LegCo Panel on Housing Subcommittee to study the Sales Descriptions of Uncompleted Residential Properties White Bill Administration's response to Members' concerns raised on 28 April 2000

I. Disclosure of "Internal Floor Area" with a margin of acceptable discrepancy

Some Members suggested that the Bill should require the developer to provide the "internal floor area" of uncompleted residential properties but allow a specified margin of discrepancy, for example a certain acceptable percentage of variance from the stated "internal floor area". It was suggested that if the actual "internal floor area" of the residential property should fall beyond the specified margin of discrepancy, then the purchaser should be given the right to cancel the contract entered into with the developer for the sale of the uncompleted residential property. There were mixed views as to whether there should be mechanisms for price adjustments for discrepancies within the acceptable limits, i.e. upward price adjustments for the excess floor area built and vice versa.

The Administration and the Consumer Council consider that the provision of a margin of discrepancy, as suggested, might not necessarily be in the best interest of the consumer. For example, if a 5% margin of discrepancy of the "internal floor area" is allowed, then a range of actual "internal floor area" ranging from 85.5 to 94.5 square metres will be "acceptable" for a residential property with stated "internal floor area" of 90 square metres. The Administration would welcome further views from the public on this matter.

II. Basis for calculation of the "Gross Floor Area" (GFA)

3 Schedule 2 of the Bill provides that the gross floor area of a residential property in a development is proportionate to the share of the saleable area of that residential property in the total saleable area of all residential properties in the development.

The Building Authority has been asked to explain the basis adopted for the calculation of the GFA. The required information is at Annex for Members' reference.

III. Floor Plans

Some Members raised whether exposed pipes could be drawn to scale in the floor plans and whether fuse boxes or other installations for common use put inside a residential unit could be shown in the floor plans. The Administration noted Members' concerns and will consult the views of professional bodies on these technical aspects.

IV. Disposition plan of large-scale developments to be completed in phases

- Some Members pointed out that it would be difficult for a developer to disclose in sales brochures the disposition plan of a large-scale project involving several phases of development. Members were concerned about the possible legal obligations if a developer needs to make subsequent changes to the disposition plan and how the interest of the purchasers could be protected under such circumstances.
- The Administration is of the view that we need to strike a balance between consumer protection for the purchaser and flexibility for the developer. We will discuss with the property developers who have also expressed concern on the same matter to see what improvements could be made to the provisions in the Bill.

V. Effect of information required under Part I of Schedule 1 of the Bill

8 A few Members suggested that for greater protection of consumers, certain important information required under Part I of Schedule 1 such as disposition plans and completion dates should be placed under Part II.

9 The Administration welcome further views from the public on this matter before we decide whether to make changes to the draft legislation.

VI Land use outside the boundary of a residential development as shown on town plans

- Some Members were concerned that the developers did not have ready access to town plans other than the gazetted outline zoning plan and therefore may have difficulties in meeting the requirements of the Bill.
- Members also pointed out that references to "G/IC" commonly used in town plans could result in obnoxious facilities being constructed in the vicinity of a residential development.
- The Administration will examine the arrangements in relation to the access to statutory and non-statutory town plans by developers. In respect of the "G/IC" zoning in town plans, the Administration will look into the feasibility of providing a list of possible public facilities which may be represented by the zoning for public's reference.

Government Secretariat Housing Bureau 16 May 2000

LegCo Panel on Housing Subcommittee to study the Sales Descriptions Of Uncompleted Residential Properties White Bill Information Paper on Calculation of Gross Floor Areas

Purpose

This paper provides information on the calculation of gross floor area (GFA) as defined under the Buildings Ordinance (BO) and allied regulations.

Background

2. The subcommittee of the LegCo Panel on Housing, at its meeting on 28 April 2000, requested information on how GFA is calculated by the Building Authority (BA) and the criteria adopted in deciding what should or should not be included as part of GFA.

Calculation of GFA

- 3. The GFA of a building is specified under Building (Planning) Regulation (B(P)Reg) 23(3)(a) as the area contained within the external walls of the building measured at each floor level, together with the area of each balcony in the building, which shall be calculated from the overall dimensions of the balcony (including the thickness of the sides thereof), and the thickness of the external walls of the building. The BA takes the view that all portions of the area so contained within the outer surface of external walls of a building but are not floored over are accountable for GFA calculations. However, for projections from a building such as 'bay-windows' that are not at the floor level and do not dominate the face of a building, they are not required to be counted for GFA.
- 4. The horizontal area of staircases and lift shafts are normally measured for GFA together with the floor through which they pass. Entrance lobbies, lifts, staircases and exit corridors at the level(s) of main access to a building from the street(s) are also included in the measurement of GFA. Where the staircases and lift shafts pass through a floor wholly accepted as not being accountable for GFA, the horizontal area of these features may also be discounted.

- 5. In determining the GFA of a building, the BA may disregard the following areas pursuant to regulation 23(3)(b) of the B(P)Reg:-
 - (i) Ancillary private carparking and loading/unloading areas provided in accordance with the Hong Kong Planning Standards and Guidelines, and
 - (ii) Ancillary floor areas, of reasonable size, solely for the use of machinery or equipment. Such areas include air-conditioning plant room, lifts machinery room, water tank, boiler room, pump room, meter room, generator room, transformer rooms, telephone equipment room, sewage treatment plant room, refuse storage chamber and refuse chute and hopper room.
- 6. The BA accepts that there is a need for the provision of certain essential or amenity features in buildings. Therefore by virtue of section 42 of the BO, the BA may, where under certain special circumstances, grant exemption from the provisions of the BO and allied regulations upon application. The BA is in general prepared to consider favourably application for GFA exemption in respect of:-
 - large voids such as voids in auditorium, banking hall, shopping arcade and voids over main entrance hall:
 - voids in single staircase buildings in which cockloft floors are provided in the ground storey;
 - chimney shafts forming an integral part of a new building;
 - fire refuge floors complying with the requirements of the relevant code of practice;
 - swimming pool filtration rooms;
 - pipe ducts which are provided with adequate access for inspection and maintenance:
 - telecommunications and broadcasting equipment rooms;
 - mail rooms for large commercial and industrial buildings
 - for domestic and composite buildings, lift shaft areas over 2.5% of the total GFA (with maximum exemption limited to 3.5% of the total GFA);
 - podium roof gardens play areas;

- areas for recreational facilities in residential developments such as squash court, gymnasium aimed to benefit the residents and occupiers;
- counters/ offices, guard rooms and lavatories for caretakers and management staff;
- horizontal screens in open areas at ground floor or podium floor frequently used by occupants for protection against weather or falling objects; horizontal screens around the perimeter of a domestic tower in domestic and composite buildings incorporating roof gardens or play areas at podium level.
- 7. It is proposed in the Sales Descriptions of Uncompleted Residential Properties Bill that the gross floor area of the residential property is an apportioned share of the total domestic GFA calculated in accordance with B(P)Reg 23(3)(a). It would therefore, appears that those GFA excluded from calculation under B(P)Reg 23(3)(b) of the B(P)Reg or by virtue of section 42 of the BO would not fall within the GFA under the Bill.

Information on Approved Building Plans

- 8. Regulation 8 of the Building (Administration) Regulations requires that building plans submitted for approval under the BO to contain, inter alia, the following:
 - plans of every floor and of the roof of the building showing full dimensions, the thickness of walls, the position of all windows and the intended use of every part of the building; and
 - a diagrammatic plan, with full dimensions and calculations, showing the plot ratio of the building.
- 9. Given the above, it is possible for building professionals to identify from the approved building plans the areas that are included in GFA calculations and those areas that are excluded from such calculations.

Buildings Department May 2000