



Review of the Income and Asset Limits for Public Rental Housing (PRH) for 2020/21

I. Mechanism for the Review of PRH Income Limits

$$\text{PRH Income Limits} = \text{Household Expenditure} + \text{Contingency (5\% of Household Expenditure)}$$

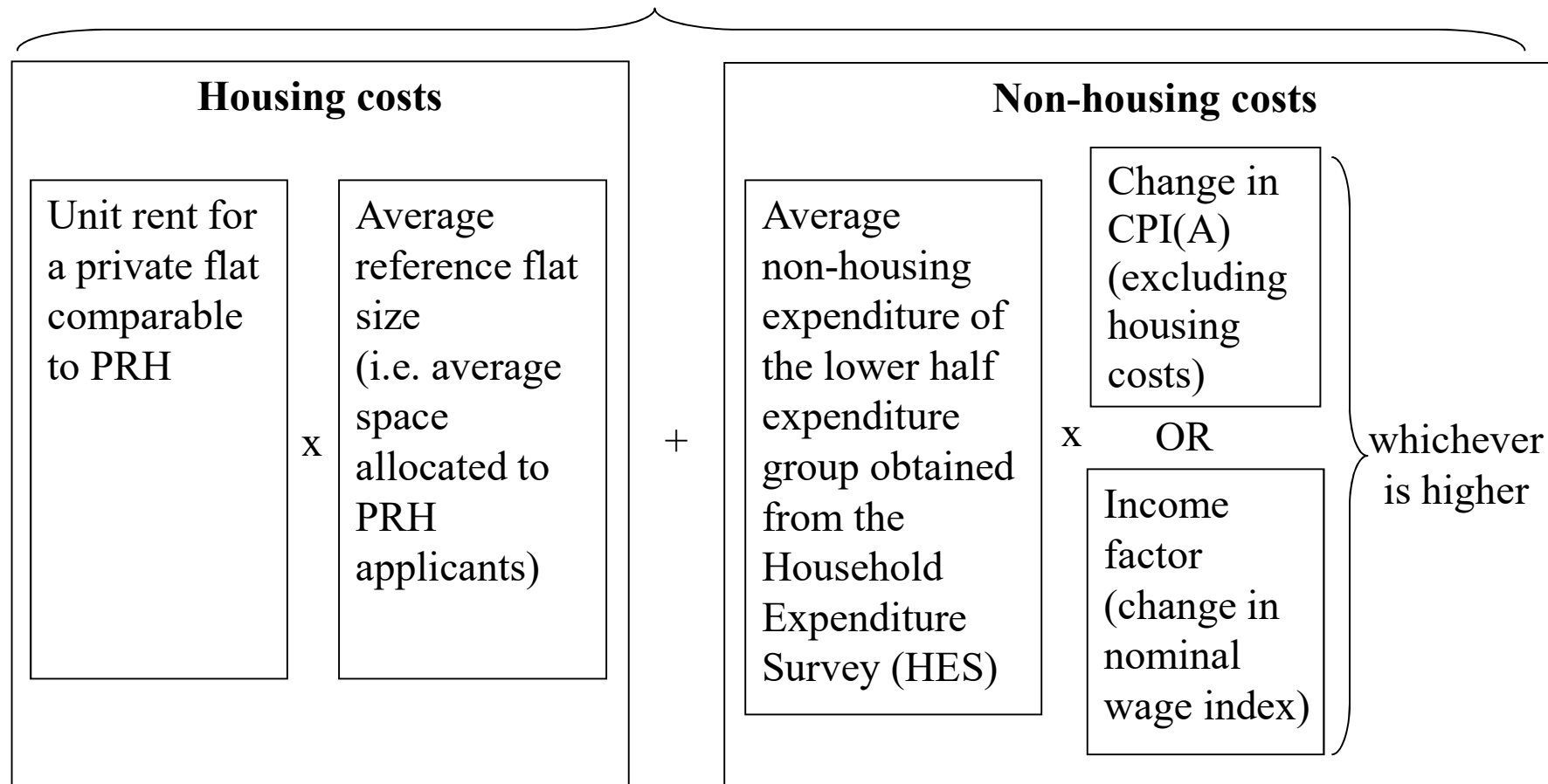


Illustration for 4-person households –

PRH Income Limits \$30,950	=	Household Expenditure \$29,480	+	Contingency (5% of Household Expenditure) \$1,474
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Housing costs \$12,923		Non-housing costs \$16,557	
Unit rent for a private flat comparable to PRH \$363	x	Average reference flat size (i.e. average space allocated to PRH applicants) 35.6m²	+
		Average non-housing expenditure of the lower half expenditure group obtained from the Household Expenditure Survey (HES) \$15,951	x
		OR	
		Change in CPI(A) (excluding housing costs) 1+3.8%	}
		Income factor (change in nominal wage index) 1+3.4%	} whichever is higher



Proposed PRH Income Limits for 2020/21

	Existing PRH income limits for 2019/20 *		Proposed PRH income limits for 2020/21 *	
- 1-person	\$11,830	(\$12,453)	\$12,800	(\$13,474)
- 2-person	\$18,690	(\$19,674)	\$19,430	(\$20,453)
- 3-person	\$23,010	(\$24,221)	\$24,410	(\$25,695)
- 4-person	\$29,240	(\$30,779)	\$30,950	(\$32,579)

Overall : +5.4%

* Figures in brackets denote the income limits inclusive of the statutory contributions under the Mandatory Provident Fund Scheme.



II. Mechanism for the Review of PRH Asset Limits

- Under the established mechanism, the PRH asset limits are adjusted with reference to the movements in CPI(A)

Review for 2020/21

4Q 2019

Change in CPI(A) as compared with
the same quarter of previous year

+3.4%



Proposed PRH Asset Limits for 2020/21

	Existing PRH asset limits for 2019/20	Proposed PRH asset limits for 2020/21
- 1-person	\$257,000	\$266,000
- 2-person	\$348,000	\$360,000
- 3-person	\$454,000	\$469,000
- 4-person	\$530,000	\$548,000

(Overall: +3.4%)



Ends