Properties with a remaining lease of at least 60 Years

A) <u>A new HDB flat bought directly from HDB financed with a HDB concessionary loan</u>
Members may use all their Ordinary Account (OA) savings present and future, for the flat purchase.

B) <u>A resale HDB flat financed with a HDB concessionary loan</u>
Members may use their OA savings, present and future, for the flat purchase up to the Valuation Limit (VL). This is the lower of the purchase price or valuation of the property at the time of purchase.

If the HDB loan is still outstanding when the total CPF used reaches the VL,

- members below 55 years old may continue to use their OA savings to repay the housing loan after setting aside the current Basic Retirement Sum in their Special Account (SA) (including the amount used for investments) and OA.

- members aged 55 years and above may continue to use their excess OA savings to repay the housing loan after setting aside their Basic Retirement Sum.

C) <u>Any residential property financed with bank loans</u>
Members may use their OA savings, present and future, for the property purchase up to the VL.

If the housing loan is still outstanding when the total CPF used reaches the VL,

- members below 55 years old may continue to use their OA savings up to the applicable Withdrawal Limit (WL) (refer to the table below) to repay the housing loan after setting aside the current Basic Retirement Sum in their SA (including the amount used for investments) and OA.

- members aged 55 years and above may continue to use their excess OA savings to repay the housing loan, up to the applicable WL, after setting aside their Basic Retirement Sum.

The WL is the maximum amount that the members can withdraw towards the property and it is determined based on the date of the property purchase as follows:

Date property was bought	Housing withdrawal limit
1 Jan 2003 - 31 Dec 2003	150% of VL
1 Jan 2004 - 31 Dec 2004	144% of VL
1 Jan 2005 - 31 Dec 2005	138% of VL
1 Jan 2006 - 31 Dec 2006	132%of VL
1 Jan 2007 - 31 Dec 2007	126% of VL
1 Jan 2008 onwards	120% of VL

Properties with a remaining lease of less than 60 years

For HDB flats/ private properties with leases of less than 60 years, the following rules apply:

(1) No CPF can be used if the remaining lease of a property is less than 30 years.

(2) A property owner is eligible to use his CPF for the property if his age plus the remaining lease of the property is at least 80 years.

(3) The maximum amount of CPF that can be used is capped at a percentage of the lower of the purchase price and the value of the property at the time of purchase. The percentage is computed based on the remaining lease of the property when the youngest eligible member using CPF reaches age 55, as shown below:

Remaining lease when the youngest eligible owner using CPF turns 55 -- *Remaining lease at the point of purchase*	*X Lower of purchase price or value of the property*

You can also click here to use the table to help you with the calculation.

Multiple property purchase

If you already own a property (HDB flat or private property) bought with your CPF savings and wish to buy another property with CPF savings from 1 July 2006, you will be able to do so after setting the Basic Retirement Sum as follows:

- If you are below 55 years old, you are required to set aside the current Basic Retirement Sum in your Special Account (including the amount used for investment) and Ordinary Account.

- If you are 55 years old and above, you are required to set aside your Basic Retirement Sum.

The maximum amount of CPF you can use for the second and/or subsequent property is:

- the Valuation Limit (VL) for properties with a remaining lease of at least 60 years; or

- A percentage of the VL for properties with a remaining lease of less than 60 years but at least 30 years.

However, if you intend to sell your existing property, the Board will allow a grace period for you to sell off your existing property. During the grace period, the rule to set aside the Basic Retirement Sum will not apply. The grace period is as follows:

(i) If you are buying a **completed property** – a grace period of six months from the completion of purchase of the second or subsequent property will be given to you to sell off your existing property; or

(ii) If you are buying a **property under construction** – a grace period of six months from the issuance of Temporary Occupation Permit (TOP) will be given to you to sell off your existing property.

If your existing property is not sold after the grace period and you are unable to set aside the Basic Retirement Sum, we will stop further withdrawal for your second or subsequent property.

Please note that this is **not** applicable if you are applying to use your CPF to purchase a second or subsequent property with non-related singles. Non-related singles can only jointly use their CPF to purchase one property (HDB flat or private property).

Last updated: 6 May 2015