

HA approves extension of rent concessions to non-domestic tenants

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

The Commercial Properties Committee of the Hong Kong Housing Authority (HA) today (May 6) approved the extension of rent concessions to over 8 300 non-domestic tenants/licensees for six months from April 1 to September 30, 2020.

The HA had earlier granted a 50 per cent rent concession for six months from April 1, 2020, to its eligible retail and factory tenants. Under the extension of the rent concession, their rent concession will be increased to 75 per cent over the same period with retrospective effect from April 1, 2020. The rent concession does not include rates and air-conditioning charges.

"The HA's further measures are to support the Government's new series of measures announced in early April to relieve the financial burdens of individuals and businesses," a spokesman for the HA said.

"A total of 2 450 retail and 3 300 factory tenants will benefit from the approved increase in the rent concession."

The 75 per cent rent concession will also be extended to cover tenants and licensees of bus kiosks and most advertising signboards, as well as car park users for the monthly parking of commercial vehicles. About 40 tenancies for bus kiosks, 80 advertising signboards and an estimated number of about 2 500 car park users would benefit from the concession.

For tenants of premises in the HA's properties which are required to be closed under relevant regulations or direction of the Government, they may also apply to the HA for a 100 per cent rent concession for the period during which they are required to be closed.

"The arrangements endorsed previously will continue to apply. The rent concessions will apply to all eligible tenancies/licences that are in force during the concession period, except those under a rent-free period," the spokesman said.

"We will continue to adopt a flexible approach in dealing with tenancies which expire before the end of the concession period. To enable the tenants to continue their use and occupation of the premises upon expiry of the existing tenancies, licences will be granted at the existing rent pending agreement on the new rent for the new tenancies. Upon finalisation of the new rent for the new tenancy, the new rent will take retrospective effect from the original effective date of the new tenancy and the licence fee paid shall be applied to the payment of rent under the new tenancy," he added.

"The approved measures will be implemented as soon as possible. For rent and licence fees already paid for the months of April and May 2020, arrangements will be made for offsetting in the payment for subsequent months."

The Commercial Properties Committee has since last September approved three rounds of rent concessions for the HA's retail and factory tenants. Together with this round of further measures, the total rent and licence fees foregone by the HA is estimated to reach more than \$1 billion.