



CANADA MORTGAGE AND HOUSING CORPORATION

# 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 1 – 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, non-traditional sources of down payment are permitted for loans with loan-to-value ratios from 90.01% - 95%.
- Flexible financing options – single advance, progress advances and extended amortization periods are available.
- CMHC-insured mortgages are portable – helping to reduce or eliminate the premium on the purchase of a subsequent home.
- CMHC offers mortgage loan insurance premium refunds for homeowners who purchase an energy-efficient home or purchase and make energy-saving 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

Available coast-to-coast-to-coast with no maximum house price or loan amount.

OPIMS 65606 18/03/11

[www.cmhc.ca](http://www.cmhc.ca)  
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*Everything you need to open new doors*

This information provides product highlights on CMHC's Mortgage Loan Insurance products. Any requirements that are described would be subject to CMHC's mortgage insurance terms and conditions and underwriting policies. Products and their terms and conditions may change at any time.  
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HOME TO CANADIANS

Product Highlights:

	<b>Traditional Sources of Down Payment</b>	<b>Non-Trad. Sources of Down Payment</b>
<b>Loan Purpose</b>	Purchase	
<b>Loan-to-Value Ratio</b>	Up to 95% for 1-2 units; Up to 90% for 3-4 units	90.01% to 95% for 1-2 units
<b>Down Payment</b>	Applicant 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 from federal, provincial or municipal agency) and rent-to-own payments in excess of market rents.	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 and lender cash back incentives.
<b>Number of Units</b>	1- 4 units	1- 2 units
<b>Maximum Amortization</b>	LTV > 80%: 30 years; LTV ≤ 80%: 40 years Maximum 25 years for Chattel Mortgages	30 years
<b>Occupancy</b>	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 occupancy and maintain the confirmation on file.	
<b>Borrower Eligibility</b>	Permanent residents including newcomers to Canada. Self-employed borrowers with 3 <sup>rd</sup> party documentation to support their income. Non-permanent residents are limited to 1 unit owner occupied property and a maximum LTV of 90%.	Permanent residents including newcomers to Canada. Self-employed borrowers with 3 <sup>rd</sup> party documentation to support their income. Not available for non-permanent residents.
<b>General Property Requirements</b>	<ul style="list-style-type: none"> <li>The property can be located anywhere in Canada and must be suitable for, and available for, year-round occupancy.</li> <li>Properties that are constructed for seasonal use, or have seasonal access, are not eligible.</li> <li>Properties located on an island must have year-round bridge or ferry access.</li> <li>Time-share interests, life leases and properties in rental pools are not eligible.</li> </ul>	
<b>General Guideline for History of Managing Credit* (Credit Score)</b>	LTV > 80%: Recommended min. score of 600 LTV 60.01 - 80%: Min. score of 580 LTV < 60%: No min. score required Standard variable rate mortgages (LTV 90.01% - 95%): Recommended min. score of 610	Recommended min. credit score of 650
<b>Debt Service Guideline*</b>	Credit score: GDS/TDS: < 680 : 35% / 42%, 680+ : n/a / 44%	
<b>Loan Security</b>	First Mortgages and Chattel Mortgages	First Mortgages Only
<b>Interest Rate Types</b>	Fixed, capped and standard variable, and adjustable	

\* Individuals can access their scores and credit reports from the following credit reporting agencies: [www.equifax.ca](http://www.equifax.ca) or [www.transunion.ca](http://www.transunion.ca)

<b>Applicable Premiums (Owner-occupied properties)</b>		<b>Surcharges</b>
<b>Loan to Value Ratio</b>	<b>Premium on Total Loan Amount</b>	
Up to and including 65%	0.50%	<b>Extended Amortization</b> Add 0.20% for every 5 years of amortization beyond the 25 year mortgage amortization period.
Up to and including 75%	0.65%	
Up to and including 80%	1.00%	
Up to and including 85%	1.75%	
Up to and including 90%	2.00%	
Up to and including 95%		
Traditional Down Payment	2.75%	
Non-Traditional Down Payment	2.90%	

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