



HIGHLIGHTS

Singapore to emerge as winner in Southeast Asia as peers as region races to vaccinate its population.

Budget 2022 was delivered on 18 Feb. Property Taxes for luxury properties to take biggest hit.

Feb 2022 BTO Launches, 6 projects in 4 estates. Yishun to be the cheapest launch with the shortest wait time of 3 years. King George's Heights, the 2nd PLH model also launching cheaper than previous launch in Rochor.

Jalan Tembusu site & Lentor Hills (Parcel A) site tender results shows signs of market optimism slowing down amidst cooling measures, despite dwindling supply.

Tanglin Shopping Centre finally sold on 4th attempt, 10% higher than reserve price.

SEA Market Outlook

Budget 2022: Taxes

BTO Feb Launch

Land Sales

Orchard Towers

Tanglin Shopping Centre



Property Market Outlook: Southeast Asia

Singapore's property market is likely to emerge faster than its Southeast Asian peers from the slump induced by Covid-19 as the region races to vaccinate its population, according to analysts.

Long seen as a safe haven, Singapore's properties have remained resilient through the pandemic with prices rising 13% on average over the last two years to outperform the rest of the region.



SINGAPORE saw private home prices climb for a seventh consecutive quarter in the October to December period, according to URA. The 5% rise was the steepest rate of quarterly growth since the second quarter of 2010. For the full-year, private home prices rose by 10.6%, the most since 2010.

VIETNAM is showing signs of an upswing. Its residential market is gaining ground with foreign investors. About 20% of units in CapitaLand's high-end project in Ho Chi Minh City sold out within two hours of a preview, were bought by non-residents. In December, Singapore's Keppel Land bought a 49% stake in three residential plots in Hanoi for about \$160 million, suggesting a positive outlook for Vietnamese real estate. Besides an apparent uptick in housing demand, Vietnam's logistics and industrial property markets have also performed well.

On the other hand, **MALAYSIA**, the **PHILIPPINES** and **THAILAND** are likely to face challenges this year. Home prices in Manila, Kuala Lumpur and Penang are still between 3% and 7% below pre-pandemic levels, while those in the Indonesian capital of Jakarta are largely flat.

BANGKOK's [apartment] market is still down, with the pandemic continuing in full force, uncertainties still cloud the outlook of Bangkok's recovery from Covid-19, with homebuyers pulling back purchases. It remains challenging for developers to stay positive, and many are delaying project launches by at least another six to nine months.

Property Taxes: Budget 2022

ANNUAL VALUE	EXAMPLE OF TYPE OF PROPERTY	NON-OWNER-OCCUPIED RESIDENTIAL PROPERTIES			
		ANNUAL PROPERTY TAX PAYABLE UNDER CURRENT RATES (A)	ANNUAL PROPERTY TAX PAYABLE UNDER NEW RATES		
			2023 (B)	2024 (C)	FINAL INCREASE COMPARED TO CURRENT (C-A)
S\$10,000	HDB flat	S\$1,000	S\$1,100	S\$1,200	+S\$200
S\$30,000	Suburban condominium; landed property	S\$3,000	S\$3,300	S\$3,600	+S\$600
S\$40,000	Codominium in central location; landed property	S\$4,200	S\$4,900	S\$5,600	+S\$1,400
S\$70,000	Large landed property	S\$8,500	S\$11,550	S\$14,400	+S\$5,900
S\$150,000	Larger landed property	S\$24,000	S\$33,150	S\$43,200	+S\$19,200

ANNUAL VALUE	EXAMPLE OF TYPE OF PROPERTY	OWNER-OCCUPIED RESIDENTIAL PROPERTIES			
		PROPERTY TAX PAYABLE UNDER CURRENT RATES (A)	PROPERTY TAX PAYABLE UNDER NEW RATES		
			2023 (B)	2024 (C)	FINAL INCREASE COMPARED TO CURRENT (C-A)
S\$10,000	HDB flat	S\$80	No change	No change	No change
S\$30,000	Suburban condominium; landed property	S\$880	No change	No change	No change
S\$40,000	Codominium in central location; landed property	S\$1,280	S\$1,380	S\$1,480	+S\$200
S\$70,000	Large landed property	S\$2,780	S\$3,930	S\$5,080	+S\$2,300
S\$150,000	Larger landed property	S\$12,580	S\$20,230	S\$27,980	+S\$15,400

Source: MOF

Budget 2022 “Charting our New Way Forward Together” was delivered by Singapore’s Finance Minister Lawrence Wong on 18 Feb 2022. Essence of Budget 2022 was the increment of tax as “Everyone will have to chip in, especially those with greater means.”

Singapore’s property tax rate will be adjusted based on the property’s annual value. The property tax rate for non-owner-occupied properties (such as investment homes) will be increased from the current 10%-20% to **11%-27% (from 1 January 2023) and 12%-36% (from 1 January 2024).**

For owner-occupied properties (your residential home) with an annual value in excess of S\$30,000, the tax rate on the excess will be increased from the current 4-16% to **5-23% (from 1 January 2023) and 6-32% (from 1 January 2024).** According to Wong, *this increase will impact the top 7 per cent of owner-occupied residential properties.* With this, it will increase the tax revenue of about \$380 million per year to Government funds.

How will this affect homeowners?

For own stay residential homes, HDB and Condos outside the Central Region will be largely unaffected, while the rest will see some increment.

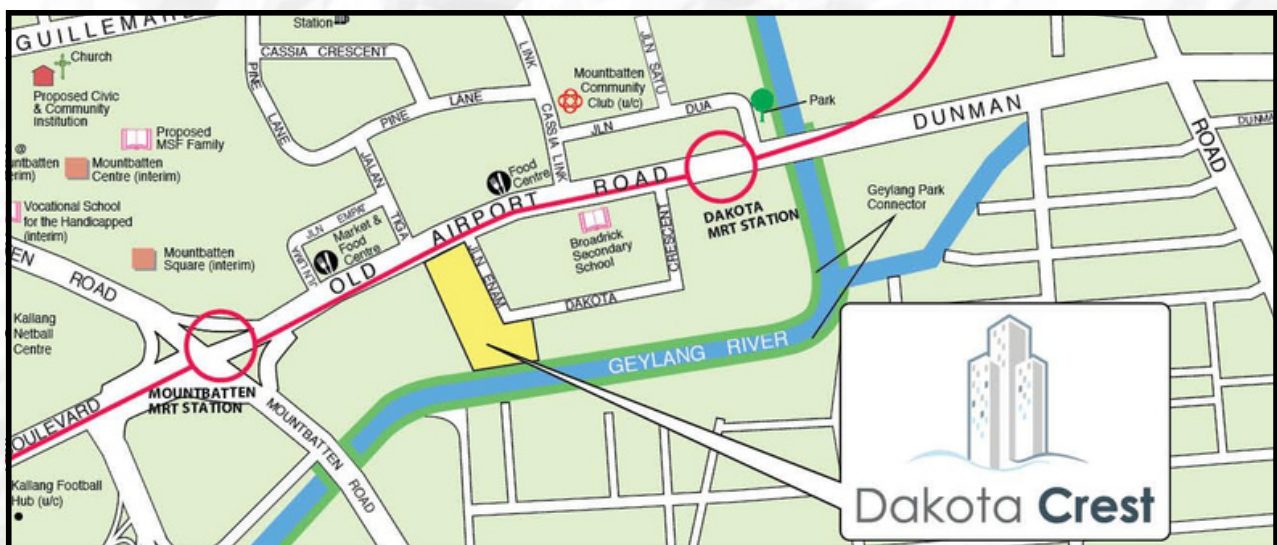
For multiple homeowners in Singapore, be prepared to pay more property tax next year. For investment properties in the Core Central Region with an annual value of S\$150k, the annual property tax can go to about S\$43k a year.

	TENGAH		YISHUN		GEYLANG	KALLANG/ WHAMPOA
BTO NAME	PARC Flora	PLANTATION CREEK	GROVE Spring YISHUN	YISHUN BOARDWALK	Dakota Crest	KING GEORGE'S HEIGHTS
ESTATE TYPE	NON-MATURE	NON-MATURE	NON-MATURE	NON-MATURE	MATURE	MATURE
FLATS AVAILABLE	560	713	987	852	443	398
FLAT TYPE(S)	2-RM Flexi 3-RM 4-RM 5-RM	4-RM 5-RM	2-RM Flexi 3-RM 4-RM 5-RM	2-RM Flexi 3-RM 4-RM 5-RM	2-RM Flexi 3-RM 4-RM	3-RM 4-RM
NEAREST MRT	Tengah Hong Kah Tengah Plantation	Tengah Hong Kah Tengah Plantation	Yishun	Yishun	Dakota Mountbatten	Lavender Jalan Besar
ESTIMATED 4-RM FLAT PRICE (Excl. grants)	~\$322,000	~\$309,000	~\$270,000	~\$276,000	~\$522,000	~\$488,000

find out which HDB BTO Launch **you should apply for...**

Seedly Reads

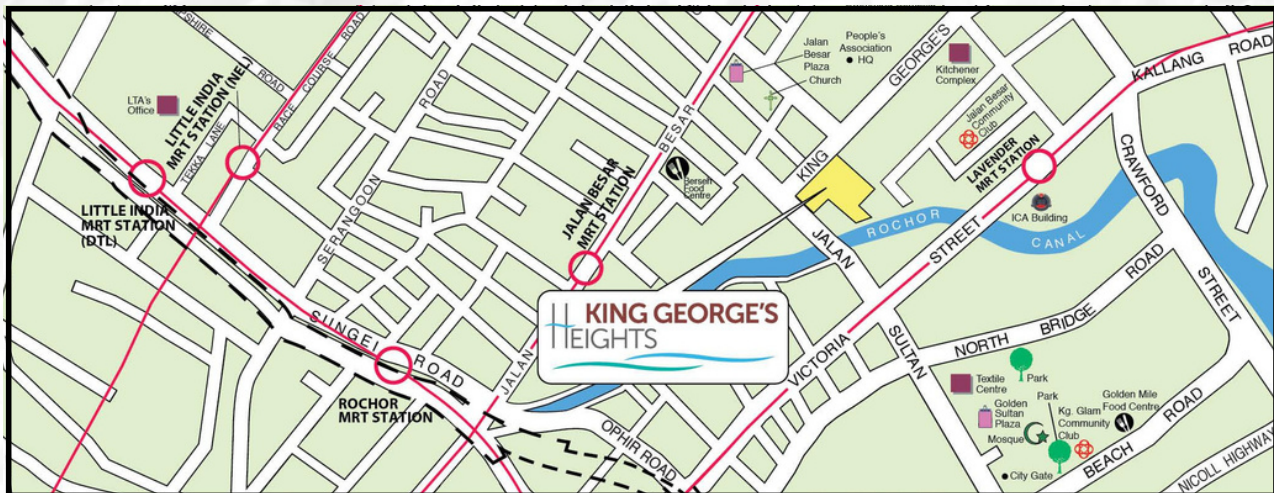
A total of **3,953** Build-To-Order (BTO) flats were launched for sale by the Housing Board on Thursday (Feb 17). The units are spread across six housing projects in four estates, in the first sale exercise of the year, with waiting times ranging from about three to five years.



DAKOTA CREST (Geylang)

443 units will be located on the waterfront, offering some unblocked views of the Geylang River. It will enjoy an enviable location on the city fringe, with Circle Line MRT stations Dakota and Mountbatten located about 5 minutes' walk away.

Future residents of the Feb 2022 Geylang HDB BTO project will face no shortage of amenities or food and drinking options thanks to the presence of numerous food and lifestyle hubs such as the Goodman Arts Centre, the Old Airport Food Centre and the chic Guillemard Road area.



KING GEORGE'S HEIGHTS (Kallang/Whampoa)

398 units under the PLH model comes with stricter buying and selling conditions including a 6% subsidy clawback clause upon their resale.

Prices range from \$353,000 to \$462,000, without grants, for a three-room flat, and \$488,000 to \$675,000 for a four-room flat, lower than those in the Rochor BTO project. Buyers will have to wait an estimated 5 years for these flats, as the project is estimated to be completed in the third quarter of 2027.



PLANTATION CREEK (Tengah)

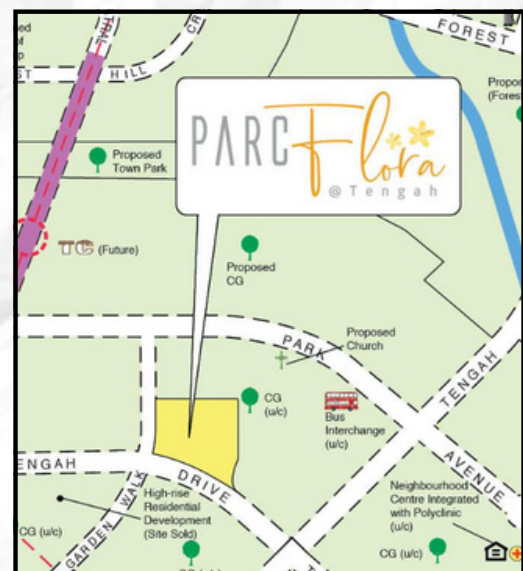
713 four-room and five-room flats are on offer on a site next to the Pan-Island Expressway (PIE).

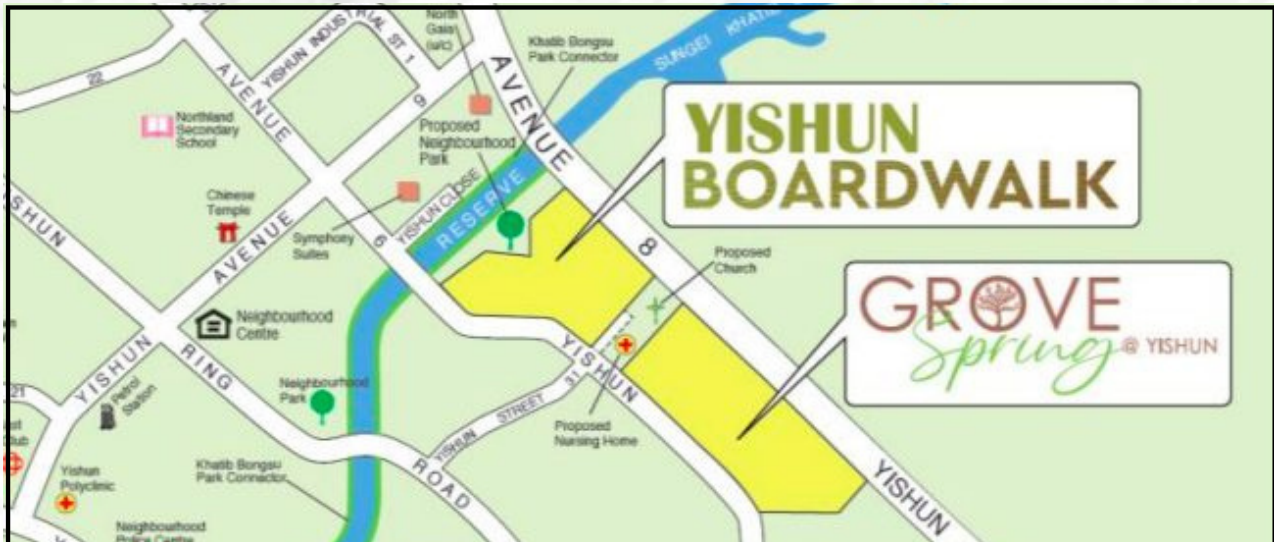
Prices start from \$309,000 for a four-room flat and \$420,000 for a five-room flat and these flats are slated for completion in 44 months - around 3½ years - in the second quarter of 2026.

PARC FLORA (Tengah)

560 two-room flexi, three-room, four-room and five-room flats are on offer in the Park district, where the car-free town centre is located.

Prices start from \$231,000 for a three-room flat, \$322,000 for a four-room flat and \$428,000 for a five-room unit. Buyers will have to wait 36 months - or 3 years - for these flats as the project is slated for completion in the third quarter of 2025.





GROVE SPRING (Yishun)

987 two-room flexi, three-room, four-room and five-room flats are on offer across eight blocks on a site bounded by Yishun Avenue 6 and Yishun Avenue 8.

Prices start from \$180,000 for a three-room flat, \$270,000 for a four-room and \$385,000 for a five-room unit, making them the most affordable in this sale exercise. Buyers will also have the shortest wait for these flats at 26 months - just over two years - as the project is slated for completion in the fourth quarter of 2024.

YISHUN BOARDWALK (Yishun)

852 two-room flexi, three-room, four-room and five-room flats are spread across eight blocks.

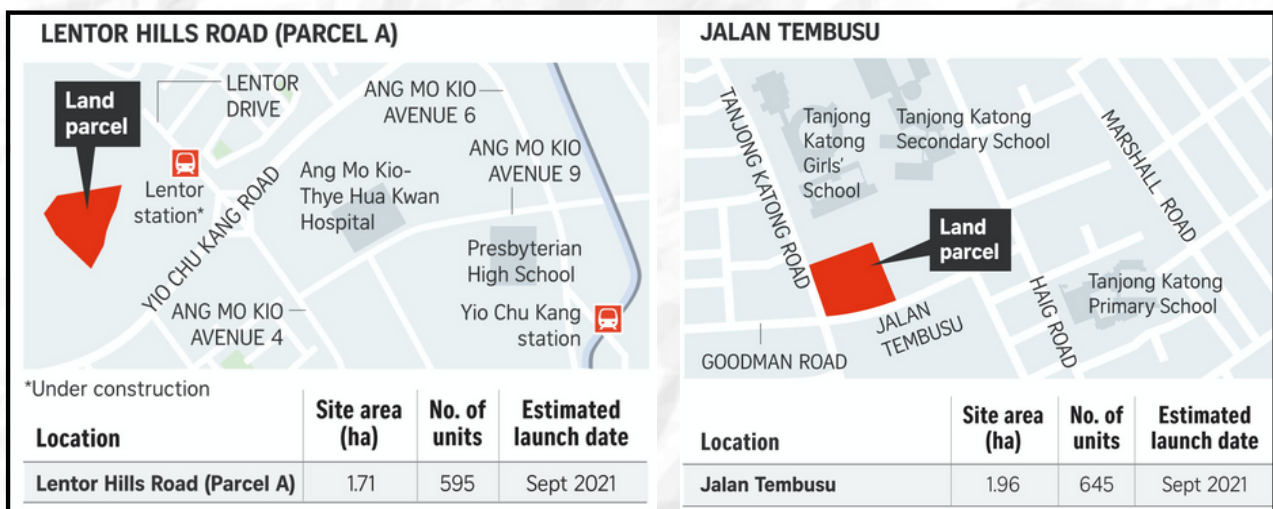
Prices start from \$189,000 for a three-room flat, \$276,000 for a four-room flat and \$410,000 for a five-room flat. The waiting time is also one of the shortest in this launch, at about 30 months - or 2½ years - as these flats are slated for completion in the second quarter of 2025.

Land Sales

At last week's Government Land Sales (GLS) tender, top bids broke an optimistic streak of rising land prices at state tenders last year. Among the key factors at play was uncertainty about construction costs - which have been pushed up by a labour shortage as well as supply-chain disruptions affecting building materials.

This would have led developers to factor a wider safety margin in arriving at their land bids. Also on the minds of developers are expectations of a rise in interest rates, and the latest property cooling measures unveiled in mid December.

On the other hand, developers' land banks are dwindling and the inventory of unsold private housing units continues to shrink. Owner-occupier demand for private homes remains stable particularly in the mass-market segment, buttressed by HDB upgraders.



At the corner of Jalan Tembusu and Tanjong Katong Road in District 15, fetched a top bid of **S\$1,302** per square foot per plot ratio (psf ppr) from Singapore residential property bellwether **City Developments (CDL)**.

For the other plot, near Lentor MRT station in the Ang Mo Kio planning area, **GuocoLand** partnered 2 privately held entities under Hong Leong Group Singapore to place the top bid of **S\$1,060** psf ppr.

Enbloc: Orchard Towers



At \$1.6 billion, **ORCHARD TOWERS** is potentially the most expensive Enbloc (if it goes through). Surpassing Farrer Court's (now D'Leedon), which went for \$1.34 billion in 2007.

Sitting in the prime shopping strip of District 9, Orchard Tower is a mixed-use development comprising of 2 buildings - 5 floors of retail and office space in the front building and 58 freehold residential units in the rear. Surrounded by popular malls such as The Forum Shopping Mall, Far East Shopping Centre, Wheelock Place and ION Orchard, as well as Orchard MRT station - no doubt a hot site for development. However, it's **enbloc potential remains largely uncertain**.

Additional Buyer's Stamp Duty (ABSD)

Under the new cooling measures, ABSD rates for Developers has gone up to 35% from 25%. A higher ABSD percentage poses a greater risk to property investors as they are required to complete and sell all units within a 5-year deadline. As a result, developers may hesitate to execute new projects, especially those that come with a large price tag.

Higher Labour & Construction Costs

Record-high commodity prices in Singapore are expected to persist for the rest of the year as the construction sector continues to grapple with rising price inflation, high material costs, and a shortage of skilled labour.

For example, prices of steel rebar jumped 46.9% last year while steel flat products climbed by 55.8% due to a combination of factors such as disruption in supply chains, higher input costs, and growing demand from steel-consuming industries.

Enbloc: Tanglin Shopping Centre



TANGLIN SHOPPING CENTRE in the Orchard Road area has been sold in a collective sale for **\$868 million** after three failed attempts. Tanglin Shopping Centre is a 12-storey complex with two basement levels and an annex eight-storey carpark. Its main complex was completed in the 1970s, while the office tower extension was finished in the early 1980s.

The last three collective sale attempts were in 2007, 2011 and 2017. The 2011 attempt had a reserve price of \$1.25 billion that was not met.

The Buyer

Pacific Eagle Real Estate, is a Singapore-based property investor and developer privately held by the Tanoto family. Indonesian billionaire Sukanto Tanoto's pulp, paper and palm oil giant Royal Golden Eagle – paid \$40 million above the guide price, and about 10 per cent over its \$785 million reserve price.

Price

At \$868 million, the freehold 364-unit commercial complex works out to **\$2,769 per square foot per plot ratio (psf ppr)** based on the gross floor area (GFA) of 313,435 sq ft and assuming full commercial usage.

Proceeds

Owners of retail units ranging from 300 sqft to 500 sqft stand to get between \$1.5 million and \$3.5 million, while owners of offices between 300 sq ft and 1,500 sqft are in line for \$900,000 to \$4.5 million.

About

Kelvin is an entrepreneur that loves inspiring others around him. After years of building a multi-million dollar transport business, he decided to sell it and join the Real Estate industry. He believes that the best way to help improve people's lives is not just by creating jobs, but also through education. He specialises in Private Residential Properties and created a framework called the "**UNFAIR ADVANTAGE**", a hand-crafted **Execution Strategy to help clients achieve their goals**.

RETIREMENT PLANNING

The key to success is by starting with the end in mind. Growing up in a HDB neighbourhood, he understands how difficult it is for average Singaporeans to save for retirement, yet alone leave a legacy for their loved ones. As long as your retirement is covered, the sky is the limit.

ASSET PROGRESSION

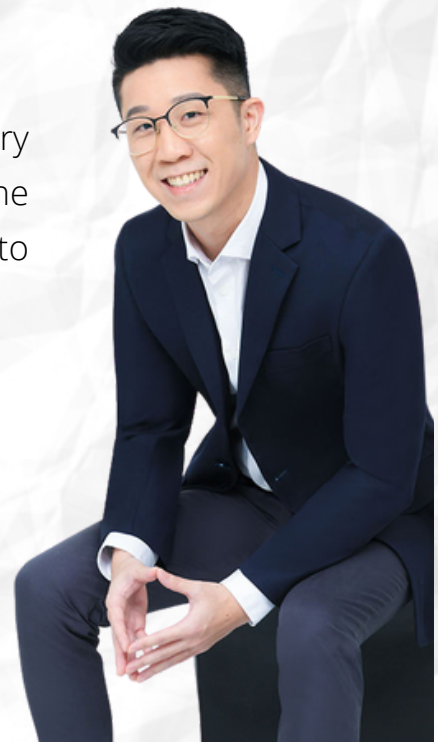
While it is necessary to plan for the long-term, it is also essential to live life to the fullest in the short-term. The trick is getting the right balance. If you fail to plan, you plan to fail.

CHOOSING THE RIGHT PROPERTY

A perfect plan is only as good as its execution. Every property is an important decision. There's always the best choice at every stage of the way, you just have to know how to spot one.



9722-2222 / info@Kelvinsin.sg



CEA: R062804F

Kelvin Sin