

NEW GRANT NO. 7171

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CB(1)624/12-13(02)

Dated 14<sup>th</sup> June 2012

AGREEMENT

AND

CONDITIONS OF EXCHANGE

of

KWAI CHUNG TOWN LOT NO. 467

Grantee : Pearl Wisdom Limited

Rent : As specified in General Condition  
No. 1

Term : Fifty years from the date of the  
Memorandum of Agreement

Lands Department

**NEW GRANT NO. 7171****PARTICULARS AND CONDITIONS  
OF EXCHANGE**

**PARTICULARS AND CONDITIONS** for the GRANT by the Government of the Hong Kong Special Administrative Region (hereinafter referred to as "the Government") of the lot described in the First Schedule hereto and shown coloured pink on Plan I annexed hereto for a term of fifty years commencing from the date of the Memorandum of Agreement annexed hereto at the rent specified in the said First Schedule and subject to the General and Special Conditions hereunder in exchange for the surrender of the OLD LOTS described in the Second Schedule hereto and shown coloured blue on Plan II annexed hereto.

**First Schedule****PARTICULARS OF THE LOT**

Registry No.	Location	Site	Area in square metres	Rent	Premium
<u>Kwai Chung Town Lot No. 467</u>	29-51 Wo Yi Hop Road, Kwai Chung, New Territories	As delineated and shown coloured pink and pink hatched blue on Plan I annexed hereto	7,825m <sup>2</sup> (about)	An annual rent of an amount equal to 3% of the rateable value from time to time of the lot, subject to General Condition No. 1 hereof	\$274,680,000.00

**Second Schedule****OLD LOTS TO BE SURRENDERED**

Registry No.	Location	Area in square metres
Lot Nos. 289 & 309 in D.D. 444	29-51 Wo Yi Hop Road, Kwai Chung, New Territories	7,878.1m <sup>2</sup> (about)

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(18) (a) The Grantee shall not exhibit or display or allow or suffer to be exhibited or displayed on the lot or any part thereof or on the external part of any building or buildings or other structure or structures erected or to be erected thereon or any part thereof any bill, notice, placard, poster, sign or advertisement whatsoever so as to be visible from outside the lot or the building or buildings thereon (hereinafter collectively referred to as "such signs") without the prior written consent of the Director. In the event that any such signs shall be so exhibited or displayed without the consent as aforesaid, the Director may authorize any of his officers and contractors to remove any or all of such signs at his sole discretion at the cost of the Grantee who shall pay to the Government on demand a sum equal to the cost thereof, such sum to be determined by the Director whose determination shall be final and binding on the Grantee. For the purpose of removing any or all of such signs, the Grantee shall permit the Director, his officers, contractors and any other persons authorized by him the right of ingress, egress and regress to, from and through the lot and any building or buildings or other structure or structures erected or to be erected thereon or any part thereof.

No compensation on removal  
of signs

(b) The Director shall have no liability in respect of any loss, damage, nuisance or disturbance whatsoever caused to or suffered by the Grantee arising out of or incidental to the removal of such signs under sub-clause (a) of this Special Condition, and no claim for compensation shall be made against the Government or the Director or his authorized officer by the Grantee in respect of any such loss, damage, nuisance or disturbance.

No exempt building

(19) No building shall be erected on the lot of a type which by virtue of the Buildings Ordinance (Application to the New Territories) Ordinance and any regulations made thereunder is exempted from the provisions of the Buildings Ordinance and any regulations made thereunder.

Restriction on alienation  
before compliance

(20) Prior to compliance with these Conditions in all respects to the satisfaction of the Director the Grantee shall not except with the prior written consent of the Director and in conformity with any conditions imposed by him (including the payment of such fees as may be required by him) :

- (a) assign, underlet or part with possession of or otherwise dispose of the lot or any part thereof or any interest therein or any building or part of any building thereon (whether by way of direct or indirect reservation, the grant of any right of first refusal, option or power of attorney, or any other method, arrangement or document of any description) or enter into any agreement so to do;
- (b) solicit or accept, whether directly or indirectly or through a solicitor, agent, contractor or trustee or through a company in which the Grantee or its nominee is directly or indirectly the owner of shares or which is the owner of shares in the Grantee or otherwise, any money, money's worth or other valuable consideration of any description pursuant to any transaction, present or future, conditional or unconditional whereby the lot or any part thereof or any interest therein or any building or part of any building thereon is or may be sold, assigned, underlet or otherwise disposed of or affected, or enter into any agreement so to do; or

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(c) mortgage or charge the lot or any part thereof or any interest therein except for the purpose of the development thereof in accordance with these Conditions and then only by way of a building mortgage, it being agreed that for this purpose a building mortgage shall be one :

- (i) whereby the lot is mortgaged or charged in favour of a licensed bank or a registered deposit-taking company authorized under section 16 of the Banking Ordinance to secure monies (and interest thereon) advanced or to be advanced to the Grantee for the purpose only of developing the lot in accordance with these Conditions and for the payment of legal and other professional fees in connection with such development and the mortgage (provided that such fees do not, in the aggregate, exceed 5% of the total amount secured by the mortgage), and for no other purpose;
- (ii) under which such advances (in the case of work done) are to be made to the Grantee only in amounts to be certified from time to time by the Authorized Person (appointed by the Grantee under the Buildings Ordinance for the development of the lot) as having been incurred by the Grantee for the development of the lot; and
- (iii) under which the mortgagee is obliged to release any share or interest in the lot from the mortgage unconditionally upon receipt of a sum representing the total purchase price under an agreement for sale and purchase approved by the Director in respect of that share or interest in the lot.

#### Registration

(21) Every assignment, mortgage, charge, underletting for more than three years or other alienation of the lot or any part thereof or any interest therein shall be registered at the Tsuen Wan New Territories Land Registry.

#### Deed of Mutual Covenant incorporating Management Agreement (if any)

(22) (a) Notwithstanding that these Conditions shall have been observed and complied with to the satisfaction of the Director, the Grantee shall not assign, mortgage, charge or part with the possession of or otherwise dispose of the lot or any part thereof or any interest therein or enter into any agreement so to do except by way of an assignment or other disposal of undivided shares in the lot together with the right to the exclusive use and occupation of individual floors and units in any building or buildings erected thereon and even then such assignment or other disposal shall be subject to the following conditions :

- (i) the Grantee must first submit to and obtain the approval in writing of the Director to a Deed of Mutual Covenant incorporating a Management Agreement (if any) (hereinafter referred to as "the DMC") to be entered into between the Grantee and the assignees from him of undivided shares in the lot;

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- (ii) the DMC must be in a form and contain the provisions which the Director shall approve or require and it (and any approved amendment or amendments to it) must be registered by Memorial against the lot in the Tsuen Wan New Territories Land Registry;
  - (iii) the Grantee must comply with the approved terms and conditions of the DMC. No amendment thereto may be made without the prior written consent of the Director and the payment of such fees as might be required;
  - (iv) every assignment or other disposal of an undivided share or shares in the lot shall be subject to and with the benefit of the DMC;
  - (v) in the DMC the Grantee must allocate to those parts of the lot which comprise the common areas or amenities for the common use and benefit of owners for the time being of the lot (hereinafter referred to as "the Common Areas") a number of undivided shares in the lot which in the opinion of the Director is appropriate;
  - (vi) the Grantee may not assign, mortgage or charge (except by building mortgage or charge under Special Condition No. (20)(c) hereof) or otherwise dispose of or part with the possession of any undivided shares allocated to the Common Areas or any interest therein or enter into any agreement so to do except that upon execution of the DMC the whole of the said undivided shares in the Common Areas shall be assigned to and vested in the manager appointed in accordance with the DMC who must hold the said undivided shares on trust for the benefit of all owners for the time being of undivided shares in the lot;
  - (vii) the DMC must provide that, subject to sub-clause (viii) hereof, on termination of the manager's appointment the manager must assign the said undivided shares free of costs or consideration to its successor in office;
  - (viii) if an Owners' Corporation is formed under the Building Management Ordinance (Cap. 344), it may require the manager, in accordance with the DMC to assign the undivided shares in the Common Areas and transfer the management responsibilities to it free of costs or consideration, in which event, the said Owners' Corporation must hold them on trust for the benefit of all owners for the time being of undivided shares in the lot.
- (b) Sub-clause (a) of this Special Condition shall not apply to :
- (i) an assignment, underletting, mortgage or charge of the lot as a whole; or

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(ii) an underletting of a part of the building erected thereon.

action on partitioning

(23) Subject to Special Condition No. (10)(b) hereof, the Grantee shall not partition the lot or any part thereof, nor assign, mortgage, charge, demise, underlet, part with the possession of or otherwise dispose of the lot or any part of the lot that has already been partitioned or alienated as a part with the consent of the Director under this Special Condition except as a whole without having first obtained the written consent of the Director. Provided that without such consent, the Grantee may, after these Conditions shall have been complied with to the satisfaction of the Director, dispose of and deal in undivided shares in the lot or any such part and also underlet a part or parts of the building or buildings erected or to be erected on the lot or any such part.

One assignment

(24) Notwithstanding anything to the contrary herein contained, the Grantee (which expression shall, for the purpose of this Special Condition only, exclude his executors, administrators and assigns) may, after he has complied with Special Conditions Nos. (1) and (3) hereof but before he has in all respects observed and complied with and fulfilled all of his obligations under these Conditions to the satisfaction of the Director, assign the whole of the lot, but not a part thereof, absolutely.

Vehicular access

(25) (a) Subject to sub-clause (b) of this Special Condition, the Grantee shall have no right of ingress or egress to or from the lot for the passage of motor vehicles except between the points X and Y through Z and L and M through N shown and marked on Plan I annexed hereto or at such other points as may be specified or approved in writing by the Director.

(b) Upon surrender of the Pink Hatched Blue Area or any part or parts thereof in accordance with Special Condition No. (10)(a) hereof, the Grantee shall have no right of ingress or egress to or from the lot for the passage of motor vehicles except between the points X<sup>1</sup> and Y<sup>1</sup> through Z<sup>1</sup> and L<sup>1</sup> and M<sup>1</sup> through N<sup>1</sup> shown and marked on Plan I annexed hereto or at such other points as may be specified or approved in writing by the Director.

Temporary access

(c) Notwithstanding the provisions of the sub-clauses (a) and (b) of this Special Condition, upon development or redevelopment of the lot a temporary access for construction vehicles into the lot may be permitted in such position and subject to such conditions as may be imposed by the Director.

Construction of run-in and run-out

(d) (i) The Grantee shall not exercise the right of ingress and egress in sub-clauses (a), (b) and (c) of this Special Condition unless and until a run-in for each point of ingress and a run-out for each point of egress on existing public roads/footpaths outside the lot have been designed and constructed to the satisfaction of the Director. Upon completion of development or redevelopment referred to in sub-clause (c) of this Special Condition or when required by the Director so to do, such run-in and run-out constructed for temporary access shall be removed and the road/footpath area or areas upon which such run-in and run-out were constructed shall be reinstated to the same condition as the road/footpath area or areas were prior to construction of run-in and run-out unless otherwise agreed by the Director. The said works of design, construction, removal and reinstatement shall