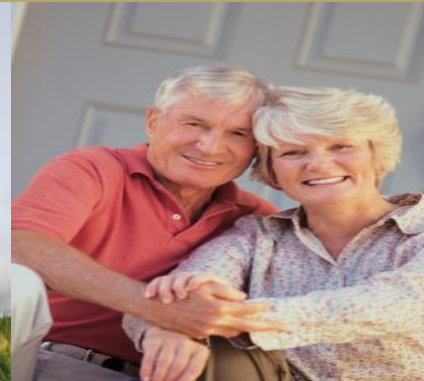


CMHC Tools for Affordable Housing Development



Celebration of National Housing Day

Renfrew

November 19, 2014

Overview

1. Team of experts
2. Housing Development Fact Sheets
3. Housing Development Checklist
4. Seed Funding
5. Proposal Development Funding (PDF)
6. Mortgage Loan Insurance
7. Project Viability Assessment Calculator
8. Capital Replacement Program
9. Web Forum
10. Project Profile

Community Development Team

CMHC's team of affordable housing expert can provide you with guidance and expertise to help your proposed housing project a reality

- A diverse background and experience
- Unbiased information and advice
- A comprehensive inventory of information, tools and resources to advance affordable housing
- Reliable housing information
- Financial incentives and assistance through various CMHC programs and products



Who creates affordable housing?

Community leaders including non-profit service organizations, housing providers, churches, private sector developers and municipalities



Each partnership brings value to the deal, such as business knowledge, financial resources or regulatory flexibility

Ideas that have worked

Many approaches to creating affordable housing:

- Benevolent financing & funding
- Donate money
- Lend money

- Property
- Sell property with conditions
- Lease property

- Donate property
- Acquire and rehabilitate
- New construction



Housing Development Fact Sheets



CANADA MORTGAGE AND HOUSING CORPORATION

PROJECT COSTING AND THE CONSTRUCTION PROCESS

Residential development is complex and costly, whether it is high-end condos or affordable rental housing for low income households. Skilled and diligent management and coordination are necessary to ensure accurate costing and a timely, efficient construction or renovation process.

When pursuing a vision of providing good quality affordable housing in your community, you may consider either new construction or renovation or conversion of an existing building. There is an array of specialists in costing, planning, managing, and building involved in the many aspects of multi-unit development and it is rare to find one person who can do it all. If your organization does not have an experienced staff person dedicated to the project, consider engaging a qualified development consultant to guide the process. This fact sheet outlines the

necessary elements to take into account, whether you contract the work or do it in-house.

Project Costing

Project costing is the process of assembling and confirming the capital costs, from project conception to project completion. As the concept develops into detailed plans and designs, the information provided by quantity surveyors and other professionals becomes clearer and more specific. When municipal approval costs are defined and contractors' prices are received, the project costing process becomes more precise. It is essential to have reliable financial information to successfully finance the project and market your units. Your development consultant, quantity surveyor, architect, and funding agencies can help you to get up-to-date figures.

Capital Costs

Capital costs are directly related to property development including 'hard' costs like land and construction and 'soft' costs such as consulting and legal fees, permits, and financing costs. Here is a list

of general categories and specific items that you will need to consider for your capital budget:

- Land: Purchase price; taxes, fees, legal costs related to acquisition of the property;
- Servicing: The costs of bringing power, telephone, water and sewer service, roads or sidewalks to the site;
- Municipal Fees: Development and building permits, levies, fees, development cost charges; property taxes during construction;
- Professional Fees: Architect, structural, mechanical and electrical engineers, geotechnical engineer, landscape architect; quantity surveyor; development consultant; legal counsel for land transfer; contract advice;
- Construction Financing: Interest on monies borrowed during the construction period only; mortgage insurance premium; lender fee;
- Organizational Expenses: Marketing; utilities to the site; liability and builder's risk insurance premiums during construction;
- Construction, Renovation, or Conversion Costs: All construction or renovation materials and labour;

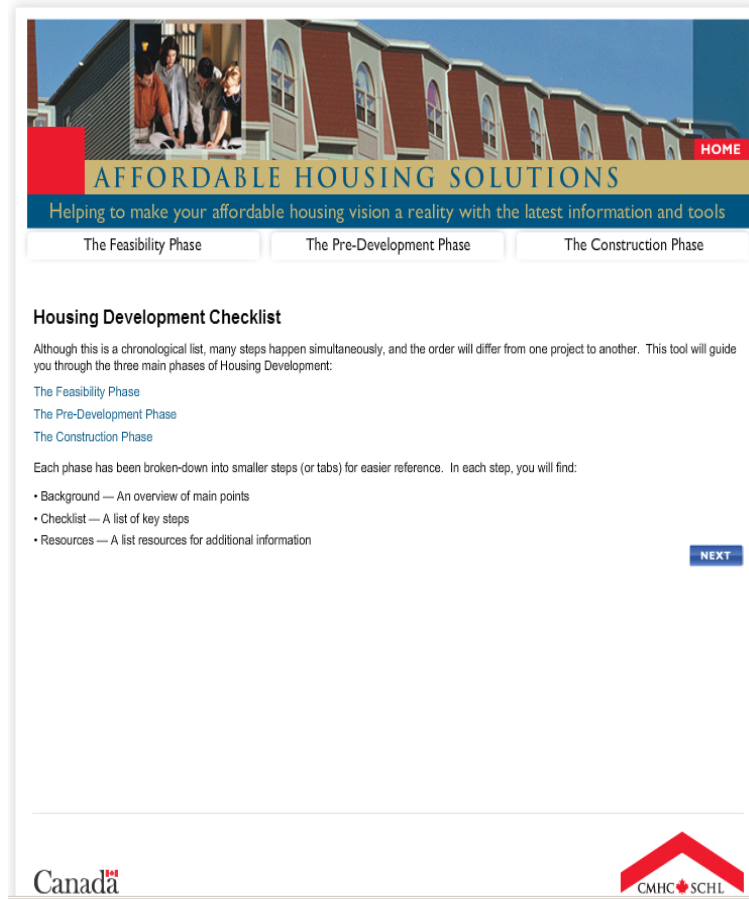
Canada



Fact sheets include:

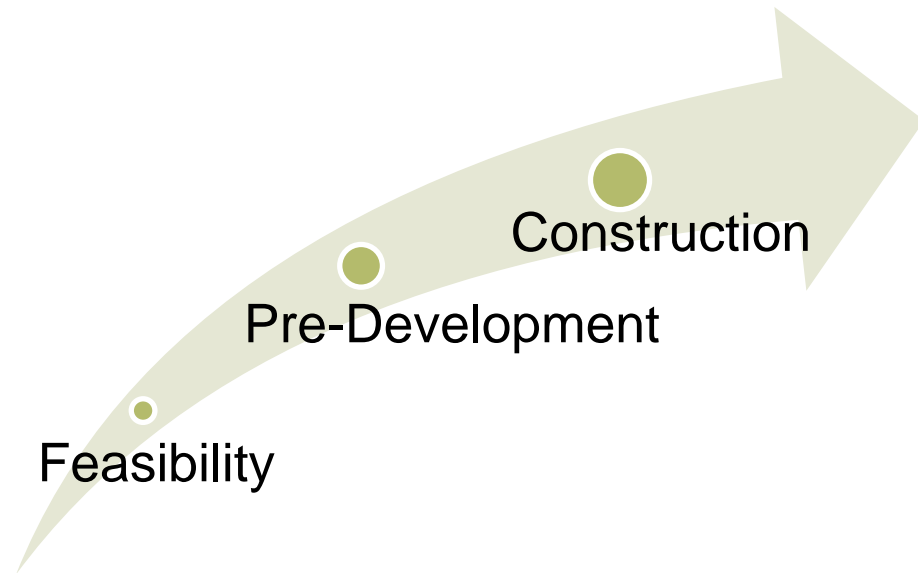
- Generating Community Support
- Building Your Team
- Writing a Business Plan
- Assessing Housing Need and Demand
- Equity Funding and Financing
- Plus many other topics

Housing Development Checklist



The screenshot shows the 'AFFORDABLE HOUSING SOLUTIONS' website. At the top, there is a banner with a photo of people looking at plans and a 'HOME' button. Below the banner are three navigation tabs: 'The Feasibility Phase', 'The Pre-Development Phase', and 'The Construction Phase'. The main content area is titled 'Housing Development Checklist' and includes an introductory paragraph, three sub-sections (Feasibility, Pre-Development, Construction), a list of resources for each phase, and a 'NEXT' button. The footer features the 'Canada' logo and the 'CMHC SCHL' logo.

■ Checklist



Seed Funding

Seed Funding :

\$10,000 Grant

Seed Funding :

\$10,000 Loan

Proposal
Development
Funding :

\$100,000 Loan

Mortgage Loan
Insurance
Flexibilities



Elgin Seniors Housing,
Rideau Lakes

Seed Funding program offers financial assistance to groups that are at the very early stages of developing an affordable housing proposal.

Proposal Development Funding



Proposal Development Funding (PDF) provides interest-free loans to help with up-front expenses to bring the project to the point where they can apply for mortgage financing



Sharbot Lake Seniors Residence
Town of Central Frontenac

Mortgage Loan Insurance Flexibilities

Seed Funding :

\$10,000 Grant

Seed Funding :

\$10,000 Loan

Proposal
Development
Funding :

\$100,000 Loan

Mortgage Loan
Insurance
Flexibilities



Rental :

- Maximum loan-to-value ratio of 95%
- Lower debt coverage ratio
- Amortization period of up to 40 years
- Flexibility in rental achievement holdback
- Reduced or waived premium

Project Viability Assessment Calculator

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Type your search here... search

Business / Government / Housing Organizations Switch Entry Page

[Affordable Housing in Canada](#) > [Affordable Housing Centre](#) > [Tools and Resources](#) > [Affordable Housing Project Viability Assessment Tool](#)

Tell Us About Your Project [Printable Version](#)

Project Name:

Province/Territory: Community:

1. Project Costs — New Construction versus Conversion to Residential Units

New Construction

Land: \$

Owned Leased

[Construction Costs:](#) \$

[Operating Expenses During Construction:](#) \$

Site Servicing: \$

Municipal Fees: \$

[Professional Fees:](#) \$

Environment Site Assessment: \$

Landscaping and paving: \$

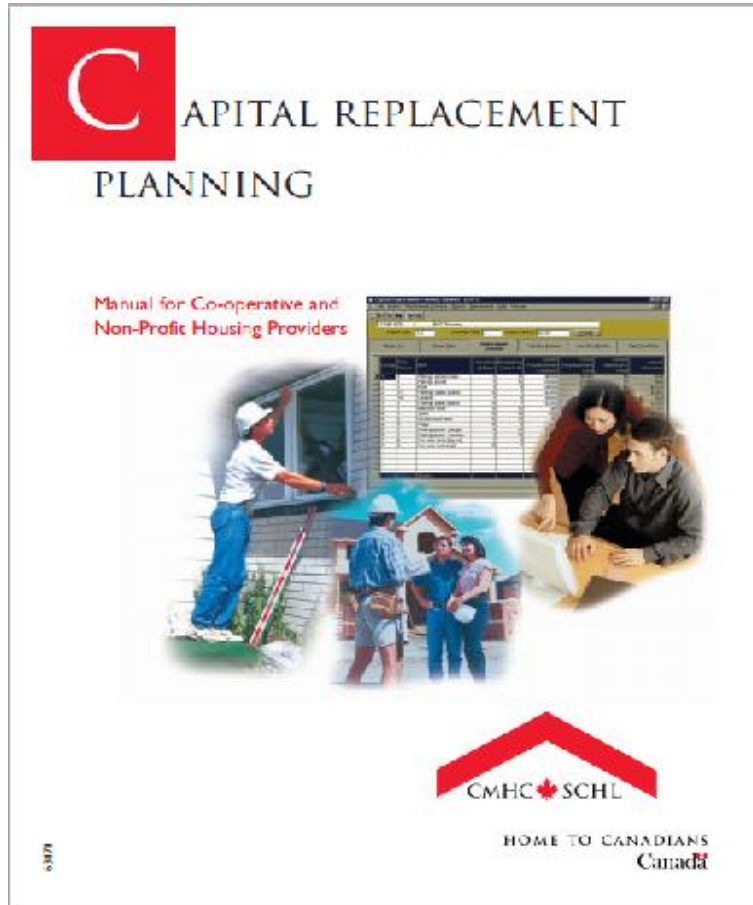
Appliances: \$

Contingency: \$

Benefits :

- To help determine the viability of the project
- To review a 5- year operating budget pro-forma

Capital Replacement Plan



- **Purpose** : To enhance the long term viability of the project
- **What** needs to be done
- **When**
- **How much**

Web Forums

The screenshot shows the Canada Mortgage and Housing Corporation (CMHC) website. The header includes navigation links for Français, Home, About CMHC, Library, Contact Us, Careers, and Newsroom. The main content area is titled 'Business / Government / Housing Organizations' and features a search bar. The left sidebar contains a navigation menu with categories such as Mortgage Loan Insurance, Housing Market Information, Affordable Housing in Canada (highlighted), Building and Design, Sustainability, Research Highlights, Mortgage-Backed Securities, Investments, and Canadian Registered Covered Bonds. The main content area is titled 'What is a CMHC Web Forum?' and provides information about the distance-learning seminar, upcoming sessions, and registration details. The registration information states: 'To register on line: Visit: www.cmhc.ca/conferenceregistration'. The 'What can I expect?' section describes the need for adequate affordable housing and lists the goals of the seminar: to share affordable housing solutions, increase awareness of resources, and facilitate the exchange of information on challenges. The 'Who should register?' section is partially visible at the bottom.

- To register on line:
Visit: www.cmhc.ca/conferenceregistration

Project Profiles

Sharbot Lake Seniors Residence

Elgin Seniors Housing, Rideau Lakes

CANADA MORTGAGE AND HOUSING CORPORATION

PROJECT PROFILE



Sharbot Lake Seniors Residence

Township of Central Frontenac, Ontario

Highlights
Seniors who can no longer maintain their own homes in the township of Central Frontenac can still live in the community thanks to the construction of a new affordable seniors' housing project in Sharbot Lake.

Client group: Seniors on low incomes
Developer: Central Frontenac Housing Corporation
Number of units: Five
Tenure: Rental
Who was involved? Government of Canada (CMHC), Government of Ontario (Ministry of Municipal Affairs and Housing), Central Frontenac Housing Corporation, North Frontenac Non-Profit Housing Corporation

The Affordable Housing Solution
In April 2008, a public meeting was held in the eastern Ontario township of Central Frontenac to discuss the development of seniors' housing. Some important considerations that came out of the meeting included the need for ground floor windows, quiet surroundings and independent housing units. In 2009, the Township approved plans by CMHC to develop a five-unit affordable seniors' housing project on a property that was made available by North Frontenac Non-Profit Housing Corporation in the community of Sharbot Lake.

Using seed funding from Canada Mortgage and Housing Corporation (CMHC), the developer completed an initial survey of the property, as well as a terrain analysis and waste supply assessment.

The Township of Central Frontenac council helped make the project possible by approving the severance application.




CANADA MORTGAGE AND HOUSING CORPORATION

PROJECT PROFILE



Elgin Seniors Housing

Rideau Lakes, Ontario

Highlights
The Township of Rideau Lakes constructed three clusters of housing specially designed to meet the needs of independent seniors in the small rural community of Elgin. The project was built on the site of a former municipal ball park, on land owned by the Township.

Client group: Independent seniors over age 60
Developer: Township of Rideau Lakes
Number of units: 12
Tenure: Rental
Who was involved? Government of Canada (CMHC), Government of Ontario (Ministry of Municipal Affairs and Housing), Township of Rideau Lakes

The township of Rideau Lakes in eastern Ontario is noted for its small, cozy, heritage homes and natural beauty. Composed of five rural municipalities that were amalgamated in 1998, the township covers 700 square kilometers (270 square miles), with the largest community having only about 400 residents. A growing number of township residents are seniors, some of whom have difficulty finding suitable, affordable housing.

"The average age here is higher than the provincial average," said Ron Hilsman, Mayor of Rideau Lakes. "And we know there is a strong demand for affordable housing. Since Elgin had more of the required services, it made sense to build the seniors' housing here."

"The opening of a new 12-unit seniors' housing project in the village of Elgin in June 2011 has helped When new federal funding programs were announced in the fall of 2009, township officials were ready to act. Located north of Elizabethtown, Mayor Hilsman had seen housing designed for independent seniors that he thought would be ideal for Rideau Lakes. The Township subsequently obtained permission to use the architect's design in Elgin.




Sharbot Lake Seniors Residence



- Partnership among Township of Central Frontenac, CMHC, North Frontenac Non-profit Housing Corporation, MMAH
- Developed by Central Frontenac Housing Corporation in the Township of Central Frontenac
- 5 one-bedroom rental units for seniors on low income
- Units have senior friendly features including grab bars, hand-free faucets, ground floor entry and wider doorways.
- First seniors housing project in Ontario to receive GreenHouse Certification from EnerQuality (new industry certification program in Ontario)

Elgin Seniors Housing, Rideau Lakes



- Partnership among CMHC, MMAH, Township of Rideau Lakes
- 12 rental units for independent seniors over age 60
- Consists of 3 clusters of one-storey four plexes
- Funding from AHI, CEAP, MMAH, Township of Rideau Lakes
- Single bedroom with open-concept living room and kitchen, all on one level
- Fully accessible with grade-level entry, wider doorways, a roll-in shower and accessible vanity and kitchen counter

TVM Schoolhouse, Peterborough



- Partnership among CMHC, MMAH, City of Peterborough, TVM Group, Kawartha Participation Projects
- Province's first fully accessible, affordable heritage conversion
- Created 48 rental units, providing housing for adults on moderate incomes, and people with physical and intellectual disabilities.
- Wider doorways, lowered kitchen counters, roll-under cabinets, scooter parking, battery recharge areas and front load laundry machines

Gethsemane Gardens, London



- Partnership among CMHC, MMAH and City of London
- Developed by London Affordable Housing Foundation, a coalition of faith groups
- Built on former church site
- 25 one-bedroom units for low income seniors including space for the food bank
- Energy efficient features to help reduce operating costs
- 4 units with accessible features such as lever door handles, sliding doors

Appendix

- Housing Development Fact Sheets
<http://cmhc.ca/en/inpr/afhoce/afhoce/tore/hodefashch/index.cfm>
- Housing Development Checklist
http://cmhc.ca/en/inpr/afhoce/afhoce/tore/hodefashch/tore_028.cfm
- Seed Funding
http://www.cmhc.ca/en/inpr/afhoce/afhoce/afhoce_001.cfm
- Proposal Development Funding
http://www.cmhc.ca/en/inpr/afhoce/afhoce/afhoce_002.cfm
- Mortgage Loan Insurance
http://www.cmhc.ca/en/inpr/afhoce/afhoce/afhoce_007.cfm
- Project Viability Assessment Calculator
http://www.cmhc.ca/en/inpr/afhoce/afhoce/tore/into_001.cfm
- Capital Replacement Plan
http://cmhc.ca/en/inpr/afhoce/exsoho/exsoho_005.cfm
- Web Forum
http://www.cmhc.ca/en/inpr/afhoce/afhoce/afhoce_006.cfm
- Project Profiles
<http://www.cmhc.ca/en/inpr/afhoce/afhoce/prpr/index.cfm>



Thank you

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