

(Subsidised Sale Flat Scheme Units)

Application Guide

Application Period:	5 January 2016 to 21 January 2016
Ballot Result Announcement Date:	Around end of March 2016 (exact date to be announced later)
Development Project:	煥然壹居
Application Fee:	HK\$200 (to be paid on submission of application form by mail in the form of a crossed cheque or cashier order)
Enquiry Hotline:	2784 6838

Before filling in the application form under the Subsidised Sale Flat Scheme (“the Scheme”), applicants should read carefully this application guide for the Scheme (“Application Guide”). At the time of submitting the application form by mail, applicants are only required to submit a completed and signed application form together with an application fee of HK\$200 (in the form of a crossed cheque or cashier order made payable to “Urban Renewal Authority”) on or before the closing date of application. Applicants and the family members included in the application form are not required to submit the Hong Kong Identity Card or Birth Certificate (for persons aged below 11) and income, asset and family members’ relationship proofs of the applicant and the family members included in the application form at the time of mailing of application form. Urban Renewal Authority (“URA”) will assess the applications according to the priority orders generated from a computer ballot. Applicants and their family members included in the application form will be requested to submit the above documents before a specified date. Late submission of the required documents will not be accepted and the application will be cancelled accordingly. Please retain this Application Guide for further reference. Details of the Scheme are available at the project website ([www.urakaitak.hk](http://www.urakaitak.hk)).

Applicants should fill in the application form in English block letters (and Chinese if applicable) with a black ball pen. Before filling in the application form, applicants should read this Application Guide carefully so as to understand the eligibility criteria and application details, etc. If there is any amendment, please sign against the amendments. No correction materials such as correction fluid or tapes for obliteration should be used.

Application Guide

A · Eligibility Criteria

Category of Applicants	
Single Person Household	2 Persons or above Household
1 Applicant must be a <u>single person</u> . (Note I)	1 Applicant and the family members included in the application form must be immediate family members and must be living with the applicant on or before the closing date of application. (Note I)
2 On the closing date of application, the applicant must be aged 18 or over and having resided in Hong Kong for seven years and the stay in Hong Kong is not subject to any conditions of stay (except those concerning the limit of stay). (Note I)	2 On the closing date of application, the applicant must be aged 18 or over and having resided in Hong Kong for seven years and the stay in Hong Kong is not subject to any conditions of stay (except those concerning the limit of stay). (Note I)
3 Total monthly household income must not exceed HK\$33,500. (Note II)	3 Total monthly household income must not exceed HK\$60,000. (Note II)
4 Total net asset value of the household must not exceed HK\$1,500,000. (Note III)	4 Total net asset value of the household must not exceed HK\$3,000,000. (Note III)
5 The applicant must not have owned any residential properties in Hong Kong in any form or manner directly or indirectly within a period of 60 months prior to the closing date of the application and up to the date of purchasing a unit in the Scheme. (Note IV)	5 The applicant and all family members included in the application form must not have owned any residential properties in Hong Kong in any form or manner directly or indirectly within a period of 60 months prior to the closing date of the application and up to the date of purchasing a unit in the Scheme. (Note IV)
6 The applicant must not have enjoyed or is not enjoying housing subsidy offered by the Government or other relevant organisations. (Note V)	6 The applicant and all family members included in the application form must not have enjoyed or are not enjoying housing subsidy offered by the Government or other relevant organisations. (Note V)

The applicant and all the family members (if any) included in the application form must meet the eligibility criteria of the Scheme from the date of mailing their application form up to the date of signing the Preliminary Agreement for Sale and Purchase. In case of any uncertainties or disputes as to the interpretation of the Eligibility Criteria, the decision of the URA shall be final and conclusive.

**Note I:**

Only applicable to Single Person Household:

- i. Single person household includes any (1) unmarried person, (2) divorcee, (3) widow/widower and (4) married person whose spouse does not have the right to land in Hong Kong. Any person who has the right to land subject to certain conditions of stay (except those concerning the limit of stay) is not treated as having the right to land in Hong Kong.
- ii. If applicant is a married person (except Note I (i)(4)), he/she shall apply as "2 Persons or above Household" applicant.

Only applicable to 2 Persons or above Household:

- iii. Immediate family members include (1) the spouse of the applicant (Marriage Certificate issued on or before the closing date of application must be produced during interview), (2) natural child(ren), legally adopted child(ren), parent(s), grandparent(s) and sibling(s) of the applicant or his/her spouse.
- iv. All family members included in the application form must be living with the applicant on or before the closing date of application.
- v. For all married persons included in the application form (except Note I (i)(4)), their spouse(s) must be included in the application form, unless documentary proof of divorce or Death Certificate(s) of spouse(s) can be produced during interview.
- vi. All persons included in the application form must be holding a Hong Kong Identity Card (except children below 11) and residing in Hong Kong.
- vii. If the applicant's sibling included in the application is under 18 years old, the parents or the legal guardian of the sibling must be included in the application. If the applicant applies with grandparent(s) only, the application would only be accepted either both parents of the applicant were deceased or the parents do not have the right to land in Hong Kong. Supporting documents have to be produced during interview.
- viii. If the applicant or family member(s) has/have been pregnant for 16 weeks at the time of or before the closing date of application, the unborn child will be counted as a family member of the household. In this connection, the applicant is required to submit a valid medical certificate during interview specifying the period of pregnancy in order to confirm whether the unborn child can be counted as a member of the household. The applicant is also required to write "unborn child" in the application form.
- ix. Each person can only be included in one application form and spouse of married persons must be included in the same application form. Any separate applications submitted by a married couple will also be regarded as duplication. Comprehensive checks will be carried out by the URA and the applications assessment organisation, the Hong Kong Housing Society ("HS"), and any duplication will render all applications involved null and void. In any case, the application fee paid will not be refunded.

**Note II:**

- i. The applicant and all working family members included in the application form (if any) must produce certificates from their employers on income from their current employment during interview.
- ii. The applicant and all income earning family members included in the application form (if any) must produce employer's return of remuneration and tax demand notes for the previous 12 months or other documentary proof of income acceptable to the URA.
- iii. The monthly income of the applicant and all family members included in the application form (if any) should be calculated as follows:

(I) Monthly income includes:

- (1) all sources of income before tax, meaning present basic salary (Remark A), as well as bonuses, commission, double pay and allowances whether received on a regular or occasional basis (Remarks B, C & D);
- (2) business profits or income from other investments (Remark E);
- (3) monthly pensions;
- (4) alimony and child maintenance received subsequent to divorce;
- (5) monthly rental income, including income from subletting as principal tenant(s), from letting of self-owned properties in Hong Kong, China and overseas (including shops, parking spaces, commercial/industrial/residential premises, etc) or from land. Such property/properties or land are regarded as generating rental income even though they are unoccupied (Remark F);
- (6) housing allowance (Remark G);
- (7) dividend and interest on fixed term deposits (Remark H);
- (8) any income not received on a regular basis or profits gained from transactions of any nature (such as the sale of property or shares in Hong Kong, China and overseas, etc) over the past 12 months should be converted into a monthly average income; and
- (9) any other income (for example, financial provision/financial support from children/relatives not included in the application form, pensions/dependent pensions under the Surviving Spouses' and Children's Pensions Scheme, remuneration for councilors, etc. If the applicant or any family members is given a scholarship as a remuneration to be taxable, it should be regarded as monthly income.)

(II) Monthly income should exclude:

- (1) contributions by civil servants under the Surviving Spouses' and Children's Pension Scheme/Widows and Orphans Pension Scheme;
- (2) statutory contributions to a Mandatory Provident Fund (MPF)/prescribed contributions to a Provident Fund;
- (3) education grant and scholarship not as a remuneration to be taxable;
- (4) court-ordered alimony and child maintenance payments subsequent to divorce; and
- (5) Old Age Living Allowances, Old Age Allowances, Disability Allowances and Community Care Fund received from the Government.

(Remark A) Those who earn a regular salary or basic salary should calculate their income using their current regular salary or basic salary, while those who are paid on an occasional basis should declare their monthly average income received over the 6-month period prior to the date of interview of their application (Supposing the date of interview is 5 March 2016, the monthly average income is calculated by dividing the total income received over the period from 1 September 2015 to 29 February 2016 by 6 months.). Those who have transferred to another job during the past 6 months are required to declare only the income received from the current employer and it is not required to include the monthly average of year-end bonus, double pay, etc. received from the previous employer over the past year. (For example, a person has transferred

to another job 2 months ago. If he is currently earning a regular income, he is required only to declare his present salary. If he is now employed on an occasional basis, he should declare the monthly average income by dividing the total income received over the past 2 months from the current employer by 2 months.). If those who are newly employed have no MPF contribution deducted from their income, they should calculate their income on the basis of their actual income received in the particular month(s).

- (Remark B) The bonuses and double pay received on a regular or occasional basis during past 12 months should be declared after being converted into a monthly average. (For example, if the double pay received in year 2015 is HK\$12,000, the monthly average is  $\text{HK\$}12,000 \div 12 \text{ months} = \text{HK\$}1,000$ .)
- (Remark C) All commission and allowances received on a regular or occasional basis over the past 6 months should be declared after being converted into a monthly average (For example, if the total overtime allowance over the period from 1 September 2015 to 29 February 2016 is HK\$3,600, the monthly average is  $\text{HK\$}3,600 \div 6 \text{ months} = \text{HK\$}600$ .). If the total family income exceeds the income limit after unsteady income received over the past 6 months has been converted into a monthly average, the persons concerned may convert the unsteady income received over the past 12 months into a monthly average.
- (Remark D) Allowances include traveling allowance, food allowance, medical allowance, education allowance, hardship allowance (obnoxious duties), etc.
- (Remark E) For business operators, profits from business activities (i.e. the total net profits) and income from other investments earned over the 12 months prior to the interview of the application (e.g. 1 March 2015 to 29 February 2016) should be converted into a monthly average. Those who have been in business for less than one year should also declare their profits from business activities as a monthly equivalent income (e.g. if business commenced on 1 September 2015, the total net profits received over the period from 1 September 2015 to 29 February 2016 should be divided by 6 months). If in addition to the profits, the business operator also receives a salary from his/her self-owned company, he/she must declare both the salary and profits in the application form.
- (Remark F) Both the payable rates and government rents are deductible from the rental income. A further 20% of the remaining sum is also deductible as expenses. If the property or land is vacant, its monthly rental income should be calculated at 80% of the average monthly ratable value of Year 2015/16. In the case of joint ownership, only the rental income pertaining to the interest held needs to be declared.
- (Remark G) In addition to the monthly housing allowance, any accommodation provided by the employer of the applicant or any family member included in the application form is also regarded as a form of housing allowance. It is calculated as follows:
- (i) Free hostel – the contributory portion is calculated at 10% of the average monthly total personal income.
  - (ii) Hostel at below the market rent – the contributory portion is calculated at 10% of the average monthly total personal income less the rent payable to the employer.
- (Remark H) Any dividend and interest on fixed term deposits received during the last 6 months should also be converted into a monthly average income.

#### **Note III:**

The applicant and the family members included in the application form (if any) have to declare the total net value of their assets in the application form. Such assets include and the calculation methods for the net value are as below:

- i. Land: This includes the current net value of government grants, Letter A and Letter B exchange entitlements, land in Hong Kong, China and overseas as at the date of declaration. In the case of joint ownership, only the current net value of the interest held needs to be declared.
- ii. Landed properties: These include landed properties of any uses (including ancestral houses) in Hong Kong, China and overseas, which are completed or for pre-sale, or which are the subject matter of a sale and purchase agreement. The current net value is determined by the market value as at the date of declaration less any outstanding mortgage loan. In the case of joint ownership, only the current net value of the interest held needs to be declared.
- iii. Vehicle: This includes private cars, vans, light goods vehicles, lorries, coaches, taxis, public light buses, container tractors and trailers, motorcycles, etc. The current net value is determined by the market value as at the date of declaration less any outstanding mortgage loan.
- iv. Taxi/public light bus licence: The current net value is determined by the market value of taxi/public light bus licence as at the date of declaration less any outstanding mortgage loan. If the licence is co-owned, only the current net value of the interest held needs to be declared.
- v. Investments: These include listed shares, bonds, commodity futures, gold, paper gold, certificates of deposits, deposits with brokers, mutual funds, unit trust funds, savings or investment-linked insurance schemes, etc. Their values are determined by the unit closing price on the day preceding the submission of the application, or the most recent unit closing price, whichever is the later.
- vi. Business undertakings: These include interest in business of sole proprietorship, partnership and limited companies. The net value of business assets is based on items in the latest audited account/provisional account, including net book value of plant and machinery, stock in hand, accounts receivable, balance of bank accounts, cash in hand, residual value of vehicles, market value of landed properties, etc. less various liabilities. If the business is in the form of partnership or limited company, only the current net value of the interest held needs to be declared.
- vii. Deposits at bank and cash in hand: Deposits at bank include balances of savings/current accounts and fixed deposits in both local and foreign currencies on the day preceding the submission of the application. In case of joint account, the balance of amount should be divided equally according to the number of people holding the joint account. Cash in hand includes local currency in the value of HK\$5,000 or above and foreign currencies of the same value. Cash amounts should be rounded off to the nearest hundred. The amount that has been withdrawn or can be withdrawn from Mandatory Provident Fund/Provident Fund. Unspent amount of the payments from the Government under the "Scheme \$6,000" and Community Care Fund will be counted as an asset after 12 months from the date of receipt of the amount. Outstanding loans of more than HK\$5,000 or foreign currencies of the same value to others on the date of submitting their application forms.

Such assets exclude:

Applicants and family members included in the application form (if any) who have received the compensation for loss of earning power due to injuries sustained at work, traffic and other accidents may claim deduction from their own assets values for the amount of compensation received. The nature of compensation, the organization from which this compensation is issued and the amount they have received for that purpose have to be stated. (To provide relevant receipts, insurance policy, etc.)

**Note IV:**

- i. The applicant and/or any family members included in the application shall be deemed to own residential properties directly or indirectly in Hong Kong under any of the following circumstances:
  - (1) having entered into any agreement for sale and purchase to purchase a residential property in Hong Kong pending completion; or
  - (2) beneficiary of an estate of a deceased person which includes a residential property in Hong Kong; or
  - (3) own a residential property in Hong Kong which is subject to an agreement for sale and purchase to sell that property pending completion or;
  - (4) directly or indirectly holding or having a beneficial interest in more than 50% of the shares of a company (excluding listed companies) which owns residential properties in Hong Kong; or
  - (5) having entered into any agreement/contract to withdraw from any company which owned residential properties in Hong Kong in which the applicant and/or any family members directly or indirectly owned or had a beneficial interest in more than 50% of the shares; or
  - (6) having interest in land which can be of residential use in Hong Kong.
- a. Circumstances in (i) above are not intended to be exhaustive.
- b. Applicant and the family members included in the application form must fully disclose details of all properties (residential or non-residential in Hong Kong) which is/are held by the applicant or his/her family members either in his/her/their own name(s) or through a company (excluding listed companies) in which he/she/they currently or previously hold(s) shares or through the business the business which he/she/they operate(s) whether as trustee or as personal representative or in any other capacity whatsoever within a period of 60 months prior to the closing date of application and up to the date of purchasing a unit in the Scheme.
- c. Residential properties in Hong Kong include any domestic property, uncompleted private domestic property, rooftop structures approved by the Building Authority, domestic building lots and small house grants approved by the Lands Department in Hong Kong.

**Note V:**

The following categories of persons are **not eligible** to apply:

- i. Those who currently or previously purchased a domestic flat under Flat-For-Sale Scheme ("FFSS") or Sandwich Class Housing Scheme ("SCHS") or the Home Ownership Scheme ("HOS") or the Private Sector Participation Scheme ("PSPS") or the Middle Income Housing Project at Melody Garden or Mortgage Subsidy Scheme or the Buy or Rent Option ("BRO") or the HOS Secondary Market Scheme ("SMS") or FFSS Secondary Market Scheme or Tenants Purchase Scheme ("TPS") or Subsidised Sale Flats Projects – "Greenview Villa", or have obtained a loan or subsidies under Sandwich Class Housing Loan Scheme ("SCHLS") or Home Starter Loan Scheme ("HSLs") or Home Purchase Loan Scheme ("HPLS")/Home Assistance Loan Scheme ("HALS") (including those who are single at the time of purchase or at the time of loan granted or at the time of receiving the subsidy), as well as their spouses, are not eligible to apply for the Scheme. Other family members will not be bound by this restriction provided that they meet the relevant eligibility criteria of the Scheme. It should be noted that unless they get married or are permitted to receive the housing benefits provided by their employer, crucial members of 2-person households may only apply for the Scheme at least two years (as from the date of execution of the Deed of Assignment) after the purchase of a flat. A crucial member is a member, other than the owner, included in an application form to fulfill the eligibility criteria of the minimum number of two qualified persons for family.
- ii. Those who have purchased a flat mentioned in Note V (i) above and subsequently sold it or have obtained a loan or subsidies under the SCHLS or HSLs or HPLS/HALS and repaid the loan (including those who are single at the time of purchase or at the time of loan granted or at the time of receiving the subsidy), as well as their spouses, are not eligible to apply for the Scheme. Other family members whose application for deletion from the household register concerned has been approved (unless they get married or are permitted to receive the housing benefits provided by their employer, the crucial members may only apply for deletion from the household register concerned at least two years (as from the date of execution of Deed of Assignment) after the purchase of a flat) may apply again provided that they meet the eligibility criteria of the Scheme.
- iii. No applicant nor members of the family included in the application form may be a member of any Civil Servants' Co-operative Building Society or any housing scheme of a similar nature, or a lessee under any Government Built Housing Scheme.
- iv. Principal tenant and his/her spouse included in the tenants' registers, tenancy agreements or licences of public housing estates or interim housing operated by the Hong Kong Housing Authority ("Housing Authority" or "HA"), HS, or the Hong Kong Settlers Housing Corporation Limited, are not eligible to apply.
- v. Those family members currently and previously included in the tenants' registers, tenancy agreements or licences of public housing estates or interim housing operated by the HA, HS or the Hong Kong Settlers Housing Corporation Limited who do not meet the eligibility for deletion from their tenants' registers or record, are not eligible to apply.
- vi. Kowloon Walled City clearees who have received Government compensation set at HOS price level and their spouse are not eligible to apply.
- vii. Clearees who have opted to receive ex-gratia cash allowance granted by the Housing Department ("HD")/URA and are therefore not allocated any form of public housing are not eligible to apply within two years after receipt of the allowance.
- viii. Those Qualified Households affected by land resumption and clearance under the Hong Kong section of Guangzhou-Shenzhen-Hong Kong Express Rail Link, works related to boundary control point at Liantang/Heung Yuen Wai who have opted to receive the ex-gratia cash allowance-only option are not eligible to apply within three years after the receipt of the allowance.
- ix. Households affected by the Ming Wah Dai Ha Redevelopment Project of the HS who have opted for cash allowance in lieu of rehousing are not eligible to apply within two years from the date of termination of their respective tenancies.

**B · Notes on Application and Form Submission****1. May an applicant submit more than one application?**

No person may be included in more than one application form. Spouse of married person (except Note I (i)(4)), must be included in the same application form. Any separate applications submitted by a married couple will also be regarded as duplication. Comprehensive checks will be carried out by the URA and HS, who shall be responsible for the application assessment, and any duplication will render all applications involved null and void. In any case, the application fee paid will not be refunded.

2. May applicants apply at the same time for the Scheme, or HOS, or Subsidised Sale Flats Projects and other subsidised housing schemes offered by the HS or HA?

Yes, applicants may apply provided that they meet the eligibility criteria of the scheme(s) concerned. However, they can only opt for one and have to cancel the others if more than one application is successful.

If the applicant and/or other family member(s) included in the application form successfully acquire a unit under other subsidised housing schemes and become owner(s) or family member(s) of the acquired unit, he/she/they is/are required to delete his/her/their name(s) from the application form under the Scheme.

3. Can public housing tenants and their family members apply to purchase a unit under the Scheme?

Public housing tenants and their spouses are not eligible to apply for the Scheme. Other family members (listed in the tenancy of an existing public housing unit) who are eligible to delete from their household register or record, may apply for the Scheme provided that they meet the eligibility criteria of the Scheme. Within 60 days after signing the assignment of the purchased units under the Scheme, those family members must be moved out from the existing public housing units and delete from their household register or record.

4. Is it necessary to pay any application fee?

Applicants are required to pay application fee of HK\$200. The application fee paid is not refundable.

The application fee should be paid in the form of a crossed cheque or cashier order made payable to "Urban Renewal Authority" and submitted together with the Application Form by mail. Cash or post-dated cheque will not be accepted. A crossed cheque may also be issued by non-applicant or family members included in the application form. If the cheque or cashier order is dishonoured for whatever reasons, the application will be cancelled automatically.

5. Where and when should application forms be returned after completion?

Mail to the "Subsidised Sale Flat Scheme Units" Applications Processing Section, G.P.O. Box 8840, Hong Kong on or before the closing date of application (with the words "Subsidised Sale Flat Scheme Units" marked on the envelope).

Applications which are mailed after the closing date of application will not be accepted. For submission by mail, the submission date is determined by the postmark date. Those applications with postmark date after the closing date of application will not be accepted. Those applications which are delivered belatedly or returned to the applicants due to insufficient postage will not be processed. Application fee paid is not refundable and transferable regardless the application is successful or not.

6. May an applicant change the submitted particulars?

From the date of submitting their application form by mail up to the date of signing the Preliminary Agreement for Sale and Purchase, the applicant and the family members included in the application form must meet the eligibility criteria of the application. Any changes in the particulars (including but not limited to income, net asset value and ownership of residential property in Hong Kong) of the applicant or any family members included in the application form or the family circumstances (including but not limited to marital status) that occur during the period should be reported in writing to the "Subsidised Sale Flat Scheme Units" Applications Processing Section ("Applications Processing Section") with supporting documents so that the URA and HS can reassess the eligibility of the application. Should there be any changes in the personal particulars or family circumstances that render them not eligible, the application will be cancelled. The application fee paid will not be refunded and cannot be transferred to other parties.

After submission of application form, request for addition or deletion of family member(s) included in the application form will not be accepted, except for request for addition of family member(s) due to birth, marriage or the applicant's spouse being granted permission to stay in Hong Kong; or request for deletion of family member(s) in the application form due to death, divorce or having successfully acquired a unit under other subsidised housing scheme and become an owner or member of the acquired unit. URA and HS will reassess the eligibility based on the latest information.

### **C · Notes on Applications Processing**

1. All information supplied must be genuine and the applicant and his/her family members included in the application form must produce all necessary documents to verify his/her eligibility within the specified time frame. Failure to do so will result in disqualification. The applicant and his/her family members included in the application form must meet the eligibility criteria of the application under the Scheme from the date of submitting their application forms by mail up to the date of signing the Preliminary Agreement for Sale and Purchase. Any changes in the particulars (including but not limited to income, net asset value and ownership of residential property in Hong Kong) of the applicant or any family members included in the application form or the family circumstances (including but not limited to marital status) should be reported in writing to the Applications Processing Section with supporting documents so that the URA and HS can reassess the eligibility of the application. Should there be any changes in the personal particulars or family circumstances that render them ineligible, the application will be cancelled. The application fee paid will not be refunded and cannot be transferred to other parties.
2. Any application which contains false representation or misleading information will be cancelled. The eligibility of such an application previously established on the basis of the false representation or misleading information will be revoked and any fee paid will not be refunded. The decision of the URA on processing of such application which contains false representation or misleading information shall be final.
3. The successful applicants and his/her family member included in the application form who are aged 18 or above shall make statutory declarations under the laws of Hong Kong declaring that all the information and documentation

supporting the application are true, correct and accurate to the best of their knowledge. If the successful applicant and/or any his/her family members provided any false or misleading information in connection with the application for the purchase of a unit in the Scheme, the URA shall have the right to terminate the sale and purchase agreement and forfeit the deposit paid thereunder. If the unit has already been assigned to the applicant and/or his/her family members, the URA shall have the right to demand his/her/their assigning it back to the URA or demand the payment of a sum equal to the difference between the full market value of the unit at the time of sale and the purchase price already paid by the applicant and/or his/her family members. Furthermore, it is a criminal offence for an applicant or his/her family members to declare any false or misleading information, and one found guilty the applicant or his/her family members are subject to a fine and/or imprisonment.

#### **D · Flat Selection Arrangement and Restriction of Sale**

The applicant must be the owner of the unit he/she purchased under the Scheme. The applicant may choose to share the ownership with one of the adult family members included in the application form provided that the ownership is in the form of joint tenancy.

1. The purchaser and all family members included in the application form are required to live in unit purchased under the Scheme.
2. After acquiring a unit of the Scheme, successful unit purchasers and their spouses (including future spouse of unmarried purchaser) will be debarred from all subsidised housing scheme administered by the HA/HS/URA in the future. If other family members included in the application form apply for various kinds of subsidised rental housing scheme in future, they will not be bound by this restriction provided that they meet the eligibility criteria of the respective schemes. After acquiring a unit of the Scheme, the owner shall seek URA's consent for any changes in family members included in the application form.
3. Applicants of Single Person Household are only allowed to purchase studio or one-bedroom units available at the time of flat selection, and are not allowed to purchase two-bedroom units, whereas applicants of 2 Persons or above Household are allowed to purchase units of any size available for sale at the time of flat selection. In case of dispute on the flat selection arrangement, the decision of the URA shall be final and conclusive.
4. Eligible applicants will be invited to select a unit under the Scheme according to their priority numbers generated from a computer ballot. If any applicant fails to turn up for selection of unit at the appointed time or fails to select a unit in his/her priority for selection of unit, he/she will be replaced by another applicant with priority immediately after him/her.
5. All units sold under the Scheme are subject to certain restrictions on alienations which are stipulated in the relevant Land Grant.
  - a. Use
    - Units sold should be used only for residential purpose.
  - b. Buyback, assignment, mortgage, letting and charge
    - After execution of the Assignment comes into effect, any assignment, mortgaging, letting, charging or disposal of the unit will be subject to the provisions in Land Grant. Under the terms of the Land Grant, before a purchaser pays premium to the URA, the purchaser is prohibited from selling, letting, mortgaging or charging the unit or assigning or transferring his interest in the unit in any form.
    - **Within a period of the first 2 years** from the date of the assignment, a purchaser shall notify URA before selling the unit and URA may choose to purchase back the unit at the original purchase price less any amount unpaid under any approved mortgage and other approved deductible expenses or refuse to purchase the unit. If URA chooses to purchase back the unit, the purchaser must sell the unit to URA. If the purchaser has not received any reply from the URA of its intention to buy back the unit within 28 days after the URA has received the notice, the purchaser may sell the unit in the open market after paying the premium.
    - The premium which the purchaser is required to pay is calculated based on the prevailing market value of the unit without alienation restrictions, and the difference between the purchase price of the unit and its initial market value. In other words, the premium is calculated by applying the original discount of the purchase price to the prevailing market price. Calculations of the premium are illustrated below:

Market value at the time of purchase:	HK\$5,000,000
Purchase price:	HK\$4,000,000 (original purchase discount at 20% of initial market value at the time of purchase)

As the original purchase discount represents 20% of initial market value, the amount of premium payable by the purchaser is 20% of the prevailing market value.

Assumed prevailing market value at the time of sale:	HK\$5,200,000
Premium payable:	HK\$1,040,000 (20% of prevailing market value at the time of sale)

**[Note: The above restrictions are contained in the Land Grant, the URA does not have any right or power to vary the provisions therein.]**

- No purchaser may assign or transfer his/her rights and interests under the Preliminary Agreement for Sale and Purchase or Agreement for Sale and Purchase.
- Purchasers should take note that the full market value used to calculate the discount at the time of purchase is the market value prevailing at the date of the Preliminary Agreement for Sale and Purchase. Once determined, the purchase price of a unit will remain unchanged during the offer period. There is usually a gap of several months between determination of purchase price and execution of the Preliminary Agreement for Sale and Purchase. During such time the market value of a unit may be adjusted in accordance with market conditions. As a result the discount offered at the time of purchase may be different from that offered when the purchase price was set. The amount of premium payable is calculated based on the actual discount enjoyed by the purchaser at the time of signing the Preliminary Agreement for Sale and Purchase.

The above is for reference only, please refer to the terms of the Land Grant for details.

#### **E · Warning**

1. Applicants should note that in applying for the Scheme, the fee payable to the URA is stated in this Application Guide. If they are approached by any person who offers to provide assistance in return for remuneration, they should report to the Independent Commission Against Corruption (“ICAC”) without delay. Attempted bribery is also an offence in law. The URA will refer the case to ICAC for investigation and the application may be cancelled irrespective of whether such person has been prosecuted or convicted of the relevant offence.
2. Any application which contains false representation or misleading information will be cancelled. The eligibility of such an application previously established on the basis of the false representation or misleading information will be revoked and any fees paid will not be refunded. The decision of the URA on such false representation and misleading information or on the application shall be final.

#### **F · Notes to Application Relating to the Collection of Personal Data**

1. The personal data collected in the application form are used for processing the applications for the Scheme (including transferring the personal data by URA to HS, the applications assessment organisation, for processing the applications). The information provided may also be used by the URA and HS, the applications assessment organisation, 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) authorising the collection and comparison/checking of their personal data, are provided by the applicant and his/her family member(s) on a voluntary basis. If insufficient information is provided, however, the URA and HS, the applications assessment organisation, may not be able to process the application. In that case, the application fee paid will not be refunded.
2. The personal data provided by the applicant and his/her family member(s) in the application form will be used by URA and HS, the applications assessment organisation, for the purpose of preventing the applicant and his/her family member(s) from enjoying double housing benefits and for the purposes of carrying out the checking/verification and matching procedures. Such procedures include: vetting the application and determining the eligibility of the applicant, checking whether the applicant and his/her family members have applied for other subsidised housing scheme(s), giving approval of the application under the Scheme and handling any subsequent changes in family circumstances, property ownership, mortgage arrangements, sale of property, etc. The data are also used to prevent the purchaser and his/her spouse from participating in any other subsidised housing scheme(s) administered by the HA/HS/URA in future.
3. When assessing the eligibility of the applicant and his/her family member(s), the URA and HS, the applications assessment organisation, 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 URA and HS, the applications assessment organisation, to verify and match the information concerned with other government departments (including but not limited to the HD, Land Registry, Companies Registry, Immigration Department and Inland Revenue Department), public/private organisations/companies (including but not limited to the HA, banks and financial institutions), or the employers concerned. Furthermore, the applicant and his/her family member(s) should agree that any government departments (including but not limited to HD, the Land Registry, Companies Registry, Immigration Department and Inland Revenue Department), public/private organisations/companies (including but not limited to the HA, banks and financial institutions), or the employers concerned may disclose the applicant's and his/her family members' personal data in their possession to the URA and HS, the applications assessment organisation, for the purpose of comparing and matching the information provided in this application form. The information provided may also be used by the URA and HS, the applications assessment organisation, for conducting statistical surveys and researches. The applicant and his/her family member(s) should also agree that the URA and HS, the applications assessment organisation, may pass the application form and the supporting document(s) submitted to the URA's and HS's, the applications assessment organisation, data processing service contractor for data processing in connection with his/her application under the Scheme, and that the information provided will be passed to the URA Hotline for answering his/her enquiries.
4. For the purposes stated above, the URA and HS, the applications assessment organisation, may disclose the personal data provided by the applicant and his/her family member(s) in the application form to other government departments (including but not limited to the HD, Land Registry, Companies Registry, Immigration Department and Inland Revenue Department), and to employers of relevant public/private organisations/companies (including but not limited to the HA, banks and financial institutions) or check such data with these parties.

5. The personal data provided in the application form are for application under the Scheme. Under the Personal Data (Privacy) Ordinance (Cap. 486), the applicant and his/her family members have the right to request access to or correction of the personal data they provided in the application form. A fee may be payable for such requests for data access.

Notes:

1. The Urban Renewal Authority and the Hong Kong Housing Society are both the public organisations under the ambit of the Independent Commission Against Corruption and Office of the Ombudsman.
2. This Application Guide and the Application Form and their contents do not legally bind Urban Renewal Authority and the Hong Kong Housing Society. The Urban Renewal Authority and the Hong Kong Housing Society accept no responsibility for any loss caused by reliance on any content of this Application Guide and the Application Form.
3. The Urban Renewal Authority reserves the right to update any information contained herein as and when necessary without further notice.