

State tender for Holland Rd site draws 15 bids

Some developers place more than one bid for commercial and residential site

WED, MAR 21, 2018 | KALPANA RASHIWALA



The land parcel is divided into two zones: Zone 1 for residential development, and Zone 2 for commercial and/or serviced apartment uses. Observers expect it could take about two months before URA awards the site. ST PHOTO: AZIZ HUSSIN

A state tender for a plum 99-year leasehold commercial and residential site in Holland Road closed yesterday after attracting 15 bids.

Some developers placed more than one bid with different concept proposals for the site, in order to boost their chances of clinching it.

Under the dual-envelope concept and price tender mode for the site's sale, the Urban Redevelopment Authority (URA) released only the bidders' names but not their bid prices.

A consortium with Far East Organization, an affiliated company and Sekisui House put in three bids.

Three consortiums placed two bids each: Lendlease in a tie-up with Pontiac Land; Perennial Real Estate Holdings in partnership with Qingjian Realty; and GuocoLand in partnership with Hong Leong Holdings' fully owned unit Intrepid Investments, TID and Hong Realty.

The rest of the bidders, with one bid each, were City Developments, in partnership with RB Capital; Allgreen Properties in partnership with Kerry Properties; UOL Group, teaming up with United Industrial Corporation; CapitaLand, in partnership with Hotel Properties; SingHaiyi Group in a tie-up with its controlling shareholder Haiyi Holdings; and Chip Eng Seng in partnership with Roxy-Pacific Holdings and JBE Properties.

Bidders were required to submit their concept proposals and tender prices in two separate envelopes. Under this system, only the envelopes containing concept proposals were opened yesterday.

A Concept Evaluation Committee will first review the proposals against the criteria of quality of the design concept, quality of the public realm, and track record. Only those that substantially satisfy the criteria will be shortlisted for the second stage of the tender evaluation.

At this stage, the price envelopes of proposals with acceptable concepts will be opened for consideration. The site will then be awarded to the tender with the highest bid.

The Holland Road site can have a maximum gross floor area (GFA) of 59,715 sq m, of which up to 13,500 sq m can be used for retail. The URA has set a cap of 570 residential units for the project. At least 60 per cent of the total GFA should be for residential use, and the remaining 40 per cent may be for commercial use.

The land parcel is divided into two zones: Zone 1 for residential development, allowing for flats, serviced apartments and/or strata landed houses; and Zone 2 for commercial and/or serviced apartment uses. Dual "office/residential" use units may be allowed.



Market watchers expect it could take about two months before URA awards the site. The successful bidder will have seven years to complete the project.

JLL national director Ong Teck Hui said the response reflected the attractiveness of the site, the upturn in the residential and commercial property sectors and the stabilising retail property segment. "As expected, many major players submitted bids with a number of them as consortiums. The huge capital outlay with a land price possibly exceeding \$1 billion and the necessary experience in developing and managing the non-residential component would have led to the tie-ups."

ZACD Group executive director Nicholas Mak noted the presence of Chinese developers in this tender. "These developers were primarily developing residential projects in Singapore. Now they appear to be ready to expand into commercial development and possibly hold such commercial developments for investment. They will be giving other Singapore developers a run for their money."