

“HKMC Retire 3” new promotional offer and product enhancements

The following is issued on behalf of the Hong Kong Monetary Authority:

Following the recent introduction of premium discount promotional offer by the HKMC Annuity Plan under "HKMC Retire 3" (Note 1), the Hong Kong Mortgage Corporation Limited (HKMC) announced the launch of an enhanced fixed-rate mortgage plan under the Reverse Mortgage Programme (RMP), as well as product enhancements made to the RMP and the Policy Reverse Mortgage Programme (PRMP).

RMP customers who apply for the enhanced fixed-rate mortgage plan and become AMIGOS By HKMC members (Note 2) can enjoy a monthly payout amount which is up to 30 per cent higher than that of the floating-rate mortgage plan, while the monthly mortgage insurance premium is only slightly increased by 0.25 per cent per annum (i.e. 1.5 per cent per annum). Applications for the new promotional offer will start from July 20, 2021.

RMP Example: 60 years old, one borrower		
	Monthly payout amount (per \$1 million of specified property value)	
Payment term	Floating-rate mortgage plan	Enhanced fixed-rate mortgage plan
10-year	\$3,700	\$4,790
15-year	\$2,800	\$3,630
20-year	\$2,400	\$3,110
Life	\$2,000	\$2,590

Furthermore, the RMP will introduce enhancement measures. The maximum amount of specified property value for payout calculation will be raised from \$15 million to \$25 million. The calculation mechanism of the specified property value will also be simplified (Note 3) to make it easier for borrowers to understand and enable them to enjoy higher monthly payouts. Meanwhile, the lump-sum payout purposes under the RMP and the PRMP will be expanded to include the repayment of personal loans so that customers have more flexibility in managing their finance.

The Executive Director and Chief Executive Officer of the HKMC, Mr Raymond Li, said, "'HKMC Retire 3' has been providing retirees with solutions to create lifelong payouts. The latest product enhancements and promotional offer can provide customers with more options and enable them to receive higher monthly payouts, thereby enhancing the quality of their retirement lives."

For details, please visit the HKMC website (www.hkmc.com.hk). For enquiries, please call the RMP and PRMP Hotline at 2536 0136.

Note 1: "HKMC Retire 3" includes the RMP, the HKMC Annuity Plan, and the PRMP. Among these, the RMP and the PRMP are operated by HKMC Insurance Limited, while the HKMC Annuity Plan is underwritten by HKMC Annuity Limited. HKMC Insurance Limited and HKMC Annuity Limited are wholly-owned subsidiaries of the HKMC.

Note 2: AMIGOS By HKMC is a loyalty programme for "HKMC Retire 3" customers.

Note 3: For property with an appraised value of over \$8 million, the specified property value will be revised to: the sum of \$8 million and 50 per cent of the portion exceeding \$8 million.