

14-0/81/05/16
Archives & Oral History Department
Singapore

23 MAY 1981

Acc. No.

NARC

INCREASE IN THE SELLING PRICES OF HDB FLATS

In 1979 the construction cost of public housing increased by 30 per cent. The Housing and Development Board increased its selling prices for flats by 20 per cent from July 1980, thus absorbing 10 per cent of the increased cost.

In 1980 the construction cost of public housing rose by another 48 per cent. The HDB however will only increase its selling prices by an average of 38 per cent with effect from June 1, 1981. It will absorb 10 per cent of the increased cost. In addition, the HDB will absorb the additional cost arising from a 30 per cent increase in resettlement compensation in March 1981.

The pricing zones for HDB flats will be redefined and expanded from the present three pricing zones to six pricing zones as given below:

Old Pricing Zones

New Town
Suburban
Urban

New Pricing Zones

New Town
Outer Suburban
Inner Suburban
Outer Urban
Inner Urban
Central Core

The classification of HDB New Towns and estates under the new zones is given in Table 1. The increase in selling prices will vary for each pricing zone.

The present pricing zones have been in use since 1964. In the past, public housing was mainly built on the fringes of the city. New Towns like Queenstown and Toa Payoh were located close to the city centre. The present broad pricing zones with small price differentials between zones do not adequately reflect the locational advantages of flats closer to the city. This has resulted in a high demand for such flats from the

public and2/-

public and from resettlement cases. With limited land available within and near to the city, the HDB cannot meet this demand. The bulk of public housing has to be away from the Central Area. This imbalance in supply and demand has led to delays in resettlement and long waiting periods for public applicants.

The new price zoning system better reflects the locational advantages of flats. It will help to correct the imbalance between supply and demand. In the current HDB five-year building programme (1981-1985), 70 per cent of flats will be in the New Town and Outer Suburban Zones. For these zones the increase in selling prices will only be 20-35 per cent, ie. below the overall average increase of 38 per cent. However, the selling prices of flats in the Central Core will have to be increased by up to 72 per cent.

For the first time HDB will be offering the new Model 'A' range of flats for sale. Owing to their bigger areas, better designs and finishes, Model 'A' flats will be sold at an average of 25 per cent higher than New Generation flats.

The new selling prices of various types of HDB flats are shown in Table 2.

The HDB is extremely concerned about the continued rising cost of construction. It is now considering various measures including designing smaller and simpler flats to reduce future cost increases. This is to enable HDB flat prices to be kept within the means of Singaporeans as the HDB would be unable to carry the burden of further increases in subsidy.

MINISTRY OF NATIONAL DEVELOPMENT

May 16, 1981

Table 1

HOUSING AND DEVELOPMENT BOARD
HDB EXISTING AND FUTURE
DEVELOPMENT AREAS UP TO 1985

Proposed Prize Zone

HDB New Towns/Estates

NEW TOWN

新鎮

Caicuoqiang/Teck Whye
Changi Village
Jalan Kayu Rural Centre
Lincuoqiang Rural Centre
Loyang
Woodlands
Yishun

OUTER SUBURBAN

外郊区

Bukit Batok
Bukit Batok Est./Princess Elizabeth Park
Hougang North
Jurong East/Jurong West
Ponggol Estate
Ponggol Rural Centre
Seletar Hill Estate
Tampines
Yew Tee

INNER SUBURBAN

内郊区

Ang Mo Kio
Bedok/Upper Changi
Bukit Timah
Clementi
Hougang South
Kaki Bukit

OUTER URBAN

外市区

Upper Aljunied
Ayer Rajah
Bishan
Chuan/Lew Lian
Eunos South Estate
Farrer Road
Geylang Serai Estate
Ghim Moh Estate
Haig Road
Hwi Yoh
Joo Chiat Complex
MacPherson
Marine Parade
Pachitan
Paya Lebar Centre
Queenstown/Buona Vista
Sin Min
Toa Payoh

Proposed Prize Zone

INNER URBAN

内市区

HDB New Towns/Estates

Ah Hood Road
 Alexandra North/Alexandra Village/
 Alexandra Hill
 Ayer Rajah
 Balestier/Moulmein
 Brickworks
 Buffalo Court
 Bukit Ho Swee
 Bukit Merah
 Bukit Purmei
 Covent Garden
 Delta
 Farrer Park/Norfolk Est./Tasek Utara
 Geylang East
 Guillemard Road
 Kampong Java
 Kallang Basin
 Kallang Airport
 Kampong Silat/Kim Tian
 Kampong Tiong Bahru
 Kerbau Road
 Rajah Court
 Redhill/Henderson
 St Michael's Estate
 St George's Estate
 Tanjong Rhu/Mountbatten/Fort Road
 Telok Blangah
 Tiong Bahru/Boon Tiong Road
 Towner Road

Proposed Prize Zone

CENTRAL CORE

中央区

HDB New Towns/Estates

Albert Centre/Albert Street
 Ban Kee Fire Site
 Beach Road/Crawford Street
 Bras Basah Complex
 Cantonment Road/New Bridge Road
 Chin Swee/Havelock
 Crawford Centre
 Ellenborough Complex
 Everton Park
 French Road Complex
 Havelock Centre
 Hong Lim Complex
 Jalan Besar Estate
 Jalan Sultan/Beach Road
 Kelantan Centre
 Kitchener Road/Kitchener Complex
 Kreta Ayer Complex and Centre
 Maude Road
 North Bridge Road/Sumbawa Road
 Outram Hill/Outram Road
 Park Road
 Pitt Street/Sungei Road
 Pearl's Hill Terrace
 Petain Road
 Queen Street
 River Valley Constituency
 Rochore Centre
 Rowell Court
 Selegie House
 Spottiswoode Park
 Stamford Estate
 Syed Alwi Road
 Tanjong Pagar Plaza/Constituency
 Upper Pickering
 Victoria Street/Rochor Road
 Waterloo Centre
 Weld Road/Jalan Besar/Sungei Road
 York Hill

Table 2

NEW SELLING PRICES OF HDB FLATS
EFFECTIVE FROM 1 JUNE 1981

ZONE	3-room		4-room		5-room	
	New Generation	Model 'A'	New Generation	Model 'A'	Improved	Model 'A'
New Town 新镇	26,700	32,800	39,500	50,600	58,500	72,900
Outer Suburban 外郊区	29,400	36,100	43,500	55,700	64,200	80,200
Inner Suburban 内郊区	33,000	40,500	48,800	62,400	71,800	89,900
Outer Urban 外市区	37,000	45,400	54,700	69,900	79,700	100,700
Inner Urban 内市区	41,500	50,900	61,300	78,300	89,200	112,800
Central Core 中央区	46,500	57,100	68,700	87,700	99,900	126,400

660 units of 3- and 4-Room Improved Flats under construction in the Central Core will be sold at the following prices :-

3-Room - 34,500
4-Room - 52,800