

OUR HOUSING CONVERSATION: HOUSING FOR SINGLES AND SECOND-TIME HOME BUYERS

30 July 2023 | NTUC Centre

On 30 July 2023, 66 participants came together to share their sentiments on existing housing policies and explored new housing options that could better cater to their housing aspirations in Singapore. This session was jointly organised by NYC and the Ministry of National Development (MND). The session was helmed by:

- Minister Desmond Lee – Minister for National Development and Minister-in-charge of Social Services Integration



Here are the key insights from the session:

Breakout Discussions

Housing for singles:

- Participants shared that they appreciated that the government was willing to explore “more radical” and “unconventional solutions” to support Singaporeans’ housing aspirations, but preferred home ownership above all the available housing options.
- Participants shared that they were concerned about costs for rental and co-living typologies, and said that the rental costs must be commensurate with the location and amenities. Participants suggested that the government should manage co-living apartments instead of leaving it to private operators, as the private market was volatile, and prices were high in the co-living market.
- Participants also said that they valued their privacy and freedom and wanted co-living models to include options such as having their own private toilet, or cleaning services for communal areas/toilets. Participants said that the tenant-matching system had to be robust, and allowed flexibility in re-allocation during a probationary period to ensure healthy roommate matches and social programming to foster a sense of community. Participants suggested implementing age restrictions (e.g. 25-35 years old) to reduce barriers to community formation.
- Participants suggested that the government exercised flexibility for the rent-to-own model, to allow tenants to decide if they wanted to purchase the flat, or to allow tenants to use the mortgage payments to fund the purchase of a different unit. Participants also suggested that the government provided targeted subsidies for the rent-to-own model. They said that Singaporeans should be allowed to use their CPF to fund the payments.

- Participants said that there should be greater parity in the housing restrictions for individuals and couples/families, as single tenants also had to contend with higher individual costs. They suggested the following:
 - Increasing the income ceiling for singles looking to purchase BTOs.
 - Removing restrictions on mature estates (MEs) as the cost for MEs and NMEs are both high, and because many of their parents live in MEs.
 - Removing restrictions on prime location public housing (PLH) citing proximity to many singles' CBD workplaces.
 - Allowing singles to also have priority when applying for the same BTO project as their parents – a benefit already accorded to couples and families.

Second-time Buyers:

- Participants said that housing needs and arrangements changed at different life stages. Participants suggested that the government should introduce additional grants to cater to the needs of larger families, for e.g. multigenerational households. They suggested for subsidies to be computed based on per household capita income as larger families are likely to have heavier expenses.
- Participants said that prices of resale flats had to be moderated and that public housing should not be used as investments. They said moderating prices of resale flats would help to maintain reasonable housing prices for future generations.
- Participants said that the government should prioritise supporting groups with urgent housing needs, these included people living in rental flats, divorcees with children and returning Singaporeans. They suggested that in addition to grant schemes, the government should also provide mental health support through counseling to better support some of these groups.

Large-group Shareback

- Participants acknowledge that trade-offs had to be made when balancing housing aspirations of Singaporeans. Participants also said that the government would need to consider and determine pricing schemes and criteria for models such as Rent-to-Own, to ensure they met the needs of the intended citizens.
- Participants said that the government would need to moderate housing prices to ensure home ownership remains achievable for citizens, especially the younger generation of singles. Participants also said that the application criteria for Build-To-Order (BTO) flats should also be made more equitable for singles.
- Participants said that the government should provide assistance to married couples based on their needs, for e.g. the size of the families and the number of dependents living in the same space. They said that the government should ascertain the needs on a case-by-case basis and that schemes should not be pegged solely to an income ceiling. Participants suggested providing a priority queue for smaller units for couples that choose not to have children within the first five years of marriage. Participants said that the government should introduce policies to deter the use of BTO flats for investments.
- Participants also said that the government could look into gaps in the current schemes, and manage applications on a case-by-case basis to better support those who might potentially fall through the cracks, for e.g. divorced partners and overseas spouses who were not eligible for HDB housing loans because of their circumstances.