# The Design, Build and Sell Scheme’s Frequently-Asked-Questions and Answers

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CENTRALE 8 AT TAMIPINES
THE DESIGN, BUILD AND SELL SCHEME DEVELOPMENT
AT TAMIPINES CENTRAL 8

FREQUENTLY-ASKED-QUESTIONS AND ANSWERS

PLEASE READ THIS BEFORE YOU BUY A DESIGN, BUILD AND SELL SCHEME FLAT (“DBSS FLAT”).

SECTION ONE: GENERAL INFORMATION

Q1. What is Design, Build & Sell Scheme (DBSS) housing?

A1: The Design, Build & Sell Scheme (DBSS) involves the private sector in the development of public housing so as to bring about greater innovation in design and building and provide more housing choices.

Under the DBSS, private developers will be responsible for the entire flow of the development process – from bidding for the land, designing the project, overseeing construction and selling the flats directly to eligible buyers. The developers will be given maximum flexibility to design and implement their projects, so long as this does not compromise the objectives, fundamentals and characteristics of public housing.

DBSS flats will be offered for sale under similar eligibility rules, terms and restrictions as those applicable to new HDB flats. Applicants with monthly household income of up to $10,000 can apply for a DBSS flat in projects launched for public sale from 30 Aug 2010 onwards. Please refer to the DBSS Terms and Conditions for more details.

On completion of the development, the developer will hand over the project to HDB for management. HDB will carry out the lease administration functions for DBSS flats. Likewise, Town Councils will manage the common property and maintain the car parks.

Q2. Do DBSS flats come furnished like private condominiums?

A2: Private developer is given the flexibility to decide on the design, layout, fixtures and fittings within the DBSS flats. The details will be provided by the developer during his project launch.
SECTION TWO: ELIGIBILITY AND PRIORITY SCHEMES

Q3. The developer will be selling the DBSS flats at market price. Why do I need to meet eligibility conditions and face restrictions in re-selling my flat in future?

A3: The developer is stepping into HDB's shoes to develop public housing under DBSS, which is subject to similar rules imposed on HDB flats.

Restrictions such as the minimum occupation period (MOP) is a fundamental policy to underscore that public housing (including DBSS flats) is for owner occupation and not for speculation. Hence, you will need to satisfy an MOP of five years (computed from the date of taking possession of the DBSS flat and excluding the subletting of whole flat and any period of non-occupation) before you may sell your flat in the resale market.

Q4. What is Ethnic Integration Policy? Is it applicable to DBSS flats and how would I be affected?

A4: The Ethnic Integration Policy (EIP) has been implemented since 1989 to ensure a balanced mix of different ethnic groups and to prevent the formation of ethnic enclaves in public housing estates. It helps to promote racial integration and fosters harmonious living among ethnic communities.

The EIP is applicable to the sale of flats under the DBSS, since these are public housing. Under the EIP, a quota is set for each ethnic group for each block. You will be able to book a DBSS flat if the EIP limit for your ethnic group has not been reached.

Q5. Can I buy a DBSS flat if I own a private property?

A5: If you or your spouse owns a private property in Singapore or overseas and own full share of it, you are not eligible to buy a DBSS flat from the developer. If you have disposed of your private property, you will need to satisfy a 30-month time period before you can apply for a DBSS flat.

If you and/or your spouse have a minority interest in a private property, you may appeal for exemption from the private property rule and submit necessary documents to support your appeal to the developer. Approval for exemption may be granted depending on the merits of the case.

Q6. Can I buy or invest in private residential property in Singapore / overseas after I have bought a DBSS flat?

A6: You cannot buy or invest in a private residential property in Singapore or overseas from the date of your application to buy a DBSS flat up to the expiry of the five-year Minimum Occupation Period (MOP). The MOP is calculated from the date of taking possession of the DBSS flat (excluding the subletting of whole flat and any period of non-occupation).

Q7. I owe HDB money, for example the $5,000 registration deposit when my earlier flat application with HDB was cancelled. Do I need to pay this to HDB now?

A7: Yes, you will need to pay up the amount owed to HDB (with interest if applicable) before you can qualify for subsidized housing, which includes DBSS flats and Executive Condominium units. You are required to pay the amount owed to HDB to the DBSS
developer by cheque or Cashier's Order issued in favour of “HDB” before you can sign the Sale and Purchase Agreement for the DBSS flat.

Q8. Are the Third Child Priority Scheme and the Married Child Priority Scheme applicable to DBSS? Can I request for more than one priority scheme in my flat application?

A8: Yes, the Third Child Priority (TCP) Scheme and the Married Child Priority Scheme (MCPS) are applicable to DBSS. These schemes were put in place to encourage families to have more children and to promote mutual care and support between married children and their parents. The conditions for the two priority schemes are similar to those which apply when applying for a flat from the HDB.

You can only request for one priority scheme even if you are eligible for both schemes. Please indicate which priority scheme you are requesting for in the Application Form.

SECTION THREE: APPLICATION PROCEDURES AND CANCELLATION

Q9. What documents do I need to give to the developer when I book a DBSS flat?

A9: You have to produce documents to the developer for verification of your eligibility when you book a DBSS flat. These documents include proof of:

a) identity / citizenship, e.g. NRIC;

b) relationship and marital status, e.g. birth certificate and marriage certificate;

c) Income, e.g. 3 months’ payslips (that is, payslip issued for the month of the DBSS application and the preceding 2 months) or an official letter from your employers stating your 3 months’ gross monthly income (that is, gross monthly income for the month of the DBSS application and the preceding 2 months), Income Tax Return / Assessment; and

d) other matters and such other documents as required by the developer and / or HDB.

For further details on documents required, please refer to the DBSS Application Procedures and Terms and Conditions.

Q10. I have applied for a flat from the HDB but have not booked a flat yet. Can I apply to buy a DBSS flat?

A10: Yes, if you have not booked a flat with HDB, you can apply and book a DBSS flat directly with the developer. HDB will cancel your flat application after you have booked a DBSS flat with the developer.

Q11. I have booked an HDB flat and signed the Agreement. Can I buy a DBSS flat?

A11: If you have booked a flat in the Build-To-Order or Sale of Balance Flats exercise launched on or after March 2012 and decide to cancel the booking, you will not be eligible to apply for a DBSS flat within one year after the cancellation.
However, if you have booked a flat in a sale exercise launched before March 2012, you have to cancel your booking or terminate the Agreement with HDB before you can book a DBSS flat. Upon the cancellation, a financial forfeiture will be imposed by HDB.

**Q12. I have been granted an Option to Purchase / signed the Sale and Purchase Agreement for an Executive Condominium (EC) unit or another DBSS flat. Can I buy a DBSS flat now?**

A12: If you have been granted an Option to Purchase for an EC Unit or a DBSS flat and have decided not to exercise it, you will have to inform the developer of your decision before you are allowed to buy a DBSS flat. A forfeiture will be imposed by the developer.

If you have already exercised the Option / signed the Sale and Purchase Agreement for the EC unit or DBSS flat, the Sale and Purchase Agreement must be rescinded / terminated before you can apply to buy another DBSS flat. The developer must agree to the rescission / termination and if they allow it, a forfeiture will be imposed by them.

**Q13. What is the forfeiture if I were to give up my DBSS flat after I have paid the Booking Fee and obtained the Option To Purchase but before I execute the Sale and Purchase Agreement?**

A13: If you give up your DBSS flat before you execute the Sale and Purchase Agreement with the developer, the developer will impose a forfeiture of 25% of the booking fee as provided in the Option To Purchase.

**Q14. What is the consequence if my purchase of the DBSS flat is terminated after I have executed the Sale and Purchase Agreement?**

A14: If your Sale and Purchase Agreement with the developer is terminated in accordance with the provisions found in the Sale and Purchase Agreement (for example, because you have ceased to be eligible to continue with the purchase of the DBSS flat), the developer can impose a financial forfeiture amounting to 20% of the flat’s purchase price. Please also check with your solicitor on other expenses related to the transaction in the event of a termination.

It is therefore very important for you to ensure that you remain eligible to buy the DBSS flat before you sign the Sale and Purchase Agreement. This is because you must be able to maintain this eligibility starting from the point of execution of the Sale and Purchase Agreement and also throughout the period of the ownership of the DBSS flat. HDB also reserves the right to take the relevant action pursuant to the Housing and Development Act (Cap 129) and its prevailing policies.

**Q15. What is the financial forfeiture if I were to give up my DBSS flat due to a break-up in the fiancé / fiancée relationship after I have signed the Sale and Purchase Agreement?**

A15: Under the Fiancé / Fiancée Scheme, you will need to produce your marriage certificate for the developer’s verification (for further details on the scheme, please refer to the DBSS Terms and Conditions). If at any point in time, there is a break-up in the fiancé / fiancée relationship, you will become ineligible to continue with the DBSS purchase. In this situation, the developer can terminate your Sale and Purchase Agreement and impose a forfeiture amounting to 20% of the purchase price.
If you have received a CPF Housing Grant for your purchase, you and your fiancé / fiancée will be required to return the CPF Housing Grant together with accrued interest. Any shortfall has to be repaid in cash. If the full amount cannot be recovered at that juncture, the outstanding amount will be treated as a debt owed by you and your fiancé / fiancée to the Government. Both of you will also not be eligible to rent / buy or take over the ownership of another HDB flat, DBSS flat or Executive Condominium unit until you have paid up this debt in full (with interest).

SECTION FOUR : FINANCING AND CONVEYANCING

Q16. How much do I have to pay when I book a DBSS flat with the developer? If I proceed to sign the Sale & Purchase Agreement, how much do I need to pay?

A16: You will need to pay an option fee (5% of the flat’s purchase price) in cash, cheque or Cashier’s Order upon successful booking of a DBSS flat. You will also need to pay the balance 15% of the purchase price on the date the Option is exercised or within 9 weeks from the date of Option to Purchase, whichever is the later. This amount can be paid by CPF Housing Grant, CPF Monies, and / or housing loan from HDB.

However, for those who are taking a bank loan and have one or more outstanding housing loan at the time of applying for the bank loan, the minimum cash payment required is 10% of the purchase price (including the option fee). You may wish to refer to Clause 1.5 of the DBSS Terms and Conditions, or enquire with your banks for more information.

The above sets out the general position only. The developer may offer a progress payment scheme or a deferred payment scheme in the sale of DBSS flats. Under the progress payment scheme, you will need to pay the balance purchase price progressively to the developer depending on the progress of the construction. The balance payments for the DBSS flat are by instalments based on different stages of completion as stated in the Sale and Purchase Agreement. Please check with the developer and get specific details about the payment schedule that applies for your development.

Other payments include legal fees payable to your solicitors, stamp fees and registration fees on the legal documents for the transaction.

Q17. Can I use CPF money to finance the purchase of a DBSS flat?

A17: Yes. You may use your CPF savings to buy a DBSS flat. However, the cash difference between the purchase price of the flat and your CPF savings plus your housing loan, has to be paid first before your CPF savings can be released for the purchase. You can reserve your CPF savings, when you first apply to use your CPF for payment of the DBSS flat under the progress payment scheme. The Home Protection Insurance Scheme (HPS) administered by the CPF Board will be extended to DBSS flats.

Under the existing CPF rules, only the applicant and co-applicants can use their CPF monies to pay for the purchase of a DBSS flat. The occupiers listed in the application are not allowed to do so.

There is a limit on the amount that can be withdrawn from CPF monies. The CPF Housing Grant will be treated as part of the CPF funds of the purchaser and will be included in the computation of the CPF withdrawal limit. For more details, please enquire with the CPF Board directly.
Q18. **Can I obtain an HDB loan when I buy a DBSS flat?**

A18: If your gross monthly household income does not exceed $8,000 and meet the prevailing HDB mortgage financing criteria and credit assessment, you can apply for an HDB housing loan at concessionary interest rate. For instance, buyers who have previously taken 2 HDB housing loans will not be eligible for another HDB housing loan. In such a situation, you will have to apply for a bank loan if you need a loan to finance the purchase of your DBSS flat.

Before any housing loan is granted by HDB, you must use all the available savings in your CPF Ordinary Accounts (after reserving an amount required for payment of stamp, registration and conveyancing fees and CPF Home Protection Insurance Premium) for the purchase of the flat.

Q19. **As HDB is providing concessionary housing loan to eligible flat buyers for DBSS flats, what are the criteria to be eligible for an HDB concessionary housing loan?**

A19: Generally, DBSS flat buyers can apply for an HDB concessionary housing loan if at least one buyer is a Singapore citizen and all the DBSS flat buyers and essential occupiers (if any) meet all the following conditions:

(a) have a gross monthly household income not exceeding $8,000*;

(b) have not previously taken two or more HDB concessionary housing loans;

(c) do not own any private residential property (including HUDC flat & Executive Condominium) in Singapore or overseas;

(d) have not disposed of any private residential property within 30 months before the date of application for HDB Loan Eligibility (HLE) letter and have not taken any HDB housing loan before; and

(e) own not more than one market / hawker stalls or commercial / industrial property^ in Singapore or overseas and the stall / property is for own business operation.

*The income ceiling remains at $8,000 / $12,000 (extended family). Households with monthly income more than $8,000 will not be eligible for an HDB concessionary loan to buy a DBSS flat.

^Applicants and essential occupiers must not have full-time job.

If the applicants and occupiers are unemployed for fewer than 3 months, the average income will be computed based on the number of actual months he / she has worked.

Please submit your Application Form for HDB Housing loan when you book the DBSS flat from the developer. You are advised to refer to the Income Guidelines at www.HDB.gov.sg/hle on the income proof to submit.

If you are taking your second HDB concessionary housing loan, HDB will take into account both the cash and CPF proceeds from the sale of your existing or immediate past flat in determining the amount of the second HDB concessionary housing loan to be disbursed.
Q20. How do I go about applying for an HDB concessionary housing loan to buy a DBSS flat?

A20: If you are eligible and wish to apply for an HDB housing loan, you must have a valid HDB Loan Eligibility (HLE) letter before signing the Sale and Purchase Agreement. In the HLE letter, you will be informed of your eligible loan amount, repayment period and monthly instalment payable.

As buying a DBSS flat can be a huge financial commitment, you may wish to consider obtaining your HLE letter even before you book a DBSS flat.

For more information, please visit HDB InfoWEB at www.hdb.gov.sg/hle.

Q21. Does HDB provide conveyancing services for buyers in the purchase / mortgage of a DBSS flat?

A21: HDB provides conveyancing services for buyers of DBSS flat. However, buyers are free to choose whether they want to engage HDB or private solicitors to act for them in the purchase / mortgage of a DBSS flat.

SECTION FIVE : CPF HOUSING GRANT

Q22. How do I apply for the CPF Housing Grant?

A22. You must complete and sign the Application Form for CPF Housing Grant and submit it together with all your supporting documents, for example, payslips and marriage certificate to the developer when you book a DBSS flat with them. The supporting documents that are required can be found in the DBSS brochure on Application Procedures/Terms and Conditions as well as the Application Form for CPF Housing Grant. The Application Form for CPF Housing Grant is available from the developer or at their show apartment office at the site of the development.

If you did not bring all the supporting documents required, please submit the outstanding ones within one week from the date of booking. If the complete set of documents is not received within the one-week deadline, HDB will not be able to consider you for the CPF Housing Grant.

All applications for CPF Housing Grant must be submitted to HDB before a DBSS flat buyer signs the Sale and Purchase Agreement with the developer. If you have already signed the Sale and Purchase Agreement, you will not be eligible for the CPF Housing Grant.

Q23. How will the CPF Housing Grant be given and can I use it as downpayment for my DBSS flat?

A23: If you are eligible for the CPF Housing Grant, it will be credited into your CPF account. The first 5% or 10% (whichever is applicable) of the selling price must be paid in cash. You can use the CPF Housing Grant to pay for the remaining downpayment (i.e. 10% or 15% of the selling price, whichever is applicable) after you have signed the Sale and Purchase Agreement. However, further CPF, if any, can only be released after you have paid all the cash difference.
To ensure that the CPF Housing Grant is available for your use, please complete and submit the CPF withdrawal form to CPF Board for their processing upon your booking of a DBSS flat. If you have appointed solicitors to act for you, your appointed solicitors will arrange for you to complete the CPF withdrawal form and send it to CPF Board for processing.

Q24. How will the CPF Housing Grant be given if there are co-applicants buying the DBSS flat?

A24: For eligible applicant / co-applicant who are husband and wife and are Singapore Citizens, the CPF Housing Grant will be divided equally and credited into their respective CPF accounts. For the other cases, the CPF Housing Grant will only be credited into the CPF account of the applicant who is a Singapore Citizen.

Q25. How will the CPF Housing Grant be treated if I do not complete the purchase of the DBSS flat, for example, if I do not sign the Sale and Purchase Agreement?

A25: You must return the CPF Housing Grant with accrued interest to the Government if you do not proceed to sign the Sale and Purchase Agreement or if you are found to be ineligible for the CPF Housing Grant or to buy the DBSS flat.

Q26. Do I need to return the CPF Housing Grant if I cancel my purchase of the DBSS flat after I have signed the Sale and Purchase Agreement?

A26: Yes. For example if you have:-

a) bought the DBSS flat with your spouse under the Public Scheme with the CPF Housing Grant and subsequently annul your marriage; or

b) bought the DBSS flat with your fiancé / fiancée under the Fiancé / Fiancée Scheme with the CPF Housing Grant and are unable to produce the marriage certificate as required under the Fiancé / Fiancée scheme,

you and your ex-spouse or ex-fiancé / ex-fiancée will be required to return the CPF Housing Grant together with accrued interest. Any shortfall has to be repaid in cash. If the full amount cannot be recovered at that juncture, the outstanding amount (inclusive of interest) will be treated as a debt owed to the Government. Both of you will also not be eligible to rent / buy or take over the ownership of another HDB flat, DBSS flat or Executive Condominium unit until you have paid up this debt in full (with interest). Please refer to the relevant CPF Housing Grant form for more details.

Q27. Am I eligible for the CPF Housing Grant if I apply to buy a DBSS flat where the Temporary Occupation Permit for the DBSS flat has been obtained?

A27: Yes, you will be eligible for the CPF Housing Grant if you satisfy the conditions for receipt of the grant and you have not signed the Sale and Purchase Agreement with the developer.

Q28. When I sell my DBSS flat in the open market in future, do I need to refund the CPF Housing Grant to the Government?

A28: When you dispose of your DBSS flat, you are required to refund all the CPF monies including the CPF Housing Grant which had been withdrawn for the purchase of the
DBSS flat to your CPF account. Please note that the CPF monies returned to your CPF account can be used in accordance with the prevailing CPF laws and policies.

SECTION SIX: RESALE LEVY

Q29. If I am an ex-owner of a flat bought direct from HDB (or an HDB resale flat bought under the CPF Housing Grant Scheme), do I have to pay a resale levy when I buy a DBSS flat?

A29: No, you do not need to pay any resale levy.

Q30. If I buy a DBSS flat from the developer with the CPF Housing Grant now, is the resale levy payable if I subsequently sell the DBSS flat and buy a HDB flat in future?

A30: You will need to pay a resale levy if you subsequently buy a flat direct from HDB. This levy has to be paid in one cash lump sum before you can collect keys to the HDB flat.

SECTION SEVEN: LEASE ADMINISTRATION

Q31. When can I sell my DBSS flat in the open market? Or sublet my DBSS flat?

A31: Similar to a flat bought from HDB, there is a five-year minimum occupation period (MOP) before you may sell your DBSS flat in the open market to eligible buyers or sublet the DBSS flat. This period is computed from the date of taking possession of the DBSS flat and excludes any subletting of whole flat and any period of non-occupation.

If you wish to sublet the DBSS flat after the five-year MOP, please seek HDB’s prior approval from the HDB Branch Office.

Q32. Do DBSS flats come with any warranty?

A32: Yes. The developer is required to rectify any defects found within the one-year Defects Liability Period and also to provide a five-year warranty against water seepage through external walls and ceiling leakage and a ten-year warranty against spalling concrete for all DBSS flats.

Q33. DBSS flats are developed by the private sector but will be managed and maintained by HDB and Town Councils respectively after completion. How will HDB ensure that the flats are of good quality?

A33: Like any building project, the developers will be subject to the building codes and safety by-laws administered by the various authorities. DBSS developers are responsible for the quality of DBSS flats. They are also required to provide Assure 3 warranty against ceiling leakage, water seepage from external and spalling concrete.
Q34. How do I make an application for renovation? Do I need to get permission from the developer for this DBSS project?

A34: For renovation works that require HDB's prior approval, the HDB registered renovation contractors appointed by you will need to submit the renovation permit application electronically at HDB InfoWEB at www.hdb.gov.sg via MyHDBPage.

If your block has not been issued with the Certificate of Statutory Completion (CSC) and the Lease has not been issued for your unit, you will need to obtain the developer’s consent for any proposed renovation works, in case the proposed renovation works affect the issuance of the CSC. To minimise any inconveniences during the interim period, HDB Branch Office will assist to seek the developer’s consent before issuing the permit for your renovation works.

Further information on the guidelines, do's and don'ts and procedures for renovation works are available in HDB InfoWEB at www.hdb.gov.sg.

Q35. What are the monthly service and conservancy charges (sc / cc) payable if I buy a DBSS flat?

A35: The indicative monthly service and conservancy charges for a 3-room, 4-room and 5-room DBSS flat, payable to the Town Council when buyers take possession of the DBSS flat, are as follows:-

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<th>Room Type</th>
<th>Indicative sc / cc ($) per month</th>
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<tr>
<td>3-Room</td>
<td>$60.00 - $70.00</td>
</tr>
<tr>
<td>4-Room</td>
<td>$65.00 - $80.00</td>
</tr>
<tr>
<td>5-Room</td>
<td>$80.00 - $90.00</td>
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The DBSS flats will be maintained by the Town Council once the development is vested in HDB. The buyers will need to pay directly to the Town Council either via GIRO or by cash without demand.

SECTION EIGHT : FURTHER INFORMATION

Q36. How do I make further enquiries or get clarification concerning the application for the purchase of a DBSS flat at Centrale 8 at Tampines?

A36: If you have any enquiries,

Please call Sim Lian (Tampines Central) Pte Ltd at Tel no. 6665 0330. Alternatively, you may email your enquiry to email address at enquiries@simlian.com.sg or visit their website at www.simlian.com.sg.

You may visit the HDB InfoWEB at www.hdb.gov.sg for general information on DBSS.