

Key Eligibility Criteria

Eligible borrower(s)	Owners of properties of all subsidised housing schemes, aged 50 or above, who require premium settlement to the HA, HS or the Government
Property ownership status	All owners (as joint tenants) of the subject property must join in as mortgagors and borrowers under the PLIS
Maximum number of co-borrowers	3
The maximum amount of specified property value for calculation of the maximum lump-sum loan amount	For appraised property value (APV) of <ul style="list-style-type: none"> (a) HK\$8 million or less: 100% of APV (b) Over HK\$8 million to HK\$12 million: higher of 80% of APV and HK\$8 million (c) Over HK\$12 million to HK\$16 million: higher of 70% of APV and HK\$9.6 million (d) Over HK\$16 million: higher of 60% of APV and HK\$11.2 million, but capped at HK\$15 million
The maximum age of the property	50 years (Properties of over 50 years will be considered on a case-by-case basis)

Annex B

The indicative percentage of the maximum lump-sum loan amount to SPV at different entry age

Entry Age at Closing (based on the age of the youngest borrower, if applicable)	The indicative percentage of the maximum lump-sum loan amount to SPV at Closing (% and round to the nearest decimal place)		
	One-Person	Two-Person	Three-Person
50	17.9	15.5	13.6
60	25.2	22.2	19.7
65	29.6	26.4	23.6
70	34.7	31.2	28.1
80	46.4	42.8	39.2

Example:

If a 65-year-old single borrower chooses the floating-rate mortgage plan of the PLIS, the maximum loan amount will be around 30% of the SPV. If the same borrower chooses the fixed-rate mortgage plan, the maximum loan amount can be increased by around 15%.

Cost payable by the borrowers under the PLIS

Interest expense	The HKMC will offer both floating-rate and fixed-rate mortgage plans. Tentatively, the interest rate of the floating-rate mortgage plan is set at the Hong Kong Prime Rate minus 2.5% per annum. The interest rate of the fixed-rate mortgage plan will be announced at a later stage.
Mortgage insurance premium	<p>The mortgage insurance premium is divided into 2 parts and the amount payable by the borrowers will be debited to the outstanding loan balance.</p> <p>(a) The Upfront Mortgage Insurance Premium is set at 2% of the SPV and be charged to the PLIS loans on the date of the closing of the loan</p> <p>(b) The Monthly Mortgage Insurance Premium is payable on a monthly basis at the annual rate of 1.5% of the outstanding loan amount</p>
Other fees	Legal fee for execution of mortgage deed, administration fee for application of premium assessment and building inspection fee, if any. Borrowers are also allowed to finance the fees relating to the application of the PLIS and premium payments of their subsidised flats in the PLIS loans.