

13th Oct – 26th Oct

Statutory Board News Release!

No News

Main Property News Release!

Parkway Centre for sale for about \$1,000 psf ppr. (16/10 – BT) Ref: BT08-1610-01

Parkway Centre, which is controlled by Hong Kong-listed Far East Holdings International, has been put up for sale with an indicative price of about \$160 million. This works out to about \$1,000 per square foot per plot ratio, around 15 per cent higher than the \$865 psf ppr for Katong Mall, which was sold in July. Jones Lang LaSalle is marketing the site and its associate director (investments), David Batchelor, said that while the market is slowing down, he does expect a deal because Parkway Centre is one of only two private commercial developments available in Marine Parade Central for investors to consider. The other is Parkway Parade. Mr Batchelor added that local and foreign investors and private equity funds have already shown interest. The 99-year leasehold Parkway Centre has three retail shop units and 107 office units. Mr Batchelor said that the retail rental is \$25-30 psf per month and the office rental, \$4-5 psf per month. Far East Holdings International (which is not related to Far East Organization here) owns 40 per cent of Parkway Centre. Mr Batchelor said that approval from 80 per cent of the stakeholders in Parkway Centre has been received.

West Coast Plaza 70% leased ahead of launch. (23/10 – BT) Ref: BT08-2310-02

West Coast Plaza, which underwent a \$26 million makeover by Far East Organization, is currently close to 70 per cent leased, ahead of its soft launch on Nov 15. Property developer Far East has also committed \$1.6 million to advertising and promotion programmes for the mall till January 2009. Rentals at the mall, which has a net lettable area of 160,000 square feet, will range from \$7 to almost \$30 per sq ft per month. The mall has set aside 31 per cent of its three floors of retail space for food and beverage outlets. Susan Leng, deputy director for retail management at Far East Organization, told BT that this is in line with the trend of Singapore's malls 'going bigger with food'. The proportion of retail space typically allocated to eateries across Far East's malls has grown from 20 to 25 per cent previously to between 28 and 35 per cent now, she said. The refurbished West Coast Plaza will feature an alfresco dining area targeted at the visitors it aims to draw - students and working professionals from educational and research institutions nearby, and families from private residences in the area. Positioned as a 'mid-market suburban mall', West Coast Plaza's anchor tenant will be Cold Storage supermarket.

'Buy property stocks now, reap fruits later'. (23/10 – BT) Ref: BT08-2310-04

Wheelock Properties (Singapore) CEO David Lawrence, in his private capacity, is currently investing in Singapore property counters. Although Wheelock is in the business of selling apartments, Mr Lawrence reckons that next year may be a better time to buy condos. Instead, his advice to investors looking for value is to buy property counters at the moment 'because they are so cheap and can give you great returns over the next couple of years', he said in a recent interview with BT. 'The indirect market - which is property counters - is completely out of line with the physical market. So the real value at the moment - and it won't be there for long - is the indirect market. Some of these shares have come down so much. They're good companies. 'It's an arbitrage opportunity, because they've come down so much they bear no relationship to property prices. What's probably going to happen is that stock prices will go up, property prices will come down a little. They will meet eventually but at the moment there is a big arbitrage opportunity for people,' he added. He acknowledged that it will be a tough couple of years for the local property market. 'But then Singapore is going to be the big beneficiary of this crash, crisis, credit crunch, whatever you call it. Because there aren't many places like this left to go. I have a lot of international friends - from Europe, India, China, USA - with lots of money who will be retiring or moving to Singapore.'

Mover and Shakers!

YTL launches Sandy Island villas on Sentosa Cove. (16/10 - BT) Ref: BT08-1610-02

Ultra-high net worth individuals with at least \$13.9 million to spare will now have a new piece of luxury to own - a Sandy Island villa on Sentosa Cove - after Malaysia's YTL Group launched its collection of 18 waterfront villas here yesterday. Nestled within a tropical rainforest setting, the villas have generated strong local and global interest, said YTL Group. Three villas have been sold, and the highest price registered so far stands at \$2,100 per square foot (psf). The 99-year leasehold properties have built-up areas ranging from 7,500 to 9,200 sq ft. Designed by Italian architect Claudio Silvestrin, whose work includes the Giorgio Armani flagship stores, each villa is unique in layout and furnishings. Gardens for the villas as well as the island's lush setting are the works of Jamie Durie, one of Australia's best landscape designers. 'Singapore is an increasingly sophisticated country attracting the global affluent who want to buy luxury landed property, which is permitted only in Sentosa Cove. These wealthy individuals expect the best,' said Francis Yeoh, chairman of YTL Corporation, parent of the YTL Group.

Sime Darby Prop to boost portfolio through selective purchases. (23/10 - BT) Ref: BT08-2310-01

Sime Darby Property Berhad (SDP), a unit of Malaysian conglomerate Sime Darby, is looking to grow its portfolio in Singapore through selective buys. 'We are looking at all sectors (for acquisitions),' said Ang Lip Chor, general manager of the property division in Singapore. 'The property sector here still seems to be holding up. We are looking at things on a case-by-case basis.' The company held a news conference for journalists from Singapore and Malaysia to update them on its portfolio in Singapore. Right now, SDP has two sites in Singapore - a small site in Orchard and another in Tanjong Rhu. A warehouse is on the latter, which SDP intends to redevelop into a residential project in a few years. The company has developed and sold several residential properties in Singapore, including the upmarket Balmoral Hills in District 10 and The Orion in the Orchard area. Apartments at the 46-unit The Orion, which SDP said was its flagship residential project in Singapore, sold for an average \$2,500 per square foot (psf). SDP also manages \$470 million of property assets in Singapore. In the last financial year, its Singapore portfolio accounted for 15 per cent of the company's bottom line.