

GuocoLand-led group tops bids for Faber Walk site with conservative S\$900 psf ppr offer

While this is slightly above expectations of S\$750 to S\$850 psf ppr, it is almost 30% lower than winning bid for nearby Clementi plot sold last year

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A GUOCOLAND-LED consortium placed the top bid for a private housing site for about 400 units in Faber Walk, beating two other groups at the government tender's close on Tuesday (Nov 19).

The S\$349.9 million bid placed by GuocoLand, TID Residential and Intrepid Investments translates to a land rate of about S\$900 per square foot per plot ratio (psf ppr) for the Clementi area plot. This is at the higher end of the expectations of analysts earlier polled by *The Business Times*.

"The burst of homebuyer activity in the last fortnight, with six new launches and the near sell-out of Emerald of Katong, has changed the mood in the private residential market. However, this change among homebuyers has not yet been transferred to developers who remained cautious... with bids of S\$900 psf ppr and below that can be described as conservative," said Leonard Tay, Knight Frank Singapore's head of research.

The GuocoLand-led group's bid is, on a psf basis, almost 30 per cent under the S\$1,250 psf ppr top offer for a nearby site in Clementi Avenue, that was sold in November 2023, added Tay.

Consultants had earlier expected the site to draw up to three bids

ranging between S\$750 and S\$850 psf ppr, given developers' still-cautious stance and a relatively low plot ratio of 1.4 for the parcel, which would make the project a low-intensity, low-rise development.

Marcus Chu, chief executive officer of ERA Singapore, said that previous sites in the area received strong responses from developers, with an overwhelming number of 18 bidders for Waterfront @ Faber in 2014, and an average of seven bids across the sites for Parc Riviera, Twin Vew and Whistler Grand in subsequent years.

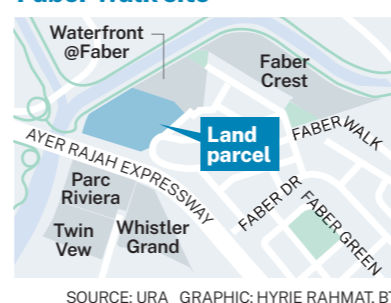
Ismail Gafoor, CEO of PropNex, noted: "Although market sentiment has shown signs of improvement recently following the start of the (US Federal Reserve) rate cut cycle, developers remain selective in their site acquisitions, leaning more towards sites with stronger locational attributes, such as being near to an MRT station or near amenities, that are more likely to drive end-demand."

The Faber Walk site is not particularly near an MRT station currently, he added.

The GuocoLand-led group's bid was 8.9 per cent higher than the next highest one from Oasis (2024). The entity, linked to boutique developer JBE helmed by Patrick Lam, placed a bid of S\$321.3 million or S\$826.6 psf ppr.

Santarli Realty, Apex Asia and Soon Li Heng Civil Engineering

Faber Walk site



SOURCE: URA GRAPHIC: HYRIE RAHMAT, BT

came in third with their offer of S\$282.9 million, or S\$727.7 psf ppr.

The 25,795.4 square metre (sq m) plot in Faber Walk is expected to yield 400 residential units with a maximum gross floor area of 36,114 sq m.

"If awarded, we plan to build a waterfront development comprising several low-rise blocks with up to 403 residential units in this private residential enclave," a GuocoLand spokesman said in a statement that was sent on Tuesday night.

At a land price of S\$900 psf ppr, analysts estimate break-even cost could range between S\$1,800 psf and S\$1,900 psf, with launch prices likely to be in the S\$2,000 to S\$2,200 psf range.

The last state-land site launched for sale in the Faber Walk area was West Coast Vale, where the 716-unit Whistler Grand condominium now sits.

The tender drew six bids when it closed in January 2018, with the

How they compare

BIDDERS	BID PRICE (S\$M)	S\$PSF PPR
GuocoLand, TID Residential, Intrepid Investments	349.9	900
Oasis (2024) (linked to JBE)	321.3	826.6
Santarli Realty, Apex Asia, Soon Li Heng Civil Engineering	282.9	727.7

SOURCE: URA, ACRA GRAPHIC: HYRIE RAHMAT, BT

top offer of S\$472.4 million or S\$800 psf ppr coming from City Developments Ltd.

The condo was launched at an average selling price of S\$1,380 psf in October that year.

"While there appears to be a robust and healthy demand for private housing around the Clementi and West Coast areas, given their proximity to popular schools like

Nan Hua Primary and tertiary institutions such as the National University of Singapore, performance has varied across specific project attributes," noted Tricia Song, CBRE Head of Research, South-east Asia.

Caveats data showed that resale prices in the Faber Walk site's vicinity ranged from S\$760,000 (S\$1,642 psf) to S\$2.8 million

(S\$1,845 psf) in the last six months.

The latest transaction was for a 1,733 sq ft unit in Faber Crest for S\$2 million, or S\$1,154 psf, in early November.

The median unit price for resale flats in the area was S\$1,707 psf.

Knight Frank's Tay added: "While it is still early days, the change in homebuyer sentiment could hold the promise of increased activity in both the private and public land sales market in 2025 with more interested parties, putting behind a 2024 that will be remembered for the two government land sales residential sites and the two white sites that were not awarded, either because the top or sole bid was too low or there were no participants."

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Projects nearby

PROJECT	Waterfront@Faber	Parc Clematis	Whistler Grand	Twin Vew	Parc Riviera	Clavon
MEDIAN PRICE IN 2024 (S\$)	1,533	2,052	1,879	1,778	1,642	2,035
NO OF UNITS TRANSACTED IN 2024	14	117	40	29	47	61
COMPLETION YEAR	2017	2023	2022	2021	2019	Uncompleted

SOURCE: CBRE RESEARCH, URA REALIS GRAPHIC: GARETH CHUNG, BT