

CANADA MORTGAGE AND HOUSING CORPORATION

Assisted Housing Business Supplement

FIRST QUARTER
March 31, 2018

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 first quarter ending March 31, 2018, 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 31 March		Three months ended 31 March	
	2018	2017	2018	2017
Funding Under Long-term Commitments for Existing Social Housing				
Cooperatives Housing	13	14	13	14
Limited Dividend	1	2	1	2
Non Profit Housing	45	23	45	23
On Reserve Housing	29	34	29	34
Public Housing	26	36	26	36
Rent Assistance	16	6	16	6
Transferred Programs (SHA)	268	287	268	287
Rural and Native Housing	7	2	7	2
Urban Native Housing	15	7	15	7
Other	1	2	1	2
Rent Subsidies*	2	1	2	1
Prepayment Flexibility*	6	4	6	4
Pyrrhotite*	10	10	10	10
Subtotal	439	428	439	428
Operating Expenditures	11	12	11	12
Total	450	440	450	440
Funding for New Commitments of Affordable Housing				
Investments in Affordable Housing	114	133	114	133
On-Reserve Housing	8	9	8	9
Other	10	20	10	20
Social Infrastructure Fund **	405	927	405	927
Housing Internships for First Nation and Inuit Youth*	2	3	2	3
Subtotal	539	1,092	539	1,092
Operating Expenditures	11	13	11	13
Total	550	1,105	550	1,105
Housing Support				
Rental Construction Financing Initiative	1	0	1	0
Other	3	3	3	3
Subtotal	4	3	4	3
Operating Expenditures	3	2	3	2
Total	7	5	7	5
Market Analysis Information***	6	7	6	7
Housing Policy, Research and Information Transfer***	13	9	13	9
Total Spending	1,026	1,566	1,026	1,566

* Spending authority provided from initiatives announced through Budget 2015, 2016 and 2017.

** 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 2017, CMHC provided support to 518,000 lower-income households living in social housing (including in First Nations communities).

Households Assisted (Calendar Year)	2016	2017*
Subject to Social Housing Agreement (SHA)	354,200	343,000
Subject to existing arrangements		
First Nation Housing (On Reserve)	25,600	24,300
Affordable Housing (Off Reserve)	156,300	150,700
Total	536,100	518,000

*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.

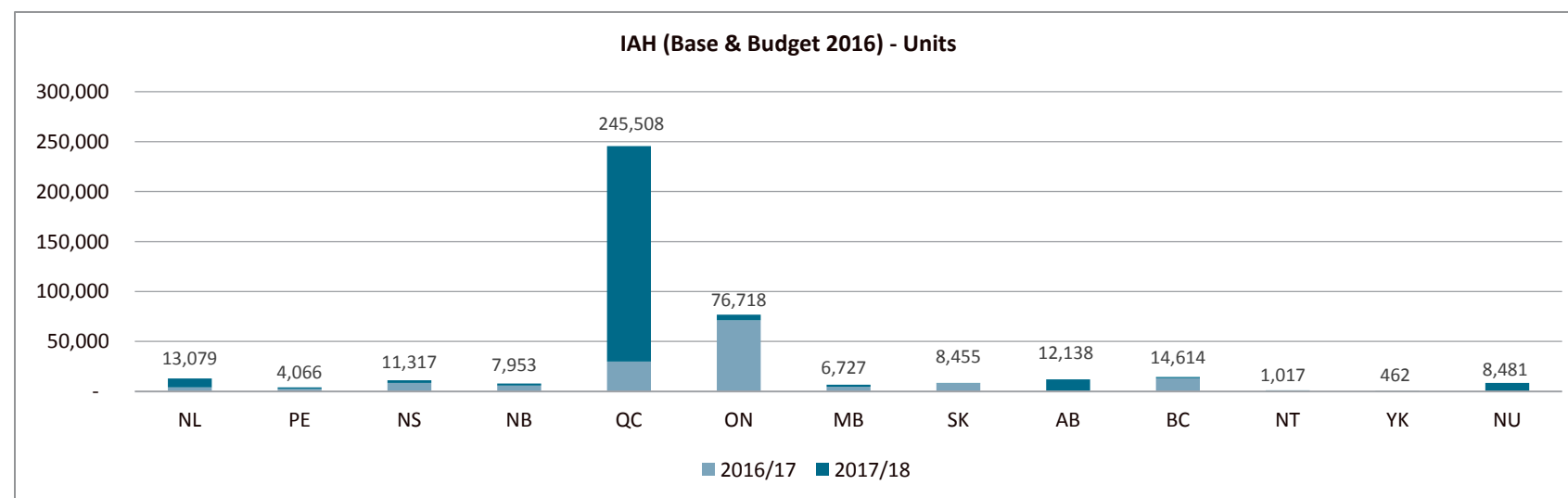
FIRST NATION HOUSING UNITS

In fiscal year 2017/18, 3,866 units received funding through the Non-Profit Housing program, Renovation programs and the Renovation and Retrofit program (Base funding and Budget 2016).

First Nation Housing Programs (Fiscal Year)	2016/17	2017/18
Non-Profit Housing	956	897
Renovation Programs	348	552
Renovation and Retrofit (Budget 2016)	3,300	2,417

INVESTMENTS IN AFFORDABLE HOUSING (IAH) UNITS

From April 1, 2016 to March 31, 2018, over 410,000 households benefitted from the Investment in Affordable Housing funding. From this total, over 282,000 households benefitted from Budget 2016 funding and over 128,000 households benefitted from the base funding.



LENDING PORTFOLIO

LOAN PORTFOLIO

By Program	31-Mar-18		31-Mar-17	
	No. of Loans*	O/S Loan Balance (\$M)	No. of Loans*	O/S Loan Balance (\$M)
Direct Lending Programs	8,584	3,863.1	9,069	4,305.1
Social Housing	3,716	1,644.0	4,887	1,945.0
Housing Support	534	1,310.4	625	1,473.1
Municipal Infrastructure Lending Program (MILP)	272	1,197.0	272	1,325.5
Sewage Treatment Program (STP)	262	113.5	353	147.6
Shelter Enhancement Program	80	6.0	79	5.6
Renovation Programs	10,113	227.6	10,586	232.3
Total	23,027	7,051.1	25,246	7,961.1

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

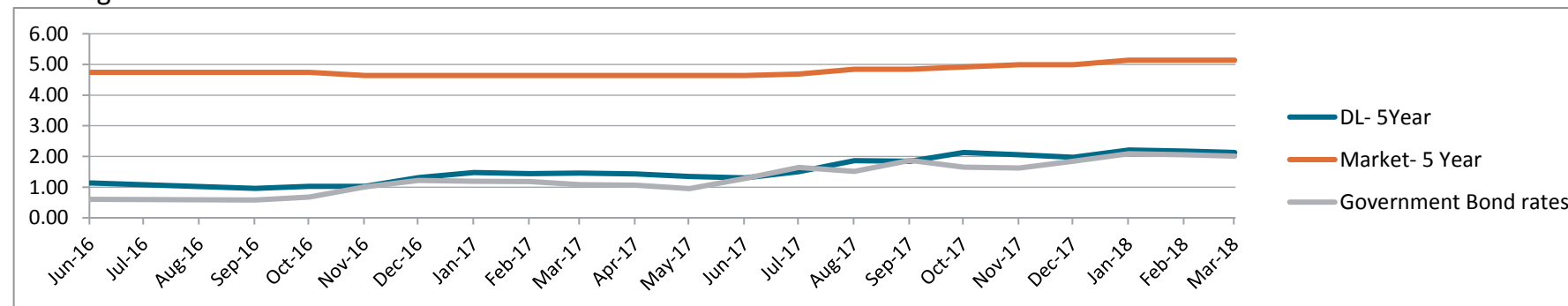
ARREARS REPORT**

By Program*	31-Mar-18		31-Mar-17	
	No. of Loans in Arrears	Arrears Rate	No. of Loans in Arrears	Arrears Rate
Direct Lending Programs	29	0.28%	41	0.40%
Social Housing	2	0.03%	5	0.04%
Renovation Programs	0	0.00%	0	0.00%
Total	31	0.31%	46	0.44%

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

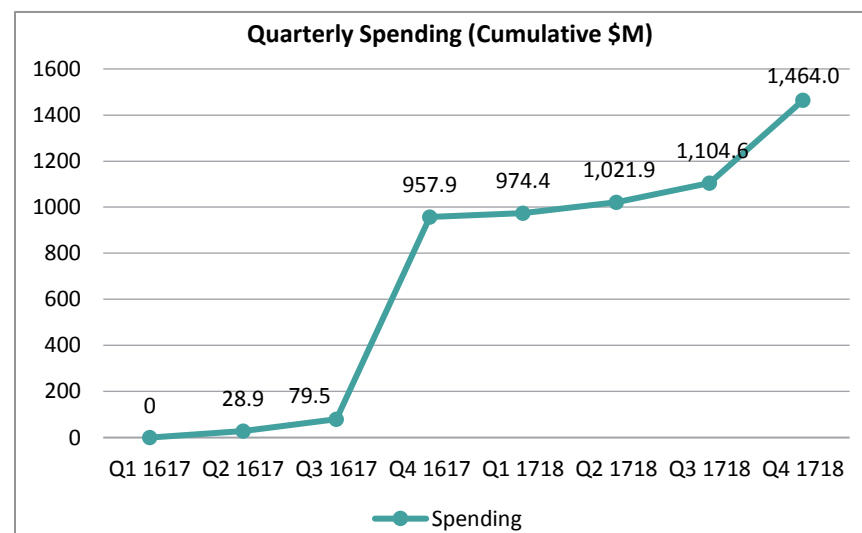
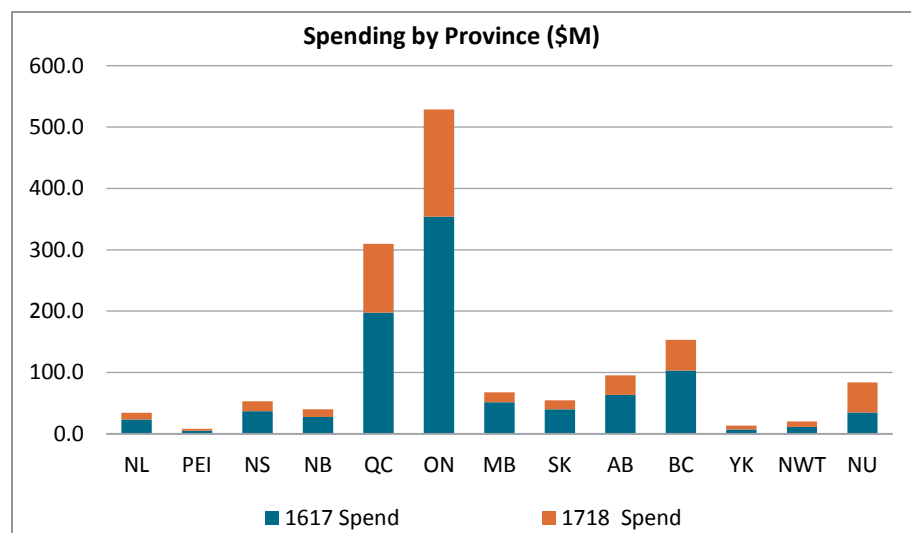
**The ratio of all loans that are typically more than 90 days past due to the number of outstanding insured loans.

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 and exclude operating expenditures.



Affordable/Social Housing (SIF)	2016/17 Spending (\$M)	2016/17 Take-Up	2017/18 Spending (\$M)	2017/18 Take-Up	Units - YTD Fiscal (cumulative)	Unit Take-up*	Projects - YTD Fiscal (cumulative)
IAH (Doubling IAH)	259.8	100.0%	241.8	100.0%	174,170	174.2%	5,231
Affordable Housing for Seniors	100.0	100.0%	100.1	100.0%	6,247	124.9%	1,679
Shelters for Victims of Family Violence	60.0	100.0%	29.9	100.0%	5,868	195.6%	3,228
Reno Retrofit Social Housing (P/T delivered)	490.4	100.0%	n/a	n/a	95,095	103.6%	2,316
Reno Retrofit Social Housing (CMHC delivered)	7.6	103.7%	77.7	100.6%	8,457		261
Northern Housing	40.0	100.0%	56.7	100.0%	687	114.5%	98
Total	957.8	100.0%	506.2	100.1%	290,524	139.3%	12,813

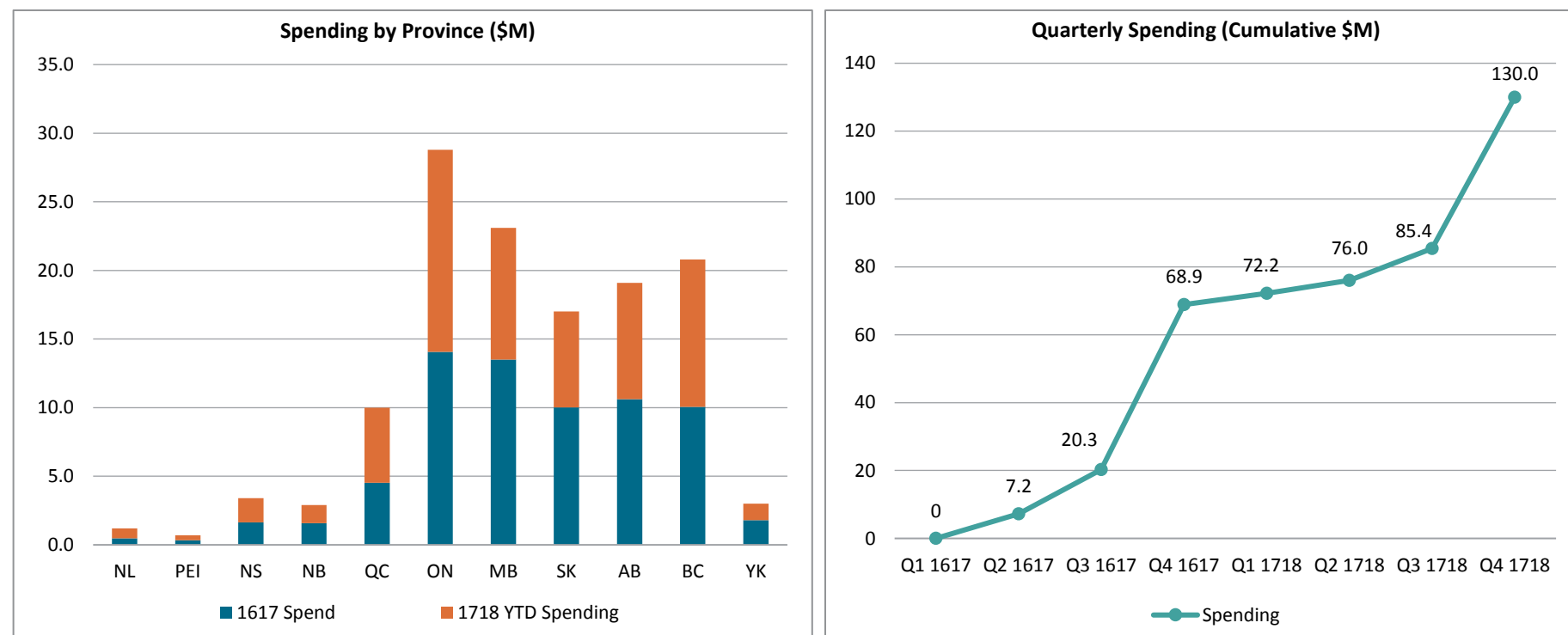
* "Units" is used interchangeably with "Households" under the Investments in Affordable Housing (IAH) program.

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	1,671.2	238.7	238.7	80,499



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 and exclude operating expenditures.



First Nation Housing Programs	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)
On Reserve Renovation and Retrofit	63.6	101.0%	56.4	99.8%	5,717	190.6%	3,137
Shelter Enhancement Program*	0.0	0.0%	0.0	0.0%	5	100.0%	5
Aboriginal Capacity Development**	5.0	100.0%	5.0	100.0%	464	464.0%	505
Total	68.6	101.0%	61.4	89.6%	6,186	199.2%	3,647

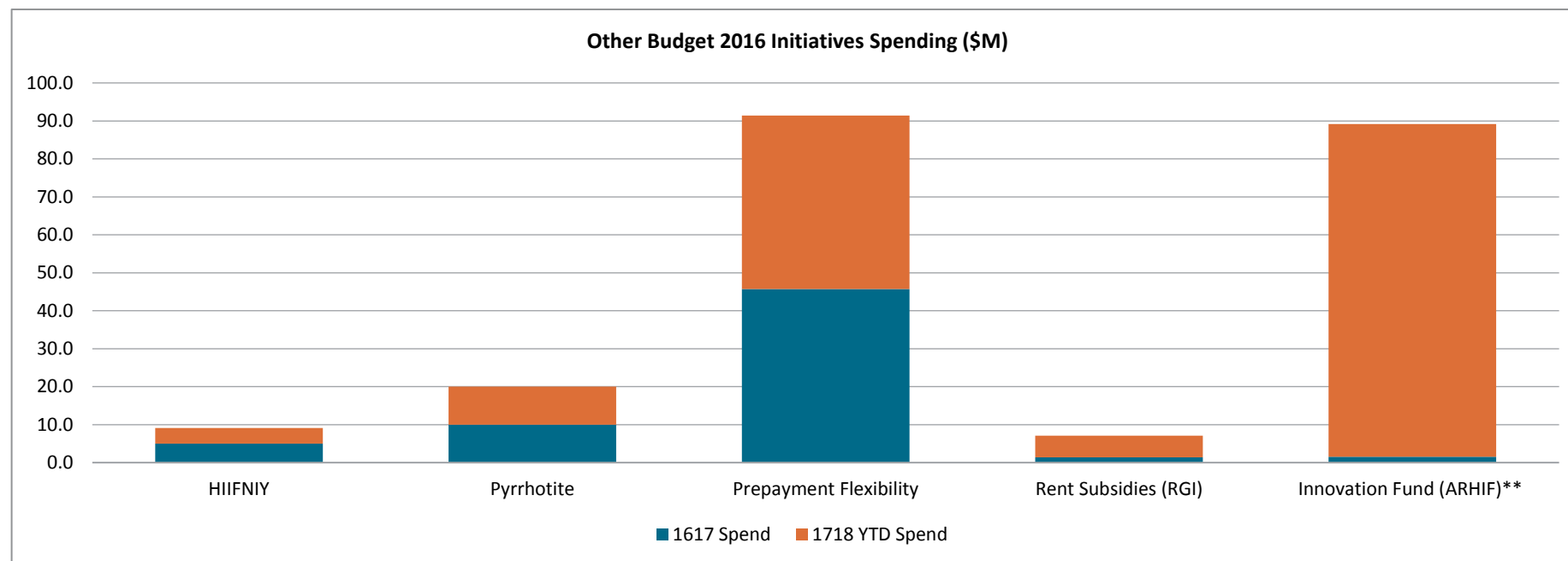
* SEP is a three year initiative and the units represent shelters that have been committed.

** 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 and exclude operating expenditures.



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%	4.1	100.0%	857	105.0%	390
Pyrrhotite	10.0	100.0%	10.0	100.0%	305	76.3%	305
Prepayment Flexibility	45.7	91.5%	45.7	91.4%	n/a	n/a	386
Rent Subsidies (RGI)	1.4	9.3%	5.7	71.3%	10,319	n/a	370
Innovation Fund (ARHIF)**	1.5	15.0%	87.7	125.3%	7,465	186.6%	14

* 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.

