

Our Ref : HDCR4-2/PS/4-35/2
Your Ref : CB(4)/PAC/R56

Tel No. : 2761 5049
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30 May 2011

Clerk to Public Accounts Committee
Legislative Council
8 Jackson Road, Central
Hong Kong
(Attention : Ms Macy NG)

Dear Ms Ng,

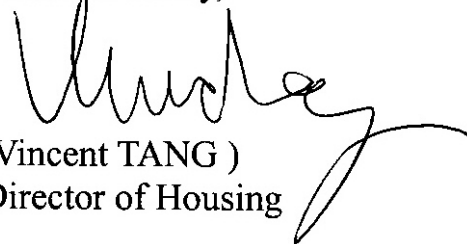
**The Director of Audit's Report on the
results of value for money audits (Report No. 56)**

**Hong Kong Housing Authority:
Management of commercial properties (Chapter 7)**

Thank you for your letter of 25 May 2011.

For the divestment of Hong Kong Housing Authority's retail and car parking facilities, the valuations of the divested properties were carried out by an independent property valuer, CB Richard Ellis Limited. The aggregate market value of the divested properties as determined by the said independent property valuer was \$33.802 billion. Details of the valuation information and the considerations concerned are disclosed and clearly set out in Appendix IV to the Offering Circular (an extract from the said Offering Circular is at **the Annex**).

Yours sincerely,



(Vincent TANG)
for Director of Housing

c.c.

Secretary for Financial Services and the Treasury (Fax No.: 2147 5239)

Director of Audit (Fax No.: 2583 9063)