



# REDAS Comment

1 July 2021

Dear Members,

## REDAS Comments - Commencement of Part 8C of COVID-19 (Temporary Measures) Act

REDAS has responded to the media with regard to the above-said announcement. Appended below are **REDAS comments**. For your reference, please.

- **COVID 19 has affected the construction industry severely and resulted in delay of completion for many projects. The Government's decision to implement Part 8C of COTMA to address such an unexpected delay in a reasonable and amicable manner is appreciated and supported.**

**As the issues of manpower shortage, costs escalation and project delays are expected to persist and given the rapidly evolving Covid-19 situation, we will continue to work with the Government to monitor the situation and address issues arising.**

Thank you  
With Best Regards  
Chua Geok Lee

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**From:** REDAS Secretariat  
**Sent:** Thursday, 1 July, 2021 3:20 PM  
**To:** Geok Lee <[geoklee@redas.com](mailto:geoklee@redas.com)>  
**Subject:** Commencement of Part 8C of COVID-19 (Temporary Measures) Act

**Dear Members,**

**The Government has implemented Part 8C of the COVID-19 (Temporary Measures) Act (COTMA).** Part 8C of the COTMA serves to provide support to developers who face construction delay due to COVID-19 and are unable to meet the committed delivery date of possession in the S&P Agreement to purchasers.

As purchasers may have to incur out-of-pocket costs due to the delay in the delivery of the units, Part 8C also allows purchasers affected by the delay to seek reimbursement from developers.

- **Under Part 8C, developers who require relief may serve a notice on purchasers for an extension of the date of delivery of possession by up to 122 days, in line with the extension of time for construction projects.** Should a developer require an extension of more than 122 days, they will be required to apply for an assessor's determination of the period of extension, which is equivalent to the length of construction delay materially caused by COVID-19.
- **For projects where the developer has extended the date of delivery of possession, purchasers may seek reimbursement from the developers for qualifying out-of-pocket costs incurred due to the delay in delivery of the unit, up to a cap of 70% of the liquidated damages originally payable under the S&P Agreement.**
- **An assessor's determination may be sought if there is any dispute over the qualifying costs claimed by purchasers.**

Purchasers of flats from the Housing and Development Board may similarly claim up to 70% of the liquidated damages based on a prescribed formula, which is aligned to that stated in the Housing Developers Rules for private housing.

Please refer to the attached circular for more details and Annex A for a summary of the relief measures.

Thank you  
With Best Regards  
Chua Geok Lee

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**From:** URA COVID19 REGISTRY (URA) [[mailto:URA\\_COVID19\\_REGISTRY@ura.gov.sg](mailto:URA_COVID19_REGISTRY@ura.gov.sg)]

**Sent:** Thursday, 1 July, 2021 1:42 PM

**Subject:** Commencement of Part 8C of COVID-19 (Temporary Measures) Act

**Message Classification:** *Restricted*



President  
Real Estate Developers' Association of Singapore

Dear Mr Chia

### **COMMENCEMENT OF PART 8C OF THE COVID-19 (TEMPORARY MEASURES) ACT**

We would like to inform you that Part 8C of the COVID-19 (Temporary Measures) Act and the COVID-19 (Temporary Measures) (Part 8C Relief) Regulations have been gazetted and are effective from 1 July 2021. The COVID-19 (Temporary Measures) (Amendment No. 3) Bill was passed in Parliament on 3 November 2020. Further amendments to the COVID-19 Act were made on 5 April 2021 to facilitate the implementation and delivery of the relief under Part 8C, as part of Government's support for the construction sector, which has been hit by the COVID-19 pandemic. Please refer to the [circular](#) issued today and the [guide](#) for details of the relief measures.

We encourage developers to update purchasers on the implementation of the relief measures. We also encourage developers who are unable to meet the delivery date to discuss with the purchasers to come to a workable and mutually agreeable arrangement. If the parties are unable to come to an agreement, the developers and purchasers can tap on the relief measures as provided under Part 8C of the COVID-19 (Temporary Measures) Act.

If you and members of REDAS have any queries relating to the relief measures, you can email to [ura\\_covid19\\_registry@gov.sg](mailto:ura_covid19_registry@gov.sg).

We would like to express our appreciation to you and members of REDAS for giving us your inputs on the relief measures.

Thank you.

Yours sincerely

LING HUI LIN (MS)  
CONTROLLER OF HOUSING