

檔號

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File No. Page

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ML 12

DD/S
via AD/V
CES/V.

Handwritten: J. H... - Noted
12/21

Further to our meetings with the developer on 16.1.2003 and 20.1.2003 to discuss the premium of the proposed lease modification, a draft memo to SHPL is prepared at float for your signature.

2. The propose of the memo is to keep SHPL posted of the development of the case and that since there is a great difference in opinion on the amount of premium between the parties, we may have to prepare ourselves for other alternatives.

3. We will continue to negotiate/discuss with the developer. In our recent telephone conversation, Mr. Stewart Leung of New World advised that he would like to meet you to discuss the premium issue. He considered that they had to decide the way forward quickly given that they could not afford to drag on the matter any longer. I will arrange the meeting should you wish to meet them at this stage.

(Ms. Susan KU)

SES/V3

11.2.2003

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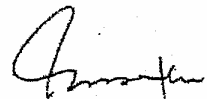
M. 13

File Note:

Meeting was held on 13.2.2003 with Mr. Stewart Leung of New World in DD/S's office in the attendance of DD/S, CES/V and SES/V3.

2. Views on the average flat price of the subject development were exchanged. Mr. Leung considered that the subject flats after upgrading could fetch an average price of about \$2,600/ft² - \$2,800/ft²(gross), having regard to the actual sale prices achieved for new developments with sale currently being launched. He was however advised that the gross sale prices were not considered as a reliable reference for comparison purposes, particularly for the subject development where there is no green features nor large area of recreational facilities to "inflate" the amount of "GFA" quoted in the sale brochure.

3. Mr. Leung had suggested to provide further "reliable" sale information to us this week for consideration.



(Ms. Susan KU)

SES/V3

17.2.2003

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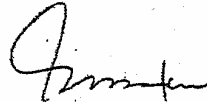
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M.14

DD/S
via CES/V

*Noted
18/2/03*

Further to our meeting on 13.2.2003 with the developer's representative, Mr. Stewart Leung, on the premium of the proposed lease modification, a draft memo to SHPL to keep them informed of the latest development of the case is prepared at float for your signature, please.


(Ms. Susan KU)
SES/V3
17.2.2003

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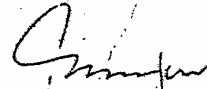
M. 15

File Note:

Meeting was held on 10.3.2003 with Mr. Stewart Leung, Mr. Patrick Lam and Mr. David Lee of New World in DD/S's office in the attendance of DD/S, CES/V and SES/V3.

2. Mr. Leung still maintained that the average sale price of the subject flats after upgrading would be about \$2,600/ft² - \$2,800/ft² (gross) and the premium should be around \$700M - \$800M, although he was verbally advised on 6.3.2003 that Government was prepared to revise the premium downward to \$1,950M. He also reiterated that they had no intention to gain profit from this project and the 20% profit that they requested was merely to cover the risk of the investment under the prevailing market conditions.

3. He advised that they would submit a calculation to justify a premium that they considered reasonable for Government's consideration by end of this week.



(Ms. Susan KU)

SES/V3

12.3.2003

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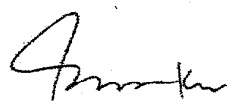
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for your consideration
25/3/03
via AD/V (Atg.)

M.16

As discussed last week, and in response to the developer's letter dated 13.3.2003 at encl. (72), a draft memo to SHPL (addressed to both Mr. Thomas Tso & Mr. C. M. Leung), to advise on the latest position and to recommend to call a halt to the negotiation of premium, is prepared at float for your consideration please.

2. Please be advised that Mr. Stewart Leung of New World called last week and today, requesting us to advise the bureau as soon as possible on their latest intention to discontinue the negotiation on premium so as to facilitate further discussion on alternative options with Government.


(Ms. Susan KU)
SES/V3
24.3.2003

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