

Reminder to the Trade

(I) Estimated material date for a development/phase

1. It comes to the attention of the Sales of First-hand Residential Properties Authority (“SRPA”) that some vendors may postpone the estimated material date for an uncompleted development/phase or a completed development/phase pending compliance, given that the authorized person (“AP”) for the development/phase has granted extension(s) of time for completion of the development/phase beyond the estimated material date in accordance with the relevant mandatory provision incorporated in an agreement for sale and purchase (“ASP”) as required by the Residential Properties (First-hand Sales) Ordinance (“the Ordinance”). As set out in such provision, the AP may grant extension(s) of time for completion of the development/phase beyond the estimated material date having regard to delays caused exclusively by any one or more of the following reasons:
 - (a) strike or lock-out of workmen;
 - (b) riots or civil commotion;
 - (c) force majeure or Act of God;
 - (d) fire or other accident beyond the vendor’s control;
 - (e) war; or
 - (f) inclement weather.

2. The AP may grant more than once such an extension of time depending on the circumstances. The mandatory provisions to be incorporated in an ASP as required by the Ordinance also include a provision requiring the vendor to, within 14 days after the issue of an extension of time granted by the AP, furnish the purchaser with a copy of the relevant certificate of extension.

3. To enhance the transparency and fairness of the sales of first-hand residential properties, vendors are encouraged, if it becomes apparent to a vendor that an extension of time for completion of the development/phase beyond the estimated material date is necessary under the relevant mandatory provision in the ASP, to proactively start discussion with the AP for the granting of such extension **as soon as practicable**.

4. After an extension of time is granted by the AP, the vendor should furnish the purchaser with a copy of the relevant certificate of extension as required under the relevant mandatory provision in the ASP. If there is a sale of a specified residential property in the development/phase at the time when an extension of time is granted by the AP, the vendor is also advised to update the estimated material date in an examined sales brochure **as soon as practicable (without** waiting until the expiry of the 3-month period) and to state the updated estimated material date in subsequent advertisements for the development/phase.

(II) Change of place where specified residential properties are offered to be sold

5. According to section 47(1) of the Ordinance, a vendor must make available hard copies of a document containing the sales arrangements (“SA”) for collection by the general public free of charge during a period of at least 3 days immediately before a date of sale and on each day of sale. The same information must also be made available for inspection on the designated website for the development under the same timeframe.
6. The prescribed information required in a SA is set out in section 47(2) of the Ordinance, which includes the date and time when, and the place where, the specified residential properties will be offered to be sold.
7. If changes are made to the SA, the specified residential properties affected by the changes should only be sold or offered to be sold after the revised SA have been made available to the public for a period of at least 3 days.
8. It comes to the attention of the SRPA that a new place of sale (location B) may be added to or may replace the place where the specified residential properties will be offered to be sold as set out in the SA (location A). There are occasions that some vendors revise the SA as follows:
 - (i) by adding location B without providing the date(s) of sale at location B in the revised SA; or

- (ii) by crossing out or deleting location A and adding location B without updating/providing the date(s) of sale at location A and at location B in the revised SA.
9. To avoid any misunderstanding or causing confusion to the public, the SRPA would like to remind vendors that:
- (i) if a vendor wishes to add a place (location B) in addition to the original place (location A) where the specified residential properties are offered to be sold, the vendor may issue a revised SA adding location B with the date(s) and time of sale at location B; and
 - (ii) if a vendor wishes to replace the original place (location A) with another place (location B) where the specified residential properties will be offered to be sold while the sale at location A will continue until a certain date after commencement of sale at location B, the vendor may issue a revised SA specifying the closing date and time of sale at location A (even if the date(s) and time of sale at location A remain unchanged) and adding location B with the date(s) and time of sale at location B. Alternatively, the vendor may announce suspension of sale at location A (if necessary) and issue a separate SA for location B.
10. Moreover, vendors are reminded that any additional specified residential properties can only be offered to be sold or any other revised sales arrangements can only be adopted at location A after a revised SA has been made available to the public for a period of at least 3 days as required under section 47(1) of the Ordinance.

Sales of First-hand Residential Properties Authority
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