

Content

Title : Directions for Payment of Mortgage Loan Resulted from the Sale of National House and Land **Ch**

Date : 2013.03.25

Legislative : 1. Stipulated by the Ministry of Finance the National Property Administration Letter, Tai-Tsai-Chan-Chu-Kuan-zi No.0920039143, December 31, 2003
2. Amended and published by the Ministry of Finance the National Property Administration Order (of Articles 1, 3, 4, 5, and 9), Tai-Tsai-Chan-Shu-Kuan-zi No.10240005342, March 25, 2013

Content : Article 1

To facilitate purchasers in applying for mortgage loans from financial institutions to pay the sale price of national real estate approved for sale, the National Property Administration, Ministry of Finance (hereinafter referred to as "the Administration") has established these Directions.

Article 2

Only those whose purchase price of national real estate reaches or exceeds NT\$500,000 are eligible to apply for loans to pay the price according to these Directions.

Article 3

The term "financial institution" as used in these Directions refers to those institutions that agree to handle loan approval matters in accordance with these Directions and the relevant regulations of the branches of the Administration (hereinafter referred to as "the selling agency") and are approved by the selling agency. The loan conditions and loan amount shall be determined by the financial institution in accordance with its regulations.

Article 4

When applying for a loan, the following procedures should be followed:

The purchaser must submit a written application to the selling agency, specifying the name of the financial institution and the intended loan amount, at least 20 days before the payment deadline stated in the payment notice (hereinafter referred to as the payment deadline).

Upon agreeing to the application, the selling agency will forward the relevant information to the designated financial institution for processing.

The financial institution must determine whether to approve the loan at least five days before the payment deadline and notify the purchaser and the selling agency of the result. If the loan amount exceeds its approval authority and needs to be submitted to the head office for approval, a letter indicating this should also be issued within the aforementioned timeframe. Otherwise, the purchaser must pay the full amount for the national real estate by the original payment deadline. However, if the purchaser obtains a letter of approval or submission to the head office from the financial institution within the original payment deadline and pays the difference specified in the first part of Subparagraph 4, Article 4 of these Directions, they may continue the loan procedures according to these Directions without being subject to the previous 20-day and 5-day application and loan approval deadlines.

If there is a difference between the loan amount approved or submitted to the head office by the financial institution and the selling price

of the national real estate (after deducting the deposit already applied to the selling price), the purchaser must pay the difference in full by the original payment deadline. Additionally, a guarantee deposit equivalent to one month of delay interest calculated at an annual interest rate of 5% on the loan amount must be prepaid. Any difference between the loan amount submitted to the head office and the amount approved by the head office must be paid by the purchaser before the ownership transfer is processed.

For approved loans, the financial institution must simultaneously send the loan contract and the mortgage right registration form to the selling agency for registration.

) Within three days from the day after the completion of the mortgage right registration and receipt of the certificates related to other rights, the financial institution must disburse the approved loan amount to the selling agency.

Purchasers applying to pay by loan during an extended payment period may follow the procedures specified in the preceding paragraph, but are not subject to the deadlines specified in Subparagraphs 1, 3, and 4 of the preceding paragraph.

Article 5

If the purchaser applies for a loan to pay the price according to Paragraph 1, Article 4, and the loan is approved by the financial institution within the specified period (including approval by the head office), but fails to complete the ownership transfer, mortgage right registration, and disbursement of the loan by the financial institution within 30 days from the day following the payment deadline, the purchaser shall pay the selling agency a daily deferred interest calculated at an annual rate of 5% on the unpaid amount starting from 30 days after the payment deadline until the full payment is made. The selling agency shall also require the purchaser to pay the full amount within 60 days from the day following the payment deadline. If the purchaser fails to pay the full amount within the specified period, it will be deemed a forfeiture of the purchase, and the selling agency will terminate the sales contract and handle the national real estate according to the law.

Those who apply for a loan according to Paragraph 2, Article 4 shall pay daily deferred interest during the extended payment period at the statutory interest rate and prepay a guarantee deposit equivalent to two months of deferred interest at the time of application. They must also pay the full amount within 60 days from the day following the payment deadline, complete the ownership transfer registration, mortgage right registration, and disbursement of the loan by the financial institution. If the purchaser fails to pay the full amount within the specified period, it will be deemed a forfeiture of the purchase, and the selling agency will terminate the sales contract and handle the national real estate according to the law.

If the purchaser applies for a loan to pay the price according to these directions and has a legitimate usage relationship, the price will be calculated based on the original usage relationship during the period of that relationship, and no deferred interest will be charged.

Article 6

The guarantee deposit for deferred interest prepaid by the purchaser will be refunded without interest after the purchaser has paid the full amount, deducting the actual deferred interest due. If the deposit is insufficient, the purchaser will be notified to make up the difference. However, if the purchaser fails to pay the full amount within the specified period or abandons the purchase midway, the guarantee deposit for deferred interest will be forfeited by the selling agency and will not be refunded. Any amount previously paid by the purchaser will be refunded without interest.

Article 7

All related costs for the ownership transfer and mortgage right registration, such as registration fees and deed taxes, shall be borne by the purchaser when handling loan payments according to these directions.

Article 8

For other public real estate sold together with national real estate, loan payments may be handled in accordance with these Directions after coordination with the relevant agencies.

Article 9

Any matters not covered by these Directions shall be amended by the Administration.

Data Source : Ministry of Finance, R.O.C. Laws and Regulations Retrieving System