



## **TERMS AND CONDITIONS OF SALE AND PURCHASE OF AN HDB RESALE FLAT**

### ***APPLICABLE TO BOTH SELLER AND BUYER***

#### **1 HDB RESALE PROCESS**

- 1.1 The sale and purchase of an HDB flat ("the flat") in the resale market shall be carried out according to the procedures and processes that HDB may determine from time to time.
- 1.2 The seller must register an Intent to Sell and the buyer an Intent to Buy in the HDB Resale Portal (or any mode that HDB may introduce from time to time) before they proceed with the sale or purchase of the flat. All data/information provided by the seller and buyer must be true and accurate.
- 1.3 The seller must register the Intent to Sell in the HDB Resale Portal at least seven (7) days before granting an Option to Purchase to the buyer. The buyer must register the Intent to Buy before being granted an Option to Purchase by the seller.
- 1.4 The information furnished in the HDB Resale Portal to the seller or buyer following the registration of the Intent to Sell or Intent to Buy are based on the data and information provided by the seller or buyer and may be subject to change if there are any new data or information or new policies which affect their eligibility to sell or buy the flat.
- 1.5 The seller or buyer as stated in the Intent to Sell or Intent to Buy, Option to Purchase, Request for Value and resale application must be the same. In the event of any difference or change in the seller or buyer, HDB may require the seller or buyer to re-register the Intent to Sell or Intent to Buy, reject the resale application or take whatever action that HDB may decide in order for HDB to process the Option to Purchase, Request for Value and resale application.

#### **2 OPTION TO PURCHASE**

- 2.1 The seller and buyer must use the HDB prescribed Option to Purchase as the form of contract for the sale and purchase of the flat in the resale market ("the resale"). The seller and buyer are not allowed to enter into any other agreement as it is null and void pursuant to the Housing & Development Act.
- 2.2 No amendments may be made to the prescribed Option to Purchase form. Amendments include (but are not limited to) deletions, insertions or altering any provision in the prescribed Option to Purchase. The seller and buyer must comply with all the procedures and requirements set out in the "Important Notes on Option to Purchase" as well as these Terms and Conditions.
- 2.3 The prescribed Option Fee, Deposit and Option Period are as follows:
  - Option Fee - An amount not exceeding \$1,000
  - Deposit - An amount not exceeding \$5,000 (Option Fee + Option Exercise Fee = Deposit)
  - Option Period - 21 calendar days (including Sat/Sun & public holidays) after the Option Date.  
The Option expiry time is standardised at 4pm.
- 2.4 The Option Fee and Option Exercise Fee will form the "Deposit" (an agreed amount of up to \$5,000) for the purchase. Neither the Option Fee nor the Option Exercise Fee can be \$0. This is to ensure that there is a valid Option or contract.

- 2.5 After the seller has granted an Option to Purchase to a buyer, he cannot sell the flat, grant another Option to Purchase or make an offer to other buyers during the Option Period.
- 2.6 The buyer who is eligible for and intends to obtain an HDB housing loan must have a valid HDB Loan Eligibility Letter when the seller grants him the Option to Purchase. The HDB Loan Eligibility Letter is valid for 6 months from the date of issue.
- 2.7 The buyer who is taking a bank loan must have a valid Letter of Offer from a bank/financial institution when he exercises the Option to Purchase.

### **3 DECLARED RESALE PRICE**

- 3.1 The seller and buyer must declare to HDB the true resale price of the flat. The seller and buyer shall not enter into any supplementary or other agreements or arrangements that may cause the resale price as declared to be inflated or understated.
- 3.2 Where applicable, the declared resale price may be referred to as the resale price or the purchase price or the selling price.
- 3.3 The declared resale price shall be stated in the Option to Purchase, the resale application form and other documents as required by HDB to process the resale application. There shall not be any change to the declared resale price. If there is any variation in the declared resale price, HDB has the right to reject or cancel the resale application.
- 3.4 HDB may require the seller and/or the buyer to furnish a written explanation on the difference if the declared resale price is below the value of the flat as referred to in clause 4.1.
- 3.5 If the reason given for the difference between the declared resale price and the value of the flat is deemed not acceptable by HDB, HDB may withhold the acceptance of or cancel the resale application.

### **4 REQUEST FOR VALUE**

- 4.1 The buyer who is financing the purchase of the flat with CPF savings or a housing loan from HDB or bank/financial institution must submit a request to HDB ("Request for Value") to determine the value of the flat which forms the basis for his CPF usage and/or the reference for a housing loan from HDB or bank/financial institution, unless otherwise advised by a bank/financial institution ("value of the flat").
- 4.2 Only the buyer who has been granted an Option to Purchase by the seller of the flat shall submit a Request for Value.
- 4.3 The buyer must (by himself or through his salesperson if he engages one) submit the Request for Value by the next working day after the Option Date as stated in the Option to Purchase granted by the seller of the flat.
- 4.4 HDB has the sole discretion to decide whether a valuation of the flat is required to confirm the value of the flat. If HDB requires a valuation of the flat, HDB will assign any of the private valuation firms on HDB's Panel of Valuers to conduct the valuation.
- 4.5 The buyer by submitting the Request for Value agrees to accept HDB's decision whether a valuation of the flat is required and the valuation (if any) conducted by HDB's assigned valuer. The buyer shall not specify any valuer to be assigned by HDB.
- 4.6 In granting the Option to Purchase, the seller agrees to the valuation of the flat, if required by HDB. He must, within three (3) working days after the day of HDB's notification of the assigned valuer, allow the assigned valuer to enter the flat at any time in the day to inspect the flat for the valuation.
- 4.7 HDB's acceptance of the buyer's Request for Value does not constitute an approval for the resale of the flat. Approval from HDB for the resale has to be separately obtained.

- 4.8 Once HDB has received the Request for Value, HDB will not accept another Request for Value for the same flat from the same buyer or a different buyer until the Option to Purchase (referred to in clause 4.2) expires. HDB has the absolute discretion to determine when the next Request for Value may be submitted.
- 4.9 The buyer can check the status of the Request for Value from the HDB Resale Portal.
- 4.10 The value of the flat only applies to the Option to Purchase (referred to in clause 4.2) and is not valid for use in another resale transaction involving the same buyer under a different Option to Purchase for the same flat or another buyer of the flat, for which a new Request for Value must be submitted.
- 4.11 The value of the flat will remain valid for a period of 3 months from the day it is made available in the HDB Resale Portal. If the buyer does not submit a resale application within the 3-month validity period, he will have to submit a new Request for Value. In this event, the housing loan amount to be granted by HDB or bank/financial institution and the use of CPF savings for the purchase of the flat will be based on the value of the flat determined via the new Request for Value.
- 4.12 If there is a valuation, HDB retains all rights to the valuation and any resulting valuation report.
- 4.13 The buyer and seller must comply with the requirements and procedures for the Request for Value as determined by HDB from time to time in accordance with the prevailing policies, rules and regulations.
- 4.14 Any reference to working day means Monday to Friday, which is not a public holiday.

## **5 ACCEPTANCE OF RESALE APPLICATION**

- 5.1 HDB will determine the information and documents required to process the resale application, and the manner of their submission.
- 5.2 The submission of the resale application by the seller and buyer, and its receipt by HDB, do not mean the acceptance of the resale application by HDB.
- 5.3 The acceptance of the resale application is subject to:-
  - (a) The seller and the buyer satisfying the approved ethnic ratios and limits set for the Neighbourhood and Apartment Block under the Ethnic Integration Policy and the Singapore Permanent Resident Quota policy as at the date of submission of the resale application.
  - (b) HDB's receipt and verification of the information (including consistency with any information provided by the seller at the Intent to Sell and the buyer at the Intent to Buy) and documents submitted by the seller and buyer that are required by HDB to process the resale application.
- 5.4 HDB reserves the right not to accept the resale application if:
  - (a) the seller did not register the Intent to Sell at least seven (7) days before granting the Option to Purchase to the buyer or the buyer did not register the Intent to Buy before being granted the Option to Purchase; or
  - (b) the required information and documents are not submitted within the timeframe as requested by HDB; or for any reason HDB may decide at its sole discretion.
- 5.5 The acceptance of the resale application does not constitute an approval by HDB for the resale. HDB's written approval for the resale must still be obtained before the resale completion can take place.

## **6 APPOINTING HDB AS A SOLICITOR**

Where HDB is appointed by the seller and/or buyer to act in the resale, HDB's conveyancing fees shall be calculated in accordance with the Housing and Development (Conveyancing Fees) Rules. In the event the resale is aborted or where HDB is discharged from further acting in the resale, the seller and buyer shall each be liable to pay half the conveyancing fees.

## **7 BANKRUPTCY**

- 7.1 Where the seller or buyer is an undischarged bankrupt, the consent of the Official Assignee may have to be obtained before he sells or buys an HDB flat. In clauses 7.1 to 7.7, any reference to the Official Assignee shall include a trustee in bankruptcy as appointed by the court, where applicable.
- 7.2 Where the seller who belongs to a non-Singapore citizen household (i.e. none of the sellers are Singapore citizens) is an undischarged bankrupt, the seller shall obtain the consent of the Official Assignee to the resale before he submits his resale application to HDB.
- 7.3 If the seller who belongs to a non-Singapore citizen household (i.e. none of the sellers are Singapore citizens) becomes an undischarged bankrupt before the completion of the resale, he must inform HDB and obtain the consent of the Official Assignee to the resale before the completion of the resale.
- 7.4 If there is any change in citizenship of any of the sellers before the completion of the resale, the seller must inform HDB immediately upon the change in the citizenship status as the flat may potentially vest in the Official Assignee if bankruptcy proceedings are commenced against the affected seller.
- 7.5 If HDB is made liable to the Official Assignee, the seller's creditors or to any 3rd party as a result of the failure of the seller to declare the change in the citizenship status before the completion of the resale, the seller shall at all times keep HDB indemnified in full against all actions, proceedings, claims, demands, liabilities, losses, charges, damages, costs and expenses which may be brought against, become payable by and/or incurred by HDB arising from or in relation to the change in citizenship status.
- 7.6 Where the buyer is an undischarged bankrupt and he is buying (i) an HDB flat that is bigger than a 5-room flat or a 3Gen-flat, or (ii) any HDB flat with a net purchase price of \$500,000 and above, the buyer shall obtain the consent of the Official Assignee to the purchase before he submits his application to HDB.
- 7.7 If the buyer who is buying (i) an HDB flat that is bigger than a 5-room flat or a 3Gen-flat, or (ii) any HDB flat with a net purchase price of \$500,000 and above, becomes an undischarged bankrupt before the completion of the purchase, he must inform HDB and obtain the consent of the Official Assignee to the purchase before the completion of the purchase.

## **8 COSTS, EXPENSES AND DEPOSIT**

- 8.1 The seller and buyer shall each bear their own legal costs, and other costs and expenses. In addition, the buyer shall pay the Government Survey Fee (subject to the prevailing Goods and Services Tax), if any. The payment shall be made upon HDB's request after the acceptance of the resale application, within the timeframe specified by HDB, using Cashier's Order or NETS, or in any mode of payment that HDB may decide.
- 8.2 In the event the resale transaction does not go through for any reason whatsoever, HDB cannot assist the buyer in recovering the deposit.

- 8.3 HDB shall not be responsible or liable to any party for any action, proceeding, claim, demand, liability, loss, charge, damage, cost and/or expense which may be brought against, become payable by and/or incurred by any party arising from or in relation to the deposit. Both the seller and buyer shall, whether jointly or severally, not bring any action, proceeding, claim or demand whatsoever against HDB arising from or in relation to the deposit and shall at all times, on a joint and several basis, keep HDB indemnified in full against all actions, proceedings, claims, demands, liabilities, losses, charges, damages, costs and expenses which may be brought against, become payable by and/or incurred by HDB arising from or in relation to the deposit.

## 9 RENOVATION

- 9.1 The purpose of the inspection by the HDB Branch is to check for unauthorised renovation works in the flat which may damage HDB property and affect the structural stability of the flat/building. The inspection is not to ascertain the value of the flat, the condition and safety of the renovation works or compliance with any legislation in respect of any installation of fittings/fixtures in the flat e.g. window legislation.
- 9.2 The seller must regularise/remove any unauthorised renovation works found in the flat before the completion of the resale.
- 9.3 Notwithstanding clauses 9.1 and 9.2, the buyer is purchasing the flat on a caveat emptor basis. This means that it is the buyer's responsibility to check the condition of the flat and verify that all renovation works carried out by the seller are authorised and comply with the requirements imposed by HDB and other competent authorities. The buyer will also be responsible for any irregularity, including any unauthorised renovation works carried out by the seller in the flat, which may subsequently be discovered. The buyer is advised to engage a Qualified Person (e.g. Building Surveyor) at his own expense to help him in the checking.
- 9.4 No renovation works shall be carried out to the flat pending the completion of the resale.
- 9.5 If any renovation works are carried out prior to the completion of the resale, the seller and buyer shall be jointly and severally liable for any damage to the flat or the building where the flat is located. Both the seller and buyer shall rectify the damage to HDB's satisfaction.
- 9.6 The seller and buyer shall jointly and severally keep HDB fully indemnified against all actions, proceedings, claims, demands, liabilities, losses, charges, damages, costs and expenses which may be brought against, become payable by and/or incurred by HDB arising from or in relation to the damage caused to the flat or the building where the flat is located.
- 9.7 Design, Build and Sell Scheme ("DBSS") flats are HDB flats which were designed, built and sold by private developers under Part IVB of the Housing & Development Act. Any reference to a flat in these Terms and Conditions shall include a DBSS flat. Each DBSS development is characterised by its own distinctive external features. To maintain the aesthetic appearance of each development and to be in line with URA's Gross Floor Area (GFA) Incentive Scheme, specific renovation restrictions apply to DBSS flats. These may include renovation restrictions that apply to the balcony, air-conditioner ledge, planter boxes and service yard.

The buyer must check the HDB InfoWEB ([www.hdb.gov.sg](http://www.hdb.gov.sg)) for all the renovation guidelines and restrictions that apply to DBSS flats, including but not limited to the type of renovations the buyer can or cannot do at/to the balcony, air-conditioner ledge, planter boxes, bay window and service yard, before the buyer exercises the Option to Purchase. Once the buyer has exercised the Option to Purchase, the buyer shall be deemed to have read and understood all the applicable renovation guidelines and restrictions and shall be bound by all the renovation restrictions applicable to the DBSS flat.

HDB reserves the right to amend the applicable renovation restrictions in line with the prevailing policies of HDB and the relevant authorities without prior notice to the buyer.

## **10 MAINTENANCE OF WINDOWS**

Under the Lease, HDB flat owners are responsible for maintaining the fixtures and fittings, including windows of their flats in good working condition. Failure or neglect in doing so could result in serious consequences. As such, flat owners are required to ensure that their sliding windows are fitted with adequate safety features to prevent the window panels from jumping track. Casement windows are also required to comply with the Building Control (Retrofitting of Casement Windows) Order 2004. In the event of any non-compliance, the resale completion will be held in abeyance until the seller/owner rectify the same at his own expense. The seller/owner may be liable to the buyer for late completion interest in the event of a delay in completion.

## **11 RECESS AREA**

- 11.1 If there is a recess area available for sale, the buyer may request HDB to process the application for the purchase of the recess area together with the resale application.
- 11.2 The buyer has to contact the Branch Service Line at 1800-2255432, at least 2 weeks before submitting the resale application for information on the availability of the recess area for purchase. As the resale completion date may be affected/delayed, the seller's consent will need to be obtained before HDB can process the 2 applications concurrently. In the absence of the seller's consent, HDB will process the resale application without the purchase of the recess area.
- 11.3 Notwithstanding the completion of purchase of the recess area concurrently with the resale application or purchase of an HDB resale flat with sold recess area, the buyer shall sell back the whole or part of the recess area at the original price or at any other price to be fixed by HDB in its absolute discretion if it is required for any upgrading works. This includes any Lift Upgrading Programme or any other purpose as determined by HDB in its absolute discretion. The buyer must also agree to HDB's contractors entering into the flat whenever needed to execute all the necessary works, including constructing lift shafts and building construction buffers around the lift shafts which HDB would only dismantle when HDB deems they are no longer necessary.
- 11.4 The buyer and seller will be required to endorse in the HDB Resale Portal (or in any manner that HDB will decide) all the required Letters of Undertakings/Indemnity if the buyer decides, with the seller's consent, to proceed with the purchase of the recess area concurrently with the purchase of the flat or buys a resale flat with sold recess area.

## **12 CONDITION OF FLAT**

- 12.1 The buyer is deemed to purchase the flat with full notice and knowledge of the state and condition of the flat (including maintenance faults such as ceiling leak, cracks, etc.) on a caveat emptor basis. The buyer will not make any requisition or objection relating to the state and condition of the flat. In the case where the seller had previously requested HDB to install roller rain screen at the common corridor fronting the flat, the seller must inform the buyer about the installation and the buyer is required to endorse in the HDB Resale Portal (or in any manner that HDB will decide) a letter of undertaking/letter of non-acceptance to confirm if the buyer would like to retain the installation and maintain it.
- 12.2 In the event of any dispute between the seller and buyer relating to any defects or maintenance faults in the flat, such a dispute has to be settled between the parties themselves and HDB will not, and will not accede to any request to, mediate in the dispute.

## **13 OUTSTANDING DEBTS DUE TO HDB**

- 13.1 If any person listed in the resale application form has any outstanding debts due and owing to HDB, such person shall be required to settle such debts and pay an administrative charge (to be determined at HDB's discretion) before the resale application can be considered.

13.2 HDB has the right to deduct from the sale proceeds all ex-tenancy and other arrears/debts and taxes (including income or property taxes) and administrative charges owing to HDB or other government authorities by the seller in respect of any of HDB's properties even if such arrears/debts/charges do not relate to the flat.

#### **14 ENDORSE RESALE DOCUMENTS AND PAYMENTS**

14.1 The seller and buyer must endorse in the HDB Resale Portal (or in any manner that HDB will decide) all the documents, which include financial calculations, forms and undertakings, and make the necessary payments for the resale according to the timeframe as requested by HDB.

14.2 The seller's spouse who is not an owner of the flat and the buyer's spouse who is listed as an occupier in the resale application must also endorse in the HDB Resale Portal (or in any manner that HDB will decide) the spouse consent/acknowledgement form, to acknowledge the sale or purchase of the flat. If the seller's or buyer's spouse is not in Singapore or is residing overseas, he or she will be required to sign the spouse consent/acknowledgement form in the presence of a Notary Public.

14.3 HDB at its sole and absolute discretion reserves the right to cancel the resale application if the seller or buyer fails to endorse all the documents in the HDB Resale Portal (or in any manner that HDB will decide) or make the necessary payments for the resale within the timeframe as requested by HDB. Such cancellation shall not in any way prejudice the rights of the seller or buyer to take such action (if any) as they may deem fit pursuant to the contract for sale and purchase as evidenced by the Option to Purchase.

14.4 The receipt by HDB of any money from any party shall not be deemed to be an approval for the resale.

#### **15 APPROVAL FOR RESALE**

15.1 HDB may grant approval for the resale after:-

- (a) verifying the information provided by the seller and buyer,
- (b) their endorsement of the required documents,
- (c) the receipt of the necessary payments; and
- (d) the performance of any other requirement by the seller and buyer as may be specified by HDB.

15.2 The seller and buyer must satisfy all the eligibility and other conditions to sell or buy the flat, which includes the Ethnic Integration Policy and the Singapore Permanent Resident Quota policy as at the date of submission of the resale application.

15.3 HDB's approval for resale is granted subject to:-

- (a) (i) HDB's satisfaction that all parties have full power and capacity to enter into and complete the resale transaction and to do all such acts and sign all documents, instruments and letters relating to the resale transaction; or  
(ii) where any party does not have such full power and capacity, HDB's receipt of all documents (as may be required by HDB) appointing an attorney, donee, deputy, representative or personal representative to act on behalf of such party;
- (b) the seller rectifying all unauthorised alterations/additions in the flat;
- (c) the seller paying all outstanding taxes/charges, e.g. Property Tax, Service/Conservancy charges up to the actual date of completion; and
- (d) the seller paying any ex-tenancy, arrears/debts and administrative charges owing by him to HDB with respect to the flat or any of HDB's properties.

15.4 HDB reserves the right to, in its sole and absolute discretion, cancel the resale application (whether approval has been granted or otherwise) without furnishing any reason, written or otherwise, to any party and all parties shall not have any objection to such cancellation. Such cancellation shall not in any way prejudice the rights of the seller or buyer to take such action (if any) as they may deem fit pursuant to the contract for sale and purchase as evidenced by the Option to Purchase.

## **16 COMPLETION OF RESALE**

16.1 On resale completion, the seller must produce evidence that the Service/Conservancy Charges have been paid up to the actual date of completion.

16.2 Where the buyer has obtained an HDB housing loan and a deposit (which shall not exceed \$5,000) has been paid by the buyer directly to the seller, he shall pay the balance purchase price (if any) together with stamp/registration fees (if any) using Cashier's Order or NETS to HDB by the completion date, failing which HDB reserves the right not to allow the completion of the resale.

16.3 The seller shall give vacant possession of the flat to the buyer on completion of the resale and cannot reside in the flat once the keys are handed over to the buyer. The buyer shall not obtain possession of the flat prior to the completion.

16.4 If, on or before the completion of the resale, HDB is of the opinion that any party (or his attorney, donee, deputy, representative, or personal representative) does not have full power and capacity to enter into and/or complete the resale transaction and to do all such acts and sign all documents, instruments and letters relating to the resale transaction, HDB reserves the right to, in its sole and absolute discretion, postpone the completion of the resale or cancel the resale application.

16.5 The postponement of the completion of the resale or cancellation of the resale application under clause 16.4 shall not in any way prejudice the rights of the parties to take such action (if any) as they may deem fit pursuant to the contract for sale and purchase as evidenced by the Option to Purchase, including but not limited to any late completion interest. HDB shall not be responsible or liable to any party for any action, proceeding, claim, demand, liability, loss, charge, damage, cost and/or expense which may be brought against, become payable by and/or incurred by any party arising from or in relation to the cancellation or postponement (as the case may be).

## **17 CANCELLATION OF RESALE APPLICATION BY SELLER/BUYER**

### Before Acceptance of Resale Application by HDB

17.1 The resale application may be withdrawn by the seller or buyer at any time before the acceptance of the resale application by HDB upon notice in writing by either party to HDB.

17.2 Upon such withdrawal, the administrative and valuation fees paid will not be refunded.

### After HDB's Acceptance of Resale Application

17.3 HDB will only cancel the resale application upon receiving written confirmation from both the seller and buyer to that effect.

17.4 Upon such cancellation, both the seller and buyer will be liable to pay the stamp, conveyancing and any other fees as required by HDB or other relevant authorities.

17.5 Notwithstanding the above, HDB reserves the right (to be determined in its sole discretion) to cancel the resale application for any reason whatsoever, even when either the seller or the buyer has indicated to HDB that they do not wish the resale application to be cancelled.

17.6 For the purposes of clause 17, the withdrawal or cancelling of the resale application does not in any way prejudice the rights of the seller or buyer to take such action (if any) as they may deem fit pursuant to the contract for sale and purchase as evidenced by the Option to Purchase.



## **18 FALSE DECLARATION**

- 18.1 In the event that the seller or buyer is found to have made any misrepresentation or false statement relating to the resale application, HDB may cancel the resale application and take such necessary legal action against the seller or buyer as HDB deems appropriate at its sole discretion.
- 18.2 In addition to other remedies, the Housing & Development Act provides that any person who makes a false statement is liable on conviction to a fine not exceeding \$5,000/- or to imprisonment for a term not exceeding 6 months, or to both.
- 18.3 HDB also reserves the right to debar any person who makes a false statement from buying a flat<sup>^</sup>, taking over ownership of a flat<sup>^</sup> by way of transfer, being included as an essential occupier of a flat<sup>^</sup> or taking up an HDB housing loan for a period of 5 years from the date of cancellation of the resale application or the date of approval to compulsorily acquire the flat. Any existing application registered in the HDB's rental waiting list will also be cancelled.

(<sup>^</sup>includes a unit to be bought under the Design, Build and Sell Scheme or the Executive Condominium Housing Scheme)

## **19 BREACH OF CONDITIONS**

HDB has the right to withhold and/or revoke its approval for the resale if the seller or buyer infringes any of these Terms and Conditions, HDB's prevailing policies, the Option to Purchase, Agreement for Lease, Lease and/or Mortgage or any provisions under the Housing & Development Act and rules and regulations made thereunder.

## **20 CORRESPONDENCE ADDRESS / OTHER INFORMATION**

- 20.1 The buyer and seller must indicate their correspondence addresses and other contact information in the resale application form and also inform the HDB Resale Office if there are any subsequent changes.
- 20.2 In processing the resale application, HDB has the right to rely on its own records and/or the records of other relevant authorities at any time.

## ***APPLICABLE TO THE BUYER***

### **21 ELIGIBILITY TO PURCHASE**

- 21.1 HDB has the sole discretion to determine the eligibility conditions in accordance with the prevailing policies, rules and regulations.
- 21.2 The buyer is eligible to purchase only one flat which has to be owner-occupied by the buyer and his immediate family who are authorised by HDB to stay in the flat.
- 21.3 The buyer and all occupiers must be eligible to purchase the flat under an eligibility scheme, comply with the terms and conditions of the scheme, and endorse the forms and undertakings in the HDB Resale Portal (or any mode that HDB may introduce from time to time) required under the scheme.
- 21.4 The buyer must be a Singapore Citizen or Singapore Permanent Resident who is at least 21 years old at the time of submitting the resale application. The resale application must include at least one listed occupier who is a Singapore Citizen or Singapore Permanent Resident. The buyer and the proposed occupiers must form a family nucleus comprising:
- (a) buyer, spouse and children (if any);
  - (b) buyer (single), parents and siblings; or
  - (c) buyer (widowed or divorced) and children under his custody, care and control.

- 21.5 The buyer who is unmarried and buying the flat to stay alone must be a Singapore Citizen of at least 35 years old (or 21 years old if he is orphaned or widowed) at the time of submitting the resale application. He may buy the flat with another unmarried Singapore Citizen who meets the age requirement at the time of submitting the resale application.
- 21.6 The buyer who is a Singapore Permanent Resident must have obtained his Singapore Permanent Resident status for at least 3 years at the time of submitting the resale application. Where an occupier who is a Singapore Permanent Resident is essential to form the family nucleus, the essential occupier must have obtained his Singapore Permanent Resident status for at least 3 years at the time of submitting the resale application.
- 21.7 Where the buyer is applying with his fiancée to form a family nucleus, they must register their marriage with the Registry of Civil or Muslim Marriages and submit their marriage certificate to HDB within 3 months from the date of taking possession of the resale flat.
- 21.8 The buyer must inform HDB of any changes to his household composition in the resale application, including changes in marital status, before the resale completion.
- 21.9 For the Ethnic Integration Policy, the ethnic classification of the buyer's household at the point of flat purchase will remain unchanged when he sells the flat.

## 22 DEBARMENT

A person whose name is in a debarment list for infringement of any HDB/Government rules, regulations or policies will not be eligible to apply for an HDB flat or be included as a permitted occupier in an application for a flat.

## 23 MANNER OF HOLDING

Where there are two or more buyers, the buyers must indicate in the resale application form whether they wish to hold the flat as Joint-Tenants or Tenants-in-Common.

## 24 HOUSING LOAN FROM HDB

- 24.1 HDB will only grant a housing loan to the buyer who can meet the eligibility criteria. The buyer must comply with HDB's prevailing policies, rules, regulations, terms and conditions relating to the application and approval of the HDB housing loan.
- 24.2 The buyer who is eligible for and is intending to obtain a housing loan from HDB must have a valid HDB Loan Eligibility (HLE) letter when he is granted an Option to Purchase by the seller. The HLE letter is valid for 6 months from the date of issue and must remain valid when the buyer submits the resale application.
- 24.3 **Use of proceeds from sale/disposal<sup>^</sup> of last owned/current HDB flats for purchase of next HDB flat**

In Clause 24.3, the disposal of an HDB flat includes disposal by way of transfer, surrender or compulsory acquisition.

HDB will reduce the amount of the second concessionary loan by the full CPF proceeds and part of the cash proceeds from the sale/disposal of the existing or immediate past HDB flats.

### **(a) For buyers and essential occupiers who have taken one HDB Loan at Concessionary Interest Rate and are buying the next HDB flat after selling/disposing the existing one -**

The second HDB concessionary interest rate loan is granted subject to the following conditions:

- (i) up to 50% of the cash proceeds from the sale/disposal of the buyer's and/or his spouse's/fiancé's/fiancée's last owned flat will be taken into account in determining the loan to be granted; and

(ii) full utilisation of CPF will be required at the point of loan disbursement.

**(b) For buyers and essential occupiers who have taken one HDB Loan at Concessionary Interest Rate and are buying the next flat before selling/disposing the existing one -**

If the buyer and/or his spouse's/fiancé's/fiancée's still own the existing flat(s), a commercial interest rate\* loan will be granted subject to the following conditions:

- (i) HDB will require all the owners to sell/dispose of the existing flat(s) as well as to sign an agreement to use the CPF monies refunded and part of the cash proceeds from the sale/disposal of all existing flats to partially/fully redeem the commercial interest rate\* loan granted to the buyer for the next flat. Upon repayment, the commercial interest rate\* loan will be converted to a concessionary interest rate loan (if eligible).
- (ii) HDB will lodge caveats against all the existing flats to be sold/disposed of to protect HDB's interest in the sale proceeds. The caveats will be withdrawn only when the requisite CPF refund and cash proceeds have been repaid to HDB. The buyer will bear the fees for lodgement and withdrawal of the caveats.
- (iii) If the existing flats are not sold/disposed of within the requisite timeframes and/or the requisite CPF refunds/cash proceeds are not made, this will constitute a default under the mortgage and HDB will immediately recall the housing loan granted and all the principal and interest will become immediately payable to HDB. In the event of non-payment, HDB may also compulsorily acquire the next flat under the provisions of the Housing & Development Act.

\*The commercial interest rates are pegged to the 3-month average non-promotional interest rate for HDB flats offered by the 3 local banks.

**(c) Computation of Cash Proceeds**

Depending on the manner of holding of the current/last owned flat, HDB reserves the right to determine the cash proceeds required to be used for the next HDB flat purchase at its sole discretion.

24.4 The buyer who takes a loan from HDB has to first use all his CPF savings in his Ordinary Account for the purchase of the flat up to the prevailing limits depending on the remaining lease of the flat. Once the buyer has endorsed the financial plan, no change of the plan will be allowed.

24.5 Where the buyer obtains a housing loan from HDB, he must insure the flat against the risk of fire with HDB's appointed insurer for a sum not less than the amount determined by HDB. HDB has the right to recall the housing loan if the buyer does not have a valid fire insurance on the flat for the duration of the housing loan.

**25 USE OF CPF SAVINGS**

The occupiers listed in the resale application are not allowed to use their CPF savings for the purchase of the flat. The use of CPF savings for the purchase of an HDB flat is subject to the CPF Board's prevailing policies, rules, regulations, usage limits, terms and conditions.

**26 HOUSING LOAN FROM BANK/FINANCIAL INSTITUTION**

26.1 The buyer may obtain a loan from any bank or financial institution duly licensed by the Monetary Authority of Singapore (MAS) to provide housing loans. The mortgage financing guidelines for housing loans obtained from banks/financial institutions are subject to prevailing MAS guidelines/policies/rules/directives on housing loans.

26.2 The buyer has to comply with the prevailing MAS loan guidelines/policies/rules/directives in respect of all aspects of the bank loan taken to finance the flat including (but not limited to) their guidelines on loan tenure, Loan-to-Value (LTV) limit, minimum cash payment and all other terms related to the bank loan. The buyer will also, where relevant, be required to comply with the prevailing loan guidelines/policies/rules/directives of other relevant authorities (including but not limited to HDB).

- 26.3 The buyer must check the prevailing MAS loan guidelines/policies/rules/directives before applying for a loan from any bank or financial institution licensed by MAS to provide housing loans. The buyer may refer to the HDB InfoWEB ([www.hdb.gov.sg](http://www.hdb.gov.sg)), the MAS website ([www.mas.gov.sg](http://www.mas.gov.sg)) or the banks/financial institutions for such information.
- 26.4 The buyer must have a valid Letter of Offer from a bank/financial institution when he exercises the Option to Purchase. He must have accepted the housing loan offered by the bank/financial institution when submitting his resale application.
- 26.5 If the buyer is engaging a private solicitor to act for him in the resale transaction, the buyer has to inform HDB of the name/address of his solicitor.
- 26.6 The buyer who obtains a housing loan from a bank or financial institution is not allowed to switch to an HDB housing loan even if he is eligible for an HDB housing loan.

## **27 PURCHASE OF FLAT WITHOUT HOUSING LOAN**

The buyer who is not taking any housing loans is not required to obtain an HDB Loan Eligibility letter from HDB or a Letter of Offer from a bank/financial institution, but will have to indicate that he is financing the flat purchase fully with his CPF savings and/or cash when he submits the resale application to HDB.

## **28 ADDITIONAL BUYER'S STAMP DUTY**

The buyer has to pay the prevailing stamp duties relating to the purchase of the flat (including but not limited to Additional Buyer's Stamp Duty) as may be imposed by the Government from time to time. Where the buyer needs to pay part of such stamp duties in cash, the buyer shall pay to HDB using Cashier's Order or NETS within the timeframe as requested by HDB after the acceptance of the resale application, failing which HDB reserves the right not to approve the resale.

## **29 AFTER COMPLETION**

- 29.1 The buyer shall pay all rates, taxes and charges imposed on the flat after the actual date of completion of the resale.
- 29.2 The buyer shall not transfer, assign, mortgage, charge, rent out or part with the possession of the flat or any part of the flat without the prior written consent of HDB.
- 29.3 The buyer shall keep in good and tenable repair and condition the interior of the flat including all fixtures and fittings.
- 29.4 The buyer shall notify HDB and obtain its prior written consent from the respective HDB Branch before making any alterations or additions to the flat.
- 29.5 The buyer must observe and comply with all lease administration conditions, which include the following:
- (a) If the buyer, his spouse or other essential family members own any other HDB flat or private residential property in Singapore or overseas, the other flat/property has to be disposed of within 6 months from the actual date of completion of purchase of the flat.
  - (b) Subject to the prior written approval of HDB, the buyer, his spouse and other essential family members must physically and continuously occupy the flat for a 5-year minimum occupation period before he can apply to sell it in the open market or to rent out the whole flat. Singapore Permanent Resident households are not allowed to rent out the whole flat even after the 5-year minimum occupation period has been met.
  - (c) The buyer, his spouse and other essential family members cannot invest in private residential property, in Singapore or overseas, during the 5-year minimum occupation period of the flat.

- (d) Singapore Permanent Resident households must dispose of their HDB flats within six months of purchasing a private residential property in Singapore.
- (e) A Singapore Permanent Resident must have obtained his Singapore Permanent Resident status for at least 3 years before he can apply to be an owner or an essential family member of a flat.
- (f) At all times, the buyer, his spouse and other essential family members of a Singapore Permanent Resident household must physically and continuously occupy the flat. They cannot be deleted as the owners/occupiers of the flat during the 5-year minimum occupation period.
- (g) If the buyer rents out the whole flat, the rental period will not be included in computing the 5-year minimum occupation period. HDB shall have the sole discretion to determine the computation of the minimum occupation period.
- (h) The buyer must inform HDB of any changes to his household composition in the flat, including changes in marital status.
- (i) The buyer, his spouse and other essential family members have to comply with such other conditions as determined by HDB from time to time.

## **APPLICABLE TO THE SELLER**

### **30 ELIGIBILITY TO SELL**

30.1 A seller can only grant an Option to Purchase after he has satisfied the Minimum Occupation Period. An Option to Purchase granted before the seller has met the Minimum Occupation Period is null and void.

30.2 HDB has the sole discretion to determine if the seller has satisfied the Minimum Occupation Period in accordance with the prevailing policies, rules and regulations. Without prejudice to the generality of the aforementioned, the current Minimum Occupation Period is as follows:

- 1-Room Flat  
No occupation period for owners of 1-room flat.
- Subsidised Flat and Flat bought under CPF Housing Grant Scheme.  
5 years from the date of completion of the purchase of the flat.
- Flat bought under Selective En-bloc Redevelopment Scheme (SERS)
  - (a) **For SERS replacement flat purchased with portable SERS rehousing benefits:**
    - 5 years from the effective date of purchase of the replacement flat.
  - (b) **For SERS replacement flat not purchased with portable SERS rehousing benefits:**
    - 7 years from the date of selection of the replacement flat, provided they had taken possession of the replacement flat; or
    - 5 years from the effective date of purchase of the replacement flat.

The computation of the Minimum Occupation Period excludes the period (if any) of non-occupation of the replacement flat, such as renting out of the whole flat or any infringement of the flat lease.

- Resale Flat bought in the open market (without CPF Housing Grant)

5 years from the date of completion of purchase of the flat (for flats with application to purchase received by HDB on or after 30 August 2010).

- 30.3 If the seller has rented out his whole flat, the rental period of the flat will **NOT** be included in computing the Minimum Occupation Period of the flat.
- 30.4 If the flat is the seller's second subsidised flat, he may sell the flat to a buyer of his choice upon satisfying the Minimum Occupation Period of his flat. However, he shall be debarred permanently from purchasing any subsidised HDB flat.

### **31 RESALE LEVY**

- 31.1 If the flat is the seller's first subsidised flat or a flat bought under the CPF Housing Grant Scheme, he is eligible to sell his flat to a buyer of his choice subject to HDB's approval. He will have to pay a resale levy if he buys or takes over the ownership of another subsidised flat or an Executive Condominium sold by a Developer, or an Executive Condominium with outstanding 5-year minimum occupation period. He need not pay the resale levy if the Executive Condominium project was from a land sale launched before 9 December 2013.
- 31.2 The payment of the resale levy is based on the prevailing rules, policies and procedures as determined by HDB from time to time.

### **32 REFUND OF CPF SAVINGS**

- 32.1 Where the seller has used his CPF savings to purchase his flat, such CPF savings together with interest calculated to the actual date of completion will have to be refunded to his CPF account. The refund of CPF savings is subject to the CPF Board's prevailing policies, rules, regulations, terms and conditions.
- 32.2 If the net proceeds of sale are not enough to effect full CPF refund, the seller shall, as may be directed by HDB, pay the cash deposit received from the buyer (or any part thereof) to HDB as part of the refund to his CPF account. HDB shall not be responsible or liable to any party for any action, proceeding, claim, demand, liability, loss, charge, damage, cost and/or expense which may be brought against, become payable by and/or incurred by any party arising from or in relation to the parties' failure to complete the resale transaction due to the seller's failure to comply with HDB's directions to pay the deposit (or any part thereof) to HDB.

### **33 SELLER'S STAMP DUTY**

The seller has to pay the prevailing stamp duties relating to the sale of the flat (including but not limited to Seller's Stamp Duty) as may be imposed by the Government from time to time. Where the seller needs to pay part of such stamp duties in cash, the seller shall pay to HDB using Cashier's Order or NETS within the timeframe as requested by HDB after the acceptance of the resale application, failing which HDB reserves the right not to approve the resale.

#### **NOTE:**

- 1 The Terms and Conditions of Sale and Purchase of an HDB Resale Flat contained in this form are valid at the time of update and are subject to HDB's prevailing policies, rules and regulations. HDB has the right to vary the terms and conditions of sale and purchase at any time.**
- 2 Words expressing the singular include the plural and vice versa.**
- 3 Words referring to the male gender include the female gender.**
- 4 HDB has the right to withhold, revoke, reject or cancel any resale application and/or HDB's approval, or delete any person's name from the resale application without assigning any reason whatsoever. If HDB deems that the seller or buyer is not eligible to sell or buy the flat or becomes ineligible to retain his application to sell or buy the flat under HDB's prevailing policies, the resale application shall be rejected or cancelled.**
- 5 All decisions by HDB shall be final and conclusive.**

**CAUTION:**

It is an offence for any person to give HDB false information relating to the buying or selling of an HDB flat. Any person who gives false information shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 6 months or to both.

HDB also reserves the right to debar any person who makes a false statement from buying a flat<sup>^</sup>, taking over ownership of a flat<sup>^</sup> by way of transfer, being included as an essential occupier of a flat<sup>^</sup> or taking up an HDB housing loan for a period of 5 years from the date of cancellation of the resale application or the date of approval to compulsorily acquire the flat. Any existing application registered in the HDB's rental waiting list will also be cancelled.

(<sup>^</sup>includes a unit to be bought under the Design, Build and Sell Scheme or the Executive Condominium Housing Scheme)

**HDB'S PRIVACY POLICY**

HDB collects personal data from you to administer HDB's public housing programmes and services. We may share necessary data with other Government agencies, unless such sharing is prohibited by legislation. This is to enable us to serve you in the most convenient, efficient and effective way. We will NOT share your personal data with non-Government entities, except where such entities have been authorised to carry out specific Government services.

If you would like to find out more about HDB's Data Protection and Privacy Policy, you can visit our website [www.hdb.gov.sg](http://www.hdb.gov.sg) for more details.