

Mortgage Insurance Programme

1. Amendments to the Mortgage Insurance Programme:

Loan-to-value (LTV) ratio Threshold / Application Requirement	Regular Salaried (First-time Homebuyers)	Others
(1). Properties value below HK\$4 million	Maximum 90%	Maximum 80%
(2). Properties value between HK\$4 million and HK\$4.5 million	Maximum 80% -90% (Maximum HK\$3.6 million)	Maximum 80%
(3). Properties value between HK\$4.5 million and HK\$6 million	Maximum 80%	Maximum 80%
(4). Not available to borrowers whose income is mainly derived from outside of HK [#] (The amendments are updated on 16 Oct 2019)	NIL	NIL

Loan-to-value (LTV) ratio Threshold / Application Requirement (For completed residential properties)	Regular Salaried (First-time Homebuyers)	Others
(1). Properties value below HK\$8 million	Maximum 90%	Maximum 80%
(2). Properties value between HK\$8 million and HK\$9 million (Maximum HK\$7.2 million)	Maximum 80% -90%	Maximum 80%
(3). Properties value between HK\$9 million and HK\$10 million	Maximum 80%	Maximum 80%
(4). Not available to borrowers whose income is mainly derived from outside of HK [#] (The amendments are updated on 16 Oct 2019)	NIL	NIL

For the purpose of processing MIP applications, any application with applicant(s) currently working outside Hong Kong (hereinafter "Overseas Income Applicant(s)") and contributing over 50% of the verified household income (of the application) will not be accepted unless the applicant can provide any one of the following documents:

1. Justification with documentary proof, subject to the HKMCI's satisfaction, showing the employment relationship of the Overseas Income Applicant and a local employer;
2. Declaration from the Overseas Income Applicant confirming his/her immediate family member (i.e. spouse, parents or descendants) is residing in Hong Kong.

2. Loan-to-value Ratio (LTV) caps

Value of property	Residential property				Commercial & industrial properties, & Car parks	
	Owner-occupied		Non-self-use Or Company held			
	Applicants whose income is mainly derived		Applicants whose income is mainly derived		Applicants whose income is mainly derived	
	in Hong Kong	from outside of Hong Kong	in Hong Kong	from outside of Hong Kong	In Hong Kong	from outside of Hong Kong
For borrower or guarantor with <u>no other outstanding mortgages</u>						
<u>Debt Servicing Ratio (DSR) based Lending</u>						
Properties value below HK\$10 million	60% (subject to a loan cap of HK\$5 million)	50% (subject to a loan cap of HK\$4 million)	50%	40%	50%	40%
Properties value above HK\$10 million	50%	40%				
<u>Net Worth-based Lending</u>						
Regardless of value	40%				40%	
For borrower or guarantor with <u>one or more outstanding mortgages</u>						
<u>DSR-based Lending</u>						
Properties value below HK\$10 million	50% (subject to a loan cap of HK\$4 million)	40% (subject to a loan cap of HK\$3 million)	40%	30%	40%	30%
Properties value above HK\$10 million	40%	30%				
<u>Net Worth-based Lending</u>						
Regardless of value	30%				30%	

3. Debt Servicing Ratio (DSR) limits



Residential property / Commercial & industrial properties / Car parks					
Owner-occupied			Non-self-use		
Applicants whose income is mainly derived			Applicants whose income is mainly derived		
in Hong Kong		from outside of Hong Kong		from outside of Hong Kong	
Maximum 90%	Maximum 80% (2 nd Mortgage provided by Property Developer: ≥20%)	in Hong Kong	in Hong Kong	in Hong Kong	from outside of Hong Kong
For borrower or guarantor with <u>no other outstanding mortgages</u>					
Base DSR limit	50%	45%	40%	40%	30%
Stressed DSR limit (Assuming a 300-basis point hike in interest rate)	60%	55%	50%	50%	40%
For borrower or guarantor with <u>one or more outstanding mortgages</u>					
Base DSR limit	40%	35%	30%	40%	30%
Stressed DSR limit (Assuming a 3% hike in interest rate)	50%	45%	40%	50%	40%