

# Mortgage Insurance Programme

## 1. Amendments to the Mortgage Insurance Programme:

Completed residential properties and properties under construction	Regular Salaried (First-time Homebuyers)	Others
(1). Properties value below HK\$4 million	<b>Maximum 90%</b>	<b>Maximum 80%</b>
(2). Properties value between HK\$4 million and HK\$4.5 million	<b>Maximum 80% -90%</b> (Maximum HK\$3.6 million)	<b>Maximum 80%</b>
(3). Properties value between HK\$4.5 million and HK\$6 million	<b>Maximum 80%</b>	<b>Maximum 80%</b>
(4). Not available to borrowers whose income is mainly derived from outside of HK <sup>#</sup> (The amendments are updated on 16 Oct 2019)	NIL	NIL

Applicable to completed residential properties only	Regular Salaried (First-time Homebuyers)	Others
(1). Properties value below HK\$10 million	<b>Maximum 90%</b>	<b>Maximum 80%</b>
(2). Properties value above HK\$10 million and below HK\$11.25 million (subject to a loan cap of HK\$9 million)	<b>Maximum 80% -90%</b>	<b>Maximum 80%</b>
(3). Properties value HK\$11.25 million and up to HK\$12 million	<b>Maximum 80%</b>	<b>Maximum 80%</b>
(4). Properties value above HK\$12 million and up to HK\$19.2 million (subject to a loan cap of HK\$9.6 million)	<b>Maximum 50% -80%</b>	<b>Maximum 80%</b>
(5). Not available to borrowers whose income is mainly derived from outside of HK <sup>#</sup> (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
<b>For borrower or guarantor with <u>no other outstanding mortgages</u></b>						
<u>Debt Servicing Ratio (DSR) based Lending</u>						
Properties value below HK\$10 million	<b>60%</b> (subject to a loan cap of HK\$5 million)	<b>50%</b> (subject to a loan cap of HK\$4 million)	<b>50%</b>	<b>40%</b>	<b>50%</b>	<b>40%</b>
Properties value above HK\$10 million	<b>50%</b>	<b>40%</b>				
<u>Net Worth-based Lending</u>						
Regardless of value	<b>40%</b>				<b>40%</b>	
<b>For borrower or guarantor with <u>one or more outstanding mortgages</u></b>						
<u>DSR-based Lending</u>						
Properties value below HK\$10 million	<b>50%</b> (subject to a loan cap of HK\$4 million)	<b>40%</b> (subject to a loan cap of HK\$3 million)	<b>40%</b>	<b>30%</b>	<b>40%</b>	<b>30%</b>
Properties value above HK\$10 million	<b>40%</b>	<b>30%</b>				
<u>Net Worth-based Lending</u>						
Regardless of value	<b>30%</b>				<b>30%</b>	

### 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

Maximum  
90%

Maximum 80%  
(2<sup>nd</sup> Mortgage  
provided by Property  
Developer: ≥20%)

from outside  
of Hong Kong

in Hong Kong

from outside of  
Hong Kong

#### For borrower or guarantor with no other outstanding mortgages

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 one or more outstanding mortgages

Base DSR limit

40%

35%

30%

40%

30%

Stressed DSR limit

(Assuming a 3% hike in  
interest rate)

50%

45%

40%

50%

40%