

# Kumar brothers clinch hot property with heart-stopping \$7m bid

By A J Leow

FLAMBOYANT brothers Raj and Asok Kumar, who own the property investment firm, Royal Brothers Pte Ltd, walked away with a top bid of \$7 million for a Balmoral Crescent bungalow at a public auction yesterday.

Their winning bid, which works out to \$618 per sq ft for the 11,320 sq ft, is believed to be a record for a landed property, said property agents.

The freehold property on which sits a music school belonged to well-known local pioneer violin teacher, conductor and impresario Goh Soon Tioe who lived and taught there for 47 years until his death in 1982.

The site was the most hotly-contested property at the auction conducted by Knight Frank Cheong Hock Chye and Baillieu.

Bidding started at \$5.58 million with increments of \$20,000. But once the Kumar duo entered the fray, the ante was upped by as much as \$80,000 to \$140,000 per bid,



The pre-war Balmoral Crescent house: two bungalows, of about 5,000 sq ft can be built on the site

sources said. They added that bidding for the site was limited to five parties, mainly small developers.

The pre-war detached house is in a residential zone with a permissible plot ratio of 1.036, which means the site could be redeveloped into a small apartment project with at least 10 units of about

1,000 sq ft each. Alternatively, two bungalows of about 5,000 sq ft can be built on the site, or a detached house and two semi-detached ones.

Despite the high price, a property source said the Kumar brothers might be betting on landed prices to continue rising. But even if they sell two new houses at today's

prices of about \$6 million each, this could work out to a tidy profit of more than 15 per cent after accounting for \$3 million in construction and other costs, he said.

Ten properties were put on auction by Knight Frank yesterday. Only one other property — a 1,152 sq ft shop unit at Tanjong Katong — was auctioned off, for \$1.1 million, or \$300,000 above the opening bid.

The auction attracted about 250 people. Besides the Balmoral site, there were a few parties who had hoped to bid for a Waterloo Street apartment under a bailiff's sale.

They were however disappointed when the forced sale was withdrawn after the owner settled his debts at the last minute.

Another property, a 420,000 sq ft industrial parcel, also failed to make it to the auction block. A mortgagee sale, it was sold through private treaty for more than \$8 million.