

Ad warning for China flat buyers

By KIN YU

UNSCRUPULOUS lawyers are preying on Hongkong residents looking to buy property in China with dishonest advertising about their ability to look after the buyers' legal interests.

They ply their trade among the unsuspecting public searching for affordable accommodation and are advertised in the Chinese press as part of promotions for new flats in the mainland.

Among their promises are the ability to represent Hongkong clients in the mainland and pursue legal action in China if necessary.

But the Consumer Council warned yesterday that such lawyers do not have the right of attorney in China and only those on a list of 48 Hongkong lawyers recognised as Chinese Certification Lawyers by the mainland are able to notarise certain documents.

The council's chairman of publicity, Mr Anthony Yuen Tak-tim, said prospective buyers were on their own when it came to buying property in China.

Some developers have placed advertisements in Hongkong misrepresenting the condition of properties or the developers' ability to build.

Of particular concern have been Guangzhou and Shenzhen, where Consumer Council officials say the problem of buyers being cheated has been severe.

Efforts are underway to contain unscrupulous operators in China. For example, new regulations in Guangdong control their ability to advertise.

But Mr Yuen said both the Consumer Council and the Hongkong Government were powerless to stop false advertising in the territory.

The ultimate warning to

consumers is that they must be careful to ensure all documents are in place before parting with any deposit money.

The council issued a set of guidelines yesterday for people to follow if they decide to buy property in China.

Among the guidelines are having all documents notarised by the Chinese Judiciary Bureau in Guangzhou, making sure all the necessary certificates from the developer are present and having a clear indication of the completion date and the accompanying fees.

Documents notarised by the Judiciary Bureau indicated the development had been approved for sale outside China, Mr Yuen said.

Where people buy an unfinished property, the developer must have five certificates which prove he is graded as a proper developer, able to use the land for residential purposes, has approval for sale of the property to non-mainland residents and has approval to carry out initial work and construction.

Buyers must also register their purchases in the county or town where the property is located.

To further protect buyers, the Consumer Council has forwarded a set of recommendations to the Government asking that Hongkong real estate agents regulate themselves to prevent anyone from being partners with unscrupulous developers.

The alternative was a legislated code of practice, Mr Yuen said.

The Consumer Council has received 15 complaints this year up to the end of November over property deals in China which have gone sour.