



# MORTGAGE LOAN INSURANCE CMHC GREEN HOME

*Helping make energy-efficient housing choices more affordable*

CMHC Green Home offers a partial premium refund of up to 25% directly to borrowers who either buy, build or renovate for energy efficiency using CMHC-insured financing.

## HIGHLIGHTS

### ✓ PARTIAL PREMIUM REFUND OF UP TO 25%

Eligible borrowers can receive a 15% or 25% refund of the CMHC premium paid. Applications are accepted from the borrower within 2 years of the closing date of the mortgage. Energy-efficiency documentation must be no more than 5 years old. Supporting documentation may be used by a subsequent purchaser.

Please visit [cmhc.ca/greenhome](http://cmhc.ca/greenhome) to obtain information on how to apply for a refund.

### ✓ MULTIPLE LEVELS OF ENERGY EFFICIENCY

A premium refund is available based on the level of energy efficiency achieved for the following:

#### **Purchase of new or existing housing, including residential condominium units in low rise buildings**

Homes built under a CMHC-eligible energy-efficient building standard automatically qualify for a premium refund.

For all other homes, eligibility is assessed using the NRCan EnerGuide Rating System (ERS), either the 0-100 scale or the gigajoules scale.

#### **Purchase of existing housing with improvements**

The home must be assessed by a qualified energy advisor before and after the energy-efficiency improvements are made.

Eligibility is based on the improvement in the energy efficiency rating which is assessed using the NRCan EnerGuide Rating System (ERS), either the 0-100 scale or the gigajoules scale.

#### **Purchase of new or existing residential condominium units in high rise buildings**

Buildings built under the LEED Canada New Construction standard (Certified, Silver, Gold and Platinum) automatically qualify for a premium refund.

For all other buildings, eligibility is based on the level of energy efficiency in the building design compared to the energy provisions of the applicable building code.

Natural Resources Canada (NRCan) is updating the EnerGuide rating system on a province-by-province basis. For additional information on qualifying requirements and an updated list of CMHC-eligible building standards, visit [cmhc.ca/greenhome](http://cmhc.ca/greenhome).

*The back page contains eligibility requirements applicable to this program.*

For more information about CMHC mortgage loan insurance programs, please visit [cmhc.ca/mliprograms](http://cmhc.ca/mliprograms) or call **1-888 GO emili** (463-6454).



## ELIGIBILITY REQUIREMENTS

	HOMEOWNER LOANS (OWNER-OCCUPIED)*	SMALL RENTAL LOANS (NON-OWNER OCCUPIED)
<b>Loan-to-Value (LTV) Ratio</b>	1 – 2 units: up to 95% LTV 3 – 4 units: up to 90% LTV	Up to 80% LTV 2 – 4 units
<b>Minimum Equity Requirement</b>	1 – 2 units: 5% of the first \$500,000 of the lending value and 10% of the remainder of the lending value. 3 – 4 units: 10%	20%
<b>Purchase Price / Lending Value</b>	The maximum purchase price / lending value or as-improved property value must be below \$1,000,000.	
<b>Amortization</b>	The maximum amortization period is 25 years.	
<b>Location</b>	The property must be located in Canada, be suitable and available for full time / year round occupancy and have year round access including homes located on an island (via a vehicular bridge or ferry).	
<b>Traditional down payment</b>	A traditional down payment comes from sources such as savings, sale of a property, or a non-repayable financial gift from a relative.	
<b>Non-traditional down payment (homeowner loans only)</b>	<ul style="list-style-type: none"> <li>▪ The down payment must be arm's length and not tied to the purchase and sale of the property, either directly or indirectly such as unsecured personal loans or unsecured lines of credit.</li> <li>▪ Available for 1 – 2 units, 90.01% to 95% LTV, with a recommended minimum credit score of 650.</li> <li>▪ Not available for chattel mortgages.</li> </ul>	
<b>Creditworthiness</b>	<ul style="list-style-type: none"> <li>▪ At least one borrower (or guarantor) must have a minimum credit score of 600. In certain circumstances a higher recommended minimum credit score may be required.</li> <li>▪ CMHC may consider alternative methods of establishing creditworthiness for borrowers without a credit history. Examples of borrowers without a credit history could include newcomers to Canada, or recent graduates.</li> </ul>	
<b>Debt Service Guideline</b>	<ul style="list-style-type: none"> <li>▪ Standard threshold: GDS 35% / TDS 42%.</li> <li>▪ Maximum threshold: GDS 39% / TDS 44% (recommended minimum credit score of 680).</li> <li>▪ CMHC considers the strength of the overall loan insurance application including the recommended minimum credit scores.</li> </ul>	
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>▪ The GDS and TDS ratios must be calculated using an interest rate which is the greater of the contract interest rate or the Bank of Canada's 5-year conventional mortgage interest rate.</li> <li>▪ Fixed, capped and standard variable, and adjustable.</li> </ul>	
<b>Advancing options</b>	<ul style="list-style-type: none"> <li>▪ Single advances: improvement costs ≤ 10% of the as-improved value.</li> <li>▪ Progress advances: new construction financing or improvement costs &gt; 10% of the as-improved value.               <ul style="list-style-type: none"> <li>- Full Service: CMHC validation of advances for up to 4 consecutive advances at no cost.</li> <li>- Basic Service: Lender validation of advances without pre-approval from CMHC.</li> </ul> </li> </ul>	

\*CMHC-insured financing is available for one property per borrower/co-borrower at any given time.