

Housing Authority endorses sales arrangements for flats recovered from estates under TPS

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

The Hong Kong Housing Authority (HA) Subsidised Housing Committee endorsed today (June 16) the regularisation of the sale of recovered Tenants Purchase Scheme (TPS) flats.

"Taking into account the positive response of recovered TPS flats in the last two sale exercises and to accelerate the sale of unsold flats in TPS estates, we have decided to regularise the sale of recovered TPS flats," said a spokesman for the HA.

In July 2020, the HA endorsed to extend the target buyers of vacant flats recovered from existing TPS estates to those with Green Form status, and put up these flats for sale under the sale exercises of the Home Ownership Scheme (HOS) and the Green Form Subsidised Home Ownership Scheme (GSH). At the time, members also agreed to conduct a review of the sales arrangements for recovered TPS flats after two sale exercises.

"When we put up recovered TPS flats for sale in future, the target buyers will be those with Green Form status, as well as eligible applicants under the Express Flat Allocation Scheme (EFAS). We will continue to put up recovered TPS flats for sale in HOS or GSH sale exercises. Any TPS flat which remains unsold at the end of an HOS or GSH sale exercise will be put up for sale in the EFAS exercise which immediately follows," the spokesman continued.

Having regard to the cost-effectiveness of mounting a sale exercise, the HA will put up recovered TPS flats for sale in the HOS/GSH exercise only after a reasonable number of TPS flats have been recovered.

"When putting up recovered TPS flats for sale, we will continue to adopt the existing TPS pricing mechanism and alienation restrictions. For the sake of certainty, we will follow the arrangements in the two previous exercises whereby the prices of the TPS flats put up for sale would be frozen throughout that particular sale exercise, instead of being adjusted according to the routine list price review every two years," the spokesman added.

A new batch of recovered TPS flats will be put up for sale in the Sale of HOS Flats 2023 (HOS 2023), the application of which will commence in mid-2023 tentatively. The Housing Department will make arrangements with relevant stakeholders to facilitate the viewing of the recovered TPS flats put up for sale under HOS 2023 as far as practicable.

The first batch of about 800 recovered TPS flats was put up for sale

under the Sale of GSH Flats 2020/21, all of which were sold. The second batch of about 500 recovered TPS flats was put up for sale under the Sale of HOS Flats 2022, the sale rate of which was around 99 per cent, with only six units that remained unsold. Currently, around 32 000 flats (i.e. 17 per cent) of around 184 000 TPS flats remain unsold. The average selling price of a TPS flat is about \$500,000, ranging from \$140,000 to \$1,230,000.