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Tong Eng rolls out Belgravia Villas

Amid a raft of new launches is a large cluster housing development in the Seletar Hills Estate that should test the resilience of the landed housing segment

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St Thomas Walk condo sees a
spate of transactions

Clockwise from top left: Emilia
Teo, Terence Teo, Yeap Lam Hai
and Teo Tong Lim, the people
behind Belgravia Villas

COVER STORY

The scale model of Belgravia Villas, a 118-unit cluster housing development located off Ang Mo Kio Avenue 5

THE EXCEPTIONAL EXPERIENCE OF AN ABODE



Tong Eng rolls out Belgravia Villas

Amid a raft of new launches is a large cluster housing development in the Seletar Hills Estate that should test the resilience of the landed housing segment

| BY CECILIA CHOW |

Located at the end of a long driveway off Ang Mo Kio Avenue 5 is a 400,000 sq ft plot of freehold land. Standing out like a beacon is a showflat, designed as a replica of one of the 118 five-storey, strata-titled, terraced houses and semi-detached homes in a new cluster housing development called Belgravia Villas that will be built there.

Belgravia Villas is the latest launch in the quiet landed housing enclave of Seletar Hills Estate in the northeastern suburb of Singapore. Designed by renowned architectural firm P&T Group, the five-storey terraced and semi-detached houses in Belgravia Villas come with five bedrooms, of which four are en suite. The dining area has double-volume ceiling height, and the living area opens out to a private enclosed space. The basement level contains a grandparents' room with walk-in wardrobe and en suite bathroom, a helper's bedroom and attached bathroom, as well as a utility room. Each home comes with a private lift. Basement parking is provided for two cars.

The homes are designed with high-end specifications including marble flooring for the living and dining areas, timber flooring for the bedrooms and staircases, as well as full marble for all the bathrooms and powder

room. Bathroom accessories and fittings are from top brands Grohe and Villeroy & Boch, while kitchens feature premium European appliances, including a double-door refrigerator, full-size wine cooler, hob, oven and washer from Smeg and De Dietrich. The roof terrace is partially shaded, with a washing area provided for residents who want to entertain or dine there.

The terraced houses have strata areas of 3,500 to 3,800 sq ft, while the semi-detached homes are slightly larger, with strata areas of 3,800 to 4,000 sq ft. Prices start from \$3 million to \$3.2 million for intermediate terraced houses, while corner terraced houses are from \$3.2 million to \$3.4 million. Semi-detached houses are from \$3.7 million to \$3.9 million. VIP previews were held on Sept 19 and 20, with the public launch on the weekend of Sept 21 and 22. The joint marketing agents for Belgravia Villas are ERA and PropNex.

Legacy land

The developer of Belgravia Villas is Fairview Developments, a 50:50 joint venture between two storied families, the Teos of Tong Eng Brothers and the low-key Yeaps, who are direct descendants of Yeap Chor Ee, a tycoon and founder of the former Ban Hin Lee Bank in Penang in 1918. Considered one of the richest men in Penang, Yeap Chor Ee was a significant share-

holder of Oversea-Chinese Banking Corp in the 1930s, formed from the merger of three banks.

The site of Belgravia Villas is part of a 40-acre plot purchased jointly by the Teo and Yeap families in 1972. This translates to a development area of close to 1.8 million sq ft. "From friends, we became business partners, and decided to develop the land parcel jointly," explains Teo Tong Lim, 62, managing director of Tong Eng Brothers, of his friendship with the Yeap family. Fairview Developments' director, Yeap Lam Hai, 60, is one of the sons of Yeap Teik Leong, who lived in Singapore and was the eldest grandson of the patriarch, Yeap Chor Ee.

Tong Eng Brothers was founded in the 1940s by Teo's father and uncle, Thye Chor and Thye Hong, who ventured into property development in the 1950s, and by the 1960s, had developed many houses and apartments in the Changi Heights and Changi Grove area, which were rented out to the British forces. The area was then known as Tong Eng Heights.

Over the last 60 years, Tong Eng has developed and owned more than 100 acres of land. Notable projects include Greenbank Park, a freehold semi-detached housing project off Jalan Kampong Chantek in the Bukit Timah area, as well as the former Green Meadows Condominium (since rede-

veloped into Meadows @ Peirce by UOL Group), and the upcoming strata-titled housing project Poets Villas located in the Tagore landed housing estate: Tong Eng also developed condo projects such as Serenade Gardens in Ang Mo Kio and Trendale Tower along Cairnhill Road.

The Teos of Tong Eng Brothers and their partners, the Yeaps, are said to have the second largest privately held landbank in Seletar Hills Estate. When the two families purchased the land 41 years ago, Seletar was mainly a rural area with rubber plantations and many rent control tenants living in huts, "that we had to amicably pay off", recounts Teo. The site they purchased was zoned for three-storey mixed landed housing developments.

The largest landbank in Seletar is in the hands of the century-old listed property group, Bukit Sembawang Estates, which once had as many as 3,800 acres of rubber plantations in the northern reaches of Seletar and Sembawang. After World War II, these plantations were converted into development land for housing. Over a span of about five decades, Bukit Sembawang developed seven housing projects, with more than 2,500 houses in the Seletar Hills and Yio Chu Kang area, such as Dedap Gardens, Lilac Park, Mimosa Terrace and Saraca Gardens. Even the former con-

do development of Nim Park and the existing Nim Gardens were developed by Bukit Sembawang in the 1980s.

Transformation of Seletar

To date, about half of the 40 acres owned by Fairview Developments has been developed into 260 conventional landed homes, predominantly terraced houses, some semi-detached homes, and a niche strata-titled landed housing project. Its maiden project was Stratton Park, with 86 freehold conventional terraced houses and semi-detached homes that were designed in the classical style and completed in 1992. The second phase, Belgravia Park, was completed in 1995, and is made up of 82 freehold terraced houses and semi-detached homes in the same classical theme. The third phase, Stratton Green, completed in 2003, contains 82 terraced houses, of which half are in the classical theme, and the rest in contemporary style. Located next to Stratton Green is the contemporary cluster housing development with eight strata-titled, semi-detached houses called 8 @ Stratton, which was completed in 2009.

Belgravia Villas will be the latest phase to be launched by Fairview Developments, and the largest to date, with 100 strata-titled terraced houses and 18 semi-detached homes, scheduled for completion by 2018.

"We've seen the Seletar Hills Es-



The master bedroom and en suite bathroom with accessories as well as fittings from Grohe and Villeroy & Boch



An aerial view of Stratton Park, the first phase of 86 conventional landed homes by Fairview Developments, that was completed in 1992

tate, an old housing estate, transformed over the last 40 years," says Teo. "The old single-storey bungalows are gradually being replaced by three-storey mansions. The area is becoming more interesting. We never had a shopping mall in the past. We now have Greenwich V and the upcoming Seletar Mall. There used to be a small airport here, and now we have the Seletar Aerospace Park."

Unlike other suburban housing estates, the neighbourhood of Seletar Hills Estate is still accessible to the central area. It's popular among French expatriate families because the French International School is located at Ang Mo Kio Avenue 3, says DTZ's chief operating officer, Ong Choon Fah. It's also a 10-minute drive to Serangoon Gardens and Lorong Chuan, where the Australian International School is located. Some of the multinational corporations are located in Ang Mo Kio Industrial Park nearby, hence the popularity of the Seletar area with expatriates.

There are also established HDB estates in the Ang Mo Kio area, plus the new HDB towns of Sengkang-Buangkok, so "the Seletar Hills Estate neighbourhood appeals to HDB upgraders as well," says Ong.

Conventional versus strata-titled landed housing

Unlike conventional landed housing, a cluster housing project such as Belgravia Villas is a gated residence with 24-hour security, and shared amenities such as swimming pools, a gym, function room, barbecue facilities and landscaped gardens, very much like strata-titled condo projects. The density of a cluster housing project is also higher than a conventional landed housing development.

"There's still a difference in perception of a strata-titled landed property and a conventional landed home," says DTZ's Ong. "You own the actual land title when you buy a conventional landed property, but when you buy a unit in a cluster housing development, you are a strata-title holder, you don't own the land," she explains. However, over the years, cluster housing developments have become increasingly popular, especially among families with young children because of the shared facilities such as the swimming pool and gym, as well as the gated community. Such properties therefore appeal to investors as well as owner-occupiers, she adds.

There's a difference in terms of calculation of average price as well. For conventional houses, the average price is traditionally based on the land area, although some developers have recently been calculating based on built-up area. For cluster housing, the average price is based on the strata or gross floor area.

For example, Bukit Sembawang's latest landed housing project in the area is Luxus Hills, which is separated from Fairview Developments' site by Seletar Road. Luxus Hills' phases six and seven will be launched soon, and contain a mix of conventional terraced and semi-detached houses on a 999-year lease. Five-bedroom terraced houses in phases six and seven are said to have indicative prices of \$3.3 million to \$3.4 million. DTZ is the appointed marketing agent. In phase 5 of Luxus Hills, which is scheduled for completion soon, a five-bedroom intermediate terraced house has a price tag of more than \$3 million. If it's based on land area, the average price works out to \$1,859 psf, but if



Teo: We've seen the Seletar Hills Estate, an old housing estate, transformed over the last 40 years

it's based on built-up area of 3,650 sq ft, it's \$822 psf, according to a listing on PropertyGuru.

For a cluster housing project such as Belgravia Villas, the average price based on the strata area of the houses translates to about \$850 psf to \$900 psf.

The closest comparison to Belgravia Villas in the immediate vicinity is the soon-to-be-completed 121-unit Este Villa by MCL Land on Nim Road. The freehold cluster housing project is a redevelopment of the former Nim Park, which MCL Land purchased en bloc in 2007. Launched for sale about two years ago, Este Villa's corner terraced houses with strata area of 3,800 sq ft were priced at \$2.4 million to \$2.6 million, while intermediate terraced houses with strata area of 3,326 to 3,423 sq ft were sold for \$2.1 million to \$2.3 million apiece. There was only one pair of semi-detached houses with strata area of more



The living and dining area with double-volume ceiling height, and kitchen on the first level of the five-storey home

than 5,400 sq ft each, and those were snapped up for \$3.5 million apiece. The average price of units at Este Villa was \$680 psf based on strata area, and the project was sold out within just one week.

The most recent transaction at Este Villa was the sub-sale of a corner terraced house, which changed hands for \$3 million (\$796 psf) last November.

Belgravia Villas is considered the largest cluster housing development to be launched in the Seletar Hills Estate since Este Villa two years ago, according to Tong Eng's Teo. With freehold land increasingly scarce, Teo will only be releasing half the units in Belgravia Villas for sale in the initial phase.

Greater capital appreciation

Based on the URA private property price index for 2Q2013, prices of all landed homes have risen 87.2% in the last four years from the trough in 2Q2009. Among the different segments of landed homes, terraced houses saw the greatest price appreciation in the four-year period, rising 91.8%, followed by detached houses, which saw a 90.7% increase over the same time frame. Meanwhile, semi-detached houses rose 76.5% over the last four years. Hence, the price increases across all landed homes have surpassed the 55.3% growth in prices of non-landed homes (apartments and condos) over the same four-year period.

The most recent transaction in Fairview Developments' earlier phases in the Stratton neighbourhood was for a strata-titled, semi-detached house at 8 @ Stratton Green, which was sold for \$2.92 million (\$571 psf) in May. At Stratton Park, a freehold conventional terraced house changed hands in March for \$2.38 million (\$1,179 psf),

and another for \$2.35 million (\$1,041 psf) last December. Prior to that, the terraced house, which sits on a freehold land area of 2,260 sq ft, was sold for \$1.41 million (\$628 psf) in 2009. Seven years earlier in 2002, the terraced house was sold for \$1.08 million (\$478 psf). The houses at Stratton Park were completed 21 years ago.

With the imposition of the total debt servicing ratio (TDSR) at the end of June, home sales momentum has slowed in the last two months. Strata-titled landed housing projects appeal to a different segment of buyers from the 99-year leasehold, mass-market condo projects, observes Doris Ong, senior vice-president of ERA Realty Network. "Given that it's a freehold project, and in Seletar Hills Estate, Belgravia Villas has attracted many interested buyers," she says.

Like other developers who have recently trimmed prices for their new launches, Tong Eng has also adjusted the selling price of Belgravia Villas. "It could have been 7% higher," says Teo. "Any form of credit tightening like the TDSR will result in buyers having to examine what type of property they can afford to buy, and the amount they can borrow."

However, Teo remains "quite optimistic" that the take-up rate for Belgravia Villas will be reasonably healthy given the price point, design and layout of the property. After all, "we have always believed in the prosperity of Singapore and its property market will continue to be a good long-term investment", he says. "Landed homes are also more limited in supply. With freehold land increasingly scarce, we're not in a hurry to develop the rest of the site. We will launch a new phase every two years."