

# Income Guidelines

Understand the guidelines for income assessment to get a head start on your [HDB Flat Eligibility \(HFE\) letter](#) application. You may also read our [frequently asked questions](#) on the HFE letter.

## Income guidelines

HDB considers the incomes of all persons listed in your HFE letter application to assess your household's eligibility to buy a flat, receive CPF housing grants and take an HDB housing loan.

Assessment	Guideline
Period of income assessment	12 months
End of assessment period	2 months preceding the month of HFE letter application^
	^ For example, if your HFE letter application is submitted in May 2024, the assessment period will be from April 2023 to March 2024.
<b>Note:</b>	
You must be working at the point of the HFE letter application to be considered for an <a href="#">Enhanced CPF Housing Grant</a> and <a href="#">HDB housing loan</a> .	
Applicant(s) taking an HDB housing loan must remain in their employment or trade when HDB disburses the housing loan.	

## Assessment

## Guideline

### Computation of income

The average gross monthly income for each applicant and/ or occupier is the total income earned over the number of months worked during the assessment period. The incomes of all persons (both applicants and occupiers) listed in the HFE letter application are included in the assessment.

For self-employed persons, the number of months worked will be 12 or from business commencement during the assessment period.

For employed persons, the number of months worked will exclude months on no-pay leave (treated as unemployment) or from employment commencement during the assessment period. For example, if you worked for 10 months during the income assessment period, your average income earned will be the total income earned for the 10 months divided by 10.

To illustrate, the average gross monthly household income will be computed as follows:

	Applicant 1	Applicant 2	Applicant 3
Total gross income during the assessment period	\$A	\$B	\$C
Number of months worked	12	6	10
Average gross monthly income	$\$A / 12 = \$X$	$\$B / 6 = \$Y$	$\$C / 10 = \$Z$
<b>Average gross monthly household income</b>	$\$X + \$Y + \$Z$		

### Income components

All components from employment or trade, including employee's CPF deductions and excluding employer's CPF contributions and bonuses.

Types of income/ allowance considered for assessment of household income and credit assessment:

Types of Income/ Allowance	Considered for	
	Assessment of household income	Credit assessment for HDB housing loan
Applicant's income	Yes	Yes
Occupier's income	Yes	No

Types of Income/ Allowance	Considered for	
	Assessment of household income	Credit assessment for HDB housing loan
Allowances/ overtime pay e.g. allowances for food, transport, laundry, uniform, shift work, etc.		
Claims / reimbursements		
Director's fee		
Employees' benefits e.g. birthday incentives, marriage tokens, etc.		Yes
Incentives		
Overseas cost of living allowances for working persons		
Pupillage/ stipends		
Employer's CPF contributions		
Bonuses		
Annual Wage Supplement		
Employees' share options and other non-monetary remuneration		
National Service allowance		No
Overseas allowances for applicants on scholarship		
Pension		
Not related to employment and trade, e.g. rental income, alimony/ maintenance fee, and dividend income/ interest from fixed deposit/ savings accounts.		

## Documents

When you apply for an HFE letter, you will be guided to retrieve your information from Myinfo to minimise form-filling and submission of documents. In some cases, supporting documents may still be required and you will be informed via SMS and email. Please approach your employer or relevant agencies to obtain the required documents or a letter from them if they are unable to provide the required information. We may not be able to process your HFE letter application without the complete set of documents.

If you hold more than 1 job and are requested to submit documents on your employment/ trade, you must provide the documents for each of your employment/ trade. The application e-Service can support the uploading of multiple documents. Alternatively, you may also consolidate them into 1 file before uploading.

Do ensure that your documents meet the following requirements before you upload them, for a smoother application process:

- All files are in PDF, JPG or PNG format, and are not encrypted
- Each file is up to 5 MB and the total size of all files is up to 40 MB
- The file names have only alphabets, numbers, spaces, dashes ('\_'), hyphens ('-') or full stops ('.')

If the documents are not in English, Chinese, Malay or Tamil, please provide a copy of the document and its official English translation.

To upload the documents, log in to the [HDB Flat Portal](#) and select My Flat Dashboard > I am a new/resale flat buyer > Apply for an HFE letter (Step 2 of Buying Process) > Upload Documents.

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## NEXT STEPS

### Working Out Your Flat Budget

[Plan your finances and budget for a flat purchase with our ABCs of financial planning and financial tools.](#)

### Finding a Flat

[Find out more about the types of HDB flats available for sale and design features of new flats.](#)

### Buying Procedure for New Flats

[Get started with your flat purchase by finding out about the process of buying a flat from HDB.](#)

### Buying Procedure for Resale Flats

[Understand and follow the resale procedures to ensure a smooth flat buying journey. Find out more about the process before committing to a flat purchase.](#)

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