

# 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	<b>Maximum 80% -90%</b> (subject to a loan cap of HK\$9 million)	<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	<b>Maximum 50% -80%</b> (subject to a loan cap of HK\$9.6 million)	<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	
For borrower or guarantor with <u>no other outstanding mortgages</u>							
Debt Servicing Ratio (DSR) based Lending							
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%					
Net Worth-based Lending							
Regardless of value	40%				40%		
For borrower or guarantor with <u>one or more outstanding mortgages</u>							
DSR-based Lending							
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%					
Net Worth-based Lending							
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

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 200-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 2% hike in  
interest rate)

50%

45%

40%

50%

40%