

**Memorandum for the Subsidised Housing Committee of  
the Hong Kong Housing Authority**

**Major findings of the Survey on Applicants of  
the Sale of Home Ownership Scheme Flats 2017**

**PURPOSE**

This paper presents the major findings of the “Survey on Applicants of the Sale of Home Ownership Scheme (HOS) Flats 2017” for Members’ information. Where appropriate, statistics from the administrative records of the Housing Authority (HA) are also presented to provide a more comprehensive picture.

**BACKGROUND**

2. The third batch of 2 120 new HOS flats was put up for pre-sale in March 2017. All the HOS flats were sold by October 2017<sup>Note</sup>. We have conducted a survey on the applicants of the Sale of HOS Flats 2017 with the aim of collecting information on their profiles as well as their views on the sale exercise.

3. The survey was conducted by means of telephone interviews during the period from April to June 2018. A total of 2 027 applicants were successfully enumerated, including 1 025 successful applicants (i.e. those who successfully purchased HOS flats) and 1 002 unsuccessful applicants. The overall response rate of the survey was 77%, with the respective response rates for successful and unsuccessful applicants being 78% and 76%.

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Note As at end June 2018, five HOS flat buyers rescinded their purchases.

## **SURVEY RESULTS**

4. Major findings of the survey, as well as relevant statistics from ----- administrative records on the profile of the applicants, are set out at **Appendix**.

## **INFORMATION**

5. Members are invited to note the major findings of the Survey on Applicants of the Sale of HOS Flats 2017.

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## **Major Findings of the Survey on Applicants of the Sale of Home Ownership Scheme (HOS) Flats 2017**

### **OVERVIEW**

#### **Application results**

The Sale of HOS Flats 2017 attracted a total of 103 994 applications<sup>Note 1</sup>, 12% of which were Green Form (GF) applications and 88% were White Form (WF) applications. The proportion of GF applicants was higher than those of the Sales of HOS Flats 2014 and 2016. [Table 1]

2. Some 93% of the GF applicants of the Sale of HOS Flats 2017 were tenants of HA's public rental housing (PRH). The rest were tenants of the Hong Kong Housing Society (HKHS), Green Form Certificate (GFC) holders or recipients of the Rent Allowance for Elderly Scheme (RAES). Similar pattern was noted for the Sales of HOS Flats 2014 and 2016. [Table 1]

3. For the Sale of HOS Flats 2017, the majority (75%) of GF applicants were family applicants. One-person GF applicants accounted for 25%. The ratio of family to one-person applicants was somewhat reversed in the case of WF applicants, with 61% being one-person applicants and 39% family applicants. Similar patterns were noted for the Sales of HOS Flats 2014 and 2016. [Table 2]

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Note 1 The figure refers to valid applications for new HOS flats of the Hong Kong Housing Authority (HA) regardless of whether the applicants had been invited to flat selection. An application was classified as valid if the application form was properly completed with the application fee paid.

**Table 1**

Type of applicants	Sale of HOS Flats 2014		Sale of HOS Flats 2016 <sup>Note 2</sup>		Sale of HOS Flats 2017	
	No.	%	No.	%	No.	%
GF	11 439	8%	4 105	8%	12 418	12%
– HA's PRH tenants	10 667	93%	3 888	95%	11 567	93%
– Others <sup>#</sup>	772	7%	217	5%	851	7%
WF	123 187	92%	48 497	92%	91 576	88%
<b>Total</b>	<b>134 626</b>	<b>100%</b>	<b>52 602</b>	<b>100%</b>	<b>103 994</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

- # : (a) Tenants of HKHS and GFS holders for the Sales of HOS Flats 2014 and 2016  
 (b) Tenants of HKHS, GFS holders and recipients of RAES for the Sale of HOS Flats 2017

**Table 2**

Family type	Sale of HOS Flats 2014			Sale of HOS Flats 2016			Sale of HOS Flats 2017		
	GF	WF	Total	GF	WF	Total	GF	WF	Total
1P	24%	62%	59%	23%	59%	56%	25%	61%	57%
Family	76%	38%	41%	77%	41%	44%	75%	39%	43%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

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Note 2 HA and HKHS conducted a joint application sale exercise under the Sale of HOS Flats 2016 whereby 2 657 new HOS flats of HA and 1 020 new subsidised sale flats (SSFs) of the HKHS were offered for pre-sale. Eligible applicants only needed to submit one application and undergo one vetting process while having the opportunity to buy either HA's or HKHS's flats.

## Sale results

4. All of the 2 120 HOS flats put up for sale in the Sale of HOS Flats 2017 were sold at the end of the sale period, with 861 GF applicants <sup>Note 3</sup> (41%) and 1 259 WF applicants (59%) successfully purchasing their flats. [Table 3]

**Table 3**

Type of buyers	Sale of HOS Flats 2014		Sale of HOS Flats 2016		Sale of HOS Flats 2017	
	No.	%	No.	%	No.	%
GF	1 296	60%	813	31%	861	41%
WF	864	40%	1 844	69%	1 259	59%
<b>Total</b>	<b>2 160</b>	<b>100%</b>	<b>2 657</b>	<b>100%</b>	<b>2 120</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

5. The distribution of successful buyers by family type is set out in Table 4.

**Table 4**

Family type	Sale of HOS Flats 2014			Sale of HOS Flats 2016			Sale of HOS Flats 2017		
	GF	WF	Total	GF	WF	Total	GF	WF	Total
1P	N.A.	N.A.	N.A.	12%	5%	8%	6%	4%	5%
Family	100%	100%	100%	88%	95%	92%	94%	96%	95%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

N.A. : Not applicable (as there were no singleton buyers for the Sale of HOS Flats 2014)

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Note 3 Including three HA PRH tenants whose flats were allocated through Express Flat Allocation Scheme (EFAS). They were regarded as successful GF applicants (i.e. buyers) who had taken up the WF quota in purchasing HOS flats. They would have to surrender their PRH flats upon moving to their purchased HOS flats.

6. Of the 861 GF buyers in the Sale of HOS Flats 2017, 807 (94%) were PRH tenants of HA. These buyers had to surrender their PRH flats. As for the 1 259 WF buyers, 228 (18%) of them were PRH residents of HA, i.e. they were living in HA PRH but were not the main tenants and hence no PRH flat would be recovered from these buyers. [Table 5]

**Table 5**

Type of successful buyers	Sale of HOS Flats 2014 <sup>Note 4</sup>		Sale of HOS Flats 2016 <sup>Note 4</sup>		Sale of HOS Flats 2017 <sup>Note 4</sup>	
	No.	%	No.	%	No.	%
GF	1 296	60%	813	31%	861	41%
– HA’s PRH tenants	1 238	96%	793	98%	807	94%
– Others <sup>#</sup>	58	4%	20	2%	54	6%
WF	864	40%	1 844	69%	1 259	59%
– HA’s PRH residents	84	10%	422	23%	228	18%
– Others	780	90%	1 422	77%	1 031	82%
<b>Total</b>	<b>2 160</b>	<b>100%</b>	<b>2 657</b>	<b>100%</b>	<b>2 120</b>	<b>100%</b>

Note : Data compiled from HA’s administrative records.

# : Tenants of HKHS and GFC holders

7. Some 18% of those GF buyers who were HA PRH tenants in the Sale of HOS Flats 2017 were “well-off” tenants paying additional rents. The proportion was higher than that of the Sale of HOS Flats 2016 (10%) but was on a par with that of the Sale of HOS Flats 2014 (17%). [Table 6]

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Note 4 The ratio of quota allocation between GF and WF applicants for the Sale of HOS Flats 2014 was 60% to 40% while that for the Sales of HOS Flats 2016 and 2017 was 50% to 50%.

**Table 6**

Whether paying additional rents	Successful GF buyers who were HA PRH tenants		
	Sale of HOS Flats 2014	Sale of HOS Flats 2016	Sale of HOS Flats 2017
Yes	17%	10%	18%
= 1.5 x rent	13%	7%	13%
= 2 x rent	4%	3%	6%
> 2 x rent	—	*	—
No	83%	90%	82%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

— : Nil

\* : Less than 0.5%

8. A considerable proportion (66%) of the successful buyers of the Sale of HOS Flats 2017 had applied for neither the Sale of HOS Flats 2014 nor the Sale of HOS Flats 2016. The proportion was higher among successful GF buyers (79%) as compared to their WF counterparts (58%). Similar pattern was noted in the case of unsuccessful applicants of the Sale of HOS Flats 2017. [Table 7]

**Table 7**

Whether had applied for the Sales of HOS Flats 2014 and 2016	Sale of HOS Flats 2017					
	Successful buyers			Unsuccessful applicants		
	GF	WF	Total	GF	WF	Total
Neither one	79%	58%	66%	78%	62%	63%
Sale of HOS Flats 2014 <u>only</u>	13%	21%	18%	14%	19%	19%
Sale of HOS Flats 2016 <u>only</u>	4%	8%	6%	4%	8%	7%
Both	4%	13%	10%	5%	11%	10%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

## PROFILE OF SUCCESSFUL BUYERS OF THE SALE OF HOS FLATS 2017

### Age

9. WF buyers were generally younger than GF buyers. The average ages of WF and GF buyers were 38 and 53 respectively. Some 36% of the GF buyers were aged 60 or above. The corresponding figure was 8% for WF buyers. [Table 8]

**Table 8**

Age	Type of successful buyers		Total
	GF	WF	
< 30	7%	20%	14%
30 – < 40	14%	43%	32%
40 – < 50	22%	19%	20%
50 – < 60	22%	9%	14%
≥ 60	36%	8%	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average (years)</b>	53	38	44

Note : Data compiled from HA's administrative records.

### Household size

10. Of the 2 120 successful buyers of the Sale of HOS Flats 2017, 95% were family applicants. The average household sizes of GF and WF family-applicant buyers were 2.8 and 2.6 persons respectively. [Table 9]



**Table 9**

Family type	Household size	Successful buyers		
		GF	WF	Total
1P	1 person	6%	4%	5%
Family	≥ 2 persons	94%	96%	95%
	<i>2 persons</i>	<i>45%</i>	<i>52%</i>	<i>49%</i>
	<i>3 persons</i>	<i>31%</i>	<i>31%</i>	<i>31%</i>
	<i>4 persons</i>	<i>14%</i>	<i>12%</i>	<i>13%</i>
	<i>≥ 5 persons</i>	<i>4%</i>	<i>1%</i>	<i>2%</i>
<b>Total</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average for family-applicants (persons)</b>		2.8	2.6	2.7

Note : Data compiled from HA's administrative records.

### **Application for the “Priority Scheme for Families with Elderly Members”**

11. Some 37% of the GF family-applicant buyers had applied for the “Priority Scheme for Families with Elderly Members” and had subsequently used the quota to purchase their flats. [Table 10]

**Table 10**

Whether had applied for the “Priority Scheme for Families with Elderly Members”	Successful GF buyers who were family applicants
Yes	48%
➤ <i>Used the quota</i>	<i>37%</i>
➤ <i>Did not use the quota</i>	<i>11%</i>
No	52%
<b>Total</b>	<b>100%</b>

Note : Data compiled from HA's administrative records.

### Monthly household income

12. The median monthly household income of both successful GF and WF buyers was \$30,000. [Table 11]

**Table 11**

Monthly household income	Type of buyers		Total
	GF	WF	
< \$20,000	20%	9%	13%
\$20,000 – < \$30,000	23%	23%	23%
\$30,000 – < \$40,000	28%	32%	31%
\$40,000 – < \$50,000	14%	27%	22%
≥ \$50,000	14%	9%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Median</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$30,000</b>

### Planned financial arrangements

#### *Method of payment*

13. Most (92%) of the successful buyers planned to take out mortgage loans in purchasing their flats. Only a small proportion (3%) intended to purchase their flats with full payment. [Table 12]

**Table 12**

Method of payment	Type of buyers		Total
	GF	WF	
With mortgage loan	89%	95%	92%
Full payment	4%	1%	3%
Don't know/not yet decide	7%	4%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Buyers who planned to take out mortgage loans**

**(a) Expected sources of funding for mortgage downpayment**

14. For those buyers who planned to purchase their flats with mortgage loans, they would mainly finance the mortgage downpayment from savings (83%). A considerable proportion also claimed that they intended to get financial support from parents for the mortgage downpayment. [Table 13]

**Table 13**

Source of funding for downpayment <sup>#</sup>	Type of buyers		Total
	GF	WF	
Savings	83%	83%	83%
Financial support from parents	14%	27%	22%
Financial support from friends/relatives	11%	11%	11%
Financial support from children	17%	7%	11%

# : Multiple answers were allowed

**(b) Loan-to-price ratio**

15. The average loan-to-price ratio of those buyers who planned to take out mortgage loans was 86%. [Table 14]

**Table 14**

Loan-to-price ratio	Type of buyers		Total
	GF	WF	
< 70%	11%	4%	7%
70% – < 80%	6%	6%	6%
80% – < 90%	9%	11%	11%
90% – 95%	67%	78%	74%
Don't know/not yet decided	7%	–	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average<sup>@</sup></b>	<b>86%</b>	<b>87%</b>	<b>86%</b>

@ : Excluding those buyers who have not yet decided the loan amount for their mortgage

– : Nil

**(c) *Planned mortgage repayment period***

16. In general, the planned mortgage repayment period of GF buyers was comparable to that of WF buyers. [Table 15]

**Table 15**

<b>Mortgage repayment period</b>	<b>Type of buyers</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
< 15 years	7%	2%	4%
15 – < 20 years	6%	3%	4%
20 – < 25 years	18%	17%	17%
25 years	70%	78%	75%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average (years)</b>	22	24	23

**(d) *Monthly mortgage repayment to income ratio***

17. In general, buyers would pay about one-third of their income on the monthly mortgage repayment. [Table 16]

**Table 16**

<b>Monthly mortgage repayment to income ratio</b>	<b>Type of buyers</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
< 20%	6%	11%	9%
20% – < 30%	18%	30%	26%
30% – < 40%	25%	25%	25%
40% – < 50%	12%	16%	15%
≥ 50%	27%	13%	18%
Don't know/not yet decided	12%	5%	8%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Median<sup>@</sup></b>	38%	31%	33%

<sup>@</sup> : Excluding those buyers who have not decided the monthly mortgage repayment of their mortgage

## PROFILE OF APPLICANTS OF THE SALE OF HOS FLATS 2017

### Housing type at the time of application

18. Most (96%) of the GF applicants lived in rental housing provided by HA or HKHS at the time of application. For WF applicants, some 46% resided in public housing while 54% lived in private housing. [Table 17]

**Table 17**

<b>Housing type</b>	<b>Type of applicants</b>						<b>Total</b>
	<b>GF</b>			<b>WF</b>			
	<b>1P</b>	<b>Family</b>	<b>Total</b>	<b>1P</b>	<b>Family</b>	<b>Total</b>	
Rental housing of HA/HKHS	94%	97%	96%	38%	23%	32%	40%
Subsidised sale flats of HA/HKHS	*	*	*	13%	15%	14%	12%
Private housing	6%	1%	3%	49%	62%	54%	48%
Government quarters/ Industrial buildings	*	1%	1%	*	*	*	*
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* : Less than 0.5%

19. For those GF applicants who were tenants of HA's PRH, they had resided in PRH for an average of 22 years. Some 36% had lived in PRH for 30 years or more. [Table 18]

**Table 18**

<b>Length of residence in PRH</b>	<b>GF applicants who were HA PRH tenants</b>
< 10 years	21%
10 years – < 20 years	26%
20 years – < 30 years	17%
30 years – < 40 years	21%
≥ 40 years	15%
<b>Total</b>	<b>100%</b>
<b>Average (years)</b>	22

**Age**

20. WF applicants were generally younger than GF applicants. The average age of the WF applicants was 30, compared with 55 for GF applicants. Some 87% of the WF applicants were under 40 years of age. When analysed by family type, one-person WF applicants were predominantly below the age of 30 (67%). [Table 19]

**Table 19**

<b>Age</b>	<b>Type of applicants</b>						<b>Total</b>
	<b>GF</b>			<b>WF</b>			
	<b>1P</b>	<b>Family</b>	<b>Total</b>	<b>1P</b>	<b>Family</b>	<b>Total</b>	
< 30	4%	7%	6%	67%	35%	54%	49%
30 – < 40	12%	17%	15%	26%	42%	32%	30%
40 – < 50	10%	21%	18%	5%	15%	9%	10%
50 – < 60	13%	22%	20%	2%	6%	3%	5%
≥ 60	61%	34%	41%	1%	2%	1%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average (years)</b>	63	52	55	28	34	30	33

Note : Data compiled from HA's administrative records.

## Household size

21. There were more small-size households among WF applicants than GF applicants. About 86% of the WF applicants were one-person and two-person households, compared with 57% in the case of GF applicants. The average household size of the GF family applicants was 2.9, compared with 2.5 for WF family applicants. [Table 20]

**Table 20**

Family type	Household size	Type of applicants		Total
		GF	WF	
1P	1 person	25%	61%	57%
Family	≥ 2 persons	75%	39%	43%
	<i>2 persons</i>	32%	25%	26%
	<i>3 persons</i>	24%	9%	11%
	<i>4 persons</i>	14%	4%	5%
	<i>≥ 5 persons</i>	5%	*	1%
<b>Total</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average for family-applicants (persons)</b>		2.9	2.5	2.6

Note : Data compiled from HA's administrative records.

\* : Less than 0.5%

## VIEWS OF APPLICANTS AS COLLECTED IN THE SURVEY

### Intention to split from existing households

22. The intention to split from their existing households was more pronounced in the case of WF applicants than their GF counterparts. For some 13% of the GF applicants, the number of household members included in their applications (based on administrative records) was smaller than the size of households they were living with at the time of application (as claimed in the survey). The corresponding proportion was much larger in the case of WF applicants (82%). [Table 21]

**Table 21**

<b>Number of household members included in the application form is <u>smaller</u> than the household size at the time of application</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Yes	13%	82%	74%
No	87%	18%	26%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Reasons for applying for the Sale of HOS Flats 2017**

***GF applicants***

23. The top two reasons given by GF applicants for applying for the Sale of HOS Flats 2017 were the desire to improve living conditions and the aspiration for home ownership. [Table 22]

**Table 22**

<b>Reasons for application given by GF applicants<sup>#</sup></b>	<b>%</b>
To improve living conditions	35%
Aspiration for home ownership	27%
Size of accommodation (at the time of application) too small	26%
To plan for children's accommodation in future	21%
To live together with other family members	9%
Prices of new HOS flats generally lower/more affordable than private flats	6%

# : Multiple answers were allowed



24. Some 30% of GF applicants of Sale of HOS flats 2017 reported that they had considered purchasing second-hand HOS flats under the HOS Secondary Market Scheme (SMS). [Table 23]

**Table 23**

<b>Whether had considered purchasing second-hand HOS flats under SMS</b>	<b>GF applicants</b>
Yes	30%
No	70%
<b>Total</b>	<b>100%</b>

25. Those GF applicants who claimed to have considered purchasing second-hand HOS flats under SMS were asked why they had applied for the Sale of HOS Flats 2017 (rather than buying second-hand HOS flats). About half (50%) of them cited the generally lower prices of new HOS flats than those of flats under the SMS as the reason. [Table 24]

**Table 24**

<b>Reasons for applying for the Sale of HOS Flats 2017 rather than buying second-hand HOS flats<sup>#</sup></b>	<b>GF applicants</b>
Prices of new HOS flats generally lower than those of flats under the SMS	50%
Could not identify suitable flats under the SMS	20%
Preferred to live in new flats	19%
Pending application results of the Sale of HOS Flats 2017	16%

# : Multiple answers were allowed

26. Some 47% of GF applicants of Sale of HOS flats 2017 reported that they had applied for the Green Form Subsidised Home Ownership Pilot Scheme (GSH). [Table 25]

**Table 25**

<b>Whether had applied for GSH</b>	<b>GF applicants</b>
Yes	47%
No	53%
<b>Total</b>	<b>100%</b>

27. Those GF applicants who claimed to have applied GSH were asked why they had applied for the Sale of HOS Flats 2017 (rather than buying GSH flats). A considerable proportion (82%) of them cited unsuccessful application as the reason. [Table 26]

**Table 26**

<b>Reasons for applying for the Sale of HOS Flats 2017 rather than buying GSH flats<sup>#</sup></b>	<b>GF applicants</b>
Unsuccessful application	82%
Could not identify suitable flats under the GSH	11%
Desired flats already sold	4%
Was informed that all flats were sold out	4%

# : Multiple answers were allowed

***WF applicants***

28. The main reason given by WF applicants for applying for the Sale of HOS Flats 2017 was the aspiration for home ownership, followed by the intention to move out and to live alone. [Table 27]

**Table 27**

<b>Reasons for application given by WF applicants<sup>#</sup></b>	<b>%</b>
Aspiration for home ownership	37%
To move out and live alone	24%
Prices of new HOS flats generally lower/more affordable than private flats	20%
Would get married soon	17%
Size of accommodation (at the time of application) too small	17%
To improve living conditions	14%
Rent of accommodation (at the time of application) unreasonable	6%

# : Multiple answers were allowed

29. About 86% of the WF applicants claimed that they had applied for neither the first nor the second rounds of the Interim Scheme (in 2013 and 2015 respectively). Only 6% said that they had tendered applications for both rounds. [Table 28]

**Table 28**

<b>Whether had applied for the first and second rounds of the Interim Scheme</b>	<b>WF applicants</b>
Yes	14%
<i>First round of the Interim Scheme (in 2013) only</i>	<i>1%</i>
<i>Second round of the Interim Scheme (in 2015) only</i>	<i>7%</i>
<i>Both rounds of the Interim Scheme</i>	<i>6%</i>
No	86%
<b>Total</b>	<b>100%</b>

30. For those WF applicants who claimed that they had applied for neither the first nor the second rounds of the Interim Scheme, a considerable proportion (65%) cited they were not clear about the procedures of applying for the Interim Scheme. [Table 29]

**Table 29**

<b>Reasons for <u>not</u> applying for the Interim Scheme<sup>#</sup></b>	<b>WF applicants who claimed that they had not applied for the Interim Scheme</b>
Not clear about the application procedures	65%
Prices of new HOS flats generally lower than those of flats under the SMS	8%
Preferred to live in new flats	7%
No plans to purchase a flat at the time of application for the Interim Scheme	7%
More new HOS flats would be available for sale	6%

# : Multiple answers were allowed

### **Views on flats offered for pre-sale under the Sale of HOS Flats 2017**

#### ***Budgeted flat price***

31. On average, the budgeted flat price quoted by both the GF and WF applicants was \$2.8M. [Table 30]

**Table 30**

Budgeted flat price	Type of applicants		Total
	GF	WF	
< \$2M	9%	11%	11%
\$2M – < \$2.5M	15%	15%	15%
\$2.5M – < \$3M	12%	12%	12%
\$3M – < \$3.5M	42%	41%	41%
≥ \$3.5M	22%	21%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average</b>	<b>\$2.8M</b>	<b>\$2.8M</b>	<b>\$2.8M</b>

*Preferred flat size*

32. With due consideration of the price level of HOS flats, about 63% of the applicants preferred flats of size below 40 m<sup>2</sup> (in terms of saleable area). [Table 31]

**Table 31**

Preferred flat size (in saleable area)	Type of applicants		Total
	GF	WF	
< 35 m <sup>2</sup>	19%	29%	28%
35 m <sup>2</sup> – < 40 m <sup>2</sup>	36%	35%	35%
40 m <sup>2</sup> – < 45 m <sup>2</sup>	16%	12%	13%
45 m <sup>2</sup> – < 50 m <sup>2</sup>	16%	12%	13%
≥ 50 m <sup>2</sup>	13%	11%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Average (m<sup>2</sup>)</b>	<b>40.5 m<sup>2</sup></b>	<b>39.3 m<sup>2</sup></b>	<b>39.5 m<sup>2</sup></b>

***Location***

33. Nearly half (48%) of the applicants considered the locations of flats under the Sale of HOS Flats 2017 convenient. [Table 32]

**Table 32**

<b>Whether locations of flats under the Sale of HOS Flats 2017 convenient</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Yes	41%	49%	48%
No	34%	29%	30%
Don't know/No comments	24%	21%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

***Provision of basic fittings/finishes***

34. To provide maximum flexibility to purchasers, flats under the Sale of HOS Flats 2017 would be fitted with basic provisions only. While there would be provision of water heater, no bedroom partitions, flooring, skirtings and cabinets would be provided. About 66% of the applicants claimed that they were aware of such arrangements. [Table 33]

**Table 33**

<b>Whether knew that only basic fittings/ finishes were provided</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Yes	69%	65%	66%
No	31%	35%	34%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

35. About 31% of the applicants were satisfied that new HOS flats were fitted with basic provisions only. Some 41% considered such arrangements fair. [Table 34]

**Table 34**

Whether satisfied with the provision of basic fittings/finishes only	Type of applicants		Total
	GF	WF	
Satisfied	28%	31%	31%
Fair	33%	42%	41%
Dissatisfied	28%	19%	20%
Don't know/No comments	12%	8%	8%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

*Factors influencing the choice of flats*

36. For both GF and WF applicants, flat price and location were the main factors influencing their choice of flats. Other major consideration was ancillary transport facilities. [Table 35]

**Table 35**

Factors influencing the choice of flats <sup>#</sup>	Type of applicants		Total
	GF	WF	
Location	64%	67%	66%
Flat price	43%	53%	52%
Ancillary transport facilities	34%	30%	31%
Flat size	21%	16%	16%
Living environment	10%	8%	9%
Court facilities (e.g. shopping mall, children playground)	6%	7%	7%
Floor level	4%	5%	5%
Orientation of flat	6%	5%	5%

# : Multiple answers were allowed

## Views on sales arrangements in relation to the Sale of HOS Flats 2017

### *Ratio for allocation of quota between GF and WF applicants*

37. For the Sale of HOS Flats 2017, the ratio for allocation of quota between GF and WF applicants was 50:50. About half of the GF applicants considered the ratio appropriate and only 7% of them said that the WF quota was too small. As for the WF applicants, some 52% considered the WF quota too small. [Table 36]

**Table 36**

<b>Views on ratio for allocation of quota between GF and WF applicants</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Appropriate	50%	43%	43%
Quota allocated to WF applicants too large	29%	2%	5%
Quota allocated to WF applicants too small	7%	52%	47%
Don't know/No comments	15%	3%	4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### *Quota of flats for one-person applicants*

38. A quota of 100 flats was set aside for one-person applicants for the Sale of HOS Flats 2017. Over half (55%) of the applicants considered the quota too small. When analysed by family type, some 59% of GF one-person applicants shared the view. The percentage was even higher in the case of the WF singleton applicants (76%). [Table 37]



**Table 37**

Views on quota of flats for one-person applicants	Type of applicants						Total
	GF			WF			
	1P	Family	Total	1P	Family	Total	
Appropriate	22%	50%	43%	20%	46%	30%	32%
Quota allocated to one-person applicants too large	2%	18%	14%	3%	12%	6%	7%
Quota allocated to one-person applicants too small	59%	18%	28%	76%	33%	59%	55%
Don't know/ No comments	17%	14%	15%	1%	10%	4%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

***Quota of flats for applicants applying under the Priority Scheme for Families with Elderly Members***

39. For the Sale of HOS Flats 2017, a quota of 600 flats was set aside for applicants applying under the Priority Elderly Scheme. Some 58% of the applicants considered the arrangement appropriate. [Table 38]

**Table 38**

Views on quota of flats for family applicants under the Priority Scheme for Families with Elderly Members	Type of applicants		Total
	GF	WF	
Appropriate	50%	59%	58%
Quota allocated to such family applicants too large	21%	27%	26%
Quota allocated to such family applicants too small	16%	11%	11%
Don't know/No comments	13%	4%	5%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Future housing plans of those applicants who failed to purchase a flat** <sup>Note 5</sup>  
**in the Sale of HOS Flats 2017**

*New HOS flats in the future*

40. A considerable proportion (80%) of the unsuccessful applicants of the Sale of HOS Flats 2017 indicated that they would apply for new HOS flats again in the future. [Table 39]

**Table 39**

Whether would apply for new HOS flats in the future	Type of unsuccessful applicants		Total
	GF	WF	
Yes	70%	81%	80%
No	13%	6%	7%
Don't know/Not yet decided	16%	13%	13%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

*Green Form Subsidised Home Ownership Scheme (GSH)*

41. About 64% of the unsuccessful GF applicants indicated that they would apply for GSH in the future. [Table 40]

**Table 40**

Whether would apply for GSH in the future	% of unsuccessful GF applicants
Yes	64%
No	12%
Don't know/Not yet decided	24%
<b>Total</b>	<b>100%</b>

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Note 5 Including those applicants who were invited for flat selection but did not turn up. In this connection, about 62% of GF applicants and 5% of WF applicants were invited for flat selection. Some 78% of these GF applicants and 83% of these WF applicants invited for flat selection did not turn up, mainly because they thought that the flats they desired would no longer be available by the time they were invited for flat selection.

42. Of those unsuccessful GF applicants who did not have plans to apply for GSH, the main reason given was that they were not clear about the application procedures. [Table 41]

**Table 41**

<b>Reasons for <u>not</u> having plans to apply for GSH<sup>#</sup></b>	<b>% of unsuccessful GF applicants who did not have plans to apply for GSH</b>
Not clear about the procedures in applying for GSH	40%
Already purchased a flat	16%
Prices of GSH flats might be too high	14%

# : Multiple answers were allowed

***Interim Scheme***

43. Some 66% of the unsuccessful WF applicants indicated that they would apply for the Interim Scheme in the future. [Table 42]

**Table 42**

<b>Whether would apply for the Interim Scheme</b>	<b>% of unsuccessful WF applicants</b>
Yes	66%
No	12%
Don't know/Not yet decided	22%
<b>Total</b>	<b>100%</b>

44. The main reason given by those who did not have plans to apply for the Interim Scheme was that the prices of new HOS flats were generally lower than those of flats in the HOS SMS. [Table 43]

**Table 43**

<b>Reasons for <u>not</u> applying for the Interim Scheme in the future<sup>#</sup></b>	<b>% of unsuccessful WF applicants who did not have plans to apply for the Interim Scheme</b>
Prices of new HOS flats generally lower than those of flats in SMS	37%
Preferred to live in new flats	28%
Not clear about the application procedures	21%

# : Multiple answers were allowed

### **Views on the publicity of the Sale of HOS Flats 2017**

45. A considerable proportion of the applicants said that they learnt about the Sale of HOS Flats 2017 through the media (television, websites and newspaper). [Table 44]

**Table 44**

<b>Channels<sup>#</sup></b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
TV	60%	55%	56%
Other websites*	14%	30%	28%
Newspaper	36%	22%	24%
Friends/colleagues/ family members/relatives	15%	21%	20%
HA website	9%	12%	12%
Radio	7%	3%	4%

# : Multiple answers were allowed

\* : Including discussion forums on the Internet

46. The most sought-after information was flat price. [Table 45]

**Table 45**

HOS-related information <sup>#</sup>	Type of applicants		Total
	GF	WF	
Flat price	67%	62%	63%
Location/Environment/Community facilities	57%	58%	58%
Flat size	27%	28%	28%
Flat design/layout	19%	22%	22%
Ancillary transport facilities	16%	17%	17%

# : Multiple answers were allowed

47. HA website was the most effective channel for disseminating the information about the Sale of HOS Flats 2017. [Table 46]

**Table 46**

Channels <sup>#</sup>	Type of applicants		Total
	GF	WF	
HA website	36%	57%	55%
Other websites*	12%	20%	19%
TV	20%	15%	15%
Newspaper	16%	10%	11%
Sales booklet (distributed together with the application form)	12%	10%	11%
Exhibition at the HOS Information Centre	14%	9%	9%
Friends/colleagues/family members/relatives	7%	9%	8%
Estate Management Office	16%	3%	4%

# : Multiple answers were allowed

\* : Including discussion forums on the Internet

48. Some 28% of the applicants were satisfied with the arrangement of providing virtual show flat instead of physical show flats. About 33% considered the arrangement fair. [Table 47]

**Table 47**

<b>Views on provision of virtual show flat instead of physical show flats</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Satisfied	21%	29%	28%
Fair	24%	34%	33%
Not satisfied	37%	29%	30%
Don't know/No comments	18%	8%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

49. Some 36% of the applicants were satisfied with the arrangement of providing flat tour videos for rescinded flats. About 35% considered the arrangement fair. [Table 48]

**Table 48**

<b>Views on flat tour videos for rescinded flats</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Satisfied	32%	36%	36%
Fair	24%	37%	35%
Not satisfied	13%	14%	14%
Don't know/No comments	31%	13%	15%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

50. Some 34% of the applicants were satisfied with the layout and contents of the HA website for Sale of HOS Flats 2017. About 34% considered the arrangement fair. [Table 49]

**Table 49**

<b>Views on layout and contents of the HA website for Sale of HOS Flats 2017</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Satisfied	26%	35%	34%
Fair	25%	35%	34%
Not satisfied	3%	3%	3%
Don't know/No comments	46%	26%	29%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

51. For the Sale of HOS Flats 2017, a two-stage approach was adopted in distributing sales materials. During the application period, sales booklets containing basic but essential information of the HOS developments and price summaries, as well as application forms and application guides, were made available for collection by applicants. Together with the invitation letter for flat selection, the sales brochures and price lists for the three HOS developments were mailed to successful applicants (who have passed the detailed vetting) seven days immediately before their scheduled dates of flat selection. Some 54% of the applicants were satisfied with the arrangement. About 29% considered it fair. [Table 50]

**Table 50**

<b>Views on the distribution of sales documents</b>	<b>Type of applicants</b>		<b>Total</b>
	<b>GF</b>	<b>WF</b>	
Satisfied	46%	55%	54%
Fair	24%	30%	29%
Not satisfied	16%	10%	11%
Don't know/No comments	14%	5%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

52. The majority (63%) of applicants considered the information contained in the sales booklet adequate. About 26% regarded it fair. [Table 51]

**Table 51**

Views on the information in the sales booklet	Type of applicants		Total
	GF	WF	
Adequate	56%	64%	63%
Fair	19%	27%	26%
Not adequate	10%	4%	5%
Don't know/No comments	16%	5%	6%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

53. Among those applicants who considered the information in the sales booklet not adequate, many of them suggested that flat decoration materials and flat size should also be included. [Table 52]

**Table 52**

Information to be included in the sales booklet <sup>#</sup>	Type of applicants		Total
	GF	WF	
Interior furnishings of flat	20%	35%	31%
Flat size	39%	19%	24%
Photos of building outlook	1%	26%	20%
Flat price	41%	14%	20%
Provisions/fittings (e.g. heater, sink, kitchen cabinets)	13%	21%	19%

# : Multiple answers were allowed

– : Nil

\*\*\*\*\*