



The Hong Kong Institute of Engineers Engineering Forum - Quality Retirement Living in Hong Kong

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Hong Kong Housing Society

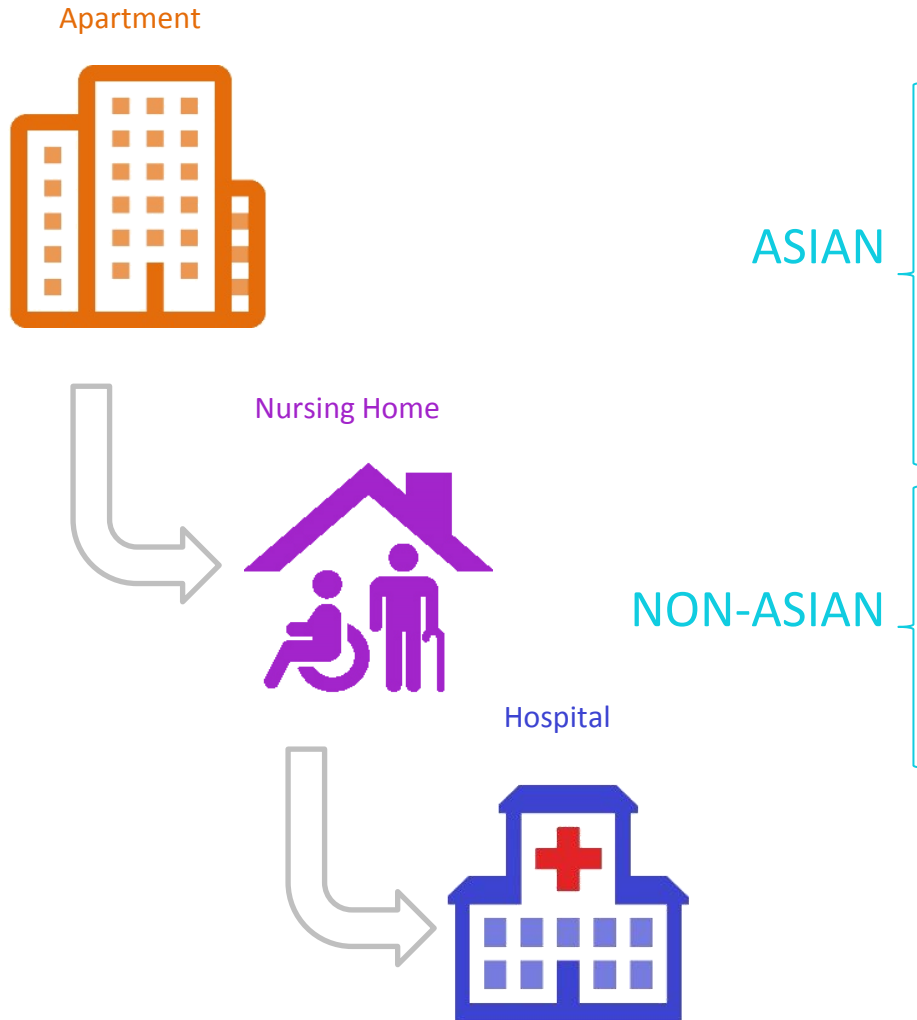
Mission

**We aim to serve
the needs of the
Hong Kong
community in
housing and
related services**

Vision

**To be a world-class
housing solution
provider and innovator
with leadership in
quality, value for
money and
management**

Global Ageing Population



Institutionalisation Rate

Hong Kong	6.8% (2009)
Japan	3.0% (2006)
Singapore	2.3% (2006)
Taiwan	2.0% (2009)
China	1.0% (2008)
Australia	5.4% (2006)
UK	4.2% (2004)
Canada	4.2% (2003)
USA	3.9% (2004)

60+@Worldwide

Source: Chui, E.W.T. et al. (2009) Elderly Commission's Study on Residential Care Services for the Elderly Final Report. Hong Kong: Elderly Commission

Elderly Housing Solutions in Developed Countries

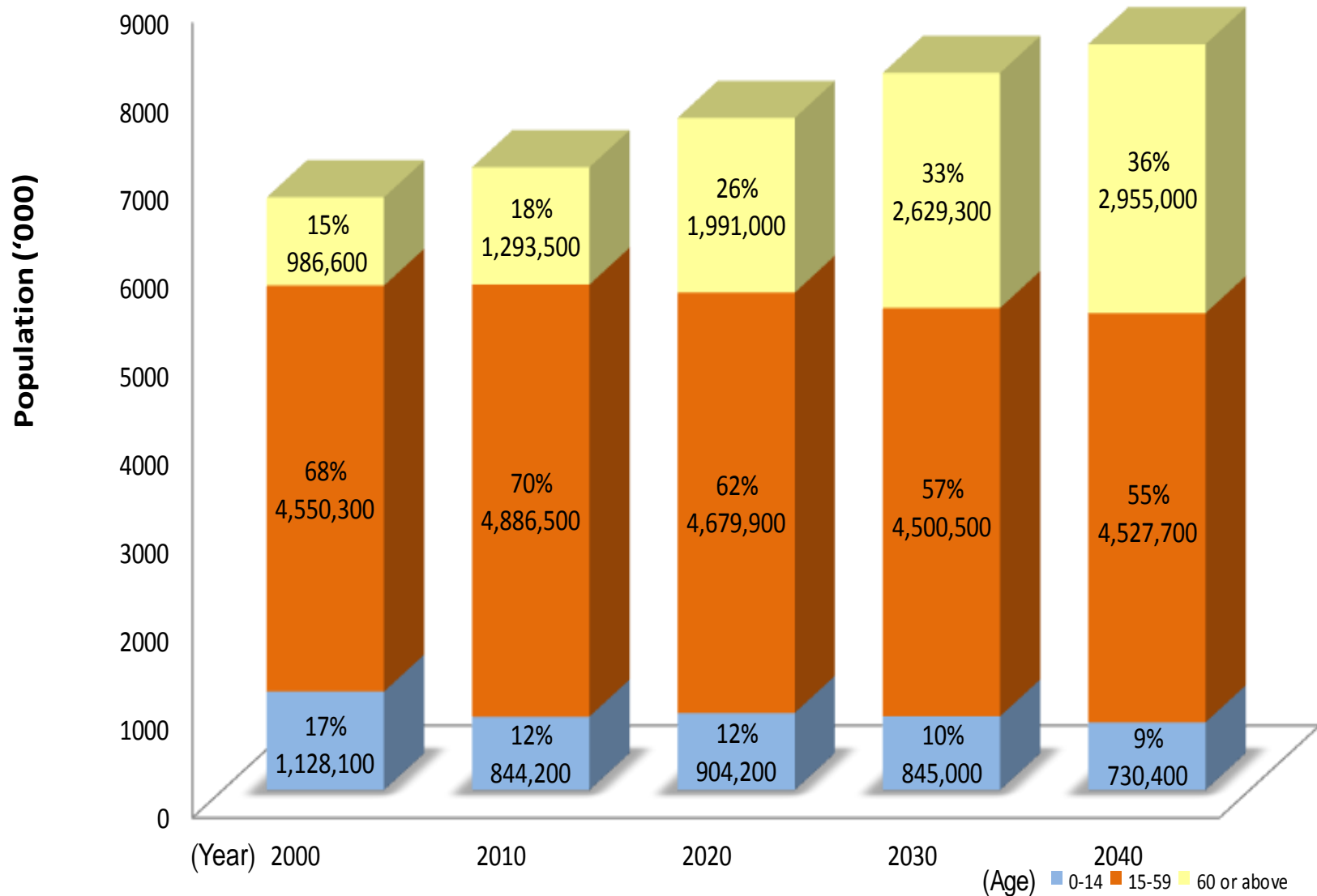
Western & European countries



Asian countries



Ageing HK Population




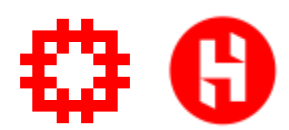




Source: Census and Statistics Department

Elderly Housing Solution in HK

Independent Living Ageing in Place Solutions

Institutional Care Services

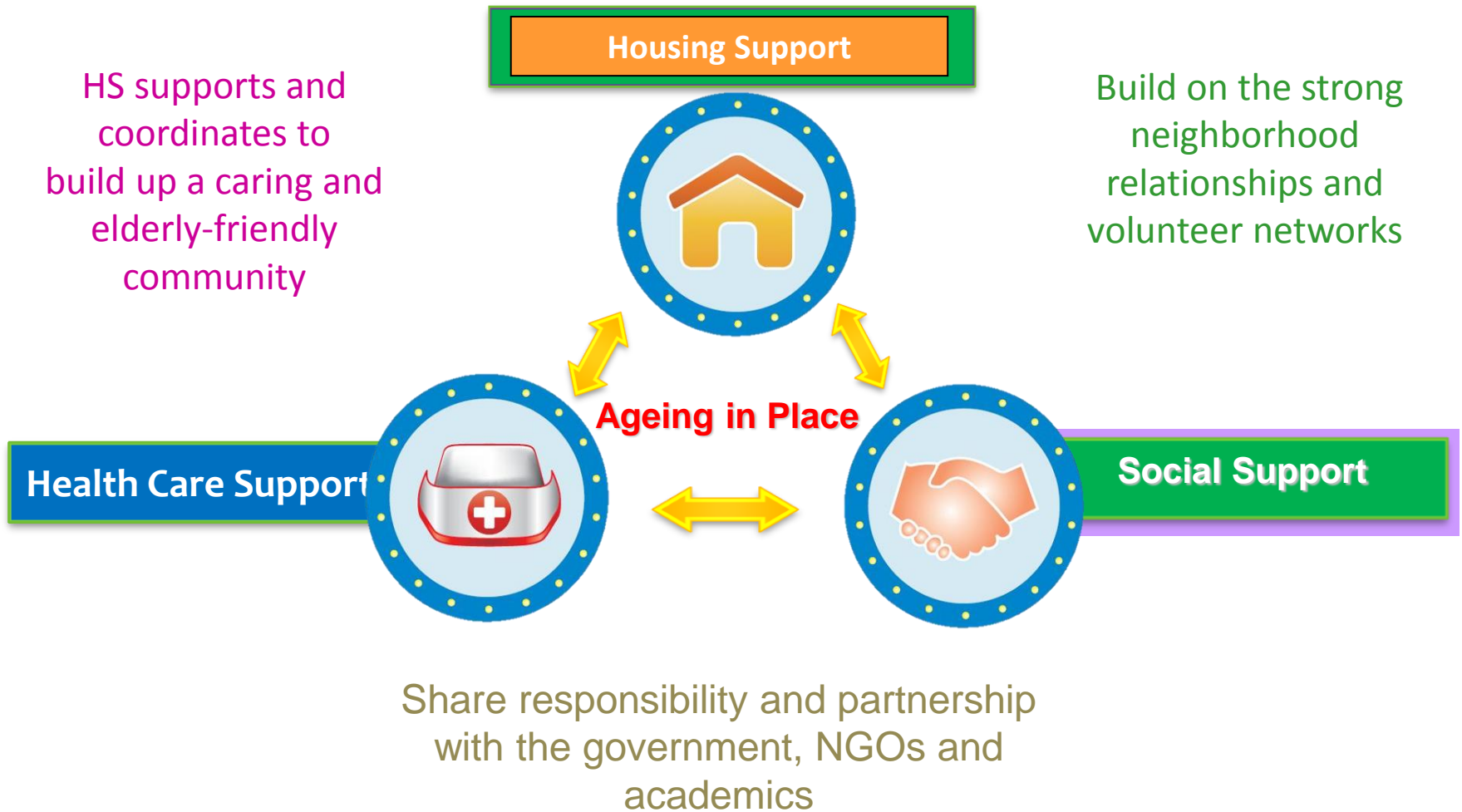
(Hostels for the elderly, Homes for the aged, Care and Attention Homes for the Elderly, Nursing Homes)

Subsidised			Non-subsidised
Low Income	Middle Income	Low Income	
 Housing for Senior Citizens & Self-contained small flats	 Senior Citizen Residences Scheme	 AIP Scheme 樂得耆所計劃	
Residential Care Homes for the Elderly			Non-subsidised Residential Care Homes for the Elderly
			

Housing Society Solutions to the aging community

Low Income	Middle Income	Higher Income
Rental Estates	Senior Citizen Residences Scheme	Quality Retirement - Joyous Living
Ageing-In-Place Scheme	<ul style="list-style-type: none">• Cheerful Court• Jolly Place	The Tanner Hill

Ageing-in-Place Scheme



Ageing-in-Place Scheme

Groups & Services in 5 Domains

Outcome

Service Contents

I

II
Tracking with health care plan & Health support services

Home Safety 頤家

Home Assessments



Home Modification & Remodeling



Healthiness 頤康

Health Assessments/ Promotion Programs



Health Care & Support Services



Autonomy 頤健

Fall Risk Assessments



Fall Preventive Exercise



Happiness 頤樂

Social Caring Activities



Mental Health Promotional Program



Abled Brain 頤智

Cognitive Assessments



Cognitive Training



Initial Effectiveness of AIP Scheme

Longitudinal Study on Ageing-in-Place Scheme at HKHS Rental Estates: Baseline Health and Wellbeing Status and 3-Year Outcome
N=1618 / (Lum, 2016)

Home Safety

- **Prefer Elderly Nursing Home :**
-35% (AIP Scheme) vs. -6% (Control)

Healthiness

- **Improved self-reported health – good or excellent:**
+0.4% (AIP Scheme) vs. -7% (Control)
- **Reduced use of A&E services(Multiple time):**
- 11% (AIP Scheme) vs. + 53% (Control)

Autonomy

- **Frailty status of Frail group:**
+8% (AIP Scheme) vs. +53% (Control)
- **Reduced number of falls:**
-3% (AIP Scheme) vs. +4% (Control)

Happiness

- **Reduced depressive mood:**
-9% (AIP Scheme) vs. +48% (Control)
- **Improved subjective social support:**
+1% (AIP Scheme) vs. -4% (Control)

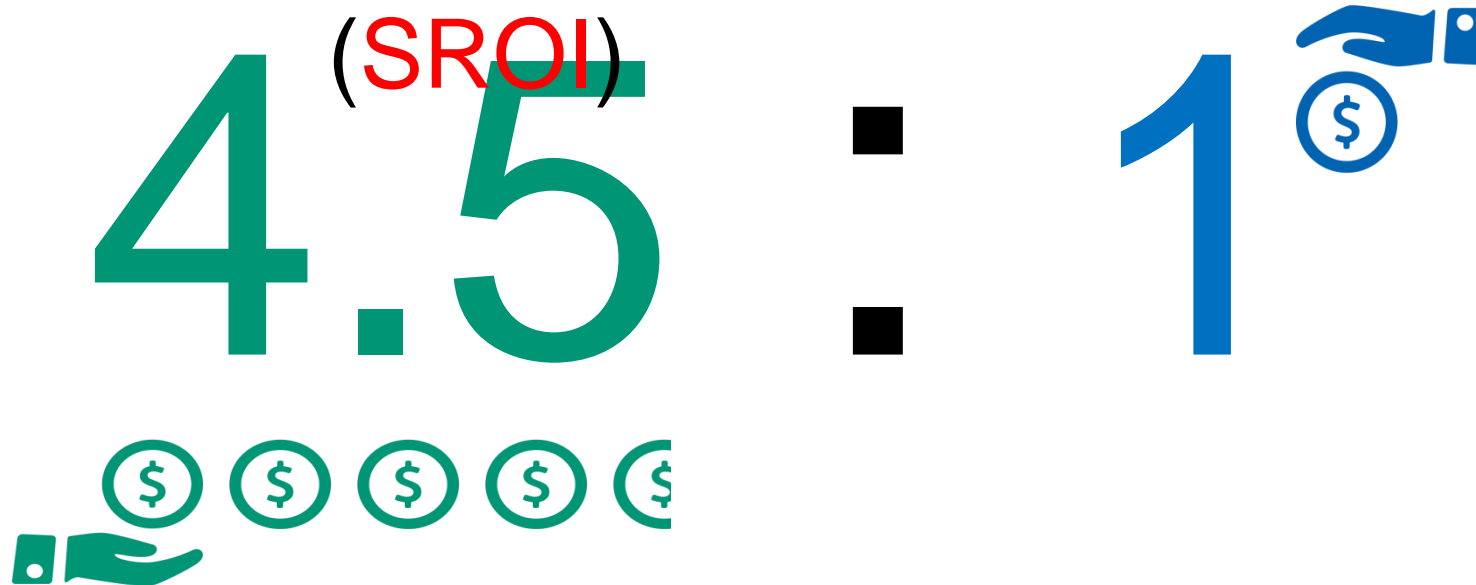
Abled Brain

- **Improved cognitive performance:**
+6% (AIP Scheme) vs. + 2% (Control)

Further
Study in
2018 to
validate
longer term
impact

Study on Social Return On Investment for HKHS Rental Estates

Social Return On Investment



HK\$4.5 of social value for every HK\$1 invested

(For public policy intervention in the UK, a benefit-cost ratio of 3 to 1 is considered a solid return)

Middle Income Group

Senior Citizen Residences Scheme (SEN)



Jolly Place (2003)
243 flats



Cheerful Court (2004)
333 flats

5/F - 26/F
Residential Flats



3/F Residents' Club
RCHE
2/F Day Respite Centre
Rehabilitation Room
1/F Polyclinic



**A One-stop, Worry-free
Quality Retirement Living Platform**

Quality Retirement Living – Five Pillars

樂

Enjoying with
friends



Social Interaction ■ Live, Learn & Play

康

Health is
happiness



Total Wellness Maintenance – Physical, Mind & Brain Medication
& Nutrition Management ■ Prevention & Early Detection ■ Rehab

盈

Financial
independence



Improve Liquidity ■ Financial Security

家

Better family
relationship



Privacy ■ Intimacy ■ Mutual Respect

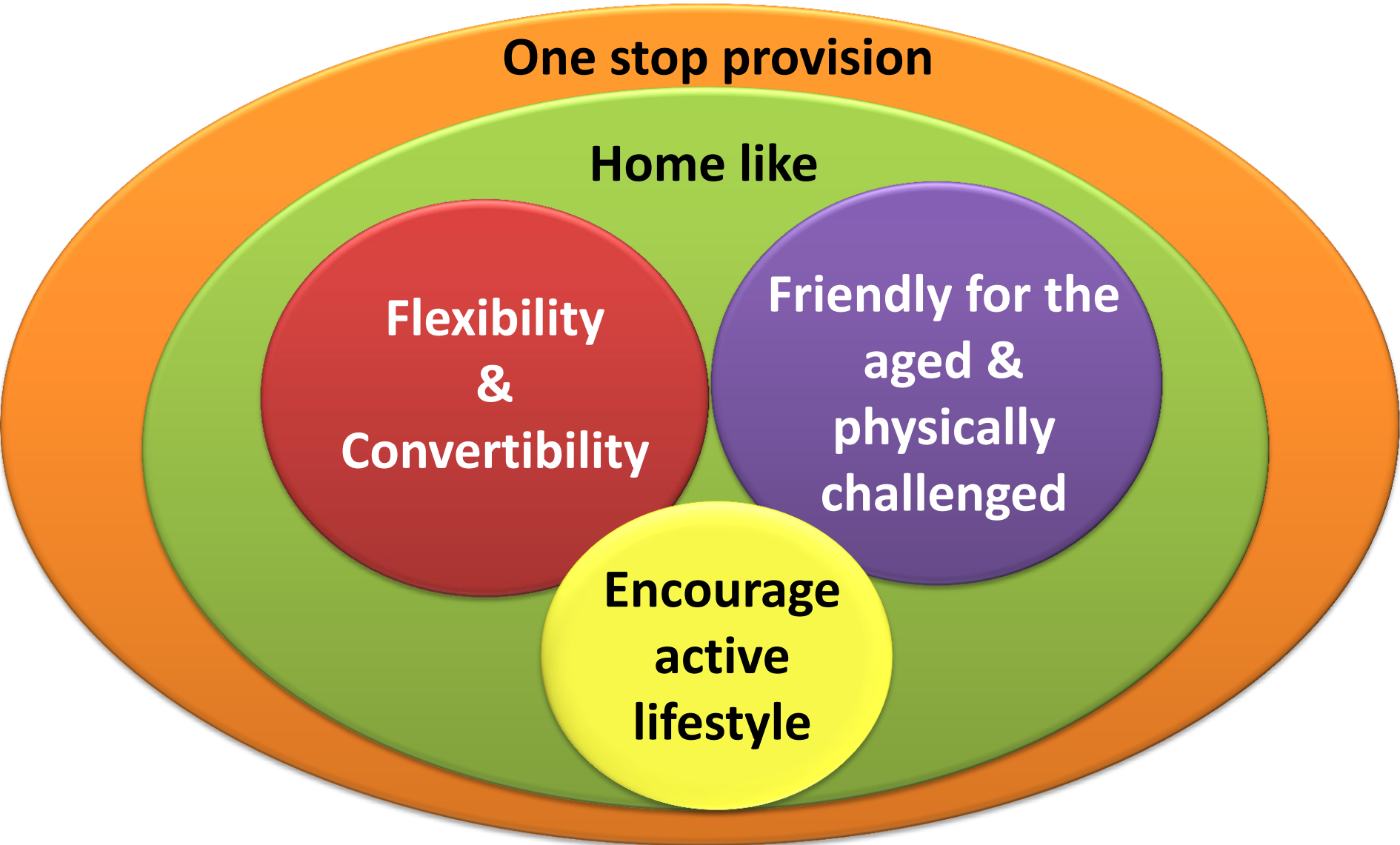
活

Worry-free
living



Housekeeping & Handyman ■ Mobility Enabled Design
■ Skilled Care ■ Services to Units ■ Respite Option

Design Principles for Happy, Healthy and Graceful Aging



Quality Retirement Living

Target

- The financially more capable elderly willing to pay for quality services for aging in place
- Environment that enables independent living despite physical conditions with professional care
- Long lease that enables unlock of fixed asset for better lifestyle

Reverse mortgage to finance long lease

- Lump sum drawdown + renting out previous residence for extra income

The Tanner Hill

- Self-financing model
- Land premium at full market value
- No means test
- Lease only
- Aged 60 or above



Quality Retirement – Subscription Model

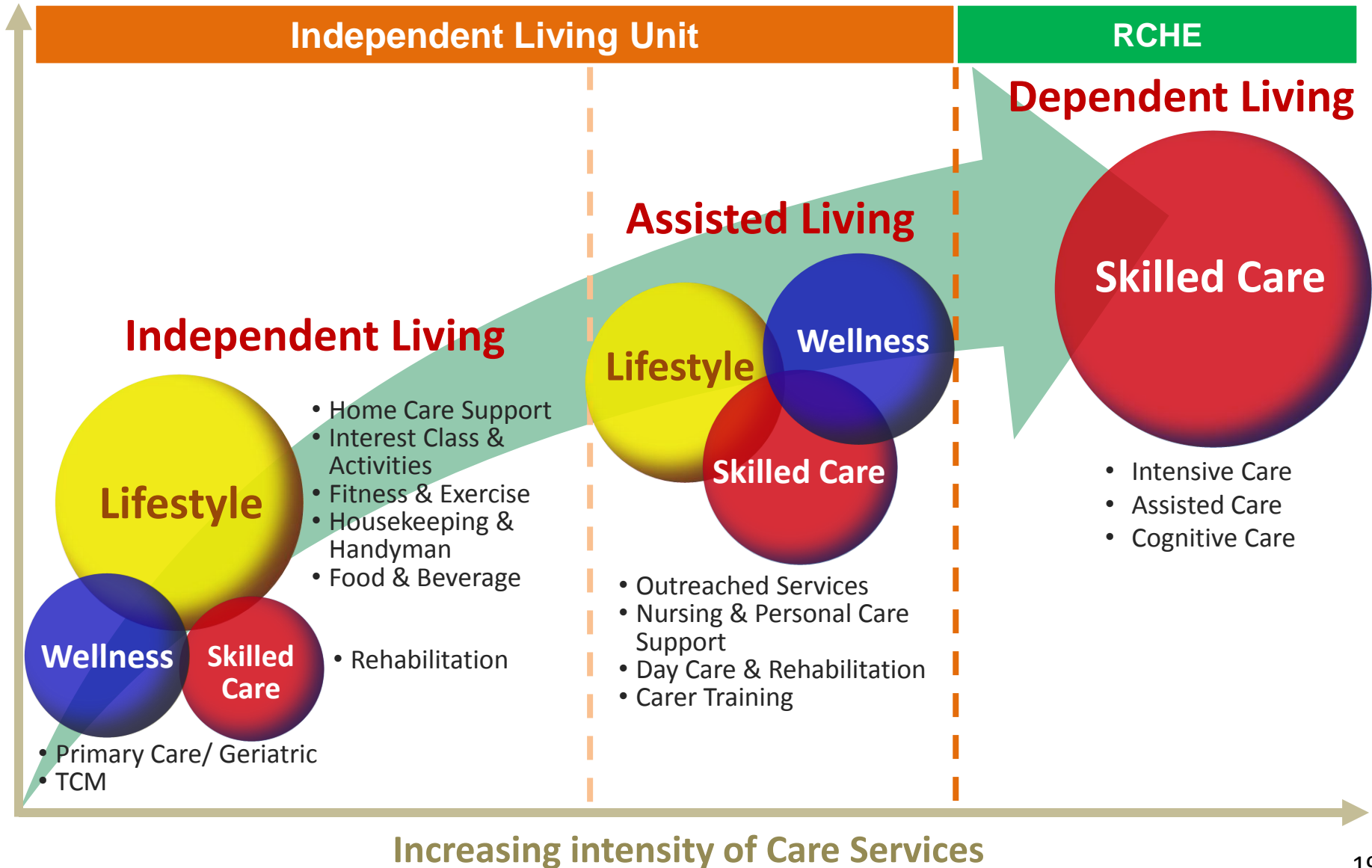
Rent not buy

	Benefits
Long Lease	<ul style="list-style-type: none">• Entry contribution with refund mechanism• No worry about renewal nor rental adjustment
Short Lease	<ul style="list-style-type: none">• Trial living• Rental credit for conversion to long lease

Worry-free package

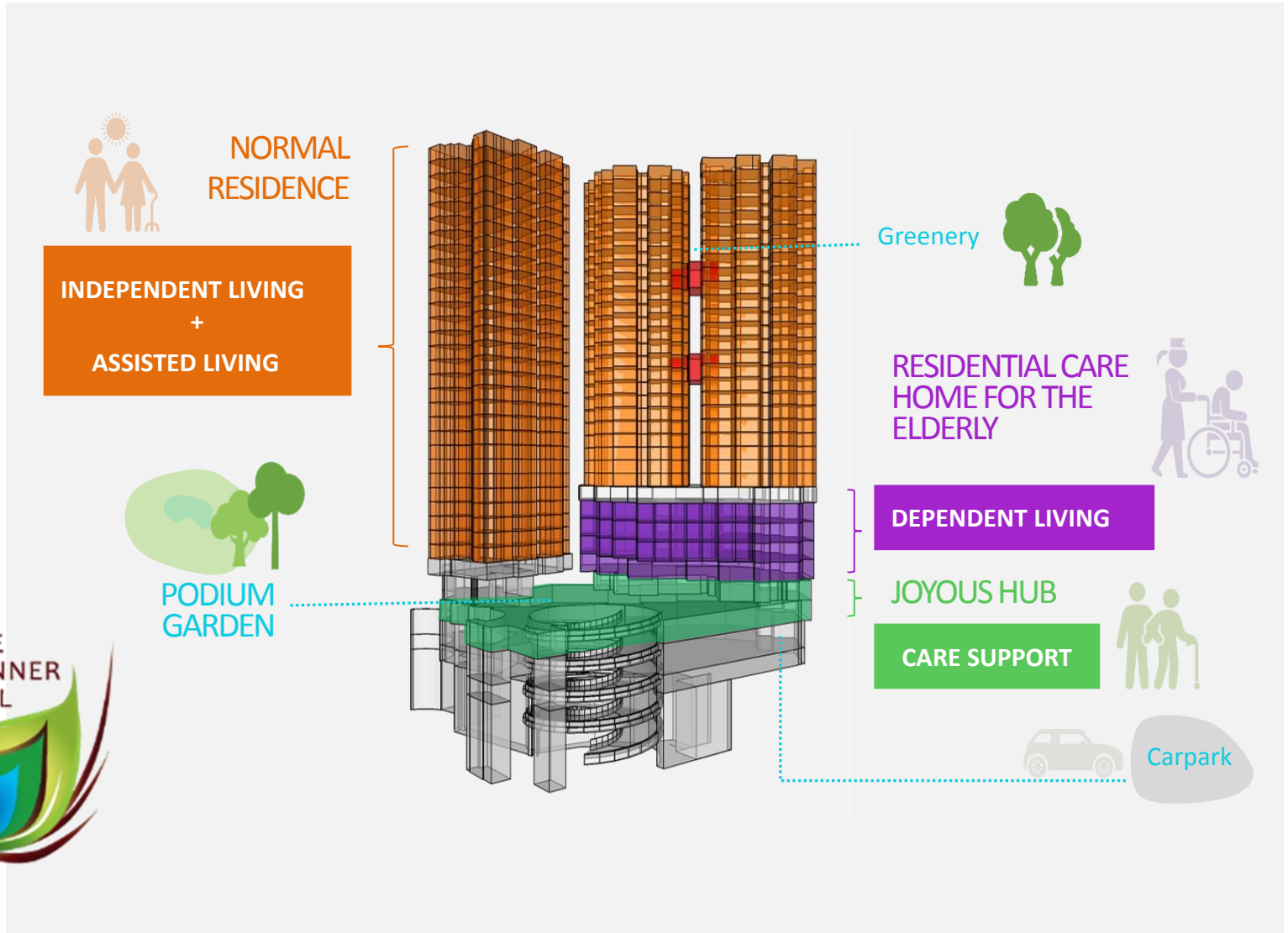
- Recurrent fees waived
 - common area management, gym & swimming pool, emergency support, limited handyman & maintenance, social worker support, health data monitoring, government rates → FREE

Continuing Care



The Tanner Hill

a Quality Living Initiative for Aging in Place



Location & The Neighbourhood



- Few steps away from North Point MTR Station
- Walkable access to different public transport
- Community particulars within walking distance, eg. shopping malls, public library, restaurants and municipal parks
- Scenic walking trail along the Aroma Walk nearby

Note: The above map only highlights some key buildings and facilities, with some other buildings and facilities omitted. It is not drawn to scale. Information shown is for reference only.



Flat Mix

Flat Type	Saleable Area (sq. m.)	Total No. of Flats
Studio	31.9 – 32.6	72
1 bedroom and storeroom	44.0 – 50.2	229
2 bedrooms incl. 1 ensuite	55.1 – 55.5	104
2 bedrooms incl. 1 ensuite and storeroom	61.1 – 76.3	179
Combined unit	104.3 – 114.3	4
Total		588

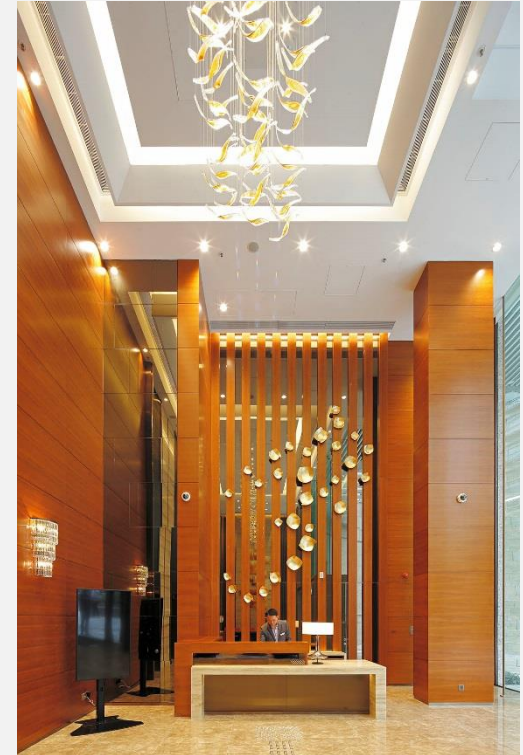
Age-Friendly Design : Universal Design

Lift Lobby

- With **seating** for physical need and social gathering
- With **lavatory** provision for biological need
- With **spacious** design well-lit by **natural lighting**

Loading Space for Ambulance

- To facilitate **direct access** to ambulance at the **entrance** and **carparks** of all the towers and RCHE



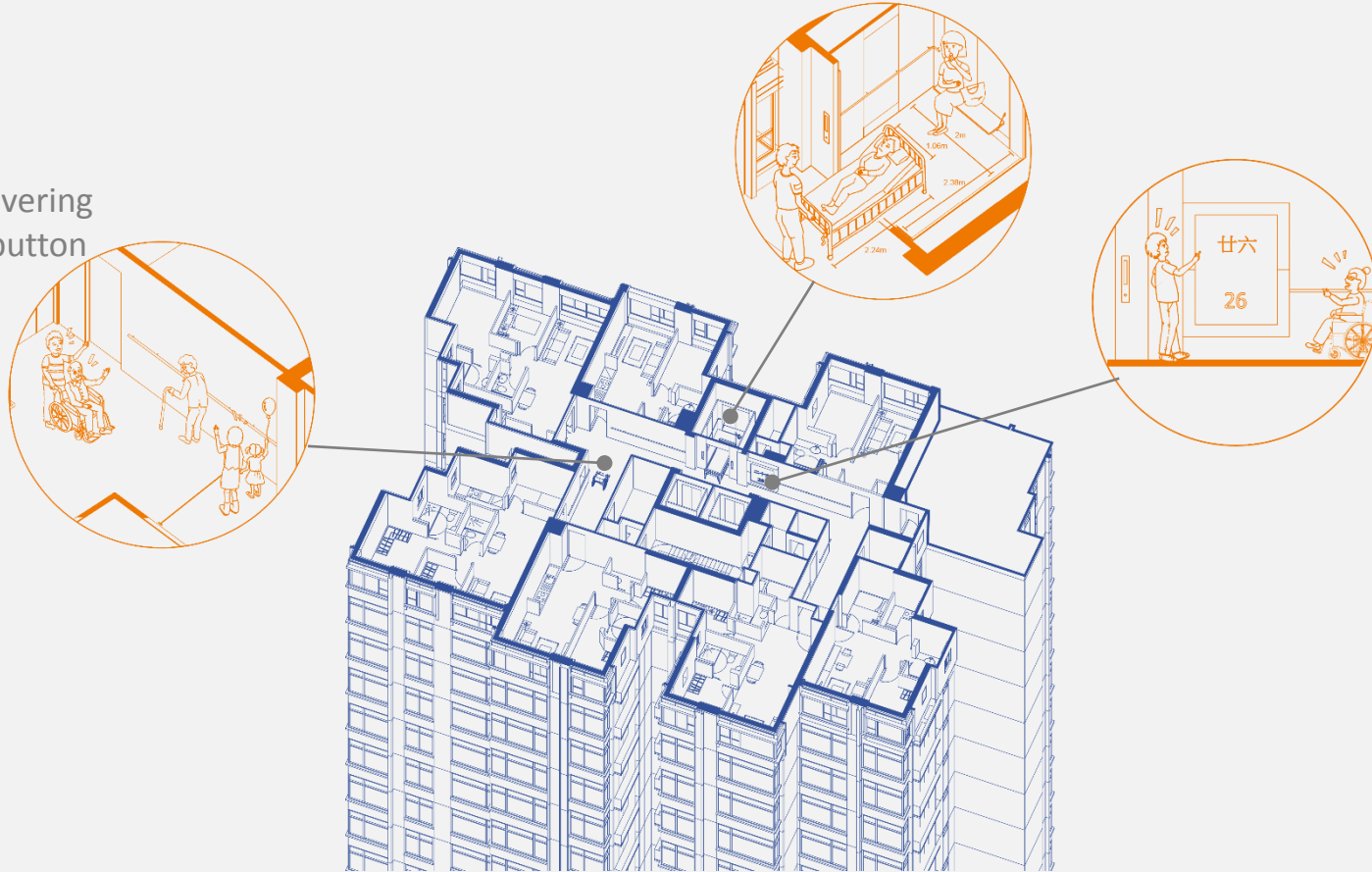
Age-Friendly Design : Universal Design

Lift

- Bed lift provision
- Air-conditioning
- Seating inside lift car
- Space for **wheelchair** maneuvering
- Call and control (up/down) button
- Handrail



Common Area

- Openable windows to facilitate **cross ventilation** and **natural lighting**





Age-Friendly Design : Universal Design



Lift Lobby

- Handrail 
- Contrasting color
- Large graphic for identification of different floors & flats 



- Wider corridor
- Fire rescue waiting space for wheelchair users 
- 2-level security viewers 



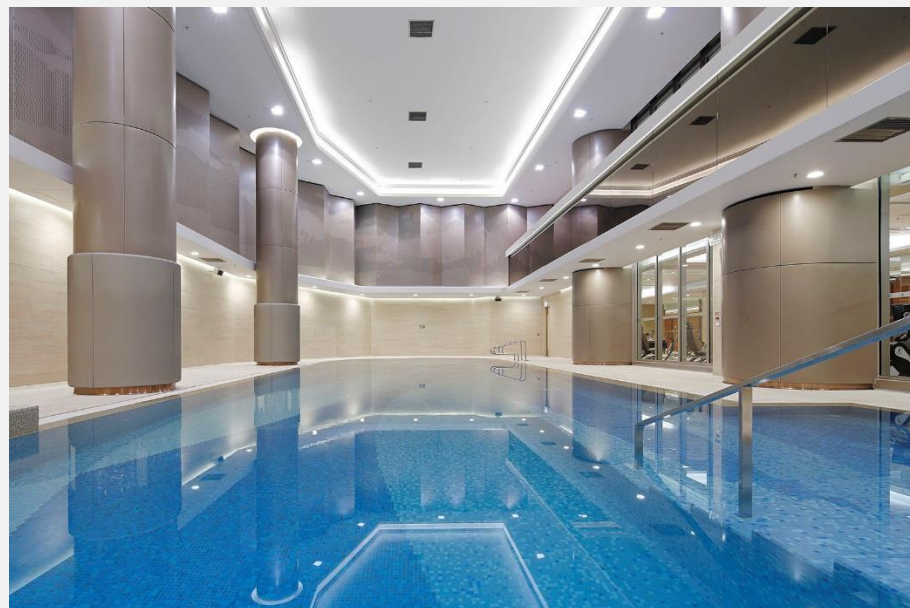
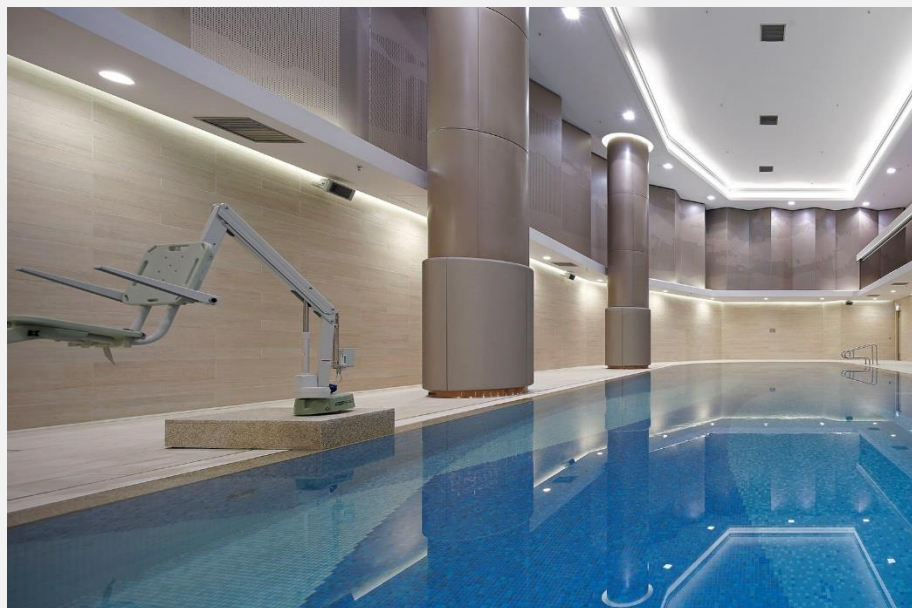
- Level handle and ledge 
- Door contact tracking 



Age-Friendly Design : Universal Design

Indoor Heated Swimming Pool

- Installed with **pool lift** for healthcare use
- **Staircase with handrail** for accessing the pool safely



Age-Friendly Design : Universal Design

Therapy Garden

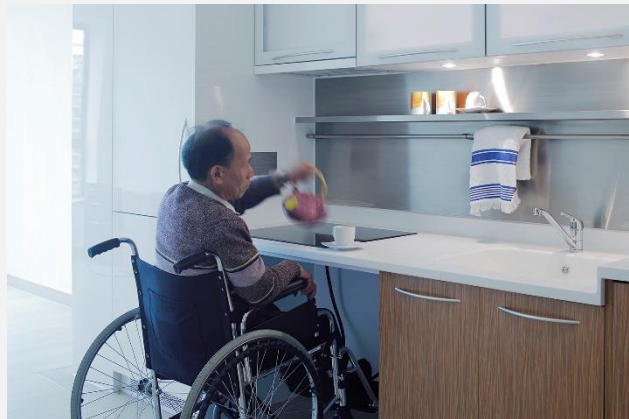
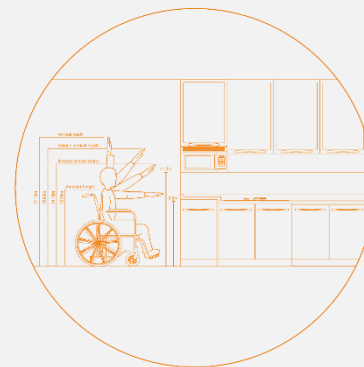
- plants with variety of contrasting color, texture, fragrant, butterfly attracting species to stimulate the sense of the elderly
- Barrier free access at podium gardens
- Planter with knee space for wheelchair user



Age-Friendly Design : Flexibility & Convertibility

Kitchen

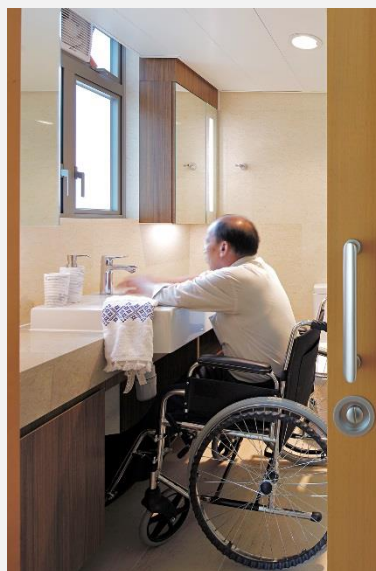
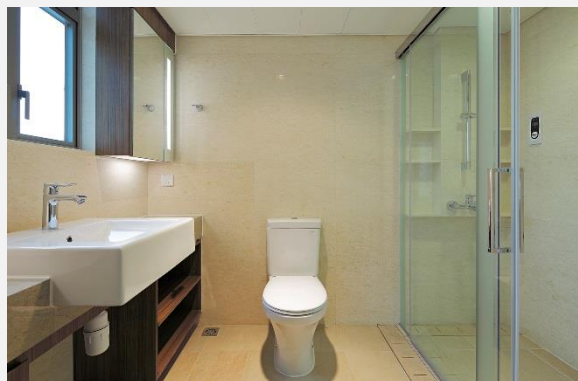
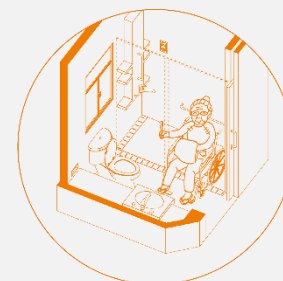
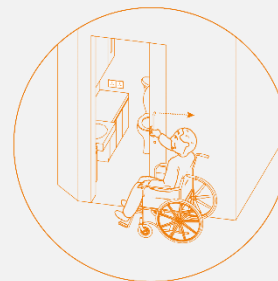
- Kitchen cabinet can be removed for **knee-space** of wheelchair user
- Microwave oven **<1.3m AFFL** for easy and safe access
- **Countertop at 0.8m height** with induction cooker for convenient and safe cooking



Age-Friendly Design : Flexibility & Convertibility

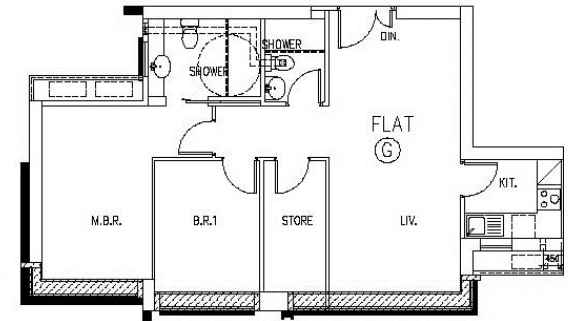
Bathroom

- Large Bathroom size for wheelchair user
- Bathroom cabinet can be removed for knee-space of wheelchair user
- Demountable shower partition convertible to open cubicle to enhance accessibility
- Grab bar can be installed upon request of tenants
- Sliding Door with emergency opening from outside
- Curbless design
- Emergency call button



Home Care Support Services:





Example: 2-bedroom (including 1 ensuite, 1 bedroom, 1 storeroom and enclosed kitchen)



Other care support:

- Support by social worker
- Minor maintenance (with limit)

Home Care Support System

-  Emergency Call Response System
-  Health Data Collection and Monitoring
-  Entrance Door Contact Tracking
-  No-Motion Response Detection

Note: Location of the devices are subject to final confirmation.

Lifestyle – Facilities : Residents Club (5/F)

Drawing Room



Library



Music Practice Room



Multi-function Room



Activity Room



Lifestyle – Facilities :

Joyous Hub (3/F)



Open to:

- Residents
- Joyous Hub members & associate members

Lounge



Indoor Heated Swimming Pool



Gymnasium



Serviced Office



Mini-theatre



Multi-function Room



Entertainment Room



Conference Room



Children Playroom



Lifestyle – Services



- Ambassador to assist move-in and settling in
- Secretarial services
- Handyman service
- Housekeeping service
- Social convening service and interest class
- Fitness programme
- Escort and companion services
- Butler service



Wellness Facilities and Services -Outsourced to the professional



HKSH
Healthcare
養和醫健

FAMILY MEDICINE &
PRIMARY CARE CENTRE
AND SENIOR CITIZEN
WELLNESS CENTRE

- Family Medicine
- Geriatric Medicine
- Medical Check-up
- Other Specialist on demand



浸大中醫
HKBU CM

- Acupuncture
- Bone-setting, Tui-na
Traditional Herb or
Granulated Herbal
Medicine
- Herbal Medicine Brewing

Assisted Living

Health Care and Home Care Support Services on user-pays basis

- Outreach homecare
- Day Care Centre
- Rehabilitation Centre
- Housekeeping service
- Emergency call response



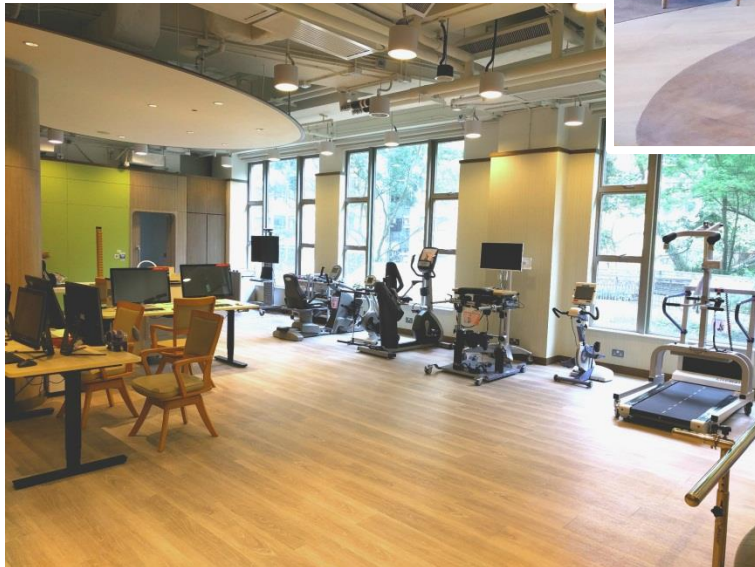
Dependent Living : Skilled Care Facilities and Services

Operator: Hong Kong Housing Society

- Provision of Residential Care Home for the Elderly, day care and rehabilitation facilities and services
- Open to public
- Tenants of The Tanner Hill have the priority and discount for using the facilities and services
- On user-pays basis



Dependent Living : Day Care and Rehabilitation Centre (6/F)



Dependent Living : Residential Care Home for the Elderly (7/F – 9/F)



7/F Cognitive Care

8/F Assisted Care

9/F Intensive Care



Services:

- 24-hour skilled nursing and personalized living care services
- Visiting medical services
- Medication system
- Rehabilitation services
- Psychosocial and spiritual support services
- Specialised cognitive care
- Nutritional support and dining services
- Daily housekeeping and laundry
- Escort and transportation services



One Stop Continuing Care Services

Lifestyle Services

- Concierge and secretarial services
- Housekeeping service
- Handyman service (2 hours per month[^])
- Social convening service and interest class
- Fitness programme
- Butler service
- Health talks

Skilled Care

- Residential Care Home for the Elderly
- Day Care cum Rehabilitation Centre
- Home care support service
 - Emergency call response system[^]
 - Entrance door contact tracking[^]
 - Health data collection and monitoring[^]
 - Health visit by social worker[^]
 - No-motion response detection

Food and Beverage

- Cantonese restaurant
- Refreshment corner

Wellness

- Wellness centre
- Chinese medicine clinic

[^] Fees inclusive in rental or entry contribution
Other services on user-pays basis

Overview of Short Lease Rental



(Effective 13 Sept 2016, overall average @\$35/SA sq.ft., all-in)

Type	SA**			Lowest	Highest	No. of units
	(sq.ft.)			HK\$	HK\$	
Studio	344	-	351	\$11,800	\$13,800	72
1B + Store	474	-	541	\$13,600	\$20,800	229
2B	593	-	598	\$17,400	\$22,300	104
2B + Store	658	-	821	\$21,400	\$32,000	179
Combined	1,123	-	1,231	\$44,500	\$51,800	4

* Average Unit Rent: \$35/ sq. ft. (SA)

** Area exclude balcony on 10/F

Overview of All-in Life Lease EC Payment (1)



(Effective 13 Sept 2016)

Age	Avg \$/ft ² SA	% of FMV	Eq. Mthly Rental \$/SA	% of FMR	Studio		1B + Store		2B	
					<u>Lowest</u>	<u>Highest</u>	<u>Lowest</u>	<u>Highest</u>	<u>Lowest</u>	<u>Highest</u>
					HK\$ 'M	HK\$ 'M	HK\$ 'M	HK\$ 'M	HK\$ 'M	HK\$ 'M
85	\$4,603	26%	\$36.31	86%	\$1.55	\$1.82	\$1.79	\$2.75	\$2.29	\$2.94
80	\$5,427	30%	\$32.92	78%	\$1.83	\$2.15	\$2.11	\$3.24	\$2.70	\$3.47
75	\$6,532	37%	\$30.65	73%	\$2.20	\$2.59	\$2.54	\$3.90	\$3.25	\$4.18
70	\$7,734	43%	\$29.22	70%	\$2.60	\$3.06	\$3.01	\$4.62	\$3.85	\$4.95
65	\$8,979	50%	\$28.18	67%	\$3.02	\$3.55	\$3.50	\$5.36	\$4.47	\$5.74
60	\$10,174	57%	\$27.39	65%	\$3.43	\$4.03	\$3.96	\$6.08	\$5.07	\$6.51

Note –

- (1) Full market value is \$17,800/s.f. SA
- (2) Full market rent is \$42/s.f./mth SA
- (3) Highest price exclude balcony units on 10/F

Confidential

Overview of All-in Life Lease EC Payment (2)



(Effective 13 Sept 2016)

Age	Avg \$/ft² SA	% of FMV	Eq. Mthly Rental \$/SA	% of FMR	2B + Store		Combined	
					<u>Lowest</u>	<u>Highest</u>	<u>Lowest</u>	<u>Highest</u>
					HK\$ 'M	HK\$ 'M	HK\$ 'M	HK\$ 'M
85	\$4,603	26%	\$36.31	86%	\$2.81	\$4.21	\$5.94	\$6.90
80	\$5,427	30%	\$32.92	78%	\$3.31	\$4.97	\$7.00	\$8.14
75	\$6,532	37%	\$30.65	73%	\$3.98	\$5.98	\$8.42	\$9.79
70	\$7,734	43%	\$29.22	70%	\$4.72	\$7.08	\$9.98	\$11.60
65	\$8,979	50%	\$28.18	67%	\$5.48	\$8.22	\$11.58	\$13.46
60	\$10,174	57%	\$27.39	65%	\$6.21	\$9.31	\$13.12	\$15.25

Note –

- (1) Full market value is \$17,800/s.f. SA
- (2) Full market rent is \$42/s.f./mth SA
- (3) Highest price exclude balcony unit on 10/F



Tenancy Profile

Short Lease



82% of units let

Long Lease

18% of units let

Prelim Insights for Future Planning

1. Long lease limitation and worries of elderly

- Despite more popularity of short leases, many of them prepare to change to long lease after **satisfactory “trial” living**;
- Doesn't matter the net worth, most elderly are **budget conscious**;
- HK elderly **prefer to keep the property** either for investment reasons or for the children;
- **One single payment** (SL) to cover all payments and fees → worry free

Prelim Insights for Future Planning

2. Financial arrangement for Entry Contribution for long lease

- 79% of long lease tenants chose one-off lump sum payment

3. Elderly loves **single point of contact** and takes time to comprehend

- Takes relatively more time to complete a service and extra manpower to help settling in

4. Elderly treasures **respect, patience and care**

Tenants' Profile

Household	
Doubleton	34%
Singleton	66%

Sex Profile	
Male	40%
Female	60%

Average No. of people / unit	1.3
------------------------------	-----

Average Age of tenants	73
Age Range	60-95

Life at The Tanner Hill – Happy & Healthy Living



Fitness



電影欣賞 **MOVIE SCREENING** –
Free Movie Session



Birthday Parties



Games



Health Talks



Festive Activities

Challenges for Self-sustainable Senior Housing

Life Lease Marketability

- New model to be accepted by elderly
- Confusion about rent or buy

HK's Special Context

1. Prefer to keep the property to next generation or as investment tool
2. Unwilling to liquidate the fixed asset for better quality of life
3. Densely populated & convenient

Longevity of HK People

- Longest life expectancy in the world
 - Affect financial viability

Limited post retirement support

- Lack of comprehensive pension and medical aid support
- Self-reliance -> budget conscious

Thank You !



HONG KONG
HOUSING SOCIETY
香港房屋協會

Reverse Mortgage - Case Illustration

Reverse Mortgage – Approval in Principle

The Hong Kong Mortgage Corporation Limited (HKMC)
confirmed that

1. Tenants of TH are **allowed to rent out** their original residential property under the Reverse Mortgage Programme.
 - i.e., the tenants would, at the same time, receive payouts under the Reverse Mortgage Programme and rental income,
2. The lump-sum payout option under the Reverse Mortgage Programme has been **extended to cover the payment of entry contribution** and any other related expenses for the tenants of TH.

Case Illustration

- Younger Tenant aged 70, owns a property worth \$9.8M, rented out
- Selected Unit: Tower 2, 27/F Room H (1B+store+kitchen)
- Unit Size: 50.25m² (SA) or 541 ft² (SA)



	Lump Sum	10-year (+ 15.5%)
Entry Contribution	4,846,000	5,597,130
Initial Expenses (EC, SD, deposits, advance payment, etc)	\$5.02M (100% EC + others)	\$2.99M (50% Full EC + others)
Monthly Expenses		
Instalment	-	23,321
Reverse Mortgage	One-off DD = \$3.5M	One-off DD = \$3.0M Mthly Payout (10 yr) = \$6,172
Rental Income (Monthly)	\$30,000	\$30,000

Reverse Mortgage

Maximum amount of specified property value for payout calculation

Appraised property value	Maximum amount of specified property value for payout calculation ^{^#}
HK\$8 million or less	100% of appraised property value
Over HK\$8 million to HK\$12 million	higher of 80% of appraised property value and HK\$8 million
Over HK\$12 million to HK\$16 million	higher of 70% of appraised property value and HK\$9.6 million
Over HK\$16 million	higher of 60% of appraised property value and HK\$11.2 million (capped at HK\$15 million*)



Cost for Reverse Mortgage

Interest expense	To be charged by banks
Mortgage insurance premium	<p>(1) Upfront Mortgage Insurance Premium = 1.96% of specified property value in 7 annual instalments</p> <p>(2) Monthly Mortgage Insurance Premium = 1.25% of the outstanding loan amount</p>
Counselling fee	To the reverse mortgage counsellor for the counselling service.
Legal fees	For the execution of the mortgage documents and other relevant legal documents.
Handling fees	A handling fee of HK\$1,000 will be charged for each successful application for change of payment term, request for a lump-sum payout etc.
Other fees and expenses	Where a building inspection report is required (if the property exceeds 50 years of age)