

CANADA MORTGAGE AND HOUSING CORPORATION

# Assisted Housing Business Supplement

**THIRD QUARTER**  
Sept 30, 2017

To supplement CMHC's consolidated financial statements, which are prepared in accordance with IFRS, CMHC uses non-IFRS measures to analyze its performance. The following Assisted Housing Business Supplement is prepared for the third quarter ending September 30, 2017, and is intended to help readers better understand CMHC's Assisted Housing activity. CMHC believes that this business supplement provides meaningful information that enables greater transparency and clarity with respect to CMHC's Assisted Housing activity.

## HOUSING PROGRAMS EXPENDITURES

(in Millions)	Three months ended 30 September		Nine months ended 30 September	
	2017	2016	2017	2016
<b>Funding Under Long-term Commitments for Existing Social Housing</b>				
Cooperatives Housing	15	13	46	45
Limited Dividend	2	2	5	6
Non Profit Housing	32	77	94	185
On Reserve Housing	24	26	83	79
Public Housing	47	43	143	119
Rent Assistance	23	30	59	98
Transferred Programs (SHA)	221	218	693	669
Rural and Native Housing	3	3	9	8
Urban Native Housing	5	7	18	27
Other	1	2	4	5
Prepayment Flexibility - Budget 2015	17	0	33	0
Pyrrhotite - Budget 2016	0	0	10	0
Subtotal	390	421	1,197	1,241
Operating Expenditures	11	12	35	41
<b>Total</b>	<b>401</b>	<b>433</b>	<b>1,232</b>	<b>1,282</b>
<b>Funding for New Commitments of Affordable Housing</b>				
Investments in Affordable Housing	36	44	198	183
On-Reserve Housing	4	4	22	13
Other	0	1	20	0
Social Infrastructure Fund - Budget 2016*	52	25	999	35
Subtotal	92	74	1,239	231
Operating Expenditures	11	8	36	23
<b>Total</b>	<b>103</b>	<b>82</b>	<b>1,275</b>	<b>254</b>
<b>Housing Support</b>				
Affordable Rental Housing Innovation Fund - Budget 2016	0	0	73	0
Other	2	1	6	4
Subtotal	2	1	79	4
Operating Expenditures	1	2	4	6
<b>Total</b>	<b>3</b>	<b>3</b>	<b>83</b>	<b>10</b>
Market Analysis Information**	6	6	19	15
Housing Policy, Research and Information Transfer**	8	7	26	22
<b>Total Spending</b>	<b>521</b>	<b>531</b>	<b>2,635</b>	<b>1,583</b>

\*SIF (Budget 2016) includes Renovation and Retrofit (CMHC and Province/Territory Delivered), Investments in Affordable housing, On-Reserve Renovation Programs and Aboriginal Capacity.

\*\*Includes operating expenditures



## HOUSING PROGRAMS HOUSEHOLDS ASSISTED

In 2016, CMHC provided support to 536,100 lower-income households living in social housing (including in First Nations communities).

Households Assisted (Calendar Year)	2016	2017 Plan*
<b>Subject to Social Housing Agreement (SHA)</b>	354,200	323,000
<b>Subject to existing arrangements</b>		
First Nation Housing	25,600	24,800
Affordable Housing	156,300	133,700
<b>Total</b>	<b>536,100</b>	<b>481,500</b>

\*The social housing portfolio is maturing as a result of no new delivery with the exception of the On-Reserve Non-Profit Housing program which is delivered annually.

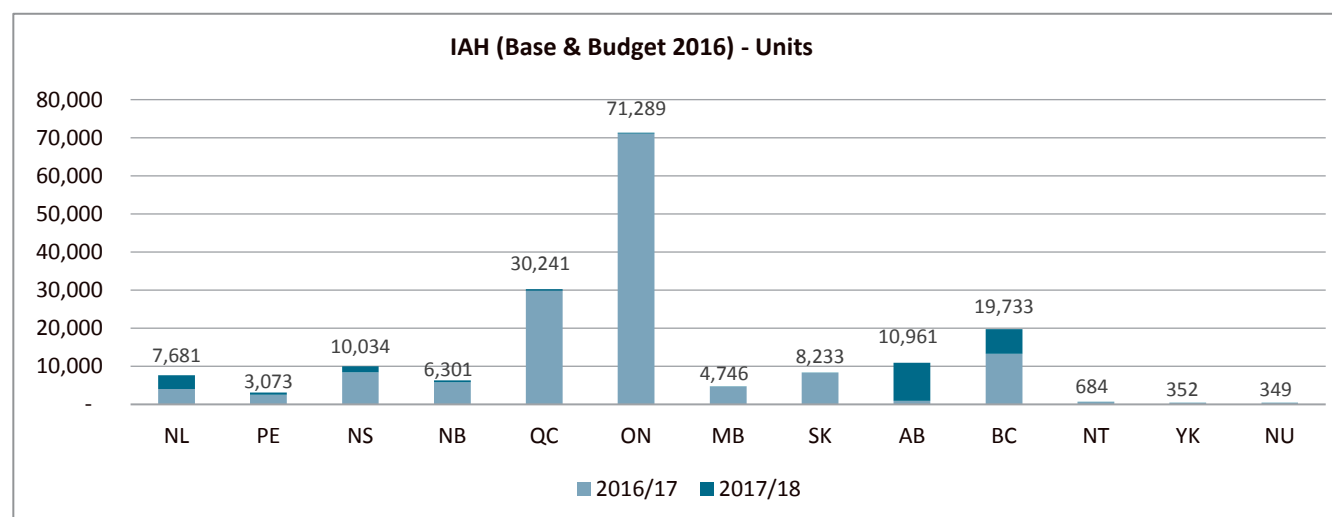
## FIRST NATION HOUSING UNITS

In fiscal year 2017/18, close to 1,100 units received funding through the On-Reserve Non-Profit Housing program, On-Reserve Renovation programs and On-Reserve Renovation and Retrofit programs (Base funding and Budget 2016).

First Nation Housing Programs (Fiscal Year)	2016/17	2017/18 YTD
On-Reserve Non-Profit Housing	956	44
Renovation Programs	348	87
Renovation and Retrofit (Budget 2016)	3,300	960

## INVESTMENTS IN AFFORDABLE HOUSING (IAH) UNITS

From April 1, 2016 to September 30, 2017, more than 173,000 households benefitted from the Investment in Affordable Housing funding. From this total, close to 115,000 households benefitted from Budget 2016 funding and over 58,000 households benefitted from the base funding.



## LENDING PORTFOLIO

## LOAN PORTFOLIO

By Program	30-Sep-17		30-Sep-16	
	No. of Loans*	O/S Loan Balance (\$M)**	No. of Loans*	O/S Loan Balance (\$M)**
Direct Lending Programs	8,744	4,068.6	9,226	4,558.1
Social Housing	4,458	1,825.3	5,519	2,184.3
Housing Support	600	1,410.7	644	1,565.9
Municipal Infrastructure Lending Program (MILP)	272	1,278.6	272	1,402.3
Sewage Treatment Program (STP)	328	132.1	372	163.6
Shelter Enhancement Program	81	5.7	84	5.5
Renovation Programs	9,980	217.5	11,127	235.8
<b>Total</b>	<b>23,863</b>	<b>7,527.8</b>	<b>26,600</b>	<b>8,549.6</b>

\*The pay down in loans is a result of anticipated maturities and the prepayment initiative.

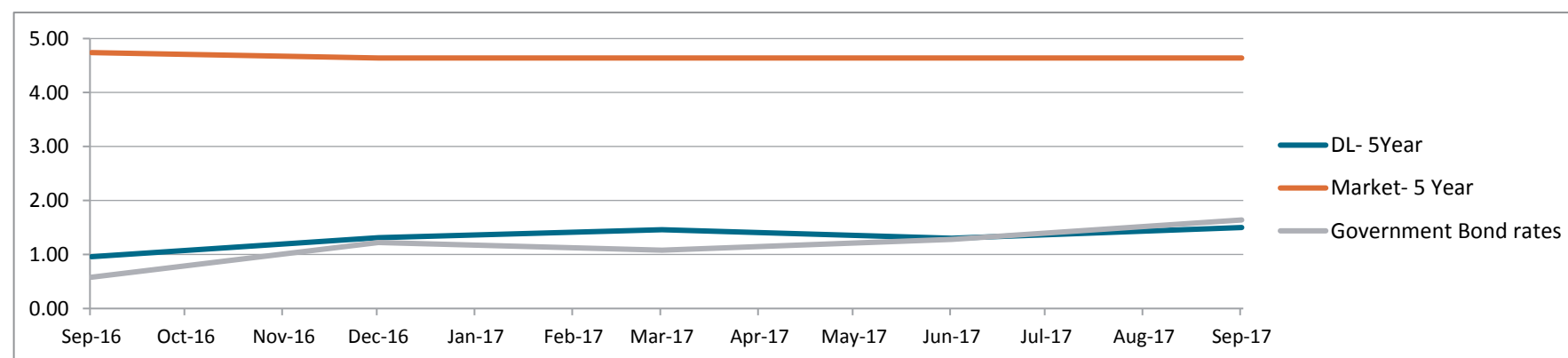
\*\*Loan balance figures are presented at book value.

## ARREARS REPORT\*

By Program*	30-Sep-17		30-Sep-16	
	No. of Loans in Arrears	Arrears Rate	No. of Loans in Arrears	Arrears Rate
Direct Lending Programs	19	0.26%	51	0.52%
Social Housing	2	0.02%	10	0.02%
Renovation Programs	0	0.00%	2	0.00%
<b>Total</b>	<b>21</b>	<b>0.28%</b>	<b>63</b>	<b>0.54%</b>

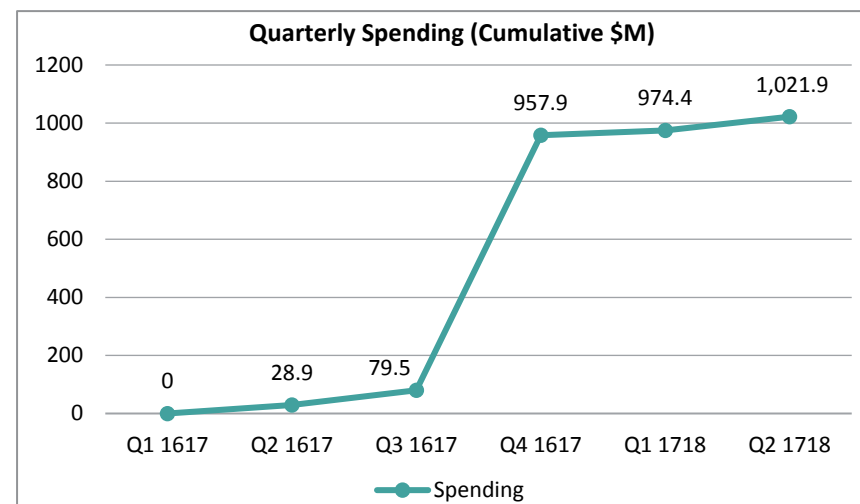
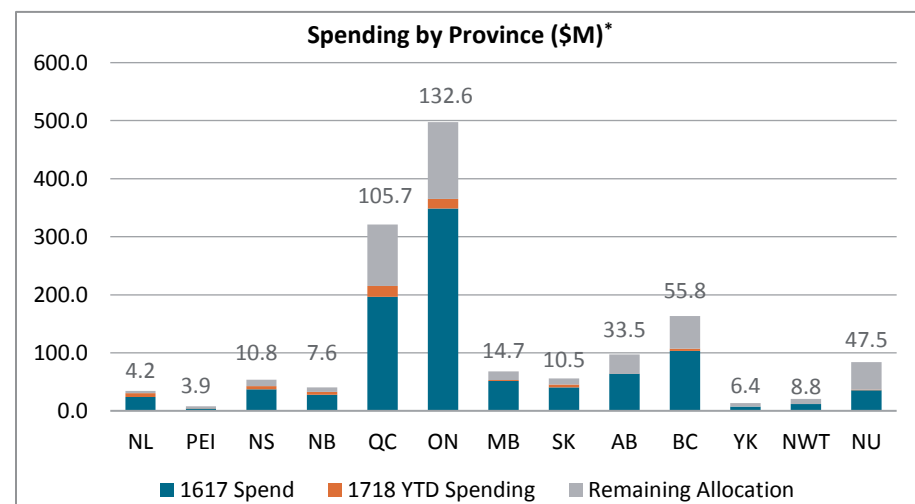
\*There were no arrears under the Housing Support programs or the Shelter Enhancement Programs.

## LENDING RATES



## SOCIAL INFRASTRUCTURE INVESTMENTS (SIF) IN AFFORDABLE HOUSING/SOCIAL HOUSING

Budget 2016 (SIF) increased the funding delivered by Provinces and Territories under the Investment in Affordable Housing (IAH) and provided an investment for retrofits and renovations to existing social housing administered by CMHC. Through the base funding IAH budget, the federal government invests more than \$1.9 billion over eight years to March 2019. Through the IAH, provinces and territories cost match the federal investment and are responsible for choosing the programs they design and deliver to address local housing needs and priorities. IAH funding is reported on a commitment basis and spending occurs once claims have been received from the provinces and territories. All figures are reported on a fiscal basis starting April 1 and ending on March 31.



\*The figures above each bar are the remaining SIF allocation.

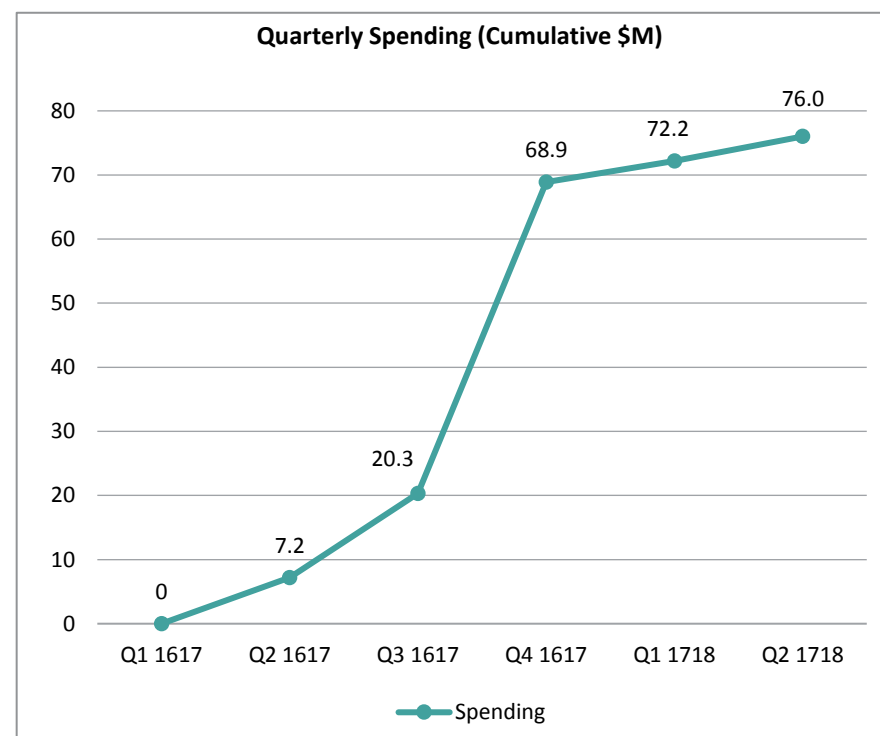
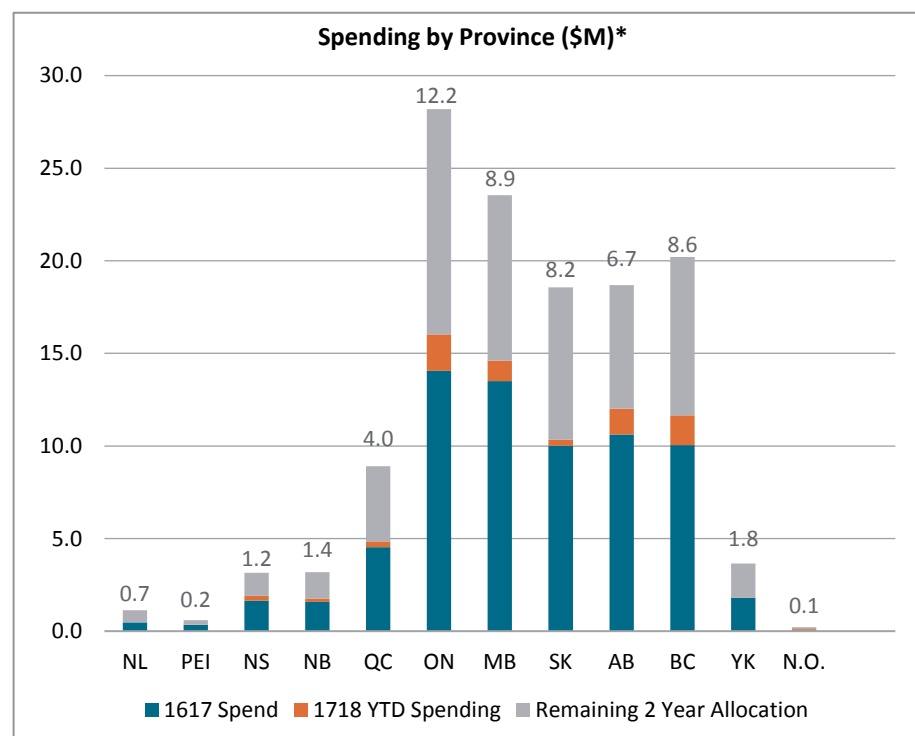
Affordable/Social Housing (SIF)	2016/17 Spending (\$M)	2016/17 Take-Up	2017/18 YTD Spending (\$M)	2017/18 Take-Up	Units - YTD Fiscal (cumulative)	Unit Take-up*	Projects - YTD Fiscal (cumulative)
IAH (Doubling IAH)	259.8	100.0%	43.7	18.1%	11,153	11.2%	3,192
Affordable Housing for Seniors	100.0	100.0%	5.5	5.5%	3,553	71.1%	949
Shelters for Victims of Family Violence	60.0	100.0%	3.1	10.4%	4,520	150.7%	3,118
Reno Retrofit Social Housing (P/T delivered)	490.5	100.0%	n/a	n/a	95,403	103.1%	2,317
Reno Retrofit Social Housing (CMHC delivered)	7.6	103.7%	11.8	15.3%	7,739		248
Northern Housing	40.0	100.0%	0.0	0.0%	183	30.5%	41
<b>Total</b>	<b>957.9</b>	<b>100.0%</b>	<b>64.1</b>	<b>12.7%</b>	<b>122,551</b>	<b>58.7%</b>	<b>9,865</b>

\* "Units" is used interchangeably with "Households" under the Investments in Affordable Housing (IAH) program.

Affordable Housing (Base Funding)	Federal Allocation 2011-2019 (\$M)	CMHC Funding Claimed to date (\$M)	2017/18 Allocation (\$M)	2017/18 Claimed (\$M)	2017/18 - Fiscal YTD Units
Investments in Affordable Housing (IAH)	1,909.9	1,497.4	238.7	65.0	10,896

## SOCIAL INFRASTRUCTURE INVESTMENTS (SIF) IN FIRST NATION HOUSING

Budget 2016 (SIF) provided additional investments to support the renovation and retrofit of existing housing on-reserve, improve housing capacity in First Nation communities and create new shelters for victims of family violence. First Nation housing program funding is tracked through commitments and spending occurs as work is completed. All figures are reported on a fiscal basis starting April 1 and ending on March 31.



\*The figures above each bar are the remaining 2 year SIF allocation.

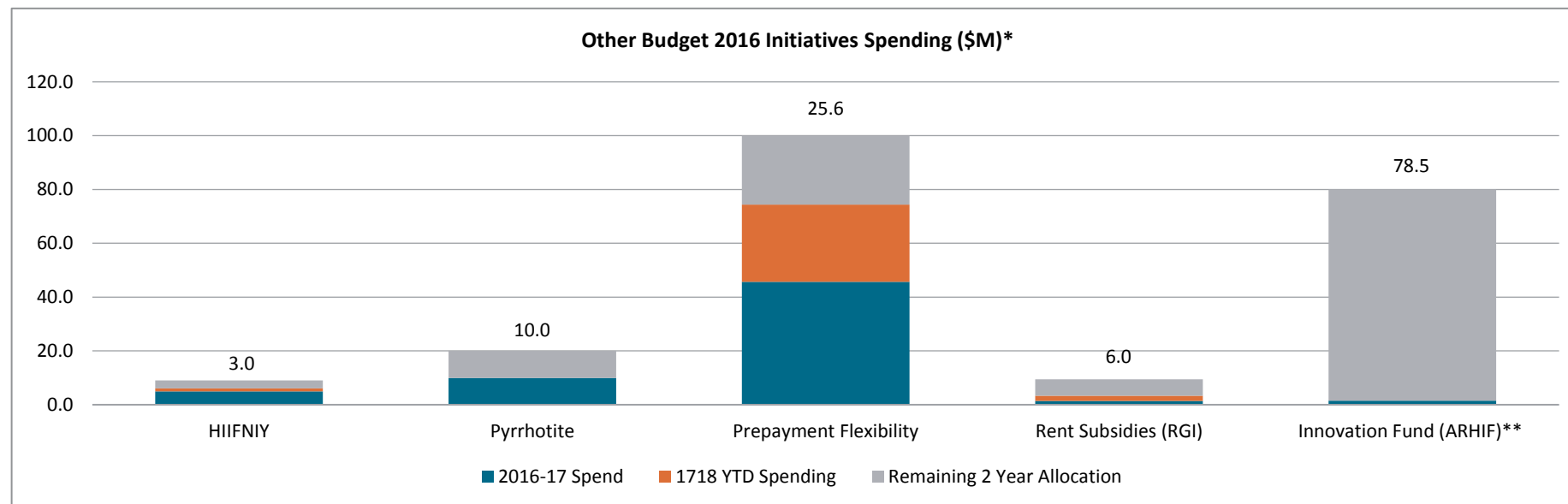
	2016/17 Spending (\$M)	2016/17 Take-Up	2017/18 YTD Spending (\$M)	2017/18 Take-Up	Units - YTD Fiscal (Cumulative)	Unit Take-Up	Projects - YTD Fiscal (Cumulative)
<b>First Nation Housing Programs</b>							
On Reserve Renovation and Retrofit	63.9	101%	5.1	9.1%	4,332	144.4%	2,442
Shelter Enhancement Program*	0.0	0.0%	0.0	0.0%	1	20.0%	1
Aboriginal Capacity Development**	5.0	100%	2.0	39.9%	443	443.0%	376
<b>Total</b>	<b>68.9</b>	<b>101%</b>	<b>7.1</b>	<b>10.4%</b>	<b>4,776</b>	<b>153.8%</b>	<b>2,819</b>

\* SEP is a three year initiative and the units represent shelters.

\*\* For Aboriginal Capacity Development, units represent the number of First Nations assisted.

## OTHER BUDGET 2016 INITIATIVES

CMHC's Housing Internship for First Nations and Inuit Youth (HIIFNIY) program supports internships for indigenous youth by providing work experience and on-the-job training. CMHC also provides up to \$30 million over three years to help homeowners in Québec dealing with costly structural problems in their homes as a result of the presence of the mineral pyrrhotite in their foundations. Up to \$150 million is provided over four years under the Prepayment Flexibility to allow social housing providers (coops and non-profits) to prepay long-term non-renewable CMHC mortgages without penalty. Budget 2016 reallocates \$30 million to renew subsidies through the Rent Subsidies (RGI) initiative for all federally administered social housing projects with operating agreements expiring in the next two years. An investment of \$208.3 million is provided over 5 years under the Innovation Fund which encourages new funding models and innovative building techniques in the rental housing market. All figures are reported on a fiscal basis starting April 1 and ending on March 31.



\*The figures above each bar are the remaining 2 year SIF allocation.

Other Budget 2016 Initiatives	2016/17 Spending (\$M)	2016/17 Take-Up	2017/18 YTD Spending (\$M)	2017/18 Take-up	Units - YTD Fiscal (cumulative)	2 Year Unit Take-Up	Projects - YTD Fiscal (cumulative)
Housing Internships for First Nation and Inuit Youth*	5.0	100.0%	1.1	27.5%	272	85.0%	172
Pyrrhotite	10.0	100.0%	0.0	0.0%	162	40.5%	162
Prepayment Flexibility	45.7	91.5%	28.6	57.3%	n/a	n/a	144
Rent Subsidies (RGI)	1.4	9.3%	2.0	24.5%	7,057	n/a	266
Innovation Fund (ARHIF)**	1.5	15.0%	0.0	0.0%	40	1.0%	1

\* HIIFNIY units represent number of youths employed

\*\* The Affordable Rental Housing Innovation Fund figures represent commitments made. The full \$80M in appropriations has been received and reported as an HP expense.

