|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Effective date: June 16, 2023 | | | | | |
| **Loans** | | | **Loan Underwriting Criteria** | | |
| **Current provisions** | | **Amendments** |
| Housing loan, taken out by a corporate entity | | | LTV ratio capped at 40%; no grace period | | (Unchanged) |
| Natural person | High-value housing loan | LTV ratio capped at 40%;  no grace period | | (Unchanged) | |
| Second home loan for housing in a "specific area"\* | No grace period | | **LTV ratio capped at 70%**;  no grace period | |
| Third home (and more) loan | LTV ratio capped at 40%;  no grace period | | (Unchanged) | |
| Land loans | | | * LTV ratio capped at 50%, with 10% withheld for disbursement until construction commences * Requiring the borrower to submit a substantive development plan for the land purchased and to undertake in writing a specific time frame to commence construction | | (Unchanged) |
| Unsold housing unit loans | | | LTV ratio capped at 40% | | (Unchanged) |
| Mortgage loans for idle land in industrial districts | | | LTV ratio capped at 40%, with the following exemptions applicable when:   * Construction on the collateralized land has already commenced, or * The borrower has submitted a substantive development plan for the land purchased and an affidavit stating that construction would take place within one year | | (Unchanged) |
| \* The "specific areas" prescribed herein refer to Taipei City, New Taipei City, Taoyuan City, Taichung City, Tainan City, Kaohsiung City, Hsinchu County, and Hsinchu City. | | | | | |

**Appendix**: **Comparison Table of the Amendments to the *Regulations Governing the Extension of Mortgage Loans by Financial Institutions***