

REGISTRY OF MONEYLENDERS

REGISTRAR'S DIRECTION ON

RESIDENTIAL PROPERTY LOANS

1. Introduction

Pursuant to section 45(1) read with s 45(2)(c) of the Moneylenders Act 2008 (“MLA”), this Direction relates to the granting of residential property loans by exempt moneylenders.

2. Granting of Residential Property Loans

2.1. Every exempt moneylender shall comply with Notice 632 issued by the Monetary Authority of Singapore (“MAS”) on residential property loans (“Notice 632”), when granting any loan –

- a. for the purchase of residential property to a borrower or in the case where the borrower is a vehicle set up for the purchase of residential property, the vehicle;
or
- b. that is secured by residential property to a borrower who is an individual or in the case where the borrower is a vehicle set up for the purchase of residential property, the vehicle.

2.2. For the purpose of this Direction, Notice 632 as may be updated by the MAS from time to time, insofar as it relates to the activities for which the exemption is granted, shall be construed as constituting a part of this Direction and references in Notice 632 to –

- a. “bank” shall be read as a reference to “exempt moneylender”; and
- b. “credit facility” shall be read as a reference to “loan”.

3. Consequences of non-compliance with Direction

3.1. The attention of all exempt moneylenders is drawn to section 45(3) of the MLA, which provides that a failure or refusal to comply with any direction issued under section 45(1) of the MLA is an offence punishable on conviction with a fine not exceeding \$20,000. Non-compliance with directions may also lead to the revocation of an exemption under section 91(8) of the MLA.

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