

September 2012

## Introduction

This is an unbiased step-by-step guide for tenants on renting a property in Singapore. We have no commercial interest involved with any of the recommendations in this guide apart from inciting you to use our site (which is free). We do not pretend that this guide is exhaustive, so do your own research on top of reading this.

There are basically 3 types of properties in Singapore:

- Private apartments/condominium, the main difference between them being the availability and variety of amenities (from close to none in private apartments to the most extravagant in some luxurious condos).
- Landed properties, sub-categorized in terraced house, semi-detached house, detached house, bungalow, and shop house. These types of properties are mostly outside the city centre.
- HDB flats, public developments built and maintained by the Housing and Development Board (HDB). Those are usually the most affordable options. The HDB also builds Executive Condominiums (EC) designed to fill the gap in the market between HDB flats and private condominiums.

## Step 1 – Refine your criteria

Here are some criteria that you can sort in order of importance:

- **Location:** Singapore is divided in 28 districts and here are the main areas:
  - D01, D02, D03, D04, D06, D07, D08, D09: City Centre (southern part of the island)
  - D05, D10, D11, D12, D13, D14, D15: Peripheral area
  - D16, D17, D18, D19: East Singapore
  - D20, D26, D27, D28: North Singapore
  - D21, D22, D23, D24, D25: West Singapore

The most expensive districts are D01 (Raffles Place), D02 (Tanjong Pagar), D04 (Sentosa), D09 (Orchard, River Valley), D10 (Bukit Timah), D11 (Newton).

- **Public transportation:** The [Mass Rapid Transit \(MRT\) network](#) is being expanded but a lot of areas in Singapore are still far from an MRT station. Buses complement the MRT network, so a public transport option is almost always available. [gothere.sg](#) is a very good tool to estimate your commute time.

---

### Disclaimer:

This guide is provided free of charge to the users of ezproperty.sg.

EZ Property Network and its representatives do not guarantee the accuracy of the information provided and shall accept no liability for loss or damage arising from decisions or actions made by readers of this guide.

- **Private transportation:** owning a car is a luxury in Singapore. On top of the car price, drivers are required to pay a Certificate of Entitlement (COE) that can cost more than half of the car value. So if you find a place without any easy public transportation option, keep this in mind. Taxis is an alternative solution, but taking a taxi all the time can end up being a costly expenditure on a monthly basis. On top of financial considerations, it can sometimes be almost impossible to find a cab (like on rainy weekday mornings).
- **Facilities:** Landed properties and HDB estates usually come without any facility. Private apartments usually offer a restricted amount of facility. Condominiums, on the other hand, tend to always offer at least a swimming pool, a gym, and BBQ pits. Some offer a tennis court, basketball court, KTV, etc... That's in the most recent condos that you will find the most extravagant facilities like bowling alleys, screening rooms, gigantic pools, spas, etc...
- **Amenities:** [gothere.sg](http://gothere.sg) is a very good tool to see what is around a given address. Just type in your address, then a panel on the left hand side will propose to show you amenities in the vicinity: ATMs, bank branches, clinics, gas stations, post offices, schools, and supermarkets. The main supermarket chains in Singapore are NTUC Fair Price, Cold Storage, Sheng Siong, Giant.
- **Lease term:** The most common lease term is 1 year. Some landlords prefer to find a tenant who would agree to take a 2-year lease to avoid the hassle of finding a new tenant. Some landlords are also open to negotiate a 6-month lease, but it is usually rare. If you need a place for less than 6 months, it is not going to be easy to find. Your best option is probably to share an apartment and sublet from a main tenant. Good news, [EZ Property](http://EZ Property) has a specific section for shared flats!
- **Furniture:** There are usually 3 levels of furnishing:
  - *Unfurnished:* the property comes without any furniture. Most properties in Singapore come with built-in kitchen appliances, built-in closets in the bedrooms, and built-in air-conditioning units.
  - *Partially furnished:* the landlord provides a washing machine, a fridge, one bed in each bedroom, and curtains. Sometimes a dryer and a TV can also be provided.
  - *Fully furnished:* the landlord should provide everything on top of the list above: cookware, dining table, chairs, couch, coffee table, bedside tables, etc...

The definition of *partially furnished* can be flexible so you should clearly specify what you need when visiting to avoid misunderstandings.

## Step 2 – Start your search

At this point, you should decide whether you want to use the services of a real estate agent or not. The agent should ask you for your search criteria and propose you to visit properties that fit. Note

---

### Disclaimer:

This guide is provided free of charge to the users of ezproperty.sg.

EZ Property Network and its representatives do not guarantee the accuracy of the information provided and shall accept no liability for loss or damage arising from decisions or actions made by readers of this guide.

that it is not really recommended to use more than one agent as you will end up visiting the same properties twice.

Agents have to register with the Council for Estate Agencies (CEA), so make sure that he/she has a CEA salesperson registration number on his business card. If you want, you can check him/her out on the [official website of the CEA](#).

You should also discuss the agent's commission from the beginning so there are no surprises when you finalize the deal. Common practice is that the agent's commission is equivalent to half a month of rent per year of lease term (see Step 3). However, this is not the law, so you should make this clear with your agent.

If you do not want to use an agent, well, we are here to help you find the perfect match! Regarding commissions, you should not pay one since you do the work on your own. The landlord's agent will get his commission from him/her and should not ask you any payment.

### Step 3 – Letter of Intent

Once you have found a place that you like and you are decided to rent it, the official document to show your interest to the landlord is called the Letter of Intent (LOI).

It is usually drafted by the landlord (or his/her agent) and should include:

- **Lease term:** Please refer to Step 1 for common lease terms. It can specify here if you will have an option to renew with 2 or 3 months notice before the end of the lease.
- **Monthly rental rate:** The agreed rental price should be there.
- **Good faith deposit/Booking deposit:** It is usually equivalent to one month of rent and it guarantees the landlord of your good faith in renting the property. In exchange, the landlord guarantees not to offer the property to someone else until the Tenancy Agreement (TA) is signed (see Step 4). Once the TA is signed, this money is converted into the security deposit money or the first month of rent.
- **Security deposit:** Common practice is the equivalent of one month of rent for each year of the lease. The security deposit is returned to you at the end of the lease, without interest, and after deduction of any cost for damage or breach of contract you have made according to the Tenancy Agreement.
- **Expiry:** This is the time frame the landlord is given to accept or not your rental offer. If he accepts, he/she will submit the Tenancy Agreement for your signature. If he/she does not accept it, your good faith deposit will be returned to you.
- **Additional requirements:** You should specify any requirement that you have such as additional furnishing, if you intend to sublet the property, if you have pets, if you require a diplomatic clause (that allows you to prematurely end the lease for work related reasons), if you want the landlord to repaint the walls, etc...

---

Disclaimer:

This guide is provided free of charge to the users of ezproperty.sg.

EZ Property Network and its representatives do not guarantee the accuracy of the information provided and shall accept no liability for loss or damage arising from decisions or actions made by readers of this guide.

You will be asked to provide a photocopy of your NRIC if you are a citizen or a Permanent Resident or a copy of your passport and Employment/Student Pass if you are a foreigner.

### Step 3 bis – Room rental agreement

If you are subletting a room, the process is usually much simpler. The landlord or main tenant will submit to you a room rental agreement that will be the only contractual document. Make sure that the following points are there:

- Sub-lease term
- Monthly rental rate
- Security deposit amount
- Inclusions, if any (electricity, cable, Internet, etc)
- Agent's commission, if any

### Step 4 – Tenancy Agreement

If the landlord accepts your offer, he/she (or his/her agent) will then submit the Tenancy Agreement (TA) for your approval. This is the binding legal document for your rental. You may hire a lawyer to review it if you wish, but it is not necessary.

Here are the points that you should carefully look at:

- **Your name and NRIC/passport number:** Are they correct?
- **The landlord's name and contact details:** Are they there?
- **Rental rate:** Is it the one agreed?
- **Lease term**
- **Payment conditions:** Do they suit you?
- **Security deposit:** Is it the one agreed?
- **Repairs:** In case something breaks down, the TA defines who will pay for it. Usually, the tenant is responsible for items costing less than S\$100 (can go up to S\$200). The landlord bears the whole cost of replacement for items more expensive than this amount. Note that sometimes, the tenant will be responsible for the first S\$100, so this is open for negotiation.
- **Early termination of lease:** If you agreed on a diplomatic clause, check that it is there. Usually, the diplomatic clause allows you to terminate the lease with a 2-month notice after the first 10 months (so this clause is usually useful for a 2-year lease). Sometimes, the

---

Disclaimer:

This guide is provided free of charge to the users of ezproperty.sg.

EZ Property Network and its representatives do not guarantee the accuracy of the information provided and shall accept no liability for loss or damage arising from decisions or actions made by readers of this guide.

landlord can add a clause to compensate him/her regarding agent's commission that he/she has paid.

- **Inventory:** Usually comes as an appendix. Does it include all the items that were agreed on?
- **Subletting:** If you intend to sublet one or more rooms, you should make it clear at this point and add a clause in the TA that stipulates that the landlord allows it. This will avoid problems in the future.

We recommend that you spend the appropriate time to review the Tenancy Agreement before signing. If you don't, you might regret it should a problem arise.

## Step 5 – Payment of deposit and fees

Upon signing the Tenancy Agreement, you will have to pay:

- The agreed security deposit and advance month of rent (minus your good faith deposit)
- Stamp duties, which are basically a government tax, are usually paid by the tenant. They are dependent on the rent and lease term. The [official website of the Inland Revenue Authority of Singapore \(IRAS\)](#) provides a calculator.
- Agent's commission: depending if you hired an agent or on what was agreed previously, the agent will send you a tax invoice. If you give cash, ask for a receipt. We advise that you pay the agent only after you have moved in.

## Step 6 – Handover of the keys and check-in inspection

On the first day of your rental agreement or a few days before, you will meet the landlord or his/her agent at the premises.

At least 3 days before this appointment, you should create an account with Singapore Power Services (SP Services) and set up the date for power, water, and gas activation (some properties are not linked to the city gas supply, so check with the landlord beforehand). You will have to pay a deposit (usually S\$300 to S\$500) that will be refunded to you when you close the account. If you don't do this, there might be no power on your move-in date and this could cause you some trouble.

You should go through the inventory list and check each item. Check that nothing is broken (fixtures and fittings, appliances, furniture, etc...) and that there are no anomalies (stains or scratches on walls, cracks, broken floor tiles, etc...).

If you notice anything wrong, put it in writing and take a picture. Give a copy of this report to the landlord and keep one for yourself. This will avoid problems when you check out.

Congratulations, it's now time to enjoy your new home!

---

### Disclaimer:

This guide is provided free of charge to the users of ezproperty.sg.

EZ Property Network and its representatives do not guarantee the accuracy of the information provided and shall accept no liability for loss or damage arising from decisions or actions made by readers of this guide.