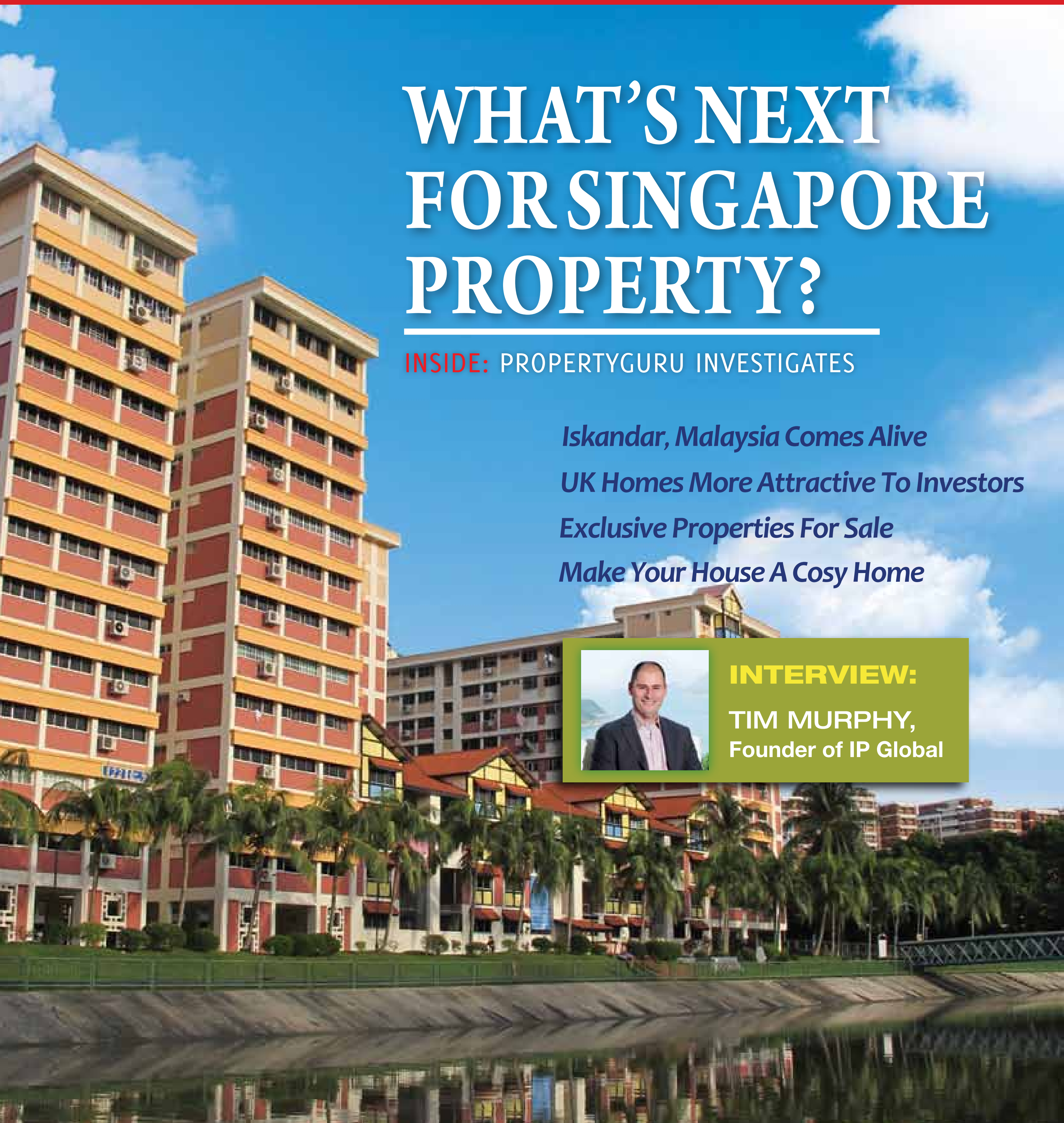
Your Complete Guide To Understanding The Property Market

Q1 2011

PropertyGuru TIMES



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Iskandar, Malaysia Comes Alive

UK Homes More Attractive To Investors

Exclusive Properties For Sale

Make Your House A Cosy Home

INTERVIEW:

TIM MURPHY,
Founder of IP Global

MICA(P) 173/02/2010

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editor's note

New Year, New Websites, New Opportunities!

Happy belated New Year to all our readers! These last couple of months have been a busy period for us. In March, we officially launched HomeGuru.com.my, Malaysia's latest property portal, featuring over 50,000 residential and commercial properties for sale and rent in Malaysia.

In addition, Rumah.com, Indonesia's top property portal was added to the fold. The site boasts over 500,000 visitors viewing eight million impressions every month.

As for the property market, many Singaporeans have been breathing a sigh of relief ever since the government revealed the 2011 budget because no additional dampening measures were introduced. Instead, the government will introduce a Special CPF Housing Grant to help low-income first-time home buyers and raise Employer CPF contributions and the CPF salary ceiling. In our cover story, reporter Khalil Adis investigates what 2011 holds for first-time home owners.

In other news, overseas property investment will likely see more exciting days according to IP Global's founder and managing director, Tim Murphy. In an exclusive interview with PropertyGuru, he gives his insights on the hot property destinations this year. Owning a home in London and New York may be more affordable than you think!

Lastly, do remember to subscribe to get our FREE daily or weekly news right to your email inbox. Register at www.propertyguru.com.sg/news_register.

Read and enjoy!

Romesh Navaratnarajah
EDITOR

About PropertyGuru

Founded in 2006, PropertyGuru provides consumers with real-time access to relevant property and home & lifestyle information. PropertyGuru.com.sg was listed in Marketing Interactive's Top 10 Digital Media for 2010. The website has also won several awards to date - "CNBC World's Best Property Award 2009", "Best Property Portal Asia Pacific 2009" and "Best Property Portal Singapore Award" in 2008 and 2009, the inaugural Singapore Venture Capital and Private Equity Association (SVCA) award for Best Performing Company 2010, and the Singapore Infocomm Technology Federation (SiTF) award for Best E-Enterprise Company for 2010. In addition, it is the leading property portal in Singapore according to Hitwise (March 2011).

Editor
Romesh Navaratnarajah
editor@propertyguru.com.sg

Junior Reporter
Cheryl Tay

Real Estate Analyst
Tejaswi Chunduri

Editorial Intern
Victoria Wan

Contributors
Khalil Adis
Sunaina Anand

Graphic & Layout Artist
Sue Ellen Manalo

Advertising Contacts
Tel: +65 6238 5971
Email: sales@propertyguru.com.sg

Contact The Publisher
AllProperty Media Pte Ltd
51 Goldhill Plaza #11-03/05
Singapore 308900
Tel: +65 6238 5971
Email: info@propertyguru.com.sg
Web: www.propertyguru.com.sg

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contents

Hong Kong, Singapore top global house price index

Hong Kong and Singapore have topped the global house price index, according to The Economist. Q4 2010 home prices climbed 20.1 percent in Hong Kong, 17.6 percent in Singapore, 6.4 percent in China, 5.8 percent in Australia and dropped 3.6 percent in Japan.

Meanwhile, Hong Kong was also the second most overvalued market at 53.7 percent, trailing Australia's 56.4 percent and followed by Singapore's 18.1 percent and China's 12.9 percent. Japan's homes were undervalued by 35.2 percent.

Recent measures have stopped spike in private home prices

The recent property cooling measures have controlled private homes prices, said National Development Minister Mah Bow Tan.

Demand-side measures and increased supply have stabilised the public housing market, he added.

According to the Ministry of National Development (MND), the rate of price hikes for private homes has slowed since the first set of measures in September 2009.

How the market moves in the next few months will depend on interest rates, the economy, liquidity and external factors, said Mr. Mah, adding that MND's dampening of non-urgent demand for resale flats and increase of new HDB flat supply has worked.

The month-on-month growth in HDB resale prices dropped to 0.6 percent and 0.7 percent in January and February 2011. In Q4 2010, HDB resale flat prices jumped 2.5 percent quarter-on-quarter. The average monthly resale volume in January and February 2011 fell 16 percent, from Q4 2010.

Home supply to surge in the next few years

Home prices and rents may fall after the release of a large supply of new homes in 2013 and 2014, warn analysts.

According to recent Urban Redevelopment Authority (URA) data, about 17,111 new homes are expected to be completed in 2013 and 17,421 in 2014.

Ms. Chua Chor Hoon, DTZ's Head of Southeast Asia Research, projected that 21,680 homes could be completed in 2014 and 22,520 in 2015, with an estimated 78,300 completed homes from now until 2015.

Nomura analyst Sai Min Chow said a 2012 "supply tsunami" is possible, whereby 15,457 non-landed private homes are scheduled for completion in 2012.

The URA said around 65,699 private residential units are due for completion by 2015, though experts noted that the figures are only estimates and will be more accurate closer to the year itself.

Low-income families get more aid through housing grant

Low-income families now have more government aid when acquiring their first flat.

First-time home buyers already receive a subsidy when purchasing a new flat. Those with a monthly income of S$5,000 and below enjoy the Additional CPF Housing Grant (AHG).

The new Special CPF Housing Grant (SHG), which is beyond the regular subsidy and AHG, will benefit two- and three-room standard Built-to-Order flat applicants in Bukit Panjang and Sengkang and families earning up to S$2,250 per month.

Along with the AHG, they will get a Central Provident Fund housing grant of S$60,000, aside from the existing subsidy for a new two-room flat.

The SHG will benefit around 700 tenants, who are currently renting flats under the Public Rental Scheme, and allow first-time tenants to become home owners.

To qualify, one of the buyers should have worked continuously for at least a year when applying for a flat. The household's average monthly income over the one-year period will determine its grant.

HDB resale market to cool this year

The HDB resale market is set to cool, six months after the government's measures to help first-time buyers and control the resale market, said ERA Marketing Executive, Eugene Lim.

One indicator is the 2.5 percent overall increase in post-August 2010 resale prices, following a 10.9 percent increase in Q1 to Q3.

Another sign is the median cash-over-valuation (COV) decline for resale HDB transactions, from S$30,000 in Q2 and Q3 2010, to S$20,000 in January 2011.

Resale transaction volume for Q4 2010 fell to 6,454 units, from over 8,000 units per quarter since Q2 2009.

ERA said the resale market will probably continue cooling this year; the median COV may soon fall to S$10,000 to S$15,000.

More borrowers taking multiple mortgages

Up to 15.1 percent of individuals who secured a new real estate loan in 2010 already had two or more outstanding loans. The absolute number of such individuals has risen, despite the constant percentage.

As of 10 December 2010, 108,995 Singaporeans, permanent residents and foreigners obtained a new property loan, said Credit Bureau (Singapore).

For about 60.5 percent, the new loan was their first. But 24.4 percent obtained it on top of the one they already had. The remaining 15.1 percent had two or more outstanding loans when securing the new one. The increasing number of loans can be attributed to the Singaporean residential market having recovered quickly from the worldwide recession.

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Kok Keong Tan

Head, Research & Consultancy, OrangeTee

Finding Your Ideal Investment Property

Q. What's the impact of the fourth round of measures and forecast for 2011?

A. Amongst the measures announced on 13th January 2011, the most impactful on market activity was the lowering of loan to value ratio to 60 percent for individual purchasers with existing housing loans and 50 percent for non-individuals. These have reduced the leveraged returns on buying private residential properties. Thus, it has reduced the pool of willing buyers and pushed some buyers to look at other asset classes like commercial or industrial properties. There is also an increasing trend of investors venturing beyond Singapore to obtain better leveraged returns as well as to take advantage of the current strength of the Singapore dollar.

Q. Should you invest in landed property or non-landed private property?

A. According to URA's property price indices, between 1st quarter 2007 to 4th quarter 2010, non-landed property prices increased by 37 percent while non-landed property prices increased by 65 percent. While the sharper increase in non-landed prices could be attributed to the introduction of significantly more appealing products on Sentosa Cove, the key driver of landed property prices remains the limited supply and even dwindling stock, in some areas.

Going forward, landed properties are likely to continue to outperform the non-landed segment in terms of price appreciation due to the relative lack of completion of landed properties. However, for better rental yield, non-landed property should be a better choice. However, in view of the substantive supply of non-landed properties in the coming years, buyers should be more selective. Typically properties that are near current or future employment growth centres, premier education institutions and transport nodes tend to fare well.

Q. What are the biggest mistakes that property investors make?

A. Buyers typically refuse to acknowledge the cyclical nature of property prices and rents. Buyers do not spend enough time working through the downside scenario when buying their property, i.e. what if rentals were to fall and interest rates were to increase, with the reduced rent and increased mortgage, will they be able to still keep the property. If thought through properly, it will help to prevent them from being forced to sell at a loss if the market performs worse than expected. This is important to prevent capital losses as Singapore property prices on a long term basis is on an uptrend, so unless you bought into a really bad location, being able to ride out any downcycle will provide better returns.

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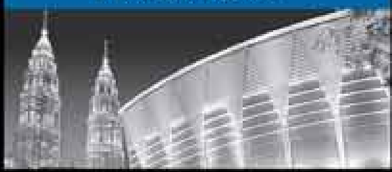

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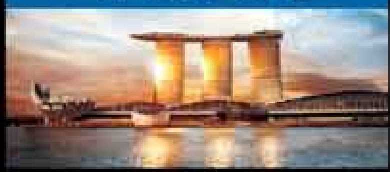

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More help for low-income *families*

New measures will ensure first-time Singaporean home owners can afford a flat.

| **By Khalil Adis**

National Development Minister Mah Bow Tan recently announced new measures to help first-time Singaporeans to own their first Housing and Development Board (HDB) home.

Speaking to local media at his ministry's Committee of Supply debate in Parliament in March, Minister Mah assured that the government is committed to ensuring HDB flats will stay within reach for first-time home buyers.

Minister Mah said first-time home owners can look forward to a larger supply of new flats, a shorter application process and a revised income ceiling for three-room flats.

According to Minister Mah, the HDB will increase the supply of new flats under the Build-To-Order (BTO) scheme to 14,000 units in the first half of the year, 3,000 more than what it had planned for.

Prices of resale HDB flats at a record now

Concerns of rising prices of HDB flats are very real.

According to the HDB Resale Price Index (RPI), the prices of resale public flats are now at a record high reaching 172 points during the fourth quarter of 2010.

This is despite the cooling measures implemented in August last year to curb speculation in the HDB market.

Prices of HDB resale flats have now gone up almost 70 percent since the second quarter of 2005, pricing out singles and young couples from owning their first homes.

While the quantum price of resale HDB flats have continued rising, the property curbs appear to have had an impact on cash-over-valuation (COV).

According to PropNex, the median COV fell S$7,000 to reach $23,000 in the fourth quarter of last year.

"Overall median COV has also plunged from the third quarter of 2010's $30,000 to the fourth quarter's $23,000. This is slated to drop even further, as our January data indicate an overall median COV of $22,000, which is just over 4 percent lower than HDB's fourth quarter's median COV. In fact, our latest figures show that the median COV for 3-room flats now stands at about $16,500. This is good news for potential home buyers of smaller HDB resale flats, especially the lower-income families and younger couples," says PropNex CEO Mohamed Ismail.

New measures to help low income families

On 4 March, the government announced that it was raising the monthly household income ceiling, from $3,000 to $5,000, for first-timers buying 3-room Build-to-Order (BTO) flats in non-matured estates.

Analysts say it will be seen as a welcome move for many in the lower-middle income bracket.

"About 20 percent of our population have a monthly household income of between $3,000 and $5,000," says PropNex corporate communications manager Adam Tan. "These people have previously been forced to buy a 4-room or larger flat, which may be stretching their budget, especially considering the substantial price difference between 3-room and 4-room BTO flats."

Citing the recent BTO offerings in Sengkang on 28 February 2011, Tan says 3-room flats there cost about $170,500, as compared to $275,500 for a 4-room flat.

"It also makes sense for the income ceiling to be raised only in non-matured estates as BTO flats in matured estates will be more costly anyway, and would still be rather unaffordable for those targeted income brackets," says Tan.

Couples priced out of the HDB market

Last year, PropertyGuru featured two young Malay couples who were priced out from the HDB market and had to rent a flat direct from HDB.

One of them is Luqman Hakim Abdul Khir and his wife, who were priced out due to the high COV.

They were also priced out of the balloting system twice under the Sales of Balance Flat (SBF) scheme.

The couple who has a son and another baby on the way, now lives in a one-room rental flat in Bishan which costs them $111 a month.

Another couple is Sarah Abdolah, a phlebotomist, and her husband.

Abdolah and her husband decided to rent because their CPF was not enough to buy a BTO flat.

Abdolah was eligible to apply directly with the HDB for a rental flat.

In 2002, the couple moved to a three-room rental flat for $250 a month.

Impact of new grant

When asked how the new measures will impact him, Abdul Khir said he is unsure as he had already applied for a 3-room BTO flat in Punggol recently.

Initially, he was unable to afford the $1,000 option fee but has since been able to exercise his option.

"I do not know if I am still eligible for this new grant as I had already paid for the option fee and the 5 percent downpayment. My flat is expected to be ready by 2015," says Abdul Khir.

Abdolah, on the other hand, said it will have no impact on her as she is ineligible to apply under the Home Loan Eligibility (HLE) scheme.

Her husband had initially owed HDB 12 months of rent and were given two choices – vacate or downgrade.

She chose the latter by moving to a two-room flat in 2004.

By 2010, she had already cleared all their outstanding bills.

Abdolah said she went as far as checking with the HDB branch in Yishun thrice to confirm that there was no more outstanding amount.

The HDB officer cleared her case and this paved the way for her to buy a flat under the Home Loan Eligibility (HLE) scheme.

However, she was rejected by the HDB when she tried to apply for the HLE and was told that there is still an outstanding amount of $4,000.

"I really do not know what to do," says Abdolah.

Singaporeans who risk losing their homes

Despite the government's goodwill, there are still others who have fallen through the social safety net and risk losing their homes.

One such person is 37-year-old Alvin Eng who was retrenched as a freelance investment broker in July 2009 and was unable to service his HDB loan.

He has so far accumulated arrears of loan installments for 18 months amounting to $28,905.90.

The father of one said his family will soon be homeless as the HDB had sent him a Notice of Intention to acquire his flat on 5 May 2010.

Eng, who is now working as a product services specialist with a mobile phone company, said he went to see his MP, Matthias Yao, in the hope of restructuring his HDB loan.

However, his appeal was rejected by the HDB.

"I tried to make small payments but the HDB rejected it saying they require a minimum payment of $1, 569," says Eng.

According to letters from the HDB, he had also illegally subletted his flat without prior permission since January 2010 to August 2010.

HDB did not respond to our email query on alternative housing options for Eng and his family as and when the HDB moves in to compulsorily acquire his flat.

Iskandar, Malaysia Comes Alive

Analysts say the joint project between Temasek Holdings and Khazanah Nasional to develop an iconic wellness project in Iskandar Malaysia will set a benchmark to raise the international profile to a new level and spur other foreign investors. | **By Khalil Adis**

Iskandar Malaysia is set to rise with the completion of a few major projects within the region.

This year will witness the launch of 1Medini Residences in Medini North plus the completion of the new Coastal Highway.

The highway is expected to reduce travel time from Johor Bahru's CBD to Nusajaya from 45 minutes to less than 10 minutes.

In addition, campuses and facilities in its education hub, EduCity, will come to life and welcome their first batch of students.

The campuses and facilities set to open include Newcastle University Medicine Malaysia (NUMed), Netherlands Maritime Institute of Technology, a stadium and sports complex and the International Student Village.

Coming to fruition

Situated just 15 minutes away from Singapore via the Tuas checkpoint, Iskandar Malaysia is a long awaited project that was conceived in 2005 after the Malaysian government tasked its investment arm, Khazanah Nasional Bhd, to come up with a feasibility study.

Six years on, the region has continued to receive strong support from the Najib administration.

In the country's Budget 2011 announcement, Prime Minister Najib Razak had allocated some RM339 million for the construction of highways, development of housing areas as well as providing and improving public transportation services.

As we speak, both Temasek Holdings and Khazanah are jointly developing an iconic wellness township in Medini after concluding the land swap deal last year.

Historic deal

The deal is particularly historic, as both countries had been trying to resolve the railway land use in Singapore since the Lee Kuan Yew-Mahathir era, which had sometimes led to strained ties.

Now, it appears bilateral ties are warming again despite the recent WikiLeaks fiasco.

According to DTZ Research, the warmer bilateral relations, plus smoother and cheaper transport system arising from the land swap agreement will give a boost across all property sectors in Iskandar Malaysia.

Indeed, the Land Transport Authority (LTA) recently announced the extension of the East-West MRT line to Tuas.

By 2018, this line will be joined to the Rapid Transit System (RTS) between Singapore and Johor Bahru served by a single co-located CIQ facility.

This will increase accessibility across the Johor-Singapore Causeway between Woodlands and Johor Bahru.

Tapping onto Singapore's growth

For the newly initiated, Iskandar Malaysia is part of the Malaysian government's plan to spur economic growth in Southern Malaysia by developing key industries to complement Singapore's economy.

Iskandar Investment Berhad (IIB), which is 60 percent owned by Khazanah, was specifically set up to develop catalytic industries such as healthcare and wellness, education, creative, logistics, leisure & tourism.

Iskandar Malaysia is divided into five flagship zones.

Flagship B, Nusajaya, is where the entire buzz is.

Nusajaya is subdivided into Kota Iskandar (the state's new administrative centre), Nusajaya Residences, EduCity, Puteri Harbour, Southern Industrial Logistics And Clusters (SiLC) and Medini.

Medini, IIB's flagship development in Iskandar Malaysia, is one example where such industries are currently being developed.

Comprising an area of 2,300 acres, most activities there are currently focused around the leisure and tourism zone in Medini North.

This is where LEGOLAND Malaysia will open in 2012.

To tap onto the expected boost from the theme park's opening, 1 Medini Residences will be launched this year followed by the Lifestyle Retail Mall @ Medini in 2012.

New investment deals

Tourism aside, the healthcare industry has also attracted investments.

Global Capital and Development (GCD), the body tasked to oversee the entire development within Medini, in December, snagged a healthcare deal worth RM500 million with Malaysia's leading healthcare provider, Pantai Group.

Called Gleneagles Medini Hospital, the hospital will be under the purview of Parkway Health, a Singapore based company.

There, Singaporeans can use their CPF Medisave for treatment when the hospital is completed by end 2013.

"The developments in Medini will add to the compelling growth story of the medical tourism industry and media industry that has been gaining momentum in Southeast Asia. GCD aims to provide a platform for active investors and businesses seeking to expand their services outside Singapore," says Keith Martin, chief executive officer for GCD.

Medini's financial sector has also received significant investments.

In December, GCD signed an agreement with WCT Berhad, a leading Malaysian construction and property development company, for a RM688 million commercial development in the Medini Business District.

This brings the total investment to date within Medini to close to RM1.2 billion.

Challenges

Despite the impressive developments taking place across the causeway, some Singaporeans have remained skeptical.

Most Singaporeans do not see Johor Bahru, where Iskandar Malaysia is part of, as an investment location.

Some have regretted buying homes there after losing their deposits when developers abandoned their projects.

Others, like entrepreneur Rosni Din, bought a landed property there as a second home and then sold it a few years later after her home failed to appreciate in value.

"The capital value of my investment was not growing. Plus there was no one to take care of the property," says Rosni.

Then, there are safety issues.

Johor is notorious for car jacking and robberies, some of which have been fatal.

"A few of my neighbours got robbed and I felt unsafe," says Rosni.

Recognising this, local authority, Iskandar Regional Development Authority (IRDA), had launched a special task force to map out a plan to reduce the overall crime rate.

So far, it has shown progress.

According to local Berita Harian newspaper, the crime index dropped 20 percent last year.

Analysts have also given their upbeat assessments on Iskandar Malaysia.

"The key difference with this project that has heartened me is that, unlike previous ones, there's a lot more follow-through this time," says Song Seng Wun, regional economist at CIMB.

"Both territories (Singapore and Iskandar Malaysia) have enviable business environments, with excellent infrastructure and logistics capabilities. Furthermore, they have factor endowments, skill sets and existing industries that are complementary," says K. Kesavapany, director, Institute of Southeast Asian Studies.

While reports have been glowing, analysts say at the end of the day, a lot more co-operation and government involvement is needed between Singapore and Malaysia.

"The degree of success of Iskandar Malaysia will be partially determined by political co-operation with neighbouring Singapore as well as by economic factors," says Brian Koh, executive director of DTZ Malaysia.

For now, Iskandar Malaysia looks promising.

Just take a drive across the causeway.

SINGAPORE PROPERTY STRONG DESPITE NEW MEASURES

Global economy records a decent 5% expansion led by Asia's rapid growth story. | **By Tejaswi Chunduri**

2010 was a year of economic recovery and the global economy grew by a decent 5% compared to a decline of 6% in 2009.

In the advanced economies, there has been a slower rate of growth and unemployment remains high. The GDP growth for advanced economies rose by 3% with the US and UK witnessing an expansion of 2.8% and 1.7% respectively. According to the International Monetary Fund (IMF), the recovery process in the United States started later but had a healthier beginning than other advanced economies in Europe. This was mainly due to the strong fiscal policies, the return of bond markets and rapid restructuring which improves productivity.

Among the emerging and developing nations, due to the stronger than expected growth process, the GDP grew at a rate of 7.1% compared to 2.1% in 2009. A major part of the recovery was in the first half of the year. The second half of the year went through some moderation. Throughout the year, China and India were leading Asia's growth, but the Association of Southeast Asian Nations (ASEAN) region and the export-dependent parts of Asia also went through a strong recovery process. This was linked to the rapid growth in global manufacturing, which boosted the exports from these countries. Also, domestic demand played a major role in contributing to Asia's growth momentum in 2010.

Overview of the World Economic Outlook Projections:

REGION	Projections	
	2010	2011
World Output	5%	4.4%
Advanced Economies	3%	2.5%
United States	2.8%	3%
Euro Area	1.8%	1.5%
United Kingdom	1.7%	2%
Canada	2.9%	2.3%
Other Advanced Economies	5.6%	3.8%
Emerging and Developing Economies	7.1%	6.5%
Developing Asia	9.3%	8.4%
China	10.3%	9.6%
India	9.7%	8.4%

Source: International Monetary Fund (IMF)

GLOBAL ECONOMY IN 2011: CAUTIOUS STEPS AHEAD

According to IMF's Chief Economist, Olivier Blanchard, the world economy is growing, but it is a two-speed (slow in advanced countries, fast in emerging markets) global economic recovery and is likely to dominate the whole of 2011. He is concerned that the weak growth in advanced economies is barely enough to lower unemployment and the emerging markets will face challenges on how to avoid overheating and handle strong capital inflows.

The IMF is also concerned about Europe's financial sector dealing with the Euro debt crisis while countries like China, India and Brazil are struggling with rising demand and soaring inflation from rising commodity prices.

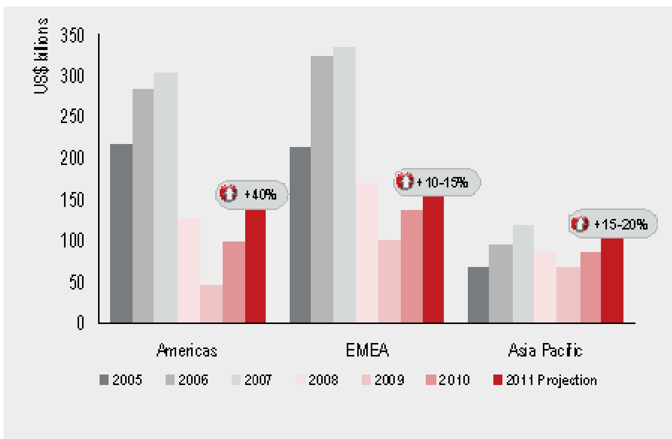
However, not all news is bad. In the global real estate market, 2011 direct commercial real estate investment volumes are forecasted to rise by 25-35% on 2010 levels. A significant amount of equity capital will target real estate and fresh capital-raising will further support the market.

According to experts, investments in commercial real estate had reached US$316 billion in 2010, a 50% jump from the US$209 billion in 2009. 2011 real estate volumes for the Americas are projected to jump 40% to US$135 billion from last year, and for the Europe, Middle East and Africa (EMEA), and Asia Pacific regions to rise by between 10% to 15% to US$150 billion and US$95 billion respectively.

Real estate investment trusts (REITs) are expected to witness continued interest in 2011. According to APREA (Asia Pacific Real Estate Association), the Asia Pacific REIT market saw a 22.8% y-o-y increase in market capitalisation last year to US$156.8 billion, up from 2009's US$66 billion. This jump justifies the fact that the region attracted tremendous amounts of liquidity in 2010 amid a financial environment infused with low interest rates and optimistic liquidity conditions.

During the crisis period, when the market plummeted, REITs began to acquire properties from highly leveraged investors at deeply discounted prices and bagged the premium assets that generate higher returns. Moreover, REITs are comparatively better equipped to raise capital to pay off debt, making them an increasingly attractive investment proposition.

GLOBAL DIRECT COMMERCIAL REAL ESTATE INVESTMENT, 2005-2011



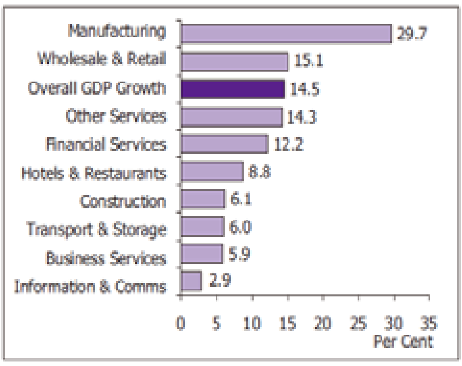
Source: Jones Lang LaSalle (JLL)

SINGAPORE ECONOMIC OUTLOOK:

The Singapore economy expanded by 14.5% in 2010, driven largely by the manufacturing sector. Due to a surge in electronics and biomedical manufacturing output, the manufacturing sector rebounded by 29.7% in 2010 after a contraction of 4.2% in 2009. Growth in the construction sector continued at a slow 6.1% compared to 17.1% in 2009.

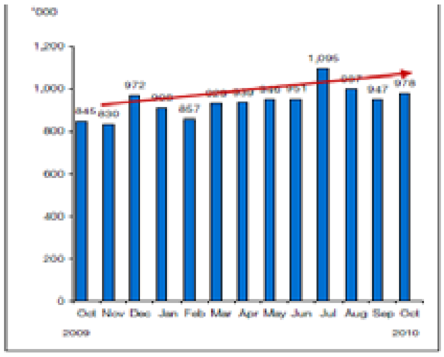
The services producing industries grew by 10.5% in 2010, compared to the fall of 0.7% in 2009. This was due to comprehensive growth across the range of services sectors. The financial services sector posted a robust growth of 12.2%, supported by increased activities for fund management and commercial bank lending. Tourism-related services sectors (such as the hotels and the arts, entertainment & recreation segments) were bolstered by strong visitor arrivals as well as the opening of the Integrated Resorts.

GDP AND SECTORIAL GROWTH RATES IN 2010



Source: Ministry of Trade and Industries (MTI)

VISITOR ARRIVALS (OCT '09-OCT '10): 15.8% HIKE



Source: Singapore Tourism Board (STB)

ECONOMIC OUTLOOK FOR 2011:

The growth outlook for Singapore remains positive in 2011 and the economy is expected to grow by 4% to 6%, together with the continuing recovery of the global economy.

According to the Monetary Authority of Singapore (MAS), the steady pace of growth in the advanced economies is expected to lend support to Singapore's manufacturing activities. Strong visitor arrivals, particularly from the key markets within the region, will continue to strengthen growth in Singapore's tourism-related services sectors. In addition, domestic factors such as capacity expansion in the electronics and biomedical manufacturing clusters will augment growth in the manufacturing sector in 2011.

However, the risks to the economy include factors such as sovereign debt concerns in the peripheral European Union economies persisting and inflationary concerns in Asia.

SINGAPORE'S PROPERTY MARKET

Quick Stats (Q4 2010)

	Current	Change from last Yr.	Change from last Qtr.
OFFICE			
Prime rents	S8.30psf	↑	↑
Prime capital values	S2,200psf	↑	↑
RESIDENTIAL			
Prime rents	S4.45psf	↑	↓
Prime capital values	S1,500psf	↑	↑
INDUSTRIAL			
Islandwide rents	S1.53psf	↑	↑
Capital values	S240psf	↑	↑
RETAIL			
Prime rents	S30.20psf	↓	↓
Prime capital values	S5,800psf	↑	↔

Source: CBRE

2010 was the year of recovery and the Singapore property market experienced this too. Supported by a robust economic growth of 14.6%, despite two rounds of cooling measures, the property market witnessed the pace of rise of values to be faster from a very low base in 2009. Prices of public housing grew by 14.1% in 2010 compared to 8.2% in 2009, whilst prices in the private housing market increased 17.6% last year compared to a 1.8% rise in 2009.

However, 2011 might be a different story with more stringent measures announced in January this year. While home buyers, sellers and developers will take time to review the impact of the latest property measures, prices are not likely to fall significantly but sales volume could fall in the short term. New projects which are well-located and with good access will manage to see a healthy response. Provided that the economy is in line with the government's forecast of 4% to 6% growth in 2011, it will help to bring the return of market confidence in the second half of the year.

Coming to total investment spending in 2010, this amounted to S$26.8 billion last year, higher than the S$24.7 billion in 2006 but still way below the S$41.5 billion in 2007. With major deals and investments in all sectors and investor types, property investment sales are expected to be buoyant in 2011.

BUDGET 2011 AND EFFECTS ON PROPERTY MARKET

Budget 2011 was by and large neutral towards the property market with no dampening measures announced, instead, being somewhat supportive to home buyers. For example, in order to help low-income first-time home buyers planning to purchase a Build-to-Order (BTO) flat, the government will introduce a Special CPF Housing Grant, which will be provided to families who earn up to $2,250 per month. This is in addition to the S$40,000 Additional CPF Housing Grant to help low-income households earning a monthly salary of S$1,500 and below to own their first homes.

Another measure that will benefit the market is the increase in the Employer CPF contributions and CPF salary ceiling. The employer contribution rate will be increased by another 0.5 percentage points to 16%, thus increasing the total contribution rate to 36%. Also, the CPF salary ceiling will be adjusted from S$4,500 to S$5,000 per month, apparently to keep pace with income growth in recent years, resulting in a slightly higher post-tax amount of capital to put to work buying a property (as CPF contributions are not taxed).

With the general elections scheduled this year and the budget 2011 already in place, one wonders what new steps the governement will take to cool the HOT property market- which has been indifferent to the recent harsh measures.

Source: Urban Redevelopment Authority (URA)

RESIDENTIAL PROPERTY MARKET

HDB: Over the last year, prices in the public housing sector stayed buoyant. This led the government to implement two rounds of cooling measures. The cooling measures introduced in August 2010 were specifically targeted at the HDB market, and were indirectly expected to help first-time buyers. The results show that the measures were effective to some extent. The median cash-over-valuation (COV) fell S$7,000 to S$23,000 in the three months ending December, and the median COV for a 3-bedroom flat is now around S$16,500. The impact of the cooling measures can also be seen on the resale market where transactions fell by about 21%, from 8,205 cases in 3Q 2010 to 6,454 cases in 4Q 2010.

This fall in COV level is an indication that August's cooling measures are starting to have an effect on the HDB resale market. Also, according to data from the HDB and URA, there is a slowdown in the price index. These results might be why the government didn't introduce any new measures for the HDB market, particularly in January this year.

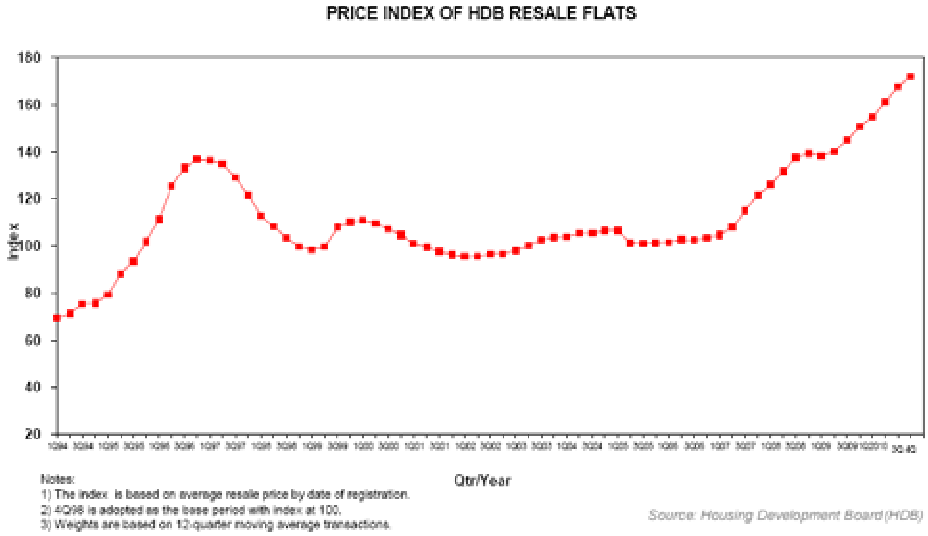
Going forward, the HDB is speeding up the supply of new flats to meet demand from first-time buyers. This year, it plans to offer up to 22,000 new flats in areas such as Bukit Panjang, Jurong West, Sengkang, Yishun and Punggol.

Private property: According to data from the Urban Redevelopment Authority (URA), the overall prices of private residential properties increased by 2.7 % in 4Q 2010, slower than the 2.9 % increase in the previous quarter.

In December alone, private home sales recorded 1,699 transactions, the highest number of transactions in December for the last few years and the fourth highest monthly sales for 2010. This led the government to introduce another round of cooling measures, this time harsher than the earlier ones: 4% - 16% of sellers stamp duties if the buyer sells within four years, regardless of whether he makes a profit.

Due to the measures, the private sector is initially expected to experience slower activity, as buyers take a wait-and-see approach in anticipation of a price fall. However, prices are not expected to fall significantly due to steady economic growth, healthy employment rate, increased liquidity in the market, low interest rates, developers with strong balance sheets and strong interest from foreign investors.

Although prices might stabilise, certain types of properties might prove to be more resistant to the recent cooling measures. These include small units (due to small price quantum and singles ready to occupy), landed homes (due to land scarcity in the country) and high-end non-landed units (due to foreign purchases and deeper investor pockets).



Government Land Sales: To meet growing demand, the government has promised to maintain a strong supply of private housing and release more commercial sites. For the first half of 2011, the Government Land Sales (GLS) Programme will comprise 44 sites consisting of 28 residential sites, 5 commercial sites, 2 mixed-use sites, 1 white site and 8 hotel sites. These sites can potentially yield about 14,300 private residential units, 318,000 sqm gross floor area (GFA) of commercial space and 3,700 hotel rooms.

From the land parcels sold in 2010, there are about 3,000 DBSS flats and 4,000 EC units. So far, developers have launched four EC projects, namely Esparina Residences in Sengkang, The Canopy in Yishun, Prive in Punggol and Austville Residences in Sengkang. Four more EC developments in Punggol, Pasir Ris, Bukit Panjang and Tampines will be launched for sale in the coming months by private developers.

Luxury market: Luxury property prices in Singapore are expected to rise by at least 8% in 2011, supported by solid economic fundamentals, strong cash holdings by Singaporeans, low interest rates, political and financial stability, as well as the increasing number of Singaporean millionaires and high net-worth individuals shifting their focus from countries such as Hong Kong and China. Singapore luxury property is still 20% less than its equivalent in Hong Kong, 28% less than Sydney and 41% less than London.

Luxury properties such as those at Sentosa, Nassim Road and Ardmore Park, where condominiums go for above S$3,000 psf, could see further upsides. The lower-end luxury segment, at Districts 9, 10 and 11, such as d'Leedon and Trilight, with an average sale price of S$1,750 psf, will also see positive flow.

In 2010, the luxury property market in Singapore garnered more interest from foreigners, such that more than half the luxury homes at Sentosa Cove are now owned by non-Singaporeans. Malaysians, Indonesians, mainland Chinese and Indians are the main buyers in this luxury sector. Moreover, mainland Chinese buyers have grown significantly in numbers, from 7% in 2007 to 19% in 2010. By Q4 2010, the percentage

of these buyers was on par with Indonesians and Malaysians, who were traditionally the top two foreign buyer groups.

Mainland Chinese buyers are expected to continue to be among the top two groups of foreign buyers, as the continuing implementation of property market curbs in China and the growing wealth of mainland Chinese will motivate more of them to make purchases overseas, including in Singapore.

En-bloc sales: The collective sales market rebounded in 2010, after a pause in 2009. 34 residential properties went en-bloc and sales amounted to around S$1.6 billion. Most of the collective sales of residential developments transacted last year were less than S$50 million each.

The average value of each deal was about S$52.6 million and the average land area taken was about 36,000 sq ft. The largest collective sale transacted in 2010 was that of the 27-unit Meng Garden Apartments at Lloyd Road, which was sold for S$137 million.

The prime residential areas also witnessed fewer collective sales in 2010. Only about one-fifth of the successful en bloc sale developments in 2010 were located within the prime districts 9, 10 and 11. The total transacted value of these en bloc projects in the prime districts added up to S$678 million.

However, 2011 may not be a similar story for the collective sales market, as the latest round of measures could prove to be challenging. This is because with the new measures in place, home prices are likely to stabilise or decline and with the current high asking prices of property, it could be harder for a developer to break even after paying a high price for land. En-bloc activity for smaller land plots at rising prices may not be as popular anymore, as developers adjust pricing and demand expectations of final products.

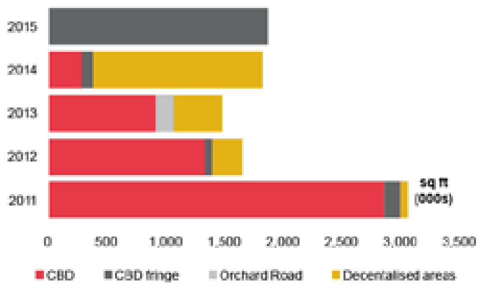
COMMERCIAL PROPERTY MARKET

The commercial property sector is slowly seeing an increase in take-up rates. The threat of further cooling measures by the government, as well as rising home prices, are leading investors to seek alternatives in commercial properties. Mixed-use developments are also in the limelight.

Also, from PropertyGuru's database, we have found that there has been a steady increase in the number of searches for commercial property over the years: 2010 (5%), 2009 (3.3%) and 2008 (1.72%). Our Q4 2010 property sentiment survey showed that 42% of respondents now feel commercial property is affordable, which means that, due to high home prices, they now consider cheaper options in office spaces, such as shop houses, an alternative means of investment.

Office: The office market gathered momentum as rents grew at an increasing rate in Q4 2010. Average prime rents in Raffles Place rose 7.1% Q-O-Q, up from 6.3% growth in Q3 2010. For the whole of 2010, average prime gross rents in Raffles Place increased by 13.9%. The average office rental values in the CBD fringe areas saw significant Q-O-Q rental growth of between 5.0% and 9.6%.

Office development pipeline



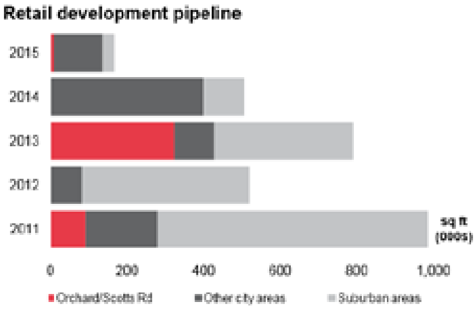
Source: URA, DTZ Research

The demand for commercial space is growing, which is evident from the fact that when occupiers upgrade to new buildings, the vacated space is taken up readily by existing tenants wanting to expand or by occupiers from other buildings. However, downward pressure on the occupancy rates of older secondary buildings is expected, as tenants move to better quality buildings that are being vacated.

Due to the substantial amount of new space that will be completed in 2011, rents are expected to grow but at a slower rate. However, risks include weak growth in advanced economies such as the US and UK and Euro debt crisis, which is still holding back widespread expansion among occupiers whose headquarters are based in these major economies.

Retail: In 2009 and 2010, five major malls were opened in the Orchard / Scotts Road area. With this, little new supply is expected in 2011 and 2012 along the premier shopping street and may result in rental hikes as demand catches up with supply. With low unemployment rate and wage increases, suburban malls continue to benefit from the pool of residents in these areas.

Retail development pipeline



Source: DTZ Research

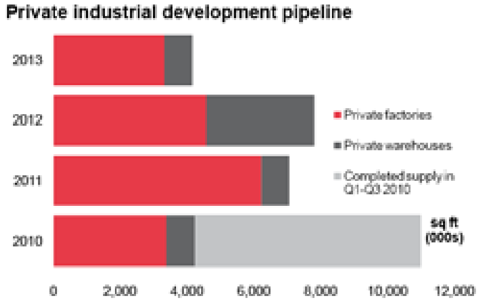
After the opening of the remaining attractions at Resorts World Sentosa (RWS) in 2010, the HarbourFront area has experienced increased traffic which has benefitted retailers at VivoCity and HabourFront Centre. Demand for space in suburban areas continued to be robust, despite the unveiling of major malls like Bedok Point and Serangoon nex which commenced operations in Q4 2010, as well as Clementi Mall, which opened in Q1 2011.

Going forward, the emergence of Suburban Malls and the opening of phase 2 of the Circle Line, will facilitate mobility to shop and create more shops space at new MRT stations and malls, as well as new retail experiences in Marina Bay Sands which have an ongoing downward price pressure on Orchard Road, where rental rates remain soft.

Industrial: Islandwide private industrial rents rose marginally in Q4 2010 after remaining unchanged in the previous quarter.

Strong recovery in the manufacturing sector has encouraged industrialists to expand. This is expected to continue and exert upward pressure on rental rates, as well as rental yields for investors. Also, as already mentioned, the implementation of measures to curb speculation in the residential property market has led more investors to turn to the industrial market. Also, as a factory unit with a shorter tenure is more affordable and requires a lower initial capital outlay than office, retail and residential units but provides handsome yields, is another reason pulling investors towards this sector.

Private industrial development pipeline



Source: URA, DTZ Research

Approximately 16 million sq ft of industrial space is expected to be completed from 2011 to 2013. Major upcoming industrial developments in 2011 are: Midview City and West Park BizCentral. The yearly increase in supply over the next two years is expected to be less than the 10-year average annual take-up of 9.16 million sq ft. Thus, rents for the industrial sector are expected to increase gradually.

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In Conversation with Tim Murphy, CEO, IP Global

If you think Singapore is where all the hot money is flowing in, think again. According to IP Global's founder and Managing Director, **Tim Murphy**, Kuala Lumpur has emerged as a hot property destination, alongside London and New York. | **By Romesh Navaratnarajah**

Q. ***What's your take on the Asia Pacific property market in 2011? Do you believe the residential and commercial markets will continue to stay robust or will it be more subdued?***

A. From IP Global's point of view, it would be best to invest in these three countries:

1. KL, Malaysia – Residential
2. Hong Kong – Residential
3. Singapore – Commercial

Kuala Lumpur's economy is expected to grow 5.8 percent in the year ahead and has remained stable for the last two years. The ringgit has appreciated by 12 percent during 2010, and an increase in foreign funds is expected. The properties are generally affordable with low taxes and foreigners are able to own property there. Kuala Lumpur is definitely one of the hotspots to invest in, other than London and New York.

Hong Kong has a strong GDP for 2010 and the job market is stabilising with the unemployment rate at 4 percent. Luxury property prices surged 40 percent in 2010 and the overall value of property increased by 34 percent in the last year. Even as the Hong Kong government implemented several housing measures to curb the rising property prices, such as imposing additional taxes and raising down payments for residential properties, real estate is still attractive as an inflation hedge.

Singapore had the best performing economy in Asia last year with 14.7 percent growth recorded. Analysts expect home prices to rise 5 percent in 2011 and 2012 and hence, this will not be the appropriate area to invest in now. On the other hand, office rents increased by 7.2 percent in Q3 2010 and vacancy rates fell to 2.8 percent then (from 6.4 percent in Q2 2010). Landlords and developers are definitely in a strong position.

Property markets to watch in APAC include:

1. Australia – Residential
2. Japan – Residential

Australian commodities are expected to fuel Asia's strong growth and commentators are now calling Australia "The New Saudi Arabia" due to the richness of its mineral reserves. A rebound in the Australian economy is expected to persist in 2011; hence, property investors should keep a close look out for residential property.

Japan's residential property market has strong potential as the country has experienced four consecutive quarters of economic expansion. It has also proven to be a popular choice for foreign investors in 2010 with investments from Mapletree, U.S Franklin Templeton and Pacific Alliance Group. Hence, the property market in Japan will continue to grow and remain favourable.

Q. ***Where should investors be heading for overseas properties? What are the hot destinations in 2011?***

A. London and New York are in my list of hot picks right now. London's favourable exchange rates continue to attract overseas buyers and it will remain this way in the year ahead. Also, its current rental yields are the highest in 20 years with an average of 4.5 tenants competing for every property. Investors should act fast before they miss this opportunity.

New York, on the other hand, has seen increases in sales prices for the housing market in 2010. Several Wall Street heavy weights have also purchased residential property in New York recently and this is a positive sign for the market. Prices are expected to continue to increase during 2011.

Q. ***You claim Kuala Lumpur is one of the most popular destinations for property investments in Asia. Why doesn't Iskandar Malaysia, which is being promoted as South East Asia's new economic zone, attract you?***

A. I believe Iskandar Malaysia has its potential but I would like to focus on Kuala Lumpur as it will remain as Malaysia's primary city for business and investment for both domestic and foreign investors. The Iskandar property market offers less liquidity when compared to Kuala Lumpur. However Iskandar's strategic location near to Singapore and the government's plan for the region means that this is the region to monitor closely.

Q. ***Also, why do you prefer Malaysia over China or India, given the fact that after the global financial crisis, these emerging economies have led the path in recovery?***

A. China's performance is heavily dependent on its mortgage lending availability and this is currently heavily restricted as part of the government's cooling measures. The country's central bank has raised interest rates twice since October 2010 and has recently announced property purchase limitations for second and third-tier cities as a result of rising property prices. In my opinion, I would not encourage investment in China judging from the current situation.

Similarly, as the property market in India is still at an immature stage, the direction of government policies changes frequently and the new measures (which may be introduced overnight) will impact investments significantly.

Q. ***How did the 2008-2009 financial crisis affect your business? Did you find it harder to market properties in the US and Europe? What's the trend in those markets right now?***

A. The most recent financial crisis hit a number of markets badly and people tended to act with real caution, choosing not to invest in the face of uncertainty. However, we've managed to get back on track in a relatively short time.

Residential properties in certain parts of the US (such as New York and Washington) and Europe (such as London) are already picking up and the future seems more rosy now. Both economies are expanding gradually and the housing prices there are expected to increase between 2011 and 2014.

Q. ***Singapore just announced another round of property cooling measures in January to curb speculation. Do you think it's enough? If not, what are additional steps that the government can take?***

A. Singapore's property market will remain robust despite the government's attempt to cool the market by implementing new property measures. It will inevitably deter the locals from buying properties here and dampen the market initially. However, foreign investors still hold a very strong sentiment about Singapore's economy and thus, they will continue to invest here. Also, China's tough housing measures are forcing investors to look for opportunities in other countries such as Singapore.

The holding period for Seller's Stamp Duty (SSD) has increased to 4 years now (up from 3 years). If this continues to increase, it will potentially discourage investors. Individuals with more than one mortgage can only borrow up to 60 percent of a property value (down from 70 percent).

Q. ***Singaporeans are very cautious when it comes to investing overseas because of perceived risks. What advice would you give to such sceptical investors?***

A. Seek advice from someone familiar with the key investment fundamentals related to your chosen market.

Also, do your research beforehand. I believe that one should buy a property because it makes investment sense, and not because of emotional attachments.

Also, take a top-down approach. Look at the economic fundamentals of the market first and whether the country is politically stable. Make sure all the fundamentals are strong.

Don't buy a property betting on currency. Many property investors were burnt by the unwinding in 2008 of what was called the "yen carry trade". Only do it if you believe in the potential for property returns and if you can afford to lose.

Q. ***Prior to establishing IP Global, you were involved in insurance and banking. How and why did you progress to starting a property investment company?***

A. My interest in property began at the age of 21 and I already owned a portfolio of properties by the time I started working in the Insurance and Banking industry. My chosen career gave me an extensive understanding of wealth management. With vast experience globally and over a decade in this region, IP Global was a natural progression for me – I was excited by wealth management and already had a passion for property.

Q. ***What are the unique services of IP Global that sets it apart from your competitors? What are the unique concepts?***

A. Unlike our competitors, IP Global actually invests in every project that we bring to our clients; thus building our own portfolio as a business. By doing this, we reflect our commitment to the potential return on the development.

IP Global produces 10 in-depth research reports every quarter and a risk analysis of each market in which it invests in. These are shared with clients and prospects alike.

A team of international property consultants with an intricate understanding of up to 15 markets worldwide has been handpicked from renowned industry names such as Knight Frank, Prudential, Coutts Bank and CBRE to provide investment advice to IP Global's clients and prospects.

IP Global also provides a fully integrated service, from purchase, ownership and eventual resale of their property. We are the only property investment company which provides this full service approach:

- Complete Ltd. provides a full roster of post-completion services, from handover to leasing and management, overseeing the relationship with local agents, developers and property managers, and sources and supplies furniture and furnishings.

- Complete Finance offers mortgage brokerage and a full range of mortgage-related products.

- IP Homes Ltd. is a property-development company that specialises in residential property in Hong Kong, both for owners to occupy and for investment.

Q. ***Lastly, where do you see the business of IP Global heading in the coming years? What are your three to five year plans for the company?***

A. We will be monitoring properties in the Middle-East market and make moves when we feel that the time is right. In the many years to come, we hope to open more offices around the world with a presence in Europe, America and the Middle-East.

LONDON Calling

The strengthening Singapore dollar against the Sterling means London properties are becoming more affordable for Singaporean investors.

| **By Khalil Adis**

With property prices showing no signs of abating in land scarce Singapore, London has proven to be the next destination of choice for Singaporeans.

London properties which have been launched in Singapore since the onset of the 2008 global financial crisis include Napier at West 3 by Berkeley Homes in West London, marketed by Jones Lang LaSalle.

Napier at West 3 is an upmarket development located in Acton Vale in the heart of West London with prices starting from £199, 950 (S$446, 000) – affordable by Singapore standards.

It comprises two suites, nine Manhattan Suites, 35 one-bedroom apartments, 34 two-bedroom apartments and six three-bedroom apartments.

Public housing in the Lion City had already hit the million-dollar mark last July when a Singaporean couple paid S$1.1 million for a Bishan flat.

Even with the property cooling measures announced on 13 January, only the Cash-Over-Valuation (COV) for HDB resale flats has dropped but not the quantum prices.

In the private property market, for the whole of 2010, prices had increased by 17.6 percent, compared with the 1.8 percent rise in 2009.

These factors have priced out many Singaporeans.

However, the strengthening Singapore dollar against the Sterling means that London properties are becoming much more affordable, especially for those who already fulfilled the minimum occupation period for HDB flats or already own private properties.

Under new property laws implemented last August, those who already own a property in Singapore or overseas, cannot buy subsidised HDB flats unless they dispose off their overseas properties within six months of the flat purchase.

LONDON BECOMING A DESTINATION OF CHOICE

According to CBRE, London is fast becoming a destination of choice.

Data from the property firm shows that London captured 27 percent of all cross-regional investment transactions during 2009 and the first half of 2010.

The onset of the global financial crisis in 2008 means more locals are unable to afford a home.

This means there is healthy demand for rental properties owing to new entry graduates and working professionals to the capital.

In addition, there is a housing shortage of over

250,000 homes in London and this has helped keep demand up and the rental market strong.

In January this year, developer Brookfield Europe unveiled its London project, Strata SE1, at a media launch in Singapore.

Strata is located in the popular Elephant and Castle area and near Waterloo Station.

The Strata SE1 development comprises 402 units of luxury apartments designed by world-renowned architects at BFLS.

It was completed in 2007 and all the units were sold.

"With its prime location in Elephant and Castle, its distinctive contemporary design and the amazing, extraordinary views that are unmatched in all of London, Strata offers a one-of a kind opportunity to own a piece of London's future," says Justin Black, director of Brookfield Europe.

However, it is currently attracting Asian buyers as some locals were unable to close.

"London has a fairly large Asian community and has enjoyed deep cultural and economic ties with Asia for many years. The city is also well known across Asia and English is the main language used here. There is no other place in United Kingdom where they feel more comfortable and welcomed," says James Talbot, director of Savills.

Apartment prices start at £230,000 (S$473, 000) which does not qualify investors to purchase even a private property, let alone one near any MRT stations in Singapore.

Facilities include a modern lobby with a 24/7 greeter and concierge, a personal CCTV system connected to residents' own TV plus exclusive access to its innovative Inhabit website that offers residents convenient fingertip access to arranged services like dry cleaning, groceries and so on.

Couple that with low interest rates, and analysts say London appears to be an attractive option.

"Now is the best time to buy into London properties given the strong Singapore dollar against the Sterling. Capital appreciation based just on currency play alone is phenomenal. If you add in the current low borrowing and savings interest rates plus the usual increase in property valuation and rental returns into the equation, the potential capital appreciation could be staggering. Having said that, buyers should view property investment with a mid to long-term investment time frame in mind," says Julian Sedgwick, director of Savills Asia Pacific.

UP AND COMING AREA

Elephant and Castle is the artistic heart of London's South End district and is currently leading the way for the city's regeneration.

It is already home to a number of cultural and arts venues plus a diverse array of restaurants and entertainment establishments.

Popular cultural attractions located nearby include The London College of Communications, Southbank Centre, the Tate Modern and the London Eye.

Owing to its location, Strata is becoming popular with Asian buyers.

"Our Asian residents love Strata's status as London's newest urban landmark and they appreciate our modern, well-designed apartments with the state-of-the-art amenities. In addition, they are drawn to London's Elephant & Castle area because of its close proximity to universities and London's entertainment and business districts. Strata is just minutes away on the Tube from the financial centre of London, as well as most of the city's popular spots," says Talbot.

LOOKING BEYOND REAL ESTATE

Asian parents are known to place great emphasis in education and London offers some of the best universities that their children could go to.

One such parent who recently bought an apartment in London is James Tan.

"Aside from London properties being so affordable at the moment, I see it as investing in my child's education. There are so many good universities here like the King's College London and the Royal College of Art. Plus, London has a very vibrant arts scene which is good for my child's overall development," says Tan.

Another draw factor is the London 2012 Olympics which is set to bring up tourist arrivals and have a positive impact on the economy, including real estate.

London is still recovering from the global economic crisis and when it does recover, real estate prices will soar accordingly due to the city being an important financial hub.

Overseas properties: London, UK

Bramah Chelsea, SW1
London, UK

All 101 apartments (comprising studio, one-, two- and three-bedroom units) feature elegant Wenge floors, contemporary interior-designed kitchens, SKY Plus wiring and CAT 5RGB broadband cabling. Close to Sloane Square, shops, bars and restaurants. Great connectivity to universities. For sale from GBP 600,000 onwards. Call Savills Residential Pte Ltd at (+65) 6836 6888.

Superb London Property Deal
London, UK

Designed and built by a leading hotel contractor. Studio and executive apartments available in off-plan hotel development, with full hotel facilities. Located close to Canary Wharf Station, supermarkets, first class shopping malls and restaurants. For sale at GBP 189,000. Please call WorldWide Investments at (+65) 6699 2000.

One Manor Mews, SW4
London, UK

Private apartment in the heart of Clapham. Close to three Zone 2 underground stations, 15 minutes from the West End, The City and London's major universities. For sale at GBP 329,995 & above. Please call Savills Residential Pte Ltd at +65-9383 3277.

Neo Bankside SE1
London, UK

A landmark residence located adjacent to Tate Modern, NEO Bankside SE1 features four glazed pavilions and 24 storeys of 199 apartments (comprising one-, two- and three-bedroom units and penthouses). Near essential business, education, shopping and entertainment destinations. For sale from GBP 815,000. Please call Savills Residential Pte Ltd at (+65) 9383 3277.

Wellington House SW1
London, UK

59 contemporary apartments, including duplex penthouses. Close to the Victoria train station and underground station, London's biggest transport hub, as well as Buckingham Palace and the business and shopping district. For sale from GBP 1,100,000. Call Savills Residential Pte Ltd at (+65) 9383 3277.

Strata, SE1
London, UK

43 storeys high, Strata SE1 has a mixture of stunning studios, one-, two- and three-bedroom apartments, all with floor-to-ceiling windows and beautiful views. Close to the River Thames, St. Paul's Cathedral, London Eye and more, with convenient transport nearby. For sale from GBP 280,000. Call Savills Residential Pte Ltd at (+65) 6836 6888.

New Projects: Singapore

Urban Residences

Freehold development in Serangoon. 41 one-, two- and three bedroom units and six luxurious three- and four-bedroom penthouses. Close to Serangoon and Bartley MRT stations, NEX, Heartland Mall and many schools. Call Jimmie Long from PropNex at (+65) 9147 7736.

The Trizon

Freehold condominium located in District 10, comprising three 24-storey towers. 10 minutes from the Orchard Shopping Belt, Resorts World Sentosa, Marina Bay Sands and Universal Studios. Near renowned schools. Price on ask. Call Savillis Residential Pte Ltd at (+65) 9693 0383.

Devonshire Residences

Freehold development, located in the heart of Orchard. An energy-efficient 25-storey development that houses 84 units and two levels of sky gardens. Close to shopping, fitness, F&B and entertainment destinations. Price on ask. Call Huttons Asia Pte Ltd at (+65) 6385 7731.

d'Leedon

The only 36-storey residential development in the Holland / Bukit Timah precinct, near Holland Village, Singapore Botanic Gardens and Dempsey Hill. Also near Farrer Road MRT and reputable polytechnics. Price on ask. Call Savillis Residential Pte Ltd at (+65) 9693 0383.

Twin Peaks

Located in Prime District 9, featuring fully-fitted apartments with designer furnishings. Walking distance from the Orchard Road shopping belt and Somerset MRT station. Call Savills Residential Pte Ltd at +65 9387 4624.

Marina Collection

Comprising 124 exclusive units, Marina Collection offers access to 40 private berths, the Sentosa Golf Club and an exclusive membership to One°15 Marina Club. Price on ask. Call Savills Residential Pte Ltd at (+65) 9387 4624.

111 Emerald Hill

Freehold apartment in District 9, with 40 exclusive units. A short walk from Orchard Road and Somerset MRT station. Three-bedroom sizes from 1,970 to 2,121 sqft and four-bedroom sizes from 2,411 to 2,497 sqft. Price on ask. Please call Savills Residential Pte ltd at +65 9617 2884.

Suncottages

999-year leasehold cluster of 23 luxury terraced homes in Upper Bukit Timah. Accessible via BKE and PIE. Near Bukit Panjang Plaza, Bukit Timah Nature Reserve and many schools. Call Far East Organization at (+65) 6534 8000.

make your HOUSE, a HOME

| By Sunaina Anand

You think of home, and comfort is the first thing that comes to mind, a place that exudes beauty and coziness. However, in our attempt to make our abode beautiful, we sometimes go over the top, giving it an over-decorated museum-type, almost garish look. This year, create your own intimate space that is homely and cozy while being stylish and elegant. Here are some quick tips to give your home that extra character by using different colours, themes and decorations.

Life on the coast
In this tropical island nation, the ideal way to decorate is a theme where you always feel close to the coast. Use colours inspired by the sun, sand and water, and replace tile floors with wood or stone. Create the mood with cane couches upholstered with soft fabrics and place bamboo or palm trees on either side. For the wall, buy paintings inspired by nature, to create a serene environment. Put dried flowers or potpourri in a glass bowl and place it on the coffee table. Light up the house at night with incense candles.

Freshen up
Blend the past and the future to create a brand new level of freshness in the decor. Make your home a fantasy land, a surreal ambience where you can shut out the troubles of the world. Decorate with drapes, cushions, bed covers and other knick-knacks in shades of Pearlescent White, Sea Coral Blue, Icy Mist, Lavender Secret, Pink, Violet and Gold. Escape from reality when you enter your very own vibrant fairytale land.

Country style
Think Jane Austin and the first thing that comes to mind is mansions, dark Oakwood furniture, four poster beds, skirted table covers, handmade rugs, embroidered curtains, all oozing class and grandeur. Who wouldn't want to decorate their home the old fashioned English way? For starters, do up your walls with wallpaper in subtle but rosy colours. Buy couches with flowery patterns and dark wood armchairs for the living room. A grandfather's clock will help enhance the décor. Old chests and wall bookcases with brass and iron knobs can add that extra class. Fresh flowers and silver or wrought candle stands would be a good way to decorate the dining table.

Small is Big
It's all about the small touches, the little things that add character. Give your living room wall a personal touch by hanging tiny wooden frames with pictures of family and friends. You could even buy a brand new vase for the floor or the dining table and fill it up with artificial or dried flowers. Tiny decorative artifacts can do a lot to brighten up and give a new flavour to your living space, but ensure that you don't over-do it. Too many knick-knacks can clutter and take the charm out of the decoration.

Teen theme
Plan a colourful theme for your children's room. Buy bright printed or striped curtains and bed spreads. Decorate their study table with flowers and pictures and place colourful bean bags on the floor. Put pictures of their favourite sportsman or rock band on the wall. You could even hang an electric guitar or a baseball bat on the wall, depending on their interests.

Laid back
While fancy couches can make your home look chic and elegant, a comfortable lifestyle theme ensures that you get your quota of peace, quiet and relaxation at home. Decorate your living room with reclining chairs with printed upholstery in bright cheerful colours. You could even put hammocks by the windows to lay back, relax and take in the breeze. Bead curtains and carpets in shades of Rosy Blush, Bronze Metallic and Dark Burgundy, can do much to accentuate the theme.

De-clutter
Too much furniture can make the room look cramped and small. If space is of the essence, you can replace bulky couches with floor cushions and place them on a rug. Cushions in lively colours can light up your room while making it look spacious and super comfy. Keeping your home tidy and free of clutter can also give it a spacious and bright look.

The ageless antique
The colours of the past, charcoal gray, coffee, champagne, beige and a spicy red can give your home a very retro look. Classics can be styled to look trendy, while they continue to emanate an elegance of the past. You could hang an antique door from India as artwork, or add a fresh coat of paint to antique cupboards and cabinets. Style them with drapes and upholstery in vibrant colours. So whether its classical art or war-era furniture, let these vintage pieces from the past be an inspiration for the future.

Stainless steel
While all our energies are usually directed towards revamping and decorating our living area, the kitchen is often forgotten. From drab and dreary tiles to modular kitchens, today, stainless steel makes the statement. Get stainless steel cabinets combined with vinyl flooring and make your kitchen look fresh and trendy.

Lighting
Lighting can make or break the way a house looks and feels. While ceiling lights give the home a cold feel, lamps exude warmth and coziness. Buy stylish table and floor lamps and place them in your living room and bedroom. Complement the lamps with soft textures on your furniture and drapes. You could even buy small and delicate chandeliers with soft lights, which can create the perfect ambience for a party. Big bay windows will ensure plenty of sunlight during the day making your home bright and cheerful.

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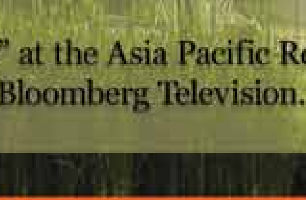
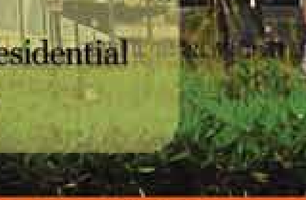


Meeting Room



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