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Real Estate
Daily News

2015

Singapore Economy

Retail sales surge 6.1% in August, again on exuberant car buying

Once again, a huge surge in motor vehicle sales lifted Singapore's retail sales in August, far beyond the market's expectations. In year-on-year terms, retail sales grew 6.1 per cent, according to data released by the Department of Statistics on Thursday. Excluding the massive 43.9 per cent jump in car sales, retail sales would have increased by a more moderate 1.3 per cent.

<http://www.businesstimes.com.sg/government-economy/retail-sales-surge-61-in-august-again-on-exuberant-car-buying>

NUS to launch smart nation research cluster

Now, Professor Ho Teck Hua, the deputy president of research and technology at the National University of Singapore (NUS), wants to speed up the Republic's drive down the information superhighway - by creating a new smart nation research cluster at the university.

<http://www.straitstimes.com/singapore/nus-to-launch-smart-nation-research-cluster>

Singapore Real Estate

Normanton Park up for collective sale

Normanton Park condominium, located near Kent Ridge Park, will be put up for collective sale next Thursday after the requisite 80 per cent majority consent was secured from the owners. But consultants were quick to rain on the parade, saying that the site may be too big for the current appetite of developers, whose risk of holding large sites is exacerbated by the additional buyers' stamp duty that applies to unsold units five years after the land purchase date.

<http://www.businesstimes.com.sg/real-estate/normanton-park-up-for-collective-sale>

<http://www.straitstimes.com/business/property/normanton-park-condo-to-go-enbloc-largest-deal-in-singapore-since-2007?login=true>

Private home sales drop 34% in Sept to year's low

Sales of new private homes plunged 34 per cent last month to their lowest this year, as developers refrained from launching new projects because of both the Hungry Ghost Month and the General Election (GE), while multiple headwinds continued to keep buyers cautious.

<http://www.todayonline.com/singapore/private-home-sales-drop-34-last-month>

Macroeconomic volatility weighs on new home sales

Macroeconomic volatility rocked Singapore's property market in September, when property developers sold only 341 private homes - the lowest figure so far for 2015, said the Urban Redevelopment Authority (URA) on Thursday. The number of units sold, which excludes executive condominiums (ECs), is 34 per cent lower than the 513 units moved in August; the figure also falls far short of the 648 units sold in September 2014.

<http://www.businesstimes.com.sg/real-estate/macroeconomic-volatility-weighs-on-new-home-sales-0>

Singapore family offices give better returns compared to peers in Asia-Pacific: Survey

Family offices - private investment firms that manage the assets of wealthy families - in Singapore generated better returns last year compared to their counterparts in the region, according to a report released on Thursday (Oct 15). A survey by Campden Wealth Research and UBS showed that family offices in Singapore posted returns of 6.9 per cent on average in 2014, better than the 6.3 per cent average of family offices across the Asia-Pacific.

<http://www.channelnewsasia.com/news/singapore/singapore-family-offices/2194674.html>

S'pore prime-office rents may fall 3% in next 3 years

Prime-Office rents in Singapore could see an overall 3 per cent drop over the next three years, as some 7.6 million square feet of new office supply in gross floor area (GFA) will come on stream. This is taking place in contrast to the double-digit office rental growths that will be seen in other Asian cities such as Mumbai, Melbourne, Bengaluru and Hong Kong, according to Knight Frank.

<http://www.businesstimes.com.sg/real-estate/spore-prime-office-rents-may-fall-3-in-next-3-years>

S'pore still a top-20 investment destination for commercial real estate

Singapore remains among the top 20 investment destinations for commercial real estate, according to the latest global data released by CBRE. Commercial real estate investment for Singapore reached US\$2.4 billion in the first half of 2015, bringing the country up from 18 to 17 in the rankings from last year.

<http://www.businesstimes.com.sg/real-estate/spore-still-a-top-20-investment-destination-for-commercial-real-estate>

Thomson Impressions to be launched at S\$1,400 psf on average

China-based Nanshan Group is set to launch its maiden private condominium project in Singapore at an average price of S\$1,400 per square foot (psf) when it starts selling on Oct 31. The public preview for the 288-unit Thomson Impressions at Lorong Puntong will commence this Saturday.

<http://www.businesstimes.com.sg/real-estate/thomson-impressions-to-be-launched-at-s1400-psf-on-average>

CMT to sell Rivervale Mall for S\$190.5m

The manager of Capitaland Mall Trust (CMT) announced on Thursday that CMT has agreed to sell its property, Rivervale Mall, to a private equity fund managed by AEW Asia for S\$190.5 million. Located in Sengkang New Town, Rivervale Mall is held on a 99-year leasehold title starting from Dec 6, 1997, with a remaining lease term of approximately 81 years. Completed in 2001, it is a three-storey shopping mall with a net lettable area of 81,159 square feet. The mall was fully occupied as at Sept 30, 2015. Major tenants include NTUC, Daiso, McDonald's and United Overseas Bank.

<http://www.businesstimes.com.sg/companies-markets/cmt-to-sell-rivervale-mall-for-s1905m>

<http://www.straitstimes.com/business/property/normanton-park-condo-to-go-enbloc-largest-deal-in-singapore-since-2007?login=true>

Companies' Brief

CapitaLand

A consortium of Norway's sovereign wealth fund (Norges Bank Investment Management) and CapitaLand has been chosen as the preferred bidder for Asia Square Tower One. It is being sold by BlackRock Inc in what could become the biggest office deal in Singapore.

<http://www.businesstimes.com.sg/stocks/brokers-take-54>

Soilbuild

Soilbuild Business Space Reit reported gross revenue and distribution per unit growing 22.4 per cent and 5.1 per cent year-on-year to S\$2.07 million and 1.625 Singapore cents respectively. This was within our expectations. Net property income (NPI) jumped 25.3 per cent y-o-y to S\$17.8 million, resulting in a two percentage point expansion in NPI margin to 85.9 per cent.

<http://www.businesstimes.com.sg/stocks/brokers-take-54>

Sabana Reit

Sabana Shari'ah Compliant Industrial Real Estate Investment Trust (Sabana Reit) has chalked up a 2.2 per cent drop in distribution per unit to 1.77 cents for the third quarter. This was despite income available for distribution rising by 2.2 per cent to \$13 million for the three months to Sept 30.

<http://www.straitstimes.com/business/companies-markets/company-briefs-sabana-reit?login=true>

Financing offer for A-Reit's perpetual bonds

Maybank Kim Eng is providing financing for Ascendas Real Estate Investment Trust's (A-Reit) subordinated perpetual securities, which pay a distribution rate of 4.75 per cent. Retail investors can borrow up to 70 per cent of their investment at 1.88 per cent, a spokesman said.

<http://www.straitstimes.com/business/companies-markets/financing-offer-for-a-reits-perpetual-bonds>

Hedging pays off as Keppel DC Reit's Q3 distributable income beats forecast

Having hedges in place paid off in the third quarter for data centre owner Keppel DC Reit, whose trust manager also got a jump in performance fees after completing the purchase of an Australian property in August.

<http://www.businesstimes.com.sg/companies-markets/hedging-pays-off-as-keppel-dc-reits-q3-distributable-income-beats-forecast>

<http://www.straitstimes.com/business/companies-markets/company-briefs-sabana-reit?login=true>

Regina Lim to join JLL in newly created post covering S-E Asia

Regina Lim, former head of Singapore equity research at Standard Chartered Bank, is joining property consulting giant JLL in a newly created position as national director, advisory and research next month.

Chris Fossick, managing director, Singapore and South-east Asia at JLL, said: "Regina will cover investment, corporate finance advisory and research within Singapore and South-east Asia, and have a specific focus on helping the various teams understand potential opportunities within regional Reits and the corporate real estate sector, in addition to assisting in research.

<http://www.businesstimes.com.sg/real-estate/regina-lim-to-join-jll-in-newly-created-post-covering-s-e-asia>

Kwek Leng Beng receives HICAP Lifetime Achievement Award

Kwek Leng Beng, executive chairman of Hong Leong Group Singapore and chairman of London-listed Millennium & Copthorne Hotels plc (M&C), received the Lifetime Achievement Award from Hotel Investment Conference Asia Pacific (HICAP) in Hong Kong on Thursday. He is the first Singaporean to win the award. The last time this award was given out was in 2011, to Marilyn Carlson Nelson, chairman of Carlson Inc.

<http://www.businesstimes.com.sg/real-estate/kwek-leng-beng-receives-hicap-lifetime-achievement-award>

Views, Reviews & Forum

A wishlist for the new MND minister to consider

Dear Mr Lawrence Wong, several key issues require your immediate attention. Housing supply is flooding the market I am fully supportive of the long-term economic growth target of 2 per cent to 3 per cent annually, and the population planning parameter of 6.9 million by the year 2030, provided that public infrastructure, including for healthcare, transport, education and utilities, has sufficient capacity.

<http://www.todayonline.com/business/wishlist-new-mnd-minister-consider>

Smart cities can change the way we pay

The pace of technological developments over the past decade surpasses anything the world has seen before. Hardly a day seems to go by without news of a new innovation, many of which are impacting our everyday lives, making once hypothetical sci-fi cities an increasingly realistic possibility in this generation's lifetime.

<http://www.businesstimes.com.sg/opinion/smart-cities-can-change-the-way-we-pay>

Global Economy & Global Real Estate

McDonald's Close to Making a Decision on Real-Estate Structure

<http://www.bloomberg.com/news/articles/2015-10-15/mcdonald-s-close-to-making-a-decision-on-real-estate-structure>

Blackstone Planning New European Real Estate Fund, James Says

<http://www.bloomberg.com/news/articles/2015-10-15/blackstone-planning-new-european-real-estate-fund-james-says>

Rajan Gives Fillip to Modi's Goal of Housing for All by 2022

<http://www.bloomberg.com/news/articles/2015-10-14/rajan-gives-fillip-to-modi-s-goal-of-housing-for-all-by-2022>

NYC's Luxury-Condo King Shifts Gears in Bid for Chinese Buyers

<http://www.bloomberg.com/news/articles/2015-10-14/nyc-s-luxury-condo-king-shifts-gears-in-bid-for-chinese-buyers>

Additional Articles of Interests – Local & Overseas Real Estate

Local & Overseas Real Estate - Full Article

<http://www.stproperty.sg/articles-property/singapore-property-news/c/11>

<http://business.asiaone.com/property/news>

<http://www.propertyguru.com.sg/market-news>

<http://www.btinvest.com.sg/property>

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About REDAS

The Real Estate Developers' Association of Singapore (REDAS), established in 1959, is Singapore's premier business association in the real estate and development industry. REDAS represents some 300 members comprising developers, builders, real estate consultancies and allied professionals, bankers, REITs and fund managers. The Association actively engages regulators, policy makers and private sector partners to promote best practices and to support the growth of a vibrant and progressive industry for the creation of quality real estate in Singapore. REDAS regularly organizes activities such as networking sessions, seminars, charity golf tournaments and international business missions. To uphold the quality of products of members, REDAS also provide conciliation panel services for purchasers of residential property.

For enquiries, please contact:

REDAS: Benjamin Lim, Tel: 6336 6655 | E-mail: benjamin@redas.com

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Real Estate Developers' Association of Singapore

190 Clemenceau Avenue, #07-01 Singapore Shopping Centre, Singapore 239924

Tel: 6336 6655 Fax : 6337 2217