SECOND QUARTER
30 JUNE 2025
(UNAUDITED)

Quarterly Financial Report

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Management's Discussion and Analysis

Overview

The following Management's Discussion and Analysis (MD&A) of the financial position and results of operations as approved by the Audit Committee on 19 August 2025 is prepared for the second quarter ended 30 June 2025 and is intended to provide users with an overview of our performance including comparatives against the same three- and six-month periods in 2024. This MD&A should be read in conjunction with the unaudited quarterly consolidated financial statements as well as the 2024 Annual Report. The unaudited quarterly consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and do not include all of the information required for full annual consolidated financial statements. The unaudited quarterly consolidated financial statements have been reviewed by Ernst & Young LLP. All amounts are expressed in millions of Canadian dollars, unless otherwise stated.

Information related to our significant accounting policies, judgments and estimates can be found in our 2024 Annual Report as well as in Note 4 of these unaudited quarterly consolidated financial statements. There have been no material changes to our significant accounting policies, judgments or estimates to the end of the second quarter of 2025.

Forward-looking statements

Our Quarterly Financial Report (QFR) contains forward-looking statements including, but not limited to, statements made in "The Operating Environment and Outlook for 2025" section of the report. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties which may cause actual results to differ materially from expectations expressed in these forward-looking statements.

Non-IFRS measures

We use a number of financial measures to assess our performance. Some of these measures are not calculated in accordance with IFRS, are not defined by IFRS, and do not have standardized meanings that would ensure consistency and comparability with other institutions. These non-IFRS measures are presented to supplement the information disclosed in the unaudited quarterly consolidated financial statements, which are prepared in accordance with IFRS, and may be useful in analyzing performance and understanding the measures used by management in its financial and operational decision making. Definitions of the non-IFRS measures used throughout the QFR can be found in the Glossary for Non-IFRS Financial Measures section of the 2024 Annual Report.

The Operating Environment and Outlook for 2025

The following events can be expected to have an impact on our business going forward:

Economic conditions and housing indicators

Canada's economy showed signs of slowing in the second quarter of 2025. Population growth eased, labour market conditions softened, and early data suggest a mild contraction in real GDP over the quarter.

Trade uncertainty remained the main economic headwind facing Canada. U.S. tariffs introduced earlier in the year continued to weigh on confidence and cloud the near-term outlook. Canadian exports declined significantly in Q2, reflecting both trade policy disruptions and paused global demand. Consumer and business confidence remained subdued in Q2, contributing to a pullback in spending, hiring and investment.

These pressures weakened the labour market. Job growth lost momentum compared to previous quarters, and job vacancies declined. The national unemployment rate peaked at 7% in May, up from an average of 6.6% in Q1, with more pronounced weakness in trade-sensitive sectors.

Overall inflation remained close to the Bank of Canada's 2% target, supported by cooling energy prices. Core inflation remained slightly above the target range. In response, the Bank held its policy rate at 2.75% throughout Q2. While short-term interest rates came down, longer-term borrowing costs remained elevated due to market uncertainty. This continued to strain homeowners with longer-term fixed-rate mortgages, including those renewing at higher rates after borrowing during low-interest pandemic period.

The housing market continued to cool. MLS® home prices averaged $668,000 in the first half of 2025, down 2% year-over-year. MLS® sales averaged 454,000 SAAR (seasonally adjusted annual rate) units, down 2% from the first half of 2024. Despite the slowdown in resale activity, new construction remained resilient. Housing starts averaged 253,000 SAAR units in the first half of 2025, up 2% from the same period last year.

These economic conditions, including uncertainty over foreign trade and enacted trade tariffs, have not had a significant impact on our financial results. Although short-term interest rates have declined resulting in unrealized gains on our investments, higher average interest rates as a result of interest rate increases over the last few years has led to higher investment income in the first half of 2025. Additionally, our arrears remain low, resulting in low levels of claims paid. These impacts are discussed further in the "Financial Results" section below.

Risk Management

Since the end of 2024, our financial risks have increased due to ongoing economic uncertainties but remain manageable overall. Capital adequacy risk has increased due to multi-unit volumes and upcoming regulatory changes from the Mortgage Insurer Capital Adequacy Test (MICAT) which will significantly impact capital requirements for our multi-unit insurance business. However, arrears, claims, and defaults remain below expected levels. We continue to monitor evolving economic conditions and are exploring strategies for recapitalization once the revised MICAT is effective. Credit, market and liquidity risks remain low and within tolerance levels.

For more details, please refer to our 2024 Annual Report.

Federal Budgets (2024 and 2025)

Update since Q1 2025

There were no new Budget announcements in the second quarter of 2025. The Government of Canada dissolved Parliament on 23 March 2025 pursuant to the 28 April 2025 federal election, and the new session of Parliament was opened on 27 May 2025. As such, there were no new announcements or financial authorities obtained during the second quarter of 2025.

Refer to the previous quarterly financial report and the most recent Annual Report for details on all Budget 2024 announcements. The effects of these Budget 2024 measures will be reflected in future financial results, as remaining requisite authorities are obtained and programs launched.

Progress on the achievement of National Housing Strategy (NHS) targets are reported quarterly at the Housing, Infrastructure and Communities Canada (HICC) website[1].

Other updates

Update since Q1 2025

Climate Related Financial Disclosures

The Climate Risk Management and Disclosures Project is improving practices to report on climate-related risks and opportunities.

In the second quarter of 2025, we continued to integrate assessing climate-related risks into CMHC's existing risk governance. Advancements were noted in the following areas:

- Emissions Reporting: To help us understand our GHG emissions footprint, we continued working towards tracking our emissions from our Facilities, CMHC-owned properties, Housing Programs Loans, Employee Commuting and Purchased Goods and Services.
- Risks and Opportunities Identification and Prioritization: We finalized the enterprise level process to identify and prioritize climate-related risks and opportunities. This process is supported by a centralized guideline that standardizes how CMHC should conduct qualitative climate risk assessments and aligns with the OSFI B-15 Guideline requirements. Sector-specific guidance is also being developed to support sectors and functional teams across the organization.
- Quantifying Climate-related Impacts: We continued developing our understanding of our significant climate-related physical and transition risks and how they could affect our business by building on earlier exposure analyses and analyzing financial impacts to CMHC from flood and wildfire; and by conducting climate scenario analysis as part of Corporate-Wide Stress Testing exercise.

We actively monitor evolving climate risk management standards and adjust our plans as needed.

[1] https://housing-infrastructure.canada.ca/housing-logement/ptch-csd/index-eng.html

Multi-Unit Mortgage Loan Insurance Premiums

In July 2025, we announced updates to both the premium structure and premium rates for multi-unit mortgage loan insurance, effective 14 July 2025. These were a result of our annual review of premiums and will impact our financial results in future quarters.

The updates include a standardized approach to premiums for all multi-unit products, with premiums adjusted to reflect the specific risk characteristics of the loan being insured, and a new premium discount schedule for MLI Select applications.

These changes were made to allow us to continue to offer borrowers valuable product features and options based on their project financing needs, and to align with the revised multi-unit MICAT framework taking effect in January 2026, which will require us to hold more capital based on the risk and volume of mortgage loans we insure.

Comprehensive Expenditure Review (CER)

In July 2025, the Government of Canada launched the CER which requires that savings proposals, up to 15% of total voted appropriations authorities, with the goal of returning to core responsibilities and the need to balance fiscal discipline, quality service delivery for Canadians and supporting economic growth. The results of the CER will impact our financial results in future quarters, and it is expected that Government funding for housing programs and related operating expenditures will be reduced.

Future Changes to Accounting Standards

Information relating to all standards issued by the International Accounting Standards Board (IASB) that may affect us can be found in Note 3 of these unaudited quarterly consolidated financial statements. The only notable change is stated below.

IFRS 18 Presentation and Disclosure in the Financial Statements – effective date of 1 January 2027

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in the Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*, effective 1 January 2027. IFRS 18 will not affect how our financial performance is measured but will affect the presentation of our financial statements and our disclosure requirements for some of our Notes to Consolidated Financial Statements. Under IFRS 18, there will be a revised Statement of Income and Comprehensive Income presentation and additional disclosure requirements including management performance measures.

We have assembled a project team dedicated to analyzing and implementing the new accounting standard, and development of a detailed project plan is underway. We are currently assessing the potential impact of this new standard on our consolidated financial statements.

Financial Results

Key Financial Highlights

Condensed consolidated balance sheets

As at 30 June 2025 and 31 December 2024

	Housing Programs Activity		Mortgage Insurance Activity		Securitization Activity		Eliminations		Total	
(in millions)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Total assets	27,228	23,913	21,738	20,666	291,360	283,360	(551)	(584)	339,775	327,355
Total liabilities	26,381	23,096	9,857	9,389	289,021	281,424	(552)	(588)	324,707	313,321
Total equity of Canada	847	817	11,881	11,277	2,339	1,936	1	4	15,068	14,034

The increase in equity of Canada was due to comprehensive income of $1,034 million in the six-month period ended 30 June 2025 and is described in further details below.

Total assets increased by $12,420 million (4%) primarily due to:

- An increase in loans at amortized cost of $9,769 million (3%) as new issuances of Canadian Mortgage Bond (CMB) program loans due to the CMB expansion announced in September 2023 exceeded maturities, resulting in a $7,615 million (3%) increase, as well as $2,157 million of additional loans at amortized cost driven by the Apartment Construction Loan Program (ACLP), Affordable Housing Fund (AHF) and Canada Greener Homes Loan (CGHL) programs.
- An increase in investment securities at fair value through other comprehensive income (FVOCI) of $1,115 million (5%) mainly attributable to the reinvestment of net cash inflows from new mortgage insurance business written in 2025 as we continue to retain capital for growth in our mortgage insurance programs and due to favorable market conditions, which led to unrealized gains as interest rates declined.
- An increase in cash and cash equivalents and investment securities at amortized cost of $889 million (17%) mainly attributable to net new borrowings in lending programs.
- An increase in Due from Government of Canada of $453 million (256%) driven mainly by a higher volume of accrued expenses related to major housing programs. The timing of these program expenditures, which were concentrated near the government's fiscal year-end remained outstanding at the balance sheet date.

Total liabilities increased by $11,386 million (4%) mainly driven by $10,471 million (3%) of higher borrowings at amortized cost related to the CMB program and increased borrowings from the Government of Canada to fund housing program loans as noted above. In addition, insurance contract liabilities increased by $741 million (9%) mainly attributed to new mortgage insurance business written in 2025.

Condensed consolidated statements of income and comprehensive income

Three months ended 30 June

(in millions)	Housing Programs Activity 2025	Housing Programs Activity 2024	Mortgage Insurance Activity 2025	Mortgage Insurance Activity 2024	Securitization Activity 2025	Securitization Activity 2024	Eliminations 2025	Eliminations 2024	Total 2025	Total 2024
Government funding	680	708	-	-	-	-	-	-	680	708
Housing programs expenses	(619)	(618)	-	-	-	-	-	-	(619)	(618)
Premiums and fees earned	-	-	10	10	243	222	-	-	253	232
Insurance service result	-	-	287	257	-	-	-	-	287	257
Operating expenses	(88)	(111)	(56)	(50)	(18)	(18)	-	-	(162)	(179)
All other income[1]	24	(2)	48	68	38	15	1	2	111	83
Income (loss) before income taxes	**(3)**	**(23)**	**289**	**285**	**263**	**219**	**1**	**2**	**550**	**483**
Income taxes	5	6	(71)	(69)	(65)	(55)	-	(1)	(131)	(119)
Net income (loss)	**2**	**(17)**	**218**	**216**	**198**	**164**	**1**	**1**	**419**	**364**
Other comprehensive income (loss)	25	8	36	71	(28)	24	1	(3)	34	100
Comprehensive income (loss)	**27**	**(9)**	**254**	**287**	**170**	**188**	**2**	**(2)**	**453**	**464**

[1] Includes net interest income (loss), investment income, net gains/(losses) on financial instruments, insurance finance expense for contracts issued, other income (loss).

Quarter to date (QTD) 2025 vs QTD 2024

Total income before income taxes increased by $67 million (14%) from the same quarter last year mainly due to:

- An increase in insurance service result of $30 million (12%) as a result of higher insurance revenue of $69 million (26%). This is mainly due to favourable updates to the repeat-sales price index and other related economic assumptions from the same quarter last year which changed our profit recognition patterns increasing the release of the contractual service margin (CSM) in the period. This was offset by an increase in insurance service expense of $39 million (880%) as a result of unfavourable changes to the unemployment rate economic assumption that increased the liability for incurred claims and the insurance service expense from the same quarter of last year.
- An increase of $21 million (9%) in guarantee fees earned in the Securitization Activity due to price increases in guarantee fee rates in recent years and higher National Housing Act Mortgage Back Securities (NHA MBS) volumes so far in 2025 when compared to the same period last year.

Other comprehensive income (OCI), net of tax, decreased by $66 million (66%) from the same quarter last year mainly due to higher short and long-term interest rates this quarter. The higher short-term interest rates led to a decrease in unrealized gains on investments of $96 million (50%), which was partially offset by an increase in remeasurement gains on the net defined benefit plans of $33 million (283%) due to higher long-term interest rates.

Six months ended 30 June

(in millions)	Housing Programs Activity		Mortgage Insurance Activity		Securitization Activity		Eliminations		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Government funding	3,338	2,708	-	-	-	-	-	-	3,338	2,708
Housing programs expenses	(3,180)	(2,538)	-	-	-	-	-	-	(3,180)	(2,538)
Premiums and fees earned	-	-	20	19	482	440	-	-	502	459
Insurance service result	-	-	568	501	-	-	-	-	568	501
Operating expenses	(171)	(206)	(102)	(98)	(35)	(35)	-	-	(308)	(339)
All other income[1]	16	16	116	125	78	48	1	3	211	192
Income (loss) before income taxes	**3**	**(20)**	**602**	**547**	**525**	**453**	**1**	**3**	**1,131**	**983**
Income taxes	1	4	(148)	(135)	(131)	(113)	-	(1)	(278)	(245)
Net income (loss)	**4**	**(16)**	**454**	**412**	**394**	**340**	**1**	**2**	**853**	**738**
Other comprehensive income (loss)	26	65	150	79	9	(3)	(4)	(1)	181	140
Comprehensive income (loss)	**30**	**49**	**604**	**491**	**403**	**337**	**(3)**	**1**	**1,034**	**878**

[1] Includes net interest income (loss), investment income, net gains/(losses) on financial instruments, insurance finance expense for contracts issued, other income (loss).

Year to Date (YTD) 2025 vs YTD 2024

Government funding and housing programs expenses increased compared to the same six-month period last year, mainly driven by an increase of $516 million for the Housing Accelerator Fund (HAF) and $299 million for the Canada Community Housing Initiative (CCHI). These increases are partially offset by decreases of $71 million for AHF and $55 million for the Affordable Housing Innovation Fund (AHIF). Due to the nature of many housing programs, funding patterns may vary significantly year over year.

Total income before income taxes increased by $148 million (15%) from the six-month period last year mainly due to:

- An increase in insurance service result of $67 million (13%) driven by higher insurance revenue as a result of change to profit recognition patterns increasing the release of the CSM in the period as described in the quarter to date section above.
- An increase of $43 million (9%) in guarantee fees earned in the Securitization Activity, as described in the quarter to date section above.

OCI, net of tax, increased by $41 million (29%) compared to the same period last year mainly due to economic movements.

- Lower short-term interest rates have led to an increase in unrealized gains on investments of $165 million (588%) from the same period last year when yields increased. This increase was partially offset by a $44 million (42%) increase in net insurance finance expenses because of lower short-term interest rates as noted above, and by a decrease in remeasurement gains on the net defined benefit plans of $80 million (60%) since the discount rated used to measure our net defined benefit plans increased more in the same period last year. The discount rate used to measure our net defined benefit plans is determined by referencing longer term interest rates that have increased so far in 2025 while short term interest have decreased.

Financial Metrics and Ratios

Mortgage Insurance

(in millions, unless otherwise indicated)	Insurance-in-force ($B) As at 30 June 2025	Insurance-in-force ($B) As at 31 December 2024	Contractual Service Margin (CSM) As at 30 June 2025	Contractual Service Margin (CSM) As at 31 December 2024
Transactional homeowner	159	162	2,130	2,059
Portfolio	60	65	58	65
Multi-unit residential	233	213	3,580	3,395
Total	**452**	**440**	**5,768**	**5,519**

CMHC's total insurance-in-force is $452 billion which is compliant with the legislated limit of $800 billion set by the Government of Canada. This year insurance-in-force increased by $12 billion due to new volumes insured exceeding the run-off of existing policies-in-force. New loans insured were $42 billion, while estimated loan amortization and pay-downs were $30 billion.

CSM increased by $249 million (5%) as our new business underwritten continues to outpace the recognition of earned profit, primarily due to continued high demand for our multi-unit products.

Three months ended 30 June

	Insured volumes (units)		Insured volumes ($)		Premiums and fees received[1]		Claims paid[2]	
(in millions, unless otherwise indicated)	2025	2024	2025	2024	2025	2024	2025	2024
Transactional homeowner	18,102	14,743	6,961	5,044	255	177	4	4
Portfolio	4,336	2,685	1,196	732	4	4	-	2
Multi-unit residential	82,068	77,922	17,206	17,314	535	435	-	3
Total	**104,506**	**95,350**	**25,363**	**23,090**	**794**	**616**	**4**	**9**

[1] Premiums and fees received may not equal premiums received on insurance contracts written in the period and premiums and fees deferred on self-insured contracts written during the period due to timing of receipts.

[2] Claims paid refers to the net cash amounts paid out on settlement of the claims excluding claims administration expenses.

Six months ended 30 June

	Insured volumes (units)		Insured volumes ($)		Premiums and fees received[1]		Claims paid[2]	
(in millions, unless otherwise indicated)	2025	2024	2025	2024	2025	2024	2025	2024
Transactional homeowner	28,132	22,038	10,804	7,554	390	265	11	10
Portfolio	5,083	4,676	1,388	1,253	4	6	1	2
Multi-unit residential	137,451	141,178	31,377	31,175	956	746	-	3
Total	**170,666**	**167,892**	**43,569**	**39,982**	**1,350**	**1,017**	**12**	**15**

[1] Premiums and fees received may not equal premiums received on insurance contracts written in the period and premiums and fees deferred on self-insured contracts written during the period due to timing of receipts.

[2] Claims paid refers to the net cash amounts paid out on settlement of the claims excluding claims administration expenses.

Q2 2025 vs Q2 2024 and YTD 2025 vs YTD 2024

Transactional homeowner unit volumes increased by 23 and 28 percent for the three and six-month periods, respectively. The reduction in interest rates, along with the new mortgage rule permitting 30-year terms on insured mortgages, has positively influenced housing market activity, leading to increased unit volumes. Portfolio unit volumes increased, mainly due to one large pool submitted during the quarter. Multi-unit residential volumes declined three percent year-over-year. The decline is mainly due to smaller-scale new construction projects insured under the MLI Select product, despite a higher number of loans insured. However, compared to the same quarter last year, unit volumes rose five percent, driven by increased refinance activity. Refinancing decisions are driven by investor cash flow decisions and the increase is mainly in the Province of Quebec, with the MLI Select product.

Total insured dollars increased, driven primarily by the increase in homeowner unit volumes as previously explained and an increase in the loan amount per property, which is caused by higher-value properties insured compared to last year.

Premiums and fees are higher compared to prior year, mainly due to higher average premium rates for properties insured under the MLI Select product reflecting the price increase in 2023. Premiums and fees for transactional homeowner also increased, due to higher volumes as explained above.

Claims paid remain low and have decreased compared to prior year. The low level of claims is the result of home price appreciation in recent years where additional equity has built up in homes throughout Canada. Due to the high house prices, properties are being sold for amounts exceeding the outstanding loan, leading to fewer insurance claims.

	Three months ended 30 June		Six months ended 30 June	
(in percentages)	2025	2024	2025	2024
Insurance service expense ratio[1]	13.3	1.9	9.7	8.2
Operating expense ratio	16.6	19.1	16.2	17.9
Combined ratio	29.9	21.0	25.9	26.1
Initial contractual service margin ratio	49.9	62.5	54.8	62.9
Severity ratio	25.4	28.0	22.2	28.3
Return on equity	7.5	8.2	7.8	7.8
Return on required equity	8.6	9.1	9.0	8.7

[1] Insurance service expense ratio on transactional homeowner and portfolio products excluding multi-unit residential was 14.0% and 13.7% for the three and six months ended 30 June 2025 (4.9% and 4.2% for the three and six months ended 30 June 2024).

Q2 2025 vs Q2 2024 and YTD 2025 vs YTD 2024

The insurance service expense ratio increased primarily due to unfavourable economic assumption updates driven by increased projected unemployment rates.

The operating expense ratio decreased primarily due to increased insurance revenues due to continued high demand for our multi-unit products and speed-up of contractual service margin earning curves due to model updates across all products.

The combined ratio increased from the same quarter in the prior year due to increases in the insurance service expense ratio as explained above.

The initial contractual service margin ratio decreased due to updates to our new business claims payment patterns. We expect our claims cashflows to be earlier in the life of the loan resulting in less discounting of cash outflows causing lower initial expected profitability.

The severity ratio decreased compared to the same three and six-month periods last year due to stronger sales proceeds compared to last year.

The return on equity ratio and return on required equity ratio decreased from the same quarter in the prior year mainly due to higher average equity and higher required capital respectively as we continue to retain capital, to support the multi-unit insurance business growth that has resulted in higher capital required. Compared to the same six-month period last year, the return on required equity increased, driven by higher net income that compensated for the higher capital requirements.

	As at 30 June 2025		As at 31 December 2024	
	No. of delinquent loans	Arrears rate	No. of delinquent loans	Arrears rate
Transactional homeowner	2,822	0.38%	2,920	0.38%
Portfolio	755	0.16%	797	0.16%
Multi-unit residential	138	0.34%	129	0.35%
Total	**3,715**	**0.30%**	**3,846**	**0.30%**

The arrears rate includes all loans more than 90 days past due for homeowner and portfolio insurance products and 30 days past due for multi-unit insurance products as a percentage of outstanding insured loans. Reported delinquencies remain low in all regions.

Securitization

	Total guarantees-in-force ($B)	
	As at 30 June 2025	As at 31 December 2024
NHA MBS	284	277
CMB	285	276
Total	**569**	**553**

Total guarantees-in-force represents the maximum principal obligation related to our timely payment guarantee. Guarantees-in-force were $569 billion as at 30 June 2025, an increase of $16 billion (3%) as new guarantees exceeded maturities, principal run-off and prepayments. This is mainly due to higher annual issuance limits on both NHA MBS and CMB since Q4 2023. Our total guarantees-in-force is compliant with the $800 billion limit set by the Government of Canada.

Three months ended 30 June

	New securities guaranteed ($B)		Guarantee and application fees received[1]	
(in millions, unless otherwise indicated)	2025	2024	2025	2024
NHA MBS	44	37	200	163
CMB	14	15	62	66
Total	**58**	**52**	**262**	**229**

[1]Guarantee and application fees received for NHA MBS; guarantee fees received for CMB.

Six months ended 30 June

	New securities guaranteed ($B)		Guarantee and application fees received[1]	
(in millions, unless otherwise indicated)	2025	2024	2025	2024
NHA MBS	82	73	370	325
CMB	30	31	126	135
Total	**112**	**104**	**496**	**460**

[1]Guarantee and application fees received for NHA MBS; guarantee fees received for CMB.

Q2 2025 vs Q2 2024 and YTD 2025 vs YTD 2024

For NHA MBS, new securities guaranteed increased compared to last year due to timing differences between quarters. The fees received on NHA MBS also increased, due to higher volumes, as well as a higher average term resulting in higher associated fees.

For CMB, new securities guaranteed and fees received decreased compared to last year, mainly due to fewer 10-year issuances in 2025 compared to 2024. This is explained by a greater proportion of multi-unit loans securitized with shorter terms carrying lower associated fee rates.

	Three months ended 30 June		Six months ended 30 June	
(in percentages)	2025	2024	2025	2024
Operating expense ratio	5.9	6.0	5.7	6.0
Return on equity	35.1	44.7	36.9	46.1

Q2 2025 vs Q2 2024 and YTD 2025 vs YTD 2024

Operating expense ratio is lower mainly due to an increase in guarantee and application fees earned as older pools with lower fees are fully recognized and are replaced with new pools with a higher associated fee. Return on equity is lower due to a higher average equity this year due to the suspension of the dividend since Q3 2024.

Government Funding

The following table reconciles the amount of government funding authorized by Parliament as available to us during the Government's fiscal year (31 March) with the total amount we received in our calendar year.

Six months ended 30 June

(in millions)	2025	2024
Amounts provided for housing programs:		
Amounts authorized in 2024-25 (2023-24)		
Main estimates	5,628	5,105
Supplementary estimates A[1,2]	199	1,004
Supplementary estimates B[1,3,5]	742	394
Supplementary estimates C[1,4,6]	-	91
Total fiscal year government funding	**6,569**	**6,594**
Less: portion recognized in calendar 2024 (2023)	(2,782)	(3,455)
Less: government funding lapsed for 2024-25 (2023-24)	(892)	(919)
Less: frozen allotment	(208)	(170)
2024-25 (2023-24) government funding recognized in 2025 (2024)	**2,687**	**2,050**
Amounts authorized in 2025-26 (2024-25)		
Main estimates[7]	6,368	5,628
Supplementary estimates A[1,2,7]	-	199
Supplementary estimates B[1,3]	-	742
Supplementary estimates C[1,4,6]	-	-
Total fiscal year government funding	**6,368**	**6,569**
Less: portion to be recognized in subsequent quarters	(5,628)	(4,702)
Less: forecasted lapse for 2025-26 (Actual lapse in 2024-25)	-	(892)
Less: frozen allotment	-	(208)
2025-26 (2024-25) government funding recognized in 2025 (2024)	**740**	**767**
Total government funding – Six months ended 30 June	**3,427**	**2,817**

[1] Supplementary estimates are additional government funding voted on by Parliament during the Government's fiscal year.

[2] Approved 2024-25 supplementary estimate A for Urban, Rural and Northern Indigenous Housing Strategy (URN) and transfer to HICC to support the transition of leadership for housing policy and program development (2023-24 for HAF and Granville Island),

[3] Approved 2024-25 supplementary estimate B for Provincial and Territorial Initiatives, Canada Housing Benefit (CHB), HAF, AHF, ACLP, Co-operative Housing Development Program (CHDP), Federal Lands Initiative, Canada Greener Homes Loan Program, First Time Home Buyer Incentive, and Shelters and transition houses for Indigenous women, children and 2SLGBTQQIA+ people, (2023-24 for AHF, Pyrrhotite, ACLP, RHI, Natural disaster resilience, Emergency shelter for women and girls, URN, and CECRA).

[4] Approved 2023-24 supplementary estimates C for CHB.

[5] We exclude funding received in 2023-24 for the Granville Island Emergency Relief Fund from our consolidated financial statements as we do not control the activities of Granville Island.

[6] 2024-25 Supplementary estimates C was not tabled due to prorogation of Parliament.

[7] 2025-26 Main Estimates were approved on 27 June 2025. Due to the timing, amounts otherwise expected to be obtained in Supplementary Estimates A were incorporated into the Main Estimates. Following the dissolution of Parliament on 23 March 2025, CMHC obtained authorities through on Governor General Special Warrants for appropriation authorities from 1 April 2025 to 27 June 2025.

Capital Management

Frameworks

For our Housing Programs Activity, we maintain a reserve fund pursuant to Section 29 of the *CMHC Act* which includes profits of the Corporation, after providing for all matters, that in the opinion of the Board of Directors, are required to carry out the purposes of the Corporation. Aside from the reserve fund, we do not hold capital for our Housing Programs activities, as they do not present material financial risks that are not already otherwise mitigated.

For our Mortgage Insurance Activity, our capital management framework follows OSFI regulations with respect to the use of the MICAT as our Own Risk and Solvency Assessment (ORSA) economic capital is lower than OSFI's regulatory capital requirements.

With respect to our Securitization Activity, our capital management framework follows industry best practices and incorporates regulatory principles from OSFI, including those set out in OSFI's E19 – Own Risk and Solvency Assessment guideline, and those of the Basel Committee on Banking Supervision. Our capital adequacy assessment uses an integrated approach to evaluate our capital needs from both a regulatory and economic capital basis to establish capital targets that take into consideration our strategy and risk appetite.

In August 2024, our Board of Directors approved maintaining the internal targets and operating levels of 155% and 165% respectively for Mortgage Insurance and 105% and 110% for Securitization for 2025. For Securitization, the Board approved an increase of the economic capital required at the operating level from $2.2 billion to $2.6 billion, effective 1 January 2025. However, this is not expected to have an impact on our economic capital available to economic capital required ratio for this year, as our liquidity target is higher.

Ratios

The following table presents our capital management ratios.

(in percentages)	As at 30 June 2025	As at 31 December 2024
Mortgage Insurance: Capital available to minimum capital required (MICAT)	195	188
Securitization: Economic capital available to economic capital required	139	127

Dividends to the Government of Canada remain suspended to conserve capital for multi-unit growth and the transition to the new MICAT framework effective 1 January 2026.

The Mortgage Insurance capital available to minimum capital required ratio increased mainly due to the increase in capital available that was generated from our comprehensive income.

Securitization capital available to capital required ratio increased compared to last year, mainly due to the dividend being suspended which has led to higher economic capital available.

Refer to Note 9 – Capital Management of the unaudited quarterly consolidated financial statements for further disclosure on capital management.

Historical Quarterly Information

(in millions, unless otherwise indicated)	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Consolidated Results								
Total assets	339,775	336,047	327,355	323,693	311,253	312,424	299,569	294,821
Total liabilities	324,707	321,432	313,321	309,835	298,102	299,592	287,006	282,787
Total equity of Canada	15,068	14,615	14,034	13,858	13,151	12,832	12,563	12,034
Total revenues and government funding	1,331	3,288	1,522	1,533	1,280	2,581	1,937	1,899
Total expenses (including income taxes)	912	2,854	1,132	1,167	916	2,207	1,619	1,541
Net income	419	434	390	366	364	374	318	358
Housing Programs								
Government funding	680	2,658	918	980	708	2,000	1,450	1,345
Net income (loss)	2	2	(1)	(1)	(17)	1	(8)	(12)
Total equity of Canada	847	820	817	860	863	872	814	887
Mortgage Insurance								
Insurance-in-force ($B)[1]	452	442	440	431	424	418	414	405
Total insured volumes	25,363	18,206	23,643	21,535	23,090	16,892	18,709	19,297
Premiums and fees received	794	557	690	582	616	401	423	434
Insurance revenue	331	298	285	256	262	284	266	260
Claims paid	4	8	15	15	9	6	15	7
Insurance service expense	44	17	47	45	5	40	53	23
Net income	218	236	200	182	216	196	156	202
Arrears rate	0.30%	0.30%	0.30%	0.30%	0.28%	0.29%	0.29%	0.28%
Insurance service expense ratio	13.3%	5.7%	16.5%	17.6%	1.9%	14.1%	19.9%	8.8%
Operating expense ratio	16.6%	15.4%	17.5%	18.8%	19.1%	16.9%	18.8%	15.4%
Combined ratio	29.9%	21.1%	34.0%	36.4%	21.0%	31.0%	38.7%	24.2%
Initial contractual service margin ratio[3]	49.9%	62.0%	63.4%	61.8%	62.5%	59.9%	62.7%	68.0%
Severity ratio	25.4%	25.6%	26.6%	28.6%	28.0%	27.5%	26.7%	24.9%
Return on equity	7.5%	8.2%	7.1%	6.6%	8.2%	7.6%	6.2%	8.3%
Return on required equity	8.6%	9.4%	8.0%	7.4%	9.1%	8.4%	6.7%	8.9%
Capital available to minimum capital required (% MICAT)	195%	193%	188%	191%	186%	185%	185%	177%
% Estimated outstanding Canadian residential mortgages with CMHC insurance coverage ($)	19.9%	19.6%	19.8%	19.5%	19.5%	19.4%	19.3%	19.0%
Securitization								
Guarantees-in-force ($B)[1]	569	561	553	539	528	524	508	493
Securities guaranteed ($B)	58	54	51	60	52	52	55	51
Guarantee and application fees received	262	234	330	273	229	231	303	231
Guarantee and application fees earned	243	239	235	226	222	218	211	209
Net income	198	196	189	185	164	176	168	165
Operating expense ratio	5.9%	5.4%	5.9%	5.9%	6.0%	5.9%	7.0%	6.3%
Return on equity	35.1%	38.2%	41.0%	45.0%	44.7%	48.2%	48.0%	49.0%
Economic capital available to economic capital required[2]	139%	134%	127%	120%	111%	109%	109%	102%
% Estimated outstanding Canadian residential mortgages with CMHC securitization guarantee ($)	25.0%	25.0%	24.9%	24.4%	24.4%	24.4%	23.8%	23.3%

[1] Our total exposure is less than the sum of these figures because we insure a portion of the instruments included in guarantees-in-force.

[2] In 2023 the capital required in the Securitization ratio was updated to consider the minimum liquidity target.

[3] The Initial contractual service margin ratio has been updated from previously published reports, resulting in an increase of 9.9% in the quarter Q3 2023.

Unaudited Quarterly Consolidated Financial Statements

Contents

Management's Responsibility for Financial Reporting

Period ended 30 June 2025

Management is responsible for the preparation and fair presentation of these unaudited quarterly consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting*, and for such internal controls as Management determines are necessary to enable the preparation of unaudited quarterly consolidated financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the unaudited quarterly consolidated financial statements.

Based on our knowledge, these unaudited quarterly consolidated financial statements present fairly, in all material respects, the Corporation's financial position, results of operations and cash flows, as at the date of and for the periods presented in the unaudited quarterly consolidated financial statements.

Coleen Volk, CPA
President and Chief Executive Officer

Michel Tremblay, CPA
Chief Financial Officer and Senior Vice President, Corporate Services

19 August 2025

Consolidated Balance Sheet

(in millions of Canadian dollars)	Notes	As at 30 June 2025	As at 31 December 2024
Assets			
Cash and cash equivalents		2,300	1,655
Securities purchased under resale agreements		869	950
Income taxes receivable		164	-
Accrued interest receivable		1,132	1,117
Investment securities:			
Fair value through profit or loss	10	51	57
Fair value through other comprehensive income	10, 11	24,402	23,287
Amortized cost	10, 11	3,813	3,569
Derivatives		39	-
Due from the Government of Canada	6	630	177
Loans:	12		
Fair value through profit or loss		491	521
Amortized cost		304,297	294,528
Accounts receivable and other assets		501	476
Investment property		398	396
Defined benefit plans asset		245	199
Deferred income tax assets		443	423
		339,775	**327,355**
Liabilities			
Accounts payable and other liabilities		1,193	693
Income taxes payable		-	229
Accrued interest payable		1,083	1,043
Derivatives		74	205
Insurance contract liabilities	7	9,196	8,455
Borrowings:	13		
Fair value through profit or loss		69	148
Amortized cost		309,796	299,325
Defined benefit plans liability		179	180
Unearned premiums and fees		3,117	3,043
		324,707	**313,321**
Commitments and contingent liabilities	20		
Equity of Canada	9		
Contributed capital		25	25
Accumulated other comprehensive income (loss)		38	(90)
Reserve fund		131	172
Retained earnings		14,874	13,927
		15,068	**14,034**
		339,775	**327,355**

The accompanying notes are an integral part of these quarterly consolidated financial statements.

Consolidated Statement of Income and Comprehensive Income

		Three months ended 30 June		Six months ended 30 June	
(in millions of Canadian dollars)	Notes	2025	2024	2025	2024
Interest income		2,124	1,904	4,203	3,901
Interest expense		(2,100)	(1,868)	(4,131)	(3,834)
Net interest income		**24**	**36**	**72**	**67**
Insurance revenue	7	331	262	629	546
Insurance service expense		(44)	(5)	(61)	(45)
Insurance service result		**287**	**257**	**568**	**501**
Investment income		204	185	406	361
Net losses on financial instruments	14	(16)	(73)	(92)	(106)
Insurance finance expense for contracts issued		(86)	(65)	(166)	(122)
Net financial result		**102**	**47**	**148**	**133**
Government funding	6	680	708	3,338	2,708
Housing programs expenses	6	(619)	(618)	(3,180)	(2,538)
Premiums and fees earned		253	232	502	459
Operating expenses		(162)	(179)	(308)	(339)
Other income (loss)		(15)	-	(9)	(8)
Income before income taxes		**550**	**483**	**1,131**	**983**
Income taxes	18	(131)	(119)	(278)	(245)
Net income		**419**	**364**	**853**	**738**
Other comprehensive income (loss), net of tax					
Items that may be subsequently reclassified to net income (loss)					
Net unrealized gains (losses) from debt instruments held at fair value through other comprehensive income		(39)	21	126	(77)
Reclassification of losses on debt instruments held at fair value through other comprehensive income on disposal in the year		7	43	15	53
Insurance finance income (expense) for contracts issued		15	18	(13)	31
Total items that may be subsequently reclassified to net income		**(17)**	**82**	**128**	**7**
Items that will not be subsequently reclassified to net income					
Remeasurement gains on defined benefit plans	17, 18	51	18	53	133
Total other comprehensive income, net of tax		**34**	**100**	**181**	**140**
Comprehensive income		**453**	**464**	**1,034**	**878**

The accompanying notes are an integral part of these quarterly consolidated financial statements.

Consolidated Statement of Equity of Canada

		Three months ended 30 June		Six months ended 30 June	
(in millions of Canadian dollars)	Notes	2025	2024	2025	2024
Contributed capital		**25**	**25**	**25**	**25**
Accumulated other comprehensive income (loss)					
Fair value reserve balance at beginning of period		47	(509)	(126)	(421)
Other comprehensive income (loss) – fair value		(32)	64	141	(24)
Fair value reserve balance at end of period		**15**	**(445)**	**15**	**(445)**
Opening insurance finance reserve		8	113	36	100
Other comprehensive income (loss) – insurance finance reserve		15	18	(13)	31
Insurance finance reserve balance at end of period		**23**	**131**	**23**	**131**
Balance at end of period		**38**	**(314)**	**38**	**(314)**
Reserve fund					
Balance at the beginning of period		125	94	172	72
Net income (loss)		6	28	(41)	50
Balance at end of period		**131**	**122**	**131**	**122**
Retained earnings					
Opening retained earnings		14,410	13,109	13,927	12,787
Net income		413	336	894	688
Other comprehensive income (loss)		51	18	53	133
Dividends	9	-	(145)	-	(290)
Total retained earnings		**14,874**	**13,318**	**14,874**	**13,318**
Equity of Canada	9	**15,068**	**13,151**	**15,068**	**13,151**

The accompanying notes are an integral part of these quarterly consolidated financial statements.

Consolidated Statement of Cash Flows

(in millions of Canadian dollars)	Notes	Three months ended 30 June 2025	Three months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Cash flows from (used in) operating activities					
Net income		419	364	853	738
Adjustments to determine net cash flows from operating activities					
Amortization of premiums and discounts on financial instruments		(15)	(11)	(44)	(23)
Net (gains) losses on financial instruments		64	60	260	(51)
Capitalized interest on loans	12	(42)	(32)	(80)	(64)
Deferred income taxes	18	(34)	(44)	(42)	(119)
Depreciation, amortization and impairment of fixed and intangible assets		10	9	18	19
Changes in operating assets and liabilities					
Derivatives		(37)	21	(170)	171
Accrued interest receivable		680	615	(15)	(201)
Due from the Government of Canada		856	725	(435)	(174)
Accounts receivable and other assets		(1)	2	(13)	12
Accounts payable and other liabilities		(324)	(394)	522	160
Income taxes payable/receivable		(110)	(67)	(431)	(455)
Accrued interest payable		(647)	(595)	40	215
Insurance contract liabilities		506	304	681	380
Defined benefit plans		10	8	15	12
Unearned premiums and fees		48	36	74	69
Other		(1)	4	1	-
Loans	12				
Repayments		12,312	17,698	22,736	23,315
Disbursements		(15,623)	(16,978)	(32,371)	(33,630)
Borrowings	13				
Repayments		(16,387)	(22,938)	(31,075)	(31,595)
Issuances		20,044	22,096	41,466	42,363
		1,728	883	1,990	1,142
Cash flows from (used in) investing activities					
Investment securities					
Sales and maturities		3,467	3,482	7,182	6,064
Purchases		(4,677)	(3,888)	(8,610)	(6,212)
Foreign currency forward contract maturities					
Receipts		218	17	259	142
Disbursements		(40)	(55)	(234)	(147)
Investment property					
Additions		(3)	-	(2)	-
Securities purchased under resale agreements		(409)	(240)	81	(100)
Property and equipment and intangible asset acquisitions		(18)	(12)	(21)	(26)
		(1,462)	(696)	(1,345)	(279)
Cash flows used in financing activities					
Dividends paid		-	(145)	-	(290)
Change in cash and cash equivalents		266	42	645	573
Cash and cash equivalents					
Beginning of period		2,034	2,470	1,655	1,939
End of period		2,300	2,512	2,300	2,512
Represented by					
Cash		61	219	61	219
Cash equivalents		2,239	2,293	2,239	2,293
		2,300	2,512	2,300	2,512
Supplementary disclosure of cash flows from operating activities					
Amount of interest received during the period		3,027	2,792	4,594	4,264
Amount of interest paid during the period		2,808	2,618	4,218	3,945
Amount of income taxes paid during the period		269	230	745	820

The accompanying notes are an integral part of these quarterly consolidated financial statements.

Notes to Unaudited Quarterly Consolidated Financial Statements

1. Corporate Information

Canada Mortgage and Housing Corporation (CMHC, we, or us) was established in Canada as a Crown corporation in 1946 by the *Canada Mortgage and Housing Corporation Act* (CMHC Act) to carry out the provisions of the *National Housing Act* (NHA). We are also subject to Part X of the *Financial Administration Act* by virtue of being listed in Part 1 of Schedule III, wholly owned by the Government of Canada (Government), and an agent Crown corporation. Our National Office is located at 700 Montreal Road, Ottawa, Ontario, Canada, K1A 0P7.

These unaudited quarterly consolidated financial statements are as at and for the three and six months ended 30 June 2025 and were approved and authorized for issue by our Audit Committee on 19 August 2025.

2. Basis of Preparation and Material Accounting Policy Information

The unaudited quarterly consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* (IAS 34) and do not include all information required for full annual consolidated financial statements. We follow the same accounting policies and methods of application as disclosed in Note 2 of the consolidated financial statements for the year ended 31 December 2024 and these unaudited quarterly consolidated financial statements should be read in conjunction with those financial statements.

Seasonality

We have concluded that our business is not highly seasonal in accordance with IAS 34; however, we are exposed to some seasonal variation. Premiums received for some insurance products vary each quarter with the seasonality in housing markets. Variations are driven by the level of mortgage originations and related mortgage insurance policies written, which, for purchase transactions, typically peak in the spring and summer months. Insurance claims vary from quarter to quarter primarily as the result of prevailing economic conditions as well as the characteristics of the insurance-in-force portfolio, such as size and age. In Securitization Activity, guarantee fees received on NHA MBS are generally higher in the last quarter of the year as more issuers guarantee higher fee pools above the Tier 1 threshold as they manage their liquidity and capital requirements. In the Housing Programs Activity, we see higher volumes in the first quarter of each year as this is the Government of Canada's fiscal year end.

3. Current and Future Accounting Changes

Current accounting changes

There were no new or amended standards issued by the International Accounting Standards Board (IASB) that we adopted during the period that had a material impact on our unaudited quarterly consolidated financial statements.

Future accounting changes

IFRS 18 Presentation and Disclosure in Financial Statements – effective date of 1 January 2027

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18), which will replace IAS 1 *Presentation of Financial Statements*.

The objective of IFRS 18 is to improve how information is communicated in the financial statements, with a focus on information in the consolidated statement of income and comprehensive income.

IFRS 18 will include requirements for additional defined subtotals in the consolidated statement of income and comprehensive income (categorizing the results between operating, investing, and financing), disclosures about management performance measures, and strengthened requirements for aggregation and disaggregation of information.

We have not yet assessed the impact on our consolidated financial statements.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 – effective date of 1 January 2026

In May 2024, the IASB issued amendments to the classification and measurement requirements in IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments Disclosures*. The objective of the amendments is to address diversity in accounting practice by making the requirements more understandable and consistent.

The amendments include changes to classification and measurement requirements under IFRS 9 for the de-recognition of financial liabilities and additional guidance to assess the contractual cash flow characteristics of financial assets with environmental, social and governance (ESG)-linked, non-recourse and contractually linked features. The proposed amendments to IFRS 7 include additional disclosure requirements for investments in equity instruments held at FVOCI and financial instruments with contingent events.

We have not yet assessed the impact on the consolidated financial statements.

4. Critical Judgments in Applying Accounting Policies and Making Estimates

Use of estimates

The preparation of financial statements in accordance with IFRS requires various judgments, estimates and assumptions, that can significantly affect the amounts recognized in the financial statements. Actual results may differ from these estimates. Where these differ, the impact will be recorded in future periods. We have disclosed key assumptions concerning the future and other important sources of estimation uncertainty at the balance sheet date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, in Note 4 of our 31 December 2024 consolidated financial statements. Notable changes to the key estimates are reflected below.

Estimation Uncertainty

The related economic and market uncertainties including enacted trade tariffs, have caused a heightened level of estimation uncertainty for CMHC. Our 30 June 2025 financial results are based on information about these market conditions that were reasonably available at the balance sheet date, and therefore, do not reflect subsequent changes in these market conditions.

As a result of the market uncertainty, we have seen increases in our expected credit losses on debt securities classified as amortized cost or FVOCI and on loans at amortized cost, as our revised macroeconomic assumptions reflect a higher probability of default in the next 12 months. Refer to the discussion below on expected credit losses.

In relation to the Mortgage Insurance Activity the enacted trade tariffs have not led to significant increases in the unemployment rate or decreases in house prices. Therefore, we have not seen significant increases in our arrears or our liability for incurred claims or a higher present value of future claims or a lower contractual service margin.

We generally expect forward looking volatility in these estimates to be higher than recent quarters and may change from quarter to quarter.

Insurance contract liabilities

Insurance contract liabilities are estimated using deterministic cashflow models that consider a range of possible economic conditions.

The following table sets out the weighted average percentage used for key insurance contract liability assumptions:

	30 June 2025	31 December 2024
Claim frequency[1]	0.8%	0.8%
Claim severity[2]	47.6%	45.2%
Unemployment rate[3]	6.1%	5.9%
Repeat-sales price index[3]	547	509

[1] The weighted average assumption includes the weighted average arrears, claims, termination and cure rate. Reflects the probability of a loan going from healthy to claim during its life.

[2] Reflects net claim, including expenses as a percentage of the insured loan amount, when a loan defaults.

[3] Refers to national ten-year average projected rates.

Risk adjustment

We target an overall risk adjustment confidence level for both the LRC and LIC to be within the range of 85%-90%. As at June 30, 2025, the risk adjustment for our insurance contracts corresponds to a 87% confidence level (87% at December 31, 2024) for LRC and LIC combined.

Discount rate

The weighted average discount rates applied for discounting of future cash flows as at 30 June 2025 and 31 December 2024 are listed below:

Portfolio duration

	1–5 years		5–10 years		10–15 years		15–20 years		20–25 years		over 25 years	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Discount rates	3.8%	4.0%	4.5%	4.5%	5.0%	4.9%	5.2%	5.1%	5.3%	5.1%	5.1%	5.0%

Mortgage Insurer Capital Adequacy Test (MICAT)

Insurance-in-force (IIF) is a key input in determining our MICAT ratio and is subject to estimation. Due to availability of data, IIF used in the MICAT is the higher of 1) a projection reflecting an estimate of new business, terminations and claims from our most recent previous quarter-end; and 2) our actual IIF as reported by lenders for the previous quarter-end. Changes in underwriting requirements, regulatory environment and market trends can add volatility to our estimate.

Expected credit losses

Our methodology for the estimation of expected credit losses (ECL) on debt securities classified as amortized cost or FVOCI and our loans at amortized cost includes different economic scenarios (baseline, optimistic and pessimistic) that are based on forecasted macro-economic inputs published by third parties and reviewed and approved by our Deputy Chief Economist. The significant inputs to the ECL model include forecasted Canadian and US equity markets, unemployment rates, credit spreads, oil price and volatility index (VIX). We assign a weight to the different scenarios for the purpose of calculating the ECL provisions. The appropriate weight assigned to each economic scenario is determined by our Deputy Chief Economist. The ECL at 30 June 2025 were calculated using a 30% weighting to the pessimistic scenario, 55% weighting to the baseline and 15% weight to the optimistic scenario (31 December 2024 – 40% pessimistic, 45% baseline and 15% optimistic). The revised macroeconomic assumptions, reflect a higher probability of losses in the next 12 months when compared to 31 December 2024. See Notes 11 and 12 for more information on expected credit losses.

5. Segmented Information

The unaudited quarterly consolidated financial statements include the Housing Programs (HP), Mortgage Insurance (MI) and Securitization (SEC) segments, each of which provide different products and programs in support of our objectives. We include the accounts for Canada Housing Trust (CHT), a separate legal entity, within the Securitization reportable segment. We determine the financial results of each segment using the accounting policies described in Note 2 of our audited consolidated financial statements for the year ended 31 December 2024. For all segments, revenues are attributed to, and assets are located in, Canada.

We generate revenues for the reportable segments as follows:

- Housing Programs revenues include government funding and interest income on loans and investments;
- Mortgage Insurance revenues include insurance revenues, premiums, fees and investment income; and
- Securitization revenues include guarantee and application fees, investment income and interest income on loans.

Three months ended 30 June

	Housing Programs Activity		Mortgage Insurance Activity		Securitization Activity		Eliminations		Total	
(in millions)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Interest income	203	179	-	-	1,921	1,725	-	-	2,124	1,904
Interest expense	(186)	(151)	-	-	(1,918)	(1,721)	4	4	(2,100)	(1,868)
Net interest income	**17**	**28**	**-**	**-**	**3**	**4**	**4**	**4**	**24**	**36**
Insurance revenue	-	-	331	262	-	-	-	-	331	262
Insurance service expense	-	-	(44)	(5)	-	-	-	-	(44)	(5)
Insurance service result	**-**	**-**	**287**	**257**	**-**	**-**	**-**	**-**	**287**	**257**
Investment income (losses)	-	-	175	160	33	28	(4)	(3)	204	185
Net gains (losses) on financial instruments	8	(30)	(26)	(26)	1	(18)	1	1	(16)	(73)
Insurance finance expense for contracts issued	-	-	(86)	(65)	-	-	-	-	(86)	(65)
Net financial result	**8**	**(30)**	**63**	**69**	**34**	**10**	**(3)**	**(2)**	**102**	**47**
Government funding	680	708	-	-	-	-	-	-	680	708
Housing programs expenses	(619)	(618)	-	-	-	-	-	-	(619)	(618)
Premiums and fees earned	-	-	10	10	243	222	-	-	253	232
Operating expenses	(88)	(111)	(56)	(50)	(18)	(18)	-	-	(162)	(179)
Other income (loss)	(1)	-	(15)	(1)	1	1	-	-	(15)	-
Income before income taxes	**(3)**	**(23)**	**289**	**285**	**263**	**219**	**1**	**2**	**550**	**483**
Income taxes	5	6	(71)	(69)	(65)	(55)	-	(1)	(131)	(119)
Net income	**2**	**(17)**	**218**	**216**	**198**	**164**	**1**	**1**	**419**	**364**
Other comprehensive income (loss)	25	8	36	71	(28)	24	1	(3)	34	100
Comprehensive income (loss)	**27**	**(9)**	**254**	**287**	**170**	**188**	**2**	**(2)**	**453**	**464**
Total revenues and government funding[1]	704	706	345	335	281	237	1	2	1,331	1,280
Less Inter-segment income (loss)[2]	-	-	3	2	(4)	(4)	1	2	-	-
External revenues and government funding	704	706	342	333	285	241	-	-	1,331	1,280

[1] Includes net interest income, insurance service result, net financial result, government funding, premiums and fees earned and other income.

[2] Inter-segment income (loss) relates to the following:

- Housing Programs recognizes interest income from investing in holdings of CMB;
- Mortgage Insurance recognizes investment income from investing in holdings of CMB; and
- Within Securitization CHT recognizes interest expense on CMB held by Housing Programs and Mortgage Insurance.

Six months ended 30 June

(in millions)	Housing Programs Activity		Mortgage Insurance Activity		Securitization Activity		Eliminations		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Interest income	417	344	-	-	3,786	3,558	-	(1)	4,203	3,901
Interest expense	(359)	(292)	-	-	(3,779)	(3,551)	7	9	(4,131)	(3,834)
Net interest income	**58**	**52**	**-**	**-**	**7**	**7**	**7**	**8**	**72**	**67**
Insurance revenue	-	-	629	546	-	-	-	-	629	546
Insurance service expense	-	-	(61)	(45)	-	-	-	-	(61)	(45)
Insurance service result	**-**	**-**	**568**	**501**	**-**	**-**	**-**	**-**	**568**	**501**
Investment income (losses)	-	-	349	313	66	54	(9)	(6)	406	361
Net gains (losses) on financial instruments	(41)	(36)	(54)	(53)	-	(18)	3	1	(92)	(106)
Insurance finance expense for contracts issued	-	-	(166)	(122)	-	-	-	-	(166)	(122)
Net financial result	**(41)**	**(36)**	**129**	**138**	**66**	**36**	**(6)**	**(5)**	**148**	**133**
Government funding	3,338	2,708	-	-	-	-	-	-	3,338	2,708
Housing programs expenses	(3,180)	(2,538)	-	-	-	-	-	-	(3,180)	(2,538)
Premiums and fees earned	-	-	20	19	482	440	-	-	502	459
Operating expenses	(171)	(206)	(102)	(98)	(35)	(35)	-	-	(308)	(339)
Other income (loss)	(1)	-	(13)	(13)	5	5	-	-	(9)	(8)
Income before income taxes	**3**	**(20)**	**602**	**547**	**525**	**453**	**1**	**3**	**1,131**	**983**
Income taxes	1	4	(148)	(135)	(131)	(113)	-	(1)	(278)	(245)
Net income	**4**	**(16)**	**454**	**412**	**394**	**340**	**1**	**2**	**853**	**738**
Other comprehensive income (loss)	26	65	150	79	9	(3)	(4)	(1)	181	140
Comprehensive income (loss)	**30**	**49**	**604**	**491**	**403**	**337**	**(3)**	**1**	**1,034**	**878**
Total revenues and government funding[1]	3,354	2,724	704	645	560	488	1	3	4,619	3,860
Less Inter-segment income (loss)[2]	-	1	6	5	(7)	(9)	1	3	-	-
External revenues and government funding	3,354	2,723	698	640	567	497	-	-	4,619	3,860

[1] Includes net interest income, insurance service result, net financial result, government funding, premiums and fees earned and other income.

[2] Inter-segment income (loss) relates to the following:
- Housing Programs recognizes interest income from investing in holdings of CMB;
- Mortgage Insurance recognizes investment income from investing in holdings of CMB; and
- Within Securitization, CHT recognizes interest expense on CMB held by Housing Programs and Mortgage Insurance.

As at 30 June 2025 and 31 December 2024

	Housing Programs Activity		Mortgage Insurance Activity		Securitization Activity		Eliminations[1]		Total	
(in millions)	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Assets										
Cash and cash equivalents	1,970	1,388	329	262	1	5	-	-	2,300	1,655
Securities purchased under resale agreements	869	950	-	-	-	-	-	-	869	950
Income taxes receivable	2	-	172	-	(10)	-	-	-	164	-
Accrued interest receivable	63	74	134	123	936	921	(1)	(1)	1,132	1,117
Investment securities:										
Fair value through profit or loss	-	-	51	57	-	-	-	-	51	57
Fair value through other comprehensive income	-	-	20,068	19,298	4,886	4,499	(552)	(510)	24,402	23,287
Amortized cost	3,813	3,644	-	-	-	-	-	(75)	3,813	3,569
Derivatives	-	-	39	-	-	-	-	-	39	-
Due from the Government of Canada	630	177	-	-	-	-	-	-	630	177
Loans:										
Fair value through profit or loss	472	502	19	19	-	-	-	-	491	521
Amortized cost	18,870	16,713	21	24	285,406	277,791	-	-	304,297	294,528
Accounts receivable and other assets	128	90	251	265	122	121	-	-	501	476
Investment property	398	396	-	-	-	-	-	-	398	396
Defined benefit plans asset	104	85	133	107	8	7	-	-	245	199
Deferred income tax assets	(91)	(106)	521	511	11	16	2	2	443	423
	27,228	**23,913**	**21,738**	**20,666**	**291,360**	**283,360**	**(551)**	**(584)**	**339,775**	**327,355**
Liabilities										
Accounts payable and other liabilities	1,048	530	122	115	23	48	-	-	1,193	693
Income taxes payable	-	3	-	204	-	22	-	-	-	229
Accrued interest payable	172	147	-	-	912	897	(1)	(1)	1,083	1,043
Derivatives	74	70	-	135	-	-	-	-	74	205
Insurance contract liabilities	-	-	9,196	8,455	-	-	-	-	9,196	8,455
Borrowings:										
Fair value through profit or loss	69	148	-	-	-	-	-	-	69	148
Amortized cost	24,941	22,121	-	-	285,406	277,791	(551)	(587)	309,796	299,325
Defined benefit plans liability	77	77	96	97	6	6	-	-	179	180
Unearned premiums and fees	-	-	443	383	2,674	2,660	-	-	3,117	3,043
	26,381	**23,096**	**9,857**	**9,389**	**289,021**	**281,424**	**(552)**	**(588)**	**324,707**	**313,321**
Equity of Canada	**847**	**817**	**11,881**	**11,277**	**2,339**	**1,936**	**1**	**4**	**15,068**	**14,034**
	27,228	**23,913**	**21,738**	**20,666**	**291,360**	**283,360**	**(551)**	**(584)**	**339,775**	**327,355**

[1] The balance sheet eliminations remove inter-segment holdings of CMB and inter-segment receivables/payables.

6. Government Funding and Housing Programs Expenses

We used government funding to administer housing programs and operating expenses, as shown by core responsibility.

	Three months ended 30 June		Six months ended 30 June	
(in millions)	2025	2024	2025	2024
Assistance for housing needs	255	324	1,527	1,398
Financing for housing	214	187	833	830
Housing expertise and capacity development	271	256	1,067	589
Total	**740**	**767**	**3,427**	**2,817**
Net change in government funding deferred in the period	(60)	(59)	(89)	(109)
Total government funding recognized[1]	680	708	3,338	2,708
Operating expenses	(79)	(107)	(154)	(195)
Expected credit loss (recovery)	18	15	(4)	22
Capital expenditures[2]	-	2	-	3
Total housing programs expenses recognized	**619**	**618**	**3,180**	**2,538**

[1] Total government funding recognized does not include gains resulting from below market rate funds borrowed under the Crown Borrowing Program, which are recognized in net gains (losses) on financial instruments. These gains totaled $30 million and $63 million for the three and six months ended 30 June 2025 (three and six months ended 30 June 2024 – $25 million and $68 million).

[2] Relates to housing programs expenses in which the appropriations are deducted from the carrying amount of the related capital expenditures.

The following table presents the change in the due from (to) the Government of Canada account. The outstanding balance as at 30 June 2025 is mainly composed of Housing Programs expenses incurred but not yet reimbursed.

(in millions)	As at 30 June 2025	As at 31 December 2024
Balance at beginning of the year	177	240
Total government funding	3,427	4,832
Government funding received during the period	(2,968)	(4,885)
Third party remittances from (owing to) the Government of Canada	(15)	(14)
Balance at end of period before prior/future period adjustments	**621**	**173**
Net change in One-time top-up to the Canada Housing Benefit advances	-	24
Net change in prior period adjustments	9	(20)
Balance at end of period	**630**	**177**

7. Mortgage Insurance

Overview of insurance contracts

The following table presents the insurance contract liabilities by portfolio at period end.

(in millions)	As at 30 June 2025	As at 31 December 2024
Insurance contracts		
Transactional homeowner	3,483	3,312
Portfolio	94	103
Multi-unit residential	5,619	5,040
Total insurance contract liabilities	**9,196**	**8,455**

Insurance contracts by remaining coverage and incurred claims

The following tables present the reconciliation of insurance contract liabilities by LRC and LIC.

As at 30 June 2025

(in millions)	LRC	LIC	Total
Insurance contract liabilities at beginning of year	**8,204**	**251**	**8,455**
Insurance revenue			
Contracts under the fair value approach	(224)	-	(224)
Other contracts	(405)	-	(405)
	(629)	**-**	**(629)**
Insurance service expenses			
Incurred claims and other insurance expenses	-	142	142
Amortization of insurance acquisition cash flows	33	-	33
Changes to the liabilities for incurred claims	-	(114)	(114)
	33	**28**	**61**
Insurance service result	**(596)**	**28**	**(568)**
Insurance finance expenses	179	5	184
Total changes in the statement of income and comprehensive income before income taxes	**(417)**	**33**	**(384)**
Cash flows			
Premiums received	1,244	-	1,244
Claims and other insurance service expense paid	-	(13)	(13)
Insurance acquisition cash flows	(106)	-	(106)
Total cash flows	**1,138**	**(13)**	**1,125**
Insurance contract liabilities at end of period	**8,925**	**271**	**9,196**

As at 31 December 2024

(in millions)	LRC	LIC	Total
Insurance contract liabilities at beginning of year	**6,876**	**203**	**7,079**
Insurance revenue			
Contracts under the fair value approach	(464)	-	(464)
Other contracts	(623)	-	(623)
	(1,087)	**-**	**(1,087)**
Insurance service expenses			
Incurred claims and other insurance expenses	-	193	193
Amortization of insurance acquisition cash flows	51	-	51
Changes to the liabilities for incurred claims	-	(107)	(107)
	51	**86**	**137**
Insurance service result	**(1,036)**	**86**	**(950)**
Insurance finance expenses	337	11	348
Total changes in the statement of income and comprehensive income before income taxes	**(699)**	**97**	**(602)**
Cash flows			
Premiums received	2,155	-	2,155
Claims and other insurance service expense paid	-	(49)	(49)
Insurance acquisition cash flows	(128)	-	(128)
Total cash flows	**2,027**	**(49)**	**1,978**
Insurance contract liabilities at end of period	**8,204**	**251**	**8,455**

As at 30 June 2025 there were nil loss components (31 December 2024 – nil).

Insurance contracts by measurement components

The following tables present the reconciliation of insurance contract liabilities by measurement component.

As at 30 June 2025

(in millions)	Present value of future cash flows	Risk adjustment for non-financial risk	CSM: Contracts under the fair value approach	CSM: Other contracts	Total
Insurance contract liabilities at beginning of year	**1,614**	**1,322**	**2,144**	**3,375**	**8,455**
Changes that relate to current services					
CSM recognized for services provided	-	-	(160)	(250)	(410)
Change in the risk adjustment for non-financial risk	-	(46)	-	-	(46)
Experience adjustments	2	-	-	-	2
Changes that relate to future services					
Contracts initially recognized in the period	(956)	256	-	700	-
Changes in estimates that adjust the CSM	(46)	192	32	(178)	-
Changes that relate to past services					
Changes to the liabilities for incurred claims	(77)	(37)	-	-	(114)
Insurance service result	**(1,077)**	**365**	**(128)**	**272**	**(568)**
Insurance finance expenses	46	33	28	77	184
Total changes in the statement of income and comprehensive income before income taxes	**(1,031)**	**398**	**(100)**	**349**	**(384)**
Cash flows					
Premiums received	1,244	-	-	-	1,244
Claims and other insurance service expense paid	(13)	-	-	-	(13)
Insurance acquisition cash flows	(106)	-	-	-	(106)
Total cash flows	**1,125**	**-**	**-**	**-**	**1,125**
Insurance contract liabilities at end of period	**1,708**	**1,720**	**2,044**	**3,724**	**9,196**

As at 31 December 2024

(in millions)	Present value of future cash flows	Risk adjustment for non-financial risk	CSM		Total
			Contracts under the fair value approach	Other contracts	
Insurance contract liabilities at beginning of year	**1,178**	**1,071**	**2,318**	**2,512**	**7,079**
Changes that relate to current services					
CSM recognized for services provided	-	-	(301)	(391)	(692)
Change in the risk adjustment for non-financial risk	-	(128)	-	-	(128)
Experience adjustments	(23)	-	-	-	(23)
Changes that relate to future services					
Contracts initially recognized in the period	(1,676)	329	-	1,347	-
Changes in estimates that adjust the CSM	144	(6)	73	(211)	-
Changes that relate to past services					
Changes to the liabilities for incurred claims	(71)	(36)	-	-	(107)
Insurance service result	**(1,626)**	**159**	**(228)**	**745**	**(950)**
Insurance finance expenses	84	92	54	118	348
Total changes in the statement of income and comprehensive income before income taxes	**(1,542)**	**251**	**(174)**	**863**	**(602)**
Cash flows					
Premiums received	2,155	-	-	-	2,155
Claims and other insurance service expense paid	(49)	-	-	-	(49)
Insurance acquisition cash flows	(128)	-	-	-	(128)
Total cash flows	**1,978**	**-**	**-**	**-**	**1,978**
Insurance contract liabilities at end of year	**1,614**	**1,322**	**2,144**	**3,375**	**8,455**

8. Securitization

We guarantee the timely payment of principal and interest of CMB issued by CHT under the CMB program and NHA MBS issued by Approved Issuers on the basis of housing loans under the NHA MBS program and under the Insured Mortgage Purchase Program (IMPP) in the event that an issuer is unable to satisfy its obligations under these programs. In that circumstance, we will mitigate our loss by realizing on the collateral securing the obligations, consisting primarily of insured mortgage loans, under each of the programs. During the period the IMPP program fully matured ending our timely payment guarantee for this program.

At the balance sheet date, we have not received a claim, nor do we expect to receive a claim, in excess of the unearned guarantee fee on our timely payment guarantees (TPG). As such, no provision in addition to the remaining unearned premium is required.

The following table presents the changes in the unearned TPG fees balance.

	As at 30 June 2025			As at 31 December 2024		
(in millions)	NHA MBS	CMB	Total	NHA MBS	CMB	Total
Balance at beginning of year	1,932	728	2,660	1,874	624	2,498
TPG and application fees received in the period	370	126	496	801	262	1,063
TPG and application fees earned in the period	(398)	(84)	(482)	(743)	(158)	(901)
Balance at end of period	**1,904**	**770**	**2,674**	**1,932**	**728**	**2,660**

9. Capital Management

For capital management, we consider our capital available to be equal to the total equity of Canada less regulatory deductions.

Our primary objective with respect to capital management is to ensure that our commercial operations, being our Mortgage Insurance and Securitization activities, have adequate capital to deliver their mandate while remaining financially self-sustaining, and to follow prudent business practices, OSFI guidelines and other guidelines existing in the private sector as appropriate. We use the Capital and Dividend Policy Framework for Financial Crown Corporations in conjunction with our Risk Appetite Framework, Capital Management Policy and other internal capital adequacy processes to manage the capital of our commercial operations.

We perform an Own Risk & Solvency Assessment (ORSA), which is an integrated process that evaluates capital adequacy on both a regulatory and economic capital basis and is used to establish capital targets taking into consideration our strategy and risk appetite. Our 'Own View' of capital needs is determined by identifying our risks and evaluating whether an explicit amount of capital is necessary to absorb losses from each risk. With this, we also meet the requirements of the CMHC Act and the NHA.

We set an internal target for our Mortgage Insurance Activity and our Securitization Activity at a level that is expected to cover all material risks. The internal target is calibrated using specified confidence intervals and is designed to provide an early indication of the need to resolve financial problems. Under our capital management policy, we operate at available capital levels above the internal target on all but unusual and infrequent occasions. Accordingly, we have established an operating level for our Mortgage Insurance Activity and our Securitization Activity in excess of our internal target. The operating level is calibrated using confidence intervals specified by our capital management policy and is designed to provide us with adequate time to resolve financial problems before available capital decreases below the internal target.

We declare dividends to the Government from our Mortgage Insurance and Securitization Activities to the extent there are profits and retained earnings not allocated to reserves, capitalization or to meet our needs for purposes of the NHA, CMHC Act or any other purpose authorized by Parliament relating to housing. We did not declare or pay dividends during the three and six months ended 30 June 2025 (three and six months ended 30 June 2024 – $145 million and $290 million).

The components of consolidated capital available are presented in the following table.

(in millions)	As at 30 June 2025	As at 31 December 2024
Contributed capital	25	25
Accumulated other comprehensive income	38	(90)
Reserve fund	131	172
Appropriated retained earnings	10,879	10,861
Unappropriated retained earnings[1]	3,995	3,066
Total equity of Canada[2]	**15,068**	**14,034**
Less: regulatory deductions	(221)	(187)
Total capital available	**14,847**	**13,847**

[1] Unappropriated retained earnings represents retained earnings in excess of our operating level for the Mortgage Insurance and Securitization Activities.

[2] Equity of Canada includes the impact of eliminations

Mortgage Insurance capital

The following table presents the components of capital available.

(in millions, unless otherwise indicated)	As at 30 June 2025	As at 31 December 2024
Appropriated capital[1]	9,851	9,721
Unappropriated capital	2,030	1,556
Total Mortgage Insurance capital	**11,881**	**11,277**
Less: regulatory deductions	(221)	(187)
Total Mortgage Insurance capital available	**11,660**	**11,090**
Internal target	155%	155%
Operating level	165%	165%
Capital available to minimum capital required (% MICAT)	195%	188%

[1] We appropriate retained earnings and accumulated other comprehensive income (AOCI) at the operating level of 165% of MICAT.

Securitization capital

Securitization capital is appropriated for the guarantees provided by our NHA MBS and CMB programs. There is no regulatory capital, and the appropriated amount of capital is based on our ORSA. Effective 1 January 2025 the Board approved an increase of the economic capital required from $2.2 billion to $2.6 billion, as such the 30 June 2025, required economic capital at the operating level is now $2.6 billion compared to $5.0 billion of assets available (31 December 2024 - $2.2 billion total assets required and $4.6 billion assets available). These amounts exclude assets and liabilities related to IMPP. Unappropriated capital is subject to a minimum liquidity requirement. The liquidity requirement ensures that our investment balance (cash, cash equivalents, investment securities and related accrued interest), along with our other borrowing capabilities, is sufficient to cover the largest exposure to a single counterparty. At 30 June 2025, our investment balance was $4.9 billion (31 December 2024 – $4.5 billion) and the liquidity requirement has resulted in a cap of $1.3 billion to our unappropriated earning. In 2025 and 2024, the binding constraint is the liquidity requirement.

The following table presents the components of the capital available.

(in millions, unless otherwise indicated)	As at 30 June 2025	As at 31 December 2024
Appropriated capital	1,029	1,010
Unappropriated capital	1,310	926
Total Securitization capital available	**2,339**	**1,936**
Economic capital available to economic capital required (%)	139%	127%

Housing Programs capital

Lending programs

We maintain a reserve fund pursuant to Section 29 of the CMHC Act, which includes the profits of the Corporation, after providing for all matters, that in the opinion of the Board of Directors, are required to carry out the purposes of the Corporation. The reserve fund is subject to a statutory limit of $240 million (2024 – $240 million). Should we exceed the statutory limit, we would be required to pay the excess to the Government.

Retained earnings comprises all other amounts comprising Housing Programs Equity of Canada that are not in the reserve fund, including unrealized fair value fluctuations as well as remeasurement gains and losses on defined benefit plans. The Housing Programs' portion of remeasurement gains and losses on defined benefit plans is recorded in retained earnings until it is reimbursed by Government through government funding for housing programs.

Aside from the reserve fund and retained earnings, we do not hold additional capital for our Housing Programs activities, as they do not present material financial risks for us that we do not already otherwise mitigate.

The following table presents the components of the capital available.

(in millions)	As at 30 June 2025	As at 31 December 2024
Reserve fund[1, 2]	134	174
Retained earnings	688	618
Total Lending programs capital available	**822**	**792**

[1] Excludes the impact of eliminations of $3 million (2024 - $2 million).

[2] In the first quarter of 2025, $53 million was reclassified from the reserve fund to retained earnings to better reflect the nature of certain items.

10. Fair Value Measurement

We measure certain financial instruments and non-financial assets at fair value in the consolidated balance sheet and disclose the fair value of certain other items. Fair value is determined using a consistent measurement framework.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Fair value measurement of non-financial assets (i.e. investment property) takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. For financial instruments, accrued interest is separately recorded and disclosed.

Fair value hierarchy

The methods used to measure fair value make maximum use of relevant observable inputs and minimize the use of unobservable inputs. Fair value measurements are classified in a fair value hierarchy as Level 1, 2 or 3 according to the observability of the most significant inputs used in making the measurements.

Level 1: Assets and liabilities that are measured based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Assets and liabilities that are measured based on observable inputs other than Level 1 prices. Level 2 inputs include prices obtained from markets that are not considered sufficiently active, and fair values obtained by discounting expected future cash flows, making maximum use of directly or indirectly observable market data.

Level 3: Assets and liabilities not quoted in active markets that are measured using valuation techniques. Where observable inputs are not available, unobservable inputs are used. For Level 3 assets and liabilities, unobservable inputs are significant to the overall measurement of fair value.

Comparison of carrying and fair values for financial instruments not carried at fair value

The following table compares the carrying and fair values of financial instruments not carried at fair value. Carrying value is the amount at which an item is measured in the consolidated balance sheet.

	As at 30 June 2025			As at 31 December 2024		
(in millions)	Carrying value	Fair value	Fair value over (under) carrying value	Carrying value	Fair value	Fair value over (under) carrying value
Financial assets[1]						
Investments at amortized cost[2]	3,813	3,830	17	3,569	3,580	11
Loans at amortized cost[3]	304,297	303,031	(1,266)	294,528	291,141	(3,387)
Financial liabilities						
Borrowings at amortized cost[4]	309,796	309,090	(706)	299,325	296,387	(2,938)

[1] Does not include cash and cash equivalents of $1,920 million (31 December 2024 - $1,303 million) and securities purchased under resale agreements of $869 million (31 December 2024 – $950 million) carried at amortized cost as the fair value of these financial instruments is equal to their carrying value.

[2] $796 million (31 December 2024 – $764 million) fair value categorized as Level 1 and $3,034 million (31 December 2024 - $2,816 million) fair value categorized as Level 2.

[3] $293,215 million (31 December 2024 – $282,837 million) fair value categorized as Level 2, $9,816 million (31 December 2024 – $8,304 million) fair value categorized as Level 3.

[4] $264,305 million (31 December 2024 – $240,490 million) fair value categorized as Level 1, $44,785 million (31 December 2024 – $55,897 million) fair value categorized as Level 2.

Fair value hierarchy for items carried at fair value

The following table presents the fair value hierarchy for assets and liabilities carried at fair value in the consolidated balance sheet.

	As at 30 June 2025				As at 31 December 2024			
(in millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Cash equivalents								
Interest bearing deposits with banks	-	62	-	62	-	128	-	128
Federal government issued	7	311	-	318	-	207	-	207
Corporate/other entities	-	-	-	-	-	17	-	17
Total cash equivalents	7	373	-	380	-	352	-	352
Investment securities								
Fair value through profit or loss (FVTPL)								
Debt instruments								
Corporate/other entities	-	15	-	15	-	20	-	20
Equities								
Limited partnership units	-	-	36	36	-	-	37	37
Total at FVTPL	-	15	36	51	-	20	37	57
FVOCI								
Debt instruments								
Corporate/other entities	4,442	3,660	-	8,102	3,774	4,345	-	8,119
Federal government issued	8,989	2,921	-	11,910	7,440	3,290	-	10,730
Provinces/municipalities	3,950	108	-	4,058	3,974	159	-	4,133
Sovereign and related entities	293	39	-	332	258	47	-	305
Total at FVOCI	17,674	6,728	-	24,402	15,446	7,841	-	23,287
Loans designated at FVTPL	-	7	-	7	-	20	-	20
Loans mandatorily at FVTPL	-	11	473	484	-	12	489	501
Derivatives	-	39	-	39	-	-	-	-
Investment property	-	-	398	398	-	-	396	396
Total assets carried at fair value	**17,681**	**7,173**	**907**	**25,761**	**15,446**	**8,245**	**922**	**24,613**
Liabilities								
Borrowings designated at FVTPL	-	(69)	-	(69)	-	(148)	-	(148)
Derivatives	-	-	(74)	(74)	-	(136)	(69)	(205)
Total liabilities carried at fair value	**-**	**(69)**	**(74)**	**(143)**	**-**	**(284)**	**(69)**	**(353)**
Net assets at fair value	**17,681**	**7,104**	**833**	**25,618**	**15,446**	**7,961**	**853**	**24,260**

Transfers between fair value hierarchy levels

For assets and liabilities measured at fair value on a recurring basis, we determine if reclassifications have occurred between levels in the hierarchy by re-assessing categorization at each balance sheet date. Transfers are dependent on internal classification criteria that are based on variables such as observability of prices and market trading volumes considered as at each balance sheet date. Transfers between levels are deemed to occur at the beginning of the quarter in which the transfer occurs. During the six months ended 30 June 2025, there were $1,918 million of transfers from Level 2 to Level 1 and $ 2,190 million of transfers from Level 1 to Level 2 (during the twelve months ended 31 December 2024 – $3,269 million and $2,476 million, respectively).

Change in fair value measurement for items classified as Level 3

The following table presents the change in fair value for items carried at fair value and classified as level 3.

(in millions)	Investment securities — FVTPL	Loans — FVTPL	Investment property	Derivatives	Total
Fair value as at 1 January 2025	**37**	**489**	**396**	**(69)**	**853**
Purchases/issuances	-	6	2	-	2
Net gains (losses) in profit or loss[1,2]	1	5	-	(5)	1
Cash receipts on settlements/disposals	(2)	(27)	-	-	(29)
Fair value as at 30 June 2025	**36**	**473**	**398**	**(74)**	**833**
Fair value as at 1 January 2024	**51**	**446**	**398**	**(47)**	**848**
Purchases/issuances	-	61	-	-	61
Net gains (losses) in profit or loss[1,2]	(5)	22	(2)	(22)	(7)
Cash receipts on settlements/disposals	(9)	(40)	-	-	(49)
Fair value as at 31 December 2024	**37**	**489**	**396**	**(69)**	**853**

[1] Included in net gains (losses) on financial instruments for investment securities, loans and derivatives; other income for investment property.
[2] Solely relates to unrealized gains for assets held at the end of the respective periods.

Unobservable inputs for items classified as Level 3

The valuation of instruments classified as Level 3 use unobservable inputs, changes in which may significantly affect the measurement of fair value. Valuations were based on assessments of the prevailing conditions at 30 June 2025, which may change materially in subsequent periods. The techniques and unobservable inputs used in valuing the items classified as Level 3 at 30 June 2025 did not materially change from 31 December 2024. The sensitivity of the fair value of items classified as Level 3 to changes in unobservable inputs remained as disclosed in the audited consolidated financial statements for the year ended 31 December 2024.

11. Investment Securities

Credit quality

The following table presents the credit quality of our cash equivalents and investment securities based on our internal credit rating system. Amounts in the table represent the gross carrying amounts.

	Credit Rating[1]											
	As at 30 June 2025						As at 31 December 2024					
(in millions)	AAA	AA- to AA+	A- to A+	BBB- to BBB+	Lower than BBB-	Total	AAA	AA- to AA+	A- to A+	BBB- to BBB+	Lower than BBB-	Total
Cash equivalents	758	469	1,012	-	-	2,239	365	567	659	-	-	1,591
Investment securities[2]												
FVTPL	15	-	-	-	-	15	20	-	-	-	-	20
FVOCI	12,413	4,329	4,934	2,652	74	24,402	11,500	4,187	4,837	2,698	65	23,287
Amortized cost	1,388	1,618	807	-	-	3,813	1,321	1,684	564	-	-	3,569

[1] The internal credit ratings are based upon internal assessments of the counterparty creditworthiness. These ratings correspond to those provided by credit rating agencies except in cases where stand-alone ratings exist. A counterparty internal credit rating cannot be higher than the highest stand-alone rating from any of the agencies. A stand-alone rating removes the assumption of government support from the rating.

[2] Includes fixed income investments.

Expected credit losses

The ECL allowance for debt instruments held at FVOCI and amortized cost was $9 million at 30 June 2025 (31 December 2024 – $4 million) with a gain of $8 million and a loss of $5 million recognized in net gains (losses) on financial instruments during the three and six months ended 30 June 2025, respectively (three and six months ended 30 June 2024 – gain of $5 million and loss of $12 million).

12. Loans

The following table presents the cash flows and non-cash changes for loans.

Six months ended 30 June 2025

(in millions)	Balance at beginning of period	Cash flows: Repayments	Cash flows: Disbursements	Non-cash changes: Fair value changes	Non-cash changes: Accretion	Non-cash changes: ECL	Non-cash changes: Capitalized Interest	Non-cash changes: Transfers[1]	Balance at end of period
FVTPL									
Lending programs	502	(27)	-	5	-	-	-	(8)	472
MI Activity loans	19	(6)	6	-	-	-	-	-	19
Total at FVTPL	**521**	**(33)**	**6**	**5**	**-**	**-**	**-**	**(8)**	**491**
Amortized cost									
CMB program loans	277,456	(21,936)	29,852	-	34	-	-	-	285,406
Lending programs[2]	16,713	(415)	2,513	(53)	26	(2)	80	8	18,870
IMPP loans	335	(335)	-	-	-	-	-	-	-
MI Activity loans[3]	24	(17)	-	-	5	9	-	-	21
Total amortized cost	**294,528**	**(22,703)**	**32,365**	**(53)**	**65**	**7**	**80**	**8**	**304,297**
Total	**295,049**	**(22,736)**	**32,371**	**(48)**	**65**	**7**	**80**	**-**	**304,788**

[1] Transfers are matured loans that have been renewed where the new loans are no longer part of a portfolio of economically hedged loans and borrowings and therefore classified at amortized cost.

[2] Fair value changes for loans at amortized cost relate to losses recognized immediately upon initial advance of loans issued below market value.

[3] These loans are classified as Stage 3 and they are not impacted by changes in macro-economic assumptions or weightings as discussed in Note 4.

Twelve months ended 31 December 2024

	Cash flows			Non-cash changes					
(in millions)	Balance at beginning of period	Repayments	Disbursements	Fair value changes	Accretion	ECL	Capitalized Interest	Transfers[1]	Balance at end of period
FVTPL									
Lending programs	494	(42)	45	23	-	-	-	(18)	502
MI Activity loans	18	(15)	16	-	-	-	-	-	19
Total at FVTPL	**512**	**(57)**	**61**	**23**	**-**	**-**	**-**	**(18)**	**521**
Amortized cost									
CMB program loans	255,130	(37,925)	60,203	-	48	-	-	-	277,456
Lending programs[2]	12,616	(693)	4,776	(178)	32	7	135	18	16,713
IMPP loans	2,866	(2,531)	-	-	-	-	-	-	335
MI Activity loans	38	(26)	-	-	11	1	-	-	24
Total amortized cost	**270,650**	**(41,175)**	**64,979**	**(178)**	**91**	**8**	**135**	**18**	**294,528**
Total	**271,162**	**(41,232)**	**65,040**	**(155)**	**91**	**8**	**135**	**-**	**295,049**

[1] Transfers are matured loans that have been renewed where the new loans are no longer part of a portfolio of economically hedged loans and borrowings and therefore classified at amortized cost.

[2] Fair value changes for loans at amortized cost relate to losses recognized immediately upon initial advance of loans issued below market value

We are assured collection of principal and accrued interest on 99% (31 December 2024 – 99%) of our loans by various levels of government, CMHC mortgage insurance or by investment grade collateral representing the sole source of repayment on our loans under the CMB program and IMPP.

Expected credit losses

Total undrawn loan commitments outstanding at 30 June 2025 were $12,718 million (31 December 2024 – $10,632 million), of which $12,371 million are subject to 12-month ECL (31 December 2024 – $10,235 million) and $nil million (31 December 2024– $1 million) are commitments outstanding on purchased or originated credit impaired loans.

At 30 June 2025, the ECL on undrawn loan commitments was $11 million (31 December 2024 – $11 million), and the ECL on loans was $42 million (31 December 2024 – $49 million). We recognize changes in ECL in net gains (losses) on financial instruments.

13. Borrowings

The following table presents the cash flows and non-cash changes for borrowings.

Six months ended 30 June 2025

		Cash flows		Non-cash changes			
(in millions)	Balance at beginning of period	Issuances	Repayments	Fair value changes	Accretion and other	Eliminations	Balance at end of period
Designated at FVTPL							
Borrowings from the Government of Canada – Lending programs	148	-	(80)	1	-	-	69
Amortized cost							
Canada mortgage bonds	276,869	29,852	(21,861)	-	34	(39)	284,855
Borrowings from the Government of Canada – Lending programs	22,121	11,614	(8,799)	(63)	68	-	24,941
Borrowings from the Government of Canada – IMPP	335	-	(335)	-	-	-	-
Total amortized cost	**299,325**	**41,466**	**(30,995)**	**(63)**	**102**	**(39)**	**309,796**
Total	**299,473**	**41,466**	**(31,075)**	**(62)**	**102**	**(39)**	**309,865**

Twelve months ended 31 December 2024

		Cash flows		Non-cash changes			
(in millions)	Balance at beginning of period	Issuances	Repayments	Fair value changes	Accretion and other	Eliminations	Balance at end of period
Designated at FVTPL							
Borrowings from the Government of Canada – Lending programs	219	-	(77)	6	-	-	148
Amortized cost							
Canada mortgage bonds	254,389	60,193	(37,765)	-	48	4	276,869
Borrowings from the Government of Canada – Lending programs	17,502	24,557	(19,930)	(140)	132	-	22,121
Borrowings from the Government of Canada – IMPP	2,866	-	(2,531)	-	-	-	335
Total amortized cost	**274,757**	**84,750**	**(60,226)**	**(140)**	**180**	**4**	**299,325**
Total	**274,976**	**84,750**	**(60,303)**	**(134)**	**180**	**4**	**299,473**

When we hold CMB to maturity or acquire CMB in the primary market, we exclude the related cash flows from the consolidated statement of cash flows. During the six months ended 30 June 2025, we have excluded $75 million (six months ended 30 June 2024 – $103 million) of CMB maturities from repayments in the previous table (twelve months ended 31 December 2024 - $160 million) and from investment securities – sales and maturities in the consolidated statement of cash flows. We have also excluded nil during the six months ended 30 June 2025 (six months ended 30 June 2024 – $10 million) of CMB purchases in the primary market from issuances in the previous table (twelve months ended 31 December 2024 - $10 million) and from investment securities – purchases in the consolidated statement of cash flows.

Borrowing authorities

The Minister of Finance approves our Borrowing Plan annually and establishes limits and parameters for borrowings, namely capital market borrowings and borrowings from the Government of Canada in the Housing Programs and Securitization activities.

For 2025, the limits on our short-term borrowings outstanding and long-term borrowings issued are $7 billion and $9.5 billion, respectively (31 December 2024 – $7 billion and $6.5 billion). Actual short-term borrowings outstanding as at 30 June 2025 were $2.5 billion (31 December 2024 – $2.2 million). Actual long-term borrowings issued in the six months ended 30 June 2025 were $2.8 billion (31 December 2024 – $4.3 billion).

14. Financial Instruments Income and Expenses

Gains and losses from financial instruments

The following table presents the net gains (losses) related to financial instruments recognized in the consolidated statement of income and comprehensive income.

	Three months ended 30 June		Six months ended 30 June	
(in millions)	2025	2024	2025	2024
Financial instruments designated at FVTPL				
Borrowings	-	(2)	(1)	(3)
Total financial instruments designated at FVTPL	**-**	**(2)**	**(1)**	**(3)**
Financial instruments mandatorily at FVTPL				
Equity securities	-	-	1	(2)
Derivatives	214	(61)	193	(178)
Loans	3	7	5	8
Total financial instruments mandatorily at FVTPL	**217**	**(54)**	**199**	**(172)**
Debt instruments held at FVOCI[1]	(251)	5	(257)	92
Loans – amortized cost[2]	(41)	(70)	(98)	(123)
Borrowings – amortized cost[3]	30	25	63	68
Expected credit losses on financial assets	29	23	2	32
Total	**(16)**	**(73)**	**(92)**	**(106)**

[1] Includes a foreign exchange loss during the three and six months ended of $245 million and $242 million (three and six months ended 30 June 2024 – $50 million loss and $167 million gain) resulting from the translation of U.S. dollar-denominated debt instruments.

[2] Includes losses on loans recognized immediately upon initial advance of $26 million and $53 million (three and six months ended 30 June 2024 – $56 million and $96 million) and the amortization of deferred net losses of $15 million and $45 million (three and six months ended 30 June 2024 – $14 million and $27 million).

[3] Includes gains from the issuance of borrowings during the three and six months ended of $30 million and $63 million (three and six months ended 30 June 2024 – $25 million and $68 million).

Deferred losses on financial instruments

The following table presents the deferred net losses on financial instruments for certain Lending program loans not recognized in the consolidated statement of income and comprehensive income.

	Three months ended 30 June		Six months ended 30 June	
(in millions)	2025	2024	2025	2024
Balance at beginning of the period	605	468	579	433
Deferred net losses on financial instruments in the period	65	38	121	86
Recognized net losses on financial instruments in the period	(15)	(14)	(45)	(27)
Balance at end of period	**655**	**492**	**655**	**492**

15. Market Risk

Market risk is the risk of adverse financial impacts arising from changes in underlying market factors, including interest rates and foreign exchange rates. Despite changes in economic and market conditions, there were no material changes to our assessment and management of market risk in the six months ended 30 June 2025.

Currency risk

We are exposed to currency risk from our holdings in foreign currency denominated investment securities. Our internal policies limit the amount of foreign currency investments and require full hedging of currency risk. We held $4,529 million in debt instruments denominated in U.S. dollars as at 30 June 2025 (31 December 2024 – $4,548 million), which we present as investment securities at FVOCI or at FVTPL.

Value at Risk (VaR)

We evaluate market risk for investment securities in the Mortgage Insurance and Securitization Activities through the use of VaR models. VaR is a statistical technique used to measure the maximum potential loss of an investment portfolio over a specified holding period with a given level of confidence. The VaR for the Mortgage Insurance and Securitization Activities calculated with 95% confidence over a 22 business day holding period is outlined in the following table. The VaR figures are based on one year of historical prices and correlations of bond markets and 26 weeks of volatility.

	Mortgage Insurance		Securitization	
(in millions)	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Investment securities:				
Interest rate risk on debt instruments				
CAD-denominated securities	160	163	75	72
USD-denominated securities	76	80	-	-
Effect of diversification	(9)	(8)	-	-
Total VaR	**227**	**235**	**75**	**72**

Interest rate sensitivity

We evaluate market risk for the Housing Programs Activity portfolio of loans, investments, borrowings and swaps by measuring their sensitivity to changes in interest rates.

For the Housing Programs Activity's financial instruments designated at FVTPL and derivatives, we assessed the net impact of a 200 bps shift in interest rates on fair value as immaterial as at 30 June 2025 after accounting for derivatives.

The Housing Programs Activity's financial instruments measured at amortized cost are also exposed to interest rate risk. The net impact of a shift in interest rates on their fair value as at 30 June 2025 is presented in the following table.

	As at 30 June 2025 Interest rate shift		As at 31 December 2024 Interest rate shift	
(in millions)	-200 bps	+200 bps	-200 bps	+200 bps
Increase (decrease) in fair value of net assets[1]	(977)	809	(840)	695

[1] The changes in fair value of net assets resulting from interest rate shifts presented in this table would not be recognized in comprehensive income as the underlying financial instruments are measured at amortized cost.

16. Credit Risk

Credit risk is the potential for financial loss arising from failure of a borrower or an institutional counterparty to fulfill its contractual obligations. We disclose full descriptions of credit risks related to our financial instruments and how we manage those risks in Note 19 of our audited consolidated financial statements for the year ended 31 December 2024. There has been no significant change in the nature of the risks and how we manage them in the three- and six-month periods ended 30 June 2025.

17. Pension and Other Post-Employment Benefits

The following table presents the expenses, remeasurements and contributions for the defined benefit plans.

Three months ended 30 June

	Pension plans		Other post-employment plans	
(in millions)	2025	2024	2025	2024
Current service cost	10	9	-	-
Net interest expense (income)	-	-	1	1
Expense recognized in net income	**10**	**9**	**1**	**1**
Net actuarial gains arising from changes in financial assumptions	38	33	1	1
Return on plan assets, excluding amounts included in net interest expense[1]	21	(13)	-	-
Net remeasurements recognized in other comprehensive income (loss)[2]	**59**	**20**	**1**	**1**
CMHC's contributions	1	1	1	1
Employee contributions	8	9	-	-
Total contributions	**9**	**10**	**1**	**1**

[1] The return on assets rate used to measure the return on plan assets for the three months ended 30 June 2025 was 1.97% (30 June 2024 – 0.60%).

[2] We remeasure the defined benefit plans quarterly for changes in the discount rate and for actual asset returns. All other actuarial assumptions are updated at least annually.

Six months ended 30 June

(in millions)	Pension plans		Other post-employment plans	
	2025	2024	2025	2024
Current service cost	19	18	-	-
Net interest expense (income)	(3)	(1)	3	2
Expense recognized in net income	**16**	**17**	**3**	**2**
Net actuarial gains (losses) arising from changes in financial assumptions	38	137	1	4
Return on plan assets, excluding amounts included in net interest expense[1]	23	16	-	-
Net remeasurements recognized in other comprehensive income (loss)[2]	**61**	**153**	**1**	**4**
CMHC's contributions	2	5	2	2
Employee contributions	13	14	-	-
Total contributions	**15**	**19**	**2**	**2**

[1]The return on assets rate used to measure the return on plan assets for the six months ended 30 June 2025 was 2.85% (30 June 2024 – 3.34%).

[2] We remeasure the defined benefit plans quarterly for changes in the discount rate and for actual asset returns. All other actuarial assumptions are updated at least annually.

We determine the discount rate in accordance with guidance issued by the Canadian Institute of Actuaries by reference to Canadian AA-rated corporate bonds with terms to maturity approximating the duration of the obligation. The discount rate we used to remeasure the defined benefit obligations at 30 June 2025 was 4.8% (31 December 2024 – 4.7%).

18. Income Taxes

The following table presents the components of income tax.

(in millions)	Three months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024
Current income tax expense	165	163	320	364
Deferred income tax relating to origination and reversal of temporary differences	(34)	(44)	(42)	(119)
Total income tax expense included in net income	**131**	**119**	**278**	**245**
Income tax expense (recovery) on other comprehensive income (loss)				
Net unrealized gains (losses) from FVOCI financial instruments	(19)	7	36	(26)
Reclassification of prior years' net unrealized losses realized in the period in net income	2	11	5	14
Insurance finance income (expense) for insurance contracts issued	4	5	(5)	10
Remeasurement gains on defined benefit plans	9	3	9	24
Total income tax expense (recovery) included in other comprehensive income (loss)	**(4)**	**26**	**45**	**22**
Total	**127**	**145**	**323**	**267**

19. Related Party Transactions

We defer and amortize the Government fees paid in recognition of its financial backing of the Mortgage Insurance and Securitization Activities. In Mortgage Insurance, these fees will reduce the CSM on initial recognition and are subsequently amortized over the expected coverage period of our insurance contracts with equal offsetting amounts to insurance revenue and insurance service expenses in the period. This amounts to $8 million and $15 million for the three and six months ended 30 June 2025 (three and six months ended 30 June 2024 - $5 million and $11 million). In Securitization these fees, which are recorded in operating expenses, amount to $8 million and $16 million for the three- and six-month period ended 30 June 2025 (three and six months ended 30 June 2024 – $8 million and $15 million). All other material related party transactions and outstanding balances are disclosed in relevant notes.

20. Commitments and Contingent Liabilities

As at 30 June 2025, we have $7,462 million in contractual financial obligations relating to Housing Programs which extend for periods up to 25 years and $449 million in other contractual obligations up to the year 2034 (31 December 2024 - $8,645 million and $190 million, respectively).

We hold the following cash and cash equivalents that are intended for use as part of the respective programs:

(in millions)	As at 30 June 2025	As at 31 December 2024
Affordable Rental Housing Innovation Fund	29	31
Apartment Construction Loan Program (ACLP)	1,162	657
Affordable Housing Fund (AHF)	691	577
Direct Lending (DL) – Economically Hedged	62	128
Total	**1,944**	**1,393**

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