

Tender result for Government Sale Site at Mansfield Road on the Peak announced

The Lands Department today (October 16) announced that the Government had rejected all the five tenders received for the purchase of Rural Building Lot No. 1211 at Nos. 2, 4, 6, 8, 9 and 11 Mansfield Road, the Peak, Hong Kong, after the tender closed on October 12, 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 Programmes 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 where provided by the tenderers in brackets, were:

- (1) Channel First Limited (Sun Hung Kai Properties Limited)
- (2) Excellent Direction Limited (The Wharf (Holdings) Limited, New World Development Company Limited, Nan Fung Development Holdings Limited, Chime Corporation Limited, Sino Land Company Limited and China Overseas Land & Investment Limited)
- (3) Great Rainbow Investments Limited (CK Asset Holdings Limited)
- (4) Juliyam Limited (Henderson Land Development Company Limited)
- (5) Tin Wah International Limited (K. Wah International 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 consider disposal arrangements for this Mansfield Road site at an appropriate time.

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

Rural Building Lot No. 1211 has a site area of about 17,598 square metres and is designated for private residential purposes. The minimum gross floor area and the maximum gross floor area are 22,537 square metres and 37,561 square metres respectively. The maximum gross floor area is subject to Special Condition No. (9)(b)(ii)(II) in the Conditions of Sale.

For background information, in recent years four tender exercises for government land sales had to be cancelled due to the bids falling below the reserve prices. Other than the Peak site, the three other cancelled tender

exercises involved sites in Yuen Long, Tsing Yi and Pak Shek Kok, which were put to tender in early 2016, late 2015 and early 2014 respectively. All three sites were subsequently successfully re-tendered.