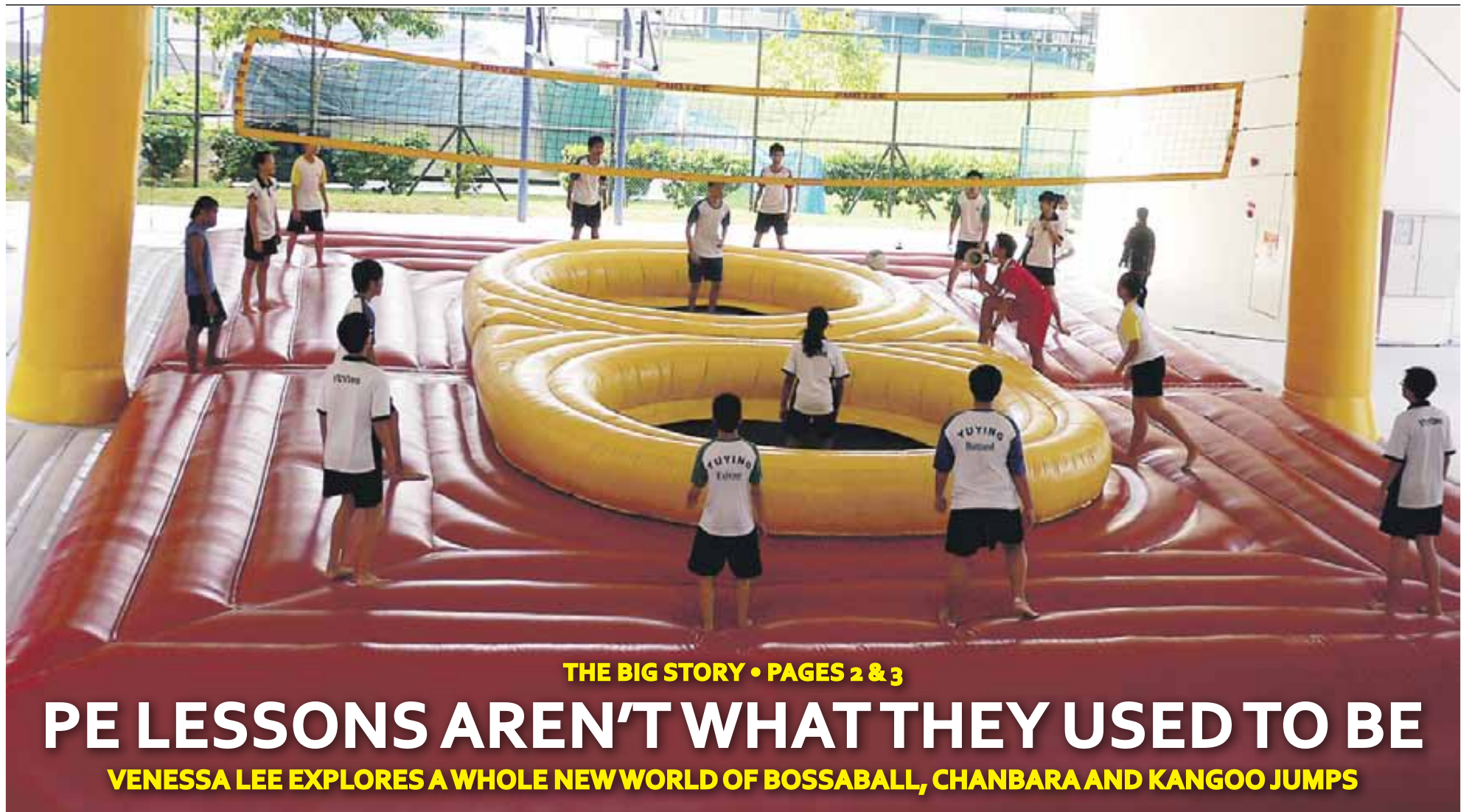


# Weekend TODAY

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THE BIG STORY • PAGES 2 & 3

## PE LESSONS AREN'T WHAT THEY USED TO BE

VENESSA LEE EXPLORES A WHOLE NEW WORLD OF BOSSABALL, CHANBARA AND KANGOO JUMPS

PHOTO COURTESY YUYING SECONDARY SCHOOL

## Resale prices still rising

Median COV now \$30,000 but observers say a threshold is near

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SINGAPORE — HDB resale flat prices have hit record highs again. Prices rose by 4.1 per cent in the second quarter of this year, compared with the previous quarter, making it the fifth straight quarter of increase.

Analysts say the demand is driven by those who don't qualify for a new flat or want a flat quickly.

High prices in the private property market have also made resale flats an appealing choice, said Dennis Wee Group director Chris Koh.

The high demand also sent the cash-over-valuation (COV) upwards, with 96 per cent of transactions in Q2 closing above valuation.

According to the latest data from HDB, the median COV is now about \$30,000 for all resale transactions.

Mr Koh said: "A lot of people who are selling their HDB flats today are cashing out, with \$100,000 to \$200,000 (in hand).

**Even if (you make) a \$100,000 profit, you have to plough back \$50,000 into the new flat, and you're left with \$50,000 ... If you pay a high COV of \$40,000, you are left with nothing.**

PropNex CEO Mohamed Ismail

"So, if you ask them to put down a COV of \$50,000, for example, for the next flat they buy, they wouldn't mind."

But market-watchers say the market could be reaching a thresh-

old soon. That's because of a ruling introduced in March, requiring home buyers who want a second HDB loan to plough back half their cash profits from the sale of the first flat.

PropNex CEO Mohamed Ismail said: "Even if (you make) a \$100,000 profit, you have to plough back \$50,000 into the new flat, and you're left with \$50,000 ... If you pay a high COV of \$40,000, you are left with nothing."

He added that the market is showing signs of resistance, and expects the COV to hit a threshold of \$40,000.

Real Estate Lecturer at Ngee Ann Polytechnic Nicholas Mak agrees the market may be reaching its limit.

He added that the median COV of \$30,000 amounts to the annual  
» CONTINUED ON PAGE 6

## Wider, deeper drains

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SINGAPORE — To prevent potential floods in future, PUB will fast track drainage improvement works — widening and deepening drains and raising road levels — in five areas around Singapore.

The improvement works include the widening and deepening of roadside drains in Sin Ming, Marymount and Cambridge/Dorset area, raising of road levels at Hartley Grove and diverting water to Sungei Whampoa at Jalan Ma'mor and Jalan Bahagia. Roadside drains will also be improved at Tembeling Road and Duku Road.

Ninety PUB staff are on high alert in case floods strike again, the national water agency told MediaCorp, and 360 contractors, 15 tankers and 20 pumps have been kept on standby.

PUB has also alerted the

building management of properties along Orchard Road such as Liat Towers, Lucky Plaza, Tong Building, Delfi Orchard, and residences such as Tessarina and Corona Ville on the weather forecast for Saturday and Sunday.

PUB added that it has met the management of six condominiums, seven commercial buildings and more than 80 affected residents to explain the flood situation and provide advice on what they can do to protect their premises.

In all, 940 sandbags have been provided to affected residents to protect their basement entrances and homes in the event that another flood event should occur.

Liat Towers at Orchard Road, which was severely hit by the flood, have more than 200 sandbags around the building.

Its building services executive Chik Hai Lam said it bought  
» CONTINUED ON PAGE 6