Subcommittee on Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice

Profile of Old Buildings in Hong Kong

Purpose

This paper outlines the profile of old buildings in Hong Kong and the likely changes in the coming decade.

Background

- 2. In Hong Kong, the design working life of an ordinary building is 50 years. The older the physical age of a building, the more likely it is fraught with building condition problems requiring attention over time. Rehabilitation will help extend the working life of buildings. Redevelopment remains an effective tool to tackle the problem of urban decay in the long run.
- 3. As at end 2009, there are about 41 000 buildings in Hong Kong, of which about 4 000 buildings are aged 50 years or above. The buildings aged 50 years or above account for 9% of the total number of buildings in the territory (**Annex I**).
- 4. A breakdown of the age of existing buildings by type is at **Annex II**. It is noted that residential/composite use buildings account for most of the building stock. As at today, the number of residential/composite use buildings aged 50 years or above is about 2 600.
- 5. Based on the records of the Buildings Department (BD), we estimate that over the next ten years, approximately an average 570 buildings per annum will reach the age of 50 (Annex III). It is estimated that the number of buildings in this category will rise from about 4 000 in 2009 to about 9 500 in 2019. Without proper repair and maintenance, the magnitude of urban decay is bound to grow much faster in the coming decade.

- 6. As the majority of buildings reaching 50 years of age in the coming decade are residential and composite commercial/residential buildings (<u>Annex IV</u>) in multiple ownership, to assemble owners' consent for redevelopment can be particularly difficult.
- 7. The Urban Renewal Authority ("URA"), established in 2001 to replace the former Land Development Corporation (LDC) as the public redevelopment agent, has been carrying out redevelopment projects to help arrest urban decay in Hong Kong. As at end 2009, the URA has directly, or through collaboration with the Hong Kong Housing Society (HKHS), commenced 37 redevelopment projects and four preservation projects (a list of all these projects is set out at AnnexV). The URA has also inherited 10 already commenced redevelopment projects from the former Since its establishment in 2001, the URA has demolished/will demolish about 800 old buildings¹ for redevelopment in projects it has commenced. As the pace at which the URA has been carrying out urban renewal has been much slower than originally envisaged, there is a need to more actively involve the private sector in the urban renewal process. is to be noted that the Land (Compulsory Sale for Redevelopment) Ordinance (Cap 545) is also the Ordinance that facilitates joint sale actions of the individual minority owners acting together.
- 8. While building age is certainly not a conclusive indicator for redevelopment, nonetheless, it remains a fact that older buildings are more prone to building maintenance problems. According to the BD's records, building repair orders served on buildings aged 50 years or above in Hong Kong (representing about 8% of all existing buildings) account for 19% of all building repair orders that the Department has served over the past five years.

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The URA will have preserved a total of no less than 57 old buildings as well as various historic features, upon completion of the preservation projects and redevelopment projects with preservation elements.

Annex I

Age Profile of Buildings (as at 31 December 2009)

| Age | Number of Buildings | Percentage |
|---------|---------------------|------------|
| <10 | 5 814 | 14.0% |
| 10 – 19 | 8 569 | 20.6% |
| 20 – 29 | 11 148 | 26.7% |
| 30 – 39 | 6 688 | 16.1% |
| 40 – 49 | 5 712 | 13.7% |
| ≥ 50 | 3 690 | 8.9% |
| Total | 41 621 | 100% |

Annex II

Age of Buildings by Type

| Age | Office/ Commercial | Industrial | Residential/ Composite | Others* | Total |
|--------------|-----------------------|------------|---------------------------|---------|--------|
| Less than 10 | 223 | 68 | 4 843 | 680 | 5 814 |
| 10 – 19 | 729 | 393 | 6 636 | 811 | 8 569 |
| 20 – 29 | 646 | 623 | 9 165 | 714 | 11 148 |
| 30 – 39 | 523 | 552 | 5 124 | 489 | 6 688 |
| 40 – 49 | 177 | 252 | 4 768 | 515 | 5 712 |
| ≥ 50 | 29 | 40 | 2 582 | 1 039 | 3 690 |
| Total | 2327 | 1 928 | 33 118 | 4 248 | 41 621 |

Note * : Includes telephone exchanges, churches, schools and 838 pre-war buildings etc.

Estimated number of buildings turning 50 if not demolished

| Year | Number of buildings turning 50 | | |
|-------|--------------------------------|--|--|
| 2010 | 366 | | |
| 2011 | 360 | | |
| 2012 | 453 | | |
| 2013 | 719 | | |
| 2014 | 904 | | |
| 2015 | 839 | | |
| 2016 | 799 | | |
| 2017 | 563 | | |
| 2018 | 398 | | |
| 2019 | 314 | | |
| Total | 5 715 | | |

<u>Annex IV</u>

<u>Estimates of Old Buildings (50 years or above)</u>

| Year | Office/ Commercial | Industrial | Residential/ Composite | Others* | Total |
|------|-----------------------|------------|---------------------------|---------|-------|
| 2009 | 29 | 40 | 2 582 | 1 039 | 3 690 |
| 2010 | 33 | 50 | 2 900 | 1 073 | 4 056 |
| 2011 | 39 | 70 | 3 204 | 1 103 | 4 416 |
| 2012 | 45 | 88 | 3 579 | 1 157 | 4 869 |
| 2013 | 54 | 112 | 4 169 | 1223 | 5 588 |
| 2014 | 67 | 139 | 2 012 | 1274 | 6 492 |
| 2015 | 82 | 203 | 5 707 | 1 339 | 7 331 |
| 2016 | 118 | 247 | 6 384 | 1 381 | 8 130 |
| 2017 | 161 | 263 | 6 829 | 1 440 | 8 693 |
| 2018 | 191 | 277 | 7 109 | 1 511 | 9 088 |
| 2019 | 206 | 292 | 7 350 | 1 554 | 9 402 |

Note *: Include telephone exchanges, churches, schools and 838 pre-war buildings etc.

1. Commenced redevelopment projects inherited from the ex-LDC* (total 10)

| Item | Project Code | Project Name | Number of Old Buildings Affected |
|------|-----------------|---|-------------------------------------|
| 1. | Н1 | Queen Street, Sheung Wan [Queen's Terrace] | 50 |
| 2. | Н9 | Tai Yuen Street/Wan Chai Road, Wan Chai [The Zenith] | 31 |
| 3. | H12 | New Praya, Kennedy Town [The Merton] | 15 |
| 4. | H13 | Ka Wai Man Road, Kennedy Town [Mount Davis 33] | 0 |
| 5. | K2 | Argyle Street/Shanghai Street, Mong Kok [Langham Place] | 58 |
| 6. | K8 | Kwong Yung Street, Mong Kok [Paradise Square] | 10 |
| 7. | K10 | Waterloo Road/Yunnan Lane, Yau Ma Tei [8 Waterloo Road] | 19 |
| 8. | K11 | Hanoi Road, Tsim Sha Tsui [The Masterpiece] | 20 |
| 9. | K13 | Tsuen Wan Town Centre, Tsuen Wan [Vision City] | 22 |
| 10. | K17 | Yeung Uk Road, Tsuen Wan [The Dynasty] | 0 |
| | | Total | 225 |

^{*} excluding the 25 projects announced by the LDC before dissolution

2. Ex-LDC Projects Commenced by the URA (total 25)

| Item | Project Code | Project Name | Number of Old Buildings Affected |
|------|-----------------|---|-------------------------------------|
| 1. | H16 | Johnston Road [J Residence] | 21 |
| 2. | К3 | Cherry Street [Florient Rise] | 33 |
| 3. | K26 | Fuk Wing Street/Fuk Wa Street [Vista] | 8 |
| 4. | K19 | Po On Road/Shun Ning Road [Beacon Lodge] | 8 |
| 5. | K27 | Reclamation Street [MOD 595] | 4 |
| 6. | H20 | First Street/Second Street [Inland Crest] | 30 |
| 7. | H19 | Wing Street Street/Staunton Street | 24 |
| 8. | H17 | Queen's Road East | 5 |
| 9. | H18 | Peel Street/Graham Street | 37 |
| 10. | H15 | Lee Tung Street/McGregor Street | 52 |
| 11. | K1 | Nga Tsin Wai Village | 36 |
| 12. | K7 | Kwun Tong Town Centre | 24 |
| 13. | K9 | MacPherson Stadium | 1 |
| 14. | K28 | Sai Yee Street | 14 |

| Item | Project Code | Project Name | Number of Old Buildings Affected |
|------|------------------|------------------------------------|-------------------------------------|
| 15. | K30 | Beford Road/Larch Street [i-home] | 7 |
| 16. | K33 | Baker Court | 2 |
| 17. | K31 | Larch Street/Fir Street | 12 |
| 18. | K32 | Pine Street/Anchor Street | 12 |
| 19. | H14 [#] | Sai Wan Ho Street | 2 |
| 20. | H21 [#] | Shau Kei Wan Road | 17 |
| 21. | K25 [#] | Po On Road/Wai Wai Road | 19 |
| 22. | K20 [#] | Castle Peak Road/Cheung Wah Street | 10 |
| 23. | K21 [#] | Castle Peak Road/Un Chau Street | 22 |
| 24. | K22 [#] | Un Chau Street/Fuk Wing Street | 22 |
| 25. | K23 [#] | Castle Peak Road/Hing Wah Street | 11 |
| | | Total | 433 |

[#] Collaboration with the Hong Kong Housing Society

3. URAO projects commenced by the URA (total 16)

| Item | Project Code | Project Name | Number of Old Buildings Affected |
|------------|----------------------|--|-------------------------------------|
| 1 & | SSP/1/001& | Lai Chi Kok Road/Kwelin Street and | 17 |
| 2. | 002 | Yee Kuk Street | |
| 3. | WC/001 | Mallory Street/Burrows Street | 5 |
| 4. | H05-026 [#] | Stone Nullah Lane/Hing Wan Street | 9 |
| 5. | SYP/1/001 | Yu Lok Lane/Centre Street | 14 |
| 6. | TKT/2/001 | Fuk Tsun Street/Pine Street | 3 |
| 7,8 & 9 | SSP/1/003-005 | Hai Tan Street/Kweilin Street/Pei Ho Street | 37 |
| 10. | K03/2/001 | Fuk Tsun Street/Anchor Street | 6 |
| 11. | TKW/1/001 | Chi Kiang Street/Ha Heung Road | 5 |
| 12. | MTK/1/001 | Pak Tai Street/Mok Cheong Street | 5 |
| 13. | MK/01 | Shanghai Street/Argyle Street | 14 |
| 14. | MK/02 | Prince Edward Road West/Yuen Ngai Street | 10 |
| 15. | MTK/1/002 | San Shan Road/Pau Chung Street | 7 |
| 16. | SSP/3/001 | Shun Ning Road | 5 |
| | | Total | 137 |

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