

Reminder for the Trade

New Frequently Asked Question and Answer on Register of Transactions Setting Out Payment Terms in Register of Transactions

The Sales of First-hand Residential Properties Authority (“SRPA”) issued a new frequently asked questions and answer (FAQ) on register of transactions, i.e. FAQ 1.2 on 12 April 2019. The new FAQ was uploaded onto the SRPA website on the same day.

As set out in section 61 of the Residential Properties (First-hand Sales) Ordinance, the purpose of the register of transactions for the development is to provide a member of the public with the transaction information for understanding the residential property market conditions. Such information would assist prospective purchasers in making informed decisions when purchasing the first-hand residential properties.

The SRPA has recently noticed in some registers of transactions, insufficient particulars of the terms of payment were provided. There were cases where details of the relevant terms of payment could only be found by referring to other documents, or details of the relevant terms of payment could not be found. There were also cases where all options were set out without any indication as to which was chosen by the purchaser.

The new FAQ 1.2 is on the requirement of setting out the full details of the terms of payment (including any discount on the price, and any gift made available in connection with the purchase) as agreed between vendor and purchaser for the purchase of each specified residential property in the register of transactions.

The SRPA would like to **remind** vendors that whenever a preliminary agreement for sale and purchase or an agreement for sale and purchase in respect of a specified residential property is made, a vendor must, within the prescribed timeframe, enter into the register of transactions for the development, inter alia, the terms of payment. The details of the discount, gift, and financial advantage or benefit made

available in connection with the purchase should be specified. Besides, vendors are advised to make the register of transactions self-contained so that prospective purchasers do not have to refer to other documents or materials for details of the terms of payment.

Sales of First-hand Residential Properties Authority
12 April 2019