

Fortnightly News Summary

Synopsis of News from 22nd February - 28th February 201828th February 2018

Property Market Activities

Airbnb hosts who made illegal home rentals earned at least \$19,000 over 5 weeks (BT, 27 Feb, 2018)

The two defendants pleaded guilty to four charges earlier this month and the prosecution is seeking a fine of \$20,000 for each charge, or a total of \$80,000 for each man. This is the first case of prosecution for a breach of URA's rules on short-term rentals. Rules making home sharing illegal kicked in on May 15 last year.

BCA orders developer to stop work on Kingsford Waterbay (BT, 27 Feb, 2018)

Kingsford Development's condominium project in Upper Serangoon View has hit a snag, after the Singapore authorities issued an order to the developer to stop building works. Kingsford Construction's Director had planned to complete the project half-a-year earlier than the deadline. But due to the Order from BCA, he now plans to complete the project on schedule.

New Punggol district mixes technology and lush greenery (ST, 26 Feb, 2018)

The upcoming Punggol Digital District, which will be a hub for cyber-security and technology firms in Singapore, is set to feature an environment that balances technology with lush greenery. A landmark idea of the project is the "exchange" of spaces, where classes could be on a company's premises, and students can mingle with start-up founders.

Few districts see chance of oversupply of homes: study (BT, 26 Feb, 2018)

A new study on the upcoming supply of private residential units from development sites sold suggests that oversupply risks, if any, may be contained within certain districts. Islandwide, only Districts 3, 5, 13, 18 and 19 appear to have a relatively high number of upcoming residential units in relation to the current completed units there.

Redas chief: BSD tweak unlikely to derail housing recovery (BT, 24 Feb, 2018)

Augustine Tan, president of Redas, said that in the purchase of sites from the GLS programme or private collective sites, the substantial premiums paid by developers for residential sites, together with the one per cent hike in the buyer's stamp duty, may translate into higher prices for new projects in the future. But though the new revised buyer's stamp duty "may add some friction to transaction volumes as buyers remain price-sensitive, it is unlikely to derail the recovery".

Public Housing

Nine in 10 older buyers of two-room flats opt for shorter leases (ST, 26 Feb, 2018)

The HDB said yesterday that since the scheme was introduced in 2015, nine in 10 flat buyers aged 55 and above - or 5,070 out of 5,550 - have opted for shorter leases. Seniors have booked 54 per cent of the total 10,230 two-room flexi units. Under the scheme, flats are offered with 99-year leases to families, singles and older applicants. But applicants who are 55 years and older can opt for leases of between 15 and 45 years.

93% take-up for 1st batch of Re-offer of Balance Flats (ST, 25 Feb, 2018)

Ninety-three per cent, or 1,300, of a total of 1,394 flats were booked in the exercise. There were a total of 6,102 applicants last August - more than four applicants for each flat. The HDB added that the take-up rate was good across the unit types offered, from two-room Flexi flats and four-room flats to executive flats. About one in five buyers has collected the keys to their new homes.

Government Land Sales

EC supply crunch powers Punggol site to record price (BT, 28 Feb, 2018)

The under-supply in the executive condominium (EC) market is so acute that all 17 bidders at a state tender for a site in Punggol have placed bids that are higher than the record for EC land set in July 2013, at the previous peak of the residential market. The top bid for the Sumang Walk site at Tuesday's tender closing, from a joint venture between wholly-owned subsidiaries of CDL and TID, was S\$583 psf ppr.

Cuscaden Road site up for tender under govt land sales programme (BT, 28 Feb, 2018)

The 5,722.5 square metre 99-year leasehold site is zoned for residential use under URA's 2014 Master Plan and has a gross floor area of 16,023 sq m with a maximum building height of 100 m. An expert said a reasonable top bid for the site could range from S\$310 million to S\$326 million (S\$1,800 to S\$1,890 psf ppr).

Tuas South Link site up for tender under Industrial Government Land Sales programme (BT, 27 Feb, 2018)

A Tuas South Link site has been launched for tender under the IGLS programme, said JTC. This is the second of six confirmed list sites for the first half of 2018. Located along Tuas South Link 3, Plot 21 is a 0.78 hectare or 7,831.6 square metre site zoned for Business-2 development and has a 20-year tenure with a maximum permissible gross plot ratio of 1.4.

Investment Sales

Tulip Garden, Windy Heights join en bloc wagon (BT, 28 Feb, 2018)

Tulip Garden's site, which has a gross plot ratio of 1.6 and an allowable height of up to 12 storeys, can be redeveloped for 670 new apartments averaging 790 sq ft in size, subject to relevant approvals. The asking price works out to a land rate of S\$1,486 psf ppr.

The en bloc tender of Windy Heights will see one of the largest freehold residential redevelopment sites in District 14 coming on the market. The 23,291 sq m (250,702 sq ft) site can be redeveloped to accommodate 581 apartments of 100 sq m per unit, based on the current built-up GFA of 58,150.74 sq m.

The Estoril at Holland Rd up for sale with S\$220m guide price (BT, 27 Feb, 2018)

The Estoril, a condominium project along 95 & 97 Holland Road, is up for collective sale with a guide price of S\$220 million, reflecting a land price of about S\$1,625 per sq ft per plot ratio. Sitting on a freehold site of about 84,600 sq ft and zoned "residential" with a height control of up to 12 storeys, the development comes with a plot ratio of 1.6 based on the 2014 Master Plan.

Developers' war chest of cash keeps collective sale party going (BT, 26 Feb, 2018)

Estimates from a research house suggest that developers still have another S\$18.9 billion for land acquisitions in the near term. This is a conservative estimate since it assumes developers re-invest only profits from completed projects. The research director said that against this backdrop, it won't be surprising if the subsequent land deals continue to set record prices in 2018, especially for sites, either on government land sales or private en bloc market.

Gerald Crescent bungalow on offer at over S\$35m (BT, 23 Feb, 2018)

A single-storey bungalow sitting on a freehold site spanning 31,882 sq ft has been put up for sale with an expected price of above S\$35 million or S\$1,100 per square foot on land area. It can potentially accommodate 11 landed properties comprising two detached houses, a pair of semi-detached and seven terrace houses.

EL Development buys Singtel's Hill Street property (BT, 22 Feb, 2018)

SingTel is selling its Hill Street property - for which planning approval has been granted for redevelopment into a hotel. The price is between S\$115 million and S\$120 million, which works out to about S\$1,830 per square foot per plot ratio, inclusive of a differential premium to change the use of the site, as well as a lease-upgrading premium.

9,999-year Guillemard site up for sale at indicative price of S\$99m (BT, 22 Feb, 2018)

The 15 two-storey terrace houses sit on a land plot of about 37,131 sq ft, with a baseline GFA of around 77,071 sq ft. The site is zoned "residential/institution" with a plot ratio of 2.8. At the indicative price of S\$99 million and a development charge of about S\$14.6 million, the land rate for the 9,999-year site will come up to approximately S\$993 per sq ft per plot ratio.

Pomex Court up for sale for at least S\$37m (BT, 22 Feb, 2018)

Pomex Court in 50 Lorong 101 Changi Road is set to be put up for collective sale, with a minimum price of S\$37 million, or S\$998 per square foot per plot ratio. The site is zoned for residential use with a 1.4 gross plot ratio, which means that it can be redeveloped into a building of up to five floors.