

Extension of rent concessions for HA's supermarket and superstore tenants

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

The Hong Kong Housing Authority (HA)'s Commercial Properties Committee (CPC) today (October 31) approved to extend the coverage of rent concessions of 50 per cent for the HA's retail tenants to include supermarket and superstore tenants for six months with retrospective effect from October 1, 2019, which is in line with the Government's new round of measures to support enterprises.

"The extension of the rent concession will apply to all eligible tenancies which are in force during the concession period. There will be no rent concession when tenancies are under a rent-free period during the concession period," he added.

"About 50 supermarket and superstore tenancies will benefit from the approved extension of the rent concession. The rent concession does not include rates and air-conditioning charges."

The Financial Secretary announced on August 15 a package of relief measures to support enterprises, especially small and medium-sized enterprises, to safeguard jobs and relieve peoples' financial burden in the challenging external and local economic environment. One of the measures is to reduce the rental of the Government's non-domestic tenants. In line with the Government's measures, the HA's CPC approved on September 19 to reduce the rental for the HA's retail and factory tenants by 50 per cent for six months with effect from October 1. To counter the increasingly challenging economic environment, the Financial Secretary announced on October 22 a new round of measures to support enterprises and safeguard jobs, particularly in hard-hit sectors. The HA's extension of rent concessions to include supermarket and superstore tenants is in line with the Government's new round of measures to support enterprises. The total rent forgone under the extension of rent concessions is estimated at about \$57 million. The total rent forgone by the HA in the two rounds of rent concessions is estimated to be around \$387 million.