

## **Press Release**

### **Extension of the Reverse Mortgage Programme to Subsidised Sale Flats with Unpaid Land Premium**

The Hong Kong Mortgage Corporation Limited (HKMC) announced today (Thursday) the extension of the Reverse Mortgage Programme (RMP) to subsidised sale flats with unpaid land premium (The Enhancement). The Enhancement offers more seniors and retirees with an additional financial planning option.

The HKMC held a launch ceremony for The Enhancement today with the attendance of representatives from banks, supporting organisations and the media. Executive Director and Chief Executive Officer of the HKMC, Mr Raymond Li, said, “To secure a stream of steady cash flow is very important to the retirement planning of the owners of both private and subsidised properties. RMP is able to provide a stream of steady cash flow while allowing the participants to reside in their own homes during their lifetime. The extension of the RMP to subsidised sale flats with unpaid land premium will benefit more seniors and retirees who want to enhance their quality of life.”

The subsidised sale flats with unpaid land premium covered in The Enhancement must be under the Home Ownership Scheme, Private Sector Participation Scheme, Tenants Purchase Scheme and Green Form Subsidised Home Ownership Pilot Scheme of the Hong Kong Housing Authority (HA), and the Flat-For-Sale Scheme, Sandwich Class Housing Scheme and

## Subsidised Sale Flats Projects of the Hong Kong Housing Society (HS).

Owners of subsidised sale flats with unpaid land premium who are interested in applying for the RMP should be aged 60 or above according to the policies of the HA and the HS. The appraised property value is determined as the open market value minus the applicable land premium. The other major eligibility criteria and programme features under The Enhancement are the same as those applicable to private residential properties. Banks have obtained consent from the HA or the HS for the creation of mortgage under the RMP, interested applicants are not required to apply for separate consents. Applicants also do not need to apply through any intermediaries. They can contact participating banks direct.

Many owners of subsidised sale flats have showed their interest and made preparation in advance to submit applications even before the launch of The Enhancement today. The HKMC has already approved two applications on the first day of launch. To enable more owners of subsidised sale flats to understand the benefits of the RMP, the HKMC will partner with the participating banks to organise a series of promotional activities to introduce the programme, including placing advertisements and holding roving exhibitions at specific shopping centres.

The Hong Kong Mortgage Corporation Limited

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Photo caption (1):

The RMP is extended to subsidised sale flats with unpaid land premium. Executive Director and Chief Executive Officer of the HKMC, Mr Raymond Li (third from right) and representatives from seven RMP participating banks attended the launch ceremony of The Enhancement.



Photo caption (2):

Executive Director and Chief Executive Officer of the HKMC, Mr Raymond Li, said, “The extension of the RMP to subsidised sale flats with unpaid land premium will benefit more seniors and retirees who want to enhance their quality of life.”