

Date: March 30, 2020

To: CMHC Multi-Unit Mortgage Loan Insurance Borrowers

**Subject: Clarification to CMHC's Multi-Unit Mortgage Loan Insurance (5+ units)
on flexibilities related to COVID-19 – Payment Deferrals**

From: Caroline Sanfaçon, Vice President, Multi-Unit Housing Solutions



As we enter into a third week of social distancing and uncertainty, I wanted to take this opportunity to thank you for your cooperation, your patience, and understanding as we work together to ensure Canadians feel supported during these challenging times.

While the situation continues to unfold, the Government of Canada is responding by providing relief measures directly to Canadians, businesses and financial institutions. For more information on the variety of tools currently available, I encourage you to visit [Canada's COVID-19 Economic Response Plan webpage](#).

CMHC is also doing its part. We are working with your mortgage lender to ensure that tools and support are available to them during this unprecedented time. CMHC wants to ensure that lenders are positioned to assist borrowers who need financial relief due to the COVID-19 pandemic.

As a Multi-Unit borrower, you are expected to continue to make your payment obligations under the CMHC-insured loan. If you are experiencing hardship as a result of COVID-19, there will be options available to you such as mortgage payment deferral. However, a payment deferral is not automatic and must be approved by your lender.

It remains the responsibility of each lender to exercise due diligence when assessing your request for payment deferral. Lenders are to assess if a payment deferral is an appropriate measure, whether to prevent a default, mitigate losses, or out of compassion for hardship, while taking into consideration the impact of the pandemic on your cash flow and liquidity.

Prior to requesting a payment deferral from your lender, we ask that you carefully consider your unique situation and assess how the COVID-19 pandemic is impacting your project's viability. This includes exploring the availability of other government support programs and ensuring your tenants do the same. Income support can be used in part to pay rents.

Borrowers are expected to make a request in writing and provide supporting information as required by your lender. This may include, but is not limited to:

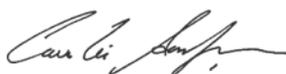
(i) borrower and guarantor information, including income and assets, (ii) property information, (iii) hardship information related to COVID-19, such as the tenant profile and current and anticipated rent disruptions, (iv) a rent roll identifying payment arrears, and (v) any other information relevant to a COVID-19 payment deferral analysis.

The lender will discuss repayment arrangements for the payment deferral and any accrued interest.

We are all in this together. We expect lenders to grant relief where the circumstances justify it. Similarly, we expect borrowers to act compassionately and refrain from evicting their fellow Canadians. CMHC will continue to do our part in offering flexibility and additional supports, should the need arise.

To stay updated on our response to the COVID-19 pandemic, please visit our [Media Newsroom on cmhc.ca](https://www.cmhc.ca/en/mediacentre).

Sincerely,

A handwritten signature in black ink, appearing to read "Carol Lee". The signature is fluid and cursive, with a prominent loop at the end.