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# Budget for Flat

The second step to our ABCs of financial planning is to work out your 'Budget' based on available funds.

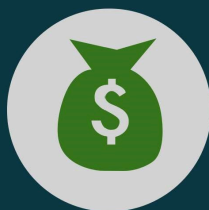


Before committing to a flat purchase, calculate your budget first.

Your budget to buy a flat consists of



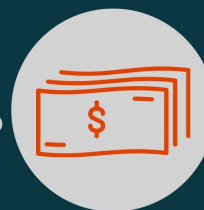
Amount of housing loan that can be secured from HDB/ Bank



CPF savings in Ordinary Account



CPF Housing Grants (if eligible)



Cash savings

Your budget will be used to pay



The price of the flat that you are buying



Stamp and legal fees for the flat purchase



Resale levy, if you are buying a second subsidised flat from HDB



Moving expenses, renovation, furnishings, etc.

Do work out the sums and keep to your budget when buying a flat!

Before you embark on your home buying journey, apply for an [HDB Flat Eligibility \(HFE\) letter](#) to find out your eligibility to buy a new or resale flat as well as the amount of CPF housing grants and HDB housing loan you are eligible for. You can work out an estimated housing budget by adding up the following:

- Available cash savings
- Available [CPF Ordinary Account \(OA\)](#) savings (each flat applicant may retain up to \$20,000)
- Probable [CPF housing grants](#)
- Estimated housing loan from HDB or the participating financial institutions (FIs)
  - The amount you may borrow from HDB or FIs is generally determined by your age, income, and financial standing
  - You may also obtain information on the considerations in taking up a housing loan from HDB or FI

You can also use our [calculator](#) to work out your budget. If you have an HFE letter, it will retrieve the details for the calculations.

If you need a housing loan to buy a flat, please check your loan eligibility with HDB or approach the FIs regulated by the Monetary Authority of Singapore. [View and compare housing loan packages offered by the participating FIs](#) and understand the key terms and conditions for the housing loan before making an informed financing decision.

Ensure that you have obtained [sufficient financing](#) before proceeding to buy a flat. Read on to understand the payments required at the various milestones for your intended flat and plan your purchase using the financial tools below.

## **Understand the payments required**

[Find out more about the upfront payments in cash and CPF for your flat purchase.](#)



A housing loan from HDB or FI can only be used towards the purchase price of the flat\* (up to the prevailing loan-to-value limits). The HDB housing loan amount will be pro-rated from the prevailing loan-to-value limits if the flat's lease does not cover the youngest applicant to the age of 95 and beyond.

\* For resale flats, this refers to the lower of the resale price or value of the flat.

Be sure to set aside money for the upfront payments required in cash or CPF savings for your intended flat, before committing to buy.

### **New Flat**

[Booking fee](#), [downpayment](#) and related costs.

Read more on the [payments](#) that you need to make at various stages of your flat purchase from HDB.

## Resale Flat

- [Initial payment and related costs](#)
- Lump sum payment in cash, where applicable:
  - Deposit to flat seller
  - Property agent's fees
  - Cash payment for the difference between resale price and flat's value

Read more on the [payments](#) that you need to make at various stages of your resale flat purchase.

## Use of CPF savings

You may use your available CPF Ordinary Account savings to pay the downpayment or initial payment. If your CPF savings are not enough, you will have to pay the balance amount in cash.

Use CPF Board's [housing usage calculator](#) to estimate the amount of CPF savings you can use for your flat purchase, and their [home purchase planner](#) to understand how financing a home purchase impacts your retirement savings. For more information on the use of CPF savings, please visit [CPF Board's website](#).

## Other payments

You may also wish to consider other ad-hoc big-ticket purchases and lump sum payments in cash that may affect your flat budget such as:

- Renovation, furnishing and moving expenses
- Wedding expenses, if applicable

### Financial tools

[Obtain a holistic view of your estimated budget and financing options using our calculators.](#)



#### Budget Calculator

Work out an estimated housing budget with housing loan information provided by HDB and the participating FI.