



The Appraisal Institute of Canada (AIC) welcomes new measures by Canada Mortgage and Housing Corporation (CMHC) to ensure the rigor, health, and accessibility of Canada's housing lending system.

Canada's housing agency has asked the country's tax authority to take a "more direct and formal role" verifying income claimed on mortgage applications, part of a two-year plan to tackle mortgage fraud

Unlike tax authorities in the United States and the United Kingdom, the Canada Revenue Agency (CRA) does not verify income for lenders, even with taxpayer's consent.

CMHC is concerned about systemic risk posed by mortgage fraud. The agency has said repeatedly that there is little evidence of widespread fraud in Canada, but it also says data are limited.

One issue flagged in the CMHC plan is the Canada Revenue Agency's website, where taxpayers can print a copy of their notice of assessment, showing reported income. The report says the notice of assessment is "easily falsified."

Keith Lancaster, CEO of AIC expressed his support for the initiative: "As technology continues to evolve, so too can the risks of fraud. While Canada's housing lending policy is among the most robust in the world, ensuring access to housing for as many Canadians as possible while minimizing risk to individuals and the financial system requires regulators and all stakeholders to continually work to maintain the health of the system."

CMHC also recently announced changes to help self-employed Canadians own their own homes.

Self-employed Canadians are key contributors to strong and vibrant communities and make up about 15% of Canada's population. However, they may have difficulty qualifying for a mortgage as their incomes may vary or be less predictable.

In line with the [National Housing Strategy](#)'s mission to address the housing needs of all Canadians, CMHC is making a number of changes aimed at giving lenders more guidance and flexibility to help self-employed borrowers. AIC President Peter Mclean believes the move by CMHC is a positive one: "Balancing risk-mitigation with ensuring fair and inclusive access to housing lending is an ongoing challenge. AIC applauds CMHC's steps towards making housing accessible to Canadians with non-traditional employment arrangements. AIC is committed to working with all stakeholders to support a housing market that is healthy, accessible and that manages risk responsibly, for the benefit of borrowers, lenders and all Canadians."



ABOUT AIC

The Appraisal Institute of Canada (AIC) is a leading real property valuation association with over 5,400 members across Canada. Established in 1938, the AIC works collaboratively with its 10 provincial affiliated associations to grant the distinguished Accredited Appraiser Canadian Institute (AACI™) and Canadian Residential Appraiser (CRA™) designations. AIC Designated Members are highly qualified, respected professionals who undertake comprehensive curriculum, experience and examination requirements. Our members provide unbiased appraisal, appraisal review, consulting, reserve fund study, machinery and equipment and mass appraisal services within their areas of competence. For more information, go to www.AICanada.ca and follow AIC on [LinkedIn](#), [Twitter](#), [Facebook](#) and the [AIC Exchange](#).