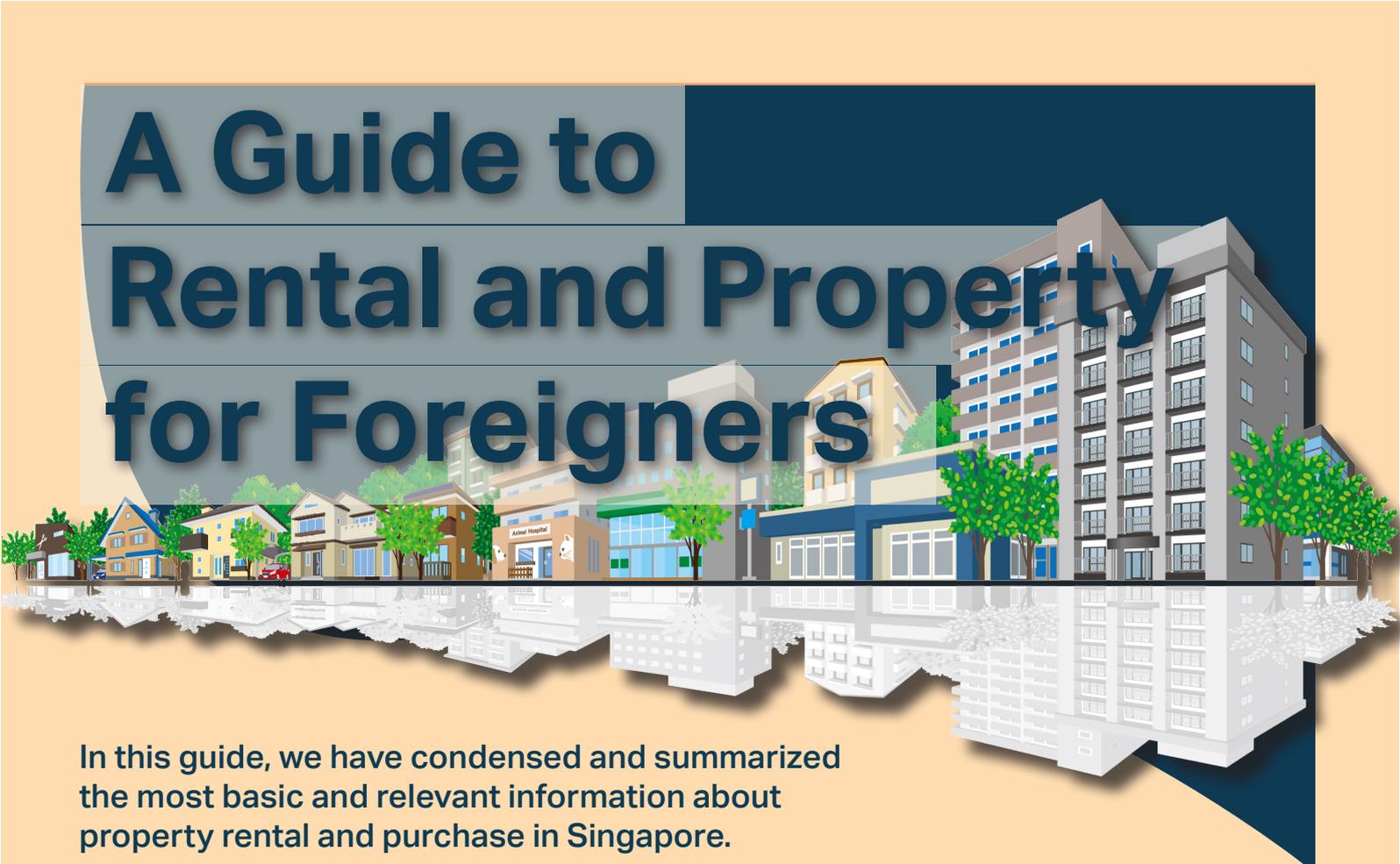


A Guide to Rental and Property for Foreigners



In this guide, we have condensed and summarized the most basic and relevant information about property rental and purchase in Singapore.

Eligibility Criteria for Tenants

In Singapore, both renting and purchasing of properties are available options to foreigners looking to relocate here. When it comes to renting, there are no restrictions – regardless of whether the property is private or public.

However, there are certain eligibility criteria that foreign tenants must meet. They must possess **at least one** of the following passes:

- **A valid employment pass or work permit**
- **A student pass**
- **A dependent pass**
- **A long-term social visit pass**

Check Your Landlord's Eligibility

All owners must possess a property tax statement from the Inland Revenue Authority of Singapore (IRAS) that is proof of ownership of the property.

For **HDB flats**, only Singapore Citizens are eligible for renting out their entire flat. They must have also completed the five-year Minimum Occupation Period (MOP).

However, both Singapore Citizens and Singapore Permanent Residents are eligible for subletting bedrooms as opposed to the whole flat, but this is only allowed for flats with at least three rooms. They must also register any subletting with the Housing Development Board (HDB) within seven days of the subletting commencement date.

For **private property**, owners can rent out their homes whenever they wish.

Letter of Intent

A Letter of Intent (LOI) is a document put together by the Tenant that contains the Tenant's offer to the Landlord. This document is subject to contract. It is important to draft this document carefully as conflict often arises when there is a lack of clarity. Important details to clarify:

- **Monthly Rental Fee**
- **Date of Commencement**
- **Period of Lease**
- **Renewal Options** (Normally exercised 2 months before the current lease expires)
- **Diplomatic Clause** (This is normally exercised after the first 12 months of the tenancy agreement and given to the Landlord 2 months in advance)
- **Booking Deposit** (In case both parties do not come to an agreement on the tenancy terms and conditions, the booking deposit is to be returned to the Tenant)
- **Security Deposit** (Typically, if the lease period is 1 year, the security deposit is 1 month's rent)
- **Other Requests** (once the Landlord has officially accepted your offer in the LOI, it is difficult to propose additional requests)

Tenancy Agreement

A Tenancy Agreement is a legal contract between a property owner and tenant who wants to have temporary possession of the property at a certain rate, during which the tenant has exclusive possession of the premises. This contract typically lists the duties of both the landlord and tenant that were agreed upon.

Rent

The payment of rent must strictly follow the arrangements stated in the agreement. If the Landlord requests for an alternative payment method, he must produce a letter to push forward this change.

Diplomatic Clause

The Diplomatic Clause is exercised when a Tenant desires to terminate the tenancy. The Tenant must give the Landlord 2 months' advanced notice in writing with documentary evidence that the tenant is either:

- Transferred out of Singapore permanently
- Ordered to leave Singapore

Otherwise, Tenants can exercise the Diplomatic Clause after the first 12 months of tenancy.

Approval by Mortgagee

A Landlord is only permissible to lease the property if he has mortgaged the property and obtained a written consent from the bank or financial institution to lease the premises.

If the Landlord defaults in the mortgage or the bank closes, the Tenant can be subjected to eviction.

Hence, it is important to request for a copy of the bank's consent to lease the property from the Landlord.

Covenants

Covenants are the rights and obligations of both the Tenant and the Landlord written in the tenancy agreement. Here are some of the Landlord's covenants:

Implied Covenants

- The premises must be suitable for living
- Responsible for external and internal structural maintenance and repair
- Payment of property tax, insurance, and statutory charges
- Grant the Tenant the Right of Control (freedom to act as long as it is law-abiding)
- Allow the Tenant to enjoy and live comfortably on the premise

Popular Areas for Expats to Live

Orchard Road

- Heart of retail shopping
- Wide variety of restaurants, cafes, and eateries
- Recreational facilities and services
- Very close to the CBD area

Tanglin

- Wide range of housing options available
- Near to Orchard Road
- Near to Botanic Gardens

Holland Village

- Many cafes, ice cream, and dessert parlour
- Myriad of health and beauty services
- Filled with bars and pubs
- Local and Western restaurants where many expatriats like to gather and hang out at
- Wide range of housing options available
- Is an MRT station

Changi Business Park

- A mixture of tech, data and software enterprises
- Research and Development-intensive facilities
- Easy access to the CBD via Expo MRT

East Area

Bedok, Tampines, Flora Drive, Siglap

- Has a community village spirit
- Wide range of local and western restaurants
- Recreational facilities and services
- Wide range of housing options available

Central Business District

Anson Road, Chinatown, Neil Road, Raffles Place, Shenton Way, Tanjong Pagar

- The business district, filled with office buildings
- High-end restaurants, bars and cafes catering to the corporate crowd

South West Area

Buona Vista, Pasir Panjang, Clementi, Dover, Bukit Timah

- Houses many top schools from primary, secondary, and tertiary-level institutes
- Neighbourhood malls
- Key amenities and recreational facilities
- Wide range of restaurants and 24-hour eateries
- Wide range of housing option available

Sentosa

- Best neighbourhood feel
- Great access to recreational activities such as golfing and playing at the beach
- Near to attractions like Resort World Sentosa and Universal Studios Singapore
- Right next to VivoCity, Singapore's largest mall
- Convenient for those who work in CBD

Rental Options for Foreigners

Private Property

- All private property can only house a maximum of 6 unrelated people per property
- The minimum lease period is 3 months
- The property must not be rented out on a daily or weekly basis
- Unrelated people refer to anyone who are outside the same family unit. However, domestic helpers are considered as part of the same family unit



1. Private Condominium – “Condos”

Condos are apartments in high-rise buildings that include several facilities like gyms, swimming pools, barbeque pits, carparks, gardens, and various courts shared by all residents of the estate.

A typical condo **within the central business district** with 3 bedrooms, a hall and kitchen (3 BHK), can range from **\$4,000 to \$12,000 monthly**. A typical condo **outside the central areas** with 3 bedrooms, a hall and kitchen (3 BHK), can range from **\$3,000 to \$6,000 monthly**.

2. Landed Property

The types of landed property include bungalows, terrace houses, and semi-detached houses. These properties tend to be on the more expensive end of the spectrum in terms of maintenance and rental fees due to their location and sheer size.

A typical bungalow with 4 bedrooms, a hall and kitchen (4 BHK) in the central area usually costs **\$35,000 monthly**. Semi-detached and terrace houses are relatively cheaper with rental fees ranging from **\$8,000 to \$13,000 monthly**.



3. Serviced Apartments

Serviced apartments are popular among expatriates as they come fully furnished with laundry and room services and facilities like gyms, recreational rooms, and swimming pools. This is the recommended rental option for foreigners staying in Singapore for less than a year.

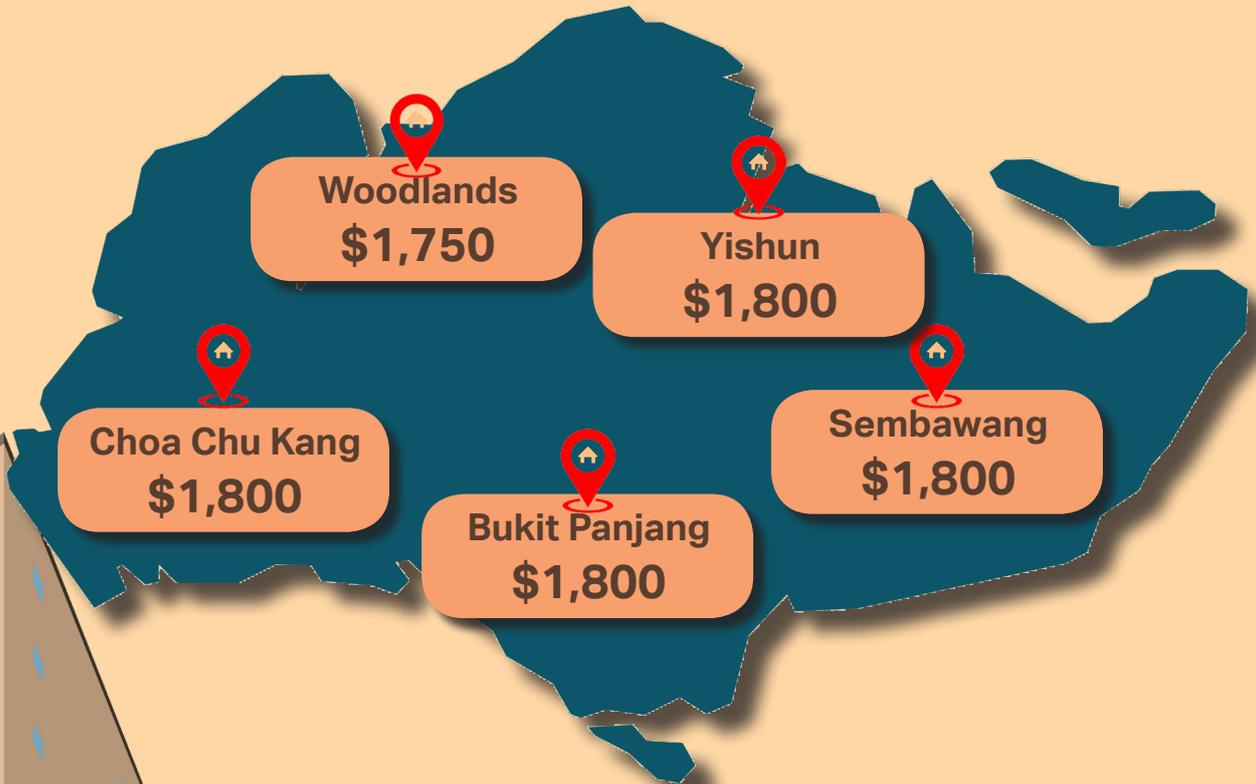
A typical serviced apartment with 1 bedroom, hall and kitchen (1 BHK) in the central area can range from **\$7,000 to \$14,000 monthly**.

Public Housing

HDB flats are built by the government and are located everywhere throughout Singapore. They are typically built near heartland areas where there are schools, malls, medical facilities, public transport, and other amenities like parks and gyms.

This is the cheapest option of all rental properties available and the recommended option if you are on a tight budget.

A typical HDB flat with 3 bedrooms, a hall and kitchen (3 BHK) starts from **\$2,200 monthly** in neighbourhood areas and starts from an upwards of **\$3,000 monthly** in the central business district.



Note: there is a Non-Citizen Quota that every flat must abide by.

- The minimum lease period is 6 months
- The maximum lease period is 2 years for foreigners
- The maximum number of tenants for any flat is 6 people

Housing & Development Board (HDB)

Singapore's public housing authority and a statutory board that develops public housing to provide Singaporeans with affordable, quality homes, and a better living environment.

<http://www.hdb.gov.sg/>

For more information, visit:

<https://www.99.co/>

<https://www.propertyguru.com.sg/>

Urban Redevelopment Authority (URA)

The URA focuses on developing Singapore's physical land through long-term comprehensive plans and strategies to achieve a high quality of living.

<https://www.ura.gov.sg/>