

Government announces 2022-23 Land Sale Programme (with photos/video)

The Secretary for Development, Mr Michael Wong, today (February 24) announced the Government's 2022-23 Land Sale Programme.

"The 2022-23 Land Sale Programme comprises 13 residential sites capable of providing about 8 250 flats, and four commercial sites which can provide about near 300 000 square metres (sq m) of gross floor area," Mr Wong said.

Among the 13 residential sites included in the 2022-23 Land Sale Programme, eight sites are rolled over from the 2021-22 Land Sale Programme, capable of providing about 3 000 flats, while the remaining five sites have a capacity to provide about 5 250 flats.

Apart from the 13 sites for sale, railway property development projects and projects of the Urban Renewal Authority (URA) will also contribute to private housing land supply in 2022-23. The property development projects of the MTR Corporation Limited (MTRCL) at Tung Chung Traction Substation, Tung Chung East Station Package 1 and Siu Ho Wan Depot Topside Development Phase 1 Package 1 are estimated to provide about 4 580 flats. On the other hand, the URA plans to take forward three projects, providing about 910 flats.

"Taking into consideration the forecasted land supply from Government land sale, projects of the MTRCL and the URA, as well as private development/redevelopment projects, the total potential private housing land supply in 2022-23 is estimated to have a capacity to produce about 17 940 flats," Mr Wong said.

Pursuant to the announcement by the Government last December, the housing supply target for the coming 10 years remains to be 430 000 units, and the public/private housing split remains at the ratio of 70:30. Correspondingly, the 2022-23 target for private housing land supply from various sources is 12 900 flats.

The actual supply of private housing land for 2022-23 will depend on various factors, including market conditions, the readiness for sale of government sites upon timely completion of relevant procedures/proceedings, the implementation progress of railway property development and the URA's projects, and the initiative and progress of developers' private development/redevelopment project.

Apart from that, regarding the minimum flat size requirement, Mr Wong said "We will extend the minimum flat size requirement to all Government land sale, railway property development projects, projects of the URA, as well as lease modification and land exchange applications by private developers. The prescription that each flat should reach at least 26 sq m (around 280 square feet) in saleable area aims to enhance living space and respond to the

society's wish. As regards lease modification and land exchange applications, the requirement will be applicable to new applications received by the Lands Department (LandsD) from tomorrow (February 25) onwards. Applications received by the LandsD before tomorrow will not be bound." Furthermore, for projects that have entered a more mature stage, say, by obtaining a planning permission by the Town Planning Board, before the announcement today, but have not submitted a lease modification or land exchange application, these projects are excluded from the requirement to avoid re-planning of these development projects, impacting land and housing supply. We believe that the measure will not cause substantial impact to property prices and housing supply.

Reviewing the private housing land supply in 2021-22, a total of seven residential sites would have been sold or put up for sale by the end of the financial year. These sites have a total capacity to produce about 3 410 flats. The aggregate private housing land supply in 2021-22 from different sources, including Government land sale, railway property development projects, projects of the URA and private development/redevelopment projects, is estimated to have a capacity to produce about 20 600 flats so far.

Concluding the private housing land supply in this term's Government, the total private housing land supply in the five financial years since 2017-18 is around 86 000 flats, exceeding the total annual supply target for those five years (75 300 flats) by 15 per cent.

As for commercial and industrial sites, in 2021-22, the Government has sold an industrial site and is conducting the tender process for another commercial site. The two sites could provide around 125 000 sq m of gross floor area (GFA). Also, the Government has put up for tender two large scale commercial sites in 2020-21, and awarded tender for these sites in 2021-22. Together, these four sites could provide around 357 300 sq m of GFA. The Government will continue to provide a stable commercial land supply in order to sustain Hong Kong's economic development and competitiveness.

For the first quarter of 2022-23, i.e. April to June 2022, the Government will put up for tender two residential sites in Wan Chai and Mid-levels, which are capable of providing a total of about 270 flats.

In the same quarter, the MTRCL plans to put up for tender Tung Chung Traction Substation, which has a capacity to provide about 1 600 flats. The URA also plans to put up for tender a development project in Sai Ying Pun, providing about 165 flats.

Taking also into consideration the land supply from private development/redevelopment projects, private housing land supply in the first quarter of 2022-23 is estimated to have a capacity to produce about 2 070 flats.

Mr Wong said that the Government is firmly committed to maintaining a steady and sustained land supply through a multi-pronged approach to meet the housing and socio-economic development needs of the community.

The Government will follow the established practice to announce in advance the quarterly land sale programme in order to provide transparency and certainty to the market.

The 2022-23 Land Sale Programme as well as details of the minimum flat size requirement can be found on the Lands Department's website (www.landsd.gov.hk).

