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香港特別行政區政府
房屋及規劃地政局
局長辦公室



SECRETARY FOR HOUSING,
PLANNING AND LANDS' OFFICE
Government of the Hong Kong
Special Administrative Region

12 June 2003

Cheung, Chan & Chung
Solicitors & Notaries
Unit 5505, 55/F
Hopewell Centre
No 183 Queen's Road East
Wanchai
Hong Kong

Without Prejudice

Dear Sirs,

**Private Sector Participation Scheme – Hunghom Peninsula
Kowloon Inland Lot No. 11076 (“the Lot”)
Hunghom Bay Reclamation Area, Kowloon, Hong Kong (“the Project”)**

Thank you for your letter of 20 May to the Chief Executive, the Secretary for Housing, Planning and Lands, the Director of Housing and the Director of Lands. I am authorized to acknowledge receipt of your letter.

In line with the principle to minimize intervention in the private property market as announced in the Statement on Housing Policy in November 2003, the Housing Authority has decided to terminate the sale of subsidized flats under the Private Sector Participation Scheme (“the PSPS”).

Kowloon Inland Lot No. 11076 was granted by the Government after a tendering exercise to First Star Development Limited (“your client”) in October 1999 for development subject to the General and Special Conditions of Sale pursuant to the PSPS. In line with the principle mentioned in paragraph 2 above, the Lands Department has been conducting negotiations with your client for the modification of the Conditions of Sale for the development since November 2002 to allow your client to sell the flats in the private property market.

We must stress that under the Conditions of Sale, the Housing Authority can nominate home purchasers within a period of 20 months, which period has not expired. We do not agree with your assertions in your letter of 20 May 2003. We hope to continue dialogue with your client.

Thank you for your attention.

Yours faithfully,



(Ms Mable Chan)
Administrative Assistant to
Secretary for Housing, Planning and Lands

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