

A new home can be one of the most expensive purchases you'll ever make in your life. If you're looking to buy a new home but don't have enough funds to cover the cost, you're in luck! as we've rounded up the best housing loans for private property in Singapore.

But before we get on with our list, we'll first walk you through everything you'll need to know about housing loans in Singapore. We'll also discuss how you can calculate your maximum home loan, plus other terms you need to know.

Alright, intro's over. Let's proceed with our guide!

A Quick Guide to Housing Loans in Singapore

HDB vs Private Property Housing Loans

In Singapore, residential properties can be divided into two types: private housing and public housing (HDB properties).

Private housing includes landed properties, condos, and executive condos (EC). It's important to take note that executive condos are a special case because they are treated as public housing in the first 10 years and are only converted to private housing after the period.

On the other hand, **public housing** refers to flats or apartments offered by the Housing Development Board (HDB).

HDB flats are considered as the more affordable housing choice for Singaporeans, made more accessible via financial aid programmes and government grants. Unlike public housing, private properties can only be financed through bank loans and are not eligible for grants, save for ECs.

Since HDB flats are subsidized by the government, only Singaporean Citizens (SCs) and Permanent Residents (PRs) can purchase public housing. The only way foreigners can purchase HDB flats is if they have a Singaporean spouse.

Private housing is available for both Singaporeans and foreigners, except for landed properties which can only be purchased by SCs and PRs. Foreigners looking to own private condos in Singapore should be prepared to pay the [Additional Buyer's Stamp Duty \(ABSD\)](#).

Since the main focus of our article are housing loans for private properties, let's talk more about the two categories of private housing loans.

Fixed Rate vs Floating Rate Home Loans

As its name suggests, **fixed rate loans** have fixed interest rates for a certain period. The fixed rate period usually ranges from 1 to 5 years, payable every month.

If you're keeping a budget and want to pay a certain amount of money, this type of home loan should provide you peace of mind. Since the interest rate doesn't change, the amount you'll pay monthly won't be affected by changes in the local or international markets.

However, this comes with a cost—fixed rate loans usually have higher interest rates. Furthermore, after the fixed rate period, your loan will revert to a floating rate loan.

Floating rate loans, or variable rate loans, are the opposite of fixed rate loans. This means that your interest rate isn't fixed and can change at any time, depending on the bank or by public housing market indicators.

One of the advantages of getting floating rate loans is that you can potentially get cheaper interest rates, provided that the rate benchmark goes down. However, there's also a chance that rates may go up, so use your discretion to see whether you'd like to take your chances.

It's important to assess your needs and your capacity to pay for a home loan. If you're having trouble deciding which type of home loan you should go for, check out [DollarBack Mortgage's](#) comprehensive guide on how to choose the best home loan interest rate for your needs.

How to Calculate Maximum Home Loan

There are three factors that banks consider whenever you're applying for a home loan. These three factors will decide the maximum amount you'll be able to loan from the bank.

Let's discuss each one in more detail.

Total Debt Servicing Ratio (TDSR)

The Total Debt Servicing Ratio (TDSR) determines whether a person is able to repay their home loan. Currently, the [Monetary Authority of Singapore \(MAS\)](#) sets the cap for the TDSR to be less than or equal to 60% of your total gross monthly income.

Here's the formula for computing the TDSR:

$$\frac{\text{(Total monthly debt obligations / Gross monthly income)} \times 100\%}{\leq 60\%}$$

The TDSR considers all types of loans under your name, such as personal loans, car loans, credit card loans, and others. The TDSR is also applicable for all types of mortgage loans, whether for public or private housing.

Mortgage Servicing Ratio (MSR)

On the other hand, the mortgage servicing ratio (MSR) only applies to new housing loans for HDB flats and ECs. Unlike the TDSR, the MSR only considers home loans under your name.

According to [MAS](#), the MSR should be 30% or less than the borrower's gross monthly income. Here's the formula for calculating the MSR:

$$\frac{\text{(Monthly repayment instalments for all property loans / Gross monthly income)} \times 100\%}{\leq 30\%}$$

Loan-to-Value Ratio (LTV)

Lastly, the loan-to-value ratio (LTV) is just simply the measure of how big a loan is compared to the value of the asset to be purchased. Banks use this to determine the maximum amount you can loan and how big of a down payment you will have to pay.

The more outstanding home loans you have, the lower your LTV limit is. And so, the lower your LTV limit, the bigger your down payment will be.

The LTV ratio is based on other factors such as your age, your loan tenure, and the number of home loans you currently have. Note that the maximum loan tenure for home loans is 30 years for HDB flats and 35 years for non-HDB properties.

Here's the formula for calculating the LTV ratio:

$$\text{Loan Amount} \div \text{Asset Price} = \text{Loan-to-Value (LTV) Ratio}$$

And that's about it for our brief overview of home loans in Singapore. With that out of the way, let's get on with our list of the best housing loans for private property in Singapore!

The Best Housing Loans for Private Property in Singapore

1. DBS Housing Loan

BEST FOR	Home loans with no lock-in periods
SERVICES	Fixed rate loans, floating rate loans, bridging loans, refinancing
ADDRESS	12 Marina Boulevard, DBS Asia Central @ Marina Bay Financial Centre Tower 3, Singapore 018982
CONTACT INFORMATION	Inquiries on housing loans: +65 6333 0033 (for local and international)
BANKING HOURS	Monday – Friday: 8:00 AM – 5:00 PM

[Enquire here](#)

The Development Bank of Singapore (DBS) offers a wide range of home loan products for private properties. Included in their services are fixed rate and floating rate packages, both with options for lock-in periods (ranging from 2 to 5 years) and no lock-in periods.

Depending on the package that you avail of, you can get features such as interest caps, commitment fee waivers, prepayment fee waivers, and free conversions. Take note, however, that some packages may require a minimum loan amount before you can apply for them, with the smallest amount at S\$100,000 going up to S\$1,000,000.

What makes them one of the home loan options in Singapore are their attractive interest rates pegged to the SGD Fixed Deposit Rates. Plus, their eligibility and loan application process only takes about 10 minutes, provided that you have all of the documents needed.

If you're moving out of your old house and into a new one, you may want to consider applying for the DBS Bridging Loan. However, unlike the other packages, the interest rate follows the DBS Prime Rate which is currently at 4.25% p.a.

PROS	CONS
<ul style="list-style-type: none">- Offers both fixed and floating rate loans- Offers free conversions and waivers (depending on package)- Easy online application	<ul style="list-style-type: none">- Minimum loan amount varies per package- Bridging loan follows DBS Prime Rate

2. Citibank Housing Loans

BEST FOR	Flexible mortgage plans
SERVICES	Fixed rate loans, floating rate loans,

	refinancing
ADDRESS	23 Church St, #01-01 Capital Square, Singapore 049481
CONTACT INFORMATION	+65 6236 5225
BANKING HOURS	Monday – Friday: 9:30 AM – 3:30 PM

[Enquire here](#)

Whether you're applying for a new home loan or want to refinance your current one, Citibank has a variety of options for you.

Using their online Mortgage Calculator, you can get an idea of the structure of your home loan. Their online facilities also let you get your in-principal approval (IPA) within a few days.

Perhaps one of the most attractive features for Citibank clients is the flexibility you're given with your loan tenure, should you avail of variable rate loans. With Citibank, you can make free and unlimited switches across 1-month and 3-month SIBOR tenures.

Although not known for affordable housing loans, Citibank Home Loans offers reasonable introductory rates that are ideal for people with extra cash on hand. Just keep in mind that these rates can significantly increase after a few years of payments, so it's best to prepare yourself.

If you want a bit more breathing room with your loan, you can opt for a Citi Home Saver Checking Account. With this, you can offset your monthly interest using the interest earned by maintaining a certain amount of deposit in the account.

PROS	CONS
<ul style="list-style-type: none"> - Offers both fixed and floating rate loans - Unlimited, free switches across 1 month & 3-month SIBOR tenures - Legal subsidies for refinancing cases - Perks for Citibank clients 	<ul style="list-style-type: none"> - Minimum loan amount of S\$300,000

3. Standard Chartered Home Suite

BEST FOR	Competitive floating interest rates
SERVICES	Fixed rate loans, floating rate loans, refinancing, MortgageOne
ADDRESS	8 Marina Boulevard, Tower 1, #01-01 Marina Bay Financial Centre, Singapore 018981
CONTACT INFORMATION	+65 6747 7000
BANKING HOURS	Monday – Friday: 10:00 AM – 7:00 PM

[Enquire here](#)

Standard Chartered (SC) is another population option for clients looking to purchase residential and commercial properties in Singapore. For private properties, they offer fixed rate and floating rate home loans for both completed and building under construction (BUC) properties.

If you prefer to have a lower total cost of borrowing (*Who doesn't?*), you may want to check out what SC has to offer. Their home loan products offer reasonable and competitive housing loans pegged to its Fixed Deposit Rate or SIBOR, plus a margin for SC.

You also get perks if you're a current SC client, such as discounts on loans and interest offsets via their MortgageOne deposit accounts. If you're an existing SC home loan client, you can also participate in their home loan referral programme which lets you earn up to S\$1,300 per referral.

If you want to apply for an SC Home Suite loan, just make sure that your minimum loan amount is S\$100,000 and that you have an annual income of at least S\$30,000.

PROS	CONS
<ul style="list-style-type: none"> - Perks for SC clients - No processing fees - Easy online application 	<ul style="list-style-type: none"> - Minimum annual income of S\$30,000 required

4. HSBC Home Loans

BEST FOR	Fixed rate packages
SERVICES	Fixed rate loans, SIBOR-pegged loans, HSBC SmartMortgage, refinancing
ADDRESS	21 Collyer Quay, #14-01 HSBC Building, Singapore 049320
CONTACT INFORMATION	1800-HSBC NOW (4722 669) direct@hsbc.com.sg
BANKING HOURS	Monday – Friday: 10:00 AM – 7:00 PM

[Enquire here](#)

HSBC Home Loans offers some of the most competitive interest rates for home loans in the Singapore market. And although they offer both fixed and floating home loans, the former offers the best value for borrowers.

For a home loan with a lock-in period of 2 years, you can get interest rates as low as 1.2%. Furthermore, you get to enjoy lower fees compared to other banks, bringing down the total cost of borrowing.

Like other banks, HSBC also offers SmartMortgage, a deposit account that lets you offset the interest on your home loan so that you'll be able to pay your loan off quicker. However, take note that the minimum loan amount for their home loans is S\$200,000.

HSBC often offers referral reward programmes that grant you cash credit whenever you refer an acquaintance to an HSBC home loan. Under this programme, you can get up to S\$600 in cash credit.

PROS	CONS
<ul style="list-style-type: none"> - Offers both fixed and floating rate loans - Perks for HSBC clients - Lower fees 	<ul style="list-style-type: none"> - Minimum loan amount of S\$200,000

5. Maybank Home Loans

BEST FOR	Low introductory rates
SERVICES	Fixed rate home loans, floating rate home loans, refinancing
ADDRESS	Maybank Tower, 2 Battery Road, Singapore 049907
CONTACT INFORMATION	Local: 1800-MAYBANK (1800-629 2265) Overseas: +(65) 6533 5229
BANKING HOURS	Monday – Friday: 11:00 AM – 7:00 PM

[Enquire here](#)

If you're a first-time homeowner and need a bit of breathing room, you should consider getting a Maybank home loan. They offer both fixed rate and floating rate housing loans and have the lowest introductory rates in the market.

Maybank offers up to 75% financing and entices clients with rewards and exclusive deals when they avail of their home loans.

For example, refinancing your existing home loan with Maybank makes you eligible for cash gifts. Another incentive they offer is an exclusive renovation loan package when you apply for a home loan.

Of course, like all good things, the low introductory rates come with a caveat. Although you'll have smaller payments in the first year, expect higher interest rates after 1 to 3 years.

Maybank home loans also come with a lot of fees, which you can check out on their product page. To get an idea of how much you'll be paying should you apply, you can try out Maybank's home loan calculator for a rough estimate.

PROS	CONS
<ul style="list-style-type: none">- Offers both fixed and floating rate loans- Lowest introductory rates- Accompanying incentives and deals	<ul style="list-style-type: none">- Higher interest rates after a certain period- Higher fees

FAQs About the Best Housing Loans for Private Property in Singapore

Can a foreigner apply for a home loan in Singapore?

Yes. There are banks that offer home loans specifically for foreigners. However, there are additional fees that need to be paid, such as the Buyer's Stamp Duty (BSD) and the Additional Buyer's Stamp Duty (ABSD).

Can I apply for a home loan with bad credit?

Yes, some banks actually approve home loans for people with bad credit histories. However, you should be prepared to pay high-interest rates.

We recommend taking care of all your existing debts and getting a good credit score before applying for a home loan, though. This ensures that you'll get a much better home loan with lower interest rates.

How long does it take for a home loan to be approved?

The Approval-in-Principle (AIP) or In-Principle Approval (IPA) is the approved loan amount reported by the bank after checking the borrower's capacity to pay for the loan. Once you receive that, you can decide whether or not you want to proceed with your loan application.

A bank usually processes the AIP/IPA **within 3 to 5 days**. Take note that an AIP/IPA is only valid for 30 days, so make sure you apply for your loan within that period should you decide to continue.

What happens if I pay my home loan off early?

It depends.

Some home loans usually have an early repayment fee that you have to pay should you do so. This fee varies from bank to bank, so make sure to read the fine print of your home loan before you proceed.

It's best to consider the amount you'll pay for the early repayment fee VS the amount you'll save on paying home loan interest rates.

And that concludes our list of the best housing loans for private properties in Singapore. With the help of these banks, you'll fulfil your dream of owning your own home.

Do you have any thoughts, comments, or suggestions for our list? If you do, just leave us a message and we'll get back to you ASAP.

If you're thinking of getting a personal loan, you may want to check out our list of the [best personal loans in Singapore](#). We combed the island for banks and lenders that offer the best deals and most flexible payment plans, so check them out!