

# COVID-19 (TEMPORARY MEASURES) ACT PART 8C

- **Developers** can extend the delivery date of the new property without being liable to pay liquidated damages for late delivery up to the extended period
- **Purchasers** can seek reimbursement from the developer for qualifying costs to secure alternative premises during the period of delay, up to a cap of 70% of the original liquidated damages based on the terms in the Sale & Purchase Agreement

## QUALIFYING CONDITIONS

- Option granted, or Sale & Purchase Agreement entered before 25 March 2020
- Delivery date stated in Sale & Purchase Agreement is on or after 1 February 2020
- Permit to carry out structural works granted by BCA before 7 April 2020
- Temporary Occupation Permit (TOP) not issued as at 7 April 2020
- No proceedings before a court or arbitral proceedings have been commenced before 2 November 2020 for the failure to deliver possession

## FOR EXTENSIONS UP TO 122 DAYS

### Process

Serve written notice on purchaser to extend the delivery date by up to 122 days

*(More than one notice may be served, provided the total extension period does not exceed 122 days)*

## FOR EXTENSIONS MORE THAN 122 DAYS

### Process

- 1 Serve written notice on purchaser on the intent to seek Assessor's certification for an extension of more than 122 days
- 2 Apply for an Assessor's certification for an extension of more than 122 days
- 3 Notify purchaser of the Assessor's certification on the extended delivery date

## By when must notice be served on Purchaser

For projects issued TOP

### Before



→ notice to be served by 29 Jul 2021

### On/After



→ notice to be served within 28 days after TOP

DEVELOPERS

PURCHASERS

### Process

Upon being served notice by developer for extension of delivery date, purchaser can submit claim(s) for qualifying costs with supporting documents to developer



## ✔ What can be claimed

- Rent for alternative premises
- Stamp duty, legal fees or estate agent fees for securing the alternative premises or extending a lease agreement
- Moving costs to move to the alternative premises
- Costs for the storage and transportation of items (e.g. furniture and appliances, etc.)

that would have been stored in the new property

- Penalty for early termination of an existing lease agreement, if the lease's end date is after the extended delivery date of the unit (subject to a cap of 1 month's rent)

## ✘ What cannot be claimed

- Opportunity costs (e.g. loss of rental income from the new property)
- Interest paid on mortgage loan for the new property
- Any security deposit and costs of any goods and services provided in connection with the use of the alternative premises or alternative accommodation

# WHAT HAPPENS AFTER CLAIM IS SUBMITTED

**DEVELOPER AND PURCHASER  
TO DISCUSS THE  
CLAIM AMOUNT**

**If developer agrees  
with purchaser's  
claim, to pay  
purchaser the  
amount claimed**

**The amount claimed  
may be offset  
against any  
instalment or other  
payment payable to  
the developer or  
reimbursed via cash  
or equivalent**



**If developer and purchaser are **not able** to  
reach a mutually **agreeable arrangement****

## **Developer**

Apply for assessor's determination of amount to be paid and notify purchaser of application

## **Purchaser**

If developer's application is in order, the Registrar will invite the purchaser to serve a Response to provide additional information on the claim, if any

Registrar will inform developer and purchaser of outcome after Assessor's determination of amount to be paid

Developer is required to pay purchaser the amount as determined by the Assessor

The decision of the assessor is final and binding on all parties

This infographic is for reference only. For a full appreciation of rights and obligations, please refer to the COVID-19 (Temporary Measures) Act 2020 and seek legal advice.

[www.go.gov.sg/ura-covid-19-relief-measure](http://www.go.gov.sg/ura-covid-19-relief-measure)