



**Applications for Lease Modification including Land Exchange  
for Development of Land within  
Kwu Tung North and Fanling North New Development Areas**

With immediate effect, this Practice Note varies and supplements Lands Department (“LandsD”) Lands Administration Office (“LAO”) Practice Note Nos. 1/2014 and 1/2014A and supersedes LAO Practice Note Nos. 1/2014B and 1/2014C. Except as varied and supplemented by this Practice Note, all other information and provisions in LAO Practice Note Nos. 1/2014 and 1/2014A remain valid.

2. Paragraph 6 of LAO Practice Note No. 1/2014 is varied as follows:

After LandsD has issued a provisional basic terms offer for the proposed land exchange, the applicant is required -

(a) to submit documentary evidence to prove that compensation offers reflecting a comparable compensation package as referred to in Appendix IV (based on the prevailing monetary ex-gratia compensation as proposed by the Government for application to eligible individuals to be affected by government clearances in the NDAs) have been offered to the occupants affected by the proposed land exchange (i.e. those individuals occupying the lots to be surrendered as at 4 July 2013 or thereafter);

(b) to demonstrate the acceptance of those compensation offers mentioned in (a) above (e.g. an acknowledgment signed by the affected occupant signifying his acceptance of the compensation offer). Where the acceptance has not yet been secured despite the applicant having made the offers and having lawfully secured vacant possession of the private land as per (c) below or where the demonstration of acceptance is not practicable due to difficulties encountered by the applicant in locating and making offers to the affected occupants, the applicant is required to submit an undertaking to the Government that the compensation offers mentioned in (a) above or, in case of difficulties encountered by the applicant in locating the affected occupants, the compensation offers to be made, will be kept open for acceptance by the affected occupants concerned for at least 3 years after the land exchange application is completed or disapproved; and

(c) to submit documentary evidence to prove that actual vacant possession of the private land involved by a reasonable timing (having regard to the expectation in paragraph 7 below) is secured.

Applicants should further note that, notwithstanding the acceptance of the provisional basic term offer, the proposed land exchange will not be further processed until and unless the above requirements (a), (b) and (c) have been complied with.

3. The deadline for processing any accepted application concerning a Phase I site as indicated in paragraph 9 of LAO Practice Note No. 1/2014 as varied by paragraph 3 of LAO Practice Note No. 1/2014A is further varied as follows:

any accepted application concerning a Phase I site will cease to be processed if a binding basic terms offer (with premium) cannot be issued and accepted on or before 30 September 2017.

4. This Practice Note is issued for general reference purposes only. All rights to modify the whole or any part of this Practice Note are hereby reserved.

( Ms Bernadette Linn )  
Director of Lands  
29 June 2017