

Information Note

Joint Development of Lots held under Separate Leases with “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “ a factory and/or a warehouse” restriction

This Information Note sets out the streamlined arrangement by the Lands Department (“LandsD”) for processing applications to waive “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” and “a factory and/or a warehouse” restrictions imposed in a lease¹ (each a “**Restriction**”) to facilitate joint development or redevelopment.

Existing Practice

2. Leases of private lots may contain the Restriction(s). Erecting part or parts of a building or buildings on a lot that is subject to the Restriction(s) is in breach of the lease.

3. Under the existing practice, LandsD may process an application for a lease modification to waive “**a building or buildings**” restriction in the lease to facilitate joint development or redevelopment of two or more contiguous lots at **nil premium** subject to fulfilment of the **following criteria**:-

- (a) the concerned lots are governed by identical user restrictions and identical development restrictions (such as gross floor area (“GFA”)/plot ratio, building height, site coverage, parking and loading/unloading requirements) (“Development Restrictions”);
- (b) the proposed joint development or redevelopment complies with all other lease conditions of the respective lots involved in the joint development or redevelopment; and
- (c) there is no transfer or exploitation of development rights from the more restrictive lot(s) to the less restrictive lot(s).

4. If any of the above criteria cannot be met or if any one of the lots to be jointly developed or redeveloped is also subject to “a factory or factories”, “a warehouse or warehouses” or “a factory and/or a warehouse” restriction, the lease modification application for reflecting the full development potential of the lots as permitted under the statutory town plan would be processed subject to payment of full premium.

Streamlined Arrangement

5. To facilitate joint development or redevelopment of two or more contiguous lots that are held under separate leases, LandsD will process an application for lease modification to waive **the Restriction(s)** in the leases of the lots pursuant to the streamlined arrangement set out below (“the Streamlined Arrangement”):-

¹ All references to “lease” in this Information Note shall include Government Lease or Conditions of Sale/Grant/Exchange, and “leases” shall be construed accordingly.

(a) Lots governed by **identical** permitted users and **identical** Development Restrictions

If the lots proposed to be jointly developed or redeveloped are governed by identical user restrictions and identical Development Restrictions², subject to payment of administrative fee and fulfillment of the criteria set out in paragraphs 3(b) and (c) above (collectively “the Criteria”), LandsD may process an application for lease modification by way of No-objection Letter for waiving the Restriction(s) for the **remaining lease term** of the leases at **nil premium**. If the leases are of different lease terms, the No-objection Letter shall cease to have effect when the lease with the shortest remaining lease term expires.

(b) Lots governed by **different** permitted users and **identical** Development Restrictions

If the lots proposed to be jointly developed or redeveloped are governed by identical Development Restrictions but different user restrictions, subject to payment of administrative fee and fulfilment of the Criteria and provided that the proposed user(s) of the joint development or redevelopment must be commonly permitted³ under the leases of all the lots, LandsD may process an application for lease modification by way of No-objection Letter for waiving the Restriction(s) for the **lifetime of the building(s)** in the proposed development or redevelopment at **nil premium**. If the application is approved, the proposed user(s) will be specified in the No-objection Letter.

(c) Lots governed by **identical** permitted users and **different** Development Restrictions

If the lots proposed to be jointly developed or redeveloped are governed by identical user restrictions but different Development Restrictions, subject to payment of administrative fee and fulfilment of the Criteria, LandsD may process an application for lease modification specifically tied in with the building plans of the proposed joint development or redevelopment (“**scheme-specific lease modification**”) by way of No-objection Letter for waiving the Restriction(s) for the **lifetime of the building(s)** in the proposed development or redevelopment at **nil premium**. To ensure that there is no transfer or exploitation of development rights from the more restrictive lot(s) to the less restrictive lot(s) upon joint development or redevelopment under paragraph 3(c) of the Criteria, the owner of the lots is required to demonstrate to LandsD’s satisfaction that the total GFA or GFAs of the respective users of the proposed joint development or redevelopment would not exceed the total GFA or total GFAs of the respective users of the buildings in the separate hypothetical developments on the respective lots when each lot is developed on its own (“**Demonstration on GFA**”, see paragraphs 7-9 below).

² The decision of LandsD as to whether the user restrictions and Development Restrictions are identical or different shall be final and binding on the applicants.

³ The decision of LandsD as to whether a proposed user is commonly permitted under the leases of the lots shall be final and binding on the applicants.

(d) Lots governed by **different** permitted users and **different** Development Restrictions

If the lots proposed to be jointly developed or redeveloped are governed by different user restrictions and different Development Restrictions, subject to payment of administrative fee, fulfilment of the Criteria and compliance with the requirement on Demonstration on GFA as set out in paragraph 5(c) above and provided that the proposed user(s) of the joint development or redevelopment must be commonly permitted under the leases of all the lots, LandsD may process an application for a **scheme-specific lease modification** by way of No-objection Letter for waiving the Restriction(s) for the **lifetime of the building(s)** in the proposed development or redevelopment at **nil premium**. If the application is approved, the proposed user(s) will be specified in the No-objection Letter.

6. A summary of the Streamlined Arrangement for the four scenarios referred to in paragraph 5 above is set out below:-

Scenario	User Restrictions	Development Restrictions	Streamlined Arrangement
(a)	Identical	Identical	- No-objection Letter for the remaining lease term
(b)	Different	Identical	- No-objection Letter for lifetime of the building(s) - Proposed user(s) to be specified
(c)	Identical	Different	- No-objection Letter for lifetime of the building(s) - Scheme-specific lease modification - Demonstration on GFA ⁴
(d)	Different	Different	- No-objection Letter for lifetime of the building(s) - Scheme-specific lease modification - Proposed user(s) to be specified - Demonstration on GFA ⁴

Demonstration on GFA

7. To comply with the requirement on Demonstration on GFA as set out in paragraph 5(c) above, the lot owner must submit an Owner’s Statement at **Appendix I** and appoint an Authorized Person (“AP”) to prepare and submit the following:-

- (a) A set of general building plans for the proposed joint development or redevelopment approved by the Building Authority which complies with the leases of the concerned lots⁵ save for the Restriction(s); and
- (b) A Self-Certification of Compliance Form at **Appendix II** on the separate hypothetical developments on each of the respective lots when each lot is

⁴ For Demonstration on GFA, please refer to paragraphs 7 to 9.

⁵ For compliance under lease, the prevailing GBP processing procedures under Lands Administration Office Practice Note Nos. 2/2018, 3/2018 and 4/2018 apply.

developed on its own (with schematic drawings⁶ and development schedules attached) to certify that:-

- (i) the separate hypothetical developments of each of the respective lots when each lot is developed on its own would comply with the requirements under the Buildings Ordinance, Town Planning Ordinance and the respective leases (“Three Development Control Regimes”) as far as the key development parameters, namely GFA/plot ratio, building height, site coverage, parking and loading/unloading requirements, other salient lease conditions affecting the development form, etc., are concerned;
- (ii) the GFA accountable floor area or areas of respective users of the buildings in the separate hypothetical developments on the respective lots would carry the same storey height(s) as that or those in the proposed joint development or redevelopment; and
- (iii) the amount of GFA non-accountable floor area (e.g. floor area designated for plant rooms) of the separate hypothetical developments on each of the respective lots would be reasonable and comply with the Buildings Ordinance.

8. The AP’s certification on compliance as required under paragraph 7(b) above is subject to random selection for full compliance checking. In lieu of AP’s certification on matters related to compliance of the separate hypothetical developments with the Buildings Ordinance under paragraphs 7(b)(i) and (iii) above, the AP may seek Buildings Department’s clearance on those matters and the relevant reply from Buildings Department should be provided together with the submission. Notwithstanding the option to seek the Buildings Department’s clearance in lieu of AP’s certification as aforementioned, the AP is still required to certify compliance of the separate hypothetical developments of each of the respective lots with the Town Planning Ordinance and the leases.

9. A Workflow for handling the Demonstration on GFA by LandsD is prepared at **Appendix III**. If the demonstration is considered not acceptable, the owner may make a re-submission or proceed with a lease modification at full premium as mentioned in paragraph 4 above.

Submission of Application

10. Lot owners who wish to make an application for lease modification under the Streamlined Arrangement are required to submit the documents set out in paragraph 7 above and follow the general procedures under paragraph 2(i) of LandsD Lands Administration Office Practice Note (LAO PN) No. 2/2023 as varied and supplemented by LAO PN No. 8/2023.

⁶ For level of details of the schematic drawings, please refer to the requirements specified in the Self-Certification of Compliance Form at Appendix II and the Workflow at Appendix III.

Applicability and Implementation

11. The Streamlined Arrangement is only applicable for waiving the Restriction(s) in lots restricted for private residential use, non-industrial (excluding private residential) use or industrial/godown use. It is not applicable to special purpose leases (e.g. for school or hospital use) or lots subject to “a house or houses” restriction or for waving other lease conditions. For cases involving modification of other lease conditions, lease modification would be required to reflect the full development potential of the concerned lots as permitted under the statutory town plan chargeable to full premium to be individually assessed and applicable administrative fee.

12. The Streamlined Arrangement will take **immediate effect** from the date of this Information Note.

13. Nothing in this Information Note shall in any way fetter, affect or prejudice the rights of the Government, the Director of Lands and their officers under the relevant lease or the Government’s rights as the lessor or landlord, and all such rights are hereby reserved, and nothing in this Information Note including any words and expressions used shall in any way be construed as any variation or waiver of any provisions under the relevant lease and nothing herein shall affect, prejudice or bind the Government in relation to interpretation or enforcement of the terms and conditions of the relevant lease or otherwise. Each application submitted will be considered on its own merits by LandsD at its sole and absolute discretion acting in its capacity as lessor or landlord. This Information Note shall not constitute any representation on the part of the Government or give rise to any expectation on the part of lot owners that any application for lease modification submitted to LandsD will be processed or approved.

14. This Information Note together with the Appendices are issued for general information and reference purpose only. All rights to modify the whole or any part of this Information Note are hereby reserved.

Lands Department
17 April 2024

Appendices

- I Owner’s Statement
- II Self-Certification of Compliance Form
- III Workflow

**Owner’s Statement regarding Self-Certification of Compliance on
Application for Lease Modification at Nil Premium to waive
“a building or buildings”, “a factory or factories”, “a warehouse or warehouses”
or “a factory and/or a warehouse” restriction under Leases** ^{Notes (1)&(2)}

To: #District Lands Office/ _____ of Lands Department

*I / We, # _____ (*Name of the Lot Owner(s)*), have appointed or authorized the Authorized Person (AP), # _____ (*Name*) (Registration Number (No. # _____), to act on *my / our behalf to submit a Self-Certification of Compliance (SCC) in support of *my / our application for lease modification at nil premium for waiving %“a building or buildings” / “a factory or factories” / “a warehouse or warehouses” / “ a factory and/or a warehouse” restriction(s) of the lease(s) of # _____ (*lot numbers*) (“the Lots”) submitted vide my letter dated # _____ (“the Lease Modification Application”).

*I / We hereby acknowledge that the submission of the SCC and any decision by the Lands Department (LandsD) to the SCC (if given) will be limited to the purpose of processing the Lease Modification Application by LandsD, and should not be construed as an acknowledgement that anything indicated in the above SCC submission is in all respects in compliance with other lease conditions. *I / We further acknowledge that any such decision to the SCC, if given, will not in any way prejudice or affect any rights of the Government under the lease including the right to take lease enforcement action in respect of any breach or failure to observe any of the lease conditions which may exist at the date when the decision is given.

*I / We hereby also acknowledge that the Director of Lands (the Director) is not obliged to keep the content of the SCC mentioned above, their attachments/enclosures or any documents submitted in support of or in relation to the SCC confidential, particularly in circumstances when the Director considers that disclosure is in the public interest and/ or it would be reasonable for the Director to accede to requests from third parties with interest over the Lot for access to the SCC mentioned above. This acknowledgement applies irrespective of whether the consent in the following paragraph is given or not.

Insofar as *my / our consent is required under any statutory, regulatory or other provisions, *I / We hereby consent and/or have procured consent from the relevant intellectual property rights owner that the Director may disclose the content of the SCC mentioned above, their attachments / enclosures and any documents submitted in support of or in relation to the SCC to any third party including members of the public upon request of any such third party, media or otherwise, or on LandsD's own accord.

Date : # _____ (dd/mm/yyyy)

Signed by the Lot Owner # _____
Name: [#]

In the presence of # _____
Witness name: [#]
Address: [#]
[#]

OR@

Sealed with the Common Seal of the Lot Owner
and signed by:

Name: [#]
Capacity: # _____

in the presence of

Witness name: [#]
Address: [#]
[#]

^π Place of Incorporation of the Lot Owner: # _____

^π Liability of its members is # _____

OR ^

Executed by the Lot Owner acting through

[# _____] , its sole director

or

[# _____] , its director and

[# _____] , its director

or

[# _____] , its director and

[# _____] , its company secretary

in accordance with sections 127(3) and 127(5) of Companies Ordinance (Cap. 622)

in the presence of

Witness name: [# _____]

Address: [# _____]

[# _____]

Note:

- (1) This Form shall be used in conjunction with the Form at **Appendix II** of the Information Note – Joint Development of Lots held under Separate Leases with “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “ a factory and/or a warehouse” restriction issued by the Lands Department.
- (2) All references to “lease” in this Form shall include Government Lease or Conditions of Sale/Grant/Exchange, and “leases” shall be construed accordingly.

- @ Applicable where the Lot Owner is a limited company and executes this Statement under its common seal.
- π Applicable where the Lot Owner is a non-Hong Kong company. Insert the place of incorporation and insert “limited” if the liability of the members is limited.
- ^ Applicable where the Lot Owner is a limited company incorporated in Hong Kong and executes this Statement in accordance with sections 127(3) and 127(5) of the Companies Ordinance (Cap. 622).
- # Fill in as appropriate.
- * Select as appropriate.
- % Delete as appropriate.
- Tick this box if the Lot Owner agrees to give the consent as set out in this paragraph.

Personal Information Collection Statement

PLEASE READ THE FOLLOWING
BEFORE COMPLETING THIS FORM

1. *The information provided in this Form including all attachments/ enclosures and any documents submitted in support of or in relation to the certification under this Form will be used by Lands Department for the purposes of considering and processing the lease modification application in relation to the “a building or buildings” and/or “a factory and/or a warehouse” restrictions under lease and for other purposes related to such application.*
2. *The provision of all the information in this Form including its attachments/ enclosures and any documents submitted in support of or in relation to the certification under this Form is required in relation to checking or ensuring compliance with the lease conditions. The provision of your personal data in this Form is obligatory. The said lease modification application will not be processed if you fail to provide all the information as requested.*
3. *All the information provided in this Form including its attachments/ enclosures and any documents submitted in support of or in relation to the certification in this Form may be disclosed to other Government Bureaux / Departments for the purposes mentioned in paragraph 1 and 2 above.*
4. *You have the right of access and correction with respect to personal data as provided for in Sections 18 and 22 and Principle 6 of Schedule 1 to the Personal Data (Privacy) Ordinance (Cap. 486). Such right of access includes the right to obtain a copy of the personal data provided in this Form on payment of the applicable charge.*
5. *Enquiries on the personal data collected, including the request for access to and correction of the data, should be addressed to the Departmental Personal Data Controlling Officer of Lands Department, 20/F., North Point Government Offices, 333 Java Road, North Point, Hong Kong.*

Section II	For Official Use Only
<p>(f) Site coverage;</p> <p>(g) Parking and Loading/Unloading Provisions;</p> <p>(h) Other salient lease condition(s) affecting the development form (e.g. non-building areas, mandatory provision of open space, permissible vehicular access points, drainage or waterworks reserve restrictions, etc.)</p> <p>I have conducted checking on the above-mentioned development schedules and schematic drawings and hereby certify that the separate hypothetical developments of the respective lots have fulfilled the following conditions:-</p> <p><input type="checkbox"/> the total GFA or GFAs of the respective users of the proposed joint development or redevelopment do not exceed the total GFA or total GFAs of the respective users of the buildings in the separate hypothetical developments on the respective lots;</p> <p><input type="checkbox"/> the GFA accountable floor area or areas of the respective users of the buildings in the separate hypothetical developments on the respective lots carry the same storey height(s) as that or those in the proposed joint development or redevelopment;</p> <p><input type="checkbox"/> the separate hypothetical development on each of the respective lots complies with the lease conditions of the respective lots as far as the key development parameters are concerned, including GFA (including accountable and non-accountable GFAs), building height, site coverage, parking and loading/unloading provisions, other salient lease conditions affecting the development form;</p> <p><input type="checkbox"/> the separate hypothetical development on each of the respective lots complies with the planning regime as far as the key development parameters are concerned, including GFA (including accountable and non-accountable GFAs), building height, site coverage, parking and loading/unloading provisions;</p> <p>% <input type="checkbox"/> the separate hypothetical development on each of the respective lots complies with the buildings regime as far as the key development parameters are concerned, including GFA (including accountable and</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

Section II	For Official Use Only
<p>non-accountable GFAs), building height, site coverage, parking and loading/unloading provisions. In particular :-</p> <p>% <input type="checkbox"/> the amount of GFA non-accountable floor area (e.g. floor area designated for plant rooms) of the separate hypothetical development on each of the respective lots is reasonable and complies with the BO;</p> <p>OR</p> <p>@ <input type="checkbox"/> acceptance by the Buildings Department (BD), vide separate submission to BD, on compliance with the buildings regime as far as the key development parameters are concerned, including GFA (including accountable and non-accountable GFAs), building height, site coverage, parking and loading/unloading provisions, and, in particular, the amount of GFA non-accountable floor area (e.g. floor area designated for plant rooms) of the separate hypothetical development on each of the respective lots is reasonable and complies with the BO. The submission to BD and BD's corresponding reply are <u>attached</u> hereto.</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

Section III
<p>I hereby acknowledge that the submission of the above SCC together with the attached development schedules and schematic drawings are limited for the purposes of facilitating the captioned lease modification and should not be construed as an acknowledgement that anything indicated in the SCC or the development schedule and schematic drawings is in all respects in compliance with other lease conditions.</p> <p>I hereby declare that all the information in this Form together with the development schedule and schematic drawings attached are true and complete. I understand that if I provide any incorrect or incomplete information, a complaint may be lodged with the Hong Kong Institute of Architects or relevant professional bodies and the Buildings Department for investigation of the alleged misconduct or negligence and I may be liable for all loss or damage caused to or suffered by the Government or any other person arising out of my provision of incorrect or incomplete information.</p>

Section III

I hereby acknowledge that the Director of Lands (“the Director”) is not obliged to keep the content of this Form, its attachments/enclosures or any documents submitted in support of or in relation to the application in this Form confidential, particularly in circumstances when the Director considers that disclosure is in the public interest and/ or it would be reasonable for the Director to accede to requests from third parties with interest over the Lot for access to this Form. This acknowledgement applies irrespective of whether the consent in the following paragraph is given or not.

- Insofar as consent is required under any statutory, regulatory or other provisions, I hereby consent and/or have procured consent from the relevant intellectual property rights owner that the Director may disclose the content of this Form, all attachments/enclosures and any documents submitted in support of or in relation to the application in this Form to any third party including members of the public upon request of any such third party, media or otherwise, or on LandsD’s own accord.

Section IV

Signature
*(signed by the Authorized Person # _____
with valid registration chop affixed)*

Name of the Authorized Person # _____

Registration No. # _____

Date # _____ *(dd/mm/yyyy)*

Note:

- (1) This Form shall be used in conjunction with the Owner’s Statement at **Appendix I** of the Information Note – Joint Development of Lots held under Separate Leases with “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “a factory and/or a warehouse” restriction issued by the Lands Department.
- (2) All references to “lease” in this Form shall include Government Lease or Conditions of Sale/Grant/Exchange, and “leases” shall be construed accordingly.

Fill in as appropriate.

Tick the box as appropriate.

% Please tick the box if no separate submission has been made to BD for compliance under buildings regime.

@ Please tick the box if separate submission has been made to BD for compliance under buildings regime.

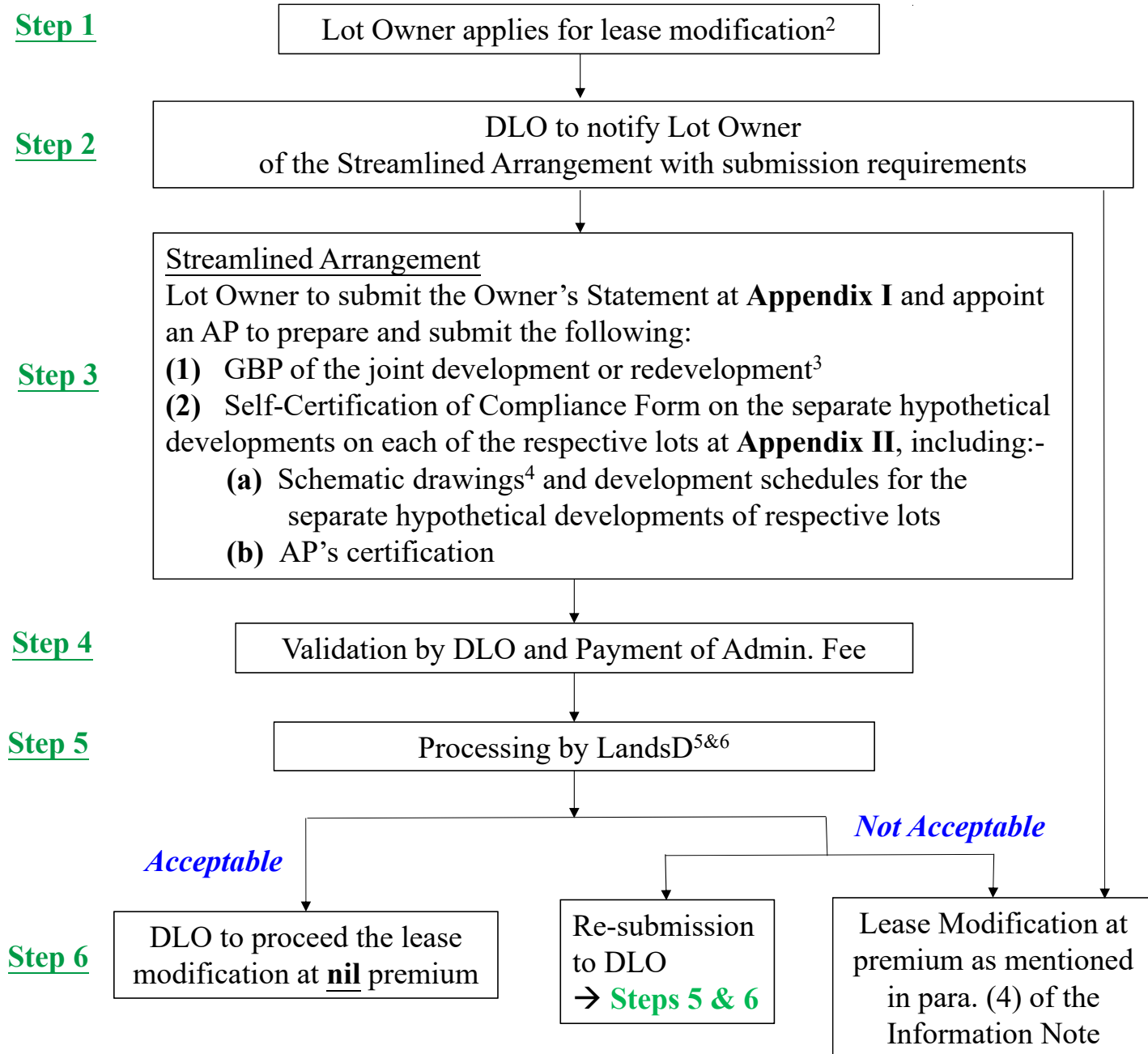
Personal Information Collection Statement

PLEASE READ THE FOLLOWING
BEFORE COMPLETING THIS FORM

1. *The information provided in this Form including all attachments / enclosures and any documents submitted in support of or in relation to the certification under this Form will be used by Lands Department for the purposes of considering and processing the lease modification application in relation to the “a building or buildings” and/or “a factory and/or a warehouse” restrictions under lease and for other purposes related to such application.*
2. *The provision of all the information in this Form including its attachments / enclosures and any documents submitted in support of or in relation to the certification under this Form is required in relation to checking or ensuring compliance with the lease conditions. The provision of your personal data in this Form is obligatory. The said lease modification application will not be processed if you fail to provide all the information as requested.*
3. *All the information provided in this Form including its attachments / enclosures and any documents submitted in support of or in relation to the certification in this Form may be disclosed to other Government Bureaux / Departments for the purposes mentioned in paragraph 1 and 2 above.*
4. *You have the right of access and correction with respect to personal data as provided for in Sections 18 and 22 and Principle 6 of Schedule 1 to the Personal Data (Privacy) Ordinance (Cap. 486). Such right of access includes the right to obtain a copy of the personal data provided in this Form on payment of the applicable charge.*
5. *Enquiries on the personal data collected, including the request for access to and correction of the data, should be addressed to the Departmental Personal Data Controlling Officer of Lands Department, 20/F., North Point Government Offices, 333 Java Road, North Point, Hong Kong.*

Appendix III

Workflow for Joint Development of Lots held under Separate Leases with “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “a factory and/or a warehouse” Restriction and different Development Restrictions¹



Note

1. This workflow shall be read in conjunction with Information Note - Joint Development of Lots held under Separate Leases with “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “a factory and/or a warehouse” restriction.
2. For waiving “a building or buildings”, “a factory or factories”, “a warehouse or warehouses” or “a factory and/or a warehouse” restriction(s) (each a “Restriction”) to facilitate joint development or redevelopment.
3. A set of GBP of the joint development or redevelopment should be approved by BD and be acceptable under the concerned leases except the Restriction(s). For compliance under lease, the prevailing GBP processing procedures under Lands Administration Office Practice Note Nos. 2/2018, 3/2018 and 4/2018 apply.
4. The level of details contained in the schematic drawings shall be akin to the Concept Drawings as referred to in paragraph 22 of PNAP ADM-19 issued by the Buildings Department (May 2023 Version).
5. For (2)(a) in Step 3, DLO will check whether all salient lease conditions which affect the development form are specified in the schematic drawings and whether such lease conditions are complied with.
6. For (2)(b) in Step 3, random selection will be conducted for full compliance checking.