Annex A

New Classification Framework for BTO Projects Based on Locational Attributes

It was announced in the Prime Minister's National Day Rally speech in August 2023 that HDB would be shifting from the current town-based classification flat framework for new flats, to a location-based flat classification framework in 2024. Starting from the October 2024 BTO exercise, HDB will introduce a new flat classification framework for BTO flats based on a holistic assessment of locational attributes which include:

a) Proximity to city centre;
b) Transport connectivity; and
c) Availability of amenities, such as social and commercial services that are typically found in town centres.

2 Under the new flat classification framework, BTO projects will be categorised viz. Standard, Plus or Prime flats:

a) Standard projects will form the largest category of BTO flats to be launched every year.

b) Plus projects will tend to be in choicer locations with good connectivity, proximity to amenities, and the city centre. Some may also come with unique features, such as waterfront living.

c) Prime projects will tend to be in choicest locations. They will tend to be centrally located, typically within or near the central region and/or major town centres, and are therefore well-served by comprehensive amenities, and have excellent transport connectivity.

3 The new classification will not apply to existing HDB flats and flats launched before the October 2024 BTO exercise.

Table 1: Buying a New Flat

	Standard	**Plus**	**Prime**
Location	Largest category of BTO supply, may come with 1-2 good locational attributes like near to MRT stations or good amenities	Choicer locations: nearer to city centre, good connectivity and amenities, or with unique features (e.g. waterfront living)	Choicest locations: centrally located, excellent connectivity, and comprehensive amenities
Flat Type	Families: All flat types where applicable Singles: 2-room Flexi flats		
Income Ceiling	Families: $14,000 (for extended families buying 3-room[1] or larger flats: $21,000) Singles: $7,000 (short-lease 2-room Flexi Flats: $14,000)		
Subsidies	Significant market discounts	More subsidies in addition to significant market discounts	Most subsidies in addition to significant market discounts
Subsidy Recovery	No	Yes (less than Prime)	Yes
MOP	5 years	10 years	10 years
Resale of Flat[2]	Allowed after MOP, with tighter resale conditions for Plus and Prime flats		
Investment in Private Residential Property	Allowed after MOP		
Renting Out Whole Flat	Allowed after MOP[2]	Not Allowed	Not Allowed
Renting Out Spare Rooms	Allowed for 3-room or larger flats		

[1] Applicable only to projects with an income ceiling of $14,000

[2] Not allowed for 2-room Flexi flats sold on short leases and Community Care Apartments.