

THE RESERVE LIST SYSTEM

1 The Reserve List System was introduced In June 2001 to inject more flexibility into the Government Land Sales (GLS) programme. Prior to that, sites on the GLS programme were released for tender at a pre-determined date each year. Such sites are known as confirmed sites and the award of the sites will depend on the acceptability of the prices submitted at the closing of tender.

2 Unlike confirmed sites, the Reserve List System makes available sites on the GLS programme without pre-determined tender dates. Instead, interested developers choose when to submit applications to the government to release specific reserve sites to be put up for tender. In this way, the Reserve List System enables the GLS programme to respond to market demand.

Application procedure for sites on the reserve list

3 A developer who is interested in purchasing a site on the reserve list will have to submit an application on a prescribed form and in a sealed envelope to the land sale agency indicating the minimum price that he is willing to bid for the site if it is put up for tender.

4 The application will be accepted if:
a the minimum price is acceptable; and
b the applicant is not disqualified from participating in land sale tenders.

5 Upon acceptance of the application, the applicant will be required to execute an agreement to submit a tender price not less than the minimum price stated in his application and to pay a deposit of 5% of the minimum price by way of a cashier's order, banker's guarantee or by bank transfer within a period of 2 weeks. If he fails to do so, the acceptance of the application will lapse and no further action will be taken on the application.

Tender of a reserve site

6 Upon the execution of the agreement and payment of the deposit by the applicant, the land sales agency will make a public announcement about the acceptance of the application and the accepted minimum price.

7 The identity of the applicant will not be disclosed to the public.

8 The land sale agency will then make a public announcement on the launch of the tender within two weeks of the execution of the agreement. The tender period varies with the characteristics of the sale site. In the case of Orchard Turn and Somerset sites, a tender period of 12 weeks will be provided.

9 Under the agreement, if the applicant fails to submit a bid in the tender, puts in an invalid bid or bids below the submitted bid price, the deposit will be forfeited.

10 The successful applicant may submit a tender price higher than the minimum price in the tender.

- 11 The applicant will be allowed to use the deposit for the agreement as full or part payment of the tender deposit. If he puts in a bid in accordance with the agreement, but is not the highest bidder in the tender, his deposit will be refunded.

Award of tender for reserve site

- 12 Selection of the winning bid in the tender will be based on the highest tender price received only.