

PROCEDURAL GUIDELINES OF THE FFSS SECONDARY MARKET SCHEME

1. Flat-owners who intend to dispose of their flats are required to apply to Housing Society for a Certificate of Availability for Sale (“CA”) after two years from the date of first assignment by Housing Society.

Appendix 1 - Certificate of Availability for Sale

2. Once the owners obtain the CA, they can put the flats on sale in the Secondary Market. This can be done through the estate agents or by private negotiation.
3. Persons interested to purchase the flats in the Secondary Market are required to apply to Housing Society for a Certificate of Eligibility to Purchase (“CE”). Certain categories of persons are eligible to apply, namely the existing tenants of any of the designated estates of Housing Society (please refer to the Schedule hereto) or of the public rental housing (PRH) estate of the Housing Authority or resident of Interim Housing of Housing Authority or persons affected by clearance and natural disaster who have passed all vetting procedures and Green Form Certificates holders who include persons on the waiting list and junior civil servants. The CE will be valid for six months from the date of its issuance. The eligible purchasers are required to enter into a Provisional Agreement for Sale and Purchase (“PASP”) within the validity period.

Appendix 2 - Certificate of Eligibility to Purchase

4. The purchaser and the vendor either through the estate agent or by private negotiation will enter into a PASP which is in the prescribed form.

Appendix 3 - Provisional Agreement for Sale and Purchase

5. Under the PASP, the Purchaser is required to apply for a Letter of Nomination from the Housing Society at least five (5) working days (or otherwise as the Housing Society shall specify) before the signing of the Formal Agreement for Sale and Purchase (“ASP”) but in any event no later than 10 days from the date of signing of the PASP.
6. The solicitors acting for the purchaser are required to apply on behalf of the purchaser for a Letter of Nomination from the Support Unit of the Housing Society. The solicitors are required to use a standard form of application letter accompanied by the originals of the CE and CA, a copy of the PASP, a Statutory Declaration made by the purchaser, a Letter of Agreement executed by the purchaser and attested by his solicitors and a cashier order/solicitors’ cheque for HK\$700 (subject to revision by the Housing Society) being the application fee for the Letter of Nomination payable to Hong Kong Housing Society.

Appendix 4 - Statutory Declaration by the purchaser

Appendix 5 - Letter of Agreement

Appendix 6 - Application Letter for the Letter of Nomination

7. Having checked the details, a Letter of Nomination will be issued to the requesting solicitors subject to the condition that the solicitors will undertake to inform the Support Unit of the progress of the sale and purchase, the date of signing of the ASP and the Assignment.

Appendix 7 - Letter of Nomination

Appendix 8 - Letter accompanying the issue of the Letter of Nomination

8. The purchaser's solicitors are advised to register the Letter of Nomination in the relevant Land Registry.
9. The vendor and the purchaser will sign the ASP (also in the prescribed form) on a date agreed between the parties. The solicitors acting for the parties should advise the parties of the premium liability and for this purpose should check the title documents carefully to identify the relevant last assignment of the flat by the Housing Society and provide in the ASP the appropriate Initial Market Value and the Purchase Price.

Appendix 9 - Formal Agreement for Sale and Purchase

10. Upon signing of the ASP, the solicitors acting for the purchaser shall notify the Support Unit of the Housing Society of the following :-
 - a. the date of the signing of the ASP; and
 - b. the scheduled completion date.
11. If there is any subsequent change of the scheduled completion date or if the sale and purchase has fallen through, the solicitors acting for the purchaser should forthwith notify the Support Unit.
12. The purchaser should arrange with banks, financial institutions or the organisation of the purchaser's employer approved by the Housing Society for mortgage financing provided that (i) the bank or financial institution providing such mortgage financing shall adopt the standard mortgage form as approved or required by the Housing Society and give to the Housing society a written undertaking to do so and (ii) any staff housing loan mortgage shall require the prior written consent of the Housing Society and be in such form and contain such provisions as the Housing Society shall approve or require.
13. Upon completion, the purchaser and the vendor will execute an assignment which is also in the prescribed form.

Appendix 10 - Assignment