

## **Residential Properties (First-hand Sales) Ordinance**

### **Frequently Asked Questions and Answers (FAQs)**

#### **FAQs on Preliminary Agreement and Agreement**

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 Under the Ordinance, if the purchaser fails to execute an Agreement for Sale and Purchase (ASP) within 5 working days after the date on which he enters into a Preliminary Agreement for Sale and Purchase (PASP), can the vendor chooses not to forfeit the preliminary deposit?**

A1.1 Under section 53(3) of the Ordinance, if a person does not execute an ASP within 5 working days after the date on which he enters into the PASP, the PASP is terminated and the preliminary deposit is forfeited.