

Housing Authority to tighten alienation restrictions of Subsidised Sale Flats

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

The Hong Kong Housing Authority (HA) will tighten the alienation restrictions of Home Ownership Scheme (HOS) and Green Form Subsidised Home Ownership Scheme (GSH) flats, starting from the Sale of HOS Flats 2022 (HOS 2022) and the Sale of GSH Flats 2022 (GSH 2022).

Subsidised Sale Flats (SSFs), including HOS and GSH flats, sold by the HA are subject to alienation restrictions. The current alienation restrictions apply to HOS and GSH flats first offered for sale from 2019 onwards. For these flats, owners can sell their flats in the open market upon payment of premium after 10 years from first assignment. For resale in the Secondary Market where premium is not paid, the owners may resell to the categories of buyers specified by the HA at no more than the original price in the first two years from first assignment, and at a freely negotiated price from the third year from first assignment.

At its meeting today (January 6), the Subsidised Housing Committee (SHC) of the HA decided to lengthen the period where the owners can only sell at not more than the original price in the Secondary Market from the first two years since first assignment to the first five years since first assignment and lengthen the restriction period for sale in the open market from the first 10 years since first assignment to the first 15 years since first assignment, for HOS and GSH flats first offered for sale, starting from HOS 2022 and GSH 2022.

"The SHC has considered relevant considerations, including the increase in the number of shorter-term transactions in the Secondary Market in recent years, the general public view that HOS and GSH owners should not be allowed to trade their flats in the Secondary Market at a freely negotiated price so soon after their initial purchase, and that more affordable and attractive HOS and GSH flats will be offered for sale in future," a spokesman for the HA said.

He stressed that the revised alienation restrictions would strike a balance between the need for sufficient safeguards against short-term speculation and the need to facilitate circulation of SSFs in the market.