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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**VALUATION OF 208 RETAINED  
STRATA TITLED UNITS  
WITHIN THE CENTREPOINT AT  
NO. 176 ORCHARD ROAD  
SINGAPORE 238843**

**Knight Frank**



Our Ref : 3309/FCL/2/12/SF/dl

30 September 2012

Attention: Mrs Kong Wun Ying

FCL Property Investments Pte Ltd  
FCL Enterprises Pte Ltd  
Emerald Hill Developments Pte Ltd  
436 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Dear Sirs

VALUATION OF 208 RETAINED STRATA TITLED UNITS  
WITHIN THE CENTREPOINT AT  
NO. 176 ORCHARD ROAD  
SINGAPORE 238843

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## 1.0 INTRODUCTION

We thank you for your instructions to advise on the open market values of the above property as at 30 September 2012, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, for Statutory Financial Reporting purposes.

We have made the necessary searches and investigations to assist us in our assessment of values and following our inspection of the property, are pleased to submit our report and valuation hereunder.

Knight Frank Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
Tel: (65) 6222 1333 Fax: (65) 6224 5843 www.knightfrank.com.sg Reg. No. 198205243Z

Other Offices:  
Knight Frank Estate Management Pte Ltd 160 Paya Lebar Road #05-05/06 Orion @ Paya Lebar, Singapore 409022  
Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
KF Property Network Pte Ltd (Licensee) 167 Jalan Bukit Merah #06-10 Connection One Tower 5 Singapore 150167



Cert No. 160076



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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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### 2.0 PROPERTY DETAILS/OWNERSHIP

#### 2.1 Type of Property (Photographs at Annex A)

208 retained Strata Titled Units within The Centrepoint.

#### 2.2 Legal Description

Part of Lot Nos. : 851X, 853C, 854M and 855W  
Town Subdivision : 27

Individual Strata Certificates of Titles have been issued. The subject property comprises 208 retained Strata Titled Units (Please refer to Appendix I).

#### 2.3 Title

Town Subdivision 27

<u>Lot Nos.</u>	<u>Title</u>
851X & 853C	Estate in Perpetuity (SLG No. 38907)
854M & 855W	Leasehold 99 years commencing 17 August 1979 (Balance of about 65.9 years as at 30 September 2012)

#### 2.4 Registered Owners

According to records available from the Singapore Land Authority, the subject units are currently held by the subsidiary proprietors of all the strata lots.

We understand that the subject units on Lot Nos. 851X and 853C Town Subdivision 27 are retained by FCL Property Investments Pte Ltd and FCL Enterprises Pte Ltd. The subject units on Lot Nos. 854M and 855W Town Subdivision 27 are retained by Emerald Hill Developments Pte Ltd.

#### 2.5 Master Plan 2008

Zoning - "Commercial" with a gross plot ratio of 4.9+

Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.



### 3.0 PROPERTY DESCRIPTION

#### 3.1 Location (Location Plan at Annex B)

The subject development is located on the northern side of Orchard Road, immediately next to the Peranakan Place, and some 2.5 km from the City Centre. It is situated within the traffic restricted zone of the Central Business District and some 2.5 km from the City Centre. It is located opposite the Somerset MRT station.

The immediate locality is a prime shopping-cum-tourist district in Singapore. In the vicinity are hotels and other shopping complexes such as Holiday Inn Singapore Orchard City Centre, Orchard Central, 313@somerset, Orchard Plaza, OG Orchard Point and Midpoint Orchard, amongst others.

The Central Expressway is just around the corner.

#### 3.2 Land Area of Subject Development

Town Subdivision 27	
<u>Lot Nos.</u>	<u>Land Area (sm)</u>
851X	8,471.8
853C	572.8
854M	4,152.8
855W	299.7
Total :	<u>13,497.1 (145,281 sf)</u>

#### 3.3 Site Description (Site Plan at Annex C)

The subject land comprises four contiguous lots which together form a fairly regular shaped plot. It has a frontage on to Orchard Road.

#### 3.4 Subject Development

The subject development is a 7-storey commercial-cum-residential development accommodating shops, department stores, restaurants, fast food outlets, food court and offices from Basement 2 to 6th storey, apartments from 4th to 7th storeys and car park at Basement 2 and 4th to 6th storeys. The commercial component of the development is known as The Centrepoint while the residential component is known as Centrepoint Apartments.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.5 Strata/Net Lettable Floor Area

The total strata and net lettable floor areas are approximately 30,867.9 sm (332,259 sf) and 30,866.0 sm (332,239 sf) respectively. The breakdown by ownership is as follows:

Ownership	Strata Floor Area	Net Lettable Floor Area *
FCL Property Investments Pte Ltd	19,163.5 sm (206,274 sf)	19,161.6 sm (206,254 sf)
FCL Enterprises Pte Ltd	6,465.4 sm ( 69,593 sf)	6,465.5 sm ( 69,594 sf)
Emerald Hill Developments Pte Ltd	5,239.0 sm ( 56,392 sf)	5,238.9 sm ( 56,391 sf)
<b>Total</b>	<b>30,867.9 sm (332,259 sf)</b>	<b>30,866.0 sm (332,239 sf)</b>

\* As extracted from the tenancy schedule as of July 2012 provided and subject to final survey.

3.6 Construction

The building is of reinforced concrete frame construction with reinforced concrete floors, brick in-fill walls and reinforced concrete flat roof.

The subject premises are fitted with frameless glass swing doors, timber doors, frameless glass panel shop fronts and powder-coated aluminium frame glass sliding/fixe d/top-hung windows, amongst others.

Vertical access is via escalators, travellers, passenger lifts, fire/service lifts and supplemented by reinforced concrete staircases.

Central air-conditioning system, modern fire fighting equipment and closed circuit television system are also provided.

3.7 Year of Completion

We understand that the subject development was completed in phases between 1982 and 1983.

We further understand that addition & alteration works were carried out in 2006/2007. The works included a 6-storey extension with 2 basement levels to the existing shopping centre.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.8 Accommodation

The subject units are located from Basement 1 to 6th storey. The main accommodation includes the following:

Basement 1 - fast food outlets, supermarket, restaurants, shops, stores and kiosks

1st storey - bank, shops, department stores and restaurants

2nd to 5th storeys (per level) - shops, department stores, salons and restaurants

6th storey - shop and offices

3.9 Finishes

The internal floor finishes consist of homogeneous tiles, ceramic tiles and cement screed generally.

Internal wall finishes consist of emulsion paint on cement plaster and ceramic/homogeneous tiles generally.

The ceilings are of suspended ceiling boards with recessed light fittings and air-conditioning vents generally.

3.10 Condition

The subject units are generally in good condition.

3.11 Services

All main utility and Telecoms services are provided.

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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### 4.0 EXISTING TENANCIES

The subject units are about 99.5% tenanted as at 30 September 2012. The tenancy details are as follows:

Ownership	Total Monthly Net Rental	Total Monthly Service Charge	Total Monthly A&P Contribution	Total Monthly Gross Rental
FCL Property Investments Pte Ltd	\$1,882,934	\$300,277	\$114,754	\$2,297,965
FCL Enterprises Pte Ltd	\$ 391,093	\$103,035	\$ 35,211	\$ 529,339
Emerald Hill Developments Pte Ltd	\$ 451,903	\$ 83,424	\$ 33,370	\$ 568,697
<b>Total</b>	<b>\$2,725,930</b>	<b>\$486,736</b>	<b>\$183,335</b>	<b>\$3,396,001</b>

### 5.0 BASIS OF VALUATION

Our valuation is our opinion of the open market value, which we would define as intended to mean "the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:-

- (a) a willing seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a 'special interest'".



**5.0 BASIS OF VALUATION (CONT'D)**

Our valuation has been made on the assumption that the property is sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect value.

In preparing this valuation, we have relied on information provided by your goodselves, particularly in respect of such matters as tenancy details, strata floor areas, lettable floor areas, year of completion, turnover rent, operating expenses, etc. Dimensions, measurement and areas are only approximations.

We have provided our opinion of the open market values as at 30 September 2012 based on existing usage and tenancies, without taking into account any potential en-bloc development sale value.

**6.0 METHOD OF VALUATION**

We have valued the subject units primarily by the Investment Method.

In the Investment Method, the total net rent and other income of the subject units is capitalised for the balance term of the lease tenure/perpetuity (where appropriate) at a yield rate which is appropriate for the type of use, based on analysis of yields reflected in the sales of comparable property types. Capital adjustments such as letting up allowance and capitalised rental reversion are then made to derive the capital value of the subject units.

Net rent is calculated as the balance sum after deducting from the estimated gross market rent, amounts for operating expenses, a reasonable percentage for vacancy and property tax. The estimated gross rent takes into consideration the current passing rent, turnover rent and the likely sustainable future rental. The operating expenses include property management and lease fees and MCST contribution.





7.0 VALUATION

With due regard to the foregoing and taking into consideration prevailing property market conditions and other relevant factors, we are of the opinion that the values of 208 retained Strata Titled Units within The Centrepoint at No. 176 Orchard Road, Singapore 238843, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, are as follows:

MATERIAL DATE OF VALUATION : 30 September 2012

<u>OWNERSHIP</u>	<u>OPEN MARKET VALUE</u>
FCL PROPERTY INVESTMENTS PTE LTD	: \$433,000,000/-
FCL ENTERPRISES PTE LTD	: \$101,000,000/-
EMERALD HILL DEVELOPMENTS PTE LTD	: \$ 94,000,000/-
TOTAL	: \$628,000,000/- =====

(Dollars Six Hundred And Twenty-Eight Million Only)

Yours faithfully

LOW KIN HON  
B.Sc.(ESTATE MANAGEMENT) Hons., FSISV

**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**



**APPENDIX I**

**THE CENTREPOINT**

(a) Units retained by FCL Property Investments Pte Ltd

B1-01	01-01	02-03	03-03	05-04
B1-02	01-02	02-05	03-04	05-05
B1-03	01-08	02-06	03-05	05-06
B1-04	01-09	02-07	03-06	05-07
B1-05	01-10	02-08	03-07	05-09
B1-06	01-11	02-09	03-08	05-10
B1-07	01-12	02-10	03-11	05-11
B1-08	01-13	02-11	03-38	05-13
B1-09	01-14	02-12	03-40	05-14
B1-11	01-15	02-15	03-42	05-15
B1-12	01-16	02-39	03-44	05-16
B1-13	01-17	02-42	03-45	
B1-14	01-19	02-45	03-46	06-01(A)
B1-15	01-20	02-49	03-07A	06-01(B)
	01-22	02-51		06-01(C)
	01-28	02-52	04-03	06-02/07
	01-29	02-53	04-04	
	01-32	02-54	04-05	B1-16
	01-34		04-06	B1-16A/H
	01-35		04-07	B1-16J/N
	01-36		04-12	B1-16P/V
	01-37		04-13	
	01-38		04-14	
	01-39		04-15	
	01-41		04-16	
	01-42			
	01-43			
	01-44			
	01-45			
	01-46			
	01-47			
	01-48			
	01-08A			
	01-K1			

Total Strata Floor Area : 19,163.5 sq.m.

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**THE CENTREPOINT**

(b) Units retained by FCL Enterprises Pte Ltd

B1-10	02-50	03-01	04-02
	02-02	03-02	
01-03	02-02A	03-09	05-01
01-04	02-04	03-43	05-08
01-18	02-50A	03-43A	
01-23	02-50B	03-43B	06-01
01-24	02-46	03-43C	
01-26	02-47	03-43D	
01-33		03-43E	
01-40		03-43F	
		03-43G	
		03-43H	
		03-39	

**Total Strata Floor Area** : 6,465.4 sq.m.

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**THE CENTREPOINT**

(c) Units retained by Emerald Hill Development Pte Ltd

01-49	02-16	03-12
01-50	02-17	03-13
01-51	02-19	03-14
01-52	02-22	03-15
01-53	02-23	03-16
01-54	02-24	03-17
01-55	02-24A	03-18
01-56	02-25	03-19
01-57	02-26	03-20
01-58	02-27	03-21
01-59	02-28	03-22
01-60	02-29	03-23
01-61	02-30	03-24
01-62	02-31	03-25
01-63	02-32	03-26
01-64	02-33	03-26A
	02-34	03-26B
	02-35	03-27
	02-36	03-29
	02-37	03-30
	02-38	03-31
	02-18	03-32
		03-33
		03-34
		03-35
		03-36
		03-37

**Total Strata Floor Area** : 5,239.0 sq.m.

**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

**Knight Frank**



**ANNEX A**

**VALUATION OF 208 RETAINED STRATA TITLED UNITS  
WITHIN THE CENTREPOINT AT  
NO. 176 ORCHARD ROAD  
SINGAPORE 238843**



**Subject Development**



**Shopping Atrium**

**Knight Frank**



**ANNEX A**

**VALUATION OF 208 RETAINED STRATA TITLED UNITS  
WITHIN THE CENTREPOINT AT  
NO. 176 ORCHARD ROAD  
SINGAPORE 238843**



**Shopping Atrium**



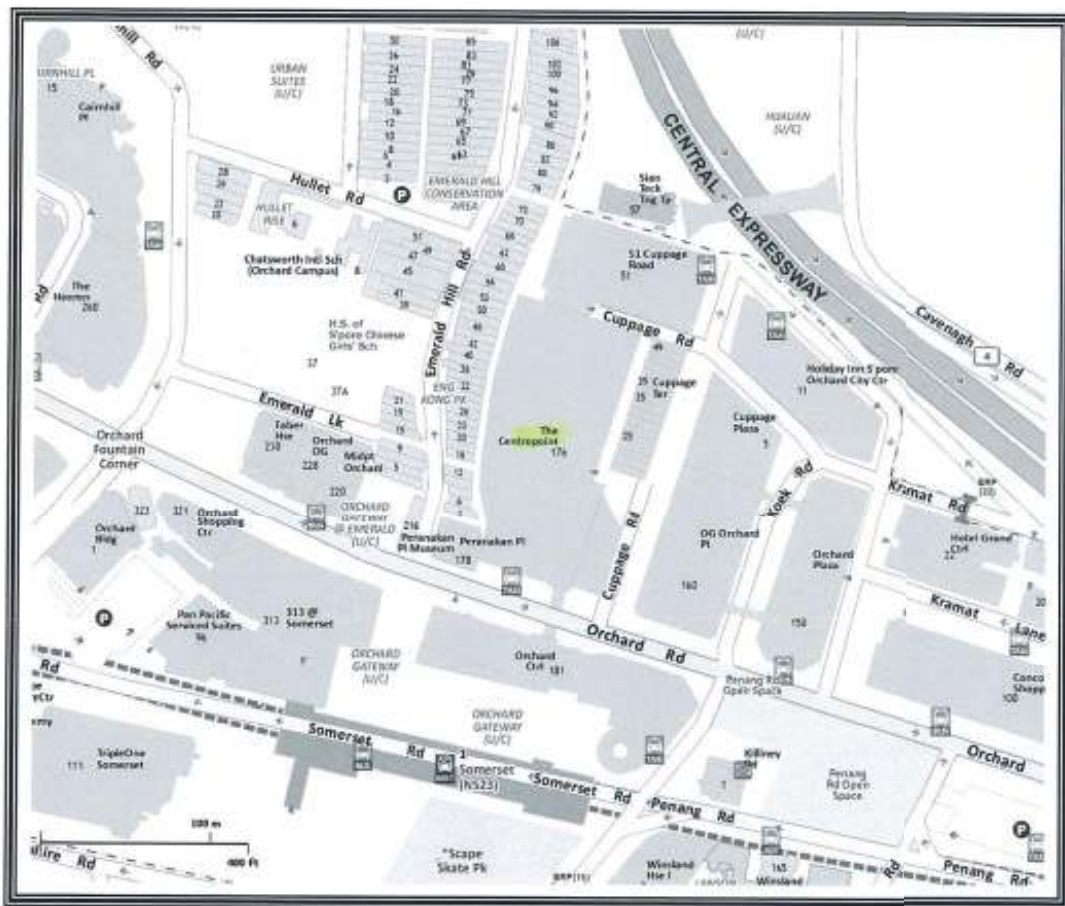
**Food Street**

Knight Frank



ANNEX B

"THE CENTREPOINT"



LOCATION PLAN

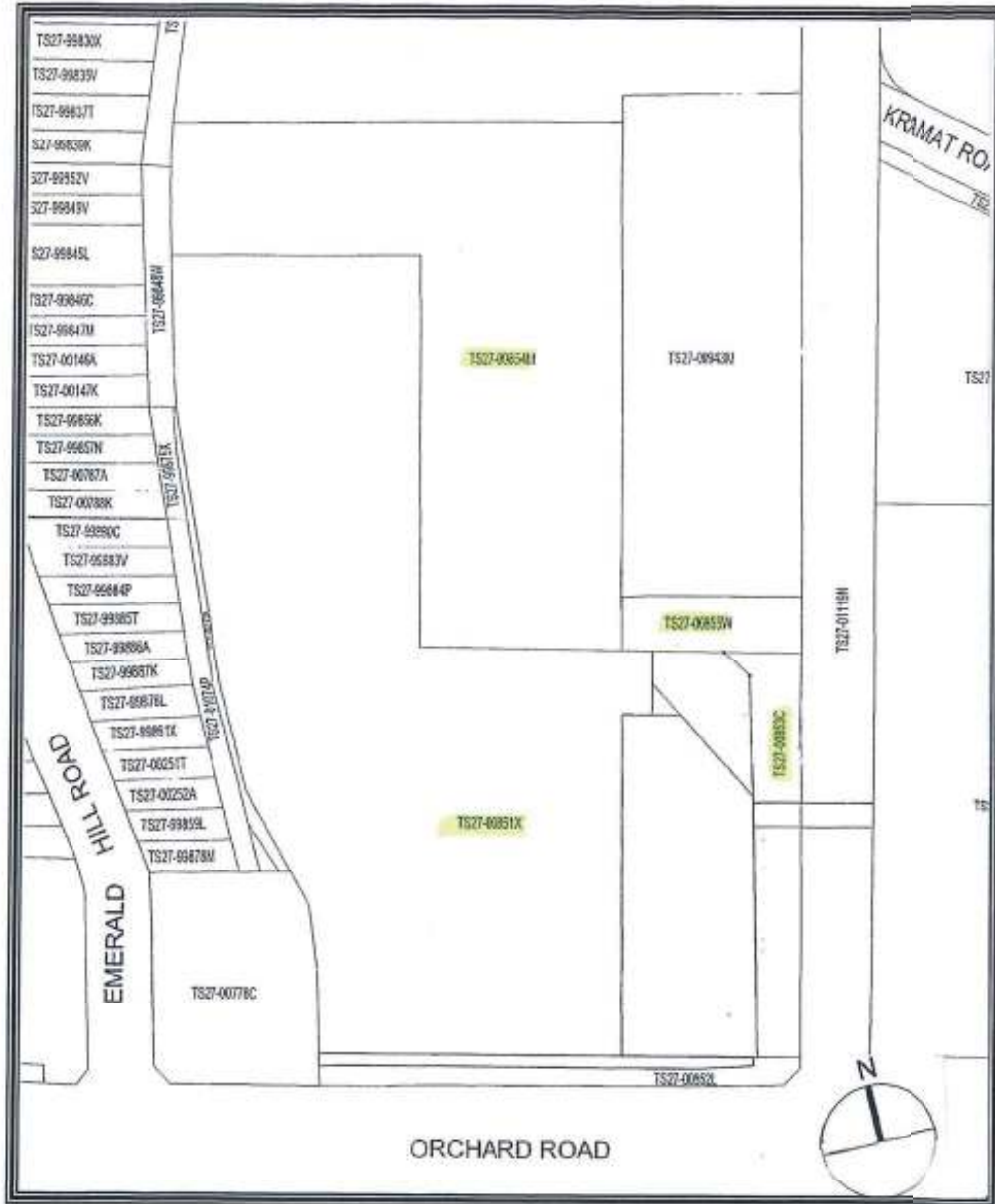
● Subject Property

**Knight Frank**



**ANNEX C**

NO. 176 ORCHARD ROAD  
 "THE CENTREPOINT"  
 SINGAPORE 238843



**SITE PLAN**  
 NOT TO SCALE



**LIMITING CONDITIONS**

This property Valuation and Report is subject to the following limiting conditions:-

- (1) The Valuer's responsibility in connection with this report is limited to the client to whom the report is addressed. The valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which it may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this report, with reference to the property unless specific arrangement has been made therefor.

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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VALUATION OF PROPERTY AT  
NO. 176A ORCHARD ROAD  
#04-56 CENTREPOINT APARTMENTS  
SINGAPORE 238844

**Knight Frank**



Our Ref : 3310/FCL/3/12/SF/dl

30 September 2012

Attention: Mrs Kong Wun Ying

Centrepoint Properties Ltd  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Dear Sirs

VALUATION OF PROPERTY AT  
NO. 176A ORCHARD ROAD  
#04-58 CENTREPOINT APARTMENTS  
SINGAPORE 238844

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## 1.0 INTRODUCTION

We thank you for your instructions to advise on the open market value of the above property as at 30 September 2012, with vacant possession and without taking into account any potential en-bloc development sale value, for Statutory Financial Reporting purposes.

We have made the necessary searches and investigations to assist us in our assessment of value and following our inspection of the property, are pleased to submit our report and valuation hereunder.

Knight Frank Pte Ltd 16 Raffles Quay #30-01 Hong Liming Building Singapore 048581  
Tel: (65) 6222 1333 Fax: (65) 6224 5843 www.knightfrank.com.sg Reg. No. 198205243Z

**Other Offices:**

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Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #30-01 Hong Liming Building Singapore 048581  
KF Property Network Pte Ltd (Singapore) 167, Jalan Bukit Merah #06-10 Cornerstone One Tower 1 Singapore 101167



Cert No. 100076





2.0 PROPERTY DETAILS/OWNERSHIP

2.1 Type of Property (Photographs at Annex A)

A 1-bedroom apartment located on the 4th storey of a 7-storey commercial-cum-residential development with two basement levels. The residential component of the development is known as Centrepoint Apartments while the commercial component is known as The Centrepoint.

2.2 Legal Description

Strata Lot No. : U4325P  
Town Subdivision : 27

2.3 Title

Leasehold 99 years with effect from 17 August 1979  
(Balance of approximately 65.9 years as at 30 September 2012)

2.4 Registered Owner

According to the records available from the Singapore Land Registry, the subject property is currently held under the ownership of Centrepoint Properties Ltd.

2.5 Master Plan 2008

Zoning - "Commercial" with a gross plot ratio of 4.9+

Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.

3.0 PROPERTY DESCRIPTION

3.1 Location (Location Plan at Annex B)

The subject development is located on the northern side of Orchard Road, immediately next to the Peranakan Place, and some 2.5 km from the City Centre. It is situated within the traffic restricted zone of the Central Business District and some 2.5 km from the City Centre. It is located opposite the Somerset MRT station.

The immediate locality is a prime shopping-cum-tourist district in Singapore. In the vicinity are hotels and other shopping complexes such as Holiday Inn Singapore Orchard City Centre, Orchard Central, 313@somerset, Orchard Plaza, OG Orchard Point and Midpoint Orchard, amongst others.

The Central Expressway is just around the corner.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.2 Subject Development

The subject development is a 7-storey commercial-cum-residential development accommodating shops, department stores, restaurants, fast food outlets, food court and offices from Basement 2 to 6th storey, apartments from 4th to 7th storeys and car park at Basement 2 and 4th to 6th storeys. The commercial component of the development is known as The Centrepoint while the residential component is known as Centrepoint Apartments.

Facilities provided for the residents include a swimming pool and security guard services.

3.3 Strata Floor Area

81.0 sm (872 sf)

3.4 Construction

The building is constructed of reinforced concrete framework. The subject property is fitted with timber doors, aluminium frame glass sliding doors, timber louvred door, aluminium frame glass top-hung/sliding windows and anodised aluminium frame glass sliding/fixd windows.

3.5 Year of Completion

We understand that the subject development was completed in phases between 1982 and 1983. Addition and alteration works were carried out in 2006/2007.

3.6 Accommodation (Floor Plan at Annex C)

The accommodation within the subject property includes the following:

Living/dining room, 1 bedroom with adjoining balcony, common bathroom, kitchen and store.

3.7 Finishes

The internal floor finishes consist of ceramic tiles generally.

Internal wall finishes consist of ceramic tiles, mirror panels and emulsion paint on cement plaster generally.

The ceilings are of emulsion paint on cement plaster, ceiling boards and recessed light fittings generally.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.8 Fittings

The bedroom is fitted with built-in wardrobes whilst the kitchen is fitted with high and low kitchen cabinets. The premises are equipped with split-unit air-conditioners.

3.9 Condition

The subject property is generally in average condition.

3.10 Services

All main utility and Telecoms services are provided.

4.0 OCCUPANCY

The subject property is currently unoccupied.

5.0 BASIS OF VALUATION

Our valuation is our opinion of the open market value, which we would define as intended to mean "the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:-

- (a) a willing seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a "special interest".



5.0 BASIS OF VALUATION (CONT'D)

Our valuation has been made on the assumption that the property is sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoing of an onerous nature which could affect value.

We have provided our opinion of the open market value as at 30 September 2012 based on existing usage, without taking into account any potential en-bloc development sale value.

6.0 METHOD OF VALUATION

We have valued the subject property by the Comparable Sales Method. In this method, a comparison is made with sales of similar properties in other comparable developments. Adjustments are made for differences in tenure, location, floor area, age, storey level, type of development, date of sale, etc., before arriving at the value of the subject property.

7.0 VALUATION

With due regard to the foregoing and taking into consideration prevailing property market conditions and other relevant factors, we are of the opinion that the value of the subject property at No. 176A Orchard Road, #04-56 Centrepoint Apartments, Singapore 238844, with vacant possession and without taking into account any potential en-bloc development sale value, is as follows:

MATERIAL DATE OF VALUATION	:	30 September 2012
OPEN MARKET VALUE	:	\$1,550,000/- (Dollars One Million Five Hundred And Fifty Thousand Only)

Yours faithfully

LOW KIN HON  
B.Sc.(ESTATE MANAGEMENT) Hons.,FSISV

**Knight Frank**



**ANNEX A**

NO. 176A ORCHARD ROAD  
#04-56 'CENTREPOINT APARTMENTS'  
SINGAPORE 238844



**Subject Development**



**Living & Dining Room**



**Knight Frank**



**ANNEX A**

NO. 176A ORCHARD ROAD  
#04-56 "CENTREPOINT APARTMENTS"  
SINGAPORE 238844



**Bedroom**



**Kitchen**

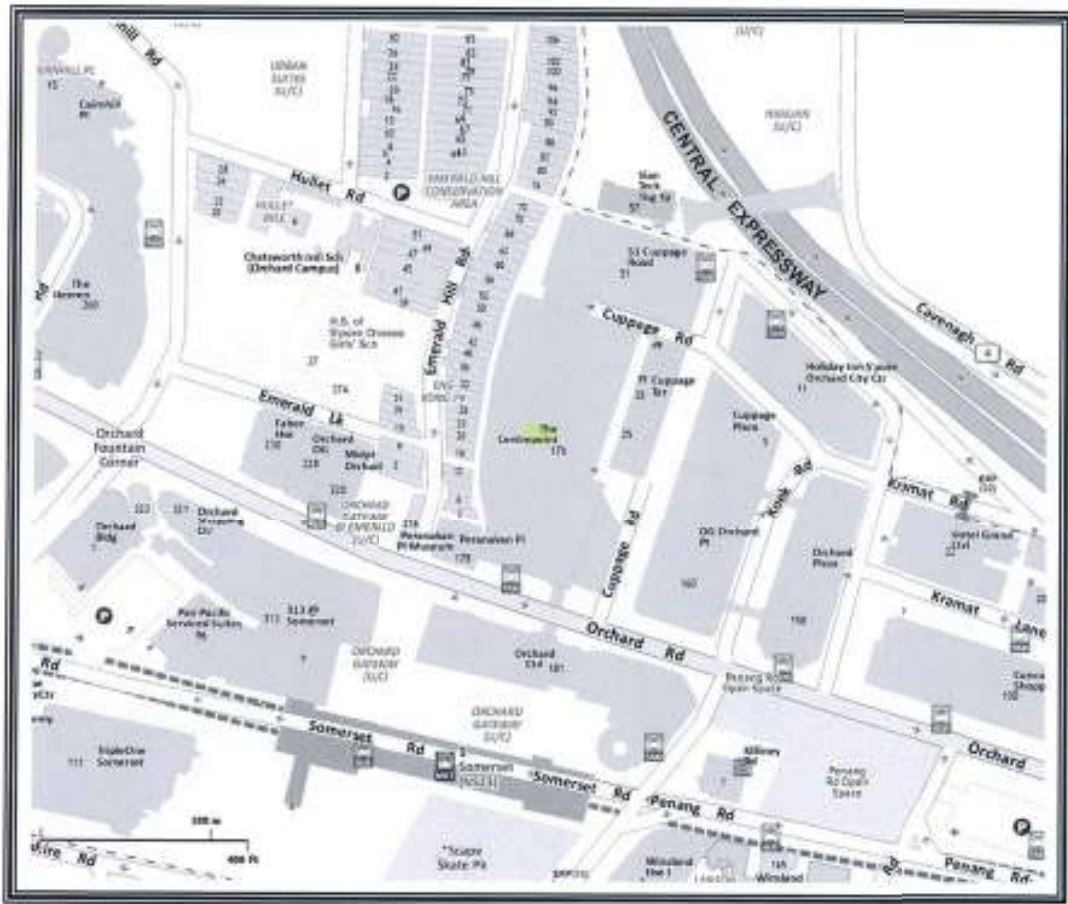
APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

Knight Frank



ANNEX B

“CENTREPOINT APARTMENTS”



LOCATION PLAN

● Subject Property

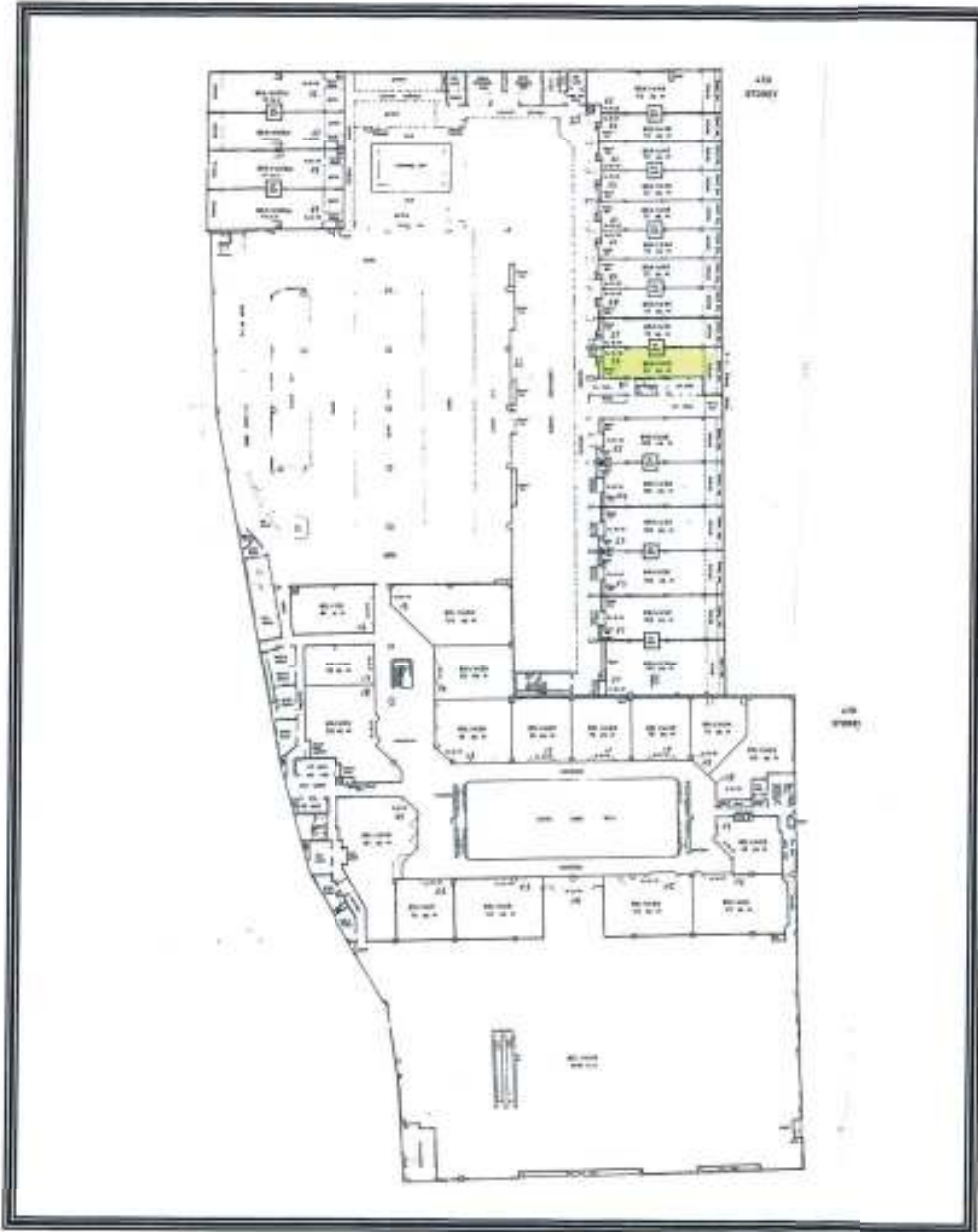


**Knight Frank**



**ANNEX C**

NO. 176A ORCHARD ROAD  
#04-56 "CENTREPOINT APARTMENTS"  
SINGAPORE 238844



**FLOOR PLAN**  
NOT TO SCALE

**LIMITING CONDITIONS**

This property Valuation and Report is subject to the following limiting conditions:-

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- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this report, with reference to the property unless specific arrangement has been made therefor.

**VALUATION OF PROPERTY AT  
NOS. 491/A/B RIVER VALLEY ROAD  
VALLEY POINT  
SINGAPORE 248371/2/3**

**Knight Frank**



Our Ref: 3313/FCL/6/12/PK/ps

30 September 2012

Attention: Mrs Kong Wun Ying

River Valley Apartments Pte Ltd  
River Valley Shopping Centre Pte Ltd  
River Valley Tower Pte Ltd  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Dear Sirs

VALUATION OF PROPERTY AT  
NOS. 491/A/B RIVER VALLEY ROAD  
VALLEY POINT  
SINGAPORE 248371/2/3

---

## 1.0 INTRODUCTION

We thank you for your instructions to advise on the open market values of the above property as at 30 September 2012, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, for Statutory Financial Reporting purposes.

We have made the necessary searches and investigations to assist us in our assessment of values and following our inspection of the property, are pleased to submit our report and valuation hereunder.

Knight Frank Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
Tel: (65) 6222 1333 Fax: (65) 6224 5843 www.knightfrank.com.sg Reg. No. 198205243Z

Other Offices  
Knight Frank Estate Management Pte Ltd 180 Paya Lebar Road 405-01/08 Orion @ Paya Lebar Singapore 409002  
Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #10-01 Hong Leong Building Singapore 048581  
8T Property Network Pte Ltd 110 Somerset 147 Jalan Bukit Merah #06-10 Cornerblock One Tower 1 Singapore 110107



Gen No. 148076





2.0 PROPERTY DETAILS/OWNERSHIP

2.1 Type of Property (Photographs at Annex A)

Valley Point is a commercial-cum-serviced residence development comprising a 5-storey podium block with a basement linking two 20-storey tower blocks. It accommodates retail units on the 1st and 2nd storeys of the podium block (No. 491 River Valley Road, Valley Point Shopping Centre), a 20-storey office block (No. 491B River Valley Road, Valley Point Office) and another 20-storey block accommodating a total of 255 serviced residence units (No. 491A River Valley Road, Fraser Suites). A total of 475 car park lots are provided at the basement and 2nd to 5th storeys.

2.2 Legal Description

Lot Nos. : 1801W and 1802V  
Town Subdivision : 24

2.3 Title

Leasehold 999 years with effect from 21 June 1877

2.4 Registered Owners

According to records available from the Singapore Land Registry, the subject property is currently held by River Valley Apartments Pte Ltd (4,641/10,000 shares), River Valley Shopping Centre Pte Ltd (962/10,000 shares) and River Valley Tower Pte Ltd (4,397/10,000 shares) as tenants in common in unequal shares.

2.5 Master Plan 2008

Zoning - "Commercial & Residential"

Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.



3.0 PROPERTY DESCRIPTION

3.1 Location (Location Plan at Annex B)

The subject property is bounded by River Valley Road along its north-western boundary and Alexandra Canal along its southern boundary, and about 2.5 km from the City Centre.

The locality is generally mixed in nature comprising apartment/condominium developments amidst shophouses and commercial-cum-residential developments. Apartment and condominium developments nearby include Domain 21, One Jervois, Holt Residences and Sheares Ville, amongst others. To the immediate east is Valley Park.

Prominent commercial developments nearby include Great World City, Tiong Bahru Plaza and MOE HQ (Grange Road).

Within a few minutes' drive is the popular shopping-cum-tourist belt of Orchard Road. Accessibility to other parts of Singapore is enhanced by its proximity to the Central Expressway and Tiong Bahru MRT station.

3.2 Land Area

13,439.4 sm (144,660 sf)

3.3 Site Description (Site Plan at Annex C)

The subject land comprises two contiguous lots which together form an almost trapezoidal shaped plot. It has a frontage onto River Valley Road.

3.4 Gross Floor Area

The total gross floor area is about 54,297.98 sm (584,458 sf), as extracted from the Grant of Written Permission issued on 27 February 1999 and subject to final survey.

3.5 Net Lettable Area\*

The total net lettable area is about 42,924.45 sm (462,034 sf). The breakdown is as follows:-

Fraser Suites	: 22,214.00 sm (239,109 sf)
Valley Point Shopping Centre	: 3,699.10 sm ( 39,817 sf)
Valley Point Office	: 17,011.35 sm (183,108 sf)
Total	: 42,924.45 sm (462,034 sf)

\* The net lettable areas of Valley Point Shopping Centre and Valley Point Office are extracted from the tenancy schedules as of July 2012 provided and the net lettable area of Fraser Suites is provided, all subject to final survey.





3.0 PROPERTY DESCRIPTION (CONT'D)

3.6 Construction

The building is constructed of reinforced concrete frame with brick in-fill walls, reinforced concrete floors and reinforced concrete flat roofs.

The serviced residence and offices units have separate entrance lobby/reception areas. The serviced residence units are served by 4 lifts whilst the offices are served by 6 passenger lifts and 1 fireman lift. The retail units are served by lifts and supplemented by concrete staircases.

Fire protection is by means of fire sprinkler system and fire alarm system.

The subject premises are fitted with timber doors, glass doors and anodised aluminium frame glass windows, amongst others.

3.7 Year of Completion

The Temporary Occupation Permit was obtained on 19 January 1998.

3.8 Accommodation (Floor Plans at Annex D)

The main accommodation within the subject property includes the following:-

5-storey podium block

- Basement 1 - lift lobby and car park lots.
- 1st storey - lift lobby, general retail areas and toilets.
- 2nd storey - general retail areas.
- 3rd to 5th storeys (per level) - lift lobby and car park lots.

20-storey office block

- 1st storey - lift lobby, waiting area and reception.
- 2nd to 20th storeys (per level) - lift lobby, office area, toilets and pantry.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.8 Accommodation (Cont'd)

20-storey service resided block

- 1st storey - lift lobby, The Dining Room (all day café with alfresco seating), lobby lounge, front desk and waiting area.
- 2nd storey - lift lobby, four 2-bedroom suites and three 1-bedroom suites.
- 3rd storey - lift lobby, indoor children's playroom, two 3-bedroom suites, four 2-bedroom suites and four 1-bedroom suites.
- 4th & 5th storeys (per level) - lift lobby, two 3-bedroom suites, four 2-bedroom suites and four 1-bedroom suites.
- 6th storey - lift lobby, gym, swimming pool, children's wading pool, outdoor recreational facilities, barbecue facilities, two 3-bedroom suites, four 2-bedroom suites and nine 1-bedroom suites.
- 7th to 19th storeys (per level) - lift lobby, two 3-bedroom suites, seven 2-bedroom suites and six 1-bedroom suites.
- 20th storey - lift lobby, one 4-bedroom penthouse, five 3-bedroom penthouse and two 2-bedroom suites.

3.9 Serviced Residence Units

There are a total of 255 serviced residence units comprising:

Type	No. of Rooms
1-bedroom deluxe	23
1-bedroom premier	79
2-bedroom deluxe	18
2-bedroom premier	95
3-bedroom premier	32
3-bedroom terrace	2
3-bedroom penthouse	2
3-bedroom penthouse deluxe	3
4-bedroom penthouse	1
<b>Total</b>	<b>255</b>



3.0 PROPERTY DESCRIPTION (CONT'D)

3.10 Fittings/Room Amenities

Each serviced residence unit is furnished with the following:-

- air-conditioning
- built-in wardrobes
- kitchen cabinets complete with cooker hob, exhaust hood and oven
- bathroom amenities
- wireless internet access
- BOSE audio system with cable network television and DVD player
- iHome clock radio comprising iPhone/iPod docking station
- dual-dial telephone with IDD, DID and voicemail functions
- secured keycard access
- Nespresso coffee machine
- Dishwasher (available in 2 and 3-bedroom residences only)
- in-room personal safe
- steam iron and ironing board
- separate washing machine and dryer (except for 1-bedroom residences, which feature two-in-one washer-dryer)

24-hour reception, concierge and security services, daily housekeeping services (except Sundays and public holidays), one-way limousine airport transfer for stay of one month and above and scheduled shuttle service to key business and shopping distances, etc. are provided.

3.11 Finishes

The internal floor finishes consist of marble/homogeneous/granite/ceramic tiles, timber strips and cement screed generally.

Internal wall finishes consist of marble/ceramic tiles, emulsion paint on cement plaster generally.

The ceilings are of emulsion paint on cement plaster and ceiling boards generally.

3.12 Condition

The subject property is generally in average condition. Refurbishment works for Fraser Suites were completed recently.

3.13 Services

All main utility and Telecoms services are provided.



#### 4.0 EXISTING TENANCIES

Valley Point Shopping Centre is 100% occupied. The total monthly gross rental is \$216,558/-, including monthly service charge of \$59,726/- and monthly A&P contribution of \$11,945/-.

Valley Point Office is about 78.8% tenanted as at 30 September 2012. The total monthly gross rental is \$742,715/-, including monthly service charge of \$133,170/-.

#### 5.0 BASIS OF VALUATION

Our valuation is our opinion of the open market value, which we would define as intended to mean "the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:-

- (a) a willing seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a 'special interest'".

Our valuation has been made on the assumption that the property is sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect value.

In preparing this valuation, we have relied on information provided by your goodselves, particularly in respect of such matters as tenancy details, floor plans, gross and net lettable floor areas, year of completion, turnover rent, other income, operating expenses, etc. Dimensions, measurement and areas are only approximations.

We have provided our opinion of the open market values as at 30 September 2012 based on existing usage and tenancies, without taking into account any potential en-bloc development sale value.



6.0 METHOD OF VALUATION

We have valued the subject property primarily by the Investment Method.

In the Investment Method the estimated revenue of the serviced residence has been adjusted to reflect anticipated operating expenses (e.g. payroll and related expenses and other direct expenses) producing a gross operating profit.

Property tax, insurance, management/marketing/incentive fees are deducted to derive at the net income.

Revenue of the serviced residence comprises rental income, service fee and income from other operating departments.

Revenue of retail and office units comprises rental from existing tenancies and potential future income from existing vacant units (if any) and other income.

Net income of the retail and office units is calculated as the balance sum after deducting from the estimated gross market rent, amounts for operating expenses, a reasonable percentage for vacancy and property tax. The estimated gross rent takes into consideration the current passing rent, turnover rent and the likely sustainable future rental. The operating expenses include property management and lease fees.

The net income of the property is capitalised for the balance term of the lease tenure at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment, based on analysis of yields reflected in the sales of comparable property types. Capital adjustments such as letting up allowance, capital expenditure and capitalised rental reversion, etc. are then made to derive the capital value of the property.



7.0 VALUATION

With due regard to the foregoing and taking into consideration prevailing property market conditions and other relevant factors, we are of the opinion that the values of the subject property at Nos. 491/A/B River Valley Road, Valley Point, Singapore 248371/2/3, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, are as follows:

MATERIAL DATE OF VALUATION : 30 September 2012

OPEN MARKET VALUE

FRASER SUITES : \$340,000,000/-

VALLEY POINT SHOPPING CENTRE : \$ 33,000,000/-

VALLEY POINT OFFICE : \$202,000,000/-

TOTAL : \$575,000,000/-

(Dollars Five Hundred And Seventy-Five Million Only)

Yours faithfully

LOW KIN HON  
B.Sc.(ESTATE MANAGEMENT) Hons., FSISV

**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

**Knight Frank**



**NOS. 491/A/B RIVER VALLEY ROAD  
"VALLEY POINT"  
SINGAPORE 248371/2/3**

**ANNEX A**



**Subject Development**



**Shopping Atrium**

**Knight Frank**



**ANNEX A**

NOS. 491/A/B RIVER VALLEY ROAD  
"VALLEY POINT"  
SINGAPORE 248371/2/3



General Office Area



Typical Serviced  
Residence Unit -  
Living Room



**Knight Frank**



**ANNEX A**

NOS. 491/A/B RIVER VALLEY ROAD  
"VALLEY POINT"  
SINGAPORE 248371/2/3



**Typical Serviced  
Residence Unit -  
Bedroom**



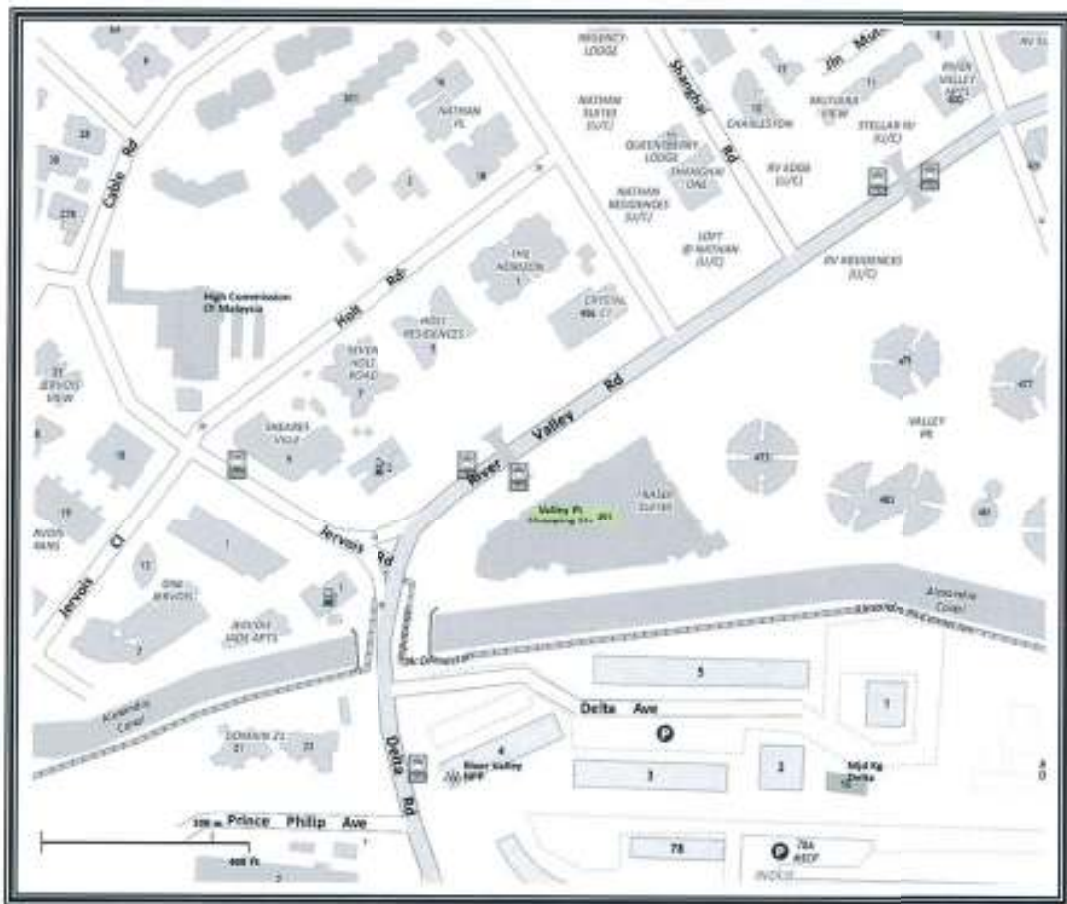
**Typical Serviced  
Residence Unit - Kitchen**

**Knight Frank**



**ANNEX B**

**"VALLEY POINT"**



**LOCATION PLAN**

● Subject Property

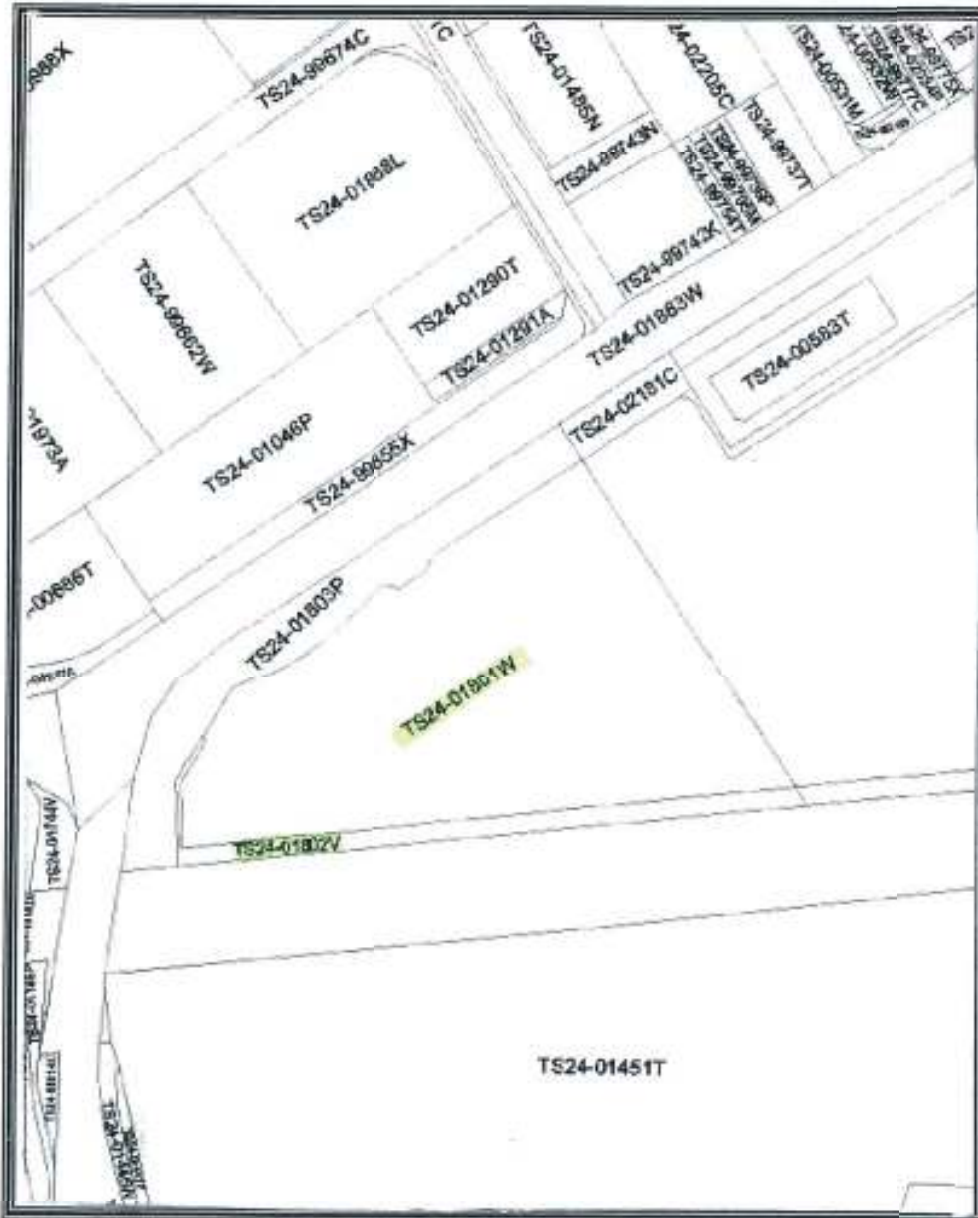


**Knight Frank**



**ANNEX C**

NOS. 491/A/B RIVER VALLEY ROAD  
"VALLEY POINT"  
SINGAPORE 248371/2/3



**SITE LAYOUT PLAN**  
NOT TO SCALE

**LIMITING CONDITIONS**

This property Valuation and Report is subject to the following limiting conditions:-

- (1) The Valuer's responsibility in connection with this report is limited to the client to whom the report is addressed. The valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this report, with reference to the property unless specific arrangement has been made therefor.

**VALUATION OF PROPERTY AT  
NOS. 438 & 440 ALEXANDRA ROAD  
ALEXANDRA POINT  
SINGAPORE 119958/9**

**Knight Frank**



Our Ref: 3311/FCL/4/12/RZ/ps

30 September 2012

Attention: Mrs Kong Wun Ying

CPL Alexandra Point Pte Ltd  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Dear Sirs

VALUATION OF PROPERTY AT  
NOS. 438 & 440 ALEXANDRA ROAD  
ALEXANDRA POINT  
SINGAPORE 119958/9

---

## 1.0 INTRODUCTION

We thank you for your instructions to advise on the open market value of the above property as at 30 September 2012, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, for Statutory Financial Reporting purposes.

We have made the necessary searches and investigations to assist us in our assessment of value and following our inspection of the property, are pleased to submit our report and valuation hereunder.

Knight Frank Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
Tel: (65) 6222 1333 Fax: (65) 6224 5843 www.knightfrank.com.sg Reg. No. 198205243Z

Other Offices:  
Knight Frank Estate Management Pte Ltd 160 Paya Lebar Road #05-05/06 Orion @ Paya Lebar Singapore 409022  
Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #20-01 Hong Leong Building Singapore 048581  
KF Property Network Pte Ltd (Unlisted) 107 Jalan Bukit Merah #06-10 Cornerstone One Tower 3 Singapore 120167



Cert No. 100076





2.0 PROPERTY DETAILS/OWNERSHIP

2.1 Type of Property (Photographs at Annex A)

A 24-storey office tower (No. 438) with a 5-storey car park annexed block (No. 440), known as Alexandra Point.

Note: Part of the 4th storey car park has been converted to office space.

2.2 Legal Description

Lot No. : 2232V  
Mukim : 1

2.3 Title

Estate in Fee Simple (Grant Nos. 3, 34, 46 & 66, District of Pasir Panjang)

2.4 Registered Owner

According to records available from the Singapore Land Registry, the subject property is currently held under the ownership of CPL Alexandra Point Pte Ltd.

2.5 Master Plan 2008

Zoning - "Commercial" with a gross plot ratio of 2.8.

Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.

3.0 PROPERTY DESCRIPTION

3.1 Location (Location Plan at Annex B)

The subject property is located on the western side of Alexandra Road, off Pasir Panjang Road/Telok Blangah Road and about 5.5 km from the City Centre.

The locality is generally mixed in nature comprising mainly commercial and industrial developments interspersed with landed properties and apartment/condominium developments.

Prominent developments in the vicinity include UOB Alexandra Building, Academy of Singapore Teachers, NOL Building, Alexandra Technopark, Mapletree Business City and Inchcape House, amongst others.

A few minutes' drive away is the Central Business District. Accessibility to other parts of Singapore is facilitated by the newly completed Labrador Park MRT station, West Coast Highway and Ayer Rajah Expressway which are just around the corner.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.2 Land Area

8,912.2 sm (95,930 sf)

3.3 Site Description (Site Plan at Annex C)

The subject land is a regular shaped plot with a frontage on to Alexandra Road.

3.4 Net Lettable Area

The total net lettable area is approximately 18,459.0 sm (198,691 sf), as extracted from the tenancy schedule as of July 2012 provided and subject to final survey.

3.5 Construction

The building is constructed of reinforced concrete frame with brick in-fill walls and reinforced concrete floors.

The office tower and car park block are served by lifts and supplemented with concrete staircases.

Fire protection is by means of fire sprinkler system and fire alarm system.

The subject premises are fitted with timber doors, glass doors and powder-coated aluminium frame glass windows, amongst others.

3.6 Year of Completion

We understand that the subject property was completed in November 1992.

3.7 Accommodation

The main accommodation within the subject property includes the following:

24-storey office tower

- 1st storey - lift lobby, reception, waiting area and toilets.
- 2nd storey - lift lobby, lounge, board room, meeting room and toilets.
- 3rd to 24th storeys (per level) - lift lobby, general office and toilets.





3.0 PROPERTY DESCRIPTION (CONT'D)

3.7 Accommodation (Cont'd)

5-storey car park block

- 1st to 3rd storeys (per level) - car park lots.
- 4th storey - car park lots and general office.
- 5th storey - car park lots.

3.8 Finishes

The internal floor finishes consist of granite, marble, ceramic tiles and carpet generally.

Internal wall finishes consist of marble, ceramic tiles, emulsion paint on cement plaster, partitioned boards and glass frontages generally.

The ceilings are of emulsion paint on cement plaster, suspended ceiling boards, recessed light fittings and air-conditioning vents generally.

3.9 Condition

The subject property is generally in average condition.

3.10 Services

All main utility and Telecoms services are provided.

4.0 EXISTING TENANCIES

The subject property is about 97.8% tenanted as at 30 September 2012. The monthly gross rental is \$906,961/-, including monthly service charge of \$204,079/-.

5.0 CAPITAL EXPENDITURE

We understand that the toilets will be upgraded at an approximate cost of \$3,000,000/-. The upgrading works will be completed by November 2012.



### 6.0 BASIS OF VALUATION

Our valuation is our opinion of the open market value, which we would define as intended to mean "the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:

- (a) a willing seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a 'special interest'".

Our valuation has been made on the assumption that the property is sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect value.

In preparing this valuation, we have relied on information provided by your goodselves, particularly in respect of such matters as tenancy details, net lettable area, year of completion, car park income, operating expenses, proposed capital expenditure, etc. Dimensions, measurement and areas are only approximations.

We have provided our opinion of the open market value as at 30 September 2012 based on existing usage and tenancies, without taking into account any potential en-bloc development sale value.

### 7.0 METHOD OF VALUATION

We have valued the subject property primarily by the Investment Method.

In the Investment Method, the total net rent and other income of the property is capitalised for perpetuity at a yield rate which is appropriate for the type of use, based on analysis of yields reflected in the sales of comparable property types. Capital adjustments such as letting up allowance, capital expenditure and capitalised rental reversion are then made to derive the capital value of the subject property.

Net rent is calculated as the balance sum after deducting from the estimated gross market rent, amounts for operating expenses, a reasonable percentage for vacancy and property tax. The estimated gross rent takes into consideration the current passing rent, car park income and the likely sustainable future rental. The operating expenses include property management and lease fees, maintenance expenses and car park maintenance expenses.



8.0 VALUATION

With due regard to the foregoing and taking into consideration prevailing property market conditions and other relevant factors, we are of the opinion that the value of the subject property at Nos. 438 & 440 Alexandra Road, Alexandra Point, Singapore 119958/9, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, is as follows:

MATERIAL DATE OF VALUATION : 30 September 2012

OPEN MARKET VALUE : \$230,000,000-  
(Dollars Two Hundred And Thirty Million Only)

Yours faithfully

LOW KIN HON  
B.Sc.(ESTATE MANAGEMENT) Hons.,FSISV

**Knight Frank**



NOS. 438 & 440 ALEXANDRA ROAD  
"ALEXANDRA POINT"  
SINGAPORE 119958/9

ANNEX A



**Subject Development**



**Board Room**

**Knight Frank**



**ANNEX A**

NOS. 438 & 440 ALEXANDRA ROAD  
"ALEXANDRA POINT"  
SINGAPORE 119958/9



**General Office Area**



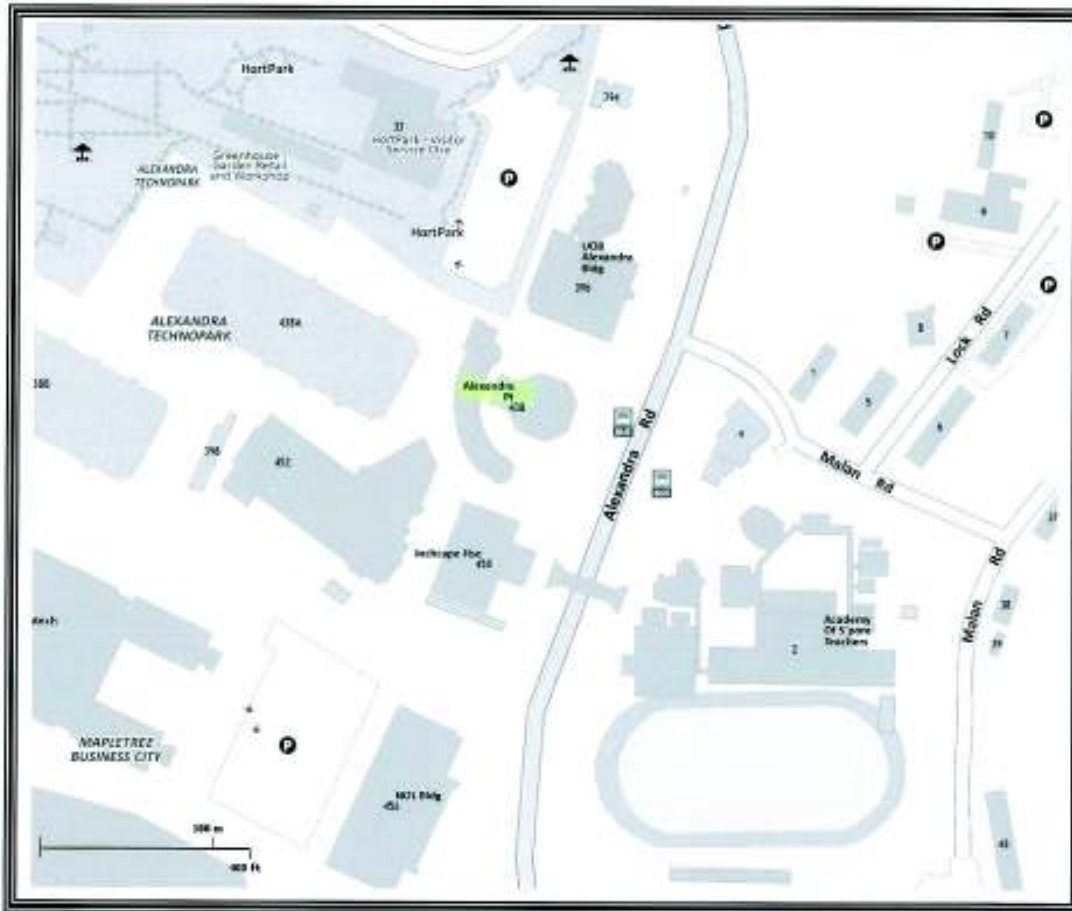
**Lounge Area**

**Knight Frank**




**ANNEX B**

“ALEXANDRA POINT”



**LOCATION PLAN**

 Subject Property

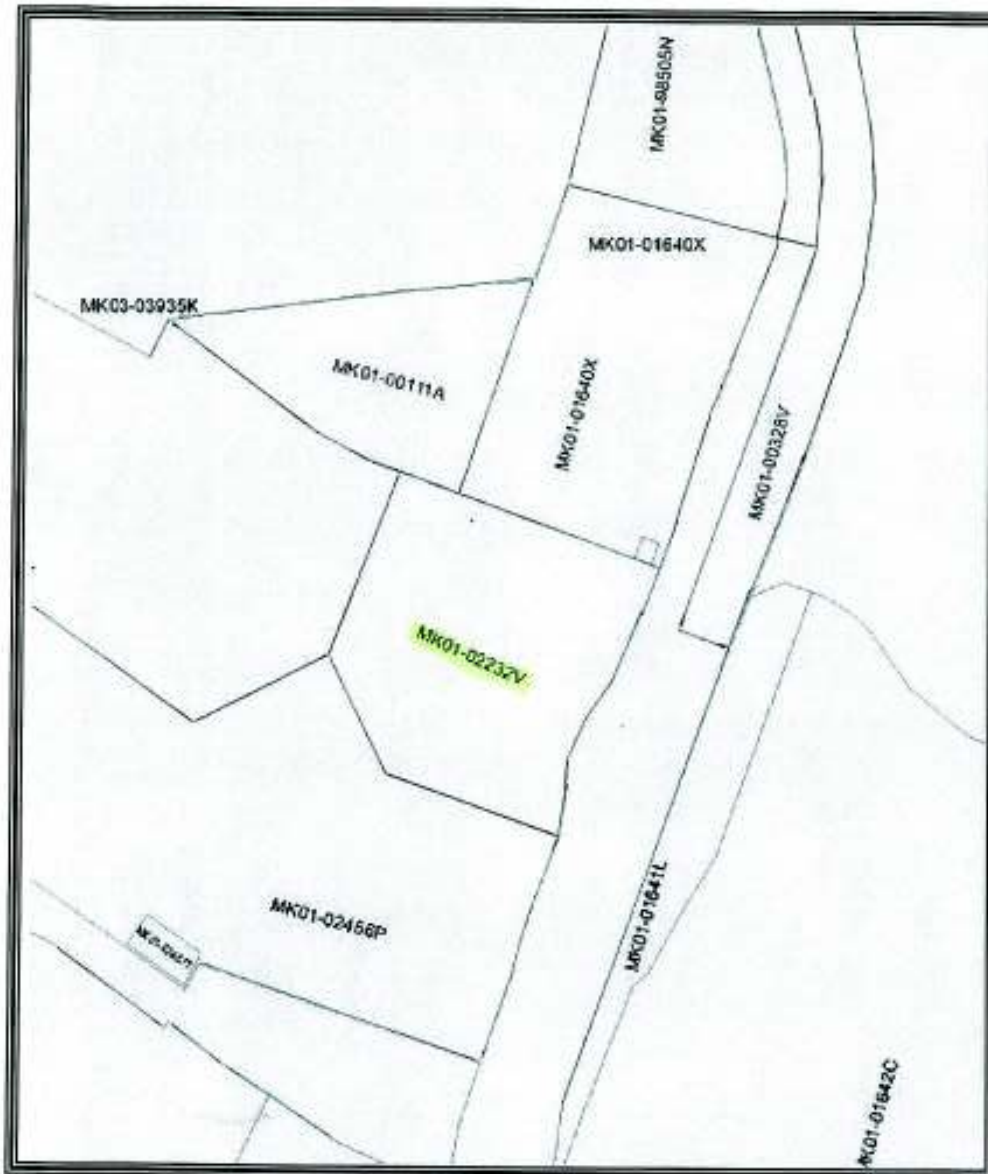


**Knight Frank**



**ANNEX C**

NOS. 438 & 440 ALEXANDRA ROAD  
"ALEXANDRA POINT"  
SINGAPORE 119958/9



**SITE PLAN**  
NOT TO SCALE



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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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### LIMITING CONDITIONS

This property Valuation and Report is subject to the following limiting conditions:-

- (1) The Valuer's responsibility in connection with this report is limited to the client to whom the report is addressed. The valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this report, with reference to the property unless specific arrangement has been made therefor.



**VALUATION OF PROPERTY AT  
NO. 11 UNITY STREET  
ROBERTSON WALK SHOPPING CENTRE &  
FRASER PLACE ROBERTSON WALK  
SINGAPORE 237995**

**Knight Frank**



Our Ref: 3312/FCL/5/12/LKL/say

30 September 2012

Attention: Mrs Kong Wun Ying

Riverside Property Pte Ltd  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Dear Sirs

VALUATION OF PROPERTY AT  
NO. 11 UNITY STREET  
ROBERTSON WALK SHOPPING CENTRE & FRASER PLACE ROBERTSON WALK  
SINGAPORE 237995

---

## 1.0 INTRODUCTION

We thank you for your instructions to advise on the open market values of the above property as at 30 September 2012, subject to existing tenancies and occupational arrangements, without taking account any potential en-bloc development sale value, for Statutory Financial Reporting purposes.

We have made the necessary searches and investigations to assist us in our assessment of values and following our inspection of the property, are pleased to submit our report and valuation hereunder.

Knight Frank Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
Tel: (65) 6222 1333 Fax: (65) 6224 5843 www.knightfrank.com.sg Reg. No. 198205243Z

Other Offices:  
Knight Frank Estate Management Pte Ltd 160 Paya Lebar Road #05-05/06 Orion @ Paya Lebar Singapore 409022  
Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
KF Property Network Pte Ltd (Licence) 167 Jalan Bukit Merah #06-18 Cornerstone One Tower 5 Singapore 150167



Cor No. 166016





2.0 PROPERTY DETAILS/OWNERSHIP

2.1 Type of Property (Photographs at Annex A)

The subject property is a 10-storey commercial-cum-serviced residence development with 2 levels of basement car park. It comprises a 2-storey podium block accommodating retail units, F&B outlets and office units on the 1st & 2nd storeys (known as Robertson Walk Shopping Centre) and a tower block accommodating 161 serviced residence units from the 3rd to 10th storeys (known as Fraser Place Robertson Walk). The serviced residence is divided into two wings, East Wing and West Wing, with its access and front office located on the 1st storey. A total of 360 car park lots are provided at the 2 basement levels.

2.2 Legal Description

Lot No. : 245X  
Town Subdivision : 9

2.3 Title

Leasehold 999 years with effect from 1 July 1841

2.4 Registered Owner

According to records available from the Singapore Land Registry, the subject property is currently held under the ownership of Riverside Property Pte Ltd.

2.5 Master Plan 2008

Zoning - "Commercial & Residential" with a gross plot ratio of 2.8.

Note: The official Master Plan Zoning, Road and Drainage Interpretation Plans have not been applied for.



### 3.0 PROPERTY DESCRIPTION

#### 3.1 Location (Location Plan at Annex B)

The subject property is bounded by Unity Street along its northern boundary, Merbau Road along its eastern boundary and Mohamed Sultan Road along its western boundary, with vehicular access from Unity Street and Merbau Road. It is located just outside the Central Business District traffic restricted zone and approximately 2.5 km from the City Centre. It is situated within the entertainment precinct of the Robertson Quay.

Robertson Quay which used to house a number of privately owned warehouses has over the years been redeveloped into a residential, hotel and entertainment hub.

The immediate locality comprises a mixture of hotel developments, apartment/condominium developments, serviced residences, mixed commercial-cum-residential developments and some office buildings. Hotel/serviced residence developments in the vicinity include Park Hotel Clarke Quay, Novotel Clarke Quay Singapore, The Gallery Hotel, Studio M Hotel, Robertson Quay Hotel, Riverside Village Residences and Park Avenue Residences, amongst others.

Other prominent developments in the vicinity include UE Shopping Mall, Shell House and Singapore Repertory Theatre.

Within a few minutes' drive away is the popular shopping-cum-tourist belt of Orchard Road. Accessibility to other parts of Singapore is enhanced by the proximity to the Central Expressway and major trunk roads such as Havelock Road, River Valley Road, Clemenceau Avenue and Chin Swee Road.

#### 3.2 Land Area

9,102.7 sm (97,981 sf)

#### 3.3 Site Description (Site Plan at annex C)

The subject land is a regular shaped plot with a frontage on to Unity Street and two return frontages on to Merbau Road and Mohamed Sultan Road.

#### 3.4 Gross Floor Area\*

The total gross floor area is about 30,890.47 sm (332,502 sf). The breakdown is as follows:

Robertson Walk Shopping Centre	:	12,362.47 sm (133,068 sf)
Fraser Place Robertson Walk	:	18,528.00 sm (199,434 sf)
Total	:	<u>30,890.47 sm (332,502 sf)</u>

\* As provided and subject to final survey.



3.0 PROPERTY DESCRIPTION

3.5 Net Lettable Area\*

The total net lettable area is about 25,233.57 sm (271,612 sf). The breakdown is as follows:

Robertson Walk Shopping Centre	:	9,454.57 sm (101,768 sf)
Fraser Place Robertson Walk	:	15,779.00 sm (169,844 sf)
Total	:	<u>25,233.57 sm (271,612 sf)</u>

\* The net lettable area of Robertson Walk Shopping Centre is extracted from the tenancy schedule as of July 2012 provided and the net lettable area of Fraser Place Robertson Walk is provided, all subject to final survey.

3.6 Construction

The building is constructed of reinforced concrete frame with brick in-fill walls, reinforced concrete floors and reinforced concrete flat roofs.

The serviced residence units are served by 6 lifts whilst Robertson Walk Shopping Centre is served by 3 lifts and escalators. The development is also supplemented by reinforced concrete staircases.

Fire protection is by means of fire sprinkler system and fire alarm system.

The subject premises are fitted with timber doors with/without glass infill panel, timber frame glass swing doors, timber frame glass frontages and aluminium frame glass windows, amongst others.

3.7 Year of Completion

The Temporary Occupation Permit was obtained on 15 January 1998.



3.0 PROPERTY DESCRIPTION (CONTD)

3.8 Accommodation (Floor Plans at Annex D)

The main accommodation within the subject property includes the following:

2-storey podium block

- Basement 1 & 2 - lift lobby and car park lots.
- 1st storey - lift lobby, retail units, F&B outlets, serviced residence reception and lobbies.
- 2nd storey - retail units and office units.

8-storey serviced residence block

- 3rd storey - lift lobby, barbecue facilities, children's wading pool, jet pool, swimming pool, gymnasium, steam and sauna facilities, indoor children's playroom, outdoor fitness facilities & sheltered kids' playground, The Hub (all-day cafe with outdoor terrace), three 1-bedroom suites, three 2-bedroom suites and eight 3-bedroom suites.
- 4th storey - lift lobby, six 1-bedroom suites, six 2-bedroom suites and seven 3-bedroom suites.
- 5th to 8th storeys (per level) - lift lobby, four 1-bedroom suites, twelve 2-bedroom suites and seven 3-bedroom suites.
- 9th storey - lift lobby, eight 1-bedroom suites, ten 2-bedroom suites and two 3-bedroom suites.
- 10th storey - lift lobby, six 1-bedroom suites, four 2-bedroom suites, two 3-bedroom suites, two 2-bedroom maisonettes and two 3-bedroom maisonettes.



3.0 PROPERTY DESCRIPTION (CONT'D)

3.9 Serviced Residence Units

There are a total of 161 serviced residence units comprising:

<b>Type</b>	<b>No. of Rooms</b>
1-bedroom deluxe	23
1-bedroom premier	7
1-bedroom terrace	9
2-bedroom deluxe	15
2-bedroom premier	51
2-bedroom terrace	5
2-bedroom maisonette	2
3-bedroom deluxe	10
3-bedroom premier	15
3-bedroom terrace	8
3-bedroom executive	4
3-bedroom study	10
3-bedroom maisonette	2
<b>Total</b>	<b>161</b>

3.10 Fittings/Room Amenities

Each serviced residence unit is furnished with the following:

- air-conditioning
- bathroom amenities
- wireless internet access
- BOSE audio system with selected cable channels and DVD player
- DID telephone with IDD and voicemail functions
- secured keycard access
- extensively equipped kitchen
- in-room personal safe
- steam iron and ironing board
- two-in-one washer-dryer

24-hour reception, concierge and security services, daily housekeeping services (except Sundays and public holidays), breakfast on weekdays (except public holidays), one-way limousine airport transfer for stay of one month and above and scheduled shuttle service to key business and shopping districts are also provided.



3.0 PROPERTY DESCRIPTION (CONTD)

3.11 Finishes

The internal floor finishes consist of marble/homogeneous/ceramic tiles, timber strips, parquet and carpet generally.

Internal wall finishes consist of marble/homogeneous/ceramic tiles, wall paper and emulsion paint on cement plaster generally.

The ceilings are of emulsion paint on cement plaster and ceiling boards with recessed light fittings generally.

3.12 Condition

The subject property is generally in average condition.

3.13 Services

All main utility and Telecoms services are provided.

4.0 EXISTING TENANCIES

Robertson Walk Shopping Centre is about 93.4% tenanted as at 30 September 2012. The total monthly gross rental is \$514,842/-, including monthly service charge of \$142,614/- and monthly A&P contribution of \$23,617/-.

5.0 CAPITAL EXPENDITURE

We understand that the budgeted capital expenditure for Fraser Place Robertson Walk for Year 2012/13 is about \$10.773 million. The works include replacement of equipment, FF&E, signages, domestic water pressure tank, furniture and upgrading of indoor children playground, amongst others.





6.0 BASIS OF VALUATION

Our valuation is our opinion of the open market value, which we would define as intended to mean "the best price at which the sale of an interest in property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, assuming:

- (a) a willing seller;
- (b) that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market), for the proper marketing of the interest, for the agreement of price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- (d) that no account is taken of any additional bid by a purchaser with a "special interest".

Our valuation has been made on the assumption that the property is sold in the open market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect value.

In preparing this valuation, we have relied on information provided by your goodselves, particularly in respect of such matters as tenancy details, floor plans, gross and net lettable floor areas, year of completion, other income, operating expenses, proposed capital expenditure, etc. Dimensions, measurement and areas are only approximations.

We have provided our opinion of the open market values as at 30 September 2012 based on existing usage and tenancies, without taking into account any potential en-bloc development sale value.



## 7.0 METHOD OF VALUATION

We have valued the subject property primarily by the Investment Method.

In the Investment Method, the estimated revenue of the serviced residence has been adjusted to reflect anticipated operating expenses (e.g. payroll and related expenses and other direct expenses) producing a gross operating profit.

Property tax, insurance, management/marketing/incentive fees are deducted to derive at the net income.

Revenue of the serviced residence comprises rental income, service fee and income from other operating departments.

Revenue of retail units comprises rental from existing tenancies and potential future income from existing vacant units (if any) and other income.

Net income of the retail units is calculated as the balance sum after deducting from the estimated gross market rent, amounts for operating expenses, a reasonable percentage for vacancy and property tax. The estimated gross rent takes into consideration the current passing rent, turnover rent and the likely sustainable future rental. The operating expenses include property management and lease fees.

The net income of the property is capitalised for the balance term of the lease tenure at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment, based on analysis of yields reflected in the sales of comparable property types. Capital adjustments such as letting up allowance, capital expenditure and capitalised rental reversion are then made to derive the capital value of the property.



8.0 VALUATION

With due regard to the foregoing and taking into consideration prevailing property market conditions and other relevant factors, we are of the opinion that the values of the subject property at No. 11 Unity Street, Robertson Walk Shopping Centre & Fraser Place Robertson Walk, Singapore 237995, subject to existing tenancies and occupational arrangements, without taking into account any potential en-bloc development sale value, are as follows:

MATERIAL DATE OF VALUATION : 30 September 2012

OPEN MARKET VALUE

ROBERTSON WALK SHOPPING CENTRE	: \$ 80,000,000/-
FRASER PLACE ROBERTSON WALK	: \$230,000,000/-
TOTAL	: \$310,000,000/-

(Dollars Three Hundred And Ten Million Only)

Yours faithfully

LOW KIN HON  
B.Sc.(ESTATE MANAGEMENT) Hons.,FSISV

**Knight Frank**



ANNEX A

NO. 11 UNITY STREET  
ROBERTSON WALK SHOPPING CENTRE & FRASER PLACE ROBERTSON WALK  
SINGAPORE 237995



Subject Development



Serviced Residence  
Reception

**Knight Frank**



**ANNEX A**

**NO. 11 UNITY STREET  
ROBERTSON WALK SHOPPING CENTRE & FRASER PLACE ROBERTSON WALK  
SINGAPORE 237995**



**Retail Area**



**Typical Serviced  
Residence Unit –  
Living Room**

**Knight Frank**



**ANNEX A**

**NO. 11 UNITY STREET  
ROBERTSON WALK SHOPPING CENTRE & FRASER PLACE ROBERTSON WALK  
SINGAPORE 237995**



**Typical Serviced  
Residence Unit - Bedroom**



**Typical Serviced  
Residence Unit - Kitchen**

**Knight Frank**




**ANNEX B**

**"ROBERTSON WALK SHOPPING CENTRE" &  
"FRASER PLACE ROBERTSON WALK"**



**LOCATION PLAN**

 Subject Property



**Knight Frank**



**ANNEX C**

NO. 11 UNITY STREET  
 "ROBERTSON WALK SHOPPING CENTRE" &  
 "FRASER PLACE ROBERTSON WALK"  
 SINGAPORE 237995



**SITE PLAN**   
 NOT TO SCALE

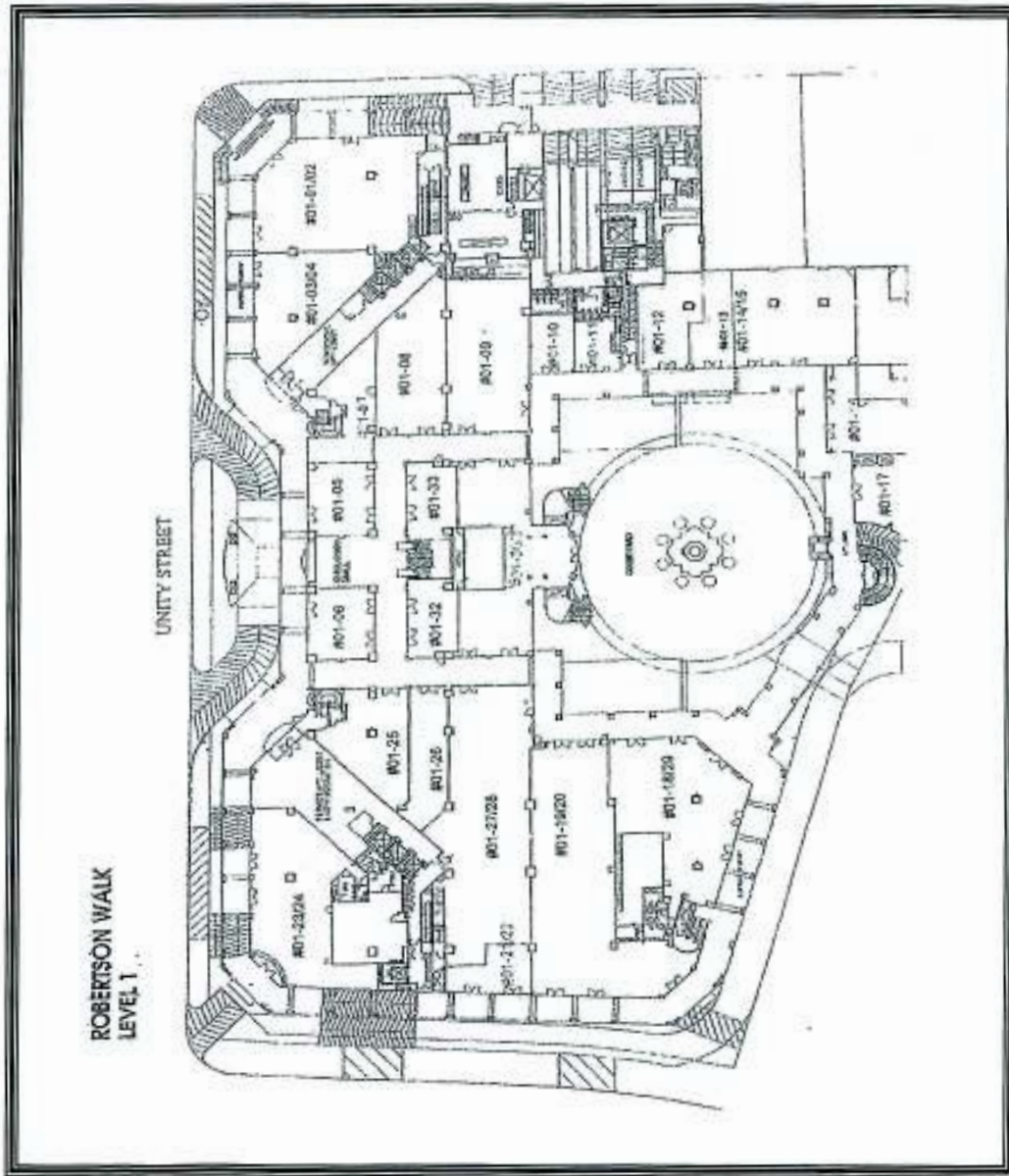




**ANNEX D**

NO. 11 UNITY STREET  
"ROBERTSON WALK SHOPPING CENTRE"  
SINGAPORE 237995

**Knight Frank**



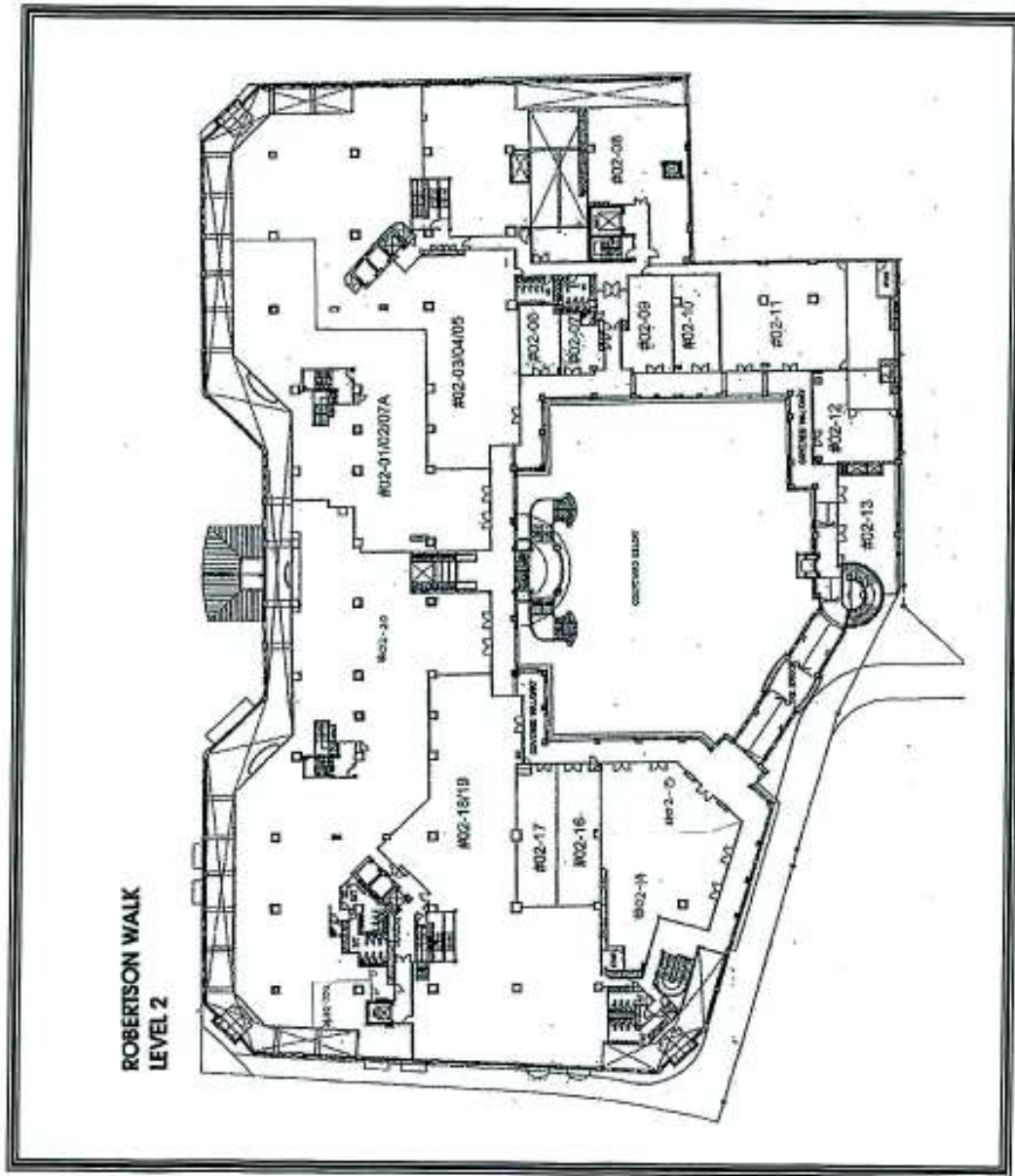
**FLOOR PLAN**  
NOT TO SCALE



ANNEX D

NO. 11 UNITY STREET  
"ROBERTSON WALK SHOPPING CENTRE"  
SINGAPORE 237995

**Knight Frank**



**FLOOR PLAN**  
NOT TO SCALE

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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### LIMITING CONDITIONS

This property Valuation and Report is subject to the following limiting conditions:-

- (1) The Valuer's responsibility in connection with this report is limited to the client to whom the report is addressed. The valuer disclaims all responsibility and will accept no liability to any other party.
- (2) Reproduction of this report in any manner whatsoever in whole or in part or any reference to it in any published document, circular or statement without the Valuer's prior written approval of the form and context in which may appear is prohibited.
- (3) The opinion expressed in this Valuation Report is made strictly in accordance with the terms and for the purpose expressed therein and the values assessed and any allocation of values between portions of the property need not be applicable in relation to some other assessment.
- (4) All liens and encumbrances, if any, affecting the property have been disregarded unless otherwise stated and it is assumed that the current use of the property is not in contravention of any planning or other governmental regulation or law.
- (5) The Valuer does not warrant to the client to whom the report is addressed and any other person the title or the rights of any person with regard to the property.
- (6) Unless otherwise stated all information has been obtained by our search of records and examination of documents or by enquiry from Government departments or other appropriate authorities. When it is stated in this report that information has been supplied to the valuer by another party, this information is believed to be reliable and the valuer shall not be held responsible or liable if this should prove not to be so.
- (7) While due care is taken to note building defects in the course of inspection, no structural survey is made and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects.
- (8) The Valuer is not obliged to give testimony or to appear in Court with regard to this report, with reference to the property unless specific arrangement has been made therefor.

## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

**Knight Frank**



### VALUATION CERTIFICATE

<b>Property</b>	:	HDB Land Parcel On Lot 2413M Mukim 21 At Punggol Central/Punggol Walk, Singapore	
<b>Clients</b>	:	Emerald Star Pte Ltd and FC Retail Trustee Pte Ltd (as Trustee Manager of Sapphire Star Trust)	
<b>Purpose</b>	:	Statutory Financial Reporting	
<b>Legal Description</b>	:	Lot No.	: 2413M
		Mukim	: 21
<b>Interest Valued</b>	:	Leasehold 99 years with effect from 18 May 2011 (Balance lease term of about 97.6 years as at 30 September 2012)	
<b>Basis of Valuation</b>	:	(A) Land Value with the benefit of Grant of Written Permission for a proposed residential/commercial development with a proposed gross plot ratio of 4.452, including cost of works done.	
		(B) Gross Development Value subject to satisfactory completion and issuance of Temporary Occupation Permit and Certificate of Statutory Completion.	
<b>Registered Lessees</b>	:	Emerald Star Pte Ltd (448/1,000 shares) and FC Retail Trustee Pte Ltd (as Trustee Manager of Sapphire Star Trust) (552/1,000 shares) as tenants in common in unequal shares.	
<b>Master Plan 2008</b>	:	"Commercial & Residential"	
<b>Brief Description</b>	:	The subject land parcel is bounded by Punggol Central, Punggol Walk, Punggol Waterway Promenade, Punggol Town Square and Punggol MRT/LRT station. The Punggol Bus Interchange is just a stone's throw away from the subject site. Grant of Written Permission was obtained on 8 December 2011 for a proposed residential/commercial development comprising 11 residential blocks of 11, 12, 13 and 14-storey (total 992 units) with commercial development at B1, B2, 1st and 2nd storeys, 5-storey basement car parks, swimming pool and ancillary facilities. The proposed gross plot ratio is 4.452.	
<b>Land Area</b>	:	Subject Land Parcel	: 29,999.3 sm
		Town Square*	: 4,000.0 sm
		<i>Note: The subject land parcel is adjacent to the proposed Town Square (on a site owned by HDB). The Town Square will be planned together with the subject land parcel with separate ownership.</i>	
<b>Proposed Gross Floor Area</b>	:	Commercial	: 50,398.82 sm
		Residential	: <u>83,157.98 sm</u>
		Total	: <u>133,556.80 sm</u>
<b>Proposed Lettable/ Saleable Floor Area</b>	:	Commercial	: 35,530.89 sm
		Residential	: <u>73,376.19 sm</u>
		Total	: <u>108,907.08 sm</u>
<b>Estimated Construction Cost (including professional fees, financing and contingency)</b>	:	Commercial	: \$209.44 million
		Residential	: <u>\$316.16 million</u>
		Total	: <u>\$525.60 million</u>
<b>Expected Date of Completion</b>	:	Commercial	: June 2015
		Residential	: August 2016
<b>Valuation Approaches</b>	:	Investment Method, Comparable Sales Method and Residual Land Value Method, where appropriate	
<b>Date of Valuation</b>	:	30 September 2012	
<b>Market Value</b>	:	(A) LAND VALUE WITH THE BENEFIT OF GRANT OF WRITTEN PERMISSION FOR A PROPOSED RESIDENTIAL/COMMERCIAL DEVELOPMENT WITH A PROPOSED GROSS PLOT RATIO OF 4.452, INCLUDING COST OF WORKS DONE	
		Land Value	: \$1,060,000,000/- comprising: : Commercial \$629,000,000/- : Residential \$431,000,000/-
		Cost of Works Done	: \$27,631,000/- comprising: : Commercial \$10,146,000/- : Residential \$17,485,000/-
		<b>Total Value</b>	: <b>\$1,087,631,000/-</b> (Dollars One Billion Eighty-Seven Million Six Hundred And Thirty-One Thousand Only)

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Knight Frank Shopping Centre Management Pte Ltd 16 Raffles Quay #30-01 Hong Leong Building Singapore 048581  
KF Property Network Pte Ltd (Licensee) 167 Jalan Bukit Merah #06-10 Connection One Tower 5 Singapore 150167



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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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**Market Value** : (B) GROSS DEVELOPMENT VALUE SUBJECT TO SATISFACTORY COMPLETION AND ISSUANCE OF TEMPORARY OCCUPATION PERMIT AND CERTIFICATE OF STATUTORY COMPLETION

Gross Development Value : \$1,896,000/- comprising:  
: Commercial \$975,000,000/-  
: Residential \$921,000,000/-

**Assumptions, Disclaimers, Limitations & Qualifications** : *This valuation certificate is provided subject to the assumptions, disclaimers, limitations and qualifications detailed throughout this certificate which are made in conjunction with those included within the Limiting Conditions located at the end of this certificate. Reliance on this certificate and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. Use by, or reliance upon this document for any other purpose if not authorized, Knight Frank Pte Ltd is not liable for any loss arising from such unauthorised use or reliance. The document should not be reproduced without our written authority. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.*

**Prepared By** : Knight Frank Pte Ltd

Low Kin Hon  
B.Sc.(Estate Management) Hons.,FSISV  
Managing Director, Valuation  
Appraiser's Licence No. AD 041-2003752I



A Valuation Report prepared for

FCL Crystal Pte. Ltd.

Of

Lot 746L of Town Subdivision 27 at  
51 Cuppage Road, Singapore 229469

3 October 2012



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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

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Valuation & Advisory Services

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**CBRE**

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

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View of the Subject Site

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Valuation & Advisory Services

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**CBRE**



# APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

## Valuation Certificate



<b>Property:</b>	Lot 746L of Town Subdivision 27 at 51 Cuppage Road, Singapore 229469
<b>Client:</b>	FCL Crystal Pte. Ltd.
<b>Purpose:</b>	Corporate Reporting
<b>Interest Valued:</b>	The existing land tenure is leasehold for 99 years commencing on 1 February 1996. However, this valuation has been conducted on the basis that the land tenure will be upgraded to fresh 99 years in due course, subject to the payment of Differential Premium to top-up the lease from about 82 years remaining to fresh 99 years lease.
<b>Basis of Valuation:</b>	Open Market Valuation
<b>Legal Description:</b>	Lot 746L of Town Subdivision 27
<b>Registered Owner:</b>	FCL Crystal Pte Ltd
<b>Land Area:</b>	6,309.6 square metres
<b>2008 Master Plan Zoning:</b>	"Commercial" with a plot ratio of 4.9+
<b>Brief Description:</b>	The Property is a redevelopment site located at Cuppage Road. The site is strategically located within the Orchard Road hotel and shopping belt. The land has a near trapezoidal configuration.
<b>Proposed Development:</b>	Currently standing on the site is the commercial development known as 51 Cuppage Road with gross floor area of 30,915.08 square metres. We have ignored the existing building and other site improvements and valued the Property as a redevelopment site for a mixed residential/commercial development with a gross floor area allocation of 80.0% for the residential component and 20.0% for the retail component. The estimated saleable/net floor area for the residential and retail components is 23,495.5 square metres and 4,328.1 square metres respectively. Provisional planning approval was first granted on 9 December 2010 for the proposed erection of a 12-storey commercial and residential building comprising 3-storey commercial podium/car parks, 1 block of 9-storey residential tower (total 114 units) with 2 basement car parks and communal facilities. Subsequently, there were three extensions of provisional permission, the latest being the third extension granted on 14 May 2012 which will lapse on 9 December 2012. Construction works have not commenced.
<b>Proposed Gross Floor Area (GFA):</b>	Residential - 24,732.1 sq m (266,213.5 sq ft) Retail - 6,183.0 sq m (66,553.4 sq ft) Total GFA - 30,915.1 sq m (332,766.8 sq ft)
<b>Estimated Proposed Saleable/Net Floor Area:</b>	Residential - 23,495.5 sq m (252,902.8 sq ft) Retail - 4,328.1 sq m (46,587.4 sq ft)
<b>Valuation Approaches:</b>	Residual Land Method and Direct Comparison Method
<b>Date of Valuation:</b>	30 September 2012
<b>Market Value:</b>	<b>Vacant Site Value (net of estimated DP) :</b> <b>S\$400,500,000</b> <b>(Four Hundred Million Five Hundred Thousand Dollars)</b>

This valuation is exclusive of GST.

**Assumptions, Disclaimers, Limitations & Qualifications:**  
*This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgment and understanding of these statements. Other than the Circular, this valuation report may not be reproduced or disseminated for any other purposes without our written authority. We are not liable for any loss arising from any unauthorised use of, or reliance upon, this valuation report for any other purpose. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property.*

**Prepared By:** CBRE PTE. LTD.

**Per:** Li Hiaw Ho DipUrbVal (Auck) SNZPI FSISV  
Appraiser's Licence, No. AD041-2445  
Executive Director - Valuation & Advisory Services

**Per:** Kamal Hamdi BSc (Est. Mgt) MSISV  
Appraiser's Licence, No. AD041-6388  
Director - Valuation & Advisory Services

Valuation & Advisory Services

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

### Assumptions, Disclaimers, Limitations & Qualifications

Valuation Subject To Change:	Premise 1 - Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically.
Our Investigations:	Premise 2 - This valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the property. We have identified certain limitations to our investigations to enable you to instruct further investigations if you consider this appropriate. CBRE is not liable for any loss occasioned by a decision not to instruct further investigations.
Assumptions:	Premise 3 - Assumptions are a necessary part of this valuation. CBRE adopts assumptions because some matters are not capable of accurate calculation, or fall outside the scope of our expertise, or our instructions. The risk that any of the assumptions adopted in this document may be incorrect should be taken into account. CBRE does not warrant or represent that the assumptions on which this valuation is based, whether in respect of GST or any other matter, are accurate or correct.
Information Supplied By Others:	Premise 4 - This document contains a significant volume of information which is directly derived from other sources, without verification by us including, but not limited to tenancy schedules, planning documents and environmental or other expert reports. We confirm that we are not instructed to verify that information. Further, the information is not adopted by CBRE as our own, even where it is used in our calculations. Where the content of this document has been derived, in whole or in part, from sources other than CBRE, CBRE does not warrant or represent that such information is accurate or correct.
Future Matters & GST:	Premise 5 - To the extent that this document includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to CBRE at the date of this document. CBRE does not warrant that such statements are accurate or correct. The general nature of the operation of the GST is now known, however, specific issues continue to arise which impact on market values. This valuation is based on the assumptions relating to GST set out in the Valuation Rationale section of this document. If any of the assumptions are found to be incorrect, or if the party on whose instructions this valuation is provided wishes our valuation to be based on different assumptions, this valuation should be referred back to CBRE for comment and, in appropriate cases, amendment.
Site Details:	Premise 6 - A current survey has not been provided. This valuation is made on the basis that there are no encroachments by or upon the property and this should be confirmed by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, we should be consulted to reassess any effect on the value stated herein.
Property Title:	Premise 7 - We have conducted a brief title search only. We have therefore not perused the original title/lease documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken which reveals further easements or encumbrances, we should be consulted to reassess any effect on the value stated herein.
Environmental Conditions:	Premise 8 - In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.
Town Planning:	Premise 9 - It is assumed that information relating to town planning as reflected on the Singapore Master Plan 2008 is accurate. In the event that a legal requisition is obtained and the information therein is found to be materially different to the town planning information detailed within this report, we reserve the right to amend the advice provided herein. We were not advised of any road widening or other adverse planning proposals affecting the property. However, in the event that a search is undertaken which reveals that the property is affected by public scheme(s), we should be consulted to reassess any effect on the value stated herein.
Floor Areas:	Premise 10 - We have assumed that the floor areas have been calculated in accordance with the guidelines as contained in the Land Title Strata Act (L TSA). We recommend that a survey be undertaken to determine whether the areas provided differ from L TSA guidelines. In the event that there is a material variance in areas, we reserve the right to review our valuation as assessed herein.
Inclusions & Exclusions:	Premise 11 - Our valuation includes those items that form part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business/businesses carried on within the property.
Code on Accessibility in the Built Environment 2007:	Premise 12 - The Code deals with discrimination against persons with disabilities in respect to access to premises as well as many other areas. Should there be any concern as to whether the property may have any shortcomings in respect to this Code, we recommend that expert advice be sought from professionals qualified in this area.
Condition & Repair:	Premise 13 - We have inspected the building. However, we advise that we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that these are free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous material. We have, however, viewed the general state of repair of the property and advised that we did not notice any obvious signs of structural defect or dilapidations. Furthermore, the property appears to be in reasonable condition having regard to its age and use unless otherwise stated. Our valuation assumes that a detailed report of the structure and service installations of the building would not reveal any defects requiring significant expenditure. Additionally, we assume that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations.

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Lot 746L of Town Subdivision 27  
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### **1 Introduction**

#### **1.1 Instructions**

We refer to instructions received from FCL Crystal Pte. Ltd. to advise on the Market Value as at 30 September 2012 of Lot 746L of Town Subdivision 27 located at 51 Cuppage Road, Singapore 229469 (the "Property").

#### **1.2 Critical Assumptions**

We have made certain critical assumptions which collectively have a material impact upon our valuation. These are noted as follows:

- Our assessment addresses the Market Value of the Property based on the envisaged proposed development and development parameters.
- This valuation is conducted on the basis that the land tenure will be upgraded to fresh 99 years lease in due course, subject to the payment of Differential Premium to top-up the lease from about 82 years remaining to fresh 99 years.
- We have not been provided with the development baseline of the Property and are not able to conduct a development baseline search. Such a search with the planning authority requires an application to be made by the owner of the Property or a representative of an owner by express consent. In the absence of the development baseline of the Property, we have assumed that the development baseline of the Property is commercial use at gross floor area of 30,915.08 square metres, based on State Lease No. 22090. We advise that a baseline search be conducted to ascertain the exact development baseline. We reserve the right to revise our valuation should the actual development baseline differs from that of our assumption.
- Our valuation calculations include assumptions which have been based on prevailing economic and market conditions as at the date of valuation FCL Crystal Pte. Ltd.
- We have assumed that the proposed development will be satisfactorily completed.

#### **1.3 GST Assumptions**

Unless otherwise stated, all financial information and valuation calculations and assessments in this report exclude GST.

#### **1.4 Extension of Liability, Confidentiality & Qualifications**

This valuation report has been prepared in accordance with the instructions of Fraser and Neave, Limited ("Company") and may be

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Lot 746L of Town Subdivision 27  
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included in the circular to shareholders of the Company ("Circular") in relation to the mandatory conditional cash offer by United Overseas Bank Limited, DBS Bank Ltd. and Morgan Stanley Asia (Singapore) Pte., for and on behalf of TCC Assets Limited, for the Company.

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout the valuation report. Reliance on the valuation report and extension of our liability is conditional upon the reader's acknowledgment and understanding of these statements. Other than the Circular, this valuation report may not be reproduced or disseminated for any other purposes without our written authority. We are not liable for any loss arising from any unauthorised use of, or reliance upon, this valuation report for any other purpose. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property.

### **1.5 Valuer's Interest**

CBRE warrants that this valuation is carried out on an independent party basis and not as an agent of FCL Crystal Pte. Ltd. or any of their affiliates or any other party.

We hereby certify that other than our valuation fee, CBRE does not receive any other payment from FCL Crystal Pte. Ltd. In addition, this valuation assignment is not based on a minimum or other specific valuation requested by FCL Crystal Pte. Ltd.

We affirm that the valuers are authorised under law to practice as a valuer and has at least 15 years continuous experience in valuation and does not have a pecuniary interest that could conflict with the proper valuation of the Property.

### **1.6 Market Value Definition**

In accordance with the International Valuation Standards and as advocated by the Royal Institution of Chartered Surveyors (RICS), the definition of Market Value is as follows:

*"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".*

### **1.7 Currency**

The currency used throughout this report is the Singapore Dollar.

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Lot 746L of Town Subdivision 27  
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Refer to Assumptions,  
Disclaimers, Limitations  
& Qualifications

## 2 Site Details

### 2.1 Location

- Situation:** The Property is located at Cuppage Road within the Orchard Road hotel and shopping belt.
- Location:** The Property is about 5 km away from the financial hub at Raffles Place.
- Surrounds:** Commercial buildings in the immediate vicinity include Orchard Point, Cuppage Plaza, The Centrepoint, Cuppage Terrace, 313 @ Orchard, Orchard Central, Paragon and Mandarin Gallery, amongst others. Nearby residential development include Centrepoint Apartments, The Laurels, Urban Resort Condominium, Urban Suites and Richmond Park, amongst others. Nearby hotels include Meritus Mandarin Singapore, Hotel Grand Central and Concorde Hotel.
- The Somerset underground MRT Station is located within walking distance from the Property.
- The Central Expressway (CTE) is located nearby and provides excellent connections to the rest of the island and Changi Airport.

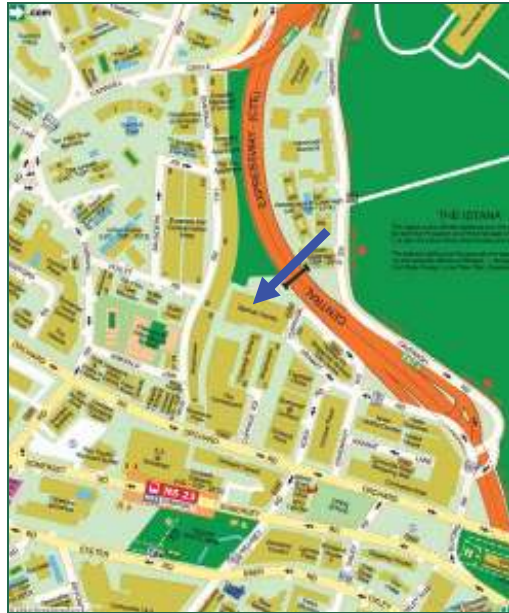
The following map indicates the location of the Property:

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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Refer to Premise 6 & 8

### 2.2 Site & Services

**Shape:** The site has a near trapezoidal configuration and is bounded by Cuppage Road, Emerald Hill Road and the Central Expressway.

**Topography:** Flat and at grade with the access road.

**Site Area:** 6,309.6 square metres.

**Street Frontage:** Cuppage Road: 57 metres (approximately)

**Services:** All typical services appear connected.

### 2.3 Legal Details

#### Real Property Description

- The site is legally known as Lot 746L of Town Subdivision 27.
- Land tenure is leasehold for 99 years commencing on 1 February 1996. However, this valuation is conducted on the basis that the land tenure will be upgraded to fresh 99 years lease in due course, subject to the payment of Differential Premium to top-up the lease to fresh 99 years.
- State Title Lease No. 22090.

#### Owner

- FCL Crystal Pte Ltd.

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Refer to Premise 7

### Easements & Encumbrances

- Nil.

### Special Conditions of Land Lease

- The Lessee shall use the demised land for the purpose of office with a gross floor area not exceeding 21,301.84 square metres, shop with gross floor area not exceeding 1,247.11 square metres, food court with gross floor area not exceeding 2,516.86 square metres and ancillary use with a gross floor area not exceeding 5,849.27 square metres only.
- The demised land shall not be used for other than the abovementioned purpose except with the prior permission of the lessor. The lessee shall be required to pay a Differential Premium, as appropriate, in respect of any increase in plot ratio (or density or floor area) or charge of use which will result in enhanced value.
- The lessee shall not demise, mortgage, charge, assign, sublet, underlet or part with the possession of the land hereby demised in whole or in part thereof except with the written consent of the lessor. The lessor may impose other conditions as in his absolute discretion deems fit.

Refer to Premise 9

### 2.4 Town Planning & Statutory Assessments

Master Plan 2008: "Commercial" with a plot ratio of 4.9+  
Existing Use: Appears to conform.

### 2.5 Public Transportation

Various forms of public transportation such as buses, taxi are readily available.

The Somerset underground MRT Station is located within walking distance from the Property.

Refer to Premise 8

### 2.6 Environmental Issues

In the absence of an environmental site assessment relating to the subject development, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the immediately surrounding properties revealed no obvious signs of site contamination. As such, we have made no allowance in our valuation for site remediation works.

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However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject development and recommend that a professional in this field be consulted. If a test is undertaken by a qualified professional in due course to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

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### **3 Improvements**

Refer to Premise 10

#### **3.1 Proposed Development**

Currently standing on the site is the commercial development known as 51 Cuppage Road with gross floor area of 30,915.08 square metres. We have ignored the existing building and other site improvements and valued the Property as a redevelopment site for a mixed residential/commercial development with a gross floor area allocation of 80.0% for the residential component and 20.0% for the retail component. The estimated saleable/net floor area for the residential and retail components is 23,495.5 square metres and 4,328.1 square metres respectively. Provisional planning approval was first granted on 9 December 2010 for the proposed erection of a 12-storey commercial and residential building comprising 3-storey commercial podium/car parks, 1 block of 9-storey residential tower (total 114 units) with 2 basement car parks and communal facilities. Subsequently, there were three extensions of provisional permission, the latest being the third extension granted on 14 May 2012 which will lapse on 9 December 2012. Briefly, the envisaged proposed development parameters are as follows:

	<b>Retail</b>	<b>Residential</b>	<b>Total</b>
Gross Floor Area, GFA (sq m)	6,183.0	24,732.06	30,915.1
Gross Floor Area, GFA (sq ft)	66,553.4	266,213.5	332,766.8
Estimated Net Floor/Saleable Area (sq m):	4,328.1	23,495.46	27,823.6
Net Floor/Saleable Area (sq ft):	46,587.4	252,902.8	299,490.1

#### **3.2 Development Cost**

We estimate the base construction cost to be in the region of \$400 per square foot. This excludes professional fees of 6.00%, contingencies of 5.00% and miscellaneous expenses of 1.00%. The estimated cost parameters which are adopted in this valuation are detailed in Section 5.3 of this report.

Construction works have not commenced.

#### **3.3 Condition & Repairs**

Our valuation is provided on the basis that the proposed development will be constructed in a tradesmanlike manner using new, quality materials and having regard to modern building techniques. Our valuation assumes that:

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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- i) A detailed report of the structure and service installations of the buildings once completed would not reveal any defects requiring significant expenditure.
- ii) The buildings will comply with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations, and will be built in accordance with the provisions of the Singapore Standard "Code of Practice".

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## **4 Market Review & Sales Evidence**

### **4.1 Introduction**

The Property is located within the Orchard Road hotel and shopping belt.

### **4.2 Residential Market Review**

#### **4.2.1 Summary of Key Points**

Developers completed 2,504 new homes in Q1 2012, 3.6% more than the 2,417 new homes completed in the previous quarter. Total housing stock stood at 273,050 units by end-June 2012, an increase of 0.8% from the 270,920 units in Q1 2012.

Occupancy rate stood at 94.1% in Q2 2012, a slight improvement from the 94.0% in Q1 2012. This translated to 16,115 vacant units, lower than the 16,127 vacant units registered in the previous quarter.

There is a potential supply of 92,871 new homes that may be completed from H2 2012 to 2016 and beyond. Of this number, only 56,615 units (61.0%) were under construction at end-June. By sale status, 45,076 units (48.5%) have been sold. For the rest of the unsold units, only 16,721 units have prerequisites for sale, compared to 18,168 units in Q1 2012.

The strong take-up of new homes urged developers to launch 6,115 units for sale, slightly lower than the 6,903 units launched in Q1 2012. The take-up of 5,402 new homes in Q2 2012 was 17.2% lower than the 6,526 new homes sold in Q1 2012, bringing the total sales volume in H1 2012 to a record high of 11,928 units.

Activity in the secondary market was stronger in Q2 2012 with 3,487 resale homes and 600 sub-sales, up from 2,206 resales and 446 sub-sales in Q1 2012.

A total of 12,276 tenancy contracts were completed in Q2 2012, 12.2% above the 10,939 tenancy deals done in Q1 2012.

The URA residential rental index showed a rise of 0.3% q-o-q, similar to the 0.3% gain in Q1 2012. Year-on-year, it has risen by 1.7%. For non-landed properties alone, the index registered a rise of 0.2% q-o-q in Q2 2012, moderating from the 0.5% rise in Q1 2012.

### 4.2.2 Stock

A total of 2,504 new homes were completed in Q2 2012, 3.6% more than the 2,417 new homes completed in Q1 2012. Major residential projects completed in Q2 2012 were Alexis (293 units), The Trizon (289 units), Beacon Heights (212 units) and Tresalveo (176 units).

Net addition to the stock after demolitions was 2,130 new homes. This is slightly lower than the 2,152 homes added to the stock a quarter ago. As at end-June, the total housing stock stood at 273,050 homes, a growth of 0.8% from 270,920 units at the end of Q1 2012.

By locations, the total housing stock comprises 146,043 units (53.5%) in the Central Region, 48,209 units (17.6%) in the East, 37,732 units (13.8%) in the North-East, 33,810 units (12.4%) in the West and 7,256 units (2.7%) in the North Regions.

Apartments and condominiums made up 202,773 units (74.3%) of the private housing stock. The landed homes segment comprised 38,335 terrace houses (14.1%), 21,285 semi-detached houses (7.8%) and 10,539 detached houses (3.9%)

### 4.2.3 Occupancy

The 256,935 occupied units in Q2 2012 reflected an occupancy rate of 94.1%, marginally higher than the 94.0% in the previous quarter. The 16,115 vacant units in Q2 2012 were only marginally lower than and 16,127 vacant units in Q1 2012. Despite the high occupancy rate, the growing number of vacant units will put pressure on prices and rents going forward.

### 4.2.4 Future Supply

The potential supply from H2 2012 to 2016 and beyond was 92,871 units, 3.4% more than the 89,839 units at end-March 2012. This huge supply could put pressure on prices and rents as their completion will coincide with a slowdown in the economy.

This pipeline supply is made up of 56,615 units (61.0%) that were under construction and 36,256 units (39.0%) that have not commenced construction. 14,475 units (25.6%) of the 56,615 units under construction were unsold at end-June.

For the rest of 2012, 8,292 units (14.6%) are expected to be completed, followed by 13,766 units (24.3%) in 2013 and 16,366 units (28.9%) in 2014.

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For the 36,256 units that have not commenced construction, 33,320 units (91.9%) have not been sold. For projects that are built on sites bought from government land sales programme, they will have to be completed within five years from the date of award regardless of their sale status.

According to URA, the large supply in the pipeline comprised 16,721 unsold units which have the pre-requisites for sale (Sales Licence and Building Plan Approval) as at Q2 2012. Of these, 6,762 units (40.4%) have been launched while 9,959 units (59.6%) have not been launched. In terms of construction status, 12,586 units (75.3%) were under construction by end-June.

In Q2 2012, developers bought 11 residential sites under the GLS programme which can yield some 5,900 new homes. The 11 sites comprised seven sites for private residential projects (3,400 units) and four sites for EC (2,500 units). The strong take-up of new project launches during the quarter continued to drive developers' appetite for development sites. Bids for the sites were still strong even though the slowing economy might lead to cautious buying sentiment. Among the sites sold were Jurong Gateway - the first residential site in Jurong Lake District – and Farrer Drive in prime district 10.

From the private sector supply, developers were reported to have bought seven freehold sites via the collective sale route which can be redeveloped to yield 500 new homes. Similarly, land prices held strong.

#### 4.2.5 Demand and Homebuyer Profile

Sales in Q2 2012 numbered 5,402 units. Despite being 17.2% lower than the 6,526 units sold in Q1 2012, sales for H1 2012 totalled 11,928. This is three quarters of the sales volume that was recorded for the whole of last year, and the highest half year sales volume ever recorded. Likewise, the 2,426 ECs sold in H1 2012 were also the highest since the return of ECs in Q4 2011.

The record sales volume could be attributed to high liquidity and low mortgage interest rates as well as the record number of projects launched in H1 2012. 6,115 new private homes were launched in Q2 2012, following the launch of 6,903 units in Q1. In the EC market, 1,081 and 1,864 ECs were launched in Q2 and Q1 2012 respectively.

Demand for mass-market homes (located in Outside Central Region, OCR) remained strong, comprising 3,737 units (69.2%) of the 5,402 units sold in Q2 2012. The top selling mass-market projects in Q2 2012 were Ripple Bay (568 units sold), Flo Residence (324 units sold) and Palm Isles (306 units sold).

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The Core Central Region (CCR), which encompasses the prime residential districts, saw increased activity from 138 new sales in Q1 2012 to 444 units in Q2 2012. The main projects which contributed to this number during the quarter were Eon Shenton (102 units sold), 1919 (74 units sold) and 8 Bassein (42 units sold). As for the Rest of Central Region (RCR), 1,221 units were sold in Q2 2012, up from 1,113 units in the preceding quarter. Katong Regency (244 units sold), Eight RiverSuites (218 units sold) and Sky Habitat (125 units sold) were the main projects contributing to this number.

The caveats lodged for non-landed homes shows that the median size of new units sold in Q2 2012 was 861 square feet, bigger than the 721 square feet seen in Q1 2012. This could be attributed to a smaller proportion of units that are less than 500 square feet among the new projects and/or buyers chose to buy bigger units. Nevertheless, the median price per unit remained below the \$1 millionth-mark since Q1 2011, which is within the reach of most buyers.

Sales activity in the secondary market picked up in Q2 2012. URA Q2 2012 figures showed that 3,487 resale homes were sold, 58.1% more than the 2,206 resale homes sold in Q1 2012. As the increase was mainly in the CCR and OCR, a signal that buyers still saw good value in older properties. 600 sub-sales were registered in Q2 2012, a marked increase of 34.3% from 446 sub-sales in Q1 2012. Nevertheless, the subsales made up only 6.3% of total sales, showing that speculative activity was still low-key.

The total housing demand in Q2 2012 was 9,489 homes, marginally higher than the 9,178 homes sold in the previous quarter. In all, 18,667 homes were transacted.

Based on the caveats lodged for new homes, 51.9% of the buyers of new private homes in H1 2012 were HDB addressees, commonly regarded as those upgrading from public to private housing. This is higher than in 2011 which saw a proportion of 47.0% of HDB upgraders. In the secondary market, the proportion of HDB upgraders was 34.1%, higher than the 31.7% seen in 2011.

In Q2 2012, foreigners bought 442 new homes while the permanent residents (PRs) bought 601 units. Compared to Q1 2012, there was an increase of 10.0% in purchases by foreigners but a decline of 18.4% in the purchases by PRs. These numbers reflect cautious buying among foreigners and PRs in view of the ABSD measures.

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**CBRE**

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Buyers from Malaysia formed the biggest group of foreign buyers in both the first and second quarters of 2012, who bought 543 homes in the last six months. The Chinese were in the second place with 377 purchases followed by Indonesians with 364 purchases.

Buyers from Malaysia formed the biggest group of foreign buyers in both the first and second quarters of 2012, who bought 543 homes in the last six months. The Chinese were in the second place with 377 purchases followed by Indonesians with 364 purchases.

#### 4.2.6 Rentals

Leasing activity picked up in Q2 2012 as it is traditionally a more dynamic period of the year.

Data from IRAS showed that 12,276 leases contracted, 12.2% higher than in Q1 2012 due to the seasonal peak period which coincides with the end of international school term and the start of summer holidays.

Residential rents are stabilizing, as shown by the marginal 0.3% q-o-q rise in the rental index, following a similar 0.3% rise in Q1 2012. Only the rents for detached houses showed q-o-q decline of 1.0%. All other types of housing showed an increase q-o-q, namely, 0.7%, 1.6% and 0.2% rise for semi-detached houses, terrace houses and apartments respectively.

By location, rents for non-landed homes in RCR (outskirts of CCR) and OCR (suburban locations) showed a marginal q-o-q gain of 0.1% q-o-q. However, CCR rents fell by 0.6% over the quarter. This could be attributed to competition among the many new buildings that were completed since a year ago and are still looking for tenants.

Based on our basket of selected non-landed properties, luxury rents edged up slightly in Q2 2012 to \$5.05 psf from \$5.00 psf a quarter ago. Likewise, rents for the rest of the island also grew by 1.5% to \$3.30 psf while prime rents remained unchanged at \$4.80 psf.

The pressure on rents will persist as there were 16,115 vacant homes at end-June, a shade lower than the 16,127 vacant units in the previous quarter.

#### 4.2.7 Outlook

Going forward, demand for mass-market homes is likely to hold well, supported by high liquidity, low interest rates and strong product attributes. Developers of completed high-end projects will continue to promote the sale of unsold units via innovative sale strategies.

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We expect new demand to number 8,000-10,000 units and overall home prices to see a marginal correction in H2 2012.

### **4.3 Retail Market Review**

#### **4.3.1 Summary of Key Points**

Based on statistics released by URA, the total island-wide private retail stock stood at 25,112,000 square feet. This reflected a 0.6% q-o-q decrease despite three significant retail completions this quarter.

The three major retail developments that received their TOP in Q2 2012 include Alexis (33,600 square feet), Thomson V Two (23,680 square feet) and UE Bizhub East (80,730 square feet).

Based on CBRE estimates, there will be a potential retail supply of approximately 4.63 million square feet of coming on-stream from H2 2012 to 2016. This is inclusive of new space arising from asset enhancement initiatives.

Both the occupancy rates for Orchard Road and the Outside Central Region saw q-o-q improvements in Q2 2012. The occupancy rate for Orchard Road increased by 40bps to reach 94.6% while the occupancy rate for the Outside Central Region bettered by 2.0% to 97.0%

Based on CBRE Research, rentals across all sub-markets remained unchanged from Q1 2012. Prime Orchard Road rents stood at \$31.60 psf/month while prime Suburban rents remained at \$29.75 psf/month.

The URA price index for islandwide shop space grew slightly by 0.7% q-o-q to reach 122.0. On the contrary, the central area saw a decrease in their price index by 0.7%, from 117.3 in Q1 2012 to 116.5 in Q2 2012. The Fringe Area price index registered the highest growth of 2.3% to achieve 130.9 in Q2 2012.

#### **4.3.2 Supply**

Based on statistics released by URA, the total island-wide private retail stock stood at 25,112,000 square feet. This reflected a 0.6% q-o-q decrease despite three significant retail completions this quarter.

The three major retail developments that received their TOP in Q2 2012 included Alexis (33,600 square feet), Thomson V Two (23,680 square feet) and UE Bizhub East (80,730 square feet).

When distributed into the respective sub-markets, the Fringe Area still accounted for the largest share at 27.5%, followed by Outside Central Region (22.6%), Orchard Road (19.8%), Rest of Central Area (17.6%) and the Downtown Core Region (12.5%).

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With the exception for the Outside Central Region which grew by 1.2%, all the other four sub-markets recorded a slight reduction in the region of 1% - 2% in their respective retail stock.

#### 4.3.3 Renovations

In order to sustain their own market relevance, many retail landlords will be conducting or are already initiating some form of asset enhancement initiatives (AEI) to their respective premise.

CapitaMall Trust's rebranded Bugis+ will complete its second phase of AEI by end-July 2012. It was reported that 97% of its NLA is already committed.

Similarly, CapitaMall Trust's The Atrium@Orchard is also undergoing an AEI with so that its retail podium can be synergized to become part of Plaza Singapura. The mall was reported to be already close to 90% pre-committed and is expected to be completed by Q4 2012.

Chinatown Point is also undergoing an asset enhancement initiative which will increase its NLA by approximately 18% to 205,000 square feet when completed by Q2 2013.

Suntec REIT has also commenced its major AEI of Suntec City. This four-phased initiative is expected to raise its current retail NLA of 855,000 square feet to 980,000 square feet when part of the existing convention centre is converted to retail use. The AEI has been fast tracked to complete by end-2014.

#### 4.3.4 Future Supply

Based on CBRE estimates, there will be a potential retail supply of approximately 4.63 million square feet coming on-stream from H2 2012 to 2016. This includes new retail arising from asset enhancement initiatives as previously mentioned.

For the latter half of 2012, new retail supply stands at approximately 405,000 square feet from five retail projects. Three of these retail projects are projects by CapitaMall Trust, of which only one is a pure development project. The Star Vista is slated for opening in September 2012 with more than 80% of its NLA already pre-let. The other two retail projects are namely from the AEI of Bugis+ and The Atrium@Orchard.

One other project expected to come on-stream was the slightly delayed completion of 100AM. Originally to be completed by Q2 2012, the revamped Amara Shopping Centre is now expected to be completed by Q3 2012 and is more than 70% pre-committed.

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Looking ahead a year to 2013, it will be a challenging year with slightly more than 2.4 million square feet of supply expected. Out of this quantum, at least 66% (1.6 million square feet) will be expected from the Outside Central Region. Jem (818,000 square feet) and Westgate (420,000 square feet) are expected from the Western suburb of Jurong while Paya Lebar Square (88,200 square feet) and Bedok Mall (220,000 square feet) are expected in the Eastern suburbs of Paya Lebar and Bedok respectively.

2013 also expects the completion of two new retail malls along Orchard Road. Orchardgateway (180,000 square feet) and the redevelopment of 268 Orchard Road (147,500 square feet) are expected to breathe new life into the primary shopping belt, because there has been no new supply along the main stretch of Orchard Road since Knightsbridge in 2010.

Originally slated to be completed by 2013, the development of Big Box (329,000 square feet) by TT International was reported to have hit a snag when the investment framework agreement between TT International and its equity investors Lucrum Capital fell through because the terms could not be worked out by the long-stop date. We have removed this project from our future supply list till further information is available.

In 2014, retail supply will arise mainly from the Downtown Core and Outside Central Region. The Downtown Core retail supply will be boosted by the completions of the AEI of Suntec City (125,000 square feet) and Capitol (156,100 square feet), while the Outside Central Region stock will increase by 110,700 square feet via the completion of One KM.

Waterway Point (370,000 square feet) and South Beach (32,000 square feet) remain the two major retail developments expected to be completed in 2015.

According to URA, M+S Pte Ltd has obtained the provisional permission for their projects in Marina Bay and Ophir Road. Marina One in Marina Bay has been approved for 129,500 square feet of retail space in the mixed development while the yet to be named mixed development along Rochor Road has 50,050 square feet of retail space under its provisional approval. Both these projects are expected to be completed by the last quarter of 2016.

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### 4.3.5 Demand and Occupancy

Despite bracing for the rising risks from the euro-zone crisis, the Singapore retail market still continued to display some resilience amidst signs of deceleration in Q2 2012.

Retail sales in May 2012 continued to grow but at a mere 0.5% y-o-y while it registered a decrease of 2.7% when compared to the previous month. The sales of food & beverage services registered an increase of 4.2% y-o-y. It should be noted that this is within a relatively high inflationary environment especially when the CPI recorded 3.9% (excluding accommodation) in June 2012.

Nonetheless, the furniture and household equipment sector was the only sector to display a monthly growth when its retail sales increased by 1.9% m-o-m. All other sectors saw a m-o-m decrease with the watches and jewellery and the medical goods and toiletries sectors registered the largest m-o-m declines at 6.5% and 6.3% respectively.

The tourism industry displayed more positive results when tourism receipts for Q1 2012 rose 8% y-o-y to reach \$5.8 billion. Similarly, the number of international visitor arrivals has also risen by 15% y-o-y to close to 3.6 million. It was reported that Indonesia, China, India, Australia and Japan were the five largest contributors to the tourism receipts.

According to URA, the private retail market enjoyed a positive quarterly net absorption of 97,000 sf for Q2 2012. As a result, the island-wide occupancy rate crept up to 94.0% from 93.0% in Q1 2012.

Similarly, both the occupancy rates for Orchard Road the Outside Central Region also saw q-o-q improvements in Q2 2012. The occupancy rate for Orchard Road increased by 40bps to reach 94.6% while the occupancy rate for the Outside Central Region gained 2.0% to 97.0%

Looking ahead, leasing activity may be hampered by cautionary sentiments and the limited new supply in the pipeline. However, interest from new-to-market international brands continued as are looking to set up Southeast Asia flagship stores in Singapore. Landlords are supportive of these new entrants and are often willing to take on new groups at initially lower rents to share some of the risks involved.

However, franchising remains the preferred method of entry for international retailers seeking to enter the market or expand their existing footprint as Singapore remains a small domestic market. At the same time, it has been observed that this resulted in some domestic brands being gradually edged out of prime locations.

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The availability of new retail supply arising from refurbishments and new completions has also been a catalyst for several new market entrants beginning their ventures here. Landlords are also observed to be more flexible in the creation of duplex units for potential tenants. Some duplex units are no longer traditionally created based on the street frontage level but on other levels within a mall. This has proved to be an effective way to channel shopper traffic flow to the other floors.

Some retailers that have established or expanded their presence in Singapore with a South East Asia flagship status include Coach (Wisma Atria), Tory Burch (new to Singapore, Wisma Atria), Tommy Bahama (new to Singapore, Wisma Atria), Fendi (Ngee Ann City) and Lindeberg (new to Singapore, Mandarin Gallery).

Supported by both tourism and domestic spending, the Singapore retail market is expected to continue to attract new retailers and retail concepts as it matures through globalisation. The market is expected to remain stable for the next six to 12 months.

#### 4.3.6 Rentals

*[Average prime rent is defined as the average rent of units on the prime floor, derived from our basket of retail centres]*

Based on CBRE Research, rentals across all sub-markets remained flat. Prime Orchard Road rents stood at \$31.60 psf/month while prime Suburban rents also remained at \$29.75 psf/month.

As for statistics from URA, the islandwide retail rental index was shaved to 119.4 from 119.7. This reflected a 1.0% q-o-q drop and 0.84% y-o-y growth.

The rental index for the central area also registered a slight decrease of 0.3% from 122.3 in Q1 2012 to 121.9 in Q2 2012. On the contrary, the rental index for the fringe area showed signs of growth when it inched up by 1.0% q-o-q.

Generally, under the gloom of the Euro crisis, landlords have maintained their asking base rentals but with a view to achieve income via the performance of their tenants' turnover sales.

Retailers on the other hand, especially locally based ones, remained cautious in their expansionary plans. As such, the rental outlook is expected to remain stable over the next six months, barring no major shocks to dampen the tourism industry as well as discretionary spending from consumers.

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### 4.3.7 Outlook

Recent indicators have suggested that local consumer demand may be quivering in light of the economic gloom and heightened inflationary environment. On the other hand, tourism, especially from the region seems to be more resilient in the near future.

The online retail sector continues to expand its market share to pose as a growing threat to retailers in the city given the strength of the Singapore dollar. The labour market remains tight and continues to inhibit retailers' expansion in some sectors, particularly in the high-end F&B segment.

Looking ahead, rents are likely to remain stable albeit with a downward pressure over the rest of 2012. Given no extreme economic shock, the take-up is expected to remain robust as the future supply of retail space over the next four years is moderate. Retail space with a large footprint continues to be limited and in demand.

Singapore is expected to remain as an attractive location for international brands looking to set up flagship stores due to the transparency of the market and relatively healthy tourism and arrivals.

### 4.4 Development Site Sales Evidence

We have considered a broad cross-section of sales evidence of development site sales, part of which is detailed in the following table. Not all of the sales are considered to be directly comparable. However, they do provide a range of evidence and set the parameters of value upon which we have based our assessment of the Property.

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### Sales Transactions of Development Sites

No.	Property	Zoning/Approved Use	Land Area sq ft	Maximum Gross Floor Area (sq ft)	Date Tender Closed	Price (\$' mil) \$ psf/Plot Ratio
1	<b>Land Parcel at Prince Charles Crescent</b>	Residential	256,023.7	537,656.8	20-Sep-12	516.30
	Site is located in the Tanglin vicinity, near Redhill MRT station. It is a short drive away from Orchard Road.					960
2	<b>Site of Chateau Eliza condominium</b>	Residential	17,997.0	52,893.2 (existing plot ratio)	08-Sep-12 (sale date)	92.20
	Site is located at Mount Elizabeth in the Orchard Road precinct.					1,743
3	<b>Land Parcel at Farrer Road</b>	Residential	29,509.2	41,322.6	25-Aug-12	45.78
	It is located near Botanic Garden MRT Station and is well connected to major arterial roads and expressways.					1,107
4	<b>Land Parcel at Robinson Road/Cecil Street</b>	Commercial	31,559.8	353,475.7	23-Sep-11	311.78
	Site is located along Robinson Road within the Central Business District.					882
5	<b>Land Parcel at Boon Lay Way</b>	White (Commercial/Hotel/ Residential use)	195,462.7	957,771.8	25-May-11	969.00
	Site is part of Jurong Gateway, next to the Jurong East MRT Station and within the HDB's Jurong East Estate.					1,012
6	<b>Land Parcel at Paya Lebar Road / Eunus Road 8</b>	Commercial	159,861.1	671,419.8	21-Apr-11	585.59
	Site is located next to the Paya Lebar MRT Station.					872
7	<b>Land Parcel at Peck Seah Street / Choon Guan Street</b>	White (Commercial / Hotel / Residential)	161,701.8	1,697,876.1	16-Nov-10	1,708.08
	Site is within the western fringe of the Central Business District, on top of the Tanjong Pagar MRT Station.					1,006

Note: All the above sites were sold on a 99-year tenure except for No. 2 which is Freehold.

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### 4.5 Apartment Sales Evidence

We have considered a broad cross-section of sales evidence of strata-titled apartment sales, part of which is detailed in the following table. The sales evidence does provide a range of evidence and set the parameters of value upon which we have based our assessment of the residential component of the Property.

#### Apartment Sales Transactions

No.	Property / Tenure	Floor Area sq m	Caveat Date	No. of Transactions	Price Range (\$ million)	Price Range \$ psf
1	<b>Urban Suites, Hullet Road</b> Freehold	< 100 >100 < 150	Jan 12 to Sept 12 Jan 12 to Sept 12	2 2	2,923 - \$2,930 4,030 - 4,680	2,800 - 2,806 2,600 - 2,900
	Urban Suites is a freehold condominium development located at Hullet Road in District 9, minutes walk to Orchard MRT Station. The 20-storey tall development consists of 165 units and is expected to be completed in 2013. Urban Suites is close to Mount Elizabeth Hospital and Far East Plaza.					
2	<b>Suites at Orchard, Handy Road</b> 99 years from 27 June 2007	< 100	Jan 12 to Sept 12	1	1,950	2,352
	Suites at Orchard is a leasehold condominium development located at Handy Road in District 9. It stands 10 storeys tall and comprises a total of 118 residential units. Suites at Orchard is located within walking distance to Dhoby Ghaut MRT Station and Bras Basah MRT Station. The development is expected to be completed in 2015.					
3	<b>UP @ Robertson Quay</b> 99 years from 7 June 2011	< 100 >100 < 150	Jan 12 to Sept 12 Jan 12 to Sept 12	12 4	\$1,140 - \$2,053 2,154 - 2,309	2,280 - 2,840 1,924 - 2,034
	UP @ Robertson Quay is a 10-storey leasehold condominium located at Robertson Quay in District 9. It comprises of 70 units. UP @ Robertson Quay is due to be completed in 2016.					

Source: SISVREALink

### 4.6 Retail Sales Evidence

We have considered a broad cross-section of sales evidence of shopping malls, part of which is detailed in the following table. These provide a range of evidence and set the parameters of value upon which we have based our assessment of the retail component of the Property.

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**CBRE**

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### Retail Sales Transactions

No.	Property / Tenure	Lettable Area sq ft	Transaction Date	Price (\$' million)	Price \$ psf
1	<b>50% Stake in nex</b> <b>23 Serangoon Central</b> 99 years from 26 June 2008 <p>nex is a 6-storey suburban retail mall which was built as an integrated development with the air-conditioned Serangoon Bus Interchange. nex commenced trading in November 2010 and is the largest mall in the North-east region of Singapore and one of the largest malls in Singapore. The buyer, Mercatus Co-operative whose shareholders are Singapore Labour Foundation (60%), NTUC Income (20%) and NTUC Fairprice (20%) are buying the 50% stake in nex from a fund linked to Pramerica Real Estate Investors (Asia). The amount that Mercatus is forking out for its stake in nex is based on a value of \$1.65 billion for the whole mall, which reflects about \$2,679 per square foot on the current net lettable area.</p>	307,951 (50% of total lettable area)	July 12	825.00	2,679
2	<b>24% Stake in Parkway Parade Partnership Ltd</b> <b>80 Marine Parade Road</b> 99 years from 17 Aug 1979 <p>Parkway Parade comprises a 5-storey with basement retail podium (total lettable area of 562,611 square feet) and a 17-storey office tower. Parkway Parade Partnership Ltd (PPP), a real estate fund, owns Parkway Parade which is the largest shopping centre located in the eastern part of Singapore. NTUC Income and PGGM Private Real Estate Fund (PGGM), an investment vehicle for Dutch pension funds, are cornerstone investors of PPP. NTUC Income recently raised its stake from 22% to 46% while PGGM has retained its 33% stake. The price paid by NTUC Income translates to about \$51,888 per square foot. NTUC Income became Parkway Parade's largest investor after significantly raising its stake in PPP.</p>	135,026 (24% of total retail lettable area)	July 12	254.93	1,888
3	<b>Compass Point</b> <b>1 Sengkang Square</b> 99 years from 30 Apr 2000 <p>Compass Point is a suburban retail mall which was built as an integrated development together with the adjacent Sengkang MRT Station and Compass Heights condominium. Compass Point is situated in the heart of Sengkang and is integrated with the MRT, LRT and the bus interchange. The retail space is spread out over four storeys and a basement.</p>	269,546	May 12	519.00	1,925
4	<b>Chijmes</b> <b>30 Victoria Street</b> 99 years from 13 May 1991 <p>Chijmes is a lifestyle themed complex known which was created from the conversion and conservation of the former Convent of the Holy Infant Jesus. The iconic heritage landmark is located opposite Raffles City within the CBD. It provides a range of food and beverage and boutique retail outlets and lifestyle services, in addition to a function and events centre. There are 4 principal building envelopes within the complex, including the historic Old Convent of Holy Infant Jesus Chapel (Chijmes Hall) and Caldwell House, both of which have been gazetted by the Preservation of Monuments Board in recognition of their historical architectural significance. The remainder of the buildings generally feature 19th century neo-classic architecture. The layout of the complex promotes a pre-dominant food and beverage mix with alfresco dining areas, including the feature Fountain Court. The property also incorporates both basement and open air car parking facilities.</p>	79,794	Oct-11	177.00	2,218
5	<b>Jurong Point 2</b> <b>63 Jurong West Central 3</b> 99 years from 21 June 2006 <p>Jurong Point 2 is a suburban retail mall strategically located next to Boon Lay MRT Station and Bus Interchange. Jurong Point 2 is an extension of Jurong Point Shopping Centre which originally opened in 1995. Jurong Point Shopping Centre underwent two expansions since it opened. The second expansion program which was completed in November 2008, incorporated the new addition of the Jurong Point 2 wing. Jurong Point 2 comprises a 4-storey commercial complex with 3 levels of basement carparks.</p>	305,383	Jun-11	670.00	2,194
* Note : floor area excludes Civic & Institution space of 8,740 sq ft					
6	<b>VivoCity</b> <b>1 HarbourFront Walk</b> 99 years from 1 Oct 1997 <p>VivoCity is a major retail property which is themed as the largest retail and lifestyle destination in Singapore. The building which was designed by renowned Japanese architect, Toyo Ito, opened in October 2006. VivoCity provides retail accommodation over a single basement level (Basement 2) and 3 upper levels and also incorporates a range of leisure and entertainment facilities, including an open playground located on Level 2, a rooftop water feature and amphitheatre.</p>	1,037,567	Apr-11	1,982.00	1,910
6	<b>PoMo</b> <b>1 Selegie Road</b> 99 years from 17 March 1983 <p>PoMo (formerly known as Paradiz Centre) is a 9-storey shopping cum office complex with a basement level which was completed circa 1986 with refurbishment works thereafter. It accommodates four levels of retail space and six levels of office space.</p>	182,060	Mar-11	255.00	1,400
7	<b>Iluma</b> <b>201 Victoria Street</b> 60 years from 30 Sept 2005 <p>Iluma is a retail and entertainment complex located along Victoria Street, opposite Bugis Junction and next to Bugis MRT Station. The mall is spread out over 7 floors and is linked by an overhead bridge to Buais Junction.</p>	185,190	Mar-11	295.00	1,593

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## **5 Valuation Rationale**

### **5.1 Introduction**

Our valuation addresses:

- Site Value
- Gross Development Value (assuming satisfactory completion of the proposed development).

In arriving at our opinion of value for the Property, we have considered relevant general and economic factors and in particular have investigated recent sales transactions of comparable properties that have occurred in the current market. A variety of approaches have been considered and we detail below our principal approaches to value.

Traditionally, the appropriate method of assessing the site value is direct comparison based on a dollar rate per square foot of gross floor area and supported by a residual land valuation. In this instance, as the Property is a mixed development, we have valued the Property by the residual land approach and the direct comparison method is a secondary and supporting approach.

### **5.2 Residual Land Approach**

#### **5.2.1 Gross Development Value (GDV)**

Based on the available evidence and having regard to the characteristics of the proposed development, we conclude that the following is representative of the current Market Value of the proposed development assuming satisfactory completion of the residential and retail components, and these have been adopted within our residual land calculation.

#### **5.2.2 Gross Development Value Summary**

We detail below a summary of the Gross Development Value of the proposed development which have been adopted within our residual land calculation.

	<b>Retail</b>	<b>Residential</b>	<b>Total</b>
Adopted Gross Development Value:	<b>\$118,800,000</b>	<b>\$607,000,000</b>	<b>\$725,800,000</b>
Dollar rate per square metre of Net Floor/Saleable Area:	\$27,448	\$25,833	
Dollar rate per square foot of Net Floor/Saleable Area:	\$2,550	\$2,400	

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### 5.2.3 Differential Premium

As stipulated in State Lease No. 22090, the lessee shall be required to pay a Differential Premium, as appropriate, in respect of any increase in plot ratio (or density or floor area) or charge of use which will result in enhanced value.

We have not been provided with the development baseline of the Property and are not able to conduct a development baseline search. Such a search with the planning authority requires an application to be made by the owner of the Property or a representative of an owner by express consent. In the absence of the development baseline of the Property, we have assumed that the development baseline of the Property is commercial use at gross floor area of 30,915.08 square metres, based on State Lease No. 22090.

This valuation is conducted on the basis that the land tenure will be upgraded to fresh 99 years lease in due course, subject to the payment of Differential Premium to top-up the lease from about 82 years remaining to fresh 99 years.

The Differential Premium payable is estimated to be \$35,676,725, based on our assumption that the development baseline is commercial use at gross floor area of 30,915.08 square metres.

We advise that a baseline search be conducted to ascertain the exact development baseline. We reserve the right to revise our valuation should the actual development baseline differs from that of our assumption.

### 5.3 Residual Land Method

In undertaking our assessment of the Property we have utilised the Residual Land Method. In the Residual Land Method, the total gross development costs and developer's profit are deducted from the gross development value to arrive at the residual value of the land.

The following forms our residual land valuation analysis of the Property. Potential purchasers of this style of property generally have a building background, alliance or fully understand the potential cash flow of the property. Cash flows over an extended period of time have limitations because of the number of variables, which are forecast to take effect at varying points of time in the future. However, we believe that potential purchasers in the current economic climate are conscious of security, debt levels, potential returns and duration of exposure.

The residual analysis demonstrates a flat percentage profit of 10.0% of gross development value. However, we believe that the assessed site

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value for the Property is reasonable in comparison with the  
aforementioned site sales evidence.

Our residual land calculations for each component are as follows:

Residual Land Valuation -- Parameters		Retail	Residential	Total
<b>Gross Development Value</b>	Dollar Rate of Net Floor/Saleable Area (\$\$ psm)	27,448	25,833	
	Dollar Rate of Net Floor/Saleable Area (\$\$ psf)	2,550	2,400	
	Estimated Net Floor/Saleable Area (sq m)	4,328.1	23,495.5	27,823.6
	Estimated Net Floor/Saleable Area (sq ft)	46,587.4	252,902.8	299,490.1
	<b>Adopted Total Gross Development Value (\$\$)</b>	<b>118,800,000</b>	<b>607,000,000</b>	<b>725,800,000</b>
	Developer's profit	10.0%	10.0%	
	Marketing expenses	1.0%	1.0%	
	GST on marketing expenses	0.0%	7.0%	
<b>Development Costs</b>	Construction (\$\$ psm)	4,306	4,306	
	Construction (\$\$ psf) *	400	400	
	Proposed GFA (sq m)	6,183.0	24,732.1	30,915.1
	Proposed GFA (sq ft)	66,553.4	266,213.5	332,766.8
	Contingencies	5.0%	5.0%	
	Professional Fees	6.0%	6.0%	
	GST	0.0%	7.0%	
<b>Financing of Cost of Development</b>	Interest Rate	3.00%	3.00%	
	No. of Years	2.0	2.0	
	Period (for progressive payments & pre-sale (where applicable))	average of quarter and half	average of quarter and half	
	Miscellaneous Expense	1.0%	1.0%	
<b>Financing of Land</b>	Interest Rate	3.00%	3.00%	
	Planning application period (mths)	6.0	6.0	
	Total holding period (years)	2.5	2.5	
	Holding %	87.5%	87.5%	
	Property Tax (for Land) -- rate	10.0%	10.0%	
	Property Tax (for Land) -- period (years)	2.5	2.5	
	Acquisition Cost (stamp duty/legal cost)	3.25%	3.25%	
	GST on legal fees of 0.25%	0.00%	7.00%	
	<b>Net Vacant Site Value (\$\$)</b>	<b>62,200,000</b>	<b>338,300,000</b>	<b>400,500,000</b>

\* Construction cost as estimated

This analysis is purely for the purpose of a guide and sets out one such permutation in support of our opinion of estimated market realisation.

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RESIDUAL LAND VALUE CALCULATION -- RESIDENTIAL COMPONENT						
Proposed Development :	Residential/Commercial (80%/20% respectively)					
Site Area:	6,309.6 sq m					
Plot Ratio:	4.9					
Proposed Gross Floor Area, GFA (Residential only) :	24,732.1 sq m			266,213.5 sq ft		
Efficiency (over proposed GFA):	95.0%					
Estimated Proposed Saleable Area:	23,495.5 sq m			252,902.8 sq ft		
Planning Application Period :	6 months					
<b>I GROSS DEVELOPMENT VALUE (GDV)</b>						
<b>Residential (99 years tenure)</b>						
252,902.8 sq ft	@	average	S\$2,400	psf	=	\$ 607,000,000
<b>Less:</b>						
Developer's profit	@	10.00%	of GDV		=	60,700,000
Marketing expenses	@	1.00%	of GDV		=	6,070,000
GST on marketing expenses	@	7.00%			=	424,900
						539,805,100
<b>II DEVELOPMENT COST</b>						
(a) Estimated construction cost for	266,213.5 sq ft	@	S\$400	psf	=	106,485,385
(b) Contingencies		@	5.00%	of (a)	=	5,324,269
(c) Professional Fees		@	6.00%	of (a)	=	6,389,123
(d) GST		@	7.00%	of (a+b+c)	=	8,273,914
(i)(e) Interest		@	3.00%	of (a+b+c+d)	=	2,845,636
(f) Miscellaneous Expenses		@	1.00%	of (a+b+c+d+e)	=	1,293,183
						130,611,510
<b>III RESIDUAL LAND VALUE (I-II) (BEFORE ACQUISITION/HOLDING COST/PROPERTY TAX)</b>						
<b>Less:</b>						
(ii) Land Holding Cost	@	3.00%			=	24,663,658
(iv) Property Tax	@	10.00%			=	5,004,477
Acquisition Cost (stamp duty / legal fees)	@	3.25%			=	11,944,297
GST on legal fees of 0.25%	@	7.00%			=	64,315
<b>Land Value including estimated Differential Premium (DP) payable</b>						<b>367,516,843</b>
Unit Land Value reflected over Gross Floor Area of 266,213.5 sq ft: S\$1,381 psf						
(iii) LESS : Estimated DP Payable = 30,136,381						
<b>ADD BACK :</b> Acquisition Cost (stamp duty/legal fees) @ 3.25% = 948,442						
GST on legal fees of 0.25% @ 7.00% = 5,107						
<b>Land Value net of estimated Differential Premium (DP) payable</b>						<b>338,334,011</b>
						say <b>\$ 338,300,000</b>
* Number has been rounded off						
(i) Based on construction period of 2 years and financing at 3% p.a. for say average of quarter and half that period, assuming progress payments and pre-sale.						
(ii) Land holding cost for 2.5 years but say take 87.5% holding cost.						
(iii) Differential Premium calculation						
Sector 41						
Residential Rate (Gp B2 rate):	\$11,200	psm	(Rate as per 1 March 2012)**			
Commercial Rate (Gp A rate):	\$11,200	psm	(Rate as per 1 March 2012)**			
** Under the Planning (Development Charges) Amendment Rule 1996, for cases where Development Charge is involved, the prevailing Development Charge rates will apply to any 2nd or subsequent planning permission extensions.						
<u>Change of Use</u>						
Proposed amount (Gp B2):	24,732.1	sq m	x	\$11,200 psm	x	91.8%
Less : Base Amount (Gp A) :	24,732.1	sq m	x	\$11,200 psm	x	91.8%
						254,285,189
<u>Topping-up of lease</u>						
Value for 99 years:	266,213.46	sq ft	x	\$1,381	psf/plot ratio	= 367,516,843
Value for 82 years:		367,516,843		x	91.8%	= 337,380,462
						30,136,381
(iv) Property tax at 5% of freehold capital value at 10% for 2.5 years.						
Convert leasehold value to freehold value using Leasehold Table. Lease of 82 years remaining is 91.8% of freehold value.						
This analysis is purely for the purpose of a guide and sets out one such permutation in support of our opinion of estimated market realisation.						

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RESIDUAL LAND VALUE CALCULATION -- RETAIL COMPONENT					
Proposed Development :	Residential/Commercial (80%/20% respectively)				
Site Area (Whole Site):	6,309.6 sq m				
Plot Ratio (Whole Site):	4.9				
Proposed Gross Floor Area, GFA (Retail only):	6,183.0 sq m		66,553.4 sq ft		
Efficiency (Retail only & over proposed GFA):	70.0%				
Estimated Proposed Net Floor Area (Retail only):	4,328.1 sq m		46,587.4 sq ft		
<b>I GROSS DEVELOPMENT VALUE (GDV)</b>					
<b>Retail (99 years tenure)</b>					<b>S\$</b>
46,587.4 sq ft	@	average	S\$2,550 psf	=	118,800,000 *
<b>Less:</b>					
Developer's profit	@	10.00%	of GDV	=	11,880,000
Marketing expenses	@	1.00%	of GDV	=	1,188,000
GST on marketing expenses	@	0.00%		=	-
				=	105,732,000
<b>II DEVELOPMENT COST</b>					
(a) Construction cost for	66,553.4 sq ft	@	S\$400 psf	=	26,621,346
(b) Contingencies		@	5.00% of (a)	=	1,331,067
(c) Professional Fees		@	6.00% of (a)	=	1,597,281
(i)(d) GST		@	0.00% of (a+b+c)	=	-
(ii)(d) Interest		@	3.00% of (a+b+c+d)	=	664,868
(e) Miscellaneous Expenses		@	1.00% of (a+b+c+d+e)	=	302,146
				=	30,516,708
<b>III RESIDUAL LAND VALUE (I-II)</b>					
<b>(BEFORE ACQUISITION/HOLDING COST/PROPERTY TAX)</b>					
75,215,292					
<b>Less:</b>					
(ii) Land Holding Cost	@	3.00%		=	4,534,225
(v) Property Tax	@	10.00%		=	920,035
Acquisition Cost (stamp duty / legal fees)	@	3.25%		=	2,195,868
GST on legal fees of 0.25%	@	0.00%		=	-
<b>Land Value including estimated Differential Premium (DP) payable</b>					<b>67,565,164</b>
Unit Land Value reflected over Gross Floor Area of 66,553.4 sq ft: S\$1,015 psf					
(iv) LESS : Estimated DP Payable				=	5,540,343
<b>ADD BACK :</b> Acquisition Cost (stamp duty/legal fees) @ 3.25%				=	174,393
GST on legal fees of 0.25% @ 0.00%				=	-
<b>Land Value net of estimated Differential Premium (DP) payable</b>					<b>62,199,214</b>
					<b>say \$ 62,200,000</b>
* Number has been rounded off					
(i) Assuming Input GST = Output GST					
(ii) Based on construction period of 2 years and financing at 3% p.a. for say average of quarter and half that period, assuming progress payments and pre-sale.					
(iii) Land holding cost for 2.5 years but say take 87.5 % holding cost.					
(iv) Differential Premium calculation					
<u>Topping-up of lease</u>					
Value for 99 years:	66,553.4 sq ft x		\$1,015 psf/plot ratio	=	67,565,164
Value for 82 years:	67,565,164		x 91.8%	=	62,024,821
Estimated Differential Premium					5,540,343
(v) Property tax at 5% of freehold capital value at 10% for 2.5 years.					
Convert leasehold value to freehold value using Leasehold Table. Lease of 82 years remaining is 91.8% of freehold value.					
This analysis is purely for the purpose of a guide and sets out one such permutation in support of our opinion of estimated market realisation.					

Valuation & Advisory Services

## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

### 5.4 Direct Comparison Method

The Direct Comparison Method involves a comparison of the subject property to similar properties that have actually been sold in arms - length transactions. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market.

We have analysed a number of development sites within Singapore. In undertaking our assessment of the Property, we have considered the following criteria:

- Location of the Property.
- Access and level of exposure.
- Zoning and development potential.
- Physical attributes such as the configuration of the site.
- Current demand and supply of similar properties.

Our Residual Land Valuations of the individual components of the Property indicate site values which are in line with the market as evidence by the available sales transactions detailed in Section 4.0.

### 5.5 Valuation Summary

Having regard to these analyses and the available market evidence, we have reconciled the value as follows:

	Retail	Residential	Total
Gross Floor Area, GFA (sq m)	6,183.0	24,732.06	30,915.1
Gross Floor Area, GFA (sq ft)	66,553.4	266,213.5	332,766.8
Estimated Net Floor/Saleable Area (sq m):	4,328.1	23,495.46	27,823.6
Net Floor/Saleable Area (sq ft):	46,587.4	252,902.8	299,490.1
Dollar rate per square metre of Net Floor/Saleable Area:	\$27,448	\$25,833	
Dollar rate per square foot of Net Floor/Saleable Area:	\$2,550	\$2,400	
<b>Adopted Gross Development Value:</b>	<b>\$118,800,000</b>	<b>\$607,000,000</b>	<b>\$725,800,000</b>
<b>Market Value of Vacant Site (net of estimated DP):</b>	<b>\$62,200,000</b>	<b>\$338,300,000</b>	<b>\$400,500,000</b>

Valuation & Advisory Services

Lot 746L of Town Subdivision 27  
51 Cuppage Road, Singapore 229469  
3 October 2012

## **6 Contact Details**

Li Hiaw Ho  
Executive Director  
T 65 6326 1208  
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Director  
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CBRE Pte. Ltd.  
6 Battery Road  
#32-01  
Singapore 049909  
T 65 6224 8181  
F 65 6536 0451  
[www.cbre.com.sg](http://www.cbre.com.sg)

(Our Ref: 503/3/V/KAM/LHH/ML)

# **APPENDICES**



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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**Appendix I**

**Copy of Site Plan**

APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



(Not to scale)

## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

Our Ref. : 12/P79817/PY/CL/CB

28 September 2012



Frasers Centrepoint Limited  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

### VALUATIONS OF PROPERTIES

1 Changi Business Park Central 1, One @ Changi City, Changi City Singapore 486036

3 Changi Business Park Central 1, Capri by Fraser, Changi City, Singapore 486037

5 Changi Business Park Central 1, Changi City Point, Changi City, Singapore 486038

1 **Purpose of Valuation** : To determine the Market Values of the above-mentioned properties for inclusion in circular to be issued to shareholders for F&N's General Offer.

2 **Type of Properties** : An integrated development comprising a 9-storey business-park building, a 12-storey hotel and a 3-level retail podium with a basement carpark.

### 3 Title & Tenure (Based on information provided)

Legal Description : Mukim 27 Lot 10610W and Mukim 27 Lot 10603X

Tenure : Leasehold 60 years commencing from 30 April 2009

Site Area : 47,006 sq.m. (approximately and subject to final survey)

Remarks : Our reply on the Road Line Plan, Railway Protection Plan and Legal Requisition Reply (Rapid Transit Systems) dated 27 December 2011 is enclosed for your reference.  
No title searches have been conducted for the subject property. We recommend that all legal encumbrances be confirmed through your solicitors.

### 4 Town Planning

Master Plan Zoning (2008) : Business Park – white [40] with plot ratio of 2.5 (40 – maximum permissible white quantum)



Cert No. 933801998  
Co Reg No. 1979016204

CKS PROPERTY CONSULTANTS PTE LTD (Part of PhilipCapital Group)

250 North Bridge Road #09-02 Raffles City Tower Singapore 179101  
Tel: 654 4333 0220 Fax: 654 4333 5103 website: www.cks.com.sg

**5 Location**

The subject development is located at the junction of Changi South Avenue 1 and Changi South Avenue 2, adjacent to the Expo MRT Station.

The immediate vicinity is generally commercial/business park/industrial in nature.

To the north are Changi North Industrial Park, landed housings at East View Garden, Bena Park and Golden Shower Park, apartments at Changi Green, Changi Court and Tropicana Condominium and HDB flats within Simel HDB Estate.

To the south are the Laguna National Golf/Country Club, apartments at Eastwood Regency, Laguna 86 and landed housings at Eastwood Terrace.

To the east are DBS Asia Hub, Plaza 8 @ Changi Business Park, The Signature, Sim Siang Choon Building and Tanah Merah Golf Course/Country Club.

To the west are Singapore Expo and apartments at Eastpoint Green. The ITE College East and Changi General Hospital are located nearby.

Public transportation is available along Upper Changi Road East and Xilin Avenue. Access to other parts of the island is enhanced via the proximity of Ayer Rajah Expressway (AYE), Pan-Island Expressway (PIE) and East Coast Parkway (ECP). The Expo MRT Station is within walking distance.

**6 Subject Development (Based on information provided)**

**One @ Changi City (Business Park)**

Expected Date of TOP	: By January 2013
Condition	: Under construction
Number of Storeys	: 9
Total Gross Floor Area	: Approximately 71,158.04 sq.m.
Total Net Lettable Area	: Approximately 61,229.12 sq.m.
Remarks	: The total development cost (excluding land cost) for One @ Changi City upon completion shall be approximately S\$152,300,000/- (as furnished).

**Capri by Fraser (Hotel)**

Date of T.O.P. Obtained	: 27 <sup>th</sup> June 2012
Condition	: Good
Number of Storeys	: 12
Total Gross Floor Area	: Approximately 18,975.48 sq.m.
Total Net Lettable Area	: Approximately 10,583.00 sqm
Total Number of Rooms	: 313 (fully equipped with kitchenettes)

## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

CKS PROPERTY CONSULTANTS PTE LTD

1.3.5 CHANGI BUSINESS PARK CENTRAL 1, CHANGI CITY

• Page 3

Rooms Configuration	:	<table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Room Type</u></th> <th style="text-align: center;"><u>Number of Units</u></th> <th style="text-align: center;"><u>Average Size (sq.m.)</u></th> </tr> </thead> <tbody> <tr> <td>Single (with or without terrace)</td> <td style="text-align: center;">185</td> <td style="text-align: center;">32 - 56</td> </tr> <tr> <td>Suite Room (with or without terrace)</td> <td style="text-align: center;">118</td> <td style="text-align: center;">44 - 75</td> </tr> <tr> <td>Corner Room (with or without terrace)</td> <td style="text-align: center;">10</td> <td style="text-align: center;">36 - 75</td> </tr> </tbody> </table>	<u>Room Type</u>	<u>Number of Units</u>	<u>Average Size (sq.m.)</u>	Single (with or without terrace)	185	32 - 56	Suite Room (with or without terrace)	118	44 - 75	Corner Room (with or without terrace)	10	36 - 75
<u>Room Type</u>	<u>Number of Units</u>	<u>Average Size (sq.m.)</u>												
Single (with or without terrace)	185	32 - 56												
Suite Room (with or without terrace)	118	44 - 75												
Corner Room (with or without terrace)	10	36 - 75												
Facilities	:	Integrated themed laundrettes, outdoor swimming pool, 24-hour gymnasium, treat suites with steam and sauna facilities, meeting room, lounge area, interactive data lounge, poolside bar												

### Changi City Point (Retail)

Date of T.O.P. Obtained	:	7 <sup>th</sup> September 2011 (Phase 1A) 30 <sup>th</sup> September 2011 (Phase 1B)
Condition	:	Good
Number of storays	:	3 levels of retail/food and beverage (F&B) outlets and a rooftop arena/garden
Total Gross Floor Area	:	Approximately 28,463.21 sq.m.
Total Net Lettable Area	:	Approximately 19,252.82 sq.m.
Anchor Tenants	:	Cold Storage, Challenger, Gain City, Koufu Food Court, Bagus Food Court, Factory Outlet Stores, Apple Concept Store, amongst others
Facilities	:	450-seat rooftop arena / rooftop garden / landscaped gardens / playground / treehouse trail / water features

## 7 Accommodation, Finishes and Fittings

### Capri by Fraser (Hotel)

Accommodation	:	As shown on floor plans
<b>Finishes</b>		
Floors	:	Marble / homogeneous / timber strips / carpet generally
Walls	:	Plaster and paint / marble / homogeneous / wallpaper generally
Ceilings	:	Plaster and paint / false ceiling / downlights generally
Fittings	:	Concealed-ducted air-conditioning system / wardrobes / headboards / desks / high and low level kitchen cabinets with induction hob/cooker hood/oven/sink / vanity tops / shower screens / long baths generally

**Changi City Point (Retail)**

Accommodation	:	As shown on floor plans
Finishes		
Floors	:	Marble / homogenous / carpet / ceramic / timber strips generally
Walls	:	Plaster and paint / ceramic / glass panels / partition walls generally
Ceilings	:	Plaster and paint / false ceiling / timber panels / timber battens / downlights generally
Fittings	:	Centralised air-conditioning system / vanity tops / fire hoses/reels / smoke detectors / automatic sprinklers / fire alarm system / fire extinguishers / surveillance cameras generally

**8 Information Utilised**

All information has been obtained by our search of record and examination of documents or by enquiry from Government departments or other appropriate authorities unless otherwise stated.

Information as to tenure, site area, gross floor area, net lettable area, letting, taxable and planning approval are obtained from information provided by the management of Ascendas Frasers Pte Ltd. All information on rental income and operating expenses are obtained from Ascendas Frasers Pte Ltd and assumed to be correct for the purposes of this valuation, if applicable.

**9 Assumptions, Disclaimers, Limitations & Qualifications**

This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.

This report is subject to the limiting conditions enclosed.

**10 Valuation Rationale**

In arriving at our opinion of value, we have utilised the Market Comparison Method and Discounted Cash Flow Analysis in undertaking our assessment for the properties.

**Market Comparison Method**

We have adopted the Market Comparison Method of Valuation in formulating our opinion on the market values of the three properties. In adopting the approach, we have taken into cognizance transactions of comparables properties, the prevailing market condition and underlying economic factors which may influence the trend of the market prices.

Discounted Cash Flow Analysis

For the three properties, we have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the properties are sold at the commencement of the eleventh year of the cashflow. This form of analysis allows an investor or owner to make an assessment of the long term return that is likely to be derived from the properties with a combination of both rental and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including rental growth, operation costs, occupancy rates, target discount rate for 10 years and terminal yield amongst others.

**11 Assessed Market Values as at 28 September 2012**

*Development value* on as is where is basis as at 28 September 2012 (including work-in-progress)

One @ Changi City : S\$189,000,000  
(Singapore Dollars One Hundred Eighty-Nine Million Only)

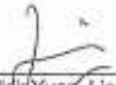
*Gross Development Value* on completed basis as at 28 September 2012 (Upon Satisfactory Completion and assuming all necessary approvals from competent authorities shall be given)

One @ Changi City : S\$272,000,000  
(Singapore Dollars Two Hundred Seventy-Two Million Only)

*Market Values as at 28 September 2012*

Capri by Fraser : S\$135,000,000  
(Singapore Dollars One Hundred Thirty-Five Million Only)

Changi City Point : S\$260,000,000  
(Singapore Dollars Two Hundred Sixty Million Only)

  
\_\_\_\_\_  
Low Pich Yuen, Licensed Appraiser  
Appraiser's Licence No: AD041-2006582H  
B.Sc (Estate Management) (Hons)  
For and on behalf of CKS Property Consultants Pte Ltd

12/P79817/PY/CL/CB

**PHOTOGRAPHS**



External View of One @ Changi City



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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**External View of Capri by Fraser**



**Lounge**

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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Interactive Data Lounge



Gym / Swimming Pool

TYPICAL HOTEL ROOM



Bedroom



Work Area



Kitchen



Bathroom

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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1,3/5 CHANGI BUSINESS PARK CENTRAL 1, CHANGI CITY



External View of Changi City Point



Cold Storage

**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**



**Challenger**



**Gain City**

**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**



**Koufu Food Court**



**Bagus Food Court**

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**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

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**Rooftop Arena**

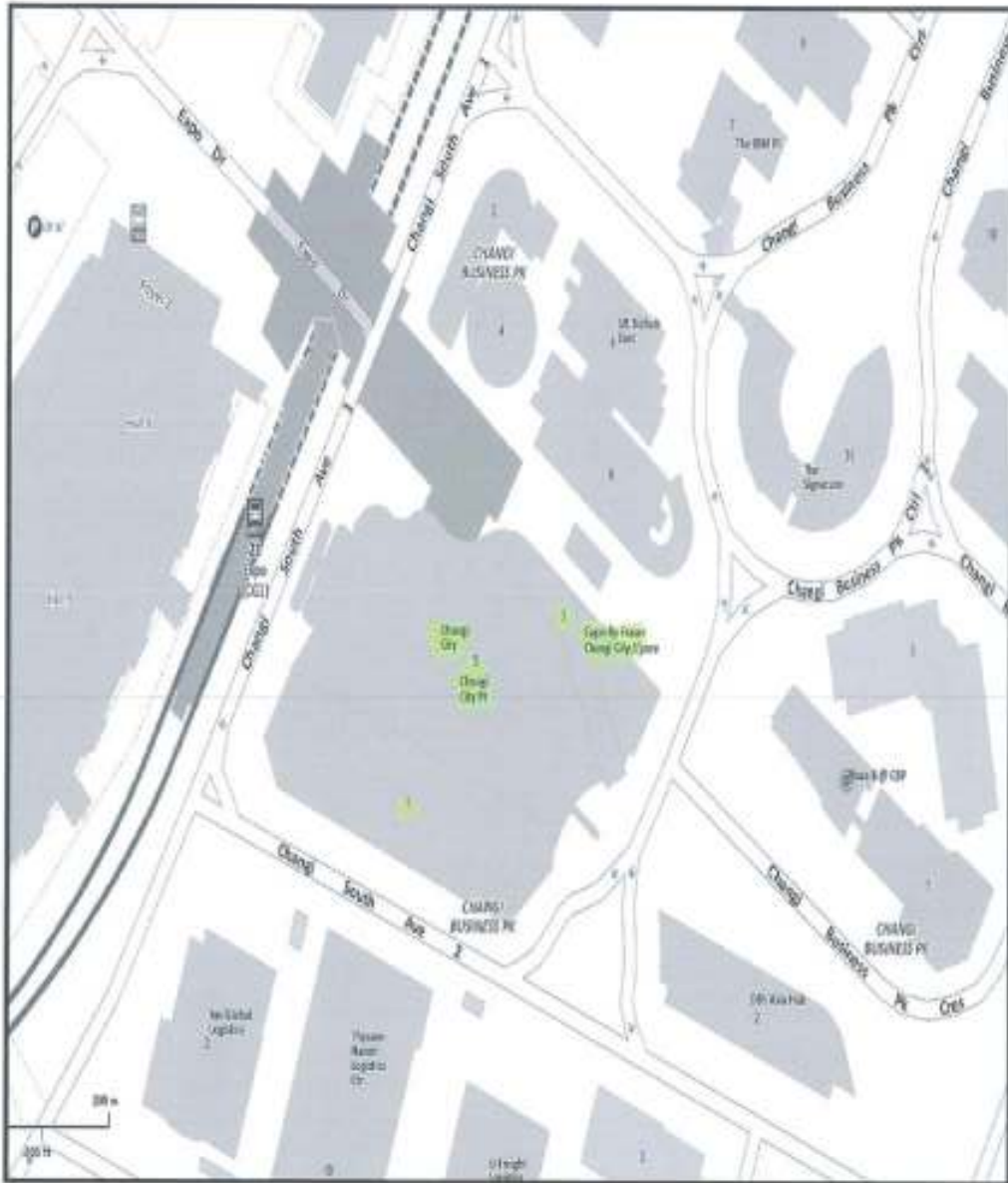


**Basement Carpark**

APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

CKS PROPERTY CONSULTANTS PTE LTD

LOCATION PLAN  
CHANGI CITY





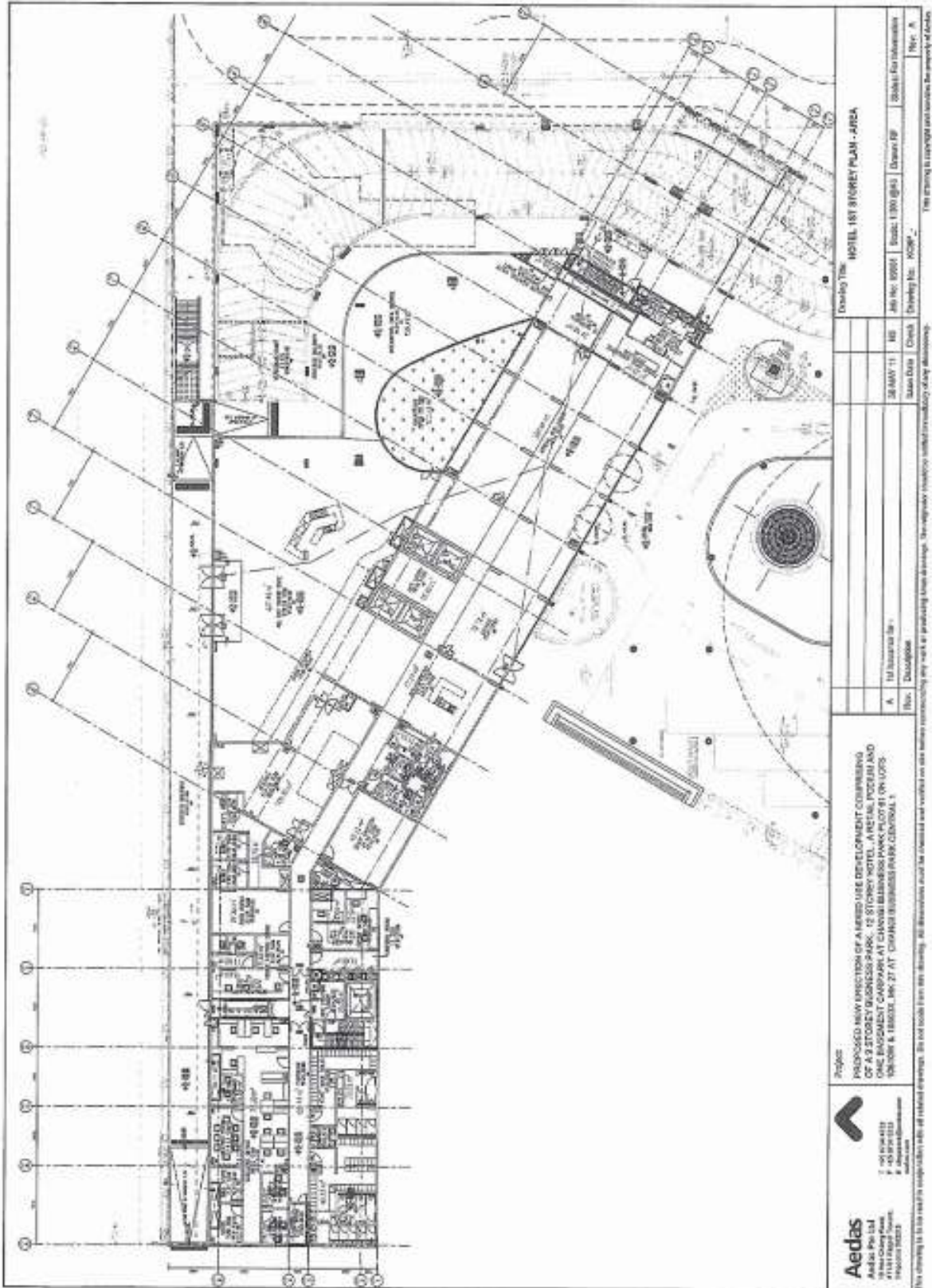
APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

CKS PROPERTY CONSULTANTS PTE LTD

SITE PLAN  
CHANGI CITY

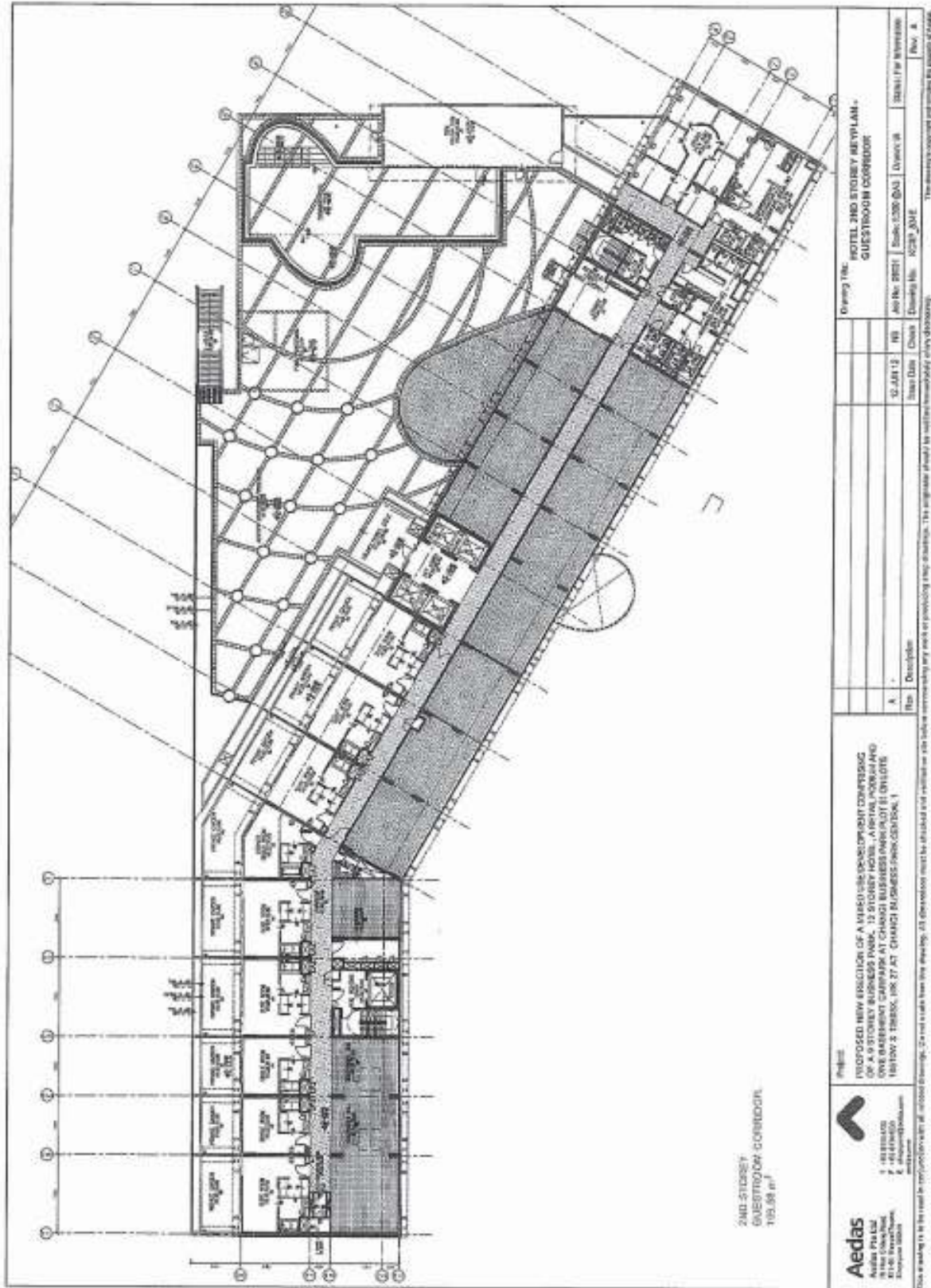


APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

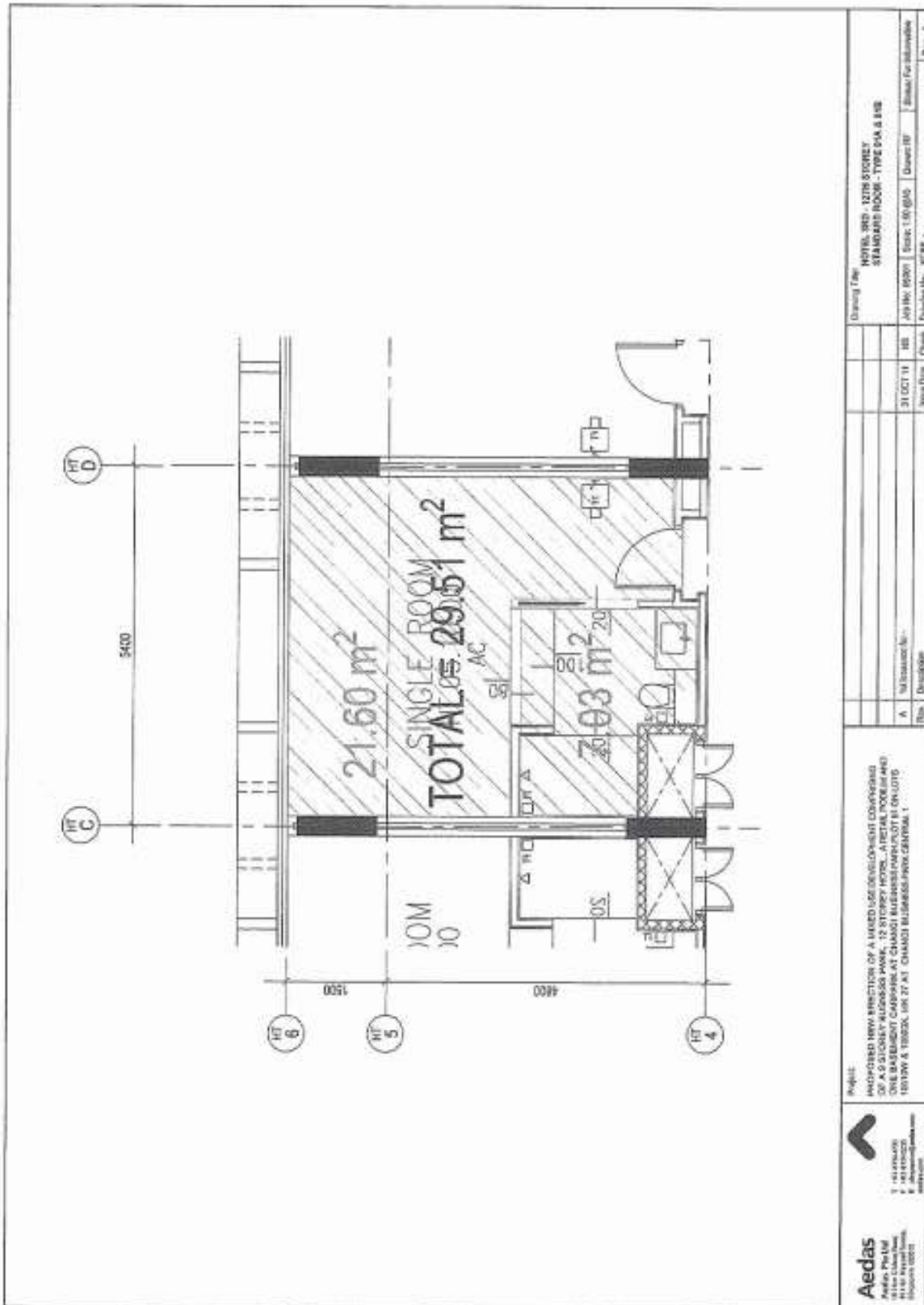


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APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

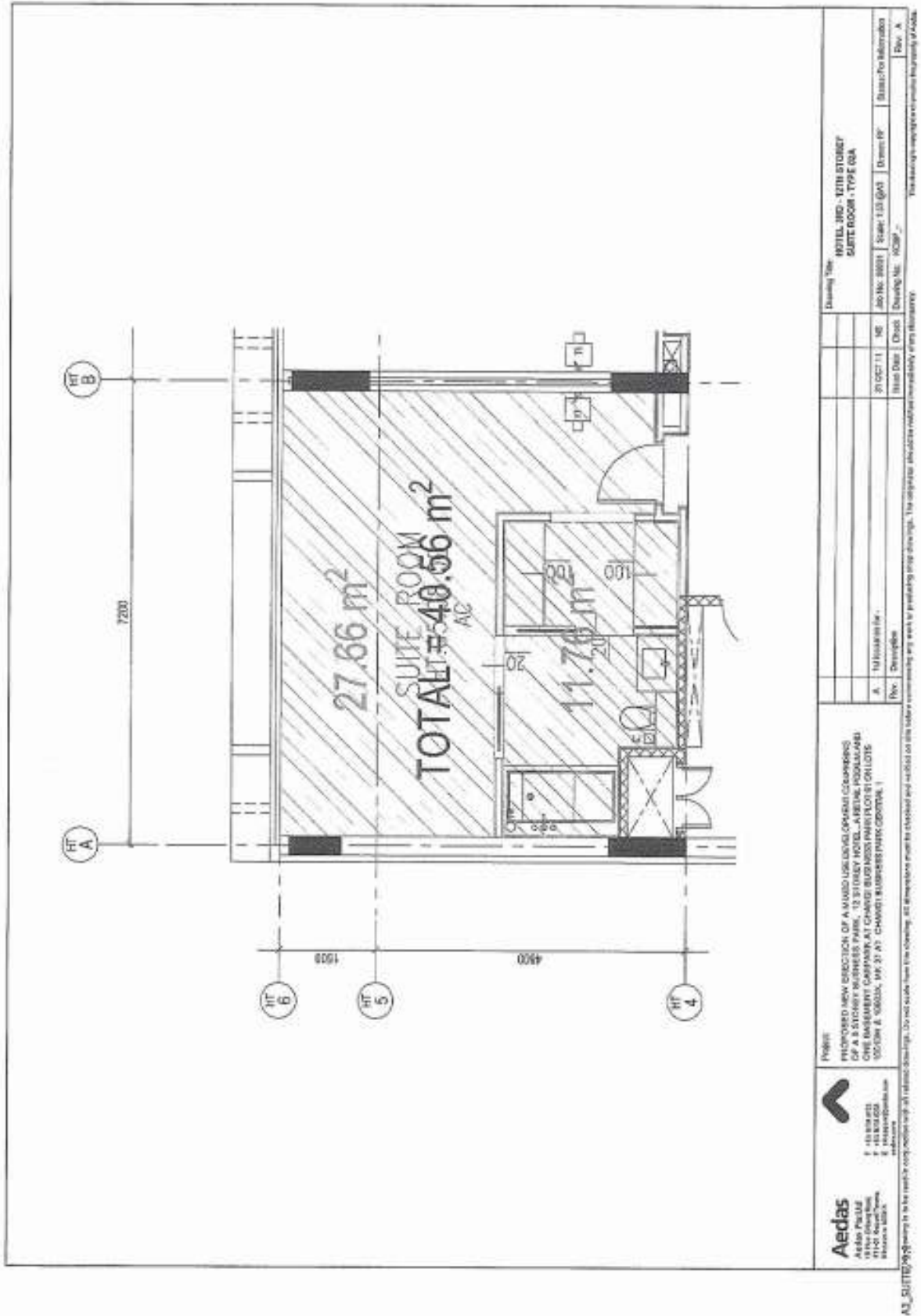


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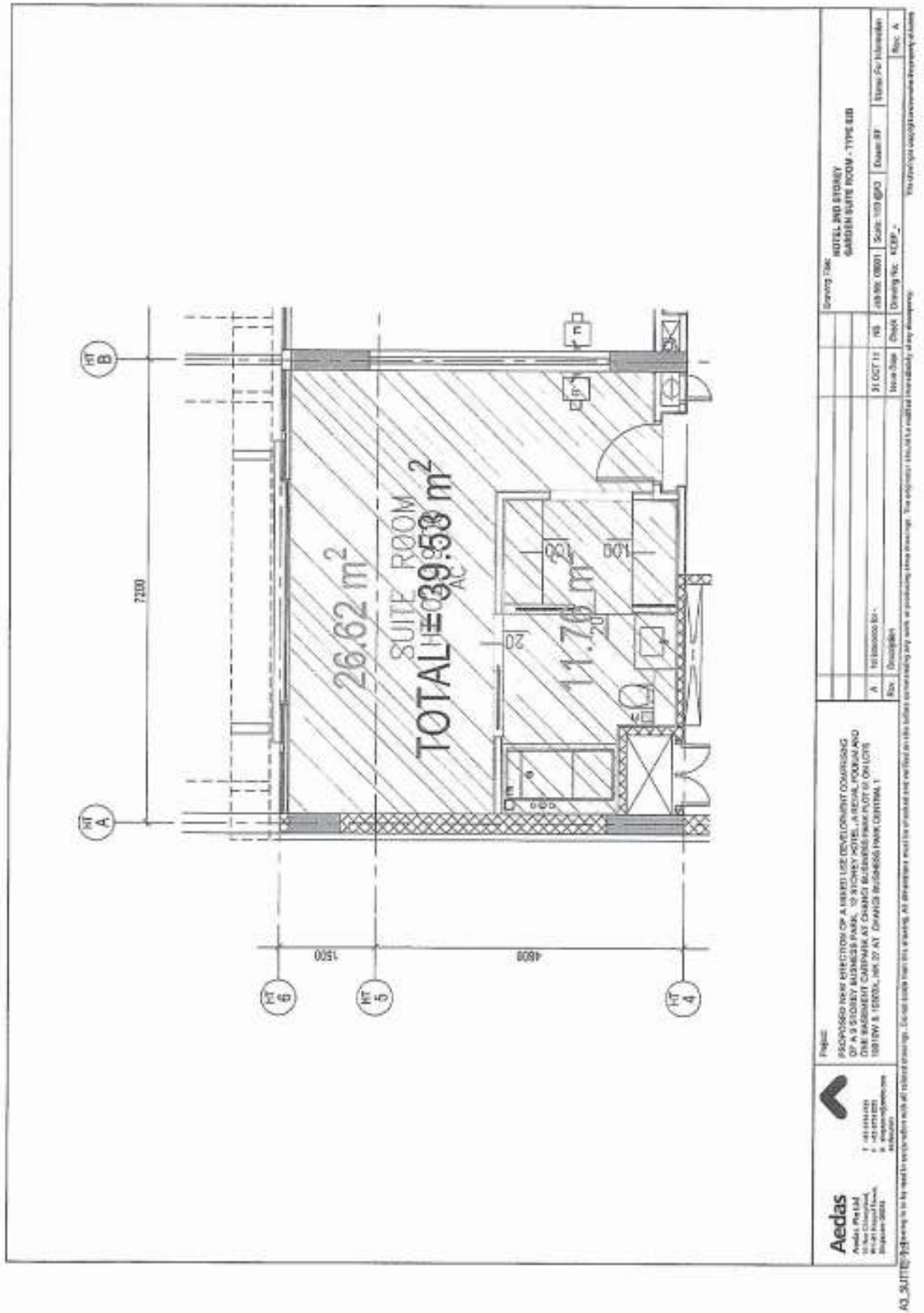


 <b>Aedas</b> Real Estate 41-42 Market Street Singapore 0489	Project: PROPOSED NEW STRUCTURE OF A MIXED-USE DEVELOPMENT COMPREHENSIVE OF A 5-STOREY BUSINESS PARK, 12-STOREY HOTEL, A RETAIL DEVELOPMENT ONE BASEMENT CARPARK AT CHANGI BUSINESS PARK PLOT B1 ON LOT 1037/104 & 1002/20, 106 27 AT CHANGI BUSINESS PARK CENTRAL 1.		Drawing Title: HOTEL, 9RD - 12TH STOREY STANDARD ROOM - TYPE D1A & B2	
	1 TEL: 65-6349-8888 2 FAX: 65-6349-8889 3 WWW: aedas.com.sg	Date: 31 OCT 11	Drawn By: Chong	Scale: 1/50 (D1A)
This drawing is prepared for your information only. It is not intended for construction. The user shall verify the accuracy and completeness of the information provided. The user shall verify the accuracy and completeness of the information provided.		This drawing is copyright and remains the property of Aedas.		

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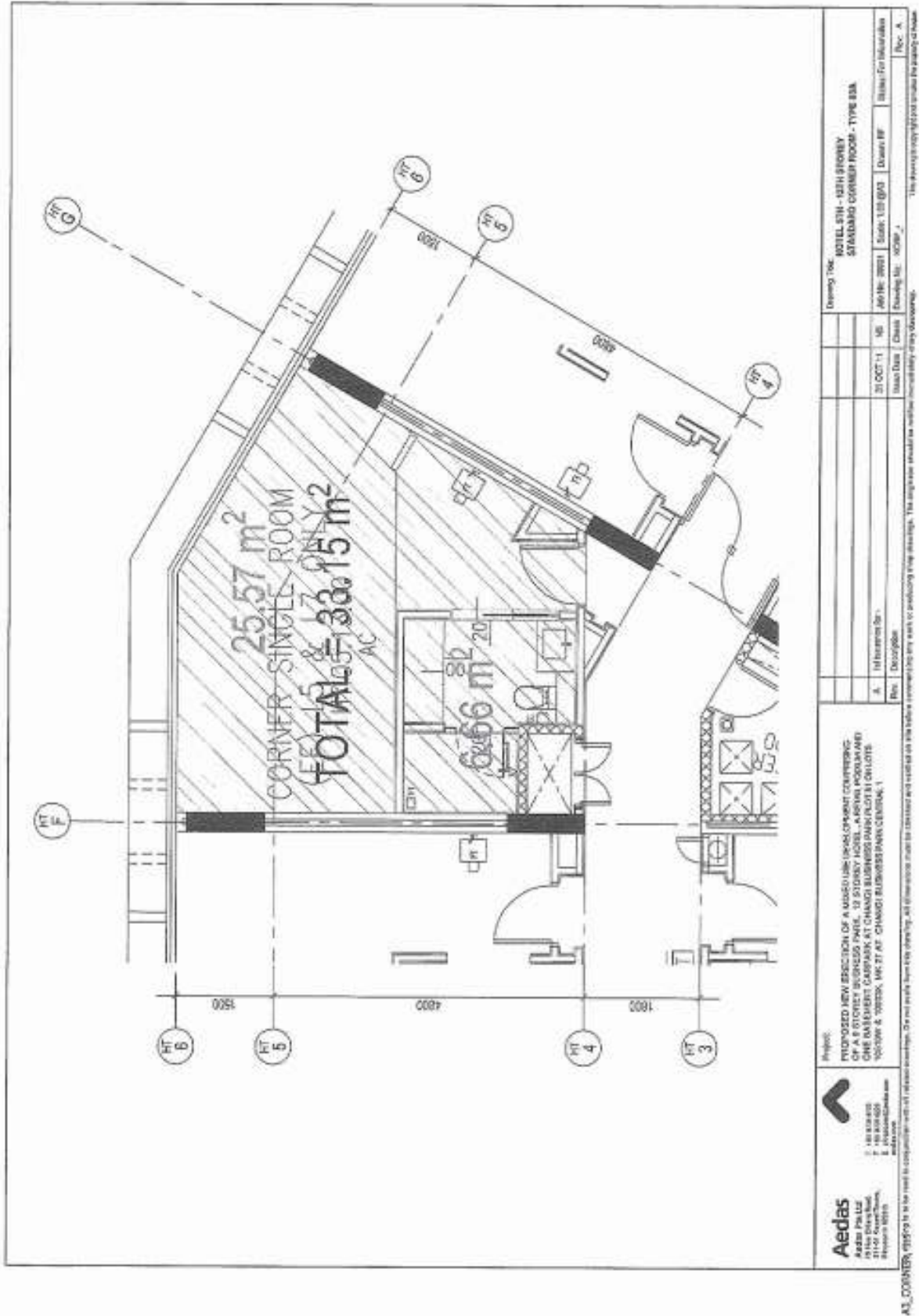
APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



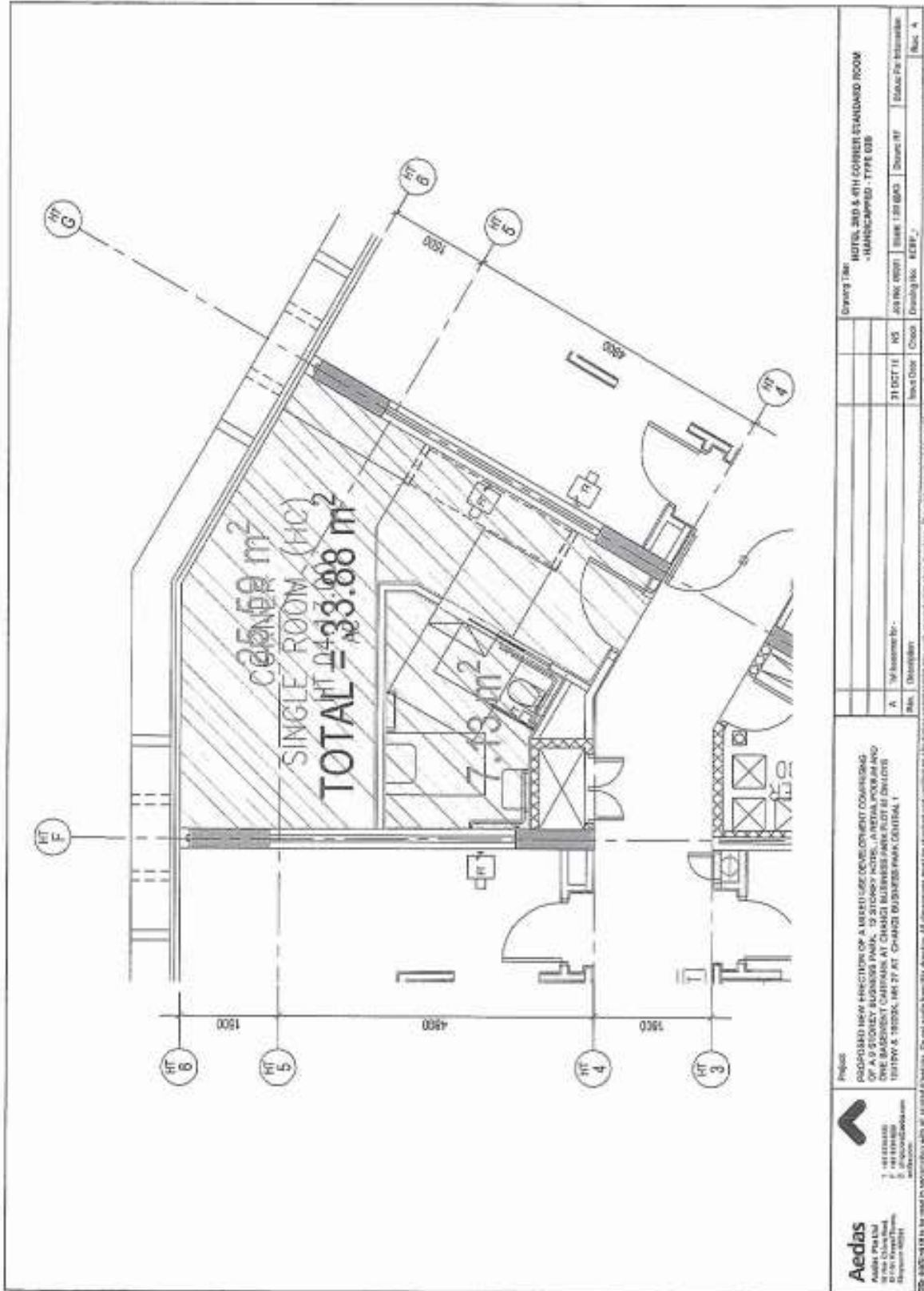
<p><b>Aedas</b>                  Aedas Pty Ltd                  15 New Cleveland                  15/161 Forest Road                  Ringwood VIC 3113</p>		<p><b>Project:</b>                  PROPOSED NEW EXTENSION OF A THREE LURE DEVELOPMENT COMPRISING OF A 3 STOREY BUSINESS PARK, 10 STOREY HOTEL, A RECREATION AND ONE BASEMENT CARPARK AT CHANGI BUSINESS PARK PLOT 10 ON LOT 1 100 DOW S 12000L, 100 27 AT CHANGI BUSINESS PARK, DISTRICT 11</p>		<p><b>Drawing Title:</b>                  HOTEL AND STOREY GARDEN SUITE ROOM - TYPE B1B</p>	
<p><b>Rev:</b> Description</p>		<p><b>Date:</b> 21 OCT 11</p>		<p><b>Scale:</b> 1:100 (G3)</p>	
<p><b>Rev:</b> Description</p>		<p><b>Date:</b> 21 OCT 11</p>		<p><b>Scale:</b> 1:100 (G3)</p>	
<p><b>Rev:</b> Description</p>		<p><b>Date:</b> 21 OCT 11</p>		<p><b>Scale:</b> 1:100 (G3)</p>	
<p><b>Rev:</b> Description</p>		<p><b>Date:</b> 21 OCT 11</p>		<p><b>Scale:</b> 1:100 (G3)</p>	

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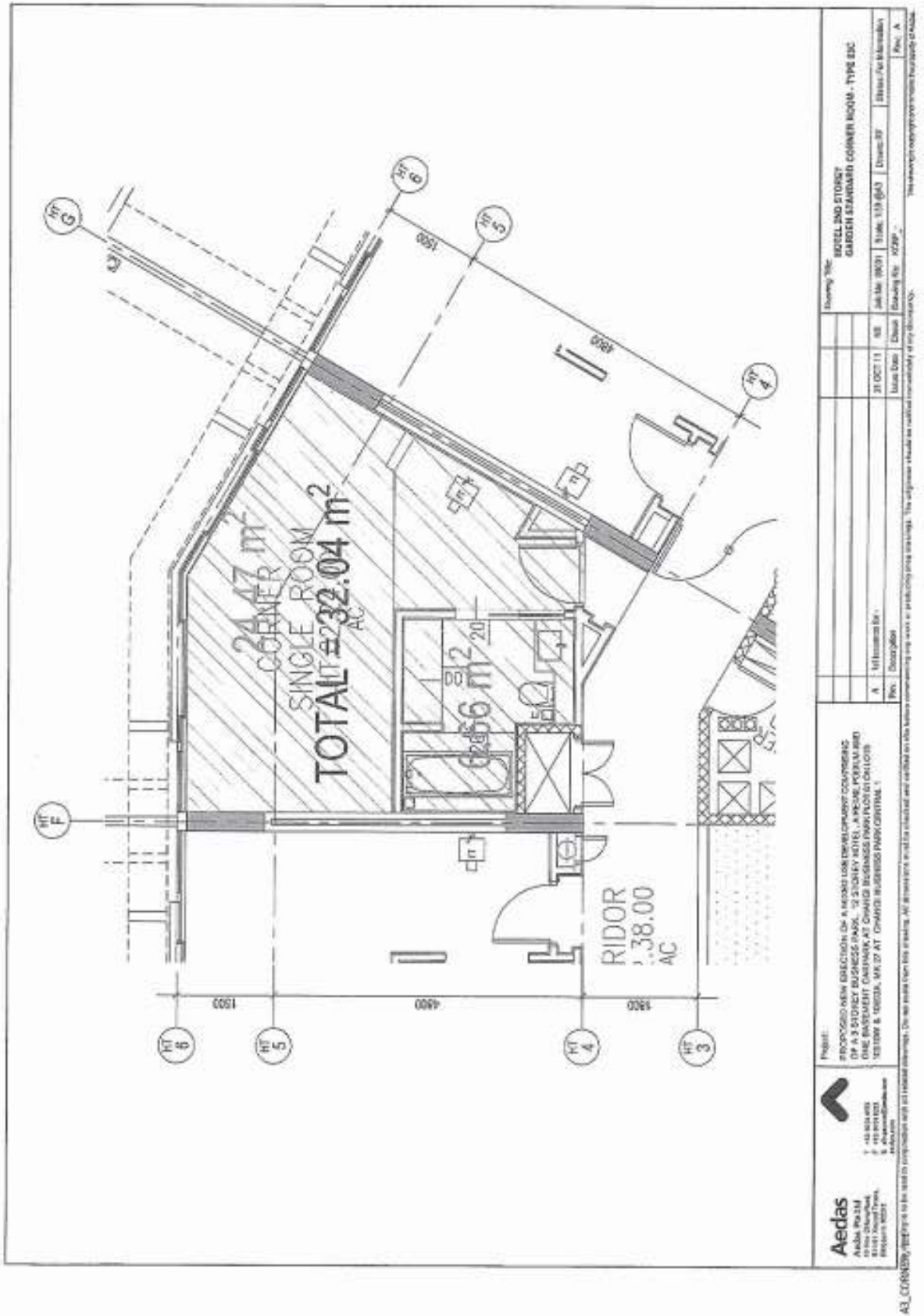


<b>Aedas</b> Aedas Pte Ltd 110 Robinson Road Singapore 068971 T: +65 6733 3333 F: +65 6733 3333 www.aedas.com	Project: PROPOSED NEW PHASE OF A MEDIUM DEVELOPMENT COMPRISING OF A 9 STOREY BUSINESS PARK, 12 STOREY HOTEL, A RETAIL PODIUM AND ONE BASEMENT CARPARK AT CHANGI BUSINESS PARK PLOT 81 ENVELOPE YIELDWAY & TROSK, 101 27 AT CHANGI BUSINESS PARK CENTRAL 1		Drawing Title: HOTEL 2ND & 4TH CORNER STANDARD ROOM - UNOCCUPIED - TYPE 03B	
	Scale: 1:100		Drawing No.: 2022-03-01	
Date: 2022-03-01		Drawing No.: 2022-03-01		Status: For Information

This drawing should be read in conjunction with any other drawings. The original should be retained immediately after completion.

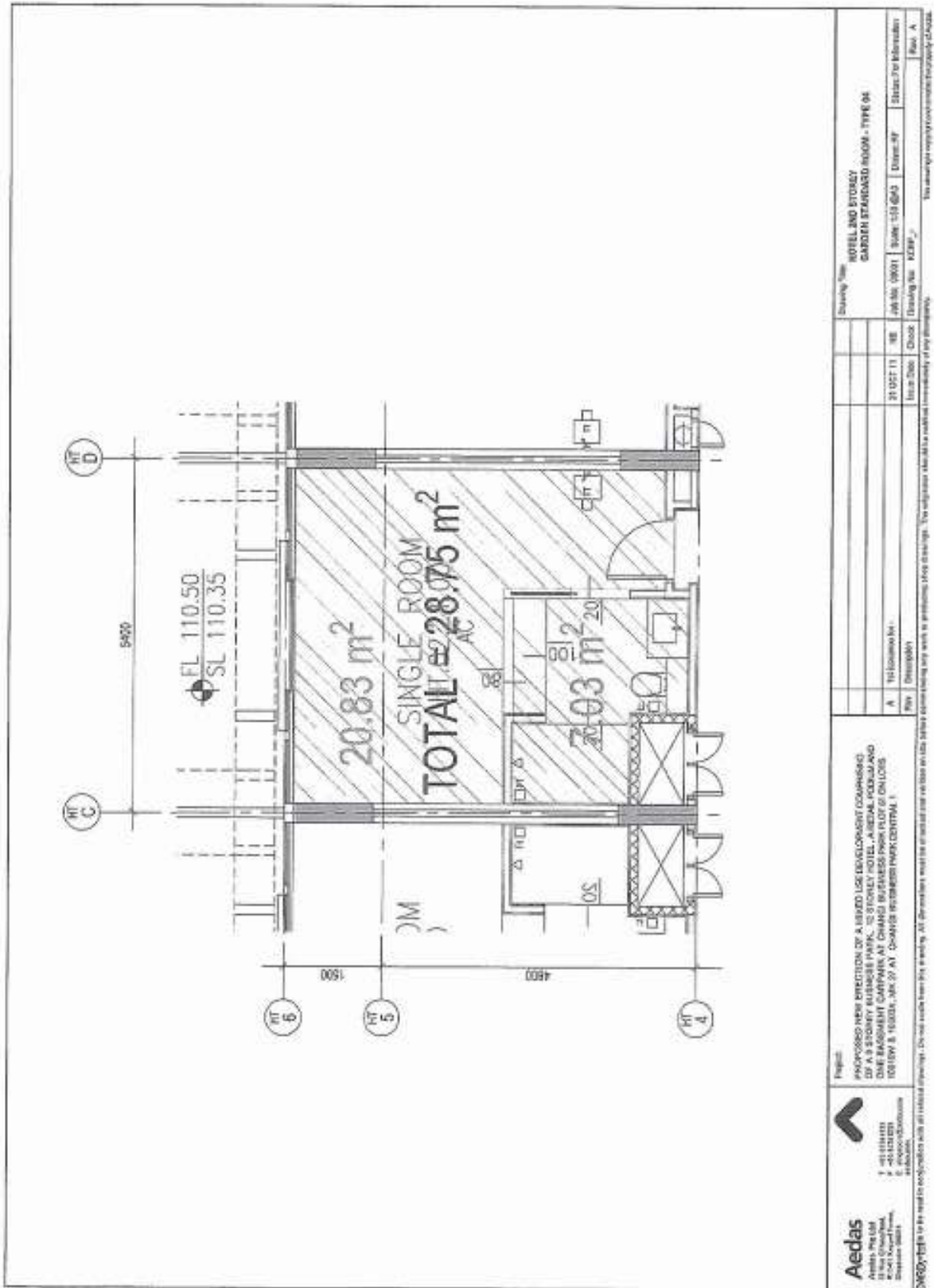


APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



<p><b>Aedas</b> Aedas Plc 311 15 Broad Street London EC2M 2EJ Tel: +44 (0)20 7493 4141 Fax: +44 (0)20 7493 4142 www.aedas.com</p>		<p><b>Project:</b> PROPOSED NEW EXTENSION OF A SECOND FLOOR PARKING GARAGE OF A 3 STOREY BUSINESS PARK, 25 STONEY HILL, A PRIME PERMIAID ONE BAYMENT CARPARK AT CHARTER BUSINESS PARK, LOT 1 ON LOTS 101000 &amp; 101020, MK 27 AT CHARTER BUSINESS PARK CENTRAL 1</p>		<p><b>Issued:</b> 31 OCT 11 Rev: A</p>		<p><b>Drawn by:</b> J. J. J. J.</p>		<p><b>Checked by:</b> J. J. J. J.</p>		<p><b>Approved by:</b> J. J. J. J.</p>	
<p><b>Scale:</b> 1:100</p>		<p><b>Area:</b> 32.04 m<sup>2</sup> AC</p>		<p><b>Volume:</b> 38.00 AC</p>		<p><b>Perimeter:</b> 100.00 m</p>		<p><b>Orientation:</b> North</p>		<p><b>Notes:</b> This information is provided for your information only. It is not intended to be used in conjunction with any other information.</p>	

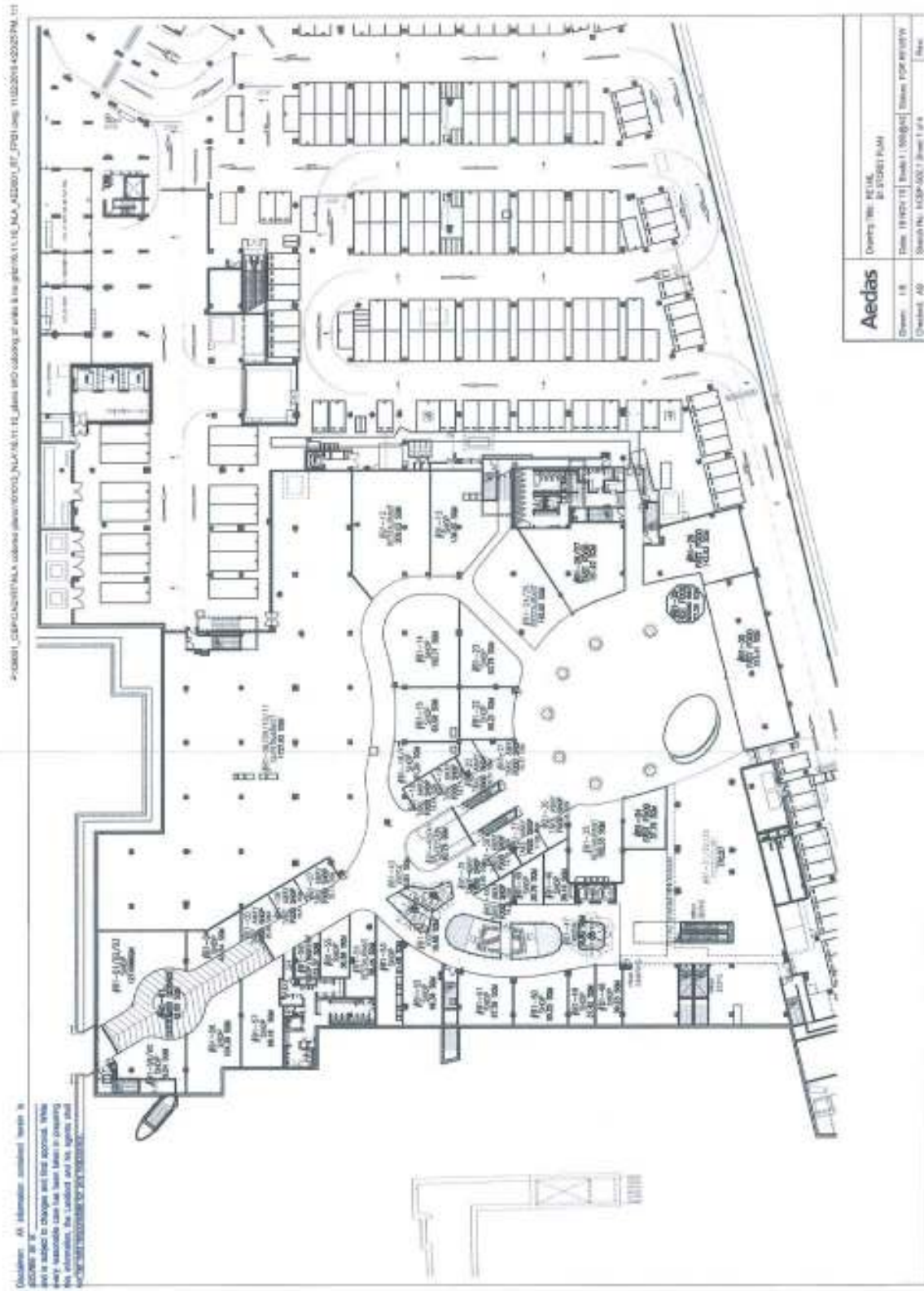
APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



<p><b>Aedas</b> Aedas Pte Ltd 110 Robinson Road, Singapore 068911</p>	<p>Project: PROPOSED NEW EXTENSION OF A MIXED USE DEVELOPMENT COMPREHENSING OF A 9 STOREY BUSINESS PARK, 12 STOREY HOTEL, A RETAIL PODIUM AND ONE BASEMENT CARPARK AT CHANGI BUSINESS PARK PLOT 01 ON LOTS 1010W &amp; 1010S, AIR 07 AT CHANGI BUSINESS PARK CENTRAL 1</p>	<p>Shaping Time MOELL AND STODER GARDNER STANHOPE ROOM - TYPE 04</p>	<p>31 OCT 11 28 Nov 2011 28 Nov 2011</p>	<p>31 OCT 11 28 Nov 2011 28 Nov 2011</p>	<p>Check Drawing No. KCRP_2</p>	<p>28 Nov 2011 28 Nov 2011 28 Nov 2011</p>	<p>28 Nov 2011 28 Nov 2011 28 Nov 2011</p>	<p>28 Nov 2011 28 Nov 2011 28 Nov 2011</p>	<p>28 Nov 2011 28 Nov 2011 28 Nov 2011</p>

AS\_STANDINGS 2011 for the need to accommodate with all relevant drawings. Do not scale from this drawing. All dimensions must be obtained from the site before commencing any work or production. All drawings are the property of the company. The valuator shall be a member in good standing of the Institute of Valuers (Singapore) Ltd.

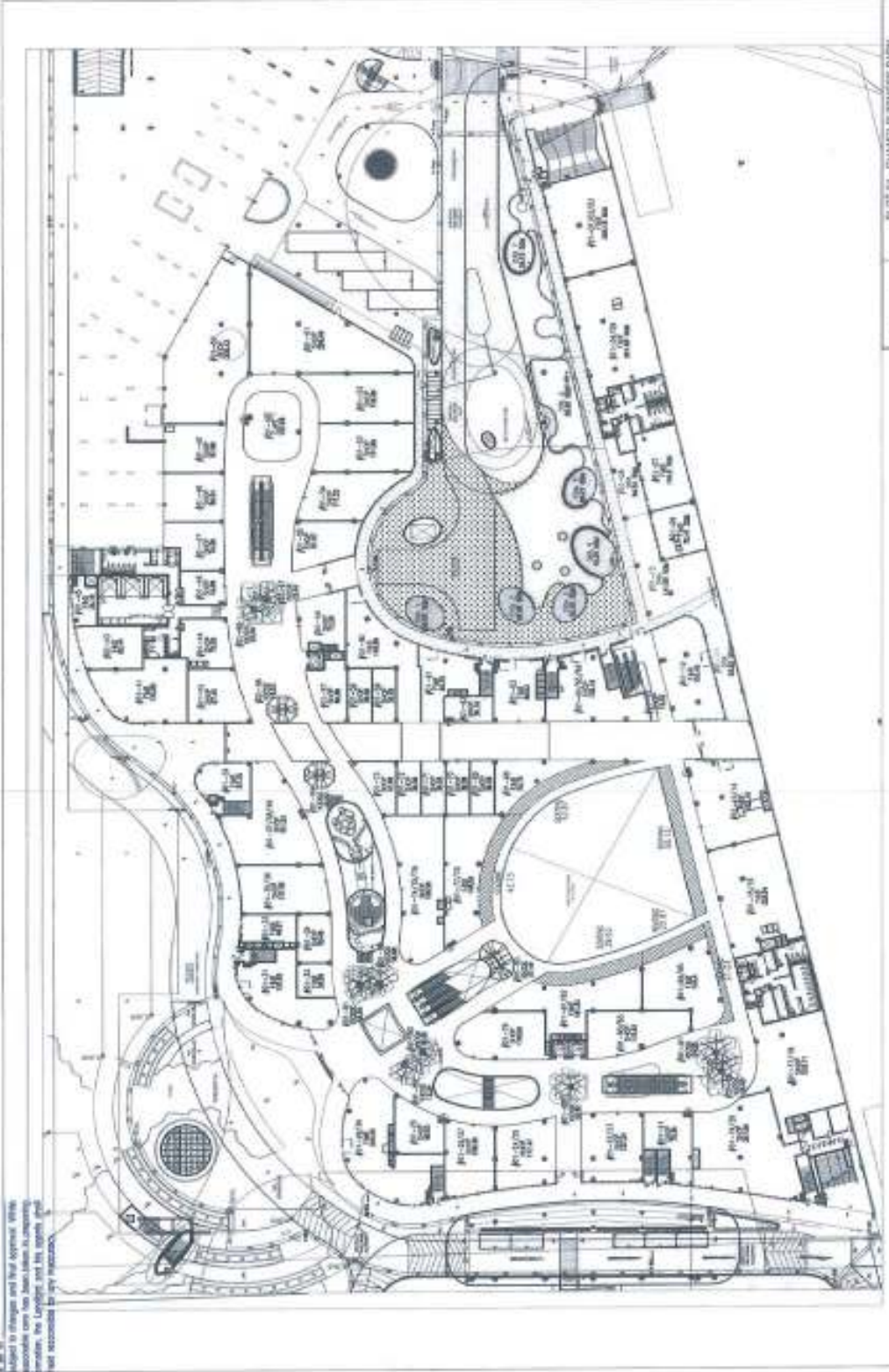
APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**

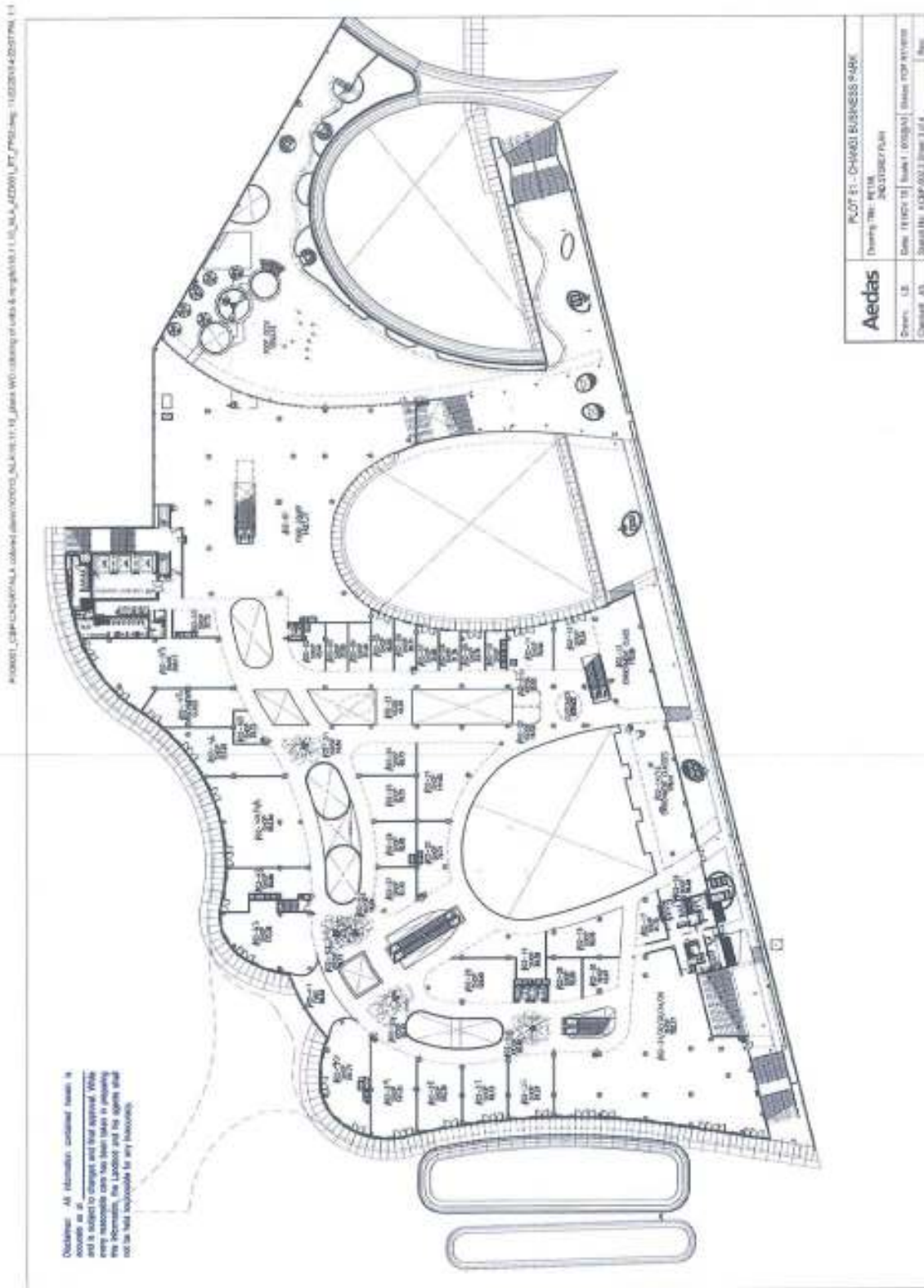
P:\00001\_C&M\1000000000\plan\1000000000\_NA\101110\_NA\_000001\_P1\_P101.dwg, 11/23/2016 4:00:38 PM, 11/23/2016 4:00:38 PM, 11/23/2016 4:00:38 PM, 11/23/2016 4:00:38 PM

Disclaimer: All information contained herein is for informational purposes only and is not intended to be used as a basis for any valuation or other financial or legal analysis. The information is provided as is, without warranty of any kind, express or implied, and the user assumes all responsibility for its use. The information is provided for informational purposes only and is not intended to be used as a basis for any valuation or other financial or legal analysis. The information is provided as is, without warranty of any kind, express or implied, and the user assumes all responsibility for its use.



<b>Aedas</b>		PL07 01 - CHANGE BUSINESS PAPER
Drawing No. 10001		DATE: 11/23/2016
Sheet: 10	Date: 11/23/2016	Drawn: 11/23/2016
Checked: 02	Drawn No. 10001	Sheet 1 of 4

APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS



## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

Your Ref : DMNBW/YSP/20113326(1)

Our Ref : 11/P72465/PY/CL/PL

27 December 2011



M/s Wong Partnership LLP  
Advocates & Solicitors  
One George Street  
#20-01  
Singapore 049145

Via Fax: 6532 5711 / Via Post

Dear Sir / Madam,

**PROPERTY AT PTE LOT A2651400, (PLOT 61), 1/3/5 CHANGI BUSINESS PARK CENTRAL 1 SINGAPORE 486036/486037/486038**

We refer to the Road Line Plan, Railway Protection Plan and Legal Requisition Reply (Rapid Transit Systems), submitted to us on 22 December 2011.

We are of the opinion that the Lines of Road Reserve do not cut into the subject property and thus do not affect the valuation of the property.

We note that the subject site is affected by Railway Safety Line, Railway Protection Line, Railway Corridor Line and Railway 1<sup>st</sup> Reserve Line and the subject site is situated within Railway Safety Zone. However, we are of the opinion that the property is not affected by the Government Gazette Notification (Nos: 3875 and 73) and Notice No: DTL3-C922-S6-2011/0002 published under Section 3 and Section 5 of the Rapid Transit Systems Act (Cap.263A). In addition, the presence of the Railway Safety Zone does impose certain restrictions on the use and future redevelopment works in the affected area. However, they do not affect the valuation of the property. Our valuation would therefore remain the same.

Please do not hesitate to contact us if you require any information or assistance.

Yours faithfully

  
Low Pick-Yuen  
Associate Director  
Valuation



CKS PROPERTY CONSULTANTS PTE LTD (Part of PhilipCapital Group)

250 North Bridge Road #09-02 Raffles City Tower Singapore 179101  
Tel: (65) 6333 0220 Fax: (65) 6333 5163 website: www.cks.com.sg

## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

**LAND TRANSPORT AUTHORITY(S&L DEPARTMENT)  
SURVEY AND LANDS DEPARTMENT**  
Address : 1 HAMPSHIRE ROAD BLK 3 LEVEL 2 Singapore 219428

**Legal Requisition Reply  
(RAPID TRANSIT SYSTEMS)**

Agency Control No. : 111214110726	Reply Date : 14/12/2011
Agency Ref No. : RTS111214110726	Fax Number : 6396-1136
Contact Person : Sushatha Krishnan / Song Be Fong	Contact Number : 6396-1787
Applicant Name : WONGPARTNERSHIP LLP	Fax Number : 65325711/65325722
Applicant Address : 1 GEORGE STREET #20-01 Singapore 049145	Contact Number : 65325722 65368357
Applicant Control No. : 01-00052K396	Contact Number : 64168900
Applicant Ref No. : DMN/BW/YSP/20113326(T)	
<b>Property Address</b>	
Blk/Flr No. : 1	Devs Plot/Blk No./Name :
Street Name : CHANGE BUSINESS PARK CENTRAL 1	
Storey No. :	Unit No. :
Development Name :	
Postal Code :	
Property Type : BUILDING	Description : BUILDING EXISTING/UNDER DEVELOPMENT
Land Lot No. : MK 27 10610W , MK 27 10603X	

To purchase affected Plans / Notices ? YES

1 Is the property affected by any Government Gazette Notification published under Section 3 of the Rapid Transit Systems Act (Cap. 263A)? YES

Gazette No : 3875 dated 25.11.2008 (Gazetted lot was MK27-10602C) and Gazette No : 73 dated 13.01.2010 (Gazetted lot was MK27-10610W).

2 Are there any unexpired Notices served under Section 5 of the Rapid Transit Systems Act (Cap. 263A) against the property? If so, please state particulars. YES

Notice No : DTL3-CR22-S5-2011/0002 dated 04.04.2011 was served on lots MK27-10610W and MK27-10599P.

3 Is the property affected by any Government Gazette Notification published under Section 6 of the Rapid Transit Systems Act (Cap. 263A)? NO

4 Any other information.

Our reply given is based on the plan filed by Ms Swee Pek on MK27-10610W and MK27-10599P.

**Notes :**

- The information provided is based on data available at the time of enquiry and is given without prejudice to any changes which may take place subsequently. The above information relates only to the rapid transit systems which has been built or which is currently under construction.
- Information on whether the site is affected by compulsory acquisition or any future rapid transit system proposal planned or under study is confidential and cannot be disclosed unless the information has already been gazetted or shown on maps and plans prepared and deposited with the competent authority under Section 3 of the Rapid Transit Systems Act (Cap. 263A), as the case may be. The maps and plans under Section 3 may be inspected at the Survey & Lands Department, LTA, during normal office hours.
- Subject to paragraphs (a) and (b) above, whilst every endeavour is made to ensure the information provided is updated and correct, the Authority shall not be held liable for any direct or consequential loss, damage, cost or expense of any kind that may be caused directly or indirectly as a result of any error or omission.
- This Legal Requisition reply does not include information on any notices served pursuant to Section 4 of the Rapid Transit Systems Act (Cap. 263A) on lands owned or previously owned by the State.
- Please check that the Lot Number(s) and MK/TS reference of the subject property submitted are correct as replies given to questions (1), (2) and (3) are strictly based on these.

**THIS IS A COMPUTER GENERATED PRINTOUT - NO SIGNATURE REQUIRED**  
**THIS TRANSACTION THROUGH SNS IS NOT A TAX INVOICE**

Agency Ref No. : RTS111214110726

Agency Control No. : 111214110726

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## APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS

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Reject

Pending

Fee : \$ 20.00  
(Fee is subjected to 7% GST)

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END OF REPLY

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Notes:

- a. The information provided is based on data available at the time of enquiry and is given without prejudice to any changes which may take place subsequently. The above information relates only to the rapid transit system which has been built or which is currently under construction.
- b. Information on whether the site is affected by compulsory acquisition or any future rapid transit system proposal planned or under study is confidential and cannot be disclosed unless the information has already been gazetted or shown on maps and plans prepared and deposited with the competent authority under Section 3 of the Rapid Transit Systems Act (Cap. 263A), as the case may be. The maps and plans under Section 3 may be inspected at the Survey & Lands Department, LTA, during normal office hours.
- c. Subject to paragraphs (a) and (b) above, whilst every endeavour is made to ensure the information provided is updated and correct, the Authority shall not be held liable for any direct or consequential loss, damage, cost or expense of any kind that may be caused directly or indirectly as a result of any error or omission.
- d. This Legal Requisition reply does not include information on any notices served pursuant to Section 4 of the Rapid Transit Systems Act (Cap. 263A) on lands owned or previously owned by the State.
- e. Please check that the Lot Number(s) and MK/TS reference of the subject property submitted are correct as replies given to questions (1), (2) and (3) are strictly based on these.

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**THIS TRANSACTION THROUGH SNS IS NOT A TAX INVOICE**

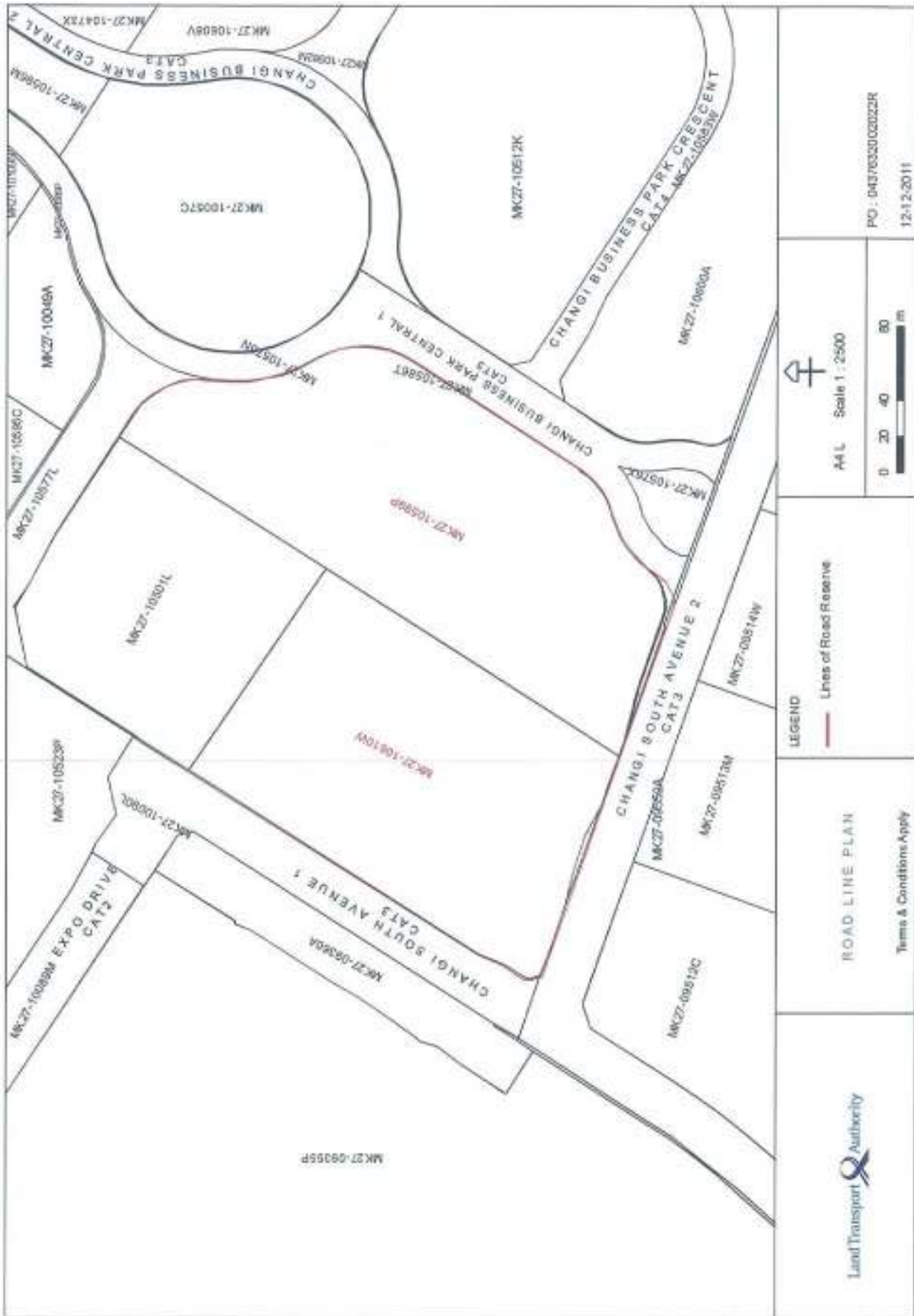
Agency Ref No. : RTS11214110726

Agency Control No. : 11214110726





**APPENDIX V – VALUATION REPORTS BY THE INDEPENDENT VALUERS**



### LIMITING CONDITIONS

This valuation report is subject to the following limiting conditions:-

- 1) Our valuation is prepared in accordance with the international definition of "Market Value", namely:  
"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".  
In adopting this definition of Market Value, we are of the opinion that it is consistent with the international definition of Market Value as advocated by the Royal Institute of Chartered Surveyors (RICS) and the Singapore Institute of Surveyors and Valuers (SISV).  
No allowances are made for any expenses or taxation which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages, encumbrances, and other outstanding premiums, charges and liabilities.  
Our valuation further assumes that all development charges and maintenance/service/conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid.
- 2) Our responsibility in connection with this valuation report is limited to our client or person to whom this report is addressed and to that client only. We disclaim all responsibility and accept no liability to any other person(s) or party should this report be used by any such person(s) or party or for any purposes.
- 3) Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular, statement, correspondence nor published in any way without our prior written approval of the form and context in which it may appear.
- 4) Where it is stated in this report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so.
- 5) The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove inappropriate if so used.
- 6) No structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects. We have also not made any tests on the building services (e.g. air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc) and these services are presumed to be in good working order.
- 7) Our valuation assumes that the title(s) is(are) in good order and marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s).
- 8) Any plans that are included in this report are meant for identification purposes and to assist the client in visualizing the subject property. The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any cadastral survey of the property and assumed no responsibility in connection in such matters.
- 9) We have not made any requisition for the Road Line Plan or for drainage proposal. We have also not made any application for information/document in respect of Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client.
- 10) As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazetted for acquisition.
- 11) Our valuation presumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.
- 12) We shall not be required to give testimony before a tribunal such as the Valuation Review Board or to appear as an expert witness in Court by reason of this valuation report or with reference to the subject property unless specific arrangements have been made thereof and we be properly reimbursed.



## Valuation Report

### Me Linh Point Tower 2 Ngo Duc Ke Street. District 1, Ho Chi Minh City, Vietnam

Report for:  
Frasers Centrepoint Limited  
438 Alexandra Road  
#02-00 Alexandra Point  
Singapore 119958

Date of Valuation:  
31 August 2012



DTZ Debenham Tie Leung (Vietnam) Co. Ltd  
R.2706-7 Saigon Trade Centre  
37 Ton Duc Thang Street  
District 1, HCMC  
Vietnam

Ph: +84 3910 3069

Fax: +84 3911 5295



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### Appendices

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## 1.0 Executive Summary

<b>Address</b>	:	2 Ngo Duc Ke, Ben Nghe Ward, District 1, HCMC, Vietnam.
<b>Client</b>	:	Frasers Centrepont Limited.
<b>Purpose of Valuation</b>	:	To determine the market value of the Subject Property for internal purposes, the valuation report will also be included in the circular that Client will issue to the share holders.
<b>Legal Description</b>	:	Information unavailable.
<b>Interest Valued</b>	:	100% leasehold interest subject to existing land use rights.
<b>Master Plan Zoning</b>	:	Information unavailable.
<b>Brief Description</b>	:	<p>According to information provided by the Client, the Subject Property comprises 1,470sqm leasehold land for commercial uses expiry on 14 February 2045 and a commercial building.</p> <p>The building was built in 1996 which has 23 levels comprising 2 basement floors; 3 retail floors; 2 parking levels and 16 office floors. The total net lettable area is 17,549sqm. Upon our site inspection, the building is currently in operation as office and retail for lease.</p>
<b>Valuation Approaches</b>	:	Discounted Cash Flow Approach, Capitalisation Approach and Depreciated Replacement Costs Approach.
<b>Valuation as at 31 August 2012 (with assumptions included within this report)</b>	:	<p><b>US\$40,330,000.</b> <b>(Forty Million, Three Hundred and Thirty Thousand United States Dollars).</b></p> <p>This assessment is VAT exclusive.</p> <p>Of which:</p> <p><b>Value of land: US\$22,110,000.</b> (Twenty Two Million, One Hundred and Ten Thousand United States Dollars). This assessment is VAT exclusive.</p>