



CMHC's First Quarter Financial Report (2018)

Outreach Briefing— May 29, 2018

Canada



2018 Q1 Performance Highlights



\$1.6 billion
Total revenue

\$293 million
Net income



43,000 insured homes*
through our insurance products



\$1 billion for housing programs
to support the creation of housing units for low- and middle-income earners.



\$37 billion in securities guaranteed
to support residential mortgage financing

*Includes only new volumes, does not include lender substitutions

Operating environment



High degree of vulnerability

observed in the Victoria, Vancouver, Hamilton and Toronto housing markets



Canada's

high level of household debt

remains an important vulnerability



Federal Budget 2018

Provided additional \$1.25B

for the Rental Construction Financing initiative



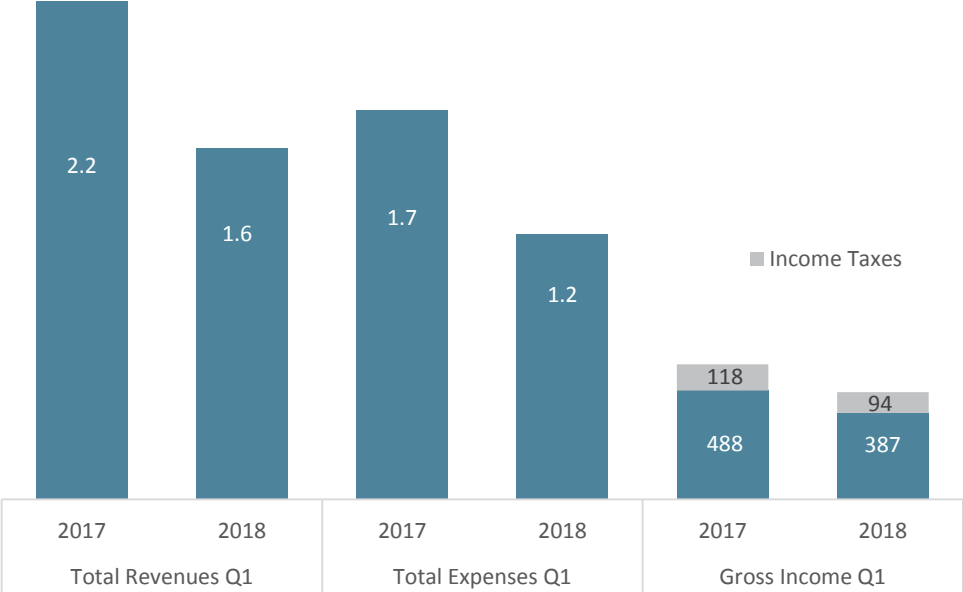
Regulatory changes

come in to effect for the uninsured mortgage market



Facilitating access to housing and contributing to financial stability

Q1 Performance (\$M)



Net Gains (losses) on Financial Instruments ▼

Insurance Claims ▼



Helping Canadians access housing through Mortgage Loan Insurance



43,036 insured homes*

through our insurance products:

Transactional Homeowner: **15,912** / 18,624

Multi-Unit: **24,734** / 25,460

Portfolio: **2,390** / 2,790

Q1 2018 - Q1 2017

Transactional Homeowner volumes ▼

Due to market adjustments related to regulatory changes

Multi-unit volumes ▼

Due to a decrease in new purchase units partially offset by an increase in refinance volumes

Portfolio volumes ▼

Due to price increases as a result of increased capital requirements effective January 1, 2017

* Includes only new volumes, does not include lender substitutions



Overall quality of portfolio remains strong

Insurance-in-Force

(As at) Mar 31, 2018: **\$472 B** (As at) Dec 31, 2017: **\$480 B**

Average Equity

Q1 2018	Q1 2017
7.8%	7.7%

Average purchase price

Q1 2018	Q1 2017
\$281,123	\$278,337

New Units
Supported
by CMHC*
43,036

Arrears

Q1 2017 (overall)
0.29%

Average Credit Score

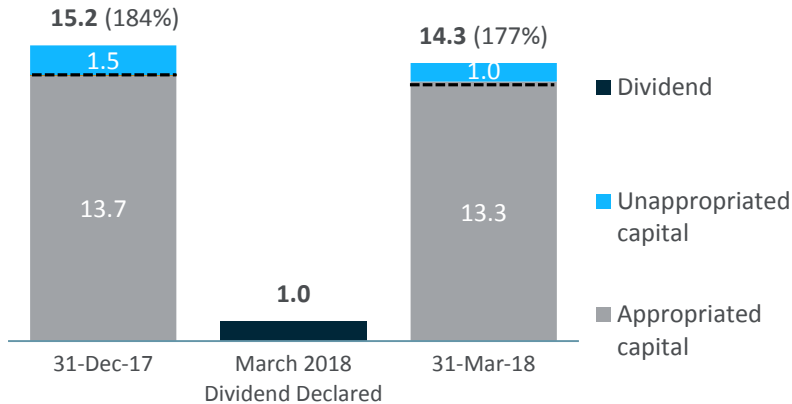
Q1 2018	Q1 2017
752	751

* Includes only new volumes, does not include lender substitutions



Contributing to financial stability and generating returns for Canadians

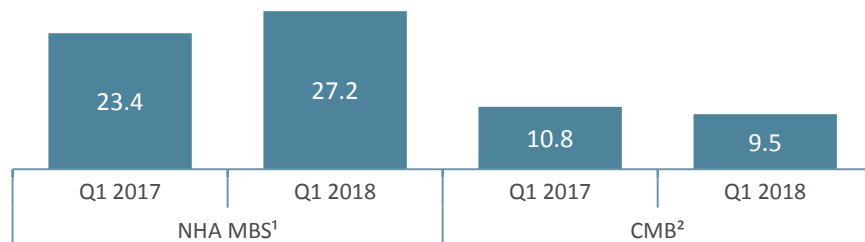
CMHC MLI Capital Available (\$B) to
Minimum Regulatory Capital Required (%)



- We continue to hold capital for our commercial activities in line with our risk profile and OFSI's regulatory requirements.
- 2018 Dividend:
 - \$1 billion – March 22
 - \$1 billion – May 24

Facilitating access to housing finance

Securities Guaranteed (\$B)



¹ Annual Limit for NHA MBS of \$135B (2017 - \$130B)

² Annual Limit for CMB of \$40B (2017 - \$40B)



\$27.2 B National Housing Act
Mortgage-Backed Securities

\$9.5B Canada Mortgage Bonds
securities guaranteed

Guarantees-in-Force

(As at) Mar 31, 2018: **\$481 B**

(As at) Dec 31, 2017: **\$477 B**



Providing support for Canadians in need



Housing program expenditures

Q1 2018: **\$1.0 B** Q1 2017: **\$1.6 B**

