

2013 – 14

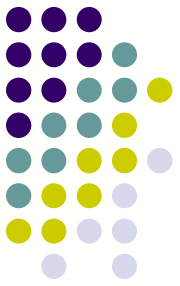
Land Sale Programme

28 February 2013

發展局
Development Bureau

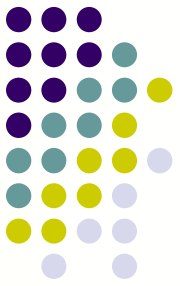


Government Land Sale Arrangement



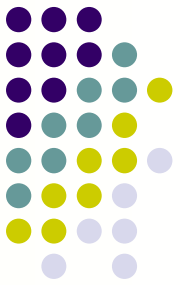
- Refined land sale arrangement since 2010: Introduced Government-initiated Sale Mechanism while keeping the Application Mechanism
- Advance announcement of land sale programme on quarterly basis became standard practice since April 2011

Government Land Sale Arrangement



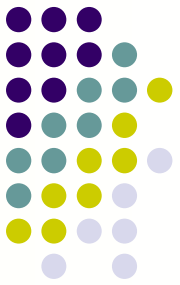
- In 2011-12, sold 27 residential sites capable of producing about 7,900 flats. Government-initiated sale accounted for 26 sites, with one site triggered by developer under Application Mechanism.
- In 2012-13, already sold and will sell 24 residential sites capable of producing about 8,200 flats. Government-initiated sale accounted for 22 sites, with two sites triggered by developers under Application Mechanism.
- Since introduction of Government-initiated Sale Mechanism, Government has in practice resumed the lead in supplying government land.

Government Land Sale Arrangement



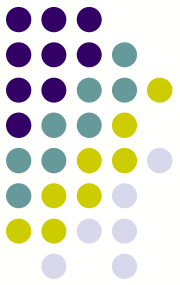
- Although Government has resumed the lead in supplying government land, there are still concerns over land supply if developers choose not to trigger sites for sale. To address these concerns, Government has decided to abolish the Application Mechanism from 2013-14.
- In the Land Sale Programme are sites that Government expects will be available for sale. We will continue to announce in advance on quarterly basis the land sale programme.
- Sites in the 2013-14 Land Sale Programme are capable of producing about 13,600 flats.

Government Land Sale Arrangement



- Government will initiate sale of all the sites taking into consideration market needs to ensure increasing land supply to the greatest extent.

Review : 2012-13 Land Sale



- Already sold and will sell 24 residential sites capable of producing about 8,200 flats, of which 13 have minimum flat number requirement, capable of producing at least 6,365 flats.
- Tendering one hotel site capable of producing 480 hotel rooms.
- Already sold one business site and tendering one commercial site, capable of providing a total of 71,000 sq.m of commercial GFA.

Review: 2012-13 Total Land Supply for Private Housing



Source	Flat number (Estimate)
Government sites sold and to be sold	8,200
Railway development projects sold and to be tendered	7,000 *
Projects of Urban Renewal Authority	900
Projects subject to lease modification/land exchange	700 (April 2012 - mid-February 2013)
Private redevelopment projects not subject to lease modification/land exchange	2,500 (April 2012 – January 2013)
Total :	19,300

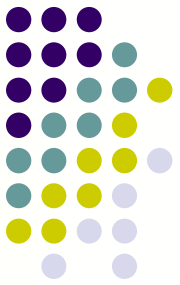
* Excluding the Tin Shui Wai Light Rail Terminus Development Project the recent tender of which was unsuccessful

2013-14 Government Land Sale Programme – A Summary



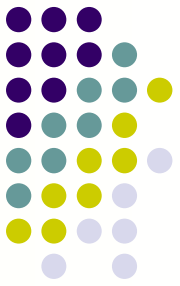
Land Use	Number of sites	Estimated Flat Number/ Room Number/ Maximum Gross Floor Area
Residential	46	About 13,600 flats
Hotel	1	About 300 hotel rooms
Commercial/ Business	9	About 330,000 sq.m.
Total :	56	—

2013-14 Land Sale Programme – A Gist

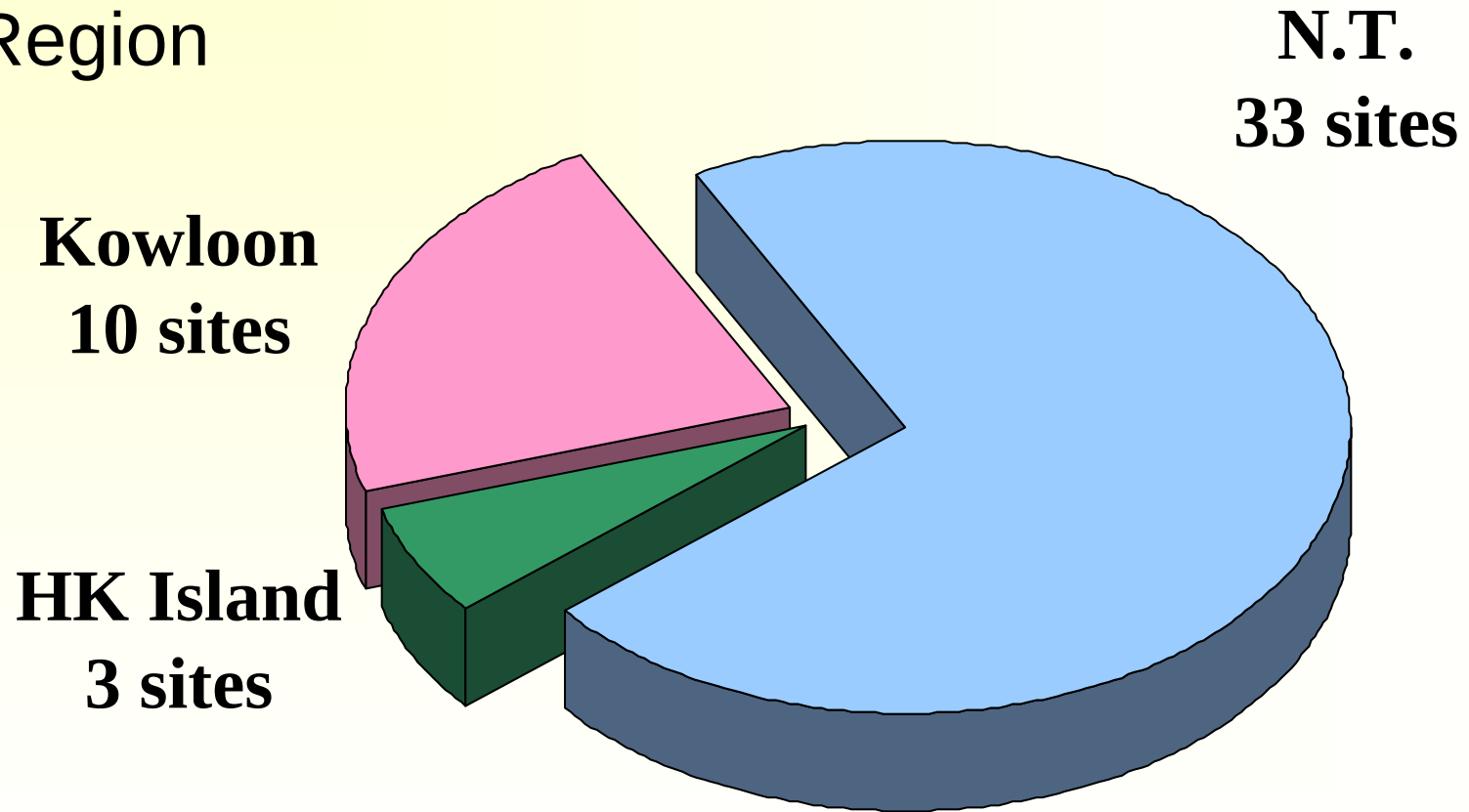


- Comprises 46 residential sites, out of which about 60% (28 sites) are new sites, demonstrating Government's determination to increase land supply and the achievements of the Financial Secretary's Steering Committee on Housing Land Supply (now reorganized as Steering Committee on Land Supply)
- Abolish the Application Mechanism. Continue to announce in advance land sale programme on quarterly basis
- Set flat number requirement in land sale conditions according to market situation and characteristics of individual sites

2013-14 Land Sale Programme - Analysis of Residential Sites



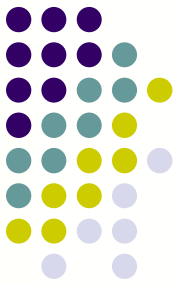
- Region



Total : 46 sites

2013-14 Land Sale Programme

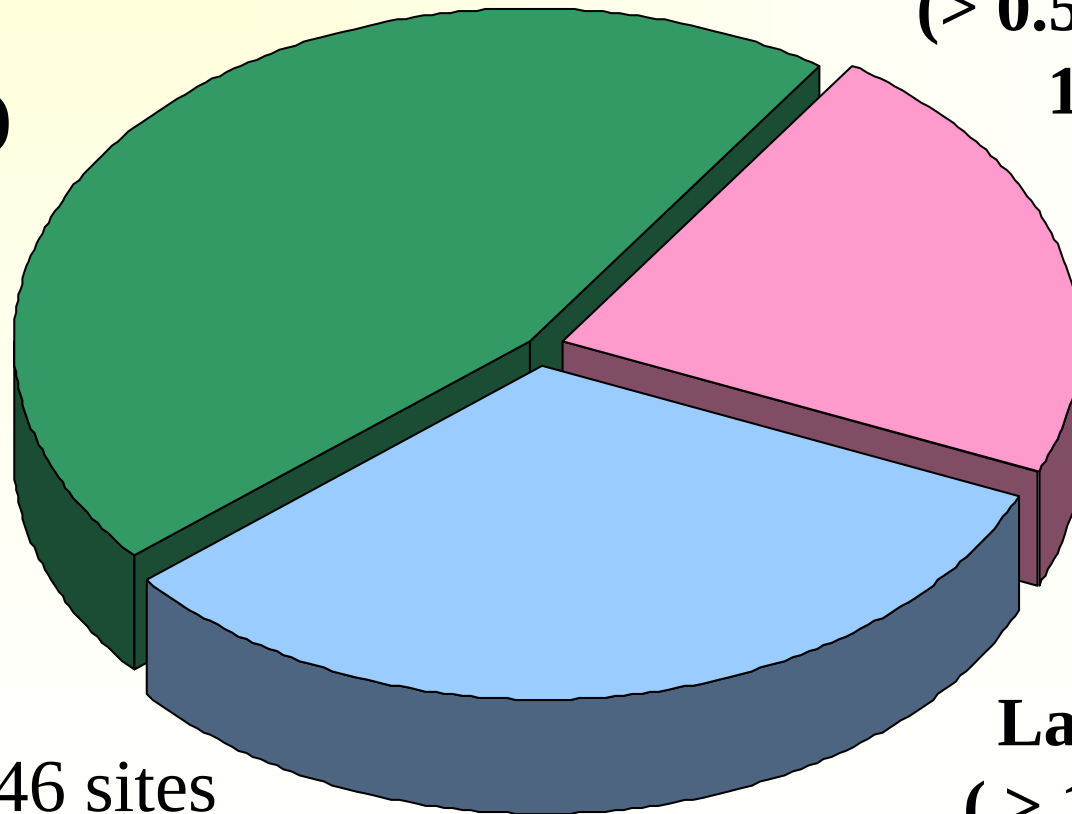
- Analysis of Residential Sites *(Cont'd)*



- Area

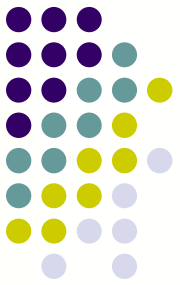
Small
(≤ 0.5 ha)
21 sites

Medium
(> 0.5 ha – 1 ha)
10 sites



Total : 46 sites

Large
(> 1 ha)
15 sites



2013-14 Land Sale Programme

- Analysis of Residential Sites (Cont'd)

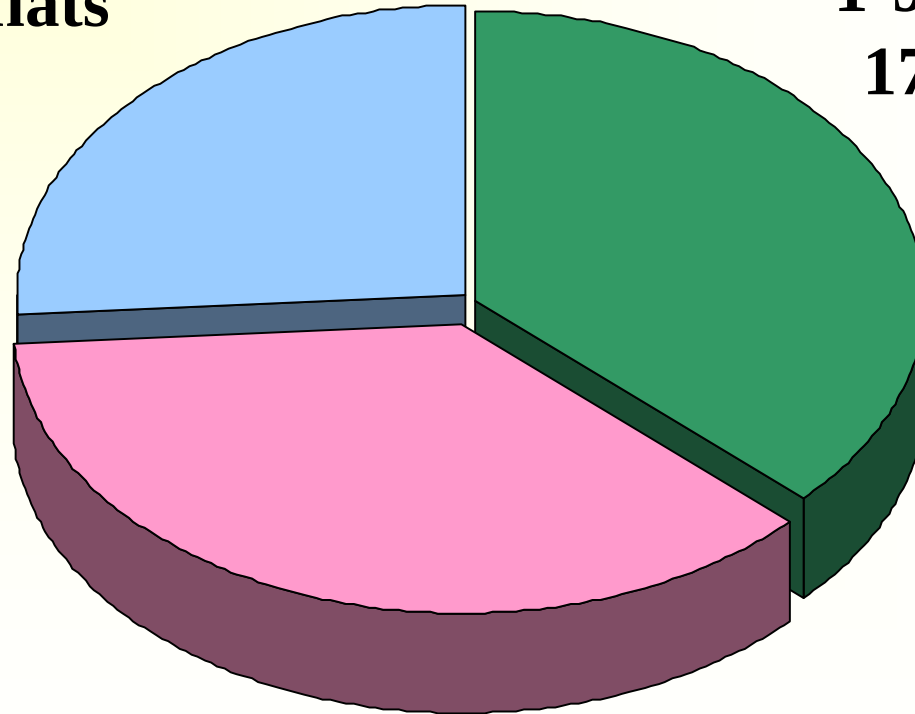
- Flat number

More than 500 flats
12 sites

1-99 flats
17 sites

100-500 flats
17 sites

Total : 46 sites

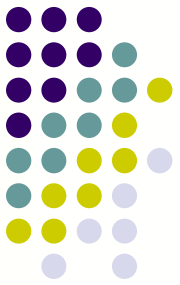


Estimated Private Housing Land Supply in 2013-14



Source of Land Supply	2013-14 estimated flats
Government Land Sale Programme	13,600
West Rail property development : Long Ping Station (South) and Yuen Long Station	2,600
MTRCL property development : Tseung Kwan O Area 86 Package 4 and Tin Shui Wai Light Rail Terminus	3,100
Projects of Urban Renewal Authority	1,800
Projects subject to lease modification/land exchange (average of 2003-2012)	3,500
Private redevelopment projects not subject to lease modification/land exchange (average of 2003-2012)	1,200
Total :	25,800

2013-14 First Quarter Land Sale Programme



- 7 residential sites, 1 commercial site and 1 hotel site to be sold by tender, capable of providing about 2,400 flats, 15,000 sq.m. commercial GFA and 300 hotel rooms respectively.
- Among the 7 residential sites to be sold by tender, in order to ensure the quantity of flat supply, we will impose flat number restriction on 3 sites in Tseung Kwan O and Tuen Mun Castle Peak Road Area 55.
- Together with the West Rail Long Ping Station (South) property development project (some 720 flats) to be tendered in the same quarter, the 8 residential projects have capacity to provide about 3,100 flats in total.

2013-14 First Quarter Land Sale Programme (cont'd)



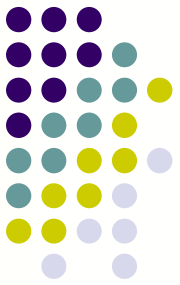
Item	Lot No.	Location	User	Site Area (ha)(about)	Sale by
1.	Kowloon Inland Lot No.11228	Junction of Fat Kwong Street and Sheung Foo Street, Ho Man Tin	Residential (R2)	0.7714	Tender
2.	Tuen Mun Town Lot No.435	Area 55, Castle Peak Road, Tuen Mun	Residential (R3)	1.1626	Tender
3.	Tseung Kwan O Town Lot No.93	Tseung Kwan O Area 68B1	Residential (R3)	2.6302	Tender
4.	Tseung Kwan O Town Lot No.126	Tseung Kwan O Area 68B2	Residential (R3)	2.7421	Tender
5.	Sha Tin Town Lot No.563	Area 56A, Kau To, Sha Tin (Site B6)	Residential (R3)	0.5950	Tender
6.	Tuen Mun Town Lot No.434	Junction of Ka Wo Li Hill Road and Castle Peak Road, Area 55, So Kwun Wat, Tuen Mun	Residential (R3)	0.3457	Tender
7.	Lot 750 in DD 332	South Lantau Road, Cheung Sha, Lantau Island	Residential (R4)	0.1438	Tender

2013-14 First Quarter Land Sale Programme (cont'd)



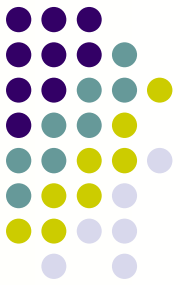
Item	Lot No.	Location	User	Site Area (ha)(about)	Sale by
8.	Sha Tin Town Lot No. 482	Site 11, Area 77, Ma On Shan, Sha Tin	Commercial	0.5090	Tender
9.	Inland Lot No.9036	Murray Building, Cotton Tree Drive, Hong Kong	Hotel	0.6330	Tender

Hotel Sites – Multi-pronged Approach to Increase Hotel Room Supply



- **2011-12:** 3 hotel sites sold, providing about 1,550 hotel rooms; one mixed development site including hotel sold, capable of providing about 370 hotel rooms.
- **2012-13:** one hotel site being tendered, capable of providing about 480 hotel rooms.
- **April-June 2013-14 :** one hotel site to be sold, capable of providing about 300 hotel rooms.

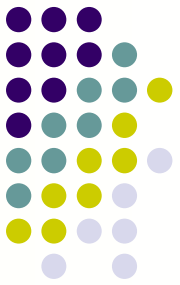
Hotel Sites – Multi-pronged Approach to Increase Hotel Room Supply (cont'd)



- **“Hotel Only” Scheme:** from introduction in 2008 up to end Jan 2013, 3 cases of lease modification have been completed, capable of providing about 1,300 hotel rooms
- **Revitalization of Industrial Buildings:** from introduction in 2010 up to end Jan 2013, 13 cases approved for hotel use, capable of providing about 2,800 hotel rooms
- **Others:** developers can construct hotels on individual sites allowing hotel use, or apply for planning permission or change of land use for individual sites for hotel development

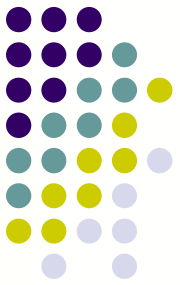
Commercial/Business Sites

– Multi-pronged Approach to Increase Commercial/Business Land Supply



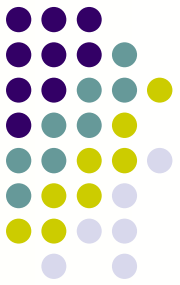
- **2011-12:** 7 commercial/business sites sold, capable of providing about 320,000 sq.m. commercial GFA
- **2012-13:** 1 business site sold, providing about 31,000 sq.m. commercial GFA; another commercial site being tendered, capable of providing about 40,000 sq.m. commercial GFA
- **2013-14:** 9 commercial/business sites included in Land Sale Programme, capable of providing about 330,000 sq.m. commercial GFA

Commercial/Business Sites – Multi-pronged Approach to Increase Commercial/Business Land Supply (cont'd)



- Convert government office buildings and GIC sites in Central and Wan Chai to commercial use
- Accelerate the development of the North Commercial District on Chek Lap Kok Airport Island
- Continue energizing Kowloon East as another core business district with potential to supply an additional office floor area of 4 million sq.m.
- Relocate existing government facilities in the two action areas of Kowloon East, providing a total floor area of about 500,000 sq.m.
- Review planning of Kai Tak Development Area for increasing office and housing supply, and develop “Kai Tak Fantasy”.
- Continue to encourage revitalization of industrial buildings and to further relax the restrictions on modification works in wholesale conversion

Conclusion



- Abolish the Application Mechanism. Government to fully take the lead in putting up government sites for sale.
- Continue to announce in advance on quarterly basis the land sale programme, providing transparency and certainty.
- Government will initiate sale of all the sites taking into consideration prevailing market needs to ensure increasing land supply to the greatest extent.