

HONG KONG HOUSING AUTHORITY

HOME OWNERSHIP SCHEME

PRIVATE SECTOR PARTICIPATION SCHEME

TENANTS PURCHASE SCHEME

GREEN FORM SUBSIDISED HOME OWNERSHIP SCHEME

**INFORMATION FOR APPLICANTS ON
APPLICATION FOR CHANGE IN MORTGAGE ARRANGEMENT**

Prepared by
Housing Subsidies Sub-division
Housing Department

**Change in Mortgage Arrangement in
Home Ownership Scheme / Private Sector Participation Scheme / Tenants Purchase Scheme /
Green Form Subsidised Home Ownership Scheme Flats
Information for Applicants**

1. Pursuant to the Housing Ordinance, except premium has been paid, the flat owner is required to obtain prior approval from the Director of Housing for any change in mortgage arrangement.
2. The usual reasons for application are as follows:
 - A. Change of ownership.
 - B. Change of lender on commercial reasons such as offer of more favorable mortgage terms.
 - C. Cessation of staff housing loan benefit due to change of employment.
 - D. Provision of staff housing loan benefit by employer. This includes the first mortgage which the flat owner obtains mortgage from the employer to finance the balance of purchase price.
3. Points to note when completing application form
 - A. If the application is due to the reasons 2A, 2B or 2C mentioned above, the flat owner should submit the duly completed application form together with a crossed cheque made payable to the 'Hong Kong Housing Authority' for the \$1,950 administrative fee, to the respective District Tenancy Management Offices.

Points to note

- (i) The loan amount of the fresh legal charge shall not exceed the principal outstanding under the existing mortgage.
- (ii) Home Ownership Scheme / Private Sector Participation Scheme flats

For flats sold under Phase 8A or before, the overall repayment period for the total number of instalments payable under the fresh mortgage together with those already paid under the previous and existing mortgages shall not exceed 180 months. As these mortgages were made in 1985 or before, they should have normally been discharged. For flats sold under Phase 8B to 18C, the overall maximum repayment period should be 240 months. Nevertheless, if the lender concerned has signed the supplemental Deed of Guarantee with the Hong Kong Housing Authority (HA), the maximum repayment period can be extended from 240 months to 300 months. However, the maximum guarantee period provided by HA to the lender will remain 240 months. The flat owner must first obtain his lender's agreement to extend the overall repayment period before the Housing Department (HD) can proceed with the application for extension for repayment period. Whether a lender will permit a flat owner's application for the extension for the repayment period is solely its commercial decision and HA is not in a position to comment. For flats sold under Phase 19A and onwards, the overall repayment period shall not exceed 300 months.

Tenants Purchase Scheme / Green Form Subsidised Home Ownership Scheme flats

The overall maximum repayment period should not exceed 300 months.

- B. If the application is due to the reason 2D mentioned above which means that the flat owner can obtain a mortgage from his employer who operates a staff housing loan scheme, the flat owner can apply in writing for consent to enter into a staff housing loan mortgage by submitting together with copies of relevant information e.g. certification and details about the benefit of a staff housing purchase loan offered by his employer, to the respective District Tenancy Management Offices.

Point to note

The loan amount shall not exceed the balance of purchase price for first mortgage or principal outstanding under the existing mortgage.

- C. The administrative fee for application for change in mortgage arrangement is currently \$1,950 and is subject to review periodically. The administrative fee is not refundable even if the application is unsuccessful or the applicant wishes to withdraw the application for the change in mortgage arrangement.
- D. If the application is approved, HA will send the 'mortgage consent letter' to the applicant by registered mail.
- E. The consent letter is valid for a period of half year and you are advised to arrange for the execution of the fresh mortgage as soon as possible. If the proposed change in mortgage arrangement is not completed within the validity period, you are required to submit a fresh application and pay the relevant fee.

Application for Change in Mortgage Arrangement

To : The Director of Housing
Via respective District Tenancy Management Office

Property Address:

I/we propose to enter into a fresh mortgage with _____ (name of bank/financial institution) in respect of the captioned property on the following reasons(s): (it can be more than one reason)

- 1. change of ownership
 - 2. change of lender on commercial reasons such as offer of more favourable mortgage terms
 - 3. cessation of staff housing loan benefit due to change of employment
 - 4. others (please give the details) _____
-

I am/we are willing to comply with the following conditions:

- 1 The loan amount of the fresh mortgage shall not exceed the principal outstanding under the existing mortgage.
2. (a) Home Ownership Scheme/Private Sector Participation Scheme flats
The overall repayment period shall not exceed **180/240/300** months.
(Note: maximum 180 months for Phase 8A or before, 240 months for Phase 8B to 18C and 300 months for Phase 19A and onwards).
- (b) Tenants Purchase Scheme/Green Form Subsidised Home Ownership Scheme flats
The overall repayment period shall not exceed 300 months.
3. I/we attach a crossed cheque payable to the "Hong Kong Housing Authority" for the \$1,950 administrative fee (we have put down the address of the captioned property on the back of the cheque).
4. I/we understand that the \$1,950 administrative fee is not refundable even if my/our application is unsuccessful or I/we wish to withdraw the application for the change in mortgage arrangement.
5. I/we have read and understood the contents of the "Information for Applicants".

To facilitate the processing of application, I/we provide the following information:

1. I/we ***have/have not** obtained the consent from Director of Housing to refinance the captioned property.
2. I am/we are ***now receiving/not receiving** the mortgage subsidy under Mortgage Subsidy Scheme from the Housing Department.
3. I am/we are ***now receiving/not receiving** the home loan from the Housing Department.

Postal Address:

(If different from the property address)

(Signature of Owner/#Agent for Owner)

(Signature of Owner/#Agent for Owner)

Name : _____

Name : _____

IC No. : _____

IC No. : _____

Tel No. : _____
(Day-time contact)

Tel No. : _____
(Day-time contact)

Date. : _____

* Please delete if inappropriate

Please attach copy of Power of Attorney/any relevant document.