ANNEX B

ILLUSTRATED EXAMPLES

The following examples illustrate how seniors can benefit from the enhanced SHB.

Example 1: Senior couple right-sizing to 3-room flat

Mr and Mrs Tan are selling their subsidised 5-room flat in Yishun for $705,000 and buying a new 3-room flat in Woodlands for $275,000. Before the enhancements, they would need to make a top-up of $60,000 to their CPF RA in cash to qualify for SHB and receive the maximum SHB of $30,000 as a household.

From 1 December 2025, as long as they commit a combined amount of $60,000 from their CPF housing refunds towards their CPF RA for their retirement payouts, **they will enjoy an SHB of $30,000 with no cash top-up.**

	Proceeds from rightsizing
Selling price of current 5-room flat	$705,000
Outstanding loan for current 5-room flat	- $100,000
Purchase price of 3-room flat	- $275,000
Resale levy payable	- $45,000
Net sale proceeds	**$ 285,000**

Until 30 November 2025			
A	Combined cash top-up to CPF RA required	$60,000	
B	Combined cash bonus	$30,000	
With effect from 1 December 2025			
		Mr Tan’s CPF RA	Mrs Tan’s CPF RA
A	Housing refund credited to CPF RA from sale of 5-room flat	$40,000	$20,000

B	**Combined housing refund amount committed to CPF RA** *Mr and Mrs Tan are required to commit to a net increase of $60,000 to their CPF RA for their retirement payouts as a household*	$40,000	$20,000
		$60,000	
C	Additional cash top-up needed	No cash top up needed, as Mr and Mrs Tan have committed to a net increase of $60,000 in their CPF RA for their retirement payouts, using their CPF housing refund	
		Mr Tan's Cash Bonus	Mrs Tan's Cash Bonus
D	Cash bonus (pro-rated) *$1 cash bonus for every $2 committed towards retirement payouts*	$20,000	$10,000
	Combined total cash bonus	**$30,000**	

Example 2: Senior couple right-sizing to 2-room flat

Mr and Mrs Bala are selling their subsidised 5-room flat in Yishun for $705,000 and buying a new 2-room Flexi flat (on 30-year lease) in Woodlands for $83,000. Before the enhancements, they would need to make a top-up of $60,000 to their CPF RA in cash to qualify for the SHB and receive the maximum SHB of $30,000 as a household.

From 1 December 2025, as they are right-sizing to a 2-room Flexi flat and committing a combined amount of $60,000 from their CPF housing refunds towards their CPF RA for their retirement payouts, **they will enjoy a higher SHB of $40,000 with no cash top-up.**

	Proceeds from right-sizing
Selling price of current 5-room flat	$705,000
Outstanding loan for current 5-room flat	- $100,000
Purchase price of 2-room Flexi flat (30-year lease)	- $83,000
Resale levy payable[1]	- $15,000
Net proceeds	**$ 507,000**

Note: [1] The resale levy payable for second-timer families buying a short-lease 2-room Flexi flat is based on the lower of the resale levy payable or $30,000, and pro-rated according to the lease chosen. Mr and Mrs Bala's resale levy is pro-rated from $30,000 based on their chosen lease of 30 years.

Until 30 November 2025		
A	Combined cash top-up amount to CPF RA required	$60,000
B	Combined cash bonus	$30,000

With effect from 1 December 2025			
		Mr Bala's CPF RA	Mrs Bala's CPF RA
A	Housing refund credited to CPF RA from sale of 5-room flat	$40,000	$30,000
B	**Combined housing refund amount committed to CPF RA** *Mr and Mrs Bala are required to commit to a net increase of $60,000 to their CPF RA for their retirement payouts as a household*	$30,000	$30,000
		$60,000	
C	Additional cash top-up needed	No cash top-up needed, as Mr and Mrs Bala have committed to a net increase of $60,000 in their CPF RA for their retirement payouts, using their CPF housing refunds	
		Mr Bala's Cash Bonus	Mrs Bala's Cash Bonus
D	Cash bonus of $30,000 (pro-rated) *$1 cash bonus for every $2 committed towards retirement payout*	$15,000	$15,000
E	Additional cash bonus of $10,000 (not pro-rated) for right-sizing to a 2-room flat *Based on proportion of homeowners' amount committed towards retirement payouts*	$5,000	$5,000
	Individual total cash bonus	$20,000	$20,000
	Combined total cash bonus	**$40,000**	

Example 3: Senior private property owner with property AV of $25,000

Mr Ahmad and Mdm Siti are selling their private property that has an annual value of $25,000 in Yishun for $970,000 and buying a 2-room Flexi flat (on 30-year lease) in Woodlands for $83,000. Before the enhancements, they would not be eligible for the SHB as the AV of their property exceeds $21,000.

From 1 December 2025, **they will qualify for SHB.** As they long as they commit a combined amount of $60,000 from their CPF housing refunds towards their CPF RA for their retirement payouts, **they will enjoy an SHB of $20,000 with no cash top-up.**

	Proceeds from right-sizing
Selling price of current private property	$970,000
Outstanding loan for current private property	No outstanding loan
Purchase price of 2-room flexi flat (on 30-year short lease)	- $83,000
Resale levy payable[1]	- $15,000
Net proceeds	**$ 872,000**

Note: [1]The resale levy payable for (ex-)private property owners buying a short-lease 2-room Flexi flat is pro-rated from $30,000 according to the lease chosen.

With effect from 1 December 2025			
		Mr Ahmad's CPF RA	Mdm Siti's CPF RA
A	Housing refund credited to CPF RA from sale of private property	$80,000	$60,000
B	**Combined housing refund amount committed to CPF RA**	$30,000	$30,000

	Mr Ahmad and Mdm Siti are required to commit to a net increase of $60,000 to their CPF RA for their retirement payouts as a household	**$60,000**	
C	Additional cash top-up needed	No cash top-up needed as Mr Ahmad and Mdm Siti commit the net increase of $60,000 to their CPF RA for their retirement payouts, using their CPF housing refund	
		Mr Ahmad's Cash Bonus	Mdm Siti's Cash Bonus
D	Cash bonus (pro-rated) *$1 cash bonus for every $6 committed towards retirement payout*	$5,000	$5,000
E	Additional cash bonus (not pro-rated) for right-sizing to a 2-room flat *Based on proportion of homeowners' amount committed towards retirement payout*	$5,000	$5,000
	Individual total cash bonus	$10,000	$10,000
	Combined total cash bonus	**$20,000**	