

HA approves implementation arrangements for sale of GSH flats 2023 and two housing schemes to encourage childbearing

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

The Hong Kong Housing Authority (HA) Subsidised Housing Committee (SHC) today (January 11) approved the average selling prices and sales arrangements for the sale of Green Form Subsidised Home Ownership Scheme (GSH) Flats 2023 (GSH 2023) and the implementation arrangements for two housing schemes to encourage childbearing as stated in the 2023 Policy Address.

GSH 2023

"The HA expects that applications for GSH 2023 will be invited in the first quarter of 2024, with balloting to be held in the second quarter of the year. Flat selection is expected to start from the third/fourth quarter of 2024. Unlike previous GSH sale exercises, the new GSH flats put up for sale under this exercise will no longer include Type A flats of a smaller size. Moreover, the HA has endorsed the relaxation of mortgage arrangements, allowing purchasers to have a longer mortgage default guarantee period and repayment period," a spokesman for the HA said.

Details of the sales arrangements for GSH 2023 are as follows:

Flats for sale

The following three categories of flats will be put up for sale under GSH 2023:

(1) New GSH flats for sale

A total of 2 359 flats from the new GSH development, Lai Yuet Court in Cheung Sha Wan, will be put up for sale. As responses of past GSH sale exercises clearly show that applicants prefer buying larger flats, and the Chief Executive announced in the 2022 Policy Address that the saleable area of all subsidised sale flats (SSFs) completed from 2026-27 onward will be no less than 26 square metres in general, the saleable areas of the flats in Lai Yuet Court will range from about 26 sq m to about 60 sq m (about 280 square feet to about 646 sq ft). There will be no Type A flats of smaller size in Lai Yuet Court but 77 Type E flats of a larger size with a saleable area of about 60 sq m (about 646 sq ft).

(2) Unsold or rescinded GSH flats

Around 180 unsold or rescinded flats as at November 30, 2023, from Kai Chuen Court (in Diamond Hill) sold under GSH 2020/21; Ko Wang Court (in Yau Tong) and Kam Pak Court (in Ma On Shan) sold under GSH 2022; and any additional rescinded flats from these three GSH developments identified up to about two months before commencement of flat selection; and

(3) Recovered Tenants Purchase Scheme (TPS) flats

A new batch of recovered TPS flats. The final number and detailed flat list is to be drawn up around three months before the flat selection of GSH 2023.

Prices

(1) New GSH flats (see Annex)

(2) Unsold or rescinded GSH flats

Under the prevailing pricing mechanism, GSH flats will be sold at a discount of 10 per cent more than that of the preceding Home Ownership Scheme (HOS) sale exercise. Since the discount rate for Sale of HOS Flats 2023 (HOS 2023) was set at 38 per cent, the discount rate for all GSH flats offered under this sale exercise will be set at a 48 per cent discount from the assessed market values. The selling prices of flats in Lai Yuet Court range from about \$1,540,000 to about \$4,610,000. The selling prices of unsold and resale flats range from about \$870,000 to about \$3,300,000 (as at November 30, 2023). The final price range will depend on the resale flats that will be put up for sale under this sale exercise.

(3) Recovered TPS flats

The existing pricing mechanism for sale of TPS flats to sitting tenants (Adjusted Replacement Cost approach) will be adopted for the sale of recovered TPS flats to Green Form (GF) applicants. As at November 2023, the list prices of the unsold flats in the 39 TPS estates range from about \$140,000 to \$1,230,000, and the discounts range from 80 per cent to 85 per cent of assessed market values. The final price range will depend on the recovered TPS flats that will be put up for sale under this sale exercise.

Eligibility

Eligible GF applicants may submit paper applications either in person or by post, or submit an online application. The application fee is \$270. Applicants should not have owned domestic properties in Hong Kong during the period from 24 months preceding the closing date for submitting the application up to the time of purchase. In addition, valid GF applicants under the HOS 2023 who indicate in the application forms their consent to carry over their applications to GSH 2023 and fulfil the application eligibility of GSH 2023 will be automatically included in this GSH sale exercise. They do not need to submit applications nor pay the application fee again. If they have successfully purchased a flat under the HOS 2023 (flat

selections are scheduled to commence in the first quarter of 2024), their application for GSH 2023 will be cancelled.

The HA will notify valid applicants that their HOS 2023 applications have been carried over to GSH 2023 and provide them with the GSH 2023 application numbers before the application commences. If an applicant submits the application for GSH 2023 again, his/her application will be regarded as duplicated, and the application will be cancelled.

Priority for flat selection and quota

The HA will follow the current order of priority for flat selection and the flat selection order of eligible applicants will be determined by the application category, quota allocation and ballot results.

A quota of 700 GSH flats will be set for family applicants applying under the Priority Scheme for Families with Elderly Members (Priority Elderly Scheme) who have priority over other family applicants. If the applicants fail to obtain a quota, they will still have the opportunity to purchase flats under the Other Families Applicants category.

The HA will set a quota of 200 GSH flats for one-person applicants, allowing them a reasonable chance to purchase flats. They are allowed to buy any remaining GSH flats or recovered TPS flats under GSH 2023 irrespective of flat size.

Mortgage arrangements

The SHC endorsed in November 2023 the relaxation of mortgage arrangements for SSFs. For SSFs sold on the primary market, the maximum mortgage default guarantee period will be extended from 25 years to 30 years for TPS flats; and the maximum mortgage repayment period from 25 years to 30 years for new HOS/GSH projects and TPS flats sold on the primary market. The relaxation will be applicable to all flats put up for sale under GSH 2023.

Publicity arrangements

Doll houses of typical flats and project models on the new GSH development, virtual videos of samples of GSH flats, virtual reality tours of the interior of samples of GSH flats, virtual reality tours and photos of the interior of samples of recovered TPS flats, exhibition panels and other information on the GSH developments and TPS estates will be provided at the GSH Sales Office in Kwun Tong and on the HA/Housing Department (HD)'s designated websites starting seven days before the commencement and up to the end of the application period.

Sales brochures for new and unsold/rescinded GSH flats covering greater details of the GSH developments (and sales pamphlets for recovered TPS flats) and price lists will be available for public collection and viewing on the

HA/HD's designated websites starting seven days before the commencement of the flat selection period. During the flat selection period, photos and video clips of the interiors of all recovered TPS flats for sale will be provided at the GSH Sales Office in Kwun Tong and on the HA/HD's designated websites.

Childbearing incentive housing schemes

The SHC today (January 11) also approved the implementation arrangements for two new housing schemes as announced in the 2023 Policy Address to encourage childbearing by giving incentives to family applicants of Public Rental Housing (PRH) and SSF sale exercises.

The HA will launch the Families with Newborns Allocation Priority Scheme (Priority Allocation Scheme) starting from April 1, 2024. Under the scheme, PRH family applications with babies born on or after October 25, 2023 and aged 1 or below will be credited with a waiting time of one year. The relevant applicant must add the eligible newborn to his/her PRH application on or before the day when the relevant newborn turns 1 year old. For PRH applications which are simultaneously eligible under the Harmonious Families Priority Scheme and the Priority Allocation Scheme, only a credit waiting time of one year will be given in order to mitigate the possible impact on other PRH applicants not eligible for either scheme.

In addition, the HA will launch the Families with Newborns Flat Selection Priority Scheme (Priority Flat Selection Scheme). Starting from HOS 2024, the HA will reserve a quota of 40 per cent of flats for balloting and priority flat selection by eligible applicants of the scheme and the Priority Elderly Scheme in each SSF sale exercise. Family applicants of SSF sale exercises with babies born on or after October 25, 2023, will be eligible if their children are aged 3 or below on the closing day of the application of a particular sale exercise. This arrangement will increase the chances of the eligible families to purchase flats successfully.