

Eligibility and Lease Conditions for Purchase of 3-room and Larger New Replacement Flat on 50-Year Lease

- a) To purchase a new flat on a 50-year lease at the designated replacement site, SERS flat owners have to meet the eligibility conditions, as follows:

Conditions	Eligibility
Age	All owners and their spouses to be at least 45 years old as at the date of SERS announcement, so that the lease will cover them till at least age 95.
Citizenship	Singapore Citizen (SC) or Singapore Permanent Resident (SPR) household.
Monthly household income	No income ceiling as SERS flat owners are exempted from income ceiling in buying a replacement flat.
Ownership of existing private property	No restriction on any existing ownership of private property as at the SERS announcement date*.
Flat type of new flat	3-room or larger flat, up to <u>the same flat type</u> as the SERS flat, at the designated replacement site. ⁺
SERS Grant	SERS grant of \$15,000 for singles or \$30,000 for joint singles and families, if eligible.
Eligibility for the Enhanced Housing Grant (EHG)	Up to \$80,000, for eligible first-timers [@] .
Housing Loan for new flat	Flat applicants can take up a housing loan from HDB [^] or the financial institutions regulated by the Monetary Authority of Singapore.
Liability for resale levy/premium	Second timers [#] need to pay resale levy/premium pro-rated based on the 50-year lease.

Note: * Flat owners are not allowed to buy private property after the SERS announcement date, but they may do so after meeting the 5-year minimum occupation period of their new replacement flat.

+ If the SERS flat is a 3-room flat with a floor area that is at least 10% larger than the new 3-room flats offered at the designated replacement site, the flat owner may buy up to a 4-room flat at the designated replacement site.

@ The lease has to cover all owners and spouses till the age of at least 95.

^ Subject to eligibility conditions and credit assessment.

Refers to those who have previously sold a subsidised flat elsewhere and have opted to pay a deferred resale levy/premium.

- b) The following ownership conditions for the new flat on a 50-year lease will apply:

Ownership	Conditions
Resale of flat	Allowed after Minimum Occupation Period (MOP)*.
Investment in private property	Allowed after MOP
Renting out of whole flat	Allowed after MOP
Renting out of spare rooms	Allowed

Note: * MOP is 5 years after key collection, excluding any period of non-occupation or renting out of whole flat.

Example 1

Example of a 3-room (68 m²) SERS flat owner buying a 3-room (65 m²) new replacement flat		
Estimated market value of SERS flat on the 6 th storey	\$315,000	
Lease term	99-year lease	50-year lease
Estimated subsidised selling price of new flat on the 6 th storey after \$30,000 SERS grant	\$308,000	\$233,000
Remaining cash and/or CPF	\$7,000	\$82,000

Example 2

Example of a 4-room (92/93 m²) SERS flat owner buying a 4-room (90 m²) replacement flat		
Estimated market value of SERS flat on the 6 th storey	\$415,000	
Lease term	99-year lease	50-year lease
Estimated subsidised selling price of new flat on the 6 th storey after \$30,000 SERS grant	\$470,000	\$359,000
Remaining cash and/or CPF	(\$55,000)	\$56,000

Note: The above are examples based on estimated figures only. The actual compensation amounts will only be available in 4Q 2022, after the valuers have finalised the market valuations of the SERS flats. The actual selling prices of the new replacement flats will be available during flat selection. We have assumed that the flat owner will use all the CPF refund to buy the new flat, is eligible for a SERS grant of \$30,000 and has no outstanding housing loan for the SERS flat.