Buy Property in Singapore

Conveyancing · https://help.law.com.sg/faq/buy-property-in-singapore/

How to Buy Property in Singapore: Quick Answer

Short answer: Typically, to buy property in Singapore, the seller grants you an Option to Purchase (OTP). You pay the option fee in exchange. Next, you exercise the OTP and pay stamp duty to IRAS. Finally, your conveyancing lawyer completes the purchase and registers your title. A private resale usually takes about 8 to 12 weeks post-exercise of OTP. We act on private residential and commercial transactions. However, we do not handle HDB flat conveyancing.

Here are the five main stages of a private property purchase:

1. Check your budget, loan eligibility and stamp duty exposure.
2. Receive the Option to Purchase from the seller and pay the option fee.
3. Appoint a conveyancing lawyer, then sign and exercise the option.
4. Pay Buyer’s Stamp Duty, and ABSD where it applies, within 14 days.
5. Complete the purchase, collect the keys and register the transfer.



Buy property in Singapore with a conveyancing lawyer guiding you from Option to Purchase to completion.

Key Facts at a Glance

Question	Short answer
Who may buy?	Citizens, permanent residents and foreigners. Stricter rules apply to landed homes. See our guide on foreign ownership under the Residential Property Act.
How long does it take?	About 8 to 12 weeks for a private resale.
How long is the option period?	Usually 14 to 21 days from the date of the OTP.
What is the option fee?	Commonly 1% of the price, paid to the seller for the grant of the option. The exercise fee is commonly a further 4%.
Who holds the exercise deposit?	Usually the seller’s solicitors, as stakeholders, until completion.
When is stamp duty due?	Within 14 days after you exercise the option.
Which taxes apply?	Buyer’s Stamp Duty always applies. ABSD may also apply. Read our guide on Buyer’s Stamp Duty and ABSD.
Can I use CPF savings?	Yes, subject to CPF Board rules and limits.
Who registers the transfer?	Your lawyer lodges it with the Singapore Land Authority.
Which standard terms apply?	The Law Society’s Conditions of Sale 2020, subject to agreed variations.
What do we act on?	Private residential and commercial property. We do not handle HDB conveyancing. We do, however, act on mortgage redemptions for HDB flats.

Step by Step: How We Help You Buy Property in Singapore

Step 1: Check your budget, loan and eligibility

First of all, focus on your financing. Ask your bank for an approval in principle before you commit. Also check your ABSD position early, because it can change your budget sharply. Foreigners and companies must also consider the Residential Property Act. You can request a conveyancing quote for a purchase, sale or mortgage before you commit to anything.

Step 2: The Seller Grants the Option to Purchase (OTP)

To begin with, the seller signs the OTP and grants it to you. In exchange, you pay the option fee. You do not sign the OTP at this stage. The OTP gives you an exclusive right to buy at an agreed price. It also sets a deadline, usually 14 to 21 days. Read the terms early, because the OTP already binds the seller. Our brief guide to the Option to Purchase process explains this stage in detail.

Step 3: Appoint your conveyancing lawyer

You may appoint your lawyer when the seller grants the OTP, or at any time afterwards. We then review the terms, raise queries with the seller's solicitors and start the searches. Even so, early instructions give you time to solve problems before the option lapses. We also run a short client verification check. See our KYC for property and conveyancing page.

Step 4: Sign and Exercise the Option

In practice, you sign the OTP only at this stage. You exercise it by signing the acceptance copy and paying the balance deposit. A binding sale and purchase contract then exists. The Law Society's Conditions of Sale 2020 usually govern that contract, subject to any changes in the OTP.

Who holds the balance deposit? Normally, you pay the balance deposit, often 4% of the price, to the seller's solicitors as stakeholders. They then hold that money until completion. Therefore, if the purchase never completes, the stakeholder can return your deposit far more easily. Some sellers do negotiate to receive the deposit directly instead. In that case, recovery becomes harder, so we raise the risk with you before you exercise the option.

Step 5: Pay stamp duty within 14 days

You must pay Buyer’s Stamp Duty within 14 days after you exercise the option. ABSD falls due at the same time where it applies. We attend to the stamping and pay IRAS from the funds you place with us. Late payment attracts penalties, so we watch this deadline closely.

Step 6: Legal requisitions and searches

At this stage, we send legal requisitions to the relevant government departments and statutory boards. Their replies reveal road line plans, drainage works, building control notices and acquisition proposals. Where a reply is adverse, the contract may let you rescind and recover your deposit.

Step 7: Completion, keys and registration

On completion day, we exchange the balance price for the title documents. We also apportion property tax, maintenance fees and sinking fund contributions. Straight after completion, we lodge the transfer and any mortgage with the Singapore Land Authority.

Our Scope of Work When You Buy Property in Singapore

When we act for a buyer, our work usually covers the following areas.

Due diligence searches

- Title search on the property, including encumbrances and caveats.
- Bankruptcy search on an individual seller.
- Winding-up search on a corporate seller.

Contract review and advice

- Option to Purchase (OTP).
- Sale and Purchase Agreement (SPA).
- Tender or auction terms, where these apply.
- Special conditions, existing tenancies and developer standard forms.

We then explain your obligations and every key date in plain language.

Legal requisitions with government departments

- Outstanding property tax and other rates.
- Road widening, road line and land acquisition plans.
- Drainage and building control notices.
- Environmental health and land use restrictions.

Payments, CPF and mortgage coordination

- We arrange payment of the deposit, the balance price and the stamp duties.
- We liaise with the CPF Board when you use CPF savings.
- We act for you on the CPF charge and deal with the CPF Board’s solicitors.
- We help with your bank loan documents. Where your bank appoints us, we also act in the mortgage.
- Where the bank appoints another firm, we liaise with that firm on the loan and the disbursement.

The completion account

Closer to completion, the seller’s solicitors prepare a completion account. That account sets out the net sale proceeds after the option fee, the deposit and the apportionments. It also names each payee for the cashier’s orders.

Payees often include the seller’s bank, the CPF Board, the seller’s solicitors and the estate agent. These payments still form part of the seller’s proceeds. Therefore, you do not pay them separately.

Completion and registration of title

On the day itself, we attend completion, collect the title documents and confirm the handover of keys. Afterwards, we register the transfer in your name with the Singapore Land Authority. Most titles are now digital, so you will not receive a paper deed. Our guide on suppressed and digital title deeds explains why.

Using CPF Funds for Your Singapore Property Purchase

Many buyers use CPF savings for part of the price or for the monthly instalments. However, CPF rules, valuation limits and withdrawal limits all apply.

- The CPF Board appoints its own law firm to register a charge over the property.
- You pay those legal costs as the buyer.
- We complete the CPF forms with you and act for you on the CPF charge.

Check the current limits on the CPF Board housing pages. You may also read our guide on using CPF funds to pay your private property mortgage.

Getting a Bank Loan When You Buy Property in Singapore

Ask your lender whether it can appoint our firm to act for both you and the bank. In addition, we sit on the panel of many local and foreign banks in Singapore.

- **Same representation:** one firm acts for you and for the bank, so you often save costs.
- **Separate representation:** you pay your own lawyer and the bank's lawyer, so costs rise.

Same representation depends on there being no conflict of interest. Our guide on mortgage and refinancing explains the loan paperwork in more detail.

Costs to Budget For When You Buy Property in Singapore

Cost	You pay	Notes
Buyer's Stamp Duty (BSD)	IRAS	Every buyer pays BSD on the price or the market value, whichever is higher.
Additional Buyer's Stamp Duty (ABSD)	IRAS	Depends on your residency status and how many homes you already own.
Purchase legal fees	Your conveyancing lawyer	Ask for a quote when you receive the option.
Mortgage legal fees	Your lawyer or the bank's lawyer	Lower where one firm acts for you and the bank.

Cost	You pay	Notes
CPF charge legal fees	The CPF Board’s solicitors	Payable when you use CPF savings.
Searches, requisitions and registration fees	Government agencies	Your lawyer collects these as disbursements.
Apportionments	The seller, through the completion account	Property tax, maintenance fees and sinking fund, adjusted to completion.

Rates and reliefs change from time to time. Therefore, always check the current figures on the IRAS stamp duty pages. You can also ask us for a fixed conveyancing quote, or read our guide on conveyancing fees and how to engage us.

Common Mistakes to Avoid When Buying Property in Singapore

- Accepting an option before you check your ABSD position.
- Agreeing to pay the exercise deposit straight to the seller instead of to his solicitors as stakeholders.
- Assuming your loan is approved without an approval in principle.
- Letting the option lapse because you appointed a lawyer too late.
- Missing the 14 day stamp duty deadline after you exercise the option.
- Overlooking an existing tenancy, which affects vacant possession.
- Ignoring the Residential Property Act if you are a foreigner or a company.
- Relying on CPF for more than the rules actually allow.
- Paying any deposit directly to a seller instead of through solicitors.

Why Engage Loh Eben Ong LLP to Buy Property in Singapore

- Over 30 years of conveyancing experience in Singapore property transactions.
- Independent advice before you sign any binding document.
- Efficient coordination with banks, the CPF Board and the seller’s solicitors.
- Careful diary control, so you never miss a contractual deadline.

- Clear quotations, so you can budget with confidence.

Read more about our Singapore conveyancing services, or book a conveyancing appointment online. You may also contact our office for a quote.

Frequently Asked Questions About Buying Property in Singapore

Do I need a lawyer to buy property in Singapore?

Yes, in practice you do. In addition, your bank and the CPF Board both require a law firm to act. More importantly, your lawyer checks the title, runs the searches and protects your deposit.

Can a foreigner buy property in Singapore?

Yes, but limits apply. For example, foreigners may buy most private apartments and condominium units freely. Landed homes and vacant land, however, need approval under the Residential Property Act. Read our guide on foreign ownership of residential property.

How long does it take to buy property in Singapore?

A private resale usually completes in about 8 to 12 weeks. By contrast, new launches from developers follow a progressive payment schedule. Those projects can run for several years.

What is an Option to Purchase (OTP)?

An OTP is a contract that gives you the exclusive right to buy at an agreed price. The seller signs it and grants it to you in return for the option fee. In most cases, the option period runs for 14 to 21 days. You sign the OTP yourself only when you exercise it. To exercise, you sign the acceptance copy and pay the balance deposit.

Who signs the Option to Purchase?

The seller signs the OTP and grants it to you. You then pay the option fee for that grant. As the buyer, you sign the OTP only when you exercise it. In other words, you sign the acceptance copy at the end of the option period, not at the start.

Who holds my exercise deposit until completion?

By convention, you pay the balance deposit, usually 4% of the price, to the seller’s solicitors as stakeholders. They hold it until completion, and they release it only when the sale completes. As a result, your money stays protected if the purchase falls through. A seller may still ask for the deposit to be paid directly to him. In that situation, you take on more risk, so we advise you before you exercise the option.

What searches will my lawyer carry out?

We run a title search and a bankruptcy or winding-up search on the seller. We also send legal requisitions to the relevant authorities. Together, these checks reveal encumbrances, unpaid taxes and government plans that affect the property.

Can I use my CPF savings to buy property in Singapore?

Yes, subject to CPF rules and limits. You may apply CPF to part of the price, to the monthly instalments, or to both. The CPF Board then registers a charge over the property, and you pay its solicitors’ fees.

Can my lawyer also act for my bank in the mortgage?

Often yes, where no conflict of interest arises. As a result, banks call this same representation, and your total legal costs usually fall. Some banks still insist on separate representation, which costs more.

What are Buyer’s Stamp Duty and ABSD?

BSD is a tax you pay to IRAS on every property purchase. In practice, the rate applies to the price or the market value, whichever is higher. ABSD is an extra tax. It depends on your residency status and on how many homes you already own.

When must I pay stamp duty?

You must pay within 14 days after you exercise the option. Otherwise, IRAS may impose a penalty. As a rule, we attend to the stamping on your behalf.

What happens on completion day?

We exchange the balance purchase price for the title documents. We also confirm that both sides have met every contractual condition. Afterwards, we lodge the transfer and any mortgage with the Singapore Land Authority.

Do you act on HDB flat purchases?

We do not handle the conveyancing for the purchase, sale, mortgage or refinancing of HDB flats. Instead, we act on private residential and commercial property. However, we do act on the redemption or discharge of a mortgage for every property type, including HDB flats.

What are the Law Society's Conditions of Sale?

These are standard contract terms for Singapore property sales. In particular, they cover payment, possession, apportionment of outgoings and remedies for breach. The 2020 edition applies to most current contracts, subject to agreed variations. Condition 9.6, for instance, protects you as buyer. The seller must furnish the mode of payment at least seven clear Business Days before the Scheduled Completion Date. Otherwise you pay no interest for a delay caused by that shortfall. You can read the Law Society of Singapore Conditions of Sale 2020.

What if I buy a new unit from a developer?

Uncompleted units from licensed developers use a standard Sale and Purchase Agreement under the Housing Developers Rules. After that, the payments follow construction progress. Our brief guide to buying private residential property covers the option stage.

How much are conveyancing fees for a purchase?

In general, fees depend on the price, the financing and the complexity of the title. We quote before you commit, so there are no surprises. Request a quote for a purchase, sale or mortgage, or read our guide on conveyancing fees and how to engage us.

Can I add or remove a co-owner later?

Yes. In fact, owners often restructure ownership after purchase. Read our guide on decoupling and transfer of a part share before you decide.

Official Sources and Further Reading

- IRAS – stamp duty rates, reliefs and e-stamping.
- CPF Board – housing withdrawal rules and limits.
- Singapore Land Authority – land titles and registration.
- Urban Redevelopment Authority – planning rules and private property data.
- Council for Estate Agencies – estate agent rules and consumer guides.
- Residential Property Act 1976 – the statute governing foreign ownership.

Related Guides When You Buy Property in Singapore

- Brief guide to the Option to Purchase process
- Conveyancing fees and how to engage us
- Buyer’s Stamp Duty and ABSD in Singapore
- Foreign ownership under the Residential Property Act
- Mortgage and refinancing
- Using CPF funds for your mortgage after purchase
- Property tax in Singapore
- Suppressed and digital title deeds
- Sell property in Singapore
- Singapore conveyancing legal terms

You can also browse our Singapore property lawyers page for fees and services.

Disclaimer: *This page gives general guidance only. It is not legal advice. Please seek advice from a qualified conveyancing lawyer before you commit to any property transaction. Singapore laws, rates and policies also change without notice.*

Related guide: For the remission categories that can reduce or refund duty, see our guide to stamp duty remission for property in Singapore.