

Eugene Koh 02/11/2018

Parc Esta is an upcoming new condo at the site of the Eunosville HUDC. The low-rise and ageing (built in 1987) 330-unit Eunosville, will make way for Parc Esta which consist of 1399-units. The price for Eunosville, near Eunos MRT station, is the second-highest achieved in the collective sale of a privatised HUDC project, resulting in a \$765m acquisition price tag. MCL Land also had to fork out an estimated \$194 million in additional governmental charges to top up the lease to a fresh 99 years from the current remaining lease at the point of purchase of 71 years. Each lucky homeowner received about \$2.25 million to \$2.41 million upon completion of the en bloc sale.

The strongest selling point for Parc Esta would definitely be its location. 2 mins walk to Eunos MRT. There is currently no condominium nearer to Eunos MRT Station than Parc Esta.

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### **Surrounding growth and planning:**

Here some factors to consider the long-term investment opportunity of Parc Esta

#### **1) URA master Plan – Paya Lebar Central**

**Paya Lebar Central** will be a bustling, integrated commercial node with offices, retail and attractive public spaces flowing with activity. The distinctive local identity will be enhanced with the future Wisma Geylang Serai and a new pedestrian mall and plaza space along Geylang Road.

The location of Paya Lebar Central has great potential to be a destination commercial hub. A mere 10-minute drive from the CBD, Paya Lebar Central is near to major expressways (PIE and ECP) and major roads (Sims Avenue, Paya Lebar Road and Changi Road).

#### **2) Price Comparison**

**Park Place Residences** has been riding on the government masterplan of the transformation of Paya Lebar and the majority of the transacted units have even exceeded S\$2,000psf. Other new recent such as **Stirling Residences** and **Park Colonial** are launching at average prices of around S\$1900-2000psf, it is no surprise that a savvy-investor would definitely want to consider **Parc Esta** as the price is relatively lower at around S\$1750psf.

#### **3) Strong Presence of HDB upgraders**

Surrounding Eunos MRT is mostly HDB residentials exceeding 40-years old. What this entails is that HDB owners around the area are most likely selling at a huge profit if they have bought their house around 15 or more years ago (On or before 2003). There will be owner's that definitely be motivated to upgrade to a private condo.

#### **4) Developer track record and reputation:**

The MCL Land is a well-known property group in Singapore and has built various premium residential buildings under its name over the last 50-year. Some of their notable developments include J-Gateway, Palms @ Sixth Avenue and quite recently **Margaret Ville**. Their edgy designs and good space allocations are very receptive to buyers as they have sold out many of their developments

#### **5) District 14 – High rental yield**

District 14 has always been one of the top districts for investors due to its high yield. As seen from the chart above, almost all the projects yield more than 3.8% Most of the high yielding 1-bedroom units are located in Geylang area which in itself is geographically quite central and close to CBD. I believe **Parc Esta** is an iconic development in comparison to surrounding boutique condominiums with minimal units and facilities. Tenants would certainly appreciate using full facilities from massive developments such as **Parc Esta**

To summarize, I am quite pleased with this development mostly for its potential as one of the more iconic and massive private residential in the Eunos area. The surrounding low-rise buildings would allow most mid-high floor owners to gain advantages unblocked view over the cityscape.

The walking distance to MRT also will play a huge factor in allowing investors to gain consistent and high rental. Overall, I would recommend this to HDB upgraders used to living around the area and savvy investors looking to for not just rental but capital gain potential.

Source: <https://www.lovelyhomes.com.sg/eugene-kohs-property-review-parc-esta/>