

立法會
Legislative Council

**Paper for the Special Joint Meeting of
the Housing Panel and the Planning, Lands and Works Panel
on 17 February 2004**

**Observations on the Conditions of Sale of
Kowloon Inland Lot No. 11076 in relation to restrictions on
disposal of units purchased by the Housing Authority**

The Chairman of the Housing Panel has requested a paper to brief members at the joint meeting on any restrictions in the Conditions of Sale of Kowloon Inland Lot No. 11076 (the Conditions) on the disposal of units purchased by the Housing Authority. The Administration has only supplied an unsigned copy of the Conditions, which it claims to be identical with the original executed copy.

2. Under Special Condition No. (25)(b) of the Conditions, all residential units that for whatever reason have not been sold to eligible home-owners must be purchased by the Housing Authority or its nominee at the price fixed in accordance with Special Condition No. (27)(b)(iv). Such purchase would happen almost automatically after written notice has been served on the Housing Authority by the grantee. The purchase should take place on the date of the expiry of 20 calendar months after the date on which the grantee has obtained the consent of the Director of Lands (the Director) under Special Condition No. 27(b)(i) (i.e. the consent to the sale of uncompleted residential units). The Housing Authority and the grantee shall at that date be deemed to have executed an agreement for sale and purchase of such unsold residential units. The terms and conditions of the agreement would, with a few exceptions, be the same as those of the standard form sale and purchase agreement approved by the Director. The Housing Authority would have 28 days to pay the deposit. Completion of the purchase should take place at the expiry of the period required to complete the development of the land as stated by the grantee.

3. The arrangement prescribed by the express provisions of the Conditions appears not to have been followed in this particular case.

4. Assuming for the purpose of this paper that the Housing Authority has purchased the unsold residential units, are there any restrictions in the Conditions on its power of disposal of them? The restrictions contained in Special Conditions No. (27)(a) and (36)(k) would not affect the disposal by the Housing Authority of the purchased residential units. Apart from the original policy intending the sale of these units to eligible home-owners, no obstacle to any sale or letting of the purchased units by the Housing Authority is observed.

5. Had the Housing Authority wanted to dispose of the residential units together with the non-residential part of the development remaining in the hands of the grantee, it could have applied for a court order for the sale of the whole property under the Partition Ordinance (Cap. 352). Alternatively, the Housing Authority could surrender all the residential units to the Government in consideration of cash payment and let the Government deal with the grantee.

Prepared by

Legal Service Division
Legislative Council Secretariat
16 February 2004