



Flat-for-Sale Scheme Secondary Market Scheme (Green Form Status) Application Guide

(Rev.07/2025)

GENERAL INFORMATION

1. Background

To enhance the flexibility in the sale of flat for flat owners and fully utilize the limited housing resources, the Hong Kong Housing Society (“**HS**”) formally implemented the Flat-for-Sale Scheme Secondary Market Scheme (“**SMS**”) in September 1997.

2. What is meant by the SMS?

- 2.1 The SMS is introduced to enable Flat-for-Sale Scheme (“**FFSS**”), Subsidised Sale Flats Project (“**SSFP**”) and Dedicated Rehousing Estates Subsidised Sale Flats Project (“**DRE SSFP**”) flat owners to sell their flats to households of designated Group A rental estates (Appendix I)/Elderly Persons Flats (“**Rental Estates**”) managed by the HS or Public Rental Housing (“**PRH**”) Estates managed by the Hong Kong Housing Authority (“**HA**”), authorized residents of Interim Housing (“**IH**”) managed by the HA, holders of Green Form Certificate (“**GFC**”) issued by the Housing Department (“**HD**”)/Urban Renewal Authority (“**URA**”), and recipients of Rent Allowance for Elderly Scheme (“**RAES**”) without having to pay a premium.
- 2.2 For flats sold under the FFSS, SSFP and DRE SSFP, the date of first assignment refers to the date of assignment whereby the HS first sells a flat to a purchaser (the “**First Assignment**”). In no case shall the date of the First Assignment be construed as the date of occupation of the estate concerned.
- 2.3 For flats sold under the FFSS and SSFP that were completed before 2024 as specified in Appendix II, flats owners could sell their flats from the third year onwards from the date of First Assignment.
- 2.4 For flats sold under the SSFP that are completed in or after 2024 and DRE SSFP as specified in Appendix III, in the event of the vendor entering into the provisional agreement for sale and purchase (the “**PASP**”) before the expiry of five years from the date of the First Assignment, the sale price under the PASP, the Formal Agreement for Sale and Purchase, and the Assignment shall be at a price not more than the price of the flat sold by HS to the purchaser as specified in the First Assignment.

- 2.5 Transactions in the FFSS Secondary Market are done more or less the same way as in the open market. The purchaser and the seller may negotiate on their own or make the transaction through an estate agent. However, to comply with the requirements for sale and purchase of flat under FFSS Secondary Market, both the purchaser and the seller shall apply to the HS for the requisite supporting documents, including a Certificate of Eligibility to Purchase (“CEP”) and a Letter of Nomination (“LN”) for the purchaser and a Certificate of Availability for Sale (“CAS”) for the seller. The Formal Agreement for Sale and Purchase and the Deed of Assignment shall be prepared by solicitors.
- 2.6 Not only does the SMS provide FFSS, SSFP and DRE SSFP flat owners with one more option, it also serves the purpose of improving the mobility of rental housing households intending to own a home. Rental Estates/PRH/IH households who have successfully bought a flat in the FFSS Secondary Market are required to surrender the Rental Estates/PRH/IH unit they are currently residing in to the HS/HA for re-allocation to families in greater need. Holders of GFC will have their registration numbers cancelled and be disqualified from public housing allocation upon their successful purchase of a flat in the FFSS Secondary Market.

The mode of operation for purchase of flats in the FFSS Secondary Market is illustrated in the flow chart on Page 18 of this application guide, and the developments of FFSS, SSFP and DRE SSFP are on Appendices II and III.

3. Does the seller have to pay a premium first?

FFSS / SSFP / DRE SSFP flat owners who sell their flats in the FFSS Secondary Market are not required to pay any premium to the Government. Purchasers of flats in the FFSS Secondary Market, however, will be responsible for paying the premium when they sell, rent out or assign their flats in whatever manner in open market in the future. This should be clearly understood by both parties when they negotiate prices.

4. Who are eligible to apply for purchase?

4.1 The following persons may apply:

- 4.1.1 Households of Rental Estates managed by HS (households of Group B rental estate or Dedicated Rehousing Estates, monthly licensees of HS Transitional Rental Housing units or fixed term licensees are not allowed to submit application). HS tenants occupying two rental units (including tenancy under Cross Generation Living Scheme), will be allowed to buy only one flat in the FFSS Secondary Market.
- 4.1.2 Households of PRH units managed by HA ^(Note 1) may apply (tenants under conditional tenancies, monthly licensees of HA Transitional Rental Housing units or fixed term licensees are not allowed to submit application) as long as their eligibility as PRH households has been verified by their respective estate offices, on condition that their housing units be surrendered upon successful purchase of a flat in the FFSS Secondary Market.

Note 1: PRH households of the HA may approach their estate offices for details on how to apply and deliver vacant possession of their PRH unit.

HA households occupying two or more PRH units may apply subject to the following conditions:

- (a) Households consisting of one nuclear family ^(Note 2) are only allowed to buy one flat in the FFSS Secondary Market and will have to surrender all their PRH units upon successful purchase of a flat in the FFSS Secondary Market.
- (b) Households consisting of two or more nuclear families ^(Note 2) are allowed to split and make separate applications on conditions that –
 - (i) endorsement of their application form has been given by their respective Estate Offices/District Tenancy Management Offices; and
 - (ii) at most only two flats under the subsidised housing schemes may be purchased (including the flat bought with loans or subsidies granted under the Home Assistance Loan Scheme or other subsidised housing schemes administered by HA and URA). They have to surrender one of their PRH units upon purchase of the first flat and all their remaining PRH units upon purchase of the second flat.

Note 2: Nuclear families refer to families comprising (i) husband and wife or (ii) parent(s) and child(ren) (including step child(ren) or adopted child(ren), but supporting documents should be submitted upon the request of the HS). Grandparent(s) and grandchild(ren) are non-nuclear families, but they will be regarded as nuclear families if supporting documents can be provided to prove that the parents of the grandchild(ren) are deceased, or if both grandparents and grandchild(ren) are included in the application with either one of the grandparents as the applicant.

4.1.3 Authorized residents of IH managed by the HA.

4.1.4 Persons falling under the following categories may also apply provided that they are holders of a valid “Green Form Certificate – applicable to Flat-for-Sale Scheme Secondary Market only” issued by the HD/URA. Upon their purchase of a flat in the FFSS Secondary Market, their registration numbers for public housing application will be cancelled and they will not be allocated any PRH unit.

- (a) PRH applicants who have passed the detailed vetting and whose eligibility for allocation of PRH has been established;
- (b) Clearees affected in clearance exercises initiated by the Government and victims of natural disasters whose PRH eligibility has been established;
- (c) Persons under the Civil Service Public Housing Quota (“CSPHQ”) or Special One-off Housing Allocation for Junior Civil Servants whose eligibility has been established;
- (d) Clearees affected in urban renewal projects whose PRH eligibility has been established;

- (e) PRH residents whose eligibility for allocation of PRH flat has been established due to divorce/splitting; and
- (f) Former PRH tenants holding a valid “Letter of Assurance” (“LA”) issued by the HA whose eligibility for allocation of the PRH flat has been established.

4.1.5 Recipient of RAES may apply. Applications should be sent to Rent Allowance for the Elderly Scheme dedicated team of HA’s Applications Sub-section for verification before submission to HS. The RAES allowance will be automatically ceased after 60 days upon the execution of the deed of assignment. (The above arrangements are subject to the latest policy of HA.)

4.2 All family members listed in the Rental Estate tenancy/PRH tenancy/IH occupation licence or GFC must be included in the same application form, except for the circumstance mentioned in Item 4.1.2(b).

4.3 All applicants have to meet the following eligibility criteria:

4.3.1 Single persons as well as families are eligible to apply. For families, the applicant and the family member(s) must be of kin relationship. If the applicant and/or the family member(s) is/are married, his/her/their spouse(s) must be included in the same application form unless they are lawfully divorced (lawfully divorced refers to divorcees have been granted the certificate of making Decree Nisi Absolute (Divorce), otherwise their spouses must be included in the same application form), or the spouse(s) do not have the right to land in Hong Kong (provision of relevant supporting document(s) in application of CEP is required). Failure to do so may render the HS to cancel the application(s) concerned, and the application fee paid will not be refunded;

4.3.2 Applicants must be at least 18 years old;

4.3.3 For divorcee/ legal guardian applying with child(ren) under the age of 18, a copy of the court order for the custody of children is required (for joint custody order, the physical care and control of the underaged member have to be granted). For application with child(ren) born out of wedlock under the age of 18, the father should submit a copy of the documents indicating that he has been granted the custody and right to care and control of the child(ren) by the court.

4.3.4 The applicant who is residing in Rental Estates/PRH/IH, he/she and any member(s) of the family has not breached any condition of their Rental Estates/PRH tenancy agreement/occupation licence;

4.3.5 The recipient of RAES or any member(s) of the family has not breached any condition of the Agreement of RAES; and

4.3.6 The applicant or any member(s) of the family has not received any of the housing subsidies mentioned in Item 5 below.

4.4 From the date of signing the application form for PRH up to the date when the GFC holder ^(Note 3) and/or his/her family member(s) enter(s) into the PASP in respect of a flat under the SMS; and from 24 months preceding the date of the application form for CEP (Green Form Status) up to the date when Rental Estate tenant/PRH tenant/IH licensee and/or his/her family member(s) enter(s) into a PASP in respect of a flat under the SMS, neither the applicant nor any family member(s) listed in the application form has/have:

- (i) owned or co-owned any domestic property in Hong Kong or any interest in such kind of property; or
- (ii) entered into any agreement which is still valid and subsisting (including provisional agreement) to purchase any domestic property in Hong Kong; or
- (iii) owned more than 50% of the shares in a company which directly or through a subsidiary company owned any domestic property in Hong Kong; or
- (iv) been a beneficiary of the estate of any deceased person which includes any domestic property or land in Hong Kong; or
- (v) assigned any domestic properties in Hong Kong or any interest in such properties in Hong Kong (the date of assignment means the date of execution of the Deed of Assignment); or
- (vi) withdrawn from any company which owned any domestic property in Hong Kong in which the applicant/family member(s) owned more than 50% of the shares.

Domestic properties include any domestic property, uncompleted private domestic property, rooftop structures approved by the Buildings Department, domestic building lots and small house grants approved by the Lands Department in Hong Kong.

Note 3: GFC holder under CSPHQ must comply with the application regulations issued by Civil Service Bureau.

5. Who are not eligible to apply?

5.1 Those who have purchased a flat or have obtained a loan or subsidies under the following subsidised ownership schemes, as well as their spouses (including the spouses of purchasers and loan/subsidies receivers who were unmarried at that time). Even if the relevant owner/borrower has sold the flat or repaid the loan, he/she, as well as his/her spouse, are not eligible to apply:

- (a) FFSS;
- (b) SMS;
- (c) SSFP;
- (d) DRE SSFP;
- (e) Sandwich Class Housing Scheme;
- (f) Sandwich Class Housing Loan Scheme / Home Starter Loan Scheme;
- (g) any subsidised housing scheme administered by the HA (including loan/subsidies under any subsidised housing schemes); and

- (h) any subsidised housing schemes administered by URA.
- 5.2 Within two years after the date of execution of the Deed of Assignment for the purchase of a flat under paragraph 5.1, the crucial members of 2-person families are not eligible to apply (unless they get married or are permitted to receive the housing benefits provided by their employers). Other family members will not be bound by this restriction provided that they meet the eligibility criteria. A crucial member is a member, other than the owner, listed in an application to fulfill the eligibility criteria of the minimum number of two persons for family applicants.
- 5.3 Members of Civil Servants' Co-operative Building Society or any housing scheme of a similar nature, or lessees under any Government Built Housing Scheme may not apply. PRH households are exempted from this requirement.
- 5.4 Kowloon Walled City clearerees who had received Government compensation set at Home Ownership Scheme (“HOS”) price level and who have opted to make self-arrangement for accommodation and their spouses listed on the clearance register (including the spouses of clearerees who were unmarried at the time of receiving the compensation).
- 5.5 Clearerees who had opted to receive cash allowance/ex-gratia payment granted by the HS/HD/URA/Lands Department in lieu of any form of PRH/IH, are not allowed to apply within two years after the date of receipt of the allowance/ex-gratia payment.
- 5.6 Qualified households affected by land resumption and clearance required under the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link project and the Liantang/Heung Yuen Wai Boundary Control Point and Associated Works, who had chosen the “ex-gratia cash allowance-only” option shall not apply within three years after the receipt of the allowance.
- 5.7 Households of HS’s Group B rental estates or Dedicated Rehousing Estates or fixed-term licensees of the HS.
- 5.8 Monthly licensees of HS or HA Transitional Rental Housing Units.
- 5.9 Tenants under conditional tenancies or fixed-term licensees of the HA.
- 5.10 The HS reserves rights to reject any application for CEP and/or LN after scrutiny, and the application fee(s) will not be refunded.
- 6. What are the requirements and conditions for issue of CAS for the sale of flats in the FFSS Secondary Market?**

6.1 For flats specified in the developments of FFSS and SSFP on Appendix II:

Owners of flats sold under FFSS and SSFP completed before 2024 (including resale flats sold to purchasers by the HS) or their authorized agents may, from the third year onwards from the date of the First Assignment, apply to the HS for a CAS for the purpose of selling their flats. If FFSS/ SSFP owners have paid the premium and removed the alienation restriction, their flats cannot be sold under SMS.

6.2 For flats specified in the developments of SSFP and DRE SSFP on Appendix III:

Owners of flats sold under SSFP completed in or after 2024 and DRE SSFP or their authorized agents may apply to the HS for a CAS at any time from the date of the First Assignment for the purpose of selling their flats. Provided that in the event of the vendor entering into the PASP before the expiry of five years from the date of the First Assignment, the sale price under the PASP, the formal agreement for sale and purchase, and the assignment shall be at a price not more than the price of the flat sold by HS to the purchaser as specified in the First Assignment.

6.3 According to the application form for the purchase of the flat, the owner(s) shall use the flat for residential purpose only, and the flat shall be occupied by the owner and all the family member(s) listed on the application form for the purchase of the flat. If the owner(s) is/ are found to have breached the live-in requirement concerned, the HS reserves the right to reject the application for CAS.

7. May a FFSS / SSFP / DRE SSFP owner apply for other housing subsidies after having sold his/her FFSS / SSFP / DRE SSFP flat?

No. A FFSS / SSFP / DRE SSFP owner and his/her spouse having sold his/her FFSS / SSFP / DRE SSFP flat may not apply for any housing subsidies.

8. How are prices negotiated?

Transactions in the FFSS Secondary Market are done more or less the same way as in the open market. Subject to the restrictions mentioned in Sections 2.3, 2.4, 6 (where applicable) and 22 of this Application Guide, the purchaser and the seller may negotiate on their own or conduct the transaction through an estate agent. On the basis of the information provided in the CAS produced by the seller, and using the formula set out below, the purchaser can work out the discount rate for calculation of the premium payable when the flat is sold, rented out or assigned in any other way in open market in the future. The purchaser can then roughly assess the market value of the flat by reference to the transaction prices of other properties in the same district in the open market and make a deduction based on the discount rate to allow for his/ her responsibility for premium payment in the future.

9. How is the premium calculated?

$$\text{Premium} = \text{Prevailing Market Value} \times \frac{\text{Initial Market Value} - \text{Purchase Price}^{\text{(Note 4)}}}{\text{Initial Market Value}}$$

The Initial Market Value and the Purchase Price in the above formula are stated in the First Assignment, whilst for the resale flats sold to the purchasers by the HS in the developments of FFSS and SSFP on Appendix II, the Initial Market Value and the Purchase Price are stated in the latest deed of assignment whereby HS last sells a flat to a purchaser (the “**Last Assignment**”). The prevailing market value is the market value at the time of the payment of premium.

Example: The First Assignment of a FFSS / SSFP flat gives the following data:

Initial Market Value: \$5,000,000

Purchase Price: \$3,500,000

Prevailing Market Value: \$6,000,000

$$\text{Premium} = \frac{\$6,000,000 \times (\$5,000,000 - \$3,500,000)}{\$5,000,000} = \$1,800,000$$

Note 4: For flats of Broadview Garden purchased by means of “immediate mortgage” in HOS Phase 12B, the purchase price refers to the regular price stated in the Deed of Assignment and not the actual sale price.

APPLICATION PROCEDURES FOR THE PURCHASE / SALE OF FLATS IN THE FFSS SECONDARY MARKET

10. Where can application forms be obtained?

Both the purchaser and the seller are required to apply to the HS for the requisite documents, such as a CEP for the purchaser and a CAS for the seller. Application forms are obtainable at the estate offices of the designated HS housing estates and FFSS Secondary Market Support Unit at G/F., Dragon Centre, 23 Wun Sha Street, Tai Hang, Hong Kong, or download relevant application forms from the HS website at (<http://www.hkhs.com/en/application/subsidised-sale-housing/id/193>). Applicants are required to submit the completed application forms in the prescribed manner in Section 12 or 13 listed below.

11. Is it necessary to pay any fees at the time of application?

Applicants are required to pay an application fee. The application fee shall be paid in the form of a crossed cheque or a cashier’s order payable to the “Hong Kong Housing Society” which should be submitted together with the application form (cash, gift cheque, post-dated cheque, bank draft or E-cheque will not be accepted). After screening and vetting, the HS may reject any application(s) for the CEP, CAS and/or LN that fails to meet the eligibility criteria. The application fee is non-refundable and non-transferrable under any circumstances.

11.1 Application fee for a CEP for the purchaser : HK\$900

11.2 Application fee for a CAS for the seller : HK\$930

The HS reserves the right to revise or adjust the application fees at any time without prior notice.

12. Where should the application forms for CEP be returned?

Applicants who are residing in the Rental Estates under HS or units of PRH/IH under HA	<p>The completed application form and a crossed cheque / cashier's order for payment of the application fee should be submitted to the <u>respective Estate Office / District Tenancy Management Office for verification of eligibility</u> before submission with the photocopies of Hong Kong Identity Document of applicant and all the family member(s) to the FFSS Secondary Market Support Unit of the HS.</p> <p>Please note that households <u>should not</u> submit the unverified application forms by their respective Estate Office / District Tenancy Management Office to the FFSS Secondary Market Support Unit of the HS, otherwise, the applications will not be accepted.</p>
Applicants holding valid Green Form Certificate (applicable to Flat-for-Sale Scheme Secondary Market Scheme only)	<p>The completed application form, a crossed cheque / cashier's order for payment of the application fee and the photocopies of Hong Kong Identity Document of the applicant and all the family member(s), together with <u>the original copy of the Green Form Certificate (applicable to Flat-for-Sale Scheme Secondary Market Scheme only)</u> should be submitted <u>by hand</u> to the FFSS Secondary Market Support Unit of the HS.</p>
RAES recipients	<p>The completed application form, together with a crossed cheque / cashier's order for payment of the application fee and the photocopies of Hong Kong Identity Card of the applicant and all the family member(s) should be submitted to the <u>Rent Allowance for the Elderly Scheme dedicated team at Applications Sub-section of HA for endorsement</u> before submission to the FFSS Secondary Market Support Unit of the HS.</p>

13. Where should the application forms for CAS be returned?

The owner(s) applying for a CAS should submit their application forms to FFSS Secondary Market Support Unit together with the following:

- (1) Crossed cheque / cashier's order for payment of the application fee of HK\$930;
- (2) A copy of the Deed of Assignment(s); and **should there be any change of ownership, please submit copies of ALL the relevant Deed of Assignment.** Enquiries on obtaining copies of Deed of Assignment shall be made to the relevant mortgagee bank or to the Land Registry. Other relevant documents, such as Deed Poll, etc., if any, must also be submitted; and
- (3) Copies of a water bill and an electricity bill of the flat issued by utility companies within the last six months from the date of the CAS application form.

14. Is it necessary for applicants who did not succeed in making a transaction to apply again?

14.1 The CEP is valid for twelve months from the date of issue. **No extension will be granted under any circumstances upon expiry of the certificate.** Applicants, issued with a CEP, who are unable to sign a PASP for the purchase of a flat in the FFSS Secondary Market within the validity period of the Certificate but still wish to purchase a flat under the SMS provided that they still meet the eligibility criteria, **must re-apply** and pay the necessary fee again. There is no time limit on the validity of the CAS, but **if there is any change of ownership, the respective owners must re-apply and pay the necessary fee again.**

14.2 If a transaction is rescinded after the signing of the PASP or upon the issue of LN but both parties still wish to make a transaction in the FFSS Secondary Market, if eligible, they **must re-apply a fresh CAS and CEP** and pay the necessary fees again. **The GFC holder must obtain a fresh GFC from HD/URA before re-applying for a CEP.**

15. How to complete a transaction?

15.1 The purchaser and the seller are required to produce to each other or the estate agent valid supporting documents, including a valid CEP on the part of the purchaser and a CAS on the part of the seller, before the PASP is signed. The purchaser and the seller shall agree with the price of the flat in accordance with the sellable price as stipulated in the CAS. The PASP must be in the prescribed form specified by the HS.

15.2 The solicitor representing the purchaser(s) will apply to the HS for a LN within one month from the date of the PASP but in any event no later than 7 working days before the signing of the Formal Agreement for Sale and Purchase for confirmation of the eligibility of the purchaser(s), and that the purchaser(s) shall sign the Formal Agreement for Sale and Purchase and the Deed of Assignment to complete the transaction only after the issue of the LN.

15.3 If prior to the issue of LN there should be any change of status as to render the purchaser ineligible for applying or if the purchaser should receive any subsidies provided by the HS or HA, the purchaser will not be issued a LN.

15.4 The HS will not provide mortgage guarantee to the purchase of flat in the SMS. Purchaser shall discuss with banks for mortgage matters.

15.5 Other legal procedures for the execution of the Formal Agreement for Sale and Purchase and Deed of Assignment are largely similar to those required for property transactions in the open market. Both parties may appoint their own solicitors to represent them in completing the transaction.

15.6 Upon completion of the transaction, the solicitor representing the purchaser should notify the FFSS Secondary Market Support Unit **within 10 days**, so that the HS or HA can arrange to recover the rental housing unit concerned or cancel the GFC holder's registration number and eligibility for public housing.

15.7 The purchaser shall not assign or sell any interest in the property or in the Provisional/Formal Agreement for Sale and Purchase to a third party before the transaction is completed.

16. How to apply for a LN?

16.1 Application for a LN should be made by the solicitor representing the purchaser to the HS, enclosing the following to the FFSS Secondary Market Support Unit:

- (1) The original and valid copy of the purchaser's CEP;
- (2) The original of the seller's CAS;
- (3) A Statutory Declaration in support of the Application for a LN duly declared by the purchaser(s) in the presence of solicitor in the prescribed form;
- (4) A Letter of Agreement made by the purchaser(s) in the presence of solicitor in the prescribed form (not applicable to the purchase of Kingston Terrace / SSFP/ DRE SSFP flats);
- (5) A photocopy of the PASP in the prescribed form; and
- (6) An application fee of HK\$1,070 paid in the form of a cheque signed by a solicitors' firm or a cashier's order.

The HS reserves the right to revise or adjust the application fee at any time without prior notice.

16.2 Up to the date of signing the PASP, the purchaser and the family member(s) listed in the application form must still meet the eligibility criteria.

16.3 If by the date of the signing of the PASP, the HS/HA has served a notice of termination of tenancy / licence on any person concerned or if any person is found to provide false or misleading information, statement or representation in his/her application for a CEP, the HS will not issue a LN.

16.4 Before signing the PASP, the tenant of Rental Estate/PRH or the licensee is not permitted to serve a Notice-to-Quit to the HS/HA for terminating the tenancy agreement or occupation licence and deliver vacant possession of the said unit, otherwise the HS will not issue a LN.

16.5 The HS will revoke the LN issued to any person if he/she is found to provide false or misleading information, statement or representation after the LN is issued.

17. May an applicant apply at the same time for the purchase of SSFP flats offered by the HS and for other subsidised housing?

Yes, so long as the applicant meets the eligibility criteria of the schemes concerned. If more than one of his/her applications under various subsidised housing schemes are approved, he/she may only opt for one of them and must cancel the others.

FINANCIAL AND CONVEYANCING ARRANGEMENTS

18. Is joint ownership allowed?

Yes, the applicant must become the owner of the flat purchased. The applicant may choose to share the ownership with one of the adult family member(s) listed in the application form provided that it is a joint tenancy not inheritable by a third party.

19. How do purchasers obtain legal title to their flats?

When making a transaction in the FFSS Secondary Market, the purchaser and the seller have to produce valid supporting documents and a LN issued by the HS. Moreover, the estate agent concerned and the solicitors representing the two parties are required to use prescribed forms specified by the HS, including a PASP, a Formal Agreement for Sale and Purchase and a Deed of Assignment. Legal documents other than these will be considered null and void, and the purchaser's title will consequently be affected. Any amendments to the clauses of the prescribed forms shall require the HS's prior approval and written consent.

20. How to arrange for a mortgage?

20.1 **The HS will not provide mortgage guarantee to the purchase of flat in the SMS,** the purchasers shall discuss with individual banks for mortgage matters and the bank should undertake to adopt the standard prescribed forms for mortgage deed specified by the HS.

20.2 Purchasers should assess one's own financial capability and eligibility for mortgage before entering into purchasing formalities.

20.3 If the purchasers wish to obtain staff housing loan for financing the payment of purchase price of the flat in the SMS, they should seek HS's prior written consent and the legal charge shall be in such form and containing such provisions as HS shall approve or require before the execution of legal charge.

21. What fees are incurred when completing the conveyance formalities?

Apart from the application fees paid to the HS for issue of the supporting documents and the LN mentioned above, the purchaser and seller, just as in the execution of any assignment in the open market, are required to pay their respective fees as follows:

21.1 Stamp duty, which is calculated on the basis of the market value assessed by the Rating and Valuation Department for the purpose of collecting stamp duty. It is not based on the purchase price of the flat;

21.2 Registration fee for registration of the deeds in the Land Registry;

21.3 Legal fees charged by the solicitors with respect to the flat; and

21.4 The estate agent's commission (if the transaction is negotiated through an estate agent).

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

21.5 The fee for registration of the mortgage deed in the Land Registry; and

21.6 Legal fee of the mortgagee's solicitor for arranging for the mortgage loan.

22. Are purchasers bound by any special provisions?

Flats purchased in the FFSS Secondary Market (including FFSS, SSFP and DRE SSFP) shall be used, assigned or let in accordance with the HS requirements and the relevant application criteria. The main conditions are:

22.1 Use

The flat shall be used only for residential purposes and for self-occupation by the purchaser and the family member(s) listed in the application form.

22.2 Assigning or letting for flats specified in the developments of FFSS and SSFP on Appendix II:

22.2.1 In the Letter of Agreement to be submitted according to paragraph (16.1)(4) above, the purchaser(s) shall agree to adopt and abide by the provisions regarding the periods of 5-year and 2-year resale restrictions and the method of fixing the buy-back price contained in paragraphs 1(1) and 1(2) of the Waiver Letters (if any) and paragraphs (2) and (3) of the Supplemental Waiver Letters (if any) issued by the Director of Lands including the calculation of buyback price mentioned in sub-paragraph 22.2.2(a) below.

22.2.2 The purchaser(s) shall agree to adopt and abide by the provisions regarding the periods of 5-year and 2-year resale restrictions. If the purchaser(s) wish to assign or let their flat, he/she must follow the procedures of the HS as follows:

- (a) Before the expiry of 5 years from the date of First Assignment: The purchaser shall notify the HS in writing to sell the flat back to HS, the HS has absolute right to purchase the flat back. The buyback price is calculated on the basis of original purchase discount. The calculation of the market value, will be made reference to the transaction price of similar developments. Besides, The HS will deduct from the buyback price any amount unpaid and interests under the approved mortgage and other deductible amounts as specified in the Government Leases. Under the current HS's policy, the HS would not accept any offer for sell-back of a flat under FFSS and SSFP.

If any event that HS is not desirous of purchasing the property within 28 days of receiving the owner's notice of sale, the owner may sell or otherwise dispose of the property in the open market subject to payment to Government a sum of money equal to the proportion on the full market value of the property as specified in the Deed of Assignment, and was not paid by the purchaser at the time of the assignment to the owner. (refer to the calculation in the sub-paragraph (d) below)

- (b) After the expiry of 2 years from the date of First Assignment: The purchaser may sell his/her flat in the FFSS Secondary Market to eligible persons confirmed by the HS without payment of premium.
- (c) After the expiry of 5 years from the date of First Assignment: The purchaser may sell his/ her flat in the FFSS Secondary Market in accordance with sub-paragraph (b) above, or assign or let the flat in the open market after payment of a premium calculated in accordance with sub-paragraph (d) below. Under the current policy, the HS would not accept any offer for sell-back of a flat in respect of which the 5-year alienation restriction period has elapsed.
- (d) The premium which the purchaser must pay prior to assigning or letting his/her flat as referred to in sub-paragraphs (a) and (c) above is assessed on the basis of the prevailing unrestricted full market value of the flat and the initial market value and the purchase price ^(note 4) of the flat stated in the First Assignment or, for resale flats sold to the purchasers by the HS, in the Last Assignment between the HS and the purchaser by applying the following formula. In other words, the premium payable is calculated by converting the discount in the original purchase price ^(note 4) into its current value:

$$\text{Premium} = \text{Prevailing Market Value} \times \frac{\text{Initial Market Value} - \text{Purchase Price}^{\text{(note 4)}}}{\text{Initial Market Value}} \times 100\%$$

22.3 Assigning or letting for flats specified in the developments of SSFP and DRE SSFP on Appendix III:

22.3.1 The purchaser(s) shall agree to adopt and abide by the provisions regarding the periods of 15-year and 5-year resale restrictions. If the purchaser(s) wish to assign or let their flat, he/she must follow the procedures of the HS as follows:

- (a) Before the expiry of 5 years from the date of First Assignment: The purchaser may sell his/her flat in the FFSS Secondary Market to eligible persons confirmed by the HS without payment of premium at a price not more than the price of the flat sold by HS to the purchaser as specified in the First Assignment.
- (b) After the expiry of 5 years from the date of First Assignment: The purchaser may sell his/her flat in the FFSS Secondary Market to eligible persons confirmed by the HS without payment of premium.
- (c) After the expiry of 15 years from the date of First Assignment: The purchaser may assign or let the flat in the open market after payment of a premium calculated in accordance with sub-paragraph (d) below.

- (d) The premium which the purchaser must pay prior to assigning or letting his/her flat as referred to in sub-paragraph (c) above is assessed on the basis of the prevailing unrestricted full market value of the flat and the initial market value and the purchase price of the flat stated in the First Assignment by applying the following formula.

$$\text{Premium} = \text{Prevailing Market Value} \times \frac{\text{Initial Market Value} - \text{Purchase Price}}{\text{Initial Market Value}}$$

- 22.4 Mortgage : The purchaser may secure a first mortgage to cover the balance of the purchase price of the flat in accordance with provisions of the concerned Government Lease. Except with the prior approval from the HS and in conformity with the conditions imposed by HS and set out in the concerned Government Lease, the purchaser prior to payment of premium as mentioned in the preceding sub-paragraphs 22.2.2(d) and 22.3.1(d) shall not secure any other form of mortgage or increase the amount of the mortgage loan.
- 22.5 Mortgage arrangement: The purchaser may also secure a loan from the staff housing loan scheme provided by his/her employer as the first/second mortgage to cover the balance of the purchase price, provided that prior written consent from the HS has been obtained and the legal charge shall be in such form and containing such provisions as HS shall approve or require.

23. Warning

- 23.1 Applicants should note that the only payment required by the HS for processing an application under the SMS is the application fee. If applicants are approached by any person who offers to assist in their application in return for remuneration, whether monetary or otherwise, they should report immediately to the Police, the Independent Commission Against Corruption (“ICAC”) or the HS. Furthermore, it is an offence for any person to offer any bribe or inducement to staff of HS. Any such attempt will result in the application concerned being cancelled, and legal action may be taken by the Police or the ICAC.
- 23.2 Any application(s) for CEP, CAS and/or LN which is found to contain false or misleading information shall be cancelled, that any approval given on the basis of the false or misleading information shall be null and void, and that all monies thus paid shall be forfeited. The decision of the Chief Executive Officer and Executive Director of HS shall be final as to whether any such statement or application is false.
- 23.3 Any person who induces or causes HS to approve the relevant eligibility in connection with the purchase of a flat under the SMS, or causes the owner(s) to carry out the sale and purchase transaction by any deception or dishonest means (including the provision of false or inaccurate or misleading information or statement(s) or representation in the application form) could be held criminally liable for, among other crimes, fraud under Section 16A of the Theft Ordinance (Cap. 210) and Section 36 of the Crimes Ordinance (Cap. 200), and be punishable by imprisonment once convicted.

24. Enquiries

For enquiries, please contact the FFSS Secondary Market Support Unit at 2839 7373. The HS provides information about the name of rental estates / developments of FFSS Secondary Market on the internet (website: <http://www.hkhs.com>).

25. Notes concerning the Collection of Personal Data

- 25.1 The personal data contained in the application form is used by HS for processing the applications for the CAS / CEP / LN under the SMS. The information provided may also be used by HS, HA and HD and relevant Government bureaux/departments for conducting statistical surveys and researches and to contact the applicants for such purposes. The personal data in the application form, including the declaration by the applicant and his/her family member(s) authorizing the collection and comparison/checking of their personal data, are provided by the applicant and his/her family member(s) on a voluntary basis. However, if insufficient information is provided, the HS, HA and HD may not be able to process the application. In that case, the application fee paid will not be refunded and cannot be transferred.
- 25.2 The personal data provided by the applicant and his/her family member(s) in the application form will be used by the HS, HA and HD for the processing of the application under SMS and for the purpose of carrying out the checking/verification and matching procedures. Such procedures include: (a) vetting the application and determining the eligibility of the applicant and his/her family member(s), (b) checking whether the applicant and his/her family member(s) have applied for other subsidised housing schemes, (c) giving approval to the applications under SMS, and handling any subsequent changes in family circumstances, property ownership, mortgage arrangements, sale of property, etc., (d) the data are also used to prevent the purchaser and his/her family member(s) (including their spouses) from participating in any other subsidised housing scheme administered by the HS/HA/URA in future and (e) preventing applicant and his/her family member(s) from enjoying double housing benefits.
- 25.3 When assessing the eligibility to apply and purchase of the applicant and his/her family member(s), the HS, HA or HD may compare and match the personal data provided in the application form with the relevant personal data collected (manually or otherwise) for other purposes in order to ascertain whether such information is false or misleading, and may take appropriate action against the person(s) concerned on the basis of the result of the data comparison and matching. The applicant and his/her family member(s) should also authorize the HS, HA and HD to disclose, verify and match the information concerned with other government departments, public/private organizations/companies (including but not limited to the URA, the Mandatory Provident Fund Schemes Authority (“MPFA”), banks and financial institutions), or the employers concerned. Furthermore, the applicant and his/her family member(s) should agree that any government departments, public/private organizations/companies (including but not limited to the URA, the MPFA, banks and financial institutions), or the employers concerned may disclose the applicant’s and his/her family members’ personal data (including but not limited to marital status and MPF contribution records) in their possession to the HS, HA and HD for the purpose of comparing and matching the information provided in the application

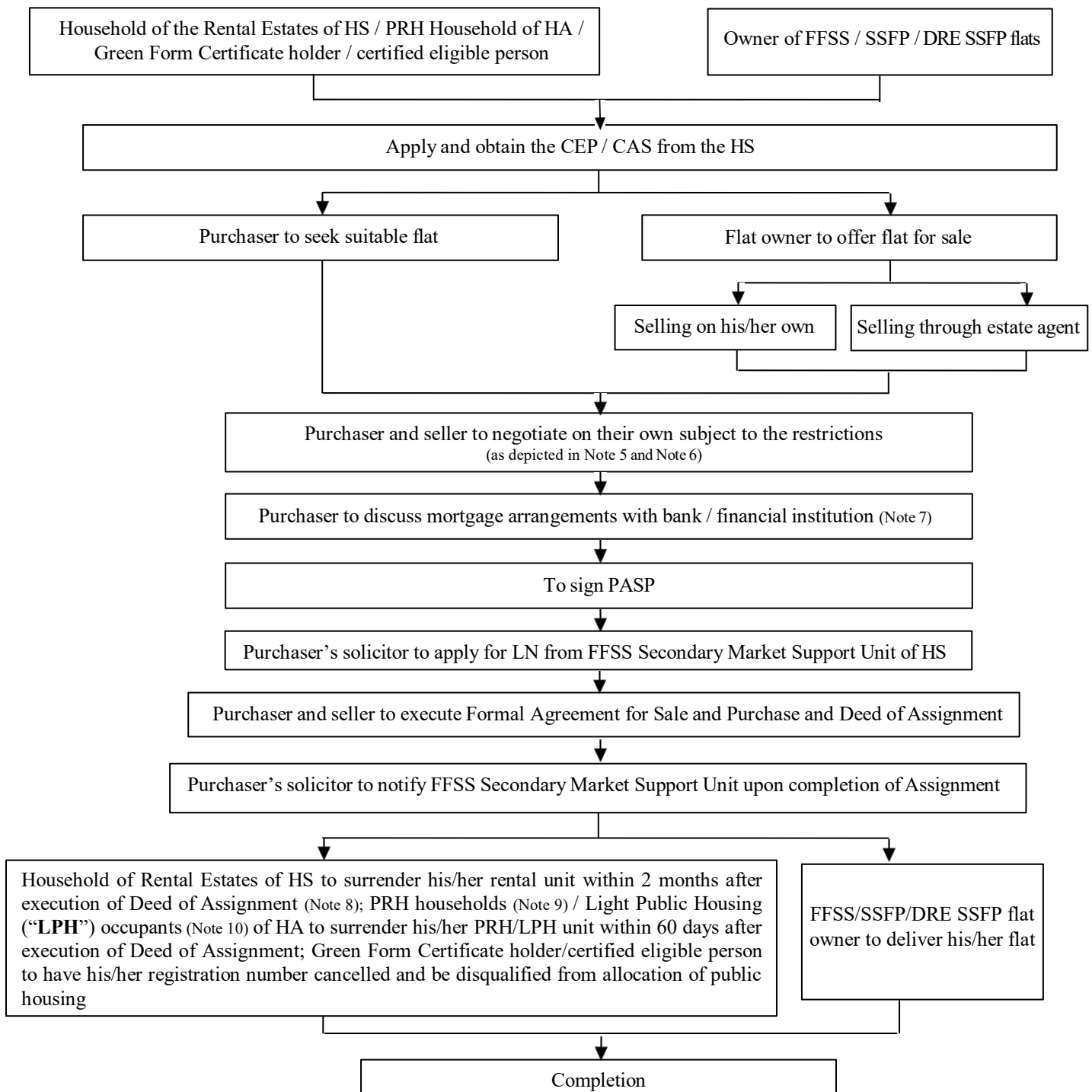
form. The personal data provided may also be used by HS, HA and HD and relevant Government bureaux/departments for conducting statistical surveys and researches. The applicant and his/her family member(s) should also agree that the information provided will be passed to the HS/HA Hotline/1823 for answering his/ her enquiries.

- 25.4 The HS and its authorized officers, while collecting the personal data required for the verification of such contained in the application form, may for the purpose of processing the application for CAS / CEP / LN under the SMS or its direct related usage, transfer the personal data on the application form to other divisions / offices of HS, other service providers, relevant government departments (including but not limited to the HD, Housing Bureau, Lands Department and Rating & Valuation Department), public / private organizations/ companies and any other third party in possession of the personal data of the applicant and his/her family member(s).
- 25.5 For the purposes stated above, the HS, HA and HD may disclose the personal data provided by the applicant and his/her family member(s) in the application form / on the CEP / LN to other government bureaux/ departments, relevant public/ private organizations/ companies (including but not limited to the URA, the MPFA, banks and financial institutions) or to the employers concerned or check such data with these parties.
- 25.6 The personal data provided in the application form are for application under SMS. Pursuant to the Personal Data (Privacy) Ordinance (Cap. 486), the applicant and his/her family member(s) are entitled to request access to and/ or correction of his/her/their personal particulars contained in the application form. Any such requests should be made in writing and directed by post or fax (No.2811 8700) to the Senior Manager, Planning and Development Section, Hong Kong Housing Society, G/F., Dragon Centre, 23 Wun Sha Street, Tai Hang, Hong Kong. A fee may be charged for such requests.

26. Points to Note

- 26.1 This Application Guide is solely for explaining the sale and purchase mechanism of the FFSS Secondary Market and has no legal effect in itself.
- 26.2 The HS reserves the right to amend, correct or revise this Guide without prior notification.

Mode of Operation of the FFSS Secondary Market



Note 5 : Purchasers bear the liability to pay the premium to Government if the flat will be disposed of in open market in the future.

Note 6 : For flats sold under the SSFP that are completed in or after 2024 and DRE SSFP as specified in Appendix III, in the event of the vendor entering into the PASP before the expiry of five years from the date of the First Assignment, the sale price under the PASP, the formal agreement for sale and purchase, and the assignment shall be at a price not more than the price of the flat sold by HS to the purchaser as specified in the First Assignment.

Note 7 : The HS will not provide mortgage guarantee to the purchase of flat in the SMS. Purchasers should assess one's own financial capability and eligibility for mortgage before entering into purchasing formalities.

Note 8 : Please contact the respective HS Rental Estate Offices for the matters of surrendering the rental unit.

Note 9 : Upon execution of deed of assignment of the flats purchased under the SMS, tenants of PRH or licensees of IH are required to tender Notice-to-Quit to terminate the original tenancies/licences provided a 14-day advance notice is given and surrender the existing PRH/IH unit to the HA within 60 days (or before the redevelopment/clearance date of the flat, whichever is earlier, if affected by redevelopment/clearance). In case of need, households concerned may apply for an extended stay for a maximum period of 30 days. If approved, during the occupation period, they are required to pay an occupation fee equivalent to triple net rent/licence fee plus rates; or if they are market rent/licence fee payers before the deadline for vacating the PRH/IH unit, the occupation fee payable should be equivalent to the market rent/licence fee or triple net rent/licence fee plus rates, whichever is higher. Occupation fee is required to be paid in advance. The above arrangements are subject to the latest policies of HA.

Note 10 : For LPH occupant(s) who successfully purchased a flat under the SMS, he/ she/ they shall have his/ her/ their name(s) deleted from the respective household register or record and shall move out from such unit within 60 days from the date of signing the Agreement for Sale and Purchase. If the LPH occupant(s) who successfully purchased a flat under the SMS are the whole household of sitting LPH occupant(s), the Licensee(s) of the concerned LPH unit(s) shall submit a NTQ to the Housing Bureau ("HB") to terminate the Occupation Licence Agreement of his/ her/ their unit(s) within 60 days upon execution of the Deed of Assignment of the flats purchased under the SMS and shall return his/ her/ their LPH unit(s) in vacant possession to the HB on or before the day the licence is terminated.

Appendix I

Eligible households of the following designated Group A rental estates of HS may apply to purchase a flat under FFSS Secondary Market.

	District	Estate
Hong Kong	Shau Kei Wan	Ming Wah Dai Ha
	North Point	Healthy Village (Phase 3)
	Kennedy Town	Kwun Lung Lau
	Tai Hang	Lai Tak Tsuen
	Aberdeen	Yue Kwong Chuen
Kowloon	Kowloon City	Chun Seen Mei Chuen
	Hung Hom	Ka Wai Chuen
	To Kwa Wan	Lok Man Sun Chuen
	Kwun Tong	Kwun Tong Garden Estate
New Territories	Tsing Yi	Broadview Garden
	Kwai Chung	Cho Yiu Chuen
	Tsuen Wan	Clague Garden Estate
	Tsuen Wan	Moon Lok Dai Ha
	Sha Tin	Jat Min Chuen
	Sai Kung	Lakeside Garden
	Sai Kung	Tui Min Hoi Chuen
	Sha Tau Kok	Sha Tau Kok Estate
	Tseung Kwan O	Verbena Heights

Appendix II

Developments under Flat-for-Sale Scheme

District		Developments	Completion Date
Hong Kong	North Point	Healthy Village (Phases 1 & 2)	1993 / 1997
Kowloon	Hung Hom	Ka Wai Chuen (Phases 3 & 4)	1990 / 1993
	Sham Shui Po	Cronin Garden	1995
	Wong Tai Sin	Kai Tak Garden (Phases 1 & 2)	1998 / 2001
New Territories	Tsuen Wan	Clague Garden Estate	1989
	Tsuen Wan	Bo Shek Mansion	1996
	Tsing Yi	Broadview Garden	1991
	Tseung Kwan O	Verbena Heights	1997
	Sai Kung	Lakeside Garden	1997
	Tuen Mun	Kingston Terrace	2002

Developments under Subsidised Sale Flats Project completed before 2024

District		Developments	Completion Date
New Territories	Tsing Yi	Greenview Villa	2015
	Sha Tin	Greenhill Villa	2020
	Tseung Kwan O	Mount Verdant	2019
	Tuen Mun	Terrace Concerto	2020

Points to Note:

The owner(s) of Subsidised Sale Flats Project completed before 2024 could sell the subject property to eligible purchasers via Flat-for-Sale Scheme Secondary Market only after a period of **2 years has elapsed** from the date of the First Assignment.

Appendix III

Development(s) under Dedicated Rehousing Estates Subsidised Sale Flats Project

District		Developments	Completion Date
New Territories	Hung Shui Kiu	Eminence Terrace I	2024

Points to Note:

The owner(s) of Dedicated Rehousing Estates Subsidised Sale Flats Project could sell the subject property to eligible purchasers via Flat-for-Sale Scheme Secondary Market at any time from the date of the First Assignment. In the event of the vendor entering into the PASP **before the expiry of five years** from the date of the First Assignment, the sale price under the PASP, the formal agreement for sale and purchase, and the assignment shall be at a price not more than the price of the flat sold by HS to the purchaser as specified in the First Assignment.