

## APPLICATION FOR RESALE/TRANSFER OF HDB COMMERCIAL PROPERTIES

### TERMS AND CONDITIONS

1. The buyers/ transferees (“transferees”) must be at least 21 years of age as at the date of application.
2. If any of the existing owners/sellers (“transferors”) or transferees is an undischarged bankrupt, he shall obtain the consent of the Official Assignee (OA) to the resale/purchase before submitting the application to HDB.
3. Both the transferors and transferees must not have any outstanding judgments or court cases against them.
4. Upon application of the resale/transfer, the transferors must pay a non-refundable administrative fee for the respective online application and goods and service tax (“GST”) thereon to HDB. The administrative fee for the application is non-refundable.
5. If the transferees are individual persons, the Identity Cards or Passports of all the transferees must be produced for verification whenever required.
6. Online application must be submitted by the transferors’ or the transferees’ solicitor with the authorization of the transferors and the transferees who shall ensure that all particulars given are true and correct and that the transferors and transferees jointly and severally agree to these Terms and Conditions for Resale/ Transfer of an HDB shop.
7. A person\* will not be allowed to concurrently own :
  - (a) an HDB flat (subsidised\*\* or non-subsidised) within Minimum Occupation Period (“MOP”) plus any HDB shop with Living Quarters (“LQ”).
  - (b) a subsidised HDB flat within MOP plus more than one HDB shop (without LQ).

\* Person also refers to a company owned by individual(s) who is/are listed as an applicant(s)/owner(s) or occupier(s) in a subsidised or non-subsidised HDB flat (which has not met the MOP).

\*\* Subsidised flat, generally refers to the purchase of a flat from HDB, a resale flat with the CPF Housing Grant or an Executive Condominium (EC) unit from property developers (with or without the CPF Housing Grant).
8. For transferors and/or transferees who is/are a company/companies:
  - (a) online application must be submitted by the transferors’ or the transferees’ solicitor on the authority of the transferors’ and the transferees’ Company’s Resolution/ Director’s Resolution.
  - (b) an up-to-date printout from Accounting and Corporate Regulatory Authority (ACRA), of all the existing shareholders must be submitted.
  - (c) copy of the Memorandum & Articles of Association for the transferee.
9. For transfer of existing approved Outdoor Refreshment Area (“ORA”) for Eating Establishment ;
  - (a) the transfer of the ORA would be processed separately from the application and a non-refundable administrative fee of \$200/- and GST thereon is payable. HDB will revert with the approval/ non-approval for the transfer of the ORA within 2 weeks from the date of the application for the transfer of the ORA.
  - (b) if the HDB does not approve of the transferees retaining the existing ORA or if the transferees do not want to retain the existing ORA, the transferors must reinstate it to the original condition prior to the completion of the resale/transfer, and comply with all the terms and conditions stated in the Licence Agreement.
10. For sale of premises by mortgagee bank in possession i.e Mortgagee Sale :
  - (a) a Power of Attorney or Company’s Resolution authorizing the bank’s representatives/ bank’s solicitor for online application to execute/ submit the application form and all other documents relating to the resale/transfer on behalf of the bank; and
  - (b) a letter of undertaking in the format given in [Appendix 1](#), must be submitted at least 2 weeks before the completion.

11. The transferors and transferees shall be jointly and severally responsible for making good any defects found in the premises. Should a dispute arise, HDB shall not be made a party thereto.
12. The transferees are to ensure that any alteration and additional work done by the transferors to the premises is approved before the completion of the resale/transfer.
13. HDB no longer approves addition and alteration works on behalf of the Building & Construction Authority (BCA) and Fire Safety & Shelter Dept (FSSD). For the renovation of their premises, owners are required to engage a Qualified Person (QP) to submit the application to FSSD and BCA where applicable, except for Exemption items and Lodgeable items which require clearance or approval from HDB via CORENET-ESS. Application is not required for renovation items that fall under the Exempted items.

For upgrading of existing electrical load to a higher load, an application via CORENET-ESS by a Licenced Electrical Worker (LEW) is required and a fee shall be payable.

The transferees are advised to obtain from the transferors all records of renovation approval/approved plans issued by all approving authorities e.g. HDB, BCA and FSSD.

14. The premises shall be inspected before completion by HDB at HDB's sole option at the cost and expense of the transferors. If the transferors and the transferees opt for a waiver of inspection of the premises (if allowed by HDB), they shall sign a declaration and undertaking in favor of HDB. Notwithstanding any inspection or waiver of inspection of the premises by HDB, the transferors and the transferees shall be jointly and severally responsible for any breach of the Agreement for Lease, Lease, Memorandum of Lease and/or any statutory requirements and/or for any defects and/or unauthorized alteration and addition works subsequently found on the premises, whether before, upon or after completion and shall jointly and severally indemnify HDB against all claims, losses, damages and expenses relating to any breach of the Agreement for Lease, Lease, Memorandum of Lease and/or any statutory requirements, defects and/or unauthorized alteration and addition works, without prejudice to any other rights of HDB. Without prejudice to the foregoing, any inspection by HDB shall be only for authorized alteration and addition works carried out before 1 Oct 2005 and only where the records are with HDB and that the transferors and the transferees shall engage their own Qualified Person (QP) of accredited checker to verify/ ensure that any alteration and addition works carried out/ to be carried out in the premises meet all statutory requirements.
15. Unless the proposed trade is already operating in the premises, the proposed trade must commence within two (2) months from the date of the resale/transfer completion. If the proposed trade cannot be confirmed or is subject to tenancy, an undertaking signed by all the transferees is to be submitted. The undertaking should state that the transferees would operate a service/retail trade approved by HDB within 2 months after completion of the resale/ transfer.
16. The living quarters is designed for residential use. If the living quarters is to be used for commercial use, the transferees are required to obtain HDB's prior approval on the change of use and also comply with the statutory requirements of all relevant authorities including strengthening the floor plate if necessary. The approval for the living quarters change of use is granted on temporary basis.
17. For any change of use to the shop, transferees may be required to apply to the Urban Redevelopment Authority (URA) where applicable. The URA may require HDB's approval/endorsement on the application form. HDB may grant consent for such change of use subject to the payment of a fee to HDB and payment of a differential premium or other charges as may be imposed on the HDB by the Land Office or other relevant authorities in connection with such change of use.
18. If the proposed electrical load is higher than the existing electrical load, the transferees are to apply to HDB for approval on the use of the higher electrical load. HDB may grant its consent subject to:
  - i) there is spare load available in the block;
  - ii) the transferees paying any the fee/charge imposed by HDB; and
  - iii) any further terms which HDB deems fit to impose.

If HDB is not able to grant its consent for the application of use of higher load, the transferees must still limit the use of electrical load to the existing approved load rather than that stated in the application. In this instance, the transferees may need to change the proposed trade to another retail trade approved by HDB.

19. Transferors and transferees are required to obtain at their own cost and expense the prior approvals and consent from all the relevant authorities relating to the resale/transfer. HDB's approval for the resale/ transfer does not constitute HDB's and URA's approval for the proposed trade or the obtaining or waiver of any other necessary approvals from other relevant authorities.
20. Where the block is included for upgrading and if at an earlier polling more than 75% (or such other percentage as determined by HDB in its absolute discretion) of eligible owners have indicated that they would like to have the upgrading, upon resale/transfer of the shop (i.e. after execution of the Agreement for Lease/Deed of Assignment or Transfer Document), as the owner of the shop, the transferees will have to bear the costs of upgrading (if any).
21. HDB is not bound by the date of completion fixed by transferors, the transferees or their respective solicitors for the resale/transfer.
22. The transferors' solicitors are to ensure the deliverance of good title from their clients and the transferees' solicitors are to ensure the receipt of good title by their clients.
23. HDB has no objection to the transferee(s)' request to mortgage the premises to a financial institution or to create a charge in favour of CPF Board. HDB's endorsement of its consent on the mortgage/ charge documents are not required. We wish to highlight that for premises that was sold at 30-year lease, the transferee(s) is/ are not allowed to use the CPF monies. However, you may wish to note that this Non-Residential Properties Scheme (NRPS) would be phased out from 1 Jul 2006. No new applications will be accepted from 1 Jul 2006.
24. Without prejudice to any other rights of HDB, HDB's approval to the resale/transfer is granted subject to:
  - (a) rectification of all unauthorised alterations/additions found in the premises.
  - (b) the transferors paying all outstanding taxes and charges (eg. property tax, service & conservancy charges) up to the effective date of resale/ transfer.
  - (c) the transferors paying any ex-tenancy or other arrears/debts owing by him/her to the HDB in respect of the premises or any of HDB's properties.
  - (d) HDB reserving the right to reject/cancel any application without assigning any reason whatsoever. HDB may also impose any additional terms and conditions without prior notice, including all the terms and conditions stated in the Licence Agreement for the use of the ORA.
25. The transferees' solicitor shall furnish a copy of the duly stamped/ registered Deed of Assignment/ Transfer within 1 month from the date of completion. HDB is not liable for any late interest, penalty fee etc chargeable to the transferors and transferees by relevant authorities arising from the delay in the updating of the ownership for the premises.
26. Under clause 1(f) of the Special Covenants and Conditions stated in the Memorandum of Lease, owners are required to take up a fire insurance policy in the joint names of the owner and HDB. We wish to highlight that in the event of fire, the owners are required to bear the full reinstatement costs for the premises if they do not take up the fire insurance policy to insure the premises in breach of this condition, without prejudice to any other rights of HDB.