

MORTGAGE INSURANCE PROGRAMME

Starter Homes Pilot Project for Hong Kong Residents eResidence and Starter Homes Project for Hong Kong Residents eResidence Tower 3

Description: Insurance Eligibility Criteria for Floating Rate Mortgages with Loan-to-Value ratio above 70% up to and including 90% and secured on properties of Starter Homes Pilot Project for Hong Kong Residents eResidence and Starter Homes Project for Hong Kong Residents eResidence Tower 3. This table is applicable to mortgage loans (i) with provisional sale and purchase agreement signed on or after 16 October 2024 and (ii) for properties under construction where the provisional sale and purchase agreements were signed previously and the properties are scheduled for completion on or after 16 October 2024.

Note:

For the avoidance of doubt, all MIP applications must comply with the applicable circulars and requirements of the HKMA.

The Insurance Eligibility Criteria are summarised below:

Product type	Floating Rate Mortgages 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.
Maximum Loan-to-value (LTV) ratio	90% (may exceed the respective LTV ratio to the extent the Premium is financed by the mortgage loan) The purchase price must exclude the value of any incentives offered by the relevant vendor or any other third party to the Borrower / Mortgagor in relation to the purchase of the Property.
Maximum debt-to-income (DTI) ratio at origination	50%
Maximum original term to maturity	30 years

Maximum sum of “remaining term to maturity” and “age of Property” at origination and throughout the life of the mortgage loan	75 years
Borrower type	Personal customers
Type of property	The property must be a residential property located in Hong Kong under Starter Homes Pilot Project and Starter Homes Project.
Premium rates	<p>Single and annual premium payment option, no premium refund arrangement under annual premium payment option.</p> <p>(Refer to the details of Premium Rate Sheet - for Loans under subsidised housing - Table 2)</p> <p>For those applications complied with the “Eligibility Criteria for 80% Mortgage Insurance Programme (for property value^{##} up to HK\$6 million)”, refer to the details of Premium Rate Sheet - for Loans under subsidised housing - Table 1</p> <p>For properties under subsidised housing for the purpose of refinancing, refer to the details of Premium Rate Sheet – for Loans under subsidised housing - Table 1R to Table 2R</p>
Down payment	The down payment for the purchase of the Property must be paid from the Borrower / Mortgagor’s own assets and must not be financed by any loan or banking / credit facility.

^{##} the lower of (a) the appraised value of the Property and (b) the purchase price of the Property as stated in the sale and purchase agreement (less the amount of any incentive). (b) is not applicable to refinancing loans.

October 2024

Note: The Mortgage Insurance Programme is operated by HKMC Insurance Limited (Enquiry hotline: 2536 0136).