Support Service Centre for Minority Owners under Compulsory Sale commences operation

The Support Service Centre for Minority Owners under Compulsory Sale (SMOCS) commenced operation today (August 27) to provide comprehensive and targeted support services to minority owners of old buildings affected by compulsory sale applications made under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) (LCSRO). The SMOCS, a subsidiary of the Urban Renewal Authority (URA), is directly accountable to the Development Bureau (DEVB).

There are provisions in the LCSRO that provide a series of legal protections for minority owners affected by compulsory sale applications. The Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024, which was passed by the Legislative Council (LegCo) in July this year, further allows minority owners to continue occupying their properties for not more than six months after the completion of compulsory sale.

To provide further protection to minority owners in addition to the above legal protections, the Dedicated Office of Support Services for Minority Owners under Compulsory Sale (DOSS) of the DEVB and the SMOCS supervised by the DOSS will provide support services to minority owners at different stages of the compulsory sale application process, so as to help them understand their statutory rights and obtain adequate protection.

The Secretary for Development, Ms Bernadette Linn, said, "The amendments to the LCSRO will come into effect in mid-December this year at the earliest. The DOSS and the SMOCS have commenced a series of public education and publicity on the LCSRO, focusing particularly on the concerns of minority owners, such as how to deal with the developers' notices of application for compulsory sale and the subsequent legal proceedings, how to assess whether the acquisition prices offered by the developers are reasonable, and how to obtain relevant information and professional services, to ensure that they are adequately protected. By connecting to different networks including local organisations such as District Councils and District Services and Community Care Teams (Care Teams), relevant professionals such as lawyers, surveyors and mediators, as well as designated non-governmental organisation, the SMOCS endeavours to provide one-stop, more comprehensive and targeted support services to minority owners."

The Secretary for Development expressed her gratitude in particular to the URA for providing the resources to set up the SMOCS to implement the support work/services under the steer of the DOSS of the DEVB. The SMOCS operates entirely independently from the URA and is accountable to the DOSS of the DEVB, to which it will report regularly on its operations and submit reports on its work. The DOSS will be responsible for formulating regulations

on support services and codes of practice for the operation of the SMOCS to ensure that the relevant policies are implemented and run smoothly.

Through various networks, the SMOCS will step up publicity and public education at the district level to enhance the understanding of the public and minority owners of old buildings on private property acquisition activities and the compulsory sale application mechanism. To address the needs of minority owners affected by compulsory sale applications, the SMOCS provides free preliminary professional advice to minority owners in the form of seminars. The SMOCS also provides, free of charge, referrals for legal and valuation professional services (if litigation is required), emotional counselling and assistance in identifying alternative accommodations. In addition, the SMOCS provides subsidies to minority owners seeking professional mediation and independent property valuation services.

Ms Linn said, "We have thus far secured the support of over 60 lawyers and about 30 surveyors to provide free preliminary professional advisory services in the form of seminars to minority owners affected by compulsory sale applications under the arrangement of the SMOCS."

Ms Linn added, "Another function of the SMOCS is to enable and encourage minority owners to participate in mediation, so as to resolve compulsory sale disputes through mediation instead of litigation. Therefore, apart from providing minority owners with a list of accredited mediators, the SMOCS will also provide two types of subsidies to minority owners, one to subsidise professional mediation services and the other to subsidise independent property valuation services, so as to assist minority owners in obtaining independent third-party valuation reports on the existing use values of their properties and the redevelopment values of the relevant lots, which will facilitate them in deciding whether or not to accept the applicants' acquisition offers or to continue to litigate in respect of the compulsory sale applications. We hope that more professionals will join the SMOCS's network in the future to provide services to minority owners."

If the minority owners decide to proceed with the litigation after mediation fails, the SMOCS will provide them with referral lists of legal and surveying professional services required in the litigation for reference. Also, the Government will, after the LegCo resumes, seek funding approval from the Finance Committee (FC) of the LegCo to create two permanent judicial posts at the directorate level for the Lands Tribunal (Tribunal). Moreover, the Government will seek approval from the FC as soon as possible for the Government to provide guarantee for the dedicated loan scheme to assist eligible minority owners in obtaining bank loans to address their cash flow problems arising from the engagement of legal and other professionals to deal with compulsory sale litigation. The minority owners can repay the loans upon the granting of cost orders by the Tribunal at the end of the hearing (the Tribunal usually orders applicants for compulsory sale to reimburse the reasonable expenses incurred by minority owners for litigation).

For details of the opening hours and the services of the SMOCS, please visit its website (<u>www.smocs.hk</u>). Members of the public may call the SMOCS at

<u>Tin Sau Road Swimming Pool and Tin Sau</u> <u>Road Playground to open tomorrow (with photos)</u>

The Leisure and Cultural Services Department (LCSD) announced today (August 27) that Tin Sau Road Swimming Pool and Tin Sau Road Playground in Yuen Long District will open for public use tomorrow (August 28).

Tin Sau Road Swimming Pool is located at 20 Tin Sau Road, Tin Shui Wai, next to the Hong Kong Wetland Park. It is the fourth swimming pool under the LCSD in the same district. The outdoor facilities include a main pool measuring 50 metres x 25m, a training pool measuring 25m x 15m and a spectator stand with 700 seats next to the main pool; while the indoor facilities are heated pools including a training pool measuring 25m x 25m and the first jacuzzi in the district's swimming pool facilities, allowing members of the public to enjoy swimming in all weathers.

Meanwhile, Tin Sau Road Playground next to the swimming pool will also open on the same day. This playful adventure-themed playground features a 6m-high giant slide, a 3m-high climbing wall, swings, rope climbing nets, outdoor fitness equipment, and a carousel designed for wheelchair users.

Those who plan to visit Tin Sau Road Swimming Pool or Tin Sau Road Playground can reach it within a five-minute walk from Tin Sau Light Rail Station or Wetland Park Light Rail Station.

For details of the opening hours for different facilities and the weekly cleaning operations of the swimming pool, please visit the LCSD's <u>website</u>. For enquiries, please call the venue staff at 2381 1433.















<u>Housing Authority Revises Vacant Flat</u> Refurbishment Allowance Scheme

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

The Hong Kong Housing Authority (HA)'s Subsidised Housing Committee (SHC) endorsed today (August 27) a proposal to revise the scope and amount of the Vacant Flat Refurbishment Allowance (VFRA).

The revised allowance scheme will take effect in the fourth quarter of 2024. Under the new scheme, the scope of the VFRA will be expanded to all vacant units regardless of the age of the property. If prospective tenants

choose to participate in the scheme, an allowance equivalent to a standard 3-month rent will be provided.

A spokesman for the HA said the VFRA aims at providing all prospective tenants of public rental housing (PRH) flats with an option for a one-off cash allowance to supplement their own renovation. With more PRH tenants purchasing subsidised sale flats and the Housing Department (HD)'s stepped-up efforts to combat tenancy abuse of PRH flats, the HD will need to deal with more vacant flats in the future. The revised VFRA Scheme enables the HD and its refurbishment contractors to reallocate resources more effectively to meet the challenge in dealing with the increasing number of vacant flats in the future. Prospective tenants can also use the allowance flexibly to make arrangements that better suit their families' needs.

Under the current arrangement, prospective tenants who have chosen the VFRA should handle (1) painting and related works, and (2) minor repairs (e.g. repair kitchen/toilet/balcony doors, frames and ironmongeries) on their own; and assume the maintenance responsibility of the minor repairs within one year after receiving the allowance. Given the increasing trend in choosing the VFRA, while many tenants expressed that they have certain difficulty in arranging the minor repairs on their own within the one year period, which may lead to delays in repairs; as well as the fact that the HD will eventually take up the maintenance responsibility of the minor repairs upon expiry of the one-year restriction, the HD will include the minor repairs into its scope of vacant flat refurbishment works under the new schemes. Prospective tenants who choose the VFRA in the future will only need to handle painting and related works for their own flats. It is expected that setting clearer and more standardised maintenance responsibilities will achieve better maintenance more effectively, and further enhance the quality of existing PRH flats.

"The current policy of not granting the VFRA to prospective tenants of Interim Housing will continue be maintained. In addition, with a view to ensuring cost-effective use of resources, the VFRA is not applicable to domestic blocks that have already been announced for clearance and vacant flats that have been refurbished before flat allocation." the spokesman said.

According to the current policy, the VFRA Scheme is only applicable to vacant flats aged less than 21 years. From 2021/22 to 2023/24, approximately 74 per cent of prospective tenants chose the VFRA each year.

<u>Update on cluster of Vancomycin</u> <u>Resistant Enterococci cases at Tuen</u>

Mun Hospital

The following is issued on behalf of the Hospital Authority:

Regarding an earlier announcement on Vancomycin Resistant Enterococci (VRE) confirmed cases, the spokesperson for Tuen Mun Hospital made the following update today (August 27):

Following a contact tracing investigation, one more patient, a 79-year-old male in the surgical ward, was identified as a carrier of VRE without signs of infection. The patient has been discharged earlier.

The hospital will continue the enhanced infection control measures and closely monitor the situation of the ward concerned. The case has been reported to the Hospital Authority Head Office and the Centre for Health Protection of the Department of Health for necessary follow-up.

HA approves implementation arrangements for Sale of Home Ownership Scheme Flats 2024

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

The Hong Kong Housing Authority (HA)'s Subsidised Housing Committee today (August 27) approved the average selling prices and sales arrangements for the Sale of Home Ownership Scheme (HOS) Flats 2024 (HOS 2024) as well as the income and asset limits for White Form (WF) applicants.

"Apart from sparing no effort in constructing public rental housing to eligible applicants to shorten their waiting time, the HA has also been actively providing affordable Subsidised Sale Flats (SSFs) for purchase by the eligible applicants to fulfil their home ownership aspiration. Following the launch of HOS 2023 and the Sale of Green Form Subsidised Home Ownership Scheme Flats 2023 offering a total of about 12 000 flats, the HA is going to launch HOS 2024 and start receiving applications in the fourth quarter of 2024," a spokesman for the HA said.

Details of the implementation arrangements for HOS 2024 are as follows:

Flats for sale

The HA will offer five new HOS developments with a total of over 7 100

HOS flats, and a new batch of recovered Tenants Purchase Scheme flats under HOS 2024. While the number of new HOS flats put up for sale this time is slightly below the recent peak of about 9 100 flats in HOS 2023, as some of the projects to be completed in the coming years have been put up for sale in previous sale exercises, it is still above the average number of around 6 900 flats for sale since the last few HOS sale exercises from 2018.

The new HOS developments are located at a wide variety of locations (including Kai Tak, Kwun Tong, Yau Tong, Tung Chung and Tuen Mun), providing choices of flats of different sizes with saleable areas ranging from about 17.3 square metres to about 47.4 sq m (about 186 square feet to about 510 sq ft), catering for the needs of different applicants. Large flats, with saleable areas ranging from about 41.1 sq m to about 47.4 sq m (about 442 sq ft to about 510 sq ft), have been more popular among applicants and account for about a quarter of the total number of flats. (See Annex 1)

Pricing

The HA continues to price HOS flats at an affordable level. The average selling prices of the HOS flats for sale under HOS 2024, if setting the selling prices at an affordable level, are set at a 30 per cent discount from the current assessed market values (i.e. for sale at 70 per cent of the assessed market values). The selling prices of flats in the five new HOS developments range from \$1.43 million to \$4.67 million with an average selling price of about \$2.7 million.

"Based on the average flat selling price at about \$2.7 million with the assumption that the mortgage loan-to-price ratio is 90 per cent and the flat is mortgaged for a term of 30 years at an interest rate of about 4 per cent, mortgage payment is only about \$11,600 per month. For one to two-person flats, the average selling price is about \$1.7 million and the mortgage payment is only about \$7,300 per month, which will be welcomed by young families and young people," the spokesman said.

Priority for flat selection and quota

The HA will implement the Families with Newborns Flat Selection Priority Scheme (Priority Newborns Scheme) announced under The Chief Executive's 2023 Policy Address as scheduled. A quota of about 40 per cent of the new flats to be offered for sale under HOS 2024 will be set for balloting and priority flat selection by those eligible applicants applying under the Priority Newborns Scheme and Priority Scheme for Families with Elderly Members (Priority Elderly Scheme). Family applicants of SSFs sale exercises with babies born on or after October 25, 2023, will be eligible if their babies are aged 3 or below on the closing date of the application of HOS 2024.

The HA will also refine the arrangements of quota allocation at the same time. In the past, the quota is set according to the total number of flats in all developments under a sale exercise. To provide applicants of different application categories a reasonable chance to purchase flats in different

developments, the HA has decided to set the quota on a project-by-project basis according to the respective number of flats in individual new HOS developments. In each development, the quota for the Priority Newborns Scheme and the Priority Elderly Scheme is 40 per cent of the number of flats of the development, and the quota for one-person applicants is 10 per cent of the number of flats of the development. The order of priority for flat selection by eligible applicants will be determined by the application category, quota allocation and ballot results. (See Annex 2)

White Form income and assets limits

At the same time, the HA has also reviewed the WF income and asset limits according to the established mechanism. For family applicants with a household size of two persons and above, the income limit was reduced from \$62,000 per month to \$60,000 per month, and the asset limit was reduced from \$1.47 million to \$1.23 million, making downward adjustments of 3.2 per cent and 16.3 per cent respectively. For one-person applicants, their income and asset limits were reduced to \$30,000 per month and \$615,000 correspondingly.

Since the income and asset limits for HOS application are based on citizens' ability to afford home ownership in the private sector, the WF income and asset limits shall be slightly reduced in response to the development of the private property market of Hong Kong.