

**Press Release** 

24 October 2019

## <u>Housing Society Announces Enhancement Measures for</u> <u>"Letting Scheme for Subsidised Sale Developments with Premium Unpaid"</u>

Hong Kong Housing Society (HKHS) today (24 October) announced the enhancement measures and application arrangements for the "Letting Scheme for Subsidised Sale Developments with Premium Unpaid" ("Letting Scheme 2019"), allowing eligible owners of designated subsidised sale flats of HKHS and Hong Kong Housing Authority (HA) with premium unpaid to let their flats/bedrooms to eligible households. Application for eligible owners will open starting from 18 November 2019 while application for tenant households will open in December this year. Firstly launched in September last year, the "Letting Scheme for Subsidised Sale Developments with Premium Unpaid" aims to provide transitional homes ("T-Home") for eligible households who are applying for public housing. In July this year, the Subsidised Housing Committee of HA agreed that HA would join the Scheme on a trial basis, allowing eligible owners of HA's subsidised sale flats to let their flats/bedrooms with premium unpaid to eligible public housing applicants.

HKHS Chief Executive Officer Wong Kit-loong said, "In view of the keen housing demand, HKHS being a 'housing laboratory' has been exploring innovative solutions to meet the housing needs of Hong Kong people. Since the launch of the 'Letting Scheme for Subsidised Sale Developments with Premium Unpaid' last year, we have received views from various stakeholders, thereby come up with the enhancement measures. Hopefully, 'Letting Scheme 2019' would incentivise more owners to participate in order to maximize the utilisation of the existing housing resources while providing a transitional housing option for the people who are applying for public housing and have the need to improve the living environment."

Major enhancements incorporated in "Letting Scheme 2019" include:

- (1) Eligible owners are allowed to let the entire flat or individual bedroom(s) (Owner of flat with two or more bedrooms can enter into no more than two tenancies);
- (2) The Hong Kong Council of Social Service (HKCSS) will, through associated social service organisations, assist owners in sub-letting the flats as a head tenant, and provide support services to the tenants, similar to the operation of Community Housing Movement being implemented by HKCSS; and
- (3) An online platform will be set up to facilitate the matching of eligible owners and tenants holding certificates to let or rent.

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At present, more than 350,000 subsidised sale flats of HKHS and HA with premium unpaid are eligible to join the "Letting Scheme 2019" (around 14,500 flats from HKHS and 340,000 flats from HA).

Eligible owners for "Letting Scheme 2019" must fulfill the following criteria:

- (1) The owner must have owned the title of the flat for 10 years or above (from the date of signing the Assignment in respect of the flat) on the date of submitting the application form; and
- (2) The flat is still subject to the resale restrictions of the Government Land Grant (including Modification Letter(s) and Waiver(s)) (applicable to HKHS' flats) or the "Housing Ordinance" (applicable to HA's flats), i.e. a flat with premium unpaid.

Eligible tenant households must fulfill the following criteria:

- (1) General applicants (i.e. family and elderly one-person applicants) holding a valid public rental housing (PRH) application number of the HA and that application has been registered for three years or more (i.e. counting from the closing date for tenant households' application under the "Letting Scheme 2019"); or nonelderly one-person household holding a valid PRH application number of HA under the Quota and Points System and that application has been registered for six years or more (i.e. counting from the closing date for tenant households' application under the "Letting Scheme 2019"); and
- (2) Applicants and their family members listed must remain eligible for applying for PRH of the HA from the date of application of PRH of the HA up to the issuance of "Tenant Certificate" under the "Letting Scheme 2019". Anyone of them must not own any residential property in Hong Kong and have not been allocated any PRH or "T-Home" unit by the HA or HKHS.

Upon receiving respective certificates, the flat owners and tenant households can complete the tenancy arrangements by matching through estate agents or the online platform set up by HKHS. Tenancy agreement between the owner of subsidised sale unit of HKHS and the tenant household can be signed directly between the two parties. In accordance with the "Housing Ordinance", if the flat to be let is under HA, the tenant household should apply to HA for the Nomination Certificate before signing the tenancy agreement with the owner.



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The prescribed tenancy agreement provided by HKHS for a period of two years must be used. The rent level is to be determined by the owner and the tenant household through their mutual agreement. At any time after the expiration of the first 12 months of the tenancy agreement, either party of the owner and the tenant household shall be entitled to terminate the tenancy agreement by serving a two months' prior notice in writing to the other party. If the tenant household and / or the family members is allocated a public rental housing unit by either HA or HKHS during the tenancy period (including the first 12 months) or has purchased any residential property in Hong Kong, early termination of the tenancy agreement is required.

Owners should declare in the tenancy agreement that there is no unauthorised building works in the flat and there is no "warning notice" / "order" issued according to the "Buildings Ordinance" or any violation of legislation in relation to the flat. Tenant households should not sublet the flat or bedroom(s) to another party.

Commencing from 18 November 2019, interested owners can get more information about the Scheme, obtain or download the "Letting Scheme 2019" application form via the following locations or platform:

- (1) HKHS Applications Section (G/F, Dragon Centre, 23 Wun Sha Street, Tai Hang, Hong Kong)
- (2) HKHS Rental Estate Offices
- (3) Designated webpage of "Letting Scheme 2019" (lettingscheme.hkhs.com)
- (4) Home Affairs Enquiry Centres of the Home Affairs Department (from 18 November to 20 December 2019)

Owners and tenant households can submit their application online, by post or by hand. Enquiries can be made via the Scheme hotline 8108-0678.

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