

COMPUTATION OF SECURITY DEPOSIT

Equivalent market value (EMV) of additional GFA is calculated as:

$$\text{EMV of additional GFA} = \frac{\text{Land Value}}{(\$/\text{sqm})} \times \frac{\text{Full quantum of allowable GM GFA}}{(\text{sqm})}$$

where

Land Value [V] = Development Charge (DC) or Differential Premium (DP) Rate* / 0.7

** DP/DC rate is pegged to the date of planning submission to URA where the GM GFA is proposed and leading to a conveyance where the GM GFA is first endorsed.*

Example

Private commercial development at Marine Parade (Sector 94) with GFA of 50,000 sqm, targeting for GM Platinum rating.

DC Rate: \$3,360 / sqm

Land Value: \$4,800 / sqm (derived from DC rates X 10/7)

Prescribed Green Premium for Commercial GM Platinum (wef 29 Apr 09): \$182/sqm

$$\begin{aligned} \text{Equivalent Bonus GFA} &= (50,000 \times 182) / 4,800 \\ &= 1,895.83 \text{ sqm or } 3.8\% \text{ bonus GFA} \end{aligned}$$

Full quantum of allowable GM GFA = **1,000 sqm (Cap at 2% bonus GFA)**

$$\begin{aligned} \text{EMV of additional GFA} &= \text{Land Value} \times \text{Full quantum of allowable GM GFA} \\ &= 4,800 \times 1,000 \\ &= \$4,800,000 \end{aligned}$$

Security Deposit to be raised is **50%** of EMV = **\$2,400,000**

Note: Full quantum of allowable GM GFA is the allowable GM GFA under the GM GFA Incentive Scheme