

Jalan Anak Bukit mixed-use GLS site launched for sale

Introduction

The Urban Redevelopment Authority (URA) released a Government Land Sale (GLS) site at Jalan Anak Bukit for sale by tender today. With a surface land area measuring 32,183.4 sqm, it is the largest and the only commercial-cum-residential mixed-use site in the Confirmed List of the GLS Programme for the whole of 2020. There is no mixed-use site in the Confirmed list of the 2H 2020 GLS Programme.

According to the authorities, the site will be developed into an Integrated Transport Hub (ITH) linked to the Beauty World MRT Station and bus interchange. It can potentially be built into 845 housing units, with 20,000 sqm of commercial space.

The details for this site are included in the table below.

Table 1: Location details of the Jalan Anak Bukit GLS site

Location	Jalan Anak Bukit
Surface site area	32,183.4 sqm
Maximum Gross Floor Area	96,551 sqm
Estimated Commercial Space	20,000 sqm
Estimated No. of housing units	845
Lease Period	99 years

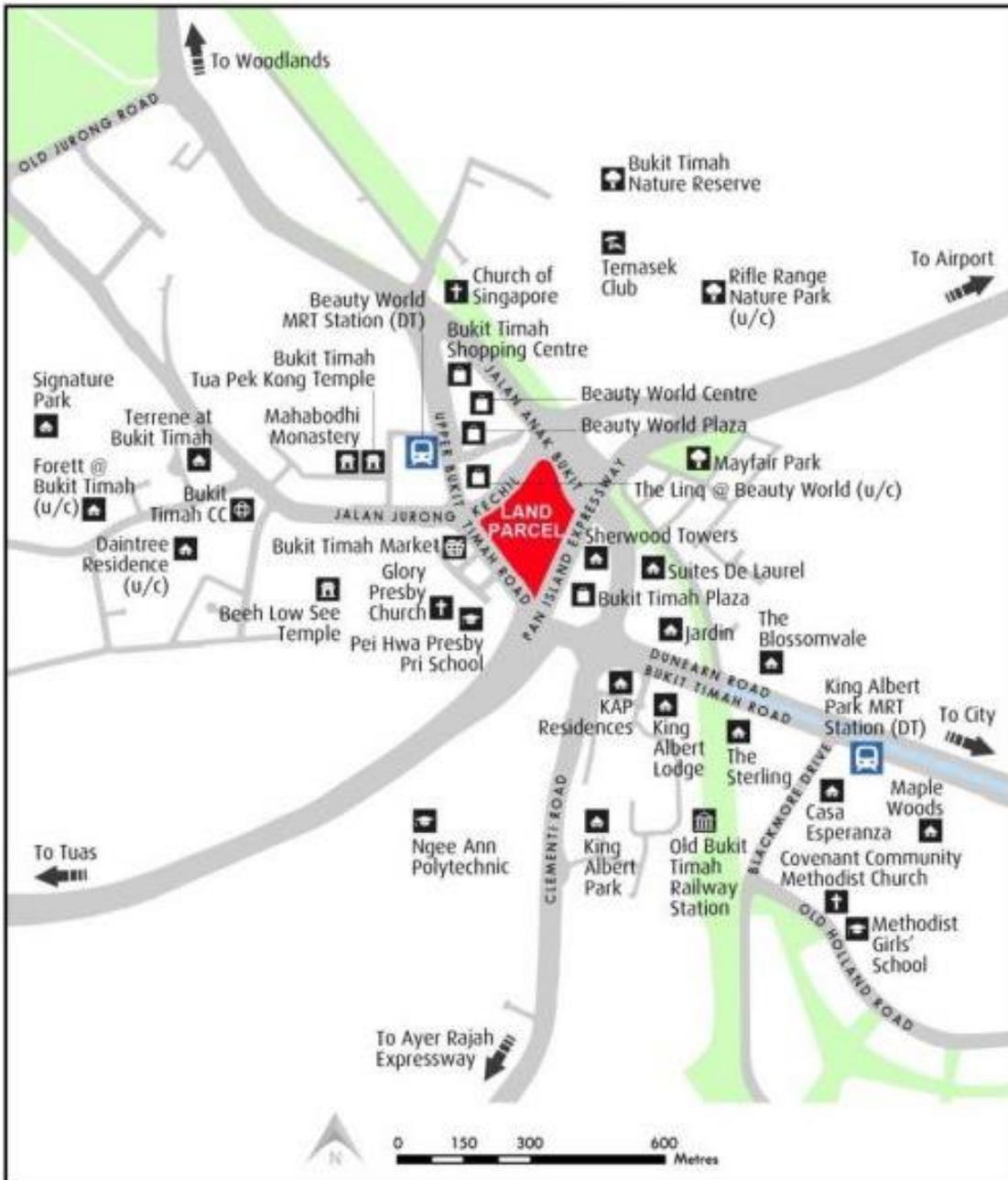
Source: URA

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Figure 1: Location map of mixed-use GLS site at Jalan Anak Bukit



Source: URA

Integrated Transport Hub

The subject GLS site will become one of the few Integrated Transport Hubs (ITHs) in Singapore. According to the Land Transport Authority, ITHs are air-conditioned bus interchanges that are seamlessly linked to MRT stations and adjoining commercial developments.

ITHs are rather rare in Singapore. There are only 10 ITHs in operations in Singapore, with two more ITHs, namely the ones at Buangkok and Bidadari, slated to open in 2023 and 2024 respectively. When the subject GLS site at Jalan Anak Bukit is developed, it will be the 13th ITH in Singapore.

Table 2: List of Integrated Transport Hub in Singapore

Integrated Transport Hub (ITH)	Name of residential development	Location	Property type	No. of residential units
Bedok	Bedok Residences	Bedok North Drive	Private Resid + Commercial	583
Boon Lay	The Centris	Jurong West Central 3	Private Resid + Commercial	610
Sengkang	Compass Heights	Sengkang Square	Private Resid + Commercial	536
Bukit Panjang	Hillion Residences	Jelebu Road	Private Resid + Commercial	546
Yishun	North Park Residences	Yishun Central 1	Private Resid + Commercial	920
Ang Mo Kio	Nil	Ang Mo Kio Avenue 3	Commercial	Nil
Serangoon	Nil	Serangoon Central	Commercial	Nil
Toa Payoh	Nil	Lorong 6 Toa Payoh	Commercial	Nil
Joo Koon	Nil	Joo Koon Circle	Industrial + Commercial	Nil
Clementi	Nil	Commonwealth Avenue West	HDB + Commercial	Nil
Bidadari (Upcoming)	The Woodleigh Residences	Bidadari Park Drive	Private Resid + Commercial	667
Buangkok (Upcoming)	Sengkang Grand Residences	Compassvale Bow	Private Resid + Commercial	680

Source: URA, ERA Research & Consultancy

The subject site is regularly-shaped like a rhombus and it is relatively large, which allows greater flexibility in planning and designing the development. However, its proximity to the MRT line would also increase the construction costs and challenges as developers are required not to cause any disturbance to MRT infrastructures.

Catalyst to rejuvenate the Beauty World neighbourhood

The new mixed-use development that will eventually be build on the subject site would be a much-needed catalyst to rejuvenate the Beauty World neighbourhood. Although there is another new mixed-use project called The Linq @ Beauty World, that is presently under construction near the Beauty World MRT station, it is relatively small compared to the subject site.

Currently, the major commercial properties in that location consists of a few aging buildings, namely Beauty World Centre, Beauty World Plaza and Bukit Timah Shopping Centre, which were built in the 1980s. The development of the subject site could raise the property values in that location and may even encouraged the owners of these older properties to either redevelop the properties or launch enbloc sales.

Comparable properties

The most recent mix-used GLS site sold by the government was the site for the Integrated Transport Hub at Pasir Ris Central. The tender was awarded in March 2019 to a joint-venture of Allgreen Properties and Kerry Properties for \$700 million or \$684.48 psf ppr.

A few relatively newer comparable properties near the subject site are Daintree Residences and View at Kismis. Housing units in these developments were sold at a median price of \$1,666 psf and \$1,695 psf respectively.

The median transacted prices from January to June 2020 for comparable condominiums are as follows.

Table 3: Comparable residential projects to Jalan Anak Bukit GLS

Name	Street name	Postal district	Estimated TOP	Number of units	Median price (\$psf)*
Sengkang Grand Residences	Compassvale Bow	19	2023	680	\$1,735
The Woodleigh Residences	Bidadari Park Drive	13	2024	667	\$1,849
Daintree Residences	Toh Tuck Road	21	2022	327	\$1,666
View at Kismis	Lorong Kismis	21	2023	186	\$1,695
Mayfair Gardens	Rifle Range Road	21	2024	215	\$2,029
Mayfair Modern	Rifle Range Road	21	2024	171	\$1,903

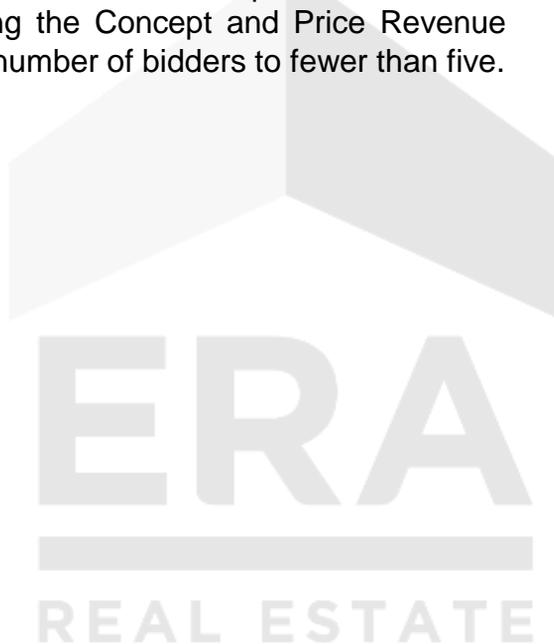
Source: URA, ERA Research & Consultancy

Note: Median price is based on reported transactions from January to June 2020.

Outlook

The residential development at Jalan Anak Bukit is likely to be launched for sale in 2022. By then, the negative impact of the Covid-19 outbreak would have subsided and the Singapore economic would have recovered. Hence, if this project is reasonably priced, it will likely be one of the more popular developments among the new residential launches at that time.

Although this is an attractive site, the size, complexity and large investment required for this development, in addition to the cost of preparing the Concept and Price Revenue Tender would limit the number of bidders to fewer than five.



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