FIRST STAR DEVELOPMENT LTD.

11th December, 2002

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<u>專責委員會(2)文件編號 R21</u> SC(2) Paper No. R21

Lands Department,
Land Supply and Redevelopment Section,
19/F., North Point Government Offices,
333 Java Road,
North Point,
Hong Kong.

Attn: Mr. Albert Chan

Dear Sirs,

Our Ref. :

021211/01

Project: PSPS at K.I.L. No. 11076, Hunghom Bay Reclamation Area, Kowloon.

Further to the recent discussions with your department regarding the proposed lease modifications for the captioned development, we should be grateful if you could kindly include provision of clauses for the following items in addition to the deletion of relevant clauses specific for PSPS development:

1. According to current trend in development of private residential project, the inclusion of recreational facilities and ancillary facilities, such as clubhouse, is considered as a necessity for the promotion of sales of the development. Since the captioned development has already been completed, the provision of such clubhouse facilities is reasonably feasible only by means of sacrificing some of the as-provided parking spaces at the as-built carpark block, which as a result will impose a loss of revenue from the reduction of carparking spaces and at the same time an increase in our investment but without any revenue by such provision of clubhouse facilities.

In this regard, it will be appreciated if you can include a clause permitting recreational facilities and ancillary facilities to be allowed on the lot for use by residents and their bona fide visitors, which are exempted from the calculation of gross floor area.

2. In order to achieve the conversion of the as-built carparking area into clubhouse facilities as mentioned above, the fixed rate for provision of parking spaces should be relaxed due to the reduction of the as-provided number. In this regard, it will be appreciated if you can modify the Special Condition 36(a) for the number of parking spaces for private cars from the fixed rate of one vehicle space for every five residential flats or part thereof to the range of the rate of one vehicle space for every five to seven residential flats or part thereof in the building or buildings erected or to be erected on the lot. Moreover, the restriction of the alienation of the parking spaces as stipulated under Special Condition 36(k) should also be released.

Please do not hesitate to contact with us should you require any further information on the above.

Thank you for your attention.

Yours faithfully,

For and on behalf of

First Star Development Ltd.

Leung Chi Kin Stewart

c.c. Lands Department, Valuation Section - Ms. Susan Ku

WML/WCL/awml

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