



**Premium Assessment for
Exemption of Non-structural Prefabricated
external walls and utility platforms
from GFA and SC calculation
under Joint Practice Note No. 2**

This Practice Note is issued in relation to paragraph (6)(a) and (6)(b) of the Joint Practice Note No. 2 and is intended to explain how the lease modification and premium assessment will be dealt with by the Department regarding :

- (i) Non-structural prefabricated external wall;
 - (ii) Utility platforms.
2. Non-structural prefabricated external walls
- i) For existing lease conditions which do not contain the special condition for 'Determination of GFA in buildings with curtain wall system forming external face of building', the Lands Department will adopt the actual external faces of the external walls as the reference point for calculating gross floor area under the existing lease conditions. When plans are approved by the Building Authority adopting the basis of measurement of gross floor area in accordance with the guidelines set out in the Practice Note PNAP 13 (April 2001 Revision) and this results in a gross floor area which, when measured in accordance with Lands Department's reference points, exceeds that permitted under the lease, a modification of the lease conditions to permit the construction of the additional gross floor area and/or site coverage (including the non-structural prefabricated external walls) will be required upon the payment of a premium.
 - ii) For existing lease conditions which contain the special condition for 'Determination of GFA in buildings with curtain wall system forming external face of building', the Lands Department will follow the method adopted by the Building Authority in calculating the gross floor area and/or site coverage of the building (including the non-structural prefabricated external walls).
 - iii) It is intended, although a non-structural prefabricated external wall is strictly speaking not a curtain wall system, that they fall within the same category for the sake of lease interpretation. Therefore for new lease conditions with gross floor area and/or site coverage restriction, the definition of gross floor area and site coverage will be included allowing the curtain wall system to be excluded from the calculation of gross floor area and/or site coverage, without the

payment of a premium, and such exemption will also apply to the non-structural prefabricated external walls.

3. Utility platforms

Subject to approval for exemption from gross floor area by the Building Authority under Joint Practice Note No. 2, one utility platform of not exceeding 1.5m² in area will be exempted from the gross floor area and/or site coverage calculation of each residential unit on the following bases :

- i) For existing lease conditions which do not contain the following sub-clause (b) of the "Definition of GFA" clause, a lease modification and a consent letter will be required subject to the payment of administrative fee and premium.

"Notwithstanding sub-clause (a) of this Special Condition the Director at his sole discretion may in determining the gross floor area *[or the site coverage]* exclude **or any floor space which the Building Authority may permit to be excluded.**"

- ii) For existing lease conditions that contain the above sub-clause (b) in the "Definition of GFA" clause in para 3(i) above, a consent letter will be required subject to the payment of administrative fee and consent fee.
- iii) It is Government's intention that the existing definition of gross floor area and site coverage clause which was revised to include the "environmentally friendly or innovative features" upon the introduction of the Joint Practice Note No. 1 also applies to those features mentioned in Joint Practice Note No. 2 and therefore need not be further amended.
- iv) For new auction and tender sites with gross floor area and/or site coverage restrictions, the existing definition of gross floor area and site coverage clause will be included in the Conditions of Sale/Grant whereby utility platform is taken to be excluded from the calculation of gross floor area and/or site coverage without the payment of premium.
- v) For lease modification, land exchange and private treaty grant cases with gross floor area and/or site coverage restrictions, the existing definition of gross floor area and site coverage clause will be included in the new land grant documents whereby utility platform is considered to be excluded from gross floor area and/or site coverage calculation subject to the payment of premium.

4. The owner of the lot can submit application for the consent letter in para 3 above before obtaining the building plan approval from the Building Authority. In the application letter the number of units with utility platforms and the gross floor area of each utility platform must be clearly specified. The number of units with utility platforms permitted will be stated in the consent letter. In case the number of units with utility platforms provided in the development is greater than the number stated in the consent letter, additional premium will be charged for the extra number of units with

utility platforms. However, if the number of units with utility platforms provided in the development is less than the number stated in the consent letter, no refund of paid premium would be allowed.

5. A standard premium for the consent letter, depending on the location of the development will be charged for the utility platform on a per residential unit basis. The standard premium is non-negotiable and the rate will be reviewed annually. The standard premia for utility platforms per residential unit for period 4/2002 to 3/2003 are shown below :

<u>HK/KLN</u>	<u>Sha Tin/ Sai Kung</u>	<u>Tai Po/North</u>	<u>Tuen Mun/ Yuen Long</u>	<u>Kwai Tsing/ Tsuen Wan</u>	<u>Island</u>
\$3,100	\$1,800	0	0	\$2,300	0

The district boundary follows that of the boundary of the District Lands Offices. For lots straddling between two districts, the higher rate is applicable.

6. The sample consent letter at Appendix I is for reference only. This department will have the absolute discretion to add to, vary or omit any term of the consent letter in individual cases.

(Patrick L C Lau)
Director of Lands
3 June 2002

**[Consent letter to permit exclusion of Utility Platform from
calculation of gross floor area and/or site coverage]**

BY RECORDED DELIVERY

Dear Sirs,

Re: (Lot No. & Address)

In consideration of your payment to the Government of the Hong Kong Special Administrative Region of *[a premium/consent fee] amounting to \$ { } and an administrative fee amounting to \$ { } (the receipts whereof are hereby acknowledged) and pursuant to Special Condition No. { } of Conditions of { }/New Grant No. { } (hereinafter referred to as "the Conditions"), under which the above lot is held, I hereby agree to exclude from the calculation under the Conditions of the gross floor area *[and the site coverage] of any building or buildings erected or to be erected on the above lot any structure or floor space for the purpose of utility platforms subject to the following conditions:

* Delete []
as
appropriate

(a) The total number of residential units in the building or buildings erected or to be erected on the above lot to be provided with utility platforms shall not exceed ____ number, and the aggregate gross floor area of the utility platform of each residential unit shall not exceed 1.5 square metres.

(b) In case the number of units with utility platforms provided in the development is greater than the number stated in paragraph 1(a) of this consent letter, additional premium will be charged for the extra number of units with utility platforms. However, if the number of units with utility platforms provided in the development is less than the number stated in the consent letter, no refund of the paid premium would be allowed.

(c) (Other conditions which D of L may wish to impose).

2. This letter should be registered by you or your solicitor by Memorial in the Land Registry/{ } New Territories Land Registry within one calendar month from the date of this letter. You are required to forward a photocopy of the registered letter to me within three calendar months from the date of this letter.

3. You should attach this letter to the other land documents in your possession for record purposes.

*[4. My previous letter dated { } under reference { } is superseded by this letter.]

Yours faithfully,

(
District Lands Officer/

cc LACO (District)