

HONG KONG HOUSING AUTHORITY
Special Conditions of Tender
Long Ching Estate – Shop

Tenders by way of RENTAL TENDERING are invited for the 3-year tenancy of the following premises located in Long Ching Estate, Yuen Long, N.T.

<u>Shop No.</u>	<u>Approximate Area in m²</u>	<u>Trade</u>	<u>Reference Rent (HK\$)</u>
G/F, Ching Long House No.5	91	Café, Congee and Noodle (with Full Waiter Services)	35,000

The monthly rent (exclusive of rates) for the above premises is subject to tender.

2. Tenderers are reminded that the tenancy offered will be for a fixed term of 3 years with no option to renew.
3. Only the designated trade will be considered. Tendered rent will be final and not subject to negotiation.
4. Tenderers should note that under the Tenancy Agreement, either party may terminate the tenancy by giving to the other at least three calendar months' notice in writing. However, in case of breach of any of the conditions contained in the Tenancy Agreement by the tenant, the Hong Kong Housing Authority (HA) shall be entitled to determine the tenancy by giving to the tenant at least one calendar month's notice in writing. For the avoidance of doubt, where HA invokes section 19(1)(b) of the Housing Ordinance (Cap.283) to terminate the tenancy, the period for the notice to quit issued under that section shall be 1 calendar month.
5. The stated area of the premises is approximate only and no warranty is made as to its precise accuracy. Plans showing the layout of the premises are displayed in the Property Services Management Office at 1/F, Ching Long House, Long Ching Estate, Yuen Long, N.T.
6. The attention of tenderers is drawn to the fact that whenever the tenancy is terminated for whatever reasons, the tenant is required to deliver up vacant possession of the premises to the Hong Kong Housing Authority(HA) unconditionally, and shall not be entitled to any claim for compensation. HA shall have the full right to relet the premises or otherwise dispose of the premises in such manner and to such person as it may think fit, free from the interference of any person.
7. Tenderers should note that under the Tenancy Agreement, if the rent, air-conditioning charges or any part thereof shall be unpaid for fourteen days after the same shall become payable (whether formally demanded or not) or if the rates or any part thereof shall be unpaid for fourteen days after the same shall become payable the tenant shall further pay to HA interest at the rate of 2% per month on the amount of rent, air-conditioning charges, rates in arrears and such interest shall be payable and calculated from the date upon which such payment in arrears fell due and not fourteen days thereafter until full payments are made. For the avoidance of doubt, the day on which the rent, air-conditioning charges, rates or any part thereof shall become payable is included in the reckoning of the said period of fourteen days.

8. (a) Subject to the conditions set out in sub-clause (b), the tenant will have a rent-free period. The period may range from 1 month to 3 months according to the followings :

<u>Size of Premises</u>	<u>Rent-free Period</u>
Less than 100m ²	One month
Between 100m ² – 250m ²	Two months
Larger than 250m ²	Three months

- (b) The rent-free period is to be granted subject to : -
(i) no breach of any terms and conditions of the tenancy agreement; and
(ii) no termination of the tenancy by the tenant

during the period of six months from the commencement of the tenancy (the “Period”). If at any time during the Period there is any breach of the terms of the tenancy and the tenancy is terminated by HA in consequence of such breach or if the tenancy is terminated by the tenant prior to the expiration of the Period, without prejudice to any other rights of HA under the tenancy agreement, the tenant shall forthwith pay to HA the rent for the period as set out in sub-clause 8(a) above.

Irrespective of the amount of rents paid, full rates and air-conditioning charges (if any) will be collected in full without reduction.

9. Tenderers should note that the tenant has to commence business of the designated trade within 1 month from the date of commencement of tenancy agreement.

10. Tenderers should note that if the tender is submitted in the name of a limited company, tenderers are also required to submit a copy of “Certificate of Incorporation” issued by the Companies Registry. HA may require the directors(s) and the shareholder(s) of the limited company to provide personal guarantees to HA to guarantee the due payment of rent and due observance and performance of the terms and conditions under the Tenancy Agreement by the tenant.

11. Tenderers should note that if the tender is submitted in the name of a limited company, the successful tenderer is required to keep all proper books and accounts necessary for showing the daily gross receipts attributable to the successful tenderer’s business at the premises and to prepare and submit to the HA within fourteen days after the end of each month a statement certified by the Tenant’s accountant showing the monthly Gross Receipts for that month. Tenant shall permit the HA and his agents at all reasonable times to inspect and take copies and extracts from the Tenant’s books, documents or records which were or ought in the opinion of the HA or his agents to be taken into account in the calculation of the Gross Receipts. Within sixty days after each financial year/Accounting Period during the term of this tenancy, the Tenant shall at his own expense furnish to the HA a certificate from the Tenant’s Auditors (who shall be independent Certified Public Accountants registered under the Professional Accountants Ordinance in Hong Kong) certifying the correctness and completeness of the Tenant’s Gross Receipts with breakdown of each month’s figure of the preceding year/Accounting Period.

12. Long Ching Estate is situated at No. 9 Wang Chau Road in Yuen Long. The development consists of 2 domestic blocks providing 438 public rental housing flats. Shops of about 360 sq.m. in total will be provided to serve the residents.

13. The premises shall be leased on an ‘as is’ condition. The successful tenderer shall accept the premises in the state and condition in which they are found at the date when possession is given and shall be responsible for the fitting out of the premises to meet the requirements of HA and other competent authorities. All modifications to the building services installations must be carried out by contractors appointed by the Housing Department and at the expense of the tenderers.

14. Prospective tenderers are reminded that tenders from any persons/companies already operating the same trade in the estate may not be considered.
15. Tenderers are advised to note that the designed electricity loading available to the premises is 200ATPN. Should additional loading beyond the designed capacity be required, any upgrading is subject to the approval of the Housing Manager. The upgrading works shall be carried out by contractors appointed by the Housing Department and at the expense of the tenant.
16. Prospective tenant may be required to vacate and relocate to other premises without any allowance or compensation of the Housing Authority upon the expiry of the tenancy. To enhance the shop front control, prospective tenant should note the requirement for fitting-out renovation of the premises upon renewal of tenancy and the renovation works should be approved by the Housing Department.
17. The successful tenderer shall be required to carry out fitting-out works for the premises to meet the requirements of the existing Fire Safety (Commercial Premises) Ordinance, and to apply for a valid licence from the relevant authority. All the costs involved shall be borne by the tenant.
18. Tenderers should note that addition to/modification of building works/services installations shall be approved by HA. Subject to the approval by HA, alteration/addition/modification of the following building services installation shall be carried out by contractors appointed by the Housing Department and at the expenses of the tenant, which shall include but not be limited to automatic fire alarm system, audio & visual fire alarm system, fire shutters, building management system, upgrading of electricity supply/air conditioning supply (if any) for tenant's premises, landlord system/installation as well as any installation at landlord area. The on-cost rate for works with estimated works value below \$500,000.00 is 20%. For estimated works value \$500,000.00 or above, the on-cost rate is 21.5% or the individual costing for the on-cost upon confirmation with the prospective tenant. The above rates are subject to change without further notice. Such building works/services installations shall become fixtures of the premises and shall also become the properties of HA upon vacation of the premises.
19. Tenderers should note that the tenant is required to appoint its own Authorized Person and Registered Structural Engineer for any structural works that require any revised building plan submission to HA's Independent Checking Unit (ICU) and the Fire Services Department (FSD) for licensing application.
20. Subject to the prior approval from HA, the successful tenderer shall design and carry out the proposed sprinkler connection works to the existing fire services system of the estate at his own cost. All installation shall be complied with the requirements for relevant licensing/statutory authority. Right of access shall be given to the Landlord or his agents for carrying out inspection/repair/maintenance works to the said installations throughout 24 hours and in case of emergency.
21. Tenderers should be required to carry out fitting-out works for the premises to meet the requirements of the Buildings Energy Efficiency Ordinance (Cap.610) and Building Energy Codes of the Electrical and Mechanical Services Department (EMSD). All the costs involved shall be borne by the tenant. Tenant is also responsible for their future maintenance.
22. The successful tenderer is advised to obtain FSD's consent on specific requirements for the proposed trade at their own arrangement and to apply for a valid licence from the relevant authority. The successful tenderer is responsible for installation and subsequent maintenance of all required standalone F.S. system. All the costs involved shall be borne by the tenant. Battery operated emergency lighting and exit sign, if required, shall be provided by the tenant and fed by his own electrical system. The tenant is also responsible for their future maintenance.

23. The successful tenderer shall be required to install his own air-conditioning system on the premises and the air-conditioning plant/condenser must be placed in the reserved space as approved by Housing Manager. Prior approval from Housing Manager is required before any installation work of air-conditioning plant/condenser and routing of pipe/duct. Properly connected condensation drainage should be provided where air-conditioning units are used. All the costs involved shall be borne by the tenant.

24. Tenderers should note that glass door is provided for premises. Successful tenderer shall accept the premises in the state and condition in which they are found at the date when possession is given and shall be responsible for the subsequent maintenance of the concerned glass door. All the costs involved shall be borne by the tenant.

25. Tenderers are advised to note that pipes for meter water supply and floor drain are provided in the premises. Any modification works should be subject to prior approval from Housing Manager and the cost involved shall be borne by tenant.

26. Tenderers are advised to note that toilet is provided in the premises.

27. Tenderers are advised to note the special requirement for waterproofing the toilet and kitchen (if any) in the premises. The damp proof course should extend up the perimeter walls by not less than 200 mm. A water test may be required as the discretion of HA.

28. Attention is drawn to the special requirement for the food premises that the successful tenderer must use either Town Gas, L.P. Gas and/or electricity as fuel. Gas supply connection point is provided in the premises.

29. Tenderers are advised to note that operation with full waiter service is required and operation in fast food style is not permitted.

30. **Successful tenderer should apply to the relevant public utility company and Water Authority directly for the installations of the electricity meter and water meter with whole cost borne by the tenant. Any delay in application or approval shall have no effect on the commencement date of the tenancy. Successful tenderer makes no claim of any kind whatsoever against HA in the event of any delay of application or approval for installations of water meter/electricity meter. Tenderers must take the above into consideration when making their tenders. Agreed rent is not subject to variation whatsoever. Successful tenderer shall only commence business on such date as may be fixed by HA.**

31. Tenderers are advised to note that throughout 24 hours and in case of emergency, right of access shall be given to the Landlord or his agents for carrying out inspection, repair or maintenance works to building works and/or building services installations for other premises in the estate which are/will be routed through the said shops. Sufficient access panels shall be provided for Landlord in carrying out inspection, repair or maintenance works to building works and/or building services installations in case of fitting and furniture installed by the tenant. Landlord has the rights to request the tenant to remove tenant's installation and furniture for the sake of repair or maintenance works by Landlord or its representatives.

32. Tenderers are advised to observe and perform the provisions of all Ordinances and Regulations and all by-laws directions and orders of Food and Health Bureau or any other competent authority and to obtain all licences and permits from the appropriate authority or authorities at his own expense that may be required in connection with the business carried on in the premises and to make no claim of any kind whatsoever against the Housing Authority in the event of the Tenant's failure or inability for any reason to obtain or renew any such licence or permit.

33. The prospective tenderers must ensure that the requirements and regulations imposed by the Food and Environmental Hygiene Department, Environmental Protection Department and other relevant government departments are complied with.
34. Tenderers should note that a grease trap is provided outside the premises. The tenant is responsible to carry out inspection/ repair/maintenance/cleaning works to the said provision. Any subsequent request for modification or upgrading should be subject to prior approval from Housing Manager. All the costs involved shall be borne by the tenant.
35. Tenderers are advised to note that air intake and exhaust louvre/openings are provided in the premises. Successful tenderer shall modify the air intake and exhaust louvre/openings and install relevant ducting & fire dampers (if necessary) at his own cost to fulfil relevant authorities' licensing requirement/fitting-out guidelines. The successful tenderer shall be responsible for the maintenance and management of the air intake/exhaust ducting & fire dampers (if any) and shall cause the least impact to the aesthetic outlook of the estate. Approval from Housing Manager is required before any modification/installation works.
36. Tenderers are advised to note that Communal Aerial Broadcast Distribution (CABD) outlet and telephone conduit are provided in the premises. Any upgrading works should be subject to the approval of Housing Manager and all the costs involved shall be borne by the tenant. Successful tenderer has to liaise with the Telecommunication Companies for services application.
37. During the fitting-out of the premises, the tenant is required to erect hoardings to the premises and minimize the nuisance caused to the public as far as possible. The design and decorative painting on the hoarding should be up to the satisfaction of Housing Manager.
38. Tenderers should note that shutter(s) and glass/metal door(s) will be provided for premises. Successful tenderer shall accept the premises in the state and condition in which they are found at the date when possession is given and shall be responsible for the subsequent maintenance of the concerned shutter(s) and glass/metal door(s). All the costs involved shall be borne by the tenant.
39. Tenderers are advised to note that no shutter will be provided to all exits which were deemed as fire escape route.
40. Successful tenderer is required to install and at all times maintain displays of merchandise goods or services in the shopfront windows or showcases of the premises to the satisfaction of the Housing Manager to a standard and composition appropriate in the opinion of the Housing Manager to the reputation and standing of the estate and to alter any window or other display of goods or merchandise in or at the premises immediately upon notice by the Housing Manager that such display will in the opinion of the Housing Manager affect the reputation or standing of the estate.
41. Tenderer is advised to note that no neon sign or sign of any kind to any part of the external walls of shop premises will be permitted. The glazed shop front provided by HA shall not to be removed or altered in any way. Successful tenderer is required to fit out the shop including the false ceiling, shop signs etc., according to the colour scheme and specifications laid down by the Management Office. Details of the fitting out criteria are available from the Management Office.

42. Prospective tenant is reminded not to affix or cause or permit any poster signboard or advertising matter of any kind to be affixed to any part of the exterior of the said shop or the shop front glasses except such as has been approved by the Housing Manager in writing and then only in a place and in a manner approved by the Housing Manager. Poster stands or notice boards shall be designed for this purpose with prior approval. All displayed notices and publicity materials within the said shop shall not be in hand-written form.
43. Prospective tenant should at his own expense to keep lit all shop front, windows, showcases and shop sign of the premises during the opening hours of the premises and core business hours of the retail facilities of the estate.
44. Prospective tenant is advised to note that the shop front glass panes of the shop premises should not be obstructed by the Tenant's fixtures and fittings. Unless with the Landlord's approval, any fixtures or display units located frontage area is required to set back at least 100mm and display units shall not exceed 1350mm in height. Fixtures or display units exceeding 1350mm in height shall be positioned against the back wall.
45. Prospective tenant should keep the shop open for business at all times of the year daily during core business hours of the retail facilities of the estate.
46. All gates of any material installed at the shop front, if any, must remain open during the business hours.
47. Successful tenderer shall only commence business on such date as may be fixed by HA.
48. Tenderers are advised to visit the premises before submission of tender.
49. Tenderers are requested to note that the premises under tender as listed above do not represent the total number of premises available for letting in the estate. There are some other commercial premises on the estate which have been let/will be let by open tendering or by means other than open tendering for the above-mentioned trade(s) or other trades as HA may in its absolute discretion determine.
50. Tenderers are advised to note that HA may at any time appoint property management agents to manage, subject to the supervision by HA, any selected estate of which the premises form part on such terms and conditions as HA shall deem fit.
51. Prospective tenderers are reminded that HA has kept a central record of those ex-commercial tenants who have breached the terms and conditions of the tenancy. Tenders submitted by these ex-commercial tenants who have been in breach of the terms and conditions of the tenancy may not be considered.
52. Tenders, in duplicate, must be made in the Form of Tender attached and enclosed in a sealed envelope clearly marked "Long Ching Estate - Shop". Any tender not marked with the name of the Estate on the cover of the sealed envelope may be invalidated.
53. Completed Tender Forms must be deposited in the Tender Box located in the Commercial Properties Management Unit of the Estate Management Division, Housing Department at Wing A, Level 3, HKHA Customer Service Centre, 3 Wang Tau Hom South Road, Kowloon before 10:00 a.m. on Friday, 21 April 2017. Late tenders will not be considered. HA will not be responsible for any mislaid tenders submitted by methods otherwise.

54. The closing time and date will automatically be deferred to 10:00 a.m. on the following Monday or the next earliest possible working day of the following week in the following circumstances :-

- (i) if Tropical Cyclone Warning Signal No. 8 or above is hoisted before and remains hoisted beyond the closing time;
- (ii) if a “Black” Rainstorm Warning is announced by Government (via the Information Services Department) before and remains in force beyond the closing time.

However, the closing time and date will remain unchanged if Tropical Cyclone Warning Signal No. 8 or above or the “Black” Rainstorm Warning is lowered or withdrawn two hours or more before the closing time.

55. For enquiry, please phone : 2451 6122.

56. Where there is a conflict between the General Conditions of Tender and the Special Conditions of Tender, the Special Conditions of Tender shall prevail.