

Frequently Asked Questions on The Extension of Government Leases Ordinance (Cap. 648)

Q1: Does the Extension of Government Leases Ordinance (Cap. 648) (the Ordinance) apply to all government leases?

A1: The Ordinance only applies to general purpose leases, excluding [short term tenancies \(see Q2\)](#) and [Special Purpose Leases \(see Q3\)](#), expiring on or after 5 July 2024 without a right of renewal or, where the lease contains a right of renewal, the right has been exercised (i.e. “Applicable Leases”). In general, these are government leases for general commercial, residential and industrial use, underpinning the daily life and business operations of the general public. Applicable Leases will be extended by the Ordinance upon their expiry for 50 years without payment of additional premium (but subject to payment of an annual rent equivalent to three per cent of the prevailing rateable value), unless they are put on the “Non-extension List”.

Q2: What is a short term tenancy (STT)? How do I find out if my land document is an STT?

A2: Short-term tenancies (STTs) are tenancies of government land which are let out for a fixed term of not more than seven years, with or without a clause for periodic renewal thereafter. Matters related to the handling of STTs upon expiry of their fixed term are governed by established administrative procedures. Please refer to the ["Short Term Tenancy"](#) section of this website for more details.

Q3: What is a Special Purpose Lease (SPL)? How do I know if my lease is an SPL?

A3: Special Purpose Leases (SPLs) are those granted for designated uses on specific policy considerations. As SPLs are excluded from the application of the Ordinance, they are identified on the register in the Land Registry by an “SPL Identification Note”^(Note 1). The relevant lessees will also be notified individually. Please refer to the [relevant section](#) of this website for the full list of SPLs.

(Note 1: For existing SPLs executed before the commencement of the Ordinance on 5 July 2024, the SPL identification note is made in two batches: (i) on 5 July 2024 (for SPLs expiring on or before 31 December 2030), and (ii) on 27 December 2024 (for SPLs expiring on or after 1 January 2031). For SPLs executed on or after the commencement of the Ordinance on 5 July 2024, the SPL Identification Note is made on the date on which the lease is registered in the Land Registry.)

Q4: Will all leases be extended automatically by the Ordinance?

A4: The Ordinance only streamlines the means of lease extension for general purpose leases. It does not affect the Government’s sole discretion to decide whether to extend a general purpose lease or not.

A general purpose lease is for general commercial, residential and industrial use, and in general, the Government will extend such a lease unless there are public interest considerations against its extension (e.g. serious lease breaches remained unpurged despite repeated warnings). For the avoidance of doubt, the situation that a piece of land will be required for a public purpose is not a ground for not extending the relevant lease.

Q5: When will I know if my lease has been extended by the Ordinance?

A5: Extension Notices will be published in the Government Gazette normally 6 years before the lease expires. An Extension Notice will specify that all Applicable Leases expiring in the specified lease expiry period will be extended in accordance with the Ordinance, except leases which have been specified on the “Non-extension List” published on the same day. The Extension Notices and Non-extension Lists are also uploaded on the [relevant part](#) of this website and published in one issue of Chinese newspaper and one issue of English newspaper.

In general, Lands Department will publish a set of “Extension Notice” and “Non-extension List” annually in the Government Gazette near the end of a calendar year, as follows:

Publication date in the Gazette	Specified lease expiry period being covered (generally one calendar year)
5 July 2024	5 July 2024 to 31 December 2030
End-December 2024	1 January to 31 December 2031
End-December 2025	1 January to 31 December 2032
End-December 2026	1 January to 31 December 2033
End-December 2027	1 January to 31 December 2034
(and so on)	

If a lease is put on the "Non-extension List", Lands Department will notify each affected owner in writing. The said List will also be registered in the Land Registry and affixed on land.

Q6: How do I ascertain if a lease has been extended by the Ordinance?

A6: It can be ascertained that a lease has been extended by the Ordinance if: –

- (i) the “Extension Notice” covering the expiry date of the lease has been published, in general six years before expiry of the Applicable Lease (check the [relevant part](#) of this website);
- (ii) the lease has no valid SPL identification note in its register in the Land Registry (meaning that the lease is an Applicable Lease under the Ordinance); and
- (iii) the lease is not specified in the Non-extension List published on the same day (check the [relevant part](#) of this website).

For simplicity, Applicable Leases to be extended will not be individually listed on the “Extension Notice” and only those which are not extended will be listed individually on the “Non-extension List”.

Q7: What are the terms of extension in the Ordinance?

A7: Under the Ordinance, Applicable Leases will be extended for a term of 50 years from the day following the expiry date of the lease, without payment of any additional premium, but an annual government rent equivalent to three per cent of the rateable value of the property as annually assessed will be charged upon extension. The original lease conditions will remain unchanged, except for the inclusion of the following new standard clauses to strengthen control against unauthorized uses or developments:

- (a) the Government may enter and inspect the land under a lease for any non-compliance with lease conditions;
- (b) the Government may take enforcement action under lease for non-compliance with the Town Planning Ordinance (Cap. 131) and the Buildings Ordinance (Cap. 123); and
- (c) the Government may re-enter the land or part of the land (i.e. not necessarily the whole piece of the land) in cases of lease breaches.

Q8: What can I do if my lease has been put on the “Non-extension List”?

A8: If the owner does not agree with the Government's decision not to extend the lease, he may apply to the Lands Department for a review within one year of the publication of the "Non-extension List". The Lands Department will endeavor to inform the owner of the outcome of the review within six months (unless additional time is required for complicated case). For details, please refer to the [guidelines for review](#) on this website.

Q9: What can I do in case I do not wish the lease be extended by the Ordinance?

A9: If an Applicable Lease has been extended according to an Extension Notice, a lessee may opt out of the lease extension by delivering an [opt-out memorandum](#) to the Land Registry for registration within one year ^(Note 2) from the date of publication of the “Extension Notice”. Before doing so, the lessee is reminded to secure the agreement of all owners, holders in respect of the person’s interest under the applicable lease, and persons who have an interest in the land and observe the requirements in section 9 of the Ordinance and avoid prejudicing any contractual commitments they have entered into.

(Note 2: For leases expiring on or before 31 December 2030 (i.e. the relevant Extension Notice is published on 5 July 2024), a lessee intending to opt out of the extension is required to deliver the opt-out memorandum to the Land Registry on or before 31 December 2024.)

Q10: How will I be informed about the amount of Government rent payable?

A10: The Rating and Valuation Department (RVD) will issue a letter to the relevant Government rent payers at the end of the financial year preceding the date of lease extension. The purpose is to notify them about the general arrangements of assessing and charging Government rent after lease extension under the Ordinance to give them advance information. After lease extension, the amount of Government rent demanded will be stated in the first demand note (if applicable), and subsequent demand notes to be issued by RVD in advance of each quarter.

Q11: Do land/flat owners need to re-arrange their mortgages or re-establish the owners’ corporation and deed of mutual covenant upon lease extension?

A11: No. All interests, encumbrances and rights under the original lease as applied immediately before lease extension will be carried forward (unless the relevant instrument specifies alternative arrangements).

Q12: What can I do if I have been informed my lease is a special purpose lease (SPL)? How will the extension be processed?

A12: If you have been informed that your lease is an SPL, its extension will be considered by the Government on a case-by-case basis pursuant to an established mechanism, i.e. outside the

Ordinance. If the lessee does not agree to the identification of the lease as an SPL, he may apply to the Lands Department for a review within one year from the date of identification. The Lands Department will endeavor to inform the lessee of the outcome of the review within six months (unless additional time is required for complicated cases). For details, please refer to the [guidelines for review](#) on this website.

In terms of processing the extension of SPLs, the Lands Department will first consult the relevant policy bureau (e.g. whether the original policy consideration of granting the SPL remains valid) before deciding on whether to extend the lease, and if so, the terms and conditions of extension. If the Government intends to grant an extension, the Lands Department will negotiate and mutually agree with the lessee on the terms and conditions through contractual means.