HDB Resale OTP: Check Fees, Dates and Side Agreements

Description

The HDB resale Option to Purchase is meant to create one clear record of the option fee, exercise fee, property and deadlines. HDB resale parties must use the prescribed OTP without amendments or supplementary agreements. The option fee may not exceed S$1,000, the total deposit including the option exercise fee may not exceed S$5,000, and the option period runs for 21 calendar days.

For an hdb resale buyer or seller about to grant or accept an option to purchase, the immediate job is to complete the prescribed OTP correctly and avoid invalid side letters, over-limit deposits or mismatched dates.

Seller has not completed the seven-day Intent to Sell cooling period: the quick answer

Situation	What changes
Seller has not completed the seven-day Intent to Sell cooling period	Do not grant the OTP yet
A party proposes changing the prescribed clauses	Stop and obtain legal advice; HDB prohibits amendments
Option fee and exercise fee total more than S$5,000	Correct the amounts before money changes hands
A promise sits outside the OTP	Do not assume it is valid or enforceable in the HDB resale process

The resale Option to Purchase is a controlled transaction document, not a flexible booking form. Buyer and seller should reconcile the stated option fee, exercise fee, dates and property details against the actual transfer of money. A separate promise to refund, rebate or alter those economics can undermine the clarity the form is meant to create.

Use a payment ledger with date, payer, payee, amount, method, reference and contractual purpose. The ledger makes it possible to distinguish the option fee from the later exercise fee and from unrelated deposits or reimbursements. Screenshots alone can omit the account holder or payment narrative needed to explain a transfer.

Verify the sellerâ??s readiness

A valid Intent to Sell must have completed the seven-day cooling period before grant. The controlling details used here are on HDB Option to Purchase for sellers.

Save the eligible grant date from My Flat Dashboard.

Use the current prescribed form

Old downloads and agent-created contracts can carry obsolete wording.

Download the OTP from the live HDB process and keep the blank source copy.

Reconcile the fee limits

The option fee is between S$1 and S$1,000; the total deposit is capped at S$5,000.

Write option fee, exercise fee and total on one line before payment.

Calculate expiry precisely

HDB counts 21 calendar days and states the time of expiry on the form.

Include weekends and public holidays rather than using working days.

Refuse silent amendments

Cross-outs, inserted clauses and separate promises can create false confidence. The related condition is explained in HDB resale terms and conditions.

Escalate repairs, inclusions or timing concerns to the proper legal and HDB route.

Align every name and price

The OTP, HFE, Request for Value and later application must describe the same transaction.

Check identity spelling, flat address, resale price and serial number.

Preserve payment evidence

Cash handovers and vague references make disputes harder to resolve.

Use a traceable payment method and label the exact OTP and fee type.

How the case works in practice

An S$800 option fee and S$4,500 exercise fee would total S$5,300, above HDBâ??s stated S$5,000 deposit cap. The parties should correct the prescribed amounts before the OTP is granted or exercised.

Two records that make the housing choice clearer

- a fee reconciliation that tests option fee, exercise fee and total deposit simultaneously
- a clause-integrity check that surfaces amendments and side promises before money moves

A realistic case file

A buyerâ??s timeline can be reconstructed from five entries: when the OTP was granted, when the option fee cleared, the final exercise date and time, when the signed acceptance was delivered, and when the exercise fee cleared. Put the document clause beside each event. This avoids a later argument in which a bank timestamp, message timestamp and contractual deadline are treated as if they were automatically identical.

Financing should be ready enough for the buyer to understand the cash and CPF bridge before exercise. That includes the agreed price, valuation position, loan path, option and exercise fees, and funds needed for the next stage. It is not an invitation to renegotiate the statutory form through a rebate. If the economics no longer work, obtain advice while the option status and deadline are still clear.

For sellers, an apparently attractive side payment can create uncertainty over the true consideration and what must be disclosed to HDB, the lender or tax authority. For buyers, a promise to return money later may be difficult to enforce and may distort financing assumptions. The safest file is one in which the price, prescribed fees and actual transfers tell the same story.

Keep the operating detail visible

Both parties should preserve the same executed version of the OTP, including every page and signature. A scan taken after signing should be checked against the original for missing pages or cropped terms. Where lawyers or agents are involved, record who delivered which document and when, but do not assume their participation cures an irregular payment. The transaction file should also separate HDB fees, conveyancing payments and purchase consideration so that a later bank reconciliation does not confuse them with the option or exercise fee. Any proposed amendment should be reviewed through the proper legal and HDB route before money moves.

When the option is not exercised, document the contractual consequence and close the ledger. Do not create a new transfer labelled as a friendly refund unless it is supported by the OTP terms and appropriate advice. Keep the final balance and written explanation with the same complete transaction file.

The decision window should contain time for financing, eligibility and document review. Pressuring a buyer to exercise before those checks are complete transfers avoidable risk into a binding stage. Sellers also benefit from one clean record because it reduces later disagreement about whether and when the option was exercised.

If an agent proposes an off-form side arrangement, ask for the legal basis and obtain independent advice before paying. The safe response is not to hide the side term in chat. It is to resolve the inconsistency before the transaction moves forward.

The last practical check

- Confirm the Intent to Sell cooling period
- Download the current prescribed OTP
- Check all names, address and price
- Keep option fee at or below S$1,000
- Keep total deposit at or below S$5,000
- Calculate 21 calendar days
- Reject side agreements without advice

An exercised OTP is a binding legal transaction. HDBâ??s current form and legal advice control.

Continue the task on LBRD

For an adjacent decision, plan the later resale-application submission window. You can also compare the different private-property OTP route.

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