Students’ Achievements

Real Estate team won championship at International Case Competition
The team comprising solely undergraduate real estate students had done the department proud by regaining the championship. Read more…

EBS Aareal Award of Excellence 2014
PhD student Li Qing, is the winner of the Aareal Award of Excellence 2014 (Germany) under the Research category. Read more…

Best Graduate Student Research Award by the Asia Society and Urban Land Institute
PhD student Kang Mo Koo won the award at the 2nd Pacific Cities Sustainability Initiative (PCSI) Forum held in Manila, Philippines. Read more…

Research Highlights

The Impact of Land Rights on Sustainable Urbanization in China
China’s rapid urbanization since 1980 has been a due process of transformation of its land and people: rural peasants becoming urban residents and agricultural land being converted to urban land. This research adopts the case study approach aims at deep understanding of urbanization process in the urban peripheral areas by intensive field investigation. Read more…
Market Updates

Singapore Residential Price index (SRPI)

The NUS SRPI value weighted index in March dropped for overall and three sub-indices from February. In overall, the March NUS SRPI change marks the eighth consecutive monthly price decrease for the completed non-landed private condominium in the NUS SRPI basket. The NUS SRPI index decreased from February by 1.1 percent for overall, 1.3 percent for central region, 1.0 percent for non-central region and 0.4 percent for small units respectively. Read more…

NUS-REDAS Real Estate Sentiment Index (RESI)

Real Estate Developers’ sentiment of the market has weakened in 1Q14 NUS-REDAS Real Estate Sentiment Index (RESI) Survey. The Composite Sentiment Index, a derived indicator for the overall real estate market sentiment in Singapore, decreased from 4.0, to 3.8 in 4Q13. The Current Sentiment Index stood at 3.7, down from 4.1 in the last quarter. The Future Sentiment Index decreased to 3.9 from 4.0 in 4Q13. A score under five indicates deteriorating market conditions and a score above five, improving conditions. Read more…

Faculty News

NUS Annual Teaching Excellence Award (ATEA) for AY 2012/2013

Senior Lecturer Cheng Fook Jam won a NUS Annual Teaching Excellence Award for AY2012/2013. More news on honors and achievements of faculty members. Read more…

Events

Professor Wang Shi spoke at SDE Greater Good Series

Prof Wang Shi, Chairman and Founder of Vanke Co, Ltd, was invited as the distinguished speaker at the SDE Greater Good Series on 16 April at the Shangri-La Hotel. He spoke on the topic “Green Development in China.” A panel session was chaired by Dr Seek Ngee Huat, Chairman of the IRES Board. Read more…

DRE 45th anniversary - Public Lecture by Professor Liew Mun Leong to kick-start the celebration

In conjunction with the celebration of DRE 45th year anniversary (RE45), the Department organized the first of its public lecture series on 24 April 2014. The distinguished speaker, Professor Liew Mun Leong spoke on the topic “Globalisation of Real Estate - The CapitaLand Experience”. Read more…

Getting Connected

NUS Real Estate News is a quarterly e-newsletter which aims to connect industry professionals, alumni and students. It disseminates information on the latest research and activities in DRE and IRES. Please forward this email to interested friends and colleagues. Your feedback and comments are most welcome. To unsubscribe, simply reply to this email with the message “Unsubscribe”.

Editorial team: Sing Tien Foo, Choo Tyng Tyng, Cheang Shi Qiang, Andrew
Real Estate team won championship at International Case Competition

The NUS Real Estate team comprising John Paul Chua, Clarissa Chua, Dexter Sim, Isaac Leo Yen, Gan Guang and Tai Wai Kit and led by faculty advisor Assoc. Prof Tay Kah Poh regained championship at the recent University of Southern California (USC) International Real Estate Case Competition held in April 2014.

The annual undergraduate case competition is open to all US and International Schools with real estate program. The NUS Real Estate team beat other teams hailed from universities including Wisconsin, New York University, University of Southern California and Texas A&M to clinch the championship.

The team had braved the 12-hour time zone difference, worked long hours, faced over 20 judges and stiff competition from the other universities to emerge as top in the finals. We are very proud of their achievement.

The NUS team had won the championships in 2008, 2009 and 2011 respectively.
EBS Aareal Award of Excellence 2014

PhD student Li Qing, is the winner of the Aareal Award of Excellence 2014 under the Research category. She won the above award for her work “Property Dispositions and REIT Credit Rankings”. The award is granted by The Real Estate Management Institute (REMI) of the EBS Business School and Aareal Bank AG in Germany for academically-outstanding research work in real estate economics.

Click here to read the abstract.
Best Graduate Student Research Award by the Asia Society and Urban Land Institute

PhD student Kang Mo Koo won the Best Graduate Student Research Award given by the Asia Society and Urban Land Institute at the 2nd Pacific Cities Sustainability Initiative (PCSI) Forum held in Manila, Philippines, during 11-13 March 2014. The objective of the forum is to share the knowledge and enhance the understanding the current issues in urban studies by both professional and academics. The winning research is entitled “Congestion Tax & Economic Externality in Real Estate Market”.

City mayors from the Philippines, New Zealand, and other Asian-Pacific regions shared their experiences and discussed challenges facing the local government and industry leaders regarding the disaster resilience, green and environmental sustainability, urban land and traffic planning, etc. He is one of the winning graduate students (with other winners from UCLA, USC, Georgetown, MIT and Melbourne) to share their research findings with the participating city mayors and industry leaders. His presentation was well received among the mayors and other participants.
The process of urbanization, incorporating transformations of economy, society and space, usually takes place in a form of urban activities spatially penetrating into rural areas. The extensive urban expansion or invasion into rural areas occurs along with economic and social changes. Continuous urban expansion creates incessant rural-urban interactions which are conceptualized as suburbanization, urban fringe, edge cities, peri-urbanization and so on in various socioeconomic contexts. The urban fringe becomes a transitional zone between the city and the countryside where urban and rural land uses are often mixed up. The term of edge cities is coined as urban agglomerations emerging in the urban periphery. The term peri-urbanization refers to a process in which rural areas located on the outskirts of built-up cities become more urban in terms of physical appearance, economic structure and social fabric, while the areas in question still by and large remain as village communities. Formulation of rural-urban transitional zones takes diverse forms, determined by different state-market relations and socioeconomic conditions.

China’s rapid urbanization since 1980 has been a due process of transformation of its land and people: rural peasants becoming urban residents and agricultural land being converted to urban land. Urban residents accounted for 19.4 percent of the total population in 1980, and the figure went up to about 46 percent in 2009. The scale of transformations has been unprecedented in history. The conversion of land uses takes place extensively at the peripheries or the suburbs of metropolises where competition for land is explicitly demonstrated. Apart from the view that urbanization is equivalent to economic, social and spatial transformations, urbanization in China is also a process of transforming land rights from collective ownership to state ownership. According to China’s Constitution (1998) and the Land Administration Law, urban land is owned by the state, and rural land is collectively owned by the rural communities.

This research adopts the case study approach. It aims at deep understanding of urbanization process in the urban peripheral areas by intensive field investigation. The regions of Pearl River Delta (PRD) and Yangtze River Delta (YRD) are selected as both are economically dynamic and transformed drastically over the last three decades. The significant difference between the two lies in the key driving force behind urbanization dynamism. The rural collectives play an important role for the socioeconomic transformation of PRD, while the urban state leads the urbanization in YRD (see Figures 1-4). Rapid urbanization in China has been a significant phenomenon with profound social, economic and environmental impacts. The most profound and intriguing changes occur in the interface between the central city and the suburbs, namely peri-urban areas. Being one of the dynamic urbanizing regions, Pearl River Delta has seen great transitions in its demography and built environment in the context of institutional change. Rapid urbanization in peri-urban Nanhai has been chiefly driven by the numerous autonomous rural collectives small-scale in land area, which has created a fragmentated urbanizing landscape. The fragmentation and excessive conversion of farmland for industrial uses are brought about by the new institutions of village-based land shareholding cooperatives and their informal leasing of collective land. As a result, extremely scarce land resources are not utilized optimally, and ecological environment is deteriorating.
Urbanization in the high-density peri-urban Nanhai is made unsustainable for the long term future.

Built-up areas in Nanhai, 1990

Built-up areas in Nanhai, 2008

Built-up areas in Kunshan, 1989
As a main rural initiative, village land shareholding cooperatives spearhead non-agricultural development in the interest of rural communities, and thus participate in the urbanization. Nanhai, Guangdong, is a case in illustration. The institution of land shareholding cooperatives gives rise to unique compartmentalized industrialization and fragmented urbanization in the context of high population density and small-area autonomous villages. Village cooperatives are mutated from economic corporations to welfare organizations, prompted by the collapse of village enterprises. Being averse to investment for long-term productivity, village cooperatives indulge in extracting short-term land rents solely. Extracting land economic rents created by urbanization, village cooperatives generate environmental and social equality problems. High-density low-income countries, especially in Asia, are facing a great challenge as fierce competition for limited urban land resources without effective governance often results in an unfavorable form of urbanization. Sustainable compact urbanization needs to strike a balance between local autonomy and urban integrity.

Social inequality and spatial differentiation are not uncommon in the China’s cities where discrimination against rural-to-urban migrants is institutionalized by the urban hukou. In the dynamically growing peri-urban areas where industrialization and urbanization are driven by both the urban state and rural villages, social inequality is unexpectedly serious between the locals and migrants, as villages are considered traditionally egalitarian. It is the land rents as exclusive local entitlements due to the village autonomy that institutionalize the inequality between the two social groups. Village’s reliance on land rents derived from urbanization widens the income gap between the two peoples, and the inequality deteriorates along with the progressive urbanization as land rents increase much more than wages do. Following Henry George’s ideas, we suggest that land rents should be retained by the public for the provision of social and public goods in the land-scarce regions, so as to make urbanization inclusive.

For the high-density developing regions with the endowment of land resources per capita far below the world average, making a compact and equitable city during market-driven industrialization and urbanization is a formidable challenge. Kunshan is used as an enlightening case to examine how it has tried to make urbanization economically, socially and environmentally sustainable. Kunshan was once a county in Suzhou municipality before 1989 when it was administratively designated as a county-level city. It is located to the east...
of Suzhou and to the west of Shanghai, sandwiched between two economic powerhouses in the Yangzi River Delta. It is elaborated how initially dispersed and uncompetitive village factories in Kunshan are replaced by high-value-added industries in the agglomerated urban industrial zones, which helps to achieve industrial spatial agglomeration, industrial advancement and environmental integrity. Land rents that are created by local economic growth and public improvement in infrastructure and urban facilities have provided both opportunities and challenges to the endeavour of making Kunshan a compact and equitable city during the progressive urbanization. In the end, rural villages are integrated into urban communities.

Moreover, economic change brings in social change. A rural county with mainly local villagers has been transformed into an urban municipality where migrants account for almost two-thirds of the total population.
Singapore Residential Price Index (SRPI)

The SRPI Updating for the Month of April 2014

Date of data feed from URA: 21 April 2014

NUS SRPI – the NUS SRPI value weighted index in March dropped for overall and three sub-indices from February. In overall, the March NUS SRPI change marks the eighth consecutive monthly price decrease for the completed non-landed private condominium in the NUS SRPI basket. The NUS SRPI index decreased from February by 1.1 percent for overall, 1.3 percent for central region, 1.0 percent for non-central region and 0.4 percent for small units respectively.

The NUS SRPI revised index of February 2014 adjusted further down for overall and non-central region sub-index and slightly up for central region and small units sub-indices. The revised NUS SRPI of February 2014 for overall was 0.9 percent decrease (previously reported 0.4 percent decrease). The non-central region sub-index adjusted similarly from previously reported 0.2 percent decrease to 1.5 percent decrease. For central region the revised index was 0.2 percent decrease (previously reported 0.6 percent increase). The revised sub-index for small units was 0.7 percent decrease (previously reported 1.0 percent decrease).

The SRPI is a transactions-based index that tracks the month-on-month price movements of private non-landed residential properties in Singapore. For detailed information concerning the monthly SRPI, please see the Index Methodology at [http://www.ires.nus.edu.sg/srpi/srpi_im.aspx](http://www.ires.nus.edu.sg/srpi/srpi_im.aspx).

The next release will be on May 28, 2014 and will include monthly NUS SRPI flash data for April and revised data for March.

The SRPI up-to-date Value-weighted Index Chart
1) The SRPI, Central Region SRPI (excluding small units), non-Central Region SRPI (excluding small units) and SRPI Small (December 2005 to March 2014; 2005.12=100)
2) The SRPI, Central Region SRPI (excluding small units), non-Central Region SRPI (excluding small units) and SRPI Small (March 2009 to March 2014; 2009.03=100)

3) Overall SRPI, Sales Volume by 1st Revision (value-weighted) (December 2005 to March 2014; 2005.12=100)
### March 2014 Flash SRPI Values

<table>
<thead>
<tr>
<th>NUS SRPI Basket as at December 2013</th>
<th>Index Value (Mar 2009 = 100)</th>
<th>Month-on-month change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUS SRPI Overall</td>
<td>153.8</td>
<td>-1.1%</td>
</tr>
<tr>
<td>NUS SRPI Central (excluding small units)</td>
<td>140.9</td>
<td>-1.3%</td>
</tr>
<tr>
<td>NUS SRPI Non-Central (excluding small units)</td>
<td>166.7</td>
<td>-1.0%</td>
</tr>
<tr>
<td>NUS SRPI Small</td>
<td>175.8</td>
<td>-0.4%</td>
</tr>
</tbody>
</table>

(Reflective of transactions received as at 21 April 2014)

### February 2014 Revised SRPI Values

<table>
<thead>
<tr>
<th>NUS SRPI Basket as at December 2011</th>
<th>Index Value (Mar 2009 = 100)</th>
<th>Month-on-month change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUS SRPI Overall</td>
<td>155.5</td>
<td>-0.9%</td>
</tr>
<tr>
<td>NUS SRPI Central (excluding small units)</td>
<td>142.8</td>
<td>-0.2%</td>
</tr>
<tr>
<td>NUS SRPI Non-Central (excluding small units)</td>
<td>168.4</td>
<td>-1.5%</td>
</tr>
<tr>
<td>NUS SRPI Small</td>
<td>176.6</td>
<td>-0.7%</td>
</tr>
</tbody>
</table>

(Reflective of transactions received as at 21 April 2014)

With effect from 28 July 2011, IRES will publish the overall SRPI, two regional sub-indices that exclude small units and a small unit sub-index. A small unit has floor area of 506 square feet or below.
Developer sentiment weakens

Real Estate Developers’ sentiment of the market has weakened in 1Q14 NUS-REDAS Real Estate Sentiment Index (RESI) Survey. The Composite Sentiment Index, a derived indicator for the overall real estate market sentiment in Singapore, decreased from 4.0, to 3.8 in 4Q13. The Current Sentiment Index stood at 3.7, down from 4.1 in the last quarter. The Future Sentiment Index decreased to 3.9 from 4.0 in 4Q13. A score under five indicates deteriorating market conditions and one above five, improving conditions.

Sentiment in the prime residential sector showed a current net balance of -74% and a future net balance of -61%; while suburban residential sector showed a current net balance of -52% and a future net balance of -55% in 1Q14. Office sector had a current net balance of +29% and a future net balance of +34%; while hotel / services apartment sector indicated a current net balance of -13% and a future net balance of +10% in 1Q14.

A “current and future net balance percentage” is used to indicate current and future sentiments about real estate development and market conditions in Singapore. It is the difference between the proportion of respondents who have selected the positive options (“better” and “increase”) and the proportion of respondents who have selected the negative options (“worse” and “decease”).

In 1Q14, 67.7% of the respondents foresee that rising cost of construction, inflation and interest rates may adversely impact market sentiment in the next 6 months. 50.8% of them foresee that there will be a tightening of financing, liquidity in debt market and a slow-down in the global economy. 55.4% of them indicated that the property market will have an excess supply of new launches in the next 6 months.

39.5% of the developers surveyed in 1Q14 expect residential property launches to hold at the same level in the next six months, up from 38.9% in 4Q13. 28.9% of them expect moderately more launches in 1Q14 and 10.5% of them indicated that they will launch substantially more units. 15.8% of them expect moderately less units of new launches; down by 6.4% in the last quarter. On price changes, 26.3% of them anticipate that residential prices will hold in the next six months, down from 31.4% in 4Q13. 68.4% of them expect moderately lower price in the near term, up from 62.9% in the last quarter.

36.5% of the respondents would like to see more 60 years leasehold land being released by the government for private residential development in the market; of which 19% of them felt that it is more affordable compared to 99 years leasehold private residential development. 63.5% of them will not like to see such land released by the government; with 30.2% of them...
indicating that the high unit price ($ per psf) of the 60-year leasehold projects may not be sustainable in the market.

33.3% of the respondents anticipate that the government will lift and tweak the existing cooling measures over the next six months; of which 24% of the developers think that the additional buyers’ stamp duty is likely to be reduced. 70.6% of the developers felt that the government is unlikely to lift up or tweak the cooling measures.

“The current and future sentiment indices have stayed below 4.1 for three consecutive quarters since 3Q13. The weak sentiments coupled with the declines in URA private residential prices indices in 4Q13 and 1Q14 are signals of the cooling down of the market,” says Associate Professor Sing Tien Foo of NUS’ Department of Real Estate.

For the full report, please click here
Honors and Achievements

Mr Cheng Fook Jam

He won a NUS Annual Teaching Excellence Award (ATEA) for AY 2012/2013. The award is given to faculty members who have demonstrated a very high level of commitment to, and achievement of, good teaching.

Professor Deng Yongheng

He was invited as a VIP speaker to the 2014 China International Urbanization Forum organized by the Development and Reform Commission of the State Council of China, The World Economic Forum, and the World Bank, from 18-20 April in Shanghai. Professor Deng served on the forum’s plenary event of the open dialogue on China Land System Reform. The panelists in this open dialogue panel including the Deputy Minister of the Ministry of Land and Resources of China, Deputy Director of State Council Research Institute, President of China Overseas University and Mayor of Fu Sheng City. It was attended by over 400 participants.

Assoc. Prof Liao Wen-Chi and Assoc. Prof Fu Yuming

They had been awarded the Global Asia Institute, JY Pillay Comparative Asia Research Centre Research Grant for his research proposal entitled “Human Capital, Labor Mobility and Regional Development in SEA Economies”. The duration of the project will be three years starting from Aug 2014.
Professor Liow Kim Hiang

His paper “Volatility interdependence in European real estate securities markets: Who is the most influential?” published in the Journal of European Real Estate Research was chosen as a winner for Highly Commended Paper by the journal’s editorial team for 2013.

Professor Ong Seow Eng

He was invited to continue as a member of the JTC Land Purchase Committee. The appointment would be from 1 Jan 2014 to 31 Mar 2015.

He had been appointed as program external assessor for Bachelor of Estate Management and Master of Real Estate programs by the University of Malaya from 2013/2014 till 2017/2018.
Professor Wang Shi spoke at SDE Greater Good Series

The Greater Good Series features talks by leading minds on topics related to design, development and management of the built environment, which will improve quality of life and lead to greater good for the society at large.

Prof Wang Shi, Chairman and Founder of Vanke Co., Ltd, our distinguished speaker, spoke on green development in China on 16 April at the Shangri-La Hotel.

As the fastest growing economy in the past two decades, China has witnessed an unprecedented scale of construction of residential projects by local and international developers. This rapid growth has helped developers to assimilate best practices in building quality and affordable housing for the Chinese people. Vanke, as the largest developer in China, has also embraced green and sustainable practices in all their developments. Prof Wang shared some of their strategies in the pursuit of green and sustainable buildings.

The talk also featured a panel session. The panel session was chaired by Dr Seek Ngee Huat, Chairman of the IRES Board and consisted of industry veterans and academic. They were: Professor Bernard Yeung (Dean, NUS Business School), Mr Chia Ngiang Hong (Group General Manager, City Developments Limited), Professor Wang Shi, Ms Chong Siak Ching (CEO, National Gallery Singapore) and Mr. Michael Smith (Managing Director, Head of Asia Pacific Real Estate, Goldman Sachs (Singapore) Pte Ltd). The topic for the session was on the evolution of the real estate industry over the 45 years: retrospective and prospective.
DRE 45th anniversary-Public Lecture by Professor Liew Mun Leong to kick-start the celebration

NUS Provost’s Chair Professor (Practice) Liew Mun Leong presented a lecture on “Globalisation of Real Estate - The CapitaLand Experience” on 24 April 2014, which is the first of the public lecture series organized by the Department of Real Estate, NUS, in conjunction with the celebration of its 45th year anniversary (RE45).

Professor Liew who was the founding President and CEO of the South East Asia’s largest publicly listed real estate firms, CapitaLand, was instrumental in expanding CapitaLand brand to 20 countries and more than 110 cities across the globe. He shared his experience in transforming real estate business of CapitaLand Group, what is traditionally known as a local business, into a global business model that has asset values of nearly S$40 billion. The public lecture held at the NUSS Kent Ridge Guild House was attended by more than 150 participants including industry partners, alumni, and students.