

**Residential Mortgage Survey
Results of Survey for December 2006**

(Value in HK\$ million)

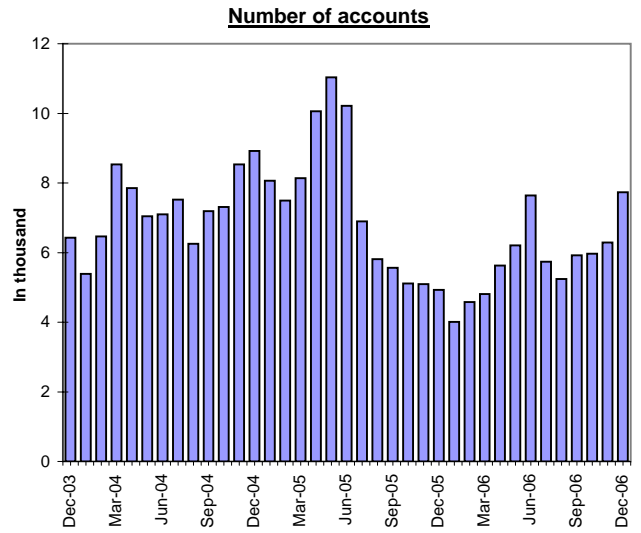
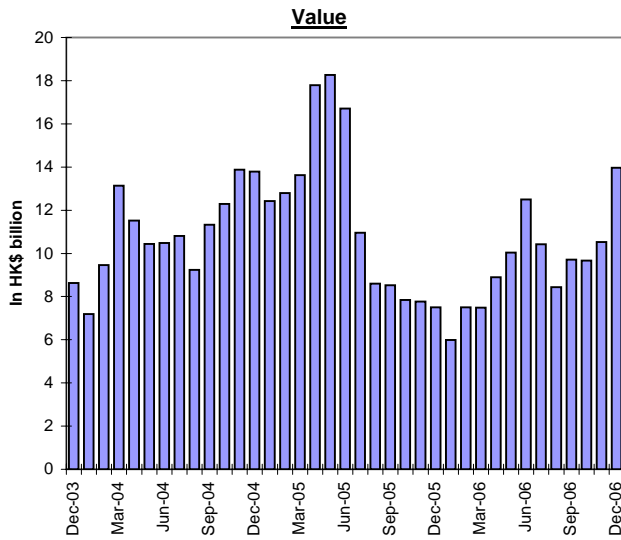
	<u>December 2006</u>	<u>November 2006</u>
23 authorized institutions		
1. <u>New loans drawn down during month</u>		
a. Value	13,972	10,526
M-o-M % change	32.7%	8.9%
b. Number	7,732	6,291
2. <u>New loans approved during month</u>		
a. Value	13,333	15,669
M-o-M % change	-14.9%	33.2%
b. Number	7,599	8,326
c. Average size	1.75	1.88
d. Loan-to-value ratio (%)	60.5	60.1
e. Contractual life (months)	242	241
f. Loans associated with co-financing schemes		
- Value	570	417
- Number	431	302
g. Type of property transaction		
- Value		
- Primary market	4,046	4,794
- Secondary market	6,632	7,290
- Refinancing	2,654	3,585
- Number		
- Primary market	1,689	1,582
- Secondary market	4,112	4,502
- Refinancing	1,798	2,242
h. New loans approved during month but not yet drawn		
- Value	7,944	11,394
- Number	4,774	5,776
i. Number of applications (cases)	10,502	13,501
3. <u>Outstanding loans</u>		
a. Value	529,358	526,204
M-o-M % change	0.6%	0.0%
Y-o-Y % change	-0.7%	-1.7%
b. Loans associated with co-financing schemes		
Government-funded schemes:		
- Value	37,658	38,179
- Number	53,253	53,732
Schemes offered by the private sector:		
- Value	24,826	25,404
- Number	15,982	16,294
c. Delinquency ratio (%)		
- More than 3 months	0.20	0.19
- More than 6 months	0.10	0.10
d. Rescheduled loan ratio (%)	0.26	0.28
4. <u>Loans written off</u>		
a. Value of loans written off during month	43	27
b. Loans written off over the past 12 months		
- Value	491	528
- As % of the average outstanding loans	0.1	0.1
5. <u>Interest margin on new loans approved during month</u>		
a. More than 2.5% below BLR	61.0%	54.8%
b. More than 2.25% and up to 2.5% below BLR	1.5%	1.5%
c. More than 2% and up to 2.25% below BLR	1.0%	1.2%
d. More than 1.75% and up to 2% below BLR	1.0%	0.8%
e. More than 1.5% and up to 1.75% below BLR	0.4%	0.4%
f. More than 1.25% and up to 1.5% below BLR	0.3%	0.3%
g. More than 1% and up to 1.25% below BLR	0.1%	0.1%
h. More than 0.75% and up to 1% below BLR	0.2%	0.2%
i. More than 0.5% and up to 0.75% below BLR	0.1%	0.0%
j. More than 0.25% and up to 0.5% below BLR	0.0%	0.0%
k. More than 0% and up to 0.25% below BLR	0.0%	0.0%
l. At BLR	0.1%	0.2%
m. Above BLR	0.1%	0.1%
n. Fixed rate	0.0%	0.1%
o. Others	34.2%	40.3%

Abbreviation:

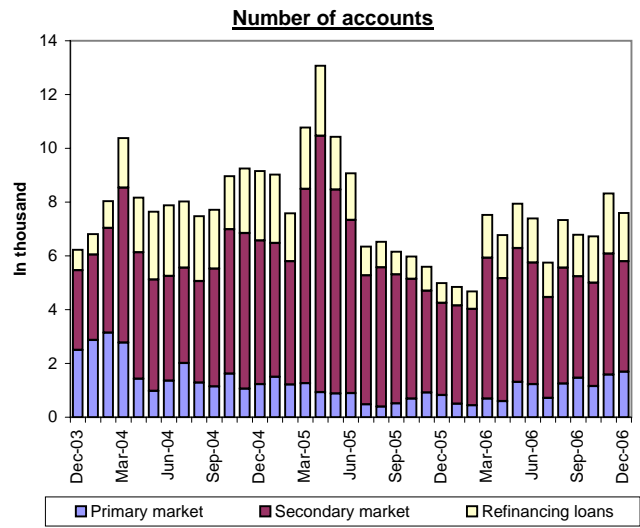
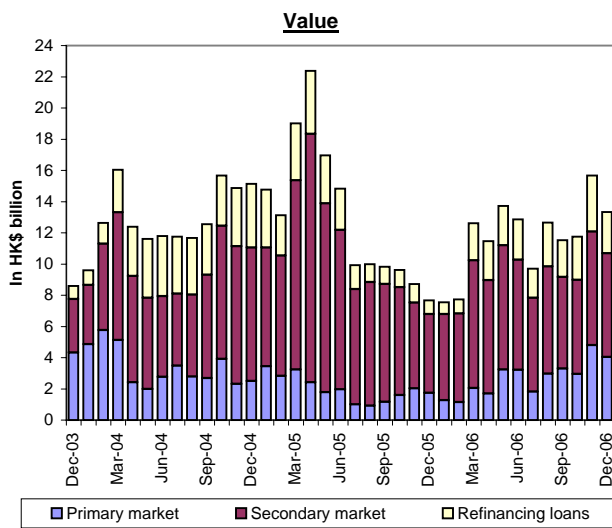
BLR refers to the best lending rate.

Residential Mortgage Loans in Hong Kong (23 authorized institutions)

New Loans Drawn Down During Month



New Loans Approved During Month



Residential Mortgage Survey

Notes to Annex

1. The Residential Mortgage Survey is a continuous monthly survey covering 23 authorized institutions in the banking industry.
2. **Residential mortgage loans** (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. **Gross new loans made** are new mortgage loans drawn down during the surveyed month.
4. **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 month but not yet drawn".
5. **Delinquency ratio** is measured by a ratio of total amount of overdue loans to total outstanding loans.
6. **Rescheduled loan ratio** is measured by a ratio of total amount of rescheduled loans to total outstanding loans.
7. **Co-financing schemes** refer to those schemes that involve 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.
8. **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.
9. **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].