

Tender result for Tung Chung commercial site announced

The Lands Department announced today (October 21) that all three tenders received for the sale of a commercial site in Tung Chung Town Lot No. 45 at Area 57, Tung Chung, New Territories (the Site), had been rejected as their tendered premiums did not meet the Government's reserve price for the Site.

Sites in the Government's Land Sale Programme are disposed of in the open market under the established mechanism. The Government will not sell a site if no bid reaches the reserve price as assessed by the Government's professional valuers. This is to ensure that the Government gets a fair and reasonable return in the interest of protecting public revenue. The reserve price is set on the day of tender closure so that the latest market conditions are taken into account.

The tenderers for the Site in alphabetical order, with the names of their parent companies in brackets, were:

- (1) Conford Investments Limited (CK Asset Holdings Limited);
- (2) Dynasty Asia Limited (Sino Land Company Limited and Kerry Properties Limited); and
- (3) Topco (H.K.) Limited (Sun Hung Kai Properties Limited).

The Government will not speculate on the considerations behind the bids placed by the tenderers. Bids are influenced by a myriad of factors, such as how individual tenderers assess the market conditions and the attractiveness of the site, as well as their corporate positions and development strategies.

The Government's policy objective is to provide a steady and sustained land supply to the market to cater for the community's housing and economic needs. This objective will not be affected by the result of individual tender exercises or the economic situation of a certain time. The Government will consider the disposal arrangements for the Site at an appropriate time.

Tung Chung Town Lot No. 45 has a site area of about 12,335 square metres and is designated for non-industrial (excluding residential, hotel, godown and petrol filling station) purposes. The minimum gross floor area and the maximum gross floor area are 70,310 sq m and 117,182 sq m respectively. The tender closed on October 16.

Over the past eight financial years up to today, the Government has conducted over 190 tender exercises for land sales, of which eight (including that for the Site) were cancelled due to the bids falling below the reserve prices. The seven other cancelled tender exercises involved three commercial sites at Kai Tak (tendered in mid-2020, late 2019 and early 2019), a residential site at the Peak (tendered in late 2018) and residential sites in Yuen Long (tendered in early 2016), Tsing Yi (tendered in late 2015) and Pak

Shek Kok (tendered in early 2014).