

# Opening remarks by SDEV on quarterly land sale programme for October to December 2024

Following are the opening remarks by the Secretary for Development, Ms Bernadette Linn, at a media session today (October 4) on the quarterly land sale programme for October to December 2024:

Today I will introduce the Government's Land Sale Programme in the third quarter of this financial year, that is October to December 2024.

In the third quarter, we will put up for tender two sites, namely, one residential site in Tai Wai and a site in Hung Shui Kiu, for development of Multi-storey Buildings for modern industries.

## Residential site

I will first briefly introduce the residential site. The site is located on Mei Tin Road, Tai Wai, expected to provide a supply of about 360 flats. This site is not among the list of sites on the Land Sale Programme we announced in February this year. This is because the technical study for this site was not yet completed back then. Upon completion of the relevant studies, we find it appropriate to include this site in the Land Sale Programme and put it up for tender in this quarter, having considered market response to the sale of residential sites in Sha Tin in the first two quarters as well as developers' greater interest these days in smaller-scale sites well served by transportation network and amenities.

In addition, the MTR Corporation Limited (MTRCL) plans to tender in this quarter its development project in Tung Chung East Station (Package 1), bringing about 600 flats. In view of market response, the MTRCL reduced the development scale of this package to half of its previous scale when it first tendered in October 2023. The MTRCL will announce details at the time of tender invitation.

As for private development and redevelopment projects, three projects are expected to complete their lease modifications in this quarter, providing a supply of 1 235 flats. The majority of these come from a relatively large-scale in-situ land exchange application in the Fanling North New Development Area. The applicant has recently accepted the Lands Department's Binding Basic Terms Offer for that project. This is the second land exchange case concluded after the Government revised in end-2023 the land exchange arrangements for the Enhanced Conventional New Town Approach. These in-situ land exchange applications will enhance the speed of implementing the Northern Metropolis and reduce the Government's upfront spending on land resumption and public works while at the same time allowing the Government to receive premium revenue earlier.

To summarise, taking all the above sources of housing land supply into account, the total private housing land supply in the third quarter will support the development of around 2 200 flats.

Together with the supply from the first two quarters, the total supply for the first three quarters of this financial year is expected to support some 6 470 flats, which is close to 50 per cent of our annual supply target of 13 200 flats. This figure has not yet reflected private development projects not requiring lease modification in the third quarter, as such figures are only available at a later stage.

#### Industrial site

Regarding the industrial site, we will roll out shortly a site in Hung Shui Kiu for development of Multi-storey Buildings. We will continue adopting the two-envelope approach for the disposal of this site in order to demonstrate the importance we attach to the quality of such Multi-storey Buildings, with a view to achieving the Government's policy objectives to promote development of modern industries and at the same time consolidating some of our brownfield operations.

In order to keep up with market demand, we have undertaken further engagement with the market in the past few months regarding the tender conditions of this site. Based on the market feedbacks so gathered, we will adjust the conditions of this site including downward adjustment of its plot ratio, downward adjustment of the floor area to be returned to the Government and giving a longer tender period.

Details of the tender will be announced when we commence the tender invitation for the two sites I named above, one housing site and one industrial site.

The Government will continue to sustain our effort in rolling out land in a prudent manner to meet our housing and economic development needs.