Why you should sell your HDB & upgrade to EC/Private

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Data Analysis of HDB Flats

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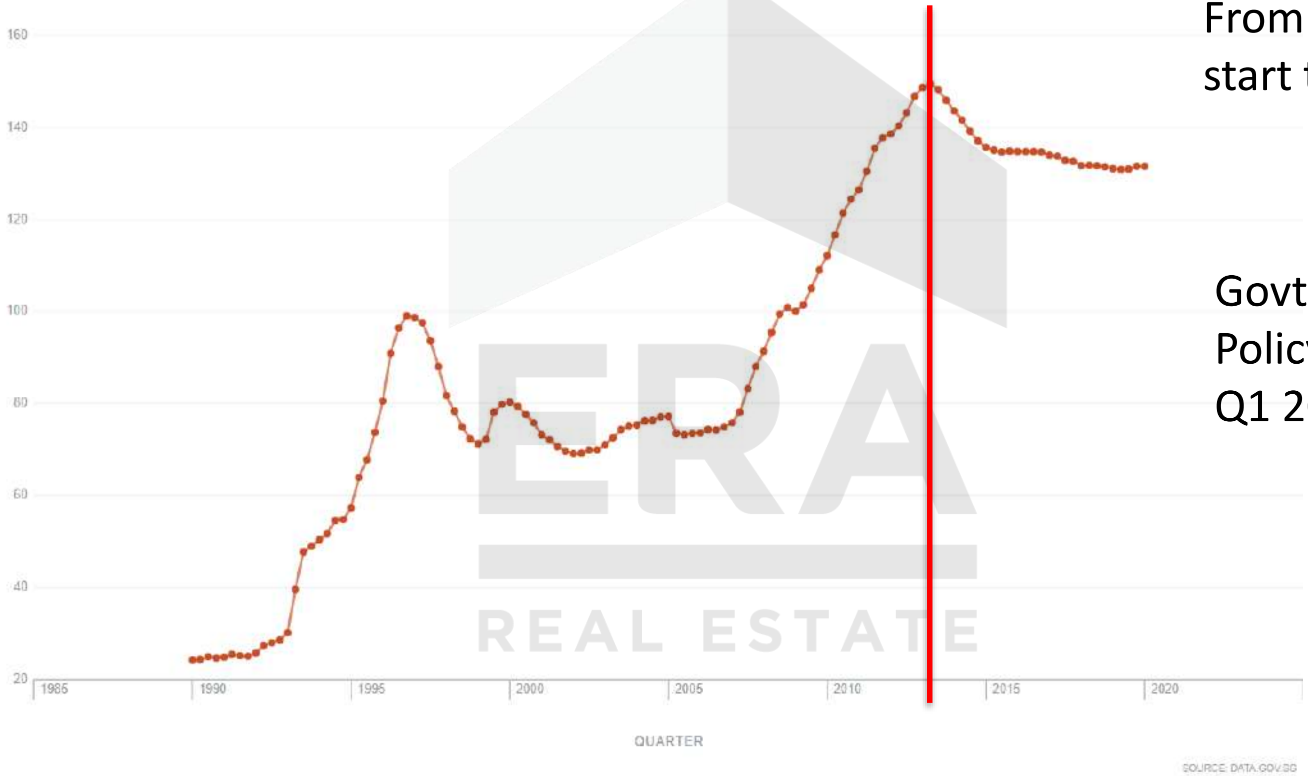
HDB Flat Prices



From 2013 Q2, prices start to fall. Why?

Govt introduces 6 Policy Changes in Q1 2013.

6 Policy Changes

- 5% ABSD imposed on PRs purchasing HDB Flats
- Tightening use of CPF funds for HDB with less than 60 years lease from 1 July 2013
- Tighter eligibility for loan to buy HDB flats. MSR 30%
- Revision of Maximum Loan Tenure for HDB flats from 30 years to 25 years.
- PRs not allowed to sublet their whole HDB flat.
- PRs must dispose their HDB flats within 6 months of purchasing a Private Property in Singapore.

Why change the policies?

- To correct and Stabilise the market
- To prevent the abnormal escalating of Prices
- To make the resale flats affordable for its people.

IS YOUR HDB FLAT STILL AN ASSET?

Don't assume all old HDB flats will become eligible for Sers, cautions Lawrence Wong

He said in a blog post on Friday (March 24) that the Government will continue to maintain the strict selection criteria for blocks eligible for Sers, noting that only 4 per cent of HDB flats have been identified for Sers since it was launched in 1995.

"While resale flats are transacted on a willing buyer-willing seller basis, I was concerned by the suggestion that some buyers are forking out high prices for older flats, in anticipation of the benefits of Sers," he wrote.

He said that Sers is offered only to HDB blocks located in sites with high redevelopment potential. "These are typically sites where the land has not been well utilised. It is also subject to the availability of suitable replacement sites for residents and the Government's financial resources."

Noting that the Government will retain this strict selection criteria, Mr Wong said that for most HDB flats, their leases will eventually run out and the flats returned to HDB, which in turn surrenders the land the flats are on to the State.

Blocks 1, 2 and 3 in East Coast Road. These blocks are about 48 years old, and there are 82 households in total. In the Selective En bloc Redevelopment Scheme (Sers), residents are compensated for their existing homes and given discounts on brand new flats. PHOTO: ST FILE

24th Mar 2017 ST News Article

PUBLISHED MAR 24, 2017, 2:24 PM SGT | UPDATED MAR 24, 2017, 8:18 PM

ST VIDEOS

Man nabbed over brazen theft from Moscow museum

SINGAPORE - National Development Minister Lawrence Wong has cautioned home buyers not to assume that all old Housing Board flats will be automatically eligible for the Selective En bloc Redevelopment Scheme (Sers).

Things to consider

- If you are not under SERS program, your flat will be returned to HDB at $0 when the lease expires.
- If you are holding or buying a HDB flat, and hoping it will be under SERS, then the remaining lease of the HDB flat must be lesser. And when the remaining lease of the HDB flat is lesser, the use of CPF will be limited.

CPF Usage

Remaining Lease of the House	Age of Youngest Buyer: 21	25	30	35	40	45	50	55	60	65
95	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
90	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
85	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
80	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
75	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
70	93%	100%	100%	100%	100%	100%	100%	100%	100%	100%
65	83%	90%	100%	100%	100%	100%	100%	100%	100%	100%
60	74%	80%	89%	100%	100%	100%	100%	100%	100%	100%
55	65%	70%	78%	88%	100%	100%	100%	100%	100%	100%
50	56%	60%	67%	75%	86%	100%	100%	100%	100%	100%
45	46%	50%	56%	63%	71%	83%	100%	100%	100%	100%
40	37%	40%	44%	50%	57%	67%	80%	100%	100%	100%
35	28%	30%	33%	38%	43%	50%	60%	75%	100%	100%
30	19%	20%	22%	25%	29%	33%	40%	50%	67%	100%
25	9%	10%	11%	13%	14%	17%	20%	25%	33%	50%
20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
10	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

disclaimer: values are estimated. Actual figures please refer to authority websites

So what happens?

Private Property picks up after Q3 2017.

HDB remains flat.

Are your HDB Flats making money for you?

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HDB Median Prices (4 Room)

Town / Year	4Q'2013	4Q'2015	4Q'2016	4Q'2017	4Q'2018	3Q'2019	4Q'2019	1Q'2020	% Change
Sembawang	$432,000	$360,000	$361,500	$340,000	$330,000	$346,400	$347,500	$351,000	-19%
Woodlands	$402,500	$365,000	$350,000	$330,000	$322,800	$334,000	$330,000	$340,000	-16%
Yishun	$398,000	$354,000	$369,000	$341,000	$338,000	$368,000	$370,000	$360,000	-10%
Punggol	$480,000	$420,000	$450,000	$440,000	$455,000	$460,000	$463,900	$460,000	-4%
Sengkang	$480,000	$402,900	$408,000	$405,000	$408,000	$420,000	$425,000	$425,000	-11%
Hougang	$445,000	$398,000	$380,000	$380,000	$396,000	$385,000	$388,000	$400,000	-10%
Tampines	$468,000	$420,000	$430,000	$430,000	$426,000	$420,400	$430,000	$422,500	-10%
Pasir Ris	$445,000	$397,000	$400,000	$402,500	$405,000	$415,000	$420,000	$435,500	-2%
Jurong East	$438,000	$416,000	$403,800	$435,000	$390,000	$394,000	$367,500	$375,000	-14%

HDB Median Prices (5 Room)

Town / Year	4Q'2013	4Q'2015	4Q'2016	4Q'2017	4Q'2018	3Q'2019	4Q'2019	1Q'2020	% Change
Sembawang	$492,000	$420,000	$412,500	$405,000	$382,000	$392,500	$402,000	$408,000	-17%
Woodlands	$460,000	$429,900	$420,000	$408,000	$398,000	$406,000	$398,000	$405,000	-12%
Yishun	$505,000	$450,000	$458,400	$465,000	$450,000	$487,500	$470,000	$482,500	-4%
Punggol	$535,000	$446,900	$450,000	$438,000	$445,000	$480,000	$472500	$493,000	-8%
Sengkang	$523,000	$455,000	$447,500	$440,000	$442,500	$472,000	$478,000	$480,000	-8%
Hougang	$536,000	$490,000	$480,000	$472,000	$470,000	$488,000	$489,000	$511,500	-5%
Tampines	$543,000	$519,700	$530,000	$534,000	$529,000	$520,000	$530,000	$535,000	-2%
Pasir Ris	$526,500	$468,000	$472,400	$475,000	$478,000	$480,000	$500,000	$495,000	-6%
Jurong East	$580,000	-	$548,000	$541,000	$526,500	$508,000	$512500	$475,000	-18%

Feb 2020 Sales Launch (Sembawang)

Prices of Resale Comparables in the Vicinity

4 Room BTO:
$272k - $320k
4 Room Resale:
$396k - $425k

5 Room BTO:
$350k - $406k
5 Room Resale:
$390k - $481k

Notes:

a. There are no comparable 2-room and 3-room resale flats in the vicinity. The 4-room and 5-room resale comparables are about 20 years old. The differences in attributes between the resale comparables and the BTO flats should be taken into account when making a comparison.

Feb 2020 Sales Launch (Sembawang)

4 Room BTO:
$272k - $320k
4 Room Resale:
$396k - $425k

Median BTO Price: **$296k**
Median Resale Price: **$410k**

Potential Gain: $114k (38%)

5 Room BTO:
$350k - $406k
5 Room Resale:
$390k - $481k

Median BTO Price: **$378k**
Median Resale Price: **$435k**

Potential Gain: $57k (15%)

Is it a real Gain? (4 Room)

Median BTO Price: **$296k**

Median Resale Price: **$410k**

Potential Gain: $114k (38%)

Selling Price	**$410,000**
Outstanding Loan (After 5 years, Assume 90% HDB Loan)	Apprx $226,000
CPF Refund (Assume monthly instalments + 10% Downpayment)	$1,208 x 60 months + $29,600 + Accrued Interest = Apprx $115,600
Agent's Commission (2%)	$8,774 incl of GST
Miscellaneous Fees	$188.70 (Legal + Resale Application)
Resale Levy (if any)	$40,000 (if any)
Balance	**$59,437.30** (not incl Resale Levy)

Is it a real Gain? (5 Room)

Median BTO Price: **$378k**
Median Resale Price: **$435k**

Potential Gain: $57k (15%)

Selling Price	**$435,000**
Outstanding Loan (After 5 years, Assume 90% HDB Loan)	Apprx $288,500
CPF Refund (Assume monthly instalments + 10% Downpayment)	$1,544 x 60 months + $37,800 + Accrued Interest = Apprx $147,800
Agent's Commission (2%)	$9,309 incl of GST
Miscellaneous Fees	$199.70 (Legal + Resale Application)
Resale Levy (if any)	$45,000 (if any)
Balance	**-$10,808.70** (not incl Resale Levy)

What about 10-15 years Flat?

Resale riches

Early Build-to-Order flats have been resold for several times their original prices

Town and flat type	Lease commencement	Transactions	Original BTO price range	Resale price range
Punggol, 4-room	2007	224	$138,000 - $178,000 (2003 launch)	$372,000 - $575,000
Sengkang, 4-room	2008	120	$129,000 - $202,000 (2004/2005 launch)	$356,000 - $615,000
Sengkang, 4-room	2009	281	$132,000 - $205,000 (2005/2006 launch)	$410,000 - $650,000
Sembawang, 4-room	2010	46	$128,000 - $172,000 (2006/2007 launch)	$330,000 - $425,000

Source: SRX PROPERTY, HOUSING AND DEVELOPMENT BOARD ANNUAL REPORTS ST GRAPHICS

Punggol:

Median BTO Price: **$158k**
Median Resale Price: **$473k**

Potential Gain: $315k (199%)

What about 10-15 years Flat?

Punggol:

Median BTO Price: **$158k**
Median Resale Price: **$473k**

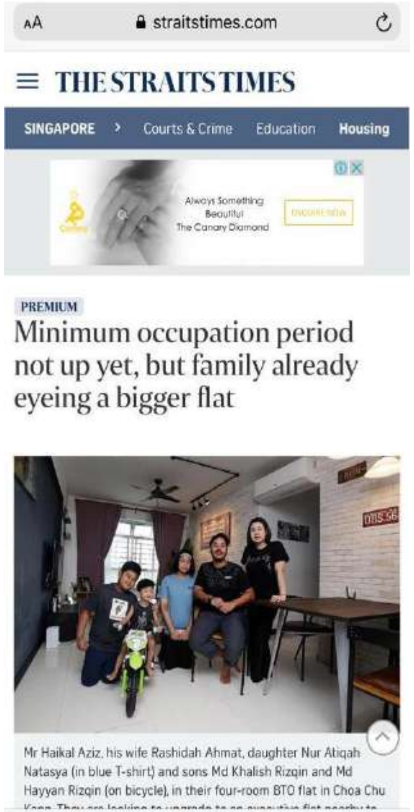
Potential Gain: $315k (199%)

Selling Price	$473,000
Outstanding Loan (After 13 years, Assume 90% HDB Loan)	Apprx $93,500
CPF Refund (Assume monthly instalments + 10% Downpayment)	$570 x 156 months + $15,800 + Accrued Interest = Apprx $145,000
Agent's Commission (2%)	$10,122.20 incl of GST
Miscellaneous Fees	$188.70 (Legal + Resale Application)
Resale Levy (if any)	$40,000 (if any)
Balance	**$224,189.10** (not incl Resale Levy)

Hold or to sell?

- The longer you hold, flat prices remain flat or coming down.
- CPF usage affected for new buyer due to lesser remaining lease.
- CPF accrued interest will be higher.
- Cash proceeds (if any) will be lower.

Hold or to sell?


straitstimes.com

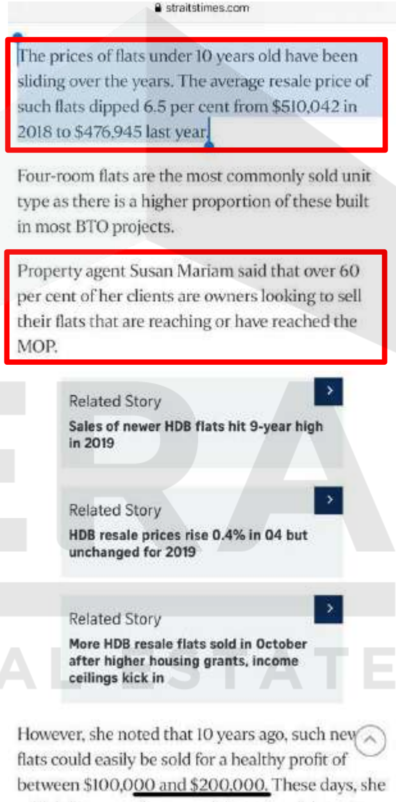
THE STRAITS TIMES

SINGAPORE › Courts & Crime Education Housing

PREMIUM

Minimum occupation period not up yet, but family already eyeing a bigger flat

Mr Haikal Aziz, his wife Rashidah Ahmat, daughter Nur Atiqah Natasya (in blue T-shirt) and sons Md Khalish Rizqin and Md Hayyan Rizqin (on bicycle), in their four-room BTO flat in Choa Chu


straitstimes.com

The prices of flats under 10 years old have been sliding over the years. The average resale price of such flats dipped 6.5 per cent from $510,042 in 2018 to $476,945 last year.

Four-room flats are the most commonly sold unit type as there is a higher proportion of these built in most BTO projects.

Property agent Susan Mariam said that over 60 per cent of her clients are owners looking to sell their flats that are reaching or have reached the MOP.

Related Story
Sales of newer HDB flats hit 9-year high in 2019

Related Story
HDB resale prices rise 0.4% in Q4 but unchanged for 2019

Related Story
More HDB resale flats sold in October after higher housing grants, income ceilings kick in

However, she noted that 10 years ago, such new flats could easily be sold for a healthy profit of between $100,000 and $200,000. These days, she

Prices of flats under 10 years old have been sliding over the years.

People now know that the best time to sell their HDB flat is when it has reach MOP.

Data Analysis of EC/Private

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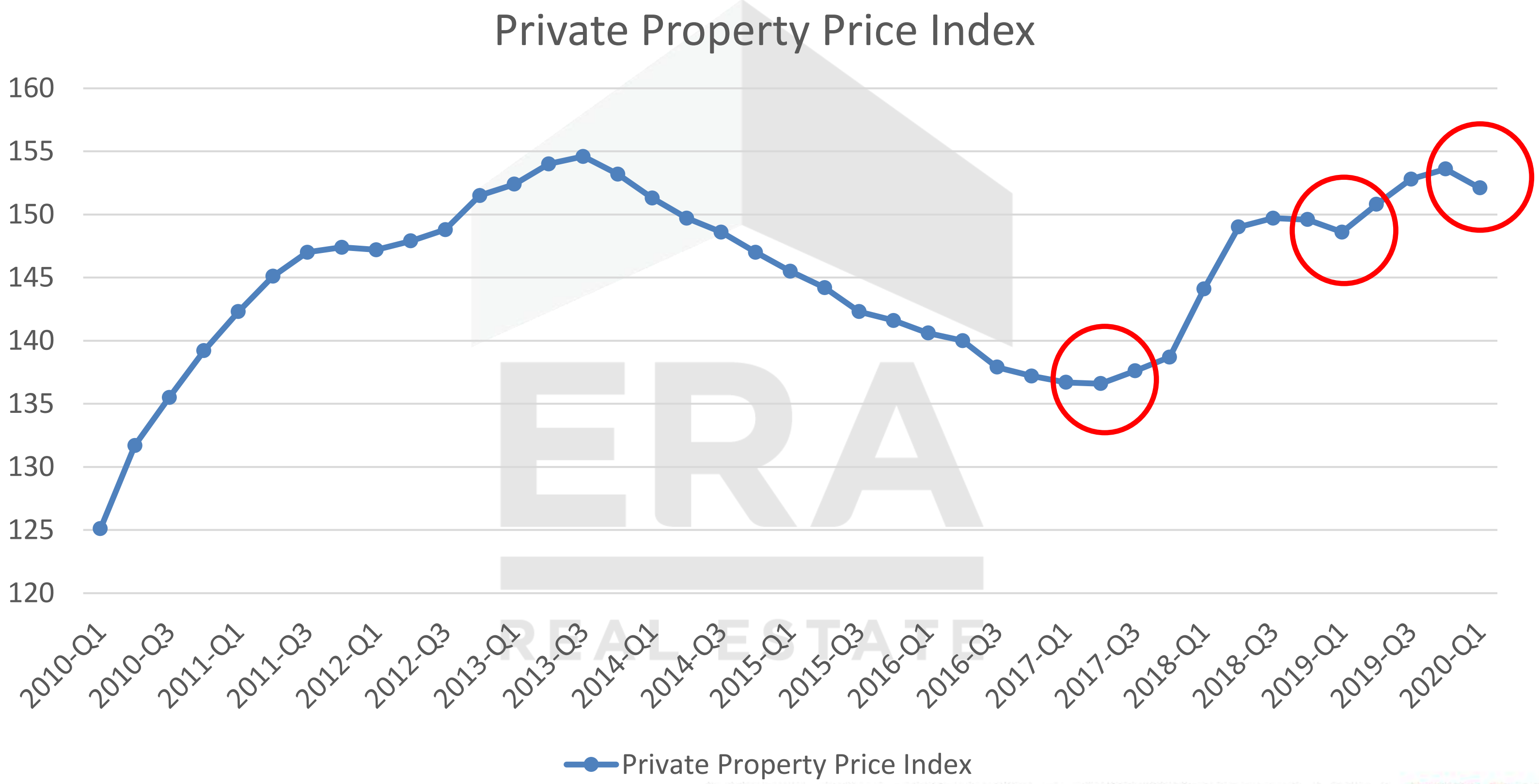
Statistics of Private Property



Statistics of Private Property

Demand for mass market condos expected to continue

Despite the slew of property measures introduced in recent years, prices of non-landed private homes have continued to rise across the board.

BY CHRISTINE SUN AND JOHN TAY

THE first half of the year saw financial markets across the globe rallying in response to hopes of a trade war resolution between the US and China, as well as a halt in the interest rate hike by the US Federal Reserve. Whilst a US-China trade truce was agreed for the time being after the June 2019 G-20 summit, trade tensions and regional geopolitical frictions may remain as the principal drivers of the global economy for the rest of the year.

Advisers around the world have generally recommended a more defensive investing stance and preference for a conservative portfolio in case of a market correction or recessionary risk. Many investors have already begun rebalancing their mix of assets – potentially transferring funds from more volatile capital markets to safer investment alternatives like property. This may explain why some foreign buyers have been streaming steadily back into Singapore's property market and many luxury homes have been snapped up by well-heeled investors.

Singapore has long been regarded as an attractive investment destination and safe haven given our political stability, positive economic growth, market transparency, effective legal system, and strong currency. Therefore, our property market may continue to thrive in the face of the current economic uncertainties and global market volatility.

Record smashing prices

Singapore's property home prices

Top gains for mass market leasehold condominiums

Transacted over the past five years (2014 to 2018)

PROJECT NAME	LOCATION	PLANNING AREA	PURCHASE DATE	PURCHASE PRICE (S$)	RESALE DATE	RESALE PRICE (S$)	GROSS PROFIT (AFTER SSD IF APPLICABLE)	HOLDING PERIOD	PROFIT AS % OF PURCHASE PRICE
Coco Palms	11 Pasir Ris Grove #12-XX	Pasir Ris	June 2014	1,318,500	June 2018	1,750,000	$431,500	4 yrs	32.7
Coco Palms	13 Pasir Ris Grove #12-XX	Pasir Ris	June 2014	1,428,750	Sept 2018	1,810,000	$381,250	4 yrs 3 mths	26.7
Coco Palms	33 Pasir Ris Grove #06-XX	Pasir Ris	June 2014	1,361,920	June 2018	1,715,000	$353,080	4 yrs	25.9
High Park Residences	25 Fernvale Road #16-XX	Sengkang	July 2015	1,218,000	Sept 2018	1,570,000	$352,000	3 yrs 2 mths	28.9
Riverbank @ Fernvale	17 Fernvale Close #15-XX	Sengkang	Mar 2014	1,409,000	Oct 2018	1,739,000	$330,000	4 yrs 7 mths	23.4
The Panorama	20 Ang Mo Kio Avenue 2 #16-XX	Ang Mo Kio	Aug 2014	1,640,496	Mar 2018	1,950,000	$309,504	3 yrs 7 mths	18.9
The Panorama	16 Ang Mo Kio Avenue 2 #08-XX	Ang Mo Kio	June 2014	1,223,904	Sept 2018	1,533,000	$309,096	4 yrs 3 mths	25.3
The Panorama	18 Ang Mo Kio Avenue 2 #15-XX	Ang Mo Kio	Mar 2015	1,321,760	Mar 2018	1,630,000	$308,240	3 yrs	23.3
High Park Residences*	29 Fernvale Road #25-XX	Sengkang	July 2015	895,000	Feb 2018	1,250,000	$305,000	2 yrs 7 mths	34.1
Lakeville	5 Jurong Lake Link #08-XX	Jurong West	Aug 2014	1,378,000	Aug 2018	1,680,000	$302,000	4 yrs	21.9

* Unit incurred SSD and gross profit was S$355,000 before SSD

Source: URA, OrangeTee & Tie Research & Consultancy

sold at higher price tags recently. An analysis of URA Realis data showed that 13.1 per cent or 117 resale mass market condominiums were transacted above S$1,300 per sq foot (psf) last quarter as opposed to none being transacted 10 years ago. Of the 117 resale transactions, 16.2 per cent or 19 units were sold for more than S$1,500 psf but under S$2,000 psf.

New project launches have also shattered previous price records. Last quarter, 52 new mass market homes breached the S$1,800 psf mark while 28 sales soared past S$2,000 psf. The mass market homes that were sold for more than S$2,000 psf were freehold units at The Gazania and The Lilium, and the 99-year leasehold units at Seaside Residences in Siglap which command breathtaking sea views at the eastern part of the island.

While higher per sq foot prices are usually driven by small format units, not all condominiums sold above S$2,000 psf last quarter were small units. More than half of the 28 units were fairly large-sized condominiums that were 82 to 161 sq m transacted at S$1.8 million to S$3.7 million each. This indicates that deep-pocketed buyers are now willing to shell out extra for premium mass market condominiums.

Attractive capital appreciation

The attractive capital appreciation of mass market condominiums may have sustained buying interest for these homes. Looking purely at data caveats from URA's Realis website, more than 90 per cent of mass market leasehold condominiums bought directly from developers and resold over the past 10 years have fetched an average gross profit of about S$150,000 after taking into account the Seller's Stamp Duty (SSD). The average holding period for these properties is about 4.5 years.

The gains and losses of individual units were calculated by matching URA Realis new sale caveats in OCR between 2009 and 2018 to the resale caveat (if any) of the same unit over the same time frame. The calculation takes into account the SSD but does not consider other costs such as legal fees, interest, and the additional buyer's stamp duty (ABSD).

As at July 24, 2019, there were 7,068 matched caveats mined from the database. Out of this number, 92.5 per cent or 6,537 units made gross profits averaging S$157,680 after SSD. 531 units or 7.5 per cent made losses averaging S$58,190. Of those that made profit, the majority resold their units between four and seven years, which is after the period when SSD would be applicable.

From the total matched caveats, 192 mass market leasehold condominiums made a gross profit of S$300,000 and above after SSD. The highest profit recorded was S$1.004 million for a 10th floor unit at Kovan Residences that was bought in April 2009 for S$1.214 million and resold for S$2.218 million in August 2018. Another seven units at the same project also made more than S$700,000 gross profit.

Many units at projects such as Double Bay Residences, Optima @ Tanah Merah and Waterfront Waves in the eastern part of the island were resold for more than S$500,000 gross profits. Most of these units were bought in 2009 when home prices were at a low after the 2007-2008 global financial crisis.

In recent years (2014 to 2018), three units at Coco Palms in Pasir Ris Grove made gross profit after SSD of between S$350,000 and S$440,000 with an average holding period of around four years. Other units at High Park Residences, Riverbank@Fernvale, The Panorama and Lakeville had similarly made more than S$300,000 gross profit over the same period. The profit as a percentage of purchase price was at a relatively high of between 18.9 per cent and 34.1 per cent for these units.

92.5%

New Launches Made A Profit.

The Business Times
9 Sep 2019

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Source: URA, OrangeTee & Tie Research & Consultancy

The Business Times
9 Sep 2019

Statistics of Private Property

GuocoLand obtains S$730m green loan for Tan Quee Lan project

By Vivienne Tay
vtay@sph.com.sg
@VivienneTayBT

Singapore

GUOCOLAND has obtained a S$730 million green club loan from OCBC Bank, DBS Bank and ICBC Singapore Branch for the construction of a new luxury residential cum commercial development at Tan Quee Lan Street.

Proceeds from the loan will go towards financing the project, including efforts in sustainable development, water and energy conservation, as well as adopting immersive urban greenery and landscaping.

The development is expected to meet the criteria to receive a Green Mark Gold Plus certification by the Building and Construction Authority (BCA).

The 30-storey development is a joint venture (JV) between GuocoLand and two Hong Leong Holdings subsidiaries – Intrepid Investments and Hong Realty. The JV had won the tender for the 124,116 square foot land plot in September 2019 with a bid of S$800.2 million.

Located above Bugis MRT interchange station, the development will have two residential towers with more than 500 units of luxury apartments, as well as a retail podium with food and beverage outlets open to the public.

GuocoLand's green loan framework has been structured according to green loan principles issued in 2018 by the Loan Market Association and Pacific Loan Market Association.

The framework was developed together with OCBC as sole green financing adviser and will provide guidance in the evaluation of the project's eligibility as a green project based on its sustainability objectives and management of the loan proceeds.

Cheng Hsing Yao, GuocoLand Singapore group managing director, says the company's developments are "always conceived, developed and managed with sustainability principles as the foundation". BT FILE PHOTO

OCBC Bank, DBS Bank and ICBC Singapore Branch were the mandated lead arrangers for the loan. DBS and OCBC are the joint green coordinators.

Cheng Hsing Yao, GuocoLand Singapore group managing director, said the green loan is ICBC's first in the Republic.

"Climate change is one of the biggest challenges of our times. Our developments are always conceived, developed and managed with sustainability principles as the foundation," he said.

This year, the property developer's Guoco Midtown and Midtown Bay projects were awarded the BCA Green Mark Platinum award.

Elaine Lam, head, global corporate banking at OCBC, said green financing has really taken off in Singapore since late 2018 and a majority of the funds have been channelled into greening the property sector.

Chew Chong Lim, DBS managing director and global head of real estate, institutional banking group, added that the developer's first green loan is also the largest for a development project.

ICBC Singapore Branch deputy general manager Geng Hao said: "We have social and environmental commitments to provide financial support to GuocoLand and more companies in their green transformation and make new contributions to sustainable development in Singapore."

GuocoLand shares ended at S$1.40 on Tuesday, up S$0.02 or 1.5 per cent.

What it means?

- Developer has secured financing for the project.
- No need to rely on Sales Proceeds to finance this project, thus has no pressure to sell fast.

Source:
The Business Times
20 May 2020

Statistics of Private Property

New home prices likely to remain unchanged: Experts

Developers, contractors may absorb extra costs from measures to keep virus transmission low

Michelle Ng

Prices for upcoming Housing Board (HDB) flats and private properties will likely remain the same despite an inevitable hike in construction costs, said property analysts.

Developers may absorb the additional costs or get contractors down the line to do so, instead of raising property prices, as buyers have the upper hand in a weak economy.

National Development Minister Lawrence Wong, who co-chairs the multi-ministry task force dealing with the Covid-19 crisis, said on May 15 that measures to keep Covid-19 transmission low in the construction sector are bound to increase costs for contractors.

Contractors will have to bear these additional costs in principle, he said.

The construction sector can gradually resume operations from June 2, adhering to stringent safe distancing measures.

Projects will be given the green light to restart only when contractors demonstrate that they can implement the requisite safeguards.

Construction workers will be regularly tested for Covid-19, at a proposed interval of two weeks.

Though the costs will be borne by employers in principle, the authorities are working out how costs can be spread among the different parties involved, though they did not specify the parties.

Analysts say construction costs will go up primarily because of these measures, although it is still too early to see their full impact.

Property analyst Ong Kah Seng predicts that construction costs for private condominium projects may increase by 7 per cent to 10 per cent this year, going by a "fairly conservative estimate".

This translates to an increase of 2 per cent to 3 per cent of the property's selling price, although Mr Ong said most private developers are generally prepared to absorb most of this cost.

Since the start of the outbreak earlier this year, most buyers have turned very prudent and price-sensitive, he said.

"Already, the economic recession is highly dampening buyers' purchasing power and long-term mortgage servicing capabilities," he said. "As long as buyers notice prices have increased compared with pre-circuit breaker period, they are likely to walk away from the table."

Mr Nicholas Mak, head of research and consultancy at ERA Realty, said buyers have "more bargaining power" in a weak economy, as developers face increased competition from shrinking demand.

"Developers know it's tough times ahead for them, so they wouldn't want to pass on the higher costs to buyers," he said.

However, he said luxury condominiums that are on the higher end of the price spectrum may see some slight price increases, as developers "have a wider price range to play with". "But we'll never really know how the additional costs will be 'massaged' into the final pricing. For example, the condo developer can put in more fancy fittings like a branded tap or dishwasher to justify raising the selling price slightly."

Around three-quarters of private housing developers in Singapore use third-party main contractors, said Mr Mak.

Increase in construction costs will usually not eat into developers' profit margins as most projects go by a lump sum contractor fee, negotiated prior to the start of the project.

Property analyst Ong Kah Seng predicts that construction costs for private condominium projects may increase by 7 per cent to 10 per cent this year, going by a "fairly conservative estimate".

Any additional costs typically would have to be borne by the contractors.

Mr Ong agreed, adding that this would especially be the case for those with longstanding working relationships with the developers.

For upcoming Build-To-Order projects, Mr Mak said it is not likely that prices will significantly increase as HDB has the advantage of economies of scale as Singapore's largest housing developer.

Even if there is a price increase, he predicts that it would be no more than "a few thousand", as there are political implications to consider.

"HDB flats are meant to be affordable to meet the aspirations of new families and couples, so the Government cannot raise the prices too much," Mr Mak said.

"Furthermore, it is an election year, so it's unlikely they'll do something that's too unpopular."

While it is good news for home seekers, some construction companies are worried that absorbing the increased cost will put them out of business.

Mr Lee Zhenkang, 29, project manager at GI Construction, said the company has shelved all its upcoming projects for now, as he is unsure if it has the capacity to fulfil them, given the strict measures.

"For smaller companies like us, it's a matter of survival now. If you take on a project and can break even, you're one of the lucky ones. If not, you lose money," he said.

"There are testing costs for workers and material costs, which are expected to rise. Can my sub-contractors meet their obligations? Can we get new work permits and foreign workers? There are too many unknowns."

Associate Professor Lawrence Loh, director of the Centre for Governance, Institutions and Organisations at the National University of Singapore, said land cost typically makes up more than 50 per cent of a private developer's costs.

Construction cost, which includes labour costs, is the second-largest expense at around 25 per cent.

However, the picture is not as grim as it appears to be, as the Government can choose to step in to make adjustments, Prof Loh said.

"Land costs and foreign worker levies are two policy tools that the Government can adjust to help developers manage their costs," he said.

Foreign worker levies for March and last month have been waived, as part of measures to provide businesses with more support.

Said Prof Loh: "The Government will have to carefully consider the fiscal implications of making those adjustments, but at the moment, nothing is yet cast in concrete."

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Buyers have the upper hand in a weak economy, say experts, and developers and contractors are expected to take this into consideration. And while, in principle, contractors will have to bear the additional costs of safe distancing measures, the authorities are working out how costs can be spread among the different parties involved. ST PHOTO: KELVIN CHNG

What it means?

- Construction costs expected to increase Post-Covid-19
- Contractors have to tender competively for the projects, thus developer's profits may not be affected.
- New home prices will not go down.

Source:
The Straits Times
26 May 2020

Statistics of Private Property

Wealthy Chinese buyers snapping up luxury homes again

Hong Kong

THE wealthy Chinese home buyers are back. Across China and in some of their familiar hunting grounds in Asia, affluent buyers are snapping up luxury housing, in many cases to guard their wealth against anticipated inflation and a weakening yuan.

The rush to add real estate has led to a jump in upmarket housing prices in China, while offering some support for Asian property markets hit hard by the Covid-19 pandemic.

"It's been flat-out," said Monika Tu, founder of Black Diamondz, an Australian company that caters to Chinese buyers of luxury real estate.

Since March, Ms Tu has sold A$85 million (S$79.8 million) of prime property, with about half the sales to Chinese clients who were in Australia when the pandemic hit. That's a 25 per cent jump from earlier in the year.

The homes, priced between A$7.25 million and A$19.5 million, are all in Sydney's well-heeled, ocean-front suburbs such as Point Piper.

A gradual easing of virus restrictions is making it easier for wealthy Chinese to view properties and complete purchases in nearby Asian hot spots like Shanghai, Seoul and Sydney.

In another favorite, Singapore, virtual tours and photos have been enough to seal multi-million dollar deals, pointing to how transactions are evolving. That's in contrast to London and New York where real estate remains sluggish amid lockdowns.

Chinese buyer inquiries for South Korean property increased 180 per cent in the first quarter compared with the fourth quarter of 2019, while inquiries on New Zealand homes jumped 75 per cent, according to data from Juwai Iqi, a real estate firm. Searches dropped 32 per cent in the UK and 18 per cent in the US.

Foreigners can only buy new homes in Australia, though the very rich can get around these restrictions by applying for "significant investor" visas, which give them an easy path to residency, allowing them to buy existing real estate as well.

The high-end demand is bolstering prices in China and tempering declines in other markets. Prices for top-end homes in the four biggest Chinese cities rose one per cent in April, led by the biggest jump in two years in the tech hub of Shenzhen.

Even in Singapore, where a partial lockdown remains in place, activity is picking up via online platforms.

Three Chinese clients bought six apartments worth a combined S$20 million at Marina One Residences this month without any virtual tours, said Clarence Foo, a property agent with APAC Realty's unit ERA.

One investor spent about S$12 million on three separate three-bedroom units in the same development, a five-minute walk to the iconic Marina Bay Sands hotel and casino.

"Some buyers may want to divert their funds to other countries as the yuan may be devalued further to combat the weakening of their economy," said Christine Sun, the head of research and consultancy at OrangeTee & Tie in Singapore.

Hong Kong used to be a favoured destination due to its proximity to mainland China and fewer market restrictions.

But the pro-democracy protests have prompted many rich Chinese to turn to Singapore as an alternative, undeterred by the higher taxes.

Hong Kong luxury home prices dropped 4.5 per cent in the first quarter, double the decline in Singapore. The new security proposal from Beijing last week has led to more concerns about capital flight, sparking a sell off in Hong Kong stocks and the dollar last Friday.

"They view Singapore's property market as a safe haven because of its stability. It's a more regulated market compared to say Hong Kong," ERA's Mr Foo said.

Outside Asia's major financial centers, inquiries are also rising. Malaysian real estate agent Zulkhairi Anwar, who specialises in luxury properties at Azmi & Co, conducted viewings this month with two Chinese nationals looking at apartments and bungalows in the US$2 million to US$5 million range in the capital Kuala Lumpur.

The potential Chinese buyers, who stayed in Malaysia when countries started to close their borders, began viewing properties after Malaysia eased restrictions, said Mr Zulkhairi. He is confident the spark of interest will last.

"I don't think the pandemic would deter the Chinese from coming back," he said.

"Malaysia appeals to them because there's a substantial local Chinese population here, making it easier for them to integrate, and our luxury properties are still cheaper than the likes of Singapore."

Affluent Chinese buyers are also starting to shop at home, where lockdowns began gradually lifting two months ago.

Homes priced at about 20 million yuan (S$3.98 million) in the country's biggest cities have emerged as among the most popular since April, when authorities started to ease credit to help revive the economy, according to China Real Estate Information Corp.

In Shenzhen, developers sold a record number of luxury residences last month, according to Landz Realtor, which tracks high-end sales.

In Shanghai, demand exceeded supply by fivefold for US$2.4 million apartments at the Oriental Garden project south of the Bund waterfront promenade. BLOOMBERG

What it means?

- Singapore is a safe haven for property investments.
- Hong Kong used to be their preferred destination due to the proximity but they have switched to Singapore due to the protests.

Source: The Business Times, 27 May 2020

Statistics of Private Property

9 in 10 bids to defer mortgage payments get approval

Banks in Singapore have also approved most deferments sought by SMEs on secured loans

Singapore

BANKS have approved about nine in 10 applications by property buyers to defer the payment of their mortgages.

They have also approved more than 90 per cent of applications submitted by small and medium-sized enterprises (SMEs) to defer payments on secured loans.

These deferments are part of baseline relief measures the Monetary Authority of Singapore (MAS) had introduced to help residents and companies hit by the economic fallout from Covid-19.

MAS board member Ong Ye Kung, in announcing the figures in Parliament on Tuesday, said the central bank "has been working with the financial industry to help individuals and SMEs with a wide range of credit relief measures, without these impacting the borrower's credit record".

In total, there were 31,300 such applications from property buyers and 3,300 applications from SMEs as at May 10, he added.

"Our priority has been to prevent borrowers from encountering repayment difficulties," said Mr Ong.

MAS has also worked with financial institutions and industry associations to promote awareness of the relief measures, and to help borrowers understand the costs and benefits of each relief measure so that they can make informed decisions, he added.

He was responding to queries from Henry Kwek (Nee Soon GRC), who had asked whether MAS will consider proactive measures to help individuals and businesses understand credit restructuring and provide credit counselling programmes as many will face financial woes because of the novel coronavirus pandemic.

Mr Kwek also wanted to know if the central bank will proactively monitor the banks' housing loan rates to ensure reductions are timely and fair, given that interest rates are declining rapidly.

Mr Ong, who was responding on behalf of Senior Minister Tharman Shanmugaratnam, said MAS does not intervene directly in housing loan pricing as interest rates are determined by the market. Mr Tharman is the minister in charge of the central bank.

"But (the central bank) expects housing loan interest rates to be revised downwards in a fair manner, where this is consistent with sustained trends in banks' cost of funding for such loans," said Mr Ong.

> "Our priority has been to prevent borrowers from encountering repayment difficulties."
>
> **MAS board member Ong Ye Kung**

He pointed out that the current rates for new housing loans are between 1.4 per cent and 1.8 per cent for the first year, which are lower than the range of 1.8 per cent to 2.3 per cent last year.

"However, as a matter of practice, banks will charge a fee to borrowers wishing to refinance their housing loans when they are still within the lock-in period," he said.

"If there are borrowers who have difficulty paying the fee, they can put up an appeal, and I am sure the banks will consider on a case-by-case basis."

He also noted that there will be borrowers who will find the relief measures insufficient.

"They will have to approach their banks to explore possible solutions, including restructuring their debts," he said. "They may also approach the Credit Counselling Singapore . . . for debt management advice and counselling." THE STRAITS TIMES

Source:
The Straits Times
27 May 2020

What it means?

- There will not be 'fire sales' situation.
- Resale Prices will remain stable and will not drop due to 'fire sales'.

Statistics of Private Property

Multimillion-dollar bungalows at Cove Grove in Sentosa Cove. Singapore's private housing market slumped last month and in the first half of this month after strict measures to stem the coronavirus outbreak curtailed non-essential activities. There were 277 new private homes sold last month, down 58 per cent from the 660 in March.

Wealthy S'poreans still buying luxury homes amid downturn

No surprise as they see a weak economy as an opportune time to grab a good deal: Experts

Michelle Ng

Mr David Yong, chief executive of Evergreen Assets Management and managing partner of YSL Legal at his family home in Goodman Road. The bachelor has been shopping for his next home at Sentosa Cove since the start of the year, armed with a budget of $10 million to $15 million.

New private home sales by market segment

Luxury properties in the core central region made up a bigger proportion of sales volume last month compared with previous years.

% of sales

	April 2016	April 2017	April 2018	April 2019	April 2020
Core central region (luxury properties)	5.4	1.9	6.56	11	36.6
Rest of central region	43.2	36.2	52.89	43.8	27.9
Outside of central region	46.4	61.9	30.15	45.2	35.4

RESILIENT

"Private properties have generally yielded positive capital appreciation over the past 30 years and have weathered some of the toughest crises, such as Sars, the Asian financial crisis and the global financial crisis."

MS CHRISTINE SUN, head of research and consultancy at OrangeTee & Tie, who says investors have confidence in Singapore's ability to bounce back after a crisis.

What it means?

- Private Properties have yielded positive capital appreciation over the past 30 years.
- Investors have confidence in Singapore's ability to bounce back after a crisis.

Source:
The Straits Times
29 March 2020

Statistics of Private Property

The Panorama

Back Transaction

Selected Unit Transactions

Transactions before 1995 are not available.

16 Ang Mo Kio Avenue 2 #08-24

$735K ($1,707 psf)
431 sqft

Sold on 19 Jul 2018
Sub Sale · Strata

16 Ang Mo Kio Avenue 2 #08-24

$587K ($1,365 psf)
431 sqft

Sold on 16 Jun 2014
New Sale · Strata

Gain of **$342 PSF**!

Sky Vue

Back Transaction

Selected Unit Transactions

Transactions before 1995 are not available.

3 Bishan Street 15 #13-15

$1,288K ($1,899 psf)
678 sqft

Sold on 06 Jun 2018
Resale · Strata

3 Bishan Street 15 #13-15

$921K ($1,358 psf)
678 sqft

Sold on 23 Oct 2013
New Sale · Strata

Gain of **$541 PSF**!

Statistics of ECs

ECs that can be sold now

Project	Location	Year of completion	Price range at launch ($ psf)	Average market price now ($ psf)
Eastvale	Pasir Ris	1999	290 - 564	759
Westmere	Jurong East	1999	336 - 445	818
Chestervale	Bukit Panjang	1999	314 - 473	669
Simei Green Condominium	Simei	1999	301 - 472	805
Pinevale	Tampines	1999	330 - 529	730
Windermere	Choa Chu Kang	1999	329 - 498	652
The Florida	Hougang	2000	351 - 521	705
The Rivervale	Sengkang	2000	287 - 556	761
Woodsvale	Woodlands	2000	267 - 424	666
Summerdale	Jurong West	2000	279 - 451	736
Yew Mei Green	Choa Chu Kang	2000	308 - 844	717
The Floravale	Jurong West	2000	247 - 419	675
Northoaks	Woodlands	2003	276 - 530	658
Lilydale	Yishun	2003	239 - 420	690
The Eden At Tampines	Tampines	2003	323 - 461	801
The Dew	Bukit Batok	2003	288 - 430	761
Bishan Loft	Bishan	2003	379 - 491	1,109
Nuovo	Ang Mo Kio	2004	307 - 512	854
Park Green	Sengkang	2004	268 - 416	762
Whitewater	Pasir Ris	2005	313 - 423	825
The Esparis	Pasir Ris	2005	316 - 403	768
The Quintet	Choa Chu Kang	2006	242 - 450	742

Source: URA, SQUAREFOOT.COM.SG

Potential for profit drawing buyers to EC market

Melissa Tan
Cheryl Ong

The buzz over the launch of a record $2.05 million "presidential penthouse suite" at a Tampines executive condominium (EC) yesterday has shone the spotlight on the market for such properties.

Interest in ECs has surged this year, with buyers drawn by potential price gains and fancy designs that rival those at private condos.

The record prices paid for new launches have also sparked controversy over whether buyers of expensive ECs should be entitled to Housing Board (HDB) grants.

"It's almost a given that if you buy an EC today and wait 10 years, you could make a quarter of a million dollars in profit," said PropNex chief executive Mohamed Ismail.

Introduced in 1995, ECs were created to meet the aspirations of the so-called "sandwich class" who might not qualify for public housing but find private property beyond their reach.

Units at new EC launches are typically 20 to 25 per cent cheaper than comparable 99-year leasehold private condominiums, due to Housing Board restrictions on ECs such as a household monthly income cap of $12,000.

They can be sold to Singaporeans and permanent residents (PRs) after five years. After 10 years, they can also be sold to foreigners.

This is unlike HDB flats, which cannot be sold to foreigners who are not permanent residents for their entire tenure.

The price gap between ECs and private condos, however, is narrowing, analysts said, meaning that the investment gains from buying an EC could be smaller in future.

For chief technical officer Kim Keh Chay and his family, price was the deciding factor when they bought their 2,400 sq ft penthouse at Windermere in Choa Chu Kang in mid-2010.

Mr Kim, 55, lives there with his 51-year-old wife, who is a homemaker, and his two sons.

His elder son Lawrence Kim, a 30-year-old entrepreneur, told The Sunday Times: "It all boils down to price... After 10 years, it becomes a private condo, there's no difference. The facilities are also the same."

The family bought the unit on resale for $1.14 million. The price, Mr Lawrence Kim said, was roughly what its previous owner paid for it at launch.

Since then, its value has shot up around 40 per cent to between $1.55 million and $1.65 million. The family aims to sell it for $1.8 million and then upgrade to a semi-detached house in Bukit Timah.

Big gains

"It's almost a given that if you buy an EC today and wait 10 years, you could make a quarter of a million dollars in profit."

MR MOHAMED ISMAIL, chief executive of Propnex

Analysts said investors see ECs as a value buy especially if the project has high-end features, since the price gap between ECs and private condominiums narrows as an EC approaches its 10-year mark, when it becomes fully privatised.

The most expensive EC is Bishan Loft, which was completed in 2003. Prices have climbed from between $379 and $491 per sq ft (psf) at launch, to $1,109 psf on average now.

Other projects that have fared well since launch include Whitewater in Pasir Ris. Prices were $313 to $423 psf at launch, but are now $825 psf on average.

However, prices have not risen as much at some other projects. At Yew Mei Green in Choa Chu Kang, the current [redacted] of $717 psf is lower than the higher end of the price range at launch, which was $308 to $844 psf.

ECs have made a strong comeback since 2010 after a five-year absence. Newer projects such as Prive in Punggol, Belysa in Pasir Ris and Esparina Residences in Buangkok have sold out or have only one or two units unsold.

Recent launch prices of new ECs have begun to gain ground on mass market condo prices. "Over the past year, the median price gap between a new EC and a condominium has closed, while the median price gap between a new EC and a HDB resale flat has widened," a DTZ report said.

DTZ head of Asia-Pacific research Chua Chor Hoon noted: "If EC prices continued to rise, potential EC buyers might switch to the HDB resale market or the private housing market, depending on their budget."

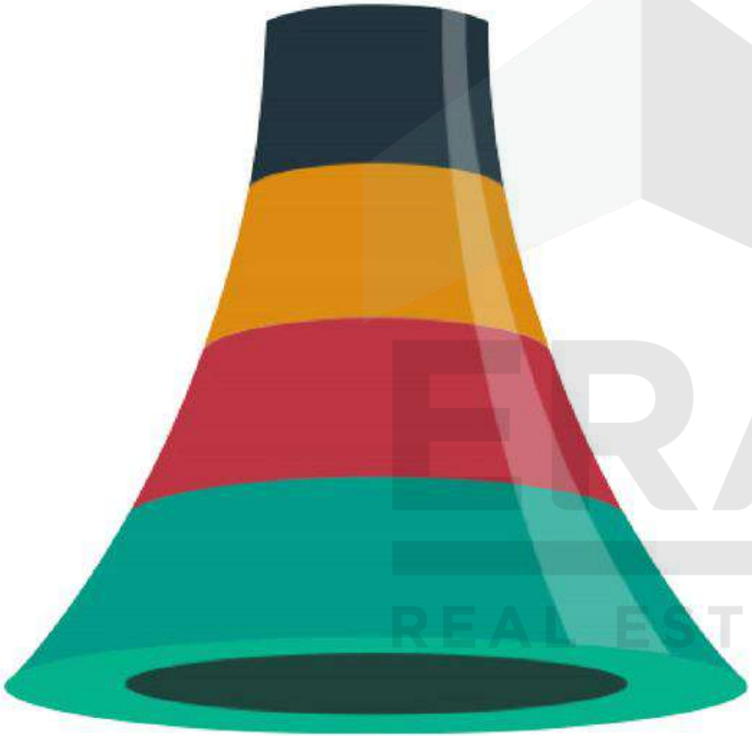
The location and convenience of some ECs means some buyers are likely to stay put, which cuts resale supply.

Mr Tan Chinlee, who lives in a three-bedroom unit at Eastvale in Pasir Ris with his wife and son, told The Sunday Times last Friday that he has no intention of selling.

Noting that it would be difficult to find another EC of the same size and at an equally good location for a reasonable price, he said he chose Eastvale for its proximity to Pasir Ris MRT and the beach, and facilities such as a gym.

The 56-year-old, who is self-employed, bought his unit for about $500,000 at its launch in 2000. He estimates that it is worth $800,000 now.

Statistics of ECs



Restricted Ownership
(Cheaper Entry Price)

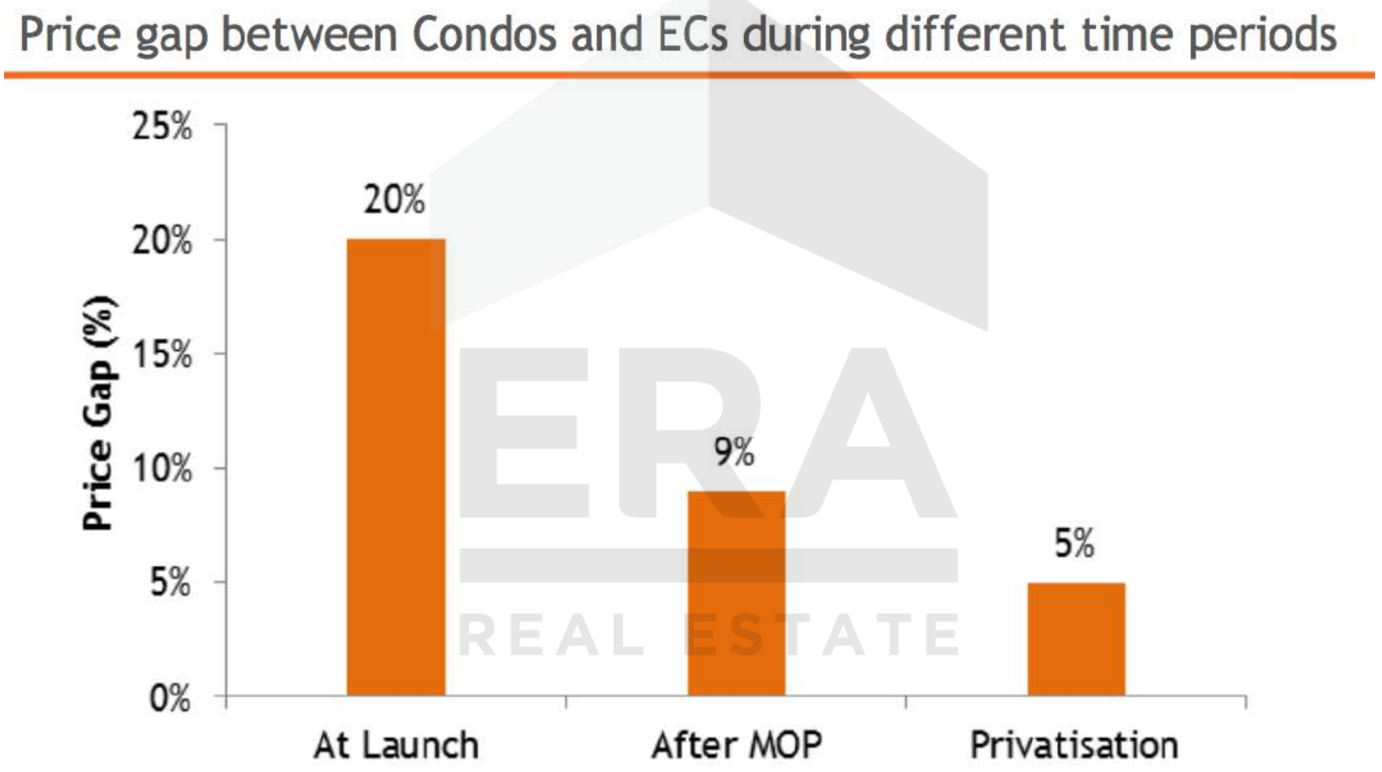
5 Years

Semi-Restricted Ownership
(Market Price)

5 Years

Un-Restricted Ownership
(Market Price)

Statistics of ECs



Statistics of ECs

Unit No	Unit Type	Approximate Area (sqm)	Approximate Area (sqft)	List Price	Selling Price (Normal Payment Scheme)	Selling Price (Deffered Payment Scheme)
#02-13	B2a	107	1,152	$982,000	$834,000	$859,000
#03-13	B2b	107	1,152	$985,000	$837,000	$862,000
#04-13	B2a	107	1,152	$989,000	$840,000	$865,000
#05-13	B2b	107	1,152	$995,000	$845,000	$870,000
#06-13	B2a	107	1,152	$998,000	$848,000	$873,000
#07-13	B2b	107	1,152	$1,002,000	$851,000	$876,000
#08-13	B2a	107	1,152	$1,008,000	$856,000	$881,000
#09-13	B2b	107	1,152	$1,012,000	$860,000	$885,000
#10-13	B2	107	1,152	$1,017,000	$864,000	$889,000
#11-13	B2	107	1,152	$1,022,000	$868,000	$894,000
#12-13	B2	107	1,152	$1,026,000	$872,000	$898,000
#13-13	B2	107	1,152	$1,031,000	$876,000	$902,000
#14-13	B2	107	1,152	$1,036,000	$880,000	$906,000
#15-13	B2	107	1,152	$1,042,000	$885,000	$911,000
#02-14	B1	100	1,076	$937,000	$796,000	$819,000
#03-14	B1	100	1,076	$940,000	$799,000	$822,000
#04-14	B1	100	1,076	$944,000	$802,000	$826,000
#05-14	B1	100	1,076	$950,000	$807,000	$831,000
#06-14	B1	100	1,076	$953,000	$810,000	$834,000
#07-14	B1	100	1,076	$957,000	$813,000	$837,000
#08-14	B1	100	1,076	$963,000	$818,000	$842,000
#09-14	B1	100	1,076	$968,000	$822,000	$846,000
#10-14	B1a	100	1,076	$972,000	$826,000	$850,000
#11-14	B1b	100	1,076	$977,000	$830,000	$854,000
#12-14	B1a	100	1,076	$982,000	$834,000	$859,000
#13-14	B1b	100	1,076	$986,000	$838,000	$863,000
#14-14	B1a	100	1,076	$991,000	$842,000	$867,000
#15-14	B1b	100	1,076	$997,000	$847,000	$872,000

Dear All,

We are pleased to release the following price list for Treasure Crest project:

No.	Block	Unit No.	Unit Type	Approximate Area (sqm)	Approximate Area (sqft)	Selling Price (Normal Payment Scheme)	Selling Price (PSF)
1	54	#09-14	B1	100	1,076	$1,184,000	$1,100
2	62	#03-31	B1	100	1,076	$1,115,000	$1,036

The units shall be sold on a first-come first-served basis, upon securing the cheque for the option fee (5%), signed PP form and PDI.

Kindly note that Treasure Crest has obtained TOP and we will not accept any appeal cases. Please conduct preliminary assessment on your end, notwithstanding the following:

Launch Day: $822,000 ($764 psf)

3 years later: $1,184,000 ($1,100 psf)

Gain of **$336 PSF** in 3 years!

That is **44%** Gain in 3 years!

Statistics of ECs

268	#09-18	C2	3-bdrm+yard	85	915	$790,100	ERA	$813,800
268	#10-18	C2	3-bdrm+yard	85	915	$793,100	ERA	$816,900
268	#11-18	C2	3-bdrm+yard	85	915	$796,100	ERA	$820,000
268	#12-18	C2	3-bdrm+yard	85	915	$799,100	ERA	$823,100
268	#13-18	C2	3-bdrm+yard	85	915	$802,100	ERA	$826,200
268	#14-18	C2	3-bdrm+yard	85	915	$805,100	ERA	$829,300
268	#15-18	C2-PH	3-bdrm+yard	94	1012	$831,100	ERA	$856,000
268	#01-19	C1-G	3-bdrm+yard	82	883	$721,200	ERA	$742,800
268	#02-19	C1	3-bdrm+yard	82	883	$718,200	ERA	$739,700
268	#03-19	C1	3-bdrm+yard	82	883	$721,200	ERA	$742,800
268	#04-19	C1	3-bdrm+yard	82	883	$724,200	ERA	$745,900
268	#05-19	C1	3-bdrm+yard	82	883	$727,200	ERA	$749,000
268	#06-19	C1	3-bdrm+yard	82	883	$730,200	ERA	$752,100
268	#07-19	C1	3-bdrm+yard	82	883	$733,200	ERA	$755,200
268	#08-19	C1	3-bdrm+yard	82	883	$751,200	ERA	$773,700
268	#09-19	C1	3-bdrm+yard	82	883	$754,200	ERA	$776,800
268	#10-19	C1	3-bdrm+yard	82	883	$757,200	ERA	$779,900
268	#11-19	C1	3-bdrm+yard	82	883	$760,200	ERA	$783,000
268	#12-19	C1	3-bdrm+yard	82	883	$763,200	ERA	$786,100
268	#13-19	C1	3-bdrm+yard	82	883	$766,200	ERA	$789,200
268	#14-19	C1	3-bdrm+yard	82	883	$769,200	ERA	$792,300
268	#01-20	C1-G	3-bdrm+yard	82	883	$721,200	ERA	$742,800

Blk	Unit #	Type	Area sm	Area sf	Normal Payment Scheme
264	#04-09	C6	94	1012	$ 1,178,000
268	#12-19	C1	82	883	$ 1,046,000
270	#07-23	C1	82	883	$ 1,020,000
272	#10-27	C3	89	958	$ 1,130,000
272	#11-27	C3	89	958	$ 1,135,000

**Price subjected to changes without prior notice*

Hundred Palms

Launch Day: $763,200 ($864 psf)
3 years later: $1,046,000 ($1,184 psf)

Gain of **$320 PSF** in 3 years!
That is **37%** Gain in 3 years!

Government Land Sales

2nd residential site up for sale, tender extended due to Covid-19

Ann Williams

A second residential site has been put up for sale by the Government, which is again giving developers more time to assess the property market amid the Covid-19 pandemic before submitting any bids.

The land parcel in Tanah Merah Kechil Link is for a mixed residential development with the first storey slated for commercial space. It has an area of 8,880 square metres (sq m) and a maximum gross floor area (GFA) of 24,864 sq m.

The 99-year leasehold site off New Upper Changi Road can potentially house about 265 apartments, compared with the estimated 310 units when the site was first announced last December. It can also yield 2,000 sq m of commercial space that can be developed into strata-titled retail units or offices.

The tender will close at noon on Oct 29, after a longer tender period of five months, the Urban Redevelopment Authority said in a statement yesterday.

Tender duration of government land sales (GLS) sites usually ranges from six to eight weeks.

The October closing date of this tender means the site will be batched with an executive condominium site in Yishun Avenue 9 that was launched on April 30.

Property consultants said extending the tender period could help GLS sites obtain higher bids as the pandemic may be contained by then, boosting market sentiment.

Both sites come under the confirmed list for the first half of 2020 GLS programme. There is one more on the confirmed list of residential sites that has yet to be launched. It is in Jalan Anak Bukit and can potentially have 865 units.

ERA Realty head of research and consultancy Nicholas Mak said the Tanah Merah Kechil Link plot is a "choice" site, given its location and size. It is located next to Tanah Merah MRT station and in close proximity to Changi Business Park. With no shopping mall around the MRT station, there would be strong demand for shops and food and beverages outlets, he added.

Source: MINISTRY OF NATIONAL DEVELOPMENT STRAITS TIMES GRAPHICS

Compared with the other GLS sites for the 2020 first half on both the confirmed and reserve lists, the Tanah Merah Kechil Link site has the smallest GFA, which means less capital requirement and hence, less financial risk to develop it, he said.

Given these factors, Mr Mak foresees the tender attracting five to 10 bids from major developers, with the top bid ranging from $238 million to $255 million, or $840 to $888 per square foot per plot ratio (psf ppr).

Mr Wong Xian Yang, Cushman & Wakefield's associate director of research for Singapore and South-east Asia, noted that the last site sold in the vicinity is now the Grandeur Park Residences condominium, which is 98 per cent sold as of last month at a median psf price of $1,415.

"This reflects the site's strong locational attributes and underlying demand in the area," he added.

Mr Wong said the Tanah Merah Kechil Link winning bid could be between $820 and $870 psf ppr. "Despite the site's strategic location, developers are expected to bid cautiously due to higher construction costs and a severe economic recession as a result of Covid-19," he said.

Yesterday, three industrial sites were also released under the confirmed list of the Industrial GLS programme for the second half of this year. They are at Plot 2 Tampines North Drive 3, Plot 3 Gambas Avenue/Sembawang Avenue, and Plot 7 Jalan Papan.

Owing to the Covid-19 situation, the tenders for the first two sites in Tampines North and Gambas Avenue are postponed from the first half of the year. This is to give industrialists more time to prepare for the tenders, said the Ministry of Trade and Industry.

There are three industrial sites on the reserve list: Plot 2 Jalan Papan, Plot 11a Tampines North Drive 5, and Plot 5 Jalan Papan.

Sites under the reserved list will be put up for tender if an interested party submits an offer of a minimum purchase price that is acceptable to the Government; or if more than one party submitted minimum purchase prices that are close to the reserve price for the site.

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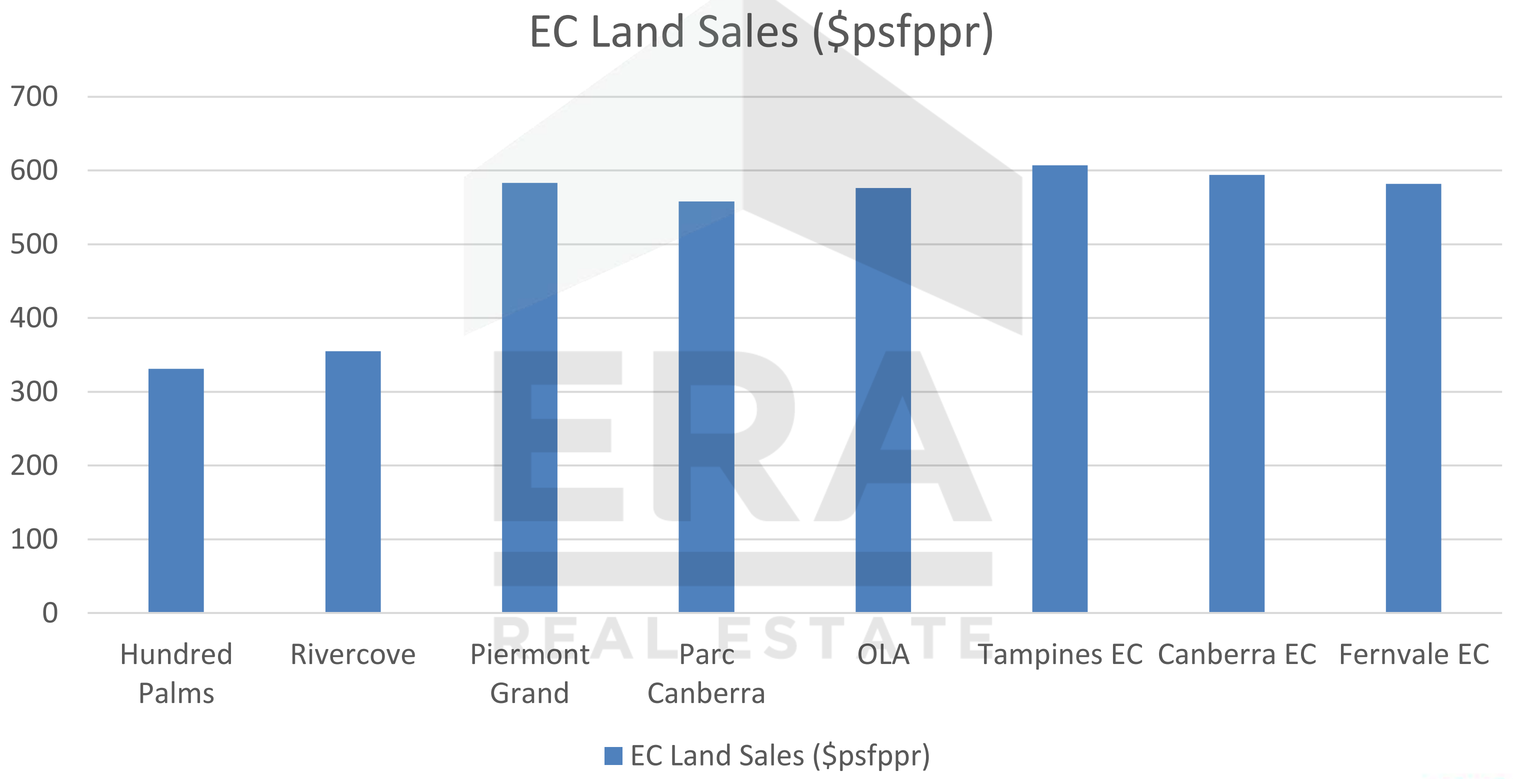
What it means?

- Limited GLS sites for tender.
- Developers have to put in a higher bid to win the land.
- Prices won't come down.

Source: The Straits Times, 29 May 2020

Government Land Sales



What’s next after selling your HDB Flat?

Why should I upgrade to EC/Condo?

- Higher Capital Appreciation
- Safe Entry Price
- Lifestyle
- Own multiple properties
- Asset Progression

Upgrade to EC?

Is it possible? Let's use the Sembawang BTO example.

Selling Price	$410,000
Outstanding Loan (After 5 years, Assume 90% HDB Loan)	Apprx $226,000
CPF Refund (Assume monthly instalments + 10% Downpayment)	$1,208 x 60 months + $29,600 + Accrued Interest = Apprx $115,600
Agent's Commission (2%)	$8,774 incl of GST
Miscellaneous Fees	$188.70 (Legal + Resale Application)
Resale Levy (if any)	$40,000 (if any)
Balance	**$59,437.30** (not incl Resale Levy)

Upgrade to EC?

	Husband, 32	Wife, 30
Income	$7,000	$5,000
Max Loan (MSR, 75% LTV)	$801,000	
Max Purchase Price	$1,068,000	
Cash Proceeds	$59,437.30	
CPF Refund	$115,600	
CPF Contribution to OA (Monthly)	$1,380.18	$1,150.15
Estimated Current OA (after 10 years)	$93,141.60	$65,538
Total CPF in OA	$274,279.60	

Upgrade to EC?

	Husband, 32	Wife, 30
Property Purchase	Parc Canberra (EC)	
Purchase Price	$1,057,000 (3+Utility)	
5% Cash	$52,850	
20% Downpayment	$211,400	
75% Loan	$792,750	
Stamp Duty	$26,880	
Total Cash + CPF Required	$291,130	
Balance (Cash + CPF)	$42,586.90	

Owning Multiple Properties?

Is it possible? Let's use the Punggol Sellers' example.

Selling Price	$473,000
Outstanding Loan (After 13 years, Assume 90% HDB Loan)	Apprx $93,500
CPF Refund (Assume monthly instalments + 10% Downpayment)	$570 x 156 months + $15,800 + Accrued Interest = Apprx $145,000
Agent's Commission (2%)	$10,122.20 incl of GST
Miscellaneous Fees	$188.70 (Legal + Resale Application)
Resale Levy (if any)	$40,000 (if any)
Balance	**$224,189.10** (not incl Resale Levy)

Owning Multiple Properties?

	Husband, 40	Wife, 38
Income	$7,000	$5,000
Max Loan (TDSR, 75% LTV)	$838,000	$628,000
Max Purchase Price	$1,117,333	$837,333
Cash Proceeds	$224,189	
CPF Refund	$145,000	
CPF Contribution to OA (Monthly)	$1,260.30	$1,050.25
Estimated Current OA (after 13 years)	$152,146	$119,379
Total CPF in OA	$224,646	$191,879

Owning Multiple Properties?

	Husband, 40	Wife, 38
Property Purchase	Riverparc Residence (Resale)	Florence Residences (BUC)
Purchase Price	$1,068,000 (3 bdrm)	$808,000 (1+Study)
5% Cash	$53,400	$40,400
20% Downpayment	$213,600	$161,600
75% Loan	$801,000	$606,000
Stamp Duty	$27,320	$18,840
Total Cash + CPF Required	$294,320	$220,840
Balance (Cash + CPF)	$125,554	

Summary

Summary

- The longer they hold their HDB, the lower is the selling price, the higher is the CPF accrued interest, the lesser is their Sales Proceed.
- Private market has shown resilience despite crisis and the new LOW is always higher than the previous LOW. While time (age) is still on your side, let go of your HDB flat and start your Asset Progression journey.
- You don't need a million to buy a $1m property.

Bonus: What are the excitements coming up?

Upcoming New Launches

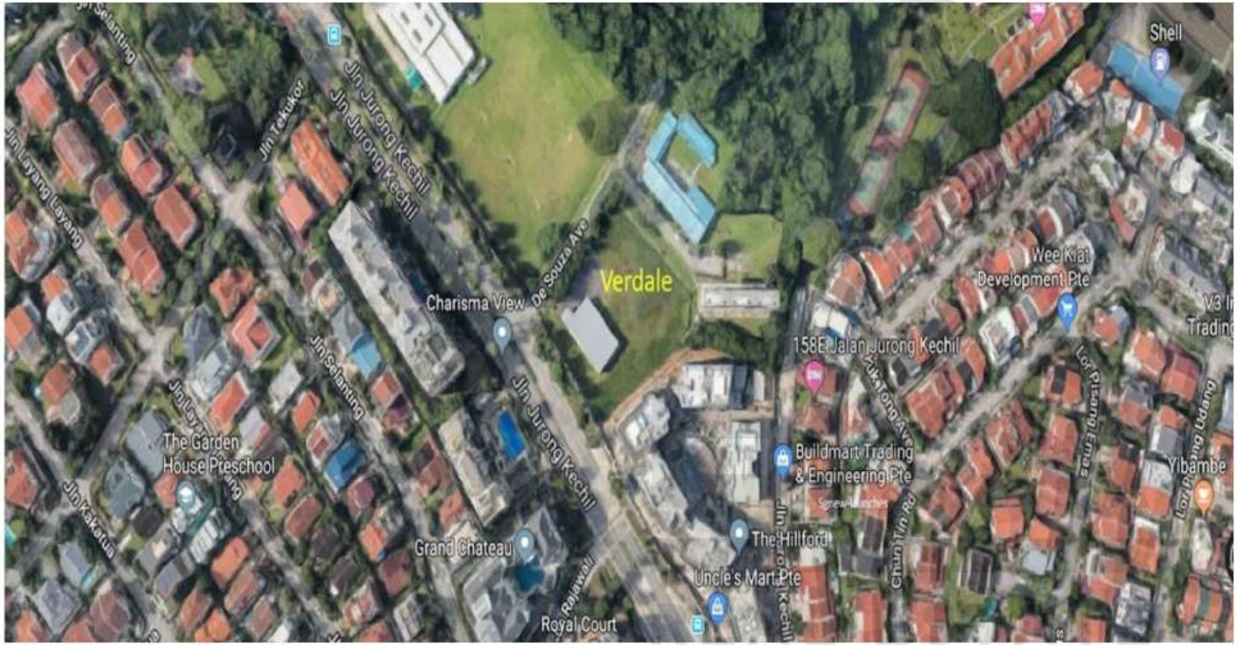
- Forett at Bukit Timah
- Verdale
- Parc Central Residences
- Pasir Ris Mixed Development

Forett at Bukit Timah

Forett At Bukit Timah Location Map

- Freehold
- Former Goodluck Garden
- Enbloc by Qingjian
- 633 units
- 1-5 Bedroom Types
- Beauty World Transformation

Verdale



- Exclusive development
- 258 units
- Realistic Pricing
- Beauty World Transformation

DFG DD Edvan Lee 8828 1222

Beauty World Transformation

Under Draft Masterplan 2019, Beauty World is selected to undergo exciting transformation!

Beauty World Transformation

View the illustration of Beauty World area

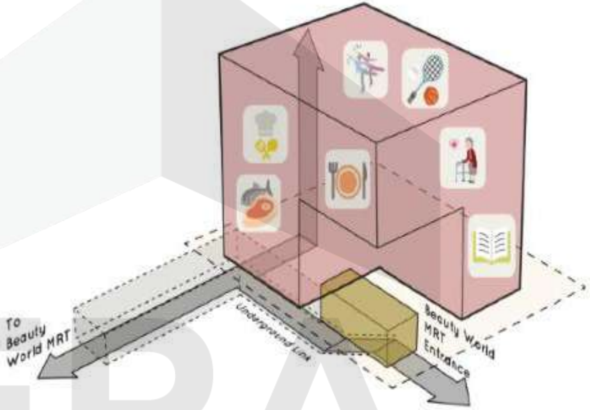


Diagram of proposed uses within the new Bukit Timah Community Building

New 1-stop Integrated Facility with a Community Club, Market & Hawker Centre.

Bukit Timah Community Building

Bukit Timah will have a new one-stop integrated facility with a Community Club, redeveloped market & hawker centre at the doorstep of Beauty World MRT station. It will also feature a range of new amenities such as an indoor sports hall, community library and elderly facility to enhance liveability.

Beauty World Transformation

Land Transport Authority
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Singapore Government
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home > public transport > making travel easier for you > integrated transport hubs

INTEGRATED TRANSPORT HUBS

WHAT ARE INTEGRATED TRANSPORT HUBS?

Integrated Transport Hubs (ITHs) are fully air-conditioned bus interchanges seamlessly linked to MRT stations and adjoining commercial developments such as shopping malls. With this integration, commuters can easily run errands and shop conveniently and comfortably, before transferring to their connecting buses or trains.

Examples of ITHs:
Ang Mo Kio
Bedok
Boon Lay
Bukit Panjang
Clementi
Joo Koon
Sengkang
Serangoon
Toa Payoh
Yishun

Fully air-conditioned bus interchanges linked to MRT stations and adjoining commercial developments!

Beauty World Transformation

Parc Central Residences (EC)

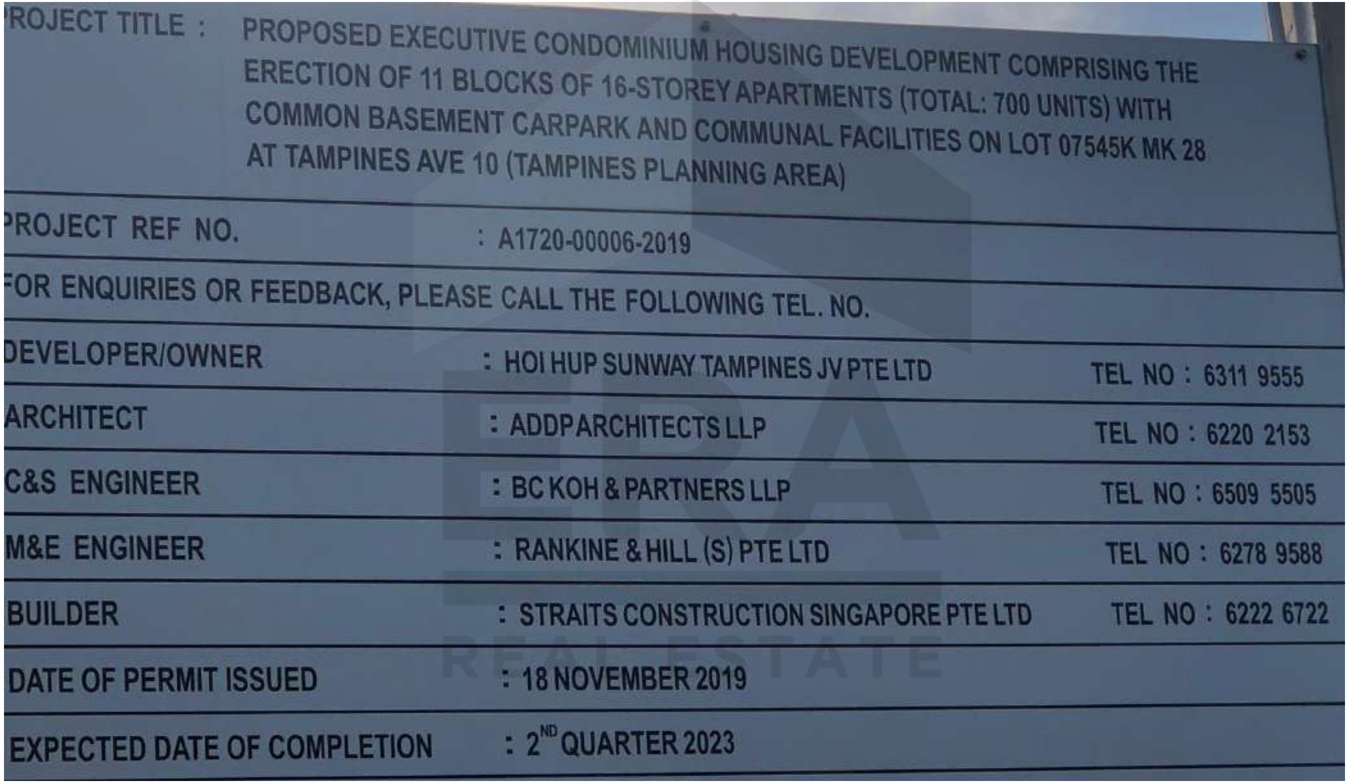
- Tampines EC by Hoi Hup & Sunway
- 268,000 sqft Land
- Apprx 700 units
- Pent up Demand as no ECs in Tampines are the last 8 years
- Low Entry Price, Safe Exit Strategy

Parc Central Residences (EC)

Parc Central Residences (EC)

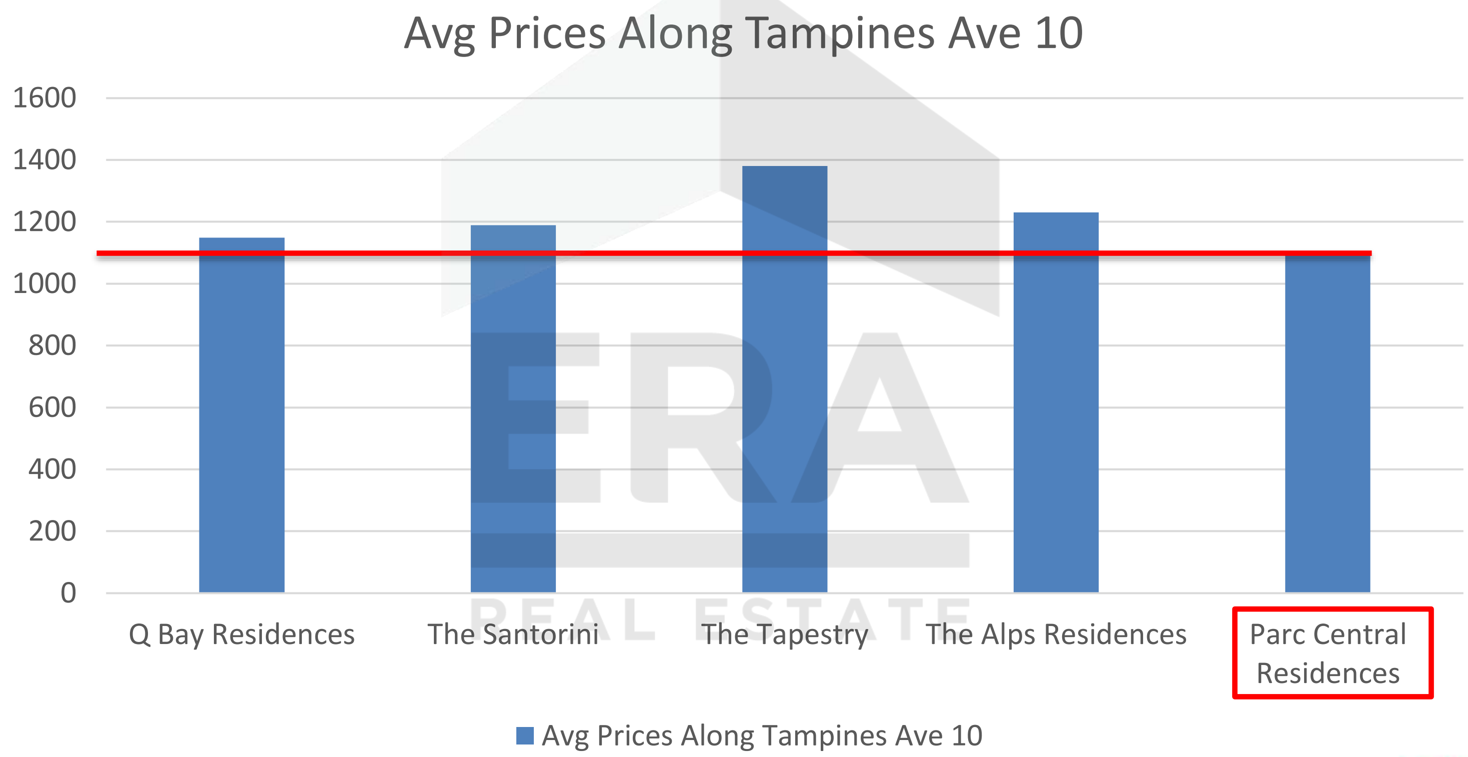
- Land Sales: $607 psfppr (including 5% Non-remissible ABSD)
- Units can go up to #16 as per surrounding development
- Unblock view with steals of the Tampines Quarry
- Last EC launch in Tampines is 2012 (CityLife)
- No brainer with Safe Entry Price & Simple Exit Strategy
- Launching Q4 2020
- It will be very **HOT**!!!

Parc Central Residences (EC)



Parc Central Residences (EC)

Parc Central Residences (EC)



Pasir Ris Mixed Development

Source: HDB STRAITS TIMES GRAPHICS

- Rare Mixed Development in Pasir Ris by Allgreen
- Right Next to MRT
- Super convenient to Residents with mall and MRT just downstairs
- Apprx 600 units
- It will be very HOT!

Take action by calling your HDB owners now!

Story Time

Moral of the Story

2 Person can fall into the same situation.

But the action you take can determine your Outcome!

Thank You
&
Good Luck!