



CLUB DE RECREIO

IMPORTANT NOTICE

CONSULTATION ON RENEWAL OF CLUB LEASE-YOUR FEEDBACK IS REQUESTED

Date: 30th June 2026

Dear Members,

As you may be aware, Club de Recreio (CDR) is currently navigating the renewal of our Private Recreational Lease (PRL) with the Government. The Culture, Sports and Tourism Bureau (CSTB) has presented us with two distinct pathways for the next decade or so: retaining our current PRL model or transitioning to a Community Recreation Lease (CRL) model which opens the club to the public.

The General Committee has been carefully evaluating both options to determine which best serves the long-term interests of our membership. Because this decision will fundamentally shape the daily experience at Club de Recreio for the decades to come, we want to share our considerations with you and invite your reflections.

Below is a summary of the two options provided by the Government:

Option 1: Renewal under the Private Recreation Lease (PRL)

- Term: A lease extension of 15 years.
- Financials: The Club is required to pay a concessionary land premium which is proposed to be \$66 million and is set at one-third of the full market value land premium, together with an administrative fee for lease extension. This premium can be paid in up to 10 annual instalments with interest.
To meet this substantial financial obligation, a portion of the concessionary land premium will need to be shared by our members. The General Committee will develop a fair and structured plan (such as a special levy or phased fee adjustments) to distribute this cost, the details of which will be presented to members in due course.
- Operational Impact: The Club continues to operate under its current private, members-only model, preserving the environment your familiar with.

Option 2: Conversion to a Community and Recreation Lease (CRL)

- **Term:** An initial term of 21 years.
- **Financials:** Nominal premium and nil administrative fee.
- **Operational Impact:** The Club would be required to operate as a quasi-public facility, charging low fees and impose no membership requirement for using facilities. This means adopting an open policy and allowing the general public to use the Club's facilities.

The General Committee has carefully evaluated the implications of Conversion to a Community and Recreation Lease (CRL). Should the Club convert to a CRL and open our doors to the public, it would negatively affect our current members in several significant ways:

- **Loss of Exclusivity and Unique Culture:** The Club would lose its unique identity and the exclusivity that defines our private membership. The close-knit community and specific culture we have cultivated over the years would be fundamentally altered.
- **Difficulty in Reserving Facilities:** With facilities open to the general public without a membership requirement, members will face intense competition and significant difficulties in booking and reserving all the sports facilities, such as tennis courts, pickleball courts, Lawn Bowl Greens, dining at the restaurant and event spaces due to high public demand.
- **Erosion of Exceptional Member Value and Favourable Pricing:** Currently, our facilities are offered at highly competitive, member-friendly rates. Transitioning to a public-access model would necessitate raising usage fees to commercial market levels to absorb the increased wear-and-tear and operational costs. This shift would eliminate the significant financial advantages and exceptional value that define our private membership.

In view of the above, the General Committee is strongly inclined towards renewing the PRL terms. While we recognize that sharing the land premium is a financial commitment, we view it as a vital investment in protecting the very essence of Club de Recreio.

We believe this is the only way to safeguard the exclusive benefits, priority access, and private environment that you value so deeply.

As this decision will profoundly impact the future, character, and daily operations of our Club, we want to ensure our final submission to the Government reflects the wishes of our members.

We sincerely invite you to share your opinions and feedback regarding these two options. Please let us know your thoughts by **Tuesday, 14th July 2026** via Club Office email: recreio@clubderecreio.org or filling out the attached feedback form and hand in your feedback to the Club Office.

Your input is highly valued and will be carefully considered by the General Committee before a final resolution is passed.

Thank you for your continued support and dedication to Club de Recreio.

Yours sincerely,



Tony Abraham

President

On and behalf of the General Committee

Club de Recreio

C.C. The Honorary Secretary
The Honorary Treasurer
The General Committee

Club de Recreio

Member Feedback Form: Club Lease Renewal Options

Introduction

As communicated in our recent notice, the Club's current land lease with the Government expires on 25th December 2026. The General Committee is currently evaluating two options for the lease renewal:

- **Option 1:** Renewal under the Private Recreation Lease (PRL) regime (Maintains private, members-only status; requires members to share a portion of the concessionary land premium).
- **Option 2:** Conversion to a Community and Recreation Lease (CRL) (Converts the Club into a quasi-public facility open to the general public).

The General Committee values your input. Please complete this form and return it by **Tuesday, 14th July 2026**. Your feedback will be strictly confidential and used solely to guide the Committee's final decision and is not a vote.

Part 1: Member Details

- **Full Name:** _____
- **A/C No. :** _____
- **Email Address:** _____
- **Contact Number:** _____

Part 2: Overall Preference

Based on the information provided, which lease renewal option do you prefer for the Club? (Please select one)

- Option 1: PRL Renewal (Maintain the Club as a private, exclusive members-only facility, acknowledging that members will need to share the cost of the land premium).
- Option 2: CRL Conversion (Convert to a quasi-public facility open to the general public, avoiding the land premium share but accepting the loss of exclusivity and potential booking difficulties).

