

Panel on Development

**Subcommittee on Redevelopment of Buildings
Developed under the Civil Servants' Co-operative Building Society Scheme**

**List of follow-up actions arising from the discussion
at the meeting on 17 May 2016**

At the meeting of the Subcommittee on Redevelopment of Buildings Developed under the Civil Servants' Co-operative Building Society Scheme held on 17 May 2016, the Administration was requested to provide the following information –

- (a) with respect to the Administration's response in item 25 of the Annex to LC Paper No. CB(1)747/15-16(02) that based on the assessment of the Hong Kong Housing Society ("HKHS"), for a flat of 1000 square feet in buildings under the Civil Servants' Co-operative Building Society ("CBS") Scheme, the CBS flat owner should be able to use the proceeds from the sale of the CBS flat under the HKHS's Pilot Scheme (for redevelopment of CBS buildings) to purchase a flat which was relatively smaller in size but was equipped with modern building facilities in the HKHS's Flat-for-Sale Scheme Secondary Market, the size/range of size of the flat and other relevant details about the flat, such as age, etc.; and
 - (b) whether the Administration would review the HKHS's Pilot Scheme (for redevelopment of CBS buildings) and the Urban Renewal Authority's Facilitating Services (Pilot Scheme) (for redevelopment of CBS buildings) in light of the number of applications received for the two schemes after their implementation, in order to assess the need to work out alternative proposals to facilitate the redevelopment of buildings under the CBS Scheme/Government Built Housing Scheme; if yes, the timetable for commencing the review; if no, the reasons.
2. The information requested by the Subcommittee is set out in the following paragraphs.

(a) HKHS's Flat-for-Sale Scheme and Subsidised Sale Flats Scheme

3. Under HKHS' Pilot Scheme for the redevelopment of buildings under the CBS Scheme and the Government Built Housing Scheme (GBHS), qualified flat owners would be allowed to purchase secondary market residential units under HKHS' Flat-for-Sale Scheme and Subsidised Sale Flats Scheme. Most of

these units were built between 1990 and 2002. All such units are equipped with modern building facilities including lifts. As the prices of such units fluctuate with market conditions and are determined by the owners themselves, it is not possible to provide details on the units which could be purchased by CBS/GBHS flat owners with the net proceeds received from the sale of their flats to HKHS. Based on HKHS' rough estimate, depending on location, CBS/GBHS flat owners occupying a 93 sq.m (saleable area) flat should be able to use the net proceeds to buy a flat under the scheme with size ranging from 45 to 55 sq.m (saleable area).

(b) Review on the Urban Renewal Authority's Facilitating Services (Pilot Scheme) and the HKHS's Pilot Scheme for the Redevelopment of Buildings under CBS Scheme and GBHS

4. The URA's Facilitating Service (Pilot Scheme) was launched on 3 May 2016. HKHS plans to launch its Pilot Scheme in mid-2016 tentatively. Both schemes would be implemented under a demand-led approach and it will be up to CBS/GBHS flat owners themselves to initiate and submit applications to URA and HKHS.

5. URA has notified CBS/GBHS flat owners of the details of its scheme and received enquiries from interested CBS flat owners. URA estimated that several applications would be received at the initial stage and it would take about twelve months' time from receiving applications to signing the facilitation agreement with the flat owners. The facilitation period would normally take another six months. Separately, HKHS estimated that it would receive one to two applications at the initial stage and it would take time for the CBS/GBHS flat owners to deliberate and secure owners' participation before the applications could be taken forward. Therefore it is reasonable to allow the schemes to operate for a period of time before we are in a position to assess their effectiveness. That said, if the response to the two pilot schemes is not satisfactory, the Administration will coordinate a review with URA and HKHS on the effectiveness of the schemes in around mid-2017.

**Development Bureau
Civil Service Bureau
Lands Department
Hong Kong Housing Authority
Urban Renewal Authority**

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