

Finding the downpayment just got a whole lot easier. Borrowers can now utilize a number of additional sources of equity to purchase their home.

---

## Greater flexibility in sources of downpayment

Borrowers are normally required to have a minimum 5% downpayment from their own resources in order to purchase a home. Using CMHC's new Flex Down product, lenders can provide borrowers with the option of owning a home sooner. The downpayment for this product can come from any source, such as borrowed funds or lender incentives, provided the funds are arm's length to and not tied to the purchase or sale of the property.

## Customized product design

CMHC is committed to provide the choice to lenders to design your own products to differentiate yourself in the market. The Flex Down product provides mortgage insurance for purchase transactions including purchase plus improvements and progress advance transactions.

## Choice regarding type of interest and loan terms

Approved Lenders can charge fixed or capped variable interest for loans insured under the Flex Down product. The product can be used for mortgages with a term as little as six months. These options allow you to provide borrowers with greater choice and flexibility.

## Option of borrowing closing costs

Consistent with other CMHC Mortgage Loan Insurance products, the Flex Down product allows the option of borrowing up to 1.5% of the purchase price to cover closing costs. If the closing costs are borrowed, any associated payment needs to be included in the TDS calculation based on a 12 month repayment period.

## Timely results

CMHC is committed to eliminating the anxious wait for mortgage insurance approvals for lenders and borrowers alike. The Flex Down product utilizes the same automated risking process and models as all CMHC Mortgage Loan Insurance products, with very few differences in qualification criteria. This ensures consistency, accuracy, objectivity and timely decision making. Personalized and quality service continues to be provided by individuals located coast to coast to coast, for those applications which require more detailed review.

