

PROPERTIES IN HONG KONG

This Form is prescribed by the Estate Agents Authority in accordance with the Estate Agents Ordinance

GENERAL CAUTION: Read this Agreement carefully and follow its instructions. If you do not understand any thing in this Agreement then ask for an explanation to be given. If you do not understand or agree with any explanation given then it is best to consult your solicitor before signing this Agreement.

Information note: Where any thing in this Agreement is followed by a number in brackets (e.g. ⁽¹⁾), then immediately read the explanatory note that bears that number in Schedule 4 to this Agreement. Where any thing in this Agreement refers to a Schedule to this Agreement, then immediately read that Schedule.

1. Appointment of Agent and Validity Period of this Agreement

I/We, _____ (“Vendor”), appoint _____ (“Agent”⁽²⁾) subject to and in accordance with the terms of this Agreement to act as my/our exclusive⁽³⁾/non-exclusive⁽¹⁾ agent in the marketing of _____ (“Property”). This Agreement shall take effect on _____ (D/M/Y) and expire on _____ (D/M/Y) (both days inclusive) (“Validity Period”).

[CAUTION: In the case of exclusive agency, the Vendor may be liable to pay commission to the Agent even if the Property is not sold through the Agent within the Validity Period. The Vendor should therefore consider carefully when he enters into an exclusive agency relationship with the Agent. Special obligations to be performed by the Agent under exclusive agency may be specified as extra terms under clause 13.]

2. Agency Relationship and Duties of Agent

The Agent agrees with the Vendor that –

the agency relationship between them in respect of the Property shall be a single agency/dual agency/potentially dual agency⁽³⁾⁽¹⁾;

in the case of dual agency, the Agent shall as soon as is practicable disclose in writing to the Vendor the amount or rate of commission to be received by the Agent from a purchaser;

in the case of potentially dual agency, the Agent shall as soon as is practicable after dual agency arises disclose in writing to the Vendor such agency relationship and the amount or rate of commission to be received by the Agent from a purchaser;

and

The Agent's duties shall be as set out in Schedule 1 to this Agreement, in addition to the duties placed on the Agent by this Agreement or any enactment.

3. List Price [CAUTION: The Vendor does not confer upon the Agent, by virtue of this clause, the right to accept an offer on behalf of the Vendor. The list price is for the purpose of listing and advertising only.]

The list price shall be Hong Kong Dollars _____ (HK\$ _____). The list price can only be varied with written instructions of the Vendor and such instructions shall form part of this Agreement.

4. Commission

The provisions of this Agreement applicable to the commission to be paid by the Vendor to the Agent shall be as set out in Schedules 2 and 4 to this Agreement⁽⁴⁾.

5. Property Information

The Agent shall provide to the Vendor the Property Information Form including the Vendor's Statement prescribed under the Estate Agents Practice (General Duties and Hong Kong Residential Properties) Regulation duly completed and signed by the Agent.

6. Property Inspection

The Vendor agrees to allow viewing of the Property by the Agent/purchaser(s)⁽¹⁾ at a mutually agreeable time.

Yes No ⁽⁸⁾

The Vendor agrees to pass the keys of the Property to the Agent for safe custody and for the viewing of the Property.

Yes No ⁽⁸⁾

The Vendor authorizes the Agent to pass the keys to other estate agents/persons⁽¹⁾ for the viewing of the Property.

Yes No ⁽⁸⁾

7. Sub-listing

The Vendor authorizes the Agent to sub-list the Property and pass relevant information about the Vendor and the Property

supplied by the Vendor to other estate agents for sub-listing purposes.

Yes No ⁽⁸⁾

If the Agent sub-lists the Property to another estate agent (“sub-listing agent”), the Agent shall ensure that the sub-listing agent shall observe the Estate Agents Practice (General Duties and Hong Kong Residential Properties) Regulation regarding advertising.

8. Advertising

The Vendor authorizes the Agent to issue advertisement in respect of the Property.

Yes No ⁽⁸⁾

If the answer to the above is “yes”, then the advertising fees will be borne by the Agent unless otherwise specified in this Agreement.

9. Disclosure of Interest by Agent

The person signing this Agreement on behalf of the Agent discloses that he or his specified relative⁽⁵⁾, or any nominee of his or of his specified relative, or the Agent or any employee/substantial shareholder⁽⁶⁾/partner/director of the Agent has a pecuniary or other beneficial interest⁽⁷⁾ in the Property:

Yes No ⁽⁸⁾

If the answer to the above is “yes”, then the particulars of the interest must be specified in Schedule 3 to this Agreement.

The person signing this Agreement on behalf of the Agent shall as soon as is practicable disclose in writing to the Vendor any interest referred to in paragraph (a) above that may arise during the Validity Period.

10. Acknowledgement by Vendor

The Vendor acknowledges that he has –

read and understood the terms of this Agreement; and

⁽⁸⁾ received the Property Information Form including the Vendor’s Statement required to be provided under clause 5 of this Agreement.

⁽⁸⁾ agreed to receive the Property Information Form including the Vendor’s Statement before entering into a binding agreement for sale and purchase between the Vendor and a purchaser.

11. Schedules

The Schedules to this Agreement form part of this Agreement.

12. Agreement void if domestic purpose or use not allowed

This Agreement shall be void if the occupation permit for the Property does not include or allow domestic purpose or use.

13. Extra Terms [CAUTION: These extra terms cannot conflict with or limit the other terms of this Agreement.]:

Signature of the Vendor:

Signature of the estate agent/salesperson signing for and on behalf of the Agent:

Hong Kong identity card(s) number(s):
(if applicable)

Name and licence number of the signatory:

Where the Vendor is a company,
please state:

Name of the Signatory:
Position of the Signatory:
Business Registration Certificate number
of the Vendor:

Number of Agent's statement of
particulars of business:

Address:

Address:

Telephone number:
Fax number:
Date:

Telephone number:
Fax number:
Date:

[**CAUTION:** Immediately after this Agreement has been signed, the Vendor must be given the original or a copy of this Agreement as signed.]

Schedule 1

Duties of Agent

The Agent shall –

market the Property on behalf of the Vendor;
obtain information in relation to the Property for the Vendor;
arrange for purchasers to inspect the Property;
conduct negotiation and submit all offers in relation to the Property to the Vendor; and
assist the Vendor in entering into a binding agreement for sale and purchase with a purchaser.

Schedule 2

Commission to be Paid by Vendor

Subject to section 2 of this Schedule, if during the Validity Period the Vendor through the Agent enters into a binding agreement for sale and purchase with a purchaser in respect of the Property then the Vendor is liable to pay the Agent commission in the amount of \$_____ /at the rate of _____% of the transacted price of the Property⁽¹⁾:

- ⁽⁸⁾ upon the signing of the agreement for sale and purchase.
- ⁽⁸⁾ upon the completion of the property transaction as specified in the agreement for sale and purchase.

Subject to section 3 of this Schedule, the Vendor shall have no obligation to pay any commission to the Agent if completion of the property transaction falls through without fault on the part of the Vendor and, in such case, if the commission has already been paid it shall be refunded by the Agent to the Vendor as soon as is practicable and in any case not later than 5 working days from the completion date as specified in the agreement for sale and purchase with interest/without interest⁽¹⁾.

The commission shall become payable to the Agent in the case of mutual cancellation of a binding agreement for sale and purchase of the Property not arising from any provisions of the agreement for sale and purchase.

The Vendor is not liable to pay any commission to other estate agents with whom the Agent co-operates in the marketing of the Property.

Schedule 3

Interests in Property

In accordance with clause 9 of this Agreement, particulars of the pecuniary or other beneficial interests in respect of the Property are as follows:

Schedule 4

Explanatory Notes

- (1) This means delete whichever is inappropriate. All deletions must be initialled.
- (2) Enter the name of the estate agency business entity concerned in clause 1 of this Agreement.
- (3) Exclusive Agency — this means the Agent is the only estate agent acting for the Vendor. If during the Validity Period the Vendor enters into a binding agreement for sale and purchase with a purchaser in respect of the Property through another estate agent, the Agent has a right to claim commission as specified in section 1 of Schedule 2 from the Vendor.

Single agency – this means the Agent acts for the Vendor only.

Dual agency – this means the Agent acts for both the Vendor and a purchaser of the Property.

Potentially dual agency – this means the Agent acts for the Vendor only but may also act for a purchaser of the Property at a later stage.
- (4) The amount or rate of commission is negotiable between the Vendor and the Agent.
- (5) Specified relative – this means the spouse, parent, child, brother or sister.
- (6) Substantial shareholder – this means a person who is entitled to exercise or control the exercise of 10% or more of the voting power at any general meeting of the Agent.
- (7) Having a pecuniary or other beneficial interest includes:
 - (a) being a member of a company or any other body which has a pecuniary or other beneficial interest in respect of the Property;
 - (b) being in partnership with or is in the employment of a person who has a pecuniary or other beneficial interest in respect of the Property; or
 - (c) being a party to any arrangement or agreement (whether enforceable or not) concerning the Property.
- (8) Tick the relevant box.