

Residential Properties (First-hand Sales) Ordinance

Frequently Asked Questions and Answers (FAQs)

FAQs on Price List

FAQs are not guidelines. They aim to facilitate the trade to understand how the Sales of First-hand Residential Properties Authority (SRPA) looks at specific provisions of the Residential Properties (First-hand Sales) Ordinance (Ordinance).

Users of the FAQs should not rely on the information in the FAQs as professional legal advice and are strongly advised to seek legal or other professional advice should there be doubts about the application of the Ordinance in individual circumstances. Whilst every effort has been made to ensure the accuracy of the FAQs, the SRPA shall not be responsible for any liability howsoever caused to any person by the use or reliance on the FAQs.

Q1.1 Can vendors provide an aggregate price for more than one residential property instead of providing the price for each residential property?

A1.1 Vendor should set out the price for each residential property on the price list, which means each residential property should be given a price. If the vendor would like to provide discount or financial advantage for the purchase of more than one residential property, such arrangements may be set out as discount or financial advantage as appropriate.

Q1.2 If the vendor has issued a revised price list for a specified residential property, can he still sell the specified residential property at the price shown on the original price list before the revised price list comes into effect?

A1.2 Section 29(3) of the Ordinance stipulates that the price of a specified residential property in a development/phase may only be set out in any one price list for the development/phase. Section 29(4) of the Ordinance stipulates that if the price of a specified residential property is set out in a price list, any change to that price must be reflected in the price list by a revision to the price list.

Once the price list is issued, adjustments to the prices (regardless of whether prices are to be adjusted upwards or downwards) should only be made through issuing a revised price list. The residential property concerned cannot be sold at the revised price unless the revised price list has been made available according to the requirements as set out in section 32 of the Ordinance. The date on which the specified residential property will be offered to be sold has to be set out in a document containing the sales arrangements for that specified residential property, and the document has to be made available for a period of at least 3 days immediately before the date of sale and on such a date in accordance with section 47 of the Ordinance.

Before the revised price list takes effect, and on the basis that the requirements that are applicable to the original price list and a document containing the sales arrangements have been complied with, the vendor may sell the residential property concerned at the price shown on the original price list. If the sales arrangements applicable to the residential property concerned remain unchanged, there is no need for the vendor to amend or revise the sales arrangement.

Q1.3 Can vendors round up or round down the transaction prices of residential properties after applying a discount as set out in the price list for the development?

A1.3 According to section 35(1) of the Ordinance, the owner may only sell, or offer to sell, the specified residential property at the price of that property, as set out in the price list copies of which have been made available under section 32(1), (2) and (3) of the

Ordinance; or where that price list has been revised under section 29(4) of the Ordinance to reflect a change of the price of that property, at that price as last revised, as set out in the price list copies of which have been made available under section 32(1), (2) and (3) of the Ordinance.

If there are terms and conditions that may affect the transaction price (e.g. a method of rounding the price after applying a discount), the vendor should set out such terms and conditions in the relevant part of the price list.

Q1.4 Is it necessary for vendors to provide in the price list for first-hand residential properties the value of any gift, or any financial advantage or benefit, to be made available in connection with the purchase of a specified residential property in the development?

A1.4 Section 31(5)(c) of the Ordinance requires that a price list for the development must set out any gift, or any financial advantage or benefit, to be made available in connection with the purchase of a specified residential property in the development. Vendors are advised to provide an estimated value of the respective gift, financial advantage or benefit in the price list as far as practicable so that prospective purchasers can be aware of the value of these items.

Q1.5 Further to No. 1.4 of FAQs on Price List above, should vendors provide the value of the parking space which is offered as a gift to the purchaser in the price list for the residential properties in the development?

A1.5 Following the principle of No. 1.4 of FAQs on Price List above, vendors are advised to provide an estimated value of the parking space which is offered as a gift to the purchaser in the price list for the residential properties in the development as far as practicable so that prospective purchasers can be aware of the value of such parking space.

Q1.6 Does the Ordinance apply to the sale of first-hand parking space? If not, are there any requirements under the Ordinance for vendors of first-hand residential properties to provide information on parking spaces in the sales brochure, price list and / or Register of Transactions for the development or phase of a development?

A1.6 According to section 14(1) of the Ordinance, Divisions 2, 3, 6, 7 and 8 apply if there is a sale by the owner of a specified residential property in a development. The Ordinance does not apply to the sale of parking space which does not form part of the residential property.

As far as the Ordinance is concerned, vendors are required to provide only the following information on parking spaces:

- (a) the floor plans of parking spaces in the sales brochure of the development (section 19(2)(1) of the Ordinance). Each of the floor plans of the parking spaces must show the location of the parking spaces, and state the number of the parking spaces, and the dimensions and area of each of the parking spaces (section 12(2) in Part 1 of Schedule 1 to the Ordinance); and
- (b) the area of the parking space, to the extent that it forms part of the residential property, in the sales brochure of the development as required under section 11(2)(c) in Part 1 of Schedule 1 to the Ordinance and in a price list as required under section 31(2)(e) of the Ordinance; and
- (c) a description in the Register of Transactions of the parking space that is sold together with a residential property under one single preliminary agreement for sale and purchase or agreement for sale and purchase.

In addition, as explained in Nos. 1.4 and 1.5 of FAQs on Price List above, vendors are advised to provide an estimated value of the parking space which is offered as a gift to the purchaser in the

price list for the residential properties in the development as far as practicable.

Q1.7 For residential developments the pre-sale of which is subject to the consent of the Director of Lands, if there is sale of parking spaces which do not form part of the residential properties, are vendors required to make available a sales brochure for parking space and price list(s) for parking spaces? If in the affirmative, do vendors have to mention in the price list(s) for parking spaces (NOT price lists for residential properties) the prices of those parking spaces which are offered as gift to purchasers of the residential properties?

A1.7 Under Lands Department Consent Scheme, vendors are required by the Director of Lands to make available a sales publication entitled “sales brochure for parking space” in English and “車位銷售說明書” in Chinese as well as price list(s) for the sale of parking spaces which do not form part of the residential properties. There is no requirement for the information in relation to the parking spaces to be set out in a price list for parking spaces in a specified form.

If a parking space is offered as a gift to be made available together with the purchase of a specified residential property, it is not necessary to prepare a price list for such parking space if the price list for the specified residential property required under the Ordinance reflects that such parking space is a gift. On the other hand, if such parking space appears in a price list for parking spaces, the vendor may set out in the price list for parking spaces its status that it is offered as a gift together with the purchase of the specified residential property.