

Tender result for the Government Sale Site in Kai Tak announced

The Lands Department announced today (September 25) that the Government had rejected all five tenders received for the purchase of New Kowloon Inland Lot No. 6546 at Kai Tak Area 4C Site 4, Kai Tak, Kowloon (the Site), after the tender closed on September 20, for the reason that the tendered premiums did not meet the Government's reserve price for the site.

The disposal of sites in the Government's Land Sale Programme in the open market follows an established mechanism. The Government will not sell a site if no bid reaches the reserve price as assessed by the Government's professional valuers.

The tenderers in alphabetical order, with the name of the parent company provided by the tenderers in brackets, were:

- (1) Crown Gain Investments Limited (CK Asset Holdings Limited)
- (2) Fair Opal Limited (Sun Hung Kai Properties Limited)
- (3) Lucky Nice Limited (Chinese Estates Holdings Limited)
- (4) Lucky Victory Limited (Sino Land Company Limited)
- (5) Sunrise Treasure Limited (Great Eagle Holdings Limited)

It is the Government's policy objective to provide a steady and sustained land supply to the market to cater for the community's demand for housing, commercial and business sites. This objective will not be affected by the results of an individual tender exercise.

The Government will not speculate on the reasons accounting for the bids placed by tenderers. Bids put forward depend on a myriad of factors, such as the attractiveness of the site to individual tenderers, as well as how individual tenderers consider the market conditions, their respective corporate positions and development strategies.

New Kowloon Inland Lot No. 6546 has a site area of about 10,692 square metres and is designated for non-industrial (excluding residential, godown and petrol filling station but including hotel) purposes. The minimum gross floor area and the maximum gross floor area are 48,114 sq m and 80,190 sq m respectively.

For background information, in recent years six tender exercises for Government land sales had to be cancelled due to the bids falling below the reserve prices. Other than the Site, the five other cancelled tender exercises involved the commercial site at Kai Tak Area 4C Site 5, a residential site on the Peak, residential sites in Yuen Long, Tsing Yi and Pak Shek Kok, which were put to tender in early 2019, late 2018, early 2016, late 2015 and early 2014. Three sites in Yuen Long, Tsing Yi and Pak Shek Kok were subsequently successfully re-tendered and sold. As for the Site, the

site at Kai Tak Area 4C Site 5 and the site on the Peak, the Government will consider the disposal arrangements at an appropriate time.