Summary of Decisions
Made by Subsidised Housing Committee of
the Hong Kong Housing Authority

Paper Number : SHC 54/2012

Paper Title : Extending the Home Ownership Scheme Secondary Market to White Form Buyers

Date of Meeting : 12 September 2012

Summary of Recommendation :

Members were invited to endorse/advise on the following recommendations:

(a) to allocate the quota of 5 000 in each round of exercise in two batches of 2 500;

(b) whether to set two categories of applicants, namely, families and singletons, and in case of over-subscription, whether to draw ballot randomly from all applicants, or set an allocation ratio and if so, what that ratio should be;

(c) to allow White Form (WF) buyers to purchase Tenants Purchase Scheme (TPS) flats and Flat-for-Sale Scheme (FFSS) flats with premium not yet paid, in addition to Home Ownership Scheme (HOS) flats with premium not yet paid, under the Secondary Market Scheme (SMS), and applying to them the existing arrangements for Green Form (GF) buyers. The arrangement in respect of FFSS is subject to discussion with the Housing Society;

(d) to employ the established formula for deriving the income and asset limits under traditional HOS to calculate the income and asset limits for the target group;

(e) to adopt a domestic property ownership restriction period of 24 months prior to application;

(f) to impose additional resale restrictions on only the WF buyers (but not the GF buyers) under the SMS via contractual means, such that within the first two years of the transaction, the WF buyer is not allowed to sell his flat on the Secondary Market but he may sell his flat on the open market upon paying the premium;
to allow WF buyers to apply for a one-off renewal of the Certificate of Eligibility to Purchase (CEP) for another six months upon its expiry at the end of the first six months;

on the principle of full recovery of administrative costs, to charge the WF applicant an initial non-refundable application fee of $100, and $660 on the issue or the renewal of the CEP;

to provide mortgage guarantee of 30 years (counting from the first assignment date of the HOS flats) to WF buyers for the purchase of HOS flats under the SMS; and

declassify the paper.

Decision

The Subsidised Housing Committee has endorsed:

1. recommendations (a), and (c) to (j) above; and

2. to set two categories of applicants, namely, families and singletons; in case of over-subscription, ballot will be drawn and an allocation ratio for family to singleton applicants at 9:1 will be set.

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File Ref : HD CR 4-4/SP/10-25/0-1  
HD 1-7/COMM1/SHC-5  
(Strategy Division)  
Date of Issue : 17 September 2012