

Proposed Collective Sale of Changi Garden

Minutes of Collective Sale Committee Meeting #08 held on 27 September 2016 (Tuesday) at 7.30 p.m. at Changi Garden, #967

Collective Sale Committee (CSC):

Name	Unit	Function	Present	Absent with apologies
Tay Siong Siew (TSS)	58B	Chairman	√	
Heng Teck Leng (HTL)	60B	Vice-Chairman	√	
Vevian Seow (VS)	40	Secretary	√	
Elizabeth Lee (EL)	44	Member	√	
Heng Teck Par (HTP)	971C	Member	√	
Molly Koh (MK)	40A	Member	√	
Ng Yen Lee (NYL)	961B	Member	√	
Raymond Wang (RW)	961C	Member	√	
Heng Teck Hoe (HTH)	963C	Member	√	
Wang Wee Siok (WWS)	60	Member	√	

In attendance:

Tan Chun Ming (TCM)	Edmund Tie & Company (SEA) Pte Ltd (“ETC”)
Lee Liat Yeang (LLY)	Dentons Rodyk & Davidson LLP (“DRD”)
Chua Shang Chai (CSC)	Dentons Rodyk & Davidson LLP
Ang Yi Rong (AYR)	Dentons Rodyk & Davidson LLP

The Meeting was called to order at 7.45 p.m.

S/N	Agenda	Action
1.0	Updates on URA Replies	
	<p><u>Approved Use for Shop Units</u> ETC informed the CSC that URA had replied on 6 September 2016 with further information on the approved use of the respective commercial units, and that the appointed valuer, Jones Lang LaSelle (“JLL”), had taken these replies into consideration for the purposes of its indicative valuations.</p>	Info Only
2.0	Updates on Valuation Report	
	<p>ETC informed the CSC that JLL had tentatively proceeded with valuations on the following basis:</p> <ul style="list-style-type: none">(i) Separate valuations for each commercial unit;(ii) Separate valuations for each penthouse unit; and(iii) Three typical valuations for the apartments. <p>ETC further shared the principles JLL adopted in determining the valuation, including considering the approved use of each of the commercial units and distinguishing between the commercial units which had permanent approval for use for F&B against those which had obtained only temporary approval for such use. The CSC unanimously agreed and accepted these principles JLL adopted in determining the valuation.</p>	Info Only

	<p>Several possible methods of apportionment were proposed and discussed with the CSC.</p> <p>ETC and DRD reiterated that the CSC owes a fiduciary duty towards all owners, and reminded the CSC that it is important to consider the views and concerns of the different use groups. Bearing in mind that there are no commercial unit owners on the CSC, it was suggested that the CSC reach out to owners of the commercial units to attend the next meeting as observers to hear their comments in respect of the various proposed methods of apportionment.</p>	CSC
3.0	Financial Loss	
	<p>ETC highlighted that on the basis of the tentative valuations provided by JLL and certain assumptions (including the reserve price for the collective sale), a potential financial loss case had been identified.</p> <p>DRD briefly discussed the ways in which this may be addressed, and also highlighted to the CSC the considerations to bear in mind when addressing financial loss case(s). It was suggested that the CSC revisit this issue after decisions have been made on the reserve price for the collective sale and on the method of apportionment of the sale proceeds.</p>	Info Only
4.0	Development Charge	
	<p>ETC reminded the CSC that the development charge (“DC”) which a developer-purchaser may have to pay in connection with the redevelopment of the land is not a fixed figure. DC is dependent on, among other things, the DC rates which are reviewed every 6 months in consultation with the Chief Valuer. It was highlighted to the CSC that in the most recent review, the DC rates for the period 1 September 2016 to 28 February 2017 had generally been revised upwards.</p>	Info Only
5.0	Any Other Business	
	<p><u>Substation</u></p> <p>ETC updated the CSC that it had written to Singapore Power in June 2016, and that Singapore Power had replied in August 2016. Singapore Power is not prepared to sell the land on which the substation is situated as the substation also serves other developments, in addition to Changi Garden.</p> <p><u>State Land</u></p> <p>The CSC had written to the Singapore Land Authority (“SLA”) to enquire on the possibility of also acquiring Lot 1148N of MK 31. The SLA was not prepared to commit in the absence of information on the proposed use of the said land lot.</p> <p><u>Next CSC Meeting</u></p> <p>The next CSC meeting has been scheduled for 4 October 2016 (Tuesday), 7.30pm.</p>	Info Only

	ETC will prepare several proposed methods of apportionment for discussion at the next CSC meeting.	ETC
	There being no other business, the meeting ended at 10.40 p.m. <i>Confirmed by:</i> ----- <i>Chairman</i> <i>Date:</i>	