



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

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6 December 2011

By fax and mail

Miss Annie Tam
Director of Lands
20/F North Point Government Offices
333 Java Road
North Point
Hong Kong

**Government Land Sales
2012-2013 Application List**

Thank you for your letter of 3 November. We are pleased to set out our views as follows.

As with previous years, we would suggest extending the range and the composition of the Application List by bringing in different lot sizes in different locations to offer a greater variety of choices to the market.

Since the Government has taken a more proactive approach in selling land this year, the issue of the “trigger” mechanism under the Application List seems to have become less of a problem. While land supply has increased, we would stress the importance of maintaining a balance of supply to the market, especially when taking into consideration the significant tightening of funding available to developers. In this regard, we would wish to reaffirm our support of the Land Application List System, which is a truly market-driven mechanism.

We have noticed that the Government has lately been selling land by way of tender.



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Please note that the industry would prefer land sale by auction to tender, as the former is more open and transparent, with the fair market price determined and made known to the public during the competitive bidding process.

Last year we brought up the issue of the new regime of GFA concessions. We have recently noticed that some of the Sustainable Building Design Guidelines and criteria for GFA concessions have been incorporated in new lease conditions. However, some of these newly drafted conditions have deviated from the requirements of the SBD Guidelines, making it very difficult for the industry to follow. We would urge the Government to address this problem by aligning the two regimes as a matter of priority.

Yours sincerely

Stewart Leung

Chairman, Executive Committee