

## **Frequently Asked Questions**

### **Sale of Unsold Green Form Subsidised Home Ownership Scheme Flats (GSH) of Ching Fu Court and Dip Tsui Court**

#### **1. When will HA accept applications?**

The application period for Sales of Unsold GSH Flats of Ching Fu Court and Dip Tsui Court (“this sale exercise”) is from 19 July 2022 to 8 August 2022. Application submitted before or after the application period will not be accepted.

For application details of Express Flat Allocation Scheme (2022) -cum- this sale exercise, please browse HA/HD website ([www.housingauthority.gov.hk](http://www.housingauthority.gov.hk): Home > PRH Application > Express Flat Allocation Scheme).

#### **2. How can applicant submit the application?**

Eligible public rental housing (PRH) applicants for Express Flat Allocation Scheme (EFAS) (2022) are advised to read the Application Guide for EFAS (2022) and the Application Guide for this sale exercise at HA/HD website ([www.housingauthority.gov.hk](http://www.housingauthority.gov.hk): Home > PRH Application > Express Flat Allocation Scheme) before submitting on-line application or returning the completed application form to Housing Department (HD) during the period from 19 July 2022 to 8 August 2022.

- (a) Online application: Complete and submit the application through ‘e-Service for Public Rental Housing Application’ at HA/HD website ([www.housingauthority.gov.hk](http://www.housingauthority.gov.hk): Home > PRH Application > Express Flat Allocation Scheme > ‘e-Services for Public Housing Application’ > Other e-Services for PRH Application > Express Flat Allocation Scheme) (Note: Applicant must register/login e-Services for PRH Application account with valid PRH application for application). Applicants applying for this sale exercise should complete the application form and pay the application fee of HK\$250 through ‘e-Service for Public Rental Housing Application’ at HA/HD website at the same time; or
- (b) By post/by hand: Submit the completed original application form (The application form for this sale exercise should be submitted together with a crossed cheque/cashier's order for the application fee of HK\$250) in the designated collection box at the reception counter of Podium Level 1, Housing Authority Customer Service Centre (HACSC) (Address : 3 Wang Tau Hom South Road, Kowloon) during office hours (Collection Box Opening Hours: 8:00 am to 6:00 pm from Monday-Friday, except Saturday, Sunday & Public

holidays); or mail it to Lettings Unit (2), HACSC, Podium Level 4, 3 Wang Tau Hom South Road, Kowloon or P.O. Box 89192, Kowloon City Post Office.

**3. Is it necessary to pay any application fees?**

Applicant of this sale exercise is required to pay a one-off application fee of **HK\$250**.

**4. How to pay the application fee?**

For online application, applicants are required to pay the application fee by a valid credit card (VISA, Mastercard, JCB or UnionPay) of the applicant or another person online.

For application by post/by hand, applicants are required to pay the application fee by a crossed cheque (the cheque can be issued by applicants or other persons) or cashier's order. The cheque or cashier's order should be made payable to "HONG KONG HOUSING AUTHORITY". The HKIC number and contact telephone number of the applicants should be written at the back of the cheque or cashier's order.

Payment at convenience store, post-dated cheque, cash, gift cheque, postal order and electronic cheques will not be accepted. Application fee paid is non-refundable and non-transferrable. If the cheque or cashier's order is dishonoured for whatever reasons, the application will be cancelled automatically.

**5. May applicant and/ or all household(s) listed in the PRH application apply simultaneously for other subsidised housing schemes?**

The applicant and/ or all household(s) listed in the PRH application may apply for other subsidized housing schemes simultaneously provided that they meet the eligibility criteria of other schemes. If more than one application is successful, they can only opt for one, and have to cancel all other applications.

**6. How to apply for change in particulars of the submitted information?**

Applicants should update any changes of their family size or particulars (e.g. addition or deletion of family member, change of marital status, change of applicant, or change of the intention to join 'Harmonious Families Priority Scheme' (HFPS))

to HD in writing before the flat selection procedures because such updated information will affect the eligibility of the application, the order of priority for flat selection, the date for flat selection and the size of flat to be allocated, etc. Under normal circumstances, request for addition or deletion of family members during flat selection will not be entertained. Therefore, the applicant must complete the formalities for information update before flat selection. Whether the applicant can purchase the selected flat will be subject to his/her fulfillment of the eligibility vetting or review for PRH.

**7. Will flat selection for EFAS (2022) and this sale exercise be carried out simultaneously?**

Flat selection for EFAS (2022) and this sale exercise will be carried out separately. Flat selection for EFAS (2022) will be held at HACSC (Address: 3 Wang Tau Hom South Road, Kowloon), and flat selection for this sale exercise will be held at office of the GSH Sales Unit (Address: 1/F, Pioneer Place, 33 Hoi Yuen Road, Kwun Tong, Kowloon). Flat Selection Notifications for EFAS (2022) and this sale exercise will be sent to applicants separately.

Should an applicant apply for both EFAS (2022) and this sale exercise, he/ she can only select a flat in one of the scheme/ exercise. Once an applicant has successfully selected a flat in EFAS (2022)/ this sale exercise, the application for the other scheme/ exercise will be cancelled immediately. Even if he/ she has given up the selected flat at EFAS (2022) or cancelled the Agreement for Sale and Purchase (ASP) of that flat, the application for the other scheme/ exercise cannot be reverted.

**8. How to obtain sales brochures and price lists of respective developments?**

The sales brochures and price lists for this sale exercise are available from office of the GSH Sales Unit (Address: 1/F, Pioneer Place, 33 Hoi Yuen Road, Kwun Tong, Kowloon) (nearer to Exit B3, Kwun Tong MTR station) and the HA/ HD designated websites seven days before the flat selection period.

The HA will offer to sell the flats that are covered in a price list. The HA has the absolute right to withdraw from the sale of any flat at any time during the sale period.

**9. How do eligible applicants choose their flats?**

The HA will invite applicants according to the priority of flat selection stated in paragraph (a) of the Application Guide of EFAS (2022) for flat selection of GSH flat in the office of GSH Sales Unit at the specified time by batches.

During individual flat selection sessions on the flat selection days, after registration of all applicants, the attending applicants will be listed according to their flat selection priority. They will then be arranged to enter the flat selection room accordingly. Applicants should take note of the latest information on flats available for selection displayed at the screens of the GSH Sales Unit. For all applicants who have been arranged to enter the flat selection room, selection of flat is on “first select first served” basis (subject to acknowledgement by computer). The selected flat, once confirmed by applicants, cannot be changed.

Since Flat Selection Notification is sent out before the flat selection date, the HA and HD do not guarantee that flats will be available for selection by the time the applicants show up at the appointed time. If all flats are selected, the flat selection appointment arranged for them will be withheld. Please pay attention to the latest sale status.

Applicants who fail to keep their appointment as set out in the Flat Selection Notification will lose their eligibility for flat selection and their flat selection priority will be taken up by others lower in the queue. The application fee paid will not be refunded. If an applicant needs to change his/ her appointment (the appointment can only be postponed but cannot be advanced), he/ she has to seek the GSH Sales Unit’s prior approval in writing. Change of appointment can only be effected upon approval, the applicant’s order of priority for flat selection will be deferred accordingly. The HA and HD will not guarantee that there will be available flat for selection after change of the appointment.

When an applicant has successfully selected a flat, HD’s Applications Sub-section will arrange a detailed vetting interview for the applicant if his/ her eligibility for PRH has not yet been verified. The interview will be conducted within one month from the flat selection date. For rational use of public housing resources, HD will not consider postponing the interview for more than two months from the date of selection of a GSH flat. The applicant must attend an interview as scheduled to complete required procedures in person. Failing to do so, the application will be cancelled, and the selected flat will not be reserved. The application fee paid will

not be refunded.

Applicant who has been confirmed eligible for PRH will receive the “Notice of signing ASP” in about two weeks from the date of letter of confirming his/ her eligibility for PRH or the flat selection date (whichever is the latter). He/ She and/ or any family member who intend to become a joint owner is required to bring along a cashier’s order in the sum of 5% of the purchase price for the deposit and other required documents, to sign the ASP at the office of GSH Sales Unit on the date specified in the “Notice of signing ASP” in person. Should an applicant who has selected a flat or any family member who intend to become a joint owner fail to turn up at the GSH Sales Unit to sign the relevant ASP within the specified time, he/she will be deemed as giving up the selected flat and the flat shall be taken back. The applicant concerned will not be given another chance for flat selection. The application fee paid will not be refunded.

Applicant who failed the detailed vetting or his/ her flat selection priority is affected by any changes of family composition (e.g. from family applicant to one-person applicant), the selected GSH flat under this sale exercise will be recovered. The application fee paid will not be refunded. The HA and HD may invite the remaining applicants to select the recovered GSH flats according to their priority of flat selection.

After the execution of the ASP of a GSH flat of this sale exercise, if the purchaser is proved to be ineligible, the ASP of the flat signed will be cancelled and all fees and charges paid (including deposit) in respect of the application/ purchase will not be refunded.

**10. Anything points to note for the applicant or any family member who intend to become a joint owner before flat selection?**

The applicant and the joint owner (if any) should have the mental capacity (if necessary, the HA may require the concerned person(s) to provide a recent medical proof) to understand the nature and effect of all application documents relating to this sale exercise and legal documents, such as the ASP/ Deed of Assignment of flat and so on, which he/ she signs.

If an applicant or any family member who intend to become a joint owner is not able to turn up in person to complete the relevant formalities, he/ she is required to

obtain prior written approval from the GSH Sales Unit and sign a valid Power of Attorney at a solicitor firm to authorise a family member aged 18 or above listed on the PRH application to complete the purchase on his/ her behalf. If the applicant is the only person listed in the PRH application, he/ she may authorise relative to complete the purchase on his/ her behalf, provided that the authorised person is aged 18 or above and is holding a valid Power of Attorney. Applicants shall submit a written application to GSH Sales Unit as early as possible before the date of flat selection so that the purchase formalities can be completed without delay due to the time required to process relevant documents. Applicants need to bear and be responsible for all the fees required for obtaining the Power of Attorney.

If an applicant turns up at the GSH Sales Unit at the appointed time but fails to select a flat while stock still lasts, he/ she will be deemed as giving up his/ her chance of flat selection. The applicant will not be given another chance for flat selection again. The application fee paid will not be refunded.

#### **11. What kind of ownership is allowed?**

The applicant must become the owner of the flat purchased. The applicant, however, may choose to share the ownership with one of the adult family members listed in the PRH application provided that the ownership is in the form of joint tenancy not inheritable by a third party. This family member is required to turn up in person with the applicant at the GSH Sales Unit for completion of necessary formalities.

If an applicant or any family member who intend to become a joint owner is not able to turn up in person to complete the relevant formalities, he/ she is required to obtain prior written approval from the GSH Sales Unit and sign a valid Power of Attorney at a solicitor firm to authorise a family member aged 18 or above listed on the PRH application to complete the purchase on his/ her behalf. If the applicant is the only person listed in the PRH application, he/ she may authorise relative to complete the purchase on his/ her behalf, provided that the authorised person is aged 18 or above and is holding a valid Power of Attorney. Applicants need to bear and be responsible for all the fees required for obtaining the Power of Attorney.

#### **12. How to pay the purchase price and Obtaining Legal Title to the Flats?**

Before the signing of the ASP, all purchasers are urged to appoint a firm of solicitors of their choice to advise them on matters relating to the purchase of a flat under this sale exercise, such as alienation restrictions, stamp duties, etc., and to act for them in relation to their purchase of the flat. The firm of solicitors will be able to give advice to them at every stage of the purchase. Although the purchasers will sign the ASP before the staff of the HA, the staff will only interpret the contents of the ASP to the purchasers and attest their signing of the ASP. The staff will not give the purchasers any legal advice on the ASP or any other matters in connection with the transaction.

The purchaser of a flat under this sale exercise must, at the time of signing the ASP at the GSH Sales Unit, bring along with him/ her a cashier's order in the sum of not less than 5% of the purchase price for paying the deposit.

For uncompleted building(s), after the **Occupation Permit** for the building(s) concerned has been issued, the HA or HA's appointed solicitors will notify the purchasers in writing to complete the remaining conveyancing formalities and pay the balance of the purchase price within the specified period of time. For completed building(s), the HA or HA's appointed solicitors shall within 28 days after the date of signing the ASP notify the purchasers in writing in relation to the completion of sale and purchase. The purchasers shall complete the remaining conveyancing formalities and pay the balance of the purchase price within 14 days after the date of such notice or such other date as specified in the notice.

If the price of the flat under this sale exercise is over one million dollars, purchasers must appoint a separate firm of solicitors of their choice to act for them in relation to the transaction. Such firm of solicitors should not be the firm of solicitors appointed by the HA for the concerned flat. If the price of the flat under this sale exercise does not exceed one million dollars, purchasers may either appoint a separate firm of solicitors of their choice to act for them in relation to the transaction; or appoint the HA's appointed solicitors to act for them in relation to the transaction.

If the purchasers appoint a separate firm of solicitors to act for them in relation to the transaction, that firm of solicitors will be able to give independent advice to the purchasers at every stage of the purchase. The purchasers have to pay the legal costs and expenses of their own solicitors. Purchasers are required to notify the HA the name and contact details of their appointed solicitors within reasonable

time before completion or other time to be specified by the HA.

If the purchasers appoint the HA's appointed solicitors to act for them in relation to the transaction, the solicitors will be acting jointly for the HA and the purchasers. For this type of joint representation cases, purchasers are required to pay all the legal costs and expenses of the solicitors for the completion of the sale and purchase.

### **13. What are the fees and charges to be paid upon purchasing a GSH flat?**

The purchaser, when completing the formalities of purchasing a flat, is required to pay fees including but not limited to the following:

- (a) All stamp duties payable (The HA is not responsible for stamp duties related matters. Purchasers may call the Inland Revenue Department at 2594 3202 or browse its website ([www.ird.gov.hk/eng/faq/index.htm](http://www.ird.gov.hk/eng/faq/index.htm)) for details);
- (b) Registration fees for registration of the deeds in the Land Registry;
- (c) Legal costs:
  - (i) If the purchaser appoints a separate firm of solicitors of his/her choice to act for him/her in relation to the sale and purchase of the GSH flat, he/ she has to pay the legal costs and expenses of his/ her solicitors;
  - (ii) If the price of the GSH flat does not exceed one million dollars, the purchaser can appoint the HA's appointed solicitors to act for him/her for the completion of sale and purchase of the GSH flat. For this type of joint representation cases, the purchaser has to pay the solicitor the legal costs and expenses to be agreed between the purchaser and the solicitor. (Note: The HA's appointed solicitors for GSH flat will be acting jointly for the HA and the purchasers under such arrangement. If a conflict of interest arises between the HA and the purchaser, the HA's appointed solicitors may not be able to protect the purchaser's interests);
- (d) The fees for certified copies of the deeds (including the Government lease, the Deed of Mutual Covenant and other relevant title deeds);
- (e) In the event of the purchaser failing to complete the transaction by the specified date in accordance with the ASP, the HA shall, without prejudice to any other remedy, be entitled to demand and receive from the purchaser payment of interest on the balance of the purchase price at the rate of 2% per annum above the Best Lending Rate as announced by the Hongkong and Shanghai Banking Corporation Limited;
- (f) Debris removal fee (if any), decoration deposit (if any) and special fund (if any); and

- (g) Management fee, management fee deposit and the levy payable (if any) and penalty (if any) as prescribed by the Property Management Services Authority.

If the purchaser requires a mortgage loan to finance the purchase of the flat, he/ she is also required to pay:

- (a) The registration fee for registration of the mortgage deed in the Land Registry; and
- (b) Legal costs of the solicitors acting for the bank or the financial institution offering the loan for the mortgage arrangements. (Note: If the bank or the financial institution appoints also the HA's appointed solicitors to handle the mortgage arrangements, the solicitors will charge the purchaser a separate fee.)

#### **14. What about mortgage arrangements?**

Purchasers should assess their own financial capability and eligibility for mortgage (if applicable) before entering into purchasing formalities. After signing the ASP, a purchaser requiring a mortgage loan to pay the balance of the purchase price should apply to a bank or financial institution on the approved list, which is available from the GSH Sales Unit, for a mortgage loan on special concessionary terms specified by the HA. The conditions are subject to final approval by the bank or financial institution concerned. The participating banks or financial institutions on the list have entered into a Deed of Guarantee with the HA. Some of the mortgage terms are as follows:

- (a) Loan amount not exceeding the balance of the purchase price after deposit;
- (b) Maximum repayment period of 25 years; and
- (c) Interest rate at a maximum of the Best Lending Rate quoted by the bank or financial institution concerned minus 0.5% per annum.

If the purchaser wishes to mortgage with other bank or financial institution which has not entered into a Deed of Guarantee with the HA, the purchaser is required to obtain prior approval from the Director of Housing for such mortgage arrangement. The purchaser is reminded to allow sufficient time to apply to HD for processing of the relevant approval in order to avoid any possible delay in the mortgage arrangement and an administrative fee is required for the concerned application. Please contact the bank or financial institution concerned for enquiries on mortgage arrangement.

A purchaser may also obtain a loan to cover the balance of the purchase price under a mortgage from his/ her employer who offers a bona fide staff housing mortgage loan scheme provided that prior approval from the Director of Housing is obtained.

Except with the approval of the Director of Housing, the purchaser shall not secure any other form of mortgage financing or refinancing, including increasing the amount of the mortgage loan. If the purchaser, who has mortgaged the flat purchased to a participating bank or financial institution that has entered into a Deed of Guarantee with the HA, defaults on mortgage payments before paying off the mortgage loan, the bank or financial institution concerned will sell the flat. Should the sale proceeds of the flat fail to cover the full outstanding balance of the mortgage and all the interest, legal costs, administration fees, etc. payable under the mortgage, the bank or financial institution will, pursuant to the Deed of Guarantee, make a claim against the HA for the payment of all the above arrears that the purchaser owes. The HA shall then under the Deed of Guarantee pay the same to the bank or financial institution. In relation to the payments made by the HA to the bank or financial institution, the HA will then recover such payments and the interest from the purchaser.

**15. What are the alienation restrictions for the owner of a flat of Dip Tsui Court/Ching Fu Court?**

The flat shall not be assigned by the purchaser to any other person or organisation before executing the Deed of Assignment. If a purchaser requests for cancelling the ASP before executing the Deed of Assignment and the HA agrees to the same, a sum equivalent to 5% of the purchase price will be retained by the HA as consideration for cancellation of the ASP. Besides, the purchaser is required to pay or reimburse the HA for all legal costs, charges and disbursements (including stamp duty, if any) in connection with or arising from the cancellation of the ASP.

A purchaser who wishes to assign or let the GSH flat after becoming an owner of a resale flat of Ching Fu Court / Dip Tsui Court sold under this exercise as per the Deed of Assignment will be subject to the terms of the Deed of Assignment and the terms, covenants and conditions contained in the Government lease. The HA will not buy back or nominate a buyer (except HOS Secondary Market) to buy the above flats, and the following alienation restrictions will apply to the owners of the above flats:

- (a) Within the first two years from the date of the first Deed of Assignment of the flat from the HA to an owner (the first assignment), the owner has to sell the flat in the HOS Secondary Market to a Green Form (GF) buyer nominated by the HA without payment of premium and at a price not more

than the original purchase price under the first assignment.

- (b) Between the third to the tenth year from the date of the first assignment, the owner has to sell the flat in the HOS Secondary Market to a GF buyer nominated by the HA without payment of premium and at his/ her own negotiated price.
- (c) After ten years from the date of the first assignment:
  - (i) The owner may sell the flat in the HOS Secondary Market to a GF buyer nominated by the HA without payment of premium and at his/ her own negotiated price.
  - (ii) The owner may also sell or let the flat in the open market after payment of premium.

The premium which the owner is required to pay is calculated based on the prevailing market value of the flat without alienation restrictions, and the difference between the original purchase price of the flat and its initial market value as specified in the first assignment. In other words, the premium is calculated by applying the discount of the original purchase price to the prevailing market value.

Purchasers should take note that the initial market value used to calculate the discount at the time of purchase is the market value prevailing at the date of the ASP. The sale price of flats in this sale exercise, once fixed, will remain unchanged throughout the sale period. As there is normally a time lag of a few months between the fixing of the sale price and the signing of the ASP, during which the market value of a flat may fluctuate according to the market conditions, the actual discount rate at the time of signing the ASP may be different from that when the sale price was fixed. The actual discount at the time of signing the ASP will be adopted for calculation of the premium.

Please refer to the HA/HD website ([www.housingauthority.gov.hk](http://www.housingauthority.gov.hk)) for details of the premium payment procedures.