Abstract

The new concept of neighbourhood shopping complexes by HDB has been implemented in public housing estates all over Singapore. Many empirical studies have been done on shops developed by HDB and private developers. From these studies, the importance of tenant mix and anchor tenant were found to influence rental values of the shopping complexes.

Three HDB neighbourhood complexes namely Yew Tee Shopping Centre, Sunshine Place and Limbang Shopping Centre are used as case studies to examine their performance in this dissertation. This study will examine the factors that affect the performance of these neighbourhood complexes and describe the factors that contribute to the rental values of these shops. In addition, it also determines whether tenant mix affects rental values and gives recommendations on how the performance of a neighbourhood complex could be enhanced.

Based on the surveys carried out at these neighbourhood shopping complexes, shoppers are generally satisfied with the tenant mix of the complexes. The trades that are found at the shopping complexes are also able to satisfy their wants and needs.

The empirical evidence, from the landlord’s viewpoint, proves that age of the building, floor area, vacancy rate, rental value and the number of trades found affect the performance of a shopping complex. The regression analysis shows that tenant mix in the complex is very important and tends to attract more shoppers into the complex when there is a good tenant mix. The results also indicate that only some generic types of retail tenants are important determinants of shopping complex base rentals. It is found that variables such as: floor area, tenant mix, tenancy started in the year 1999 and 2000, trade – sale of household items and foodcourt are good predictors for rental values at the complexes.

The findings of this study provided insights to aid both landlords and tenants in designing a proper tenant mix for the complexes, formulating base rent and generating retailer interest respectively.