



PRESS RELEASE



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Finding Down Payments Just Got a Lot Easier

OTTAWA, Ontario, February 23, 2004 — Home buyers, will have greater choice in what they can use for a down payment, thanks to new options announced today by Canada Mortgage and Housing Corporation (CMHC).

Borrowers are normally required to have a minimum five per cent down payment from their own resources to purchase a home. However, CMHC has expanded eligible down payment sources to enable many Canadians to realize their homeownership dream sooner than what would otherwise be possible.

Under this new product, effective March 1, the down payment can come from any source such as, lender incentives and borrowed funds. However, borrowers will still have to prove their ability to meet their debt requirements in order to qualify for mortgage insurance.

Under the new product, lenders will be able to offer Canadians a variety of mortgage product offerings including mortgages with terms as low as six months and fixed, adjustable and capped interest rate loans.

CMHC, Canada's leading innovator in providing housing finance solutions, continues to provide Canadians with greater access to affordable housing finance.

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