

PRESS RELEASE

HOUSING & DEVELOPMENT BOARD

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INCREASE IN THE SELLING PRICES OF HDB FLATS

- 1 In 1979 the construction cost of public housing increased by 30%. The Housing & Development Board increased its selling prices for flats by 20% from July 1980, thus absorbing 10% of the increased cost.
- 2 In 1980 the construction cost of public housing rose by another 48%. The HDB however will only increase its selling prices by an average of 38% with effect from 1 Jun 81. It will absorb 10% of the increased cost. In addition, the HDB will absorb the additional cost arising from a 30% increase in resettlement compensation in March 1981.
- 3 The pricing zones for HDB flats will be redefined and expanded from the present 3 pricing zones to 6 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.

- 4 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 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.

5 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 5-year building programme (1981-1985), 70% 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%, ie. below the overall average increase of 38%. However, the selling prices of flats in the Central Core will have to be increased by up to 72%.

6 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% higher than New Generation flats.

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

8 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.

Table 1HOUSING & DEVELOPMENT BOARD
HDB EXISTING AND FUTURE
DEVELOPMENT AREAS UP TO 1985

Proposed Price Zone	HDB New Towns/Estates
NEW TOWN 新 镇	Caicuogang/Teck Whye Changi Village Jalan Kayu Rural Centre Lincuogang 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 Price Zone	HDB New Towns/Estates
INNER URBAN 內市區	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 Price Zone	HDB New Towns/Estates
CENTRAL CORE 中央区	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 & 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 內 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 內 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