

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

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8 June 2010

Clerk to LegCo Panel on Housing
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road, Central
Hong Kong
(Attn: Miss Becky Yu)

Dear Miss Yu,

**Legislative Council Panel on Housing
Meeting on 16 April 2010 – Follow-up Action**

At the meeting of the Legislative Council Panel on Housing on 16 April 2010, the Administration was requested to provide information on the latest position on payment of retrospective waiver fee in respect of car parks held by The Link Real Estate Investment Trust. The relevant information provided by the Lands Department is set out at the **Annex** for Members' reference.

Yours sincerely,

(Anson LAI)
for Secretary for Transport and Housing

Legislative Council Panel on Housing

Latest Position on Payment of Retrospective Waiver Fee in respect of Car Parks held by The Link Real Estate Investment Trust (The Link REIT)

In November 2005, The Link Real Estate Investment Trust (The Link REIT) took over 178 car parking facilities in the public housing estates/courts previously owned by the Hong Kong Housing Authority. According to the requirements under the land leases of relevant housing estates/courts, the carparking spaces therein shall not be let to persons other than the residents, occupiers and their bona fide guests and visitors as specified in the lease (hereinafter collectively referred to as “non-residents”). If The Link REIT intends to let any such carparking spaces to non-residents, it has to obtain the relevant temporary waivers from the Lands Department (LandsD).

2. Upon learning from the media in early September 2009 that The Link REIT might have let carparking spaces to non-residents, the LandsD immediately followed up the issue with The Link REIT. The LandsD made it clear that the Government would take lease enforcement action and recover any waiver fees should there be any violation of the user restriction on the car parks.

3. Subsequently, The Link REIT wrote to the LandsD on 28 October 2009, stating that other than 26 carparking spaces in the car park at Sha Kok Estate for which difficulty was encountered in ceasing letting to non-residents, no more carparking space had been let to non-residents since October 2009. In addition, The Link REIT proposed in its letter the payment of \$7,150,220 as the retrospective waiver fee for letting about 700 carparking spaces to non-residents from 25 November 2005 to 30 September 2009 (the Period).

4. For the sake of assessing the amount of retrospective waiver fee that should be payable, the LandsD asked The Link REIT to provide relevant information including the number of carparking spaces involved and the parking fees for each respective car park during the Period. The LandsD examined such detailed information and the process justifiably took some time.

5. The LandsD wrote to The Link REIT on 12 April 2010 stating that on the basis of the information made available by The Link REIT, the total amount of retrospective waiver fee during the Period as proposed by The Link REIT, which was \$7,150,220, was not acceptable. The LandsD instead demanded a total of \$30,295,690 as the retrospective fee during the Period. The Link REIT replied to the LandsD on 10 May 2010 that it agreed to the LandsD's assessment. The amount of \$23,145,470 being the balance of the retrospective waiver fee was fully paid by The Link REIT on 24 May 2010.

Lands Department
June 2010