

Residential mortgage loans in negative equity
September quarter 2006

Annex

Key Extrapolated Results ¹ of the Survey of Residential Mortgage Loans in Negative Equity

(End of period figures)	Sep-06	Jun-06	Mar-06	Dec-05	Sep-05
Total outstanding number	8,813	8,777	9,193	10,983	9,056
As % of total mortgage borrowers	2%	2%	2%	2%	2%
Total outstanding value (HK\$ billion)	15	15	16	19	16
As % of total outstanding value	3%	3%	3%	4%	3%
Value of unsecured portion (HK\$ billion)	2	2	2	2	2
Loan-to-value ratio	113%	113%	113%	113%	114%
Weighted average interest rate	BLR-1.12%	BLR-1.04%	BLR-1.03%	BLR-1.08%	BLR-0.86%

Note:

1. Based on 23 surveyed authorized institutions (AIs) accounting for about 98% of the industry total. The reduction of surveyed AIs from 24 in September 2005 is due to bank consolidation and so does not affect the coverage.