



ENERGY-EFFICIENT PROPERTIES

AT-A-GLANCE

CMHC offers mortgage loan insurance premium savings of up to 15% through a premium reduction or refund, when constructing multi-unit housing or improving the energy efficiency of existing projects.

CMHC's website offers a wealth of energy-saving information and ideas on reducing energy and water consumption in multi-unit residential buildings.

LOAN PURPOSE

New construction, purchase or refinance where energy efficiency improvements are being undertaken.

ENERGY-EFFICIENT PREMIUM REFUND

Based on when energy efficiency savings are demonstrated, borrowers have the option of either receiving an upfront premium reduction or a premium refund as follows:

- **New Construction:** 10% premium reduction/refund to the total premium due or paid, including any surcharges, will be provided for all qualified new construction projects.
- **Existing Buildings (retrofit):** A premium reduction/refund will be limited to the lesser of
 1. the overall percentage reduction in energy consumption up to a maximum of 15%; or
 2. total eligible energy-efficient capital investment expenditures.

ENERGY-EFFICIENT CRITERIA

- **New Construction:** The building is required to be the higher of 5% more energy-efficient than if constructed to meet provincial/territorial requirements (where they exist) **OR** 5% more energy-efficient than if constructed to meet the National Energy Code for Buildings (NECB).
- **Existing Buildings (retrofit):** No minimum threshold for the anticipated reduction in energy consumption. The reduction in energy consumption must be the result of the owner's or builder's capital investment in the structure.

RECOGNITION OF ENERGY SAVINGS IN VALUATION

CMHC will continue to include the anticipated lower energy costs when calculating net operating income to determine property lending value.



DOCUMENTATION REQUIREMENTS

The anticipated or actual reduction in energy consumption is required to be demonstrated to CMHC. This can be shown through a variety of documents, but not limited to:

- Design proposals or energy retrofit plan and post commissioning reports or post retrofit reports prepared by qualified energy management professionals (in-house reports must be validated) and signed by a Licensed Professional Engineer or a Certified Engineering Technologist); or
- Reports from other government agencies and energy companies that provide grants; or
- To demonstrate a reduction in annual energy consumption, the borrower may provide invoices/bills. These are to be provided for the 12-month period prior to the improvements and the 12-month period after the improvements have been completed, for comparison.
- For existing buildings, all requests must include at minimum, information on energy consumption volumes (costs for the various energy sources) and the costs related to energy-efficient improvements.

TIMING TO COMPLETE IMPROVEMENTS AND FOR PREMIUM REDUCTION/ REFUND REQUESTS

For existing buildings: The improvements must be completed within 12 months prior to the first advance or within 12 months after the first advance.

For new construction and existing buildings: The Approved Lender is responsible for submitting all the required documentation to CMHC no later than 15 months after all the improvements have been completed.

CMHC mortgage loan insurance provides access to preferred interest rates lowering borrowing costs for the construction, purchase and refinance of multi-unit residential properties and facilitates renewals throughout the life of the mortgage.

For additional information on fees and premiums, documentation requirements and other multi-unit products, please refer to the applicable information sheet.



cmhc.ca/multi-unit

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Requests from Ontario & West: Multilns-Servicing_OntWest@cmhc.ca