

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

DEVELOPERS

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

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

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