The Maastricht-MIT-NUS 2009
Real Estate Finance and Investment Symposium | October 15 – 16, 2009

The Department of Real Estate, NUS, was the host for the second Maastricht-MIT-NUS Real Estate Finance and Investment Symposium this year. The symposium is an annual event that provides a forum for real estate academics to present recent research to a small and selected audience of their peers. A total of 10 research papers were presented, each having a discussant acting as an independent reviewer of the paper.

The audience comprised academics from more than 12 nationalities - USA, UK, Australia, China, the Netherlands, Hungary, Italy, Turkey, Korea, Hong Kong, Ghana, etc. Among the participants were Prof Bob Edelestein (UC Berkeley), Prof Anthony Sanders (George Mason) and Prof Jay Sa-Aa du (Iowa), as well as fellow academics from the Singapore Management University and Department of Finance, NUS.

In particular, the symposium benefited from the presence of two esteemed visitors: Prof Jay Sa-Adu is Chester Phillips Professor of Finance and Real Estate in the University of Iowa’s Tippe College of Business. A native of Ghana, Prof Sa-Adu joined Iowa in the Department of Finance in 1981 after receiving his Ph.D. and M.B.A. from the University of Wisconsin-Madison. Jay is a Fellow of the Weimer School of Advanced Studies in Real Estate and Land Economics, and a past president of the American Real Estate and Urban Economics Society.

Prof Anthony Sanders is Professor of Finance in the School of Management at George Mason University where he is the Distinguished Professor of Real Estate Finance. He has previously taught at University of Chicago (Graduate School of Business), University of Texas at Austin (McCombs School of Business) and The Ohio State University (Fisher College of Business). In addition, he served as Director and Head of Asset-backed and Mortgage-backed Securities Research at Deutsche Bank in New York City.

The unique feature of the Maastricht-MIT-NUS is that all papers presented at the symposium are automatically submitted for publication in the special issue of the Journal of Real Estate Finance and Economics (JREFE). JREFE is one of the top US real estate journals.

This paper extends their earlier work to examine the motivation and type of firms that locate in green buildings. The empirical study analyzes the decisions of more than 11,000 tenants in their choice of office space, covering more than 1,100 green buildings and 2,900 nearby non-green buildings. The study finds that corporations in the oil and banking industries and government-related organizations are among the most prominent green tenants. In addition, firms in mining and construction and organizations in public administration are relatively more likely to rent green.

Residential Mortgage Default: The Roles of House Price Volatility, Euphoria and the Borrower’s Put Option

Another interesting paper is by Wayne Archer (Florida) and Brent Smith (Virginia Commonwealth) that examines defaults in residential mortgages. This paper is particularly pertinent in view of the recent subprime crisis and mounting mortgage defaults. While it is an established fact that non-recourse mortgage borrowers view default as a put option (the right to walk away from the property should the mortgage outstanding be higher than the house value) and that default depends critically on the loan-to-value ratio, the authors postulate that market euphoria could well have an important impact on default.

Market euphoria may be on the part of buyers and lenders, and is defined as information that affects lending and borrowing behaviour that is related to anticipated rate of house price appreciation and perceived reduction in risk. A more fundamental contribution of the paper is to further enhance understanding of the relationship between price volatility and residential mortgage foreclosure.

Using a large sample of individual mortgage loans in twenty counties in Florida from 2001 through 2008, the authors find evidence that the high defaults in Florida is in part driven by lenders and purchasers exhibiting euphoric behaviour.


1 Dr Kwame Addae-Dapaah
- Appointed as Associate Editor for the journal of Sustainable Real Estate effective from September 2009.

2 Assoc. Prof Alice Christudson
- Awarded the University Teaching Awards, Honour Roll Award. In recognition of her winning the Annual Teaching Excellence Award three times, she has been placed on the Honour Roll.
- Appointed as co-guest editor of the housing law issue for the International Journal of Law in the Built Environment, from August 2009 to July 2010.

3 Prof Deng Yongheng
- Invited by the Fudan University to make a presentation at their annual Shanghai Forum (May 11-12, 2009). This event attracts worldwide international participation of top notch academics and policy makers to discuss various issues on the global economy, including the real estate sector.

4 Assoc. Prof David Ho
- Appointed to the Editorial Board of the Journal of Property Research from June 2009.

5 Dr Muhammad Faishal bin Ibrahim
- Invited to speak at the International Conference on Legal, Economic and Security Aspects of the Current Financial Crisis in Dubai from March 15-17, 2009. The paper presented was “Securing Home Ownership During the Economic Downturn in Singapore”.
- Re-appointed as a member of the Singapore Polytechnic Board of Governors from April 2009 to March 2012.
- Appointed to be Member of the HDB Appeals Committee, from April 2009 to March 2010.

6 Prof Ong Seow Eng
- Invited to be the Chair of the AREUEA Membership Committee, for a period of one year effective from May 1, 2009.
- Invited to be a Fellow of the Weimer School of Advanced Studies in Real Estate and Land Economics for 2010-2011.

7 Assoc. Prof Joseph Ooi
- Invited to be an Editorial Advisory Board member of Emerald’s Journal of European Real Estate Research from July 2009.

8 Assoc. Prof Harold Tan
- Won an Annual Teaching Excellence Award for AY 2007/2008. The award is given by the University to recognize faculty members who have demonstrated a very high level of commitment to, and achievement of, good teaching.

9 Dr Grace Wong
- Won an Annual Teaching Excellence Award for AY 2007/2008. The award is given by the University to recognize faculty members who have demonstrated a very high level of commitment to, and achievement of, good teaching.

10 Assoc. Prof Yu Shi Ming
- Invited by the Fudan University to make a presentation at their annual Shanghai Forum (May 11-12, 2009). This event attracts worldwide international participation of top notch academics and policy makers to discuss various issues on the global economy, including the real estate sector.
- Invited to be a member of the Resource Panel for the Town Council Performance System (TCP) developed by the Ministry of National Development to benchmark the performances of town councils.
- Appointed as member of the Housing and Development Board for a three-year term effective from Oct 1, 2009.
11 Assoc. Prof Belinda Yuen

- Invited to evaluate research proposals for a new Swedish centre for urban futures by the Swedish environmental research foundation, May-June 2009.
- Appointed as Planning Appeals Inspector by the Minister for National Development for one year, effective from May 4, 2009.
- Invited by the Prime Minister’s Court, Kingdom of Bahrain, to the international jury panel for the Shaikh Khalifa Bin Salman Al Khalifa Habitat Award in July 2009. The award is given by the Prime Minister, HE Shaikh Khalifa Bin Salman Al Khalifa, Kingdom of Bahrain, to recognise outstanding efforts at city and country levels in urban development.
- Invited as international member of the science assessment committee, for Australian Commonwealth Scientific and Industrial Research Organisation (CSIRO), Sep-Oct 2009.

12 Assoc. Prof Zhu Jieming

- Appointed as Member of Scientific Committee, EcoCity World Summit 2009, organised by International Ecomity Conference Series and Yildiz Technical University, Turkey.
- Invited to give a presentation to the symposium “Enclave urbanism as problem or solution: European and Asian perspectives”, June 11-13, 2009, organized by Utrecht University, The Netherlands, sponsored by Asia-Europe Foundation.
- Invited to give a speech at the conference “2009 International Forum on Urban Development and Planning”, Harbin, China, July 12-13, 2009. The conference was organized by the Ministry of Housing and Urban-Rural Development, PRC.

ARES Best Paper Awards 2009

The following papers presented at the American Real Estate Society 2009 meeting held at Monterey, California, USA in April 2009 won the Best Paper Awards. Our heartiest congratulations to the following faculty members:

- The paper by Dr Muhammad Faizal Bin Ibrahim and Fu Weiming, Leonard entitled, “Naming Strategies of Residential Development: Is there a Winning Formula?” is the 2009 winner of the Housing category sponsored by Lucas Institute for Real Estate Development and Finance, Florida Gulf Coast University.
- The paper by A/P Liow Kim Hiang entitled, “Are corporate properties undervalued? Evidence from international retail companies” is the 2009 winner of the Retail Real Estate category sponsored by the International Council for Shopping Centers (ICSC).
- The paper by Dr Kwame Addae-Dapaah, A/P Liow Kim Hiang and Adam Stuits (U. Cha, Shanghai) entitled, “What drives value property premium?” is the 2009 winner of the Apartments category sponsored by the National Multi-Housing Council (NMHC).
- The paper by A/P Joseph Ooi, Wong Woei Chyuan and Prof Ong Seow Eng entitled, “Can Bank Lines of Credit Protect REITs against a Credit Crisis?” is the 2009 winner of the Real Estate Finance category sponsored by Real Capital Analytics.

Student Activities

Building & Estate Management Society (BEMS)

The 41st Management Committee for the term of 2009/2010 has planned a host of activities catering to both the Real Estate and the Project and Facility Management students. Some of these events include:

- Talks – Professionals will be invited to share their experiences with the students.
- Site Visits to established companies and projects
- Workshops will be conducted to groom students
- Joint events will be organised by BEMS and BEMA (Building and Estate Management Alumni) to further gel the students with the industry players.

Moreover, BEMS will work with the Department of Real Estate to organise the Career Fair scheduled for January 2010. This will provide students with a forum to interact with the industry. This is definitely an event not to be missed.

For more information on this event, please contact Cliff Goh, the president of the 41st management committee at cliff_goh@nus.edu.sg.

Goh Junjie, Cliff, President 2009/2010
41st Management Committee
**Design and Environment (DE) Club**

Welcome to yet another academic year of tertiary education; and to all freshmen, a warm welcome to the NUS School of Design and Environment. We hope you enjoyed the orientation activities organized to facilitate your transition into the School.

The start of a new academic term brings about exciting new beginnings, new friendships forged and new experiences. While lectures, tutorials, projects and submissions will quite properly be the intellectual centre of gravity for a student, SDE will no doubt be your home from home. Amidst the hectic schedule of a full-time tertiary student, we do hope that you will take some time off to participate in the various activities organized by the faculty club. After all, University is not just about preparation for life – It is life.

A day of fun and laughter at Sentosa – organized by the seniors during Orientation week.

The past months have been memorable, especially for those who were part of DE Camp and Rag & Flag. The School has – once again – proved that a small faculty can achieve great things. The Rag team, led by passionate students from the Dept. of Real Estate, Dept. of Building and Dept. of Architecture, managed to clinch the much coveted NUS President’s Shield for Best Overall Rag Performance. This is testament to the dedication and capabilities of our students. Of course, the lessons learnt and friendships forged in the process would certainly go a long way.

This year, the planned myriad of activities will not only aim to facilitate interaction and foster camaraderie between students of the various departments. The activities will equip students with the necessary soft-skills for future working life, bridge relations with the school administration and ultimately, make SDE an enjoyable place for study, work and play. Here’s a glimpse of some upcoming activities – for students by students:

**Semester 1**
- Inter Faculty Games
- SDE Night Cycling
- SDE Halloween Night
- Exam Welfare Packs
- DE Club Retreat

**Semester 2**
- SDE Bash
- Chinese New Year Dinner
- Valentine’s Day
- Paintball
- Bowling
- Exam Welfare Packs
- SDE Dinner & Dance
- Youth Expedition Project

**Freshmen Orientation Project 2010**
- Design and Environment Camp
- SDE Orientation Week
- SDE Rag & Flag

Ang Yu Qian, President
20th Management Committee

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**DRE Bursary Fund**

At the Department Consultative Committee Meeting early this year, the idea of raising funds for DRE students was mooted. The Department has thus decided to set up a bursary fund this year in conjunction with its 40th Anniversary Celebration.

The bursary will be open to needy full-time undergraduate students from DRE who are Singapore Citizens. The value of each bursary will be $2000 per annum. The number of bursaries will be subject to the size of the fund. Donors to the fund will receive tax deduction that is 2.5 times the value of the gift for the year 2009.

If you would like to contribute to the fund for needy students or obtain more information, please contact Tyng Tyng at tyng2@nus.edu.sg or visit the website at http://www.rst.nus.edu.sg/DREFund/index.htm
BEMA Activities

| The Bonding Times |

Turf Club Visit

Whether you are a horse racing fanatic or first-time visitor to the Turf Club, 26 June 2009 was a winning night for many! About 60 alumni and friends together with Dr Teo Ho Pin, BEMA’s President, also the Mayor of North West District and MP for Bukit Panjang Constituency, had a great time at the Singapore Turf Club watching the “3-Year-Old Challenge (2nd Leg:Spore G2)” feature race! “From the up and close encounter” with the horses at the parade ring to them galloping on the racing track, our hearts “raced” as we cheered on our favourite horses when they passed the finishing line.

This was indeed an eye-opening trip for many. While words like ‘win’, ‘place’, ‘forecast’ and ‘odds’ were familiar betting terms for the regular punters, they were very new to most of us. The cozy corporate box provided a good environment for us to network to get to know one another as we shared the same topic throughout the night – our opinion and projection about the horses!

BEMA Fund Raising Golf 2009

Another opportunity for networking was the BEMA Fund Raising Golf Tournament held on 2 September 2009 at Orchard Country Club. Also graced by Dr Teo, 142 golfers from various corporations took part in the golf tournament. The funds raised at the event will be used to help needy students and support the printing of the Departments 40th Anniversary magazine as well as sponsor 10 student tables.

We also leveraged on the Golf Tournament’s Dinner & Prize Presentation Ceremony to present the 9th BEMA Leadership Award to Mr. Kahiru Anwar Binta Mohamed Norahim, a 3rd Year BSc (Real Estate) student, for his outstanding academic achievement and contribution to the community.

Award winner Kahiru Anwar Binta Mohamed Norahim (centre) with Dr Teo and Mr Kahiruddin.

Ms Ong Yen Peng
Asst Honorary Secretary, BEMA 17th Exco

Special Features

| In this issue, we profile a few of our graduates in the finance field. |

Charmaine Cheok

Charmaine joined Citigroup as Markets Analyst in July 2008. She has since rotated through nine desks on the Singapore trading floor and some of its related operations. At the end of her programme in July 2009, she was placed in Interest Rates Trading because of her personal preference and management inclination. Interest Rates Trading gives her exposure to both vanilla and exotic products. Charmaine is currently learning from the senior traders and looking after their risk books. She will, in the very near future, start to trade.

“As a whole, my job has been challenging right from the start. Though it has been a steep learning curve... it has been very satisfying every time I get past a hurdle. It has been a very fulfilling and exciting journey thus far and I look forward to more good years ahead.” In relation to her studies in NUS, she states: “My undergraduate course at the Department of Real Estate has taught me teamwork and leadership skills. But most importantly, it has taught me to work under pressure and the ability to focus under stress... the multitude of analytical skills, both quantitative and qualitative that have been taught in school has helped me solve problems more effectively at work.”
Gweyn Foo

Gweyn began her career in real estate in April, 2004 in Jones Lang LaSalle (JLL) as an analyst, handling leasing and portfolio management for large corporate entities including DBS Bank, Standard Chartered Bank and ExxonMobil. While with JLL, she was engaged by real estate private equity and pension funds to provide due diligence for acquisitions which included 77 Robinson Road, Temasek Towers and 78 Shenton Way. In September, 2007 Gweyn relocated to Abu Dhabi where she is currently working for the Abu Dhabi Investment Council. She is part of a team managing the Council’s portfolio across Asia Pacific.

“Moving into the commercial world quickly made me realize the importance of fundamentals like macro and micro economics, financial analysis, capital markets and building management and how these issues impact real estate. Working means that it is no longer just a grade on the semester’s results sheet but an impact on another party’s balance sheet. The real estate programme in NUS prepared me for working life and gave me the keys to open up doors to the real estate world. The best thing anyone should do is to fervently pursue his/her goals and objectives. The first couple of years in one’s career could be tough...but the key is to capitalize on one’s strengths and never underestimate the power of determination to succeed.”

Michelle Ling Sze Chi

Michelle worked for the National Environment Agency, Singapore, as a Corporate Planning Management Executive from May 2003 to August 2004. She joined UBS Investment Bank as an Analyst, Asian Real Estate Lodging & Leisure, in September 2004 until March 2006 when she moved to Goldman Sachs Asia L.L.C. where she is currently working. Michelle is an Investment Banking Associate, providing corporate finance advisory services to real estate, gaming and lodging companies in Asia ex-Japan. She is the Lead Associate specializing in client coverage and execution of all real estate deals in Asia ex-Japan. Deals that she has successfully executed so far include US$420m Kerry Properties debut bond offering in August 2006, US$300m Regal REIT IPO in March 2007, US$1.9 billion property developer IPO of SOHO China Holdings in September 2007, US$1.4 billion top-up offering of Sun Hung Kai Properties in October 2007, US$450m Capitamall Trust convertible bond offering in July 2008, US$444m Mapletree Logistics Trust rights offering in August 2008 along with various other independent valuation assignments and US$350m SOHO China convertible bond offering in May 2009.

“My studies in NUS provided me with a solid foundation in business studies and real estate.”

TIM WONG HON KIAT

Tim joined the Standard Chartered Bank in October 2006 as an analyst. He has taken on different challenging roles since then. He is currently a Real Estate Support Manager and assists in optimizing the office, retail and residential portfolio of the Bank. Broadly, his job scope varies from strategic planning, qualitative and quantitative analysis/evaluation, lease acquisition, renewal, restructuring and disposal including engagement with internal and external stakeholders. Thus far, the work experience in the bank has given him priceless international exposure and provided him with numerous opportunities to develop and build on the critical core skills in the Corporate Real Estate from a broad spectrum including a nine-month overseas attachment in Dubai, United Arab Emirates.

“My undergraduate course in NUS has equipped me with the necessary foundation and knowledge to launch my career. Where opportunities arise, I hope to enroll in the Masters Programme in NUS for further enhancement in knowledge and experience.”
Experts from local and abroad are invited to give public lectures on current topics of relevance to the real estate fraternity. The topics appeal to a wide audience made up of the industry members, academics and students. Since April, DRE has organized a series of public lectures as itemized below.

Do look out for our e-flyers for more details for the lectures in the months ahead. If you would like to be on our mailing list, please contact Kamsinah at rstki@nus.edu.sg.

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**Graduation Dinner for the M.Sc.(RE) graduates**

For the first time, a Graduation Dinner for the M.Sc.(RE) graduates was organized on July 23, 2009 at the Kent Ridge Guild House. A total of seven academic staff members and 20 graduates attended the dinner. The event was very much appreciated by the graduates. DRE took time to organize this gathering to bid farewell to and also catch up with, our alumni. This is the first step in the department's efforts to continue to connect and engage our alumni.
Summer Programme 2009

Led by Associate Professor Sim Loo Lee and Associate Professor Harold Tan Hock Chye, about 30 Year 3 undergraduates embarked on a field trip to Ho Chi Minh City and Hanoi, Vietnam, from May 26 – June 4, 2009. Students were required to do research and gather information for group projects and keep personal journals that enhanced the learning experience for the summer programme.

Two weeks of intensive seminars were conducted by lecturers and guest lecturers. The guest lecturers were Mr William Tay (Vice President of South East Asia Operations of Ascendas Pte Ltd) and Dr Booz Boon (Senior Vice President of Research of CapitaLand Ltd). Students did preliminary research and presented their proposals for their group projects.

The Vietnam field trip featured guest talks by, and site visits to, various government bodies such as the Ho Chi Minh Real Estate Association; Department of Planning and Architecture and Department of Natural Resources and Environment; local and foreign developers such as Tai Nguyen, Phu My Hung Corporation, Sudico Corporation, Keppel Land and CapitaLand; property consultant, CB Richard Ellis and serviced residences provider, Somerset.

AY2009-2010 Enrolment

- B.Sc. (Real Estate)
  A total of 138 candidates were admitted for August 2009 intake. GCE ‘A’ level and polytechnic diploma holders account for 57% and 26% respectively while the remaining 17% of the intake are holders of equivalent qualifications from foreign institutions. The foreign students for this cohort are mainly from China, Malaysia and Vietnam.

- M.Sc. (Real Estate)
  A total of 32 candidates (6 full-time and 26 part-time) were admitted for the August 2009 intake. This intake boasts a good mix of candidates from Singapore, Hong Kong, India, Indonesia, Malaysia, South Korea, Thailand, Vietnam and the United Kingdom.

- Graduate Programmes by Research
  The department admitted 11 out of about 50 applicants to the programme (10 PhD and 1 MSc (Real Estate and Urban Economics)) in August 2009. This is the largest PhD intake in the department so far. Four of the students have been awarded NUS research scholarships, another four hold CSC scholarships while three are self-financing students.

Editorial Team

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