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No. S 329

HOUSING AND DEVELOPMENT ACT 1959

**HOUSING AND DEVELOPMENT
(MORTGAGE TO LENDER)
(AMENDMENT) RULES 2022**

In exercise of the powers conferred by section 74(1) of the Housing and Development Act 1959, the Minister for National Development makes the following Rules:

Citation and commencement

1. These Rules are the Housing and Development (Mortgage to Lender) (Amendment) Rules 2022 and come into operation on 26 April 2022.

Amendment of rule 2

2. Rule 2 of the Housing and Development (Mortgage to Lender) Rules (R 10) (called in these Rules the principal Rules) is amended —

(a) by inserting, immediately after the definition of “flat”, the following definition:

““flat priced with additional subsidies” means a flat sold by the Board —

(a) under its Prime Location Public Housing (PLH) model; or

(b) under a similar model where the Board sells flats in a particular location and prices these flats with additional subsidies;”;

(b) by deleting the full-stop at the end of the definition of “mortgage” and substituting a semi-colon, and by inserting immediately thereafter the following definition:

““subsidy recovery amount” means an amount that the Board is entitled to recover from a mortgagee upon the sale by the mortgagee of a flat priced with additional subsidies, computed in accordance with the formula $A \times B$, where —

- (a) A is a percentage specified by the Board for the computation of the subsidy recovery amount in the agreement for lease or lease entered into between the Board and the mortgagor; and
- (b) B is the higher of the following amounts:
 - (i) the consideration for the sale by the mortgagee of the flat priced with additional subsidies;
 - (ii) the value of the flat priced with additional subsidies at the time of its sale by the mortgagee as assessed by the Board, if the Board makes such an assessment.”.

Amendment of rule 3

3. Rule 3 of the principal Rules is amended —

- (a) by deleting the words “1st January 2003, the Board shall, for the purposes of section 50 of the Act, be” and substituting the words “1 January 2003, the Board is, for the purposes of section 56 of the Act (formerly section 50 of the Act as in force before 31 December 2021),”; and
- (b) by deleting sub-paragraphs (i) to (viii) of paragraph (e) and substituting the following sub-paragraphs:

- “(i) firstly, in payment to the Board of any subsidy recovery amount in respect of the mortgaged flat;
- (ii) secondly, in payment of all costs and expenses properly incurred by the mortgagee as incidental to the sale or any attempted sale, or otherwise;
- (iii) thirdly, in payment to the mortgagee of all moneys secured by the mortgage and in payment to the Central Provident Fund Board of all moneys secured by its charge constituted under section 21B of the Central Provident Fund Act 1953, in the order of priority specified in the regulations made by the Central Provident Fund Board;
- (iv) fourthly, in payment to the Board of any resale levy imposed by it in respect of the mortgaged flat;
- (v) fifthly, in payment to the Board of all moneys secured by its charge on the mortgaged flat (if any) under section 82 of the Act (formerly section 65H of the Act as in force before 31 December 2021) for unpaid improvement contribution, and in payment to any Town Council established under the Town Councils Act 1988 of all moneys secured by its charge on the mortgaged flat (if any), in the order of their priority;

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- (vi) sixthly, in payment to —
- (A) the Board of any unpaid improvement contribution under section 78 of the Act (formerly section 65D of the Act as in force before 31 December 2021) which is not secured by a charge on the mortgaged flat; and
 - (B) any Town Council of the conservancy and service charges and interest accrued and due at the date of sale which are not secured by a charge on the mortgaged flat,
- both payments to rank equally without preference;
- (vii) seventhly, in payment of subsequent mortgages and charges (if any) in the order of their priority;
- (viii) eighthly, in payment to the Board of all other moneys owed to it in respect of the mortgaged flat; and
- (ix) finally, the residue of such moneys so received shall be paid to the person who appears from the land-register kept under the Land Titles Act 1993 to be entitled to the flat sold or to be authorised to give receipts for the proceeds of the sale thereof.”.

Amendment of rule 6

4. Rule 6(1) of the principal Rules is amended by deleting the words “section 50 of the Act” and substituting the words “section 56 of the Act (formerly section 50 of the Act as in force before 31 December 2021)”.

[G.N. No. S 438/2021]

Made on 20 April 2022.

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Singapore.*

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(To be presented to Parliament under section 74(2) of the Housing and Development Act 1959).