

# **APPLY TO RENT OUT OR CHANGE TENANCY OF HDB COMMERCIAL PROPERTIES**

## **TERMS AND CONDITIONS**

**For HDB Commercial Tenant Applying to Rent Out or Change Tenancy of HDB Commercial Properties (i.e. change in partners/ shareholders / mode of business / change of trade and assignment)**

### **1. GENERAL TERMS & CONDITIONS**

- 1.1 You, your authorised agent or representative or any authorised partners may access this system. If you are submitting the application as an agent or representative of the existing tenant, you confirm that you have obtained the prior authorisation and consent of the existing tenant. If you are making any application as a partner of the existing tenant, you confirm that you have obtained the prior authorisation and consent of all other Partners. Where inaccurate information relating to your application is provided to HDB, HDB may reject/ cancel your application. In such an event, the administrative fee shall not be refunded.
- 1.2 Upon submission of your application, it is deemed that the existing tenant and the proposed tenant (where applicable) have read all applicable terms and conditions and agree to be bound by them.
- 1.3 The existing tenant shall ensure and confirm that, as at the date of application:
  - i. There is no breach of any terms and conditions of the existing Tenancy Agreement;
  - ii. There are no arrears or any outstanding debt due to HDB;
  - iii. The existing tenant and proposed tenant (where applicable) is not a bankrupt or wound up or dissolved as the case may be; and
  - iv. There is no judgment against or court case pending against the existing tenant and the proposed tenant (where applicable).
- 1.4 Upon request by HDB, the existing or proposed tenant shall duly provide HDB with personal credit reports of themselves, their Partner(s)/ Director(s)/ Shareholder(s) of their company for further evaluation of the application.
- 1.5(i) Where a new Tenancy Agreement is to be signed between the proposed tenant and HDB, the existing tenant shall continue to be liable under the current Tenancy Agreement until the signing and commencement of new Tenancy Agreement.
- 1.5(ii) HDB's written approval for the application shall be automatically revoked, if the proposed tenant fails to sign any new tenancy agreement (if required by HDB) within one month from the date of HDB's written approval.
- 1.6 On the date of signing of any fresh tenancy agreement, the existing and proposed tenant (where applicable) shall produce the required documents and the

completed GIRO application form with the following payments (by cheque, cash or Cashier's Order as may be required by HDB):

- i. One month's rental and prevailing Goods and Services Tax (GST);
  - ii. One month's Service and Conservancy Charges (sc/cc) and prevailing GST;
  - iii. One month deposit including sc/cc or such deposit as HDB may in its discretion impose;
  - iv. For Private Limited Companies, Limited Partnerships and Limited Liability Partnerships, one (1) personal guarantor who must be a Singapore citizen is required; and
  - v. Stamp fee for the Agreement as required under the Stamp Duties Act.
- 1.7 (i) The existing tenant and/or proposed tenant (where applicable) shall engage a Qualified Person (QP) to obtain prior written approval from HDB, Fire Safety & Shelter Department (FSSD), Building & Construction Authority (BCA) and/or all other relevant Authorities before commencing any renovation work at the premises. The existing tenant and/or proposed tenant shall read and fully comply with the HDB renovation guidelines available on the [HDB InfoWEB](#).
- 1.7 (ii) An application for upgrading of or increasing the existing approved electrical load shall be made by a Licensed Electrical Worker (LEW) to HDB (via CORENET-ESS). Such application is strictly subject to the availability of additional load and fee payment. In the event that additional electrical load is not available, the existing tenant and/or proposed tenant shall operate its trade(s) within the existing approved electrical load.
- 1.8 All trades operated at the premises must be approved by HDB and shall meet the statutory requirements of all the relevant competent authorities. Trades not permitted in HDB commercial premises include but not limited to those set out under the Schedule:
- Schedule
- a. Storage
  - b. Wholesale Trade
  - c. Industrial Trade
- 1.9 The sale of liquor is strictly not permitted in standalone HDB void deck shops, kiosks and Civil Defence Shelters. This prohibition is applicable for all new tenancies, including those who wish to take over these existing premises.
- 1.10 The existing or proposed tenant's business operation shall not create any form of nuisance.
- 1.11(i) The existing or proposed tenant's trade shall operate within the premises except the living quarters which shall be used solely for residential purposes.

- 1.11(ii) The existing or proposed tenant (where applicable) shall obtain the prior written consent of the relevant Town Council for use of a common area.
- 1.12 HDB reserves the right to reject/ cancel the application without assigning any reasons whatsoever.
- 1.13 HDB reserves the right to vary the terms and conditions herein contained as and when it deems fit.
- 1.14 HDB collects personal data from existing and/or proposed tenants to administer HDB's public housing programmes and services. HDB may share necessary data with other Government agencies, unless such sharing is prohibited by legislation. This is to enable HDB to serve the existing and/or proposed tenants in the most convenient, efficient and effective way. HDB will NOT share personal data of the existing and/or proposed tenants with non-Government entities, except where such entities have been authorised to carry out specific Government services. If the existing and/or proposed tenants would like to find out more about HDB's Data Protection and Privacy Policy, the existing and/or proposed tenants can visit [HDB InfoWEB](#) for more details.
- 1.15(i) HDB reserves the right to rely on any information and/ or records of any other relevant authorities to obtain or verify any information relating to or in connection with the application. In this regard, the source of information will not be disclosed to you, your authorised agent or representative or any partners.
- 1.15(ii) Further, HDB reserves the right to write to and request information from the existing and/ proposed tenants who shall duly provide the information so requested.

## **2. SPECIAL CONDITIONS FOR: CHANGE IN PARTNERS/ SHAREHOLDERS/ MODE OF BUSINESS; CHANGE OF TRADE; AND ASSIGNMENT**

### **2.1 Change in Partners/ Shareholders/ Mode of Business**

- 2.1.1 The Existing tenant shall not effect any change in the mode of business or substantial change in the composition of partners or in the shareholding of the company without HDB's prior written consent. If the sole proprietor, partners or shareholders of the existing Tenant as at the commencement of the tenancy and/or their next-of-kins retain less than 51% of the shares in the firm/company, this shall be deemed to be a substantial change in the control/ composition of partners or shareholding of the existing Tenant.
- 2.1.2 A substantial change in the control /composition of the existing Tenant (e.g. due to change in shareholding) is deemed to constitute an assignment of tenancy which is not permitted, unless it falls within the permissible window periods for assignment set out under Clause 2.3.
- 2.1.3 A change or series of changes in ownership of shares which would result in the sole proprietor, partners or shareholder of the existing Tenant as at the commencement of the tenancy and/or their next-of-kins retaining at least 51% of

the shares in the firm/company shall not be considered a change of control/composition of partners or shareholding of the existing tenant.

## **2.2 Change of Trade**

2.2.1 For premises let out for specific trade or use, the proposed trade(s) shall comply with the trade conditions specified during tender allocation. For instance, if the premises is let only for "Office" use, no change of use/ trade shall be considered.

2.2.2 HDB reserves the right to vary the rent as and when it deems fit.

2.2.3 For Change of Trade to Family Restaurant, the existing tenant agree and shall ensure that:

- i. The family restaurant must be operated by a single operator;
- ii. The common area is not used as an outdoor refreshment area as such use is not permitted;
- iii. There is provision of at least 60% of the trading area for Internal Refreshment Area;
- iv. Where required, the tenant shall install exhaust system and grease trap and bear all costs and expenses of such installation;
- v. All cooking and food preparation are to be carried out inside a full height walled-up central kitchen in the premises;
- vi. There is no partitioning of the premises into stalls (that is, there shall be no multiple stalls and cooking activities at counters in the premises); and
- vii. Prior written consent(s) from all the relevant Authorities, including but not limited to HDB, Singapore Food Agency, Fire Safety & Shelter Department, must be obtained, before the commencement of the family restaurant operations.

## **2.3 Assignment**

2.3.1 With effect from 16 Oct 2013, assignment of tenancy is not permitted.

2.3.2 For long time tenants i.e. tenants who have been with HDB for at least 15 years as of 16 Oct 2013, the permissible assignment window period is extended to 15 Oct 2019. A summary of the prevailing permissible assignment period is as follows :

S/N	Tenancy Commencement	Window Period for Assignment
(a)	Before 16 Oct 1998	By 15 Oct 2019
(b)	On and after 16 Oct 2013	Assignment will not be permitted, and tenants must return the premises to HDB for re-tender, if they wish to terminate their tenancies with HDB.

2.3.3 HDB fully reserves its rights to vary or amend or stop the application of the permissible window period for assignment without furnishing any reasons.

2.3.4 The proposed tenant (assignee) may opt to takeover the tenancy on a fresh 1-, 2- or 3- year term or the balance term of the existing tenancy. For fresh term, the rent payable by the proposed tenant (assignee) shall be revised to the prevailing market rent or remain at the existing rent, whichever is higher. For balance term, the rent payable by the proposed tenant (assignee) shall be the same as the existing rent.

2.3.5 For premises let out for specific trade or use, the proposed trade(s) must comply with the trade conditions specified during tender allocation. For instance, if the premises is let only for "Office" use, no change of use to retail or other uses shall be considered.

2.3.6 No rent-free fitting up period shall be given. The assignment of the premises is on a "as-it-is" condition mutually agreed between the existing and proposed tenant (assignee).

2.3.7 The proposed tenant (assignee) may wish to obtain from the existing tenant all records of renovation approval/ approved plans issued by all approving authorities including but not limited to HDB, URA, BCA and FSSD.

2.3.8 In the event of an early termination (due to any reason whatsoever), the proposed tenant (assignee) shall not be entitled to any compensation or indemnity or ex-gratia payment or grant of any alternative premises or other relocation benefits.

2.3.9 If the premises is affected by any Upgrading Programme by HDB, any subsequent revision in rent shall borne by the tenant as at the date of completion of the upgrading works. The revision in rent is based on the improvements in the estate as well as the provision of the Space Adding Item (SAI).

2.3.10 Upon the takeover of the tenancy by the proposed tenant (assignee), the proposed tenant(assignee) shall not re-assign the premises.

2.3.11 Where there are existing subtenant(s), the proposed tenant (assignee) may only opt to retain ONE subtenant at the trading area, and ensure the area to be

rented out must not exceed 50% of the trading area. All rentals to the remaining subtenants shall cease immediately upon the assignment of the tenancy.

### **3. SPECIAL CONDITIONS APPLICABLE FOR RENTING OUT HDB COMMERCIAL PROPERTY TO SUBTENANTS**

3.1(i) HDB's prior written approval must be obtained for any inclusion of or change in subtenant or subtenant's trade.

3.1(ii) HDB reserves the right to revoke its approval as HDB deems fit without assigning any reason. HDB shall not be liable for any loss, whether direct or consequential, that the existing or his sub tenant may incur as a result of or arising directly or indirectly from HDB's revocation of its Approval.

3.2 HDB's approval shall not be construed as an approval for:

- i. Further renting out of the area/ portion of the tenanted premises approved to be rented out;
- ii. Renting out of any other portion of the tenanted premises; and
- iii. Renting out of any portion of the tenanted premises to any other person than those approved by HDB.

3.3 Where the tenancy between the existing tenant and the subtenant is terminated, HDB's approval for the said rental shall be automatically revoked. The existing tenant shall forthwith evict the subtenant from the premises.

3.4 The existing tenant shall ensure that his subtenant/ occupiers fully comply with the terms and conditions of the Tenancy Agreement between HDB and the existing tenant.

3.5 The subtenant/ occupier shall have no claim for any interest in relation to the tenancy between HDB and the existing tenant.

3.6 In the event that the subtenant/ occupier is not permitted to remain in Singapore by any relevant authority, the existing tenant shall forthwith evict the subtenant/ occupier from the premises.

#### **3.7 For Renting Out of Trading Area in Part**

- i. The existing tenant is allowed to rent out part (i.e. not more than 50%) of the total trading area to only ONE subtenant.
- ii. With effect from 16 October 2013, existing tenant who had previously obtained HDB's approval to rent out part of the trading area to more than one subtenant will be allowed to retain only one subtenant upon any change to their subtenancies (e.g. change of subtenant or subtenant's trade).
- iii. If there is any change in the subtenant /or subtenant's trade, the existing tenant must submit a fresh application to seek HDB's prior written approval.

- iv. The existing tenant shall not rent out more than 50% of the total trading area.
- v. The existing tenant shall ensure that the subtenant's trade(s) comply with the trade conditions specified during tender allocation to the existing tenant.
- vi. The existing tenant may opt for a fresh 1-, 2-, or 3-year term while applying to rent out the trading area of the premises. For a fresh tenancy, the rent payable shall be revised to the prevailing market rent or remain at the existing rent, whichever is the higher. Where the existing tenant does not opt for a fresh term, the rent payable for the balance term shall remain at the existing rent.

### 3.8 For Renting Out of Living Quarters ("LQ")

- i. The living quarters are for residential use only. HDB shall deem any unauthorised use (including the conversion of the living quarters to workers' dormitory) by the existing tenant, subtenant/ occupier as the existing tenant's breach of the Tenancy Agreement between HDB and the existing tenant.
- ii. The number of bedrooms that the HDB shop tenant can rent out and the maximum number of (sub)tenants/ occupants allowed depends on the LQ type as shown below:

LQ Type	Total number of (sub)tenants*	Maximum number of bedrooms^ allowed to rent out
1-room and 2-room	4	1
3-room	6	2
4-room and 5-room	8	3
6-room	8	4

*\*The occupancy cap for LQs of 4-room and larger equivalent will revert to 6 with effect from 1 Jan 2027.*

*^All other parts of the living quarters (including partitioned rooms) cannot be used as bedrooms for (sub)tenants.*

- ii. The minimum rental period for each (sub)tenant/occupier must be 6 months per application. You are not allowed to rent out the living quarters on a short-term basis.
- iii. The subtenants or occupiers must be: Singapore Citizens, Singapore Permanent Residents, or Non-Citizens who are residing legally in Singapore, and holding Employment Passes, S-Passes, Work Permits, Student Passes, Dependant Passes, or Long-Term Social Visit Passes. Their passes must have a validity period of at least six (6) months as at the date of the existing tenant's application to HDB to rent out the living quarters. Work permit holders from the Construction, Marine and Process

sectors, Manufacturing must be Malaysians. Tourists are not allowed to rent the living quarters of HDB commercial property.

## **For HDB Commercial Owner Applying to Rent Out or Change Tenancy of HDB Commercial Properties**

### **1. GENERAL TERMS & CONDITIONS**

- 1.1 You, your authorised agent or authorised representative may access this system. If you are submitting the application as an agent or representative of the existing owners, you confirm that you have obtained the prior authorisation and consent of the existing owners. If you are making any application as one of the existing owners, you confirm that you have obtained the prior authorisation and consent of all other existing owners. Where inaccurate information relating to your application is provided to HDB, HDB may reject/ cancel your application. In such an event, the administrative fee shall not be refunded.
- 1.2 Upon submission of your application, it is deemed that you and all the owners have read the terms and conditions and agree to be bound by them.
- 1.3 The owner shall ensure and confirm that:
- i. There is no breach of the terms and conditions of the Agreement for Lease, Memorandum of Lease or Lease; and
  - ii. There are no arrears or any outstanding debt due to HDB.
- 1.4(i) The owner shall engage a Qualified Person (QP) to obtain prior written approval from HDB, Fire Safety & Shelter Dept (FSSD) and/ or Building & Construction Authority (BCA) before commencing any renovation work at the premises. The owner shall read the HDB renovation guidelines available on the HDB InfoWEB.
- 1.4(ii) An application for upgrading of or increasing the existing approved electrical shall be made by a Licensed Electrical Worker (LEW) to HDB (via CORENET-ESS). Such application is strictly subject to the availability of additional load and fee payment. In the event that additional electrical load is not available, the owners will need to operate their trade(s) within the existing approved electrical load.
- 1.5 HDB reserves the right to reject/ cancel the application without giving any reasons whatsoever.
- 1.6 HDB reserves the right to vary the terms and conditions herein contained as and when it deems fit.
- 1.7 HDB collects personal data from the owner to administer HDB's public housing programmes and services. HDB may share necessary data with other Government agencies, unless such sharing is prohibited by legislation. This is to enable HDB to serve the owner in the most convenient, efficient and effective way. HDB will NOT share the owner's personal data with non-Government entities, except where such entities have been authorised to carry out specific Government services. If the owner would like to find out more about HDB's Data Protection and Privacy Policy, the owner can visit [HDB InfoWEB](#) for more details.

1.8 HDB reserves the right to rely on any information and/ or records of any other relevant authorities to obtain or verify any information relating to or in connection with the application. In this regard, the source of information will not be revealed to the any of the owners. HDB also reserves the right to write to and request information from all owners.

1.9 Unless the context otherwise requires, words importing the singular number or masculine gender include the plural number or the feminine gender as the case may be.

## **2. SPECIAL CONDITIONS APPLICABLE FOR RENTING OUT OF LIVING QUARTERS OF HDB COMMERCIAL PROPERTY**

2.1 Owners shall seek prior written approval from HDB before they rent out the living quarters of their commercial property.

2.2 The living quarters are for residential use only. HDB shall deem any unauthorised use (including conversion of the living quarters into workers' dormitory) by the owner as a breach of the Memorandum of Lease or Lease.

2.3 The number of bedrooms that the HDB shop owner can rent out and the maximum number of (sub)tenants/occupants allowed depends on the LQ type as shown below:

<b>LQ Type</b>	<b>Total number of (sub)tenants*</b>	<b>Maximum number of bedrooms<sup>^</sup> allowed to rent out</b>
1-room and 2-room	4	1
3-room	6	2
4-room and 5-room	8	3
6-room	8	4

*\*The occupancy cap for LQs of 4-room and larger equivalent will revert to 6 with effect from 1 Jan 2027.*

*<sup>^</sup>All other parts of the living quarters (including partitioned rooms) cannot be used as bedrooms for (sub)tenants.*

2.4 The rental period to each tenant must be at least six (6) months. Short-term rental is strictly not allowed.

- 2.5 The tenants or occupiers must be: Singapore Citizens, Singapore Permanent Residents, or Non-Citizens who are residing legally in Singapore, and holding Employment Passes, S-Passes, Work Permits, Student Passes, Dependant Passes, or Long-Term Social Visit Passes. Their passes must have a validity period of at least six (6) months as at the date of the owner's application to HDB to rent out the living quarters. Work permit holders from the Construction, Marine and Process sectors, Manufacturing must be Malaysians. Tourists are not allowed to rent the living quarters of HDB commercial property.
- 2.6 HDB reserves the right to revoke its Approval as HDB deems fit without assigning any reason. HDB shall not be liable for any loss, whether direct or consequential, that the owners may incur as a result of or arising from HDB's revocation of its Approval. Upon HDB's revocation of its Approval, the owners shall forthwith evict the tenants from the premises.
- 2.7 The owners shall ensure that the tenants/ occupiers comply with the terms of the Agreement for Lease, Memorandum of Lease or Lease with HDB.
- 2.8 The tenants/ occupiers shall have no claim to the Lease between HDB and the owner.
- 2.9 In the event that the tenants/ occupiers cease to be permitted to remain lawfully in Singapore by any relevant authority, the owners shall forthwith to evict them from the premises.