

**For discussion  
on 9 January 2018**

## **Legislative Council Panel on Housing**

### **Review of the Interim Scheme to Extend the Home Ownership Scheme Secondary Market to White Form Buyers**

#### **PURPOSE**

This paper sets out the outcome of the review conducted by the Hong Kong Housing Authority (HA) on the Interim Scheme to Extend the Home Ownership Scheme (HOS) Secondary Market to White Form (WF) Buyers (Interim Scheme), and the way forward of the Interim Scheme.

#### **BACKGROUND**

2. It has been a longstanding arrangement that owners of subsidised sale flats (SSFs) of HA and the Hong Kong Housing Society (HKHS) may sell their flats without payment of premium to Green Form (GF)<sup>1</sup> buyers in the Secondary Market. In July 2012, the then Chief Executive (CE) announced that the Government would allow 5 000 WF applicants every year to purchase SSFs with premium unpaid in the HOS Secondary Market. The arrangement was intended as an interim measure to help meet the home ownership aspirations of WF buyers before new HOS flats are released onto the market. HA launched two rounds of the Interim Scheme in January 2013 and August 2015 respectively. HA has undertaken to review the Scheme upon its completion to consider the way forward.

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<sup>1</sup> Mainly sitting public rental housing (PRH) tenants and PRH applicants who have passed the detailed eligibility vetting and obtained a Green Form Certificate.

## Operational arrangements

3. The first round of the Interim Scheme provided a quota of 5 000<sup>2</sup> and the second round a quota of 2 500. WF applicants who had passed the Housing Department (HD)'s detailed vetting on eligibility in accordance with the priority had to obtain a Certificate of Eligibility to Purchase (CEP) in order to enter into provisional agreement for sale and purchase with sellers. Thereafter, the buyers' solicitor would proceed to apply to HA or HKHS (depending on the flat to be purchased) for a Letter of Nomination (LN) to enter into the agreement for sale and purchase.

## Response and take-up rate

4. 4 021 WF buyers achieved home ownership through the two rounds of Interim Scheme. The number of applications received, CEPs and LNs issued, as well as successful transactions in the Interim Scheme are summarised below –

	<b>First Round (May 2013 to April 2015)</b>	<b>Second Round (January 2016 to May 2017)</b>
Quota (a)	5 000	2 500
Applications received (b)	66 157	43 934
Over-subscription	~ 12 times	~ 17 times
CEP issued (c)	3 968	2 489
LN issued	2 411	1 619
Successful transactions (d)	2 405	1 616
Take-up rate		
- (d) / (a) * 100%	48%	65%
- (d) / (c) * 100%	61%	65%

Source : Data compiled from HA's administrative records

5. Further analysis of the buyers' profile and flats transacted based on HA's administrative records and surveys conducted in 2015 and 2017 respectively on the two rounds of the Interim Scheme is set out at **Annex**.

## REVIEW OF THE INTERIM SCHEME

6. HA's Subsidised Housing Committee (SHC) reviewed the Interim

<sup>2</sup> Released in two batches of 2 500 each in May and December 2013 respectively.

Scheme at its meeting on 30 November 2017. SHC's assessment and considerations are set out below.

### **Enriching the housing ladder and facilitating circulation of flats**

7. Providing WF applicants with access to the Secondary Market is consistent with the vision of enriching the housing ladder under the CE's 2017 Policy Address and the Government's Long Term Housing Strategy.

8. The Interim Scheme has enriched the housing ladder by providing low to middle-income families with an additional avenue for home ownership. **Through the Interim Scheme, over 4 000 WF buyers achieved home ownership, with over 80% aged below 40.** Without the Interim Scheme, those WF buyers might have found it difficult to purchase flats in the private property market.

9. The Interim Scheme has also facilitated the circulation of SSFs by adding potential buyers in the Secondary Market. From 2003 to 2012, when only those with GF status were eligible to buy in the Secondary Market, annual transactions in the Secondary Market averaged about 2 067 per annum. **The average annualised number of transactions increased to about 2 550 and 2 708 respectively during the two rounds of the Interim Scheme –**

	<b>Annual average numbers</b> (2003 to May 2013)	<b>Annualised numbers during the first round of Interim Scheme</b> [Actual numbers in square brackets] (June 2013 to April 2015)	<b>Annualised numbers during the second round of Interim Scheme</b> [Actual numbers in square brackets] (January 2016 to May 2017)
WF buyers purchasing SSFs under the Interim Scheme	N/A	<b>1 255</b> [2 405]	<b>1 141</b> [1 616]
GF buyers purchasing SSFs	2 067	<b>1 295</b> [2 483]	<b>1 568</b> [2 221]
<b>Total</b>	<b>2 067</b>	<b>2 550</b> [4 888]	<b>2 708</b> [3 837]

Source : Data compiled from HA's administrative records

N/A : Not applicable

## Continuing demand for SSFs from WF buyers

10. **There has been continuing demand from WF buyers for SSFs,** as indicated from their response towards the sale of new HOS flats as well as the two rounds of the Interim Scheme –

Launch Date	Scheme	Quota/ flats allocated to WF buyers	No. of WF applications received	Rate of over-subscription (times)
January 2013	First round of the Interim Scheme	5 000	66 157	12
June 2014	Tin Lee Court <sup>3</sup>	34 <sup>#</sup>	12 228	359
December 2014	Sale of HOS Flats 2014	864 <sup>#</sup>	123 542	142
August 2015	Second round of the Interim Scheme	2 500	43 934	17
February 2016	Sale of HOS Flats 2016	1 842 <sup>^</sup>	48 699	25
March 2017	Sale of HOS Flats 2017 <sup>4</sup>	1 060 <sup>^</sup>	92 126	86

Source : Data compiled from HA's administrative records

# : The ratio of quota allocation between GF and WF applicants was 60:40.

^ : The ratio of quota allocation between GF and WF applicants was 50:50.

Both the over-subscription rate and take-up rate (see paragraph 4 above) for the second round of the Interim Scheme were higher than that for the first round, despite that HA had launched two sale exercises for newly-built HOS Flats in 2014 and 2016<sup>5</sup> involving a total of 3 393 successful WF buyers, which should have absorbed part of the purchasing power from WF applicants.

11. According to the HA's survey on applicants of the second round of the Interim Scheme, about 76% of those unsuccessful applicants (including those who failed in the ballot, as well as those who succeeded in the ballot but did not proceed to purchase a flat) indicated that they would apply under the Interim Scheme if it was to be launched again –

<sup>3</sup> Including one rescinded flat in Tin Chung Court, Tin Shui Wai.

<sup>4</sup> Including 63 rescinded flats from the five HOS developments put up for pre-sale in the Sale of HOS Flats 2014.

<sup>5</sup> The 2016 exercise was jointly run with HKHS.

<b>Intention to apply<sup>#</sup></b>	<b>Interim Scheme</b>	<b>New HOS flats</b>
Yes	76%	66%
No	13%	15%
Don't know / Not yet decided	11%	19%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source : Data compiled from findings of HA's survey

# : The related survey questions were only directed to unsuccessful applicants of the second round of the Interim Scheme.

### **Owners wanting to sell in the Secondary Market**

12. At the same time, there has been a continuous supply for the Secondary Market –

<b>Year</b>	<b>Certificate of Availability for Sale issued by HA</b>	<b>Transactions in the HOS Secondary Market</b>
2009	2 909	1 967
2010	3 266	2 231
2011	2 742	1 653
2012	2 687	1 762
2013	3 884	2 045
2014	2 899	2 745
2015	2 900	1 599
2016	2 860	2 766

Source : Data compiled from HA's administrative records

The table above also shows that some owners were willing to sell but did not manage to sell their flats in the Secondary Market.

### **Impact on GF buyers**

13. The average annual number of GF transactions decreased from 2 067 before the Interim Scheme to 1 295 in the first round and to 1 568 in the second round. The number of GF transactions has stabilised since 2014, with an average monthly transactions of around 120 to 130, as shown in the table below –

Year/ Period	Average monthly transactions		
	GF	WF	Overall
<b>2009</b>	169	N/A	169
<b>2010</b>	192	N/A	192
<b>2011</b>	141	N/A	141
<b>2012</b>	152	N/A	152
<b>January to May 2013</b>	123	N/A	123
<b>June to December 2013</b> (Initial launch period of the first round of Interim Scheme)	83	131	215
<b>2014</b>	119	117	235
<b>January to April 2015</b>	120	21	141
<b>May to December 2015</b> (intervening period between the first and second rounds of the Scheme)	134	N/A	134
<b>January 2016 to May 2017</b>	131	95	226

Source : Data compiled from HA's administrative records

N/A : Not applicable

14. Regularising the Interim Scheme may continue to displace individual GF buyers. It is relevant that in the past few years, HA has provided new opportunities for home ownership for GF buyers, through HOS and the Green Form Subsidised Home Ownership Pilot Scheme (GSH). Since GSH flats are priced lower than HOS flats, if HA decides to regularise GSH, this should provide an alternative channel for GF buyers of lesser means to achieve home ownership.

### **Impact on flat prices in the Secondary Market**

15. There are comments that the Interim Scheme drove up flat prices in the Secondary Market. In theory, regularising the Interim Scheme might increase price pressure in the Secondary Market. For the first round of the Interim Scheme, flat prices in the Secondary Market increased by 64%<sup>6</sup>, as compared with an increase of 47% in prices of small and medium flats in the private residential market<sup>7</sup>. For the second round of the Scheme, the increase in flat prices in the Secondary Market was 34%<sup>8</sup>, whereas that in the private

<sup>6</sup> From August 2012 when the Scheme was announced to April 2015 when the first round ended.

<sup>7</sup> Comparison was made against class A and B flats, with saleable area of less than 70 m<sup>2</sup>, in the private residential market.

<sup>8</sup> From December 2014 when the second round was announced to May 2017 when that round ended.

residential market was 23%. However, there are many factors that may bring about fluctuations in flat prices. It is therefore not practicable to ascertain the impact of individual factors upon the above changes in prices.

### **Implication on HA's finances**

16. Since the launch of the Interim Scheme, premium payments of HOS and Tenants Purchase Scheme flats have decreased considerably. The average number of premium payment cases dropped from 215 per month before the launch of the Interim Scheme (from 2007 to 2012) to 87 during the two rounds of the Interim Scheme (from 2013 to May 2017). The Interim Scheme might have been a reason for this change, while other factors such as the rising flat prices in the private market might also have discouraged SSFs owners from paying premium to HA.

17. Reduction in premium payment cases have reduced HA's revenue, and this may continue if the Interim Scheme is regularised.

### **HA'S DECISIONS**

18. SHC considers that the Interim Scheme has enriched the housing ladder by providing low to middle-income families with an additional avenue for home ownership. It has also facilitated the circulation of SSFs by adding potential buyers to the Secondary Market. Taking into account the continuing demand for SSFs from WF buyers, SHC has endorsed regularising the Interim Scheme as the White Form Secondary Market Scheme (WSM). SHC has also endorsed the following arrangements.

#### **Validity of CEPs**

19. Under WSM, applicants need to apply for a CEP before they can purchase flats in the Secondary Market. With reference to the arrangements under the two rounds of the Interim Scheme, SHC has decided to set the validity of CEPs at one year.

## **Annual quota**

20. Currently, there is no quota for GF buyers' participation in the Secondary Market. Some may argue for the same for WF buyers. However, taking into account the supply of SSFs with premium unpaid and public comments about the implications of WSM's quotas on the Secondary Market, SHC has decided to impose an annual quota of 2 500 for WSM with reference to the quotas and arrangements under the two rounds of the Interim Scheme. The annual quota may be adjusted in the light of operational experience.

## **Allocation of quota between family and one-person applicants**

21. As with the two rounds of the Interim Scheme, SHC decided to adopt the ratio of 9:1 for family and one-person applicants. The quotas will be allotted by ballot in case of over-subscription. Both the annual quota and ratio between different households could be adjusted in the light of operational experience.

## **Eligibility requirements**

22. During the Interim Scheme, HA applied a set of income and asset limits using the established formula under HOS. SHC has decided that the regularised WSM will simply adopt the prevailing criteria under HOS, including the prevailing income and assets limits as well as restrictions on domestic property ownership, etc.

23. To streamline application procedures and provide more subsidised home ownership opportunities for low to middle-income households either under HOS or WSM in each year, SHC has also endorsed the following additional requirements –

- (a) HA will invite applications for WSM and those for HOS flats around the same time each year with the same set of income and asset limits;
- (b) applicants may choose between HOS, WSM, or both; and
- (c) balloting for WSM and the Sale of HOS Flats exercise will be conducted separately to determine the allocation of quotas under



the WSM and priority for flat selection under Sale of HOS Flats respectively.

### **Resale restrictions**

24. SHC has decided to continue with the resale restrictions under the Interim Scheme. Specifically, a WF buyer who has purchased a flat is not allowed to sell the flat on the Secondary Market within the first two years of the transaction, but may sell on the open market upon paying the premium. Starting from the third year upon the first assignment, the owner may sell with premium not yet paid to an eligible person nominated by HA.

### **MORTGAGE GUARANTEE PERIOD**

25. HA has been providing mortgage default guarantee to financial institutions for up to 30 years counting from the date of the first assignment of individual flats. For the Secondary Market, GF buyers can borrow up to 95% of (a) the Assessed Value (market value minus premium) or (b) the purchase price of the property in the Secondary Market, whichever is the lower<sup>9</sup>. WF buyers under WSM will also be covered under the said guarantee, and they may borrow up to 90% of the Assessed Value / purchase price of the property.

26. There have been concerns that buyers (both GF and WF buyers) of relatively aged SSFs from the Secondary Market may not be able to secure a mortgage loan with a longer tenure, since HA's mortgage default guarantee is offered for up to 30 years counting from the date of the first assignment of the flats concerned. However, HA notes that financial institutions will take into account all relevant factors including the financial position and track records of the applicants, the condition of the property, etc., in vetting mortgage applications. HA's mortgage default guarantee period is only one of the factors that financial institutions will consider, and they are free to grant mortgage loan with tenure exceeding the remaining period of HA's mortgage default guarantee. In addition, according to findings of HA's survey on applicants of the second round of the Interim Scheme, most of the successful buyers did not encounter any difficulties in obtaining mortgage loan.

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<sup>9</sup> The transaction price and the assessed current value of a SSF may differ. The rationale for providing mortgage default guarantee for the lower value is to discourage speculative activities of SSFs in the Secondary Market and not to overburden HA's finances.

## **WAY FORWARD**

27. HA will draw up the implementation details for launching WSM together with the Sale of HOS 2018 in the first quarter of 2018. HA will also work with HKHS on corresponding arrangements for their SSFs.

28. Members are invited to note this paper for information.

**Transport and Housing Bureau**  
**January 2018**

**Profile of buyers and characteristics of flats transacted  
under the two rounds of the Interim Scheme to Extend the Home  
Ownership Scheme Secondary Market to White Form Buyers**

Detailed analysis of the profile of buyers and the characteristics of flats transacted under the two rounds of the Interim Scheme to Extend the Home Ownership Scheme (HOS) Secondary Market to White Form (WF) Buyers (Interim Scheme) are summarised in the ensuing paragraphs.

### Buyers' Profile

#### (a) Age profile of buyers

2. Based on the Hong Kong Housing Authority's (HA's) administrative records, in both rounds of the Interim Scheme, over 80% of WF buyers were below 40 years old. The median age of buyers was 31 in the first round and 32 in the second round.

Age#	First round	Second round
< 30	38%	36%
30 – < 40	45%	48%
40 – < 50	12%	11%
50 – < 60	4%	4%
≥ 60	*	*
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Median</b>	<b>31</b>	<b>32</b>

Source : Data compiled from HA's administrative records

# : The age of the applicant on the application form is taken as the age of the successful buyer in the case of family applications.

\* : Less than 0.5%

3. For reference, according to the “Survey on Buyers of Second-hand HOS Flats 2013”<sup>1</sup> (which was conducted prior to the launch of the Interim Scheme), the median age of Green Form (GF) buyers in the HOS Secondary Market was 46. In the 2015 Survey of the series (which was conducted after the launch of the Interim Scheme), the median age of GF buyers in the HOS Secondary Market was 45. The findings of a separate survey on the applicants of the Sale of HOS Flats 2014 exercise reveals that the median age of GF buyers was 60, while that of WF buyers was 43.

4. The above findings suggest that WF buyers were generally younger than GF buyers, both for new HOS flats and flats in the Secondary Market. In addition, the age profile of GF buyers in the Secondary Market remained stable and did not seem to be affected by the introduction of the Interim Scheme.

#### **(b) Monthly household income**

5. According to HA’s survey findings, about 57% of WF buyers in the first round had a monthly household income below \$40,000 (which was also the income limit for the first round). The corresponding percentage in the second round was 66%. The median monthly household income of buyers was \$35,800 in the first round, and dropped to \$33,000 in the second round. When analysed by family type, it is noted that the median monthly household income of one-person (1P) buyers remained the same (i.e. \$20,000) for both rounds of the Interim Scheme while that of family buyers decreased from \$36,700 in the first round to \$35,000 in the second round.

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<sup>1</sup> The Survey on Buyers of Second-hand HOS Flats has been conducted since 1997 to collect statistical information on the profile of home buyers who purchased second-hand HOS flats of the HA. The 2013 Survey covered home buyers in the Open Market and the HOS Secondary Market in the two-year period from April 2011 to March 2013. Related survey findings are set out in SHC Paper No. 61/2014 on “Survey on Buyers of Second-hand HOS Flats 2013”.

Household income	First round			Second round		
	1P	Family	Total	1P	Family	Total
< \$20,000	22%	3%	3%	46%	4%	6%
\$20,000 – < \$30,000	50%	22%	23%	51%	22%	23%
\$30,000 – < \$40,000	28%	31%	31%	4%	38%	36%
\$40,000 – < \$50,000	-	25%	24%	-	31%	29%
≥ \$50,000	-	19%	19%	-	5%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Median</b>	<b>\$20,000</b>	<b>\$36,700</b>	<b>\$35,800</b>	<b>\$20,000</b>	<b>\$35,000</b>	<b>\$33,000</b>

Source : Data compiled from HA's survey findings

- : Nil

### (c) Previous housing types and reasons for purchase

6. According to HA's survey findings, a majority of the successful WF buyers had not applied for public rental housing (PRH) –

Whether successful WF buyers in the Secondary Market had applied for PRH	First round	Second round
Yes	15%	22%
No	85%	78%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source : Data compiled from HA's survey findings

7. For those WF buyers who had not applied for PRH, “aspiration for home ownership” and “to improve living conditions” were cited as the main reasons for purchasing flats in the Secondary Market.

Reasons for choosing to purchase second-hand HOS flats in the Secondary Market but not applying for PRH <sup>#</sup>	First round	Second round
Aspiration for home ownership	67%	48%
To improve living conditions	51%	37%
Size of previous accommodation too small	15%	17%
To live closer to / together with other family members	25%	10%

Source : Data compiled from HA's survey findings

# : Multiple answers were allowed

**(d) Financial arrangements**

8. Most of the WF buyers had taken out mortgage loans to finance their flat purchase –

<b>Method of payment</b>	<b>First round</b>	<b>Second round</b>
With mortgage loan	97%	99%
Full payment	3%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Source : Data compiled from HA's survey findings

9. For those who had taken out mortgage loans, savings were the major source of funding, while a considerable portion also claimed that they got support from parents –

<b>Source of funding<sup>#</sup></b>	<b>First round</b>	<b>Second round</b>
Savings	90%	97%
Financial support from parents	46%	41%
Financial support from friends / relatives	11%	5%

Source : Data compiled from HA's survey findings

# : Multiple answers were allowed

10. The average mortgage repayment period for WF buyers in the two rounds was comparable –

<b>Mortgage repayment period</b>	<b>First round</b>	<b>Second round</b>
< 15 years	1%	2%
15 – < 20 years	4%	6%
20 – < 25 years	20%	22%
25 – < 30 years	70%	71%
≥ 30 years	4%	–
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Average (years)</b>	<b>24</b>	<b>23</b>

Source : Data compiled from HA's survey findings

- : Nil

11. In both rounds, the average loan-to-price ratio for WF buyers was 84%. However, those who had taken out a mortgage with a loan-to-price ratio of 90% or more had dropped from 32% in the first round to 15% in the second round –

<b>Loan-to-price ratio</b>	<b>First round</b>	<b>Second round</b>
< 50%	1%	2%
50% – < 60%	2%	4%
60% – < 70%	9%	7%
70% – < 80%	13%	9%
80% – < 90%	43%	64%
90% – ≤ 95%	32%	15%
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Average (%)</b>	<b>84%</b>	<b>84%</b>

Source : Data compiled from HA's survey findings

12. The median monthly mortgage repayment to income ratio of WF buyers increased from 28% in the first round to 34% in the second round, which might reflect both the increase in flat price and the decrease in median household income of buyers –

<b>Monthly mortgage repayment to income ratio</b>	<b>First round</b>	<b>Second round</b>
< 10%	1%	–
10% – < 20%	14%	7%
20% – < 30%	40%	25%
30% – < 40%	25%	33%
40% – < 50%	14%	17%
≥ 50%	6%	18%
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Median</b>	<b>28%</b>	<b>34%</b>

Source : Data compiled from HA's survey findings

– : Nil

## Characteristics of Flats Transacted

### (a) Types

13. In terms of the types of flats purchased, both WF and GF buyers exhibited similar preferences, as shown in the number of transactions for HOS, Tenants Purchase Scheme (TPS) and Flats for Sale Scheme<sup>2</sup> (FFSS) flats in the Secondary Market. The majority of them preferred HOS flats –

	HOS	TPS	FFSS
<i>First round of the Interim Scheme (June 2013 – April 2015)</i>			
GF Buyers	82%	15%	3%
WF Buyers	85%	14%	2%
<i>Second round of the Interim Scheme (January 2016 – May 2017)</i>			
GF Buyers	78%	20%	2%
WF Buyers	76%	22%	1%
<i>(for reference) Tradable stock as at end September 2017</i>			
	64%	33%	3% <sup>#</sup>

Source : Data compiled from HA's administrative records

# : Include Subsidised Sale Flats Project (SSFP) flats of HKHS. SSFP flats were not tradable in the Secondary Market during the two rounds of the Interim Scheme as those flats were still within the first two years from the date of first assignment.

### (b) Size

14. The average size of flats purchased by GF buyers had been consistently larger than that of WF buyers.

	<40m <sup>2</sup>	40 - <55m <sup>2</sup>	>=55m <sup>2</sup>	Average flat size
<i>Pre-interim Scheme (2009 to May 2013)</i>				
GF Buyers	12%	48%	40%	50.6m <sup>2</sup>
<i>First round of the Interim Scheme (June 2013 to April 2015)</i>				
GF Buyers	13%	47%	40%	50.3m <sup>2</sup>
WF Buyers	20%	56%	24%	46.9m <sup>2</sup>
<i>Between two rounds of the Interim Scheme (May to December 2015)</i>				
GF Buyers	15%	48%	37%	49.5m <sup>2</sup>

<sup>2</sup> FFSS are subsidised sales flats (SSFs) offered by the Hong Kong Housing Society (HKHS).



	<40m <sup>2</sup>	40 - <55m <sup>2</sup>	>=55m <sup>2</sup>	Average flat size
<b><i>Second round of the Interim Scheme (January 2016 to May 2017)</i></b>				
GF Buyers	17%	47%	36%	49.3m <sup>2</sup>
WF Buyers	23%	56%	21%	46.2m <sup>2</sup>
<i>(for reference) Tradable stock of HA's SSFs as at end September 2017</i>				
	28%	51%	22%	45.7m <sup>2</sup>

Source : Data compiled from HA's administrative records

### (c) Location

15. GF and WF buyers showed similar preference in terms of the location of property, with urban flats being the most popular. The percentage of GF buyers who bought urban flats was roughly above 40% both before and after the launch of the Interim Scheme, and was consistently higher than that of WF buyers.

	Urban	Extended Urban	New Territories <sup>3</sup>
<b><i>Pre-Interim Scheme (2009 to May 2013)</i></b>			
GF Buyers	41%	29%	30%
<b><i>First round of the Interim Scheme (June 2013 to April 2015)</i></b>			
GF Buyers	42%	30%	27%
WF Buyers	37%	35%	28%
<b><i>Between two rounds of the Interim Scheme (May to December 2015)</i></b>			
GF Buyers	39%	32%	29%
<b><i>Second round of the Interim Scheme (January 2016 to May 2017)</i></b>			
GF Buyers	43%	31%	26%
WF Buyers	36%	36%	28%
<i>(for reference) Tradable stock as at end September 2017</i>			
	35%	34%	31% <sup>#</sup>

Source : Data compiled from HA's administrative records

# : Include SSFP flats of HKHS

<sup>3</sup> The number of tradable stock/ flats transacted in the Islands is less than 0.5%.

**(d) Price**

16. There was an overall increase in the price of flats transacted in the Secondary Market since the introduction of the Interim Scheme. In addition, the average price of flats purchased by GF buyers was consistently higher than that of WF buyers throughout the two rounds of the Interim Scheme. Similar pattern is also observed regarding the average unit flat price. It should be noted that the figures presented in the tables below are overall average, and have not taken into account factors such as type, location, quality, etc. of the properties concerned.

Year/ Period	Average flat price (\$)		
	GF	WF	Overall
2009 to May 2013	\$1.8M	N/A	\$1.8M
First round of Interim Scheme	\$3.0M	\$2.6M	\$2.8M
May to December 2015	\$3.3M	N/A	\$3.3M
Second round of Interim Scheme	\$3.6M	\$3.0M	\$3.4M

Source : Data compiled from HA's administrative records

N/A : Not applicable

Year/ Period	Average unit flat price (\$ per m <sup>2</sup> saleable area) [\$ per ft <sup>2</sup> saleable area in square brackets]		
	GF	WF	Overall
2009 to May 2013	\$35,000 [\$3,300]	N/A	\$35,000 [\$3,300]
First round of Interim Scheme	\$59,900 [\$5,600]	\$56,200 [\$5,200]	\$58,100 [\$5,400]
May to December 2015	\$67,600 [\$6,300]	N/A	\$67,600 [\$6,300]
Second round of Interim Scheme	\$73,200 [\$6,800]	\$65,700 [\$6,100]	\$70,200 [\$6,500]

Source : Data compiled from HA's administrative records

N/A : Not applicable

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