

HONG KONG HOUSING AUTHORITY
Special Conditions of Tender
Po Shek Wu Estate – Shop

Tenders by way of RENTAL TENDERING are invited for the 3-year tenancy of the following premises located in Po Shek Wu Estate, Sheung Shui, North, New Territories.

<u>Shop No.</u>	<u>Approximate Area in m²</u>	<u>Trade</u>	<u>Reference Rent (HK\$)</u>
Bik Yuk House No. 2	96	<u>Choose one of the following:</u> 1) Grocery & Provision Store 2) Preserved Food and Confectionery	50,000 43,500

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 Podium Floor, Tsz Jing House, Po Shek Wu Estate, Sheung Shui, New Territories.
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. 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. The 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 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 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. Po Shek Wu Estate is situated between Po Shek Wu Road and Choi Yuen Road in Sheung Shui. The development consists of 3 domestic blocks providing 1,144 public rental housing flats. Shops with a total lettable area of about 730 square metres, which are scheduled for completion by phases from 2019 to 2021, 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 successful tenderer.

14. Tenderers are advised to note that the designed electricity loading available to the premises is 160ATPN. Should additional loading beyond the designed capacity be required, any upgrading shall be subject to prior approval from Estate Housing Manager. The upgrading works shall be carried out by contractors appointed by the Housing Department and at the expense of 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 fitting-out renovation of the premises upon renewal of tenancy and the renovation works should be approved by the Housing Department.

16. 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.

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 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 22.1% 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. For running the trade of "Grocery & Provision Store" / "Preserved Food and Confectionery", tenderers are advised to note that selling of cooked food is not allowed in 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. 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/shopping centre (whether a tenancy agreement has been signed or not) may not be considered.

21. 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.

22. 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.

23. Subject to prior approval from HA, the successful tenderer (if necessary) 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 comply 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.

24. The successful tenderer 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 Code of the Electrical and Mechanical Services Department (EMSD). All the costs involved shall be borne by the tenant. The tenant is also responsible for their future maintenance.

25. 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. The successful tenderer is responsible for installation and subsequent maintenance of all required standalone Fire Services 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.

26. 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 of the building. Approval from Estate 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.

27. Tenderers are advised to note that pipe for metered water supply is provided in the premises. Any modification works shall be subject to prior approval from Estate Housing Manager and the cost involved shall be borne by tenant.

28. Tenders are advised to note that there is no provision of floor drain in the premises.

29. The successful tenderer is advised to note that subject to approval from Water Authority, it is proposed to install a water meter (Diameter: 15mm) for the premises. The tenant is required to apply for change of the register name of the water meter upon tenancy commencement and modify the water meter to an appropriated size, at his own cost, in matching his actual consumption / trade requirement to comply with Water Authority's requirements. The tenant should apply to the Water Authority directly for the modification/installation of water meter with whole cost borne by the tenant if appropriate water meter was not installed at the time of intake. The successful tenderer makes no claim of any kind whatsoever against HA in the issue of installation of water meter. 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 HA.

30. 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 (if necessary) 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 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 shop. Sufficient access panels shall be provided for the 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. The Landlord has the rights to request the tenant to remove tenant's installation and furniture for the sake of repair or maintenance works by the Landlord or its representatives.

32. Tenderers are advised to note that air intake louvre/opening is provided in the premises, any modification and upgrading shall be subject to prior approval of Estate Housing Manager and the costs for any upgrading shall be wholly borne by the tenant. The tenant shall install the air intake duct with related equipment at his own cost to fulfil relevant authorities' licensing requirement/fitting-out guidelines. The tenant shall be responsible for the maintenance and management of the air intake ducting and shall cause the least impact to the aesthetic outlook of the estate. Prior approval from Estate Housing Manager is required before construction works.

33. Tenderers are advised to note that Communal Aerial Broadcast Distribution (CABD) outlet and telephone conduit are provided in the premises. Any modification works shall be subject to prior approval from 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.

34. 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 Estate Housing Manager.

35. Tenderers should note that roller shutter and glass/metal door are provided for premises. 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 subsequent maintenance of the concerned roller shutter and glass/metal door. All the costs involved shall be borne by the tenant.

36. Tenderers are advised to note that no roller shutter will be provided to fire escape exit(s) and part of the shop front.

37. The tenant 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 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/shopping centre 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 prejudice the reputation or standing of the estate/shopping centre, provided always that the opinion of the Estate Housing Manager in the respect shall be final.

38. No neon sign or sign of any kind to any part of the external walls of premises will be permitted. The glazed shop front provided by HA shall not be removed or altered in any way. The tenant 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 Estate Office. Details of the fitting out criteria are available from the Estate Office.

39. The 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 Estate Housing Manager in writing and then only in a place and in a manner approved by Estate 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.

40. The 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.

41. The 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.

42. The 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.

43. All gates of any material installed at the shop front, if any, must remain open during the business hours.

44. Delay in the completion of building works and other circumstances unforeseen at the time of this tender may affect the handing over date of the premises and the build-up of the population of the estate. Tenderers must take the above into consideration when making their tenders. Agreed rent is not subject to variation whatsoever. The successful tenderer makes no claim of any kind whatsoever against HA in the event of any delay of intake. The successful tenderer will be notified individually the intake arrangement by the Estate Housing Manager in due course.

45. Tenderers are advised to visit the premises before submission of tender.

46. The successful tenderer shall only commence business on such date as may be fixed by HA.

47. 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.

48. 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/estate of which the premises form part on such terms and conditions as HA shall deem fit.

49. 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.

50. Tenders, in duplicate, must be made in the Form of Tender attached and enclosed in a sealed envelope clearly marked "Po Shek Wu Estate - Shop". Any tender not marked with the name of the Estate on the cover of the sealed envelope may be invalidated.

51. 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, 26 June 2020. Late tenders will not be considered. HA will not be responsible for any mislaid tenders submitted by methods otherwise.

52. 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.

53. For enquiry, please phone: 2663 2326.

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