

HONG KONG HOUSING AUTHORITY
Special Conditions of Tender
Lai Yiu Estate – Shop

Tenders by way of RENTAL TENDERING are invited for the 3-year tenancy of the following premises located in Lai Yiu Estate, Kwai Tsing, N.T.:-

<u>Shop No.</u>	<u>Approximate Area in m²</u>	<u>Trade</u>	<u>Reference Rent (HK\$)</u>
Kwai Yiu House No.5	41	<u>Choose one of the following:</u> 1) Electrical & Plumbing Repairs 2) Electrical, Video and Audio Equipment 3) Furniture, Interior Decoration & Design and Lamps	5,000 5,800 5,000

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. Tenderers shall tender monthly fixed rent for the whole lease term of 3 years.
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 Estate Office at G/F, Kwai Yiu House, Lai Yiu Estate.
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 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, 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, 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, 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. 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 are 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 successful tenderer.

12. Tenderers are advised to note that the designed electricity loading available to the premises is 32 ASPN. Should additional loading beyond the designed capacity be required, any upgrading is subject to approval of the Estate Housing Manager. The upgrading works shall be carried out by contractors appointed by the Housing Department and at the expense of the tenant.

13. Tenderers are reminded that tenders from any persons/companies already operating the same trade or from those who have successfully bid for a tenancy of the same trade in this estate/market (whether a tenancy agreement has been signed or not) may not be considered.

14. The successful tenderer shall be required to carry out fitting-out works for the premises to meet the requirements of the existing Fire Safety (Buildings) Ordinance, and to apply for a valid licence from the relevant authority. All the costs involved shall be borne by the tenant.

15. The tenant may be required to vacate and relocate to other premises without any allowance or compensation of HA upon the expiry of the tenancy. To enhance the shop front control, the prospective tenant should note the requirement for fit-out renovation of the premises upon renewal of tenancy and the renovation works should be approved by the Housing Department.

16. Tenderers are advised to observe and perform the provisions of all Ordinances and Regulations and all by-laws directions and orders of 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 HA in the event of the tenant's failure or inability for any reason to obtain or renew any such licence or permit.

17. Tenderers should note that addition to/modification of building works/services installations shall be approved by HA. Subject to 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 the 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 22.3% or the individual costing for the on-cost upon confirmation with the 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.

18. Tenderers should note that the tenant is required to appoint its own Authorized Person and Registered Structural Engineer for any structural works (if any) that require any revised building plan submission to HA's Independent Checking Unit (ICU) and the Fire Services Department (FSD) for licensing application.

19. The successful tenderer shall be required to install his own air-conditioning system on the premises, and installation of air-conditioning plant and routing of pipe/duct work require prior approval from the Estate Housing Manager. Properly connected condensation drainage should be provided where air-conditioning units are used.

20. The tenant is required to install and at all times maintain displays of merchandise goods or services in the shop front windows or showcases of the premises to the satisfaction of the Estate Housing Manager to a standard and composition appropriate in the opinion of the Estate 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 Estate Housing Manager that such display will in the opinion of the Estate Housing Manager affect the reputation or standing of the estate.

21. Tenderers should note that the estate where the subject premises located is scheduled for improvement. Notwithstanding the effect of improvement works, be it positive or negative towards commercial tenants, the rent stipulated in the tenancy agreement with HA shall remain unchanged throughout the lease term. Information on further details of the improvement will be given by the Estate Office once available.

22. Tenderers are advised to note that the existing type of F.S. provision of the premises is served by the fire hose reels and manual call points located at ground floor of Kwai Yiu House.

23. Tenderers are advised to note that the premises is scheduled for installation of sprinkler system, right of access shall be given to the Landlord or his agents for carrying out the sprinkler system installation works. The Landlord has the right to request the tenant to remove tenant's installation including false ceiling and furniture at his own cost for the sake of installation works by the Landlord or his representative.

24. The successful tenderer is advised to obtain FSD's consent on specific requirements for the proposed trade at his own arrangement and to apply for a valid licence from the relevant authority. All the costs involved shall be borne by the tenant. The tenant is also responsible for their future maintenance.

25. Tenderers should note that the shop front roller shutter, if any, of the premises is kept in the state for security consideration. The successful tenderer shall accept the premises in the state and condition in which they are found at the date when possession are given and shall be responsible for subsequent maintenance of the concerned roller shutter. All the cost involved shall be borne by the tenant.
26. Tenderers are advised to note that there are no provisions of Communal Aerial Broadcast Distribution (CABD) outlet and telephone conduit within the premises. Any upgrading works shall be subject to approval of the Estate Housing Manager and all the costs involved shall be borne by the tenant. The successful tenderer has to liaise with the Telecommunication Companies for services application.
27. Tenderers should note that there is provision of pipes for metered water supply, floor drain and drainage outlet in the premises. Any subsequent request for modification and/or upgrading are subject to the prior approval of the Estate Housing Manager with the whole cost borne by the tenant.
28. The 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. The successful tenderer shall only commence business on such date as may be fixed by H.A.
29. Tenderers are advised to note that neither self-toilet facilities nor toilet connection point is provided within the premises. Public toilets are available in the vicinity.
30. The successful tenderer shall only commence business on such date as may be fixed by HA.
31. Tenderers are advised to visit the premises before submission of tender.
32. 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 shopping centre or market of which the premises form part on such terms and conditions as HA shall deem fit.
33. Tenders from persons (including corporations) who have been tenants of the premises under tender and the family members of such persons will not be considered unless such persons have physically vacated the premises concerned and have observed and performed all the tenancy conditions in respect of the premises.
34. 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/market/shopping centre. There are some other commercial premises on the estate/market/shopping centre which have been let/will be let by open tendering or by means other than open tendering for the abovementioned trades or other trades as HA may in its absolute discretion determine.
35. 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.
36. Tenders, in duplicate, must be made in the Form of Tender attached and enclosed in a sealed envelope clearly marked "Lai Yiu Estate –Shop". Any tender not marked with the name of the estate on the cover of the sealed envelope may be invalidated.
37. 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, 1 February 2019. Late tenders will not be considered. HA will not be responsible for any mislaid tenders submitted by methods otherwise.

38. 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.

39. For enquiry and visit, please contact Ms. Chong at 2745 0012.

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