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政府總部



LABOUR AND WELFARE BUREAU
GOVERNMENT SECRETARIAT

Central Government Offices
2 Tim Mei Avenue
Tamar, Hong Kong

本函檔號 Our Ref.: LWB T4/18/43

來函檔號 Your Ref.:

9 January 2018

Clerk to Subcommittee on Retirement Protection
Legislative Council Complex
1 Legislative Council Road,
Central, Hong Kong
(Attn : Miss Betty MA)

Dear Miss MA,

**Subcommittee on Retirement Protection
Follow-up to meeting on 27 November 2017**

At the meeting of the Legislative Council Subcommittee on Retirement Protection held on 27 November 2017, The Hong Kong Mortgage Corporation Limited (HKMC) was requested to provide supplementary information relating to the Reverse Mortgage Programme. Having consulted the HKMC, the relevant information is set out at Annex for Members' reference.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'LI Wan-in', written over a light blue horizontal line.

(Miss LI Wan-in)

for Secretary for Labour and Welfare

c.c.

The Hong Kong Mortgage Corporation Limited
(Attn: Mr Derek Au, Manager, Corporate Communications)



Key Statistics of Reverse Mortgage Programme

Cumulative figures as at 30 Nov 2017

Total number of applications	2,269
Type of applications	Single borrower: 63.8% Joint borrowers: 36.0% Three borrowers: 0.2%
Payment terms	10-year: 27% 15-year: 17% 20-year: 12% Life: 44%
Age of borrowers	Average at 69 years old (Range: 55 – 103 years old)
Appraised property value*	Average at HK\$5.1 million (Range: HK\$0.8 million – HK\$51 million)
Monthly payout	Average at HK\$15,000 (Range: HK\$0 – HK\$160,000)
Property age	Average at 30 years (Range: 1 – 61 years)

* For properties above HK\$8 million or any reverse mortgage refinancing properties, a discount of the property value would be applied. For properties valued at HK\$25 million or above, the maximum specified property value for payout calculation will be capped at HK\$15 million.

Types of residential properties under the Reverse Mortgage Programme:

In addition to private residential properties in Hong Kong, the Reverse Mortgage Programme has been extended to subsidised sale flats with unpaid land premium since October 2016. Such subsidised sale flats must be under the Home Ownership Scheme, Private Sector Participation Scheme, Tenants Purchase Scheme and Green Form Subsidised Home Ownership Pilot Scheme of the Hong Kong Housing Authority, and the Flat-For-Sale Scheme, Sandwich Class Housing Scheme and Subsidised Sale Flats Projects of the Hong Kong Housing Society.