



Must Read

Maha Sasana Ramsi Burmese Buddhist Temple located at Tai Gin Road

Akyab Road, Martaban Road, Bassein Road, Pegu Road, Bhamo Road, Prome Road, Irrawaddy Road, Mandalay Road, and Rangoon Road, these are all familiar road names that are found in Balestier. However you may be surprised to know that they are named after Burmese themes.

If you are not, then you must have known there is a Burmese temple in Balestier, named Maha Sasana Ramsi Burmese Buddhist Temple located at Tai Gin Road since 1990, which was previously located at 17 Kinta Road, off Selangor Road. The familiar Burmese themed Road names are associated with the history of the Burmese origin in Singapore.

Founded by U Kyaw Gaung, a Burmese practitioner of traditional medicine, the temple was founded in 1921 when he brought to Singapore a 10-tonne, 11-foot high marble sculpture of the Buddha from Saygin Hill, a quarry north of Mandalay. The sculpture was placed in the temple's original location at 17 Kinta Road, off Serangoon Road and was only moved to its current location on Tai Gin road in 1990. Today, descendants of U Kyaw Gaung still live in Singapore and continue to be the trustees of the temple.

During Buddhist holidays and Burmese festivals, the temple sees a large congregation of the Burmese community in Singapore. There is a fair and celebration in the temple during the Burmese New Year, Thingyan (around April each year). However, the unofficial "Little Burma" in Singapore lies in the civic district. The usual congregation place for the Burmese community is at Peninsula Plaza where there is a supermarket, shops selling Burmese products and even a restaurant with menu in the Burmese language.

It is believed that the suggestion to name the road after Burmese towns and kingdoms came from an old and respected Burmese resident in the area. Others speculate that it could be because of the proximity to the Burmese temple's original location at Kinta Road or even named after various British conquests in parts of Burma! This is because the British colonised Burma from 1824 to 1948. Akyab Road (named after a port in Burma) Bassein Road (named after a river town) Bhamo Road (named after a Burmese town) Irrawaddy Road (named after the Irrawaddy river) Mandalay Road (named after the royal capital of Myanmar from 1860 to 1885) Martaban Road (road was named in 1929 to continue the Burmese theme in the area) Pegu Road (named after a river town) Prome Road (named after one of the oldest cities which was a commercial town and port in 1952) Rangoon Road (named after the administrative capital of British Burma)

Sun Yat Sen Nanyang Memorial Hall

Sun Yat Sen Nanyang Memorial Hall, which is also known as Wan Qing Yuan, is located at the Jalan Ah Hood, just off the Balestier Road. Tucked in the midst of HDB & private condominiums, it is sitting next to the **Burmese Temple** which is just by the side of the PIE flyer connecting to Toa Payoh. Surprisingly, Wan Qing is quite a serene and quiet place to enjoy in.

The quaint architecture with the simple landscaping has a charm to itself. Understand that it was previously burnt down and rebuilt to the current status. However it is quite a pity that the place was rather deserted during a Sunday afternoon I went. There wasn't even a single visitor, except a gardener was watering the plants in the garden. For your information, it charges an admission of \$4 per adult, \$3 per child and senior citizen. If you are coming in a group from school, the discounted fee is \$2.

Hopefully with the opening of Zhong Hua Park, Wan Qin Yuan can again gain its popularity and the places around could be revitalized with new buzz.



Zhong Shan Park at Balestier Road & Jln Ah Hood BUZZ....

I bypassed the site at Balestier Road & Jalan Ah Hood that day, and realized that the hoarding has been put up around the designated Zhong Shan Park. Not sure if you could recall, the land was released under Government land sales early 2008. I believe the project was put on hold for a period of time due to the economy downturn. However it seems that the site is going to kick start the project soon.

The site is of 4.6 hectares, is located across from the Sun Yat Sen Nanyang Memorial Hall. As the name Zhong Shan Park suggests, it is named after the Sun Yat Sen in Chinese. The site is zoned as hotel site, having gross floor area of 425,942 square feet, which can potentially yield some 675 hotel rooms. 4,844 square feet of space in the public park can be used for outdoor refreshment areas and tea pavilions.

Property developer Hiap Hoe has put in the top bid of S\$73.3 million for a hotel site in Year 2008. The price works out to S\$172 per square foot per plot ratio for the 99-year leasehold site. As illustrated in the artist impression on the hoarding, the development will be providing a strong linkage to the Sun Yat Sen Nanyang Memorial Hall, through a public greenpark with water body. It seems to be an exciting project, which may revitalize the Sun Yat Sen Nanyang Memorial Hall. Currently the Sun Yat Sen Nanyang Memorial Hall is pretty deserted even during the weekend. I thought this is quite a waste, given that the place is pretty lovely with the garden and good architecture. Maybe one suggestion to the board, we should waive the entrance fee and make it a place for the nearby residents to gather and enjoy.

Given the excitement commencing at the Zhong Shan Park, it is no surprise that the property at the area has been excelling in its transactions. Not to forget that Balestier Road is also known for its delicious local fares, such as Tau Sar Pia and Bak Kut Teh, that are tucked away in shophouses that line the road.

Cash Premiums for HDB flats hitting a record high

We are seeing much discussion surrounding the topic of excessive cash premiums for HDB flats, with buyers desperate to get into public housing market. The cash premiums, equivalent to Cash-over-Valuation (COV), has hit as high as the median at \$24,000 in the fourth quarter of last year, based on the Housing Board (HDB) data. In a way of saying, if the valuation of the HDB unit is \$400,000, the buyer may have to fork out around \$24,000 more on top to purchase it.

As the ERA Asia Pacific associate director Eugene Lim is putting across in the Straits Time headline dated 23 Jan 2010: "Valuation is lower than actual resale prices because it is based on past prices. Currently, the market is on the upswing and is therefore forward-looking; this explains the disparity between valuations and sellers' expectations in a hot market". To me, this has somehow explained my concern over the vicious cycle being formed highlighted in my earlier article: "Record breaking prices of HDB resale? Blame it on the valuation system."

With much of over optimism and unrealistic expectation towards the economy, real estate bubble can be easily formed. This could be explained by the demand & supply theory in Real Estate Economics.

The quantity of housing supply is from two sources: new constructed units from developers or HDB, and the existing stocks. The short term elasticity of housing supply is low, i.e. the responsiveness of the supply is slow towards the price change, since it takes time to construct new housing. Therefore we have been saying housing is lumpy in nature. However the long term elasticity of housing supply is high since there is incentive for developers to build more due to the high demand with good pricing. A bubble will burst when it comes a point that when the prices have risen a high while the housing supply releases far higher than the actual demand. When it happens, we will witness the housing pricing will suffer a free fall as we saw in the Asian crisis in 1998 compounded with a high interest rate.



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Cash Premiums /Cash over Valuation behave similar to the Price Earning (PE) of a stock unit in stock exchange. The higher you are willing to pay for the higher COV/PE implies the growth expectation you factor you. It implies the lower the dividend/rental yield you are able to get across the years. One thing different is that housing is much more complex in terms of its consumption and interesting characteristics that you might want to pay additional attention to it. Since the consumption of a single house means a lifetime commitment to most of us.

A day of a real estate agent in a housing boom time

Housing pricing is hitting a new high on the back of high demand from buyers, be it public HDB or private housing. Buyers are desperate to land a house fast before the sellers increase their selling price again. Yes, I am very busy now. After all, this is the best time we must work hard to get the best out of the market. And I am putting up some observations I see that are re-appearing since the peak in 2007.

The house sellers are at the upper hand in a boom time, especially when they are not in a hurry to sell. Today, the asking pricing of house owners is somehow pegged to the newspaper headline. When the newspaper publishes positive statistics by URA or HDB, or record breaking transactions of HDB and private launches, the asking prices will then be adjusted upwards. I have personally experience the price adjustment 2 times over 1 week. And I have to advise all the prospective buyers on this (which can be quite frustrating to some buyers).

In a boom time like we are facing now, we also tend to screen the buyers more strictly too (based on the request of owners). The prospective buyers are advised of the minimum asking price that the owners are asking for. In addition, my advice to my prospective buyers is to consult their bankers before they are out for

shopping. Once they really favor the house, it is best they are aware the financial strength before committing to the Option to Purchase. Since I ever have cases that the buyer did not manage to get the house they want, since they were not in time to confirm their financing package.

There is high optimism in the air, we agents can sense it so do the sellers and buyers. I am not sure how fast and how much the price hike is continuing. However I hope that the situation will moderate. Since everything builds up fast with no solid foundation on demand will not last long. As an agent, I will rather hope for a steady economy with ample transactions for us to work on, rather than a come and go boom that ends up no job for us.

Balestier: One of the many Tile shops

Balestier Road is a interesting place, that it consolidates many good things into one. It has many Bat Kut Teh stalls, many chicken and duck rice restaurants, light fitting shops, and today I passed by this tile shop that I couldn't resist the temptation to take some shots to share with you.

This is one of the many tile shops we have in Balestier Road. Lian Seng Heng is located at 568-A, Balestier Road. The shop is pretty packed. It shows that the property market is very good, that every one is renovating their new hom. Outside the shop shows a variety of stoneworks outside its corridor, from ceramic tiles to slates.

Here we see the palettes of different types of slates sample board. Aren't they beautiful? Most suitable to be used for external wall at garden area.

These panels appear to be homogenous tiles, which are pretty popular for its easy maintenance and wide variety of choices nowadays.



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This side displays the different choices of Ceramic Tiles. You will be amazed with the technology of ceramic tiles. It is no longer like the types we use in our traditional kitchen and toilets, limited color and boring in selection. Nowadays the ceramic tiles are able to mimic after timber boards, granite or marble texture.

How to differentiate a homogenous tile from ceramic tile? Homogenous tiles, as the name suggest, is homogenous throughout its section. If you happen to chip off a corner of it, it will appear the same pattern with the inner section. However with ceramic tile, the chipped off section will reveal the dark clayish body.

I love mottifs too. If they are used well, they can really bring out the beauty of the space.

These organic glassy mosaics are my favourite. Simply gorgeous!!!

I managed to source their website address. I would say their featured images are even more impressive. Welcome to check this out! <http://www.liansenghin.com.sg/>

Difference between an apartment and a condominium development ★

Many buyers wonder is there any difference between an apartment and a condominium development. However the importance of the titles has diminished with allowing foreigners to purchase apartments in non-condominium developments of less than 6 levels without the need to obtain prior approval.

In 1973, foreign ownership of private residential property has been restricted to condominium development and a flat with 6 levels or more development including HUDC Phase I, Phase II flats and privatised HUDC Phase III and IV flats. The Act aims to give Singaporeans a stake in the country by being able to buy and possess

their own residential property at an affordable price and also encourage foreign talent by allowing permanent residents and foreign companies who make an economic contribution to Singapore to purchase such properties for their own occupation.

However the Residential Property Act (RPA) was then amended on 19 July 2005 to allow foreigners to purchase apartments in non-condominium developments of less than 6 levels without the need to obtain prior approval. Therefore it is no longer important for developer to obtain condominium title to allow foreigners to purchase. The importance of condominium title has diminished with the waiver of the act for allowing only condominium to be purchased by foreigners. Developers do not need to rush to obtain the condominium title to broaden their market catchment to allow foreigners to purchase.

However if you still insist to know the difference between the two titles: Condominium requires a larger land area of at least 4,000 sqm, and is usually more generous provision of communal and recreational facilities in condominium flats. One more plus point, it is under the regulation that its site coverage should not exceed 40%. Therefore you will see that much of the space is dedicated to communal facilities which make the development more spacious in terms of planning. The communal facilities are under the common ownership of the residents and are provided for their enjoyment. The residential units are only allowed strata subdivision.

The Barber of Balestier

The simplicity of life we witness is more poignant and precious in today's materialistic life. A short film on the roadside barber in Balestier captured by Jeremy Chua has somehow touches my inner soul.

"What struck me about that barber was that,
he had a family to feed, and he
and his wife were able to do it
with their current jobs



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-it doesn't take a millionaire to raise a family.
I wonder how did they live, how did his sons cope,
how did his wife cope..
well, he seemed happy.
That's what mattered most I guess,
being happy, being content."

by Jeremy Chua

Construction in Progress: D'Ixoras

D'Ixoras is a freehold development located at 23 Minbu road, Singapore 308172, in District 11. It is located beside the Mandalay mansion, minutes away from Novena MRT Station. It will be completed in 2013 with 22 units, made up of 13 storeys. It is within 10 minutes walk to the nearby Novena MRT Station. Residents can do their shopping at the Novena Square & Square 2. Food lovers can enjoy a wide selection of local dishes at Balestier Road, the Singapore food street.

Piling has been completed. Superstructure work is proceeding towards the 2nd level of residential units. The developer is Singlap Company Pte Ltd.

Expected TOP stated in marketing brochure is 2013.

Construction in Progress: Sky @ Eleven

Sky @ Eleven is a freehold development located at 5 – 11 Thomson Lane, Singapore 297724, in District 11, near Toa Payoh MRT Station. Completed in 2009, it stands 43 storeys tall and comprises 273 units, overlooking the region around. As the photo shows, it should be TOP in weeks time. It is a project by SPH property development arm.

It may be worth noting that the nearby new project Cube 8 by CDL will be launching at \$1250 psf, which sounds a bit jaw-dropping to me. Quite an ambitious target price set it seems, especially the site is sitting close to the noisy fly-over and just next to its sibling development Arte (which was launched from \$880 to \$900 psf just last early year).

Cube 8 is a 36 storey condominium of 177 units, located at the site of the former The Albany & Thomson Mansion. They are the enbloc sites previously, which were held back for new launch in 2008 due to the poor market sentiment. Therefore you are able to see the developments were temporary provided as a short term accommodation. With the launch of Cube 8 confirmed, I believe the tenants will be packing and leaving soon.

Pls see the many sub-sale transactions of Sky Eleven in these recent months. The area per sq foot has reached as high as \$1,377.

Balestier Students' Hostel and Singkong Hall

If you patronize the Balestier Food market frequently, you might notice that there is a hostel just located right in front at the T-junction of Boont Teck Road & Balestier Road, Balestier Students' Hostel. It is a 4 storey building which in dull reddish brick faced finish, and it has stood there for more than 30 years. It is one of the more established hostel in Singapore, and is listed under the Singapore education website for foreign students accommodation. 46 no of rooms altogether, with 125 nos. of beds. It is quoted as \$1000 per pax for full board accommodation (Pls advise there is a change in the fee). The students aged of 6 to 16 years are accepted. The facilities and services available are quite full-fledged: Dining hall, classrooms, laundry service, catering, computer halls, games corner, school placement, application for student's pass, guidance on educational matters, supervised study hours, tuition in weak subjects (by special arrangement), comfortable air-conditioned accommodation, 24-hour



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security, internet access, free counselling, daily meals. I check out their facebook groups under Balestier Students' Hostel, and find many amusing entertaining stories happened in the hostel. It makes me miss my school time!!!

Down the road towards Shaw Plaza, there is another boarding school Singkong Hall located at the junction of Mandalay Road and Minbu Road. Totally different from Balestier Students' Hostel, it is away from the hustle & bustle of the main road. It appears to be a old school or hospital left from long time, which occupy a large piece of land. In the midst of the high-rise private apartments and condominiums, this boarding house appears out of the way. If someone knows about the history, it will be interesting if you could share it with us.

I tried to find out more on the boarding school, however it either the line couldn't get through if not they were not to assist my queries. If you are from Singkong Hall and staying, I welcome you to share the information with the other readers.

Record breaking prices of HDB resale? Blame it on the valuation system

Another record breaking news for HDB resale making the headline: A two-room flat in Chinatown was sold for \$245k, creating a new record for the re-sale price of HDB two-room flats.

Just few months back, we had a couple of Indonesian PR forking out \$653k to purchase a 4 room flat of 969 sf at Strathmore Avenue, making it a deal of \$674 psf. It may be true that now and then there will be individual cases buying at record breaking price due to personal preference & decision. And this may not form the bulk of the actual transactions in the market.

However the mass market perception is always easily molded by these news headlines and over-optimistic sentiment. We can see the many sellers start asking unrealistic prices, with astronomical cash over valuation (COV). And there will be people, like downgraded Private

residential unit owners or newly migrated PRs viewing and committing to it. Rather than just an individual and separate cases as assumed, we will be seeing a vicious cycle being formed, with negative externalities re-forcing each others. And what we will see? The Singaporeans are being squeezed out of the mass marketing.

Why do I say that? First I should go through the basis of most buyers will consider as most important in buying a HDB house: valuation. And what is valuation?

So how is a valuation determined? A fair market value could be defined as a transaction value that a property being changed hands between a willing and knowledgeable buyer & seller who are under no pressure to buy or sell. Most of time there will be a period of time, let's say 3 months transaction of comparable transaction for the valuers to work on. The valuers can only base on recent 'transacted transactions', together with other factors like location, storey height, internal condition, and special features. Therefore the recent record breaking transactions would have played a part in your housing valuation, be it you are the seller (u will be very happy) or the buyer (then u have to be very optimistic and rich) now.

I am not trying to raise the fear or alarm, yet I think that the Government has to look at it closely before it turns out to be a hot potato issue to be handled. The Government is releasing more lands to private sides, and launching more Build to Order housing to response the pent up demand. However we have yet to see how they come in to tackle the issue on the ever-increasing house pricing in line with the nation's affordability. The price of the new price is somehow determined by the resale prices in the market. This has in turn creates a vicious cycle never ending.



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Record breaking HDB resale transaction -> tweaking the mass housing valuation upwards -> HDB has to increase the new BTO pricing -> buyers opting back HDB resale in established sites with faster turnover and closing premium -> Buyer willing to pay premium -> break another record for HDB resale???

I may be exaggerating over the scenarios, however the pricing system of the public housing should be reviewed seriously by the Government, be it the HDB valuation approach using comparative method or setting up the new HDB pricing by the resale transaction figures.

High end luxury Condominium to be next??? Wait before u check out the Vacancy Rate!

We have been seeing headlines on "High end luxury Condominium set to dominate 2010" in bold these days. Everyone is upbeat with the buoyant sentiment towards the global and Asian economy. The Singapore property index is still climbing sharply since the first quarter 09. 4th quarter 2009 shows an increase of 7.3%, compared with the 15.8% increase in the previous quarter. Pls refer to the latest URA Private Residential Property Price Index_dated 4 Jan 2010 for details.

With the opening of Integrated Resorts in Marina Sands & Sentosa by the corner and the statistical recovery in the economy, many people have set their eyes on high-end luxury property sector to catch up with the upward trend. The supply for mass & high end condos is rising, with the evident property launches appear on Newspaper advertisement columns (especially the Saturday Straits Times with new innovative cut-out and colorful columns). The demand appears to be even greater, with much sell-out news after the property launch. At the same time, the rental yield is falling with the greater capital appreciation of the property pricing. All these appear to be the sign of economic/property cycle in expansion.

Something is amiss here, what about the vacancy rate (which is supposed to be at the lowest point with the great demand rising)?

Before we go further, have you ever wondered how URA calculates the vacancy rate for residential units? Actually it is pretty straightforward. URA obtains the vacancy rate by gathering consumptions levels of water and electricity as recorded by the Power supply. This is the statistics showing the sign of property market performance. The lower the vacancy rate, the more difficult for people to find housing, and it normally happens during the economic good time. High vacancy rate then implies that there are many vacant houses with no occupation, and this normally happens in an economic downtime. The latest URA statistics dated 23 Oct 09 showed that the vacancy rate of completed private residential units is at 6.2% at the end of 3rd Quarter 2009.

However, it does not appear to be the case when I walk around Newton One & Novena areas. These are the areas with many high end condominiums been completed lately.

Take example for Newton One & Pavilions 11 in District 11: both high-end projects have reflected high transaction deals with many sub-sales completed. Newton One is currently transacting at average \$1550 psf, while Pavilion at \$1250 psf. With such intense activities in the sub-sale market, it is quite disturbing to see that most of the units remain unoccupied and vacant after TOP around July & Aug 09. Roughly estimating from the external façades, it is estimated from 25 % to 30% of vacancy rate judging from its empty balcony and absence of curtain. (I will assume that that 5 months window period is more than adequate for an agent to lease out a unit)

Most of high end luxury residential buyers are not first house buyers. And they own more than 1 private residential unit. Therefore most of the projects they purchase are for investment, i.e. rental yield return or capital appreciation. If that is the case, it explains the units not being occupied after TOP.

However are the unit owners also asking unrealistic rental that most of the units are not able to be leased? Or they are waiting for another



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record breaking price before flipping on another piece of high end property? All these remain unanswered, waiting for further statistics to be collated by URA to show. Nevertheless, the relatively high vacancy in completed high end residence does imply that the rental & purchase demand by foreigners and expatriates may not be as optimistic as the headline mentioned. Remember at the end of the day, properties are meant for someone to stay and occupy (many people already start having the misconception that properties can solely for flipping purpose).

I will pay a visit to the projects again to update you the vacancy rate based on my 'primitive' visual site check. And I will then compare it with the URA newly released statistics :) Remember to check this out later!

Construction in Progress: TreVista by NTUC Choice Home

TreVista is a 99 year leasehold condominium located at Lorong 3, Toa Payoh. It is a project by NTUC Choice Home. NTUC Choice Homes Co-operative set the initial phase of TreVista condo located at Toa Payoh at an average cost of \$900 psf in Aug 09.

Location wise, TreVista is considered to be relatively convenient. Estimated 5 mins walk to Bradell MRT, and 10 mins walk to Toa Payoh Centre. Sitting in the midst of mature estate, it is within walking distance to wet market and food centres, and good schools.

Of course, being a condominium, TreVista has a full range of condominium facilities for all the family members.

- 50m Lap Pool
- Children's Play Pool with play features
- Aqua Gym

- Spa Alcove
- Water Lounge Pool
- Party Pavilions with BBQ and grills
- Rock Climbing Wall
- Tennis Court
- Outdoor Fitness Area
- Reflexology Path
- Aroma Garden
- Golf Putting Green
- Basket ball Practice Corner
- Elderly Fitness Corner
- Children's Sand Pit area
- Children's Playground
- Clubhouse with gymnasium, steam room and function room
- Sky terrace with fitness stations and pavilions

Construction status as per 10 Jan 10

Piling works have been completed. The project adopted a pre-fabrication method in construction. The superstructure is coming up relatively fast, reaching 4th level in 4 months time.

One thing to note is blocks 14 (2 bedroom unit) & 15 (4 bedroom unit) are very close to the road (Lorong 3), which may have noise and dust issue. Though the road Lorong 3 is not very busy, I feel it to be UNCOMFORTABLE for a building edge getting so close to the road. The set back from the road is less than 6m, I guess.

Actually I wonder if the design of the development should be pushing the towers inwards to the neighboring school area, and allocating the facilities and swimming pool fronting the outward boundary facing the road to give the units more exclusivity and further than the road noise and dust. But my wife commented that many private developments do not want to grant the surrounding HDB views as a premium to their facilities such as pool and garden views. Hmm... This may be a valid reason, but I would rather have the facilities



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fronting before my unit as a noise buffer before the road. Of course, this is view is solely personal and subjective.... :_)

PROPERTY FINANCING

Today I will be continuing the procedure 2 on Property Financing after the earlier article on Finding Property. I hope to complete all these procedures one day so they could be consolidated as one REAL ESTATE PURCHASE and INVESTMENT 101 one day, for every reader's easy reference.

Property financing is an important step that all buyers should do their homework. Other than buyers who are cash-rich requiring no financing, most of us will be looking at bank loan (mortgage) to purchase a property. The amount you can borrow will depend on your own personal financial circumstances plus the bank's valuation of the property or the actual transaction price (whichever is lower). Singaporeans can usually borrow up to 90% of the value and foreigners usually up to 80%. The bank will take into account your capacity to pay the monthly instalments – for this they will evaluate your income, assets, employment history and your age, and they will also check your credit history for any previous payment problems.

If you are selling your current house to support the purchase, do a quick count on the market value of the current house that you are able to fetch minus away the CPF utilized with interest to be returned to CPF in addition with outstanding loan. You are then able to establish the balance of cash you have on hand.

Approach and seek advice from bankers or mortgage broker to understand your financial stand, i.e. how much you are able to borrow based on your income. You should be able to get an in-principal approval on the loan amount you entitle to borrow.

Basically, investment properties are viewed to be more high risk since if the buyer is not occupying the property; they are more likely to walk away if the property value drops below the loan amount. Therefore a

higher interest rate and shorter repayment periods are usually imposed in comparison to house loans for personal use.

There are some rules that you must keep in mind in drawing up your budget after the reality check on financial stand:

- Don't borrow more than you can afford
- Don't be afraid to ask about fees and charges
- Be aware of credit card balances and limits and ensure you can afford your repayments
- Repay extra when you can
- Make your payments on time to keep your credit history clean
- Include all hidden cost like government fees, stamp duty, legal cost, insurance, utility connections and etc

Why a real estate agent like me BLOG? ★

You may ask why a real estate agent like me need to blog? Of course, we can always use this as a platform for property listing. However you see NO PROPERTY LISTING directly under Keithyip.com (though I host it separately from this blog which you can easily find the link at the sidebar) since the Singapore property porters are definitely doing a better work than mine. I expect my readers to be savvy and understand the power of online property porters, which are hosting all the competitive pricing by all available units in the market.

So why should I blog STILL?

Frankly, blogging needs lots of personal commitment in terms of time and effort. In drafting up a proper article, I have to do my own research, gather enough data and take the actual site photos if necessary. And this takes lots of perseverance if I want to sustain the quality of a good blog with high subscription. Therefore the pros must be greater than the cons factors, and I list the following reasons :

Differentiation of MY service: Barrier of entry to being a real estate agent is low. Everyone can be a real estate agent after taking the



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real estate course. Therefore I need to create this blog to differentiate my service to the buyers: There are many things I could share with the buyers on the real estate industry: regulations and ruling, the community and neighbourhood they are buying, or even the financial investment of real estate. However most of time we do not have the luxury of time when we meet up for viewing. Therefore this has been an excellent platform for me to share the knowledge I have with the readers.

Getting to know YOU OR ME without direct contact: Before I was a real estate agent, I hate encountering hard sales. Therefore I understand that there are many real estate browsers avoid direct contact with real estate agents especially hearing some scary tales and rumours from friends. I understand their aversion to sales pressure, or some care about not wasting our time especially when they are just shopping around without the urgency to buy. Therefore I can get past this with the direct communication using keithyip.com until the time comes for them to buy.

Time saver: Maybe my fellow colleagues may say: "Do I hear wrongly? Blogging is simply wasting my precious time, how can you say it is a time saver!!!" Wait, this is true. Imagine there are so many times that we answers a same old question again and again:

- What are the new units in the markets?
- How to confirm the distance from school formally for my kid's registration?
- Am I allowed to deck over my planter box area? Which department I need to submit?
- Should I go for Sibor or fixed rate for my house loan?
- How much CPF I can use for 2nd house purchase?

Instead of repeating the questions, my readers can get great comprehensive answers by subscribing to my blog. The benefits do not stop there. If the prospect find my blog informative and share with other prospects, this would increase my exposure and SAVE MY TIME in going out looking for new leads. To me, this is a clear LEVERAGE of my real estate service with my Keithyip.com blog.

Lifestyle, community and neighbourhood: As I put it under "Just Thoughts": This is not about a house, this is living a LIFE. If you would have realised, my blog appears more like a lifestyle magazine talking about my circle of community and neighbourhood, i.e. the good food, the schools, the business trades, and etc. I enjoy capturing all these special moments and experience. And I believe you would enjoy and appreciate them too.

I believe real estate blogging is the future of the real estate markets. And this is already proven in the mature and established real estate industry in USA and Europe. I recommend my fellow colleagues who are already blogging or considering giving it a try to read this article: Real Estate Blogs: Move Beyond Listings, or You're Dead by Michael Martine/Remarkablogger.

Work in Progress: The Arte

The Arte by CDL in Balestier, which had been sold out, appears to be completed soon. I attach the marketing artist impression with the actual site photo for your preview:) Does the actual building turn out the same aesthetic outlook as the brochure?

And take a look at the 2nd marketing artist impression, one may wonder if we are talking about the same project. The above picture illustrates that the Arte is sitting in spacious green with no cluttered buildings and noisy roads around it (NOTHING EXCEPT TREES & POOL). Serene and tranquil. Yet the actual site photo reveals that the Arte is sitting next the PIE highway, and its surrounding are blocks of middle height old apartments, plus the new launched project Vista Residence 2 tower high rise just sitting next to it.....



Singapore Public housing & Wealth Creation

There has been so much discussion on Singapore public housing, Housing Development Board (HDB) these days. Many issues were raised from the affordability of public housing, and the priority of HDB as an authority in ensuring a fair housing pricing to the heartlanders, to the adequacy of the supply in response to the ever increasing demand from the Singaporeans and Permanent Residents (PR).

Housing is a complex issue. Housing in Singapore is reckoned not just as a social issue, rather it presents as a commodity having impact on the financial sector development and macroeconomic performance of the nation. There is the play of land legislation policy facilitating land acquisition, Housing and Development Board (HDB), and the Central Provident Fund (CPF) contributing to the success of public housing in Singapore.

During the building nation, provision of shelter as social concern was the top priority under Singapore government's aim. Policies were formulated and implemented in line with the public housing provision, as to provide the people with a basic shelter. With the progressive economic development of the nation, there are shifts in the policy planning, as evident in the CPF liberalization, introduction of mortgage instruments, and hybrid HDB. Through the years, the policy implementation has resulted in a high homeownership in today's Singapore.

WEALTH CREATION

If you purchased a 3-room HDB flat at \$100,000 in Toa Payoh 10 years back, you are happy to know that your unit has appreciated to \$300,000 in today's market. This is the wealth formation that the Government is proud of, as it is an evidence of the capable leaders result all these years. However while the owner (the older generation) is ecstatic over the price appreciation or wealth creation, this is still

the house they are residing in and they are not in actual sense becoming richer. Should they be disposing this unit, they still have to top up the difference in buying the other unit be it a private or public, in which the house prices are also high. They are asset rich, but in terms of purchasing power, they remain in the same status before. And the sad thing is, if their children are ready to purchase a new or resale flat, it is not so much a good news that the affordability in terms of the current salary level is way out of the acceptable range.

In retrospective, the recent pricing hike in public housing may not be after all considered a wealth creation to the nation and people. Rather it may easily lead to a decline in high homeownership that the Government is proud of, and a scenario that young couples being tied up with home loan for life as financial commitment.

333 Bak Kuh Teh

Balestier is famous for its many Bak Kuh Teh stalls. Today we went to the 333 Bak Kuh Teh just located behind a bus stop. As the name suggests, it is located at 333, Balestier Road.

Personally I prefer the Hokkien Bak Kuh Teh which is darker in the soup color, which is prepared by Chinese herbs. I believe all the Bak Kuh Teh stalls in Balestier serve the Teochew type. Teochew Bak Kuh Teh is a clear type with garlic and white PEPPER.

The 333 Bak Kuh Teh shop is operated by sisters from China (as we detected from their accent). 24 hours open. They are at their busiest in the evening til mid night. Therefore we did not wait long as we came in the afternoon.

Both of us were served 2 sets of Bak Kuh Teh consists of one bowl of Bak Kuh Teh, one small plate of preserve veg and one bowl of rice. Each set costs \$5. Quite hearty and money for value. Of course we did not miss the fried fritter which is a must for this dish.



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The soup is delicious, and the pork ribs are tender and well cooked. I like that they offer to top up the soup automatically (especially for someone like me like drinking soup very much). Will sure come back.

Finding property: using the Online means

Online Property Porters

Buying properties in Singapore made easier with Internet property porters. I have to tell my fellow colleagues: Ignore the power of Internet at your own risk. What we are seeing is that the Real Estate Business is being remade by the Web.

Remember the tedious time that people flipping through newspaper to select the preferred properties. However many buyers are turning towards online property porter for their properties. Why not? in comparison with newspaper listing, the online porter is able to churn out the required listing based on the requirements and specifications, i.e. location, budget, sizes. In addition, relevant development information and others are made available with a few clicks online.

Property Guru & IProperty are the 2 most established ones in Singapore. I have listings on both Property Guru and IProperty. Personally I believe Property Guru works better for the prospective buyers, since it serves a more user friendly interface for specific property search. Therefore you are seeing more diverse listing as a buyer too. It has in turn bringing more leads to the real estate agents.

Real estate online blog

Real estate online blog is the other source that is growing rapidly in the West countries. However, most property agents in Singapore do not blog. It is not hard to understand why: They are simply too busy

sourcing for leads and closing the deals. In addition, I have to admit that they are many new birds are simply too new to the market to make any meaningful statement on it. And for agents who do blog in Singapore, it is simply obvious that they paste and cut news updates from other sources to make their blog and website interesting for readers to subscribe to. However there are some good sites around who are doing serious business in the real estate blogging. They are all pretty young, yet I can feel their sincerity in making a quality article in critiquing and dissecting local property topics. I would recommend <http://www.h88.com.sg/index.php> and <http://flathopper.com.sg/> to you. If you do have more quality local websites to propose, do drop me a note. It is in the interest of Singapore Real estate bloggers that the field here can grow and mature, which will benefit not only the property buyers and sellers, but the whole market as well. To me, an educated and informed property buyer makes a GOOD buyer!

Beware of the Planter areas & Bay windows!!!

If you may have noticed, new developments always come with big planter areas, bay windows as well as aircon ledge. Why are they so popular with the developers?

Bay windows are raised window ledges and not part of the floor slab, while planter areas are literally 'planter boxes below the floor slab area' to encourage planting growing in the residential projects. Though these 2 features are considered part of the strata areas, they are not really that useable area. There are some cases that people even deck over the planter areas to make the area useable, without realizing that is actually not legitimate!!!.

You will wonder why these features are incorporated so widely in many new projects. It is because the spaces of planter areas, bay windows and aircon ledge are not considered Gross Floor Area (GFA)



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in the eye of authority, therefore the developer is maximizing their profit to sell them as accessory parcel as part of the strata areas.

Realizing the loophole, URA has issued new ruling on 7 Jul 2007 to effectively removed Bay Windows and Planter areas from the exempted list of GFA which took effect from 1 Jan 2009. However there are many projects which have made their submission earlier would be exempted from it. And many of them are launching in this period just to make sure they will be exempted from this ruling.

Therefore in shopping for a resale unit of different ages, it is worthwhile paying attention to the quantum of the bay window and planter areas in the unit. For older projects, the strata area given normally is reflective of the actual site provision. However for the newer projects, the strata area in terms of useability is not what you will be getting physically. Therefore there have been many buyers commenting to me why two projects of same strata areas yet different age will appear to be different. This is because the accessory parcel such as bay window and planter areas are doing the trick.

There are some development units with accessory parcels as high as more than 20% of the total strata area. Imagine if you are paying for one million for a unit, \$200k goes to the planter areas, bay window and aircon ledge. Can you feel the pinch?

Bay window loophole slammed shut by URA

(SINGAPORE) Here's some bad news for developers: a loophole that helped them sell in excess of the gross floor area (GFA) has been plugged.

Till now, bay windows and planter boxes, which often make up around 5 per cent of a condo's saleable area, had been exempted from GFA calculations. But in providing them to buyers, developers had been charging buyers for them.

This exemption will no longer apply from Oct 7, according to a circular issued by the Urban Redevelopment Authority (URA) on Monday.

The exemption has led to 'unintended and undesirable consequences' and 'unwittingly shifted market behaviours and negated the objective of the GFA exemptions for these building features', URA said in explaining why bay windows and planter boxes will no longer be exempted from GFA.

Explaining the impact of the new rules on residential developers, a property industry player said: 'Developers' profit margins will be reduced because they will no longer enjoy this benefit of not counting bay windows and planter boxes as part of their GFA and yet selling this space to home buyers. If the developers want to have these features, they will have to pay the full price since these will be included as GFA.'

The new rules apply to all residential developments – landed and non-landed – and are expected to lead to a rush of new development applications, especially from developers who have bought land recently.

URA said bay windows have been 'found to have contributed significantly to the building bulk, affect the design of buildings and generally do not encourage energy efficiency'. 'Often the provision of bay windows is intended mainly to increase the saleable strata area,' it noted.

Planter boxes were introduced to provide 'vertical greenery' in condos and create 'visual relief to our high-density living environment'. However, feedback and URA's investigations have revealed extensive unauthorised conversions of planter boxes within residential units for use as a balcony space or an extension of the living room instead. The planning authority said it has also received feedback that condo owners are unhappy that they are not allowed to convert planter boxes – which are part of their strata space and which they paid for when they bought their unit – to other uses.

'URA will leave it to the developers and building owners to decide if they wish to continue to provide bay windows and planter boxes for their residential developments so long as these building features are



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counted as GFA. The industry will have a free hand to design and provide these building features based on their commercial considerations as there will no longer be restrictions on the size of bay windows and planter boxes,' URA said.

Planter boxes within non-residential developments (like hotels and business parks), as well as those located within the common areas of residential developments like sky terraces, will continue to be exempted from GFA as these areas are typically well-planted and maintained by the management corporation for the benefit of all occupants in a development.

Only formal development applications (which exclude outline applications) with a valid provisional permission issued before Oct 7 will continue to be evaluated under the old GFA guidelines. For approved developments, bay windows and planters will remain GFA-exempted until the buildings are redeveloped, URA added.

Knight Frank managing director Tan Tiong Cheng had an alternative suggestion for URA. 'Instead of just removing GFA exemption for bay windows and planters, URA could have let the exemption continue but require developers to specify and identify these features in their sales brochures so that buyers know exactly how much of their strata area is taken up by bay windows and planter boxes. Buyers can then decide whether these features are as attractive to them.'

DTZ executive director Ong Choon Fah observed that bay windows can be a useable area – for sitting, keeping books or displaying photo frames, for instance. 'Planter boxes, on the other hand, often end up not being used for the purpose they were meant for,' she added. Summing up the change, a seasoned industry observer said: 'This closes one loophole for developers. They've had a good run on it.'

Kalpana Rashiwala
Thu, Jul 10, 2008
The Business Times

Buying Property: Intent on Property Buying

You should be clear of the intent of buying a piece of property, be it for own use or investment purpose. If for your own stay, you should be setting out parameter based on your location and size specific requirements, such as accessibility to workplace, distance from the preferred schools you would like your children to enter. If you are buying property for investment, you will be looking at the yield and capital appreciation matters. The current residential gross yield in Singapore is 3 to 4.5 %. Currently, the studio apartments at prime areas are popular and able to fetch attractive rental close to 5%. One thing to note is the calculation of YIELD: leasehold is most likely to fetch higher yield than freehold. Yield is the return based on purchase price: 2 similar pieces of properties holding different tenure will be likely to fetch the same rental, since the tenants will be indifferent to the status of tenure. As leasehold is of a supposedly lower purchase price, as a result it is able to give a higher return for yield.

In addition to the above, you may need to be concerned with the following which you may find useful to list it down:

- Type of neighbourhood and community in line with your lifestyle
- Functional efficiency: most prefer rectilinear layout for easy laying out of furniture, provision of yard area facilitates services work to be carried
- Physical durability, i.e. current construction method is definitely more durable in comparison to timber construction used in the traditional shophouse.
- Aesthetic appeal, i.e. some projects have sleek and elegant clean look, while some going for tropical style with lots of landscaping.
- Building reputation: designed by world known architect? or certain celebrity is staying there. With a project of greater reputation, it would normally bring more transaction with higher selling price.



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Morning walk at United Square area

Often the property prices will be boosted with the proximity to MRT stations and shopping centres. Take example of City Square Residences, the recent transaction prices have been seeing a rapid increase with the opening of City Square Mall as well as the connecting MRT station.

There are altogether 3 shopping malls located at or near to Novena MRT Station, District 11: Novena Square/Velocity, Square 2 and United Square. We love hanging around these places, since all of them are well connected and each are of their unique retain positioning.

Today we parked our car at Novena Square, and walked over to United Square. United Square is a mall for kids specialty stores, and enrichment, and with lots of good F&B. I was exceptionally excited patronising the new Cotton-on Kids at 1st level (they took over from the predecessor Guess Kids) buying a pair of shoes and many shirts for my 2 kids. The F&B areas at basement were surprisingly packed in the early morning.

After a good buy, we walked around the shopping centre to see the new developments sprouting up around the area. The up & coming one should be the Lincoln Suites launching at average \$1800 psf. It is located right behind the United Square and Goldhil Plaza. It is a development of 2 high rise residential towers with a connecting sky-bridge with Gym function. It seems that sky bridge with communal functionality has become a IN thing for many developments. We have them in Duxton Plain, Toa Payoh 40 storey HDB right behind the HDB hub, and Sky Eleven. Flat Hopper has written a commendable review on Lincoln Suites. It is a must read if you decide to consider it for investment.

Just one end note: The prices of these Newton newly launched projects are almost 50% more than the Novena projects just across one street, while the Novena newly launched projects are almost 30%

more expensive than Balestier newly launched projects located steps away.

This newsletter serves to compile all the articles of the particular. Due to the volume constraint, no pictures, charts and comments have been included. I still recommend all readers to check out the blog for the complete information.

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