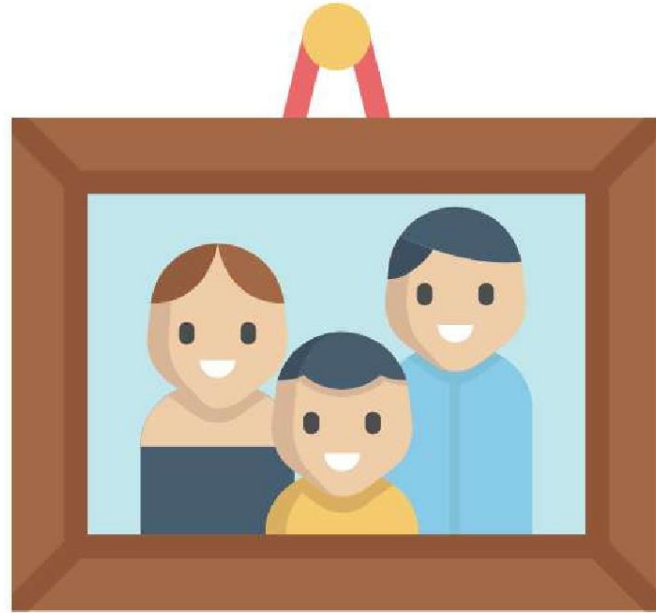




IS HOLDING ON TO YOUR HDB A GOOD INVESTMENT DECISION?

Understanding the long-term implications for HDB Flat Owners

STORY OF A SINGAPORE FAMILY



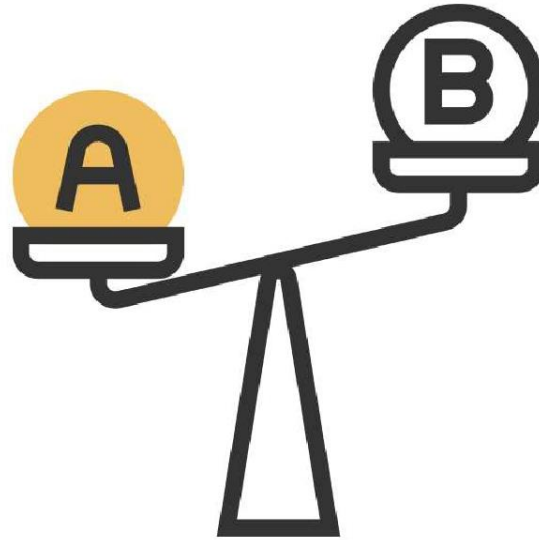
**ROY AND HIS FAMILY HAVE STAYED FOR
OVER 10 YEARS IN THEIR HDB FLAT.**

STORY OF A SINGAPORE FAMILY



BUT ISN'T SURE WHETHER TO HOLD ON TO THEIR HDB FLAT.

SENTIMENTAL VS INVESTMENT VALUE

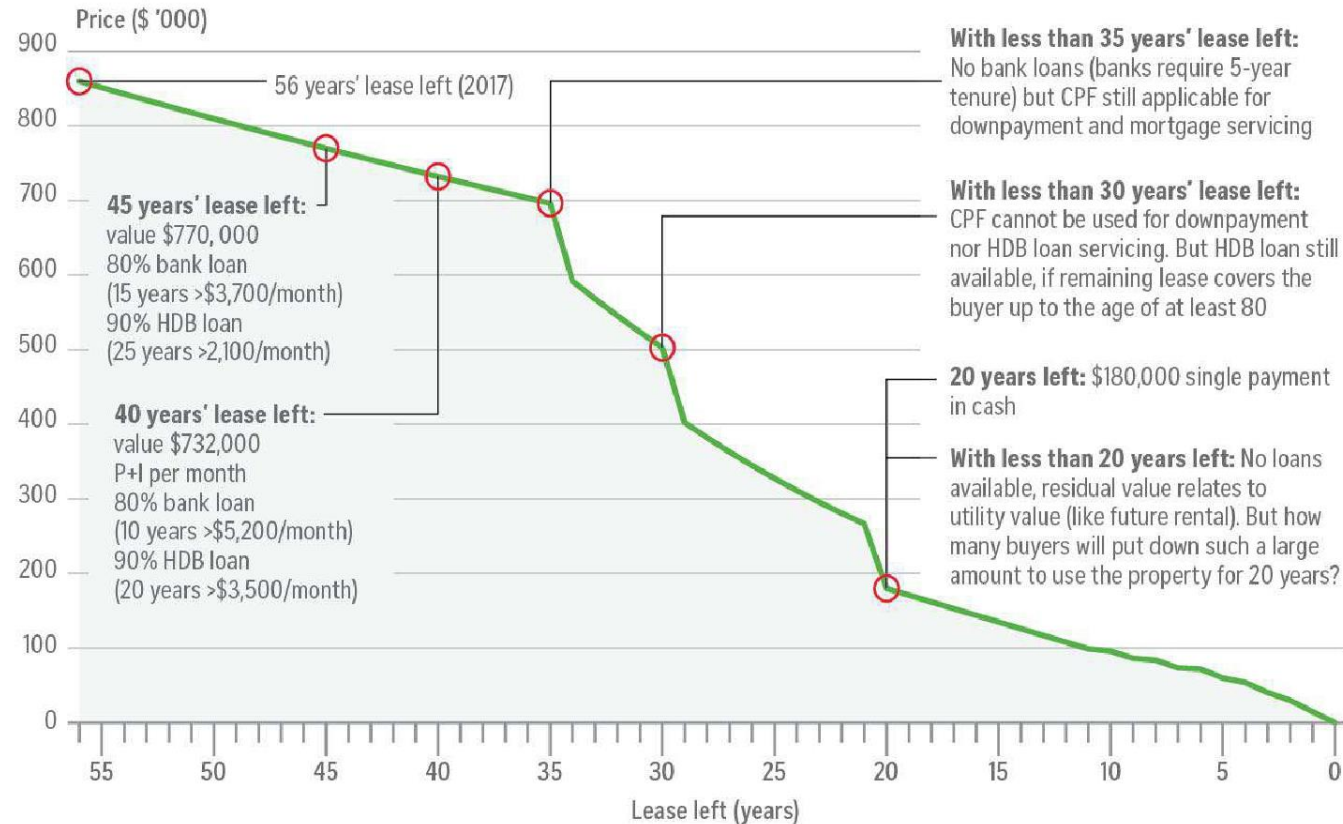


LET'S EXAMINE FOR THEM THE
IMPLICATIONS OF DOING SO.

REDUCING HDB TENURE AFFECTS PRICE

How a HDB flat might depreciate over time

Assume HDB 5 room flat, bought for \$860,000 in 2017



Source: INTERNATIONAL PROPERTY ADVISOR, SOH YUN YEE STRAITS TIMES GRAPHICS

OLD FLATS WILL SIGNIFICANTLY DROP IN VALUE AS LEASE RUNS OUT

HOUSING MINISTER COMMENTS

Buyers who pay high prices for old flats face reality check

Minister's cautionary note that not all old flats undergo Sers may force buyers to weigh not just location and size

Don't assume all old HDB flats will become eligible for Sers, cautions Lawrence Wong

The Straits Times article title: Published 24 March 2017

Geylang Lorong 3 houses to be returned to the State in 3½ years

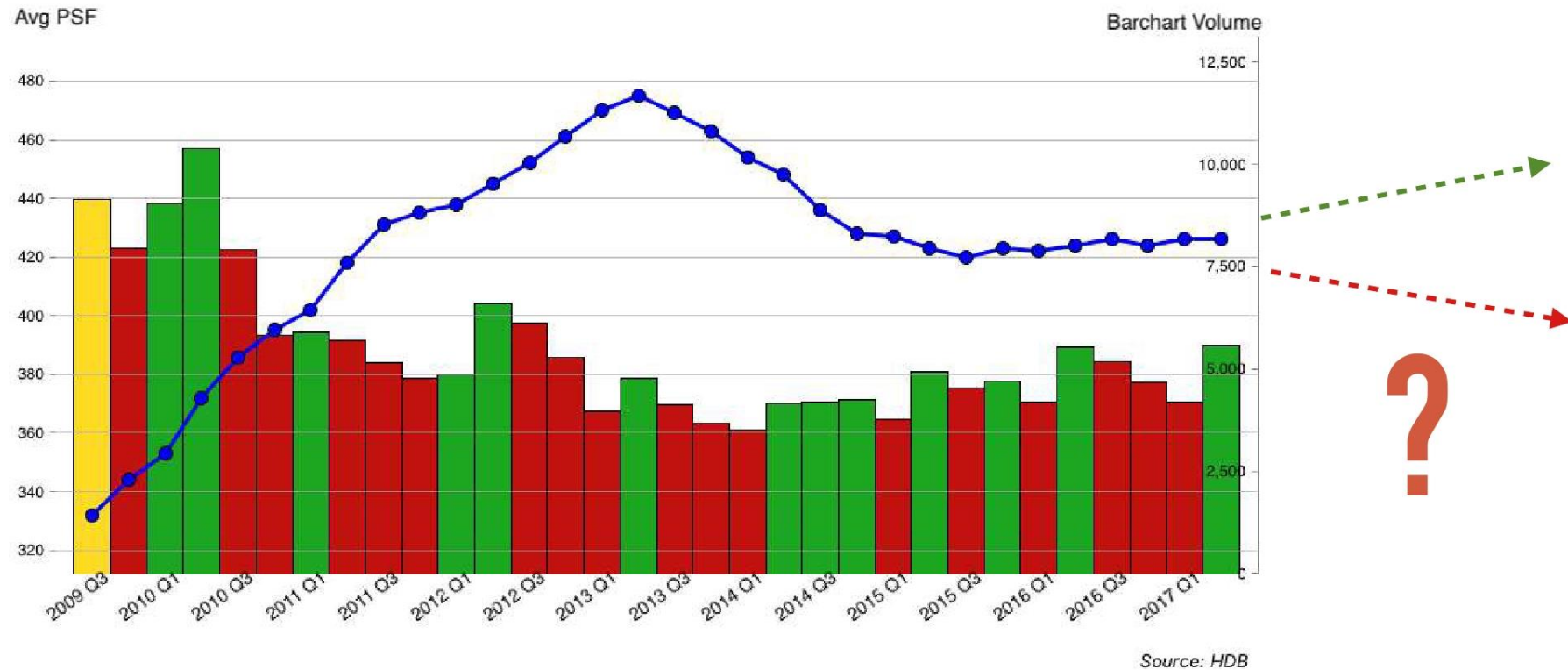
191 private terraced houses will see their 60-year leases run out in 2020 and returned to the State – the first time it will happen to a residential area here



Source: SINGAPORE LAND AUTHORITY
STRAITS TIMES GRAPHICS

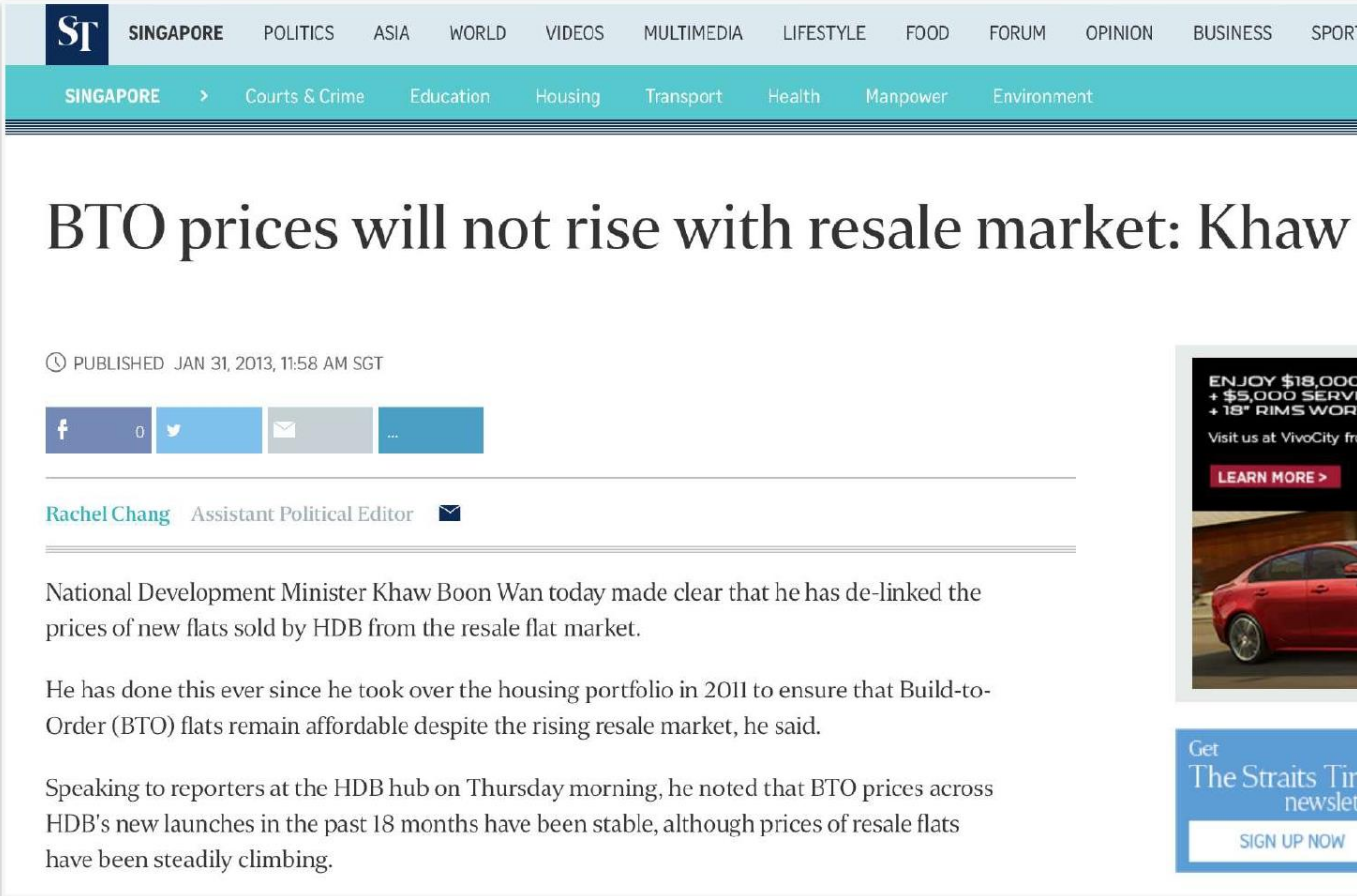
Q: WILL OLD HDB FLATS CONTINUE TO GROW IN VALUE?

MSR EFFECTS SINCE 2013



HDB PRICES HAS **CORRECTED** AND ARE **"PEGGED"** TO INCOME LEVELS OF THE AVERAGE SINGAPOREAN WORKER. LARGE PRICE INCREMENTS OF THE PAST ARE **UNLIKELY** TO REOCCUR.

BTO PRICES DELINKED FROM RESALE PRICES



The screenshot shows a news article from The Straits Times. The header includes the 'ST' logo and navigation links for SINGAPORE, POLITICS, ASIA, WORLD, VIDEOS, MULTIMEDIA, LIFESTYLE, FOOD, FORUM, OPINION, BUSINESS, and SPORT. A secondary navigation bar lists SINGAPORE, Courts & Crime, Education, Housing, Transport, Health, Manpower, and Environment. The article title is 'BTO prices will not rise with resale market: Khaw'. It was published on Jan 31, 2013, at 11:58 AM SGT. The author is Rachel Chang, Assistant Political Editor. The article text states that National Development Minister Khaw Boon Wan has de-linked the prices of new flats sold by HDB from the resale flat market, ensuring they remain affordable despite the rising resale market. It also notes that BTO prices across HDB's new launches have been stable over the past 18 months, while resale prices have been climbing. On the right side of the article, there is a car advertisement for VivoCity and a newsletter sign-up for The Straits Times.

BTO prices will not rise with resale market: Khaw

PUBLISHED JAN 31, 2013, 11:58 AM SGT

[f](#) 0 [t](#) [e](#) ...

Rachel Chang Assistant Political Editor

National Development Minister Khaw Boon Wan today made clear that he has de-linked the prices of new flats sold by HDB from the resale flat market.

He has done this ever since he took over the housing portfolio in 2011 to ensure that Build-to-Order (BTO) flats remain affordable despite the rising resale market, he said.

Speaking to reporters at the HDB hub on Thursday morning, he noted that BTO prices across HDB's new launches in the past 18 months have been stable, although prices of resale flats have been steadily climbing.

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CURB **RUNAWAY** PRICES FOR HDBS

LOWER FUTURE DEMAND FOR OLD RESALE FLATS

The number of flats put up for resale will likely escalate as cohorts of baby boomers age and die, says the writer. But demand will go down due to a shrinking youth population, he adds. The widening gap between supply and demand will add significant downward pressure on resale prices.
ST PHOTO:
LIM YAOHUI



Prepare for supply avalanche as ageing HDB flat owners die

BY 2030

- MORE THAN 400,000 FLATS WITH LESS THAN 60 YEARS LEASE.
- MORE ANNUAL DEATHS THAN BIRTHS.

Ku Swee Yong
For The Straits Times

important. The Housing Board's housing programme was ramped up quickly in the 1970s and 1980s to supply more than 550,000 flats over these two decades to meet the needs of a million baby boomers

BUT FEWER YOUNG AND NEW FAMILIES ARE BUYING FLATS

The increased supply of resale HDB flats faces another challenge: slowing demand from young couples. Birth rates have trended

economy creating tens of thousands of additional jobs every year and remaining attractive to foreign migrants. Alternatively, HDB can loosen "memberships" rules to allow

SMALLER BUYER BASE FOR FLATS WITH < 60 YEARS LEASE

USING YOUR CPF FOR PROPERTIES WITH LESS THAN 60 YEARS LEASE LEFT

- 1 No CPF can be used if the remaining lease of a property is less **than 30 years**.
- 2 A property owner is eligible to use his CPF for the property if **his age plus the remaining lease of the property is at least 80 years**.
- 3 The maximum amount of OA savings you can use is capped at a percentage of the **property purchase price or the value of the property, whichever is lower**.

Remaining lease when the youngest eligible owner using CPF turns 55

Remaining lease at the point of purchase

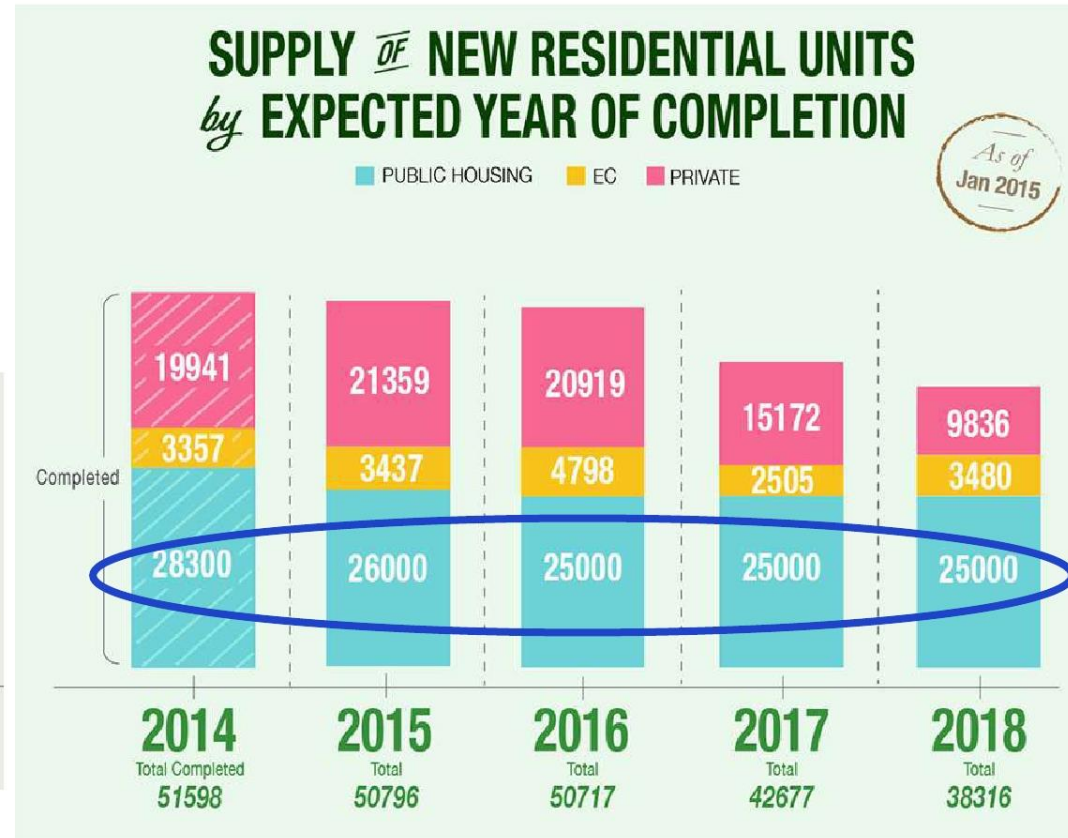
X

Lower of purchase price or value of the property

Tip: Use our calculator to find out the maximum amount of CPF you can use to buy a property with a remaining lease of < 60 years, but ≥ 30 years.



RECORD NUMBER OF BTOS ENTERING THE RESALE MARKET FROM 2019-2023.



Q: ARE HDB PRICES LIKELY TO INCREASE OR DECREASE WHEN THESE **BTOS REACH MOP?**

SUMMARY



ARE HDBS **GOOD** INVESTMENT CHOICES OVER
THE LONG TERM? SHOULD I HOLD LONGER?

IT IS **CRUCIAL** FOR HDB OWNERS TO **UPGRADE TO BETTER
ASSETS** BEFORE THE SPOTLIGHT IS SHONE ON THE FATE OF
OLD FLATS IN THE COMING DECADE.



PROPERTY WEALTH PLANNING

A Road Map to Systematic Wealth Building Through
Property Investments



5 Star Service

Property Wealth Planner

Graduated from NUS with major in Economics and certified with CEA, JJ is a dedicated and responsible realtor who always put his clients' interest first.

Honesty, integrity and professionalism are his core principles at work and your needs will always be the top of JJ's concern. Many clients have testified for his service and maybe one day you can testify for him too.

He can help you to choose the "right" property in Singapore - whether you are an experienced investor, a first time buyer or a foreigner looking to migrate into Singapore. His services cover finding the property, doing financial calculation, negotiating the best price, making an offer and sealing the deal. He believes in no hard selling but meeting the clients' needs and requirements. He is here to help you in everything to make the best real estate decision.

For HDB / condo owners who wish to restructure their portfolio, he can assist and provide advice based on his experience dealing with clients from all walks of life. His services cover sourcing the right buyers, doing financial calculation, getting the best possible market price and ensuring smooth timeline. He believes that every house is marketable. He is here to help you to get the best possible deal.

[5-Star Services](#) | [Website Profile](#) | [SRX Profile](#)

More Info About JJ →



Kenneth (Residential Seller)

Oct 4, 2016

JJ has shown that he worked very hard on every buyers' lead and provided extremely dedicated service to his client. I will be giving exclusivity to him to sell my father's HDB flat unit in the coming year 2017.



Mr & Mrs Lai (Residential Seller)

Jul 27, 2016

JJ had helped us to market the HDB house and he is able to sell at record high price. We would like to thanks for his effort on this!



Derek & Hui Shan (Residential Buyer)

Apr 21, 2016

We will highly recommend you to our friends looking for properties and I am sure we will come to you when we are ready to purchase our next apartment!



Daniel & Feng Ling (Project Buyer)

Dec 11, 2015

We would like to thank Jun Jie and your team for the quality service and we look forward to the same standard of service when we are ready to sell our existing BTO!



Collected over 100 testimonials. Customers' Satisfaction are my Personal Achievements!

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