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CMHC to Update Multi-Unit Mortgage Loan Insurance Premiums

Ottawa, July 3, 2025

Every year, **Canada Mortgage and Housing Corporation (CMHC)** reviews premiums to ensure our products are appropriately priced based on loan risk, capital requirements, and to ensure CMHC can continue to offer these products no matter the economic climate.

As a result of the annual review, CMHC is updating both the [premium structure and premium rates](#) for multi-unit mortgage loan insurance (MU MLI).

Effective July 14, 2025, a standardized approach will be applied to all MU MLI products, including MLI Select, with premiums adjusted to reflect the specific risk characteristics of the loan being insured, such as lower down payments or new construction projects.

In addition, a new premium discount schedule for MLI Select applications will be implemented, reducing the total premium paid based on the level of social outcomes achieved by the borrower, such as affordability, accessibility, or energy efficiency. Current premium surcharges will remain unchanged.

These changes will allow CMHC to continue to offer valuable product features such as longer amortizations and lower down payments, while the revised structure offers more options for borrowers to choose from based on their project financing needs.

CMHC is also introducing these changes to align with new capital requirements set out by the Office of the Superintendent of Financial Institutions. The revised Mortgage Insurer Capital Adequacy Test (MICAT) guideline requires CMHC to have more capital in reserve based on the risk and volume of mortgage loans it insures.

CMHC's multi-unit mortgage loan insurance products are an important part of Canada's housing finance system, allowing lenders to offer reliable funding for multi-unit rental investment. These premium changes will allow CMHC to continue to offer MU MLI products and encourage lenders to finance the building of new rental supply at a time when it is so vital to housing needs.

Key Facts

- As the only provider of mortgage loan insurance for multi-unit residential properties in Canada, CMHC supports the construction, purchase and refinancing of multi-unit rental properties.
- Over the last 10 years CMHC has insured more than 1.5M purpose-built rental units, more than 340,000 of which were new construction. And the demand continues to grow.
- CMHC's multi-unit mortgage loan insurance products have, and will continue to have, advantages over conventional financing, including lower down payments, access to better interest rates, and longer amortizations.
- Based on a sample \$15.6M, 48-unit new construction loan insured under MLI Select, a borrower would still see a savings of approximately 12% on their monthly mortgage payment compared to a conventional mortgage loan. The same borrower would also save \$3M on their down payment requirements.

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