



HONG KONG MONETARY AUTHORITY  
香港金融管理局

Our Ref : B1/15C  
B9/67C  
B9/217C

5 February 2026

The Chief Executive  
All Authorized Institutions

Dear Sir / Madam,

**Expansion of Payment Arrangements for Property Transactions to Sale and Purchase of Residential Properties in the Secondary Market in Hong Kong**

I am writing regarding the expansion of the Payment Arrangements for Property Transactions (“PAPT”, 「置易付」) to sale and purchase (“S&P”) of residential properties in the secondary market in Hong Kong with effect from 28 February 2026, as set out in the circular issued by the Hong Kong Association of Banks (“HKAB”) today. The expansion marks a significant milestone in modernising the payment process for property transactions, and receives the support of the HKMA, the Law Society of Hong Kong, the Estate Agents Authority, and the Consumer Council.

**PAPT for Mortgage Refinancing**

The PAPT, initially launched for residential mortgage refinancing in November 2022, aims to improve payment efficiency and security for property transactions and reduce the credit and operational risks faced by Authorized Institutions (“AIs”). With the support of the banking sector, it has now achieved widespread acceptance, with more than 75% of eligible mortgage refinancing transactions at retail banks having adopted the PAPT in 2025.

## **PAPT for S&P in the Secondary Market**

Building on the success of the PAPT for mortgage refinancing, the HKAB, with strong support from the HKMA, moved on to the expansion of the PAPT to S&P of residential properties in the secondary market to provide an additional payment option to the purchasers and vendors. Under PAPT for S&P, the mortgage loan proceeds advanced to the purchaser of an eligible S&P transaction will be disbursed by the purchaser's mortgage institution directly to the vendor's mortgage institution through the Clearing House Automated Transfer System ("CHATS"). This will enable the outstanding balance of the vendor's mortgage loan to be settled, with any surplus proceeds paid to the vendor's designated bank account as soon as on the same day. In cases where the vendor does not have an outstanding mortgage, the full proceeds will be disbursed to the vendor's bank account.

Consultation with the banking industry, the legal profession, and the estate agency industry has been conducted in devising the PAPT for S&P proposal, and a series of pilot tests with real S&P transactions have been successfully completed by selected banks using the PAPT. The essential information for implementing the PAPT for S&P has been distributed by the HKAB to all licensed banks offering residential mortgage loans ("Mortgage Banks") in September 2025 for advance preparation.

### **Implementation**

The HKAB has issued a circular earlier today announcing the rollout of the PAPT for S&P. Mortgage Banks will provide the PAPT for S&P transactions of residential properties in the secondary market in Hong Kong with provisional S&P agreements signed on or after **28 February 2026**.

The HKMA expects that all Mortgage Banks should complete their preparation for implementation in time, with their operating procedures, systems, and documentation reviewed and all necessary revisions made. Mortgage Banks should familiarise themselves with the operational details of the PAPT for S&P, and be ready to explain to their mortgage customers the features the PAPT for S&P, and encourage prospective customers to adopt the PAPT for S&P where appropriate. They should provide adequate staff training and put in place customer communication plans. Banks should also work closely with their panel solicitors

to ensure smooth drawdown of mortgage loans using the PAPT for S&P. To promote adoption of the PAPT, Mortgage Banks are expected to make information on the PAPT available on their digital channels and at branches. The HKMA will collect information on Mortgage Banks' implementation of the PAPT for S&P, including the adoption rate by mortgage customers.

In the event that Mortgage Banks encounter difficulties in meeting the implementation timeline, they may discuss the matter with the HKMA through their usual contacts in the Banking Conduct Department.

Should you have any questions regarding this circular, please contact Ms Cora Ching at 2878 8211 or Ms Natalie Lai at 2597 0869. For questions about the operation of the PAPT for S&P, please contact the HKAB.

Yours faithfully,

Arthur Yuen  
Deputy Chief Executive

c.c. The Chairperson, The Hong Kong Association of Banks  
Secretary for Financial Services and the Treasury (Attn: Mr Timothy Wong)  
President, The Law Society of Hong Kong  
Chief Executive Officer, Estate Agents Authority  
Chief Executive, Consumer Council