



# Fifth Avenue GCB on the market for \$30.5 million

| BY CECILIA CHOW |

On Fifth Avenue sits a Good Class Bungalow (GCB) built in the mid-1990s by property giant City Developments Ltd (CDL). The property is one of just eight such GCBs that make up Avenue Villas, with four fronting Fifth Avenue, and another four on Sixth Avenue.

The design of the GCB was influenced by the grand proportions of the colonial-era bungalows. Hence, the Avenue Villas GCBs have double-volume ceiling height at the entrance hallway, and full marble flooring on the entire first level, which includes the formal living and dining rooms. There is a big dry kitchen and adjoining wet kitchen as well as a yard. On the second level are four spacious bedrooms with en suite bathrooms and built-in wardrobes. The master bedroom and a second bedroom have double French doors opening out to the second level balcony. There is a basement level with a family room, an additional guest bedroom with attached bathroom, a laundry and ironing room, as well as a storeroom.

The house has a built-up area of some 8,000 sq ft and sits on a freehold land area of 15,070 sq ft. The GCB is on the market for sale by private treaty. Jeffrey Sim, senior vice-president of DTZ, the marketing agent for the property, held an open house over the last two weekends. "On the first weekend, half a dozen people visited the house, and we received a number of enquiries," he says. "Last weekend, there were five viewings, two enquiries, and an offer of \$26 million."

The owner of the house at Fifth Avenue has



Sim: GCBs with such unparalleled hilltop views are rarely available on the market. The house also has good feng shui.

indicated a price tag of \$30.5 million (\$2,024 psf). The house is also available for rent at \$30,000 per month. "GCBs with such unparalleled hilltop views are rarely available on the market," notes Sim. "The house also has good feng shui."

While many of the neighbouring GCBs that make up Avenue Villas have been torn down and redeveloped over the years, the house at Fifth Avenue is one of the few that has retained its original architecture. And to some, that is one of the charms of the property, says Sim.

Even though the house is 16 years old, it



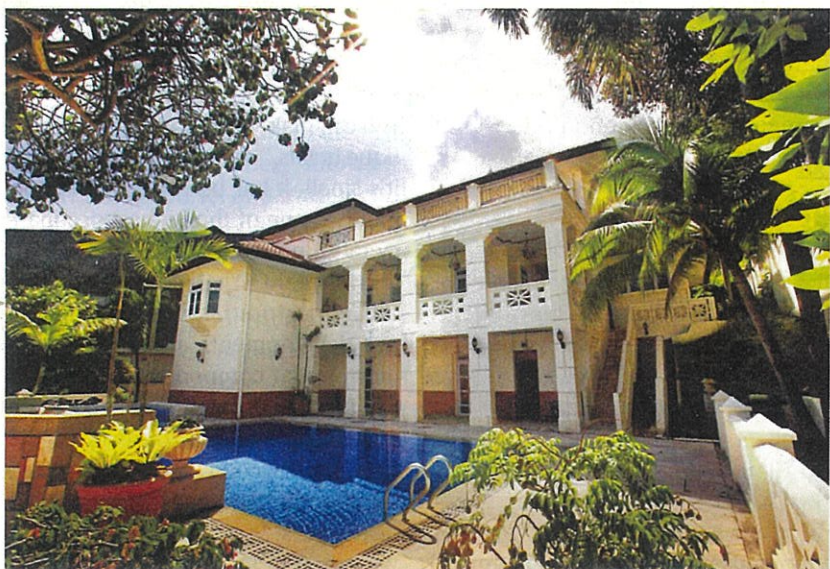
The entrance to the GCB on Fifth Avenue

is very well maintained. Some of the interested buyers are keen on the property as it is in move-in condition and requires very little renovation, he adds. However, there are others who are contemplating tearing down the existing structure to build their dream home. These days, it will cost about \$5 million to rebuild a GCB, he estimates.

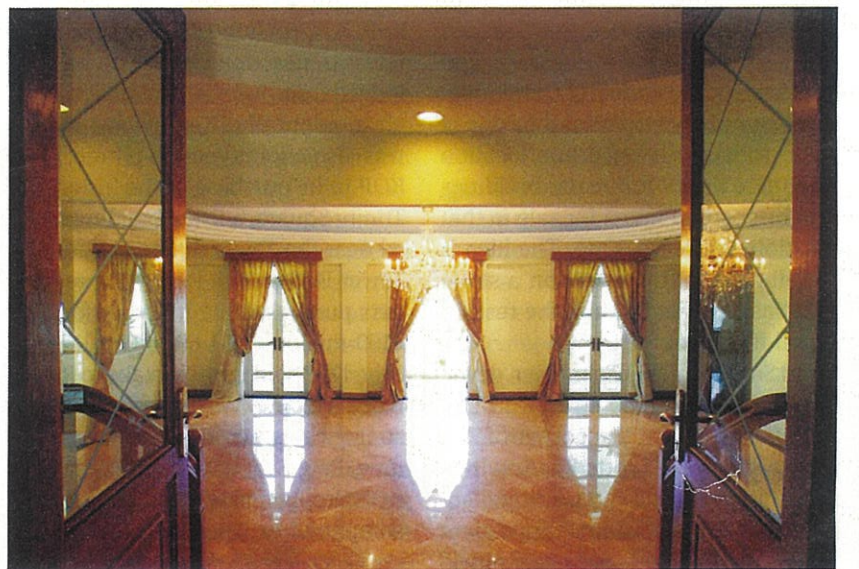
"Very few GCBs on Fifth Avenue ever come up for sale," observes Sim. The last transaction was over three years ago, when a GCB changed hands for \$23.5 million (\$1,559 psf)."

Many of the GCB owners on Fifth Avenue are prominent Singaporeans. Michael Fam,

the former chairman of Fraser & Neave, is believed to have lived there for many years. David Teo, executive chairman of listed Super Group, famous for its 3-in-1 beverages, has been a resident in the neighbourhood for the past 16 years. According to sources, Teo recently completed the rebuilding of a futuristic home, with a garage big enough for a fleet of 10 cars. Melvin Poh, founder of boutique developer Fission Group, who achieved success in projects featuring shoebox apartments such as Alexis and Robinson Suites, is also said to have built a contemporary GCB there, and moved in recently.



The rear of the house, which has a swimming pool on the upper terrace, and a small herb and fruit garden on the lower terrace



The grand entrance to the formal living room and dining room of the house





This GCB at Yarwood Avenue (left) sitting on a sprawling 69,546 sq ft, 999-year leasehold site was sold for a whopping \$59.5 million (\$856 psf) in April; this GCB at Ewart Park (below, left) on 33,551 sq ft was recently sold for close to \$38.6 million (\$1,150 psf); and this GCB at 35 Leedon Road (below), which sits on a freehold land area of 43,928 sq ft, is going for \$70 million



was valued at \$7.8 million (\$402 psf) and, over the years, has been leased out at monthly rental rates of \$24,000 to \$30,000. Thus, Tay's gross rental yield has ranged from 3.7% to 4.6% a year.

The house at Third Avenue is now on the market with a price tag of \$28 million (\$1,442 psf). Jeffrey Sim, DTZ's senior vice-president of the resale division, who is marketing the property, says good properties are hard to come by and difficult to replicate. If a new owner were to tear down and build something similar today, he estimates that the construction cost alone would be at least \$400 to \$500 psf, or \$4 million to \$5 million, based on a built-up area of 10,000 sq ft.

The house is also located just a short distance from the upcoming King Albert Park MRT Station, and GCBs located near MRT stations are also very rare, hence valuable, he adds.

### GCBs triple in value in more than a decade

Sim, who has been marketing GCBs for the past 12 years, says: "When I first started marketing GCBs, prices were \$5 million to \$6 million. Today, some of the GCBs are going for \$30 million to \$40 million. For a long time, GCB prices were hovering at \$400 to \$500 psf, and now they have doubled or tripled."

Prices of GCBs in the Bukit Timah-Holland Road area are already hitting \$1,400 to \$1,600 psf, notes William Wong, managing director of RealStar Premier Group, a bungalow specialist.

For instance, in April, a GCB at Astrid Hill off Holland Road sitting on a freehold plot of 22,012 sq ft was sold for \$35 million, or \$1,590 psf. The GCB is said to have been purchased by a Singaporean doctor. "He saw it in the morning and confirmed it at night, and the deal was

done within the same day," says DTZ's Sim, who brokered the sale.

Just a fortnight ago, a GCB sitting on a freehold land area of 15,076 sq ft at Fifth Avenue was sold for \$23.5 million (\$1,559 psf), and one at Maple Lane sitting on a site area of 16,368 sq ft was sold for \$22 million (\$1,344 psf). Both deals were said to have been brokered by RealStar.

Transaction volume this year has fallen significantly compared with last year. Based on caveats lodged with URA Realis, 25 GCBs have changed hands this year, versus about 50 in the same period last year, according to CB Richard Ellis Research. While transaction volume has halved, average prices of GCBs achieved year-to-date have actually increased 15.7%, from an average of \$1,021 psf over the same period last year to \$1,182 psf this year. "Prices are still holding up and have in fact appreci-

ated slightly this year," notes Douglas Wong, director of luxury homes at CBRE.

While the rising prices of GCBs over the past year may have stifled the volume of sales transactions, "new price benchmarks could still be achieved this year, as prized GCBs and GCB sites are rarely available and high in demand", says Steven Ming, executive director of investment and Prestige Homes at Savills Singapore.

This year has also seen half a dozen GCBs changing hands at prices above \$30 million, compared with eight such transactions for all of 2010, which was a record year in terms of sales, with about 105 GCBs worth \$2.1 billion having been transacted.

At Ewart Park located off Holland Road, a GCB sitting on 33,551 sq ft was recently sold for close to \$38.6 million (\$1,150 psf). The sale is said to have been brokered by RealStar.

In the neighbourhood of Old Holland Road, an old GCB sitting on a large plot of about 40,000 sq ft is going for \$55 million. The site can be subdivided and redeveloped into two smaller GCBs.

The highest-priced GCB sold this year in terms of absolute amount is at Yarwood Avenue, off Bukit Timah Road. The GCB is located at the end of a cul-de-sac and sits on a sprawling 69,546 sq ft, 999-year leasehold site. It was sold for a whopping \$59.5 million (\$856 psf) in April, according to a caveat lodged with URA Realis. On the grounds is an original single-storey bungalow built in the 1950s/60s era as well as a tennis court. The site is large enough to be subdivided into three smaller GCB plots.

According to market sources, RealStar brokered the sale of the Yarwood Avenue site, and the buyer is said to be a Singaporean who purchased it for his own occupation.

"Such large GCB plots with the potential for subdivision into smaller GCBs are attracting the interest of Singaporeans with strong buying power," notes RealStar's Wong. "The number of interested parties looking at ticket GCBs in the \$60 million to \$70 million price range has also increased, he adds.

### \$70 mil GCB, anyone?

This substantial increase in the prices of GCBs is good news for owners such as Madam Chong, dubbed "the Queen of Leedon Park", as she has been investing in GCBs in the Leedon Road-Leedon Park neighbourhood since 1978.

In mid-1996, Chong had purchased a colonial-era bungalow sitting on a sprawling 43,928 sq ft freehold site at 35 Leedon Road for \$17.7 million (\$403 psf). Over the years she has put the property on the market, then taken it off again. "There have been several times I've been on the verge of selling, something happened and the deal was called off," she admits.

That has turned out to be a blessing in disguise, as Chong's asking price for the Leedon Road GCB is now \$70 million (\$1,594 psf). "I've recently received an offer of \$68.8 million," she says. "And just yesterday, an agent mentioned that a prospective buyer looking at a price somewhere near \$70 million. If I get a good price, I will sell." Chong is also aware that such large GCB plots are these days, as many have been carved up into smaller GCBs over the years.

In fact, niche developer George Lim had chased the GCB adjacent to Chong's for \$10 million in late 2005. The freehold 43,250 sq ft site was also occupied by a colonial-era bungalow, but Lim subdivided the site into GCB plots of 21,000 to 22,000 sq ft each.

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Sim: Super high-end condos... are hitting close to \$6,000 psf. What's to stop GCBs from reaching \$3,000 psf?