



MORTGAGE LOAN INSURANCE

## CMHC PORTABILITY

### *Providing Flexibility and Financing Choice for Borrowers who are Relocating*

CMHC's portability feature allows borrowers to port their CMHC insured mortgage loan from an existing home to a new home and in some cases save money by reducing or eliminating the premium on the financing of the new home.

**Everything  
you need  
to open  
new doors**

#### **Features:**

- Available for all CMHC insured mortgage loans covering 1-4 unit residential properties originally approved through **emili**
- No new premium due where terms of mortgage are unchanged (same or lower Loan-to-Value (LTV), loan amount and amortization period)
- Premium payable where there is an increase to LTV, loan amount, and/or amortization period
- Where Premium on Total Loan Amount is payable, a premium credit may be available under certain conditions.

#### **Benefits of CMHC Portability:**

- ✓ **Reduced Costs** – Repeat users of CMHC Mortgage Loan Insurance may be able to save money by reducing or eliminating the mortgage loan insurance premium on the financing of a new home.
- ✓ **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.

OPIMS 65620 04/18/08

**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 PORTABILITY

<b>Eligible Products</b>	All CMHC insured mortgage loans covering 1-4 unit properties originally approved through <b>emili</b> . The borrowers on the new application must be the same borrowers as on the original approved application.
<b>Portability Options</b>	<ul style="list-style-type: none"> <li>▪ Straight Portability</li> <li>▪ Portability-with-Increase</li> </ul>
<b>Straight Portability</b>	<ul style="list-style-type: none"> <li>▪ The existing mortgage balance, remaining amortization, and Loan-to-Value Ratio on a new property remain unchanged (or is lower)</li> <li>▪ No new mortgage loan insurance premium is paid</li> </ul>
<b>Portability-with-Increase</b>	<ul style="list-style-type: none"> <li>▪ There is an increase to LTV, loan amount, and/or amortization period</li> <li>▪ The premium payable is the lesser of the Premium on Total Loan Amount less applicable Premium Credit or the Premium on Increase to Loan Amount.</li> </ul>
<b>Maximum Loan-to-Value (LTV)</b>	<ul style="list-style-type: none"> <li>▪ For Portability-with-Increase, where the Premium on the Increase to the Loan Amount is paid, the maximum loan to value is 90%.</li> <li>▪ CMHC may consider a higher Loan-to-Value Ratio when the new ratio is equal to or less than the original Loan-to-Value Ratio.</li> </ul>

Applicable Premiums (Owner-occupied properties)			Surcharges
Loan to Value Ratio	Premium on Total Loan Amount	Premium on Increase to Loan Amount for Portability	
Up to and including 65%	0.50%	0.50%	<b>Extended Amortization</b> Add 0.20% for every 5 years of amortization beyond the 25 year mortgage amortization period
Up to and including 75%	0.65%	2.25%	<b>Blended Amortization</b> for Portability 0.50%
Up to and including 80%	1.00%	2.75%	<b>CMHC Line of Credit/Interest Only Mortgages</b> Repayment Option: 5 years (5/20) 0.25% 10 years (10/15) 0.50% Conversion from 5/20 to 10/15 0.35% (Product specific terms and conditions apply, see OPIMS 65612)
Up to and including 85%	1.75%	3.50%	
Up to and including 90%	2.00%	4.25%	
Up to and including 95%			
Traditional Down Payment**	2.75%	4.25%*	
Non-traditional Down Payment***	2.90%	4.25%*	
Up to and including 97%			
Traditional Down Payment**	2.90%	4.80%*	
Non-Traditional Down Payment***	3.00%	4.80%*	
Up to and including 100%	3.10%	4.80%*	

For portability, the premium is the lesser of Premium on Increase to Loan Amount or the Premium on Total Loan Amount. Where new Premium on Total Loan Amount is paid, 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.

\*\*Traditional sources of down payment include: Applicant's savings, RRSP withdrawal, funds borrowed against proven assets, sweat equity (< 50% of minimum required equity), land unencumbered, proceeds from sale of another property, non-repayable gift from immediate relative, equity grant (non-repayable grant from federal, provincial or municipal agency).

\*\*\* 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.

Premium Credits where new Premium on Total Loan Amount is paid	
Time from original Closing Date*	Premium credit based on the Mortgage Loan Insurance Premium Previously Paid on the Current CMHC Insured Loan
Within 6 months	100%
Within 12 months	50%
Within 24 months	25%
* Mortgage Loan Insurance is portable beyond 2 years; however, a premium credit will not apply.	

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.