

Discount rate and selling prices for Sale of Home Ownership Scheme Flats 2020 finalised

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

The Hong Kong Housing Authority (HA) announced today (September 15) that the selling prices of the new flats and rescinded flats for resale under the Sale of Home Ownership Scheme Flats 2020 (HOS 2020) have been finalised at a 40 per cent discount from the assessed market value, i.e. for sale at 60 per cent of assessed market value.

"At the meeting on June 22, the Subsidised Housing Committee (SHC) approved the average selling prices to be provisionally set at a 37 per cent discount from the assessed market value, and at the same time approved that, as a one-off arrangement, the median monthly household income figures of non-owner occupier households for April to June 2020 will be adopted in determining the finalised selling prices, so as to take into account the rapid change in the economic climate arising from the COVID-19 epidemic," a spokesman for the HA said.

According to the latest information provided by the Census and Statistics Department, the median monthly household income of non-owner occupier households for April to June 2020 saw a drop of about 5 per cent as compared with the figure for January to March 2020.

"In accordance with the established pricing mechanism, and based on the median monthly household income for non-owner occupier households for April to June 2020, the average selling prices of the flats to be sold under HOS 2020 are finalised at a 40 per cent discount from the assessed market value. Compared with the provisional average selling prices, the finalised average selling prices represent a downward adjustment of about 5 per cent," the spokesman said.

Under the pricing mechanism for subsidised sale flats of the HA introduced in 2018, the discount applied to the assessed market value of the flats for sale is determined on the basis of the affordability benchmark that at least 75 per cent of the flats for sale are affordable to the non-owner occupier households earning a median monthly household income, assuming that they need to spend no more than 40 per cent of their monthly income on mortgage payments. The discount rate is applicable to both new flats and unsold/rescinded flats put up for sale/resale in the same sale exercise.

HOS 2020 includes four new Home Ownership Scheme developments, namely Kai Cheung Court in Diamond Hill, Choi Wo Court in Sha Tin, Kam Chun Court in Ma On Shan and Shan Lai Court in Fanling, providing 7 047 flats. A total of 18 rescinded flats previously put up for sale under HOS 2018 and any

additional rescinded flats from HOS 2018 and HOS 2019 as identified up to about one month before the commencement of flat selection are also included for resale in this sale exercise.

The spokesman reminded that the application period for HOS 2020 has already commenced on September 10 and will last till 7pm on October 7. Applications submitted after the application period will not be accepted.

For more information on HOS 2020, please browse the designated website for HOS 2020: www.housingauthority.gov.hk/hos/2020.

The White Form Secondary Market Scheme 2020 (WSM 2020) is also open for application during the same period from September 10 to October 7. For details, please visit the designated website for WSM 2020: www.housingauthority.gov.hk/wsm/2020.

While applicants may choose either to submit paper-based application forms by post or by hand (locations that accept submission of completed paper-based application forms are listed in the application guides) or to submit online applications for HOS 2020 and WSM 2020, applicants are strongly encouraged to submit online applications.