Department of Real Estate and Department of Building’s 40th Anniversary Celebration

The Department of Real Estate (DRE), together with the Department of Building (DoB), celebrated its 40th anniversary on 7 November 2009 at the National University of Singapore Multi-Purpose Sports Hall. This was the first joint anniversary celebration with the Department of Building since the School of Building and Real Estate was restructured into two departments – Department of Building and Department of Real Estate.

The evening of celebration started with two guest speeches, one each by the respective department’s eminent alumnus - Dr Steven Choo, Chief Executive Officer of Real Estate Developers’ Association of Singapore (REDAS) (DRE Alumnus, Class of 1974), and Mr Chow Kok Fong, Chartered Arbitrator and Former Chief Executive Officer of Changi International Airport (DoB Alumnus, Class of 1975).

The event was strongly supported by both departments’ industry partners such as Ascendas Land (Singapore) Pte Ltd, Chesterton Suntec International Pte Ltd, Keppel Land International Limited, ERA Realty Network Pte Ltd, REDAS, City Developments Limited, Singapore Land Authority, CB Richard Ellis (Pte) Ltd, and DLF International Holdings Pte Ltd.

The NUS Alumni Awards, which were incepted in 2005, are given out in recognition of alumni’s outstanding achievements in their fields and excellent and sustained service to NUS and/or the alumni community. The Department congratulates Ms Chong Siak Ching who was conferred the NUS Distinguished Alumni Service Award for 2009.

Ms Chong is the President and CEO of Ascendas Pte Ltd and a member of the Department of Real Estate Consultative Committee.

Left: Dr Amy Khor receiving an appreciation gift from Dean of SDE
Right: Dr Teo Ho Pin receiving an appreciation gift from Dean of SDE

Left: Dr Steven Choo receiving an appreciation gift from Dr Teo Ho Pin
Right: Mr Chow Kok Fong receiving an appreciation gift from Dr Amy Khor

>> Continued on pg 12
Head's Message

Since the first NewsREAL was published two years ago, we have received much feedback, especially from our alumni most of whom would like to continue to know what is happening to the Department. From this issue, we have increased the size from eight to twelve pages which will hopefully bring more updates, information and articles that are of interest to our alumni and friends in the real estate industry here as well as overseas. I would also like to take this opportunity to highlight two important issues: the 40th anniversary celebration held last year and the developments and changes which are taking place at the Department.

First, the 40th anniversary celebration. Although initially planned as a low-key event, given the economic climate then, the celebration turned out to be a huge success, especially from the perspective of those who turned up and had a wonderful reunion with their classmates and friends. This confirms that the four years spent at the University were truly amongst the most memorable and probably the most important part of one’s journey in life. The message for the current students is therefore to cherish every moment of your time at University and to establish life-long relationships with one another. For our alumni, do keep in touch with one another and with the Department and do let us know if you plan to have class reunions.

Second, there are several new developments at the Department, starting with the visit by the Department's Visiting Committee in May 2010. The Committee comprising Professors Stuart Gabriel, Kerry Vandell and James Shilling as well as a local member, Mrs Ong Choon Fah, will advise the Department in our strategies and plans over the next five years. We have also revamped the BSc (Real Estate) curriculum to incorporate two specialisation tracks in real estate finance and urban planning which will help to provide our graduates with a greater competitive edge in the growing areas of real estate securitisation and township developments. Another academic development would be the launch of the Graduate Diploma/Certificate in Real Estate Finance early next year. We also have several research and executive training projects with both our local industry and international university partners to look forward to in the coming months. All these will require your support and contributions - our alumni and friends.

Assoc Prof Yu Shi Ming
Head, Dept of Real Estate

Upcoming Events

Visiting Committee 2010

The Department of Real Estate will be hosting the Visiting Committee in May 2010. The University has appointed the Committee, which comprises Prof Stuart Gabriel (UCLA) (Chairman), Prof James Shilling (DePaul University), Prof Kerry Vandell (University of California, Irvine) and Mrs Ong Choon Fah, Executive Director and Head of Consulting (South-east Asia), DTZ Debenham Tie Leung (SEA) Pte Ltd.

The Visiting Committee is charged with the responsibility for reviewing the undergraduate and graduate courses, quality of teaching, student profile, research directions and performance and outreach activities. Furthermore, the Committee is required to advise the Department on general trends and make recommendations for improvement in, and/or development of, the above.

During the visit, the members will meet the senior management, talk to current students, faculty and staff members and alumni.

1 Prof Stuart Gabriel
   Arden Realty Chair, Professor of Finance and Director
   Richard S. Ziman Center for Real Estate at UCLA

2 Prof James Shilling
   Michael J. Horne Chair in Real Estate Studies
   DePaul University

3 Prof Kerry Vandell
   Director, Center for Real Estate
   Paul Merage School of Business, UC Irvine

4 Mrs Ong Choon Fah
   Executive Director and Head of Consulting (South-east Asia)
   DTZ Debenham Tie Leung (SEA) Pte Ltd.

American University in Cairo, Egypt

NUS Department of Real Estate, together with American University in Cairo – International Executive Education Institute (AUC-IEEI), will be organising a high-level executive training programme in Singapore in May 2010. It will be a 5-day programme entitled “Advance Management Programme: The Real Estate Life Cycle”. The programme is targeted at the CEOs of the developers in Cairo. AUC has a strong reputation and has been in existence for more than 90 years. It has partnered top universities (including Wharton) in the United States.

2012 Asian Real Estate Society Conference

NUS Department of Real Estate will be hosting the Asian Real Estate Society (AsRES) Conference in 2012. The Society was established in 1996 with an aim to produce and disseminate real estate related knowledge with particular emphasis on Asia. Starting with 60 founding members, AsRES has grown rapidly since then.

Every AsRES annual conference has made important contributions to the real estate field. AsRES offers a great opportunity for anyone who would like to learn more about Asian real estate markets, and interact with real estate educators and professionals in Asia.
In real options framework, acquiring a parcel of developable land is analogous to obtaining the call option on the properties to be built on the land. When future changes to property price are uncertain, keeping the land vacant is a more valuable option than developing it. There is a positive option value of waiting to develop the land. Titman (1985) applies a discrete-time binomial tree real option model to provide theoretical insight into why a car-park plot in an exclusive residential area of Los Angeles remains undeveloped, despite the high land prices in the surrounding areas. Williams (1991) and Quigg (1993) extended the framework to allow for continuous time stochastic state variables in the models.

There are limitations when modelling development options as an isolated optimal stopping problem without strategic interactions. First, firms do not have monopoly power in the market. Second, interaction between firms will have significant and negative impact on the optimal timing to develop a real estate project. The entry of competing firms could reduce the value of the waiting options for the existing firms. Third, a perfect market where developers know a-priori the cost and demand structure of their competitors does not exist. This research project aims to critically evaluate the effects of the assumptions of imperfect market, competitive interaction and asymmetric cost structure on the optimal development timing options.

If a market is incomplete, it is not possible to build a spanned asset portfolio to replicate the payoffs of developers in a development project under uncertainty. The risk preference of developers will influence the optimal decision of developers; and this violates the risk-neutral assumption of the standard real options models. We develop a utility-based real options model to investigate the optimal decisions in the development of urban lands. Based on the optimal stopping framework, we find that the developers’ precautionary savings motive or risk aversion has significance influence on optimal land development decisions. We also examine the strategic interaction of developers in a duopoly investment timing game framework. The interaction of leader’s and followers’ optimal timing decisions shortens the optimal time of waiting. The waiting time premium is not as valuable, as in a monopolistic market where strategic interaction is not in existence.

We empirically test the effects of developers’ asymmetry in marginal cost structure on the efficient land allocation and land price determination using land tender data in Singapore. Our empirical results show that asymmetry in developers’ marginal costs have positive effects in explaining variations in the bid prices submitted for land tenders. Developers’ bids in past tenders conditional on whether they won the previous land tender will also influence the current bidding behaviour. We also test the asymmetric effects on the pricing strategies for the new condominium units. Our results show significant market power effects on sale prices for new condominiums. On average, new condominiums built by the top-five developers (by market share of new units launched) command a premium of 2.18 percent.

What lessons could we draw from the above findings? First, developers have different risk preference when making land acquisition and development decisions. Developers are not perfectly risk-neutral, that is they dislike risk (risk-averse) and will trade-off risk for higher expected growth (returns). When they face competition from rival developers, they will lower their hurdle rates and develop the projects before the market reaches the peak of the cycle. Second, the bidding behaviour of the developers in land tenders is influenced by their cost structures, and also past bidding experience. In new condominium pricing, developers with market power will include a premium in their new condominium prices.
This paper examines the cost of Shariah compliance in listed property developers in the Gulf Cooperation Council (GCC) by comparing daily stock returns of Shariah compliant (SC) listed real estate developers with non-Shariah listed real estate developers. In particular, the study examines the performance of the stock returns of Shariah compliant developers and investigates the consequence of operating under Shariah law, if any. The performance of Shariah and Non-Shariah real estate developers in the GCC are compared with various benchmarks. In this paper, we create market weighted and equal weighted index of Shariah and non-Shariah property developers in the GCC. For the uninitiated, the investment universe of Shariah property developers is constrained as they are unable to invest in non-permissible activities as specified by Shariah law and are also required to desist from the giving and taking of interest, i.e. financing activities should be Shariah-Compliant. We use the capital asset pricing model as a basis for comparison between Shariah and Non-Shariah developers and our findings from January 2005 to May 2008 reveal that:

i) On a country analysis, Kuwaiti SC listed developers have similar returns to Kuwaiti non-Shariah developers although the mean returns of Kuwaiti Shariah real estate developers are less volatile when compared to their non-Shariah counterparts.

ii) When we investigate the returns of the Gulf Cooperation Council developers, non-Shariah and Shariah developers are again similar, albeit Shariah Compliant real estate developers being more volatile than their non-Shariah counterparts.

An interesting finding is that Shariah Compliant developers have differing risk (beta) on country criteria - Kuwaiti Shariah Developers (0.534**) are less volatile than Saudi Arabian Shariah Developers (1.673**) (Figure 1). However, when we examine Kuwait using market-weighted returns, the risk (as measured by beta) of Shariah (0.462**) and Non-Shariah developers (0.513**) are not very much different (Figure 2). We compare their returns against a benchmark (S&P GCC index). This result shows that there is no evidence that Shariah developers are riskier than non-Shariah developers and no evidence that they underperform (based on the Jensen’s alpha) non-Shariah developers. On the contrary, the results reveal that in the property developers market in the GCC, at least in the analysis of stock returns from January 2005 to May 2008; country effect outweighs the Shariah effect.

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**Figure 1: GCC Developers Index**

<table>
<thead>
<tr>
<th>GCC Developers Index</th>
<th>Cumulative Return</th>
<th>Beta</th>
<th>Jensen Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S&amp;P GCC</td>
<td>MSCI GCC</td>
<td>S&amp;P GCC</td>
</tr>
<tr>
<td>Kuwait Developers Index</td>
<td>Market Weighted 69.22%</td>
<td>0.534**</td>
<td>0.471**</td>
</tr>
<tr>
<td></td>
<td>Equal Weighted 43.18%</td>
<td>0.492**</td>
<td>0.403**</td>
</tr>
<tr>
<td>Saudi Arabia Developers Index</td>
<td>Market Weighted -74.15%</td>
<td>1.673**</td>
<td>1.794**</td>
</tr>
<tr>
<td></td>
<td>Equal Weighted -77.31%</td>
<td>1.654**</td>
<td>1.809**</td>
</tr>
<tr>
<td>Emirati Developers Index</td>
<td>Market Weighted 6.05%</td>
<td>1.135*</td>
<td>1.300*</td>
</tr>
<tr>
<td></td>
<td>Equal Weighted 16.18%</td>
<td>0.943*</td>
<td>1.062**</td>
</tr>
</tbody>
</table>

Emirati Developers index starts from December 07. Kuwaiti Developers Index and Saudi Arabia Developers Index start from January 2005.

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**Figure 2: Capital Asset Pricing Model for Listed Developers GCC Index and Country Analysis**

<table>
<thead>
<tr>
<th>Index</th>
<th>Beta</th>
<th>Jensen Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S&amp;P GCC</td>
<td>MSCI GCC</td>
</tr>
<tr>
<td>Non-Shariah Compliant GCC Index</td>
<td>MW</td>
<td>0.719**</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>0.500**</td>
</tr>
<tr>
<td>Shariah Compliant GCC Index</td>
<td>MW</td>
<td>1.684**</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>0.998**</td>
</tr>
<tr>
<td>Kuwaiti Non-Shariah Index</td>
<td>MW</td>
<td>0.513**</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>0.464**</td>
</tr>
<tr>
<td>Kuwaiti Shariah Compliant Index</td>
<td>MW</td>
<td>0.462**</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>0.569**</td>
</tr>
<tr>
<td>Saudi Arabia Shariah Compliant Index</td>
<td>MW</td>
<td>1.673**</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>1.654**</td>
</tr>
<tr>
<td>UAE Non- Shariah Index</td>
<td>MW</td>
<td>1.135*</td>
</tr>
<tr>
<td></td>
<td>EW</td>
<td>0.943*</td>
</tr>
</tbody>
</table>

Significance at 1% level (**), at 5% level (*) and 10% Level (+)
**Staff Achievements**

**Dr Lawrence Chin**
- Appointed as board member of the Pacific Rim Real Estate Society from 2009 to 2011.

**Professor Deng Yongheng**
- Appointed as member of Singapore Economic Strategies Committee, Sub-Committee on Land from July 2009 to Jan 2010.
- Invited as the opening keynote speaker for the Asia Commercial Real Estate Summit in Beijing. The speech entitled “The impact of financial crisis on global commercial real estate and capital markets” was delivered on 4 December 2009.

**Dr Malone-Lee Lai Choo**
- Invited as one of the keynote speakers for the international conference on “Sustainable Green Intelligent Innovative Island 2010”, University of Mauritius, Mauritius. The conference was held from 15th to 19th Feb 2010.

**Assoc Prof Muhammad Faishal Bin Ibrahim**

**Professor Ong Seow Eng**
- Re-appointed as Editorial member of Journal of Housing Studies for 3 years from 2010 to 2012.

**Assoc Prof Joseph Ooi**
- Appointed to the editorial board of the Journal of Property Research with effect from 1 Feb 2010.

**Assoc Prof Harold Tan**
- Invited to present a paper on “Marketing and Leasing Strategies for Shopping Malls” at the Ho Chi Min Real Estate Association Propex Conference, Ho Chi Min City, Vietnam on 18 Dec 2009.

**Dr Grace Wong Khei Mie**

**Assoc Prof Yu Shi Ming**
- Re-appointed to the Valuation Review Board, Ministry of Finance from 1 May 2010 to 30 Apr 2011.

**Assoc Prof Zhu Jieming**
- Invited as the keynote speaker for the 6th Urban Planning Forum, Tongji University, Shanghai. The speech entitled “The Role of Urban Planning for Sustainable Cities” was delivered on 24 October 2009.

**Public Lectures**

Distinguished local and international speakers (including professionals and visiting professors) were invited to give talks on their areas of expertise relating to real estate during the academic year. The title for each talk is provided in the table below. The lectures were open to the public.

Those who would like to be on our mailing list may email Swamy Srividya Narayana at rstssn@nus.edu.sg.

<table>
<thead>
<tr>
<th>S/No.</th>
<th>Date</th>
<th>Name of Speaker</th>
<th>Designation of Speaker</th>
<th>Organisation of Speaker</th>
<th>Title of Talk</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>24 Nov 09</td>
<td>Prof Austin J. Jaffe</td>
<td>Chair, Department of Insurance and Real Estate, and Philip H. Sieg Professor of Business Administration, Smeal College of Business, The Pennsylvania State University</td>
<td>The Pennsylvania State University</td>
<td>Real Estate and The Current Financial Crisis</td>
</tr>
<tr>
<td>2</td>
<td>28 Jan 10</td>
<td>Mr Ong Teck Hui</td>
<td>Former Senior Vice President, Portfolio Asset and Risk Management in Ascendas Pte Ltd</td>
<td>Ascendas Pte Ltd</td>
<td>Enterprise Risk Management for Real Estate Business</td>
</tr>
<tr>
<td>3</td>
<td>11 Feb 10</td>
<td>Mr Lee Keen Chung</td>
<td>Real Estate Advisor (Asia Pacific)</td>
<td>Chevron International Ltd</td>
<td>Effective Corporate Real Estate for a Multinational Corporation in Asia</td>
</tr>
<tr>
<td>4</td>
<td>04 Mar 10</td>
<td>Professor Kim Kyung Hwan</td>
<td>Visiting Professor of Economics, and Research Associate of the Centre for Asset Securitisation in Asia, Singapore Management University</td>
<td>Sogang University, Seoul, Korea</td>
<td>Real Estate and Financial Crises: An Asian Perspective</td>
</tr>
<tr>
<td>5</td>
<td>22 Apr 10</td>
<td>Ms Sin Li Choo &amp; Mr Glen Dogan</td>
<td>Managing Director, Asia Senior Vice President, Sales &amp; Marketing</td>
<td>Trust Company (Asia) Limited</td>
<td>Understanding REIT Markets in Asia Pacific and Structured Real Estate Funds in Singapore &amp; Australia</td>
</tr>
</tbody>
</table>
Updates

Visitors

Assoc Prof Paul Anglin
Dr Anglin, from the University of Guelph, is appointed as a Visiting Fellow by the Department. Dr Anglin is spending half a year, with effect from January 2010, of his sabbatical to study various issues in real estate and risk management. Dr Anglin holds a PhD in Economics from the University of Western Ontario.

Dr Li Tian
Dr Li holds a PhD from the University of Cambridge (UK) and she is currently an Associate Professor with the Department of Urban Planning in Tongji University. She spent about two months (from October to November 2009) here to work with a faculty member on research projects on sustainable land development.

Professor Austin Jaffe
Professor Austin Jaffe visited the Department from 18th to 25th November 2009. Professor Jaffe is Chair of Department of Insurance and Real Estate, and Philip H. Sieg Professor of Business Administration from Smeal College of Business, The Pennsylvania State University. During his visit, he conducted three lectures in our Executive Development Course, gave a DRE Research Seminar, a DRE Public Lecture and participated in several research discussions.

Professor Richard Peiser
Professor Peiser is Michael D. Spear Professor of Real Estate Development, Department of Urban Planning and Design at the Harvard University. Prof Peiser came to the Department of Real Estate, NUS, to spend a week of his sabbatical. Besides working on his research and meeting faculty members, Prof Peiser gave a seminar on “The Option to Redevelop: A Case Study of Waltham Massachusetts”. He also gave two lectures to the masters students during his visit on 15-18 March 2010.

Knight Frank Gold Medal

Established since 1940, Knight Frank Singapore has developed into one of Singapore’s leading real estate consultancy firms. Knight Frank Singapore is part of the global Knight Frank network that encompasses more than 207 offices in 43 countries across six continents.

Knight Frank Singapore donated an expendable sum of S$15,000 for the award of “Knight Frank Medal and Prize”. A gold medal and cash prize will be awarded in each academic year with effect from 2010/2011. The award will be given to a deserving undergraduate student in Bachelor of Science (Real Estate) who has passed with at least a Second Class Honours (Upper Division) and has achieved the highest mark, with a minimum grade of B+ in RE4905 Real Estate and Capital Markets.

Executive Development Course (EDC) on Real Estate in 21st Century

There were 18 participants for the Executive Development Course (EDC) on Real Estate in 21st Century, which took place from 20-21 November 2009. The EDC, which comprised three 3-hour seminar sessions over two days, concentrated on three main innovations which are essential in understanding real estate in the 21st Century. These are: a) fundamental differences between traditional and modern real estate financial analysis (including both debt and equity), b) viewing real estate as property rights within a financial contracting environment, and c) the shift from viewing real estate as idiosyncratic assets to complex securities within investors’ portfolios. The course was conducted by our distinguished guest lecturer, Professor Austin Jaffe, from the Pennsylvania State University.

NUS Open House 2010

Over the weekends of 13th and 14th March 2010, the Department of Real Estate participated in this year’s NUS Open House at Multi Purpose Sports Hall (MPSH) 2 to promote its undergraduate Real Estate Bachelor degree.

There were no extraneous tactics, just people and the model of The Sail@Marina to highlight the attractiveness of this programme. Real Estate ambassadors and academic staff members at the booth enthusiastically reached out to potential candidates and their parents; explained to them what real estate is and why it is important in our society today. Prospective students were interested to know what the programme offers from the ambassadors. Career prospects for a real estate graduate was, however, the main issue that parents were concerned about. One parent even said that “a degree is just a fanciful piece of paper if it cannot get you a job!” I couldn’t agree more and I am thankful for my degree to be.

Visitors who found it a little hard to fathom the concept of real estate were pleasantly delighted with a visual experience of the tangible model of The Sail@Marina generously loaned to us by City Development Limited (CDL). Elaborating on concepts such as ‘white sites’ and ‘plot ratio’ became easier with the aid of The Sail@Marina as it enabled visitors to comprehend the value of real estate and how it intertwines with our daily lives. Interestingly, a handful of prospective students who were initially not sure about what course to pursue started expressing interest in real estate after visiting the booth!
Besides the faculty booth, there was also a faculty talk at noon on both days. Prospective students and parents attended the talks to find out more about the School of Design and Environment. Professors gracefully answered each and every query about the programme to help prospective students to make well-informed choices.

The visitors at this year’s Open House consisted of a good mix of A-level graduates and their parents. Occasionally there were polytechnic students, JC year 2s, foreign students and existing NS-men making enquiries. What is noteworthy though is that all the students who visited our booth were very pleased to find out that the four-year direct honours real estate programme is comparable to other reputable degrees.

In all, the Open House certainly gave the Department of Real Estate a platform to meet the goals it set out to achieve – benefits and doubts of the programme were well explained to potential applicants and new interests were aroused throughout these 2 days. In addition, the Open House gave us an opportunity to get to know more friends and to interact with academic members on a less formal setting. It certainly helped to bond everyone and make the School of Design and Environment a friendlier place to study. This is an experience of a lifetime and I am definitely glad to be part of it all.

Foong Yi Ling
Year 3 Real Estate Undergraduate

Student activities

Design and Environment (DE) Club

The DE Club has three-pronged objectives – to oversee and provide student welfare, to organise meaningful and memorable events to strengthen the bonds between students of SDE and to tackle academic issues.

The first semester was fulfilling, with several memorable events including the SDE Night Cycling, SDE Halloween Night and the DE Club retreat. These events fostered greater friendship and camaraderie among students from the different cohorts and departments.
Also, my heartfelt congratulations to the newly crowned Mr and Ms NUS, Raymond Koh and Valene Chai, both from the Department of Real Estate. I would also like to thank all supporters from SDE for attending the NUSSU Bash to show their support for our representatives.

Lastly, while DE Club may not have a long-standing history, its dedicated, passionate and capable members ensure that the three main objectives are constantly met. I would urge all students of SDE to view the Club as an institution that will always be here to address any issues regarding academic, welfare or student vibrancy. Thus, I would like to highlight several initiatives by the students, for the students.

Some past initiatives:
1. Shower Heater @ Level 1 Handicap Toilet
2. DEnquirer
   A newsletter uniquely catered for SDE Students – showcasing snippets of life in the faculty, gossips, upcoming events and student activities.
3. Exam Welfare pack and CNY giveaways

Upcoming initiatives to look out for:
1. SDE Career Fair 2010
   This first-ever SDE Career fair is a collaboration between DE Club, Building and Construction Authority (BCA) and the NUS Career Centre. More than 20 major industry players will be offering internship, career and scholarship opportunities catering to students from all departments.
2. Sheltered Pedestrian Overhead Bridge
   The issue has been raised to OED and LTA and an agreement has been reached to construct the shelter for the overhead bridge by June 2010.
3. DE Club Website
   The official website is currently undergoing construction and will soon be launched after a revamp. Do stay tuned for more updates.
4. EZ-link Card top-up machine @ SDE
   DE Club is currently proposing for an EZ-link card machine to be stationed within SDE premises so that students would not be required to walk over to the central forum, especially during rainy days.
5. More welfare giveaways and the usual Exam Welfare Packs

Ang Yu Qian
President
20th Management Committee
NUS Students’ Design & Environment Club

Building & Estate Management Society (BEMS)

A semester has passed and now we are in the midst of the second semester. In the hustle and bustle of studying, the Building and Estate Management Society (BEMS) has been constantly striving to serve the interest of the students. In line with the mission for AY2009/2010, which is to hone students to become more professional in today's dynamic business environment, the Society organised relevant activities for the students.

The BEMS 41st Management Committee has organised various site visits for students during the 2009/10 academic year. Some of the more prominent ones include visits to the Sentosa Cove Development where students had a glimpse of quality and professional property development and management of the world-class site, DK Outsource Pte Ltd – a quantity surveying firm – which showcased key measurement practices of professional standards to our students.

Besides site visits, BEMS assisted the Department of Real Estate during the Real Estate Career Fair 2010, which received accolades from the participating companies. The theme for this year was “Where Opportunities Unfold”. Students who attended the various career talks, professional workshops and networking sessions became more aware of the career prospects and are better prepared for the challenges thereof.

In addition, BEMS has been privileged to have Mr. Kang Kok Hin, the honorary president for the Institution of Facilities Management (IFM) to share with students insights to Facilities and Engineering Maintenance Management. Next in line will be promoting Corporate Social Responsibility among students.

The highlight for the second semester was the inaugural Building and Real Estate Walk 2010 (BRE Walk 2010) on 10 March 2010, which was aimed at fostering and promoting closer ties between the students and the staff of both Departments.

Let me end by quoting Sun Tze, a famous Chinese general whose strategies have been used in the business world today: “Opportunities multiply as they are seized”. BEMS is committed and strives to seize more opportunities and in turn create more opportunities for students’ participation and learning. This in turn will shape our students to be competitively relevant in today’s dynamic business world.

Goh Junjie, Cliff
President
41st Building and Estate Society Management Committee
Email: cliff_goh@nus.edu.sg
Real Estate Career Fair 2010

Department of Real Estate organised the Real Estate Career Fair 2010 from 11 - 22 January 2010. This is the third time the Department of Real Estate has undertaken the event which is intended to help our students to find employment in top real estate organisations when they graduate.

Compared to the previous year when a handful of organisations participated in the fair because the Singapore economy was adversely affected by the Global Financial Crisis, a total of 14 organisations supported the fair this year. The public sector was represented by HDB, IRAS, SLA and URA while the private sector was represented by Ascendas, CapitaLand, Colliers International, Cushman & Wakefield, Jones Lang LaSalle, Keppel Land, Knight Frank, Mapletree, Savills and a professional recruitment firm, The Achieve Group.

Knight Frank set the tone for the fair with its announcement of a special Graduate Training Programme for a select group of our graduates. They announced that they plan to pick about six real estate students to be specially groomed for their consultancy services by rotating them in various departments for about 18 months before posting them to the functional area that is most suited to them. Two other firms used this year’s fair to launch their Graduate Management Trainee Programmes. Keppel Land presented their Graduate Management Associate Programme (GMAP) while Ascendas officially launched their Graduate Trainee Scheme (GTS) with detailed description of the schemes and the profile of the ideal types of candidates that are suited for the schemes. All these talks ended with lively question and answer sessions.

In view of the importance that top companies such as Jones Lang LaSalle, Knight Frank and Ascendas place on finding top talent for their organisations, they sent some of their top management staff at CEO and MD levels to speak to our students. Accordingly, the dress code for the career talks was formalised to “office attire” for all students. Students complied with the formal dress code and were rewarded with candid conversations and networking with top managers from the various organisations which patronized the fair.

The Fair remains a useful and welcome platform for students to get close to important companies in the industry and to hear for themselves the expectations of these companies and the career paths available to them when they graduate from NUS. The feedback from various students who attended the career talks indicates that all the students learned a lot from the talks. They found the talks useful and discovered interesting facts about all the organisations which took part in the fair. This helps them to make better decisions about career paths and employment choices.

BSc (RE) Farewell Dinner 2010

The Real Estate Graduation dinner was held at the SDE Exhibition Hall on the 30th of March 2010. “Hats off to you” was the theme that night and many of the Class of 2010 took the opportunity to show their creativity by wearing funny hats. The reason for the theme was for the Class of 2010 to thank their professors. The dinner started with a video presentation, by the DE Club, of the graduating class from their early days in SDE up to their 4th Year. This brought back many memories for the Class of 2010 as they laughed and cheered each other as they reminisced over their early days in SDE. There was the occasional old embarrassing hairstyle, the geeky glasses and “I can't believe I wore that in Year 1” moments. Next, the dinner continued with speeches by fellow classmates, Guan Zheng and Shafiq who shared their experiences over the past four years in the Department of Real Estate. Some highlights were Mr Cheng Fook Jam being likened to Prof X from the X-Men and Assoc Prof Yu Shi Ming being dubbed the Godfather. The night also saw various awards given out to recognise those “outstanding” students and professors that the class voted for. Mr. CEO & Chatterbox Central for the students to Most Fashionable & Toughest Exam for the professors are some examples. Finally, the night ended with an entertaining speech by Ernest who summed up nicely what the class of 2010 is and feels about the professors: “The class of 2010, with the help of our professors, have done ourselves and the department proud. We look ahead to the next challenge, never forgetting our roots here and friendships made. To our professors, we take our hats off to you and thank you for everything you have done for us.”
LOH CHIEW HUI IVY

Ivy joined the Housing & Development Board (HDB) as an Estates Officer in July 2005. Being in the Policy Research & Development Unit, she was responsible for reviewing, developing, implementing and communicating public housing policies. Her work as a policy officer was wide-ranging, from data analysis, preparing media releases, monitoring impact of changes in policies to providing policy consultancy to operational departments. Among the many policies and programmes she handled was the Design, Build & Sell Scheme (DBSS). She also gave frequent briefings to foreign delegates to introduce Singapore’s public housing framework, and was part of the HDB delegation at the 3rd International Housing Symposium held in Riyadh, Saudi Arabia in 2007.

During her secondment to the Ministry of National Development (MND) as Head (Housing) from October 2007 to March 2010, Ivy focused on policies and programmes relating to estate management and rejuvenation. In addition, she liaised with counterparts in different agencies and departments to develop and review comprehensive policies and public communication strategies. Ivy returned to HDB at the end of her secondment in March 2010.

On my work:

“My work has allowed me to better appreciate the tremendous effort that goes into the forward planning of our urban landscape and living environment. It is otherwise easy to take these things for granted.”

On how NUS studies have prepared me:

“The breadth and depth of my studies in NUS provided me with a strong foundation to embark on a challenging career in the public sector. In addition, the soft skills developed and contacts established during my undergraduate days have come in handy on many occasions.”

ADRIAN CHIA

Since his school days with NUS Real Estate Department, Adrian always had an interest in Singapore’s land policies, particularly the magic of achieving a balance between Singapore’s economic and social development with its scarce land resources. Optimizing Singapore’s limited land resources is Singapore Land Authority’s (SLA) overarching responsibility.

Adrian joined SLA in 2006 upon graduating from NUS Real Estate Department. The diversity of skills, coupled with the creative learning environment in NUS, has served him well in the time that he has been with SLA. His first posting in SLA was as a Senior Executive in the Building and Project Management Team, responsible for contract administration and asset management of over 500 vacant State Buildings. Adrian has been exposed to various areas of work within the organization. He was engaged in policy and planning work and was even assigned an IT project management role in one of the cross-divisional projects. The Geographic Information System (GIS) module in NUS Real Estate Department equipped him with the basic knowledge of GIS to enable him to effectively design a mobile technological system that leverages on maps to streamline the operations of land and building management.

His current assignment is an equally challenging one. As a Principal Executive of SLA’s Marketing Team, he works with partner agencies and actively seeks new and creative ways to breathe a fresh lease of life into vacant properties and their surroundings. In this role, it is essential for him to stay close to the ground and his customers so that he can understand their business needs and demand.

Adrian has been privileged to be given the opportunity to participate in overseas work trips to broaden his horizon. He was at ICQCC in Beijing (2007), ESRI User Conference in San Diego, U.S (2008), and ICQCC in Cebu, Philippines (2009).

Adrian states: “Lastly, allow me to leave you with a quote that I strongly believe, ‘Only those who dare to dream can ever achieve greatly’.”

WILFRED TAN

Wilfred Tan joined the Development Control Group of the Urban Redevelopment Authority (URA) as Urban Planner in May 2005 and has been rotated to Physical Planning Group since August 2009. As an Urban Planner in the Development Control Group, he dealt with different types of development proposals like commercial, residential, hotel and industrial developments. Through the development control process, he liaised with developers and architects to guide their development proposals to be in line with Singapore’s overall land use plan, Master Plan. He also reviewed strategic land use policies, proposals and planning guidelines so as to optimise and integrate land use to facilitate the physical and economic development of Singapore.

In his current posting in the Physical Planning Group, he prepares long term strategic plans and policies, as well as detailed local area plans for physical development.

He states: “Unlike in some countries where the land use plans are often ‘on paper’ and never realised, URA has helped to change the physical landscape of Singapore. This is despite the immense challenges in land use planning to house the needs of a nation state. It therefore gives me immense satisfaction that I can be involved to find smart solutions so that there will always be space for all our needs. The NUS Real Estate programme has provided me with the knowledge and also equipped me with the soft skills needed to continuously face the demands as an urban planner.”
The MSc(Real Estate) has certainly helped me in making a mid career transition from a Professional Engineer to a Real Estate Professional working in the largest real estate market in Singapore, public housing.

The course has at its centre the duality of real estate - both a consumption good as well as an investment good or asset class. This reality is also at the core of Singapore's public housing programme, with its emphasis on home ownership. In my line of work, I have to strike a balance between keeping public housing affordable to new entrants, and having the conditions for the steady appreciation of the asset values of Singaporeans.

The rigour of the course, with a strong emphasis on group project work, ensured that we had to quickly apply to real cases the content of modules such as the legal & institutional framework, investment analysis, real estate development, development and project financing, among others.

The modules and projects honed in us the need for a proper real estate market analysis, by researching the market concerned from disparate primary and secondary sources of data, and making the connection to the demand and supply situation - skills which are very relevant to me in my present profession, coming to grips with the complex interactions in the housing market in Singapore.

No post graduate course would be complete if it did not engender a sense of camaraderie amongst the course mates. Thanks to the MSc course, I can count on a network of friends in the different sectors of the real estate industry. Noteworthy too is the relations we have struck with our lecturers, with whom I am in regular professional and personal contact, through consultations and professional training of my staff, as we strive to extend the boundaries of our real estate market understanding. Real estate as an asset class fascinates me, and my only regret is that I did not discover it earlier in my career!

The Building and Estate Management Alumni (BEMA) is a local alumni group of the National University of Singapore. Its members consist of graduates of the Department of Real Estate (DRE) and the Department of Building (DoB). BEMA collaborates with relevant professional bodies to organise continuing professional development courses and seminars to further enhance the professionalism of its members. BEMA also organises sporting and recreational activities such as movie premieres and charity golf tournaments where BEMA members can bring their families to join in the fun.

In addition, BEMA has established the BEMA Financial Assistance Fund to assist students who are experiencing financial difficulties whilst pursuing their studies in the department. This is meant to provide support for students who are in severe financial hardship due to unforeseen circumstances or who are disadvantaged and require additional financial support to enable them to fully benefit from their studies.

The undergraduates of DRE and DoB may apply to their respective Head of Department and deserving cases will be referred to the President of BEMA and its Executive Committee (EXCO) for their consideration. Since its inception in 2005, the BEMA Financial Assistance Fund has provided some measure of financial support (totalling $8000) for four students.

The EXCO looks forward to organising more activities to engage BEMA members as well as undergraduates of both departments.

Written by Ong Yen Peng and James Tan, BEMA 17th EXCO
In conjunction with its 40th anniversary celebration, the Department of Real Estate has set up a bursary fund that will be made available to needy full-time undergraduate Singaporean students from the department. The value of each bursary is targeted at S$2000. The department managed to raise a total of $12,000 at this event.

Together with the Masters of Ceremony, Dr Chow Yuen Leng from the Department of Real Estate and Dr Kua Harn Wei from the Department of Building, a four-piece band - The Revolvers, provided delightful entertainment for the evening. One of the members of the Revolvers is Mr Francis Christopher Danam, a staff member from the Department of Building.

This important milestone, the joint 40th anniversary celebration, provided several opportunities for the alumni to renew old ties and meet new friends. The Department of Real Estate would like to thank BEMA and all sponsors for their generous donations and support for the event.

The Revolvers

The DRE Consultative Committee comprising real estate industry leaders supports the two specialisations for the following reasons:

a. The increasing securitisation of real estate in Singapore and the region has heightened demand for real estate professionals who are equipped with knowledge in real estate finance and securitisation; and

b. The increasing regionalisation of Singapore real estate firms coupled with the rapid urbanisation of emerging economies like China, India and Vietnam has created employment opportunities for graduates with expertise to formulate urban planning policies for new townships and city-scale developments in Singapore and the region.