Canadian Housing Acquisition Fund /
Fonds d'acquisition de logements canadiens
225 Metcalfe Street, suite 300, Ottawa, Ontario, K2P 1P9
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Webinar FAQ – October 2026

Organizational Eligibility and Experience

1. Can a non-profit housing provider qualify if it has less than three years of housing ownership or property management experience but partners with an experienced organization or has a guarantor with at least three years of experience?

Yes. CHAF will consider partnerships. At least one eligible partner must meet the three-year operating experience requirement and financial requirements. Partnerships should generally include shared ownership of the property, unless CHAF approves an alternative eligible structure providing comparable accountability, a property management arrangement alone would not satisfy this requirement.

A formal agreement must clearly establish each partner's responsibilities, decision-making authority and financial liabilities, including asset management oversight, capital planning and delivery, responsibility for funding operating deficits and capital cost overruns, debt servicing, and the management of reserves and any permitted cash-flow distributions.

Where CHAF relies on a partner's experience or financial strength, that partner must assume substantive, ongoing and enforceable commitments.

All partners must be eligible organizations as identified in Section 1 of CHAF's Investment Approach.

2. Could the three years of experience be demonstrated through the collective experience of an organization's Board of Directors, or through support from an external group, like a housing resource group (GRT)?

No. The experience requirement is based on the organization's own operating history and systems, not the experience of individual board members or the support of external partners like GRTs.

3. Could a rural non-profit organization established specifically to acquire properties, but with only two years of operating history, qualify by partnering with another organization, such as a municipal housing office (OH)?

Yes. The newer organization would not qualify on its own, but a partnership with an eligible organization meeting the requirements could be considered. The CRPF is a 30-year program and investments will continue throughout its deployment cycles, if a non-profit organization does not yet meet the eligibility profile due to years of experience, they may qualify in future years.

4. Would a non-profit or land trust that handles asset management and long-term stewardship but oversees a third-party property manager for day-to-day operations qualify based on its operating experience?

Yes. Organizations using third-party property managers can still qualify. Asset management and stewardship responsibilities count toward operating experience.

5. In Ontario, is a local housing corporation that is separate from but owned by the local municipality eligible?

Yes. Local housing corporations may be eligible, subject to standard pre-qualification review.

6. Can private or for-profit capital contribute to a partnership acquisition, how does the eligible applicant restriction apply to funding partnerships?

The recipient organization must be wholly non-profit. However, financing may come from private lenders, CMHC financing, or philanthropic lenders as part of the capital stack.

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Property Eligibility and Requirements

7. If an organization submits an application but needs to move faster on an acquisition than the process allows, can it purchase the property before a decision is made, or would doing so make it ineligible?

No. Purchasing a property outside of CHAF's investment decision process would not be eligible for CRPF funding and any costs associated with the acquisition would not be reimbursed.

8. Are there selection criteria based on the age of the building?

There is no fixed age requirement. However, the CRPF is designed to preserve existing affordability found in older naturally occurring affordable housing rather than newly built properties.

9. Are properties on-reserve eligible?

Potentially. On-reserve acquisition applications will be reviewed case by case because affordability protections may need to be structured differently.

10. Are leasehold interests of 30 to 99 years eligible?

No. Leasehold interests are not eligible.

11. Are air-space parcels based on freehold interests eligible?

Air-space parcels are not automatically excluded but would be reviewed individually due to title and ownership complexities.

12. Could an acquisition involving multiple four-unit properties with different property identification numbers (PIDs) be eligible?

Generally no. Separate four-unit properties would not qualify by being grouped together. Portfolio acquisitions of eligible multifamily properties of 5+ units may be considered.

13. Would institutional-use buildings, such as former convents, or light industrial buildings, such as artists' studios, that have already been converted into residential units qualify?

These types of properties are potentially eligible if they are currently functioning as occupied residential housing and the underlying zoning aligns with the current use.

14. Is the program limited to properties with fully self-contained units, or could rooming houses or hotels/motels rented on a long-term basis qualify, provided the intention is to continue renting them in their current state?

The program requires self-contained units. Rooming houses, SROs and similar properties are not eligible.

15. Is there a maximum proportion of total project costs that can be allocated to renovations?

No. While there is no specific limit, a key consideration is whether the scale of renovations introduces excessive risk or would require tenant displacement or become unsustainable for property operations. Buildings with excessive deferred maintenance or major structural issues may be declined.

16. Will funding be available for existing buildings that require renovations?

Renewal funding will be available only when paired with an eligible acquisition. Stand-alone renovation projects are not eligible.

17. What is the range of acquisition property sizes and prices that CHAF is targeting or considers eligible?

There are no set minimum or maximum purchase prices for properties under the CRPF program. However, purchase prices must reflect fair market value and demonstrate an efficient use of CRPF funding. Properties acquired through the program must contain at least 5 rental residential units, with no maximum limit on the number of units.

18. Does the program have restrictions on how units are leased?

When units are vacated due to natural turnover, they must be rented in alignment with the non-profit's affordability commitments and any specific financing requirements established at time of acquisition. CHAF places no restrictions on who can rent units acquired through the CRPF program but encourages applicants to make best efforts to rent units to persons aligned with the applicant organization's mandate.

19. Can an organization complete Stage 1 pre-qualification even if it does not yet have a specific property in mind?

Yes. CHAF strongly encourages organizations to complete Stage 1 even if they have not identified a property.

20. Can an organization submit multiple proposals during the same Stage 2 intake period? Alternatively, after an organization is pre-qualified, can it submit a property during each intake window, or is it limited to one property?

Each organization may submit *one acquisition application per intake*, covering up to *two properties under a single offer to purchase*. These limits may increase in future intake periods. Larger portfolios may be accepted in exceptional circumstances where significantly concessionary pricing is demonstrated

21. Can a non-profit housing provider apply to acquire multiple properties from the same seller and, if successful, transfer individual properties to other non-profit organizations?

Generally no. However, applicants may work with sellers and other eligible organizations to help protect the properties through separate acquisitions.

22. Can CHAF pre-qualify an investment opportunity without a specific non-profit buyer identified? For example, could a building that appears to meet the eligibility criteria be pre-approved, subject to acquisition by a suitable non-profit organization?

Not yet, however CHAF is developing a property submission portal that could allow suitable opportunities to be submitted and circulated to pre-qualified organizations.

23. Can a non-profit housing provider submit an application if its eventual goal is to redevelop an existing 20-unit building into 60 affordable units within the next three to five years?

Preservation of affordability remains a primary objective of the CRPF, but redevelopment may be considered when the building is no longer sustainable to operate in its current form on a case-by-case basis if tenant protections are maintained. This process would be subject to application and approval by CHAF.

Financing, Loans and Funding

24. Can you provide more information about the repayable portion of the fund? How will the repayable and forgivable portions work together, and in what proportions?

CHAF provides a combination of Repayable and Forgivable Loans, with the amount and mix tailored to each acquisition. There is no fixed per-unit grant amount or prescribed ratio between the two.

The **Repayable Loan** provides long-term, concessionary financing, generally with interest-only payments over a ten-year term. It is structured to keep annual debt payments affordable, with principal expected to be repaid through refinancing at maturity. The **Forgivable Loan** helps address the remaining funding gap, including acquisition and eligible capital renewal costs, and is subject to program conditions.

CHAF works with non-profit organizations and lending partners to determine the appropriate balance based on the property's affordability, operating income, debt-servicing capacity, purchase price and other available funding sources.

25. What are the terms of the investment, including the interest rate, term and loan-to-value ratio?

CHAF takes a flexible approach to financing, working with non-profit organizations and lending partners to develop a capital structure that supports the acquisition and long-term financial sustainability of each property.

Financing generally includes an interest-only Repayable Loan with a ten-year term, typically in second position behind a senior mortgage. CHAF offers **concessionary**

financing at interest rates significantly below market, helping reduce debt-servicing costs and improve financial sustainability. Financing will generally also include a Forgivable Loan to address remaining funding gaps.

Loan amounts and leverage are determined through property-specific underwriting, considering operating income, debt-servicing capacity, purchase price and applicable lending requirements. Combined loan-to-value ratios may reach 95%, subject to applicable limits, but will vary by transaction.

Where private financing is unavailable or uneconomical, CHAF may act as the sole lender, providing the full acquisition financing through a combination of a Repayable Loan and a Forgivable Loan, without a separate senior mortgage.

Our objective is to provide affordable, coordinated financing that enables acquisitions while preserving financial flexibility for non-profit housing providers.

26. Where will the funding for forgivable loans come from? Will it be provided directly from the FALC funding envelope, including for projects in Quebec?

Yes. The forgivable financing comes directly from the CHAF/CRPF funding envelope through Build Canada Homes and is available nationally, including Quebec.

27. Does CHAF provide financial resources to cover due diligence activities and reports?

Yes. Eligible due diligence costs associated with the acquisition of a property may be reimbursed, subject to applicable funding limits and program requirements. Expenses must be directly related to the acquisition, reasonable and supported by appropriate documentation, including invoices and proof of payment.

Consultant fees and brokerage fees are not eligible for reimbursement. Applicants are encouraged to confirm eligible expenses with CHAF before incurring costs.

28. Can applicants include a feasibility study in their budget?

No. This is not an eligible acquisition expense.

29. Would partial funding from city- or province-specific acquisition programs, such as BC Builds or Toronto's MURA, be eligible to be combined with CHAF funding for the same project?

Yes. CHAF encourages layering with other acquisition programs.

30. Is there potential for synergies with funding from Build Canada Homes or other government programs?

Yes. CHAF is actively exploring opportunities to coordinate funding from multiple sources, including other federal, provincial and municipal programs.

This may include combining CRPF financing with other loans, capital contributions and complementary funding to support acquisitions and capital renewal.

CHAF welcomes opportunities to work with funding partners to align approvals, financing and project timelines. Any combined funding arrangement must meet the eligibility requirements of the respective programs, avoid duplication of funded costs and support the property's long-term financial sustainability.

Affordability and Operating Agreements

31. What affordability criteria will be used? Will they be based on Build Canada Homes (BCH), the Canada Mortgage and Housing Corporation (CMHC), or other parameters?

CHAF uses a holistic approach that considers CMHC measures, Build Canada Homes affordability criteria, area median household income, local affordability definitions, census data and market conditions.

A detailed description of how CHAF considers affordability is provided in CHAF's Investment Approach.

32. The eligibility criteria indicate that properties subject to an operating funding agreement are ineligible. Does this mean a project with a proposed operating subsidy paid by the municipality to lower rents for tenants would be ineligible?

Not necessarily. Properties subject to existing operating funding agreements are ineligible, and acquisitions must be financially sustainable without ongoing operating subsidies. However, certain forms of support introduced after acquisition, such as tenant-based rent supplements or portable housing benefits, may be acceptable where they do not create an ongoing funding dependency for the property.

We encourage applicants to discuss proposed arrangements with CHAF early so their eligibility can be assessed on a case-by-case basis.

33. Although CHAF does not provide operating funding, could an operating agreement or subsidies from another government or entity be considered as part of a proposal's viability?

Yes. CHAF may consider other sources of financial support, including municipal property tax relief, capital contributions and tenant-based rent supplements, where they are supported by firm, long-term commitments that strengthen the property's financial sustainability.

These arrangements will be assessed on a case-by-case basis and must be consistent with program eligibility requirements, including the restriction on properties dependent on ongoing operating funding.

Application Process, Timelines and Decisions

34. What are the deadlines for the initial Stage 1 pre-qualification intake and the first Stage 2 proposal intake?

The first submission deadline for stage 2 will occur during the final two weeks of November. Subsequent submission deadlines for Stage 2 will occur approximately every two months. There is no deadline for Stage 1 pre-qualification intake, which remains open on an ongoing basis.

35. How often is the shortlist of eight properties established during Stage 2?

Approximately every two months.

36. If a project is not shortlisted within the two months after submission, must the applicant reapply, or will the proposal roll over into the next cycle for reconsideration?

Proposals that are not shortlisted do not automatically carry forward to the next intake. Applicants are welcome to resubmit in a future intake and are encouraged to contact CHAF beforehand to discuss feedback and any changes that could strengthen their proposal.

37. Once an organization is pre-qualified under Stage 1 and submits a property for acquisition, does CHAF revisit and reassess the original Stage 1 application as part of the property review process?

CHAF will review the information provided in the organization's Stage 1 application to ensure all relevant materials are current, including audited financials, board and staff composition, or if there has been a material change to the organization's governance. CHAF may request the submission of updated materials to review alongside the Stage 2 application.

38. Does CHAF provide substantive feedback on applications that applicants can use to improve a future submission if their initial application is unsuccessful?

Yes. CHAF will provide feedback to unsuccessful applicants, including those not shortlisted at Stage 2, to help them understand the reasons for the decision and identify opportunities to strengthen future submissions. This may include feedback on eligibility, financial viability, affordability outcomes and alignment with program priorities.

39. When can applicants expect a decision, and how quickly would funding be allocated?

Investment decisions are made approximately 8 to 11 weeks after Stage 2 shortlisting and commencement of due diligence.

40. When is the first Investment Committee meeting scheduled, and what is the deadline for submitting all required documentation?

The first Investment Committee meeting is expected at the end of January 2027. Once Stage 2 applications are shortlisted, those applicants will submit materials on a staggered basis with all interim deadlines communicated at the outset of the due diligence period. Stage 1 pre-qualification remains open on a continuous basis and has no application deadline.

41. How long does pre-qualification remain valid?

Prequalification remains valid for the duration of the CRPF program, provided the organization continues to meet the program's eligibility requirements. When submitting a Stage 2 application, prequalified organizations may be asked to provide updated financial statements, portfolio and staffing information, as well as declarations confirming their continued good standing and eligibility.

Material changes to an organization's financial position, governance or operating capacity may require CHAF to reassess its prequalification status.

Geographic Distribution and Investment Strategy

42. Does CHAF have a distinct rural and urban evaluation process? Will there be equitable funding opportunities for organizations looking to invest in small and mid-sized centres?

CHAF uses a consistent evaluation framework across Canada, while recognizing that acquisition opportunities, market conditions and financing capacity vary considerably between rural, smaller and larger urban communities.

Our Stage 2 assessment takes a holistic approach, considering affordability, financial viability, organizational capacity, geographic distribution and the effective use of funding. This allows us to account for regional differences, including smaller acquisition sizes, limited access to private financing and varying levels of existing affordability.

CHAF does not establish fixed regional funding allocations. Instead, we aim for equitable investment outcomes across Canada, ensuring that strong acquisition

opportunities in small and mid-sized communities can compete fairly alongside those in larger urban centres.

More information on our approach to geographic equity is available in CHAF's Investment Approach.

Acquisition Opportunities and Interim Financing

43. Between organizational pre-qualification and property qualification, including the development of the financing structure and CMHC MLI Select financing, the process may take long enough for an acquisition opportunity to be lost to another private buyer. Are there agreements with other funds to provide interim financing once an organization has received initial qualification, helping secure the acquisition while the remaining steps are completed?

CHAF does not currently have a formal arrangement with other funds to provide interim financing following Stage 1 prequalification. Prequalification does not constitute a funding commitment, and acquisitions supported by CHAF cannot close before receiving Investment Committee approval.

We recognize that timing is critical in a competitive acquisition market. CHAF is working closely with lending partners and CMHC to establish an expedited underwriting and financing pathway, including access to MLI Select, to help non-profit organizations compete with private buyers. Our approach is to coordinate property assessments, due diligence, financing approvals and closing timelines as efficiently as possible.