

Government sells site at Cheung Man Road, Chai Wan by public tender for development under Private Subsidised Sale Flat – Pilot Scheme

The Government today (March 28) invites public tender for a site, Chai Wan Inland Lot No. 185, at Cheung Man Road, Chai Wan, for implementing the measure to put up sites for tender in batches from the 2023/24 financial year onwards for private developers to develop subsidised sale flats (SSFs) as announced in the 2022 Policy Address. The tender invitation will close on July 19.

A spokesman for the Housing Bureau said, "In mid-2023, the Government announced the policy framework for Private Subsidised Sale Flat – Pilot Scheme, with a view to leveraging on market forces and encouraging private developers to participate in the development of SSFs so as to raise the overall development capacity. A project under the Pilot Scheme will be positioned as one developed and sold by private developers. According to the policy framework, the land sale conditions require all flats to be developed as private SSFs and offered for sale at 65 per cent of market prices (i.e. at a discount rate of 35 per cent) to eligible buyers as determined by the Government."

The spokesman continued, "As private SSFs are at the same rung as Home Ownership Scheme (HOS) flats in the housing ladder, the eligibility criteria of the buyers (including income and asset limits) will follow those under the prevailing HOS and housing policy, and will be subject to the same alienation restrictions as those of HOS flats currently being sold."

According to the land sale conditions, the developer shall provide not less than 700 flats on the lot. Under the policy framework, to ensure that the developer will not build too many small flats while providing flexibility for it to design the appropriate flat mix in response to market needs, all flats must comply with the minimum saleable area (SA) requirement currently set by the Government for land sale sites, i.e. 26 square meters (around 280 square feet). In addition, at least 70 per cent of all the flats should be no smaller than 34.8 sq m (around 375 sq ft) in SA.

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To ensure the quality and workmanship of the private SSFs, the land sale conditions require the developer to employ an independent checker to conduct the final inspection of building works. The basic requirements for inspection and the need for the developer to submit a report to the satisfaction of the Secretary for Housing, with the independent checker certifying compliance of the works with the relevant requirements, are also stipulated in the land sale conditions.

"In announcing the policy framework for the Pilot Scheme last year, the Government indicated that the site at Cheung Man Road, Chai Wan, would be put up for sale in the first quarter of 2024. To implement the Pilot Scheme and enable early delivery of SSF production at the site, the Government has put up the tender as planned, demonstrating the Government's commitment in land and housing development," the spokesman added.