newcomers to
	Canada. Self-employed borrowers with 3 rd party	Canada. Self-employed borrowers with 3rd
	documentation to support their income. Non-	party documentation to support their
	permanent residents are limited to 1 unit owner	income. Not available for non-permanent
	occupied property and a maximum LTV of 90%.	residents.
	Approved Lenders are to verify, prior to submitting	
	borrower(s) does not have existing CMHC-insured homeowner financing.	
General Property	The property can be located anywhere in Canada and must be suitable for, and available for,	
Requirements	year-round occupancy.	
	Properties that are constructed for seasonal use, or have seasonal access, are not eligible.	
	Properties located on an island must have year-round bridge or ferry access.	
	Time-share interests, life leases and properties in	
General Guideline for	LTV > 80%: Recommended min. score of 600	Recommended min. credit score of 650
History of Managing	LTV 60.01 - 80%: Min. score of 580	
Credit* (Credit Score)	LTV ≤ 60%: No min. score required Standard variable rate mortgages (LTV 90.01% -	
	95%): Recommended min. score of 610	
Debt Service Guideline*		- · 30% / 44%*
Debt Service Guideline*	Credit score: GDS/TDS: < 680 : 35% / 42%, 680+ : 39% / 44%* *Debt convice flexibilities are based on an assessment of the strength of the everall application	
	*Debt service flexibilities are based on an assessment of the strength of the overall application. Satisfying the minimum credit score alone does not automatically entitle the borrower to debt	
	service flexibilities.	
Loan Security	First Mortgages and Chattel Mortgages	First Mortgages Only
	Fixed, capped and standard variable, and adjustable	
Interest Rate Types	Tixed, capped and standard variable, and adjustable	ਦ -

^{*} Individuals can access their scores and credit reports from the following credit reporting agencies: www.equifax.ca or www.transunion.ca

Applicable Premiums (Owner-occupied properties)		
Loan-to-Value Ratio	Premium on Total Loan Amount	
Up to and including 65%	0.60%	
Up to and including 75%	0.75%	
Up to and including 80%	1.25%	
Up to and including 85%	1.80%	
Up to and including 90%	2.40%	
Up to and including 95%		
Traditional Down Payment	3.60%	
Non-Traditional Down Payment	3.85%	

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