

**HD** City & Country: **Property Briefs**

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Hiap Hoe signs contract with Starwood Hotels for **hotel** in Melbourne

Listed Singapore **property group** Hiap Hoe has received regulatory approval from the Melbourne government for a planning permit to redevelop the **site** at 6-22 Pearl River Road in Melbourne.

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The project in Melbourne (above) will comprise a seven-storey, 269-room **hotel** and two **residential** towers of 43 and 36 storeys with a total of 471 units called Marina Tower. Hiap Hoe has also signed a long-term management contract with Starwood Hotels & Resorts Worldwide to have the **hotel** branded Four Points by Sheraton Melbourne Docklands. The project will offer panoramic views of Victoria Harbour and will be designed by award-winning architectural **firm** dKO.

The proposed development will be the **group's** second integrated development, following its mixed-use development with hotels and offices at Zhongshan **Park** in Singapore.

HDB resale prices fall for fourth consecutive month

Resale prices for HDB flats dropped for the fourth month running, a decline seen across all HDB **property** types, according to the Singapore Real **Estate** Exchange (SRX) HDB Flash Report released on June 5. HDB resale prices for May fell 1.2% over the previous month, marking a two-year low since April 2012. Prices for executive condos declined the most at 2.8%; three- and four-room flat prices dipped 0.8%.

Compared to peak prices in April 2013, prices have declined 6.5%. Meanwhile, prices have dropped 2.7% since the beginning of this year. "The main cause for falling prices continues to be loan restrictions such as the mortgage servicing ratio of 30% that effectively limits the loan amount that buyers are able to secure," says Eugene Lim, ERA's key executive officer.

Resale volume also dropped 11.1% m-o-m, with 1,320 HDB flats **sold** last month, from April's 1,484 units. Lim points out that the large supply of build-to-order (BTO) flats and a three-year waiting period for newly minted permanent residents to **buy** resale flats have diverted demand for resale HDB flats. "Singles have also shunned resale HDB flats for two-room BTO flats," he says.

HDB units in Queenstown, Clementi and Jurong East bucked the downward price trend. These regions saw positive median **Transaction** Over X-Value (TOX) of \$6,500, \$1,000 and \$1,000, respectively, according to the report. The median TOX measures whether people are overpaying or underpaying the SRX estimated market value. Lim reckons that Jurong East's growth as a regional centre has had a positive impact on HDB resale prices in the area, while Clementi and Queenstown have always been popular mature estates.

Cushman & Wakefield expands to Malaysia

Real **estate** services **firm** Cushman & Wakefield (C&W) announced on June 3

that it had expanded into Malaysia with the opening of its maiden office in Kuala Lumpur, its 35th office in Asia-Pacific. This move is in line with the **company's** five-year strategic plan, which includes expansion of its business in the region.

"Malaysia is a key market for both our investor and occupier clients. It's the third-largest economy in Southeast Asia and it is going to play a key role in the Asean Economic Community," says Arsh Chaudhry, executive managing director for C&W in Southeast Asia. In addition to growth and development opportunities in the Klang Valley, C&W sees opportunities in Iskandar Malaysia, which has been earmarked by the government as a key economic growth region.

Kallang Riverside launched for **sale**

Developed by Singapore-Johore Express (SJE), which operates buses that shuttle between Singapore and Malaysia, the freehold Kallang Riverside condominium in Kampong Bugis is a redevelopment of SJE's former factory. Launched a fortnight ago, 150 units were released for **sale**. Of these, 99 have been snapped up at \$1,900 to \$2,600 psf. The freehold project comprises 212 **residential** units and seven **commercial** shops on the ground level.

Scheduled for completion in 2018, the project has attracted investor interest, given its city-fringe location, freehold tenure and the fact that there has been no launch of private condos in the area in the last seven years. Gross rental yields are also projected to range from 3% to 4% a year, according to **property** agents. Kallang Riverside is marketed by Huttons Real **Estate**.

The last condo that was launched in that neighbourhood of Kallang was Wing Tai's Riverine by the **Park**, in mid-2007. When it was launched, prices hovered at \$1,400 to \$1,500 psf. The 30-storey, 96-unit Riverine by the **Park** was completed in 2010. The latest **transaction** in the freehold condo was last June, when a 1,776 sq ft unit on the 27th floor changed hands for \$3.2 million (\$1,802 psf), according to URA Realis.

**China** top market for expanding retailers in Asia-Pacific, says CBRE

In Asia-Pacific, **China** remains the top priority for retailer expansion this year, while emerging markets in Southeast Asia are also attracting stronger attention, according to CBRE's retail report released on June 4. According to the report, 64% of respondents plan to open a new store in **China** this year, despite the slower economic growth.

"**China** continues to grow at a rapid pace and is luring international retailers

looking to tap the booming consumer spending and a growing appetite for western fashion products and services," says Jonathan Hsu, CBRE director, Asia Pacific Research. **China** is ahead of Vietnam, **Hong Kong** and Singapore, which tied for second place, with 33% of retailers planning a new store opening in each of these markets.

**CO** hotinv : Starwood Hotels & Resorts Worldwide Inc

**IN** ihotel : Hotel Construction | i501 : Building Construction | iconst : Construction | icre : Real Estate/Construction | i66 : Hotels/Restaurants | i665 : Lodgings | ilea : Leisure/Arts/Hospitality

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**RE** singp : Singapore | austr : Australia | melb : Melbourne | victor : Victoria (Australia) | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | seasia : Southeast Asia

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