



Dear Licensees,

**Re: Land (Compulsory Sale for Redevelopment)  
(Amendment) Ordinance 2024**

The Land (Compulsory Sale for Redevelopment) (Amendment) Ordinance 2024 (“Amendment Ordinance”) was passed by the Legislative Council on 18 July 2024 and has come into operation on 6 December 2024.

The Amendment Ordinance amends the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545), the Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice (Cap. 545A) and the Lands Tribunal Rules (Cap. 17A). Key measures of the Amendment Ordinance include:

- (1) lowering the compulsory sale application thresholds for different classes of lots especially for lots erected with older buildings and lots in areas with more pressing redevelopment needs (please refer to the **Annex** for reference);
- (2) facilitating larger scale redevelopment by providing more flexibility to cover two or more adjoining lots (even with no common staircases connecting the buildings erected thereon) in a single compulsory sale application subject to certain conditions. In determining if the applicant’s ownership percentage in these adjoining lots meets the application threshold, weighted average arrangement will be used. Moreover, lot(s) wholly-owned by an applicant is allowed to be included in a compulsory sale application involving adjoining lots and/or staircase-connected lots;
- (3) streamlining the legal process of compulsory sale regime by dispensing with the requirement for the applicant to justify redevelopment of a lot due to “age” or “state of repair” of the buildings on the lot provided that all the buildings erected on the lot are aged at least 50 years, the whereabouts of all minority owners of the lot are known and all minority owners have filed the relevant Notice of No Objection via their legal representatives to the Lands Tribunal; and
- (4) enhancing support to the minority owners affected by



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compulsory sale who are owner-occupiers under the Amendment Ordinance by allowing them to continue to occupy the property for a period of not more than 6 months after completion of the compulsory sale of the relevant lot, subject to their payment to the purchaser of the lot an amount in respect of the period of occupation calculated based on rateable value.

To provide more details of the updated compulsory sale regime as amended by the Amendment Ordinance effective from 6 December 2024, the Development Bureau has issued a guide (in Chinese only) which contains explanation of the main provisions of updated compulsory sale regime in plain language and with illustrative examples, licensees are advised to visit the relevant link of the Development Bureau at [www.devb.gov.hk/en/issues\\_in\\_focus/doss/index.html](http://www.devb.gov.hk/en/issues_in_focus/doss/index.html)

Apart from strengthening the statutory protection for minority owners affected by compulsory sale applications, the Development Bureau has set up since August 2024 the Dedicated Office of Support Services for Minority Owners under Compulsory Sale (“DOSS”) to co-ordinate enhanced administrative support services for minority owners affected by compulsory sale. In this connection, the DOSS commissions and steers the Support Service Centre for Minority Owners under Compulsory Sale (“SMOCS”) to provide one-stop, more comprehensive and effective support services to minority owners at different stages of the compulsory sale applications. The SMOCS has commenced operation on 27 August 2024, and it will, in collaboration with the designated non-governmental organisations and relevant professional organisations, step up publicity and public education at the district level and provide minority owners affected by compulsory sale applications with a series of support services (such as provision of preliminary professional advisory service, assistance in mediation, referrals to legal and related professional services, subsidies in obtaining independent valuation reports for properties and lots, emotional counselling, and assistance for searching alternative accommodation). For details of the services provided by the SMOCS, please visit the website at [www.smocs.hk/en/home/index.html](http://www.smocs.hk/en/home/index.html) or call 2156 8050.

In view of the operation of the Amendment Ordinance, the Estate Agents Authority (“EAA”) would like to remind licensees of the following:

- (1) licensees must comply with the Estate Agents Ordinance (Cap. 511), its subsidiary legislation and all the applicable Practice



Circulars issued by the EAA, in particular Practice Circular No. 10-05 (CR) when carrying out estate agency work in relation to acquisition of old buildings;

- (2) licensees must not cause or permit a claim to be made of the existence of an offer from a purchaser unless the offer exists as required under section 11(a) of the Estate Agents Practice (General Duties and Hong Kong Residential Properties) Regulation (Cap. 511C);
- (3) licensees must ensure that any information given to the vendor in relation to acquisition of old buildings is accurate and up to date and all information given in the provisional agreement for sale and purchase (“PASP”) is true and accurate;
- (4) licensees must refrain from reducing or inflating the true consideration of the property transaction whether at the request of the client or otherwise; and
- (5) licensees must not arrange for the vendor to sign a PASP unless (a) all blank spaces in the PASP listing all the terms of the sale and purchase have been filled in; and (b) the PASP has been signed by the purchaser.

Estate Agents Authority

17 December 2024



**Comparison of Compulsory Sale Application Thresholds Before and On /After 6 December 2024 - For Reference Only**

Class of lot		Thresholds before 6 December 2024 (regardless of location)	Thresholds on / after 6 December 2024, once the Amendment Ordinance is in force	
Building type	Building age (years)		Designated areas <sup>1</sup>	Non-designated areas
Private buildings	< 50	90%	90%	
	≥ 50 but < 60	80%	70%	80%
	≥ 60 but < 70		65%	70%
	≥ 70		65%	
Industrial buildings not located within industrial zone	≥ 30	80%	70%	
A lot with each of the units on the lot representing more than 10% of all the undivided shares in the lot	All age	80%	80%	

<sup>1</sup> The list of designated areas as set out in the Schedule to the Land (Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice (Cap. 545A) include the following areas covered respectively by 7 Outline Zoning Plans (“OZP”) of specific plan numbers: Sai Ying Pun and Sheung Wan OZP No. S/H3/34, Wan Chai OZP No. S/H5/31, Yau Ma Tei OZP No. S/K2/24, Mong Kok OZP No. S/K3/36, Cheung Sha Wan OZP No. S/K5/39, Ma Tau Kok OZP No. S/K10/30 and Tsuen Wan OZP No. S/TW/35. The above 7 OZPs of specific plan numbers can be downloaded free of charge from the website of the SMOCS ([www.smocs.hk/en/home/index.html](http://www.smocs.hk/en/home/index.html)).