



地產代理監管局  
ESTATE AGENTS AUTHORITY

Dear Licensees,

**Re: Providing mortgage information for  
first-hand residential properties**

The Estate Agents Authority (“EAA”) is concerned about the new mortgage lending plans lately offered by certain developers. The EAA would like to draw all licensees’ attention that you have to be extremely careful when providing any mortgage information to prospective purchasers of first-hand residential properties.

According to Practice Circular No. 13-04(CR) issued by the EAA, licensees must not make any statement to assure prospective purchasers that they will successfully obtain a mortgage loan or the desired terms to finance their purchase. Licensees should advise prospective purchasers to make enquiries directly with the banks and finance companies, or the vendor concerned.

In fact, lending institutions may consider a number of factors, including but not limited to the applicant’s financial situation, when vetting a mortgage loan application.

If licensees explain any information about the mortgage plans and financing schemes to prospective purchasers, the explanation must be based solely on the information provided by the banks and finance companies, or the vendor concerned. Licensees must ensure that such information is accurate by taking all reasonable steps and exercising all due diligence to verify such information. Otherwise, licensees might be subject to the EAA’s disciplinary actions.

Licensees should also note that any person who makes a fraudulent or reckless misrepresentation for the purpose of inducing another person to purchase any residential properties may commit an offence under the Residential Properties (First-hand) Sales Ordinance.

Estate Agents Authority

23 June 2016