Letter

Title	Mortgage Insurer Capital Adequacy Test (MICAT) 2025 - Letter
Category	Capital Adequacy Requirements
Date	November 21, 2024
Sector	Property and Casualty Companies
Reference	Guideline for Federally Regulated Mortgage Insurers

Today, the Office of the Superintendent of Financial Institutions (OSFI) is publishing a revised Mortgage Insurer Capital Adequacy Test (MICAT) guideline that will come into force on January 1, 2025.

This revised MICAT reflects changes made to the multi-unit (MU) residential mortgage insurance capital requirements. MU residential properties are rental buildings with at least five housing units.

With these changes, OSFI is seeking to ensure the MICAT covers the MU residential mortgage risk profiles, and that an insurer has adequate capital levels to mitigate risks in the business of MU residential mortgage insurance.

Should you have any questions, please contact Paul Van Walleghem (paul.vanwalleghem@osfi-bsif.gc.ca), Senior Specialist, Insurance Capital and Liquidity Standards Division, Risk Advisory Hub.

Sincerely,

Amar Munipalle

Executive Director, Risk Advisory Hub