



Lands Administration Office  
Lands Department

Practice Note

Issue No. 3/2003

**Premium Assessment for  
Exemption of Non-structural Prefabricated  
External Walls (NSPE Wall)  
from GFA and SC calculations  
for residential developments  
under Joint Practice Note No.2**


This Practice Note is issued in relation to paragraph 2(i) of the Lands Administration Office Practice Note No. 6/2002 regarding provision of NSPE Wall for residential developments in which under the existing lease conditions there is no special condition for 'Determination of GFA in buildings with curtain wall system forming external face of building'.

2. A lease modification to include the special condition similar to the one in paragraph 1 above is required if the NSPE Wall is to be exempted from gross floor area/site coverage calculation under such lease conditions. In order to speed up the processing time for this type of lease modification and to avoid abortive time in negotiation of land premium by both the developer and the Government, the premium unit rates as shown in Appendix I will be charged subject to the following conditions: -

- (i) The premium unit rates in Appendix I shall be applicable to lease modification for residential use only.
- (ii) Application for lease modification must be accompanied by the building plans as approved by the Building Authority. The application letter should state clearly the average flat size, majority of the thickness of NSPE Wall and the gross floor area of the NSPE Wall exempted. Application will not be entertained prior to the approval of the building plans by the Building Authority. In case there are any material changes to the design of the development, which may lead to change in the calculated premium, a new lease modification subject to payment of additional premium and administrative fee may be required.
- (iii) The premium unit rates for the NSPE Wall, depending on the flat size, thickness of the NSPE Wall and the location of the development, will be charged on a per square metre basis. A sample calculation is at Appendix II.

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- (iv) The standard rates are non-negotiable and the rate will be reviewed annually.
- (v) An administrative fee of \$23,000 (subject to annual review) will be charged for each application for lease modification.
- (vi) The district boundaries follow the boundaries of the District Lands Offices. For lots straddling between two districts, the higher rate is applicable.
- (vii) The criteria in determining the premium unit rates in respect of the thickness of the NSPE Wall, location of the development and flat size are shown at Appendix I.
- (viii) The premium unit rates for NSPE Wall in Appendix I are not applicable to curtain wall development and the commercial portion of a composite development.



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Director of Lands  
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Premium Unit Rate to be charged for  
Non-Structural Prefabricated External Wall (NSPEWall) Calculation Table  
in terms of Exempted Area stipulated in building plans approved by Building Authority

Appendix I

District Lands Offices	Hong Kong/ Kowloon		Shatin/ Sai Kung		Tai Po/ North		Tuen Mun/ Yuen Long		Kwai Tsing/ Tsuen Wan		Islands	
	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )	<sup>(1)</sup> S to M Flats (\$/m <sup>2</sup> )	<sup>(2)</sup> Large Flats (\$/m <sup>2</sup> )
Thickness of NSPEWall in terms of millimetre (mm) <sup>(3)&amp;(4)</sup>												
130 or less	12,130	21,910	9,920	13,920	5,640	9,060	3,470	6,610	10,750	13,920	5,450	8,850
more than 130 - 140	11,260	20,350	9,210	12,930	5,240	8,410	3,230	6,130	9,980	12,930	5,060	8,220
more than 140 - 150	10,510	18,990	8,590	12,060	4,890	7,850	3,010	5,730	9,320	12,060	4,720	7,670
more than 150 - 160	9,850	17,800	8,060	11,310	4,580	7,360	2,820	5,370	8,740	11,310	4,430	7,190
more than 160 - 170	9,270	16,760	7,580	10,640	4,310	6,930	2,660	5,050	8,220	10,640	4,170	6,770
more than 170 - 180	8,760	15,830	7,160	10,050	4,070	6,540	2,510	4,770	7,770	10,050	3,940	6,390
more than 180 - 190	8,300	14,990	6,790	9,520	3,860	6,200	2,380	4,520	7,360	9,520	3,730	6,060
more than 190 - 200	7,880	14,240	6,450	9,050	3,670	5,890	2,260	4,300	6,990	9,050	3,540	5,750
more than 200 - 210	7,510	13,560	6,140	8,620	3,490	5,610	2,150	4,090	6,660	8,620	3,380	5,480
more than 210 - 220	7,170	12,950	5,860	8,230	3,330	5,360	2,050	3,910	6,350	8,230	3,220	5,230
more than 220 - 230	6,860	12,390	5,610	7,870	3,190	5,120	1,970	3,740	6,080	7,870	3,080	5,000
more than 230 - 240	6,570	11,870	5,370	7,540	3,060	4,910	1,880	3,580	5,830	7,540	2,950	4,800
more than 240 - 250	6,310	11,400	5,160	7,240	2,930	4,710	1,810	3,440	5,590	7,240	2,840	4,600
more than 250 - 260	6,070	10,960	4,960	6,960	2,820	4,530	1,740	3,310	5,380	6,960	2,730	4,430
more than 260 - 270	5,840	10,550	4,780	6,700	2,720	4,360	1,680	3,180	5,180	6,700	2,630	4,260
more than 270 - 280	5,630	10,180	4,610	6,460	2,620	4,210	1,620	3,070	4,990	6,460	2,530	4,110
more than 280 - 290	5,440	9,830	4,450	6,240	2,530	4,060	1,560	2,960	4,820	6,240	2,450	3,970
more than 290 - 300	5,260	9,500	4,300	6,030	2,450	3,930	1,510	2,860	4,660	6,030	2,360	3,840

Note

- (1) Average flat size of 104 m<sup>2</sup> or lesser classified as Small to Medium size flats
- (2) Average flat size more than 104 m<sup>2</sup> classified as Large size flats
- (3) Thickness of NSPEWall is shown on the approved building plans. If more than one thickness are mentioned, majority principle applies.
- (4) In accordance with JPN No. 2, thickness of NSPEWall in excess of 300 mm should be accountable for GFA calculation.

-Any cladding (non-load bearing / non-structural) attached to the external structural wall should not be accountable for premium calculation.

-The above standard rate applies to the exempted area for NSPEWall as calculated and shown on the building plans approved by BA in accordance with JPN No. 2.

-Average flat size of the whole development (i.e. total residential GFA/total residential unit) is adopted in applying Notes (1) & (2) above.

Sample case for illustrative purposes

Location of development	Tung Chung
Total Domestic GFA*	270,000m <sup>2</sup>
Total No. of Unit*	3,700 nos
Average flat Size*	73m <sup>2</sup>
Thickness of NSPE Wall*	270mm
Total NSPE Wall Exempted*	5,000m <sup>2</sup>
Premium Rate for S to M Flat Size in Islands (for NSPE Wall thickness of more than 260-270mm)	\$2,630
Premium = \$2,630/m <sup>2</sup> x 5,000m <sup>2</sup>	\$13.15 M

\* Figures as shown on Building Plans approved by Building Authority.