

# Hong Kong Housing Authority approves extension of rent concessions for eligible non-domestic tenants

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

To tie in with the Government's new round of relief measures announced by the Financial Secretary last month, the Hong Kong Housing Authority (HA)'s Commercial Properties Committee (CPC) today (March 11) approved the further extension of the existing 75 per cent rent concession for the HA's eligible non-domestic tenants/licensees and carpark users for monthly parking of commercial vehicles for a further six months from April 1 to September 30, 2022.

The CPC also approved that during the extended rent concession period, eligible tenants/licensees of the HA's non-domestic premises may continue to apply for a 100 per cent rent concession for the period during which their operation at the premises concerned is required to be closed under anti-epidemic regulations or directions from the Government.

"The Financial Secretary announced in the 2022-23 Budget a raft of business relief measures to address the needs of businesses affected by the pandemic, and the HA's extension of rent concessions for eligible non-domestic tenants is in line with the Government's measures to ease the financial burden on enterprises and people's livelihood during the COVID-19 pandemic," a spokesman for the HA said.

The spokesman pointed out that the same arrangements and coverage as endorsed by the CPC in September 2021 will continue to apply during this round of extended rent concessions. The grant of rent concessions for supermarkets/superstores will continue to be subject to tenants' applications and production of a proof of sales drop.

"The HA will continue to adopt a flexible approach in dealing with tenancies which expire before the end of the extended rent concession period as a transitional arrangement. To enable tenants to continue their use and occupation of the premises upon the tenancy expiry, licences will be granted at the existing rent pending agreement to the new rent for the new tenancies," the spokesman said.

The CPC has earlier approved seven rounds of rent concessions for the HA's eligible retail, factory and non-domestic tenants, following the Government's measures to support enterprises and relieve people's financial burden.

It is estimated that a total of around 10 400 of the HA's non-domestic tenants/licensees, including about 2 500 retail and 3 000 factory

tenants/licensees, tenants/licensees of some 70 advertising signboards and some 40 tenancies of bus kiosks, as well as about 4 800 carpark users, will benefit from the extension of rent concessions.

The rent foregone for this extension of a 75 per cent rent concession for six months is estimated to be around \$704 million.

The total rent foregone for rent concessions granted by the HA to its eligible non-domestic tenants/licensees for the 36-month period from October 1, 2019, to September 30, 2022, is estimated to be around \$3,650 million.