COLLIERS INTERNATIONAL
QUARTERLY RESEARCH REPORT

SINGAPORE

APRIL 2006

THE KNOWLEDGE

Property Market Overview

Market Conditions as at March 2006

Singapore Economy

Singapore's Economy Strengthened Further

Singapore's economy grew by an estimated 9.1% on a year-on-year (YoY) basis in 1Q 2006, faster than last quarter's 8.7%. The manufacturing sector was the main driver of the economy in the quarter, expanding by 16.0% with strong growth in the electronics, biomedical and transport engineering clusters. The services producing industries grew by an estimated 7.6%, largely driven by a faster pace of expansion in the wholesale and retail trade sector. The construction sector continued to decline albeit at a decelerating pace of 0.6%.

For the whole year of 2006, the Ministry of Trade and Industry has revised the GDP forecast upwards to between 4.0% and 6.0%, from the previous forecast of between 3.0% and 5.0%.

YEAR-ON-YEAR GROWTH IN GROSS DOMESTIC PRODUCT

	1Q 2005	4Q 2005	2005	1Q 2006 (Advance Estimates)
Overall GDP	3.4	8.7	6.4	9.1
Goods Producing Industries				
Manufacturing	3.2	14.2	9.3	16.0
Construction	-1.1	-0.8	-1.1	-0.6
Services Producing Industries	4.2	7.2	6.0	7.6

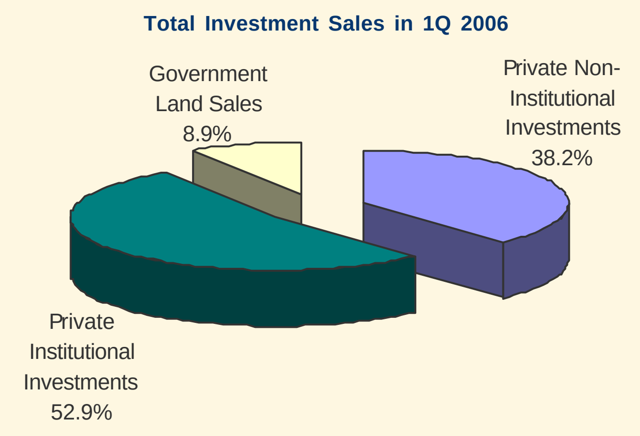
Source: Ministry of Trade and Industry, Singapore

Investment Sales

Investment Sales Power On

2006 opened on a positive note with the investment sales market chalking up a total value of $5.67 billion of transactions in 1Q 2006, some 48.4% more than the $3.82 billion amassed in 4Q 2005. Acquisitions by institutional investors such as REITs and funds formed the bulk of the investment sales transactions contributing to 52.9% of the sales at $3.00 billion.

50 Raffles Place #18-01
Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6222 4901
www.colliers.com/singapore
RCB No. 198105965E



Source: Colliers International Singapore Research

In the private sector, mixed and residential developments formed the two largest types of properties transacted in the quarter by value. Together, they accounted for 79.5% of total private investment sales of $5.16 billion in 1Q 2006.

The $2.17 billion of mixed developments transacted in the quarter was contributed solely by the sale of Raffles City at North Bridge Road in the Central Business District (CBD) to CapitaCommercial Trust (CCT) and CapitaMall Trust (CMT). The sale price is inclusive of reimbursements of amounts paid to the seller Tincel Properties for building capital expenditure and asset enhancement works, and property-related liabilities. CCT would own 60% of Raffles City while CMT would own the remaining 40%. This integrated development totaling 3.5 million sq ft consists of a shopping mall (302,000 sq ft), an office tower (375,000 sq ft), a convention center (70,000 sq ft) and two hotels – Raffles The Plaza and Swissotel The Stamford (2,032 rooms).

In the residential sector where some $1.95 billion worth of private investment sales was accumulated, collective sales accounted for close to two-thirds of these transactions at $1.18 billion. Development sites in the areas closest to Orchard Road were the most desired by developers with 10 such sites sold collectively for redevelopment for approximately $803.26 million or 68.3% of the total collective sales. The most significant collective sale in the quarter in terms of unit price and location was that of Eng Lok Mansion. Situated at the Good Class Bungalow precinct of Napier Road, Eng Lok Mansion was sold to Parkway Group for $138 million or $1,218 per sq ft per plot ratio. This price is 15.1% higher than the recent high of $1,058 per sq ft per plot ratio paid for the nearby Angullia Park by Far East Organisation. Parkway Group hopes to change the use of the Eng Lok Mansion site from residential to healthcare. Non-collective en-bloc transactions of residential properties amounted to $773.13 million in the quarter.

In the commercial sector, Asian Retail Mall Fund II made two commercial acquisitions amounting to $631.3 million in the quarter. The first purchase was a combined site comprising DBS Tampines Centre and Pavilion Complex in Tampines Central for $288.88 million. Outline planning permission has been granted for these two 99-year leasehold sites with a combined land area of 90,689 sq ft to be redeveloped into a five-storey retail mall with three basements at a plot ratio of 4.2. The second property acquired was Liang Court Shopping Centre in River Valley Road for $175.00 million.

TOTAL INVESTMENT SALES IN 1Q 2006

Property Sector	Private Institutional ($ bil)	Private Non-Institutional ($ bil)	Private Sub-Total ($ bil)	Public Land Sales ($ bil)	Grand Total ($ bil)
Commercial	$463.89	$167.40	$631.29	$421.10	$1,052.39
Hospitality	$282.20	$10.20	$292.40	$0.00	$292.40
Industrial	$86.70	$47.65	$134.35	$3.03	$137.38
Mixed	$2,166.00	$0.00	$2,166.00	$0.00	$2,166.00
Residential	0.00	$1,939.89	$1,939.89	$82.22	$2,022.11
		Total	**$5,163.93**	**$506.35**	**-**
		Grand Total			**$5,670.28**

Source: Colliers International Singapore Research

In the public sector, the Government awarded three land parcels totaling $506.35 million in 1Q 2006. The most significant award in terms of value and location was the former Gluttons' Square site at Orchard Road and Killiney Road. Awarded to Far East Organization for $421.10 million, its unit land price of $1,085 per sq ft per plot ratio is 6.4% higher than the $1,020 per sq ft per plot ratio paid for the Orchard Turn site which has a far superior location and larger site area. Far East Organization is expected to fully utilize the maximum allowable gross floor area of 387,985 sq ft for retail use.

Moving forward, the bright prospects of Singapore's economy on the back of sound infrastructure development and government initiatives will continue to boost investors' confidence in the Singapore property market over the mid to long term. This will bolster well for the investment sales market. The only dampener, especially for the collective sales segment, would be the substantial hike in development charge (DC) announced by the Government on 1 March 2006.

DC, which is a levy by the Government for approving intensification or change of land use, was raised by up to 9.4% on average across all key sectors. The largest increase of 9.4% was for the non-landed residential use groups. The hikes were led by three prime districts: Sentosa (37.5%), Shenton Way / New Downtown (20.0% to 33.3%) and Orchard Road (18.9%). Commercial properties saw DC rates rise by an average of 6.0%, the largest increase for commercial properties since August 2000, when DC rates were increased by 11.7%. The largest hikes were for the Orchard Road sector (24.2% to 25.0%). This could largely be attributed to the high prices fetched by the Orchard Turn and Gluttons' Square sites. Industrial DC rates remained unchanged.

While the DC rate increases are not expected to completely dampen the fervour of collective sales, collective owners may have to eventually contend with a lower net sale premium. Owners of Minton Rise, for instance, have been asked to bear the additional DC payable for the redevelopment of their properties as a result of DC rate increases.

On balance, investment sales activities are expected to intensify in the next three quarters of the year, driven by the impending listing of more Singapore REITs, the likely award of the Marina Integrated Resort (IR) anticipated in June this year and possibly, the divestment of half of JTC Corporation's (JTC) portfolio of ready-built factories.

PUBLIC LAND SALES IN 1Q 2006

Location	Use	Tenure	GPR	Permissible Gross Floor Area (sq ft)	Sale Price ($ mil)	Sale Price ($ psf ppr)	Awarded To	Type of Sale	Sales Agent
Orchard Road / Killiney Road	Commercial	99-year	-	387,985	$421.10	$1,085	Far East Organization	GLS*	URA
Pioneer Road	Industrial, Business 2	30-year	1.0	213,750	$3.03	$14	Soilbuild Group Holdings Ltd	GLS*	JTC
Tampines Avenue 6	Residential	99-year	3.2	723,224	$82.22	$114	Sim Lian Land Pte Ltd	DBSS#	HDB
				Total	**$506.35**				

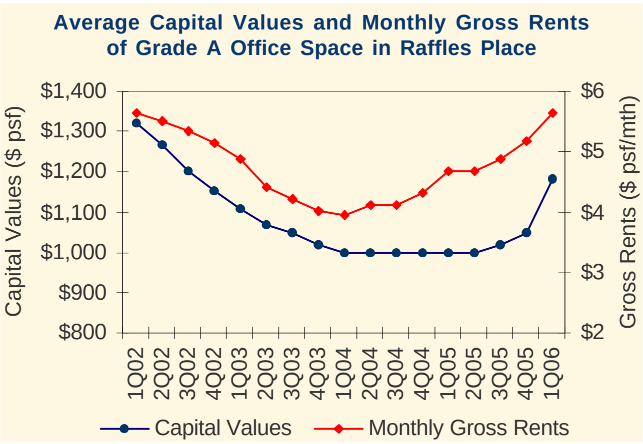
*Government Land Sales
#Design, Build and Sell Scheme

Source: URA / HDB / JTC / Colliers International Singapore Research

Office

Capital Values Finally Catching Up With Rents

Capital values of office properties, which have been lagging behind rents in the market recovery, are finally showing signs of catching up. Up till mid-2005 when prime rents had recovered by 18.6% from its trough in 1Q 2004, capital values, which also bottomed in the same period, did not experience any growth for five consecutive quarters. Signs of growth only appeared in 3Q 2005 when prices of prime office space in Raffles Place nudged up by 2.0%. Since then, capital values of such properties had risen by some 18.4%, with the highest growth of 12.4% recorded in 1Q 2006. As at March 2006, prime office space in Raffles Place were commanding average capital values of $1,180 per sq ft, up from last quarter's $1,050 per sq ft.



Source: Colliers International Singapore Research

The surge in capital values was achieved on the back of increasing rents and positive business sentiments resulting in strong demand for investment grade office properties. Some of the significant office investment transactions in the quarter included:

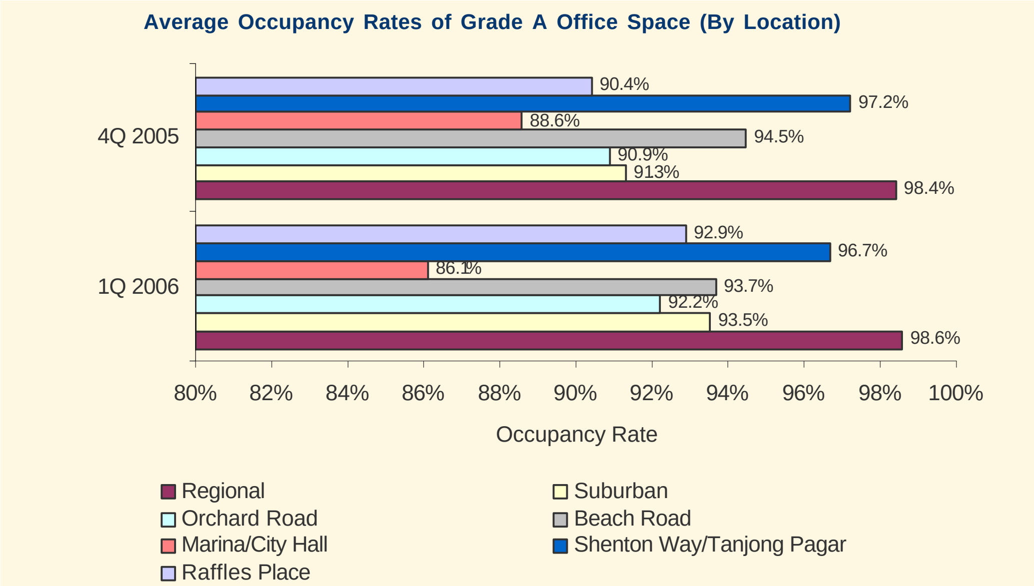
- Samudera Shipping Line purchased three floors of office space totaling some 30,387 sq ft at $39.80 million from Hancock Limited for its own business occupation. This translates to a unit price of $1,310 per sq ft, which is 77.5% higher than the average of $738 per sq ft achieved in the second half of 2004 for the freehold development.

- The sale of the 999-year One Phillip Street to the listed Auric Pacific (part of the Lippo Group) for $37.60 million or S$1,044 per sq ft of net lettable area.

- Lippo Group also signed a deal to purchase a 55% stake in 79 Anson Road from Pramerica Asia for $90.00 million or $833 per sq ft over a total freehold net lettable area of 108,000 sq ft.

On the leasing front, the market experienced a high level of inquiries amidst tight supply for Grade A space, especially in the Raffles Place, Shenton Way/ Tanjong Pagar and Regional micro markets. In Raffles Place, the average occupancy rate for Grade A office space increased by 2.4 percentage points to 92.9% from 90.5% just three months ago. Prospective tenants who are still seeking quality office space in Raffles Place would now be left with remnant sections of office space in various Grade A buildings as larger choice space have been taken up. In the Suburban micro market, the average occupancy rate of Grade A office space climbed 2.2 percentage points from 91.3% as at 4Q 2005 to 93.5% as at 1Q 2006. In the Regional micro market, Grade A office space has practically reached full occupancy at 98.6% save for some pockets of buffer space to cater to transitional occupancy. On the whole, the overall average occupancy rates of office space strengthened by an approximate 0.3 percentage points to 92.0% in 1Q 2006 from 91.7% in 4Q 2005.

The financial sector remained as the key sector contributing to the take-up of office space in 1Q 2006. For instance, in addition to five floors of 150,000 sq ft already committed earlier, Deutsche Bank is understood to have taken up another three floors of some 90,000 sq in One Raffles Quay. The quarter also saw a number of foreign banks seeking to set up offshore branches in Singapore. These included India's two largest lenders, the State Bank of India and ICICI Bank, as well as India's most globalised bank, Bank of Barodato.



Source: Colliers International Singapore Research

Rentals of office space continued to head north, boosted by strong demand and tight supply. The generally stronger negotiation stance of landlords had narrowed the gap between monthly asking and actual committed rentals. The gap between asking and actual monthly rents of Grade A office space for the respective micro markets ranged between 0.6% and 18.4% as at 1Q 2006 compared to between 12.4% and 20.1% seen some six months ago.

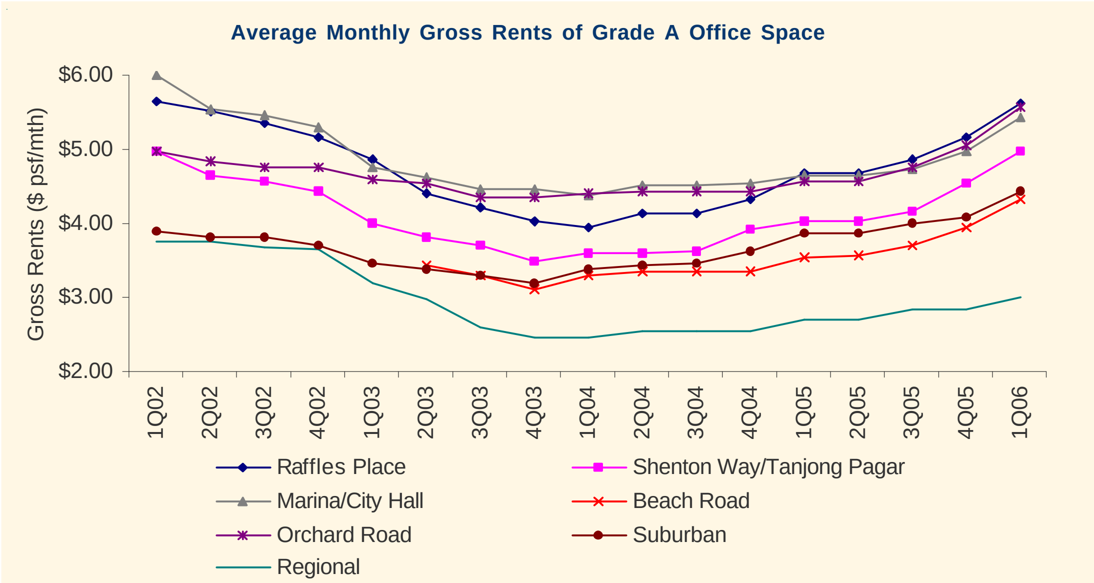
Compared to the preceding quarter, monthly gross rents escalated by an average of 8.4% in 1Q 2006. The upcoming One Raffles Quay, which has achieved a pre-commitment rate of almost 90% has been leading the office market and is seen setting rental benchmarks. Rents at the development had doubled since it was being marketed in late 2004 and asking rents for larger net lettable area in excess of 10,000 sq ft have now reached as high as $8.50 to 9.00 per sq ft per month. In 1Q 2006, monthly gross rents of Grade A office space in Raffles Place rose by 8.9% from the last quarter to average at $5.63 per sq ft. This is approximately 42.5% higher than the trough level in 1Q 2004 but is still some 27.5% lower than the $7.77 per sq ft achieved during the recent peak in 1Q 2001.

At the same time, Grade A office space in the Orchard Road micro market has surpassed the Marina/City Hall micro market as the second most expensive location after Raffles Place for the third consecutive quarter since 3Q 2005. Monthly gross rents of Grade A office space in Orchard Road averaged $5.58 per sq ft as at 1Q 2006.

AVERAGE MONTHLY GROSS RENTS OF GRADE A OFFICE SPACE

Micro Markets	Average Monthly Gross Rents 1Q 2006 ($psf)	4Q 2005 ($psf)	Change QoQ (%)
Raffles Place	$5.63	$5.17	8.9%
Shenton Way / Tanjong Pagar	$4.98	$4.55	9.5%
Marina / City Hall	$5.42	$4.98	8.8%
Beach Road	$4.33	$3.95	9.6%
Orchard Road	$5.58	$5.05	10.5%
Suburban	$4.44	$4.08	8.8%
Regional	$3.00	$2.83	6.0%

Source: Colliers International Singapore Research



Source: Colliers International Singapore Research

Going forward, the generally tight office supply condition will prevail even with the completion of the 1.3 million sq ft of space in One Raffles Quay in the second half of the year as nearly 90% of the development has been pre-committed. Leasing and investors' demand for office properties is expected to remain buoyant on the back of sustained economic growth. This will underpin sustainable rental and capital values growth in the months ahead. Grade A office rents are forecast to rise by a further 12% to 15% and capital values by 18% by the end of this year.

Retail

Growth Phase of Supply Has Begun

The retail sector is beginning to experience supply growth after six consecutive years of relatively controlled supply. Four major developments accommodating a total of some 217,347 sq ft of net lettable area of new retail space were completed in the quarter.

The largest of these four newly completed developments is The Cathay at Handy Road at the tail-end of Orchard Road. The Cathay, rejuvenated from the previous Cathay Building, is an eight-storey retail complex with an eight-screen cineplex and an art cinema. It is positioned to capture the market comprising the professionals and executives in the 25 to 40-year old age group. As at end-March 2006, more than 70% of the 168,000 sq ft of retail space had been committed. Two of its major tenants include flagship Adidas boutique (7,000 sq ft) and a local spa, Inner Harmony (7,000 sq ft). The mall will be fully operational only in 2Q 2006.

Dhoby Xchange Mall at the Dhoby Ghaut MRT interchange was also completed in the quarter. It is one of the largest retail malls of SMRT Corporation's 51 Mass Rapid Transit (MRT) stations to be revamped. It will eventually house three food and beverage and 50 retail outlets. More than 80% of the 15,984 sq ft of net lettable area had been taken up and the mall will be opened in mid April.

Outside the CBD, some 33,363 sq ft of retail space was created from two public projects, namely Budget Terminal (25,833 sq ft) at Changi International Airport and The Frontier Community Club (7,530 sq ft) at Jurong West Central 3. Both developments achieved 100% commitment rates by the time their temporary occupation permits were issued in March.

The 217,347 sq ft of new retail space completed, however, is just a fraction of what the remaining three

NEW SUPPLY OF RETAIL SPACE IN 1Q 2006

Projects	Location	Net Lettable Area (sq ft)
CBD		
The Cathay (Redevelopment of Cathay Building)	2 Handy Road	168,000
Dhoby Xchange Mall (Additions & Alterations)	Dhoby Ghaut MRT Interchange	15,984
	Total	**183,984**
Outside CBD		
Budget Terminal	30 Airport Boulevard	25,833
The Frontier Community Club	60 Jurong West Central 3	7,530
	Total	**33,363**
	Overall Total	**217,347**

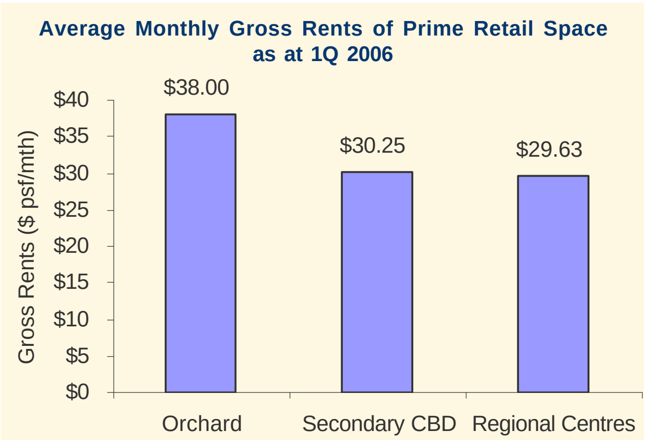
Source: Colliers International Singapore Research

quarters will see. A further 1.8 million sq ft of retail space is scheduled for completion by end of the year with the 1.1 million sq ft VivoCity at the fringe of CBD contributing to the bulk of this new supply.

Demand for retail space has, so far, kept pace with supply as evidenced by the good take-up rates (above 70%) seen for the four newly completed malls of The Cathay, Dhoby Xchange Mall, Budget Terminal and The Frontier Community Club. Elsewhere, leasing activities were also active. Within the City Hall area, retail space on the ground floor level of Raffles City Shopping Centre that were vacated by foreign brands, Mango and Country Road in the quarter were taken up by sports apparel, Adidas Original and a high-end boutique Coach. Over in the Orchard Road area, newly launched Spanish label, Massimo Dutti opened its third outlet at the basement level of Ngee Ann City, taking over some retail space vacated by Women's Secret, Nautica and M)phosis. M.A.C and M)phosis also took up the retail space that were vacated by Kenneth Cole, Swatch and Emotion at the basement level of Ngee Ann City. At Crown Prince Shopping Centre, the 12,000 sq ft of retail space vacated by Singtel's Teleshop was quickly taken up by Hong Kong and Shanghai Bank for retail banking.

The strong demand for retail space was fuelled by the expanding retail industry. Singapore's retail sales index (excluding motor vehicles), which grew 7.1% on a YoY basis in 2005, reaped another significant increase in January where the index grew by 7.8% compared to the same period last year. The tourism industry, too, continued to trend up with visitor arrivals to Singapore recording remarkable double-digit YoY growths of 14.8% and 15.9% in January and February this year respectively.

As demand had kept pace with supply, retail rents were firm, maintaining last quarter's level of \$38.00, \$30.25 and \$29.63 per sq ft for prime Orchard Road, secondary CBD and regional centres respectively.



Source: Colliers International Singapore Research

The remaking of Orchard Road gathered pace with the award of the Gluttons' Square site at Orchard Road/Killiney Road to Far East Organisation in January and the making available of a third development site, Somerset Central on this prime shopping belt for commercial development on the Government Land Sales Reserved List. The first development site on Orchard Road was at Orchard

Turn which was awarded to CapitaLand and Sun Hung Kai in December last year. Located above Somerset MRT station, the Somerset Central site at Orchard Road/Somerset Road with a site area of 78,702 sq ft can yield a total gross floor area (GFA) of about 424,205 sq ft, of which at least 60% must be for retail use.

Retailers' tills are expected to continue to ring through the rest of 2006. Domestic private consumer spending will remain healthy on the back of sustained economic expansion as well as high employment level. Visitors' spending, on the other hand, will be buoyed by the numerous major events lined up for the Meetings, Incentives, Conventions and Exhibitions (MICE) industry which Singapore will be playing host in the months ahead. Some of these events include the Electronic Entertainment Expo in May, the Infocomm Media Business Exchange in June and the Annual Meetings of International Monetary Fund (IMF) and World Bank Group in September. The IMF event is expected to bring in some 16,000 visitors to Singapore who are expected to stay an average of five days each.

Improved retail business will spur existing retailers to expand and attract new comers, both local and foreign. This will translate into growth in demand for retail space. Supply, on the other hand, is set to grow exponentially. However, as oncoming supply for 2006 is mostly located outside the Orchard Road shopping belt, prime retail space available for lease will remain limited. Prime Orchard Road rents are poised to grow by between 3% and 5% by end of the year.

Industrial

Positive economic conditions, a firm foundation for healthy demand

The bright spark in an otherwise subdued industrial property market was February's Budget 2006 announcement where the Government clearly maintained its commitment to develop manufacturing as a key engine of growth and grow dynamic maritime and logistics industries.

Incentives given to boost these industries in the Budget 2006 included the setting up of a Research and Development Trust Fund under the National Research Foundation with a committed injection of $5 billion over five years, granting the Maritime Financing Incentive tax rates to ship investment vehicles and managers, enhancing the existing Approved International Shipping Enterprise Scheme by extending the period of incentive, and waiving GST on goods removed from zero-GST warehouses.

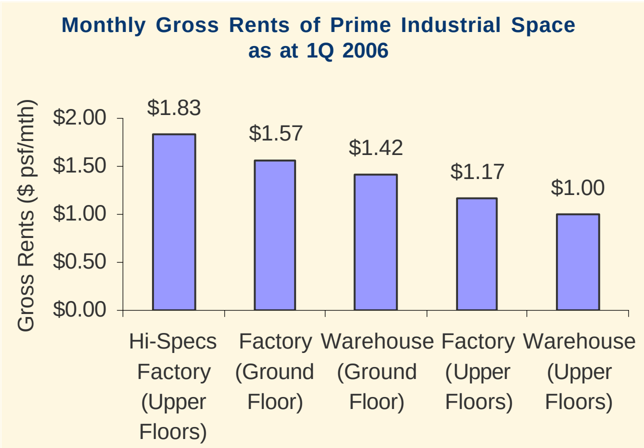
These measures were aimed at enhancing Singapore's competitive edge as manufacturing and logistics hubs. They would serve to attract more multi-national manufacturing and logistics firms to set up operations in Singapore and hopefully decelerate the pace of relocation by existing firms to neighbouring countries offering lower business costs.

For the first three months of the year, Singapore has seen more incoming than outgoing firms. New firms and expansion for the period included:

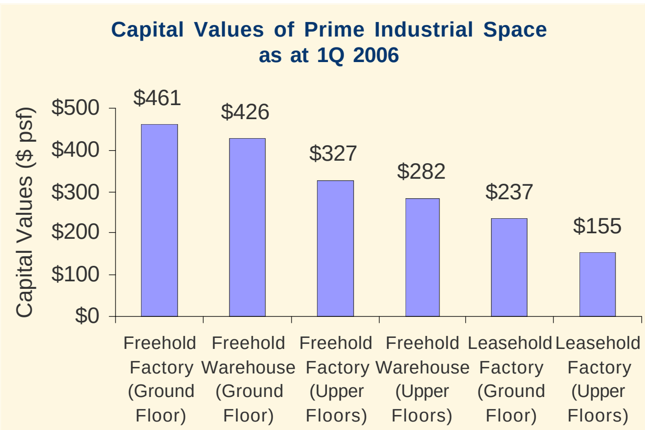
- Waters Corp, which had teamed up with Solectron to build a medical equipment manufacturing plant costing $14.5 million at Chai Chee (25,000 sq ft)
- Covance Inc, a contract research organization is investing $8.1 million to expand its facility (6,458 sq ft)
- Rockwell Automation, the world's largest independent industrial automation company is moving its global headquarters to Singapore at One Corporation Place.

In view of this, healthy demand for industrial space was seen in 1Q 2006, albeit much lower than the 2.7 million sq ft seen in the last quarter of 2005. Attesting to the healthy demand for industrial space is the good take-up seen for Soilbuild's Kranji Linc factories development, which received Temporary Occupation Permit in January this year. Of the 12 factory units, three have been sold whilst five have been leased. Soilbuild's multi-tenanted hi-specs building The Eightrium at Changi Business Park was also reported to receive keen interest although it would only be completed in 2007.

Healthy demand amidst controlled supply has led to the gradual reduction of the large stock of vacant industrial space. This has helped to maintain rents and capital values of industrial properties at last quarter's level.



Source: Colliers International Singapore Research



Source: Colliers International Singapore Research

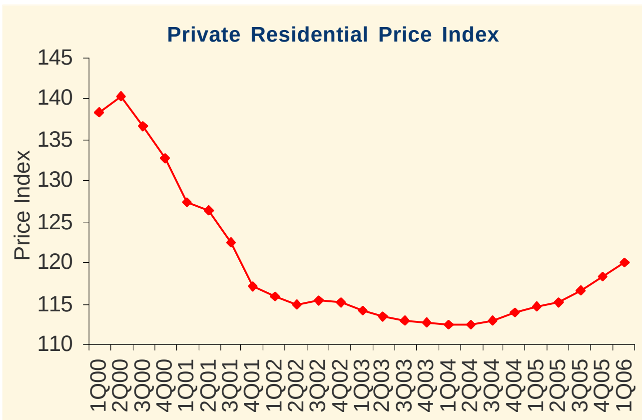
On the investment sales front, the market was relatively quiet in the period as institutional investors such as REITs turned their attention to overseas properties. The most significant investment sale for the period was the sale of hi-specs building Northtech, in Woodlands Industrial Park E1 to Alpha Investments for $43.5 million, or $89 per sq ft of gross floor area.

For the rest of 2006, demand for industrial space is expected to be buoyant on the back of the record $8.5 billion manufacturing investments committed in 2005 and the Government's unending efforts in boosting Singapore's competitiveness as manufacturing and logistics hubs. New completions, on the other hand, are set to moderate. Thus, average occupancy rates of industrial properties are poised for gradual improvement. Prime rents and capital values look set to enjoy marginal growth of between 0.0% and 2.0% over the next nine months with the hi-specs segment outperforming the general market with a projected growth of 3.0% to 5.0% in rents over the same period.

Residential

Prices Trend Firmly Up

Prices of the private residential property market continued to strengthen in 1Q 2006 by a further 1.5% from the preceding quarter, according to the flash estimates from URA. This would be the eighth consecutive quarter of price increase since the upturn in 2Q 2004, and by far the highest rate of quarterly increase since the last peak in 2Q 2000. Home prices as at 1Q 2006 had also trended to some 6.8% higher than the trough in 1Q 2004, pointing to sustained recovery. However, compared to the last peak in 2Q 2000, prices were still about 14.5% lower.



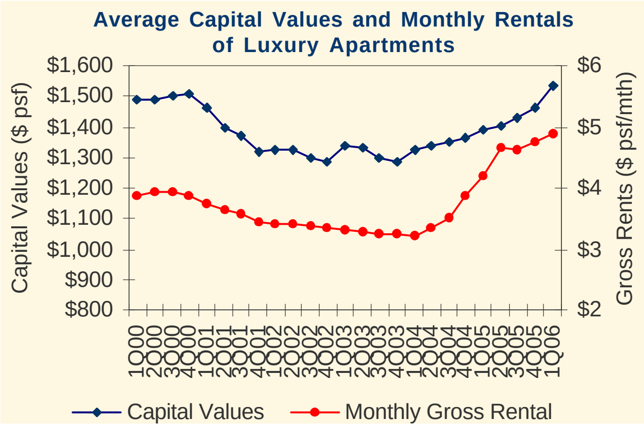
Source: URA/Colliers International Singapore Research

Growth in the residential market, however, was still fundamentally led by the high-end segment during

AVERAGE CAPITAL VALUES AND MONTHLY GROSS RENTS OF LUXURY APARTMENTS

Item	1Q 2006 ($ per sq ft)	4Q 2005 ($ per sq ft)	1Q 2005 ($ per sq ft)	Change (%) QoQ	Change (%) YoY
Average Capital Values	$1,535	$1,460	$1,390	5.1%	10.4%
Average Monthly Gross Rents	$4.90	$4.76	$4.21	2.9%	16.4%

Source: Colliers International Singapore Research



Source: Colliers International Singapore Research

the quarter. Prices of luxury properties climbed by 5.1% in the first three months of the year to average at $1,535 per sq ft, whilst those of mass-market homes stayed firm. This trend, observed since 1Q 2004, had further widened the price gap between the luxury and mass market segments.

The continued strong recovery in luxury home prices was also underpinned by better showing in the leasing market for such properties on the back of growing leasing demand by the expatriate population working in the Republic. Monthly gross rents of luxury apartments rose 2.9% QoQ, from $4.76 per sq ft to $4.90 per sq ft as at 1Q 2006.

Developers had generally adopted a wait-and-see stance in the first quarter of this year, with some holding out for better prices and others focusing on selling remaining unsold units in launched projects amidst a gradually improving market. Developers launched an estimated 1,800 new units in 1Q 2006, comparable to the 1,873 units launched in 4Q 2005. The primary sales market continued to see a limited supply of mass-market projects. The quarter's major launches were mostly freehold projects except for two : Fraser Centrepoint's 99-year The Raintree at Hindhede Road and the 99-year The Shaughnessy, a cluster terrace housing project by Allgreen. Additionally, three cluster housing projects, namely, The Shaughnessy, Dalla Vale and Amanusa, dominated the landed segment of the primary sales market in 1Q 2006. In the non-landed sector, four mid-scale new projects were put up for sale (The Esta, The Raintree, The Stella and Cairnhill Crest). Boutique developments made up the rest of the primary project releases. Approximately 65% of the 1,800 new units launched in the first quarter were estimated to have found buyers, with The Esta, The Raintree and The Stella registering sales rates above 82%.

Some 2,434 units were transacted in the secondary sales market, approximately 5.3% higher than the level achieved last quarter. The number of sub-sales, often used as a gauge for speculative activity, was lower at 95 cases or approximately 2.6% of total private residential property sale transactions in the quarter, compared to 4.0% in the preceding quarter.

The prevailing lack of mass-market project launches and the flat performance of the HDB resale market, which saw a price gain of a mere 0.1% in the first quarter this year, resulted in weaker demand by HDB upgraders. As at 1Q 2006, the number of buyers with HDB addresses declined to 1,125 or 31.8% of the total number of private residential property sale transactions, compared to 1,949 or 39.1% of the total number of transactions seen some six months ago.

The move by many local banks in adjusting mortgage rates by an average of 50 basis points took effect in March. Moving forward, while such an increase is not expected to reduce private housing demand substantially, buyers are likely to be more cautious in housing commitments. Nonetheless, Singapore's strong economic fundamentals and current low

MAJOR PROJECTS LAUNCHED IN 1Q 2006

Development Name	Location	Tenure	Developer	Average Launch Price ($ per sq ft)	Total No. of Units in Development
			Non-Landed		
The Esta	Amber Gardens	Freehold	MCL Land	$700 - $710	400
The Raintree	Hindhede Road	99-year	Fraser Centrepoint	$470	315
The Stella	West Coast Road	Freehold	Guocoland	$550	162
The Citrine	Jalan Datoh	Freehold	Tiong Aik Investment	$570 - $600	54
City Edge	Moulmein Rise	Freehold	Leng Ho	$800	49
The Arc at Draycott	Draycott Drive	Freehold	BS Capital	$1,800	58
Cairnhill Crest	Cairnhill Crescent	Freehold	Cheung Kong Holdings	$1,850 - $1,870	248
Meyer Residence	Meyer Place	Freehold	Sing Holdings	$704 - $823	68
Atrium Residence	Geylang Road	Freehold	Novelty Group	$480	142
Murano	Pasir Panjang	Freehold	Novelty Group	$570	50
Sunshine Regency	Rambai Road	Freehold	Fragrance Homes	$554	33
			Landed		
The Shaughnessy	Miltonia	99-year	Allgreen Properties	$790,000 - $890,000*	254
Amanusa	Yio Chu Kang	Freehold	Novelty Group	$1.3 mil - $1.8 mil*	36
Dalla Vale	Springleaf Avenue	Freehold	Far East Organization	$1.45 mil -$1.7 mil*	58

* Launch Price (per unit)

Source: Colliers International Singapore Research

unemployment situation will continue to support positive market sentiments and hence demand for homes.

Islandwide home prices are expected to improve by a further 4% to 5% on average over the next three quarters. Improvement in general home prices will continue to be led by the luxury segment where prices are forecast to strengthen by a further 10% to 15%. The supply overhang in the mass market will take some time to ease. As such, prices of this segment will stay firm in the year with potential for marginal upside in the second half of the year for projects with strong locational attributes, such as proximity to MRT stations.

SINGAPORE

APRIL 2006

Notes:

248 Offices Worldwide

131 Americas
- **100 United States**
- **17 Canada**
- **14 Latin America**

75 Europe, Middle East & Africa

42 Asia Pacific

51 Countries on 6 Continents

Argentina	Mexico
Australia	Netherlands
Austria	New Zealand
Azerbaijan	Northern Ireland
Belgium	Norway
Brazil	Peru
Bulgaria	Philippines
Canada	Poland
Chile	Portugal
China	Republic of Ireland
Colombia	Romania
Croatia	Russia
Czech Republic	Scotland
Denmark	Singapore
England	Slovakia
France	South Africa
Germany	South Korea
Hungary	Spain
India	Sweden
Indonesia	Switzerland
Israel	Taiwan
Italy	Turkey
Japan	Ukraine
Kazakhstan	United Arab Emirates
Lithuania	United States
Malaysia	Yugoslavia

For more information contact
Tay Huey Ying at:

50 Raffles Place #18-01
Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6222 4901
www.colliers.com/singapore
RCB No. 198105965E