



MORTGAGE LOAN INSURANCE

CMHC FLEX DOWN

For Borrowers With a Down Payment From Non-Traditional Sources

With CMHC Flex Down, Approved Lenders can offer home buyers additional flexibility when purchasing a home, including the opportunity to purchase a home using a wider range of sources for their down payment such as borrowed funds and lender cash-back incentives.

**Everything
you need
to open
new doors**

Features:

- Available for Purchase Transactions
- Loan-to-Value ratios of 90.01% to 95%
- 1 – 2 unit residential properties
- Wider range of sources of down payment permitted
- Flexible financing options – single advance, progress advance and extended amortization periods are available
- Flexibilities available for the purchase of energy-efficient homes

Benefits of CMHC Flex Down:

- ✓ **Helps Provide Earlier Access to Homeownership** – with as little as 5% down using flexible sources of down payment.
- ✓ **Flexible Down Payments** – Wider range of sources of down payment permitted.
- ✓ **Competitive Interest Rates** – Access to CMHC insured financing, and as a result, competitive interest rates.
- ✓ **Availability** – Available coast-to-coast-to-coast with no set maximum loan amount.

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1 888 GO emili
www.cmhc.ca

Canada

The terms and conditions herein are in addition to and subject to CMHC's mortgage insurance standard terms and conditions and underwriting policies, unless specifically specified otherwise. The terms and conditions may change at any time. © 2008, Canada Mortgage and Housing Corporation.



CMHC FLEX DOWN

Loan Purpose	<ul style="list-style-type: none"> ▪ Purchase ▪ Portability ▪ Single and Progress Advances ▪ Purchase with Improvements
Loan-to-Value (LTV) Ratio	90.01% to 95%
Maximum House Price	No maximum
Down Payment Requirement	Non-Traditional Sources*
Number of Units/Occupancy	1- 2, owner and non-owner occupied properties
Maximum Amortization	35 years
Borrower Eligibility	Permanent Residents including Newcomers to Canada. Self-Employed Borrowers with third-party documentation to support their income.
General Guideline for History of Managing Credit	Recommended minimum Beacon score or equivalent**: 650
Debt Service Guidelines	Recommended minimum Beacon score or equivalent**: GDS/TDS: < 680: 35% / 42% 680+: n/a / 44%
Loan Security	First Mortgage Only
Interest Rate Types	Fixed, capped and standard variable, and adjustable
Energy-Efficient Housing	Flexibilities for energy-efficient housing include a 10% premium refund and extended amortization periods without surcharge.
Ineligible Products /Borrowers	CMHC Self-Employed Simplified and Non-Permanent Residents.

* Non-traditional sources of down payment include: 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.

** Individuals can access their scores and credit reports from the following credit reporting agencies:

EQUIFAX: <https://www.econsumer.equifax.ca/ca/main>, EXPERIAN: <http://www.experian.ca/>, TRANSUNION: <http://www.transunion.ca/>

Applicable Premiums (Owner-occupied properties)			Surcharges
Loan to Value Ratio	Premium on Total Loan Amount	Premium on Increase to Loan Amount for Portability	Extended Amortization
90.01% to 95%	2.90%	4.25%	Add 0.20% for every 5 years of amortization beyond the 25 year mortgage amortization period
			Blended Amortization for Portability 0.50%

For purchase transactions the premium payable is the Premium on Total Loan Amount. For portability, the premium is the lesser of Premium on Increase to Loan Amount or the Premium on Total Loan Amount. A premium credit may be available under certain conditions. Premiums in Ontario and Quebec are subject to provincial sales tax – the sales tax cannot be added to the loan amount.

For portability the maximum LTV ratio is 90%, but CMHC may consider higher LTV ratios when the new ratio is equal to or less than the original LTV.

For more information on CMHC products contact your Business Development Officer or call **1 888 GO emili (463-6454)**

CMHC – Everything You Need to Open New Doors

When your goal is to comprehensively serve existing clients and find new ones, it's reassuring to know that you're backed by the wealth of Canada Mortgage and Housing Corporation (CMHC) information, insight, and industry-leading tools. Only CMHC delivers this complete support – support you need to confidently grow your business. After all, your clients aren't the only people who are looking towards the future.