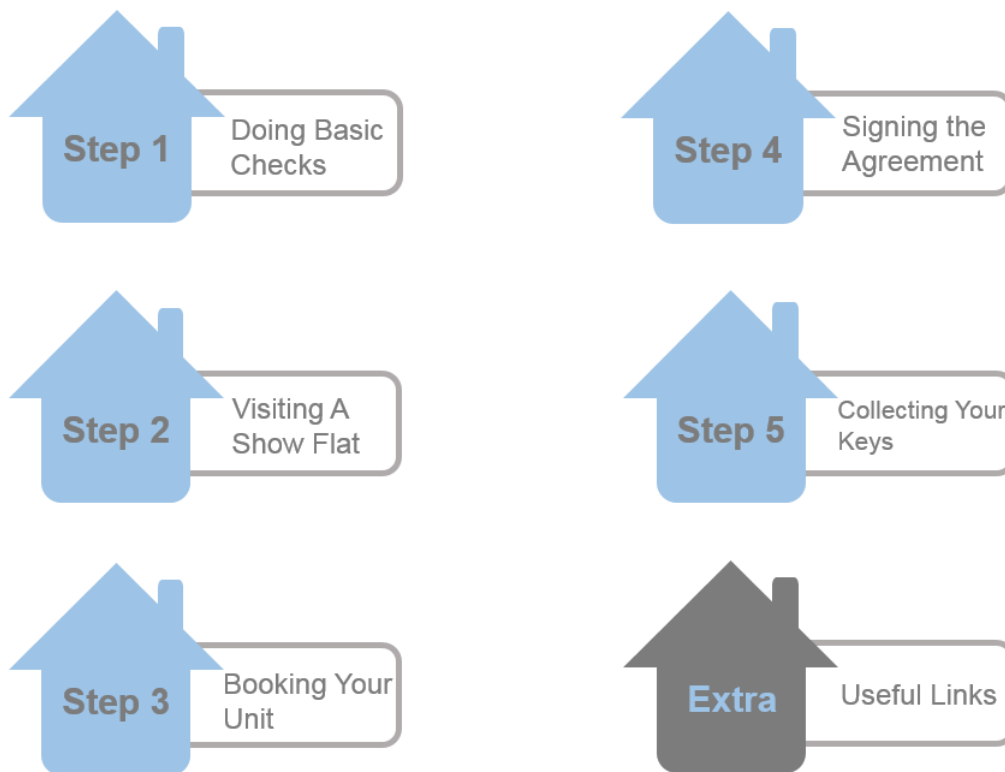


Home Buyers' Guide

What is it?

This guide provides basic information on the process of buying uncompleted private residential properties and considerations to take before committing to a purchase.

This guide is for general information purposes only and does not constitute advice, be it legal, financial or otherwise. Please read the [terms of access and information below before proceeding to use this guide](#).



If you need advice on your specific situation(s), whether you are a prospective home buyer or otherwise, you should consult the relevant professionals for further advice. Any reliance you place on this guide is strictly at your own risk. While we endeavour to ensure accuracy in this guide, we make no representations or warranties of any kind (whether express or implied) about the accuracy, completeness, format, currency or any other aspects of this guide or its application.



Before committing to a purchase, you should do some basic checks on the developer of the housing project and consider the costs involved in purchasing a private residential property.

Housing Developer's Licence

You should verify whether the developer is issued with a [sale or no-sale licence, if there are more than 4 units in the housing project](#). Developers must be issued with a sale licence and must obtain building plan approval for the housing project before commencing sale. Developers issued with no-sale licences are not allowed to sell any residential unit in the development. You can check if a developer holds a valid housing developer's licence [here](#).

Licensed housing developers must use the standard forms i.e. [Option to Purchase \(OTP\) as well as Sale and Purchase Agreement \(S&PA\)](#), for the sale of units in their housing project. When the housing project is completed with Certificate of Statutory Completion and individual titles issued to all units in the housing project, the developer will be de-licensed and will no longer be required to use the standard forms for the sale of the remaining unsold units in the project.

CONQUAS & Quality Mark

You may wish to check the Construction Quality Assessment System (CONQUAS) scores and Quality Mark (QM) ratings of the developer's past projects, which are available from BCA's [website](#). BCA would assess the workmanship of the completed project if the developer subscribes to these schemes. You may ask the developer for a listing of their completed projects, whether they were assessed under CONQUAS and QM and if yes, the respective scores and rating achieved. The [CONQUAS](#) scores and [QM](#) rating will give you an indication of the quality achieved in the developer's past projects.

Eligibility

If you own a HDB flat, a DBSS flat or an Executive Condominium, you have to fulfil the minimum occupation period set by HDB before you can purchase any private residential properties.

If you are not a Singapore citizen, you have to obtain approval from the [Controller of Residential Property](#), before you can buy landed houses including but not limited to strata landed houses.

Finances

Before buying a property, you should check the property prices in the areas of interest and compute your finances and fees payable. You should buy within your financial means.

➤ **Property prices and rentals**

URA provides free information on the property market, such as prices and rentals of private residential units, for you to do your research before purchasing your unit. Click [here](#) to find out.

➤ **Using your CPF**

You may use your CPF Ordinary Account (OA) savings to purchase your private residential property under the Private Properties Scheme. Your CPF OA savings will be released after you have paid the booking fee, required cash down payment and balance purchase price. The balance purchase price is calculated as such:

Balance purchase price = Purchase Price – Required Cash Down Payment - Housing Loan – CPF OA savings approved for use for the property

There are housing limits on the amount of CPF savings you can use to buy a property. Information on the use of CPF monies is available [here](#).

➤ **Bank loan**

You should enquire with the bank on your eligibility for housing loan as early as possible, preferably before you pay the booking fee or commit yourself to the purchase.

Click [here](#) for a guide on housing loan and other important information.

➤ **Stamp duty**

Stamp duty is a tax on dutiable documents relating to any immovable property (“property”) in Singapore and any stock or shares. Here are some stamp duty types related to property purchase:

Buyer’s Stamp Duty

You are required to pay Buyers’ Stamp Duty (BSD) after signing the S&PA.

Additional Buyer’s Stamp Duty

You may also need to pay Additional Buyer’s Stamp Duty after signing the S&PA depending on your profile:

1. Whether you are buying as an individual or as an entity
2. Your residency status e.g. Singaporean
3. Number of residential properties owned

Seller’s Stamp Duty

You may need to pay a Seller’s Stamp Duty (SSD) if you sell or dispose of the property within 4 years of acquisition (for property purchased between 14 Jan 2011 and 10 Mar 2017, both dates inclusive) or within 3 years of acquisition (for property purchase on or after 11 Mar 2017).

Learn more about stamp duty on [IRAS’ website](#).

➤ **Legal fees**

If you engage a lawyer, you should clarify the scope of services to be provided and the legal fees payable. In general, when you purchase a property, the services that a lawyer can provide you would include:

- Advising you on the transaction documents i.e. terms and conditions in your OTP and/or S&PA.
- Conducting title searches to verify the title of the property identified in the contract matches with the title record in the Land Titles Registry.
- Providing property law, regulatory and financing advice.
- Checking if there are any regulatory notices or government schemes that will affect the property you intend to purchase.

- Lodging a caveat against the title to the property on your behalf pending completion of your purchase. This serves to notify the public and third parties also interested in this property of your valid interest or claim.
- Liaising with your bank's lawyer who will prepare the mortgage for the bank.
- Liaising with the bank and CPF Board to ensure that your housing loan and CPF funds are in place and ready for drawdown.
- Completing the conveyance by exchanging your payment for the executed instrument of transfer.

For more information on the role of a lawyer in a property purchase, you may refer to the Law Society of Singapore's 'Know the Law NOW!' booklet, available [here](#) (see Chapter 33, Buying and Selling a House).