

**Residential Mortgage Survey
Results of Survey for June 2010**

(Value in HK\$ million)

	<u>June 2010</u>	<u>May 2010</u>
1. <u>New loans drawn down during the month</u>		
a. Value	30,817	28,929
M-o-M % change	6.5%	12.7%
b. Number	13,521	12,509
2. <u>New loans approved during the month</u>		
a. Value	35,418	37,779
M-o-M % change	-6.2%	0.1%
b. Number	15,345	16,164
c. Average size	2.31	2.34
d. Loan-to-value ratio (%)	61.3	59.4
e. Contractual life (months)	262	244
f. Loans associated with co-financing schemes		
- Value	140	163
- Number	55	73
g. Type of property transaction		
- Value		
- Primary market	5,418	4,659
- Secondary market	21,275	21,954
- Refinancing	8,725	11,166
- Number		
- Primary market	1,713	1,056
- Secondary market	9,505	10,039
- Refinancing	4,127	5,069
h. New loans approved during the month but not yet drawn		
- Value	25,818	27,745
- Number	11,187	11,981
i. Number of applications (cases)	21,947	20,283
3. <u>Outstanding loans</u>		
a. Value	679,545	675,590
M-o-M % change	0.6%	1.5%
Y-o-Y % change	13.1%	13.8%
b. Loans associated with co-financing schemes		
Government-funded schemes:		
- Value	17,102	17,685
- Number	30,565	31,249
Schemes offered by the private sector:		
- Value	10,952	11,440
- Number	7,930	8,251
c. Delinquency ratio (%)		
- More than 3 months	0.03	0.03
- More than 6 months	0.02	0.02
d. Rescheduled loan ratio (%)	0.05	0.06
4. <u>Loans written off</u>		
a. Value of loans written off during the month	12	5
b. Loans written off over the past 12 months		
- Value	139	135
- As % of the average outstanding loans	*	*
5. <u>Interest rates on new loans approved during the month</u>		
a. With reference to BLR	15.2%	16.4%
(Breakdown is shown on an absolute interest rate basis)		
of which:		
Less than 2%	0.0%	0.0%
2% to less than 2.25%	10.2%	11.2%
2.25% to less than 2.5%	1.5%	1.6%
2.5% to less than 2.75%	1.2%	1.4%
2.75% to less than 3%	0.5%	0.4%
3% to less than 3.25%	0.6%	0.7%
3.25% to less than 3.5%	0.4%	0.3%
3.5% to less than 3.75%	0.3%	0.3%
3.75% to less than 4%	0.1%	0.1%
4% or more	0.4%	0.4%
b. With reference to HIBOR	83.9%	82.7%
c. Fixed rate	0.0%	0.0%
d. Others	0.9%	0.9%

Abbreviation:

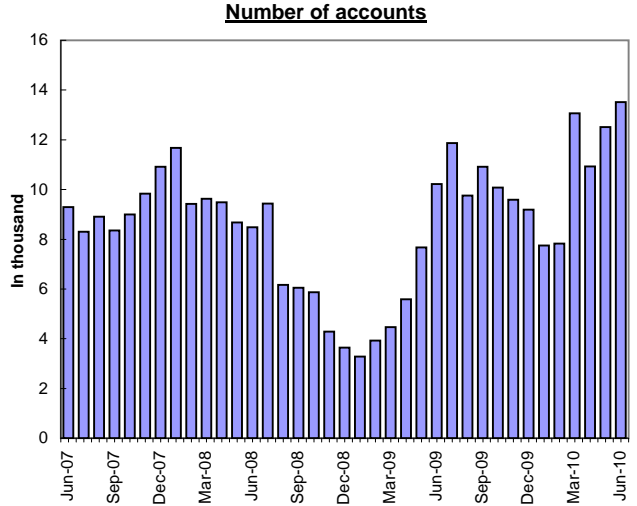
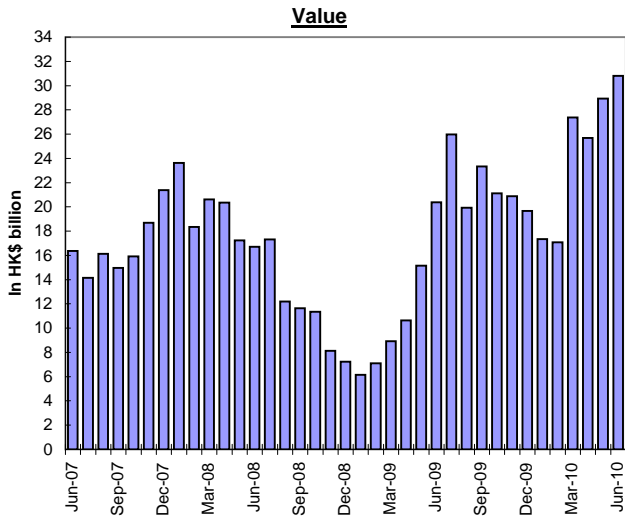
BLR refers to the best lending rate.

HIBOR refers to Hong Kong interbank offered rate.

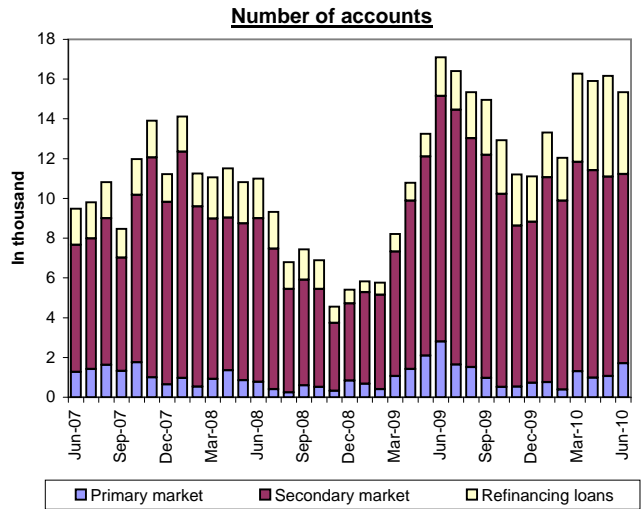
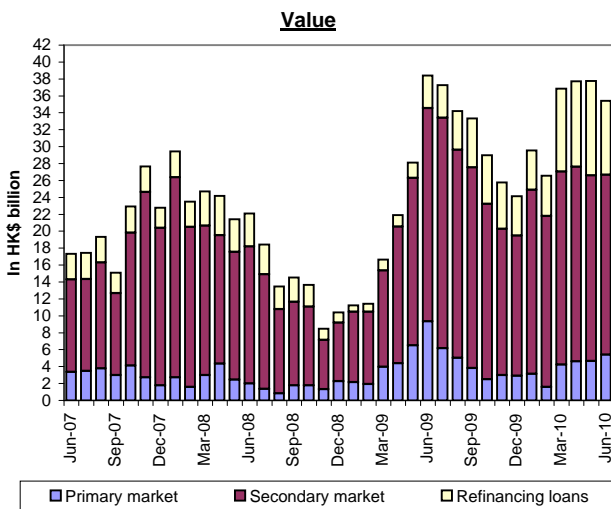
* less than 0.05%

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].