Appendix 4

COMPUTATION OF SECURITY DEPOSIT

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

EMV of additional GFA = Land Value ($/sqm) x Full quantum of allowable GM GFA (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.*

<u>Example</u>
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

Equivalent Bonus GFA = (50,000 x 182) / 4,800
= 1,895.83 sqm or 3.8% bonus GFA

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

EMV of additional GFA = Land Value x Full quantum of allowable GM GFA
= 4,800 x 1,000
= $4,800,000

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