

**MORTGAGE INSURANCE PROGRAMME**

**85% MIP Cash-out Refinancing Loan  
With Maximum Loan Amount Up to HK\$5 Million**

Description: Insurance Eligibility Criteria for Floating Rate Mortgages up to HK\$5 million with Loan-to-Value ratio above the 60% LTV up to and including 85% and secured on completed private residential properties.

**The Insurance Eligibility Criteria are summarised below:**

Product type	Floating Rate Mortgages  (Note: Not applicable to Fixed Adjustable Rate Mortgages)
Maximum loan amount at origination	HK\$5,000,000  Only fully amortising mortgage Loans are eligible for Cover.  Mortgage loans with balloon payments, payment holidays and Deferred Principal Repayment Loans are not eligible for cover.
Determination of Loan-to-value (“LTV”) ratio:	85%  (may exceed 85% to the extent the Premium is financed by the mortgage loan)
Minimum LTV Threshold	60%
Maximum original term to maturity	25 years
Maximum sum of “remaining term to maturity” and “age of Property” at origination and throughout the life of the mortgage loan	75 years  (subject to case by case approval where it exceeds 50 years)
Borrower type	Personal customers
Type of property	The property must be a residential properties located in Hong Kong.  Properties under construction are not eligible for coverage.  Village House (property registered in the name of a “Tso”,

	<p>“Tong” in New Territories are not eligible for Cover in MIP) may be considered on a case-by-case basis.</p>
Employment Type	<p>Non-regular salaried / self-employed persons are not eligible for cover, except for self-employed professionals such as medical practitioners, barristers, solicitors, or certified public accountants qualified to practise in Hong Kong or other professional categories acceptable to the HKMC.</p>
Owner occupancy	<p>At least one of the income generating Borrower(s)/Mortgagor(s) / Guarantor(s)* must physically live in the Property and use the Property as his / her primary residence while Cover is maintained, or until such requirement is waived at the discretion of the HKMC and its reinsurers.</p> <p>The occupying Borrower / Mortgagor / Guarantor’s* income must not be less than the sum of monthly mortgage instalment payment and his/her other monthly debt obligations.</p> <p>*Guarantor must be the immediate family member or fiancé of Borrower or Mortgagor.</p>
Premium rates	<p>Single and Annual premium payment option (with no premium refund arrangement).</p>
Refinancing	<p>If the intended mortgage Property was purchased within 2 years of the date of the application (based on the date of formal sale and purchase agreement), the value of the Property for the purposes of calculating the maximum LTV ratio shall be the lesser of (i) the appraised value of the Property<sup>#</sup>; (ii) the purchase price of the Property as stated in the relevant sale and purchase agreement; and (iii) the purchase price of the Property as stated in the relevant assignment.</p> <p>If the intended mortgage Property was purchased 2 or more years prior to the date of the application (based on the date of formal sale and purchase agreement), the value of the Property for the purposes of calculating the maximum LTV ratio shall be the appraised value of the Property<sup>#</sup>.</p> <p><sup>#</sup> The HKMC reserves the right to re-verify the appraised value of the Property.</p>

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