

and purchase agreement with him and that any misrepresentation, false statement or declaration made by the home-owner for such purpose shall entitle the Purchaser either at his own instance or when called upon so to do by the Director of Housing to rescind the said sale and purchase agreement with such home-owner and to recover from the home-owner all expenses incurred in relation to such sale and purchase agreement. The Purchaser shall within 14 days after such rescission has taken effect inform the Director of Housing thereof by notice in writing and within 28 days of the notification the Director of Housing shall nominate another home-owner to purchase the unit in respect of which the agreement for sale and purchase has been rescinded and shall specify the sale price at which such unit shall be purchased by the home-owner, and in such event the Purchaser shall only be entitled to an amount equal to the purchase price (less the deposit paid by the original home-owner) which would have been payable for the unit by the original home-owner had the rescission not taken place. If the Director of Housing fails to nominate another home-owner as aforesaid within the said period of 28 days, the unit in respect of which the agreement for sale and purchase had been rescinded shall be purchased by the Hong Kong Housing Authority or its nominee after the expiry of the period of 20 calendar months specified in sub-clause (a)(i) of this Special Condition and at the price which would have been payable for the unit by the original home-owner had the rescission not taken place less the deposit paid by the original home-owner provided that the Hong Kong Housing Authority or its nominee shall not be obliged to take an assignment or pay the balance of the purchase price of the unit until the expiry of the period stipulated by the Purchaser to complete the development of the lot as stated in accordance with paragraph 3(d)(iv)(g) of the Tender Notice or any extension thereto which may be granted.

Schedule of the units

(26) The Purchaser shall within one calendar month of the approval of the Building Plans referred to in Special Condition No. (6)(b) hereof submit to the Director of Housing a schedule specifying precisely and accurately the units in the building or buildings to be erected on the lot and the saleable area of each unit.

Restriction on alienation by the Purchaser

(27) (a) Except as hereinafter provided in this Special Condition and Special Condition No. (36)(k) hereof, the Purchaser shall not partition the lot or any part thereof nor assign, charge, mortgage, demise, underlet, part with the possession of or otherwise dispose of the lot or any part thereof or any interest therein or any building or part of any building thereon, or enter into any agreement so to do.

Sale of units by the Purchaser

(b) The Purchaser may agree to assign or assign a unit or units but only:

Consent

(i) subject to Special Condition No. (6)(e) hereof with the prior consent in writing of the Director and upon such conditions (including the payment of such fee) as he may impose or require;

Scheme of conveyancing

- (ii) (I) in accordance with a scheme of conveyancing and management control incorporating agreements for the sale and purchase of undivided shares in the lot or a part or parts thereof (together with the right to the exclusive use and occupation of the units in the building or buildings, including the common parts thereof) followed by a deed or deeds of mutual covenant (which shall contain inter alia a covenant by the Purchaser to cause a meeting of owners of residential units within the lot to be convened within four calendar months of the consent to assign being given by the Director in accordance with sub-clause (b)(i) hereof, for the purpose of electing an Owners' Committee as defined in the said deed or deeds of mutual covenant and the management agreement hereinafter mentioned and a covenant by the manager to be appointed under such deed or deeds of mutual covenant that a written notice of the defects liability period referred to in this sub-clause shall be given to the said owners of residential units not less than three calendar months before the expiry of the said defects liability period) and a management agreement (which may be incorporated in and form part of the deed of mutual covenant), which scheme, including all conveyancing and other documents used therein or thereunder, shall be in such form and shall contain such provisions as the Director shall in writing beforehand approve or require;
- (II) in accordance with the provisions contained in deeds of assignment which shall include a covenant by the vendor as defined in the assignments in respect of defects liability for a period of 365 days from the date of such assignments and which defects must be remedied to the satisfaction of the home-owner or the Surveyor appointed as provided for in Special Condition No. (33)(a) hereof which covenant shall be in a form to be approved by the Director of Housing;

- Buyer (iii) to the Hong Kong Housing Authority or its nominee or a home-owner;
- Unit price (iv) at a sale price per unit which shall be fixed by the Director of Housing at his absolute discretion but which shall be such that the total sale price of all the units shall (subject to sub-clause (c) of this Special Condition) be calculated at the rate of HK\$15,500.00 per square metre of their total saleable area; and
- Payment (v) on terms which, inter alia, require payment of the purchase price by way of a deposit of an amount equal to not less than 5% and not more than 10% of the purchase price, such deposit to be determined at the sole discretion of the Director of Housing to be notified to the Purchaser in the nomination referred to in Special Condition (25)(a) hereof to be paid on execution of the agreement for sale and purchase followed by the balance to be paid in a lump sum on execution of the deed of assignment of each such unit.
- Variation of (c) In respect of each unit assigned or agreed to be assigned to a unit price home-owner, the amount per square metre specified in sub-clause (b)(iv) of this Special Condition (hereinafter referred to as "the unit price") may be varied by the Hong Kong Housing Authority at its absolute discretion as notified by the Director of Housing to the Purchaser provided that:-
- (i) if the unit price is increased the Purchaser shall pay to the Hong Kong Housing Authority the amount of such increase in such manner and within such period as shall be determined by the Director of Housing in his absolute discretion; and
 - (ii) if the unit price is reduced the Hong Kong Housing Authority shall pay to the Purchaser the amount of such reduction in such manner and within such period as shall be determined by the Director of Housing in his absolute discretion;

and made in the two stages hereunder:

- (aa) on the occasion of the execution of an agreement for sale and purchase in respect of the amount to be paid resulting from an increase or reduction in the amount of any deposit payable on the execution of such an agreement, and

(bb) on the occasion of the execution of the deed of assignment in respect of the amount to be paid resulting from an increase or reduction in the amount of balance of the purchase price payable, on the execution of such an assignment.

Building mortgages

(d) The Purchaser shall not except with the prior written consent of the Director and in conformity with any conditions imposed by him (including the payment of such fees as may be required by him), mortgage or charge the lot or any part thereof or any interest therein except for the purpose of the development thereof in accordance with these Conditions and then only by way of a building mortgage, it being agreed that for this purpose a building mortgage shall be one :

- (i) whereby the lot is mortgaged or charged to secure monies (and interest thereon) advanced or to be advanced to the Purchaser for the purpose only of developing the lot in accordance with these Conditions and for the payment of legal and other professional fees in connection with such development and the mortgage (provided that such fees do not, in the aggregate, exceed 5% of the total amount secured by the mortgage), and for no other purpose;
- (ii) under which such advances (in the case of work done) are to be made to the Purchaser only in amounts to be certified from time to time by the Authorized Person (appointed by the Purchaser under the Buildings Ordinance for the development of the lot) as having been incurred by the Purchaser for the development of the lot; and
- (iii) under which the mortgagee is obliged, upon receipt of a sum representing the total purchase price under an agreement for sale and purchase approved by the Director in respect of a share or interest in the lot, to release such share or interest from the mortgage.

Alienation of non-residential premises

(e) The Purchaser may assign, underlet or otherwise dispose of any part or parts of any building or buildings erected or to be erected on the lot which part or parts is or are designed and intended to be used exclusively for non-residential purposes but any space to be provided in accordance with Special Condition Nos. (36)(a), (b), (c), (d), (e), (f), (g) and (h) of these Conditions for motor vehicles, goods vehicles, refuse collection vehicles, taxi lay-by and vehicles for disabled users respectively may only be assigned, charged, mortgaged, demised, underlet, alienated or otherwise disposed of as provided for in Special Condition No. (36)(k) hereof provided that such part or parts including the spaces to be provided in accordance with Special Condition Nos. (36)(a), (b), (c), (d), (e), (f), (g) and (h) hereof shall not be assigned, underlet or otherwise disposed of

(other than by way of a building mortgage of the type described in sub-clause (d) of this Special Condition) without the prior consent in writing of the Director before these Conditions have been complied with by the Purchaser as certified by the Director.

Sales literature

(28)(a) The Purchaser shall when called upon to do so by the Director of Housing at his own expense, prepare and produce sales brochures and other sales literature for the purpose of identifying and describing the units to be sold, such sales brochures and other sales literature to be in accordance with the requirements and specifications laid down by the Director of Housing.

Promotion and publicity of sale

(b) The Purchaser shall at his own expense effect such promotion and publicity activities including the provision of show-flats at such location or locations in respect of the sale of the units as may be required by the Director of Housing or shall pay on demand to the Director of Housing all such expenses as may be incurred by the Director of Housing at his absolute discretion in effecting such promotion and publicity activities including the provision of the show-flats.

Defects liability

- (29)(a) (i) Commencing from the date upon which the Director confirms in writing to the Purchaser that the lot has been developed to his satisfaction there shall be a defects liability period of 460 days (hereinafter referred to as "the Defects Liability Period").
- (ii) The right is reserved to the Director of Housing to inspect the lot and all buildings erected thereon at any time during or after the Defects Liability Period.
- (iii) The Purchaser shall at his own expense execute within a time limit and to such standard and in such manner to be stipulated in writing by the Director of Housing all necessary works or repairs, amendments, reconstructions and rectifications and shall make good such defects, imperfections, shrinkages, settlements or other faults (hereinafter referred to as "the defects") as may be required in writing by the Director of Housing during and within a period not exceeding three calendar months from the expiry of the Defects Liability Period.
- (iv) If the Purchaser, should fail to comply with the requirements in writing of the Director of Housing to the satisfaction of the Surveyor appointed as provided for in Special Condition No. (33)(a) hereof within any time limit stipulated in writing by the Director of Housing it shall be lawful for the Director of Housing or his authorized agent to carry out the said works or repairs, amendments, reconstructions and rectifications at the expense of the