

SINGAPORE

LUXURY RESIDENTIAL MARKET

2009 / 2010

"The recent financial crisis caused many investors to recognise GCB as stable investments that are comparatively less risky than other forms of investments. With such optimism in the market, prices of GCBs could increase further in 2010."

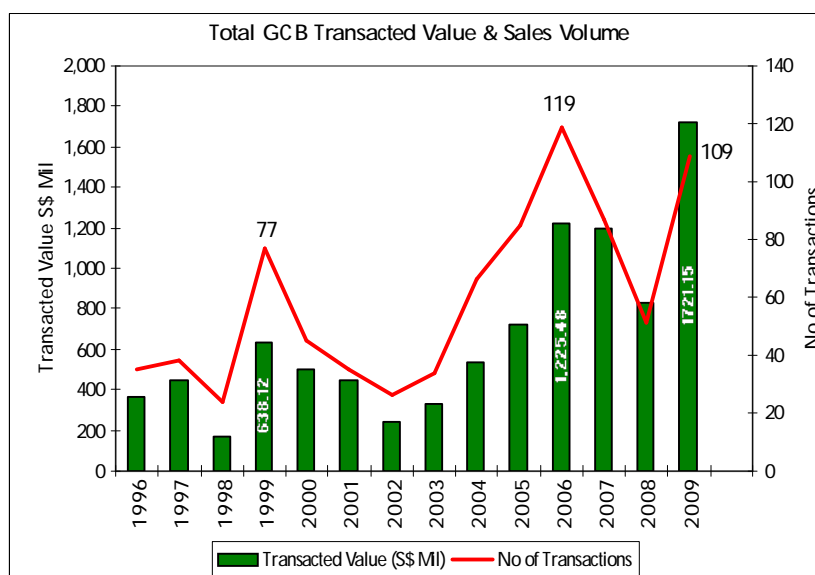
Douglas Wong

Director, Luxury Homes, CB Richard Ellis (Pte) Ltd

2009 – A RECORD YEAR FOR GOOD CLASS BUNGALOWS (GCBs)

Despite the bleak economic outlook, 2009 was a brilliant year for the GCB market. The total value chalked up was the highest since data was first made available in 1996, with 109 transactions amounting to \$1.721 billion, far surpassing market expectations. The month of July saw the highest number of 23 GCB caveats lodged in a single month.

GCB Transactions			
Year	No. of GCB sales	Total Transacted Value \$ million	Average Price \$ psf
1996	35	367.88	492
1997	38	448.24	642
1998	24	168.90	352
1999	77	638.12	397
2000	45	496.22	424
2001	35	444.99	355
2002	26	243.89	433
2003	34	327.39	350
2004	66	539.45	377
2005	85	719.13	373
2006	119	1,225.48	501
2007	87	1,197.31	681
2008	51	826.72	820
2009	109	1,721.15	831



Source: URA; CBRE Research

Buyers who had earlier expected prices of GCBs to dip had decided to make their purchases before prices increased further as the equity market and sentiments improved. The recent financial crisis caused many investors to recognise GCB as stable investments that are comparatively less risky than other forms of investments. With such optimism in the market, prices of GCBs could increase further in 2010.

While it is not possible to pinpoint the price increase on a per square foot basis due to the unique features and rules governing the sale of GCBs, anecdotally, an overall quantum of \$20 million and above per transaction has been recurring more regularly. In 2009 there were 21 transactions at \$20 million and above, compared to only 12 in 2008, 9 in 2007, and a mere 4 in 2006.

Basically, GCB prices are determined by three factors. The first of these is location. While there are 39 designated bungalow areas in Singapore, some addresses are more exclusive than others, such as those in district 10 and 11 compared with those in districts 20, 21 and 23. This explains the popularity and higher volume of transactions in Nassim, Dalvey and Tanglin areas, which are the prime pickings from the GCB crop. The second factor is the land itself which includes its shape, terrain, frontage and its potential for sub-division. The final factor is the house on-site, whether it is single- or double- storey and its age. Previously, before the escalation of construction costs in 2007, a bungalow on a GCB site made up around 20%- 25% of its total price. In recent months, it has risen to 25%-30%.

Most GCB sellers are people who have owned their GCBs for around 10 years, and who have bought their homes when prices were lower. They usually own more than one GCB. With the current high profit margins, they are prepared to cash out and invest in other areas. There are two categories of buyers. One group of buyers is young professionals in their late 30s who buy for their own stay. When in the past the typical age of a GCB buyer would be in the mid-40s, it would not be unusual to have a GCB buyer in the late-30s. The second group consists of ultra high net worth individuals who buy for long-term investment, and eventually passes on the properties to the next generation.

In recent months, young professionals and entrepreneurs and PRs have been observed to show keen interest in the GCB market, thereby driving up demand in a market that already has a limited supply. This trend is expected to continue in 2010, as younger affluent homebuyers recognize the investment value of GCBs.

Good Class Bungalows Sales in 2009					
No.	Property	Contract Date	Price (\$million)	Site Area (sf)	Price (\$psf on land)
1	28A Olive Road	Jan	\$6.80	15,059	\$452
2	8 Queen Astrid Gardens	Feb	\$11.40	15,920	\$716
3	39 Cornwall Gardens	Mar	\$9.29	16,092	\$577
4	33 Oei Tiong Ham Park	Apr	\$9.60	12,217	\$786
5	248 Holland Road	Apr	\$6.75	9,698	\$696
6	4A Bukit Sedap	Apr	\$12.20	17,212	\$709
7	3 Cluny Hill	Apr	\$18.38	19,569	\$939
8	22 Yarwood Avenue	Apr	\$9.00	15,134	\$595
9	26 White House Park	May	\$11.50	14,704	\$782
10	2 Binjai Rise	May	\$19.80	22,723	\$871
11	219 Jervois Road	May	\$13.00	15,070	\$863
12	12A Cable Road	May	\$12.00	17,018	\$705
13	2A Ridley Park	May	\$30.00	27,233	\$1,102
14	12 Queen Astrid Gardens	May	\$11.30	15,802	\$715
15	217 Jervois Road	May	\$19.80	21,044	\$941
16	9 Astrid Hill	May	\$13.00	21,119	\$616
17	37 Holland Park	May	\$12.00	22,206	\$540
18	67 Dalvey Road	May	\$16.00	15,102	\$1,060
19	5 Swettenham Road	May	\$13.00	15,242	\$853
20	1 Cluny Hill	May	\$16.20	14,983	\$1,081
21	129 Stevens Road	Jun	\$10.20	12,389	\$823
22	25 Chee Hoon Avenue	Jun	\$11.50	17,793	\$646
23	39A Ridout Road	Jun	\$20.00	40,677	\$492
24	32 Bin Tong Park	Jun	\$23.50	25,037	\$939
25	13 White House Park	Jun	\$15.00	15,210	\$986
26	3 White House Road	Jun	\$14.15	12,798	\$1,106
27	3A Ewart Park	Jun	\$8.25	11,033	\$748
28	20 Jalan Kampong Chantek	Jun	\$8.80	9,774	\$900
29	58 Garlick Avenue	Jun	\$10.89	11,367	\$958
30	18 Cluny Park	Jun	\$38.00	37,846	\$1,004
31	GCB Land at Cluny Road	Jun	\$14.90	15,100	\$987
32	26 Chancery Lane	Jun	\$13.50	26,641	\$507
33	2 Swettenham Road	Jul	\$29.20	33,293	\$877
34	66 Oriole Crescent	Jul	\$8.38	10,613	\$789
35	1Brizay Park	Jul	\$20.40	37,211	\$548
36	6 Leedon Park	Jul	\$19.37	15,166	\$1,277
37	14 Woollerton Drive	Jul	\$8.00	7,836	\$1,021
38	26A Sweetenham Road	Jul	\$11.21	16,006	\$700
39	21 Fifth Avenue	Jul	\$14.50	21,545	\$673
40	5A Rochalie Drive	Jul	\$18.32	21,303	\$860
41	GCB Land at Brizay Park	Jul	\$9.10	15,861	\$574
42	GCB Land at Dalvey Road	Jul	\$27.01	30,871	\$875
43	45 Belmont Road	Jul	\$30.50	31,129	\$980
44	33 Bukit Tunggai Road	Jul	\$11.00	15,296	\$719
45	16 Chancery Lane	Jul	\$12.39	20,387	\$608
46	42 Dalvey Road	Jul	\$19.00	18,363	\$1,034
47	56 Belmont Road	Jul	\$11.90	15,027	\$792
48	41 Oei Tiong Ham Park	Jul	\$10.00	10,699	\$935
49	8 Maryland Drive	Jul	\$12.95	13,487	\$960
50	63 Belmont Road	Jul	\$13.50	15,005	\$900

Good Class Bungalows Sales in 2009

No.	Property	Contract Date	Price (\$million)	Site Area (sf)	Price (\$psf on land)
51	5 Astrid Hill	Jul	\$20.50	31,356	\$654
52	11 Maryland Drive	Jul	\$22.80	19,171	\$1,189
53	9 Cassia Drive	Jul	\$7.80	10,463	\$746
54	33 Holland Park	Jul	\$9.50	18,463	\$515
55	59 Holland Park	Jul	\$8.63	16,307	\$529
56	10 Ash Grove	Aug	\$9.80	9,322	\$1,051
57	49 Oriole Crescent	Aug	\$10.50	10,484	\$1,002
58	35 Victoria Park Road	Aug	\$24.52	32,690	\$750
59	112 Eng Neo Avenue	Aug	\$14.28	17,072	\$837
60	12 Bishopsgate	Aug	\$19.03	16,555	\$1,150
61	21 Queen Astrid Park	Aug	\$24.00	27,373	\$877
62	565 Holland Road	Aug	\$8.88	9,053	\$981
63	30 Leedon Road	Aug	\$11.50	13,767	\$835
64	45A Ford Avenue	Aug	\$13.70	15,210	\$901
65	120 Windsor Park Road	Aug	\$12.50	21,399	\$584
66	34 Kingsmead Road	Aug	\$6.95	6,308	\$1,101
67	7 Peirce Hill	Aug	\$18.00	17,330	\$1,039
68	17 Brizay Park	Aug	\$13.70	17,804	\$769
69	38 Mount Echo Park	Aug	\$18.44	17,179	\$1,073
70	16 Joan Road	Aug	\$13.30	27,125	\$490
71	22 Rebecca Road	Aug	\$10.60	9,989	\$1,061
72	GCB land at Jervois Road	Aug	\$6.00	22,608	\$265
73	GCB land at Cluny Road	Aug	\$19.00	15,100	\$1,258
74	25 Gallop Road	Sep	\$14.50	15,888	\$913
75	67 Windsor Park Road	Sep	\$14.50	22,443	\$646
76	22 Joan Road	Sep	\$12.00	15,651	\$767
77	16 Leedon Park	Sep	\$20.10	52,528	\$383
78	5A Bishopsgate	Sep	\$19.50	12,443	\$1,567
79	8E Gallop Road	Sep	\$19.50	13,304	\$1,466
80	12 Kingsmead Road	Sep	\$8.03	9,978	\$805
81	59 Binjai Park	Sep	\$16.50	23,143	\$713
82	26 Olive Road	Sep	\$24.90	45,273	\$550
83	10 Jervois Hill	Sep	\$14.88	15,186	\$980
84	23 Olive Road	Oct	\$9.50	17,029	\$558
85	16 Ford Avenue	Oct	\$15.80	15,070	\$1,048
86	61 Belmont Road	Oct	\$27.35	29,310	\$933
87	5 Chatsworth Park	Oct	\$37.50	43,497	\$862
88	39A Ridout Road	Oct	\$37.00	40,677	\$910
89	25 Olive Road	Oct	\$16.30	15,371	\$1,061
90	6A Leedon Park	Oct	\$35.50	25,231	\$1,407
91	20 Victoria Park Road	Oct	\$38.67	32,077	\$1,205
92	GCB land at Peel Road	Oct	\$13.00	15,450	\$841
93	GCB land at Cluny Park	Oct	\$14.70	15,495	\$949
94	10A Dalvey Estate	Nov	\$16.01	15,134	\$1,058
95	20 Astrid Hill	Nov	\$25.75	26,512	\$971
96	GCB land at Dalvey Road	Nov	\$18.93	15,771	\$1,200
97	GCB land at Swettenham Road	Nov	\$13.00	15,450	\$841
98	68 Binjai Park	Nov	\$15.85	20,000	\$792
99	24 Swettenham Road	Nov	\$11.33	16,286	\$696
100	23 Dunearn Close	Nov	\$7.50	7,739	\$969
101	4 Bin Tong Park	Dec	\$25.00	26,253	\$952
102	7 Swettenham Green	Dec	\$17.50	17,653	\$991
103	GCB land at Olive Road	Dec	\$10.00	16,092	\$841
104	3 Ash Grove	Dec	\$9.80	10,645	\$920
105	442A Holland Road	Dec	\$14.25	13,982	\$1,019
106	264 Holland Road	Dec	\$14.00	18,245	\$767
107	15 Rebecca Road	Dec	\$12.00	13,789	\$870
108	5A Bishopsgate	Dec	\$19.55	16,867	\$1,159
109	15 Sunset Avenue	Dec	\$10.60	10,180	\$1,041

OUTLOOK

As economic fundamentals catch up with sentiment in the residential market in 2010, the outlook for GCB market remains healthy. Given an expected stable GCB market in 2010, the total transacted value could range from \$1.2 to \$1.4 billion with 80 to 90 transactions. This is lower as the majority of buyers could have already made their purchases in 2009 itself.

Good C class Bungalow Areas In Singapore

District 10

Belmont Park
Bin Tong Park
Brizay Park
Bukit Sedap
Chatsworth Park
Cluny Hill
Cluny Park
Cornwall Gardens
Dalvey Estate
Ewart Park
First / Third Avenue
Ford Avenue
Fourth / Sixth Avenue
Gallop Road / Woollerton Park
Garlick Avenue
Holland Park
Holland Rise
Leedon Park
Maryland Estate

(con't District 10)

Nassim Road
Oei Tiong Ham Park
Queen Astrid Park
Rebecca Park
Ridley Park
Ridout Park
Victoria Park
White House Park

District 11

Bukit Tunggal
Caldecott Hill Estate
Camden Park
Chee Hoon Avenue
Eng Neo Avenue
Raffles Park
Swiss Club Road

District 20

Windsor Park

District 21

Binjai Park
Kilburn Estate
King Albert Park

District 23

Chestnut Avenue

Luxury Apartments for Sale

Ardmore II	Ochard Scotts	The Cosmopolitan
Ardmore Park	One Shenton	The Grange
Aspen Heights	Parkview Eclat	The Hamilton Scotts
Beaufort On Nassim	Paterson Linc	The Ladyhill
Boulevard Vue	Paterson Residence	The Marq
Cairnhill Residences	Reflections At Keppel Bay	The Oceanfront At Sentosa Cove
Centennia Suites	Regency Park	The Orchard Residences
Cuscaden Residences	Scotts Highpark	The Paterson Edge
Four Seasons Park	Scotts Square	The Sail @ Marina Bay
Grange Infinite	St. Regis Residences	The Suites At Central
Grange Residences	St. Thomas Suites	The Tate Residences
Marina Bay Residences	The Berth By The Cove	The Trillium
Marina Bay Suites	The Boulevard Residences	Tribeca
Nassim Park Residences	The Claymore	Trilight
Newton Suites	The Coast At Sentosa Cove	

Get the maximum results from your investment. Engage Luxury Homes today.

Douglas Wong
Director, Luxury Homes
Residential Services
CB Richard Ellis (Pte) Ltd

DID : 6326 1214
Fax : 6225 1987
Mobile : 9456 7193
Email : douglas.wong@cbre.com.sg

Sharon Lee
Senior Marketing Executive, Luxury Homes
Residential Services
CB Richard Ellis (Pte) Ltd

DID : 6326 1670
Fax : 6225 1987
Mobile : 8101 5665
Email : sharon.lee@cbre.com.sg