

Building Safety Loan Scheme
Guidance Notes for the Owners' Corporation in
Coordinating Loan Applications

(A) When to submit the application form?

Resolution of the following matters at the General Meeting of the Owners' Corporation (OC) :

- (1) To agree on the repair works of the building concerned.
- (2) To vet the tenders received and to select a contractor /contractors for carrying out the repair works of the building.

Note: Please contact the relevant District Office for the tendering procedures required.

- (3) To determine individual unit's contribution to the repair costs, with apportionment in accordance with the Deed of Mutual Covenant (if any), or the method agreed by the owners at the General Meeting.

(B) Supporting Documents required for the application

- (1) the minutes of the General Meeting of the OC (see item A);
- (2) the selected tender for the repair project; (The tender must list out every items e.g. repair work and their respective costs.)
- (3) the Schedule showing individual unit's contribution to the repair cost, for the purpose of calculating the approved loan amount for individual owners;
- (4) copy of the Repair Order/ Investigation Order (if any); for buildings initiating repair works on a voluntary basis, the particulars of the Authorized Person (AP) / Registered Structural Engineer (RSE) appointed to supervise the repair works must be submitted; and
- (5) the application forms submitted by **individual** owners (Each application should include copy of the HKID card of the applicant).

Note: Application forms can be submitted in person or by mail. Only one copy of the document listed under items B(1), B(2), B(3) and B(4) is required, irrespective of the number of applications for the building.

(C) How can the OC/Owner know the Progress of the Loan Application?

- (1) Individual owners will receive a letter notifying him/her of the amount of approved loan and the conditions of loan, and the need to make an appointment with the Buildings Department to execute the Loan Agreement.
- (2) The OC will also receive a separate notification of the approved loan amount for individual owners.

(D) Arrangement for the Release of Loan

Release of loan will be made by **not more than three stages** according to the actual work progress. The sum of loan may either be credited to the designated bank account of the applicant, or directly to the bank account of the OC upon authorization by the applicant. The administrative fee of \$200 (collected by the Land Registry and to be paid by the borrower) will be deducted from the first draw down of the approved loan.

(E) Procedures to follow when OC applies for Release of Loan

The OC should submit the following documents to the Buildings Department:

- (1) “Authority for Payment to a Bank” completed by the OC; and
- (2) “Progress Report on the Repair/Improvement Works” completed by the OC, the responsible contractor and AP (if applicable).
- (3) The OC will receive notification at each stage of the release of the loan.

Note: Standard forms for items E(1) and E(2) will be sent to the OC together with the notification of approval of loan [see item C(2)]. The information required under E(1) is not applicable if the sum of loan will be credited to the designated bank account of the applicant.

(F) Time required for Processing an Application

Subject to provision of all the documents listed in item B, it will take about three weeks to process a loan application.

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