

Residential Mortgage Survey
Results of Survey for December 2010

(Value in HK\$ million)

	<u>December 2010</u>	<u>November 2010</u>
1. <u>New loans drawn down during the month</u>		
a. Value	31,013	27,873
M-o-M % change	11.3%	11.1%
b. Number	14,016	12,130
2. <u>New loans approved during the month</u>		
a. Value	28,940	37,576
M-o-M % change	-23.0%	22.0%
b. Number	12,879	16,230
c. Average size	2.25	2.32
d. Loan-to-value ratio (%)	57.1	58.0
e. Contractual life (months)	277	278
f. Loans associated with co-financing schemes		
- Value	35	37
- Number	10	15
g. Type of property transaction		
- Value		
- Primary market	2,012	3,422
- Secondary market	19,575	25,164
- Refinancing	7,353	8,990
- Number		
- Primary market	378	780
- Secondary market	8,872	11,126
- Refinancing	3,629	4,324
h. New loans approved during the month but not yet drawn		
- Value	19,730	27,735
- Number	8,679	12,131
i. Number of applications (cases)	14,416	23,060
3. <u>Outstanding loans</u>		
a. Value	740,253	731,328
M-o-M % change	1.2%	1.2%
Y-o-Y % change	15.5%	14.8%
b. Loans associated with co-financing schemes		
Government-funded schemes:		
- Value	14,483	14,996
- Number	27,389	28,042
Schemes offered by the private sector:		
- Value	8,385	8,768
- Number	6,184	6,483
c. Delinquency ratio (%)		
- More than 3 months	0.01	0.02
- More than 6 months	0.01	0.01
d. Rescheduled loan ratio (%)	0.04	0.04
4. <u>Loans written off</u>		
a. Value of loans written off during the month	0	1
b. Loans written off over the past 12 months		
- Value	53	61
- As % of the average outstanding loans	*	*
5. <u>Interest rates on new loans approved during the month</u>		
a. With reference to BLR	9.4%	7.6%
(Breakdown is shown on an absolute interest rate basis)		
of which:		
Less than 2%	0.0%	0.0%
2% to less than 2.25%	4.3%	3.1%
2.25% to less than 2.5%	1.7%	1.5%
2.5% to less than 2.75%	1.1%	0.9%
2.75% to less than 3%	0.8%	0.7%
3% to less than 3.25%	0.4%	0.3%
3.25% to less than 3.5%	0.3%	0.3%
3.5% to less than 3.75%	0.2%	0.2%
3.75% to less than 4%	0.3%	0.1%
4% or more	0.3%	0.5%
b. With reference to HIBOR	90.0%	91.8%
c. Fixed rate	0.0%	0.0%
d. Others	0.6%	0.6%

Abbreviation:

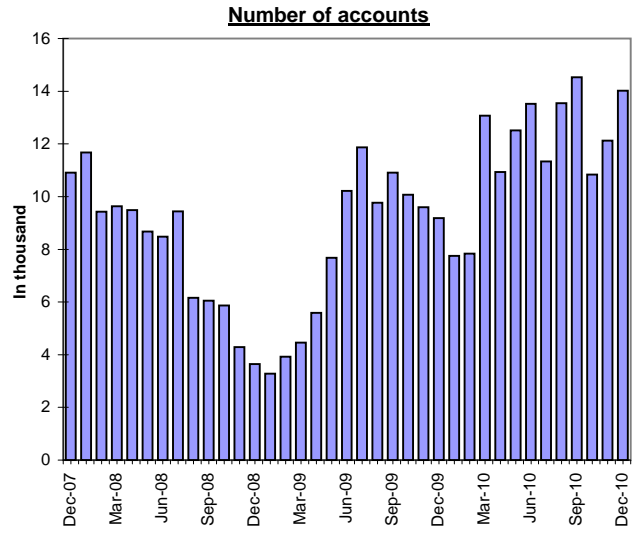
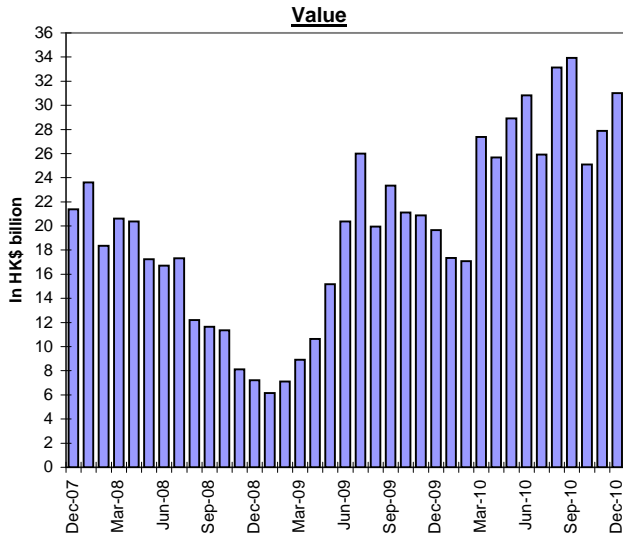
BLR refers to the best lending rate.

HIBOR refers to Hong Kong interbank offered rate.

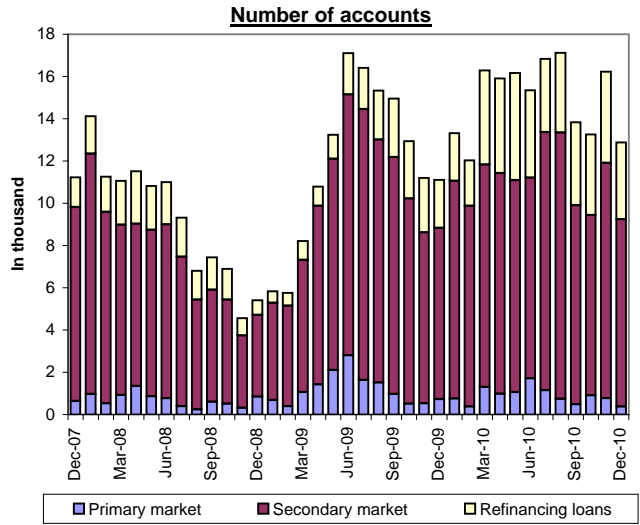
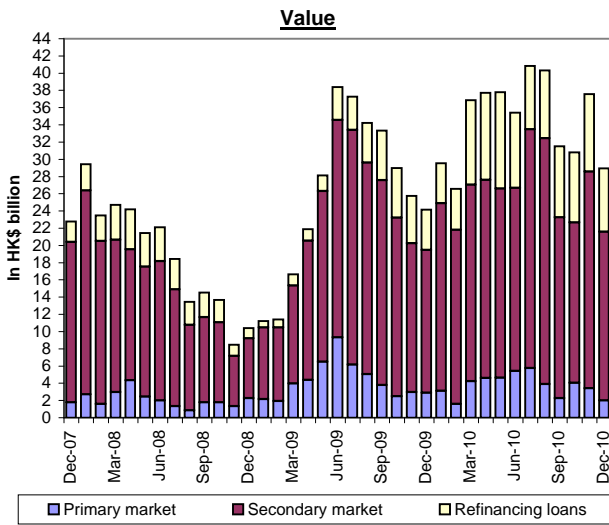
* less than 0.05%

Residential Mortgage Loans in Hong Kong

New Loans Drawn Down During the Month



New Loans Approved During the Month



Residential Mortgage Survey

Notes to Annex

1. **Residential mortgage loans** (RMLs) of the authorized institutions covered in this survey represent about 98% of the banking sector.
2. **RMLs** in this survey are loans (including refinancing loans) to private individuals for the purchase of residential properties, including uncompleted units, but other than those properties under the Home Ownership Scheme, the Private Sector Participation Scheme and the Tenants Purchase Scheme.
3. **New loans approved** are mortgage loans approved during the surveyed month. The loans can either be drawn down in the same month or in the following months. Loans that are approved but not yet drawn, which have implications for the amount of gross new loans made in the following months, are shown under the item "New loans approved during the month but not yet drawn".
4. **Delinquency ratio** is measured by a ratio of total amount of overdue loans to total outstanding loans.
5. **Rescheduled loan ratio** is measured by a ratio of total amount of rescheduled loans to total outstanding loans.
6. **Co-financing schemes** refer to those schemes that involve the provision of top-up finance by property developer(s) or other co-financier(s) in addition to mortgage loans advanced by authorized institutions. For loans associated with co-financing schemes, only the portion of loans advanced by reporting institutions is included in this survey.
7. **Average loan-to-value ratio and average contractual life** for new loans approved during the surveyed month are average figures weighted by the amount of new loans approved during the surveyed month by individual reporting institutions.
8. **Loans written off** over the past 12 months as a percentage of the average outstanding loans is calculated as: total value of loans written off during the past 12-month period as a percentage of the average outstanding loan value over the 12-month period [i.e. (opening + closing) ÷ 2].