



GuocoLand sets July launch date for Robertson Quay condo

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GUOCOLAND announced on Thursday that its latest development in the Robertson Quay area in District 9, Martin Modern, will be launched on July 22.

Although the developer did not confirm prices, PropNex CEO Ismail Gafoor, who worked with GuocoLand on this project, said the estimated average price is S\$2,300 per sq ft.

While GuocoLand Singapore's group managing director Cheng Hsing Yao said that not all 450 units will be immediately available, he did not say how many units will be launched initially.

When asked about his expectations for the project, Mr Cheng told *The Business Times* that he expects "a very strong demand" and is "very confident" about the project.

Construction of the project will be completed by 2021, and the project will offer a range of two, two plus study, three, and four-bedroom apartments spanning sizes from 764 sq ft to 1,798 sq ft.

Prices for the 99-year leasehold units start from S\$1.8 million.

Mr Cheng said: "We want to redefine the current conventions of luxury living. We draw inspiration from the experiences of living in a GCB (Good Class Bungalow) and translate that into a modern condominium in an upmarket riverside neighbourhood."

To this end, the condominium's design emphasises high levels of privacy, and it has a lush garden and large spaces for entertaining large numbers of guests.

When asked about the rationale behind the pricing, Mr Gafoor said: "For prices of about S\$2,300 per sq ft, there is still a positive interest based on our feel of the ground."

"Even for properties in the outlying areas meant for the mass market, prices are rising to about S\$1,400 to S\$1,500 per sq ft. So for a location like this, the S\$2,300 price will be attractive for many people."

He said this applies to those looking to live in the condominium, as well as those who are looking to use it as an investment.

"If you want to stay, then you'll be looking at the convenience and the lifestyle options. If you want to invest, then you'll look at the rental yield and the capital appreciation. In both attributes, Martin Modern stands out."

Mr Gafoor said he expects most of the demand to be fuelled by domestic rather than foreign sources.

Head of research and consultancy at ZACD Group, Nicholas Mak, said that the S\$2,300 per sq ft price for Martin Modern is "good" as it is not the most expensive property in the area, despite being pitched to the high-end luxury market.

Last year, GuocoLand was awarded the tender for the site at a bid price of S\$595.1 million.

Mr Mak said this works out to GuocoLand paying S\$1,239 per sq ft of development area. This is the highest price per sq ft paid for a purely residential site in a government auction since 2009. He estimates the break-even price for this development will be above S\$1,900 per sq ft.

He said: "When people heard that GuocoLand paid this much for the bid, they thought that this development would either have to be very expensive, or that the units would be very small."

"However, this is not the case – their units are relatively spacious, and they did not develop any one-bedroom units, so I have to give them credit for that."

Bloomberg News reported that Mr Cheng believes Singapore's luxury home prices are showing signs of improvement as high-end home sales were on an upswing even before the government eased some of its cooling measures in March.

He told Bloomberg: "Demand is there, with lots of people waiting on the sidelines. Prices have bottomed, and we can see a slight firming up already."

He said the changes in March may have added more fuel to the buying sentiment.

"The change in sentiment wasn't caused by the tweaking alone," Mr Cheng told Bloomberg. "The tweaking has contributed but sales for our projects started picking up towards the end of last year."

The average price for GuocoLand's Martin Modern is estimated at S\$2,300 per sq ft. Construction of the project will be completed by 2021, and it will offer a range of apartments spanning sizes from 764 sq ft to 1,798 sq ft.