

Maximum Specified Property Value for Payout Calculation

Appraised Property Value	Maximum Specified Property Value for Payout Calculation
\leq HK\$8 million	100% of appraised property value (maximum HK\$8 million)
> HK\$8 million to \leq HK\$12 million	80% of appraised property value (HK\$8 million – HK\$9.6 million)
> HK\$12 million to \leq HK\$16 million	70% of appraised property value (HK\$9.6 million – HK\$11.2 million)
> HK\$16 million	60% of appraised property value (HK\$11.2 million – HK\$15 million*)

* For any property valued at HK\$25 million or above, the maximum specified property value for payout calculation will be capped at HK\$15 million.

Example 1:

Under the new arrangement, a 70-year-old single borrower with a HK\$15 million property (maximum specified property value = HK\$10.5 million) will receive a monthly payout up to HK\$32,550 for a life-payment term, 31.25% up from HK\$24,800 under the existing arrangement.

Example 2:

Under the new arrangement, a couple both aged 70 with a HK\$28 million property (maximum specified property value = HK\$15 million) will receive a monthly payout up to HK\$69,000 for a 10-year payment term, 87.5% up from HK\$36,800 under the existing arrangement.

Annex B

Table of Monthly Payout for Borrowers Aged 55 and 60

Payment Term	Monthly Payout Per HK\$1 Million Specified Property Value			
	One Borrower		Two Borrowers	
	55 years old	60 years old	55 years old	60 years old
10 years	\$3,200	\$3,700	\$2,800	\$3,300
15 years	\$2,400	\$2,800	\$2,150	\$2,500
20 years	\$2,050	\$2,400	\$1,800	\$2,100
Life	\$1,650	\$2,000	\$1,450	\$1,800

Example 1:

A 55-year-old single borrower with a HK\$4 million property* will receive a monthly payout of HK\$6,600 for a life payment term

Example 2:

A couple both aged 55 with a HK\$4 million* property will receive a monthly payout of HK\$7,200 for a 20-year payment term

* HK\$4 million is close to the average property price for Reverse Mortgage cases.

Annex C

Monthly Payouts for Borrowers Aged 55 with Different Property Values

Payment Term	10 Years		15 Years		20 Years		Life	
Specified Property Value (HK\$)	One Borrower	Two Borrowers	One Borrower	Two Borrowers	One Borrower	Two Borrowers	One Borrower	Two Borrowers
\$4 million	\$12,800	\$11,200	\$9,600	\$8,600	\$8,200	\$7,200	\$6,600	\$5,800
\$8 million	\$25,600	\$22,400	\$19,200	\$17,200	\$16,400	\$14,400	\$13,200	\$11,600
\$9.6 million	\$30,720	\$26,880	\$23,040	\$20,640	\$19,680	\$17,280	\$15,840	\$13,920
\$11.2 million	\$35,840	\$31,360	\$26,880	\$24,080	\$22,960	\$20,160	\$18,840	\$16,240
\$15 million	\$48,000	\$42,000	\$36,000	\$32,250	\$30,750	\$27,000	\$24,750	\$21,750