

HDB LAUNCHES 2 NEW BUILD-TO-ORDER PROJECTS IN SENGKANG AND JURONG WEST

HDB launched today two new BTO projects, Fernvale Palms in Sengkang and Boon Lay Meadow in Jurong West. There are a total of 1,200 standard flats on offer, comprising 240 units of 2-room, 396 units of 3-room, 512 units of 4-room and 52 units of 5-room flats. These 1,200 new BTO flats form part of the 5,000 new flat supply which Minister Mah Bow Tan announced on 1 Oct 09. They will offer greater choice and certainty for young couples looking for their first homes.

FERNVALE PALMS

2. Fernvale Palms is a standard contract offering a total of 495 units. The flat supply comprises 96 units of 3-room, 347 units of 4-room and 52 units of 5-room flats.

3. Sengkang today is an attractive housing estate with developed transportation networks and supporting amenities. Situated along Sengkang West Way, Fernvale Palms is conveniently located near two LRT stations, Fernvale and Thanggam, which connect to the Sengkang MRT station and bus interchange. The Tampines Expressway is also just a short drive away.

4. Sengkang is served by its own Community Club, polyclinic and shopping mall (Compass Point). Residents' daily needs are met by the wet market, supermarket, and food court at Fernvale Point, as well as eateries located at Jalan Kayu. There are various educational institutions in the vicinity, such as Fernvale Primary, Anchor Green Primary, Nan Chiau Primary, Pei Hwa Secondary School and Nan Chiau High School.

BOON LAY MEADOW

5. Boon Lay Meadow is a standard contract offering a total of 705 units. The flat supply comprises 240 units of 2-room, 300 units of 3-room and 165 units of 4-room flats.

6. Boon Lay Meadow is situated within the established Jurong West estate. Conveniently located along Jurong West Avenue 2, Boon Lay Meadow is served by two MRT stations, Boon Lay and Lakeside. The Pan-Island Expressway is also a short 5 minute drive away.

7. Residents are served by such shopping facilities as the nearby Boon Lay Shopping Centre, a neighbourhood centre which houses a market and hawker centre, and commercial shops. There are also educational institutions in the vicinity such as Corporation Primary, Boon Lay Garden Primary, River Valley High School and Boon Lay Secondary School.

PRICING OF NEW FLATS AT FERNVALE PALMS & BOON LAY MEADOW

8. To ensure that public housing is affordable for first-time homebuyers, new HDB flats are priced below their equivalent market prices¹, as determined by professional valuers.

9. Selling prices for the flats range from:

Fernvale Palms

- \$129,000 to \$163,000 for a 3-room flat;
- \$214,000 to \$262,000 for a 4-room flat; and
- \$282,000 to \$340,000 for a 5-room flat

Boon Lay Meadow

- \$86,000 to \$103,000 for a 2-room flat;
- \$138,000 to \$173,000 for a 3-room flat; and
- \$223,000 to \$266,000 for a 4-room flat

10. Pricing details and resale comparables for Fernvale Palms and Boon Lay Meadow are in Tables 1a and 1b of Annexes A and B.

ADDITIONAL CPF HOUSING GRANT & AFFORDABILITY OF THE PROJECTS

11. In addition to enjoying a generous market subsidy on the selling price, eligible first-timers with an average monthly household income of \$5,000 or less can also apply for the Additional CPF Housing Grant (AHG) of up to \$40,000. The AHG can be used to offset the initial down-payment.

12. Based on the income of flat applicants in the first half of this year, it is expected that most households will not need to use cash to meet their monthly mortgage payments. For example, a family with a household income of \$3,900 buying a 4-room unit priced at \$240,000 in Fernvale Palms will need to pay a monthly mortgage instalment of about \$865. This can be paid fully using their monthly CPF contributions.

13. It is expected that first-time flat buyers will need to use between 18% to 24% of their monthly household income to meet their monthly loan commitments for these two projects. This is well below the 30% international benchmark for affordable

¹ The market prices take into account the prices of resale flats in the area, with adjustments made for factors such as location, flat attributes, project design and prevailing market conditions.

housing. Further details of the projects and pricing are can be found in Annexes A and B.

UPCOMING FLAT SUPPLY

14. Flat buyers can look forward to more BTO launches over the next two months. In Nov and Dec 09, HDB will be launching six more BTO projects with 4,000 flats. These projects will be located in towns such as Punggol, Bukit Panjang, Sembawang and Dawson. More details will be provided at their launch.

APPLICATION PROCEDURE

15. Applications for the new flats can be submitted online from **16 Oct 2009 (Friday)** to **29 Oct 2009 (Thursday)**. More details of the application procedures can be found in Annex C.

ENQUIRIES

16. For enquiries, the public can:
- E-mail hdbsales@hdb.gov.sg;
 - Call the Sales/Resale Customer Service Line at 1800-866 3066 on weekdays from 8 am to 5 pm; or
 - Visit the HDB Sales Office to speak with our Customer Service Officers during office hours (Mon to Fri 8 am to 5 pm, Saturday 8 am to 1 pm).

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INFORMATION ON FERNVALE PALMS AND BOON LAY MEADOW

Table 1a: Flat Supply and Pricing Details for Fernvale Palms

Housing Development (Contract)	Flat Type	Floor Area (sqm)	Internal Floor Area (sqm)	No. of units	Indicative Price Range (\$)
Fernvale Palms (SK N4 C17) Standard Flats	3-room	67	65	96	\$129,000 - \$163,000
	4-room	93	90	347	\$214,000 - \$262,000
	5-room	113	110	52	\$282,000 - \$340,000

Notes:

- Floor area refers to the estimated area of the whole apartment, inclusive of the area of the air-conditioner ledge (where applicable).
- Internal floor area refers to the estimated area of the apartment computed based on the centre line of the apartment wall.
- The indicative prices do not include the cost of optional components. Actual selling prices will vary according to the attributes of the individual units at the time of selection.

Table 1b: Flat Supply and Pricing Details for Boon Lay Meadows

Housing Development (Contract)	Flat Type	Floor Area (sqm)	Internal Floor Area (sqm)	No. of units	Indicative Price Range (\$)
Boon Lay Meadow (JW N2 C15) Standard Flats	2-room	47	45	240	\$86,000 - \$103,000
	3-room	68	65	300	\$138,000 - \$173,000
	4-room	93	90	165	\$223,000 - \$266,000

Notes:

- Floor area refers to the estimated area of the whole apartment, inclusive of the area of the air-conditioner ledge (where applicable).
- Internal floor area refers to the estimated area of the apartment computed based on the centre line of the apartment wall.
- The indicative prices do not include the cost of optional components. Actual selling prices will vary according to the attributes of the individual units at the time of selection.

Optional Component Scheme (OCS)

Buyers of the Standard flats in Fernvale Palms and Boon Lay Meadow can opt for internal timber doors and/or flooring to be installed in their flats. The cost of the optional component (see Table 3 below) will be added to the selling price of the flat.

Table 3: Optional Component Scheme for Oct 09 BTO

Project	Optional Component	Indicative Costs			
		2-room	3-room	4-room	5-room
Fernvale Palms (SK N4 C17) and Boon Lay Meadow (JW N2 C15) Standard Flats	Flooring for living / dining room and bedrooms	\$1,400	\$2,000	\$3,000	\$3,700
	Internal doors*	\$320	\$1,360	\$1,680	\$1,680

* Bi-fold bathroom doors are provided for 2-room flats and they are non-optional.

* 2-room flats : 1 internal door (1 bedroom door)

* 3-room flats : 4 internal doors (2 bedrooms doors and 2 bathroom doors)

* 4-room flats : 5 internal doors (3 bedrooms doors and 2 bathroom doors)

* 5-room flats : 5 internal doors (3 bedrooms doors and 2 bathroom doors)

BTO Exhibition

Location : Habitat Forum, BizFour, 3rd Storey, HDB Hub

Exhibition period : 16 Oct 2009 (Friday) to 29 Oct 2009 (Thursday)

Opening hours : 8 am to 5 pm (Weekdays)

8 am to 1 pm (Saturday)

Closed on Public Holidays and Sundays

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ANNEX B

PRICING & AFFORDABILITY OF FERVALE PALMS AND BOON LAY MEADOW

Table 1a: Prices of Fernvale Palms and Resale Comparables in Nearby Vicinity

Flat Type	Fernvale Palms (Internal floor area)	Prices of Premium Resale Flats
3-room	\$129,000 to \$163,000 (65 sqm)	-
4-room	\$214,000 to \$262,000 (90 sqm)	\$319,000 to \$375,000 (90 – 95 sqm)
5-room	\$282,000 to \$340,000 (110 sqm)	\$369,000 to \$450,000 (110 – 115 sqm)

Notes:

- a) The 4R and 5R resale comparables are about 5-7 years old and located near to Fernvale Palms. The resale comparables are all premium flats (Neighbourhood 4 does not have any resale flats of standard design). Adjustments are made to account for the difference in attributes between the resale comparables and the subject contract to determine the equivalent market value of the new flats in subject.
- b) There is no resale 2R and 3R flats in the vicinity.

Table 1b: Prices of Boon Lay Meadow and Resale Comparables in Nearby Vicinity

Flat Type	Boon Lay Meadow (Internal floor area)	Prices of Standard Resale Flats
2-room	\$86,000 to \$103,000 (45 sqm)	-
3-room	\$138,000 to \$173,000 (65 sqm)	\$178,000 to \$208,000 (70 sqm)
4-room	\$223,000 to \$266,000 (90 sqm)	\$290,000 to \$330,000 (90 sqm)

Notes:

- a) The 4R resale comparables are about 9 years old and located near to Boon Lay Meadow.
- b) The 3R resale comparables are about 36-year old upgraded flats located near to Boon Lay Meadow. All the resale comparables are standard flats. Adjustments are made to account for the difference in attributes between the resale comparables and the subject contract to determine the equivalent market value of the new flats.
- c) There are no resale 2R flats in the vicinity.

AFFORDABILITY OF TYPICAL FLAT TYPES

Table 2a: Affordability of Typical Flat at Fernvale Palms

Flat Type	Typical Selling Price	Applicants' Median Household Income	Eligible Additional Housing Grant	Monthly Instalment for 30-year Loan	Instalment to Income Ratio
3-room	\$145,000	\$2,000	\$35,000	\$440	22%
4-room	\$240,000	\$3,900	\$15,000	\$865	22%
5-room	\$310,000	\$4,800	\$5,000	\$1,117	23%

Table 2b: Affordability of Typical Flat at Boon Lay Meadow

Flat Type	Typical Selling Price	Applicants' Median Household Income	Eligible Additional Housing Grant	Monthly Instalment for 30-year Loan	Instalment to Income Ratio
2-room	\$95,000	\$1,200	\$40,000	\$220	18%
3-room	\$155,000	\$2,000	\$35,000	\$480	24%
4-room	\$245,000	\$3,900	\$15,000	\$883	23%

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APPLICATION PROCEDURE FOR OCTOBER 2009 BTO EXERCISE

Submission of Application

Households interested in buying a flat in Fernvale Palms or Boon Lay Meadow can submit their application online at HDB's InfoWEB at www.hdb.gov.sg between **16 October 2009 (Friday) to 29 Oct 2009 (Thursday)**. The administrative fee of \$10 is payable by cashcard or credit card (Master Card / Visa). Those without Internet access can visit HDB Hub or any of HDB's Branch Offices to submit their application via the e-Stations or Internet PCs that are available for use.

2 Each household can submit only **one application** and must indicate **the development** (i.e. Fernvale Palms or Boon Lay Meadow), and **the flat type** (i.e. 2-room, 3-room, 4-room or 5-room) that they are applying for.

Eligibility Conditions

3 The monthly household income ceiling for the purchase of the 2-room, 3-room and 4 & 5-room flats is at \$2,000, \$3,000 and \$8,000 respectively. Applicants must also satisfy the other eligibility conditions such as citizenship, family nucleus and non-ownership of private property.

Additional CPF Housing Grant (AHG)

4 AHG was first introduced in Mar 2006 to provide extra help for the lower income to become homeowners. The latest review for AHG in Feb 2009 allows for eligible first-timers who are buying a new or resale flat (2-room and bigger flat) and whose average monthly household income is \$5,000 and less in the 12 months preceding application to qualify for AHG amount of up to \$40,000.

Priority Schemes

5 Applicants who meet the conditions of the Third Child Priority Scheme (TCPS), Married Child Priority Scheme (MCPS) or Tenants' Priority Scheme (TPS) (for 2-room and 3-room flat applicants only) may request for priority allocation under these schemes. Applications under the Resettlement/Relocation (REN/RH) and Grassroots Organisation (GRO) Schemes will require recommendations from the appropriate authorities managing the schemes.

Selection of Flats

6 Upon the close of the application period, HDB will assess the subscription rate before inviting applicants for the selection of new flats. Applicants' queue position to book a flat will be determined by computer ballot. Applicants will be informed of their queue position in **Dec 2009**.

7 The selection exercise will commence in **Jan 2010**. An option fee of \$500, \$1,000 or \$2,000 is payable upon selection of a 2-room, 3-room or 4 & 5-room flat. This fee may be paid by cash/cheque/NETS.

8 Selection of flats by the applicants will be subject to availability of flat supply and ethnic quota when their turns are due. They can check the availability of flats on the HDB InfoWeb or via teletext before turning up at the HDB Sales Office on the appointed date for the selection.

9 With effect from May 2008 BTO exercise, First-timer applicants who reject two chances to select a flat in BTO/BE exercises will have their First-timer priorities removed for a one year period in any HDB's sales exercise.

10 After completion of the selection exercise, HDB will assess the take-up rate of the development before deciding whether to proceed to call the building tender for the development.

Signing the Agreement for Lease

11 Once it is confirmed that the development has met the desired take-up rate and proceed to call tender for the construction of the new flats and, HDB will arrange for the applicants to sign the Agreement for Lease within four months from the date of selection of the flats.

12 Applicants must pay 10% of the selling price of the flat as downpayment at the time of signing the Agreement for Lease, by CPF and/or cash. First-timer applicants, i.e. married couples as well as those applying under the Fiancé/Fiancée Scheme, can pay the 10% downpayment in two instalments under the Staggered Downpayment Scheme (SDS) if **at least one of the partners is aged 30 years or younger**. The first 5% will be collected when the applicant signs the Agreement for Lease and the balance 5% when the buyer takes possession of his new flat.

13 Applicants who intend to take an HDB loan must obtain an HDB Loan Eligibility letter before they exercise the Option To Purchase for the HDB flat by signing the Agreement for Lease. For the applicants who are taking a bank loan, they will have to pay 5% cash payment to HDB. They will also have to obtain a Letter of Offer from the bank before they can exercise the Option To Purchase for the HDB flat.

14 Applicants who do not sign the Agreement for Lease or reject the flat after selection will have their applications cancelled and the option fee forfeited. If the applicant rejects the flat after signing the Agreement for Lease, the forfeiture will be 5% of the selling price of the flat.