

**LIST OF PROPOSALS  
REVIEW OF THE HOUSING DEVELOPERS (CONTROL & LICENSING) ACT &  
HOUSING DEVELOPERS RULES**

Current Situation	Proposal	Rationale	
<b>INFORMATION FOR HOME-BUYERS</b>			
1.	<p><u>New requirements to ensure that showflats depict the actual units accurately</u> There are currently no requirements to ensure that a showflat depicts the actual unit to be constructed accurately.</p>	<p>Developers will have to comply with a list of requirements (see list in Annex B) when they set up showflats.</p>	<p>The requirements on showflats are intended to ensure that the showflats depict the actual units to be constructed accurately.</p>
2.	<p><u>Make available the price list of units available for sale</u> There is no requirement for developers to display the price list of a project.</p>	<p>Developers are to make available the price list of units in a project at least 2 days before the launch of the project. The launch date of a project refers to the first day when units are made available for sale to prospective home-buyers (i.e. issue of Option-to-Purchase) including private previews or any other occasion which may take place before the official launch of the project.</p> <p>For projects which are launched in phases, the first price list must contain the prices of all the units made available for sale in the first phase. For the subsequent price lists for later phases, the developers are to make them available on the same day when the units are launched for sale.</p>	<p>This will ensure that home-buyers have timely access to information on the prices of units of residential projects.</p>
3.	<p><u>Provide more information on housing project before issue of Option-to-Purchase</u> Developers have to provide basic information on the housing project before the issue of an Option-to-Purchase:</p>	<p>In addition to the information which developers must now provide, developers will also have to provide the following information:</p>	<p>To ensure that home-buyers have access to key information on the housing project to enable them to make informed decisions on</p>

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	<p>a share values of the housing project (for units in an apartment or condominium development and strata landed properties);</p> <p>b plan or description of the limited common property, if applicable (e.g. common space in the commercial portion of the development can only be used by the owners of the commercial units); and</p> <p>c the number of car parking spaces and housing units in a housing project if the number of car parking spaces is less than the number of units.</p>	<p>a estimated land area for a landed property. For units in an apartment or condominium development or strata landed properties, the developer has to provide the floor area and the area of individual spaces such as balconies, private enclosed spaces and air-conditioner ledges;</p> <p>b drawn-to-scale location plan, site plan and unit floor plan;</p> <p>c specifications of the unit and housing project (e.g. wall and floor finishes);</p> <p>d amendments to the standard Sale and Purchase Agreement; and</p> <p>e conditions imposed by government agencies which owners or residents of the units have to comply with.</p> <p>The information will be presented in a standard template (see Annex C) which developers have to give to home-buyers before the issue of an Option-to-Purchase.</p>	<p>the purchase of a housing unit.</p> <p>This will serve to enhance transparency in the sale and purchase process of uncompleted residential units.</p>
4.	<p><u>Provide information on track record of developers</u>  Developers do not have to disclose their track record in real estate development to home-buyers.</p>	<p>Developers will have to provide information on at least one completed project, if any, either by themselves, a related company, or by a director of the developer company to prospective home-buyers before the issue of the Option-to-Purchase. New developers who have not completed any project will have to indicate their lack of track record so that home-buyers can make informed decisions on the purchase of a housing unit.</p>	<p>To allow home-buyers to assess whether they want to buy from less experienced developers or new developers with no track record.</p>

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5.	<p><u>Publish transacted prices</u> There is no requirement for developers to publish transacted prices. These are now collected via URA's monthly survey and published on the 15<sup>th</sup> day after the end of the month. i.e. the data will be published about 2 to 6 weeks after the transactions. Unit prices collected via the monthly survey are only released in aggregated form (i.e. prices of individual units are not shown).</p>	<p>Developers will have to lodge the prices of transacted units with URA on a weekly basis, on every Friday after the end of each reference week i.e. developers must lodge the prices of units sold in the preceding Monday to Sunday (inclusive) by the following Friday, i.e. the data will be published about 1 to 2 weeks after the transactions. The transacted prices can be viewed by the public once they are lodged by the developers.</p>	<p>Prospective home-buyers will have access to more timely and comprehensive information on the prices of units sold.</p>
6.	<p><u>Provide basic information in advertisements on websites</u> Developers have to provide basic information on the housing project (e.g. tenure and expected date of vacant possession) in newspaper advertisements and sales brochures. They are also required to ensure that these advertisements do not contain any false or misleading information.</p>	<p>The requirement to provide basic information on the housing project will be extended to advertisements on websites. They are also required to ensure these advertisements do not contain any false or misleading information.</p>	<p>This ensures that home-buyers have pertinent and accurate information on the housing project from advertisements on websites.</p>
<b>OPTION PROCEDURE</b>			
7.	<p><u>Issue of Option-to-Purchase and refund of booking fee</u> Currently, a home-buyer pays a booking fee of 5% to 10% of the purchase price for the issue of an Option-to-Purchase for a unit. If the home-buyer does not exercise the option, 25% of the booking fee will be forfeited while the remaining 75% of the booking fee will be refunded to him.</p>	<p>Developers will have to issue an Option-to-Purchase immediately upon receipt of the booking fee.</p> <p>Developers will also have to refund 75% of the booking fee within 3 weeks if a home-buyer does not exercise the option.</p>	<p>The improvements will enhance protection of home-buyers at the option stage.</p>

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<b>SALE &amp; PURCHASE AGREEMENT</b>		
<p>8. <u>Obtain home-buyers' consent for changes to the project</u>            Developers are required to build the project according to the approved plans for the housing project and specifications in the Sale and Purchase Agreement. However, there were instances when developers made minor changes to the approved plans after the sale of the units, (e.g. change in the location of the bin centre) without informing the home-buyers.</p>	<p>Developers will have to obtain the home-buyer's consent for changes made after the sale of the units to the approved plans or specifications which affect the home-buyer's unit.</p>	<p>This will safeguard home-buyers from changes to the approved plans or specifications made by the developers without their consent.</p>
<p>9. <u>Set a deadline for developers to hand over the keys</u>            After receipt of the payment due, developers will schedule a date to hand over the keys of the unit the home-buyer. There is, however, no deadline for the developers to hand over the keys after receipt of payment.</p>	<p>Developers will have to hand over the keys within 14 days after receipt of payment due upon the issue of the Temporary Occupation Permit. Developers could be liable for liquidated damages if they do not meet this 14-days deadline, but liability will not apply if the delay is due to reasons caused by the home-buyer.</p>	<p>This is to ensure the timely hand-over of the keys of units to the home-buyers.</p>
<p>10. <u>Allow sub-purchasers to sue the developer in contract</u>            Sub-purchasers who bought units in a housing project after the transfer of title to the original purchasers do not have a contractual relationship with the developer (as the developer is not required to sign a fresh Sale and Purchase Agreement with the sub-purchaser). These sub-purchasers will not be able to sue the developer in contract for defects in the housing project.</p>	<p>To amend the standard Sale and Purchase Agreement to allow sub-purchasers who do not have a contract with the developer to sue in contract for defects, e.g. defects caused by poor design which may only surface after the 1-year defects liability period.</p>	<p>This is to enable a management corporation to take legal action against a developer for latent defects in the common property.</p>

Current Situation	Proposal	Rationale
<p>For defects in the common property, the management corporation could face problems in recovering the cost to rectify the defects as they are limited by the number of owners who have a contract with the developer and who could authorise the MC to sue in contract.</p>		
<p>11. <u>Require written notices and quotation for making claims for defects</u>  During the defects liability period, the developer is required to rectify any defect raised by the home-buyer. If the developer fails to rectify the defects, the home-buyer may notify the developer of his intention to carry out the rectification works and the estimated cost of those works.</p>	<p>Home-buyers will have to serve written notices to the developer of their intention to carry out the rectification works and the estimated cost of the works. The estimated cost must be supported by 1 quotation from a building or renovation contractor.</p>	<p>The proposed amendment will improve the process of claiming for defects and help to reduce the possibility of disputes between developers and home-buyers.</p>
<p>12. <u>Standardise amount for defects rectification</u>  Under the standard Sale and Purchase Agreement, part of the purchase price is paid by the home-buyer to the Singapore Academy of Law (SAL) to hold until the expiry of the 1-year defects liability period.</p> <p>During the defects liability period, if the developer fails to rectify any defects, the home-buyer may engage his own contractor to carry out the rectification works and deduct the cost from the amount held by SAL.</p> <p>Currently, the amount varies depending on whether legal titles are transferred to the</p>	<p>To standardise the amount to 5% of the purchase price, regardless of whether legal titles are transferred before or after the issue of CSC.</p>	<p>CSC is issued by the Building and Construction Authority when the development is certified as being built in compliance with building regulations, which are related to the structural safety of the building, and are not related to workmanship in the unit.</p> <p>Whether legal titles are transferred before or after CSC does not have any bearing on whether there are defects in the units. Hence, there is no need to set aside a higher amount for rectification of defects if legal titles are transferred before CSC.</p>

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	<p>home-buyers before or after the issue of the Certificate of Statutory Completion (CSC). If legal titles are transferred before the issue of CSC, the amount is 13% of the purchase price for the unit. If legal titles are transferred after the issue of CSC, the amount is 5% of the purchase price.</p>		
13.	<p><u>Increase the fee payable by the sub-purchaser to the developer's solicitor</u>            Currently, a sub-purchaser has to pay the developer's solicitor a fee, which is capped at \$200, for work done in the sub-sale, e.g. preparation of a fresh Sale and Purchase Agreement for signing between the developer and sub-purchaser, check if all progress payments and/or interest have been paid by the first home-buyer, ensure that all encumbrances relating to the unit are removed on the completion of the sub-sale.</p>	<p>To increase the fee from \$200 to \$700.</p>	<p>The fee of \$200 was set more than twenty years ago and is increased to take into account inflation and wage increase of solicitors over the years.</p> <p>The fee will be reviewed periodically to ensure that it is pegged at a reasonable rate.</p>

**LIST OF REQUIREMENTS ON SHOWFLATS**

Developers are required to comply with the following requirements when they set up showflats<sup>1</sup>.

- (a) A showflat must depict the actual unit to be built accurately:
  - (i) the floor area of the showflat must be the same as that of the actual unit;
  - (ii) all external and load-bearing walls of the actual unit (including parapet walls for air-conditioner ledges) must be erected for the showflat;
  - (iii) all erected walls of the showflat must be of the same thickness as those of the actual unit;
  - (iv) if any internal and non-load-bearing walls or sliding partitions and doors (e.g. sliding glass door between the balcony and living room / bedroom of the actual unit) are not erected in the showflat, the positions of the removed walls or partitions or doors must be clearly marked on the floor of the showflat with lines of the same thickness and width as the removed walls or partitions or doors and notices put up to explain what these lines depict;
  - (v) door frames of doors must be installed at the showflat; and
  - (vi) the floor-to-ceiling height of the showflat must be the same as that of the actual unit. The developer may state on which floor the typical unit is and if the floor-to-ceiling height of the same unit type varies across the floors, the developer must also state so in a notice to be displayed prominently.
- (b) All conditions in the planning permission for the housing project which are applicable to the actual unit (e.g. no decking over of planter boxes) must be complied with in the showflat.
- (c) If any non-load-bearing wall of the actual unit is not erected in the showflat and in place of the non-load-bearing wall interior design feature(s) (e.g. display shelf, glass panel) are put up instead, the interior design feature(s) must be clearly marked and labelled on the floor plan for the showflat.

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<sup>1</sup> While it is not mandatory for developers to set up showflats, they will have to comply with the requirements if they choose to do so.

- (d) Any interior design treatment (including placement of furniture) and alteration to the actual unit made, depicted or put up in the showflat must not be misleading and must be achievable in the actual unit without affecting the structural integrity of the actual unit and without breaching any requirement or condition of any relevant authority.
- (e) Drawn to scale floor plans of both the showflat and actual unit are to be clearly displayed in the showflat. For units in an apartment or condominium development or strata landed properties, the developer would have to provide the floor area and the area of individual spaces such as balconies, private enclosed spaces and air-conditioner ledges.
- (f) If any location plan for the housing project is shown in the showflat, the plan must be drawn to scale showing the location of the housing project, names of streets nearby and prominent buildings, facilities and other features in the vicinity (e.g. MRT / LRT stations, religious institutions, public parks, schools, commercial buildings, industrial buildings, public housing flats). The scale used must be shown.
- (g) If any site plan for the housing project is shown in the showflat, the plan must be drawn to scale showing the approved buildings in the housing project and where applicable, communal facilities such as clubhouse, swimming pool, garden, barbeque pit, guard house, electrical sub-station and bin centre. The scale used must be shown.
- (h) If any model of the housing project is displayed in the showflat, all buildings and communal facilities (e.g. swimming pool and clubhouse) must be constructed to scale and shown in their entirety.
- (i) Developers are required to state clearly (e.g. in the form of a notice) the materials and fittings which will be provided.

ANNEX C

**STANDARD TEMPLATE OF INFORMATION GIVEN TO HOME-BUYERS  
BEFORE ISSUE OF OPTION-TO-PURCHASE**

**SECTION A: INFORMATION ON PROPERTY**

Address of Property:

Estimated Land Area: \_\_\_\_\_ square metres  
(where Property is a landed property)

<b>Estimated Floor Area</b> (where Property is a unit in an apartment or condominium development or a strata landed property)	_____ square metres
*Balconies	_____ square metres
*Private enclosed spaces	_____ square metres
*Roof terraces	_____ square metres
*Bay windows	_____ square metres
*Planter boxes	_____ square metres
*Air-conditioner ledges	_____ square metres
*Void areas	_____ square metres
*Others – please specify	_____ square metres

\* Delete whichever is inapplicable.

## **SECTION B: PROPERTY PLANS**

1. **Location Plan**  
Plan should be drawn to scale showing location of housing project, names of streets nearby and prominent buildings, facilities and other features in the vicinity (e.g. MRT / LRT stations, religious institutions, public parks, schools, commercial buildings, industrial buildings, public housing flats). The scale used should be shown.
  
2. **Site Plan of Housing Project**  
Plan should be drawn to scale showing the approved buildings in the housing project and where applicable, communal facilities such as clubhouse, swimming pool, garden, barbeque pit, guard house, electrical sub-station and bin centre. The scale used should be shown.
  
3. **Unit Floor Plan**  
Plan should be drawn to scale showing individual rooms and features constituting to the strata area of the unit such as bedroom, bathroom, kitchen, utility area, balcony, planter box, air-conditioner ledge, void area, reinforced concrete ledge. The scale used should be shown.

## **SECTION C: SPECIFICATIONS OF THE BUILDING**

The specifications of the building, as in the Second Schedule of the Sale and Purchase Agreement, are to be set out.

## **SECTION D: AMENDMENTS TO THE STANDARD SALE & PURCHASE AGREEMENT**

The amendments to the Sale and Purchase Agreement prescribed under the Housing Developers Rules, as approved by the Controller of Housing, are to be set out.

## **SECTION E: CONDITIONS AND REQUIREMENTS IMPOSED BY AUTHORITIES ON HOUSING PROJECT**

The conditions and requirements imposed by all relevant authorities in respect of the housing project and which may affect the liabilities of or which are intended to be complied with and observed by the owners or residents of the units of the housing project after its completion are to be set out.

**SECTION F: SCHEDULE OF STRATA UNITS & DESCRIPTION OR PLAN OF LIMITED COMMON PROPERTY (IF APPLICABLE)**

Where the Property is intended to comprise a lot in a strata title plan, a copy of the schedule of strata units or amended schedule of strata units for the housing project as filed with and accepted by the Commissioner of Buildings must be made available at the sales office or showflat for purchasers' inspection upon request.

Where any common property of the housing project is designated as limited common property, a plan or description of the limited common property and the units in the housing project, of which the purchasers will be entitled to the exclusive benefit of the limited common property, must be provided to the intending purchaser or made available at the sales office or showflat for purchasers' inspection upon request.

**SECTION G: NUMBER OF HOUSING UNITS AND CAR PARKING SPACES**

Where the number of car parking spaces to be provided in the housing project is less than the number of units in the housing project, the following information must be provided:

Number of housing units in the Housing Project: (E.g. 18)

Number of car parking spaces in the Housing Project: (E.g. 16)

**SECTION H: TRACK RECORD OF DEVELOPER**

Developer is required to tick one box.

Developer, a related company, or a director of the developer company has completed the following development projects in or outside Singapore:

If this box is ticked, then the developer needs to minimally provide details of one completed housing project. The developer may also refer intending purchasers to its sales office, showflat or website for more comprehensive information on its track record.

Not applicable. Developer, its related company, or a director of the developer company has not completed any other development project in or outside Singapore.

## **ACKNOWLEDGEMENT BY INTENDING PURCHASER**

Address of Property:

\*I / We, the Intending Purchaser(s), hereby acknowledge that \*I / We have been given a copy of the following documents and information prior to my / our payment of the booking fee:

- a information on property, including land area / strata area;
- b property plans, including location plan, site plan and unit floor plan;
- c specifications of the building;
- d amendments to the standard Sale and Purchase Agreement;
- e conditions and requirements imposed by the authorities on the housing project;
- f number of housing units and car parking spaces (if applicable); and
- g track record of developer.

\*I / We, the Intending Purchaser(s), hereby acknowledge that \*I / We have been informed that a copy of the following documents is available for inspection prior to my / our payment of the booking fee:

- a schedule of strata units (if applicable); and
- b description or plan of limited common property (if applicable).

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NAME & SIGNATURE OF PURCHASER

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\* Delete whichever is inapplicable.