



香港地產建設商會

THE REAL ESTATE DEVELOPERS ASSOCIATION OF HONG KONG

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To REDA Corporate Members
(Members of Executive Committee & Legal Subcommittee via fax)

Date 25 August 2006

Subject: **Guidelines for
Sale Descriptions of Uncompleted Residential Properties
- Supplementary Guidelines on Private Sale**

At the meeting with the Housing, Planning and Lands Bureau, the Consumer Council and the Estate Agents Authority today, we have agreed to introduce the following revisions to the subject Guidelines with immediate effect:

The price list of the flats to be offered in first launch (which should not be less than 20 flats or 20% of the total number of flats on offer at the first batch, whichever is the higher) should be provided to potential purchasers at least 24 hours before such flats are put up for sale.

For subsequent batches, an up-to-date price list should be made available and posted at the sales office immediately prior to the time when such flats are put up for sale.

Enclosed please find an updated version of the Guidelines for your attention.

Needless to say, your continued cooperation and support in complying with our Guidelines is essential to preserving the integrity and credibility of our self-regulatory regime.

Stewart Leung
Vice Chairman, Executive Committee



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Guidelines for Sales Descriptions of Uncompleted Residential Properties • Supplementary Guidelines on Private Sale

To enhance the transparency of the private sale mechanism, the following supplementary guidelines are to be adopted by all members of The Real Estate Developers Association of Hong Kong with immediate effect. Should there be any conflict between these guidelines and the conditions of the LACO Consent Scheme, the LACO Consent Scheme shall prevail.

Please note that these guidelines do not apply to sales to investors and staff.

Provision of Sales Brochures and other Essential Information

1. Sales brochures should be made available to prospective purchasers at least 24 hours before the private sale.
2. Sales brochures should contain essential information in respect of the property offered for sale, including but not limited to the following:
 - Floor area and floor plan
 - Prominent fittings and finishes
 - Location plan drawn to scale
 - Disposition plan
 - Salient conditions of the Government lease
 - Salient provisions of the draft DMC
 - Obligations for slope maintenance if any
 - Anticipated completion date
 - Management fee details



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3. A copy of the draft DMC and the Government lease should be provided at the sales office for free inspection by prospective purchasers.
4. An enquiry counter should be set up at the sales office and a hotline be made available to provide information relating to the property being offered for sale.
5. Leaflets on useful information for flat purchasers published by the Consumer Council and/or the Estate Agents Authority should be made available at the sales office.
6. Reasonable steps should be taken to inform purchasers of subsequent material changes with regard to the information provided in the sales brochures.

Provision of Price List

7. The price list and the list of flats on offer should be made available at the sales office to prospective purchasers and also through estate agents (if engaged).
8. The price list of the flats to be offered in first launch (which should not be less than 20 flats or 20% of the total number of flats on offer at the first batch, whichever is the higher) should be provided to potential purchasers at least 24 hours before such flats are put up for sale. (*w.e.f. 25 August 2006*)
9. For subsequent batches, an up-to-date price list should be made available and posted at the sales office immediately prior to the time when such flats are put up for sale. (*w.e.f. 25 August 2006*)

Announcement of Sales Performance

10. Members are free to decide on whether or not to make public the results of their sales. If they choose to publicize, any information provided must be as accurate as possible.



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Conduct of Sale

11. Members should ensure that their sales activities are conducted in an orderly manner.

Engagement of Estate Agency

Members should specify in their promotional materials the name of any estate agency engaged by them.

Clear instructions on sales arrangements must be provided to the engaged estate agency.

14. Appropriate action should be taken against any estate agent (if estate agency is engaged) who is found to have adopted unprofessional sales practices.

Monitoring

15. Random check on the compliance with these Guidelines by members will be conducted by the REDA Secretariat.

(First issued on 24 June 2005
Revised on 25 August 2006)