

Fortnightly News Summary

Synopsis of News from 1st March - 16th March 201816th March 2018

Property Market Activities

CDL to launch new Tampines condominium (BT, 16 Mar, 2018)

CDL is launching a new condominium project in Tampines, starting from S\$596,000 for a one-bedder. CDL expects a "good take-up" from new home buyers, upgraders and investors.

CNY lull, absence of launches cause 28% drop in Feb new home sales (BT, 16 Mar, 2018)

Singapore developers sold 377 private homes - excluding EC units - in February, a 28 per cent drop from the 524 units sold in January, as developers held back from launching new projects during the Chinese New Year festivities, amid a depleting inventory of units for sale in the market.

Condo rents up 1% in Feb, HDB rents up 0.5%: SRX (BT, 15 Mar, 2018)

On a year-on-year basis, private non-landed home rents last month were down by 0.7 per cent from February 2017. Some 3,376 non-landed private residential units were rented in February. On the public housing front, HDB rents last month were down 1.9 per cent from February 2017. They are lower by 14.8 per cent from their peak in August 2013.

CDL prices penthouses at New Futura from S\$39.8m each (BT, 14 Mar, 2018)

The price for the two penthouses at New Futura works out to S\$5,079 per square foot. CDL highlighted that ultra high net worth (UHNW) foreign buyers have purchased a total of S\$1.03 billion worth of units at New Futura and another of the group's prime-district freehold condos, Gramercy Park in Grange Road.

Singapore condo resale prices up 1.9% in Feb; units sold rise 11.3%: SRX (BT, 14 Mar, 2018)

Prices in February rose 1.9 per cent from the previous month - higher than the 1.3 per cent month-on-month price rise seen in January. In another sign of a strengthening market, the number of resale non-landed private homes sold last month jumped 11.3 per cent from January, with 1,212 units sold.

Property agencies' Big 3 join forces in online platform (BT, 13 Mar, 2018)

Singapore's three largest property agencies have teamed up for the first time to launch an online platform for agents and consumers. They seek to provide real-time accurate information for agents and consumers and, in the long-run, provide the industry with a more streamlined transaction process between salespeople and consumers.

AI-enabled portal UrbanZoom aims to improve housing market data transparency (BT, 12 Mar, 2018)

One of the main things that UrbanZoom focuses on is its AI engine that automatically spins up a price prediction for a specific home based on its address by relying on more than two decades worth of transactional data, and other macro and micro input variables.

Singapore's strata office market gains momentum (BT, 10 Mar, 2018)

An industry expert expects rents and prices of strata office units to appreciate in the next 12 to 24 months, against a limited supply. He opined that compared to other investor markets like Hong Kong, Singapore's office strata market has room for growth in terms of sales volume and prices.

Phase 1 of Nim Collection to be launched at average of S\$2.8-S\$3m (BT, 9 Mar, 2018)

Bukit Sembawang Estates is releasing 30 out of 47 units in Phase 1 of its landed development, Nim Collection, with an average price of S\$2.8 million to S\$3 million. The launch of the project follows a recovery in landed home prices, marked by two quarterly price upticks in the second half of last year.

KSH, Lian Beng and Heeton unveil plans for Geylang plot (BT, 6 Mar, 2018)

KSH Holdings, Lian Beng and Heeton Holdings on Monday said that their joint venture has completed the acquisition of odd-number properties 31 to 51 along Lorong 24 Geylang for S\$60 million. The joint company, called Development 24, plans to develop a block of eight-storey residential flats comprising about 110 units.

Manufacturing expands for 18th straight month, but pace slows (BT, 3 Mar, 2018)

The pace has eased a touch, but the manufacturing sector is still powering along after a rousing start to the year. The key Purchasing Managers' Index (PMI) - an early indicator of factory activity - came in at 52.7 for last month - the 18th consecutive month of improvement, with more tipped to come.

Singapore Budget 2018: Singapore's population expected to be below 6.9 million by 2030

(BT, 2 Mar, 2018)

Singapore is not expected to change its immigration policy, and its population is likely to be "significantly below" 6.9 million by 2030, said Josephine Teo, who is in charge of population matters in the Prime Minister's Office. Mrs Teo also said that Singapore's population is expected to be below 6 million by 2020.

Hike in DC rates unlikely to derail en bloc fever soon (BT, 1 Mar, 2018)

The current collective sale market is unlikely to be derailed by the average 22.8 per cent hike in DC rates for non-landed residential use in the next six months, say property consultants. However, they say the latest set of DC rates could tame developers' land bids. Some en bloc sellers may also need to rethink their price expectations.

Public Housing

Faster resale transactions on revamped HDB portal (BT, 11 Mar, 2018)

Almost 21/2 months after the launch of a revamped HDB portal, resale transactions are being completed in as short as eight weeks - half the time taken in the past to seal a deal. The time saving comes from eliminating one of two appointments with the HDB, during which forms and checks were completed. Instead, they are now done online.

HDB resale flat prices fell in Feb, but number sold rose (BT, 9 Mar, 2018)

February's prices fell 0.6 per cent compared with January prices, according to SRX flash estimates on Thursday. January prices had also fallen 0.5 per cent from last December's prices. However, there was a 9.6 per cent increase in resale flats sold last month - from 1,090 units to 1,195 units.

Bigger supply of HDB flats with shorter waiting time (BT, 7 Mar, 2018)

To help more young couples buy their first home, the Housing Board will double the number of flats it offers in 2019 to shorten their waiting time. It will also let them apply for a flat and defer the assessment of their income for the unit to nearer the time they collect the keys.

3,330 singles handed keys to BTO flats since 2013 (ST, 4 Mar, 2018)

Last year, an average of 5.9 single applicants vied for each new two-room HDB flat, down from 57.5 applicants in June 2013. Over the last four years, the supply of new two-room flats in non-mature estates has remained steady at an average of about 4,000 units a year. About 12,200 singles have booked their new homes with HDB.

Investment Sales

Sim Lim Square eyeing \$1.1b for collective sale (BT, 15 Mar, 2018)

The 99-year leasehold building with 492 units was completed in 1987 and has a floor area of 22,007 sq m. It has a land size of 7,260 sq m. The six-storey mall in Rochor Canal Road is near Rochor and Jalan Besar MRT stations. It is trying for a collective sale amid declining footfall in recent years, observers say.

Minbu Villa up for collective sale with S\$145.8m reserve price (BT, 15 Mar, 2018)

This translates to a land rate of S\$1,355 per square foot per plot ratio (psf ppr). Completed in 1981, the 10-storey development comprises 33 apartments and a penthouse. Subject to approvals from the relevant authorities, the site may be developed up to 36 storeys with an allowable gross floor area (GFA) of 107,593 sq ft.

Fragrance buys Jervois block for S\$46.3m; Eu Realty sells two shophouses (BT, 15 Mar, 2018)

A unit of Fragrance Group has bought Lotus at Jervois, a four-storey freehold apartment block, for S\$46.3 million. The price works out to around S\$1,683 psf ppr. Separately, a fully-owned subsidiary of Eu Yan Sang International, has sold a pair of adjoining shophouses at 273 and 275 South Bridge Road.

Lian Beng Group unit intending to acquire Joo Chiat property for S\$27m (BT, 13 Mar, 2018)

A wholly-owned unit of Lian Beng Group is intending to purchase OCN Building, a four-storey commercial building in Joo Chiat, for S\$27 million.

Koh Brothers unit wins bid for Toho Mansion (BT, 10 Mar, 2018)

KBD Ventures, a subsidiary of construction and property developer Koh Brothers, has won the en bloc tender for Toho Mansion on Holland Road for S\$120.43 million, or around S\$1,805 per square foot per plot ratio. Toho Mansion is a walk-up apartment complex with two four-storey residential blocks housing 32 apartments in all.

Goodluck Garden sold to Qingjian for S\$610m (BT, 10 Mar, 2018)

This is the third largest en bloc deal to be awarded this year, after Park West's S\$841 million transaction in January, and Pearl Bank Apartments' S\$728 million transaction in February. Based on a potential gross floor area of 46,840.08 sq m, the sale price translates to a land price of about S\$1,210 per square foot per plot ratio (psf ppr).

Tanjong Katong bungalow market on a roll (BT, 10 Mar, 2018)

A string of large freehold bungalow deals have been sealed in the past few months in the Tanjong Katong area. Among the bigger deals is an old single-storey bungalow on a 12,767 sq ft site in Boscombe Road that is being transacted for S\$17.5 million. This works out to nearly S\$1,371 per square foot on the land area of 12,767 sq ft.

Shophouse deals gain momentum in Jan-Feb (BT, 8 Mar, 2018)

In the first two months, 26 caveats totalling S\$220.8 million were lodged for purchases of shophouses island-wide. For the whole of last year, the tally was 148 caveats amounting to just over S\$1 billion - a jump from the 107 caveats totalling S\$707.1 million in 2016.

Four residential sites launched for sale by tender (BT, 8 Mar, 2018)

Asia Gardens along Everton Road has an asking price of S\$338 million; Park View Mansions near Jurong Lake has an expected price of S\$320 million; 27 Moulmein Rise has a reserve price of S\$110 million; and Katong Omega Apartments has an indicative price of S\$41 million.

Katong Omega Apartments up for collective sale at S\$41m (BT, 7 Mar, 2018)

Strata board approval is not needed for the sale as all 18 owners of the freehold District 15 residence at 357 East Coast Road have signed on. The guide price translates into S\$1,061.9 psf of potential gross floor area, including the differential premium of about S\$0.48 million, subject to confirmation by relevant authorities.

People's Park Complex, People's Park Centre, Golden Mile Complex and Golden Mile Tower attempting collective sales (BT, 7 Mar, 2018)

These structures are mostly half-way into their 99-year leases. People's Park Complex, People's Park Centre and Golden Mile Complex have formed their respective collective sales committees, whilst Golden Mile Tower is in the process of forming its collective sale committee.

Nicon Gardens up for sale for at least S\$110m (BT, 6 Mar, 2018)

The development currently consists of 47 units of townhouses, with each unit expected to yield sale proceeds of S\$2.3 million based on the reserve price. The site, which has 62 years left on its lease, sits on an elevated land with a site area of close to 164,470 sq ft, and is zoned 3-storey semi-detached landed housing under Master Plan 2014.

FEC Properties snags Hollandia collective sale site for S\$183.4m (BT, 3 Mar, 2018)

The sale price for Hollandia translates to a land rate of S\$1,703 psf ppr. Far East Consortium said it plans to redevelop the site into a high-end residential development with a total gross floor area (GFA) of about 10,000 sq m. At the agreed sale price, owners of Hollandia could expect to receive gross sale proceeds ranging from S\$3.3 million to S\$4.2 million.

Year's first successful auction of Sentosa Cove home sold at S\$2.4m loss (BT, 2 Mar, 2018)

The property received five bids, and was eventually sold for S\$3.25 million, or S\$1,105 psf. This was about S\$2.4 million lower than what the last owner paid for the unit in 2011. It translates into a 42 per cent loss. This is the fourth Sentosa Cove property on mortgagee sale that has sold for almost half of its initial purchase price since 2017.