

**M Y Wan and Associates Limited**

Our Ref.: L19201/URA/04

27<sup>th</sup> February, 2001

Clerk to Panel  
Legislative Council Secretariat  
3<sup>rd</sup> Floor, Citibank Tower  
3 Garden Road, Central  
Hong Kong

Attn.: Mrs. Queenie Yu

**By Fax (2869 6794) & Post**

Dear Sir,

LegCo Panel on Planning, Lands and Works  
Special meeting to be held on 2 March 2001

Our comments are :

1. In the absence of defining characteristics of a notional unit in terms of storey height, view, orientation, qualities of the adjacent/adjoining environment, it would be difficult for a qualified valuer to dispute with another a 1.7% difference in value between the 7 year and 5 year stocks (\$86b and \$87.5b respectively). If the HPA continues to be an exgratia payment, the matter to focus is the method particularly in terms of the transparency and fairness with which the figure is determined.
2. Latest interest cost at 61% of acquisition/resumption cost seems not to have reflected the accelerated rate of redevelopment expected of the URA.
3. It is a matter of the aspiration of the community as to whether HPA be converted to become the basis of statutory compensation which requires a fair unit by unit evaluation, and will be allowed arbitration (at Lands Tribunal). If it continues to be the product of an administrative arrangement, the system can never be said to be fair.

Yours faithfully,

M.Y. Wan  
Director