

Getting a fresh start

How will the new Fresh Start Housing Scheme help families?



Mr and Mrs Tan

- Both aged 40
- They have a 12-year-old child
- Mr Tan is the sole breadwinner, earning \$1,400 a month



- They live in a two-room public rental flat
- The family pays a monthly rent of \$240 in cash

	Without the scheme	Under the Fresh Start scheme
Flat	Two-room flat on 99-year lease, priced at \$115,000	Two-room Flexi flat on 60-year lease, priced at \$95,800
To pay (selling price + resale levy)	\$155,000	\$120,800
Upfront grant	–	\$20,000
Assumed CPF/cash savings	\$35,000	\$35,000
Housing loan needed	\$120,000	\$65,800
Monthly mortgage instalment needed	\$550 Family will not qualify for a loan as this exceeds the maximum Mortgage Servicing Ratio	\$300 Family will be able to qualify for a loan
Mortgage payment	–	\$290 by CPF, \$10 by cash
Additional deferred grant	–	\$15,000, reducing loan tenure by six years, nine months

NOTE: Based on average price of two-room flats in non-mature estates in 2015. Assumed loan tenure of 25 years. Assumed resale levy amount is for illustration purposes only and the actual amount payable will vary.