THE PARALEGAL DESK

Conveyancing and property

A printable reference pack for Hong Kong paralegals and legal executives.

CONTENTS

1. Conveyancing
2. Land and title
3. Stamp duty
4. Conveyancing forms, filled in

Reference edition, fees checked to 14 November 2026. Educational material only, not legal advice. Fees, time limits and practice directions change: verify against the current ordinance, practice direction or registry guidance before relying on anything in this pack for a live matter.

Conveyancing

PROPERTY · CONVEYANCING PRACTICE

Three deadlines govern the whole matter: the date for signing the formal agreement, the date for raising requisitions, and the completion date. Every other task exists to make those three dates work.

THE DATES, ON ONE PAGE
Stamping and registration periods sit with the rest of the recurring deadlines on the compliance calendar.

THE LAND UNDERNEATH
Registration, priority and title investigation are on the land law page — including the unposted memorial that defeats a completion-day search.

1 What kind of transaction is it?

Four transactions that behave differently

Type	Distinguishing features	What to check first
Second-hand residential resale	Estate agent's provisional agreement, then a formal agreement drafted by the vendor's solicitor	The provisional agreement: deposit, parties, completion date, and whether the property is subject to an existing tenancy or mortgage
First-hand sale by developer	Sold under the first-hand sales regime; prescribed documents and a statutory cooling period before the formal agreement	The developer's designated solicitors, the deed of mutual covenant, the occupation permit, and the payment schedule
Commercial or industrial	No deed of mutual covenant in the residential sense; different stamp duty scale since 26 February 2026	User restrictions in the Government lease and occupation permit; whether the intended use is permitted
Village house or New Territories property	Different title roots: Government land grants, small house grants, sometimes old schedules and tso/tong interests	The grant, the certificate of compliance, occupation permit, and any restriction on assignment

2 The resale timeline

Typical second-hand residential transaction

Stage	Timing	Who acts	Documents
Provisional agreement (PASP)	Day 0	Parties and estate agent	PASP; initial deposit, usually 3–5% of price
Formal agreement (ASP)	Usually about 14 days later, as the PASP provides	Vendor's solicitor drafts; purchaser's solicitor approves	Formal ASP in duplicate; further deposit bringing the total to 10%; draft assignment
Title and requisitions	On receipt of the title deeds, commonly 7 working days to raise requisitions	Purchaser's solicitor investigates; vendor answers	Title bundle, land search, requisitions on title, replies
Mortgage and funding	6–8 weeks before completion	Purchaser's mortgagee	Facility letter, legal charge, fire insurance
Completion	As fixed, commonly 45–60 days after the PASP	Both solicitors	Assignment, legal charge, completion statement, undertakings, keys
Stamping and registration	Within 30 days of execution; registration promptly	Purchaser's solicitor	Stamped assignment, memorial, Land Registry registration

THERE IS NO STATUTORY COOLING-OFF PERIOD

A provisional agreement in Hong Kong is a binding contract, not a letter of intent. The consequences of walking away — forfeiture of the initial deposit, or payment of double the deposit by a defaulting vendor — come from the *terms of the agreement*, not from an ordinance. Specific performance is a discretionary remedy. Read the PASP before advising anyone that they can "change their mind".

3 The two agreements

The provisional agreement

Usually prepared by the estate agent on a standard form. It should identify the property precisely, the price, the parties (with the full name and business registration number of any corporate party), the initial deposit, the date for signing the formal agreement, the completion date, and what happens on default by either side. The deposit should be payable to the vendor's solicitors as stakeholders where the property is in negative equity, so that the purchaser is protected if the sale cannot complete.

The formal agreement

Drafted by the vendor's solicitors and approved by the purchaser's. It incorporates the PASP terms, adds the standard conditions, and fixes the completion mechanics. Points that regularly need attention:

- **Title and encumbrances.** The property is sold subject to the matters in the title documents; the purchaser's protection is the requisition process, not a general warranty.
- **Requisitions.** The clause fixes how many working days the purchaser has after receiving title documents, and often gives the vendor a right to annul the sale if unwilling or unable to answer a requisition.
- **Vacant possession or subject to tenancy.** A subsisting tenancy changes the price, the stamp duty analysis and the completion mechanics. Establish it at PASP stage.
- **Default and forfeiture.** Check whether the deposit is forfeited as liquidated damages or whether the vendor may also claim damages.
- **Completion mechanics.** Time of day for completion (commonly 5pm on a weekday, 1pm on a Saturday), place, and the undertakings to be given.

4 Title investigation

This is the heart of the paralegal's work: reading a title bundle and identifying what is missing, what is inconsistent and what affects the property.

The title bundle — what should be there

Document	Why it matters
Government lease or grant	The root of title; user restrictions, building covenants, term and rent
Occupation permit	Confirms the building was certified fit for occupation and the approved use
Certificate of compliance	For completed developments and village houses; confirms compliance with the lease conditions
Deed of mutual covenant	Management, common parts, restrictions, apportionment of costs, and often restrictions on letting or use
Approved building plans	Compare with what is actually there; identifies unauthorised building works
Chain of assignments	Every transfer from the grant to the current owner, with memorials and any deeds of variation
Mortgages and discharges	Existing security must be discharged at or after completion
Land search	Current registered owner, encumbrances, pending actions, bankruptcy and charging orders
Tenancy agreements	Affect possession, rent apportionment and the value of what is being sold
Government rent and rates demands	Arrears and apportionment on completion

What to look for

- **Gaps in the chain.** A missing assignment, an unregistered deed, a death requiring probate, a company that has been dissolved.
- **Identity and capacity.** Names must match across the chain; signatures must be consistent; a power of attorney must be valid and registered.
- **Encroachment and alterations.** Structures extending beyond the lot, rooftop additions, enclosed balconies, subdivided flats — all raise unauthorised building works and lease breach issues.
- **User restrictions.** Using a residential unit as an office, or an industrial unit as a shop, can breach the lease and the occupation permit.
- **Encumbrances.** Easements, rights of way, covenants, re-entry rights, tso/tong interests, and any pending litigation noted on the land search.
- **DMC obligations.** Management fees outstanding, restrictions on signage, air-conditioning platforms, or short-term letting.

THE LAND SEARCH IS NOT THE TITLE

A land search tells you what is registered, not whether the title is good. The registered owner may hold subject to an unregistered interest; a memorial may be defective; a discharge may not have been registered. Read the documents, then check them against the search.

5 Requisitions on title

A requisition is a written request requiring the vendor to prove title, explain a document or remove a defect. They are raised once, within the period the agreement allows, and they should be specific.

How to draft them

- Identify the document and the page or memorial number.
- State the defect or query precisely — a date discrepancy, a missing page, an unnamed party, an undischarged charge.
- State what is required: a certified copy, a statutory declaration, a discharge, a consent, a deed of variation.
- Keep them within the contractual period; a requisition raised late may be answered with the annulment clause.

EXAMPLE REQUISITIONS IN A RESALE

- "The assignment dated 12 March 1998 refers to a Deed of Variation dated 4 February 1998 which is not included in the title bundle. Please provide a certified copy."
- "The land search shows a mortgage in favour of [bank] registered by memorial 123456. Please confirm that a discharge will be registered at or before completion, and provide the discharge or an undertaking."
- "The occupation permit describes the premises as 'domestic'. The tenant is operating a tutoring business from the flat. Please confirm whether the vendor has obtained any lease modification or waiver, and disclose all correspondence with the Buildings Department and Lands Department."
- "The vendor's name on the 2005 assignment differs from the name on the identity document provided. Please provide a statutory declaration explaining the discrepancy."

If the vendor is unwilling or unable to answer, many agreements allow the vendor to annul the sale and return the deposit. That is a contractual right, not a breach — which is why the quality of the reply matters as much as the quality of the requisition. Once title is accepted, the purchaser generally cannot reopen it.

6 Stamp duty

Ad valorem stamp duty is payable on the agreement for sale and on the assignment. Since 28 February 2024, the demand-side measures for residential property — buyer's stamp duty and special stamp duty — no longer apply to instruments executed on or after that date.

Residential AVD — Part 1 of Scale 1 and Scale 2, instruments executed on or after 26 February 2026

Consideration or value (higher)	Rate
Up to HK$4,000,000	HK$100
$4,000,001 – $4,323,780	$100 + 20% of the excess over $4,000,000
$4,323,781 – $4,500,000	1.5%
$4,500,001 – $4,935,480	$67,500 + 10% of the excess over $4,500,000
$4,935,481 – $6,000,000	2.25%
$6,000,001 – $6,642,860	$135,000 + 10% of the excess over $6,000,000
$6,642,861 – $9,000,000	3%
$9,000,001 – $10,080,000	$270,000 + 10% of the excess over $9,000,000
$10,080,001 – $20,000,000	3.75%
$20,000,001 – $21,739,120	$750,000 + 10% of the excess over $20,000,000
$21,739,121 – $100,000,000	4.25%
$100,000,001 – $109,574,470	$4,250,000 + 30% of the excess over $100,000,000
Above $109,574,470	6.5%

Non-residential property is charged under the new Scale 3 from 26 February 2026, at the rates that applied under Scale 2 before that date. Marginal relief applies at the band boundaries. Confirm the rate on the Inland Revenue Department's current table before you compute a completion statement — the top residential rate rose from 4.25% to 6.5% for instruments above HK$100 million.

The stamping rules that matter

- **30 days** from execution to stamp an agreement for sale or a conveyance on sale. Calendar days, including weekends and general holidays.
- **Two agreements, one transaction.** If the first agreement is superseded by a second within 14 days, the date of the second is the relevant date; otherwise the first agreement's date governs.
- **Late stamping** attracts a penalty, potentially a multiple of the duty, subject to remission by the Collector. An unstamped instrument is not admissible in evidence in civil proceedings until stamped.
- **Who pays.** The agreement usually puts the duty on the purchaser, but the statutory liability can fall on either party and on any person who uses the instrument.
- **Companies and non-permanent residents** no longer pay a separate buyer's stamp duty on residential property acquired on or after 28 February 2024, but the ordinary AVD still applies, and additional charges can arise from the structure (for example, a transfer of shares rather than property).

7 Completion

Completion is a simultaneous exchange: money against the assignment and the keys. The purchaser's solicitor drafts the assignment and the legal charge; the vendor's solicitor approves them and attends to execution.

Completion day sequence

Step	Who	Detail
Final inspection	Purchaser	Ordinarily before completion; check the property is in the contractual condition and no fixtures removed
Completion statement	Purchaser's solicitor	Price, deposit credited, apportionment of rates, Government rent and management fees, stamp duty
Execution	Purchaser and mortgagee	Assignment and legal charge signed; mortgage funds released to the purchaser's solicitor
Money and documents exchanged	Both solicitors	Balance of price against executed assignment, title deeds and keys; commonly by 5pm (1pm Saturday)
Undertakings	Vendor's solicitor	To discharge existing mortgages within a stated period and deliver the discharged deeds and receipted discharge
Possession	Vendor	Vacant possession, or subject to the tenancy if that is the bargain; keys and access devices handed over

THE UNDERTAKING IS THE SECURITY

Where the vendor's mortgage is not discharged on the day, the purchaser relies on the vendor's solicitor's undertaking to discharge it and deliver the receipted discharge and deeds. That undertaking must be in writing, unambiguous, and from a firm able to honour it. It is not a formality, and it should never be given or accepted orally.

8 After completion

- **Stamp the assignment** within 30 days of execution. In practice this is done at or immediately after completion, because the assignment cannot be registered or relied on in evidence until stamped.
- **Register at the Land Registry.** Priority between competing interests in the same property is determined by the date of registration, not the date of the instrument. Register promptly and check the memorial against the assignment.
- **Register the mortgage** if there is one, and deliver the title deeds to the mortgagee as the facility letter requires.
- **Notify the management office** and the deed of mutual covenant manager of the change of owner, and settle the apportioned management fees.
- **Update rates and Government rent** records with the Rating and Valuation Department and the Lands Department.
- **Close the file** with the stamped assignment, the Land Registry search confirming registration, the discharge and receipted mortgage documents, and the completion statement.

9 Worked example: resale with a tenancy and a mortgage

EXAMPLE — HK$7,800,000 FLAT, LET TO A TENANT, VENDOR'S MORTGAGE OUTSTANDING

PASP: signed 3 March; initial deposit HK$200,000; formal agreement within 14 days; completion 30 April; property sold subject to the existing tenancy.

Formal agreement: signed 17 March; further deposit HK$580,000, bringing the total to HK$780,000 (10%). Purchaser's solicitor approves the draft assignment.

Title: received 20 March. The bundle shows a 1994 Government lease, a 1997 occupation permit, a DMC, six assignments, and a mortgage registered in 2019. Requisitions raised 27 March: the 2003 assignment is missing page 2; the vendor's name differs by one character from the identity document; the tenancy agreement is undated; the management office confirms arrears of HK$18,400.

Replies: certified copy supplied; statutory declaration on the name; tenancy confirmed as a two-year term from 1 January 2025; arrears to be cleared from the purchase price at completion. Title accepted 9 April.

Stamp duty: AVD on HK$7,800,000 at 3% = HK$234,000, stamped 17 March.

Completion 30 April: assignment and legal charge executed; balance of HK$7,020,000 paid; vendor's solicitor undertakes to discharge the 2019 mortgage within 21 days and deliver the receipted discharge; keys and tenancy documents handed over; rent and management fees apportioned to the day.

After: assignment registered 2 May; mortgage registered by the bank's solicitors; management office notified; rates record updated.

What went right: the tenancy was identified at PASP stage, so the price and the completion mechanics were built around it. What nearly went wrong: nobody checked the management account until requisitions — an avoidable apportionment dispute.

10 Worked example: first-hand purchase

EXAMPLE — NEW DEVELOPMENT, HK$9,200,000

Structure: the developer sells under the first-hand sales regime. The purchaser signs a provisional agreement and then the formal agreement within the period the regime prescribes — five working days for the purchaser after the PASP, with the developer signing within eight working days if the purchaser signed in time. The deposit is paid by instalments under the payment schedule.

Documents to obtain and check: the deed of mutual covenant (management fees, common parts, restrictions on letting and signage), the occupation permit, the certificate of compliance, the approved building plans, the developer's title and any deed of mutual covenant variation, and the floor plan against the unit being sold.

Practical differences from a resale: there is no historic chain of assignments to investigate; the risks are forward-looking — the size and specification of the unit, the management fee estimate, the completion date and any delay clause, and whether the car park or rooftop is included in the assignment.

On completion: the assignment is executed, the mortgage drawn down, the assignment stamped within 30 days, and the memorial registered. The DMC and management documents are then the purchaser's constitution for the building.

11 Risk flags

- **Identity and authority.** Verify the vendor against identity documents; check company searches and board resolutions for corporate vendors; check powers of attorney.
- **Bankruptcy and litigation.** A bankruptcy search and a land search for pending actions and charging orders, repeated shortly before completion.
- **Matrimonial home.** Where the property may be a matrimonial home, consider whether a spouse's consent or a court order is required.
- **Unauthorised building works.** Orders, letters and photographs; these can affect mortgageability and lease compliance.
- **Encroachment.** Structures or air-conditioners extending beyond the lot or into common parts.
- **Short lease or expiring term.** A lease with little time left changes value and mortgageability.
- **Illegal letting or subdivided flats.** Check against the occupation permit and the lease; mortgagees will not lend on some arrangements.
- **Fraud.** The classic pattern is a plausible vendor, a convincing title bundle and a rapid completion. Verify independently, never from documents supplied by the other side alone.

SEE THEM FILLED IN

The conveyancing specimens page carries one transaction through every document — provisional agreement, formal agreement, requisitions with replies, the assignment, the legal charge and an agreed completion statement, with the stamp duty computation shown step by step.

12 File checklist

PRINT THIS

- PASP on file; parties, price, deposit, formal agreement date and completion date diarised
- Company search and board resolution where a party is a company
- Formal agreement approved, executed in duplicate, further deposit received
- Title bundle complete and indexed; every document read, not just listed
- Land search, bankruptcy search and pending actions checked
- Government lease user restrictions and occupation permit use checked
- DMC obligations, management fees and arrears checked
- Requisitions raised within the contractual period, with replies and acceptance of title on file
- Mortgage facility letter, legal charge and fire insurance in place
- Stamp duty computed on the correct scale and rate; stamped within 30 days
- Completion statement agreed; apportionments calculated to the day
- Assignment and charge executed; balance and keys exchanged
- Vendor's solicitor's undertaking to discharge mortgages in writing
- Assignment and charge registered at the Land Registry
- Management office, Rates and Government rent records updated
- Deeds delivered to the mortgagee or held to the client's order

13 Sources

- Stamp Duty Ordinance (Cap 117); Inland Revenue Department, *Stamp Duty Rates* and AVD guidance (rates effective 26 February 2026).
- Land Registration Ordinance (Cap 128); Land Registry practice and memorial requirements.
- Conveyancing and Property Ordinance (Cap 219).
- Estate Agents Authority, *Conveyancing Practice and Procedure*; Community Legal Information Centre guidance on sale and purchase.
- Law Society of Hong Kong guidance on undertakings and client money.

Land and title

PROPERTY · LAND

The conveyancing guide covers the transaction. This page covers the land underneath it: what the Government lease allows, what the register shows, how priority is fixed, and what each search costs.

THE ONE THING TO UNDERSTAND FIRST

Registration does not make a bad deed good. Under the deeds registration system a registered document takes priority over unregistered documents and over documents registered later — nothing more. If the seller never had good title, registering the assignment does not create it. That is why title investigation, not registration, is where the work is.

1 What the land is held under

The four things you must identify before anything else

Question	Where the answer is	Why it matters
Which lot, and which lease?	The Government lease, Conditions of Sale, New Grant or Block Government Lease	It fixes the term, the user restriction, the building covenant and whether a premium or rent is due
Is the user permitted?	User clause in the lease or conditions; occupation permit	Residential use of industrial or agricultural land is a breach, and can be enforced by re-entry
Is anything unpaid?	Government rent, premium instalments, rates	Unpaid Government rent can ground re-entry; rates are a charge on the property
What binds the flat?	Deed of Mutual Covenant, building plans, occupation permit, management accounts	Restrictions on use, alterations and letting usually live in the DMC, not the lease

In the New Territories most land is held under a **Block Government Lease** — a lease of a large lot subdivided by surrender and regrant, or by subdivision approved by the District Lands Office. A village house needs its occupation permit, and a "small house" grant carries its own conditions. In the urban area the lease is usually a Conditions of Sale or a New Grant with a building covenant that has long since been complied with, and the flat is governed by its DMC.

2 The register, and how priority works

The Land Registry keeps a land register for each property. Deeds are lodged with a **memorial** — a one-page summary of the instrument — and the memorial is what gets registered, with the instrument imaged beside it.

Priority has two halves, and it is the second that people forget. Under **s 3** of the Land Registration Ordinance (Cap 128), registered instruments rank against each other in the order of their *dates of registration*. Under **s 5**, an instrument registered within **one month** of its execution takes effect, for priority purposes, by relation back to the date of the instrument itself. So a deed signed on 20 October and lodged on 9 November beats a deed signed later but lodged earlier — provided the lodging happens inside the month. Lodge on day 31 and the deed has no priority until the day it is registered.

What the register will and will not tell you

It shows	It does not show
Every registered memorial affecting the lot, in order, with its date	Whether the deed behind a memorial was validly executed
The current owner, and the share held	Whether the owner is bankrupt, unless a memorial is registered
Mortgages, charges, easements, covenants and writs registered against the owner	Illegal structures, unauthorised building works or breaches of the lease
Pending memorials that have been lodged but not yet posted	Whether rates and Government rent are paid — check separately

THE TRAP: THE UNPOSTED MEMORIAL

A memorial lodged but not yet posted to the register still ranks from its date of lodgement. Two searches are therefore done, not one: the *current* register, and the *unposted memorial list*. A completion that relies on a current search alone can be defeated by a memorial lodged the previous afternoon.

3 The documents, filled in

Memorial — the form lodged with the Registry Specimen · example only

Memorial number	2611080123 (assigned on lodgement)
Property	All That One Equal Undivided 1000th Part or Share of and in Section A of Lot 1234 in Demarcation District No. 89, together with the exclusive right to occupy Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon
Nature of instrument	Assignment
Date of instrument	6 November 2026
Parties	LEUNG Siu Fung (vendor) to TAM Ka Wai and TAM Lau Mei Ling (purchasers, joint tenants)
Consideration	HK$5,200,000
Date of lodgement	9 November 2026
Registration fee	HK$605 (consideration exceeding HK$750,000)
Solicitor's certificate	Certificate on the memorial verifying the particulars, signed by the lodging solicitor

Lodged 9 November 2026, within one month of the assignment dated 20 October 2026 — so priority relates back to 20 October under s 5 · lodge after the month and priority starts only on the day of registration · the memorial must match the instrument exactly, and one that misdescribes the property registers nothing useful

Land search — current particulars	Specimen · example only
Search date and time	9 November 2026, 10:42 am
Property	Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon
Lot	Section A of Lot 1234 in Demarcation District No. 89 · 1/1000th share
Government lease	Block Government Lease, 75 years from 1 July 1898, renewable
Registered owner	LEUNG Siu Fung — 1/1000th share, registered 14 March 2011 under memorial 1103140567
Encumbrances	Mortgage in favour of Good Bank Limited, registered 14 March 2011 (memorial 1103140568), discharged by memorial 2611070999 lodged 6 November 2026; Deed of Mutual Covenant registered 2 May 1988
Pending	No unposted memorials affecting this lot as at the search time
Fee	HK$10 for the current search; HK$25 for historical and current

Search again on the day of completion, and keep the search with its time stamp · a discharge lodged but not posted is the single most common completion-day surprise

Title investigation — the search schedule Specimen · example only

What to obtain, and what each item costs

Item	Obtained from	Fee (HK$)
Current land search	Land Registry / IRIS	10
Historical and current search	Land Registry / IRIS	25
Copy of a memorial and the instrument annexed	Land Registry	100
Copy of the Government lease (including Block Government Lease)	Land Registry	120
Copy of a page of a Block Government Lease	Land Registry	10
Copy of plans attached to a memorial or lease	Land Registry	15
Certification of a document	Land Registry	150
Occupation permit, building plans, DMC	Buildings Department / management office	Depends on the search
Rates and Government rent position	Rating and Valuation Department	No charge for the enquiry

Searches are cheap; missing one is not · obtain the lease and every memorial that creates or limits the interest, then read the DMC for restrictions on use, letting and alteration

4 Fees

Registration and search fees

Item	Fee
Registration of a memorial — consideration not exceeding HK$750,000	HK$305
Registration of a memorial — consideration exceeding HK$750,000, or no consideration	HK$605
Search — each memorial or Government lease	HK$10
Search — each Memorial Day Book	HK$150
Current particulars printout / historical and current	HK$10 / HK$25
Copy of memorial and instrument / Government lease / each further sheet	HK$100 / HK$120 / HK$10
Certification of a document	HK$150

The registration fee is banded by consideration, and a phased revision is under way: Phase 2 took effect on 1 July 2026 with new memorial forms carrying the revised figures. Confirm the current band at the lodgement counter or on the Registry's memorial guide before you quote a client. Stamp duty is separate and is worked through on the conveyancing specimens page.

5 Timeline

From provisional agreement to registered title

Step	Usual timing	Consequence of missing it
Provisional agreement signed, deposit paid	Day 0	The deposit is at risk if the formal agreement is not signed
Formal agreement for sale and purchase	Usually within 14 days	Seller may forfeit the deposit and resell
Title documents and requisitions on title	Within the period in the agreement, commonly 14 days	Right to object to title can be lost
Stamp duty on the agreement	**30 days** after execution (or after receipt if executed outside Hong Kong)	Penalty, and the instrument is not admissible in evidence
Completion	Typically 1 to 3 months after the provisional agreement	Interest and costs under the agreement's default clause
Memorials lodged for registration	Immediately after completion — and in any event **within one month of execution**	Inside the month, priority relates back to the date of the deed (s 5); outside it, priority runs only from registration, and any instrument registered first wins (s 3)
Rates and Government rent	Quarterly; check at completion and apportion	Arrears become the buyer's problem in practice

6 What goes wrong

- **Only the current search is done.** The unposted memorial list is where the competing instrument hides.
- **The lease is read after the agreement is signed.** User restrictions, building covenants and premium obligations belong in the requisitions, not in a post-completion surprise.
- **The memorial misdescribes the property.** A wrong share, floor or lot registers a document that does not affect the property you meant.
- **Registration is left until the file is "complete".** Priority is lost the moment a competing memorial is lodged first, however good the deed is.
- **The DMC is treated as boilerplate.** Letting restrictions, alteration restrictions and management arrears usually sit there, and they bind the buyer.
- **Government rent and rates are assumed paid.** Neither appears on the land register; both need their own enquiry.

7 Checklist

PRINT THIS

- Lot, section, share and Government lease identified and copied
- Current search obtained, with date and time recorded
- Unposted memorial list checked on the search date and again at completion
- Every memorial that creates or limits the interest obtained and read
- Deed of Mutual Covenant read for user, letting and alteration restrictions
- Occupation permit and building plans obtained where alterations are planned
- Government rent and rates position confirmed and apportioned
- Memorials prepared to match the instruments exactly, with the solicitor's certificate
- Registration fee band confirmed before lodgement
- Memorials lodged immediately after completion; lodgement receipt and memorial numbers on file
- Registration confirmed, and the registered memorial copy filed

8 Sources

- Land Registration Ordinance (Cap 128); Land Registration Regulations (Cap 128A); Land Registration Fees Regulations (Cap 128B), Schedule.
- Land Registry, *Search of Land Records — Charges*, *Memorial Form Easy Guide — Registration Fees*, and Circular Memorandum No. 2/26 (Phase 2 fee revision, 1 July 2026).
- IRIS Online Services, service fees; GovHK, *Registration of Deeds*.
- Limitation Ordinance (Cap 347) for adverse possession; Building Management Ordinance (Cap 344) for DMCs and management.

Stamp duty

PROPERTY · STAMP DUTY

The conveyancing specimens show one transaction from provisional agreement to completion. This page is the duty on its own: what is charged, on which scale, by when, and what to write on the forms.

THREE THINGS THAT CHANGED, AND ONE MYTH

Special Stamp Duty, Buyer's Stamp Duty and the 7.5% New Residential Stamp Duty were all cancelled with effect from **28 February 2024**. From **26 February 2026** a new Scale 3 applies to non-residential property, and residential duty above HK$100 million rises to 6.5%. And the myth: relief for transfers between close relatives no longer reduces anything for an ordinary purchase, because Part 1 of Scale 1 and Scale 2 have carried identical rates since February 2024.

1 What is charged, on which scale

The three ladders in force from 26 February 2026

Scale	Applies to	Range of rates
Part 1 of Scale 1	Residential property — the default where the buyer is not claiming the lower scale	HK$100 to 6.5%
Scale 2	Residential property where the buyer is a Hong Kong permanent resident acting on his own behalf and owns no other residential property	HK$100 to 6.5%
Scale 3	Non-residential property, from 26 February 2026	HK$100 to 4.25%

Part 1 of Scale 1 and Scale 2 now share one table in full, including the 6.5% top band — so the choice between them changes nothing on a residential purchase. The real contrast is with Scale 3: above HK$21,739,120 non-residential duty stays at 4.25%, while residential duty climbs to 6.5% above HK$109,574,470. Duty is charged on the consideration *or* the value of the property, whichever is higher, so an undervalue transaction is stamped on the value, and a fraction of a dollar is rounded up.

Checked on 15 November 2026 against the Inland Revenue Department's Stamp Duty Rates table (IRSD 123). The Scale 3 rates for non-residential property and the 6.5 per cent top residential band came in with the Stamp Duty (Amendment) Ordinance 2026, deemed to operate from 26 February 2026.

2 The rates

Residential — Part 1 of Scale 1 and Scale 2

Consideration or value exceeds	Does not exceed	Rate
—	HK$4,000,000	**HK$100**
4,000,000	4,323,780	HK$100 + 20% of the excess
4,323,780	4,500,000	1.5%
4,500,000	4,935,480	HK$67,500 + 10% of the excess
4,935,480	6,000,000	2.25%
6,000,000	6,642,860	HK$135,000 + 10% of the excess
6,642,860	9,000,000	**3.00%**
9,000,000	10,080,000	HK$270,000 + 10% of the excess
10,080,000	20,000,000	3.75%
20,000,000	21,739,120	HK$750,000 + 10% of the excess
21,739,120	100,000,000	4.25%
100,000,000	109,574,470	HK$4,250,000 + 30% of the excess
109,574,470	—	**6.5%**

Non-residential — Scale 3, from 26 February 2026

Consideration or value exceeds	Does not exceed	Rate
—	HK$4,000,000	HK$100
4,000,000	4,323,780	HK$100 + 20% of the excess
4,323,780	4,500,000	1.5%
4,500,000	4,935,480	HK$67,500 + 10% of the excess
4,935,480	6,000,000	2.25%
6,000,000	6,642,860	HK$135,000 + 10% of the excess
6,642,860	9,000,000	3.00%
9,000,000	10,080,000	HK$270,000 + 10% of the excess
10,080,000	20,000,000	3.75%
20,000,000	21,739,120	HK$750,000 + 10% of the excess
21,739,120	—	4.25%

The bands overlap by design: each threshold comes with marginal relief, so duty rises smoothly across it instead of jumping. That is why the table gives a fixed sum plus a percentage of the excess, rather than a flat rate for each band.

3 The return, filled in

Stamping is done on **IRSD 112(E)** — the Stamping Request for an agreement or assignment — submitted with IRSD 110 as the summary sheet where more than one instrument is involved. Since the 24-hour e-stamping service, the original instrument need not be presented: you get a stamp certificate instead.

IRSD 112(E) — Stamping request, agreement for sale Specimen · example only	
Part 1 — method	Stamp certificate — application for stamping without presenting the instrument
Part 2A — type of instrument	Agreement for sale and purchase
Instrument reference no.	To be supplied by the Stamp Office on issue
Execution date	6 November 2026
Earlier related documents	Provisional agreement 23 October 2026; formal agreement executed within 14 days, so the relevant date is 6 November 2026
Stated consideration	HK$7,800,000 — residential property
Total consideration for computation	HK$7,800,000, including the fitted furniture at HK$40,000 and no mortgage to be assumed
Below market value?	No — valuation not requested
Property	Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon · 1/1000th share of Section A of Lot 1234, DD 89
Parties	Vendor LEUNG Siu Fung; purchasers TAM Ka Wai and TAM Lau Mei Ling, joint tenants, both Hong Kong permanent residents acting on their own behalf and owning no other residential property
Scale claimed	Scale 2
Duty computed	3% of HK$7,800,000 = **HK$234,000**
Deadline	30 days after execution — by 6 December 2026
Result	Stamp certificate issued 12 November 2026; certificate number recorded on the file and on the assignment

A separate IRSD 112 is needed for the assignment if it is stamped conventionally · once the agreement is stamped, the assignment attracts a fixed HK$100 only · the certificate number must be quoted on the assignment and in the memorial

The electronic route — the return and the certificate

The paper form is only half of it. Most agreements are now stamped through the **24-hour e-Stamping service** at gov.hk/estamping, which takes the same particulars electronically and returns a **stamp certificate** instead of an impressed stamp. The certificate has the same legal status as a conventional stamp, and the original instrument never leaves the file — unless a conventional stamp is specifically wanted.

What the e-Stamping service accepts, and its limits

Item	Position
Initial stamping of an agreement or assignment	Up to **4 purchasers** and/or **20 vendors** on one instrument
Subsequent agreement or assignment	Accepted electronically
Sub-sale	Up to **2 confirmor** transactions
Tenancy agreements	Up to 4 landlords and/or 4 tenants
Bulk upload	Up to **50** stamping requests in one submission, without keying them in one at a time
Who may use it	A business with an E-Stamp Account or a Business Tax Portal account; an individual with an eTAX account, a digital certificate, or iAM Smart+
Payment online	PPS, VISA, MasterCard, JCB, UnionPay or FPS — card limit **HK$5,000**, PPS limit **HK$100,000**
Payment above the limits	Choose offline payment, print the payment notice, and pay through the usual channels — the certificate then follows
When the certificate arrives	Instantly after online payment; the next working day, or within two working days, for offline payment

TWO WAYS AN E-STAMPED FILING STILL BECOMES A LATE FILING

The cut-off time. A payment made after the daily cut-off of the chosen payment channel is treated as received the next working day. An application submitted on the last day of the 30 days, paid offline after the cut-off, is late — and the penalty runs at twice the duty for the first month.

A dishonoured cheque. A certificate issued against a cheque that is later dishonoured is invalid. The instrument is then unstamped, with the penalty clock still running, and the certificate has to be checked and replaced.

e-Stamping return — the electronic submission, screen by screen	Specimen · example only
Service and route	24-hour e-Stamping at gov.hk/estamping · business user signing in with the firm's E-Stamp Account
Application type	Initial stamping of an agreement for sale and purchase — not a subsequent agreement, and not a sub-sale
Instrument details	Agreement for sale and purchase dated 6 November 2026; executed in Hong Kong; one original
Property	Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon · 1/1000th share of Section A of Lot 1234, DD 89
Parties	Vendor: LEUNG Siu Fung (1 vendor, within the limit of 20). Purchasers: TAM Ka Wai and TAM Lau Mei Ling as joint tenants (2 purchasers, within the limit of 4)
Consideration	HK$7,800,000, including fitted furniture of HK$40,000; no mortgage assumed; no other related agreement relied on for valuation
Relief or exemption claimed	None. Both purchasers are Hong Kong permanent residents acting on their own behalf and own no other residential property, so Scale 2 applies
Duty computed by the system	AVD at Scale 2: **HK$234,000**. No BSD (no non-permanent resident purchaser) and no SSD (abolished for instruments on or after 28 February 2024)
Supporting upload	The executed agreement, scanned; the system accepts the application without the original instrument being presented
Payment	HK$234,000 exceeds the HK$5,000 card limit and is within the HK$100,000 PPS limit only if split — so offline payment is chosen and the payment notice printed
Reference numbers issued	An **Instrument Reference Number** for the instrument, and a separate **Stamp Certificate Number** for the certificate — both recorded on the file the same day
Deadline against the submission	30 days from 6 November 2026 — 6 December 2026. A 6 December submission paid after the cut-off is treated as received on 7 December and attracts the 2× penalty
What the payment buys	The certificate, not a stamp on the paper: the certificate is printed and attached to the agreement, and the agreement is stamped from that moment

Four purchasers and twenty vendors is the ceiling — beyond it the application goes in on paper · the instrument reference number and the certificate number are different numbers, and both belong on the file · payment after the cut-off is next-day payment, and next day can be late

Stamp certificate — the document that replaces the stamp	Specimen · example only
Issued by	Collector of Stamp Revenue, Inland Revenue Department, Stamp Office, 1/F, Inland Revenue Centre, 5 Concorde Road, Kai Tak, Kowloon
Heading	Stamp Certificate · instrument: Agreement for Sale and Purchase
Certificate number	A unique number printed on the certificate, quoted on the assignment and in the Land Registry memorial
Instrument reference number	The separate reference for the instrument itself — the two are frequently confused, and the wrong one in a memorial produces a requisition
Date of stamping	12 November 2026
Property	Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon · 1/1000th share of Section A of Lot 1234, DD 89
Parties	LEUNG Siu Fung to TAM Ka Wai and TAM Lau Mei Ling, joint tenants
Consideration	HK$7,800,000
Duty charged	Ad valorem duty at Scale 2 — **HK$234,000**; no BSD; no SSD
Legal effect	The same status as a conventional stamp on the instrument. The agreement is stamped as at the date on the certificate, not the date of the e-mail
Authenticity	Checked at gov.hk/estamping against the certificate number — the check to run before relying on a certificate produced by the other side
What you do with it	Print it and attach it to the original agreement; keep a copy in the file; quote the certificate number on the assignment and in the memorial lodged at the Land Registry
What it is not	It is not registration. Stamping the agreement does not perfect the title and does not put the purchaser on the register — the memorial at the Land Registry is a separate step, within 30 days of execution

Attach the certificate to the instrument and keep the scan · quote the certificate number, not the instrument reference, in the memorial · stamping is not registration, and registration is not stamping

4 The arithmetic, on each scale

AVD computations — three worked examples	Specimen · example only
1 — Residential, HK$7,800,000, Scale 2	Band: 6,642,860 to 9,000,000 · rate 3% · duty **HK$234,000**
2 — Non-residential shop, HK$12,000,000, Scale 3	Band: 10,080,000 to 20,000,000 · rate 3.75% · duty **HK$450,000**
3 — Residential, HK$120,000,000	HK$4,250,000 + 30% of (120,000,000 − 100,000,000) = 4,250,000 + 6,000,000 = **HK$10,250,000**
Marginal relief check	HK$4,400,000 × 1.5% = HK$66,000; the band below gives HK$100 + 20% of HK$323,780 = HK$64,856 — the ladder is continuous, not a cliff
Rounding	Duty is rounded up to the nearest dollar; a fraction of a dollar is never dropped

Always compute on the higher of consideration and value · a gift or nominal consideration is adjudicated on the value, and the adjudication fee is HK$50

SSD — abolished, and what it would have cost Reference only · not chargeable

Special Stamp Duty on a residential property resold after acquisition

Holding period	Rate that applied	On HK$7,800,000
6 months or less	20%	HK$1,560,000
More than 6 months, up to 12 months	15%	HK$1,170,000
More than 12 months, up to 24 months	10%	HK$780,000
More than 24 months	Nil	—
Any disposal on or after 28 February 2024	**Nil**	**Nil**

SSD, BSD and the 7.5% New Residential Stamp Duty were cancelled for instruments executed on or after 28 February 2024 · the charging heads remain in the Ordinance at a nil rate, so a pre-2024 transaction still needs its holding period checked · do not quote SSD to a client as a current cost

5 Exemption and partial exemption

Two different things are called "exemption" in practice, and only one of them still saves money.

What each route actually delivers

Route	Form	Effect in 2026
Nomination in favour of a close relative, acting on his own behalf, owning no other residential property	IRSD 115, with declaration IRSD 131	**Exemption** — the nomination is not separately charged, so the transfer is not taxed twice
Conveyance between closely related persons charged at Scale 2	IRSD 118, with statutory declaration	No reduction in practice: Scale 2 and Part 1 of Scale 1 have had identical rates since 28 February 2024
Transfer by court order, on divorce, on bankruptcy, to a charity or to the Government	IRSD 118 / adjudication	**Exempt** — no AVD
Instrument covering both residential and non-residential property	Conventional stamping under adjudication	**Partial** — each part is charged on its own scale, and the considerations must be stated separately
Assignment following a stamped agreement	IRSD 112 / 113	Fixed **HK$100** — the duty was paid on the agreement

IRSD 115 — nomination in favour of a close relative	Specimen · example only
Part 1 — exemption claimed	Nomination in favour of a closely related person (parent, spouse, child, brother or sister) acting on his own behalf and not a beneficial owner of any other residential property in Hong Kong at the date of nomination
Property	Flat B, 12th Floor, Kam Court, 45 Kwun Tong Road, Kowloon
Original purchaser	TAM Ka Wai, sole purchaser under the agreement dated 6 November 2026
Nominee	TAM Lau Mei Ling, spouse of the purchaser, Hong Kong permanent resident
Relationship evidence	Certified copy of the marriage certificate
Declaration	IRSD 131 signed by the nominee, declaring she owns no other residential property in Hong Kong and is acting on her own behalf
Adjudication fee	HK$50
Outcome	Nomination exempt; the assignment to the nominee is stamped at the duty already paid on the agreement, with a fixed HK$100 on the conveyance

A nomination in favour of anyone else is not exempt — duty is then determined on the value, which is why the relationship and the nominee's property position must be proved, not assumed

Partial exemption — mixed residential and non-residential instrument	Specimen · example only
Instrument	Assignment of a shop with residential quarters above it, at 18 Fuk Wing Street, Sham Shui Po
Total consideration	9,600,000
Residential portion — 1st and 2nd floors	5,000,000
Non-residential portion — ground floor shop	4,600,000
Residential duty — Scale 2, 2.25% band (HK$4,935,480 to 6,000,000)	112,500
Non-residential duty — Scale 3, HK$67,500 + 10% of the excess over 4,500,000	77,500
Total duty	**190,000**
How it is lodged	Conventional stamping under adjudication, with the apportionment explained and the considerations shown separately in the instrument
Adjudication fee	HK$50

If the considerations are not separately stated, the instrument is treated as residential first and duty at the residential rate is paid upfront · keep the apportionment basis on file — valuation, floor area or the agreement's own figures

6 Deadlines and penalties

Time for stamping

Instrument	Time limit
Agreement for sale and purchase	Within **30 days** after execution — where a formal agreement supersedes a provisional one executed within 14 days, the relevant date is the formal agreement
Conveyance on sale (assignment)	Within **30 days** after execution
Deed of gift	Within 30 days after execution
Lease or tenancy agreement	Within 30 days after execution

Late stamping — s 9, Stamp Duty Ordinance

Delay	Penalty	On HK$234,000 duty
Not more than 1 month late	2 times the duty	HK$468,000
More than 1 month, not more than 2 months	4 times the duty	HK$936,000
Any other case	10 times the duty	HK$2,340,000

The Collector may remit the penalty in whole or in part. In a voluntary disclosure where the delay is not deliberate, the usual formula is 14% × duty × days late ÷ 3, subject to a minimum of HK$500 — an application, not an entitlement, and never a reason to be late.

7 What goes wrong

- **The 14-day supersession rule is missed.** If the formal agreement is signed within 14 days of the provisional, the clock runs from the formal agreement — but if it is signed on day 15, the clock ran from the provisional one, and the duty is already late.
- **The wrong scale is used.** Scale 2 needs a Hong Kong permanent resident acting on his own behalf who owns no other residential property; if any buyer fails that test, the residential rate is Part 1 of Scale 1.
- **Non-residential is charged at Scale 2.** For instruments executed on or after 26 February 2026 it is Scale 3; the old habit is still producing wrong figures.
- **The assignment is stamped again at ad valorem rates.** Once the agreement is stamped, the conveyance carries a fixed HK$100.
- **The consideration is understated.** Duty is on the higher of consideration and value, and the Stamp Office can require a valuation and charge the difference plus penalty.
- **The nomination is treated as a sale.** A nomination in favour of a close relative can be exempt, but only with proof of the relationship and the nominee's declaration that he owns no other residential property.
- **A mixed-use instrument omits the split.** Without separate considerations the whole instrument is treated as residential and paid at the higher rate upfront.
- **The e-stamp certificate is filed without being checked.** The certificate number is verifiable at gov.hk/estamping, and a certificate issued against a dishonoured cheque is invalid.
- **Payment is made after the cut-off on the last day.** It is treated as received the next working day, which makes a filing inside 30 days a late filing.
- **The certificate number is copied into the memorial.** The certificate number and the instrument reference number are different; the memorial needs the right one.
- **SSD is quoted to a client.** It has not been chargeable since 28 February 2024; only a pre-2024 transaction needs the historical holding-period analysis.

8 Checklist

PRINT THIS

- Instrument identified: agreement, assignment, gift or nomination
- Execution date recorded, and the 14-day supersession rule applied
- Consideration and value compared; the higher figure used
- Residential or non-residential confirmed — and Scale 3 used for non-residential from 26 February 2026
- Scale 2 eligibility checked for every buyer, not just the first
- Duty computed band by band, and rounded up to the dollar
- IRSD 112 completed; IRSD 110 included where more than one instrument is lodged
- Supporting documents attached: agreement, identity documents, relationship certificates, declarations
- Stamped within 30 days; certificate number on the file and on the assignment
- Assignment stamped at the fixed HK$100 after the agreement
- Mixed-use apportionment explained in writing and lodged under adjudication with the HK$50 fee
- Certificate and receipt kept — they are what a later purchaser's solicitor will ask to see

9 Sources

- Stamp Duty Ordinance (Cap 117): s 9 (late stamping and penalties), s 29AD (closely related persons), ss 29AL, 29BD (close relatives and Scale 2), Fifth Schedule (adjudication fee HK$50).
- Stamp Duty (Amendment) Ordinance 2024 (cancellation of SSD, BSD and 7.5% AVD, 28 February 2024); Stamp Duty (Amendment) Ordinance 2026 (Scale 3, and 6.5% above HK$100 million, effective 26 February 2026).
- Inland Revenue Department, *Stamp Duty Rates* (IRSD 123), *FAQ on AVD*, *Stamping Procedures and Explanatory Notes* (IRSD 120), *Late Stamping* (IRSD 122), forms IRSD 110, 112, 115, 118 and 131.
- GovHK, *Time Limit for Stamping* and *Late Stamping and Omission to Stamp*.

Conveyancing forms, filled in

PROPERTY · SPECIMENS

These are specimens, not precedents. Clause numbering and the standard conditions vary between firms and are revised from time to time — take the current version from your firm's library and follow the substance here, not the numbering.

BEFORE YOU COPY ANYTHING

The provisional agreement is a binding contract. The consequences of default — forfeiture of the deposit, or repayment of double the deposit — come from the *terms of the agreement*, not from an ordinance. Read the PASP before anyone signs it, and never complete the blanks after signature.

1 The transaction used throughout

The parties and the property

Item	Detail
Property	Flat B, 12th Floor, Block 2, Harbour View Gardens, 88 Java Road, North Point, Hong Kong
Title	Government lease for 75 years from 1985, extended; 1/240th share of the lot; subject to the deed of mutual covenant registered by memorial 456789
Vendors	LAU Wing Keung, Peter and LAU Chan Mei Ling, Susan — joint tenants, HKID A987654(2) and B112233(4)
Purchaser	CHOW Ka Man, Karen — HKID C556677(8)
Price	HK$7,800,000
Deposits	HK$200,000 on the PASP (3 March 2026); HK$580,000 on the formal agreement (17 March 2026) — HK$780,000 total, 10%
Completion	30 April 2026, vacant possession
Vendor's mortgage	Hong Kong Metropolitan Bank Limited, registered 2019; to be discharged at completion
Purchaser's mortgage	HK$5,460,000 (70%) from Oriental Finance Bank Limited
Financial year end of the management	Management fees HK$2,800 per month, paid to 31 May 2026

The document chain

Date	Document	What changes
3 March 2026	Provisional agreement	Contract formed; HK$200,000 deposit paid
17 March 2026	Formal agreement	Further HK$580,000; full terms; AVD of HK$234,000 paid and stamped
20–27 March 2026	Title and requisitions	Title investigated; six requisitions raised and answered; title accepted 9 April
21 April 2026	Assignment and legal charge	Drafted by the purchaser's solicitor, approved by the vendor's
29 April 2026	Completion statement	Balance and apportionments agreed
30 April 2026	Completion	Assignment executed; balance paid; keys and deeds exchanged
2 May 2026	Registration	Assignment and charge registered at the Land Registry

2 Provisional agreement for sale and purchase

Normally prepared by the estate agent on a standard form, signed by both parties, with the initial deposit paid on signature. It is short, it is binding, and almost every later dispute traces back to something left vague in it.

Provisional agreement for sale and purchase	Specimen · example only
Date	3 March 2026
Estate agent	Prosperity Property Agency Limited · EAA licence C-012345 · agent's licence E-678901
Vendor	LAU Wing Keung, Peter and LAU Chan Mei Ling, Susan (joint tenants)
Purchaser	CHOW Ka Man, Karen
Property	Flat B, 12th Floor, Block 2, Harbour View Gardens, 88 Java Road, North Point, Hong Kong Saleable area 538 sq ft; 1/240th share of the lot
Price	HK$7,800,000
Initial deposit	HK$200,000, received on signing and held by the vendor's solicitors as stakeholders
Further deposit	HK$580,000 on signing the formal agreement, bringing the total to HK$780,000 (10%)
Formal agreement	To be signed on or before 17 March 2026, prepared by the vendor's solicitors
Completion	30 April 2026, vacant possession
Sold subject to	The Government lease, the deed of mutual covenant, and the encumbrances disclosed in the title documents
Stamp duty	Payable by the purchaser
Default	If the purchaser fails to complete: the deposit is forfeited as liquidated damages. If the vendor fails: the vendor repays double the deposit
Commission	1% of the price from each party, payable on completion
Signatures	Vendor, purchaser, and the agent's representative; each party acknowledges receiving a copy

Binding on signature · no statutory cooling-off period · the deposit terms are contractual, so check them against what the client was told

What goes wrong

- **The property description is loose.** "Flat B, 12/F" is not enough if there are two blocks, a podium, or a car park space. Use the description in the assignment and the land search.
- **The corporate party is named without its business registration number.** Where a party is a company, the full name and BR number should appear.
- **The completion date is "to be agreed".** It will not be. Fix it, and check it leaves enough time for the purchaser's mortgage.
- **Deposit paid to the vendor personally in a negative-equity sale.** It should be held by the vendor's solicitors as stakeholders so the purchaser can recover it.

3 Formal agreement for sale and purchase

Drafted by the vendor's solicitors, approved by the purchaser's, and signed in duplicate. The specimen below sets out the clause structure in the order it usually appears; the standard conditions are then incorporated and should be read against the actual text.

Formal agreement for sale and purchase Specimen · example only	
Parties	LAU Wing Keung, Peter and LAU Chan Mei Ling, Susan (vendors) and CHOW Ka Man, Karen (purchaser)
Recital	The vendors are the registered owners of the property, subject to the Government lease and the deed of mutual covenant, and have agreed to sell at HK$7,800,000
Clause 1 — Property	As described in the PASP, together with the share in the lot and the right to use the common parts
Clause 2 — Price and deposit	HK$7,800,000; HK$780,000 paid (HK$200,000 on 3 March and HK$580,000 on signing); balance HK$7,020,000 on completion
Clause 3 — Title	Good title in accordance with the Government lease; the purchaser accepts the property subject to the matters in the title documents
Clause 4 — Requisitions	Requisitions to be raised within 7 working days after the purchaser's solicitor receives the title documents; the vendor may annul the sale if unwilling or unable to answer
Clause 5 — Completion	30 April 2026 at the offices of the vendor's solicitors, or as agreed; time is of the essence
Clause 6 — Possession	Vacant possession on completion, subject to the matters disclosed
Clause 7 — Rents and outgoings	Rates, Government rent and management fees apportioned to the date of completion
Clause 8 — Default	Purchaser's default: deposit forfeited. Vendor's default: double deposit repaid, without prejudice to the purchaser's other remedies
Clause 9 — Stamp duty and registration	Purchaser pays AVD and the registration fee, and registers the assignment
Clause 10 — Management	Purchaser bound by the deed of mutual covenant from completion; management fees and deposits apportioned
Clause 11 — Risk and insurance	Property at the purchaser's risk from signing; the vendor holds insurance until completion
Clause 12 — Notices	Addresses for service, including the solicitors' references
Execution	Signed by both vendors, by the purchaser, and sealed where a corporate party

Stamped with AVD of HK$234,000 by 16 April 2026 (within 30 days of 17 March) · two originals, one held by each side · the stamp is endorsed on the agreement

The clauses that decide disputes

- **Requisitions.** Seven working days is common, but it is a contract term. Miss it and the vendor may rely on the annulment clause instead of answering.
- **Time of the essence.** If completion is missed, the innocent party can rescind and claim. Without it, the contract may continue.
- **The annulment clause.** A vendor who cannot answer a requisition may return the deposit and walk away. The purchaser's protection is to requisition early and precisely.
- **Risk.** Once the agreement is signed the property is at the purchaser's risk, so insurance must be in place before completion, not after.

4 Requisitions on title and the replies

Numbered questions from the purchaser's solicitor, with the vendor's written replies. They are raised once, within the contractual period, and each should identify the document and say what is required.

Requisitions on title — 27 March 2026	Specimen · example only
Requisition 1	The assignment dated 12 March 2003 refers to a deed of variation dated 4 February 2003, which is not in the title bundle. Please provide a certified copy, or confirm that it does not affect the property.
Reply	The deed of variation related only to the car park allocation and is not registered against the flat. A certified copy is enclosed for completeness.
Requisition 2	The land search shows mortgage memorial 765432 in favour of Hong Kong Metropolitan Bank Limited. Please confirm the mortgage will be discharged at completion and provide the discharge or your firm's written undertaking.
Reply	Confirmed. The mortgage will be discharged on completion and our written undertaking to deliver the receipted discharge and deeds within 21 days will be given at completion.
Requisition 3	The vendor's name on the 2003 assignment appears as "LAU Wing Keung" but the identity document provided shows "LAU Wing Keung, Peter". Please provide a statutory declaration explaining the discrepancy.
Reply	Statutory declaration of LAU Wing Keung, Peter dated 30 March 2026 is enclosed, confirming the names refer to the same person.
Requisition 4	A tenancy agreement dated 1 February 2024 is disclosed. Please confirm the tenancy has terminated and that vacant possession will be delivered, with evidence of the tenant's vacation.
Reply	The tenancy expired on 31 January 2026 and the tenant vacated on 5 February 2026. A signed surrender and the final rent receipt are enclosed. Vacant possession will be given.
Requisition 5	Please confirm whether any unauthorised building works, structures or alterations have been carried out, and disclose all correspondence with the Buildings Department and the management office.
Reply	The only alteration is the enclosed balcony approved under building plan no. 2001/456. No notices have been received. Letters from the management office are enclosed.
Requisition 6	Please confirm the amount of any outstanding management fees, Government rent and rates, and provide the latest demands.
Reply	Management fees are paid to 31 May 2026; Government rent to 30 June 2026; rates to 30 June 2026. The latest demands are enclosed. Any arrears will be cleared at completion.
Acceptance of title	The purchaser accepts title subject to the above, by letter dated 9 April 2026

Raised within 7 working days of receiving the title documents · replies in writing · title accepted 9 April 2026, after which the purchaser cannot reopen the investigation

Note the pattern: each requisition names a document, states the defect, and says what would cure it. "Please explain the title" produces nothing useful and invites the annulment clause.

Reply to requisitions on title — 31 March 2026	Specimen · example only
Heading	Replies to requisitions on title — Flat B, 12th Floor, Block 2, Harbour View Gardens, 88 Java Road, North Point · vendors LAU Wing Keung, Peter and LAU Chan Mei Ling, Susan to purchaser CHOW Ka Man, Karen
Requisition 1 — DMC	Admitted. A copy of the deed of mutual covenant registered by memorial 456789 is enclosed; the management company is Harbour View Gardens Management Limited
Requisition 2 — building plans	Not admitted. The vendors hold no approved plans and give no warranty as to any alteration; the purchaser is to satisfy itself
Requisition 3 — management fees	Admitted as to payment to 31 May 2026, receipts enclosed. Any later period is apportioned at completion, not paid in advance by the purchaser
Requisition 4 — encumbrances	The only encumbrance is a mortgage in favour of Hong Kong Metropolitan Bank Limited registered in 2019, to be discharged at completion at the vendors' expense, with the receipt delivered on completion
Requisition 5 — possession	Vacant possession on completion: there is no tenancy and no licence to occupy
Requisition 6 — alterations	No alteration has been carried out since the vendors acquired the flat in 2019; the vendors give no warranty beyond that statement of fact
Requisition 7 — Government lease	The flat is held under a Government lease for 75 years from 1985, extended; Government rent is paid to date and the demand is enclosed
Requisition 8 — rates and deposit	Rates are paid to the end of the current quarter; the management deposit of HK$5,600 is to be assigned to the purchaser at completion at no extra cost
Requisition 9 — title deeds	The title deeds will be delivered on completion against the balance of the price, with the vendors' solicitors' undertaking to deliver any document not then available within 14 days
Signature	For the vendors' solicitors, 31 March 2026 — each answer is admitted, not admitted, or admitted with a qualification

No fee · reply within the time the agreement allows and in the same numbered order as the requisitions · an "admitted" answer binds the vendor, so a fact that is not established must be answered "not admitted" rather than assumed · these replies, not the agreement, are where most completion disputes begin

5 Stamp duty, worked through

The instrument is charged on the higher of the consideration and the value of the property. For a residential sale executed on or after 26 February 2026, the rates are those in Part 1 of Scale 1 and Scale 2.

AVD computation — HK$7,800,000 residential	Worked example
Step 1 — chargeable value	Higher of consideration (HK$7,800,000) and value: **HK$7,800,000**
Step 2 — find the band	Exceeds HK$6,642,860 but does not exceed HK$9,000,000 → **3%**
Step 3 — apply the rate	HK$7,800,000 × 3% = **HK$234,000**
Step 4 — marginal relief	Not needed here. At this level 3% is below the duty that the previous band would produce, so the flat rate applies.
Step 5 — who pays	The purchaser, under clause 9 of the formal agreement; the liability is joint and several, so the vendor is exposed if the purchaser does not pay
Step 6 — deadline	Within 30 days of execution: 17 March + 30 days = **16 April 2026**
Step 7 — assignment	With AVD already paid on the agreement, the assignment is stamped at the nominal duty of **HK$100**

Total stamp duty on the transaction: HK$234,100 · an unstamped instrument is not admissible in evidence in civil proceedings until stamped

Where marginal relief bites

At a band boundary, the flat rate can produce more duty than the marginal formula in the band below. The taxpayer pays the lower of the two. Take a price of HK$6,700,000:

Marginal relief illustration

Computation	Working	Duty
Flat rate in the band	HK$6,700,000 × 3%	HK$201,000
Marginal formula from the band below	HK$135,000 + 10% × (HK$6,700,000 − HK$6,000,000)	HK$205,000
Duty payable — the lower figure	3% applies because it is lower	**HK$201,000**

Always compute both and take the lower. The same logic applies at every band boundary, and it is the step most often skipped when a completion statement is prepared in a hurry. Non-residential property uses Scale 3 from 26 February 2026.

What else to check before you compute

- **Date of execution.** The rate depends on when the instrument is executed, not when the transaction was negotiated.
- **Two agreements.** If the first is superseded by a second within 14 days, the second agreement's date is the relevant date; otherwise the first governs.
- **Related relief.** Nominal duty of HK$100 can apply to transfers between associated companies, and there are reliefs for certain family transfers and redevelopments. These need advice and an application, not a guess.
- **Late stamping.** A penalty, potentially a multiple of the duty, can be charged; the Collector has a discretion to remit. Budget for the deadline, not the argument.

6 The assignment

Drafted by the purchaser's solicitor and approved by the vendor's. It is the document that transfers the legal estate, and it must match the agreement, the land search and the charge.

Assignment **Specimen · example only**

Executed at completion · stamped HK$100 nominal (AVD paid on the agreement) · registered at the Land Registry by memorial · check the lot number, the share and the memorial number against the search

What goes wrong

- **The share does not match the title.** 1/240th in the agreement and 1/2400th in the assignment is a defect that survives registration.
- **The encumbrances are not carried over.** Omitting "subject to the deed of mutual covenant" creates an inconsistency with the title the purchaser has accepted.
- **The vendor's capacity is wrong.** Executors, attorneys under a power of attorney and companies all sign differently, and each needs supporting documents.
- **Execution defects.** Signatures outside the presence of the witness, or a witness who is a party, will be queried on registration.

7 The legal charge

Drafted by the mortgagee's solicitors, executed by the purchaser at completion, and registered immediately after the assignment. The bank will not release funds until it has a registrable charge.

Legal charge / mortgage Specimen · example only	
Date	30 April 2026
Mortgagor	CHOW Ka Man, Karen
Mortgagee	Oriental Finance Bank Limited, 1 Financial Street, Central, Hong Kong
Property charged	The property described in the assignment, together with the 1/240th share and the right to use the common parts
Facility	HK$5,460,000, repayable over 30 years by monthly instalments, interest at the bank's HIBOR-based rate
Secured obligations	All monies now or hereafter owing, including further advances, interest, costs and expenses
Charging clause	The mortgagor charges the property by way of legal mortgage as continuing security for the secured obligations
Insurance	The mortgagor assigns the insurance proceeds and covenants to insure for full reinstatement value, noting the bank's interest
Covenants	To pay, to keep the property in repair, not to let without consent, to observe the deed of mutual covenant, to permit inspection
Default and power of sale	On default the bank may appoint a receiver or exercise its power of sale under the charge and the applicable ordinance
Execution	Signed by the mortgagor before a witness; the bank executes under seal
Registration	Memorial registered at the Land Registry immediately after the assignment

No stamp duty on a legal charge · registration fee depends on the consideration and is paid at the Land Registry · the bank's solicitors usually attend to registration

Discharge of the vendor's mortgage — receipt on discharge and undertaking Specimen · example only	
Lender	Hong Kong Metropolitan Bank Limited, 10/F, 88 Queen's Road Central, Hong Kong
Borrowers	LAU Wing Keung, Peter and LAU Chan Mei Ling, Susan
Security	Mortgage registered by memorial 612345 against Flat B, 12th Floor, Block 2, Harbour View Gardens, 88 Java Road, North Point
Facility	Mortgage loan account no. 012-345-678901, original advance HK$4,200,000
Redemption figure	HK$2,318,450 as at 30 April 2026, covering principal, interest to completion and the discharge fee — a figure that expires if completion slips
The undertaking	The bank undertakes to deliver, on receipt of the redemption sum on completion, a receipt for the mortgage money and a discharge in registrable form
Registration	The discharge is registered at the Land Registry against the memorial; until it is registered the charge remains on the register and the purchaser's title is not clean
Who pays	The vendors, out of the purchase price — the sum is deducted on completion and paid to the bank, and the receipt handed over the same day
If completion is delayed	The figure is re-quoted and interest recalculated to the new date; a redemption figure treated as fixed is a common and expensive assumption
File copy	Receipt, discharge and the Land Registry memorial number kept with the completion statement and the assignment

No court fee; the Land Registry charges its registration fee for the discharge instrument · the discharge must be registered, not merely delivered · check the memorial number against the search on the day of completion, not the one taken at the start of the transaction

8 The completion statement

Prepared by the purchaser's solicitor and agreed with the vendor's before completion. It shows what the purchaser must pay, after crediting the deposits and adjusting for outgoings paid ahead by the vendor.

Completion statement — 30 April 2026 Worked example	
Purchase price	7,800,000.00
Less initial deposit, 3 March 2026	(200,000.00)
Less further deposit, 17 March 2026	(580,000.00)
Balance of purchase price	**7,020,000.00**
Add rates, 1 May to 30 June 2026 (61 of 91 days on a quarterly demand of HK$1,500)	1,005.49
Add Government rent, 1 May to 30 June 2026 (61 of 91 days on a quarterly demand of HK$900)	603.30
Add management fees, 1 to 31 May 2026 (paid ahead by the vendor at HK$2,800 per month)	2,800.00
Total payable by the purchaser on completion	**7,024,408.79**
Funded by	Mortgage advance HK$5,460,000.00 plus the purchaser's own funds HK$1,564,408.79
Payment method	Cashier orders in favour of the vendor's solicitors, delivered at completion

Apportionments run to the date of completion · the vendor's mortgage is discharged from the proceeds under the vendor's solicitor's undertaking · stamp duty of HK$234,100 was paid separately at the agreement stage

READING THE DIRECTION OF AN APPORTIONMENT

The vendor has already paid rates, Government rent and management fees for periods that fall *after* completion. Those are the purchaser's periods, so the purchaser reimburses the vendor — hence "add" in the statement. If the vendor owed arrears for periods before completion, they would be deducted from the balance instead. Getting the direction right matters more than the arithmetic: a reversed apportionment is a real payment, not a rounding error.

9 Document checklist

FROM CONTRACT TO REGISTRATION

- PASP checked for property description, corporate party BR number, deposit holder, formal agreement date and completion date
- Formal agreement approved, executed in duplicate, further deposit paid
- Title documents received and indexed; requisitions raised within the contractual period
- Replies received, title formally accepted in writing
- Land search, bankruptcy search and pending actions checked again before completion
- AVD computed on the correct band, with marginal relief checked, and stamped within 30 days
- Assignment drafted by the purchaser's solicitor, approved by the vendor's, and checked against the search
- Legal charge approved by the bank and ready for execution
- Completion statement agreed, apportionments calculated to the day and in the right direction
- Vendor's solicitor's written undertaking to discharge the mortgage and deliver the deeds
- Assignment and charge executed and exchanged against the balance
- Assignment stamped, then assignment and charge registered
- Management office, Rating and Valuation Department and Lands Department notified
- Deeds delivered to the mortgagee or held to the client's order

10 Sources

- Stamp Duty Ordinance (Cap 117); Inland Revenue Department, *Stamp Duty Rates* and AVD guidance (rates effective 26 February 2026); time limit for stamping.
- Land Registration Ordinance (Cap 128); Land Registry memorial requirements.
- Conveyancing and Property Ordinance (Cap 219).
- Estate Agents Authority, *Conveyancing Practice and Procedure* and the monograph on provisional agreements; Community Legal Information Centre guidance on completing a sale and purchase.
- Law Society of Hong Kong guidance on undertakings and client money.