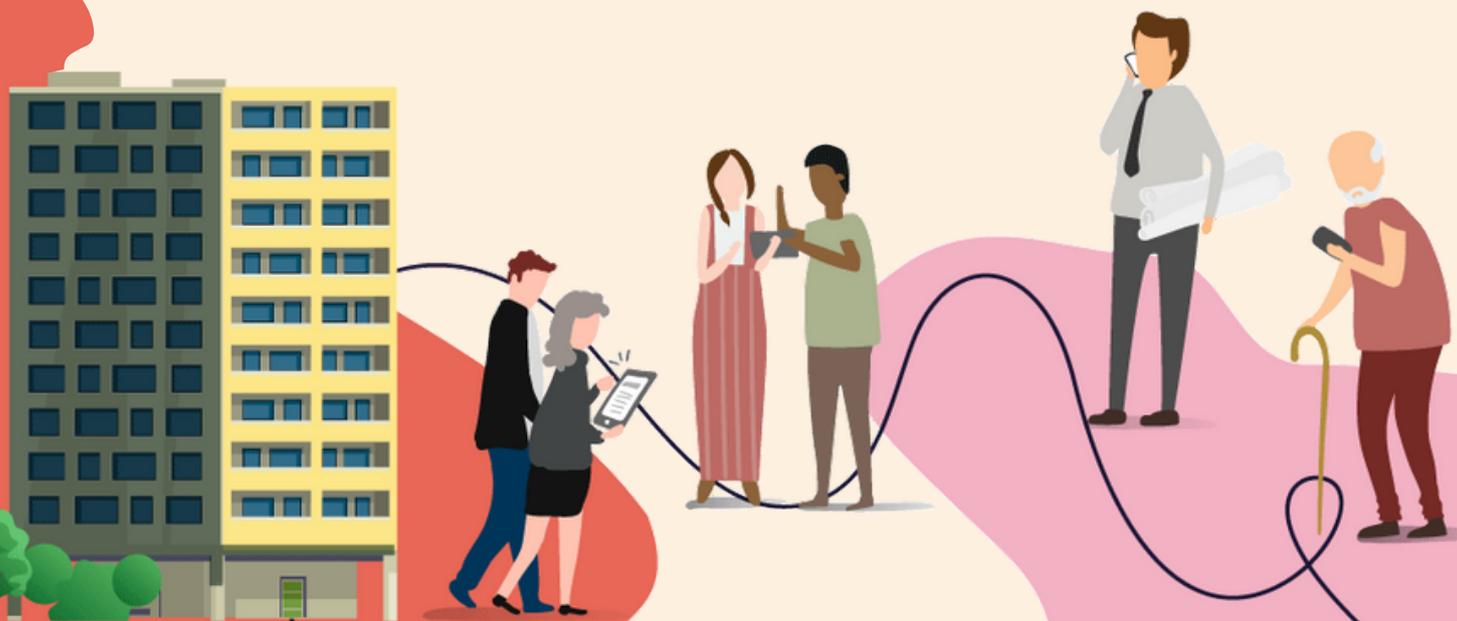




OUTREACH & CONSULTATION ON PUBLIC HOUSING IN PRIME LOCATIONS

A summary of Singaporeans' views & ideas





In November 2020, MND launched a public consultation on plans to build public housing in prime locations, like in the city centre and Greater Southern Waterfront.

The new housing model seeks to ensure that public housing in prime locations continues to reflect the openness and diversity of our society, and is affordable, accessible and inclusive.

**For over 10 months - between
Nov 2020 and Sep 2021 -
more than 7,500 Singaporeans**

shared their views & ideas via
dialogues, focus group discussions,
online surveys and emails.



[The engagements are] a great
platform. Please do continue to host
such discussion groups for other issues.
Based on today's experience, it seems
many Singaporeans are willing to
participate and share!

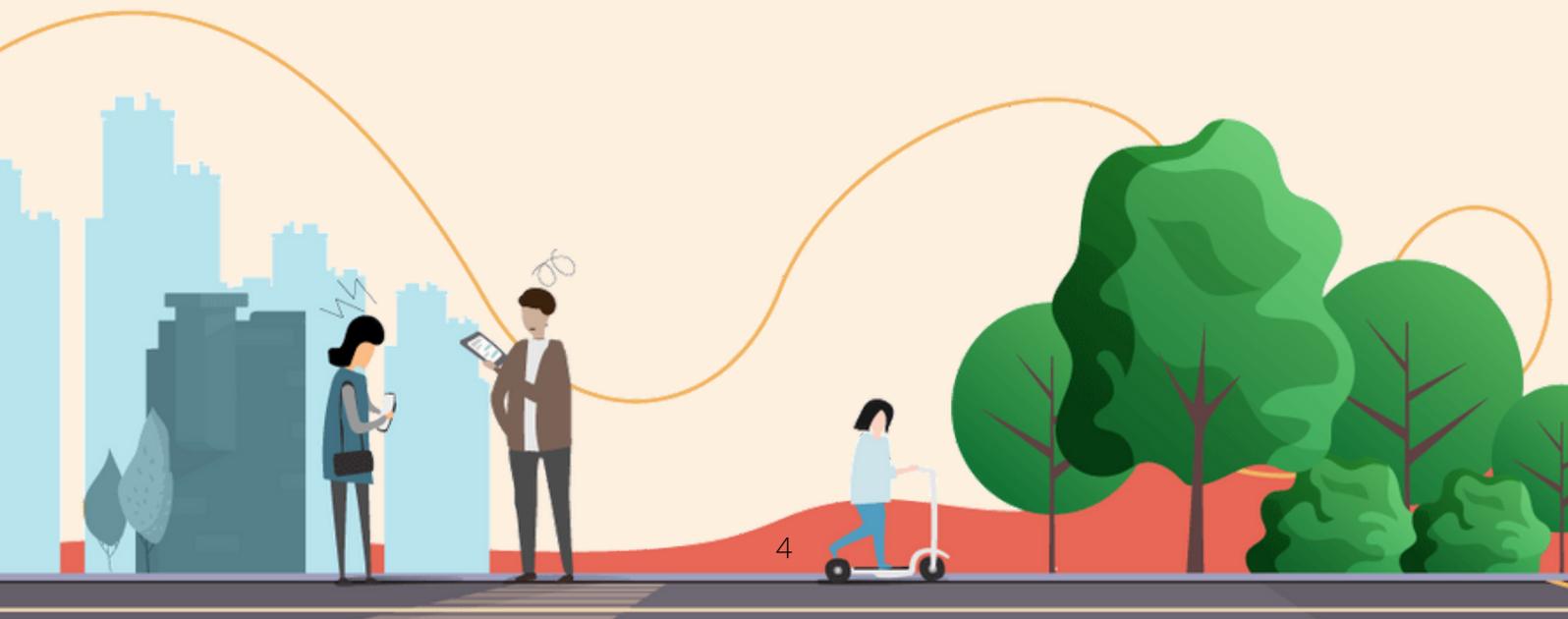
- Potential homebuyer, 34



It's always important to consider many viewpoints before embarking on an initiative that could potentially impact a lot of people.

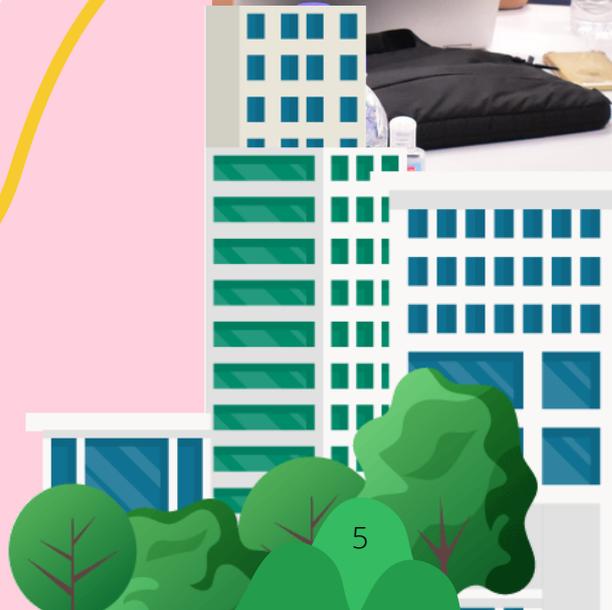
- HR executive, 33

This included first-time homebuyers, young couples, students & undergraduates, existing homeowners, seniors, industry experts, commentators, academics & researchers, professionals, sociologists, and members of the public.



A majority of Singaporeans said that the Government **should introduce new policy conditions** and that **it would be fair** to do so.

They felt that such new policy conditions should help to ensure affordability both at the point of purchase and at resale, which will foster inclusiveness.



Good transport links and being near the central business district were among the top cited attributes of housing in prime locations.

Other attributes that Singaporeans shared were having many amenities and scenic views.



How I define central is somewhere that will take me, maybe 15 minutes by public transport to get to town, CBD or Orchard.

- Potential buyer, 27





A longer MOP will dampen the speculative fervour, engender stronger bonding with property and the community. Transience does not build strong communities.

- Urban planning professional

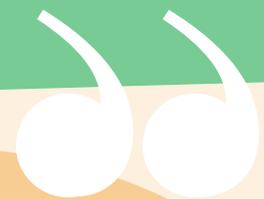
A majority said imposing a **longer Minimum Occupation Period (MOP)** would better ensure that buyers of these new flats in prime locations were people who genuinely wanted to live there for the long term.

They also said a longer MOP may help make the flats more affordable.



[On longer MOP] So first of all, you will wean out the people who just want to make a quick buck versus those who really want to stay there.

- Potential homebuyer



A longer MOP signals owner-occupation intent, and encourages families to stay in estates longer and build a family. Social attachment to an estate cannot be purchased or sold and it is important to develop this.

- Real estate academic

Others felt that offering **shorter leases** or **designing smaller flats** could help Singaporeans better afford flats in prime locations.



Many were supportive of:

- The Government giving **additional subsidies**, above the current housing subsidies (i.e. grants), to keep the prime flats affordable; and
- **Recovering these additional subsidies** when the flats are resold to ensure fairness with other typical BTO flat owners who would not receive this additional subsidy.



It is important to ensure equity when executing this policy, that these housing remains affordable across generations... [the Government can] clawback on subsidies from their sale of housing in prime locations.

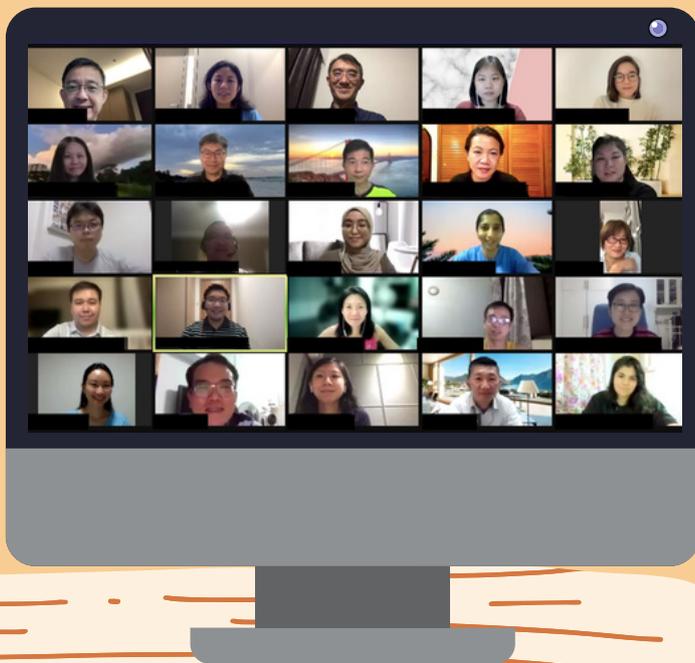
- Undergraduate

[Subsidy recovery is] to account for higher subsidies given... to me it's not losing out on anything, because it's just giving back what is given to you.

- Potential buyer, 41

On the other hand, some felt that buyers of prime flats should not get additional subsidies, as it would not be fair to others.

They should be prepared to pay a higher price for a home in a premium location.



Some respondents preferred that the Government buy back these flats, and not allow home owners to resell them on the open market to earn a windfall. But there were mixed views over what a fair pricing mechanism should be.



Others preferred the option of being able to sell these flats on the resale market where prices can be negotiated between buyer and seller.

Prohibiting resale and [only allowing] buyback to HDB will create an unhealthy precedence... and there may be further pressures to implement this across more estates as a form of price control.

- Undergraduate, 21

I'm not okay with [selling to the Government] because the Government usually buys the house at a lower rate, I mean that's what I heard... I don't think you will get any capital gain.

- Potential buyer, 38

Some suggested implementing a **capital gains tax** or **channelling resale proceeds to the CPF Special Account**, to reduce windfall profits upon resale.



A majority coalesced around the following ideas to try to keep prime public housing accessible & affordable, even on resale:

- **Disallowing rental of the whole flat even after MOP;**
- **Limiting who can buy these flats on the resale market; and**
- **Removing housing priority schemes.**

[Ensuring flats are only for owner occupation] encourages ageing-in-place, building sustainable communities, and reinforces the fundamental mantra that HDB flats are not for investment but to provide shelter for Singaporeans.

- Urban planning professional

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Imposing an income ceiling on buyers of resale flats will restrict the rise of prices.

- Real estate researcher

[Preventing] the subletting or renting of the entire home will reduce speculative demand and restrict the activities that allow the flat to be monetised after MOP.

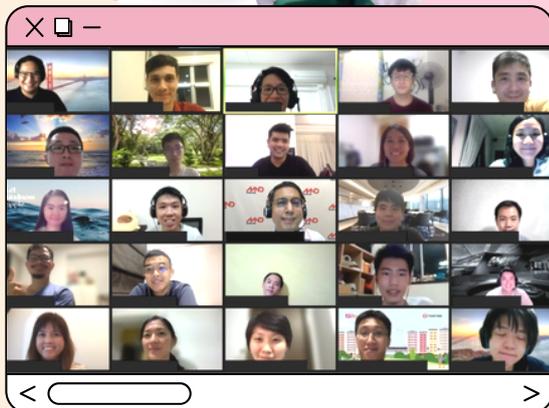
- Undergraduate, 21

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There were many other views & suggestions which could not be summarised in this short presentation. We thank all Singaporeans for taking the time to share your thoughts on the topic during our public consultation & engagements.

We have taken your views into careful consideration in developing the future public housing model in prime locations.



I'm encouraged that the Government is consulting the public on measures that will directly affect us. The discussion groups were very well facilitated, with a good representation and we had a variety of helpful views and proposed solutions. My takeaway is one of hope.

- Healthcare professional, 31