



PRESS RELEASE



Canadian Mortgage News - National Archive 2004

CMHC Makes Home Financing Easier

OTTAWA, Ontario, November 17, 2004 – Canada Mortgage and Housing Corporation (CMHC) is introducing enhancements to its mortgage loan insurance products and policies that will make it easier for Canadians to finance their homes announced the Honourable Joe Fontana, Minister of Labour and Housing.

"The Government of Canada understands that changing demographics, evolving lifestyles and market conditions affect the housing choices of Canadians," said Minister Fontana. "These enhancements are part of the government's long term strategy to help Canadians meet their housing needs, and contribute to the social economic life of Canada."

The enhancements to CMHC's mortgage loan insurance products and policies will provide financial institutions with new flexibilities to expand their product offerings to Canadians. The enhancements, effective January 14, 2005, will include:

- **Streamlined income verification for self-employed Canadians.** This will improve access to the full spectrum of CMHC's homeowner mortgage insurance products for self-employed Canadians. With this new process, CMHC will provide fast and consistent decisions on all mortgage insurance requests with no increase to mortgage insurance premiums, surcharges or borrower qualifications.
- **Homeowner mortgage loan insurance for a second, year-round home without additional premiums, surcharges or borrower qualifications.** This enhancement recognizes the evolving lifestyle needs of Canadians who require the purchase of a second home as a result of career or family decisions. Qualified borrowers will be able to use any of CMHC's existing homeowner products, including Flex Down, Line of Credit (LOC), Refinance and the 95% Financing product when they purchase or refinance a second home.
- **More affordable, fully automated Progress Advance for home improvements and new home construction.** CMHC will be eliminating the existing 0.5% premium surcharge on Progress Advance applications and offering lenders a fully-automated application process. With this new approach, CMHC will validate the work in place for mortgage loan insurance purposes and will provide electronic advance approval. This will streamline the advancing process and ensure fast and efficient cash flow, which is particularly important for the small builders operating in this segment of the Canadian economy.

These initiatives will result in improved housing choice, access, and affordability for generations of Canadians.

For more details on these new initiatives, contact CMHC at 1 800 668-2642.

Media Inquiries Contact:

Peter Graham, Director of Communications
Office of Minister Fontana

Canadian Mortgage News - CMHC Makes Home Financing Easier

(819) 953-5646

Isabelle Lalbin, Media Relations

CMHC

(613) 742-5344