

**Tutorial Video: “Regulated Tenancies of Subdivided Units - How to use the Second Term Tenancy Rent Calculator”**

<b>Time Stamp</b>	<b>Narration</b>
00:02	This is “Second Term Tenancy Rent Calculator” for subdivided units
00:05	This calculator is for processing first term tenancies commencing on or after 22 January 2022
00:13	Landlords and tenants can calculate the maximum permitted rent amount for the second term tenancies
00:19	Please enter the commencement date of the first term tenancy in item (1)
00:23	and the rent of the first term tenancy in item (2). Let's take \$4,500 as an example
00:29	Press “Calculate” if the information is correct
00:32	Based on the information provided, the calculator will automatically show the commencement date of the second term tenancy in item (3)
00:39	and the offer period in item (4)
00:42	For details about the offer period, please watch the video “Steps to Make a Second Term Offer”
00:48	Item (5) will show the maximum percentage for rent increase in the second term tenancy
00:53	Item (6) will show the maximum permitted rent amount for the second term tenancy
00:58	The control percentage formula is as follows: $A = \frac{B-C}{C} \times 100$
01:01	The calculator will automatically show two RVD rental indices of territory-wide private domestic properties in items (8) and (9)
01:09	Please click here to download all the historical data of the control percentage
01:14	Here are three examples about control percentage:
01:17	(1) When control percentage is 0-10%:
01:20	For example, if the control percentage is 2.3%
01:24	The landlord can increase the rent at most by 2.3%
01:29	(2) When the control percentage exceeds 10%

01:33	For example, if the control percentage is 11%
01:36	So, the landlord can only increase the rent at most by 10%
01:40	(3) When the control percentage is a negative figure
01:44	For example, if the control percentage is minus 2%, the renewed rent has to be reduced at least by that percentage
01:52	Besides, relevant data for calculation will not be available before the offer period. Please use the calculator again within the offer period
02:00	If the calculator is used after the offer period and the landlord has served the valid second term offer (i.e. Form AR1) on the tenant within the offer period, the calculator will show the maximum permitted rent amount for the second term tenancy in item (6) for reference
02:17	If the calculator is used after the offer period, and the landlord has not served the valid second term offer (i.e. Form AR1) on the tenant within the offer period, and the control percentage is a positive figure, the calculator will show in item (6) that the renewed rent shall still be the rent last payable for the first term tenancy
02:37	However, if the control percentage is negative, the renewed rent has to be reduced at least by that percentage
02:44	Please watch video “Steps to Make a Second Term Offer” for information about making the offer
02:50	For further information, please refer to the frequently asked questions relating to the renewed rent on the website of the Rating and Valuation Department <a href="http://www.rvd.gov.hk">www.rvd.gov.hk</a> Tel no: 2150 8303