

Our Ref: General Circular PC 06-13

**16 October 2013**

Key Executive Officers

**JOINT CEA-HDB PRACTICE CIRCULAR ON HDB SUBLETTING POLICIES AND REGULATIONS AND DUTIES OF ESTATE AGENTS AND SALESPERSONS IN SUBLETTING TRANSACTIONS**

This joint Practice Circular by CEA and HDB sets out the guidelines that Estate Agents (EAs) and real estate salespersons must follow when dealing with subletting transactions of HDB flats/rooms.

2 Under the Code of Ethics and Professional Client Care, EAs and salespersons must be fully conversant and comply with relevant laws, regulations and rules that apply to property transactions, including those involving HDB flats.

3 Policies and regulations are revised and updated over time to keep pace with new developments in the industry. EAs and Salespersons need to ensure that they are up-to-date with the latest policies and regulations to be in a position to advise their clients in a responsible manner, with accurate and comprehensive information.

**Unauthorised Subletting of HDB Flats is an Infringement of the Lease**

4 HDB flats are meant for owner-occupation. Flat owners who wish to sublet their flats must fulfil the eligibility conditions. They must also obtain HDB's prior written approval to sublet the flat.

5 Unauthorised subletting of HDB flats is an infringement of the lease and it also contravenes the Housing & Development Act. HDB takes a serious view of any unauthorised subletting of flat and will take stern action against owners who commit the infringement, including compulsory acquisition of the flat, even if it is the owners' first infringement. Correspondingly, CEA will take action against the errant salesperson involved in facilitating unauthorised subletting. The salesperson could face disciplinary action and may be fined up to \$75,000, or have his registration suspended or revoked.

6 There have been cases of flat owners who try to circumvent HDB's rules by locking up one room and subletting the rest of the flat while they do not live in the flat during the period of subletting. Such cases will be treated as unauthorised subletting

of flats and similar action will be taken against those owners who commit such an infringement.

7 Please refer to **Annex A** and **B** (See attached) for HDB's policies, regulations and guidelines for subletting of flat/room respectively. As they may change over time, EAs and salespersons are advised to refer to HDB's Website at [www.hdb.gov.sg](http://www.hdb.gov.sg) for the latest information.

### **Duties of Salespersons**

8 In facilitating subletting transactions of HDB flats/rooms, the duties of salespersons include the following:

- (1) Check and advise owners on their eligibility to sublet;
- (2) Ensure that the person subletting is the rightful owner;
- (3) Check and advise subtenants on their eligibility to rent;
- (4) Ensure that prospective subtenants are eligible to rent;
- (5) Explain HDB's subletting policies/terms and conditions/procedures to owners/subtenants;
- (6) Ensure owners obtain HDB's prior written approval to sublet the whole flat or register the subletting of room with HDB, and show documentary proof of the approval/registration to the subtenants thereafter;
- (7) Explain clauses in the tenancy agreement to owners and subtenants;
- (8) Assist owners to check and ensure foreign subtenants' stay in Singapore is legal; and
- (9) Advise subtenants to get their tenancy agreements stamped with IRAS.

9 Salespersons shall also ensure that they do not facilitate transactions involving HDB rental flats as such flats are not allowed to be sublet. If in doubt, the salespersons can ask for documents from their clients to verify if the flat is a rental or sold flat.

10 The contents in this Circular are for information and compliance by estate agents and salespersons. Please disseminate the contents to all your salespersons.

## For Clarification

11 For clarification, you may wish to contact the following:

	Contact Number	Email
<b>Duties Of Estate Agents And Salespersons</b>		
CEA	1800 - 6432555	<a href="mailto:feedback@cea.gov.sg">feedback@cea.gov.sg</a>
<b>Subletting Policies &amp; Regulations</b>		
HDB	1800 - 2255432	<a href="mailto:hdbmailbox@hdb.gov.sg">hdbmailbox@hdb.gov.sg</a>

Your sincerely

CHERYL LIM  
DEPUTY DIRECTOR (POLICY & PLANNING)  
FOR EXECUTIVE DIRECTOR  
COUNCIL FOR ESTATE AGENCIES

SEAH CHEONG WEE  
DEPUTY DIRECTOR (LEASE MANAGEMENT & ENFORCEMENT)  
FOR CHIEF EXECUTIVE OFFICER  
HOUSING AND DEVELOPMENT BOARD

## Annex A

### Policies, Regulations and Guidelines for Subletting of Whole HDB Flat

Table 1 lays out the HDB's policies, regulations and guidelines for subletting of whole flat. As they may change over time, please refer to [HDB's website](#) for the latest information.

**Table 1**

HDB's Policies, Regulations and Guidelines for Subletting of Whole Flat (updated as at 30 Sep 2013)										
S/N	Policies, Regulations and Guidelines for Subletting of Whole Flat	Essential Facts and Information								
1	Need to Obtain HDB's prior written approval	<ul style="list-style-type: none"> <li>Flat owners need to obtain prior written approval from HDB, before subletting their whole flat</li> </ul> <p><a href="#">Important Note for Salespersons:</a></p> <p><b>Have sight of HDB's Approval letter:</b> It is advisable to include a clause in the tenancy agreement that the contract is subject to the flat owner obtaining HDB's prior written approval for the subletting. Salespersons may request the flat owner to show them a copy of the approval letter to rent out his flat, after the application is approved by HDB.</p>								
2	Eligibility Conditions for Flat Owners	<ul style="list-style-type: none"> <li>Flat owners who wish to sublet their flat must be a Singapore Citizen (SC)</li> <li>Singapore Permanent Resident (SPR) flat owners are not allowed to sublet their flat</li> <li>SC flat owners must meet a 3 or 5-year Minimum Occupation Period (MOP) as follows:</li> </ul> <table border="1"> <thead> <tr> <th>MOP</th> <th>Flat Types</th> </tr> </thead> <tbody> <tr> <td>3 years</td> <td>For non-subsidised flat (flat purchased from the open market without a CPF housing grant) and the application to buy the flat was received by HDB before 30 Aug 2010</td> </tr> <tr> <td>5 years</td> <td>For non-subsidised flat (flat purchased from the open market without a CPF housing grant) and the application to buy the flat was received by HDB on or after 30 Aug 2010</td> </tr> <tr> <td>5 years</td> <td>For subsidised flat (flat purchased directly from HDB or from the open market with a CPF housing grant)</td> </tr> </tbody> </table> <p><a href="#">Important Note for Salespersons</a></p> <p><b>Proof of Ownership of Flat:</b> Salespersons would need to ensure that the person whom they are dealing with is the rightful owner of the flat. They can do so by requesting for documentary proof of flat ownership which includes the latest Service &amp; Conservancy Charges statement and Annual Loan Statement bearing the name</p>	MOP	Flat Types	3 years	For non-subsidised flat (flat purchased from the open market without a CPF housing grant) and the application to buy the flat was received by HDB before 30 Aug 2010	5 years	For non-subsidised flat (flat purchased from the open market without a CPF housing grant) and the application to buy the flat was received by HDB on or after 30 Aug 2010	5 years	For subsidised flat (flat purchased directly from HDB or from the open market with a CPF housing grant)
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		of the flat owner								
3	Period of Subletting (Minimum and Maximum)	<ul style="list-style-type: none"> <li>• Not allowed to sublet the flat on short term basis</li> <li>• Period of subletting to each subtenant per application must not be less than 6 months</li> <li>• Maximum subletting period is 3 years per application or as stipulated in the approval letter, whichever is shorter. For subletting involving non-citizen subtenants (<u>SPRs and foreigners</u> but exclude Malaysians), the maximum period of subletting per application is 1.5 years or as stipulated in the approval letter, whichever is shorter</li> </ul>								
4	Responsibilities of Flat Owners	<p>Flat owners who sublet their flat must make sure that:</p> <ul style="list-style-type: none"> <li>• the flat is sublet to eligible subtenants only</li> <li>• there is no overcrowding and the number of subtenants does not exceed the maximum number allowed. The maximum number of subtenants allowed in each flat is as follows:</li> </ul> <table border="1" data-bbox="667 786 1398 1025"> <thead> <tr> <th>Flat Type</th> <th>Total Number of Subtenants</th> </tr> </thead> <tbody> <tr> <td>1-room and 2-room</td> <td>4 persons</td> </tr> <tr> <td>3-room</td> <td>6 persons</td> </tr> <tr> <td>4-room and bigger</td> <td>9 persons</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>• subtenants have entered and remain in Singapore lawfully at all times during the period of the subletting</li> <li>• subtenants do not further sublet the flat to other persons</li> <li>• subtenants fully comply with all covenants under the lease and the provisions of the Housing &amp; Development Act (flat owners are responsible for all infringements, if any, committed by the subtenants)</li> <li>• they inform the Comptroller of Property Tax of the subletting once approval is given and when subletting is terminated</li> <li>• they obtain prior written approval from HDB for the subletting and inform HDB of any subsequent changes in the subletting ( e.g. renewal, termination of subletting or change of subtenants )</li> <li>• they resume continuous occupation of the flat and ensure subtenants vacate the premises when: <ul style="list-style-type: none"> <li>• subletting is terminated, or</li> <li>• owner is no longer eligible to sublet the flat</li> </ul> </li> <li>• they surrender the flat to HDB if it is repossessed by HDB</li> </ul>	Flat Type	Total Number of Subtenants	1-room and 2-room	4 persons	3-room	6 persons	4-room and bigger	9 persons
Flat Type	Total Number of Subtenants									
1-room and 2-room	4 persons									
3-room	6 persons									
4-room and bigger	9 persons									
5	Eligibility Conditions for Subtenants	<p>Subtenants who wish to rent a flat:</p> <ul style="list-style-type: none"> <li>• must be Singapore Citizens (SCs) or Singapore Permanent Residents (SPRs) or non-citizens legally residing in Singapore who are holders of Employment Passes, S Passes, Work Permits*, Student Passes, Dependant Passes, or Long-Term Social Visit Passes.</li> </ul>								

		<p>These passes must have validity period of at least 6 months as at the date of subletting application  <i>*Construction workers who are Work Permit holders must be Malaysians</i></p> <ul style="list-style-type: none"> <li>• must not be tourists</li> <li>• must not be tenants/owners of other HDB flats except for: <ul style="list-style-type: none"> <li>• Tenants/owners who are divorced/legally separated (only one of the divorced/legally separated parties may be a subtenant)</li> <li>• Owners who are eligible to sublet their whole HDB flat (they must sublet their own flat within 1 month after they have rented a flat from another flat owner)</li> </ul> </li> <li>• must not be owners of Executive Condominium units where the 5-year MOP has not been met</li> </ul> <p><u>Important Note for Salespersons</u></p> <p>Salespersons shall note that the Immigration Act requires them to conduct all the required due diligence checks before they recommend foreign subtenants to a landlord. They must</p> <ol style="list-style-type: none"> <li>a) verify the original passes of the subtenant and keep photocopies;</li> <li>b) cross-check particulars on these passes with the original passports. Check photographs with the actual person and keep photocopies; and</li> <li>c) verify the validity of immigration passes (such as Student Pass and Long-term Social Visit Pass) with the Immigration &amp; Checkpoints Authority of Singapore (ICA) via its website and print acknowledgement slip or verify work or other passes (such as Work Permit, Employment Pass and Dependent's Pass) with the Ministry of Manpower (MOM) via its website and print acknowledgement slip</li> </ol> <p>It is an offence under the Immigration Act if Salespersons fail to carry out all the above three due diligence checks. If convicted, the salesperson would be liable to a mandatory jail sentence of between six and 24 months and a fine not exceeding \$6,000. For more information, salespersons are advised to check with the ICA (<a href="http://www.ica.gov.sg">www.ica.gov.sg</a>) and MOM (<a href="http://www.mom.gov.sg">www.mom.gov.sg</a>)</p>
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<b>Procedure to Apply for Approval from HDB</b>		
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6	Submission of Applications	<ul style="list-style-type: none"> <li>• Submit online at My HDBPage &lt;<a href="http://www.hdb.gov.sg/subletting">www.hdb.gov.sg/subletting</a>&gt;</li> </ul> <p>Application forms can also be obtained from any HDB Branch or downloaded from <a href="#">HDB's Website</a></p> <ul style="list-style-type: none"> <li>• If flat owner is overseas during the period of subletting, there must be a properly appointed Attorney to act for him in the management of the flat. A certified true copy of the Power of</li> </ul>
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7	<p>Attorney (POA) prepared in accordance with the HDB's standard format and lodged with the High Court, must be furnished to the HDB. (Applicants should consult their solicitors on the preparation of the POA)</p> <p>Administrative Fee</p> <ul style="list-style-type: none"><li>• \$20/- administrative fee is payable for each subletting application.</li><li>• Flat owners must submit a new application and pay a fresh administrative fee to continue subletting the flat when the existing subletting period expires. The new application will be subject to reassessment of flat owners' eligibility to sublet the flat</li></ul>
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## Annex B

### Policies, Regulations and Guidelines for Subletting of Room in HDB Flat

Table 2 lays out the HDB's policies, regulations and guidelines, for subletting of room. As they may change over time, please refer to [HDB's website](#) for latest information.

**Table 2**

HDB's Policies, Regulations and Guidelines for Subletting of Room (updated as at 30 Sep 2013)		
S/N	Policies, Regulations and Guidelines for Subletting of Room	Essential Facts and Information
1	Need to Register with HDB	<ul style="list-style-type: none"> <li>Flat owners who sublet bedrooms are required to register the subletting with HDB within 7 days of doing so. They are also required to notify HDB each time they renew or terminate the subletting tenancy and when there are changes to the subtenants/subtenants' particulars within 7 days from the date of change.</li> </ul> <p><b>Failure to Register</b> the subletting or inform HDB of subsequent changes (termination, renewal of subletting and changes to subtenants' particulars etc) within the stipulated period will render the subletting of room to be unauthorised. HDB can take enforcement action under the Housing &amp; Development Act which includes compulsory acquisition of the flat.</p>
2	Eligibility Conditions for Owners	<p>Flat owners may:</p> <ul style="list-style-type: none"> <li>sublet bedroom if they own a 3-room or bigger flat</li> </ul> <p><u>Important Note for Salespersons:</u></p> <ul style="list-style-type: none"> <li>Owners of 1-room and 2-room flats are not allowed to sublet their bedroom</li> <li>HDB rental flat tenants are not allowed to sublet bedroom</li> <li>Living room, study room, household shelter, balcony and utility room cannot be sublet.</li> </ul>
3	Period of Subletting (Minimum and Maximum)	<ul style="list-style-type: none"> <li>Not allowed to sublet bedroom on a short term basis</li> <li>Period of subletting to each subtenant per registration must not be less than 6 months</li> <li>Maximum subletting period is 3 years per registration or as stipulated in the letter of acknowledgement whichever is shorter. For subletting involving non-citizen subtenants (SPRs and foreigners but exclude Malaysians), the maximum period of subletting per registration is 1.5 years or as stipulated in the letter of acknowledgement whichever is shorter.</li> </ul>

4	Responsibility of Flat Owners	<p>Flat owners who sublet their bedroom must make sure that</p> <ul style="list-style-type: none"> <li>• they and all authorised occupants must at all times be in continuous physical occupation of the flat</li> <li>• the bedroom is sublet to eligible subtenants only</li> <li>• there is no overcrowding and the number of subtenants does not exceed the maximum number allowed</li> </ul> <p>The number of bedrooms which flat owners can sublet and the maximum number of occupants* allowed in each flat depends on the flat type as shown in the Table below:</p> <table border="1" data-bbox="667 658 1394 965"> <thead> <tr> <th>Flat Type</th> <th>Maximum Number of Bedrooms Allowed for Subletting</th> <th>Maximum Number of Occupants* Allowed in Each Flat</th> </tr> </thead> <tbody> <tr> <td>3-room</td> <td>1 bedroom</td> <td>6 persons</td> </tr> <tr> <td>4-room</td> <td>2 bedrooms</td> <td>9 persons</td> </tr> <tr> <td>5-room</td> <td>2 bedrooms</td> <td>9 persons</td> </tr> <tr> <td>Executive</td> <td>2 bedrooms</td> <td>9 persons</td> </tr> </tbody> </table> <p># living room, study room, household shelter, balcony and utility room cannot be sublet. * Includes owners, authorised occupants and subtenants</p> <ul style="list-style-type: none"> <li>• subtenants do not further sublet bedroom to other persons</li> <li>• subtenants have entered and remain in Singapore lawfully at all times during the period of the subletting</li> <li>• subtenants comply with all the covenants under the lease and all the provisions of the Housing &amp; Development Act (flat owners are responsible for all infringements, if any, committed by the subtenants)</li> <li>• they surrender the flat to HDB if the flat is repossessed by HDB</li> <li>• the living room, study room, household shelter, balcony and utility room are not to be sublet.</li> </ul>	Flat Type	Maximum Number of Bedrooms Allowed for Subletting	Maximum Number of Occupants* Allowed in Each Flat	3-room	1 bedroom	6 persons	4-room	2 bedrooms	9 persons	5-room	2 bedrooms	9 persons	Executive	2 bedrooms	9 persons
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5-room	2 bedrooms	9 persons															
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5	Eligibility Conditions for Subtenants	<p>Subtenants who wish to rent a bedroom :</p> <ul style="list-style-type: none"> <li>• must be Singapore Citizens (SCs) or Singapore Permanent Residents (SPRs) or non-citizens legally residing in Singapore who are holders of Employment Passes, S Passes, Work Permits*, Student Passes, Dependant Passes, or Long-Term Social Visit Passes. These passes must have validity period of at least 6 months as at the date of subletting application <i>*Construction workers who are Work Permit holders must be Malaysians</i></li> <li>• must not be tourists</li> </ul>															

		<ul style="list-style-type: none"> <li>• must not be tenants/owners of other HDB flats except for: <ul style="list-style-type: none"> <li>• Tenants/owners who are divorced/legally separated (only one of the divorced/legally separated parties may be subtenant)</li> <li>• Owners who are eligible to sublet their whole HDB flat (they must sublet their own flat within 1 month after they have rented a room from another flat owner)</li> </ul> </li> <li>• must not be owners of Executive Condominium units where the 5-year MOP has not been met</li> </ul> <p><u>Important Note for Salespersons</u> Salespersons shall note that the Immigration Act requires them to conduct all the required due diligence checks before they recommend foreign subtenant to homeowners:</p> <ol style="list-style-type: none"> <li>a) verify the original passes of the subtenant and keep photocopies;</li> <li>b) Cross-check particulars on these passes with the original passports. Check photographs with the actual person and keep photocopies; and</li> <li>c) Verify the validity of immigration passes (such as Student Pass and Long-term Social Visit Pass) with the Immigration &amp; Checkpoints Authority of Singapore (ICA) via its website and print acknowledgement slip or verify work or other passes (such as Work Permit, Employment Pass and Dependent's Pass) with the Ministry of Manpower (MOM) via its website and print acknowledgement slip</li> </ol> <p>It is an offence under the Immigration Act if Salespersons fail to carry out all the above three due diligence checks. If convicted, the Salesperson would be liable to a mandatory jail sentence of between six and 24 months and a fine not exceeding \$6,000. For more information, Salespersons are advised to check with the ICA (<a href="http://www.ica.gov.sg">www.ica.gov.sg</a>) and MOM (<a href="http://www.mom.gov.sg">www.mom.gov.sg</a>)</p>
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<b>Procedure for Online Registration</b>	
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6	<p>Registration of Subletting of Bedroom</p> <ul style="list-style-type: none"> <li>• Flat owners must register the subletting of bedroom with HDB within 7 days from the subletting commencement date</li> <li>• Flat owners can register online at My HDBPage &lt;<a href="http://www.hdb.gov.sg/subletting">www.hdb.gov.sg/subletting</a>&gt;</li> <li>• Flat owners must provide subtenants' particulars and other subletting details at time of registration and inform HDB of any subsequent changes</li> <li>• Flat owners must notify HDB of subsequent renewal and termination of subletting and changes to subtenants or subtenants' particulars within 7 days from the dates of the changes</li> </ul>
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