

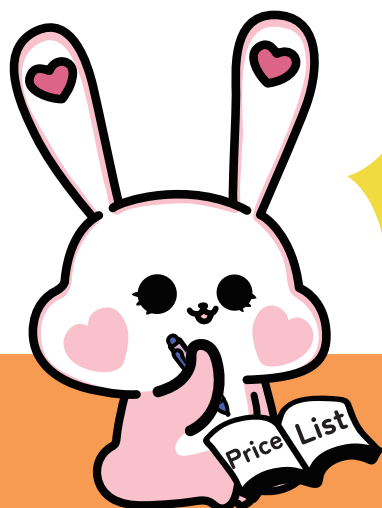
A Dummies Guide to Buying First-hand Residential Properties

Before Purchase



Accurate cost calculation will save you from losses and regrets

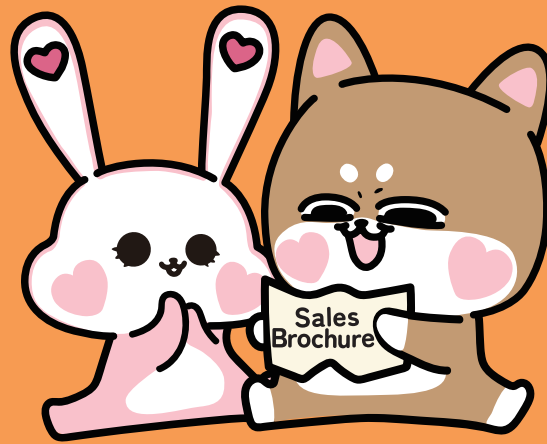
- Calculate the total expenses (including miscellaneous payments) of the purchase. Assess your affordability.
- Check with banks first about mortgage loan and repayment arrangements.
- Mind the terms in “Breathing Plans” provided by the vendor or its designated financing companies. The mortgage interests may hike after the promotion period.
- Check the price list for discounts, gifts or any financial advantages or benefits offered by the vendor. Beware of any conditions attached to the offers.
- Obtain written confirmation for any advantages provided by a third party other than those set out in the price list.



Stay vigilant when purchasing a property!



Brilliant!



Study the sales brochure before buying

Accurate cost calculation will save you from losses and regrets

- Check recent transaction prices of comparable properties.
- Check the “undivided shares” assigned under the deed of mutual covenant. Maintenance and management fees are normally shared on this basis.
- Check with the vendor about the ancillary facilities to be provided, including the usage period, service hours and charges, and estimated monthly management fee.



Calculate expenses carefully



Before Purchase



Choose an estate agent with prudence, and study sales brochure and price list carefully

- Verify his/her licence before appointing an estate agent. Never accept a loan from the estate agent to pay the deposit.
- Study sales brochure, price list, sales arrangements and register of transactions carefully. Never depend on information booklets from the market.
- Always read the sections of “Notes to Purchasers of First-hand Residential Properties”, “Location plan of the development”, “Floor plans”, “Information on public facilities and public open spaces”, “Maintenance of slopes” and “Relevant information” in sales brochure.
- Visit development site and inspect its surroundings (including transportation and the school net) Check if there are any town planning proposals.
- Visit show flats. Take note of the materials used in an unmodified show flat. Pay attention to the appliances to be included in the property at handover.



I can't wait!



Stay calm

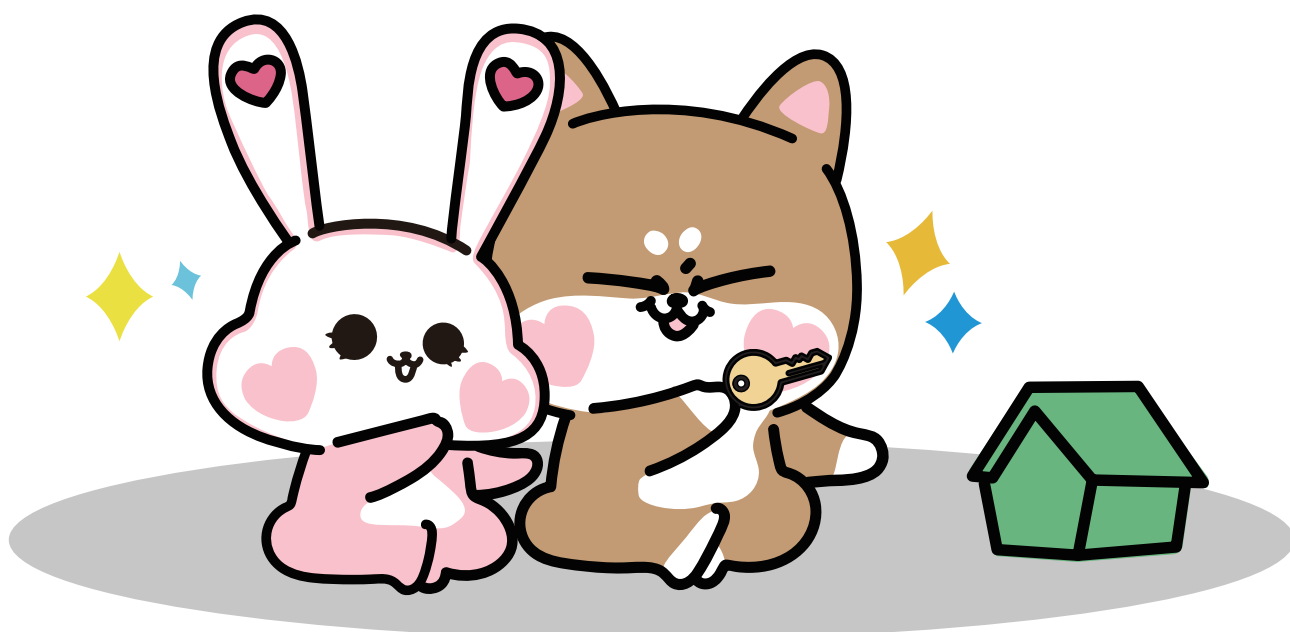


Before Purchase



Mind the material date, and don't take “subscription” for real

- Be mindful that “estimated material date” is not the same as “handing over date”.
- Check the sales arrangements (balloting, tender or first-come-first-served) and the properties to be put up for sale.
- Never take the number of “subscription” received by the vendor as an indicator of the sales volume, nor believe in rumors about it.



During Purchase



Stay cool-headed, and avoid forfeiture of deposit

- Check the most up-to-date sales situation shown on the “consumption table” displayed in the sales office.
- Don’t let the tense and hectic atmosphere in a sales office push you into buying a property on impulse.
- Rank your preferred choices. Never choose a property beyond your budget.
- You may appoint your own solicitor for the transaction.
- Sign the agreement for sale and purchase within 5 working days after entering into the preliminary agreement for sale and purchase. Otherwise the deposit of 5% of the purchase price will be forfeited!



After Purchase



Prepare well before handover and inspect for defects carefully

- Beware of vendor's right to alter the building plans of an uncompleted development. The vendor must notify the purchaser in writing within 14 days after approval of the alteration if it affects the property.
- Check regularly if the estimated material date has been postponed.
- The vendor will notify the purchaser in writing that it is in a position to assign the property validly. Then the sale and purchase must be completed within 14 days.
- Settle all mortgage-related matters before the handover of the property.
- Inspect the property carefully after handover. Any request for the vendor to remedy defects must be made in writing within 6 months after the completion date of the sale and purchase.



Inspect the property carefully after handover

Sales of First-hand Residential Properties Authority

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