

15,000 flats to suit sandwich class

By KAREN CHIENG

A SURVEY has found that 15,000 private and public flats to be provided under this year's land disposal programme would be suitable for sandwich-class families with a monthly income between \$18,000 and \$40,000.

The Buildings and Lands Department survey was prompted by the Government's decision to help the middle-income group tackle its housing problems.

The Director of Buildings and Lands, Mr Darwin Chen, said the aim was to provide background information for the Government's internal working group on sandwich-class family housing.

The recently-established working group is chaired by Mr Tony Eason, Secretary for Planning, Environment and Lands.

Mr Chen said the results were an indication of the

number of flats that were affordable by the income group, and the department would not be making any recommendations on what kind of assistance should be provided.

The study assumed that families would be willing to use 50 to 60 per cent of their incomes to pay mortgages and that banks maintained the 70 per cent mortgage.

Calculations showed a family with a monthly income of \$18,000 could afford a 600-square-foot unit with a price of \$1.2 million.

Mr Chen said that at present, these flats would only be available in non-urban areas such as Tin Shui Wai and Tseung Kwan O.

Families with an income of \$40,000, considered the upper limit of the sandwich class, could buy a similar-sized flat with a price of \$1.8 million.

Taking into consideration the sites available for residential use this year, the

department identified 9,000 flats to be built under the land disposal programme that would be suitable for the lower income families and 6,000 for higher income families.

"This is quite a significant number, bearing in mind that there are 30,000 completed flats still left vacant at the moment," Mr Chen said.

The Sino-British Land Commission agreed that more than 40 hectares of land would be allocated for residential and commercial consumption this financial year.

About 22 hectares of land would be set aside under the Home Ownership Scheme (HOS), the Private Sector Participation Scheme and other assisted housing schemes, and as a reserve for the Housing Society Programme and New Territories village housing.

Compared with last year,

land granted for the HOS has risen by 30 per cent to 14 hectares.

Two-and-a-half hectares are reserved for the Housing Society, which did not receive an allocation last year.

Mr Chen said the increase was a result of more land being available for this purpose this year, and did not indicate that this would be a trend.

"But if the internal working group on sandwich-class housing decides more land should be allocated for assisted housing, then we would consider granting more land in this aspect next year," Mr Chen said.

For private development, 13 sites totalling 15 hectares would be released for auction this year, he said.

These sites are mainly in non-urban areas, with the three largest in Tseung Kwan O providing a total of 8,000 flats. Others include Yuen Long and Ma On Shan.