

# Webinar

## ULI British Columbia Speaker Series: Affordable Housing & CMHC Financing

Date: June 14, 2021

00:00:32 --> 00:00:32: OK,

00:00:32 --> 00:00:36: hello everyone, I think we're good to get started here

00:00:36 --> 00:00:37: at 1201.

00:00:37 --> 00:00:40: Welcome to ULIBP speaker series on affordable housing and

00:00:40 --> 00:00:40: CMHC

00:00:40 --> 00:00:40: financing.

00:00:40 --> 00:00:44: My name is Sasha Sangin and I work with Grosvenor

00:00:44 --> 00:00:45: here in Vancouver,

00:00:45 --> 00:00:49: and I am also on ULIBC's Young Leaders Group committee.

00:00:49 --> 00:00:51: For those that are new to ULI,

00:00:51 --> 00:00:53: it is a non profit organization.

00:00:53 --> 00:00:57: That facilitates educational and information sharing

00:00:57 --> 00:00:58: opportunities for those within

00:00:58 --> 00:01:00: the real estate industry.

00:01:00 --> 00:01:03: You'll ibc's young leaders group has multiple channels,

00:01:03 --> 00:01:06: so the speaker series aims to host leaders in the

00:01:06 --> 00:01:09: industry to discuss more formally on their role,

00:01:09 --> 00:01:10: initiatives or projects that they may be working with in

00:01:10 --> 00:01:13: terms of upcoming ULI events.

00:01:13 --> 00:01:14: Links will be sent in the chat,

00:01:14 --> 00:01:17: so please look out for these.

00:01:17 --> 00:01:21: I want to thank you all for joining over this

00:01:21 --> 00:01:24: lunch hour and a special thank you to Shannon Patterson

00:01:24 --> 00:01:31: of ULIDP for helping with this event today.

00:01:31 --> 00:01:38: One second. And of course I would like to thank

00:01:38 --> 00:01:41: all of you LIBC sponsors for supporting us and making

00:01:41 --> 00:01:44: these events possible.

00:01:44 --> 00:01:47: The format of today's webinar will include two presentations

00:01:47 --> 00:01:47: and

00:01:47 --> 00:01:47: then a discussion between our two guest speakers and then

00:01:47 --> 00:01:50: followed by an audience question period for the final 10  
00:01:50 --> 00:01:53: minutes. We are lucky to be joined by two industry  
00:01:53 --> 00:01:56: leaders today for the next hour who will share how  
00:01:56 --> 00:01:59: their organizations are supporting affordable housing first.  
00:01:59 --> 00:02:02: We had Robin Adamak who works in client relations in  
00:02:03 --> 00:02:04: multi unit housing at CMHC.  
00:02:04 --> 00:02:07: Robin brings 18 years of experience at CMHC,  
00:02:07 --> 00:02:11: where she is being spokesperson for Metro Vancouver  
Market Trends  
00:02:11 --> 00:02:14: and four years ago began working with clients on affordable  
00:02:14 --> 00:02:17: and market rental financing solutions.  
00:02:17 --> 00:02:19: Our second speaker is Andrew Tang,  
00:02:19 --> 00:02:21: senior Vice President Investments at concert properties.  
00:02:21 --> 00:02:24: Andrew has been with concert for over 27 years and  
00:02:24 --> 00:02:28: is currently responsible for leading the strategic planning and  
key  
00:02:28 --> 00:02:30: operational activities.  
00:02:30 --> 00:02:32: The concert income portfolio across Canada,  
00:02:32 --> 00:02:34: valued at over \$3.4 billion.  
00:02:34 --> 00:02:38: He has extensive relationships with institutional lenders and  
housing partners  
00:02:38 --> 00:02:38: such as CMHC,  
00:02:38 --> 00:02:42: so just a few housekeeping items before we get started.  
00:02:42 --> 00:02:46: Please keep your microphones on mute for the duration of  
00:02:46 --> 00:02:49: the webinar and we recommend setting your zoom to gallery  
00:02:49 --> 00:02:51: view for the Q&A period.  
00:02:51 --> 00:02:55: Please type your questions into the chat direct sent them  
00:02:55 --> 00:02:55: to me,  
00:02:55 --> 00:02:59: and also note who your question is directed for,  
00:02:59 --> 00:03:00: whether that's Andrew. Or Robin.  
00:03:00 --> 00:03:03: And then I will read the questions to Robin and  
00:03:03 --> 00:03:06: Andrew in the order that that I received and then  
00:03:06 --> 00:03:08: and then as a final note,  
00:03:08 --> 00:03:10: please be reminded that a recording of this webinar will  
00:03:10 --> 00:03:12: be available shortly after it's concluded.  
00:03:12 --> 00:03:15: So with that I will pass things off to entry  
00:03:15 --> 00:03:16: to get things started.  
00:03:17 --> 00:03:20: Great, uh? I assume you guys can hear me,  
00:03:20 --> 00:03:24: Sasha. OK, yeah I can hear it so uh so  
00:03:24 --> 00:03:26: first thank you.  
00:03:26 --> 00:03:30: Sasha Annually and the Young Leaders group for inviting me  
00:03:30 --> 00:03:31: to join today.  
00:03:31 --> 00:03:33: I'm delighted to be here and,

00:03:33 --> 00:03:37: you know, concert corporately you know before COVID-19 we we

00:03:37 --> 00:03:41: looked at you know before COVID-19 there are really two

00:03:41 --> 00:03:44: major issues in every major city in in Canada.

00:03:44 --> 00:03:49: There's climate change and affordable housing and we commend you

00:03:49 --> 00:03:52: alive for doing such a good drop job in addressing.

00:03:52 --> 00:03:55: These two topics and educating the real estate industry,

00:03:55 --> 00:03:58: educating groups like us about these two really,

00:03:58 --> 00:04:01: really important topics that really are facing every community today,

00:04:01 --> 00:04:04: particularly as we're moving out of COVID.

00:04:04 --> 00:04:07: So let me just tell you a little bit.

00:04:07 --> 00:04:09: Let's go to the next slide.

00:04:09 --> 00:04:12: Let's let me tell you a little bit about our

00:04:12 --> 00:04:14: history at a concert,

00:04:14 --> 00:04:17: so we've been around for 32 years and and as

00:04:17 --> 00:04:18: Sasha mentioned,

00:04:18 --> 00:04:20: I've been with the company.

00:04:20 --> 00:04:23: I've just started my 28th year at concert.

00:04:23 --> 00:04:26: And, uh, were owned by 19 pension funds.

00:04:26 --> 00:04:29: We started in 1989 and a RR total uh called

00:04:29 --> 00:04:29: enterprise?

00:04:29 --> 00:04:32: Uh, values about 7 billion in assets,

00:04:32 --> 00:04:36: and we're involved with multiple different business lines that let's

00:04:36 --> 00:04:37: go to the next slide.

00:04:37 --> 00:04:41: I'll tell you a little bit about that.

00:04:41 --> 00:04:42: So on the commercial side,

00:04:42 --> 00:04:44: we basically have 5 business lines.

00:04:44 --> 00:04:47: Uh, in the company just some background.

00:04:47 --> 00:04:50: So on the commercial side we have we have 71

00:04:50 --> 00:04:50: properties,

00:04:50 --> 00:04:53: 10 million square feet that we have a fund that

00:04:54 --> 00:04:54: actually,

00:04:54 --> 00:04:56: uh, that manages our commercial assets.

00:04:56 --> 00:04:58: It's about 2 billion in assets.

00:04:58 --> 00:05:01: That photo there that you see in the top left

00:05:01 --> 00:05:02: corner.

00:05:02 --> 00:05:04: That's the Amazon Auto off facility.

00:05:04 --> 00:05:08: It's a brand new million square foot facility that we

00:05:08 --> 00:05:11: have Amazon in there for a long term lease.

00:05:11 --> 00:05:13: Uh, moving to the right.

00:05:13 --> 00:05:16: If you look at the multifamily apartments,  
00:05:16 --> 00:05:19: so we've got 7000 homes that we've built and planned  
00:05:19 --> 00:05:20: that photo.  
00:05:20 --> 00:05:23: There is the access rental building at UBC.  
00:05:23 --> 00:05:25: UM, at the university British Columbia,  
00:05:25 --> 00:05:29: which we're really proud, is right beside the law building  
00:05:29 --> 00:05:33: and then the third line of businesses are committing  
condominium  
00:05:33 --> 00:05:33: business.  
00:05:33 --> 00:05:37: And we've got about 12,000 homes built and planned that  
00:05:37 --> 00:05:38: photo.  
00:05:38 --> 00:05:41: There is an example of our 58 story condo.  
00:05:41 --> 00:05:44: That we have at the corner are a block away  
00:05:45 --> 00:05:48: from young and Wellington in downtown Toronto.  
00:05:48 --> 00:05:52: A superb a building that we're really pleased to be.  
00:05:52 --> 00:05:55: Part of the Toronto skyline in the middle you'll see  
00:05:55 --> 00:05:59: that infrastructure so we have a sister company that focuses  
00:05:59 --> 00:06:01: on public private partnerships.  
00:06:01 --> 00:06:05: That photo there is the BC Children's Hospital where we  
00:06:05 --> 00:06:09: have a we are now managing that property for BC  
00:06:09 --> 00:06:11: children and we're delighted to be.  
00:06:11 --> 00:06:14: Part of it, and then the last is on the  
00:06:15 --> 00:06:16: on the bottom left.  
00:06:16 --> 00:06:19: There we have four seniors communities that we think is  
00:06:19 --> 00:06:23: important as part of any Community that you build residential  
00:06:23 --> 00:06:26: community build and that particular project is in Toronto.  
00:06:26 --> 00:06:28: So that gives you a bit of sense of the  
00:06:28 --> 00:06:31: diversity that exists among concert.  
00:06:31 --> 00:06:33: Let's go to the next slide.  
00:06:35 --> 00:06:38: So we're here to talk about a couple housing,  
00:06:38 --> 00:06:41: but maybe I'll take it one step back is tell  
00:06:41 --> 00:06:43: you about our multifamily platform.  
00:06:43 --> 00:06:45: So when concert was created,  
00:06:45 --> 00:06:47: uh, you know, 32 years ago,  
00:06:47 --> 00:06:50: uh, we actually are origin started with multifamily rental and  
00:06:51 --> 00:06:52: to build purpose built rental.  
00:06:52 --> 00:06:56: And we've a long history which I'll share with you  
00:06:56 --> 00:06:57: about of us.  
00:06:57 --> 00:06:58: Partnering with a lot of,  
00:06:58 --> 00:07:01: UM, all different levels of government.  
00:07:01 --> 00:07:04: And and that started really make Cooper and then of  
00:07:05 --> 00:07:07: course we we grew and started to be active in

00:07:08 --> 00:07:08: Toronto.  
00:07:08 --> 00:07:11: UM, if you you know you look at Toronto we  
00:07:11 --> 00:07:12: actually have,  
00:07:12 --> 00:07:15: you know, been quite active in Toronto where we built  
00:07:15 --> 00:07:16: about 20%  
00:07:16 --> 00:07:18: almost 20% of the new purpose,  
00:07:18 --> 00:07:21: built high residential in Toronto over the last 15 years.  
00:07:21 --> 00:07:24: And so you can see that there's not that many  
00:07:24 --> 00:07:28: players that have been involved in in the long run  
00:07:28 --> 00:07:29: or the medium run,  
00:07:29 --> 00:07:31: but only most recently has has.  
00:07:31 --> 00:07:35: Multifamily rental been quite an active business line in,  
00:07:35 --> 00:07:39: particularly in Toronto. UM, overall we've built about 4200  
rental  
00:07:39 --> 00:07:41: homes and out of that 1100 /  
00:07:41 --> 00:07:45: 1100 are affordable and we got 170 homes right now  
00:07:45 --> 00:07:46: under construction.  
00:07:46 --> 00:07:50: That photo on the right is a project called Village  
00:07:50 --> 00:07:51: Gate West.  
00:07:51 --> 00:07:55: We're really proud of these three rental towers and this  
00:07:55 --> 00:07:56: is in Toronto,  
00:07:56 --> 00:08:00: in Etobicoke, and that's that's roughly close to 800 homes  
00:08:00 --> 00:08:02: that we've built among those.  
00:08:02 --> 00:08:05: Two towers. OK, let's get into the next slide.  
00:08:05 --> 00:08:08: So this I'm I'm actually going to walk you through  
00:08:08 --> 00:08:09: each of these components,  
00:08:09 --> 00:08:13: but this gives you a little bit of the history  
00:08:13 --> 00:08:13: of concert,  
00:08:13 --> 00:08:17: so where you see the uphold the blue or dark  
00:08:17 --> 00:08:17: bars?  
00:08:17 --> 00:08:21: Those are projects that actually have been in Vancouver that  
00:08:21 --> 00:08:23: we've been involved with in the past.  
00:08:23 --> 00:08:26: Particularly it's in a partnership with the City of Vancouver  
00:08:26 --> 00:08:28: and BC Housing and also CMHC.  
00:08:28 --> 00:08:32: And I'll share with you a little bit about that.  
00:08:32 --> 00:08:35: Uhm, the the blue bar there is a Co op  
00:08:35 --> 00:08:39: that we were delighted to be part of in terms  
00:08:39 --> 00:08:43: of building a also in Vancouver and then the brown  
00:08:43 --> 00:08:46: bars to the right. Those last two are actually under  
00:08:46 --> 00:08:50: construction today and so this gives you a sense of  
00:08:50 --> 00:08:54: some of the magnitude of activity we've been involved with.  
00:08:54 --> 00:08:57: We've been. We have over 1414 hundred homes that we've

00:08:57 --> 00:09:00: been involved with for photo housing.  
00:09:00 --> 00:09:02: In addition to of course,  
00:09:02 --> 00:09:05: our multifamily. Cancel let's go to the next slide,  
00:09:05 --> 00:09:08: so let's let's go a little bit deeper into the,  
00:09:08 --> 00:09:10: UM, some of some of those components.  
00:09:10 --> 00:09:13: So the first set of components that that dark blue  
00:09:13 --> 00:09:16: bar is some of the first projects that concert was  
00:09:16 --> 00:09:17: involved with,  
00:09:17 --> 00:09:20: so we were involved with doing a city of Vancouver  
00:09:20 --> 00:09:21: land lease.  
00:09:21 --> 00:09:25: And also we were involved with BC housing through some  
00:09:25 --> 00:09:29: of their innovative mortgage products and what it was,  
00:09:29 --> 00:09:31: it was really 8 properties.  
00:09:31 --> 00:09:36: 10 buildings in Vancouver that equated to about 1148 uh  
00:09:36 --> 00:09:39: homes and what what it is is is that was  
00:09:39 --> 00:09:43: both had restrictions on rents and restaurant escalations.  
00:09:43 --> 00:09:48: But also what was unique about it at the time  
00:09:48 --> 00:09:51: when it was when it was created is.  
00:09:51 --> 00:09:55: One of the concerns that the city had was that  
00:09:55 --> 00:09:55: UM,  
00:09:55 --> 00:09:59: owners of of rental apartments were condominium izing  
stratifying these  
00:09:59 --> 00:10:02: apartments and so instead what we did was we said,  
00:10:02 --> 00:10:05: and so, of course that's reducing the stock in the  
00:10:05 --> 00:10:06: marketplace.  
00:10:06 --> 00:10:10: What we did was in addition to having some restrictions  
00:10:10 --> 00:10:11: on rents we made,  
00:10:11 --> 00:10:15: we had what we call assured rental where we made  
00:10:15 --> 00:10:18: sure that we would not do that and that we  
00:10:18 --> 00:10:20: would have assurance to everyone,  
00:10:20 --> 00:10:25: including the city that. They would be multifamily rental  
income  
00:10:25 --> 00:10:28: and then we would run it that way in addition  
00:10:28 --> 00:10:30: to the city Vancouver BC housing.  
00:10:30 --> 00:10:34: We also had several of these projects involved with C,  
00:10:34 --> 00:10:37: and so we had what we call CLI'S,  
00:10:37 --> 00:10:41: which are certificate of insurance is for these projects and  
00:10:41 --> 00:10:44: have successfully built that relationship with Community.  
00:10:44 --> 00:10:48: So our relationship with both the city and BC housing  
00:10:48 --> 00:10:52: and image C-SPAN over 30 years with them and.  
00:10:52 --> 00:10:54: And again, they're important, uh,  
00:10:54 --> 00:10:58: stakeholders. As a in order to make affordable housing work,

00:10:58 --> 00:11:00: you need them as partners.

00:11:00 --> 00:11:04: Let's go to the next one.

00:11:04 --> 00:11:06: So here this is an interesting project.

00:11:06 --> 00:11:10: So the Creek is at a Quebec and 1st in

00:11:10 --> 00:11:11: Vancouver,

00:11:11 --> 00:11:15: right beside science world and and how it all started.

00:11:15 --> 00:11:20: This particular project is that we actually purchased this property

00:11:20 --> 00:11:22: as part of a A A deal that we did

00:11:22 --> 00:11:27: with Translink that this proportion of this property was originally

00:11:27 --> 00:11:31: owned by Translink and we had another property and so

00:11:31 --> 00:11:34: Vancouver and they needed a position to.

00:11:34 --> 00:11:36: Put their trolley trucks. Uh,

00:11:36 --> 00:11:38: on it? Uh, as they're developing out,

00:11:38 --> 00:11:40: UM there. Oak Ridge site and so.

00:11:40 --> 00:11:43: Long story short, we were able to do a.

00:11:43 --> 00:11:46: I'll call it a land swap almost where we were

00:11:46 --> 00:11:49: able to do a deal here in first in Quebec.

00:11:49 --> 00:11:52: But then of course the City of Vancouver also had

00:11:52 --> 00:11:54: the neighboring lands.

00:11:54 --> 00:11:57: And So what we did was we did also a

00:11:57 --> 00:12:01: land swap on this property with them and Long story

00:12:01 --> 00:12:05: short is is we have built four towers on it.

00:12:05 --> 00:12:08: And, uh, three or condominium one is a Co-op,

00:12:08 --> 00:12:11: which I'll show you a picture of in a second,

00:12:11 --> 00:12:14: and what we did was as part of the land

00:12:14 --> 00:12:17: transaction is is in additional land swap.

00:12:17 --> 00:12:21: We also agreed to build a brand new Co-op for

00:12:21 --> 00:12:24: the city and the the the the last tower that

00:12:24 --> 00:12:26: is under construction right now.

00:12:26 --> 00:12:30: UM called tester. Oh, let's go to the next slide

00:12:30 --> 00:12:32: so this gives you the Co-op project.

00:12:32 --> 00:12:35: So this is 100 and 13,000 square foot.

00:12:35 --> 00:12:39: 135 Apartment Project Apartment Unit project and again as we

00:12:39 --> 00:12:43: mentioned we created a turnkey development for the City of

00:12:43 --> 00:12:43: Vancouver.

00:12:43 --> 00:12:47: We created two daycare facilities for them and it's now

00:12:47 --> 00:12:51: operated by the Co-op Keene Housing Federation and a great

00:12:51 --> 00:12:54: organization and a great partnership with the city.

00:12:54 --> 00:12:59: Uhm, we were delighted because we think it's important that

00:12:59 --> 00:13:03: we have a mix of different types of residents that  
00:13:03 --> 00:13:06: live in a community for it to be an inclusive.  
00:13:06 --> 00:13:08: And A and a thoughtful community.  
00:13:08 --> 00:13:12: And so we're really pleased to have been associated with  
00:13:12 --> 00:13:13: a project like that.  
00:13:13 --> 00:13:15: Let's go to another project that we've got.  
00:13:15 --> 00:13:17: Let's go to the next slide.  
00:13:17 --> 00:13:19: So this is a project.  
00:13:19 --> 00:13:21: This is under construction right now.  
00:13:21 --> 00:13:23: And So what it is,  
00:13:23 --> 00:13:26: is we have a perfect public IP district in Toronto.  
00:13:26 --> 00:13:29: It's a. It's an also in a tobacco.  
00:13:29 --> 00:13:32: It's a three phase project that's a transit oriented project  
00:13:32 --> 00:13:33: at the KIPP station.  
00:13:33 --> 00:13:36: I can play station and we built the first phase  
00:13:36 --> 00:13:38: is so actually we've.  
00:13:38 --> 00:13:40: Purchased this property from Canadian Tire.  
00:13:40 --> 00:13:43: This used to be an old Canadian Tire retail outlets,  
00:13:43 --> 00:13:46: UM and and Ciety went and tried to and redevelop  
00:13:46 --> 00:13:50: this project from an approval standpoint and then we  
purchased  
00:13:50 --> 00:13:53: it right after that so we're talking about a one  
00:13:53 --> 00:13:57: point 1,000,000 square feet of density and what we've done  
00:13:57 --> 00:14:00: is we've built the first phase which was a condo  
00:14:00 --> 00:14:03: project and then the second phase is 2 towers.  
00:14:03 --> 00:14:06: It's a condo and a rental and then the third  
00:14:06 --> 00:14:09: phase which is still to be done.  
00:14:09 --> 00:14:12: It's a condo in a rental we're talking about,  
00:14:12 --> 00:14:15: you know, for example, in the third phase,  
00:14:15 --> 00:14:18: we're talking about 32 to 36 stories of height.  
00:14:18 --> 00:14:20: To give you some scale,  
00:14:20 --> 00:14:23: let's go to the next slide to tell you a  
00:14:23 --> 00:14:25: little bit more about this.  
00:14:25 --> 00:14:28: This project that we've got here at KIPP.  
00:14:28 --> 00:14:31: So the affordable housing component is part of a rental  
00:14:31 --> 00:14:32: building.  
00:14:32 --> 00:14:35: The rental building is a 2021 story tower.  
00:14:35 --> 00:14:36: It's got 233 rental Swedes,  
00:14:36 --> 00:14:39: of which 70 units are affordable.  
00:14:39 --> 00:14:42: And what we were really pleased with is to,  
00:14:42 --> 00:14:46: uh, we applied to the City of Toronto under their  
00:14:46 --> 00:14:47: open doors,



00:14:47 --> 00:14:51: affordable housing program, and we received grant money to actually

00:14:51 --> 00:14:55: proceed with providing 50 affordable housing units for a 25

00:14:55 --> 00:14:56: year period.

00:14:56 --> 00:15:00: And and basically it's it's bull market between 25 to

00:15:00 --> 00:15:00: 30%.

00:15:00 --> 00:15:04: But in addition, what we did was we applied to

00:15:04 --> 00:15:07: seeming see through the RC FI program,

00:15:07 --> 00:15:09: and we added an additional 20.

00:15:09 --> 00:15:13: A housing units? Uh, that would be below a 30%.

00:15:13 --> 00:15:16: A medium household income in terms of the rents would

00:15:16 --> 00:15:17: be based on,

00:15:17 --> 00:15:19: and that's for a 10 year period.

00:15:19 --> 00:15:23: So All in all, we're we're building 70 affordable housing

00:15:23 --> 00:15:25: units out of the 233 rental units.

00:15:25 --> 00:15:28: And you know, for those who are interested in and

00:15:28 --> 00:15:29: may be wondering,

00:15:29 --> 00:15:31: why is conservative balls with.

00:15:31 --> 00:15:34: This is not only because we think it's the right

00:15:34 --> 00:15:35: thing to do,

00:15:35 --> 00:15:36: but financially there is some,

00:15:36 --> 00:15:40: uh, some great opportunity here as an example.

00:15:40 --> 00:15:41: This project was a 90%

00:15:41 --> 00:15:45: loan to cost in terms of financing with the GCF.

00:15:45 --> 00:15:48: I we have a 10 year mortgage UM and I

00:15:48 --> 00:15:50: could tell you that it's below 1%

00:15:50 --> 00:15:53: over amortized a 50 years and it's fixed for 10

00:15:54 --> 00:15:54: years.

00:15:54 --> 00:15:57: So and then after the 10 years it's insured and

00:15:57 --> 00:16:01: so you know for us we really think financially it

00:16:01 --> 00:16:04: was a strong case but also it's the right thing

00:16:04 --> 00:16:07: to do as a community builder.

00:16:07 --> 00:16:10: And then let's get to the next project.

00:16:10 --> 00:16:14: The last project to share vote and that's our BURQUITLAM

00:16:14 --> 00:16:14: project.

00:16:14 --> 00:16:17: So Burkland project is in in obviously,

00:16:17 --> 00:16:21: Coquitlam, UM, and Brooklyn, and this is right by the

00:16:21 --> 00:16:22: Sky Train station,

00:16:22 --> 00:16:24: a cover burquitlam Sky train station,

00:16:24 --> 00:16:27: and will how this all happened.

00:16:27 --> 00:16:31: Was we originally purchased a very large position in burquitlam

00:16:31 --> 00:16:33: two blocks away from this location.

00:16:33 --> 00:16:37: It was about over 9 acre property and what we  
00:16:37 --> 00:16:38: did was.  
00:16:38 --> 00:16:41: Uh, we advanced our rezoning application for it,  
00:16:41 --> 00:16:44: but we also had heard from the city and and  
00:16:44 --> 00:16:48: also from others that they really wanted to come.  
00:16:48 --> 00:16:53: They wanted a Community Center in the neighborhood and  
so  
00:16:53 --> 00:16:56: Long story short is we put together a land swap  
00:16:56 --> 00:17:00: with the city and expanded took part of our property  
00:17:00 --> 00:17:04: and the Whitgift property, which is 2 blocks away and  
00:17:05 --> 00:17:08: expanded a park area and then in exchange.  
00:17:08 --> 00:17:12: We are actually developing this property which is currently on  
00:17:12 --> 00:17:12: a cotton.  
00:17:12 --> 00:17:15: It's called Cottonwood Park and this land exchange,  
00:17:15 --> 00:17:19: uh, and this whole rezoning was unanimously approved by  
council.  
00:17:19 --> 00:17:22: UM, and it's because it was.  
00:17:22 --> 00:17:25: It showed a great partnership with both the City of  
00:17:25 --> 00:17:29: Coquitlam and also with the YMCA who's actually,  
00:17:29 --> 00:17:33: UM, we're under construction for a 16,000 square for YMCA  
00:17:33 --> 00:17:35: on the project right now.  
00:17:35 --> 00:17:37: So this is going to be a,  
00:17:37 --> 00:17:39: uh, a fantastic project. Uh,  
00:17:39 --> 00:17:41: where, uh, this is one of many things that are  
00:17:41 --> 00:17:45: happening in the neighborhood and we think it's just gonna  
00:17:45 --> 00:17:48: be a superb project that we've got a condo project.  
00:17:48 --> 00:17:50: There are rental project that has affordable housing.  
00:17:50 --> 00:17:52: It has a 1 1/2 acre park.  
00:17:52 --> 00:17:54: Is that a YMCA of 60,000 square feet as a  
00:17:54 --> 00:17:56: community community police station,  
00:17:56 --> 00:17:58: as a park and ride there,  
00:17:58 --> 00:18:01: multiple things that are that are going for it just  
00:18:01 --> 00:18:03: in the project that we're involved with not,  
00:18:03 --> 00:18:05: not to mention all the other.  
00:18:05 --> 00:18:08: Interesting things happening in the neighborhood,  
00:18:08 --> 00:18:11: and so let's talk a little bit about that affordable  
00:18:11 --> 00:18:12: housing component.  
00:18:12 --> 00:18:14: Uhm, so right now we're,  
00:18:14 --> 00:18:16: that's the next slide. Uhm,  
00:18:16 --> 00:18:19: we are in the midst of very,  
00:18:19 --> 00:18:22: very close to finalizing a deal right now where we're  
00:18:22 --> 00:18:25: building a 31 story rental tower,

00:18:25 --> 00:18:28: 208 market rental units, and plus another hundred affordable rental units.

00:18:29 --> 00:18:29: units.

00:18:29 --> 00:18:32: The details? We can't share totally yet with everyone, because it's still. It's a it's very close to.

00:18:32 --> 00:18:36: Being done, uh, but we what we can share with you is that,

00:18:36 --> 00:18:39: you is that,

00:18:40 --> 00:18:41: UM, the affordability will range.

00:18:41 --> 00:18:42: Uh, you know, from just below market to also shelter units.

00:18:42 --> 00:18:46: units.

00:18:46 --> 00:18:46: It has a whole range of of type of affordability which we think is important.

00:18:46 --> 00:18:50: Uh, as I said, as part of an inclusive neighborhood and community.

00:18:50 --> 00:18:52: Uhm, we are actually under construction and I believe we're recording the 10th floor of the building right now.

00:18:52 --> 00:18:55: And and that this project will be completed.

00:18:55 --> 00:18:56: In a end of next year and soum,

00:18:56 --> 00:19:00: this innovative partnership is really with multiple stakeholders.

00:19:00 --> 00:19:03: So the City Coquitlam, metro Vancouver BC housing see me

00:19:03 --> 00:19:07: see and we also have a nonprofit operator 43 housing that is a fantastic group that we're delighted to have them part of this project so very close to to formally announcing this,

00:19:07 --> 00:19:10: but I don't. We don't mind sharing kind of some of the details that we are working on on on this.

00:19:10 --> 00:19:13: Really innovative partnership at all levels of government.

00:19:13 --> 00:19:17: So I know when I went through quite a bit in a short period time,

00:19:17 --> 00:19:20: but I you know, obviously happy to chat further in the question answer,

00:19:20 --> 00:19:24: so I'll pass the time back to Sasha there. Awesome,

00:19:24 --> 00:19:27: thank you Andrew. And now I will pass things over to Robin to speak more about CMHC.

00:19:27 --> 00:19:29: Thanks very much, Sasha, and thank you indeed to the UI for this opportunity.

00:19:29 --> 00:19:33: And of course I have to thank Andrew as well for inviting me to be part of this presentation and discussion with him today.

00:19:33 --> 00:19:37: Thanks so much and thanks for being such a great

00:19:37 --> 00:19:37: Thanks so much and thanks for being such a great

00:19:37 --> 00:19:41: Thanks so much and thanks for being such a great

00:19:41 --> 00:19:43: Thanks so much and thanks for being such a great

00:19:43 --> 00:19:44: Thanks so much and thanks for being such a great

00:19:44 --> 00:19:47: Thanks so much and thanks for being such a great

00:19:47 --> 00:19:48: Thanks so much and thanks for being such a great

00:19:48 --> 00:19:49: Thanks so much and thanks for being such a great

00:19:49 --> 00:19:53: Thanks so much and thanks for being such a great

00:19:53 --> 00:19:57: Thanks so much and thanks for being such a great

00:19:57 --> 00:19:59: Thanks so much and thanks for being such a great

00:20:11 --> 00:20:15: Thanks so much and thanks for being such a great

00:20:15 --> 00:20:17: Thanks so much and thanks for being such a great

00:20:17 --> 00:20:20: Thanks so much and thanks for being such a great

00:20:20 --> 00:20:24: Thanks so much and thanks for being such a great

00:20:24 --> 00:20:26: Thanks so much and thanks for being such a great

00:20:26 --> 00:20:31: Thanks so much and thanks for being such a great

00:20:31 --> 00:20:32: partner with CMHC.

00:20:32 --> 00:20:36: So it's my pleasure to share a very high level

00:20:36 --> 00:20:40: overview of some of CMHC financing options for affordable housing,

00:20:40 --> 00:20:44: and that will include two direct lending programs that we

00:20:44 --> 00:20:47: have under the National Housing strategy as well as our

00:20:48 --> 00:20:50: mortgage and insurance for affordable housing,

00:20:50 --> 00:20:55: or what we also like to call MLI Flex.

00:20:55 --> 00:20:57: And this one is actually insured,

00:20:57 --> 00:21:01: lending that you do through your lender and CMHC just

00:21:01 --> 00:21:05: ensures the mortgage on that versus the first two programs,

00:21:05 --> 00:21:07: which are actual where CMHC is.

00:21:07 --> 00:21:10: The lender with government funds coming in.

00:21:10 --> 00:21:13: So the first one that I'll talk about today is

00:21:13 --> 00:21:16: the rental construction financing initiative,

00:21:16 --> 00:21:20: or RCFI. And this program is really geared to building

00:21:20 --> 00:21:25: standard rental apartments and geared to middle income affordability.

00:21:25 --> 00:21:28: To enable people to work and live in the same

00:21:28 --> 00:21:32: communities and the National Housing Co.

00:21:32 --> 00:21:35: Investment Fund is or Co investment or Kauai,

00:21:35 --> 00:21:39: as we sometimes call it as another direct lending program

00:21:39 --> 00:21:41: under the National Housing strategy,

00:21:41 --> 00:21:45: and this program is geared more to very deep levels

00:21:45 --> 00:21:47: of social outcomes,

00:21:47 --> 00:21:51: including. Affordability and UM geared to housing some of the

00:21:51 --> 00:21:55: most vulnerable populations come in in the community,

00:21:55 --> 00:21:59: so I'll touch briefly on each of these three.

00:21:59 --> 00:22:03: But just to give you a little bit of context,

00:22:03 --> 00:22:08: first I'll start by just giving you a little bit

00:22:08 --> 00:22:12: of an overview of how we see the housing continuum

00:22:12 --> 00:22:14: for rental housing.

00:22:14 --> 00:22:19: Umso CMHC's whole reason for being over the past couple

00:22:19 --> 00:22:19: of years,

00:22:19 --> 00:22:23: we've kind of redefined our reason for being,

00:22:23 --> 00:22:26: and we're all about affordable housing now,

00:22:26 --> 00:22:31: and we have this bold aspiration that by 2030 everyone

00:22:31 --> 00:22:35: in Canada will have a home that they can afford

00:22:35 --> 00:22:37: and meets their needs.

00:22:37 --> 00:22:41: And we have the the National Housing strategy and various

00:22:41 --> 00:22:45: programs across the housing spectrum to help meet.

00:22:45 --> 00:22:48: This goal. And just took place.

00:22:48 --> 00:22:52: The ones that will be talking about today.

00:22:52 --> 00:22:56: The RC FI&MLI Flex again geared to affordable rental housing.

00:22:56 --> 00:23:00: Uhm, sort of going more to the market.

00:23:00 --> 00:23:04: And if the continuum, the National Housing Co Investment Fund

00:23:04 --> 00:23:08: can also be used for standard standard rental housing.

00:23:08 --> 00:23:11: But it's also there for shelters,

00:23:11 --> 00:23:13: transitional and supportive housing as well.

00:23:13 --> 00:23:16: And for the Co investment fund.

00:23:16 --> 00:23:21: Often because of of the spot in the continuum that

00:23:21 --> 00:23:23: we're working on,

00:23:23 --> 00:23:29: this fund is often accessed by nonprofit housing providers.

00:23:29 --> 00:23:32: So starting with the rental construction financing initiative,

00:23:32 --> 00:23:35: our first direct lending program,

00:23:35 --> 00:23:37: this is a \$25 billion program.

00:23:37 --> 00:23:41: It started as just about 2 1/2 billion back in

00:23:41 --> 00:23:47: 2017 and we've had several successive increases in our budget

00:23:47 --> 00:23:51: through the federal government and we now have a goal

00:23:51 --> 00:23:56: of creating an additional 71,000 rental housing units.

00:23:56 --> 00:24:00: And the point of this program is really to provide

00:24:01 --> 00:24:04: low cost financing to housing providers.

00:24:04 --> 00:24:09: Be whether it's developers or nonprofit organizations or municipalities to

00:24:09 --> 00:24:11: increase to stimulate the demand.

00:24:11 --> 00:24:16: The supply of rental housing across the country and mainly

00:24:16 --> 00:24:20: in the markets where it's most needed.

00:24:20 --> 00:24:23: So this is an 11 year initiative that will be

00:24:23 --> 00:24:27: going until 2028 and some of the goodies that this

00:24:27 --> 00:24:30: program provides is a 10 year fixed rate loan.

00:24:30 --> 00:24:34: Come with some very low rates like Andrew referenced that

00:24:34 --> 00:24:37: sort of key off the Government of Canada.

00:24:37 --> 00:24:40: 10 year bond rate and then we add a few

00:24:40 --> 00:24:44: basis points on top of that to cover our administrative

00:24:44 --> 00:24:45: costs.

00:24:45 --> 00:24:48: And give you a very very low rate.

00:24:48 --> 00:24:51: So this is what attracts most people to the program.

00:24:51 --> 00:24:54: To be honest, is is the low rate,

00:24:54 --> 00:24:57: but we also have the possibility of a 50 year

00:24:57 --> 00:25:01: amortization for those loans and we can go up to

00:25:01 --> 00:25:01: 100%

00:25:01 --> 00:25:04: loan to cost depending on how you're scoring on some

00:25:05 --> 00:25:07: of the requirements that we have come,  
00:25:07 --> 00:25:10: I will be transparent though and say that nobody has  
00:25:10 --> 00:25:12: actually gotten 100%  
00:25:12 --> 00:25:15: loan to cost yet, but we've gotten pretty close up  
00:25:15 --> 00:25:16: into the.  
00:25:16 --> 00:25:20: 9596 ninety 7% loan to cost.  
00:25:20 --> 00:25:24: And one of the other benefits of this particular direct  
00:25:24 --> 00:25:25: lending program,  
00:25:25 --> 00:25:27: as Andrew mentioned as well,  
00:25:27 --> 00:25:29: is that it is CMHC insured.  
00:25:29 --> 00:25:32: The mortgage. So you get that certificate of insurance,  
00:25:32 --> 00:25:37: and there are absolutely no premiums which generally range  
between  
00:25:37 --> 00:25:38: about 2 to 5%  
00:25:38 --> 00:25:41: of the loan amount. So it can be a pretty  
00:25:41 --> 00:25:44: significant saving on that side as well.  
00:25:47 --> 00:25:50: So in order to get some of these goodies,  
00:25:50 --> 00:25:54: as you can imagine, we do have some requirements for  
00:25:54 --> 00:25:57: all of our programs and for all of the National  
00:25:57 --> 00:25:59: Housing strategy programs.  
00:25:59 --> 00:26:02: The social outcomes that we're looking for are affordability,  
00:26:02 --> 00:26:06: energy efficiency and accessibility, and depending on which  
program you're  
00:26:06 --> 00:26:07: looking at,  
00:26:07 --> 00:26:09: whether it's our CFI or Co investment,  
00:26:09 --> 00:26:13: the levels of those social outcomes that are required are  
00:26:13 --> 00:26:14: quite different,  
00:26:14 --> 00:26:17: and I will talk more about that.  
00:26:17 --> 00:26:21: In a minute, the final thing of course that we  
00:26:21 --> 00:26:23: need is a cash flowing,  
00:26:23 --> 00:26:27: financially viable project and in the case of our CFI,  
00:26:27 --> 00:26:30: because this is geared to middle income affordability,  
00:26:30 --> 00:26:34: we will not take any sort of ongoing government subsidies  
00:26:34 --> 00:26:35: into account.  
00:26:35 --> 00:26:38: So if you do have an operating subsidy from BC  
00:26:38 --> 00:26:40: housing for your project,  
00:26:40 --> 00:26:43: that's great, but we will not look at that in  
00:26:44 --> 00:26:45: the underwriting.  
00:26:45 --> 00:26:47: It has to cash flow.  
00:26:47 --> 00:26:52: Without those ongoing subsidies. So one of the things that  
00:26:52 --> 00:26:54: I need to stress here,  
00:26:54 --> 00:26:58: particularly for the RCFI, is that these and the levels

00:26:58 --> 00:27:01: that I'll tell you about in a minute are the  
00:27:01 --> 00:27:06: minimum mandatory requirements just for eligibility to apply  
for the  
00:27:06 --> 00:27:10: program. For our CFI it's become very very competitive.  
00:27:10 --> 00:27:13: The word is out in the industry and there's a  
00:27:13 --> 00:27:15: ton of demand for this program.  
00:27:15 --> 00:27:18: So in order to get what we call prioritized or  
00:27:19 --> 00:27:21: chosen to go forward in underwriting,  
00:27:21 --> 00:27:24: UM, you're going to need to go and above and  
00:27:24 --> 00:27:29: beyond the minimum requirements that we have for the  
program.  
00:27:29 --> 00:27:33: And just as an example of this for our CFI,  
00:27:33 --> 00:27:36: uhm we have a total of 25 points on the  
00:27:36 --> 00:27:40: application and all of those points are awarded for going  
00:27:40 --> 00:27:43: above and beyond those minimum requirements.  
00:27:43 --> 00:27:46: So just meeting the minimums is not going to get  
00:27:46 --> 00:27:48: you anywhere in this program.  
00:27:48 --> 00:27:52: I'm sorry to say so there are a number of  
00:27:52 --> 00:27:55: points 9 out of 25 that you can get for  
00:27:55 --> 00:27:58: affordability in terms of duration.  
00:27:58 --> 00:28:02: The depth of affordability. And the proportion of units you  
00:28:02 --> 00:28:06: can also get additional points for going above and beyond  
00:28:06 --> 00:28:08: on the energy efficiency.  
00:28:08 --> 00:28:11: The accessibility will give you points for collaboration,  
00:28:11 --> 00:28:15: partnerships and other government supports and for being  
transit oriented.  
00:28:15 --> 00:28:18: And just as a bit of a tip,  
00:28:18 --> 00:28:22: if you can get into what we call our tier  
00:28:22 --> 00:28:27: one application sort of category which is 19 or more  
00:28:27 --> 00:28:28: points out of 25,  
00:28:28 --> 00:28:32: that's when you're eligible for up to 100%.  
00:28:32 --> 00:28:36: Don't accost, uhm. And I would suggest that because the  
00:28:37 --> 00:28:41: program is so competitive that you really try your best  
00:28:41 --> 00:28:45: to make it into that tier one or very close  
00:28:45 --> 00:28:49: to it in order to be successful in your application.  
00:28:49 --> 00:28:53: So just a little bit about the process and it  
00:28:53 --> 00:28:57: is an online application process for both the RCFI and  
00:28:57 --> 00:29:00: for the Co Investment Fund,  
00:29:00 --> 00:29:03: and one of the key metrics for applying is that  
00:29:03 --> 00:29:06: your zoning must be enacted.  
00:29:06 --> 00:29:08: When you make your application.  
00:29:08 --> 00:29:12: I would also highly encourage you at this point to  
00:29:12 --> 00:29:15: work with myself or one of my colleagues.

00:29:15 --> 00:29:18: We have teams across the country working with borrowers to  
00:29:18 --> 00:29:22: help them build the strongest application possible for our  
00:29:22 --> 00:29:23: direct  
00:29:22 --> 00:29:23: lending programs.  
00:29:23 --> 00:29:29: Uhm, so the next step would be through the competitive  
00:29:29 --> 00:29:33: prioritization process and come.  
00:29:33 --> 00:29:36: So we had for our CF I we have two  
00:29:36 --> 00:29:37: month Windows.  
00:29:37 --> 00:29:41: You can submit your application anytime and then every two  
00:29:41 --> 00:29:43: months will gather up the applications.  
00:29:43 --> 00:29:46: Look at them against each other and choose the very  
00:29:46 --> 00:29:51: best applications to go forward for that particular prioritization  
00:29:51 --> 00:29:54: period.  
00:29:51 --> 00:29:54: And so you would know within about a month of  
00:29:54 --> 00:29:55: the window closing,  
00:29:55 --> 00:29:59: whether or not you've got a conditional commitment and  
00:29:59 --> 00:30:04: you're  
00:29:59 --> 00:30:04: going forward to underwriting with our service provider  
00:30:04 --> 00:30:06: seeing less.  
00:30:04 --> 00:30:06: So, uh, if you are chosen to go forward to  
00:30:06 --> 00:30:07: underwriting,  
00:30:07 --> 00:30:10: that would be when all the required documentation and third-  
00:30:10 --> 00:30:11: party  
00:30:10 --> 00:30:11: records are required,  
00:30:11 --> 00:30:15: and that takes about 6 to 9 months.  
00:30:15 --> 00:30:18: Uhm, and then the next step after underwriting would be  
00:30:18 --> 00:30:19: the credit approval,  
00:30:19 --> 00:30:23: and then it usually takes another two to three months  
00:30:23 --> 00:30:25: to get the loan agreement in place,  
00:30:25 --> 00:30:29: and then your rate is actually set at the first  
00:30:29 --> 00:30:29: draw,  
00:30:29 --> 00:30:31: and so once you start funding,  
00:30:31 --> 00:30:34: that's when you would say your rate.  
00:30:34 --> 00:30:37: And Please note that if there is any actual cash  
00:30:37 --> 00:30:41: equity required in the project that that has to go  
00:30:41 --> 00:30:44: in first before you take your first draw and set  
00:30:44 --> 00:30:49: your rate. The next program I wanted to touch on  
00:30:49 --> 00:30:52: today is the Co Investment Fund.  
00:30:52 --> 00:30:57: Another direct lending program \$13 billion fund that includes  
00:30:57 --> 00:31:00: both  
00:30:57 --> 00:31:00: low cost repayable loans as well as well as non  
00:31:00 --> 00:31:03: repayable or capital contributions.  
00:31:03 --> 00:31:06: So it is a loan first program and the non



00:31:06 --> 00:31:11: repayable loans or or contributions come into play if the  
 00:31:11 --> 00:31:15: project is just not able to quite debt cover.  
 00:31:15 --> 00:31:21: For example, we may be able to provide some contribution  
 00:31:21 --> 00:31:22: there as well.  
 00:31:22 --> 00:31:25: And just to take a little bit of a closer  
 00:31:26 --> 00:31:30: look at the social outcomes required for these programs for  
 00:31:30 --> 00:31:32: the financial viability.  
 00:31:32 --> 00:31:36: As I mentioned, you can have no ongoing government  
 subsidies  
 00:31:37 --> 00:31:40: taken into account for the cash flow under our CFI.  
 00:31:40 --> 00:31:45: However, under Co investment we will recognize those  
 additional investments  
 00:31:45 --> 00:31:49: by other levels of government and in fact it is  
 00:31:49 --> 00:31:49: required,  
 00:31:49 --> 00:31:51: hence the name Co investment.  
 00:31:54 --> 00:31:57: For affordability, UM, the affordability requirement.  
 00:31:57 --> 00:32:01: And again, these are just the minimum eligibility  
 requirements for  
 00:32:01 --> 00:32:01: Co.  
 00:32:01 --> 00:32:05: Investment is quite a deep affordability requirement that we  
 have.  
 00:32:05 --> 00:32:09: We want 30% of units to be have rents at  
 00:32:09 --> 00:32:10: 80%  
 00:32:10 --> 00:32:12: of the median market rent,  
 00:32:12 --> 00:32:16: so that for Metro Vancouver or would range between about  
 00:32:16 --> 00:32:20: 1000 and \$1500 a month depending on the unit type.  
 00:32:20 --> 00:32:23: For our CFI we use the median.  
 00:32:23 --> 00:32:26: Income to gauge our affordability and so we want 20%  
 00:32:26 --> 00:32:29: of units to have rent set at 30%  
 00:32:29 --> 00:32:34: of median income. And for Metro Vancouver that's just over  
 00:32:34 --> 00:32:37: about \$2200 a month for any unit type.  
 00:32:37 --> 00:32:40: In terms of energy efficiency and Co investment,  
 00:32:40 --> 00:32:42: we're looking for a 25%  
 00:32:42 --> 00:32:46: reduction in energy use and greenhouse gas emissions  
 versus 15%  
 00:32:46 --> 00:32:51: under our CFI. And then for accessibility under Co  
 investment,  
 00:32:51 --> 00:32:55: we're looking at we're looking for 20%  
 00:32:55 --> 00:32:59: of units plus all common areas to be iaccessible versus  
 00:32:59 --> 00:32:59: 10%  
 00:32:59 --> 00:33:04: under our CFI. And just a quick example of one  
 00:33:04 --> 00:33:10: of the projects that was funded under the Co investment  
 00:33:10 --> 00:33:11: project.

00:33:11 --> 00:33:15: This was the expansion of the Union Union Gospel Mission  
00:33:15 --> 00:33:20: women and Family Center expanded from 21 to 135 beds  
00:33:20 --> 00:33:24: and and the addition of 63 units of supportive housing.  
00:33:24 --> 00:33:28: So for this program project we had all three levels  
00:33:28 --> 00:33:33: of government contributing \$14 million from BC housing.  
00:33:33 --> 00:33:35: About \$11 million from CMHC,  
00:33:35 --> 00:33:38: about \$2,000,000 from the City of Vancouver,  
00:33:38 --> 00:33:42: and another 720,000 from Street to Home Foundation.  
00:33:44 --> 00:33:48: Mortgage loan insurance is the last program that I wanted  
00:33:48 --> 00:33:49: to touch on.  
00:33:49 --> 00:33:51: Again, this is not direct lending.  
00:33:51 --> 00:33:55: It's done through your lender CMHC approved lender and  
can  
00:33:55 --> 00:33:59: provide you with additional flexibility in financing higher loan  
to  
00:33:59 --> 00:34:00: values,  
00:34:00 --> 00:34:03: higher leverage, and we will ensure in all areas of  
00:34:03 --> 00:34:07: Canada as a crown corporation you generally can get lower  
00:34:07 --> 00:34:09: interest rates from your lender.  
00:34:09 --> 00:34:13: If you're using an insured product and as Andrew mentioned,  
00:34:13 --> 00:34:17: as well. There is a reduced renewal risk.  
00:34:17 --> 00:34:22: Uh, once the term is up because the mortgage is  
00:34:22 --> 00:34:23: insured.  
00:34:23 --> 00:34:28: For UM, the flexibilities that we offer for affordable projects  
00:34:28 --> 00:34:30: under Emily Emily Flex,  
00:34:30 --> 00:34:34: we have the same market affordability requirements as our  
CFI.  
00:34:34 --> 00:34:39: We have a lower debt coverage ratio that's required.  
00:34:39 --> 00:34:44: A 110 debt coverage compared to 1.2 or 1.3 under  
00:34:45 --> 00:34:47: a market program.  
00:34:47 --> 00:34:51: We have lower premiums about half as much as under  
00:34:51 --> 00:34:52: our market,  
00:34:52 --> 00:34:54: mortgage loan, insurance, and UM,  
00:34:54 --> 00:34:58: as long as there are no additional risks identified in  
00:34:58 --> 00:34:59: the file.  
00:34:59 --> 00:35:02: The full loan under MLI Flex up to 95%  
00:35:02 --> 00:35:06: loan to cost is available at construction completion,  
00:35:06 --> 00:35:08: so there's no rental achievement hold back.  
00:35:08 --> 00:35:12: So just to wrap up the high level overview,  
00:35:12 --> 00:35:16: we saw the rental construction financing initiative and direct  
lending  
00:35:16 --> 00:35:17: program.  
00:35:17 --> 00:35:19: Here to middle income affordability,

00:35:19 --> 00:35:23: standard rental apartments and it has become highly competitive.

00:35:23 --> 00:35:28: The Co Investment Fund or other direct lending Pro program

00:35:28 --> 00:35:34: for more deeply affordable projects geared to vulnerable population and

00:35:34 --> 00:35:37: requires another level of government.

00:35:37 --> 00:35:40: The MLI Flex program are affordable mortgage loan insurance,

00:35:40 --> 00:35:43: is a great backup plan or alternative to RCFI if

00:35:43 --> 00:35:47: you're not able to be successful in your application there.

00:35:47 --> 00:35:51: Because we do have sort of a limited budget.

00:35:51 --> 00:35:55: Uhm, the MLI products can be layered with either of

00:35:55 --> 00:35:57: the direct lending programs as well.

00:35:57 --> 00:36:02: And uhm, Emily Flex can be used for construction and

00:36:03 --> 00:36:06: take out or just for take out only.

00:36:06 --> 00:36:08: So thank you very much for your time and attention

00:36:08 --> 00:36:09: today,

00:36:09 --> 00:36:11: and I look forward to chatting more with Andrew.

00:36:14 --> 00:36:15: Great, thank you so much,

00:36:15 --> 00:36:18: Robin sorry. Here's here's the thing here too.

00:36:18 --> 00:36:21: If you do want to get in touch with myself

00:36:21 --> 00:36:24: or my colleagues and and we can help you through

00:36:24 --> 00:36:27: getting that application together thanks.

00:36:27 --> 00:36:30: Sorry Josh. Sorry,

00:36:30 --> 00:36:33: Robin. Thank you so much and now will will switch

00:36:33 --> 00:36:36: over to our question and answer period.

00:36:36 --> 00:36:39: So Andrew, I know you have a couple questions ready

00:36:39 --> 00:36:40: to go for Robin,

00:36:40 --> 00:36:42: so why don't you go ahead?

00:36:42 --> 00:36:45: Ask two questions and then I'll jump in with some

00:36:45 --> 00:36:47: questions from the audience.

00:36:47 --> 00:36:50: 'cause we certainly started gathering some so far so go

00:36:50 --> 00:36:53: ahead Andrew. Sure, so I'm going to be tough on

00:36:53 --> 00:36:54: your Robin.

00:36:54 --> 00:36:57: I'm just joking but but I I know that many

00:36:57 --> 00:37:00: people have reached out to me asking me about.

00:37:00 --> 00:37:02: Uh, about the different CC programs.

00:37:02 --> 00:37:05: One of the things that when when CC announced that

00:37:05 --> 00:37:09: originally they talked about Shovel ready projects and that was

00:37:09 --> 00:37:13: one where it was tricky for groups like developers like

00:37:13 --> 00:37:16: such as asked to actually have shovel ready projects and

00:37:16 --> 00:37:20: to make sure that we could actually follow the requirements.

00:37:20 --> 00:37:22: Can you maybe shed some light on this on this  
00:37:22 --> 00:37:25: particular point about shovel ready projects?  
00:37:26 --> 00:37:30: Sure, so as I mentioned in the presentation,  
00:37:30 --> 00:37:34: one of the key metrics for applying to our CFI  
00:37:34 --> 00:37:38: is that the zoning is enacted originally,  
00:37:38 --> 00:37:43: we had designed the program thinking that we wanted  
00:37:44 --> 00:37:49: applicants  
00:37:49 --> 00:37:54: to be about six months away from actually starting  
00:37:54 --> 00:37:56: construction,  
00:37:56 --> 00:37:59: but it became clear fairly quickly through comments from  
00:37:59 --> 00:38:00: developers  
00:38:00 --> 00:38:02: such as yourselves and.  
00:38:02 --> 00:38:05: And our experience in the program that this was just  
00:38:05 --> 00:38:06: not doable.  
00:38:06 --> 00:38:08: So we do take a look at our programs every  
00:38:08 --> 00:38:12: year and sort of reassess them and try and improve  
00:38:12 --> 00:38:15: them.  
00:38:15 --> 00:38:16: So one of the things that we we did improve  
00:38:16 --> 00:38:18: about this was allowing applicants to apply a little earlier,  
00:38:18 --> 00:38:21: but we we do generally need that zoning in place.  
00:38:21 --> 00:38:24: But one thing  
00:38:24 --> 00:38:26: that you know, I, I really think it's important to  
00:38:26 --> 00:38:29: acknowledge is that when you heard that feedback,  
00:38:29 --> 00:38:32: and I know I was one of those people but  
00:38:32 --> 00:38:34: also other developers said so.  
00:38:34 --> 00:38:36: Yeah, I, I think we were impressed that CDC was  
00:38:36 --> 00:38:40: ready to pivot because they wanted the project to work  
00:38:40 --> 00:38:40: rather than be stuck on.  
00:38:40 --> 00:38:43: No, this is the rule and so I think you  
00:38:43 --> 00:38:45: heard it well and look at the success of our  
00:38:45 --> 00:38:48: CFI.  
00:38:48 --> 00:38:49: You know in my mind it's a rock star program  
00:38:49 --> 00:38:51: that is really good in creating supply,  
00:38:51 --> 00:38:54: which was that was the intention when when it was  
00:38:54 --> 00:38:56: originally created.  
00:38:56 --> 00:38:58: Another question I had for you is so so you  
00:38:58 --> 00:39:01: you see applicant applications all the time.  
00:39:01 --> 00:39:05: You I I know that I know.  
00:39:05 --> 00:39:05: All the stories I've heard,  
00:39:05 --> 00:39:05: but can you maybe give a sense for the audience?  
00:39:05 --> 00:39:05: What are common mistakes that people make when they  
00:39:05 --> 00:39:05: when  
00:39:05 --> 00:39:05: they submit?

00:39:05 --> 00:39:08: What are things that it's like you know,  
00:39:08 --> 00:39:10: why did they do that?  
00:39:10 --> 00:39:13: That was a mistake and and and it's taking them.  
00:39:13 --> 00:39:15: You know multiple steps backwards.  
00:39:15 --> 00:39:17: Can you give shed some light  
00:39:17 --> 00:39:20: to that? Sure, sure, thanks uhm.  
00:39:20 --> 00:39:23: Uh, I would like to.  
00:39:23 --> 00:39:27: If if there are a lot of mistakes and applications,  
00:39:27 --> 00:39:29: then I'm not doing my job.  
00:39:29 --> 00:39:32: So once again myself and my team and there are  
00:39:32 --> 00:39:35: teams across the country are here to help proponents build  
00:39:35 --> 00:39:38: their applications and avoid those mistakes.  
00:39:38 --> 00:39:42: But that being said, probably the most common mistakes that  
00:39:42 --> 00:39:45: we see are just simply around timing,  
00:39:45 --> 00:39:48: either applying too early. Your zoning is not actually enacted,  
00:39:48 --> 00:39:52: or you haven't quite figured out your project and all  
00:39:52 --> 00:39:53: the details.  
00:39:53 --> 00:39:56: Yet to be able to give us a clear picture  
00:39:56 --> 00:40:00: of what we're going to potentially commit to UM or  
00:40:00 --> 00:40:03: the at the other end of the scale up for  
00:40:03 --> 00:40:06: developers who are not. Maybe as deep pocketed as  
concert,  
00:40:06 --> 00:40:10: and able to carry their construction until the loan funds  
00:40:10 --> 00:40:10: come.  
00:40:10 --> 00:40:13: Sometimes people are applying a little bit too late,  
00:40:13 --> 00:40:16: and then they're in a real panic to take that  
00:40:16 --> 00:40:19: first draw 'cause they want to get going on their  
00:40:19 --> 00:40:22: project and and get things started right?  
00:40:22 --> 00:40:24: So the timing is crucial.  
00:40:24 --> 00:40:26: And it's also, I think,  
00:40:26 --> 00:40:28: really crucial to not to toot my own horn,  
00:40:28 --> 00:40:31: but please do contact myself and my colleagues to help  
00:40:31 --> 00:40:34: you through that application process and help you build the  
00:40:34 --> 00:40:35: strongest application  
00:40:35 --> 00:40:38: possible. You know I can say that for us.  
00:40:38 --> 00:40:40: I mean we have a whole team of people that  
00:40:40 --> 00:40:42: specialize in our CFI within concert,  
00:40:42 --> 00:40:44: but as you know Robin,  
00:40:44 --> 00:40:47: we've worked very closely with your group as well as  
00:40:47 --> 00:40:50: the Toronto team extensively to make sure that our  
application  
00:40:50 --> 00:40:52: really works so you know,  
00:40:52 --> 00:40:54: for all those who are interested in applying to.

00:40:54 --> 00:40:57: To any of this image C programs,  
00:40:57 --> 00:40:59: it is worth your while to explain,  
00:40:59 --> 00:41:03: even conceptually what your idea is to see me see,  
00:41:03 --> 00:41:04: and then they'll tell you.  
00:41:04 --> 00:41:06: Because they've seen 1000 applications,  
00:41:06 --> 00:41:10: they'll tell you whether it's you know it has legs  
00:41:10 --> 00:41:13: or no legs and or worth the deficiency in gaps  
00:41:13 --> 00:41:13: exist.  
00:41:13 --> 00:41:15: So I can't agree with Robin.  
00:41:15 --> 00:41:18: Even you know enough. Related to that point.  
00:41:19 --> 00:41:22: Thanks Andrew, and do you have any other advice that  
00:41:22 --> 00:41:25: you would give to proponents working with Massey or  
applying  
00:41:26 --> 00:41:26: to our CFI?  
00:41:26 --> 00:41:27: Well  
00:41:27 --> 00:41:29: well I would say like you know,  
00:41:29 --> 00:41:31: there's probably 4 things I would you know.  
00:41:31 --> 00:41:34: I would probably say is that and you know it's  
00:41:35 --> 00:41:35: kind of.  
00:41:35 --> 00:41:38: It's a bit trite, but it's like being knowledgeable so  
00:41:38 --> 00:41:41: that you really those who are involved.  
00:41:41 --> 00:41:43: They will. Actually they bring forward the entire project and  
00:41:43 --> 00:41:44: knowledgeable,  
00:41:44 --> 00:41:47: but all components. Be clear about what you want and  
00:41:47 --> 00:41:50: what you want to do and with all the stakeholders.  
00:41:50 --> 00:41:53: Be organized. That means that you've got a.  
00:41:53 --> 00:41:56: You've got to be thoughtful already about all the issues  
00:41:56 --> 00:41:57: that may come up.  
00:41:57 --> 00:41:59: We ran into one issue related to Kip,  
00:41:59 --> 00:42:01: which Robin you may remember.  
00:42:01 --> 00:42:03: It was there's some complexity to the project is we're  
00:42:03 --> 00:42:06: dealing with multiple phases and different airspace rights,  
00:42:06 --> 00:42:09: but as you know what we did was we actually  
00:42:09 --> 00:42:11: called CDC in advance of our application.  
00:42:11 --> 00:42:14: We said here's the issue that we see.  
00:42:14 --> 00:42:16: Here is a solution that we think what do you  
00:42:16 --> 00:42:20: think and the comment that several people from seamlessly  
in  
00:42:20 --> 00:42:21: Toronto said to us was.  
00:42:21 --> 00:42:24: Wow, it's really. I'm really glad that you came out  
00:42:24 --> 00:42:26: with the you identified the problem.  
00:42:26 --> 00:42:29: You actually identified a solution we like that solution.

00:42:29 --> 00:42:32: Go ahead and that means the process way better and  
00:42:32 --> 00:42:34: then probably the last thing is be complete.  
00:42:34 --> 00:42:37: There's so many times where you know what what I've  
00:42:37 --> 00:42:40: heard from other groups is that they haven't completed a  
00:42:40 --> 00:42:41: particular report.  
00:42:41 --> 00:42:43: They're just you know, it's not.  
00:42:43 --> 00:42:45: It's a little bit dated,  
00:42:45 --> 00:42:47: and So what we're always trying to face this to  
00:42:47 --> 00:42:50: make sure we've got a complete current report.  
00:42:50 --> 00:42:52: A set of reports and deliverables.  
00:42:52 --> 00:42:56: And so that those with my 4 sort of suggestions  
00:42:56 --> 00:42:57: for any applicant.  
00:42:57 --> 00:43:00: Because if you don't have those components,  
00:43:00 --> 00:43:03: I don't think you'll have the best chance for success  
00:43:03 --> 00:43:05: on an application.  
00:43:05 --> 00:43:09: And remember, here you're competing wildly with other  
people who  
00:43:09 --> 00:43:12: happen to be competing in the same time period,  
00:43:12 --> 00:43:15: and so there's fierce competition for for this really attractive  
00:43:15 --> 00:43:16: funding.  
00:43:16 --> 00:43:20: Absolutely thank you, Andrew, and thank you for bringing up  
00:43:20 --> 00:43:24: the point about completeness and also about raising any  
complexities  
00:43:24 --> 00:43:26: early on in the process.  
00:43:26 --> 00:43:30: If there's something funky and that's a really technical term  
00:43:30 --> 00:43:31: about your deal,  
00:43:31 --> 00:43:34: tell us right away and that way we can all  
00:43:34 --> 00:43:37: work towards getting a solution to that,  
00:43:37 --> 00:43:41: because as we all know projects these days are getting  
00:43:41 --> 00:43:44: very complex and there's air space parcels.  
00:43:44 --> 00:43:47: There's multiple partners, there's multiple levels of funding  
timelines.  
00:43:47 --> 00:43:50: Everything so thank you, that's absolutely correct.  
00:43:53 --> 00:43:56: Great so I'm. I'm gonna jump in here and just  
00:43:56 --> 00:43:59: throw in some audience questions.  
00:43:59 --> 00:44:01: So the first one we received,  
00:44:01 --> 00:44:02: UM is directed for Robin.  
00:44:02 --> 00:44:07: So under RCFI, what is the minimum score needed to  
00:44:07 --> 00:44:10: be achieved to be considered for funding?  
00:44:10 --> 00:44:12: Speak to that. Sure,  
00:44:12 --> 00:44:16: absolutely, uhm. So that does change depending on you  
know  
00:44:16 --> 00:44:18: where we're at in the program for sure.

00:44:18 --> 00:44:20: As I mentioned in the presentation,  
00:44:20 --> 00:44:24: those sort of minimum requirements that you're going to see  
00:44:24 --> 00:44:28: if you go look at our website or our collateral  
00:44:28 --> 00:44:31: material are really just the eligibility to apply for the  
00:44:31 --> 00:44:34: program in order to get prioritized.  
00:44:34 --> 00:44:37: UM, like I said, you should be trying to shoot  
00:44:37 --> 00:44:40: for about 19 out of 25 points that.  
00:44:40 --> 00:44:44: Tier one status or getting as close to that as  
00:44:44 --> 00:44:46: you possibly can in 1617.  
00:44:46 --> 00:44:49: Eighteen should put you in the running.  
00:44:49 --> 00:44:52: UM, I would advise people not to apply with the  
00:44:52 --> 00:44:54: bare minimum in terms of,  
00:44:54 --> 00:44:58: UM, social outcomes like put your best foot forward when  
00:44:58 --> 00:45:02: when you send an application in because you are going  
00:45:02 --> 00:45:06: to be competing and compared against all the other projects  
00:45:06 --> 00:45:08: from across Canada looking for funding.  
00:45:11 --> 00:45:11: Great  
00:45:11 --> 00:45:14: great thank you. I'm on the second question we have  
00:45:14 --> 00:45:15: here.  
00:45:15 --> 00:45:18: I think this is also for Robin but Andrew.  
00:45:18 --> 00:45:20: Feel free to chime in here as well.  
00:45:20 --> 00:45:22: It's a question about longevity,  
00:45:22 --> 00:45:23: so a financially viable build,  
00:45:23 --> 00:45:25: maybe a teardown in 10 years,  
00:45:25 --> 00:45:29: which is not environmentally environmentally sustainable in  
the long run  
00:45:29 --> 00:45:31: is the longevity of the built one of the metrics  
00:45:31 --> 00:45:32: considered.  
00:45:34 --> 00:45:37: It's not one of the formal metrics that we would  
00:45:37 --> 00:45:38: consider,  
00:45:38 --> 00:45:41: but like we don't have a score for that.  
00:45:41 --> 00:45:44: But I think we would kind of assume that the  
00:45:44 --> 00:45:48: quality buildings that are being built are going to last  
00:45:48 --> 00:45:48: for,  
00:45:48 --> 00:45:51: you know, a good 40 years or so.  
00:45:51 --> 00:45:54: Uhm, we wouldn't expect just a 10 year lifespan for  
00:45:54 --> 00:45:55: a building.  
00:45:55 --> 00:45:59: UM, one of the things that is probably important to  
00:45:59 --> 00:46:00: to bring up as well.  
00:46:00 --> 00:46:02: I'm kind of related to that,  
00:46:02 --> 00:46:06: is that. The intention of this program is for the  
00:46:06 --> 00:46:09: applicant and the owner of the building to hold that



00:46:09 --> 00:46:12: building for at least the 1st 10 year term.

00:46:16 --> 00:46:16: Right,

00:46:16 --> 00:46:19: great thank you Robin. OK so next I have a

00:46:19 --> 00:46:20: question for Andrew Andrew,

00:46:20 --> 00:46:23: what do you look for in a not for profit

00:46:23 --> 00:46:24: partner?

00:46:26 --> 00:46:29: Well that's it. It depends on the project.

00:46:29 --> 00:46:31: Uhm, you know, in Burquitlam,

00:46:31 --> 00:46:34: UM, our goal is to have a array of affordability,

00:46:34 --> 00:46:38: and so everywhere from just below market to shelter rates

00:46:38 --> 00:46:42: and so that brings a different type of resident that

00:46:42 --> 00:46:45: comes in a different set of families and issues that

00:46:45 --> 00:46:48: may come up. And So what we want is a

00:46:48 --> 00:46:51: partner that's going to be a.

00:46:51 --> 00:46:54: I'll call it a they they provide not just the

00:46:54 --> 00:46:55: you know,

00:46:55 --> 00:46:59: obviously the UM. The services to interact with the tenant

00:46:59 --> 00:47:02: and tenant selection and and manage the tenant and and

00:47:02 --> 00:47:04: and collection of the rent.

00:47:04 --> 00:47:08: But we want we would like to partner with people

00:47:08 --> 00:47:12: who have an array of services that support those residents

00:47:12 --> 00:47:14: and in a in a way where it's it's.

00:47:14 --> 00:47:18: It's provides dignity that to that family it doesn't,

00:47:18 --> 00:47:20: it doesn't. It doesn't identify them as different,

00:47:20 --> 00:47:24: but they just have some needs that we can support.

00:47:24 --> 00:47:26: And so there are some great like.

00:47:26 --> 00:47:29: 43 housing is is a superb group that offers a

00:47:29 --> 00:47:33: number of different services that can support these residents.

00:47:33 --> 00:47:36: UM, they also have to be familiar with the city

00:47:36 --> 00:47:39: that you know the often these residents are in the

00:47:39 --> 00:47:40: same neighborhood,

00:47:40 --> 00:47:42: so if they have some history,

00:47:42 --> 00:47:44: let's say within the Tri Cities,

00:47:44 --> 00:47:47: with Brooklyn, that's very helpful to us as well.

00:47:47 --> 00:47:49: And ultimately it in the day.

00:47:49 --> 00:47:51: What's most important to concentrate?

00:47:51 --> 00:47:53: And that's with all stakeholders,

00:47:53 --> 00:47:56: including a non profit is that they align with our

00:47:56 --> 00:47:57: values.

00:47:57 --> 00:47:59: They were there for the long haul.

00:47:59 --> 00:48:02: They're going to do the right thing and and that

00:48:02 --> 00:48:04: they have a great relationship.

00:48:04 --> 00:48:07: Also with not just seeming see but also BC housing  
00:48:07 --> 00:48:07: for example.  
00:48:07 --> 00:48:09: If it's in let's say Vancouver.  
00:48:09 --> 00:48:12: Same thing in Toronto, they have a good relationship with  
00:48:12 --> 00:48:14: the various levels of government.  
00:48:14 --> 00:48:17: That relationship matters. You know BC housing is a very  
00:48:17 --> 00:48:18: important housing provider,  
00:48:18 --> 00:48:21: just like see megsie they enact major change and can  
00:48:21 --> 00:48:25: really make a big difference to to you know people  
00:48:25 --> 00:48:27: and and they're living and so.  
00:48:27 --> 00:48:30: That relationship between the nonprofit and BC housing and  
CBC.  
00:48:30 --> 00:48:34: It's something that we look at very carefully.  
00:48:36 --> 00:48:39: Great, thank you Andrew. That's that's very clear.  
00:48:39 --> 00:48:42: Another question for Robin, does CMHC get out?  
00:48:42 --> 00:48:46: Any preliminary feedback for how likely a project is to  
00:48:46 --> 00:48:47: proceed with the loan?  
00:48:50 --> 00:48:55: Uhm? So. Absolutely I can get if you have some  
00:48:55 --> 00:49:01: complexities on your project that you think might be limiting  
00:49:01 --> 00:49:03: the possibility there,  
00:49:03 --> 00:49:07: I can get some feedback from our CFI team or  
00:49:07 --> 00:49:12: Co investment team on those aspects of the project and  
00:49:12 --> 00:49:15: how we may come to a solution on that,  
00:49:15 --> 00:49:19: UM. And the good thing about with the RC FI  
00:49:19 --> 00:49:23: is once the prioritization session is held,  
00:49:23 --> 00:49:27: you do find out fairly quickly whether you get a  
00:49:27 --> 00:49:29: conditional commitment or not.  
00:49:29 --> 00:49:32: So that's within about a month.  
00:49:32 --> 00:49:36: So for example, we have our window closing on June  
00:49:36 --> 00:49:37: 23rd next week,  
00:49:37 --> 00:49:40: and so within about a month after that.  
00:49:40 --> 00:49:45: Anybody who has submitted their applications would know  
whether or  
00:49:45 --> 00:49:46: not they've been.  
00:49:46 --> 00:49:51: Selected and given a conditional commitment and a  
conditional commitment  
00:49:51 --> 00:49:54: amount as well so and then it would go to  
00:49:54 --> 00:49:56: sort of underwriting after that.  
00:49:59 --> 00:49:59: Great  
00:49:59 --> 00:50:03: great thank you. Sorry, sorry to ask you so many  
00:50:03 --> 00:50:05: questions here,  
00:50:05 --> 00:50:06: but we got another one.  
00:50:06 --> 00:50:09: How do you allocate funding across Canada?

00:50:09 --> 00:50:12: Is there a specific target amount for provinces or cities?  
00:50:14 --> 00:50:18: There isn't a specific target amount for provinces or cities,  
00:50:18 --> 00:50:22: but it's really geared to where the need is greatest.  
00:50:22 --> 00:50:25: So in the case of our CFI,  
00:50:25 --> 00:50:29: UM, it's not one of the factors that is scored  
00:50:29 --> 00:50:30: necessarily,  
00:50:30 --> 00:50:34: but uhm, we would be looking for projects in markets  
00:50:34 --> 00:50:38: where there's a very low vacancy rate,  
00:50:38 --> 00:50:41: so pretty much anywhere in BC is good.  
00:50:45 --> 00:50:45: Awesome,  
00:50:45 --> 00:50:48: awesome. So Robin, I think I'm gonna give you an  
00:50:49 --> 00:50:52: opportunity to ask Andrew a question here so go ahead.  
00:50:56 --> 00:51:00: Under what are your general views on each of the  
00:51:00 --> 00:51:02: programs or CFI MLI,  
00:51:02 --> 00:51:04: Flex and Co investment?  
00:51:05 --> 00:51:08: So as I, as I mentioned the RCF I we  
00:51:08 --> 00:51:10: think is a superb program.  
00:51:10 --> 00:51:13: I wish it had more money.  
00:51:13 --> 00:51:17: Uh, in order to for us to have more of  
00:51:17 --> 00:51:17: it.  
00:51:17 --> 00:51:20: But we recognize that it is super competitive.  
00:51:20 --> 00:51:24: UM, the MLA Flex is a good program as well.  
00:51:24 --> 00:51:28: It's it's probably, I'll call it not as good,  
00:51:28 --> 00:51:31: but still quite good and it and it's and it's  
00:51:31 --> 00:51:34: some restrictions or requirements are fair,  
00:51:34 --> 00:51:38: they're fair requirements and what what I and we certainly  
00:51:38 --> 00:51:39: understand.  
00:51:39 --> 00:51:41: Why CBC is done that.  
00:51:41 --> 00:51:44: Because you can only be a lender for so long  
00:51:44 --> 00:51:48: and the MLI flex allows you to continue to be  
00:51:48 --> 00:51:53: that insurer rather than the lender where where I think  
00:51:53 --> 00:51:56: we have struggled is the Co investment program.  
00:51:56 --> 00:51:59: The Co investment program is a tricky program where in  
00:51:59 --> 00:52:03: order to meet the requirements which are very significant on  
00:52:03 --> 00:52:08: the environmental sustainability on the accessibility  
00:52:08 --> 00:52:11: requirements on the subsidies  
00:52:08 --> 00:52:11: related government you you, you can't actually.  
00:52:11 --> 00:52:13: Finish rezoning and then do it.  
00:52:13 --> 00:52:17: You actually have to do it in advance way the  
00:52:17 --> 00:52:18: advance UM,  
00:52:18 --> 00:52:21: to make sure that the program and what you're planning  
00:52:21 --> 00:52:25: fits that Co investment criteria because it's so significant of

00:52:26 --> 00:52:27: a criteria to actually meet,  
00:52:27 --> 00:52:31: and that's part of the reason why the cone vestment  
00:52:31 --> 00:52:35: doesn't get as much play play from developers and and  
00:52:35 --> 00:52:39: maybe not get the same level of scale that's required,  
00:52:39 --> 00:52:42: and so that's one of the challenges.  
00:52:42 --> 00:52:45: We would love to participate in Co investment,  
00:52:45 --> 00:52:48: but we struggled a great deal to have a project  
00:52:48 --> 00:52:51: which you're struggling to get it done with the city  
00:52:51 --> 00:52:54: and all the different stakeholders there.  
00:52:54 --> 00:52:57: And then hoping that the Convention would still be around.  
00:52:57 --> 00:53:00: Well, as you know, Rezoning take a long time and  
00:53:00 --> 00:53:02: so it's a bit of a chicken and egg we  
00:53:02 --> 00:53:03: find with a Co investment,  
00:53:03 --> 00:53:06: and you know we're still trying to find a way  
00:53:06 --> 00:53:07: to to solve it,  
00:53:07 --> 00:53:10: but I would say the code vestment has been the  
00:53:10 --> 00:53:12: hardest one to to to get our head around.  
00:53:14 --> 00:53:16: Parents. We're here to work with you,  
00:53:16 --> 00:53:19: Andrew. And  
00:53:19 --> 00:53:21: we will find a way if if there's a way,  
00:53:21 --> 00:53:23: well, there's a will. There's a  
00:53:23 --> 00:53:28: way for sure, excellent. Awesome,  
00:53:28 --> 00:53:31: so the next question we have is on timing for  
00:53:31 --> 00:53:35: the total process of the RC FI program for Robin.  
00:53:35 --> 00:53:37: Hopefully you can speak to  
00:53:37 --> 00:53:41: that. Sure, so big picture from application to actually signing  
00:53:41 --> 00:53:43: your loan agreement,  
00:53:43 --> 00:53:46: which by the way is how we count our budget  
00:53:46 --> 00:53:49: is when the loan agreement is signed.  
00:53:49 --> 00:53:53: So that is going to take probably about 9 to  
00:53:53 --> 00:53:54: 12 months.  
00:53:54 --> 00:53:56: All said. And as I said,  
00:53:56 --> 00:54:00: we have these. 60 day prioritization windows up.  
00:54:00 --> 00:54:04: So you will know fairly soon after that whether you're  
00:54:04 --> 00:54:06: going forward or not,  
00:54:06 --> 00:54:10: and then the underwriting process with financial RR service  
00:54:10 --> 00:54:11: provider  
00:54:10 --> 00:54:11: generally takes,  
00:54:11 --> 00:54:15: I would say at least six to nine months to  
00:54:15 --> 00:54:17: get through the underwriting.  
00:54:17 --> 00:54:22: That being said, it does not have to take that  
00:54:22 --> 00:54:23: long.

00:54:23 --> 00:54:25: The team at MLSE is great.

00:54:25 --> 00:54:29: The guy who heads up the local Vancouver team ran

00:54:29 --> 00:54:33: woo Hoo probably many in the audience have worked before

00:54:33 --> 00:54:34: with before.

00:54:34 --> 00:54:37: He's had a lot of construction lending.

00:54:37 --> 00:54:40: He and his team are in underwriting machine.

00:54:40 --> 00:54:43: They can get things done very quickly.

00:54:43 --> 00:54:47: UM. And from our perspective what generally holds up the

00:54:47 --> 00:54:51: underwriting process and makes it take that long is just

00:54:51 --> 00:54:54: the provision of all the documentation.

00:54:54 --> 00:54:57: So that's when we need all of the documentation.

00:54:57 --> 00:54:59: All of the third party reports.

00:54:59 --> 00:55:02: So the quicker that you can get those in,

00:55:02 --> 00:55:04: the quicker the underwriting can get done,

00:55:04 --> 00:55:07: and they can move things through very quickly when they

00:55:07 --> 00:55:08: need to,

00:55:08 --> 00:55:11: and when they have all that documentation.

00:55:11 --> 00:55:15: Uhm, so then the next stage after that is credit

00:55:15 --> 00:55:15: approval.

00:55:15 --> 00:55:19: Once the underwriting is done and that's you know usually

00:55:19 --> 00:55:23: within a couple weeks and then it usually takes another.

00:55:23 --> 00:55:27: I'd say two to three months to get a man,

00:55:27 --> 00:55:30: LOI and then a loan agreement signed and then we

00:55:30 --> 00:55:34: require that the first draw is taken within six months

00:55:34 --> 00:55:36: of the loan agreement being signed.

00:55:36 --> 00:55:41: So all told I would budget if you can about

00:55:41 --> 00:55:42: a year.

00:55:42 --> 00:55:45: It is possible to move it faster than that,

00:55:45 --> 00:55:48: and that's a lot of that is on the proponent.

00:55:52 --> 00:55:57: Awesome, awesome, uh. Another question here on RCA  
Fineco investment

00:55:57 --> 00:56:02: Robin can you highlight the DSCR requirements for these  
programs?

00:56:02 --> 00:56:06: The sorry. The debt coverage ratio recording

00:56:06 --> 00:56:11: yes, of course. OK, so for the GCF it's UM,

00:56:11 --> 00:56:16: the DCR for the residential portion is 1.1 and for

00:56:16 --> 00:56:20: the Co Investment fund is actually 1.0.

00:56:20 --> 00:56:25: Right and there is the availability of that non repayable

00:56:25 --> 00:56:29: loan or contribution to help you get to that point.

00:56:29 --> 00:56:33: .0 debt coverage for nonprofits working through the Co  
Investment

00:56:33 --> 00:56:34: Fund.

00:56:36 --> 00:56:40: Great, thank you Andrew. I've got a question here for

00:56:40 --> 00:56:43: you as you're planning these projects about 10 to 15  
00:56:43 --> 00:56:44: years out.  
00:56:44 --> 00:56:46: What are some changes you are seeing coming in the  
00:56:47 --> 00:56:50: form of construction or development that you're spending a  
lot  
00:56:50 --> 00:56:51: of time talking,  
00:56:51 --> 00:56:53: talking about as a company?  
00:56:54 --> 00:56:57: Well, you know obviously what one thing we were thinking  
00:56:57 --> 00:56:59: about is who's our targets?  
00:56:59 --> 00:57:01: You know what it is?  
00:57:01 --> 00:57:03: It is an affordable housing project.  
00:57:03 --> 00:57:06: Does it make financial sense on it?  
00:57:06 --> 00:57:09: But the big thing that we're talking about is sustainability.  
00:57:09 --> 00:57:12: That is, that that is probably one of the number  
00:57:12 --> 00:57:15: one things that we're looking at,  
00:57:15 --> 00:57:17: and that in accessibility and adaptable suites.  
00:57:17 --> 00:57:20: And that's regardless of the RC FI,  
00:57:20 --> 00:57:24: that's regardless of the requirements by different levels of  
government  
00:57:24 --> 00:57:24: for us.  
00:57:24 --> 00:57:28: We think that that's where the world is going and  
00:57:28 --> 00:57:32: climate change is real and we need to figure out  
00:57:32 --> 00:57:36: how to create an observer building and so for us  
00:57:36 --> 00:57:38: nationally. That's where concerts going,  
00:57:38 --> 00:57:42: and that's really changing how we're looking at the materials  
00:57:42 --> 00:57:46: that were using it is looking at different positioning of  
00:57:46 --> 00:57:47: projects,  
00:57:47 --> 00:57:50: and it does in many cases the costs are rising  
00:57:50 --> 00:57:52: and that impacts feasibility.  
00:57:52 --> 00:57:55: But we do believe that.  
00:57:55 --> 00:57:56: Sustainability is a critical part.  
00:57:56 --> 00:57:59: It will be 1 where it you know we're doing  
00:57:59 --> 00:58:01: it beyond what is required.  
00:58:01 --> 00:58:04: But make no mistake in 5-10 years it will be  
00:58:04 --> 00:58:08: mandatory everywhere and so that that's what we think.  
00:58:08 --> 00:58:11: And so we'd rather be part of the solution and  
00:58:11 --> 00:58:13: being a leader there,  
00:58:13 --> 00:58:16: nationally and and so that and accessibility units are critical  
00:58:16 --> 00:58:17: in our view.  
00:58:21 --> 00:58:24: Great great. Well we have one minute left in this  
00:58:24 --> 00:58:24: webinar.  
00:58:24 --> 00:58:28: I wish we had more time because I still have

00:58:28 --> 00:58:30: a lot of questions to get to so I might  
00:58:31 --> 00:58:33: take one more in if people can hold on up  
00:58:33 --> 00:58:37: and then and then we'll wrap things up.  
00:58:37 --> 00:58:39: So let's see so question for Robin.  
00:58:39 --> 00:58:43: Is there an established schedule for the application windows  
you  
00:58:43 --> 00:58:46: mentioned or is it done based on the number of  
00:58:46 --> 00:58:49: applications that are received in a given time period?  
00:58:51 --> 00:58:56: Uhm, so the like in terms of the initial part  
00:58:56 --> 00:58:57: of the process.  
00:58:57 --> 00:59:02: Come for RCFIA when you're finding out whether you've  
you're  
00:59:02 --> 00:59:04: moving forward or not come.  
00:59:04 --> 00:59:07: It's about the same timeframe.  
00:59:07 --> 00:59:12: We've had some very heavy prioritization sessions where  
we've got  
00:59:12 --> 00:59:16: up to about 40 applications on a 2 on a  
00:59:16 --> 00:59:17: BI monthly basis.  
00:59:17 --> 00:59:21: UM, and we just hold more meetings and.  
00:59:21 --> 00:59:24: Make sure that we get through them all in in  
00:59:24 --> 00:59:27: the first week or two after the prioritization window closes  
00:59:27 --> 00:59:30: so that we can get the news to proponents 'cause  
00:59:30 --> 00:59:33: we know that they want to move forward with their  
00:59:33 --> 00:59:34: project system as possible.  
00:59:34 --> 00:59:36: Whether it's with us or another option.  
00:59:39 --> 00:59:41: Got it OK. Thank you.  
00:59:41 --> 00:59:44: Well with that since we're out of time that concludes  
00:59:44 --> 00:59:47: the Q&A session of this web and R.  
00:59:47 --> 00:59:49: Thank you so much Robin and Andrew.  
00:59:49 --> 00:59:51: So this very informative discussion.  
00:59:51 --> 00:59:53: I'm sure the audience has learned a lot of value  
00:59:53 --> 00:59:57: for valuable information about how concert is building and  
securing  
00:59:57 --> 00:59:59: financing for their rental projects.  
00:59:59 --> 01:00:02: And of course, key takeaways to keep in mind when  
01:00:02 --> 01:00:04: applying for CMHC financing.  
01:00:04 --> 01:00:07: So just another reminder that this this session is recorded  
01:00:07 --> 01:00:09: and the recording will be made available.  
01:00:09 --> 01:00:12: Shortly, but that's everything. So thank you all for joining  
01:00:12 --> 01:00:15: and have a wonderful rest of the day everyone.  
01:00:16 --> 01:00:17: Thank you very much.

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