



**EAA issued a new Practice Circular on the Sale and Purchase or Leasing of Car Parking Spaces**

(1 December 2015) The Estate Agents Authority (“EAA”) issued a new Practice Circular (No. 15-05 (CR)) on the sale and purchase or leasing of car parking spaces today and introduced the key points of the Circular and a set of related “Questions and Answers” to the trade association representatives at the quarterly liaison meeting which was also held today. They were also reminded that the new Circular has come into operation today.

In light of an increasing number of car parking space transactions in Hong Kong and the fact that there are at times restrictions on the use of car parking spaces, the EAA issued the new Circular to set out guidelines for the trade to follow when handling the sale and purchase or leasing of car parking spaces.

According to the new Circular, when handling the sale and purchase or leasing of a car parking space alone, estate agents should ascertain whether there is any restriction on the use of the car parking space concerned that it can only be used for the parking of vehicles belonging to the residents or occupiers of the building. They should make enquiries in writing with the management company or the incorporated owners of the building (if any) and/or the vendor/landlord to ascertain whether there is such restriction on use and inform the purchaser/tenant accordingly. They should also advise the purchaser/tenant to seek legal advice on whether there is such restriction on use if it cannot be ascertained whether there is any restriction on use after making enquiries, or if the information that there is no such restriction on use is only given by the vendor/landlord.

At the quarterly trade liaison meeting today, the EAA Administration



briefed the attending trade representatives the gist of this new Circular, and introduced the relevant set of “Questions and Answers”, which are now available at the EAA’s website.

EAA Chief Executive Officer Ms Ruby Hon said, “Car parking space transactions have notably increased in the market lately and the EAA has received related complaints. To avoid any disputes with their clients, estate agents should follow the guidelines set out in this Circular and make reference to the ‘Questions and Answers’ we have prepared. Licensees should act carefully when dealing with the sale and purchase or leasing of car parking space alone and those who fail to comply with the related requirements may be subject to disciplinary action by the EAA.”

Other topics of mutual concern were also discussed with the trade association representatives at the meeting today. The EAA Administration reminded the trade of the issuance of another Practice Circular on the Completion of Provisional Tenancy Agreement and Tenancy Agreement earlier and other topics concerning CPD programmes and consumer education.

-- End --