

Tender result for Government Sale Site in Kai Tak announced

The Lands Department today (January 30) announced that the Government had rejected all nine tenders received for the purchase of New Kowloon Inland Lot No. 6547 at Kai Tak Area 4C Site 5, Kai Tak, Kowloon, after the tender closed on January 25, for the reason that the tendered premiums did not meet the Government's reserved 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) Art Champion Investment Limited (CK Asset Holdings Limited)
- (2) Asia Horizon Limited (Sino Land Company Limited)
- (3) Dragon Star H.K. Investments Limited (K Wah Properties (Holdings) Limited)
- (4) Ease Success Limited (Great Eagle Holdings Limited)
- (5) Leading Sea Limited (Astute Max Limited)
- (6) One Gold Investment Limited (K&K Property Holdings Limited)
- (7) Sanon Limited (Far East Consortium International Limited)
- (8) Ultra Keen Holdings Limited (Wharf Real Estate Investment Company Limited)
- (9) World Dynasty (H.K.) Limited (Sun Hung Kai Properties 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 Kai Tak 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.

New Kowloon Inland Lot No. 6547 has a site area of about 9,480 square metres and is designated for non-industrial (excluding residential, godown and petrol filling station but including hotel) purposes. The minimum gross floor area and the maximum gross floor area are 34,128 sq m and 56,880 sq m respectively.

For background information, in recent years five tender exercises for

Government's land sales had to be cancelled due to the bids falling below the reserve prices. Other than the Kai Tak site in question, the four other cancelled tender exercises involved a site on the Peak, sites in Yuen Long, Tsing Yi and Pak Shek Kok, which were put to tender in late 2018, early 2016, late 2015 and early 2014 respectively. Three sites in Yuen Long, Tsing Yi and Pak Shek Kok were subsequently successfully re-tendered. As for the site on the Peak, the Government will consider the disposal arrangements at an appropriate time.