

## ADMINISTRATIVE DETAILS FOR FEB 2016 BUILD-TO-ORDER (BTO) EXERCISE

### Submission of Application

Eligible applicants who are interested in buying a new flat under the BTO exercise may submit an application online via HDB's InfoWEB at [www.hdb.gov.sg](http://www.hdb.gov.sg), from **24 Feb 2016 (Wednesday) to 1 Mar 2016 (Tuesday)**. A \$10 administrative fee is payable by credit card (MasterCard / Visa only). For parents and married child applying under the Multi-Generation Priority Scheme (MGPS), the administrative fee payable for the combined application is \$20.

2 Applicants without Internet access can visit HDB Hub or any of HDB's Branches to submit their application via the e-Stations or Internet PCs. Applicants who do not own a credit card may come down to the HDB Hub at Toa Payoh to submit an application and pay the administrative fee using their EZ-Link/NETS FlashPay card. **Each household can only submit one application** and must indicate the **town/estate** and **flat type** that they are applying for. HDB will shortlist applicants using a computer ballot and not on a first-come-first-served basis.

3 Applicants who are interested in the Three-Generation (3Gen) flats in Alkaff Oasis will be grouped together with applicants for 5-room flats.

### Allocation of 2-room Flexi Flats

4 For the 2-room Flexi flats, at least 40% (subject to a minimum of 100 units) of the flat supply in each BTO project will be made available to the elderly. Under the new Senior Priority Scheme, half of this quota will be set aside for the elderly who apply for a unit near their current flat or near their married child.

5 The other 60%, as well as units not taken up by the elderly, will be offered to non-elderly applicants. For BTO projects in non-mature estates, half of this will be for non-elderly singles. The remaining half is for families, with at least 20% set aside for First-Timer (FT) families and up to 30% for Second-Timer (ST) families. Any flats not taken up by families will be offered to singles. For BTO projects in mature estates, at least 95% of the public flat supply will be set aside for FT families and the balance for ST families. Eligible families applying for 99-year 2-room Flexi flats can also apply for the priority schemes- Parenthood Priority Scheme (PPS), Married Child Priority Scheme (MCPS) and Assistance Scheme for Second-Timers (Divorced/ Widowed Parents) (ASSIST), where applicable.

6 Eligible singles can only apply for the 2-room BTO Flexi flats on 99-year lease in Bukit Batok and Sengkang.

## Allocation of 3-room and Bigger Flats

7 Under the BTO exercise, at least 70% (for 3-room) and 85% (for 4-room and 5-room) of the public flat supply in the non-mature towns, i.e. Bukit Batok and Sengkang, will be set aside for FT families. For flats in mature towns/ estates, i.e. Bidadari (Toa Payoh), at least 95% of the public flat supply will be set aside for FT families.

8 Under the PPS, 30% of the BTO public flat supply will be set aside for FTs who are married couples with a citizen child aged below 16 years old (including married couples who are FTs and expecting a citizen child).

9 Up to 30% of the public flat supply of 3-room BTO flats in the non-mature towns, i.e. Bukit Batok and Sengkang, will be set aside for STs. Out of the 30% quota, 5% will be set aside for STs who are divorced or widowed with children below 16 under the ASSIST.

10 A couple comprising an FT and an ST (an FT/ST couple) will enjoy the same priority in flat allocation as families comprising two FTs. Nevertheless, the ST party is still liable to pay his/her share of the resale levy for buying his/her second subsidised flat.

## Income Ceiling and Purchase Price

11 The monthly household income ceilings for the various flat types under the Feb 2016 BTO Exercise are listed in Table C(1). Applicants must also satisfy the other eligibility conditions such as citizenship, family nucleus and non-ownership of private property. The eligibility conditions for the purchase of a 2-room Flexi and other flat types can be found in HDB's InfoWEB at [www.hdb.gov.sg](http://www.hdb.gov.sg).

**Table C1: Income Ceilings for Feb 2016 BTO Exercise**

Projects	Monthly Household Income Ceiling					
	2-room Flexi		3-room	4-room	5-room	3Gen
	Short Lease	99-Year Lease				
Alkaff Oasis	\$12,000	\$6,000	\$12,000	\$12,000	\$12,000	\$18,000
West Plains @ Bukit Batok	\$12,000	\$6,000	\$6,000	\$12,000	\$12,000	
Anchorvale Plains	\$12,000	\$6,000	\$6,000	\$12,000	\$12,000	

12 An FT Singapore Citizen and Singapore Permanent Resident (SC/SPR) household [defined as one where there is only one SC applicant and the other family member(s) is/are SPR] who book a flat will need to pay a \$10,000 premium in addition to the flat price. Such households will subsequently receive a \$10,000 Citizen Top-Up Grant upon the SPR spouse obtaining Singapore citizenship or if the couple has a citizen child.

13 Singles who apply for the 2-room Flexi BTO flats under the Joint Singles (JS) Scheme will pay the same price as married couples. However, singles who apply under

the Single Singapore Citizen (SSC) Scheme will pay \$15,000 more than married couples. Singles who later marry to a citizen spouse will receive the CPF Housing Top-Up Grant of \$15,000.

### **Additional CPF Housing Grant (AHG) and Special CPF Housing Grant (SHG)**

14 FT families with an average gross monthly household income of not more than \$5,000 can enjoy an AHG of up to \$40,000. On top of this, FT families with an average gross monthly household income of not more than \$8,500 can enjoy a SHG of up to \$40,000 if they buy a 4-room or smaller new flat in the non-mature towns directly from HDB. This will also apply to FT singles buying 2-room Flexi BTO flats in the non-mature towns directly from HDB under the JS Scheme. FT singles buying 2-room Flexi BTO flats in the non-mature towns directly from the HDB under the SSC Scheme can enjoy AHG of up to \$20,000 (if their average gross monthly household income is not more than \$2,500) and SHG of up to \$20,000 (if their average gross monthly household income is not more than \$4,250).

15 FT/ST couples, or an FT Singapore Citizen and a non-Singapore citizen spouse couple under the Non-Citizen Spouse Scheme, may qualify for AHG of up to \$20,000 (if half of their average gross monthly household income does not exceed \$2,500) and SHG of up to \$20,000 (if half of their average gross monthly household income does not exceed \$4,250).

16 At least one of the AHG/SHG applicants (or their spouses) must be in continuous employment for at least one year before the flat application, and remain employed at the time of the flat application. This ensures that applicants are employable and have the means to service their housing loan, since a home purchase is a long-term financial commitment.

### **Step-Up CPF Housing Grant**

17 To help citizen families in subsidised 2-room flats in the non-mature towns upgrade to new 3-room flats in non-mature towns (after they have served the Minimum Occupation Period), a Step-Up CPF Housing Grant of \$15,000 is made available to such families.

18 Similar to the AHG and SHG, at least one of the Step-Up CPF Housing Grant applicants must be in continuous employment for one year prior to the flat application, and remain employed at the time of the flat application.

### **Priority Schemes**

19 Applicants who meet the eligibility conditions may apply under the Third Child Priority (TCP) Scheme or Tenants' Priority Scheme (TPS – applicable only for 2-room or 3-room applicants). Applications under the Resettlement/Relocation (RH/REN) and the Grassroots Organisation (GRO) Schemes or Singapore Land Authority's (SLA) acquisition exercise will require recommendations from the appropriate authorities. Applicants under the Selective En bloc Redevelopment Scheme (SERS) may also enjoy

priority under the 10% quota for TPS/RH/REN/SERS/SLA Priority Scheme within a grace period.

20 Under the MCPS, up to 30% of the flat supply for first-timer families, and up to 15% of the flat supply for second-timer families, will be set aside if they are applying to live with or near their parents/married child. In addition, first priority will be given to those who are applying to live together with their parents/married child under one roof. First priority will also be extended to parents who own a flat in a mature town/estate and apply for a BTO flat in a non-mature town to live near their married child.

21 The MGPS for parents and their married child to jointly apply for flats in the same BTO project will be available to those applying for flats in Bidadari (Alkaff Oasis), Bukit Batok (West Plains @ Bukit Batok) or Sengkang (Anchorvale Plains). Under the MGPS, parents and their married child can apply jointly to buy two units in the same BTO project – a 2-room Flexi or 3-room flat (for the parents) and another 2-room Flexi, 3-room or bigger flat (for the married child) in this Feb 2016 BTO exercise.

22 New flats are catered primarily for families. Nonetheless, eligible singles can apply for a new 2-room Flexi flat in the non-mature towns from the HDB.

### **Refined Application Process**

23 Under the Refined Application Process, additional ballot chances will be accorded to FT applicants who have been unsuccessful for 2 or more BTO applications in the non-mature towns, when they apply for another BTO flat in the non-mature towns.

24 FT families who do not book a flat when invited twice to do so will have their subsequent flat applications moved to the ST category for a one-year period. FT families who have their FT priorities suspended but continue not to book a flat when invited twice will have these priorities suspended for another year. Also, all other applicants who do not book a flat when invited twice to do so will not be able to participate in subsequent public sales exercises for a one-year period.

### **Selection of Flats**

25 Applicants' queue positions are determined by computer balloting. HDB will shortlist applicants for up to 300% of the total flat supply. Shortlisted applicants will be informed of their queue positions in **Apr 2016**. They will be invited to book a flat, subject to flat availability and the ethnic quota, when their turn for selection is due. They can check the availability of flats on the HDB InfoWEB before turning up at the HDB Sales Office on the appointed date for selection. Applicants whose queue positions are beyond 300% of the total flat supply will be informed that they are unsuccessful in their application.

26 Only applicants with multi-generation families are allowed to apply for 3Gen flats in Bidadari (Alkaff Oasis) under the BTO exercise. They may select a 5-room or 3Gen flat, subject to flat availability and the ethnic quota. To lend greater support to multi-

generation families, those balloted with queue positions beyond 300% of the 3Gen flat supply will still be given a chance to select a 3Gen flat (if available).

27 The selection for the **Feb 2016 BTO exercise** will commence in **May 2016**. An option fee of \$500 for 2-room Flexi, \$1,000 for 3-room and \$2,000 for 4-room, 5-room and 3Gen flat is payable upon selection. The option fee can be paid by NETS.

28 Applicants who wish to take out an HDB housing loan for their flat purchase need to produce a valid HDB Loan Eligibility (HLE) Letter when they book a flat. They will need to meet the eligibility conditions such as citizenship, family nucleus, income ceiling and non-ownership of private property before HDB conducts credit assessment to determine the amount of loan that can be offered.

29 A second HDB concessionary housing loan will be made available to all eligible households, except those who have disposed of private property. However, flat buyers and their spouses/fiancé/fiancée applying for a second HDB concessionary loan must commit to use their full CPF refunds and up to 50% cash proceeds (including the cash deposit received) from the sale of their current or immediate past flat, to reduce the second loan. They may keep the greater of \$25,000 or half of the cash proceeds. This is to encourage financial prudence and ensure that they do not overstretch their finances in buying a flat.

### **Signing of Agreement for Lease**

30 HDB will arrange for applicants to sign the Agreement for Lease within three to four months from the date of flat selection.

31 Applicants who are taking a housing loan from HDB or financial institutions (FIs)<sup>1</sup> must pay 10% or 20% of the selling price of the flat respectively as downpayment at the time of signing the Agreement for Lease, by CPF and/or cash. The cash payment for loans granted by FIs is subject to the prevailing regulations and guidelines. Under the Staggered Downpayment Scheme (SDS), FT applicants who are married couples, or are applying under the Fiancé/Fiancée Scheme, can pay half of the downpayment when they sign the Agreement for Lease (which usually takes place about four months after booking the flat), i.e. 5% for HDB loan cases and 10% for FI-loan cases if at least one of the partners is aged 30 years or below at the time of flat application. They need only pay the other half together with the balance purchase price of the new flat when the new flat is ready and they collect the keys. Flat buyers, who have opted to finance the flat with a housing loan from FI, must produce FI's Letter of Offer at the time of signing the Agreement for Lease for the HDB flat.

32 Similarly, existing flat owners who right-size to a 2-room Flexi (99-year lease) or 3-room new flat in the non-mature towns may also pay half the downpayment for the new flat when they sign the Agreement for Lease. They only need to pay the other half together with the balance purchase price of the new flat when the new flat is ready and

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<sup>1</sup> Regulated by the Monetary Authority of Singapore.

they collect the keys. Likewise, those who have opted to finance the flat with a housing loan from FI must produce FI's Letter of Offer at the time of signing the Agreement for Lease for the HDB flat.

33 Applicants who booked a 2-room Flexi flat with short lease must pay 5% of the selling price of the flat as downpayment at the time of signing the Agreement for Lease, by CPF and/or cash. As no housing loan is granted for 2-room Flexi flats with short lease, they will have to pay the remaining amount in full when they collect the keys to the unit.

34 With the enhanced SHG, the maximum combined AHG and SHG for new flats will be \$80,000. If a family earning \$1,000 buys a lower-priced 2-room flat, the total grant amount may exceed 95% of the BTO selling price. In such cases, they will only need to pay 5% of the flat price (e.g. \$3,750 for a \$75,000 flat) using their CPF or cash; the remaining sum will be fully covered by the grant. Any excess grant amount can be used to pay for optional items, such as flooring, or will go into their CPF Special Account (SA)/ Retirement Account (RA) and Medisave Account (MA).

35 Applicants who do not sign the Agreement for Lease or reject the flat after selection will have their application cancelled and the option fee forfeited. If the applicant rejects the flat after signing the Agreement for Lease, the forfeiture will be 5% of the selling price of the flat. These applicants, their spouses/fiancé/fiancée and essential occupiers listed in the flat application will also be debarred for one-year from applying for or be included as the essential occupiers in an application to:

- (i) Buy a subsidised flat from HDB or apply for the AHG and the SHG;
- (ii) Enjoy a CPF Housing Grant (and the AHG where applicable) when they buy a resale flat;
- (iii) Buy a new unit offered under the Design, Build and Sell Scheme or Executive Condominium Housing Scheme by private developers, regardless of whether it is applied with or without the CPF Housing Grant (or the AHG); or
- (iv) Buy a resale flat which has been announced for Selective En bloc Redevelopment Scheme.

36 The one-year debarment is applicable regardless of whether the flat is rejected before or after signing the Agreement for Lease. The one-year debarment will not be extended to a transfer of ownership of a flat or inclusion of essential occupier in an existing flat. However, the debarred person will not be allowed to take over an existing flat via an outright transfer, if the flat/unit is any of those which he/she is not allowed to apply for during the one-year period.