

**Residential Mortgage Survey
Results of Survey for November 2008**

(Value in HK\$ million)

| | November 2008 | October 2008 |
|---|----------------------|---------------------|
| 23 authorized institutions | | |
| 1. <u>New loans drawn down during the month</u> | | |
| a. Value | 8,121 | 11,344 |
| M-o-M % change | -28.4% | -2.6% |
| b. Number | 4,287 | 5,864 |
| 2. <u>New loans approved during the month</u> | | |
| a. Value | 8,476 | 13,658 |
| M-o-M % change | -37.9% | -5.9% |
| b. Number | 4,554 | 6,890 |
| c. Average size | 1.86 | 1.98 |
| d. Loan-to-value ratio (%) | 60.7 | 61.5 |
| e. Contractual life (months) | 255 | 261 |
| f. Loans associated with co-financing schemes | | |
| - Value | 37 | 108 |
| - Number | 17 | 63 |
| g. Type of property transaction | | |
| - Value | | |
| - Primary market | 1,333 | 1,770 |
| - Secondary market | 5,831 | 9,311 |
| - Refinancing | 1,311 | 2,577 |
| - Number | | |
| - Primary market | 316 | 511 |
| - Secondary market | 3,419 | 4,930 |
| - Refinancing | 819 | 1,449 |
| h. New loans approved during the month but not yet drawn | | |
| - Value | 5,701 | 8,889 |
| - Number | 3,100 | 4,481 |
| i. Number of applications (cases) | 7,436 | 9,365 |
| 3. <u>Outstanding loans</u> | | |
| a. Value | 599,998 | 599,973 |
| M-o-M % change | 0.0% | 0.5% |
| Y-o-Y % change | 8.2% | 9.2% |
| b. Loans associated with co-financing schemes | | |
| Government-funded schemes: | | |
| - Value | 25,785 | 26,598 |
| - Number | 40,777 | 41,804 |
| Schemes offered by the private sector: | | |
| - Value | 15,847 | 16,133 |
| - Number | 11,782 | 11,952 |
| c. Delinquency ratio (%) | | |
| - More than 3 months | 0.05 | 0.05 |
| - More than 6 months | 0.02 | 0.02 |
| d. Rescheduled loan ratio (%) | 0.13 | 0.13 |
| 4. <u>Loans written off</u> | | |
| a. Value of loans written off during the month | 52 | 7 |
| b. Loans written off over the past 12 months | | |
| - Value | 171 | 138 |
| - As % of the average outstanding loans | * | * |
| 5. <u>Interest margin on new loans approved during the month</u> | | |
| a. More than 2.5% below BLR | 15.0% | 51.7% |
| b. More than 2.25% and up to 2.5% below BLR | 8.8% | 18.3% |
| c. More than 2% and up to 2.25% below BLR | 19.6% | 10.0% |
| d. More than 1.75% and up to 2% below BLR | 22.9% | 7.7% |
| e. More than 1.5% and up to 1.75% below BLR | 8.6% | 2.9% |
| f. More than 1.25% and up to 1.5% below BLR | 8.4% | 1.6% |
| g. More than 1% and up to 1.25% below BLR | 1.4% | 0.4% |
| h. More than 0.75% and up to 1% below BLR | 2.7% | 0.8% |
| i. More than 0.5% and up to 0.75% below BLR | 0.2% | 0.2% |
| j. More than 0.25% and up to 0.5% below BLR | 0.6% | 1.1% |
| k. More than 0% and up to 0.25% below BLR | 0.3% | 0.2% |
| l. At BLR | 0.9% | 0.7% |
| m. Above BLR | 1.6% | 0.6% |
| n. Fixed rate | 0.0% | 0.0% |
| o. Others | 9.0% | 3.8% |

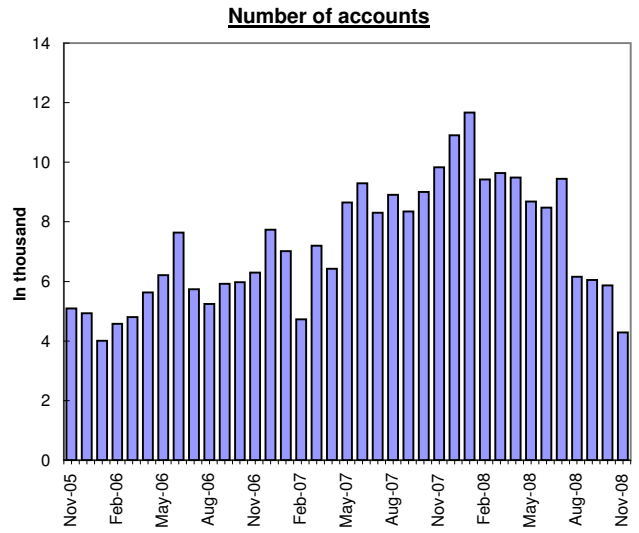
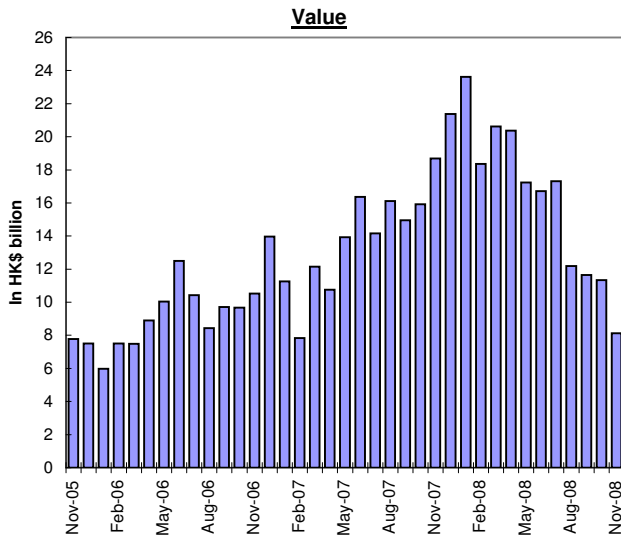
Abbreviation:

BLR refers to the best lending rate.

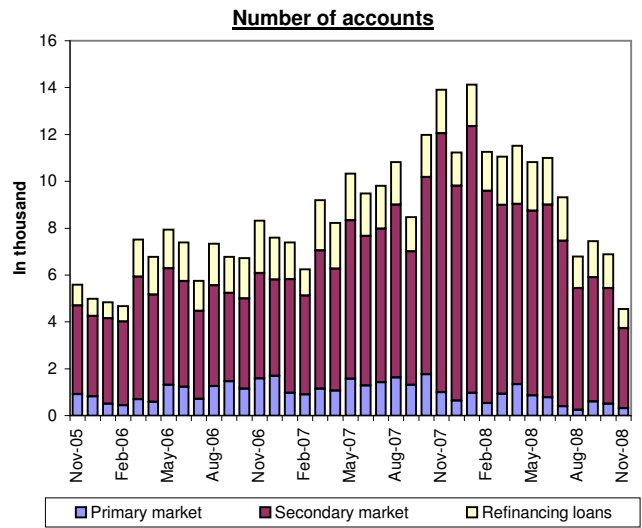
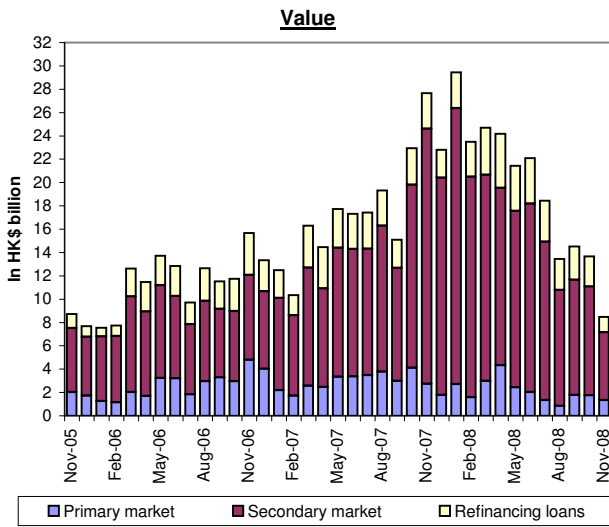
* less than 0.05%

Residential Mortgage Loans in Hong Kong (23 authorized institutions)

New Loans Drawn Down During the Month



New Loans Approved During the 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 the 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 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.
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].