

I total agree for introducing flexibility in respect of investments in properties under development or engagement in property development activities AND in respect of investments in financial instruments. Reasons on agree investments in properties under development or engagement in property development activities

1. Through direct development on land, REIT has one more important channel to obtain fix asset to provide stable income. It is not easy find a landlord willing to sell their completed property to REIT on second hand market
2. Subject to a maximum threshold of 10% of the REIT's gross asset value already reflect the limitation of the risk of a REIT on the development.
3. Some other property developers disagree this proposal because they dont want to have competition from REIT on land auction which is not good for most HK people and economy

Reasons on agree investments in financial instruments

1. REIT hold a lot cash after receive rent and before issue to REIT investor. It will be more efficient to allow them to invest on some safe financial instrument
2. Not exceed 25% of the gross asset value of the REIT already reflects the limitation of risk on financial investment