



THE HONG KONG  
POLYTECHNIC UNIVERSITY  
香港理工大學



## **Research Report**

# **Housing for the Elderly in Hong Kong – Affordability and Preferences**

(A Research Supported by the Hong Kong Institute of Surveyors)

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August 2012

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## **Acknowledgements**

The work described in this paper was supported by a research grant from the Hong Kong Institute of Surveyors. Contributions made by Miss Cindy Chan, PhD candidate from the Department of Building and Real Estate of The Hong Kong Polytechnic University in providing supports for collecting data from the respondents are very much appreciated.

Also, we are very grateful to the following persons and institutions for their assistance and useful comments on this research.

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- Retired Persons Service Centre, St. James' Settlement
- The Mongkok Kai-fong Association Kowloon Chamber of Commerce Centre for the Elderly

## **Executive Summary**

### **Background of the Study**

1. Population ageing has become a global trend, and Hong Kong's population is rapidly growing. In 2011, 18.2% of the total population of 7.09 million was 60 years old or over. Recently, there has been no unified definition on "elderly" in Hong Kong, in terms of service planning and policy. Yet longevity of the population is certain; according to the United Nations Population Fund (UNFPA) (June 2007), the life expectancy of males and females in Hong Kong was at 79.2 and 85.1 respectively. Another point worth mentioning is that a significant portion of elderly people in Hong Kong have to depend on support from the younger generation for living.
2. For such a rapidly aging population, properly and adequately planned housing for the elderly in Hong Kong is undoubtedly one of the most important policy issues to be considered. However, the Hong Kong government has never put forward a systematic and comprehensive housing policy for the elderly. There is currently a shortage of public housing for the elderly due to the government controlling the building of new units of public rental housing and the building of subsidised sales housing units was stopped until 2011. Therefore, the problem of seniors living in temporary housing could not be resolved in recent years.
3. Besides, most of the public housing units have not been provided with proper facilities for elderly residents. At the same time, the number of housing for the elderly built by the Hong Kong Housing Society (HKHS) could not fulfil the housing needs of the elderly in terms of supply. This reflects the limitations of the existing housing policy. Therefore, to develop a comprehensive housing policy for the elderly based on their affordability and preferences is an urgent social issue for Hong Kong.

### **Objectives**

The research objectives are as follows:

1. Examine the current housing situation and welfare policy for the elderly in Hong Kong.
2. Review and compare Hong Kong with other developed countries including the Netherlands, Japan and Singapore in terms of housing for the elderly. Specifically to identify the similarities and differences in policy objectives and housing programmes, with respect to both market and public provisions, concerning the ageing members of societies.
3. Investigate the factors in Hong Kong affecting housing affordability and housing preferences of the elderly.
4. Evaluate the role of different stakeholders in housing provision for the elderly in Hong Kong.

## Study Design

The research is divided into three stages:

1. Review and comparison with different developed countries in housing policies, housing programmes, and selected reverse mortgage programmes as example to study housing for the elderly programmes in Hong Kong.
2. Face-to-face questionnaire survey and in-depth interviews with sampled elderly.
3. Evaluate the role of different stakeholders by having structured interviews with experts and representatives of stakeholders to identify the problems associated with housing needs for the elderly and the current housing policy.

## Major Findings

In total 303 respondents were interviewed by structured questionnaire through face-to-face interview in different elderly services centres. The major findings are as follows:

1. Most of the respondents opined that the Reverse Mortgage Programme is not suitable for them in their situation. The majority of respondents (72.9%) mentioned that they will not consider joining the Reverse Mortgage Programme. Education level of respondents is an important factor affecting the decision on the Reverse Mortgage Programme. Value of their currently owned housing unit and family structure are also important factors in the consideration of Reverse Mortgage. Bequest consideration still affects the decision, and the survey shows that respondents with no children are more acceptable to the programme than respondents with children.
2. The survey indicated that 63.6% of respondents disagreed and strongly disagreed that the payout could handle financial problem. The older people are more likely to agree that Reverse Mortgage Programme's monthly payout amount could handle their financial problem.
3. For the Tin Shui Wai Integrated Elderly Community Project<sup>1</sup>, most of the respondents (70.5%) replied that they are not interested. Rental price is the first priority factor in consideration. 64.9% of respondents either strongly disagreed or disagreed that they can afford the rental price of the Tin Shui Wai project. Compared with their current residence, over half of the respondents still believed that in terms of location, their current residence are better than the Tin Shui Wai project. In the 3 age groups, younger respondents (50 to 64) were less resistant to the Tin Shui Wai project, compared with the 65-79 and the 80 or above age groups.
4. For the Tanner Hill Elderly Housing Project<sup>2</sup>, most of the respondents (74.7%) opined that they were not interested in the Tanner Hill Elderly Housing Project (North Point project) due

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<sup>1</sup> The Integrated Elderly Community Project (IECP) of the Hong Kong Housing Society (HKHS) is located in Wetland Park Road of Tin Shui Wai. The project will provide about 1,000 residential units for the elderly, a wellness centre, residential care home for the elderly, a hotel as well as various training and recreation facilities. The project uses Resort Concept to design the community.

<sup>2</sup> The Tanner Hill site on Hong Kong Island will be developed into an "Elderly Hub" complete with comprehensive medical and care facilities to serve not only the elderly residents, but also the neighboring community. The project uses Cosmopolitan concept with various recreational, elderly-related and ancillary supporting facilities. It will provide integrated accommodation, health care and related support facilities for the elders under one roof.

to the expensive rental price. 77.6% of respondents either strongly disagreed or disagreed that they can afford the rental price of the Tanner Hill project. The location is also unpopular with the respondents. In 3 age groups, younger respondents (50 to 64) were less resistant to the Tanner Hill project, compared with the 65-79 and the 80 or above age groups.

5. Nearly half (45.3%) of the respondents agreed or strongly agreed that the 2 Elderly housing projects could improve their health. However, half of the respondents believed that it will not affect their daily life if they participate in either the Tin Shui Wai project or the Tanner Hill project, and older respondents believed that their daily life would be affected if they live in these 2 elderly housing projects.

The study team conducted 12 individuals interviews with elderly to understand the respondents' comments on the reverse mortgage programme, the housing for the elderly offered by HKHS and their perception of housing for the elderly. These are the responses:

1. The majority of them regarded their payout amount based on their property value in Reverse Mortgage as not enough for their daily expenditure, and they believed that their assets in cash or savings is enough for the daily expenditure. Most of them did not prefer joining Reverse Mortgage and to renovate their homes. Some of the respondents suggested that the project should be more flexible in the pay back method.
2. Many of them believed that joining Reverse Mortgage would increase their childrens' burden in financial loans. Also, the respondents admitted that they want to bequest their houses to their children. In term of health factor, they regarded that health condition is an uncertain issue and the payout of Reverse Mortgage is too little to support medical cost. For the bank charges and insurance, some respondents opined that the charges are complex and too expensive in interest rate, but some respondents believed that it is acceptable in bank system. Half of the interviewees expressed that the eligibility is reasonable.
3. All interviewees expressed that the rental price of the Tin Shui Wai project is expensive; many elderly in Hong Kong cannot afford such level of rental price. The 500 sq. feet unit size was supported by some interviewees but 1,100 sq. feet size units and 1,300 sq. feet size units are too large for 2 elderly as commented by the interviewees. The facilities are acceptable by most interviewees, but the facilities of entertainment and medical services should be improved.
4. All interviewees expressed that the rental price is very expensive for the Tanner Hill project. Design of the Tanner Hill project is acceptable by most interviewees. The respondents commented that the lack of facilities in project site is reasonable as the location is good (North Point) and many existing facilities in North Point could be served for this project's residents.
5. The majority of the interviewed elderly reported that some of the factors that may attract them to live in housing for the elderly are: (i) they can live with their elderly friends or have good relationship with neighbours; (ii) good medical facilities and services, especially home care services; (iii) their income increase in the future; (iv) they can live in the housing for the elderly for life; and (v) they would like to spare more living space to their children by moving out.

6. In the economic aspect, the rental price of the elderly housing should not be over \$2,000. The government should introduce a long term elderly housing policy in response to senior citizens' needs. As elderly applicants have different family structures and financial situations, flexibility and options are necessary. In terms of rental price and service charge, to have options for the elderly housing residents would be better. In term of facilities and location, the medical facilities and services are essential. The location of elderly housing is not a vital factor for them.

The research team also interviewed 4 stakeholders' representatives to obtain more in-depth understanding for the reasoning behind the findings from the questionnaire survey and the case studies. Structured interviews with selected stakeholders were conducted with the following responses:

1. The responses of government officials - Professor Chan Cheung Ming (Chairman of the Elderly Commission) explained that the problem of Reverse Mortgage is the low value of housing owned by the self-occupied elderly. The administrative cost in bank and number of participants would affect the interest rate and insurance fees. The Chinese tradition culture also affects the decision of whether to join the Reverse Mortgage (RM) programme or not.
2. The responses of social services representatives agreed that Reverse Mortgage in Hong Kong is not suitable for the elderly low income group. High educated elderly are more open-minded and more easy to accept new things, and these elderly have more savings and higher monthly income. In the aspect of family succession, it is an important factor for the elderly to consider whether or not to join.
3. For the Tin Shui Wai project, Professor Chan admitted that the price setting is quite high. However, if the government subsidises land price to HKHS, some people may criticize the subsidy to middle class seniors. The difficulty of HKHS is not the sales of this elderly housing, but the continuous services to be provided in the project in the long run. Yet the price level of facilities and services, and lack of diversification in facilities and services as compared with the existing Senior Citizen Residences Scheme (SEN) projects have caused disappointment to the respondents.
4. Social services representatives claimed that the current rental price of the Tin Shui Wai project is 90% of the rental price of the private sector estate. Tin Shui Wai is too far away for the elderly. The private sector housing just across the border would be a competitor as the price in the Mainland would be lower than that of the Tin Shui Wai project.
5. HKHS representatives replied that the objection and criticism of the rental price for the Tin Shui Wai project were expected. The Tin Shui Wai project could not be compared with those SEN projects. These 2 new projects are pilot projects with an aim to set a standard for the provision of high quality housing for the elderly. This is a common response that the elderly feel far away from their current living places and reject to live in Tin Shui Wai. The Tin Shui Wai project also focuses on the younger elderly who accept living in a rural area.
6. The government official, Professor Chan, admitted that the price setting is quite high in Tanner Hill because of the same reason with the Tin Shui Wai project. The view from social services representatives indicated that an appropriate rental price could be at 70% of market price for the Tanner Hill project. The younger elderly believed the transportation system is good in North Point, but the older seniors believed that it will be difficult to build up social network in Tanner Hill, plus they still have strong sense of belonging in their current living districts.

7. The response from the HKHS representatives are similar as to the Tin Shui Wai project that the objection and criticism from the interviewees are expected. The Tanner Hill project is also not provided for middle class and lower class elderly. For the location, the younger elderly or soon-to-be-old group more easily accept a new living area. However, the older elderly (80 and above) whose adaptation and mobility are weaker than people of other age groups would not want to change their living environment.
8. The representative of social services agent claimed that the elderly accepted the package of facilities and health care services and believed the environments in 2 elderly housing projects are good. Although the elderly agreed that the projects could improve their health condition, it does not mean that they would participate in these 2 projects. It is because the health condition is just a part of their concern in the aging process. Financial, facilities and social factors are also other important factors in their aging consideration. The representative of HKHS also agreed that the facilities and environment could improve the residents' health condition, but they also understood that the participation of the elderly in these two new housing projects is also related to the elderly's level of affordability.

## **Recommendations**

### **A) Improvement of the Reverse Mortgage Programme**

- 1) The government bureaus (such as the Home Affairs Bureau) and non-government organisations could organise renovation projects which become intermediaries in order to upgrade the value of existing old buildings via renovation.
- 2) More education and promotion to the public about the content of Reverse Mortgage would make more people understand the advantage and disadvantage in order to decide whether or not to apply for the Reverse Mortgage programme.
- 3) The Hong Kong Mortgage Corporation Limited (HKMC) could carry out re-insurance programme for applicants after the end of monthly payout from the Reverse Mortgage.
- 4) The government should clearly explain the taxation responsibility when the elderly are considering to apply for the Reverse Mortgage.
- 5) The banks which cooperate with HKMC should reduce the rate of compound interest in order to attract more potential elderly to join the Reverse Mortgage.

### **B) Redesigning new housing project for the elderly**

- 1) The government needs to plan and build new housing for the middle class elderly.
- 2) In design and facilities aspect, the new housing for the elderly project should consist of medical facilities and services, as well as sport facilities.
- 3) The government needs to identify new source(s) of funding to support the operational cost of those housing projects.

### **C) Improvement of the housing policy for the elderly**

- 1) Hong Kong should set up a comprehensive housing for the elderly policy and long term care policy as soon as possible that deals with the aging population in the foreseeable future.
- 2) The amount of elderly housing units in Singapore (currently about 6,000 units) is also a good reference for the provision of housing for the elderly in Hong Kong in the near future.
- 3) The provision of housing for the elderly by HKHS should be focused on the middle class seniors.
- 4) Housing for the upper class elderly should be provided by the private sector real estate developers.
- 5) For the development of housing for the elderly, the government should widen the selection of suitable sites from different locations in order to cope with the demand from various regions and districts.
- 6) It is also recommended that the government should provide financial assistance to support elderly people doing renovation and retrofitting for existing old buildings.
- 7) The government should continue to support the development of Residential Care Services for the Elderly (RCS) and Community Care Services for the Elderly (CCS). Besides, the government could introduce “Care services vouchers” to the elderly, which is similar to medical vouchers. At the same time, the government could engage small scale non-government organisations to expand the development in elderly care services.

### **Conclusion**

As Hong Kong is facing an aging population, implementing a comprehensive housing for the elderly policy, and related housing and social service programmes shall become urgent in the coming few years. Based on the comments of the elderly concerns with housing preferences and affordability, together with foreign countries’ experiences, the government should examine the feasibility of having a comprehensive housing policy for the elderly among these information. With huge financial reserve, the government should not ignore the development of housing for the elderly group and care community. In contrast, it should expand housing policies and care services for the elderly to meet the social needs of senior citizens before the grievances of the elderly turn into a serious social problem. Otherwise, social stability and economic development will be adversely affected since the social cost will likely to increase continuously in the future.

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## Chapter 1 Introduction

- 1.1 As population ageing has become a global trend, many developed countries are faced with this social problem. Hong Kong's population rapidly increased because of high immigration rate and high birth rate after the 2<sup>nd</sup> World War. As a result, there is a rapidly growing aging population in which about 18.2% of the population was 60 years old or over in 2011. By 2036, there will be more than 2,700,000 elderly people in the territory (or 31% of the population) (Census and Statistics Department, 2011).
- 1.2 In Hong Kong however, there is still no consensus for the definition of the elderly. For instance, the elderly services provided by the welfare sector are only eligible for those aged 60 or above; the Census and Statistic Department, medical and healthcare service, and for the purpose of geriatric medicine adopts persons who aged 65 or above are regarded as elderly (Hong Kong Government, 1994; p.8). The academia usually classifies the elderly into different groups<sup>3</sup>. However, in this report, persons aged from 50 to 59 are regarded as soon-to-be old and those aged 60 or above are regarded as the elderly.
- 1.3 The United Nation's Population Fund (June 2007) stated that the life expectancy of males and females in Hong Kong was at 79.2 and 85.1 respectively, the highest and second highest in the world. The Census and Statistics Department in Hong Kong estimates that the life expectancy of male and female will be at 82.7 and 88.3 by 2036. Besides, more elderly people are depending on the supports from the younger generation for living. The elderly dependency ratio<sup>4</sup> also increased from 152 in 2000 to 172 in 2010 (Census and Statistics Department, 2011). By 2036, the elderly dependency ratio will reach 456.
- 1.4 For such a rapidly ageing population, a properly and adequately planned housing policy for the elderly in Hong Kong is undoubtedly one of the most important policy issues. However, the Hong Kong government has never put forward a systematic and comprehensive housing policy to deal with this imminent ageing problem. According to the Thematic Household Survey Report No. 40 in 2009, there were 426,300 elderly living in Public Rental Housing (37.7% of the elderly population) and 179,200 elderly living in subsidised Sale Flats (15.9% of the elderly population), such as the Home Ownership

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<sup>3</sup> Academia usually classifies the elderly into different subgroups, for those 60-64, they are regarded as "soon-to-be-old"; for those 65-74, they are regarded as "young-old"; for those 75-84, they are regarded as "middle-old"; for those 85 or above are regarded as "old-old"

<sup>4</sup> The elderly dependency ratio is the number of persons aged 65 and over per 1000 persons aged 15 and 64.

Scheme<sup>5</sup> or Tenants Purchase Scheme<sup>6</sup>. However, according to the Housing Aspirations Survey, about 12,600 elderly people and 12,700 soon-to-be old people live in temporary housing structures<sup>7</sup> (The Hong Kong Housing Society and the University of Hong Kong, 2004). The problem of seniors living in temporary housing has not been resolved in these recent years.

- 1.5 Besides, most of the public housing units have not been provided with proper facilities for elderly residents. At the same time, housing units for the elderly built by the Hong Kong Housing Society (HKHS) are not enough to satisfy demand. This reflects the weakness of the existing housing policy. Therefore, developing a comprehensive housing policy for the elderly based on their affordability and preferences is an urgent social issue for Hong Kong.

### **Overall Aim**

- 1.6 The overall aim of this research is to enhance our understanding of the relationship between the ability to pay for housing and the package of physical and social care which elderly and old people would like (i.e. their preferences), and to suggest further development in housing for the elderly.

### **Research Objectives**

- 1.7 The research objectives are as follows:
1. Examine the current housing situation and welfare policy for the elderly in Hong Kong.
  2. Review and compare Hong Kong with other developed countries including the Netherlands, Japan and Singapore in terms of housing for the elderly. Specifically to identify the similarities and differences in policy objectives and housing programmes, with respect to both market and public provisions, concerning the ageing members of societies.

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<sup>5</sup> Home Ownership Scheme is a subsidised-sale public housing managed by the Hong Kong Housing Authority.

<sup>6</sup> Tenants Purchase Scheme (TPS) is a scheme which allows tenants in public housing estates under Hong Kong Housing Authority to purchase their flats. The price is set to be much lower than the market prices.

<sup>7</sup> Temporary housing structures includes temporary huts, rooftop structures, and unsheltered accommodation

3. Investigate the factors in Hong Kong affecting housing affordability and housing preferences of the elderly.
4. Evaluate the role of different stakeholders in housing provision for the elderly in Hong Kong.

## **Chapter 2      Literature Reviews and Comparisons**

2.1 By reviewing literatures, books, newspaper and research reports related to current housing programmes for the elderly in Hong Kong and developed countries including Singapore, Japan and the Netherlands, the review and comparison in Chapter 2 shall provide objectives, programmes and comparison tables of these region/countries in housing and social care for their senior citizens.

### **A.      Definition of Housing for the Elderly**

2.2 Housing for the elderly defines as any project specifically designed for persons aged 55 (aged 60 in Hong Kong) or above, and marketed to that demographic group with the provision of facilities and services for the elderly. (The free Dictionary, 2012)

### **B.      Housing Policy and Social Care Services for the Elderly in Hong Kong**

2.3 In Hong Kong, the policy objective of housing for the elderly is “care in community” or “aging in place”. The main concern is to keep the elderly staying in the community, or more precisely, in the families. The current housing programmes for the elderly are being offered by the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS).

2.4 In order to realise the policy objectives, the Housing Authority (HA) encourages and facilitates families to live with and take care of their elderly members by implementing various priority schemes in public rental housing allocation<sup>8</sup>.(Hong Kong Government, 1994; Annex C, p.5) The details of various priority schemes for eligible single elderly person are as follows:

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<sup>8</sup> For single elderly or elderly persons who choose to live away from their families, HA makes available places in warden-assisted sheltered housing where emergency support and recreational activities are provided for residents

Table 1: Existing Housing Programme for Elderly offered by HKHA

<b>Programme</b>	<b>Details</b>	<b>Comprehensive Means-test<sup>9</sup></b>	<b>Time for Allocation</b>
Elderly Persons Priority Scheme	Two or more related or unrelated elderly people who are willing to live together in a public rental flat could apply	Yes	It depends. The allocation could be done within 2 years if they are willing to live in the New Territories
Families with Elderly Persons Priority Scheme	Families which have at least one elderly relative could apply	No	Allocation advanced by 3 years
Special Scheme for Families with Elderly Persons	Families with elderly parents or dependent relatives are allowed to apply for one or two separate public housing flats in the same estate in the New Town	No	Allocation advanced by 2 years
Single Elderly Persons Priority Scheme	Housing for Senior Citizen or One-person Flats are allocated to single elderly applicants	Yes	It depends on the availability of the public rental house. Public rental house in urban area requires longer time for allocation.
Amalgamation of Tenancies for Harmonious Families scheme	The amalgamated household would be re-housed to a new flat in any district if resource is available, but the younger family has to undertake to take care of elderly and to live together.	No	Allocation will be shortened to 18 months (for Families with Elderly Persons Priority Scheme and Special Scheme for Families with Elderly Persons)
Rent Assistance Scheme	All household members aged 60 or above, with income that falls below 70% of the Waiting List Income Limit or with Rent-to-income ratio that exceeds 18.5%, would enjoy rent assistance for granting either 25% or 50% rent reduction	Not Available	Not Available

(Sources: Housing Society & The University of Hong Kong, 2004; Appendix 1, p. 46; & Housing Authority, 2011)

2.5 The government also cooperated with the Hong Kong Housing Society (HKHS) to implement a major programme in 2003 to cater for the housing need of the middle-income elderly. The *Senior Citizen Residences Scheme* (SEN) was launched in 2003 to aspire to the concept of ‘housing with care’ for the elderly. The scheme adopts the

<sup>9</sup> Comprehensive Means-test means the Persons or/and their total family monthly income and net assets value must not exceed the [income and net asset limits](#) laid down by the Housing Authority. The test is applied in *Single Elderly Persons Priority Scheme* and *Elderly Persons Priority Scheme*. (Housing Authority, 2011)

concept of ‘lease-for-life’ and aims to benefit the elderly by the way of ‘healthy aging’ and ‘aging in place’ (Hong Kong Housing Society & The University of Hong Kong, 2004; Appendix 2, p. 56)<sup>10</sup>. Besides, HKHS will introduce Joyous Living<sup>11</sup> (i.e. Tin Shui Wai Integrated Community Project and Tanner Hill Elderly Housing Project) for the elderly in 2015. These two housing projects will be discussed in detail in this report.

2.6 It is noteworthy that there is no specific policy from the government to encourage the private sector to cater for the housing need of the elderly. Private developers have not specifically built any housing for the elderly. It is argued that the government has dominated the role in providing and constrains the private sector to participate in the supply of housing for the elderly. Moreover, the government fails to provide sufficient incentives to the private sector to provide housing for the elderly. It only launched the Premium Concession Scheme in 2003 to encourage private developers to build purpose-built premises for the elderly (Hong Kong Housing Society & The University of Hong Kong, 2004; p. 13). However, due to the fact that private developers are not interested to develop housing for the elderly, the scheme failed to be implemented.

2.7 Some of the social care services for the elderly are provided by the Social Welfare Department (SWD) and coordinated with Non-Government Organisations. In various policy addresses, the Chief Executive and his predecessor had announced two types of programmes for elderly care support. One is Community Support Services for the Elderly (CSS)<sup>12</sup>, another one is Residential Care Services for the Elderly (RCS)<sup>13</sup>. The objectives of these two programmes are: 1) to promote the well-being of elders in all aspects of their life through the provision of a wide spectrum of services to enable them to remain living in the community for as long as possible, and 2) to provide residential care that suits the varying needs of elders whenever necessary. Some of the services in these two programmes are related to elderly living standard in their homes or living places.

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<sup>10</sup> Up to 2008, two estates had been built under the scheme and provided 576 units in total. The SEN served more than 700 elderly persons and all the units are let, entailing a waiting list with more than 100 applicants (Hong Kong Housing Society, 2007; p.47)

<sup>11</sup> Joyous Living is Hong Kong's first quality retirement living initiative specifically tailor-made for seniors, providing its residents with a relaxed ambience, continuing professional healthcare and skilled care services, thoughtful home and lifestyle services, and a wide range of social activities to enrich their retirement.

<sup>12</sup> Enhanced Home and Community Care Services, Integrated Home Care Services (IHCS), Home Help Service (HHS) and Home Environment Improvement Scheme for the Elderly in Community Care Services are related to elderly housing and quality of life.

<sup>13</sup> Hostels for the Elderly, Homes for the Aged, Care and Attention Homes for the Elderly, Enhanced Bought Place Scheme, Nursing Homes, Nursing Home Place Purchase Scheme, and Contract Homes in Residential Care Services are related to elderly housing quality and housing places.

## **C. Housing Programmes in Singapore**

2.8 In Singapore, the government has adopted “Successful Ageing” as its vision for public policy since 1999. The Ministerial Committee on Ageing enhances four strategic movements, such as promoting ageing-in-place and providing holistic, affordable healthcare and elderly care. As most Singaporeans (80%) live in Housing Development Board (HDB) flats, a variety of elderly housing programmes, facilities improvement programmes and financial assistant programmes are applied to HDB flats. These programmes include elderly housing schemes, multi-generation living scheme, priority generation living scheme, priority programme, facilities upgrading programmes<sup>14</sup>, expand housing grant for resale HDB flat and monetising HDB housing programmes for the elderly<sup>15</sup>. (Housing & Development, 2012)

2.9 Moreover, the selected non-government organisations in Singapore also give nursing homes and hospices, day care centres and home care services to seniors. The above housing programmes and services in Singapore reveals that they have a comprehensive housing and social welfare policy to take care of senior citizens in terms of living quality, financial support and daily health care services.

## **D. Housing Programmes in Japan**

2.10 In Japan, starting from the 1960s, the government has planned to provide housing programmes and social services for the elderly. The elderly policy aims at keeping ageing in place; building up intergenerational co-residential patterns and long term care policy. Since the 1960s, rental housing, silver housing, senior housing and life care communities have been built by the Japanese government. The government has also improved the quality of the community for persons ageing in the neighbourhood since the 1980s. In 1992 the government announced ‘Design Guidelines for an Ageing Society’ to enhance the standard for appropriate living environment for the elderly and it is a reference for seeking various loans for renovation. The officials also sent consultant groups to visit elderly homes to advise on house remodelling formats based on their own physical

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<sup>14</sup> Facilities upgrading programmes consists of Lift Improvement & Facilities Enhancement for Elderly, Barrier-free accessibility programme, Lift upgrading programme, Home improvement programme, Universal design and Neighbourhoods renewal programme.

<sup>15</sup> Monetising HDB housing programmes involves Lease Buyback Scheme, Subletting and Downsizing.

conditions. The banks in Japan provide second mortgages at lower interest rate to renovate owned house to barrier-free. With the introduction of Reverse Mortgage in 1981 the banks in Japan began to operate reverse mortgage schemes in the early 2000s, and elderly homeowners with low incomes could benefit from Reverse Mortgage from 2002. (Satoshi, 1998)

## **E. Housing Programmes in the Netherlands**

- 2.11 In the Netherlands, the policy vision and the objectives for the elderly emphasises on 'ageing in place', social care and customised housing and care. The Housing Association is responsible for the elderly housing, including social housing and private sector housing for rental. The Dutch government also indirectly cooperates with private property developers to direct the construction of dwellings suitable for seniors. The Netherlands also has sheltered housing for the richer elderly and grow-along houses for citizens to modify the houses based on their physical and sensory abilities. More importantly, the Dutch government provides home care services in senior citizens' own houses as well as institutional care for necessary seniors in private institutions 24 hours a day. Banks also promote Reverse Mortgage for citizens. (Guus, 1998)
- 2.12 As far as the elderly are concerned, the tables below show the similarities and differences among the four mentioned places in the aspects of objectives, government's role, target groups, young family members' roles, housing programmes, facilities improvement and financial assistance.

Table 2: Comparison between Hong Kong and three developed countries in objectives, government's role, target groups and young family members' roles

Criteria\ Countries		HK#	SGP	JPN	NED
Objectives	Ageing in Place	✓	✓	✓	✓
	Family Care	✓	✓	✓	
	Community Care	✓	✓	✓	
	Long Term Care <sup>16</sup>			✓	✓
	Social Care			✓	✓
Government's role	Social Housing provider	✓	✓	✓	✓
	Care Services provider	✓	✓	✓	✓
	Financial Assistant provider	✓	✓	✓	✓
Target groups	Elderly Home-owner	✓	✓	✓	✓
	Elderly users in Social Housing	✓	✓	✓	✓
	Elderly users in Social Care Services	✓	✓	✓	✓
	Young family members who take care of their parents	✓	✓	✓	
Young family members' roles	Mainly care-giver to their parents	✓	✓	✓	

# HK means Hong Kong; SGP means Singapore; JPN means Japan; NED means the Netherlands

2.13 Table 2 reveals that Hong Kong, Singapore and Japan emphasise family care and the important care-giving roles of young family members for the elderly. In contrast, the Netherlands would emphasise social care and long term care; yet, their young aged citizens are not the main care-givers to their parents.

<sup>16</sup> Long-term care is a variety of services that includes medical and non-medical care to people who have a chronic illness or disability. Long-term care helps meet health or personal needs. Most long-term care is to assist people with support services such as activities of daily living such as dressing, bathing, and using the bathroom. Long-term care can be provided at home, in the community, in assisted living or in nursing homes. It is important to remember that you may need long-term care at any age. (Medicare.gov, 2012)

Table 3: Comparison between Hong Kong and three developed countries in terms of housing programmes, facilities improvement and financial assistance

Criteria\ Countries		HK	SGP	JPN	NED	Remark
Housing Programmes	Special housing schedule for elderly in Public housing	✓	✓	✓	✓	
	Multi-Generation Living House	✓	✓	✓		
	Home care Services	✓	✓	✓	✓	Provided by local government (Japan and the Netherlands)
	Institutional Care	✓	✓	✓	✓	
Facilities Improvement	Housing renovation and improvement services for elderly (barrier-free, Universal Design)	✓	✓		✓	
	Consultation services	✓		✓		
	Design guideline to Elderly home-owner			✓		
	Grow-along house <sup>17</sup>				✓	
Financial Assistance	Rent Assistant for Elderly applicants	✓		✓		In private company (Japan)
	Broaden housing restrictions to supplement elderly income		✓			
	Housing grant for buying flat		✓			
	Lower Interest rate for renovation			✓		
	Extend family loan Scheme <sup>18</sup>			✓		

2.14 Table 3 shows that all four places have provided housing schemes and care services for the elderly. They have also offered different types of facilities improvements and financial assistance for their own citizens. Singapore and Japan, in particular, have performed more comprehensive financial assistance for their citizens.

<sup>17</sup> Grow-along house is the house can be constructed to be adaptable, and modified in step with the changes a person requires by his/her physical and sensory abilities as they age.

<sup>18</sup> As the Netherlands resort to establishing universal Long Term Care (LTC) social insurance which provides comprehensive coverage services to their people, the financial assistance for social issues would be reduced when the social insurance could cover part of the expenditure.

Table 4: Comparison between Hong Kong and three developed countries in terms of Reverse Mortgage programme and Elderly Housing programme

Criteria \ Countries		HK	SGP	JPN	NED
Selected programmes in Questionnaire Survey	Reverse Mortgage Programme	✓		✓	✓
	Elderly Housing Programme	✓	✓	✓	✓

2.15 Elderly housing programme is vital in different region/countries in order to provide better off living environment to the elderly. All of the above mentioned cities and countries have introduced elderly housing programmes. On the other hand, Hong Kong, Japan and the Netherlands have also introduced Reverse Mortgage programmes. Therefore, in this study, the research team has selected Reverse Mortgage Programme and Elderly Housing Programme as the study topics so as to have a better understanding about the housing preferences and affordability of the elderly, and to propose suggestions based on the research findings. As Reverse Mortgage is a new financial product in Hong Kong which was launched in 2011, the details of Reverse Mortgage would be listed out in the following section.

#### **F. Definition of Reverse Mortgage**

2.16 Reverse Mortgage (henceforth RM) is to allow individuals to convert some of the equity they have in their homes into a steady income stream, without giving up their living units. (Bartel and Daly, 1980) Reverse Mortgage does not require any monthly repayment. (Kutty, 1997) The homeowner, who is often elderly, is guaranteed tenure in his house until death, or end the mortgage to repay the loan when the borrower passes away. If the borrower or successor cannot pay the loan after the end of mortgage, the lender can take possession of the house. The essential feature of a RM loan is that it is “non-recourse”. Lenders limit the maximum amount that borrowers can receive, and they also design alternative methods of paying the borrower this amount, including life annuities and lump sums. (S. Mitchell and Piggott, 2003)

#### **G. Potential and Demand for Reverse Mortgage in Hong Kong**

2.17 In Hong Kong, huge wealth is being held by residential property as most Hong Kong people prefer to buy house for protecting their own wealth. In fact, elderly people on

average possess more property wealth than other population groups, but they also have a lower earning capacity than younger groups.

- 2.18 Besides, high value of residential real estate also supports the implementation of RM in Hong Kong. As Hong Kong is a high density and well developed city, the property prices and rental prices are higher than in other cities, such as Taipei, Singapore, New York and London. Therefore, the substantial amount of wealth in residential property could release the property value to cash for the elderly.
- 2.19 At the same time, 47.6% of Hong Kong people's household assets are non-financial in 2011 (Census and Statistics Department, 2012). Compared with Japanese household assets (51% were non-financial in 1996) and Australian household assets (50% were non-financial in 1996), the percentage in Hong Kong is comparable with those foreign countries which have implemented RM. Thus in principle, Hong Kong also has the potential to introduce RM.
- 2.20 The low fertility rate in Hong Kong may also support the development of RM market. In 2011, a 0.6% population growth in Hong Kong showed that the family support for elderly in the future would be weaker than before, and the amount of elderly who desire to leave bequests to their children or successors would be gradually decreased. That social trend would encourage to activate the RM market.
- 2.21 In Hong Kong, many elderly who have property are facing the "house-rich and cash-poor" situation as they have property bought in the past but retired in present. As the government has not clearly defined the official definition of poverty and the applicant who has property cannot apply for Comprehensive Social Security Allowance (CSSA), this type of elderly may live with a poor living standard. In the U.S., many home-owners in poverty might not be classified as poor under the official definition because the definition includes the net rental value of the homes they own. The "house-rich and cash poor" of the elderly also exists in American society and reverse mortgage programme is one of the financial tools to raise income of these seniors provided by government institution (Housing Equity Conversion Mortgage Programme) (Kutty, 1998). The measurement for poor living standard in the U.S. is similar to Hong Kong. Thus, Hong Kong could introduce RM since the eligibility in the social security system is similar between Hong Kong and the U.S.

## **H. Reverse Mortgage in Hong Kong**

- 2.22 The Hong Kong Mortgage Corporation Limited (Institution of HKSAR) launched a Reverse Mortgage Programme on 11th July, 2011. It enables borrowers to use their self-occupied residential properties in Hong Kong as security to borrow from a participating bank. Borrowers do not need to repay their reverse mortgage loan during their lifetime, unless they move out from their property permanently or the reverse mortgage loan is terminated due to other reasons. (Hong Kong Mortgage Corporation, 2011)
- 2.23 When borrowers' reverse mortgage terminates (or borrowers pass away), they (or their inheritors) have the preferential right to redeem their property by repaying to the bank in full the outstanding loan amount owed by them under the RM. If borrowers (or their inheritors) choose not to exercise such a right, the bank will sell their property to recover the outstanding loan amount owed. (Hong Kong Mortgage Corporation, 2011)
- 2.24 There are 5 eligibility criteria in Reverse Mortgage programme<sup>19</sup>, and the key product features and benefits are that the borrower can choose to receive monthly payouts for either a fixed period of 10, 15 or 20 years or the entire life according to his/her own need. After taking out a reverse mortgage loan, the borrower is still entitled to continue to stay in the property for the rest of his/her life. However, the borrower is to be responsible for the on-going property maintenance as well as the settlement of rates, government rents and management fees, etc. The borrower may apply to borrow lump-sum loan(s) at the time of initial loan application and/or at any time during the payment term the borrower chooses. The upper limit on the property value is HK\$8 million. The borrower may fully repay the outstanding loan amount and redeem the property at any time and there is no penalty for such full repayment.

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<sup>19</sup> 5 eligibility criteria are: 1) must be the holder of a valid Hong Kong Identity Card and aged 60 or above; 2) must not be an undischarged bankrupt or otherwise subject to bankruptcy petition or individual voluntary arrangement; 3) must be held in the borrowers' own name, or jointly held with another person as joint tenants (the other joint tenant must become a co-borrower under the same reverse mortgage, and must be able to satisfy the relevant eligibility criteria); 4) must not exceed 50 years of age and must not be subject to any resale restrictions (Property exceeding 50 years of age will be considered only on a case-by-case basis); and 5) must not be rented out and must be occupied by the borrower as his/her principal residence in Hong Kong. (Hong Kong Mortgage Corporation, 2011)

2.25 There are 3 costs associated with this programme. The first one is Interest expense<sup>20</sup>. The second one is Mortgage insurance premium<sup>21</sup>. The third one is Counseling fee<sup>22</sup>. If the borrower wishes to terminate the reverse mortgage loan, he/she can notify the bank within the first 6 months and repay in full the outstanding loan amount on the proposed repayment date, he/she will be given a refund and waiver of all mortgage insurance premiums upon his/her request<sup>23</sup>. (Hong Kong Mortgage Corporation, 2011)

## **I. Reverse Mortgage in Foreign Countries**

2.26 In fact, many foreign countries introduced RM as new financial arrangement to deal with ageing population and elderly poverty in their society. In Japan, the government implemented RM programme in Musashino City (suburb of Tokyo) in 1981. The programme was designed as a home equity conversion programme, and also offers comprehensive health, social services and financial assistance to elderly households. Programme participants need to pay for the services received on a monthly cash basis or deferred payment loan secured by their home equity. Those using home equity could not exceed 80% of the land value and repayment for service with 5% annual fixed interest is deferred until the end of programme (sale of the property as the elderly participants pass away, or their family members repay this outstanding debt in order to keep the property). (Kase, 1994) Although only 18% of programme households were using reverse mortgage, it reveals that there may have been some demand on the part of the elderly, and some willingness on the part of government to provide such products. (Mitchell and Piggott, 2003)

2.27 In the United States, the Home Equity Conversion Mortgage Programme (HECM), implemented by the Department of Housing and Urban Development in 1989, provided RM guarantees to borrowers and lenders. The HECM is a plan that can give elderly

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<sup>20</sup> Interest is charged by the borrower's bank on the outstanding loan amount (including interest) on a compound basis. Interest will be debited to the outstanding loan amount. Interest rate is Hong Kong Prime Rate minus 2.5% (Current interest rate is 2.75%). (Hong Kong Mortgage Corporation, 2011)

<sup>21</sup> The first one is Upfront Mortgage Insurance Premium is payable in 7 annual instalments starting from the 4th until the 10th anniversary. Each annual instalment is calculated at 0.28% of the property value; and the second one is Monthly Mortgage Insurance Premium payable on a monthly basis at the annual rate of 1.25% of the outstanding loan amount. (Hong Kong Mortgage Corporation, 2011)

<sup>22</sup> The borrower needs to pay a counselling fee to his/her Reverse Mortgage Counsellor (Counsellor) for counselling service. If the borrower decides to take out a reverse mortgage loan, he/she may choose to finance such counselling fee by the reverse mortgage loan. Please approach a Counsellor for the fee level. (Hong Kong Mortgage Corporation, 2011)

<sup>23</sup> However, the borrower needs to repay in full the outstanding loan balance and bear the relevant legal fee.

Americans greater financial security. The programme requires that the borrower is a homeowner 62 years of age or older, own the home outright, or have a low mortgage balance that can be paid off in this reverse loan, and the borrower must live in this property. The borrower is also required to receive consumer information free or at very low cost from a HECM counselor prior to obtaining the loan. The mortgage amount based on age of the youngest borrower, current interest rate, lesser of appraised value or the HECM mortgage limit or the sales price. The programme does not require income proof or employment qualifications of the borrower. No repayment as long as the property is the borrower's principal residence and the obligations of the mortgage are met. Closing costs may be financed in the mortgage. However, the property types must meet all Federal Housing Administration (FHA) property standards and flood requirements<sup>24</sup>. In addition, the borrower can select from 5 payment plans, including Tenure, Term, Line of Credit, Modified Tenure and Modified Term. After the end of programme, the lenders recover their principal, plus interest, when the home is sold. The remaining value of the home goes to borrower or his/her successors. If the sales proceeds cannot fully pay the amount owed, FHA will pay the lender the rest of the amount owed. There is an insurance premium from all borrowers to provide this coverage. (Department of Housing and Urban Development, 2011)

- 2.28 As Japan's government institution and the U.S.'s government institution supervise the implementation of reverse mortgage, the role of the Dutch government is different from that of Japan and the U.S. The Dutch housing market has a strong dichotomy in the rental sector, which consists of social housing with regulated rents and long waiting lists, and the owner-occupied sector. The market for mortgage loans in the Netherlands is well developed. (Rouwendal, 2007) Thus, when the Netherlands carried out reverse mortgage in the 1980s, that is only one of the many mortgage products in the housing market. As the mortgage market has many types of mortgage for Dutch people (including Linear mortgage, Annuity mortgage, Life insurance mortgage, Investment mortgage and Interest-only mortgage), RM in Dutch has not been successful until now.

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<sup>24</sup> The requirements are: 1) Single family home or 1-4 unit home with one unit occupied by the borrower; 2) HUD-approved condominium; 3) Manufactured home that meets FHA requirements.

## **Chapter 3          Research Methodology**

3.1      This research is divided into three stages: stage one aims to achieve objectives one and two; stage two to achieve objective three; and stage three to achieve objective four (refer to research objectives on P. 11 and 12). The research relies on the multiple regression model and methodological triangulation. Methodological triangulation involves the use of more than one method for interpreting data and deriving the results. These methods will include review and comparison; conducting surveys; and holding meetings with experts and representatives of stakeholders in order to facilitate the formulation of recommendations and guidelines of housing for the elderly, which are practical and acceptable to most stakeholders.

### **Stage one: Review and comparisons**

3.2      The current housing situation of the elderly in the context of Hong Kong is being assessed. The current housing programmes for the elderly offered by the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS) are examined. The research has also reviewed the welfare policy for the elderly. The purpose is to identify the current social welfare and housing programmes being offered for the elderly, the degree of coordination between them and the possible shortfalls.

3.3      Also reviewed are the housing policies of other developed countries (i.e. the Netherlands, Japan and Singapore) towards the elderly and their practices regarding housing provision. These countries are being chosen because the Netherlands has a comprehensive housing policy for the elderly, which is a good reference; Japan has a high proportion of elderly people; and Singapore is most comparable with Hong Kong in terms of economic and demographic factors. Comparisons have been made between Hong Kong and these developed countries. These comparable data will provide a comprehensive knowledge on housing provision for the elderly having regard to their preferences and affordability.

### **Stage two: Survey among the elderly**

3.4      In stage two, a structured survey to be conducted by use of face-to-face interviews among the elderly and soon-to-be old members in different housing sectors (i.e. public housing

sector, private housing sector, non-profit housing sector) in order to investigate the factors affecting the housing affordability of the elderly. These factors are related to economic aspects (i.e. income, rent, mortgage repayment, and overall expenditure), demographic aspects (i.e. age, household size, education, current housing type), social aspects (i.e. access to social care), and health and environmental aspects, (i.e. access to health and hygiene, community facilities, transportation, location). The research has also identified the housing preference factors of the elderly as they relate to affordability. These factors include housing type; housing size; health facilities; location; access to community facilities; and social services.

- 3.5 Data to be collected by stratified random sampling. The elderly to be chosen from public, private and non-profit housing sectors in selected districts, including Hong Kong Island, Kowloon, the New Territories East and the New Territories West. The elderly are being approached through different centres for the elderly in these districts. The research team has solicited support from various District Elderly Community Centres in Hong Kong as the venues for approaching their elderly members. A quota of the elderly interviewees to be selected according to the proportions of elderly and median of households income from different District Elderly Community Centres. At the end of 2008, there were 65,475 registered elderly members in District Elderly Community Centres (Census and Statistics Department, 2009). Random sampling to be used and a structured questionnaire about living environment, housing affordability and preferences is being designed in order to collect data and comments from the elderly. The questionnaire was interviewer-administered in order to avoid the problem of illiteracy or physical incapability. The survey has collected information from the elderly about their specific needs for accommodation, willingness to buy or rent, their affordability situation, their preferences regarding housing size, housing type and housing facilities.
- 3.6 By the use of software called SPSS, correlation analysis is adopted to investigate the correlation between variables and housing affordability as well as housing preference.
- 3.7 In order to better understand the opinions of seniors for the preferences and affordability in housing equity programme and housing for the elderly, in-depth interviews for case studies were conducted. From January to February 2012, the research team held 12 in-depth interview sessions with the elderly aged from 57 to 69. Interview contents and insights from this part could be served as supplementary information to the quantitative

statistics in face-to-face interview survey. Most interview questions are to be assessed by discussion content analysis.

### **Stage three: Structured interviews with experts and representatives of stakeholders**

- 3.8 In stage three, the research team will evaluate the role of different stakeholders by having structured interviews with experts and representatives of stakeholders to identify problems associated with housing needs for the elderly and current housing policy. Such experts include government officials, representatives of the Hong Kong Housing Society, and representatives of the social services agency, etc.
- 3.9 They are being invited to provide their opinions so as to prioritise the factors collected at stage two throughout the workshop (i.e. discussion group, forum, and questionnaire format). Finally, based on the chosen factors, experts are to provide suggestions regarding possible initiatives by different stakeholders on accommodation for the elderly, housing types and tenure. Based on the findings from stages one, two and three the research team will formulate recommendations and propose guidelines for better housing for the elderly based on affordability and preferences.
- 3.10 The findings of this study will be disseminated by journal publications, public seminars as well as presentations to government officials, surveying professionals and representatives of stakeholders.

## **Chapter 4            Research Findings – Questionnaire Survey and In-depth Interviews for Case Studies**

### **Introduction**

4.1     For this research, data have been collected by stratified random sampling. About 300 elderly have been chosen from public, private and non-profit housing sectors in 12 selected districts, which represent the grouping with the median monthly domestic household income over HK\$20,000 or the districts over 9% population of aged 65 and above, from various elderly centres in these districts. The research team has organised questionnaire surveys by having 20 visits and talks in 7 districts, and examined the perception of the elderly interviewees on the Reverse Mortgage Programme and the two Housing for the Elderly Projects offered by the Hong Kong Housing Society. The questionnaire for the structured face-to-face interview is attached in Appendix 1. After a brief account of the profile of the respondents who had completed the face-to-face interviews, major findings of the survey are to be presented in this chapter. These major findings focus on the factors affecting the decision to participate in the Reverse Mortgage and the Elderly Housing Projects, and their considerations in the housing options between the Reverse Mortgage developed by the Hong Kong Mortgage Corporation (HKMC) and the two Housing for the Elderly Projects introduced by the Hong Kong Housing Society (HKHS) are examined.

### **Profile of Respondents to Questionnaire Survey**

4.2     Of the 301 respondents, 76.7% were female while 23.3% were male respondents (Table 5). The Mean value of Age is 73.25, Median age is 74 and the Mode is 65 (Table 6). A higher proportion of respondents fall into the age category of 75 or above (48.1%). (Table 7)

Table 5: Distribution of Respondents by Gender

	<b>Frequency</b>	<b>%</b>
<b>Male</b>	70	23.3
<b>Female</b>	231	76.7
<b>Total</b>	301	100.0

Remarks: 2 respondents failed to answer this question.

Table 6: Mean, Median and Mode of Respondents by Age

	<b>Age</b>
<b>Mean</b>	73.25
<b>Median</b>	74
<b>Mode</b>	65

Table 7: Distribution of Respondents by Age

	<b>Frequency</b>	<b>%</b>
<b>50-59</b>	19	6.5
<b>60-74</b>	132	45.4
<b>75 or above</b>	140	48.1
<b>Total</b>	291	100.0

Remarks: 12 respondents failed to answer this question.

4.3 Concerning the educational level of the respondents, a higher percentage (39.1%) of the respondents' educational attainment is of primary level, while 27.5% of the respondents hold an educational attainment of secondary level (Table 8). For the monthly personal income, 49.3% of the respondents received HK\$1 to HK\$5,000 <sup>25</sup> monthly personal income, followed by no income (30.1%)(Table 9).

<sup>25</sup> The exchange rate between HKD and USD is USD\$1 to HKD\$7.8.

Table 8: Distribution of Respondents by Education Attainment

	<b>Frequency</b>	<b>%</b>
<b>No Schooling</b>	63	20.9
<b>Primary</b>	118	39.1
<b>Secondary</b>	83	27.5
<b>Post-Secondary</b>	38	12.6
<b>Total</b>	302	100.0

Remarks: 1 respondent failed to answer this question.

Table 9: Distribution of Respondents by Monthly Personal Income (Hong Kong Dollars HK\$)

	<b>Frequency</b>	<b>%</b>
<b>No Income</b>	88	30.1
<b>\$1 - \$5,000</b>	144	49.3
<b>\$5,001 - \$10,000</b>	31	10.6
<b>\$10,001 - \$15,000</b>	11	3.8
<b>Over \$15,000</b>	17	5.8
<b>Total</b>	291	100.0

Remarks: 11 respondents failed to answer this question, and 1 respondent refused to answer this question.

4.4 For living district, a higher proportion of respondents fall into the district category of Kowloon (37.4%), followed by New Territories East (32.1%)(Table 10). Concerning value of the housing unit, a higher percentage (37.9%) of the respondents are living in a house worth from \$2.01 million to 4 million, and 35% of the respondents are living in a house worth 2 million or below (Table 11). Besides, with regards to household structure of the respondents, a higher proportion (52.4%) of the respondents falls into the category of 2 household members, followed by the category of living alone (28.6%)(Table 12).

Table 10: Distribution of Respondents by Living District

	<b>Frequency</b>	<b>%</b>
<b>Hong Kong Island</b>	66	21.9
<b>Kowloon</b>	113	37.4
<b>New Territories East</b>	97	32.1
<b>New Territories West</b>	26	8.6
<b>Total</b>	302	100.0

Remarks: 1 respondent failed to answer this question

Table 11: Distribution of Respondents by Price Level of the Housing Unit (Hong Kong Dollars HK\$)

	<b>Frequency</b>	<b>%</b>
<b>Under 2 Million or 2 Million</b>	49	35.0
<b>2.01 Million – 4 Million</b>	53	37.9
<b>4.01 Million – 6 Million</b>	16	11.4
<b>6.01 Million – 8 Million</b>	6	4.3
<b>Over 8 Million</b>	10	7.1
<b>Unknown</b>	6	4.3
<b>Total</b>	140	100.0

Remarks: 163 respondents failed to answer as this question is an optional question for respondent(s).

Table 12: Distribution of Respondents by Household Structure

	<b>Frequency</b>	<b>%</b>
<b>1</b>	84	28.6
<b>2</b>	154	52.4
<b>3</b>	34	11.6
<b>4</b>	11	3.7
<b>5</b>	8	2.7
<b>6</b>	1	0.3
<b>7</b>	1	0.3
<b>9</b>	1	0.3
<b>Total</b>	294	100.0

Remarks: 9 respondents failed to answer this question.

## A) Major Findings from Comparison Analysis in Demographic Factors

### Reverse Mortgage Programme

4.5 In general, most of the respondents opined that the Reverse Mortgage Programme is not suitable for them due to different reasons. In Table 13, the majority of respondents (72.9%) mentioned that they will not consider joining the Reverse Mortgage Programme, and only 8.4% of them agreed that they will consider to join the Reverse Mortgage Programme. The designers of the Reverse Mortgage Programme believe that people from the low income group would prefer to join the programme in order to improve their living standard. However, the research findings reflected that higher monthly income respondents (monthly income at HK\$10,000 or above) would be more interested to join the Programme. In contrast, lower monthly income respondents (Monthly income at \$5,000 or below) would be less likely to join the Reverse Mortgage Programme (8.2%)(Table 14).

Table 13: “Will you consider participating in the Reverse Mortgage Programme? (Please skip this question if you have no self-occupied properties)”

	Frequency	%
<b>Yes</b>	13	8.4
<b>No</b>	113	72.9
<b>Not Decided</b>	29	18.7
<b>Total</b>	155	100.0

Remarks: 148 respondents failed to answer as this question is an optional question for respondent(s).

Table 14: “Will you consider participating in the Reverse Mortgage Programme? (Please skip this question if you have no self-occupied properties)” – by Monthly Personal Income

	No Income		\$1 - \$5,000		\$5,001 - \$10,000		\$10,001 - \$15,000		Over \$15,000		Reject	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	4	8.2	0	0.0	3	13.0	3	27.3	3	23.1	0	0.0
<b>No</b>	35	71.4	45	86.5	13	56.5	7	63.6	7	53.8	1	100
<b>Not Decided</b>	10	20.4	7	13.5	7	30.4	1	9.1	3	23.1	0	0.0
<b>Total</b>	49	100	52	100	23	100	11	100	13	100	1	100

Remarks: 154 respondents failed to answer as this question is an optional question for respondent(s). Pearson Chi-square=19.00, p<0.05; Total Home-owner: 155 respondents.

\* “Freq.” means Frequency.

4.6 Education level of the respondents is also an important factor affecting the decision on the Reverse Mortgage Programme. Respondents with higher educational backgrounds are more likely to understand the complex content and the regulations of the Reverse Mortgage than the other respondents. In contrast, respondents with a lower education level would not participate in this programme as they may only partly understand the content of the Reverse Mortgage. The Pearson Chi-Square tests for statistical significance showed that respondents with higher education attainment would be more interested in Reverse Mortgage (Secondary level: 15.1%; Post-secondary level: 15.6%), and no respondents would have an interest in Reverse Mortgage in groups of lower education level (0% in no schooling and primary level) (Table 15).

Table 15: “Will you consider participating in the Reverse Mortgage Programme? (Please skip this question if you have no self-occupied properties)” – by Education Attainment

	No Schooling		Primary		Secondary		Post-Secondary	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	0	0.0	0	0.0	8	15.1	5	15.6
<b>No</b>	14	100.0	45	80.4	34	64.2	20	62.5
<b>Not Decided</b>	0	0.0	11	19.6	11	20.8	7	21.9
<b>Total</b>	14	100.0	56	100.0	53	100.0	32	100.0

Remarks: 148 respondents failed to answer as this question is an optional question for respondent(s). Pearson Chi-square=16.52, p=0.011; Total Home-owner: 155 respondents.

\* “Freq.” means Frequency.

4.7 On the other hand, housing unit value and family structure are also important factors to consider when deciding whether to join the Reverse Mortgage programme or not.

Respondents' housing unit at a price level of "6.01 million to 8 million" are more willing to join the Reverse Mortgage than other groups; while the "2 million and below" group least likely to join the Reverse Mortgage Programme (Table 16). As the monthly output amount offered by the Reverse Mortgage Programme is based on value of the housing unit, duration of the RM and age of the applicant, many respondents believe that the potential monthly output amount that they may receive is not enough to support their daily life. Thus, the degree of willingness for participation is probably based on the respondents' asset value but not on other aspects.

4.8 The traditional culture also affects the ideology of respondents since they believe that their current living houses should be given to their successor(s) after they passed away but not mortgage to bank and then receiving money in return. The survey shows that respondents with no children are more acceptable to the Programme than respondents with children. About 25% of respondents without children would consider to join the Reverse Mortgage Programme, as compared with 5.9% of those respondents with children (Table 17).

Table 16: "Will you consider participating in the Reverse Mortgage Programme? (Please skip this question if you have no self-occupied properties)" – by Price of Living House

	2 Million and below		2.01 Million - 4 Million		4.01 Million - 6 Million		6.01 Million - 8 Million		Over 8 Million		Unknown	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	0	0.0	5	9.6	3	18.8	4	66.7	0	0.0	0	0.0
<b>No</b>	41	85.4	34	65.4	10	62.5	2	33.3	7	70.0	6	100
<b>Not Decided</b>	7	14.6	13	25.0	3	18.8	0	0.0	3	30.0	0	0.0
<b>Total</b>	48	100	52	100	16	100	6	100	10	100	6	100

Remarks: 165 respondents failed to answer as this question is an optional question for respondent(s). Pearson Chi-square=38.69, p=0.000; Total Home-owner: 155 respondents.

\* "Freq." means Frequency.

Table 17: “Will you consider participating in the Reverse Mortgage Programme? (Please skip this question if you have no self-occupied properties)” – by Family Structure

	No Children		Have Children	
	Frequency	%	Frequency	%
<b>Yes</b>	3	25.0	8	5.9
<b>No</b>	6	50.0	104	77.0
<b>Not Decided</b>	3	25.0	23	17.0
<b>Total</b>	12	100.0	135	100.0

Remarks: 156 respondents failed to answer as this question is an optional question for respondent(s). Pearson Chi-square=6.83, p=<0.05; Total Home-owner: 155 respondents.

### Tin Shui Wai Integrated Elderly Community Project (TSW Project)

4.9 For the Tin Shui Wai Integrated Elderly Community Project<sup>26</sup>, most of the respondents (70.5%) replied that they are not interested. Only 12.1% respondents may consider joining the TSW project and 17.4% respondents are not decided whether they will join the TSW project or not (Table 18). Rental price is the first priority factor in consideration. According to Pearson Chi-Square tests, respondents in income group “Over \$15,001” (23.5%) would be more interested in the TSW project than other income groups. It reveals that higher income respondents are more able to afford the rental rate of the TSW project. It reflects that higher monthly income respondents would be more likely to join the TSW project (Table 19).

Table 18: “Will you consider participating in Tin Shui Wai Integrated Elderly Community Project?”

	Frequency	%
<b>Yes</b>	36	12.1
<b>No</b>	210	70.5
<b>Not Decided</b>	52	17.4
<b>Total</b>	298	100.0

Remarks: 5 respondents failed to answer this question.

<sup>26</sup> The Integrated Elderly Community Project (IECP) of the Hong Kong Housing Society (HKHS) is located in Wetland Park Road of Tin Shui Wai. The project will provide about 1,000 residential units for the elderly, a wellness centre, and residential care home for the elderly, a hotel as well as various training and recreation facilities. The project uses Resort Concept to design the community.

Table 19: “Will you consider participating in Tin Shui Wai Integrated Elderly Community Project?” – by Monthly Personal Income

	No Income		\$1 - \$5,000		\$5,001 - \$10,000		\$10,001 - \$15,000		Over \$15,000		Reject	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	13	15.1	12	8.5	5	16.1	2	18.2	4	23.5	0	0.0
<b>No</b>	53	61.6	114	80.9	18	58.1	7	63.6	6	35.3	1	100
<b>Not Decided</b>	20	23.3	15	10.6	8	25.8	2	18.2	7	41.2	0	0.0
<b>Total</b>	86	100	141	100	31	100	11	100	17	100	1	100

Remarks: 16 respondents failed to answer this question. Pearson Chi-square=23.46, p=0.009

# “Freq.” means Frequency.

4.10 Also, the respondents who have retirement security plan would be more likely to apply for the TSW project. Pearson Chi-Square tests for statistical significance showed that respondents, who have retirement security plan, would be more interested in the TSW project (18.6%), compared with respondents who have no retirement security plan (10.2%)(Table 20). It means that the respondents who have retirement security plan may have sufficient liquidity to afford the rent and maintain their living standard.

Table 20: “Will you consider participating in Tin Shui Wai Integrated Elderly Community Project?” – by Retirement Security Factor

	Have Retirement Security Plan		No Retirement Security Plan	
	Frequency	%	Frequency	%
<b>Yes</b>	11	18.6	24	10.2
<b>No</b>	32	54.2	176	74.6
<b>Not Decided</b>	16	27.1	36	15.3
<b>Total</b>	59	100.0	236	100.0

Remarks: 8 respondents failed to answer this question. Pearson Chi-square=9.396, p=0.009

### Tanner Hill Elderly Housing Project (Tanner Hill project)

4.11 For the Tanner Hill Elderly Housing Project<sup>27</sup>, the survey also showed that many respondents opined that the rental level of the Tanner Hill Elderly Housing Project

<sup>27</sup> The Tanner Hill site on Hong Kong Island will be developed into an “Elderly Hub” complete with comprehensive medical and care facilities to serve not only the elderly residents, but also the neighboring community. The project uses Cosmopolitan concept with various recreational, elderly-related and ancillary supporting facilities. It will provide integrated accommodation, health care and related support facilities for the elders under one roof.

(Tanner Hill project) is too expensive. Most of the respondents (74.7%) opined that they are not interested in the Tanner Hill Elderly Housing Project (Tanner Hill project). Only 9.3% respondents may consider joining the Tanner Hill project and 16% respondents are not decided whether they will join the Tanner Hill project or not (Table 21). As rental price is their first consideration, only high income respondents would be able to afford the rental level of the Tanner Hill project and join in this project. In accordance with Pearson Chi-Square tests, respondents of the income group “\$10,001 - \$15,000” (27.3%) would be more interested in the Tanner Hill project than the other income groups, and the data shows that only higher monthly income respondents would be more likely to consider the Tanner Hill project (Table 22).

Table 21: “Will you consider participating in the Tanner Hill Elderly Housing Project?”

	<b>Frequency</b>	<b>%</b>
<b>Yes</b>	28	9.3
<b>No</b>	224	74.7
<b>Not Decided</b>	48	16.0
<b>Total</b>	300	100.0

Remarks: 3 respondents failed to answer this question

Table 22: “Will you consider participating in Tanner Hill Elderly Housing Project” – by Monthly Personal Income

	<b>No Income</b>		<b>\$1 - \$5,000</b>		<b>\$5,001 - \$10,000</b>		<b>\$10,001 - \$15,000</b>		<b>Over \$15,000</b>		<b>Reject</b>	
	<b>Freq.*</b>	<b>%</b>	<b>Freq.</b>	<b>%</b>	<b>Freq.</b>	<b>%</b>	<b>Freq.</b>	<b>%</b>	<b>Freq.</b>	<b>%</b>	<b>Freq.</b>	<b>%</b>
<b>Yes</b>	8	9.3	11	7.7	3	9.7	3	27.3	2	11.8	0	0.0
<b>No</b>	57	66.3	123	86.0	22	71.0	4	36.4	9	52.9	1	100
<b>Not Decided</b>	21	24.4	9	6.3	6	19.4	4	36.4	6	35.3	0	0.0
<b>Total</b>	86	100	143	100	31	100	11	100	17	100	1	100

Remarks: 14 respondents failed to answer this question; Pearson Chi-square=30.57, p=0.001

4.12 Also, the respondents who have retirement security plan would also have higher possibility to apply for the Tanner Hill project as they may have sufficient liquidity to afford the rent and maintain their living standard. The Pearson Chi-Square tests for statistical significance showed that respondents, who have retirement security plan, would be more interested in the Tanner Hill project (20.3%), compared with respondents who have no retirement security plan (6.7%)(Table 23). It reflects that the elderly who

have assets from retirement plan or saving plan have higher possibility to participate in the Tanner Hill project.

Table 23: “Will you consider participating in the Tanner Hill Elderly Housing Project” – by Retirement Security Factor

	Have Retirement Security Plan		No Retirement Security Plan	
	Frequency	%	Frequency	%
<b>Yes</b>	12	20.3	16	6.7
<b>No</b>	34	57.6	187	78.6
<b>Not Decided</b>	13	22.0	35	14.7
<b>Total</b>	59	100.0	238	100.0

Remarks: 6 respondents failed to answer this question; Pearson Chi-square=13.66, p=0.001

\* “Freq.” means Frequency.

## B) Major Findings by Comparison of the 3 Age Groups

### Reverse Mortgage Programme

4.13 The survey indicated that 63.6% of respondents disagree and strongly disagree that the payout could handle their financial problem (Table 24). The table also reflects the trend that older people are less likely to disagree that Reverse Mortgage Programme’s monthly payout amount could handle their financial problem, including inflation issue. In the 50-64 age group, the sum of strongly disagree and disagree is 71.8%; In the 65-79 age group, the sum of strongly disagree and disagree is 67%; and in the 80 or above age group, the sum of strongly disagree and disagree is 43.4%. It means that the older the respondents, the more likely that they believe the payout amount could handle their daily expenditure.

Table 24: “I believe the payout amount from Reverse Mortgage Programme could handle my financial problem, including inflation issue.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	8	20.5	29	34.1	8	26.7	45	29.2
<b>Disagree</b>	20	51.3	28	32.9	5	16.7	53	34.4
<b>No Comment</b>	8	20.5	19	22.4	8	26.7	35	22.7
<b>Agree</b>	2	5.1	7	8.2	3	10.0	12	7.8
<b>Strongly Agree</b>	1	2.6	2	2.4	6	20.0	9	5.8
<b>Total</b>	39	100.0	85	100.0	30	100.0	154	100.0

Remarks: 8 Missing answers; Pearson Chi-square=21.44, p<0.05; Total Home-owner: 162

\* “Freq.” means Frequency.

### Tin Shui Wai Integrated Elderly Community Project

4.14 64.9% respondents either strongly disagree or disagree that they can afford the rental price of the TSW project (Table 25). However, in the 50-64 age group, 41.2% respondents agree or strongly agree that they can afford the rental price of the TSW project. Older people could not afford the rental price in the TSW project. In the 50-64 age group, the sum of strongly disagree and disagree is 33.4%; In the 65-79 age group, the sum of strongly disagree and disagree is 67.5%; In the 80 or above age group, the sum of strongly disagree and disagree is 80%. It reflects that the older senior citizens may not have enough income and assets to afford the rental price of the TSW project.

Table 25: “I believe that my financial capacity can pay for the rent of the Tin Shui Wai Project.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	6	11.8	53	34.4	42	52.5	101	35.4
<b>Disagree</b>	11	21.6	51	33.1	22	27.5	84	29.5
<b>No Comment</b>	13	25.5	15	9.7	11	13.8	39	13.7
<b>Agree</b>	18	35.3	29	18.8	4	5.0	51	17.9
<b>Strongly Agree</b>	3	5.9	6	3.9	1	1.3	10	3.5
<b>Total</b>	51	100.0	154	100.0	80	100.0	285	100.0

Remarks: 18 Missing answers; Pearson Chi-square=41.70, p=0.000; Total respondents: 303

\* “Freq.” means Frequency.

4.15 In terms of location, the Tin Shui Wai Integrated Elderly Community Project is unpopular with the respondents. 59% of respondents do not agree or strongly disagree that the TSW project is suitable for them. In addition, Pearson Chi-Square tests for statistical significance showed that respondents with older age are more resistant to live in the TSW project. (Table 26)

Table 26: “Tin Shui Wai is nearby my current living place, I can adapt to this place easily, thus this project is fit for me.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	7	13.2	39	24.8	32	40.0	78	26.9
<b>Disagree</b>	18	34.0	49	31.2	26	32.5	93	32.1
<b>No Comment</b>	11	20.8	26	16.6	13	16.3	50	17.2
<b>Agree</b>	16	30.2	40	25.5	7	8.8	63	21.7
<b>Strongly Agree</b>	1	1.9	3	1.9	2	2.5	6	2.1
<b>Total</b>	53	100.0	157	100.0	80	100.0	290	100.0

Remarks: 13 Missing answers; Pearson Chi-square=18.68, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

4.16 Compared with their current residence, over half of the respondents still believe that in terms of location, their current residence is better than the TSW project. In fact, 52% of respondents disagree or strongly disagree that the TSW project is suitable for them. However, in the 50-64 age group, 43.1% of respondents agree and strongly agree to live in the TSW project, and Pearson Chi-Square tests for statistical significance reveals that

more older respondents do not want to live in the TSW project than younger respondents. (Table 27)

Table 27: “Compare with current living place, living in Tin Shui Wai Project is more suitable for me.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	6	11.8	29	18.6	26	34.2	61	21.6
<b>Disagree</b>	12	23.5	52	33.3	22	28.9	86	30.4
<b>No Comment</b>	11	21.6	21	13.5	6	7.9	38	13.4
<b>Agree</b>	18	35.3	43	27.6	17	22.4	78	27.6
<b>Strongly Agree</b>	4	7.8	11	7.1	5	6.6	20	7.1
<b>Total</b>	51	100.0	156	100.0	76	100.0	283	100.0

Remarks: 20 Missing answers; Pearson Chi-square=16.01, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

4.17 For the preferences of Elderly housing project among these elderly respondents, most of them will not consider the TSW project (71.8%). In the 3 age groups, younger respondents are less resistant to the TSW project, compared with the 65-79 and the 80 or above age groups. In the 50-64 age group, the sum of not consider is 58.8%; In the 65-79 age group, the sum of not consider is 69.2%; In the 80 or above age group, the sum of not consider is 85%. (Table 28)

Table 28: “Will you consider participating in Tin Shui Wai Integrated Elderly Community Project?.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	12	23.5	16	10.3	7	8.8	35	12.2
<b>No</b>	30	58.8	108	69.2	68	85.0	206	71.8
<b>Not Decide</b>	9	17.6	32	20.5	5	6.3	46	16.0
<b>Total</b>	51	100.0	156	100.0	80	100.0	287	100.0

Remarks: 16 Missing answers; Pearson Chi-square=16.73, p<0.05; Total respondents: 303

## Tanner Hill Elderly Housing Project

4.18 In terms of financial consideration, 77.6% of respondents either strongly disagree or disagree that they can afford the rental price of the Tanner Hill project. Pearson Chi-Square tests for statistical significance showed that older respondents could not afford the rental price of the Tanner Hill project (Table 29). In the 50-64 age group, the sum of strongly disagree and disagree is 52.8%; In the 65-79 age group, the sum of strongly disagree and disagree is 79.2%; In the 80 or above age group, the sum of strongly disagree and disagree is 91%.

Table 29: “I believe that my financial capacity can pay for the rent of the Tanner Hill Project.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	13	24.5	76	47.8	54	69.2	143	49.3
<b>Disagree</b>	15	28.3	50	31.4	17	21.8	82	28.3
<b>No Comment</b>	12	22.6	12	7.5	6	7.7	30	10.3
<b>Agree</b>	10	18.9	17	10.7	1	1.3	28	9.7
<b>Strongly Agree</b>	3	5.7	4	2.5	0	0.0	7	2.4
<b>Total</b>	53	100.0	159	100.0	78	100.0	290	100.0

Remarks: 13 Missing answers; Pearson Chi-square=38.86, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

4.19 In terms of location, the Tanner Hill Elderly Housing Project is also unpopular with the respondents. Only 32% of respondents agree or strongly agree that the Tanner Hill project is fit for them (Table 30), and 71.8% of respondents in the 80 or above age group strongly disagree or disagree that the Tanner Hill project is suitable for them. In addition, Pearson Chi-Square tests for statistical significance showed that respondents with younger ages are more acceptable to the Tanner Hill project.

Table 30: “Tanner Hill (North Point) is nearby my current living place, I can adapt to this place easily, thus this project is fit for me.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	6	11.5	37	23.4	31	39.7	74	25.7
<b>Disagree</b>	13	25.0	40	25.3	25	32.1	78	27.1
<b>No Comment</b>	11	21.2	26	16.5	7	9.0	44	15.3
<b>Agree</b>	19	36.5	50	31.6	13	16.7	82	28.5
<b>Strongly Agree</b>	3	5.8	5	3.2	2	2.6	10	3.5
<b>Total</b>	52	100.0	158	100.0	78	100.0	288	100.0

Remarks: 15 Missing answers; Pearson Chi-square=21.27, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

4.20 For the preferences of elderly housing project among these elderly respondents, most of them will not consider the Tanner Hill project (75.1%). In 3 age groups, younger respondents are less resistant to the Tanner Hill project, compared with the 65-79 and the 80 or above age groups. In the 50-64 age group, the sum of not consider is 54.9%; In the 65-79 age group, the sum of not consider is 76.1%; In the 80 or above age group, the sum of not consider is 86.1%. (Table 31)

Table 31: “Will you consider participating in the Tanner Hill Elderly Housing Project?”– Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Yes</b>	11	21.6	12	7.5	5	6.3	28	9.7
<b>No</b>	28	54.9	121	76.1	68	86.1	217	75.1
<b>Not Decide</b>	12	23.5	26	16.4	6	7.6	44	15.2
<b>Total</b>	51	100.0	159	100.0	79	100.0	289	100.0

Remarks: 14 Missing answers; Pearson Chi-square=18.63, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

### Combined responses for the 2 Elderly Housing Projects

4.21 In terms of social care and health consideration, nearly half (45.3%) of the respondents agree or strongly agree that the 2 Elderly housing projects could improve their health condition. (Table 32) Pearson Chi-Square tests for statistical significance showed that younger respondents agree with the statement more than older respondents. However, over half (50.2%) of the respondents disagree or strongly disagree that it will not affect

their daily life if they participate in either the TSW project or the Tanner Hill project. (Table 33) In addition, Pearson Chi-Square tests for statistical significance reflected that older respondents believe that their daily life would be affected if they live in these 2 Elderly housing projects. It reveals that older seniors would not be interested in these 2 Elderly Housing projects.

Table 32: “Compared with current living place, Tin Shui Wai or Tanner Hill project could improve my health condition.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	3	5.8	30	19.4	19	24.4	52	18.2
<b>Disagree</b>	8	15.4	37	23.9	15	19.2	60	21.1
<b>No Comment</b>	13	25.0	22	14.2	9	11.5	44	15.4
<b>Agree</b>	24	46.2	52	33.5	22	28.2	98	34.4
<b>Strongly Agree</b>	4	7.7	14	9.0	13	16.7	31	10.9
<b>Total</b>	52	100.0	155	100.0	78	100.0	285	100.0

Remarks: 18 Missing answers; Pearson Chi-square=18.01, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

Table 33: “I seldom go to the district medical centre and social service centre (e.g. Hospital, Elderly centre), therefore I will not be affected in my daily life if I participate in Tin Shui Wai or Tanner Hill project.” – Age in 3 groups

	Aged 50-64		Aged 65-79		Aged 80 or above		Total	
	Freq.*	%	Freq.	%	Freq.	%	Freq.	%
<b>Strongly Disagree</b>	4	7.5	32	20.1	25	31.6	61	21.0
<b>Disagree</b>	11	20.8	45	28.3	29	36.7	85	29.2
<b>No Comment</b>	17	32.1	28	17.6	13	16.5	58	19.9
<b>Agree</b>	17	32.1	45	28.3	8	10.1	70	24.1
<b>Strongly Agree</b>	4	7.5	9	5.7	4	5.1	17	5.8
<b>Total</b>	53	100.0	159	100.0	79	100.0	291	100.0

Remarks: 12 Missing answers; Pearson Chi-square=25.93, p<0.05; Total respondents: 303

\* “Freq.” means Frequency.

### C) Major Findings from the Comparison between Statistics of the Hong Kong Mortgage Corporation and Statistics of the Questionnaire Survey

4.22 Since the Reverse Mortgage Programme was implemented in Hong Kong in July 2011, the Hong Kong Mortgage Corporation has recorded the data of successful applicants (up to February 2012). On the other hand, the PolyU research team organised questionnaire surveys between August and November 2011 to better understand the preference and affordability in reverse mortgage. The factors of considering participation in RM responses to be compared with the HKMC's data in three demographic criteria, including age of borrowers, appraised property value and property age are below: (Table 34)

Table 34: Comparison statistics between HKMC and PolyU Research Team in 3 criteria

	<b>HKMC</b>	<b>PolyU Research Team</b>
<b>Age of borrowers</b>	Average of 71 years old (Range: 60 – 93 years old)	Average of 68.23 years old (Range: 52-90 years old)
<b>Appraised property value</b>	Average of HK\$3.7 million (Range: HK\$0.8 million – HK\$19.5 million*)	Average of HK\$5 million (Range: HK\$2 million – HK\$8 million)
<b>Property age</b>	Average of 30 years (Range: 7 – 53 years)	Average of 28.92 years (Range: 8 – 50 years)

\* The property value for determination of monthly payout is capped at HK\$8 million

Source from: Hong Kong Mortgage Corporation; Cumulative figures as of 29 February 2012

4.23 Table 34 shows that the average age of borrowers from these two sets of data are only slightly different. The result is different by only 3 years. The range of borrowers between the two sets of data is substantially overlapping.

4.24 The appraised property value from these two sets of data are similar. The average appraised property value from HKMC is \$3.7 million, and the average appraised property value from our research ranged from \$4 million to \$6 million. Also, the property age for reverse mortgage are almost the same. There are only 1.1 years difference in the mean property age from these 2 sets of data. The above comparison reveals that the demographic information of the respondents from our survey is a good representation of those who really made applications for the RM.

## **D) In-depth Interviews for Case Studies**

### **Introduction**

4.25 In an attempt to better understand the opinions of seniors for preferences and affordability in housing equity programme and housing for the elderly, in-depth interviews for case studies were conducted. From January to February 2012, the research team held 12 in-depth interview sessions for the soon-to-be-old (i.e. 50 to 59) and young-old groups (i.e. 60 to 74). The main focus of the case study is to understand the respondents' comments on the reverse mortgage programme, the housing for the elderly offered by HKHS and their perception of housing for the elderly. Here below is a brief account on the sources of cases, the criteria of case selection and a brief profile of the interviewed cases. Then major findings shall be presented and discussed. The discussion is to be descriptive and inferentially derived from evidence observed in the case interviews.

4.26 Interviewees for case studies were referred by two social services organisations, namely *St. James' Settlement* and *Evangelical Lutheran Church Social Service - Hong Kong*.

### **The Discussion Guideline**

4.27 A semi-structured interview guide was used (attached as Appendix 3), so that the informants could express themselves freely. This allows more flexibility for investigative probing during the interview process. Discussions were recorded with the consent of participants. Each interview ranged from 25 minutes to 1 hour.

### **Profile of Interviewees**

4.28 12 individual interviewees from 57 to 69 years old were sampled for the case studies. Detailed profiles of the interviewees are attached as Appendix 4. Here below is a brief demographic information of the interviewees.

**(a) Personal income of the Interviewees**

4.29 In fact, all of the interviewees have retired and their income came from different sources. 4 of them from their pensions, 4 from their family members, 2 from stock market interest, only one uses his own Mandatory Provident Fund for daily expenditure.

**(b) Living place of the Interviewees**

4.30 Concerning the living places of the interviewees, 5 of them were living on Hong Kong Island: 2 were living in Eastern District, 2 in Wai Chai District, and 1 in Southern District. At the same time, 5 of them were living in the New Territories: 4 were living in Shatin District, and 1 was living in Tsuen Wan District. The remaining 2 interviewees, 1 was living in Kowloon City District and another one refuses to provide an answer for his living place.

**(c) Education Level of the Interviewees**

4.31 In terms of education level, 6 of them studied at Secondary level, 5 at Tertiary Level, and one interviewee refused to answer his education attainment.

**Major Findings**

**(a) Comments on the Reverse Mortgage Programmes**

4.32 Amongst the 12 interviewees, the majority of them regard their payout amount based on their property value in the RM as not enough for their daily expenditure. They believe that the payout amount cannot relieve the problem of inflation in the current economic situation. This is because their housing value are not high in the housing market (some of them live in Home Ownership Scheme units). Also, most of them do have savings, so the payout amount is not attractive to them.

4.33 Most of the interviewees believe that their assets in cash or saving is enough for their retirement expenditure, and some of the interviewees replied that the programme is the last resort to increase their daily income when they have no income from pension, children or other sources. Actually, most of them still have the belief that having their

own houses is more secure. The reverse mortgage may affect their feeling of security and they do not prefer to use their house ownerships in exchange for limited amount of monthly payout, so most of the interviewees had no interest in the reverse mortgage.

- 4.34 For renovation, they could use different methods to solve this problem, for example, they could sell their flats and live in smaller sizes flats, or apply for second mortgage, and so on. Most of them did not prefer joining RM to renovate their homes, and some interviewees replied that they will consider RM as a last choice to solve renovation problem.
- 4.35 Given the pay back loan condition, some of them preferred one-off pay back scheme, but some of them suggested that the project could be flexible in pay back method (i.e. include several times pay back and one-off pay back pattern) to let applicants or their successors choose the most suitable one. On the other hand, many of them believed that joining RM would increase their childrens' burden in financial loans. In general, they would not like to pass their loan to their children, thus they will use any other methods to maintain their elderly living standard but not RM.
- 4.36 For the factor of family succession, most of them admitted that they want to bequest their homes to their children, and they believed that elderly without children would be more likely to participate in RM. However, some respondents replied that their children have already bought their owned houses, thus it would not be necessary to pass their property on to them. Yet, even if their sons or daughters have their new flats, these interviewees still keep their homes and would not consider RM in the current situation.
- 4.37 In health consideration, some of them mentioned that they have medical subsidy or saving for medical expenditure. 2 interviewees mentioned that they will consider RM if they have health problems, but the rest of respondents just regarded that health condition is an uncertain issue and cannot be predicted. The payout of reverse mortgage is too little to support the medical cost, thus they would not use housing equity as financial sources if their health conditions get worse.

Table 35: Selected expression of interviewees in the comments on the concept and content of the Reverse Mortgage

<i>Case No.</i>	<i>Quotations</i>
<b>(1) The monthly payout amount in the Reverse Mortgage is not attractive for them</b>	
011	I have no plan to join the reverse mortgage. This project is fit for those elderly who are living in private property. The monthly payout amount is not enough for daily expenditure unless the property value increase and the monthly payout amount increase based on the property value (年金不夠日常開支，除非樓價不斷升高，年金應上升). This project is suitable for those elderly who do not know how to invest.
<b>(2) Their assets in cash or saving is enough for the daily expenditure</b>	
001	I have pension after retired and pension allowance is enough to cover my daily expenses, so no need to apply for the reverse mortgage (自己有公積金，未有需要逆按揭). Some elderly may consider the reverse mortgage if they think that the Old Age Allowance is not enough for their expenditure.
<b>(3) Feeling more secure if they hold their flats</b>	
006	I have more sense of security if I have my own flat. Unless I have no choice, otherwise I will not participate in the Reverse Mortgage programme (有樓比較有安全感。除非沒有辦法，否則不要選擇安老按揭，最後的選擇).
<b>(4) Do not like to pass their loan to their children</b>	
006	If the elderly apply for the reverse mortgage programme, that means they would not plan to payback the loan because they have no assets to cover their daily expenses. Their children may not pay back the loan since these children are facing an unstable working environment (長者參加逆按揭，多不計劃還錢，因為參加了應該不是有很多錢，走這一步就因為沒有錢，沒有辦法。子女未必負擔到，想做但未必做到，例如面對工作、支出，工作不穩定，又有家庭負擔).
<b>(5) Bequest their homes to their children</b>	
002	I will prefer to give my flat to my children, and I need not apply for the reverse mortgage because I do not want to create trouble to my children (多考慮將樓給子女，沒有需要安老按揭，不想子女麻煩).
<b>(6) Health condition is an uncertain issue and cannot measure</b>	
011	I will consider my health condition, but I think there is no need to apply for the reverse mortgage in my current situation, I will consider this programme if needed (會有健康考慮，但現時不需要，到需要時再考慮).

4.38 For the bank charges and insurance in RM, some respondents opined that the charges are complex and too expensive for the interest rate, but some respondents believed that it is acceptable.

4.39 For the eligibility to apply for RM, half of interviewees expressed that the eligibility is reasonable, but a few of them regarded that is too strict for elderly because many properties in urban areas are over 50 years; they suggest that the programme should waive the restriction of property age.

4.40 To conclude, many interviewees believed that RM was good for single seniors or elderly couple who have no children, and they reflected that the charges of reverse mortgage are too complex. More importantly, they believed that the government should provide more allowances to elderly who have property, in particular broaden the restriction of property age (e.g. broaden to 60 years or below). Based on the above feedback, all of the interviewees opined that they will not participate in the reverse mortgage programme unless they have no saving or income.

Table 36: Selected expression of interviewees on the charge and condition of application for the Reverse Mortgage

<i>Case No.</i>	<i>Quotations</i>
<b>(1) The charges are complex and too expensive</b>	
004	I think the programme has too many types of charge; elderly is hard to calculate. The consultation charge is quite expensive even the applicant does not know the application result (收費太多，老人難計算清楚，未申請成功，就收費一堆).
010	I feel the charges are complicated and I am not familiar with the bank charges and insurance fees (覺得複雜，不熟悉銀行收費及保費).
<b>(2) The eligibility is reasonable</b>	
006	I believe no bankrupt by applicants is reasonable, and the age of eligibility also acceptable to me. As I do not understand the charges of bank, so I cannot judge whether the charges are right or wrong. For the property age, I think that is acceptable (沒有破產比較合理，年齡合理。收費認知唔多，唔理解，難以判斷。樓齡合理).

**(b) Comments on the Tin Shui Wai Integrated Community Project (Tin Shui Wai Project)**

4.41 In economic aspect, all interviewees expressed that the rental price in the Tin Shui Wai Project is expensive, this is because many elderly in Hong Kong cannot afford this rental price (about \$5,000 - \$11,000 per month). Only few elderly will consider the 500 sq. feet's unit in this project. Some respondents suspected whether the Hong Kong Housing Society provide social services project for elderly, and they opined that the purpose of

this project is not correct. In general, seniors cannot afford rental price at this level, but the rich seniors have many choices to upgrade their living standard when they are old. As a result, they predict that only a few elderly would live in this elderly housing units. Obviously, the price setting is not right.

- 4.42 Some respondents objected to the restrictions of lease eligibility must be 60 years old or above since they want to live with their children and to be taken care of by them. However, some interviewees accepted this arrangement because they believed that the facilities and units should be served for elderly only, and they should have their own spaces and own living styles. If the elders want to live with their children, they can rent in private housing where they can live nearby or with their children.
- 4.43 In fact, the size of 500 sq. feet unit is supported by most interviewees since they think that this size is fit for 2 seniors in daily living, but 1,100 sq. feet units and 1,300 sq. feet units are too large for 2 elderly according to the comments from the interviewees.
- 4.44 The facilities in the TSW project is accepted by most interviewees, but the facilities of entertainment services and medical services should be improved. Besides, the residents in this project could have more public spaces for their communication with their neighbours. Also, the size of housing unit can be smaller.

Table 37: Selected expression of interviewees for the Tin Shui Wai Integrated Community Project

<i>Case No.</i>	<i>Quotations</i>
<b>(1) The rental price for the Tin Shui Wai Project is expensive</b>	
003	The rental price is quite high, and the residents need to pay fees for all facilities. If the rental price decrease to 40% of rental price in urban areas, it would be acceptable. For those elderly who have more money, they can pay full price (收費較高，全面設施，如水、電、煤、醫療、康樂等都需要自己給錢。如果低於市價，市值四成方可接受。如果有能力支付，可以收十足).
007	The price level is too high, most elderly cannot afford this level of rental price. The total expenditure is between \$15,000 and \$30,000 per month. If the senior(s) can pay this level of rental price, their living places should not be bad, and they will have many other choices (太豪華，大多數人都沒有能力負擔，可能需要萬五至三萬一個月。能支付的人，住的地方都不差，但一般人不能支付，能支付的都沒有興趣，他們有很多選擇).
<b>(2) 500 sq. feet unit is an appropriate size for the elderly</b>	
006	The 500 sq. feet unit is of appropriate size for 2 elderly, and the package of design is good, but the rental cost is high (設計配套很不錯，面積都可以，如果2個人500呎是可以的，但代價是收

	費貴).
(3) The facilities of the TSW projects is acceptable	
005	I regard that is good and enough for elderly, but the fees are expensive (很好，我認為能提供足夠設施，不過費用貴).
011	The facilities are enough for seniors, the most important is sport facilities. If the project provides more entertainment facilities it would be better, because it can enhance the chance to communicate with other residents. The size of living units could be smaller, and with more public areas in the project (設施足夠，最重要有保健設施。如果娛樂設施更多最好，可與人溝通，我認為私人空間可以細一些，公共空間多一些較好).

**(c) Comments on the Tanner Hill Elderly Housing Project (Tanner Hill project)**

- 4.45 In economic aspect, all interviewees expressed that the rental price is very expensive, most elderly in Hong Kong cannot afford this level of rental price (about \$15,000 - \$24,000 per month). Some respondents regarded that the Hong Kong Housing Society should not focus on earning money in this elderly housing project, as the rich seniors have many choices to upgrade their living standard, they need not attend this kind of elderly housing units, so the price setting is not correct. In addition, they complained that they cannot estimate the total expenditure per month because the management fee and facilities services fee in the project are not listed out, thus the interviewees would not consider the Tanner Hill project because of financial uncertainty.
- 4.46 Similar to the comments on the Tin Shui Wai project, some respondents objected to the restrictions of lease eligibility must be at 60 years old or above, but some interviewees accept this arrangement because facilities and units should be exclusively served for the elderly. Also, the elderly could have their own spaces and their own living styles.
- 4.47 The design of the Tanner Hill project is acceptable to most interviewees, but most of them opined that 1,100 sq. feet size and 1,300 sq. feet size are too large for 2 elderly, and they believed that the environment of the Tin Shui Wai project is better than the Tanner Hill project.
- 4.48 On the other hand, in the scope of the facilities and services, the respondents commented that the lack of facilities on the project site is reasonable as the location is good (North Point) and many existing facilities in North Point could be served for this project's

residents. Therefore, the facilities in this project and local facilities in North Point could fulfill their daily needs.

Table 38: Selected expression of interviewees for the Tanner Hill Elderly Housing Project

<i>Case No.</i>	<i>Quotations</i>
<b>(1) The rental price of the Tanner Hill Project is too expensive</b>	
001	The rental price is too expensive; this project is served for rich people. I need to pay for management fee plus rental price, which may not be affordable to me (太貴了，只是供應給有錢人，我自己不能負擔，而且怕有管理費).
011	The rental price is too expensive; I think that is affected by the increasing land price. I will not consider this project because it is really too expensive. I believe that the elderly housing policy should not set a target for earning money. User pays principle is acceptable in original, but if the insitution transfer the cost of land price to the elderly, that is not accepbale (租金貴，受地價物業上漲影響。我覺得太貴，所以未考慮參加。我認為安老計劃不應該以賺錢為目的，用者自付本來可接受，但要長者付更多的價格，例如地價，就不太好).
<b>(2) 1,300 sq. feet unit is too large for the elderly</b>	
010	I think 1,300 sq. feet unit is too large. It is because 400 sq. feet unit is already adequate for 2 elderly residents. If the unit is too large, the elderly will only store unnecessary items in the house. Except for the disabled people, who may required more rooms for supporting equipment. Therefore, the institution should build smaller size units in this project (1300 呎單位太大了，沒有必要建。2 人住 400 呎單位已足夠，地方大只會放雜物，除非有障礙人士，因為要有多些配套。應該建多一些 500 呎單位).
012	I regard that there is no need to build high class units. In fact, the project should build more smaller size units (不用豪華，由其 2 個人住那麼大，是否需要那麼大？應該小面積單位，多單位提供).
<b>(3) The facilities of the Tanner Hill projects is acceptable</b>	
004	I know that there are many community facilities for the elderly in North Point (北角附近有很多老人社區設施).
012	There are many facilities for the elderly in North Point, the project to have some facilities in public area would be okay (周邊配套設施多，居所內配置一定的設施則足夠).

**(d) Comments on the Housing for the Elderly**

4.49 Majority of the interviewees reported that some factors may attract them to live in housing for the elderly as follows:

- (i) they can live with their elderly friends and to maintain good relationship with their neighbours.
- (ii) good medical facilities and services, especially home care services.
- (iii) their income to be increased in the future.
- (iv) they could stay at the housing for the elderly in the long term.
- (v) they would like to give up their current living space to their children.

Table 39: Selected expression of interviewees on factor(s) attracting them to live in housing for the elderly

<i>Case No.</i>	<i>Quotations</i>
003	I prefer to live in community housing for the elderly, it has medical facilities and services. I will give up my current living place to my children, and live in other place with my partner since it will be too crowded if the elders live together with their children (我偏愛專為老人而設的設施的社區，特別是醫療設施。我會騰出現時居住給子女，兩個老人獨自生活，因為有兒孫一齊住會太擠迫，希望與年輕人分開住).
009	It depends on daily care services, cleaning services like room services in hotel, which means the residents have been taken care of by care givers. I think the elderly who are disabled or have illness, have no family care giver and having some assets but cannot employ home carers may consider this type of housing for the elderly (視乎日常照顧服務、清潔服務，例如酒店，有人照顧。這些老人屋適合傷殘老弱，並且沒有家人親戚幫助，加上有些錢但又未必請得起 2 個工人的長者，才會考慮這些長者屋).

4.50 According to the responses of these 12 elderly interviewees, the housing for the elderly is required to satisfy the expectations of these potential applicants. From economic aspect, the rental price of the elderly housing should not be too high since they just want to live in basic standard housing units. At the same time, the government should provide some subsidies for poor elderly in order to ensure these elders could apply for elderly housing.

4.51 For the elderly housing policy, they claimed that the government should not use elderly housing as a tool for earning money or apply market mechanism the same as private sector housing. The government, in contrast, should introduce a long term elderly housing policy to respond to seniors' housing needs, including production of low rental price elderly housing, renovate current public housing for conversion to elderly housing and provide financial subsidies package to senior homeowners.

Table 40: Selected expression of interviewees on housing for the elderly

<i>Case No.</i>	<i>Quotations</i>
001	The housing for the elderly should set a lower rental price, such as \$1,000 to \$2,000 per month, like rental public housing. Also, the flat should equip with comprehensive indoor facilities, for example, kitchen and washroom. The elderly could meet with their friends easily by living in the same estate (便宜一點，大約一千至二千元，設廉租式老人屋，另外有足夠設備，例如廚房、洗手間，而一班老人朋友可以一起).
003	Firstly, I think the amount of elderly housing should be increased; the elderly could live in elderly housing if they needed (數量增多，有需要都能入住). Secondly, the government needs to give allowance to residents who live in elderly housing, similar as public housing (有政府津貼，可效仿公屋). Thirdly, the elderly who can afford this rental price of these two elderly housing projects need not take the resources from the government. It is because their assets or income could buy or rent the private flat (可以支付這條租金的人士，都有能力租樓買樓，不需要佔用政府資源). Fourthly, the government should select more appropriate lands in urban area to build elderly housing units (在市區多選以更多合適的地方).

4.52 As elderly applicants have different family structures and financial situations, flexibility in living pattern is necessary. Some of the interviewees believed that renting in elderly housing is suitable for them, but the others prefer housing for the elderly should be bought by eligible applicants. At the same time, many respondents prefer the inter-generation pattern, of which they can be nearby their children, and some interviewees believed that their children who live in the same estate is the most effective way to be taken care of. In contrast, some respondents like to live in elderly community model housing because they want to make friends with elderly neighbours. Based on the above comments, the interviewees have different preferences in their living pattern.

Table 41: Selected expression of interviewees on the living pattern of housing for the elderly

<i>Case No.</i>	<i>Quotations</i>
003	I prefer inter-generation model since the Chinese like to live with their children, so the design of housing estate for the elderly could be one building for the elderly and another one for their children (我傾向混合式居住，中國人希望與子女同住，所以以一棟給子女住，一棟給老人住).
012	I think the elderly housing should provide for seniors only. The elderly need not live with their children if the seniors receive good services and have comprehensive facilities. The elderly also want to have their own space and live alone (我認為長者居所應該給長者，只需配套設施好，照顧得好，不需要與子女同住，最好單獨和有獨立空間).

4.53 In the rental price and service charge pattern, the majority of interviewees regarded that setting two patterns for the elderly housing residents would be better as the residents can choose one of the two patterns (i.e. renewal lease per year or long-term lease) based on their needs or abilities.

Table 42: Selected expression of interviewees on the rental price and service charge of housing for the elderly

<i>Case No.</i>	<i>Quotations</i>
006	The applicants can choose from 2 patterns, that is either renewal lease per year or long-term lease, for more flexibility to the seniors. However, I do not agree these housing units could be bought by the seniors since the unit(s) would be wasted once the seniors passed away (可以選擇每年續租或一次過交租金而長租住兩種，多元化一些。購買方面，如果長者去世，就會浪費這種長者屋).
011	I think more choices would be better for applicants and no need to limit to one option. Also, the rental price should be adjusted (higher and lower). I do not agree that these housing units should be bought by the seniors (多選擇較好，無須限死一種方式。租金可升可降。我不贊同購買，因為是賺錢計劃).

4.54 In term of facilities and location, most interviewees answered that the medical facilities and services are essential for them, and sport facilities are also necessary for their daily life and to maintain good health. The location of elderly housing is not a vital factor for them as some interviewees prefer living in urban areas, but some of them do not. The preferences of location is not conclusive.

Table 43: Selected expression of interviewees on the facilities for housing for the elderly

<i>Case No.</i>	<i>Quotations</i>
004	The essential facility is medical facilities in the elderly housing, and if it has some entertainment and sport facilities it would be okay (最需要是醫療設施，有少量康樂，體育設施便可)
008	The first priority is medical facilities; the second one is entertainment facilities, and some sport facilities should be provided in the elderly housing (第一醫療必須有，其次為文化康樂；體育商業也要少許).

4.55 To sum up, these interviewees stressed on the rental prices in elderly housing. Some of them expressed that these two elderly housing projects could be reviewed again by experts in order to improve the content of the projects. Few of the interviewees reflected that the government should absorb part of the rental price and set up long-term housing policy for the elderly as the government has a huge financial surplus in the last financial year.

## Chapter 5 Interviews with Stakeholders

### Introduction

5.1 In order to obtain more in-depth understanding for the reasoning behind the data collected from the questionnaire survey and to verify the validity of the results obtained in the case studies (Chapter 4), structured interviews with selected stakeholders are being conducted.

### Structured Interviews with Stakeholders

5.2 The template of stakeholder questions (Appendix 5) was developed to collect views from the stakeholders. Prior to conducting an interview, the template of questions for stakeholders was sent to the interviewees for his/her reference. This would allow the research team member to ask questions and to interact with the interviewee(s) while another research team member is taking the meeting notes. On one occasion where the interviewee cannot attend the meeting, she was invited to answer the questions based on the initial findings, via email or fax.

5.3 The structured interviews were targeted for government officials, the Hong Kong Housing Society representatives and social service agency representatives. Hence, six suitable interviewees were identified and invited to participate in the interviews. Two of them are social workers who worked in elderly services centres, one is Chairman of the Elderly Commission, another three are representatives of the Hong Kong Housing Society.

Table 41: Information of the interviewees

<b>Types of Stakeholders</b>	<b>Name</b>	<b>Institution</b>
Government officials	Prof. Chan Cheung Ming	Chairman of the Elderly Commission, HKSAR
Non-government organization	Representatives	The Hong Kong Housing Society
Social Services agency	Ms Leung	The Mongkok Kai-fong Association Kowloon Chamber of Commerce Centre for the Elderly
Social Services agency	Miss Carmen H.W. Ng	Retired Persons Service Centre, St. James' Settlement

## **Results of the Interviews with Stakeholders**

### **A) Reverse Mortgage Programme**

- 5.4 The responses of government officials, Professor Chan, explained that the problem of Reverse Mortgage is the low value of housing by the self-occupied elderly. The statistics from the Census & Statistics Department showed that about 20-25% elderly in Hong Kong have their own properties, but most of the properties are old buildings (i.e. high property age). The low value of housing therefore could not receive enough money from monthly payout amount to improve their daily life.
- 5.5 For the cost of RM, Professor Chan explained that high administrative cost from banks and small number of participants in HKMC would affect the interest rate and insurance fees since this is lack of economies of scale at the beginning. If more elderly participate in RM, the bank and HKMC may be able to reduce the interest rate and insurance fee.
- 5.6 Professor Chan also agreed that the Chinese traditional culture affect the decision in RM. The elderly prefer leaving their properties to their children. Thus, this factor affect the effectiveness of RM.
- 5.7 The responses of social services' representatives agreed that RM in Hong Kong is not suitable for the low income group elderly. It is related to low monthly payout amount in the programme. In fact, many elderly home-owners are living in old buildings and those are of low value in the housing market. But at the same time, they may face high renovation cost if the building needs to be renovated. Besides, the flats may be their only property, it would be a risk when they need money in emergency. If they participate in RM but the lump-sum loan(s) could not pay for their emergency fee, they may not have another source to solve the financial problem. In this situation, RM is not suitable for low income group elderly when the seniors only have low value houses.
- 5.8 Low monthly payout amount is the main cause to refuse RM by the elderly. The amount of monthly payout of "Under 2 Million" is low, and the owner needs to pay for the daily fees of that flat (i.e. management fee, renovation fee, etc.), then the actual amount which could be used for their living is not much.

- 5.9 From the perspective of educational background, the social services' representatives regarded that highly educated elderly could be more open-minded and more easily to accept new ideas. At the same time, these elderly have more money saving and higher monthly income than other elderly. The monthly payout amount is only a part of their total monthly income or seem as extra money, especially if they have over one property in their assets. Thus, the responses in the survey showed that the higher education background are more interested in RM.
- 5.10 From the family succession aspect, social services' representatives expressed that succession factor is an important factor for the elderly to consider whether to join RM or not. The Chinese culture promotes parents leaving properties to their sons or daughters, holding the family property can also maintain contact with their children and other family members. Thus, they resist to join RM.
- 5.11 In the survey, the data revealed that the older respondents are less likely to disagree than others that the monthly payout could handle financial problems. In general, the older senior citizens may spend more medical expenditure than younger seniors; however, the social services' representatives explained that the government is going to allocate more medical expenditure. The older elderly could use the medical services from the government. On the other hand, younger seniors think that they could not rely on the government for medical services. The young seniors therefore prefer to use private medical services. High expenditure of the private medical services result in disagreement in the monthly payout which could not handle financial problems of the younger seniors.

**B) Tin Shui Wai Integrated Community Project**

- 5.12 Professor Chan admitted that the price setting is quite high; this is because the government has not intervened in the development of the Tin Shui Wai project, and there was no land grant when HKHS planned to build this project. Although many elderly expected that the government would subsidise land price for the development of elderly housing, other people may criticise that it is in a way providing subsidy to middle class seniors.

- 5.13 In addition, the difficulty of HKHS is not the sales of this elderly housing project, but the continuous services to be provided after project completion. According to information from HKHS, over 700 elderly applied for the SEN projects. In contrast, the residents have many expectations in the charges they paid for facilities and services in the SEN projects. Yet the price of using facilities and services, and the lack of diversified facilities and services provided by SEN have disappointed some of the residents. To avoid the above problems, the Tin Shui Wai project should provide various types of facilities and services to fulfill the needs of the elderly, for example, it should have guest house for the children of residents to have temporary accommodation to visit their elderly parents. It would fulfill the needs of the residents who want to meet their children more often.
- 5.14 The view from social services' representatives stressed on the price and location of the Tin Shui Wai project. They claimed that the current rental price level of the Tin Shui Wai project is 90% of the rental price of the private estate. At the same time, some elderly expressed that Tin Shui Wai is too far away for them, plus there are many sad stories about Tin Shui Wai; a stereotype had already been made. If the elderly do not consider the district but mainly focus on the rental price, private housing in the Mainland just across the border would be an alternative where the price would be lower and the location is not that far away from Tin Shui Wai. Therefore, the Tin Shui Wai project is not attractive from the elderly's point of view.
- 5.15 From the price perspective, HKHS representatives replied that the objection and criticism of the rental price of Tin Shui Wai project are expected. They explained that the Tin Shui Wai project could not be compared with SEN because the market segment of the target group is the elderly who has over 1 million US dollar's assets (who are financially independent without government subsidy). In Hong Kong, there is no other elderly housing project for upper class elderly until the Tin Shui Wai project and the Tanner Hill project. These two projects are the pilot projects in order to set high quality standard for elderly's housing market. Thus, the Tin Shui Wai project is not aimed at middle class and lower class elderly.
- 5.16 From the location perspective, representatives of HKHS responded that it is a common response that the elderly feel far away from their living place and reject living in Tin Shui Wai. The older elderly's adaptation and mobility is weaker than the elderly of other age

groups, and they would not want to change their living environment. Thus, the Tin Shui Wai project is not attractive to them. On the other hand, the younger elderly or the soon-to-be-old group can adapt to a new living environment easily, and their high mobility are similar as adult group, thus they have no difficulty to go out to other districts and to meet their friends easily. Therefore, the project also focuses on the younger elderly who are more acceptable to live in rural area.

### **C) The Tanner Hill Elderly Housing Project**

5.17 In fact, the price setting for the Tanner Hill project is similar to the Tin Shui Wai project, Professor Chan also admitted that the price setting is quite high in Tanner Hill because of the same reason for the Tin Shui Wai project (the government has not intervened and no land grant), thus the criticism from the public is the same as for the Tin Shui Wai project.

5.18 The view from social services representatives claimed that the rental price of the Tanner Hill project would be higher than Tin Shui Wai in accordance with the district (North Point) , the appropriate rental price could be 70% of market price.

5.19 For location of the Tanner Hill project, social services' representatives explained that the younger elderly believe that the transportation system was good in North Point, and their family members can visit them easily. Also, the younger elderly are more willing to participate in the community, for example voluntary work and joining training courses. The location is attractive for younger seniors. However, the older seniors believe that it would be hard to build up a social network, plus they have a strong sense of belonging with their current living district, so the above could explain the result from the data analysis.

5.20 From price perspective of the Tanner Hill project, the explanation of HKHS representatives is similar as for the Tin Shui Wai project that they expected the objection of the rental price level from the public. Similar as to the Tin Shui Wai project, it could not be compared with SEN because the market segment is targeted for the elderly who has over 1 million US dollar's assets (who are financially independent without government subsidy). These two projects are the pilot projects in order to set high quality standard for the upper end of the elderly's housing market. Hence, the Tanner Hill project is also not aimed at middle class and lower class elderly.

5.21 From the location perspective of the Tanner Hill project, HKHS representatives claimed that the younger elderly or soon-to-be-old group are more likely to accept a new living environment, and their high mobility allows them to easily go out to other districts to join activities or to meet their friends, similar to that of the Tin Shui Wai project. However, the older elderly, whose adaptation and mobility are weaker than other age group people, do not want to change their living environment. Thus, the Tanner Hill project is not attractive to them even though it is located in the urban area. The project is also focused on the younger elderly.

**D) Combined comments for the two Elderly Housing Projects**

5.22 In terms of health consideration, a representative of social services answered that the elderly accepted the package of facilities, health care services and believed that the environment of these two elderly housing projects are good. Another representative of social services opined that for improvement of the elderly health condition, one of the characteristic of young elderly is “they ask when they do not understand”, and it is easier for them to get advice from professionals. A club house will be installed which would provide places for them to do exercise, and there are venues for them to conduct their social gathering. As a result, the occupant will be healthier both physically and psychologically when living in these two housing projects.

5.23 Although the elderly agreed that the projects could improve their health condition, it does not necessarily mean that they would participate in these two projects. It is because the health condition is just part of their concern in the aging process.

5.24 In addition, financial, facilities and social factors are also other important factors in their aging consideration. They would consider their financial affordability and their social network situation in whether they can easily meet with their old friends (for instance, the friends in elderly services centre). For the facilities factor, if the facilities inside the housing project could be found in their current living community, the interest to participate in these elderly housing projects would be lower.

5.25 The representative of HKHS has similar comments for the health factor. They agreed that the facilities and environment could improve the residents’ health condition, but they also

understood that the participation of the elderly is more related to the elderly's affordability. If their economic abilities are not good enough to pay for the rental price and the management fee, they would not be interested to join these two housing for the elderly projects. The health factor is not so important for the elderly, as compared with the economic factor.

## Chapter 6 Discussion

6.1 In this chapter, the discussion covers many aspects echoing findings from the survey, case study, interviews of stakeholders and literature reviews. The discussion divides into 4 parts, including positive and negative effects of Reverse Mortgage, preferences of the two elderly housing projects (i.e. Tin Shui Wai Intergrated Community Project and Tanner Hill Elderly Housing Project), affordability of the two elderly housing projects, and discussion of housing for the elderly in Hong Kong.

### A) Positive and negative effects of Reverse Mortgage

#### Increasing seniors' income without selling their houses

6.2 Reverse Mortgage has some positive benefits for the society. The purpose of RM is that using housing equity to increase seniors' monthly income, and to solve their financial problem such as paying for medical fees or renovation fees. Also, applicants' successor has first priority to pay back the loan before the bank collects the houses. In fact, the government and the society could reduce pressure for serving the elderly in financial aspect since the value of housing is released by RM. When the elderly receive more cash, they could consume what they like so as to boost their living standard.

#### Building up secondary market for Reverse Mortgage

6.3 Reverse Mortgage is a new programme for the elderly in Hong Kong. In future, when the applicants terminates their RM (or when the borrowers have passed away) and the bank sells their property to recover the outstanding loan owed, the supply of private housing would be increased. The customers in housing market would have one more choice to select suitable housing units based on the price and their needs, and the real estate market would be more diversified.

#### Monthly payout amount is not attractive for general elderly owners

6.4 There are some negative effect of Reverse Mortgage. In fact, monthly payout amount is the main concern to be considered by the elderly in Reverse Mortgage. In *Section 4.32*,

interviewees replied that the payout amount is not enough if based on their property value, even they believed that the payout amount cannot deal with their financial problem, for instance, inflation. Also, *Section 4.7* points out that respondent who has high housing value would be more interested to join RM, low housing value owners would not be interested in RM. In Hong Kong, 43.5% seniors are living in subsidised home ownership housing and private housing (Census & Statistics Department, 2012). Most of them are home owners but many elderly are living in low value housing, such as living in “Tong Lau” in Tai Kok Tsui, Sham Shui Po and To Kwa Wan. As the housing values of these “Tong Lau” are about 1 to 2 Million per unit, these elderly refuse to use their flats to receive monthly income via RM since they may only have about \$1,500 to \$3,500 monthly payout.

- 6.5 In fact, the various research in foreign countries indicated that the probability of choosing RM was positively related to the level of housing equity (Weinrobe, 1987). The above comments reflect that Reverse Mortgage Programme is not attractive to most elderly, and therefore they are not particularly interested to participate in this programme.

The assumption of using Reverse Mortgage that relieving “Rich assets but cash poor” elderly is not suitable in Hong Kong

- 6.6 The designers of Reverse Mortgage assume that RM could relieve the financial problem of low income elderly. However, *Section 4.5* points out that the assumption of “Rich assets but cash poor” elderly are more interested in RM cannot be applicable in Hong Kong’s situation. The lower income elderly usually reduce their expenditure even lower than their living standard in order to retain their flats. In addition, Weinrobe (1987) opined that the probability of choosing RM was not associated with current income as a percentage of equity. They may be afraid of losing all assets if they apply RM in their low income situation. Therefore, the low income elderly are unlikely to take part in Reverse Mortgage.

Having different methods to boost their monthly income

- 6.7 Actually, the elderly have other approaches to increase their assets or income except RM. Many respondents expressed that they can lease their owned house and rent another place to generate income, or they sell their flat and then buy a smaller size unit within the same

district, or even have a second mortgage. Other interviewees regarded that RM is a last resort to increase their income if they have financial pressure in future. High price in housing unit and low interest rate in mortgage has created some other choices for these elderly home-owners with more flexibility to tackle retired income in these years. As the elderly have different methods to deal with their financial problem, RM may not be considered by the elderly to raise their monthly income.

#### The cost in Reverse Mortgage are expensive and unclear for the applicants

- 6.8 In the case studies, some of the respondents opined that the cost in RM are complex and with high interest rate (*Section 4.38*). In fact, the total loan amount is very large after addition of the compound interest rate, insurance fees and the original loan (i.e. monthly payout amount)<sup>28</sup>. As a result, the elderly or their successor(s) are most likely to give up their properties if they plan to apply for RM. Although the reason of high interest rate and insurance fees are related to their administration costs, the applicants would not rapidly increase if the charges of RM are not changed. Eventually, the programme is only suitable for elderly who have high income or with high housing value.

#### Strongly affected by traditional value

- 6.9 In Chinese society, housing is an important asset to maintain family stability and unity. Bequest consideration is important for the elderly if they have children. These elderly prefer to ensure the security of their children's living in future. *Section 4.8* lists the resistance of elderly with children in RM, and *Section 4.36* points out that some interviewees want to bequest their homes to their successors. Although young people buying a new flat and forming a new family after marriage is common in Hong Kong (i.e. children would not live with their parents after being married), the ideology of passing their own assets to their successors will not easily be changed.
- 6.10 Another value of the elderly is that they feel more secure if they hold the property right of their flats. Even though the RM programme lists that the right of property is held by the applicants, the elderly still worry that the regulations may change or some unknown charges will be added which are not listed out by HKMC.

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<sup>28</sup> If the elderly takes the \$3,000 payout amount per month with 20 years period, the total loan amount is over 2 million. (The compound interest rate is 2.75%; Insurance rates are 0.28% and 1.25%)

- 6.11 Young people's attitudes of their parents applying for RM also affect the decision of the elderly. As their children occupied high priority in the elderly's retired life, the children's opinions about their current living place will affect their decision of joining RM or not. If the children support their parents to join RM, these elderly may have a higher possibility to join.

Different education levels may influence the preference of Reverse Mortgage

- 6.12 Due to different education level, the responses of RM is not the same among the seniors. *Section 4.6* mentions that the higher education level respondents are more likely to understand the content of RM. This is because they have more ability to evaluate the advantages and disadvantages of joining RM, and to make decision based on their needs. Yet, the seniors with low education level would be more likely to misunderstand the content and interest rate of RM. Based on their conservative attitudes, most of them would not consider this housing equity programme.

Health condition is not the main consideration in the decision making process

- 6.13 Many respondents replied that they are unsure of their health condition, and they do not know their medical costs in the future. In Hong Kong, many elderly attend the public health care system if they have illness, especially if chronic disease. Some seniors have saving for medical expenditure, but they have not considered that the payout amount in RM would become the main source to support their medical cost in future. Thus, the decision of joining RM or not is not related to their current health condition.

Population structure in Hong Kong has positive impact to Reverse Mortgage in future

- 6.14 Although the above sections in this report reveal that the demand for RM is low, the population structure is to the advantage of RM developing in the future because of low fertility rate and aging population. Since 2001, the average annual growth rates of the population is below 1%, but the speed of the aging population is faster than growth rates

(the average annual rates of aged 60 or above are 1.95% in 2006, and 4.59% in 2011)<sup>29</sup> (Census & Statistics Department, 2012). Family support from young people would be continuously weaker than in the past. In order to maintain living standard in retirement, senior home-owners may consider RM as another approach to increase income if they lack young family members' support. As a result, the cases of application of RM would be gradually increased.

## **B) Preferences for the Tin Shui Wai project and the Tanner Hill project**

### Housing size is fit for elderly needs

- 6.15 For the unit size of elderly housing, many respondents agreed that smaller size would be better for their daily life if they live in these two elderly housing projects. It will not be easy for the elderly to clean and manage large housing units. For two elderly's living units, 500 sq. feet units is the best design option (*Section 4.43* and *Section 4.47*). Therefore, some interviewees requested to redesign the largest type of unit (1,300 sq. feet) to two 500 sq. feet units in order to provide more chance to the public.

### Good planning of community facilities for elderly

- 6.16 In fact, most elderly stress on the issues of housing, health care and their welfare. From the aspect of community facilities, they focus on the quantity and quality of medical facilities and services. This is because they would like to maintain a healthy life whilst living in housing for the elderly. These two HKHS housing projects could fulfill their needs of facilities and services (*Section 4.44* and *Section 4.48*). However, they suggested that the Tin Shui Wai project should have more public space and facilities so as to enhance the communication with elderly neighbours. It means that the elderly also stress on their social life after living in the Tin Shui Wai elderly housing project.

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<sup>29</sup> The formula of calculate the average annual rate of aged 60 or above:  $\{[(\text{No. of population aged 60 or above in 2006} - \text{No. of population aged 60 or above in 2001}) \div \text{No. of population aged 60 or above in 2001}] \times 100\% \} \div 5$  (for 5 years).

The location is too far in Tin Shui Wai but acceptable in North Point

- 6.17 On the other hand, the location is an important issue as the elderly have their social network in their current living district. Many elderly like to gather with their friends but Tin Shui Wai is too far away for them. As they worry about losing their social network, they do not prefer joining the Tin Shui Wai project.
- 6.18 In contrast, North Point as a location is acceptable by the interviewees. They commented that North Point is better than Tin Shui Wai in the aspect of transportation, and they could easily meet with their friends. However, many old-old group respondents (i.e. aged 80 or over) answered that they resisted to live in Tin Shui Wai and North Point since they are more familiar with their current living district and they do not want to change. Thus, the TSW project may not be acceptable by the old-old group (*Section 4.16 and 4.19*).

**C) Affordability for the Tin Shui Wai project and the Tanner Hill project**

- 6.19 Certainly, the rental price level of the two elderly housing projects is the most important consideration among the elderly. The interviewees were surprised by the high price level and responded that they could not afford high level of rental price in the Tin Shui Wai project and the Tanner Hill project (*See Section 4.14 and 4.18*). This is because they expected that these two housing projects are similar as compared to the Senior Citizen Residences Scheme (SEN), but they feel disappointed after knowing the rental price level of these two elderly housing projects.
- 6.20 However, representatives of the Hong Kong Housing Society explained that they use market mechanism to promote these housing units because there is no land grant from the government. Therefore, the target group for these two housing projects is for those elderly with high income and assets.
- 6.21 It is true that Hong Kong has no housing project for the upper class elderly. Nevertheless, the demand of housing for low income and middle income elderly are higher than the high income elderly. The long waiting list of Senior Citizen Residences Scheme (SEN) reveals that there is still a high housing demand for middle class elderly. As the high income elderly have more ability to rent or buy higher quality housing, facilities and services through the private housing market, they have no urgent need to live in housing

for the elderly provided by HKHS. Therefore, the strategy for the provision of housing for the elderly by HKHS needs to be reviewed.

#### **D) Housing for the Elderly in Hong Kong**

- 6.22 Actually, there are several reasons obstructing the development of housing for the elderly in Hong Kong. From the policy perspective, the lack of planning for long-term care in Hong Kong is one of the problems in the elderly policy. In housing aspect, the government has only partly improved the facilities in public housing but has not renovated all public housing estates. The scheme of Home Environment Improvement has income test for the applicants that cannot be over \$6,660 per elder (\$10,520 or below for an elderly couple). Compare with the housing programme in Singapore, Hong Kong has no housing grant to young people which encourage them to live with their parents in the same district in order to enhance family care and aging in place. These policies have limited the development of long-term care for elderly.
- 6.23 More importantly, the government is not active in developing middle class elderly housing. In fact, the Senior Citizen Residences Scheme (SEN) is a successful housing project for the middle class elderly. However, after the introduction of SEN in 2003, no similar housing programme has been carried out since. At the same time, the population of elderly is increasing. Based on the longer life expectancy of elderly, the current turnover rate in SEN is only 3% (as compared with the original estimated turnover rate at 7-8%). As a result, the number of applicants waiting for elderly housing units are continuously increasing, but there is no other decent supply of housing for the elderly in Hong Kong (the Tin Shui Wai project and the Tanner Hill project are aimed for upper class elderly).
- 6.24 It is noteworthy that different government departments struggle to coordinate in implementing housing for the elderly project. The Housing Authority has stressed on the public housing and related renovation and services, and the Elderly Commission has no power to implement housing for the elderly project. In addition, the senior officials in the government have not stressed on the issue of housing for the elderly, thus the progress on housing provision for the elderly via HKHS is slow and does not match with the needs of effective demand.

6.25 In the aspect of private housing market, there are no private sector projects focused on housing for the elderly. Originally, a few private property developers showed interest to develop housing for the elderly in the 1990s, however, they finally gave up the plan because the property price has increased rapidly, and comparatively housing for the elderly could not earn much profit. Private property developers in Hong Kong pursue maximum profit from the housing market but neglect to respond to social needs, and the government has not listed out the conditions for social responsibility to property developers when leasing the land for housing development.

## **Chapter 7      Recommendations and Conclusion**

### **Recommendations**

7.1 Referring to the research findings, interviews with stakeholders and discussion in Chapter 4, 5 and 6, there are several suggestions concerning three aspects, which are: (a) improvement of the Reverse Mortgage Programme, (b) redesigning new housing project for the elderly, and (c) improvement of housing policy for the elderly.

#### **A) Improvement of the Reverse Mortgage Programme**

7.2 Based on the research findings and comments from stakeholders, housing value is the key point in RM because the amount of monthly payout from bank is based on the applicant's housing value. As some of the elderly are living in low value buildings, the applicants' monthly payout amount would be increased after renovation in old buildings resulting in an increase of the housing value. The government institution and non-government organisations could organise renovation projects, which become intermediaries in order to upgrade the value of old buildings via renovation (not only by HKHS). These projects could increase the housing value and boost the intention of the home-owned elderly to apply for RM.

7.3 It is obvious that more education and promotion to public about the content of Reverse Mortgage would allow more people to understand the advantages and disadvantages before they apply for RM. HKMC could cooperate with media companies to design TV programme in order to introduce RM. HKMC should continue to organise talks in elderly services centre via different NGOs, to help more elderly better understand the RM programme.

7.4 In addition, the HKMC could carry out re-insurance programme for applicants after the end of monthly payout from RM. If the applicants ended the period of taking monthly payout, they would be in a much poorer financial situation even though they do not have to pay back to the bank immediately. The government should introduce re-insurance programme in order to continuously provide financial support to those elderly who have

ended the period of taking monthly payout. The fee of re-insurance programme would be counted in the total loan the same as insurance fee from HKMC.

7.5 On the other hand, the government should clearly explain the tax responsibility when the elderly is considering to apply for RM. Some respondents worried about the duplication payments of property tax and income tax after joining RM. The government should clarify which tax should be paid by the elderly and which tax could be waived, otherwise elderly will be reluctant to participate in RM if they are not clear about the tax implication.

7.6 As the cost of RM is high in compound interest rate and insurance fees, banks which cooperate with HKMC should reduce the rate of compound interest in order to attract more potential elderly to join. This is one of the social responsibilities for the elderly and the society, and the banks' objective in RM should not only concern about earning money. For the insurance fees in HKMC, it also could be reduced to a more acceptable level although the fees are not too high, as compared with compound interest rate.

## **B) Redesigning new housing project for the elderly**

7.7 As the two elderly housing projects are not popular among the elderly, and that these two elderly housing projects are targeted for upper class elderly, the government need to redesign housing for middle class elderly. The research findings indicated that there is no new supply suitable for low income and middle income elderly in the existing housing market. The government should plan to restart housing for the elderly project and offer land grant to HKHS to build houses for middle class elderly (similar to SEN projects). For the rental price setting, these type of HKHS housing for the elderly should be fixed at not more than \$10,000 (i.e. not more than \$20 per sq. feet for a 500 sq. feet unit). This level of rental price should be affordable by the middle class seniors.

7.8 In design and facilities aspect, the new housing for the elderly project should consist of medical facilities and services, and sport facilities. This is because the elderly stress that maintaining good health, medical services and sport facilities could fulfill their needs. Besides, for their design preferences, the flat size could be smaller (i.e. 400 – 500 sq. feet), but the public space should be bigger for their daily activities and gathering with their neighbours. If the government agrees to introduce more than one housing for the

elderly project, it could use the inter-generation model which would encourage young people to live nearby their parents.

- 7.9 Moreover, the government needs to consider alternative source(s) of financial support for operational cost of housing for the elderly. Since the stakeholders replied that many residents are concerned with the price of facilities and services provided in housing for the elderly. If the fees are being increased, the residents may be discontented and will complain. To ensure the fees are stable, the government may consider to subsidize part of the operational cost.

**C) Improvement of housing policy for the elderly**

- 7.10 Based on the above findings and referring to elderly housing programmes in foreign countries, Hong Kong should set up a comprehensive housing policy and long term care policy as soon as possible that deal with the aging population in the foreseeable future. Comparison between countries (Table 2 and 3 in Chapter 2) indicated that Japan has the most comprehensive housing policy for the elderly, with emphasis on facilities guidelines and financial assistance. In fact, the Hong Kong government can increase the types of facilities improvement schemes and financial assistance by referring to Japan's experience as a reference.

- 7.11 Similarly, Singapore is also a good example to Hong Kong in their housing for the elderly programmes, facilities improvement programmes and subsidy programmes in public housing. The amount of housing units for the elderly in Singapore (about 6,000 units) is also a good reference as a target in building housing for the elderly in Hong Kong. In fact, there is still a great need in Hong Kong to expand subsidy programmes in public housing and to set long term objectives in elderly's health care planning in order to deal with the imminent aging population issue.

- 7.12 It is recommended that the focus of HKHS's housing for the elderly programme should serve middle class seniors.

- 7.13 On the other hand, housing for the upper class elderly should be provided by private property developers. The government should set conditions to lease land for housing development by developers. At the same time, the property developers could explore the

demand of housing for higher income elderly. Although this type of project may not be able to generate high profit, it could build up positive image for developer of not only focused on earning money, but also concern with social responsibilities.

- 7.14 For development of housing for the elderly, the government should select different districts to build. It could match with the government's target of "aging in place" that the elderly could apply for housing within their familiar districts.
- 7.15 It is also recommended that the government should provide financial assistant to support people doing renovation in old buildings, such as "Tong Lau" in Sham Shui Po, To Kwa Wan, etc. It is necessary to relax the income test and assets test in Home Environment Improvement Scheme for the elderly, and expand the services of Integrated Building Maintenance Assistance Scheme (IBMAS) so as to improve the elderly's living environment as soon as possible.
- 7.16 Moreover, the government should continue to support the development of Residential Care Services for the Elderly (RCS) and Community Care Services for the Elderly (CCS). The government could introduce "Care services vouchers" to the elderly, which is similar to medical vouchers that allow elderly to choose from the pool of care services available in the community. At the same time, the government could encourage small scale non-government organisations to expand the development of elderly care services, even providing grant and funding for these organisations. These approaches could improve the seniors' quality of life and relieve the social problems due to the aging population.

## **Conclusion**

7.17 As Hong Kong is facing an aging population, implementing a comprehensive housing policy for the elderly, relevant housing and social service programmes has become necessary. Based on the comments and concerns of the elderly, and referring to foreign countries experiences, the government should examine the housing options available. With huge financial reserve, the government should not ignore the development of housing for the elderly. In contrast, it should expand housing policies and care services to meet the social need of senior citizens before the grievances of the elderly turn into a serious social problem. Otherwise, the social stability and economic development will be adversely affected as the social cost of the ageing population will continuously be increased in future.

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## Appendices

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## Appendix 1 – Questionnaire for Face-to-face Interview

### Housing for the Elderly – Housing Preferences and Affordability Questionnaire Survey

Thank you for your participation in this questionnaire survey.

The Department of Building and Real Estate of The Hong Kong Polytechnic University is now conducting an academic research to investigate the housing affordability and preference of the elderly in Hong Kong. Our research team acknowledge the financial support from Hong Kong Institute of Surveyors for this research. The purpose of research is to improve the understanding of the housing need for the elderly, the choices of different elderly housing programs from the elderly and make insightful recommendations to tackle the challenges from aging population.

The questionnaire is divided into 2 parts. The first part shows out background information of Reverse Mortgage Programme and 2 Elderly housing programmes from Hong Kong Housing Society. The second part lists out 49 questions for collecting interviewees' comments. Please ask Investigator if you have any enquiries. Besides, the data collected from questionnaire will be used for academic purpose. **Personal Information will not be published.**

Please contact Mr. Tony Li at 2766 5882 if you have any enquiries for questionnaire.

### **Part One: Background Information**

#### **A) Reverse Mortgage Programme**

As Hong Kong is confronting with an aging population, elderly financial arrangement is being concerned in society. The Hong Kong Mortgage Corporation Limited (Institution of HKSAR) launches Reverse Mortgage Programme in 11<sup>th</sup> July, 2011. It enables borrowers to use their self-occupied residential properties in Hong Kong as security to borrow from a participating bank. Borrowers do not need to repay their reverse mortgage loan during their lifetime, unless they move out from their property permanently or the reverse mortgage loan is terminated due to other reasons.

When borrowers' reverse mortgage terminates (or borrowers pass away), they (or their inheritors) have the preferential right to redeem their property by repaying to the bank in full the outstanding loan amount owed by them under the reverse mortgage. If borrowers (or their inheritors) choose not to exercise such a right, the bank will sell their property to recover the outstanding loan amount they owe.

#### **Eligibility Criteria**

- 1) Must be the holder of a valid Hong Kong Identity Card and aged 60 or above.
- 2) Must not be an undischarged bankrupt or otherwise subject to bankruptcy petition or individual voluntary arrangement.
- 3) Must be held in the borrowers' own name, or jointly held with another person as joint tenants (the other joint tenant must become a co-borrower under the same reverse mortgage, and must be able to satisfy the relevant eligibility criteria)
- 4) Must not exceed 50 years of age and must not be subject to any resale restrictions (Property exceeding 50 years of age will be considered only on a case-by-case basis)

- 5) Must not be rented out and must be occupied by the borrower as his/her principal residence in Hong Kong

### Key Product Features and Benefits

The borrower can choose to receive monthly payouts for either a fixed period of 10, 15 or 20 years or the entire life according to his/her own need. The borrower may apply to borrow lump-sum loan(s) at the time of initial loan application and/or at any time during the payment term the borrower choose. The upper limit on the property value is HK\$8 million. After taking out a reverse mortgage loan, the borrower is still entitled to continue to stay in the property for the rest of life. However, the borrower is to be responsible for the on-going property maintenance as well as the settlement of rates, government rents and management fees, etc.

The borrower may fully repay the outstanding loan amount and redeem the property at any time and there is no penalty for such full repayment. If the borrower wishes to terminate the reverse mortgage loan, he/she can notify the bank within the first 6 months and repay in full the outstanding loan amount on the proposed repayment date, he/she will be given a refund and waiver of all mortgage insurance premiums upon his/her request. However, the borrower needs to repay in full the outstanding loan balance and bear the relevant legal fee.

For borrower(s) at the entry age of 60 and 70, the scale of monthly payout amount:

Payment term	Monthly payout amount			
	60 years old		70 years old	
	1 borrower	2 borrowers	1 borrower	2 borrowers
10-year	\$3,700	\$3,300	\$5,100	\$4,600
15-year	\$2,800	\$2,500	\$3,800	\$3,500
20-year	\$2,400	\$2,100	\$3,300	\$3,000
Life	\$2,000	\$1,800	\$3,100	\$2,800

Table 1 – Scale of monthly payout amount (per HK\$1 million of property value)

### Cost

There are 3 costs in this programme. The first one is Interest expense. Interest is charged by the borrower's bank on the outstanding loan amount (including interest) on a compound basis. Interest will be debited to the outstanding loan amount. Interest rate is [Hong Kong Prime Rate](#) minus 2.5%. (Current interest rate is 2.75%) The second one is Mortgage insurance premium. It is divided into 2 parts and the amount payable by the borrower will be debited to the outstanding loan amount:

- 1) Upfront Mortgage Insurance Premium is payable in 7 annual instalments starting from the 4th until the 10th anniversary. Each annual instalment is calculated at 0.28% of the property value
- 2) Monthly Mortgage Insurance Premium is payable on a monthly basis at the annual rate of 1.25% of the outstanding loan amount.

The third one is Counseling fee. The borrower needs to pay a counselling fee to his/her Reverse Mortgage Counsellor (Counsellor) for counselling service. If the borrower decides to take out a reverse mortgage loan, he/she may choose to finance such counselling fee by the reverse mortgage loan. Please approach a Counsellor for the fee level

(Sources from: 安老按揭試驗計劃，香港按揭證券公司新聞稿 2011年2月24日；推出安老按揭計劃，香港按揭證券公司新聞稿 2011年7月11日；Leaflet of Reverse Mortgage programme, ; 頭條財經報，七行推逆按揭，息率P-2.5厘, 12/07/2011)

## **B) Hong Kong Housing Society –Tin Shui Wai Integrated Elderly Community Project**

The Integrated Elderly Community Project (IECP) of the Hong Kong Housing Society (HKHS) is located in Wetland Park Road of Tin Shui Wai. The project will provide about 1,000 residential units for the elderly, a wellness centre, residential care home for the elderly, a hotel as well as various training and recreation facilities. It is anticipated that Phase I of the project will be completed and start operation in 2014 and Phase II will be completed by 2018. The gross floor area is ranging from 500 to 1100 sq feet. The project uses Resort Concept to design the community.

This project will lease for affordable seniors who aged over 60. HKHS will provide demonstrate units for public to live in a short period. User pays principle will be applied for all project's facilities.

(Source from: Development Bureau, HKSAR, Press Releases, 29<sup>th</sup> March, 2010; HK Daily News, 房協天水圍建長者社區, 30/3/2010; Ming Pao Daily News, 天水圍長者區提供試住 2014 年首期落成另撥地建職訓中心, 30/3/2010; 房協為長者締造優質生活 · Hong Kong Housing Society, Press Release, 6<sup>th</sup> October, 2008 )

## **C) Hong Kong Housing Society –Tanner Hill Elderly Housing Project**

The Tanner Hill site on the Hong Kong Island will be developed into an “Elderly Hub” complete with comprehensive medical and care facilities to serve not only the elderly residents, but also the neighboring community. This project comprises three 30-storey blocks of high class elderly residence, providing about 500 individual rental units. Choices of studio, one-bedroom and two-bedroom flat with gross floor area ranging from 500 to 800 sq ft will be available.

The project uses Cosmopolitan concept with various recreational, elderly-related and ancillary supporting facilities, including a residential care home for the elderly, a day care centre for the elderly, a medical centre, shops, a restaurant and a multi-purpose hall. It will provide integrated accommodation, health care and related support facilities for the elders under one roof.

The elderly rental flats are targeted at affordable elders who are aged 60 or aged and are willing to pay for the rental flats and the services under a market-driven approach. The tenure of tenancy may include both short-term leases as well as lease-for-life arrangement to meet the different needs of the elderly.

(Source from: The Transport and Housing Bureau, HKSAR, Press Releases, 6<sup>th</sup> October, 2008; Hong Kong Housing Society, Press Release, 24<sup>th</sup> March, 2009; HK Daily News, 房協研將屋邨轉型 改建私人樓出租, 23/7/2009; 香港房屋協會, 房協動態, 第 45 期, 2009 年 4 月)

## **Part 2: Questions**

### **A) Reverse Mortgage Programme (No need to answer below questions if you have not self-occupied residential properties)**

Please circle the most appropriate number in below statements. (1 means Strongly Disagree, while 5 means Strongly Agree)

		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
1.	I will not join in Reverse Mortgage Programme because I will give my properties to my successor(s).	1	2	3	4	5
2.	I will not join in Reverse Mortgage Programme because I will sell or rent out my properties to others.	1	2	3	4	5
3.	I believe the payout amount from Reverse Mortgage Programme could handle my financial problem, including inflation issue.	1	2	3	4	5
4.	I will join in Reverse Mortgage Programme if my health condition is good.	1	2	3	4	5
5.	The fees of charge in Reverse Mortgage are reasonable. (Interest rate is 2.75%, Upfront Mortgage Insurance is 0.28% of the property value and Monthly Mortgage Insurance is 1.25%)	1	2	3	4	5
6.	I believe I will have a long life, so I will choose Reverse Mortgage Programme.	1	2	3	4	5
7.	My asset amount is not enough spend for my daily expenditure, and the payout amount of Reverse Mortgage can pay for my daily expenditure, therefore I have interested to join in Reserve Mortgage Programme.	1	2	3	4	5

**B) Tin Shui Wai Integrated Elderly Community Project ( Tin Shui Wai Project for short)**

Please circle the most appropriate number in below statements. (1 means Strongly Disagree, while 5 means Strongly Agree)

		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
8.	I believe that my financial capacity can pay for the rent of Tin Shui Wai Project.	1	2	3	4	5
9.	The facilities in Tin Shui Wai Project are suitable for my daily needs.	1	2	3	4	5
10.	I will join in Tin Shui Wai Project if I could earn money by selling or renting out my current property. (Please skip this question if you have not self-occupied properties)	1	2	3	4	5
		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
11.	Compare with current living place, living in Tin Shui Wai Project is more suitable for me.	1	2	3	4	5
12.	Resort Concept is suitable for me.	1	2	3	4	5

13.	Tin Shui Wai is nearby my current living place, I can adapt to this place easily, thus this project is fit for me.	1	2	3	4	5
14.	The rent of Tin Shui Wai Project is reasonable.	1	2	3	4	5

**C) Tanner Hill Elderly Housing Project (Tanner Hill Project for short)**

Please circle the most appropriate number in below statements. (1 means Strongly Disagree, while 5 means Strongly Agree)

		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
15.	I believe that my financial capacity can pay for the rent of Tanner Hill Project.	1	2	3	4	5
16.	The facilities in Tanner Hill Project are suitable for my daily needs.	1	2	3	4	5
17.	I will join in Tanner Hill Project if I could earn money by selling or renting out my current property. (Please skip this question if you have not self-occupied properties)	1	2	3	4	5
18.	Compare with current living place, living in Tanner Hill Project is more suitable for me.	1	2	3	4	5
19.	Cosmopolitan Concept is suitable for me.	1	2	3	4	5
20.	Tanner Hill (North Point) is nearby my current living place, I can adapt to this place easily, thus this project is fit for me.	1	2	3	4	5
21.	The rent of Tanner Hill Project is reasonable.	1	2	3	4	5

**D) Considering Factors to participate Elderly Housing Project**

Please circle the most appropriate number in below statements. (1 means Strongly Disagree, while 5 means Strongly Agree)

		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
22.	I will join in Tin Shui Wai or Tanner Hill project because this way could improve my family relationship.	1	2	3	4	5
23.	I am satisfied my current living house and have not consider to move to other place.	1	2	3	4	5
		Strongly Disagree	Disagree	No Comment	Agree	Strongly Agree
24.	Compare with current living place, Tin Shui Wai or Tanner Hill project could improve my health condition.	1	2	3	4	5
25.	I seldom go to district medical centre and social service centre (e.g. Hospital, Elderly centre), therefore I will not be affected in	1	2	3	4	5

	my daily life if I participate in Tin Shui Wai or Tanner Hill project.					
26.	I will join in Tin Shui Wai or Tanner Hill project if I can give my current living property to my son or daughter. (Please skip this question if you have not self-occupied properties)	1	2	3	4	5

**E) Participation of Reverse Mortgage, Tin Shui Wai project and Tanner Hill Project**

Please tick (✓) in the appropriate box in below questions.

27. Will you consider participating in Reverse Mortgage Programme? (Please skip this question if you have not self-occupied properties)

1.  Yes                      2.  No                      3.  Not decide

28. Will you consider participating in Tin Shui Wai Integrated Elderly Community Project?

1.  Yes                      2.  No                      3.  Not decide

29. Will you consider participating in Tanner Hill Elderly Housing Project?

1.  Yes                      2.  No                      3.  Not decide

**F) Personal Information**

Please tick (✓) in the appropriate box in below questions.

30. Sex :    1.  Male                      2.  Female

31. Age : \_\_\_\_\_

32. Education Level: 1.  No Schooling    2.  Primary    3.  Secondary    4.  Post-secondary

33. Marriage Status: 1.  Single                      2.  Cohabitation                      3.  Married  
4.  Separated                      5.  Divorced                      6.  Widowed

34. Employment Status: 1.  Full-time Job                      2.  Part-time Job    3.  Unemployed  
4.  Retired                      5.  Semi-retired    6.  Home-maker  
7.  Others, please specify: \_\_\_\_\_

35. Monthly Income : 1.  No Income                      2.  \$1 to \$5,000  
3.  \$5,001 to \$10,000                      4.  \$10,001 to \$15,000  
5.  \$15,001 to \$20,000                      6.  \$20,001 to \$25,000

7.  \$25,001 to \$30,000 8.  Over \$30,000, please specify: \_\_\_\_\_

36. Number of Children: \_\_\_\_\_

37. Did you join in any Retirement security plan? (e.g. Insurance, Pension Fund, MPF, etc.)

1.  Yes, please specify: \_\_\_\_\_ 2.  No

### **G) Health Condition**

Please tick (✓) in the appropriate box in below questions.

38. Compare with people of same age, what is your health condition?

1.  Much Worse 2.  Worse 3.  More or less the same  
4.  Better 5.  Much better

39. Do you have any chronic diseases? 1.  Yes 2.  No

40. Can you able to self-care in daily living?

1.  Able to Self-care 2.  Need Assisted by others  
3.  Completely dependent by others

### **H) Living and Assets Conditions**

Please tick (✓) in the appropriate box in below questions.

41. Living District:

1.  Central & Western 2.  Wan Chai 3.  Eastern 4.  Southern  
5.  Yau Tsim Mong 6.  Sham Shui Po 7.  Kowloon City  
8.  Wong Tai Sin 9.  Kwun Tong 10.  Kwai Tsing  
11.  Tsuen Wan 12.  Tuen Mun 13.  Yuen Long 14.  North  
15.  Tai Po 16.  Sha Tin 17.  Sai Kung 18.  Islands

42. Are you living in your own-occupied properties?

1.  Yes (Continue to Q43 and Q44) 2.  No (Move to Q45)

43. Type of Assets owned: 1.  Public Housing (TPS)

2.  Public Housing (HOS / Sandwich Class Housing Scheme)

3.  Private Housing Estate 4.  Tong Lau

5.  Single Private Building

6.  Others, please specify: \_\_\_\_\_

44. Value of Assets owned: 1.  Under 2 Millions    2.  2.01 Millions to 4 Millions  
3.  4.01 Millions to 6 Millions  
4.  6.01 Millions to 8 Millions  
5.  Over 8 Millions (Move to Q46 when answered Q44)

45. Rent of Living houses per month (No need to answer if you have own-occupied property):

\_\_\_\_\_

46. Household composition: 1.  Living alone                    2.  Living with spouse  
3.  Living with \_\_\_\_\_ children  
4.  Living with \_\_\_\_\_ family member(s)  
5.  Living with spouse and \_\_\_\_\_ children  
6.  Living with \_\_\_\_\_ other people

47. Housing area of Living property (Gross floor area): \_\_\_\_\_ feet

48. Year of Living property : \_\_\_\_\_

49. No. of Assets owned (Including Living property): \_\_\_\_\_

**End of Questionnaire! Thank you for your comments!**  
**Please give back questionnaire to Investigator when finished.**  
**You can ask Investigator if you have any enquiries.**

## 長者房屋計劃偏好及負擔能力意見調查

謝謝您參加是次問卷調查！香港理工大學建築及房地產學系就長者住屋政策進行研究，是次研究獲得香港測量師學會贊助，目的為探討一些長者對房屋計劃的偏好及負擔能力的因素，包括安老按揭計劃、長者綜合社區計劃和長者居所計劃，以提出以上三項計劃的建議和長者房屋政策方向。

問卷第一部分會列出安老按揭計劃（「逆按揭」計劃）和香港房屋協會兩項長者居所計劃的背景資料，請細心閱讀。第二部份為問卷內容，問卷總共有 49 題問題，如需協助填寫問題，可向研究助理提出。此外，是次調查所得資料，只用作學術研究，並以集體形式發佈資料。個人資料將不會公開。

如果閣下對問卷題目有任何問題，請致電 2766 5882 與研究助理李特迅先生聯絡。

### 第一部分：背景資料

#### 安老按揭計劃（「逆按揭」計劃）

隨着香港人口老化，社會開始關注長者退休後的財政安排問題；為了給退休人士多一個選擇，政府機構香港按揭證券公司已於今年七月十一日公佈推行安老按揭計劃。透過計劃長者業主可將物業抵押給銀行，以換取銀行每月提供一個固定金額，或選擇提取一筆過現金。待長者百年歸老或中止計劃後，您或您繼承者可優先全數償還貸款以贖回物業，或銀行將賣樓所得的金錢作償還欠款。

#### 計劃申請條件

- 1) 借款人為 60 歲或以上並持有有效香港身份證之人士。
- 2) 現時沒有破產或涉及破產呈請或債務重組。
- 3) 擁有自住物業之業主，以個人名義持有，或與另一名借款人聯權擁有。（人數上限為二人）
- 4) 為 50 年以下樓齡物業及無任何轉售限制（如樓齡超過 50 年，申請將按個別考慮）
- 5) 此物業作為您在香港的主要居所，及沒有出租。

#### 產品主要特點

計劃可以選擇靈活年金年期（可選擇 10 年、15 年、20 年或終生每月收取年金），亦可一筆過貸款，最高可提供金額 30%，最低金額為 10 萬港元（以較高為準），貸款額上限為 800 萬港元。不論選擇在限定年期或終生收取款項，長者可繼續居住該單位至終老，而且終生毋須還款。長者隨時可以全數償還貸款及贖回物業而不用罰款。而借款人申請後有 6 個月解除合約期，如在此期間終止按揭，已繳交的保費可獲豁免，但需清還有關貸款及法律費用。

根據香港按揭證券公司所提議，申請計劃的長者可收取以下款項：

收取年金的年期	每月收取的年金金額			
	單人借款		二人共同借款	
	60 歲	70 歲	60 歲	70 歲
10 年	3,700	5,100	3,300	4,600
15 年	2,800	3,800	2,500	3,500
20 年	2,400	3,300	2,100	3,000
終生	2,000	3,100	1,800	2,800

(註：以物業價值每 100 萬港元計，60 歲或 70 歲申請安老按揭的借款人，每月可收取年金的金額)

例子：假設一對 70 歲的夫婦以一個價值 250 萬港元的物業，共同申請安老按揭並選擇終生計劃，他們將每月收取 7,000 港元的年金。如果申請人是一位 70 歲的獨身長者，他將每月收取 7,750 港元的年金。

### 費用

費用分為三項。第一是利息，銀行以貸款總額以複息計算並收取利息（息率為 P 減 2.5 厘，現為 5.25 厘，實際利率為 2.75 厘）。第二是按揭保費，包括基本按揭保費（第 4 年至第 10 年每年支付物業價值的 0.28%）和每月按揭保費（年利率為 1.25%）。第三是輔導費，申請時需要進行輔導，輔導費為繳付輔導顧問服務的費用。

(資料來源：安老按揭試驗計劃，香港按揭證券公司新聞稿 2011 年 2 月 24 日；推出安老按揭計劃，香港按揭證券公司新聞稿 2011 年 7 月 11 日；安老按揭計劃資料冊；頭條財經報，七行推逆按，息率 P-2.5 厘，12/07/2011)

## 香港房屋協會 - 天水圍長者綜合社區計劃

香港房屋協會現正推行長者綜合社區計劃，計劃利用位於天水圍濕地公園路（對面為濕地公園）土地興建長者住屋單位。天水圍長者社區第一期將於 2014 年建成，提供 630 個單位；第二期預計 2018 年落成，提供 370 個單位；單位面積由 500 平方尺至 1100 平方尺。天水圍長者社區計劃以「渡假式」概念設計，內有康復中心、護理安老院、日間護理中心和綜合醫療診所，另社區設有長者會所，教育、培訓及康樂設施，酒店和餐飲及零售。

天水圍長者綜合社區計劃落成後將以市價租予較有經濟能力的長者(六十歲以上)，並設立示範單位，供有興趣的長者試住。各項設施各服務將以「用者自付」的原則，為長者住戶提供收費。

(資料來源：HK Daily News, 房協天水圍建長者社區, 30/3/2010; Ming Pao Daily News, 天水圍長者區提供試住 2014 年首期落成另撥地建職訓中心, 30/3/2010; 房協為長者締造優質生活，香港房屋協會新聞稿 2008 年 10 月 6 日)

## 香港房屋協會 - 北角丹拿山長者居所

丹拿山長者居所將結合長者單位及配套設施完備的「長者中心」，以「大都會式」概念設計，包括三座高尚住宅長者房屋，每座 30 層，提供 500 個 500 至 800 呎的單位，包括開放式、一房及兩房等以供選擇，預計 2013 年落成。屋苑將提供「五星級酒店」服務，以吸引有經濟能力的長者居住；屋苑設有醫療和護理中心等。

丹拿山長者居所以市值出租，對象為六十歲以上較有經濟能力的長者。日後的長者住戶將以「用者自付」的原則，使用各項設施各服務。

(資料來源：HK Daily News, 房協研將屋邨轉型 改建私人樓出租, 23/7/2009; 香港房屋協會, 房協動態, 第 45 期, 2009 年 4 月)

### 第二部份：問卷內容

#### 甲：長者安老按揭計劃（下簡稱逆按揭）（沒有物業者不用回答此部份）

請就以下的句子，圈上最能表達你的意見的數字：(1 是代表完全不同意，5 是代表完全同意)

		完全不同意	不同意	無意見	同意	完全同意
1.	我不會考慮逆按揭，因為我會把物業留給下一代。	1	2	3	4	5
2.	我不會選擇逆按揭，因為我考慮將單位租出或賣出。	1	2	3	4	5
3.	我相信從逆按揭每月收取的款項足夠以抵抗通漲。	1	2	3	4	5
4.	如果我的情況是身體健康，我就會選擇逆按揭。	1	2	3	4	5
5.	逆按揭所涉及的各项費用合理。（實際利率為 2.75 厘，每月按揭保費為 1.25%）	1	2	3	4	5
6.	我覺得自己會很長命，所以我會選擇逆按揭。	1	2	3	4	5
7.	我覺得現有資產（現居物業除外）不足以應付日常開支，而逆按揭取得的年金又可以應付日常開支，所以我會選擇逆按揭。	1	2	3	4	5

#### 乙：天水圍長者綜合社區計劃（下簡稱長者村）

請就以下的句子，圈上最能表達你的意見的數字：(1 是代表完全不同意，5 是代表完全同意)

		完全不同意	不同意	無意見	同意	完全同意
8.	我覺得我的財政能力可以負擔長者村租金。	1	2	3	4	5
9.	我覺得長者村設施合適我的需要。	1	2	3	4	5
10.	若將現時居住的單位租出或賣出，並帶來合理收入，我會參加長者村計劃。（沒有物業者不	1	2	3	4	5

	用回答)					
11.	比較現時居所，長者村更適合我租住。	1	2	3	4	5
12.	渡假式設計適合我。	1	2	3	4	5
13.	長者村地址在我現住的單位附近，我比較容易適應，所以都適合我。	1	2	3	4	5
14.	長者村的租金合理。	1	2	3	4	5

### 丙：北角丹拿山長者居所（下簡稱長者大廈）

請就以下的句子，圈上最能表達你的意見的數字：(1 是代表完全不同意，5 是代表完全同意)

		完全不同意	不同意	無意見	同意	完全同意
15.	我覺得我的財政能力可以負擔長者大廈租金。	1	2	3	4	5
16.	我覺得長者大廈設施合適我的需要。	1	2	3	4	5
17.	若將現時居住的單位租出或賣出，並帶來合理收入，我會參加長者大廈計劃。（沒有物業者不用回答）	1	2	3	4	5
18.	比較現時居所，長者大廈更適合我租住。	1	2	3	4	5
19.	大都會式設計適合我。	1	2	3	4	5
20.	長者大廈地址在我現住的單位附近，我比較容易適應，所以都適合我	1	2	3	4	5
21.	長者大廈的租金合理。	1	2	3	4	5

### 丁：參與長者居所的考慮因素

請就以下的句子，圈上最能表達你的意見的數字：(1 是代表完全不同意，5 是代表完全同意)

		完全不同意	不同意	無意見	同意	完全同意
22.	我會參加長者村／長者大廈計劃，因為可以改善與家人的關係(例如夫妻關係，子女關係等)。	1	2	3	4	5
23.	我很滿意現時居住單位，沒有打算搬走。	1	2	3	4	5
24.	比較現時居所，我覺得長者村／長者大廈將令我生活更健康。	1	2	3	4	5
25.	我很少要進出同區醫療機構和社區服務單位（例如醫院、社區中心），參加長者村／長者大廈計劃都不會影響我的生活，所以我會參加。	1	2	3	4	5
26.	若能將現時居住的單位讓給下一代，我會參加長者村／長者大廈計劃。（沒有物業者不用回答）	1	2	3	4	5

**戊：計劃參與 (安老按揭計劃、天水圍長者綜合社區計劃、北角丹拿山長者居所計劃)**

請提供下列資料，在合適的選項方格中填上✓字

27. 你會不會考慮參與安老按揭計劃？  
(沒有物業者不用回答)      1.  會      2.  不會      3.  未決定
28. 你會不會考慮參與天水圍長者綜合社區計劃？  
1.  會      2.  不會      3.  未決定
29. 你會不會考慮參與北角丹拿山長者居所計劃？  
1.  會      2.  不會      3.  未決定

**己：個人資料**

請提供下列資料，在合適的選項方格中填上✓字

30. 性別： 1.  男      2.  女
31. 年齡： \_\_\_\_\_
32. 教育程度： 1.  沒有接受教育    2.  小學程度    3.  中學程度    4.  大專或以上程度
33. 婚姻狀況： 1.  未婚    2.  同居    3.  已婚    4.  分居    5.  已離婚    6.  寡婦/鰥夫
34. 就業狀況： 1.  全職    2.  兼職    3.  待業    4.  退休人士    5.  半退休  
6.  家庭主婦      7.  其他，請註明： \_\_\_\_\_
35. 每月收入： 1.  無收入      2.  \$1 至 \$5,000      3.  \$5,001 至 \$10,000  
4.  \$10,001 至 \$15,000      5.  \$15,001 至 \$20,000  
6.  \$20,001 至 \$25,000      7.  \$25,001 至 \$30,000  
8.  \$30,000 以上，請註明： \_\_\_\_\_
36. 子女數目： \_\_\_\_\_
37. 你有沒有參加任何退休保障計劃呢？(例如保險、公積金、強積金)  
1.  有，請註明： \_\_\_\_\_      2.  沒有

**庚：健康狀況**

請提供下列資料，在合適的選項方格中填上✓字

38. 對比同齡人士，你認為你的健康狀況怎樣？

1.  非常差    2.  差    3.  普通    4.  好    5.  非常好

39. 你是否長期病患者呢？    1.  是    2.  不是

40. 你認為自己的自我照顧能力如何？

1.  能獨立照顧自己    2.  需要別人協助    3.  完全依賴別人

### 辛：居住及資產狀況

請提供下列資料，在合適的選項方格中填上✓字

41. 居住地區： 1.  中西區    2.  灣仔區    3.  東區    4.  南區  
5.  油尖旺區    6.  深水埗區    7.  九龍城區    8.  黃大仙區  
9.  觀塘區    10.  葵青區    11.  荃灣區    12.  屯門區  
13.  元朗區    14.  北區    15.  大埔區    16.  沙田區  
17.  西貢區    18.  離島區

42. 你現時居住單位是否自己擁有呢？

1.  是（繼續回答第 43 題及 44 題）    2.  否（跳至第 45 題）

43. 你擁有房屋的類型是： 1.  出售公屋    2.  居屋／夾屋    3.  私人屋苑  
4.  唐樓    5.  單棟式私人樓宇  
6.  其他，請註明：\_\_\_\_\_

44. 現居單位市值： 1.  200 萬以下    2.  201 至 400 萬    3.  401 萬至 600 萬  
4.  601 萬至 800 萬    5.  801 萬或以上（回答後跳至第 46 題）

45. 你現居單位每個月租金是（擁有居住單位者不用回答）\_\_\_\_\_

46. 居住情況： 1.  獨居    2.  與配偶同住    3.  與\_\_\_\_\_名子女同住  
4.  與\_\_\_\_\_名親屬同住    5.  與配偶和\_\_\_\_\_名子女同住  
6.  與\_\_\_\_\_名其他人同住

47. 現居單位面積（建築面積）：\_\_\_\_\_平方尺

48. 現居物業樓齡：\_\_\_\_\_

49. 擁有物業數目(包括現居單位)：\_\_\_\_\_

問卷完成！多謝你的寶貴意見！  
完成問卷後，請立即交回在場調查員  
如有任何疑問，歡迎向在場調查員查詢

## Appendix 2 – List of Informants Interviews

	<b>Organization</b>
1.	Retired Persons Service Centre, St. James' Settlement
2.	Central and Western District Elderly Community Centre, St. James' Settlement
3.	The Mongkok Kai-fong Association Kowloon Chamber of Commerce Centre for the Elderly
4.	Chan Hing Social Service Centre, Mong Kok Kai Fong Association Ltd.
5.	Ellen Li District Elderly Community Centre, Hong Kong Young Women's Christian Association
6.	Ming Yue District Elderly Community Centre, Hong Kong Young Women's Christian Association
7.	Western District Elderly Community Centre, Hong Kong Sheng Kung Hui Welfare Council
8.	Holy Carpenter Church District Elderly Community Centre, Hong Kong Sheng Kung Hui Welfare Council
9.	Sha Tin Multi-service Centre for the Elderly, Evangelical Lutheran Church Social Service - Hong Kong
10.	Ma On Shan District Elderly Community Centre, Evangelical Lutheran Church Social Service - Hong Kong
11.	Mrs Wong Tung Yuen District Elderly Community Centre, Pok Oi Hospital
12.	Yau Ma Tei Multi-service Centre for Senior Citizens, Salvation Army
13.	Tai Po Multi-service Centre for Senior Citizens, Salvation Army

## **Appendix 3 - In-depth Interview Guide for Case Studies**

**Housing for the Elderly – Interview Guide for Case Studies**

### **The Hong Kong Polytechnic University Department of Building & Real Estate**

**Housing for the Elderly in Hong Kong  
Affordability and Preferences**

**In-depth Interview for Case Studies**

Name of Institution

\_\_\_\_\_

Background of Interviewee

Name \_\_\_\_\_

Sex \_\_\_\_\_ Age \_\_\_\_\_

Education Level \_\_\_\_\_

## Guideline of In-depth Interview

### 1) Current Living Conditions

What is your current living condition?

- i. Lived district(s) in the past (e.g. Eastern District, Yau Tsim Mong District)
- ii. The conditions of community facilities, entertainment facilities, hospital location and traffic arrangement (e.g. How many minute(s) walk by foot from your home to community centre, entertainment facilities, bus-stop or MTR station)

### 2) Comments of Reverse Mortgage Programmes

**What do you think about the concept and content of Reverse Mortgage Programme?**

- i. **Payout amount and financial consideration** (e.g. whether payout amount enough for your daily expenditure, plan to sell current housing, etc.)
- ii. **Idea of home ownership** (e.g. feel safety if I have property, not enough renovation fees for current home, etc.)
- iii. **The conditions of pay back Reverse Mortgage loan** (whether my successor(s) can afford this loan, etc.)
- iv. Successor(s) factor (e.g. is your successor(s) interest in current living house? Is it necessary to keep it? , etc.)
- v. Health consideration (e.g. long-term disease, monthly medical expenditure, etc.)
- vi. Others

**Do you have any opinion(s) for the charge and application conditions of Reverse Mortgage Programme?**

- i. **Charges from bank and insurance** (e.g. too many charge, etc.)
- ii. **Eligibility** (e.g. too strict for me)
- iii. On-going obligations (e.g. too many responsibility, too harsh, etc.)

### 3) Comments of Tin Shui Wai Integrated Community Project and Tanner Hill Elderly Housing Project

**Do you have any opinions for Tin Shui Wai Integrated Community Project?**

- i. **Rental price and service fees** (e.g User-pay system)
- ii. Lease eligibility and restrictions (e.g. Must be over aged 60 or above)
- iii. Range of unit sizes and project design
- iv. Facilities and services

**Do you have any opinions for Tanner Hill Elderly Housing Project?**

- i. **Rental price and service fees** (e.g User-pay system)
- ii. Lease eligibility and restrictions (e.g. Must be over aged 60 or above)
- iii. Range of unit sizes and project design
- iv. Facilities and services

### 4) Comments of Elderly Housing

**What factor(s) could attract you to live in elderly housing?**

**Do you have any comment(s) for elderly housing?**

**Do you have any expectations for elderly housing?**

- i. **Living pattern** (e.g. inter-generation model, elderly community model, etc.)
- ii. **Rental price and service charge** (e.g. renewal lease per year, long-term lease, sales elderly house, etc.)
- iii. **Facilities** (e.g. medical services, sport facilities, cultural activities, etc.)
- iv. **Location** (e.g. urban areas, nearby the mainland, etc.)

5) Personal and Family financial situation

**How much money earned by you and your family members?**

- i. **Personal retired income** (e.g. MPF, Pension, share, etc.)
- ii. Number of family member(s)
- iii. **Family member's monthly income**

**How much money spent by you and your family members?**

- i. **Personal expenditure**
- ii. Any property loan for family member(s) expect current living house
- iii. Number of cared family member(s)
- iv. Others expenditure

Housing for the Elderly – Interview Guide for Case Studies

香港理工大學  
建築及房地產學系

長者房屋計劃偏好及負擔能力研究

個案研究訪談

個案介紹機構

\_\_\_\_\_

被訪者基本背景

稱謂 \_\_\_\_\_

性別 \_\_\_\_\_ 年齡 \_\_\_\_\_

教育程度 \_\_\_\_\_

**長者房屋計劃偏好及負擔能力研究**  
**個案研究訪談**  
**同意書**

本人謹此同意及參與由香港理工大學建築及房地產學系黃君華教授指導的有關長者對房屋計劃偏好及負擔能力研究。本人明白所提供的資料將會作研究及出版用途，然而本人的個人資料將會保密，即個人資料將不會公開。

有關研究內容的程序在研究開始時已經充分解釋，本人明白當中涉及的利益及風險，並自願參與此項項目研究。對於本人有權對研究的程序進行提問，以及在任何階段可以退出研究，本人亦已知悉及了解。

參加者姓名： \_\_\_\_\_

參加者簽名： \_\_\_\_\_

**錄音同意書**

本人亦謹此同意以下訪談內容會進行錄音，而錄音的資料只會為香港理工大學建築及房地產學系作學術研究及出版用途，然而研究完成後會立即刪除，本人的個人資料將會保密，即個人資料將不會公開。另外，本人可以在任何時段下拒絕進行錄音，本人亦已知悉及了解。

參加者簽名： \_\_\_\_\_

研究人員姓名： \_\_\_\_\_

研究人員簽名： \_\_\_\_\_

日期： \_\_\_\_\_

## 訪談大綱

### 1) 居住地方情況

你現在居住的地方情況是怎樣？

- i. 以前居住過什麼地區？（例如：東區、油尖旺區等）
- ii. 現居附近社區、康樂、醫療設施、交通配套如何？  
（例如：社區、康樂、醫療設施距離家中多久；地鐵站、巴士站、小巴士站距離家中多久等）

### 2) 對安老按揭計劃／逆按揭的看法

對於安老按揭計劃的概念及內容有什麼意見？

- i. 年金收入及經濟考慮（例如：年金收入是否足夠、有沒有打算賣出現居等）
- ii. 物業擁有的想法（例如：有屋在手比較穩當、有屋但沒有錢維修等）
- iii. 償還貸款的情況（例如：繼承人能否負擔、一次過償還是否適合等）
- iv. 繼承者因素（例如：子女對現居的興趣、有沒有需要等）
- v. 健康考慮（例如：有否長期病患、每月醫療支出等）
- vi. 其他

對於安老按揭計劃的收費及條件有什麼意見？

- i. 銀行收費及保費（例如：計法奇怪、收費太亂等）
- ii. 申請條件（例如：條件太局限申請者等）
- iii. 事後責任（例如：責任太多、太嚴厲等）

### 3) 對天水圍長者綜合社區計劃／北角丹拿山長者居所的看法

對於天水圍長者綜合社區計劃有什麼意見？

- i. 租金及費用如何？（例如：用者自付方式）
- ii. 入住模式及限制（例如：最多 2 位長者、子女不能同住等）
- iii. 屋苑設計及單位面積如何？
- iv. 社區設施如何？

對於北角丹拿山長者居所有什麼意見？

- i. 租金及費用如何？（例如：用者自付方式）
- ii. 入住模式及限制（例如：最多 2 位長者、子女不能同住等）
- iii. 屋苑設計及單位面積如何？
- iv. 社區設施如何？

4) 對長者居所的意見

有什麼因素讓你們有興趣入住長者居所？

對於長者居所，有沒有其他意見？

你個人期望是怎樣的長者居所？

- i. 居住模式（例如：混合式居所 – 與子女住在同一屋苑；長者社區模式等等）
- ii. 收費方式（例如：每年續租、一次過交租金而長租住、購買等等）
- iii. 設施（例如：醫療、康樂、文化、體育、商業等）
- iv. 地域（例如：市區內、市區邊緣、郊區、接近內地等）

5) 個人／家人財政狀況

你現時個人和家人的經濟收入狀況怎樣？

- i. 個人退休後收入（包括子女每月提供奉養費、退休金、強積金、股票、收租等）
- ii. 有多少家庭成員
- iii. 家人每月收入

你現時個人和家人的經濟負擔狀況怎樣？

- i. 個人的主要開支
- ii. 家人除現居外的物業情況如何？（例如子女的供樓情況）
- iii. 需要供養家人的數目及情況（例如孫兒或小朋友等）
- iv. 家人其他開支

#### Appendix 4 - Profile of Interviewees (Cases Study)

Code	Sex	Age	District of Residence	Education Level	Monthly Income	Family Income	Remarks
Case 001	F	58	Eastern	Tertiary	\$15,000	\$65,000	
Case 002	M	69	Tsuen Wan	Tertiary	N/A	N/A	
Case 003	M	59	Eastern	Secondary	N/A	Over \$60,000	
Case 004	F	67	Wan Chai	Secondary	N/A	N/A	
Case 005	M	64	Wan Chai	Secondary	N/A	N/A	
Case 006	M	60	Sha Tin	Tertiary	N/A	\$60,000	
Case 007	M	64	Sha Tin	Tertiary	\$5,000	\$15,000	
Case 008	M	63	Southern	Tertiary	\$5,000	\$40,000	
Case 009	F	64	N/A	Secondary	\$ 0	\$ 20,000	
Case 010	F	61	Kowloon City	Secondary	N/A	N/A	She only has \$900,000 Mandatory Provident Fund
Case 011	M	57	Kowloon City	N/A	\$31,000	\$50,000	
Case 012	F	58	Sha Tin	Secondary	N/A	\$20,000	

## Appendix 5 - Stakeholder Questions from Data Analysis

### A) Stakeholder Questions for Representatives of Social Service agencies

#### 1) Comments on data analysis for Reverse Mortgage Programmes

- i. Do you think the concept and content of the Reverse Mortgage Programme is suitable for lower income group<sup>30</sup> elderly (refer to p. 26 Table 7 of 2<sup>nd</sup> pp)?
- ii. Why the higher education background's elderly would be more interested in the Reverse Mortgage programme (refer to p. 27 Table 8 of 2<sup>nd</sup> pp)?
- iii. Why no elderly are interested in Reverse Mortgage among the "Under 2 Millions" group in value of assets owned (refer to p. 28 Table 9 of 2<sup>nd</sup> pp)? Is it related to the amount of monthly payout?
- iv. Based on the data analysis, do you agree that the successor(s) factor is an important factor for the elderly to refuse to join Reverse Mortgage (refer to p.29 Table 10 of 2<sup>nd</sup> pp)?
- v. As the older senior citizens may spend more medical expenditure than younger seniors, why the older respondents lesser to disagree than others that the monthly payout could handle financial problem (refer to p. 8 Table 6 of 1<sup>st</sup> pp)?
- vi. Other comment(s) about Reverse Mortgage programme.

#### 2) Comments on data analysis for the Tin Shui Wai Integrated Community Project

- i. As many elders reply that they cannot afford the rental price of Tin Shui Wai Integrated Community Project, what do you think should be the appropriate rental price level of this project? (refer to p.9 Table 7 of 1<sup>st</sup> pp)
- ii. Only few of the elderly respondents believe that Tin Shui Wai project is suitable for them, why most elderly resist to living in Tin Shui Wai? (refer to p.16 Table 14 of 1<sup>st</sup> pp)
- iii. Other comment(s) about Tin Shui Wai Integrated Community Project.

#### 3) Comments on data analysis for the Tanner Hill Elderly Housing Project

- i. As many low income elders would not participate in Tanner Hill project, what do you think should be the appropriate rental price level of the Tanner Hill Elderly Housing Project? (refer to p.30 Table 11 of 2<sup>nd</sup> pp)

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<sup>30</sup> Lower income group means the elderly who received monthly income lower than \$5001.

- ii. Younger respondents believe that the location of Tanner Hill project is suitable for them, but older respondents disagree, what do you think about these results? (refer to p.13 Table 11 of 1<sup>st</sup> pp)
- iii. Other comment(s) about Tanner Hill Elderly Housing Project.

4) Comments on data analysis for 2 Elderly Housing Projects

- i. Many younger elderly respondents believe that the 2 Elderly Housing projects could improve their health conditions, why? (refer to p.14 of Table 12 and p.15 of Table 13 of 1<sup>st</sup> pp)
- ii. As over 40% respondents believe that the 2 Elderly Housing projects could improve their health conditions, but only about 10% respondents would like to participate in the 2 Elderly Housing projects, can you explain that phenomenon? (refer to p.14 of Table 12, p.16 of Table 14 and p.17 of Table 15 of 1<sup>st</sup> pp)
- iii. Why the older elderly respondents regard that moving to Elderly housing unit would affect their daily life, especially over aged 80 elderly? (refer to p.15 of Table 13 of 1<sup>st</sup> pp)
- iv. Other comment(s) about the 2 Elderly Housing projects.

**Thank You for your comment!**  
**Please send back to Research Team member(s)**

## **B) Stakeholder Questions for Government Officials**

### **1) Comments on data analysis for Reverse Mortgage Programmes**

- i. Why the Reverse Mortgage Programme is suitable for lower income group<sup>31</sup> elderly (refer to p. 26 Table 7 of 2<sup>nd</sup> pp)?
- ii. Why the elderly with higher education background would be more interested in the Reverse Mortgage programme (refer to p. 27 Table 8 of 2<sup>nd</sup> pp)?
- iii. Why no elderly are interested in Reverse Mortgage among the “Under 2 Millions” group in value of assets owned (refer to p. 28 Table 9 of 2<sup>nd</sup> pp)? Is it related to the amount of monthly payout?
- iv. Based on the data analysis, why the elderly who have more children refuse to join Reverse Mortgage (refer to p.29 Table 10 of 2<sup>nd</sup> pp)?
- v. As the older senior citizens may spend more medical expenditure than younger seniors, why the older respondents lesser to disagree than others that the monthly payout could handle financial problem (refer to p. 8 Table 6 of 1<sup>st</sup> pp)?
- vi. Other comment(s) about Reverse Mortgage programme.

### **2) Comments on data analysis for the Tin Shui Wai Integrated Community Project**

- i. As many elders reply that they cannot afford the rental price of Tin Shui Wai Integrated Community Project, why they have these comments? (refer to p.9 Table 7 of 1<sup>st</sup> pp)
- ii. Should Hong Kong Housing Society adjust the rental price in this project, based on the public responses? If yes, which rental price level is most effective for elderly housing needs? (refer to p.9 Table 7 of 1<sup>st</sup> pp)
- iii. Only few of the elderly respondents believe that Tin Shui Wai project is suitable for them, why most elderly resist to live in Tin Shui Wai? (refer to p.16 Table 14 of 1<sup>st</sup> pp)
- iv. Other comment(s) about Tin Shui Wai Integrated Community Project.

### **3) Comments on data analysis for the Tanner Hill Elderly Housing Project**

- i. As many low income elders (\$5,000 or below) would not participate in Tanner Hill project, why they have these comments? (refer to p.30 Table 11 of 2<sup>nd</sup> pp)
- ii. Should Hong Kong Housing Society adjust the rental price in this project, based on the public responses? If yes, which rental price level is most effective for elderly housing needs? (refer to p.30 Table 11 of 2<sup>nd</sup> pp)

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<sup>31</sup> Lower income group means the elderly who received monthly income lower than \$5001.

- iii. Younger respondents believe that the location of Tanner Hill project is suitable for them, but older respondents disagree, why? (refer to p.13 Table 11 of 1<sup>st</sup> pp)
- iv. Other comment(s) about Tanner Hill Elderly Housing Project.

4) Comments on data analysis for the 2 Elderly Housing Projects

- i. Many younger elderly respondents believe that the 2 Elderly Housing projects could improve their health conditions, why? (refer to p.14 of Table 12 and p.15 of Table 13 of 1<sup>st</sup> pp)
- ii. As over 40% respondents believe that the 2 Elderly Housing projects could improve their health conditions, but only about 10% respondents would like to participate in the 2 Elderly Housing projects, can you explain that phenomenon? (refer to p.14 of Table 12, p.16 of Table 14 and p.17 of Table 15 of 1<sup>st</sup> pp)
- iii.
- iv. Why the older elderly respondents regard that moving to Elderly housing unit would affect their daily life, especially those aged 80 elderly? (refer to p.16 of Table 14 and p.17 of Table 15 of 1<sup>st</sup> pp)

**Thank You for your comment!**  
**Please send back to Research Team member(s)**

## C) Stakeholder Questions for Representatives of HKHS

### 1) Comments on data analysis for the Tin Shui Wai Integrated Community Project

- i. As many elders reply that they cannot afford the rental price of Tin Shui Wai Integrated Community Project, why they have these comments? (refer to p.9 Table 7 of 1<sup>st</sup> pp)
- ii. Will Hong Kong Housing Society adjust the rental price in this project, based on the public responses? (refer to p.9 Table 7 of 1<sup>st</sup> pp)
- iii. Only few of the elderly respondents believe that Tin Shui Wai project is suitable for them, why most elderly resist to live in Tin Shui Wai? (refer to p.16 Table 14 of 1<sup>st</sup> pp)
- iv. Other comment(s) about Tin Shui Wai Integrated Community Project.

### 2) Comments on data analysis for the Tanner Hill Elderly Housing Project

- i. As many low income elders (\$ 5000 or below) would not participate in Tanner Hill project, why they have these comments? (refer to p.30 Table 11 of 2<sup>nd</sup> pp)
- ii. Will Hong Kong Housing Society adjust the rental price in this project, based on the public responses? (refer to p. 30 Table 11 of 2<sup>nd</sup> pp)
- iii. Younger respondents believe that the location of Tanner Hill project is suitable for them, but older respondents disagree, what do you think about these results? (refer to p.13 Table 11 of 1<sup>st</sup> pp)
- iv. Other comment(s) about Tanner Hill Elderly Housing Project.

### 3) Comments on data analysis for the 2 Elderly Housing Projects

- i. As over 40% respondents believe that the 2 Elderly Housing projects could improve their health conditions, but only about 10% respondents would like to participate in the 2 Elderly Housing projects, can you explain that phenomenon? (refer to p.14 of Table 12, p.16 of Table 14 and p.17 of Table 15 of 1<sup>st</sup> pp)
- ii. Why the older elderly respondents regard that moving to Elderly housing unit would affect their daily life, especially those aged over 80 elderly? (refer to p.16 of Table 14 and p. 17 of Table 15 of 1<sup>st</sup> pp)

### 4) Comments on Reverse Mortgage Programmes

- i. Do you think the concept and content of the Reverse Mortgage Programme?
- ii. Other comment(s) about Reverse Mortgage programme.

**Thank You for your comment!**  
**Please send back to Research Team member(s)**