



THE STATUTES OF THE REPUBLIC OF SINGAPORE

SALE OF COMMERCIAL PROPERTIES ACT

(CHAPTER 281)

(Original Enactment: Act 14 of 1979)

REVISED EDITION 1979

(30th March 1987)

Prepared and Published by

THE LAW REVISION COMMISSION
UNDER THE AUTHORITY OF
THE REVISED EDITION OF THE LAWS ACT (CHAPTER 275)

Informal Consolidation – version in force from 8/5/2015

Sale of Commercial Properties Act

ARRANGEMENT OF SECTIONS

Section

1. Short title
2. Interpretation
3. Prohibition on sale of any commercial property without building approval
4. Option to purchase
5. Terms and conditions in an agreement for sale
6. Penalty
7. Power to give directions
8. Controller may issue directions when a developer has not sought the direction of the Registrar under section 16 of the Land Titles Act, etc.
9. Offences committed by body corporate
10. Rules
11. Exemptions
12. Jurisdiction of District and Magistrate's Courts to try offence

An Act to regulate the sales of separate units of commercial properties in a commercial complex and for purposes connected therewith.

[20th July 1979]

Short title

1. This Act may be cited as the Sale of Commercial Properties Act.

Interpretation

2. In this Act, unless the context otherwise requires —

“building” includes any completed building, or any building partially completed or to be erected, and intended for any strata subdivision as shown in a development plan approved by the relevant competent authority under the Planning Act

1998 or is comprised in one or more lots as shown in a strata title plan lodged with the Registrar of Titles;

[3/1998 wef 01/04/1998]

“Building Authority” has the same meaning as in the Building Control Act [Cap. 29];

“commercial property” means a horizontal stratum of any building or part thereof, whether such stratum is on one or more levels or is partially or wholly below the surface of the ground, and is intended for use in accordance with the provisions of any written law as a complete and separate unit for any purpose other than a residential purpose;

“Controller” means the Controller of Housing appointed under section 3 of the Housing Developers (Control and Licensing) Act [Cap. 130];

“land” includes land of any tenure, any building or part thereof, so much of the air-space above the surface as may be reasonably used or enjoyed by any proprietor, and so much of the subterranean space below the surface as is reasonably necessary for the use and enjoyment of the land, whether or not held apart from the surface, and any estate or interest therein;

[Act 11 of 2015 wef 08/05/2015]

“lot” means a stratum which is shown as a lot on a strata title plan;

“Registrar of Titles” means the Registrar of Titles appointed under the Land Titles Act [Cap. 157];

“registered land” has the same meaning as in the Land Titles (Strata) Act [Cap. 158];

“strata subdivision” has the same meaning as in the Land Titles (Strata) Act;

“strata title plan” means a plan of registered land showing strata subdivision of any building into two or more lots and contains the particulars prescribed by section 10 of the Land Titles (Strata) Act;

“stratum” means any part of land consisting of a space of any shape below, on or above the surface of the land, or partly below and partly above the surface of the land, the dimensions of which are delineated.

Prohibition on sale of any commercial property without building approval

3.—(1) No person shall sell any commercial property unless the plans for the construction or erection of the commercial property have been approved by the Building Authority.

(2) For the purposes of this section, a person is said to sell a commercial property if —

(a) by an agreement in writing, he agrees to divest his estate or interest in the commercial property to another person for valuable consideration; or

(b) by any deed or instrument, he conveys, assigns, demises or otherwise disposes of the commercial property in such a manner so that it becomes capable of being registered under the Registration of Deeds Act [Cap. 269], Land Titles Act [Cap. 157] or the Land Titles (Strata) Act [Cap. 158].

(3) A lease or an agreement for a lease for a term of years not exceeding 7 years without the option of renewal or purchase shall not be deemed to be a sale for the purposes of this section.

Option to purchase

4. An option to purchase any commercial property given by a vendor to a purchaser shall be in such form as may be prescribed except that any additional term or condition which in substance does not affect the prescribed form may be included in such form.

Terms and conditions in an agreement for sale

5.—(1) Every agreement for the sale and purchase of a commercial property shall contain such terms and conditions of sale as may be prescribed by rules made under this Act.

(2) Any term or condition of sale in an agreement of sale and purchase referred to in subsection (1) which is inconsistent with the terms and conditions of sale prescribed by rules made under this Act shall to the extent of the inconsistency be null and void.

Penalty

6. Any person who fails to comply with any of the provisions of this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding one year or to both.

Power to give directions

7.—(1) The Controller may give directions in writing to any person to ensure compliance with the provisions of this Act or any rules made thereunder.

(2) Any person who fails to act or omits to act in accordance with any such direction shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 and to a further fine not exceeding \$1,000 for every day during which the offence continues after conviction.

Controller may issue directions when a developer has not sought the direction of the Registrar under section 16 of the Land Titles Act, etc.

8.—(1) Where a developer has sold any commercial property and has not —

- (a) sought the direction of the Registrar of Titles under section 16 of the Land Titles Act [Cap. 157] or complied with the direction;
- (b) applied for the grant of subdivision permission under section 14 of the Planning Act 1998 or complied with the requirements of the competent authority necessary for the purpose of obtaining written permission for such strata subdivision;

[3/1998 wef 01/04/1998]

(c) employed any registered surveyor who has in force a practising certificate to carry out the necessary surveys and prepare the necessary plans for submission to the Chief Surveyor to enable a subsidiary strata certificate of title to be issued for the commercial property, or has failed to cause amendments to these plans to be made as required by the Chief Surveyor;

[Act 24/91 wef 30/08/1991]

(d) in the case where the Registrar of Titles has directed under section 16 of the Land Titles Act that the land on which the commercial property is built be brought under the provisions of the Land Titles Act, obtained a subsidiary strata certificate of title for the property under the provisions of the Land Titles (Strata) Act [Cap. 158];

(e) discharged any mortgage (whether legal or equitable) or charge on the land of which the commercial property forms parts so as to enable the developer to fulfill his obligation as vendor to complete the sale and purchase of the commercial property; or

(f) executed and delivered to the purchaser an assurance of the commercial property sold on or before the date fixed for completion of the sale as agreed between the developer and the purchaser,

the Controller may, in his discretion, issue directions in writing to the developer to take such steps or action as may be specified by the Controller within such time or times as the Controller may appoint.

[38/80]

(2) Any person who refuses or fails to comply with any direction of the Controller given under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding one year or to both and to a further fine not exceeding \$1,000 for every day during which the offence continues after conviction.

(3) Any exercise of the powers conferred upon the Controller by subsection (1) shall not prejudice the right of the purchaser to claim liquidated damages for the developer's failure to complete the sale of

any commercial property on or before the date appointed for the completion of the sale of the property.

(4) For the purposes of this section —

“developer” means any person who has obtained the approval of the competent authority to develop any land pursuant to section 9 of the Planning Act [Cap. 232] and includes his executors and administrators, successors-in-title or assigns;

“purchaser” includes a sub-purchaser.

(5) The powers conferred upon the Controller under this section may be exercised with respect to any commercial property sold by a developer at any time prior to 20th July 1979.

[7A

Offences committed by body corporate

9. Where a body corporate is guilty of an offence under this Act and the rules made thereunder, any person who was at the time of the commission of the offence a director, manager, secretary or other similar officer of the body corporate, or was purporting to act in any such capacity, shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly, unless he proves that the offence was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of the offence as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances.

[8

Rules

10.—(1) The Minister may make rules for or in respect of every purpose which is considered by him necessary for carrying out the provisions of this Act and for the prescribing of any matter which is authorised or required under this Act to be prescribed.

(2) Without prejudice to the generality of subsection (1), the Minister may by such rules —

(a) regulate the advertisements for the sale of commercial properties;

- (b) prescribe the form of the option for the purchase of any commercial property;
- (c) provide for the payments by the purchaser before and during the construction of the commercial property, including —
 - (i) the maximum amount of the deposit that may be accepted from a purchaser before an agreement for the sale and purchase of the property is signed and on the signing of such an agreement and the conditions that shall be satisfied before a vendor of the property may sign such an agreement with a purchaser;
 - (ii) the stage of construction at which each instalment shall become payable and the percentage in relation to the total cost of the property that shall be payable in respect of the instalment;
 - (iii) the requirements to be fulfilled before a vendor can require a purchaser to pay an instalment which is due; and
 - (iv) the percentage of the total purchase price, which the purchaser shall not be required to pay before the certificate of fitness is issued by the Building Authority;
- (ca) require the disclosure in any sale and purchase agreement of any limited common property comprised in the commercial property to be sold;
[47/2004 wef 01/04/2005]
- (cb) prescribe any matter which by this Act is required or permitted to be prescribed for or in relation to staged developments, and modify the application of any of the provisions of this Act in relation to staged developments;
[47/2004 wef 01/04/2005]
- (d) regulate the form or forms of an agreement for the sale and purchase of any commercial property; and

- (e) prescribe the conditions which, if used in any agreement for the sale and purchase of any commercial property, shall be void.
- (3) Such rules —
- (a) may prescribe that any act or omission in contravention of the provisions of any rules shall be an offence; and
 - (b) may provide for the imposition of penalties, which shall not exceed imprisonment for a term of 6 months or a fine of \$10,000 or both.
- (4) All such rules shall be published in the *Gazette* and shall be presented to Parliament as soon as possible after publication.

[9]

Exemptions

11.—(1) This Act shall not apply to the sale of any commercial property —

- (a) in a building containing, or a building which when erected will contain, not more than 4 separate units; or
- (b) where the certificate of fitness for occupation has been issued by the Building Authority and the subsidiary strata certificate of title, if applicable, has been issued by the Registrar of Titles in respect of the commercial property.

[38/80]

(2) The Minister may, by notification published in the *Gazette*, exempt any person or commercial property from any of the provisions of this Act or any rules made thereunder, either absolutely or subject to such conditions as he thinks fit.

[10]

Jurisdiction of District and Magistrate's Courts to try offence

12. Notwithstanding the provisions of any written law to the contrary, a District or Magistrate's Court shall have jurisdiction to try

any offence under this Act or the rules made thereunder and to impose the full punishment for such offence.

[11
[38/80]

LEGISLATIVE HISTORY
SALE OF COMMERCIAL PROPERTIES ACT
(CHAPTER 281)

This Legislative History is provided for the convenience of users of the Sale of Commercial Properties Act. It is not part of the Act.

1. Act 14 of 1979 — Sale of Commercial Properties Act 1979

Date of First Reading	:	14 March 1979 (Bill No. 16/79 published on 16 March 1979)
Date of Second and Third Readings	:	30 March 1979
Date of commencement	:	20 July 1979

2. Act 38 of 1980 — Sale of Commercial Properties (Amendment) Act 1980

Date of First Reading	:	31 October 1980 (Bill No. 27/80 published on 7 November 1980)
Date of Second and Third Readings	:	28 November 1980
Date of commencement	:	4 December 1980

3. 1985 Revised Edition — Sale of Commercial Properties Act

Date of operation	:	30 March 1987
-------------------	---	---------------

4. Act 24 of 1991 — Land Surveyors Act 1991

(Consequential amendments made to Act by)

Date of First Reading	:	27 February 1991 (Bill No. 11/1991 published on 28 February 1991)
Date of Second and Third Readings	:	28 June 1991
Date of commencement	:	30 August 1991

5. Act 3 of 1998 — Planning Act 1998

(Consequential amendments made to Act by)

Date of First Reading	:	19 November 1997 (Bill No. 18/1997 published on 20 November 1997)
Date of Second and Third Readings	:	14 January 1998
Date of commencement	:	1 April 1998

6. Act 47 of 2004 — Building Maintenance and Strata Management Act 2004

(Consequential amendments made to Act by)

Date of First Reading : 6 February 2004
(Bill No. 6/2004 published on
7 February 2004)

Date of Second and Third Readings : 19 October 2004

Date of commencement : 1 April 2005

7. Act 11 of 2015 — State Lands (Amendment) Act 2015

Date of First Reading : 12 February 2015 (Bill No.
6/2015 published on
12 February 2015)

Date of Second and Third Readings : 13 March 2015

Date of commencement : 8 May 2015