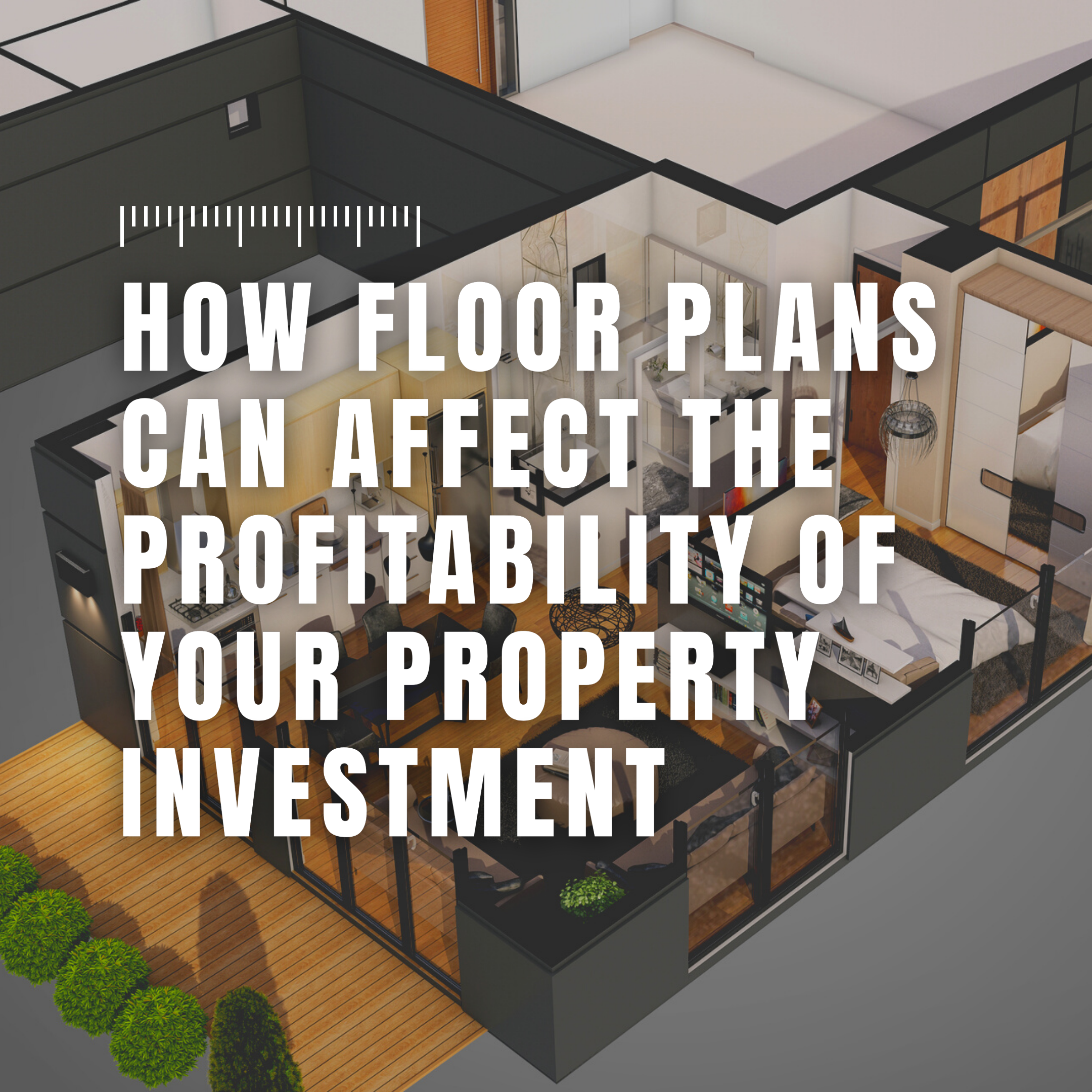


HOW FLOOR PLANS CAN AFFECT THE PROFITABILITY OF YOUR PROPERTY INVESTMENT



The Importance of good floor plan design

Floor plan design is an important part of choosing a good property investment.

Despite a good location or riding on the back of a bullish market trend, poor layouts can single-handedly cause losses for investors and make it hard to exit an investment.

As new homes get smaller, we find it apt to highlight how poor layouts could have caused certain properties to perform poorly in spite of the property bull run in the last few years.

Through this, we hope to shed some light on the importance of studying floor plans and learning to identify and avoid unfavourable designs.

*In this study, the focus will only be on the demerits of each floor plan. To be fair, all properties will have their pros and cons.

Reflections at Keppel Bay

Sales Transaction of REFLECTIONS AT KEPPEL BAY

Source: URA, 3rd-party, <https://www.edgeprop.sg>

Unit Search

#

Floor

Unit No

ALL SALES TRANSACTION (389)

PROFITABLE SALES (72)

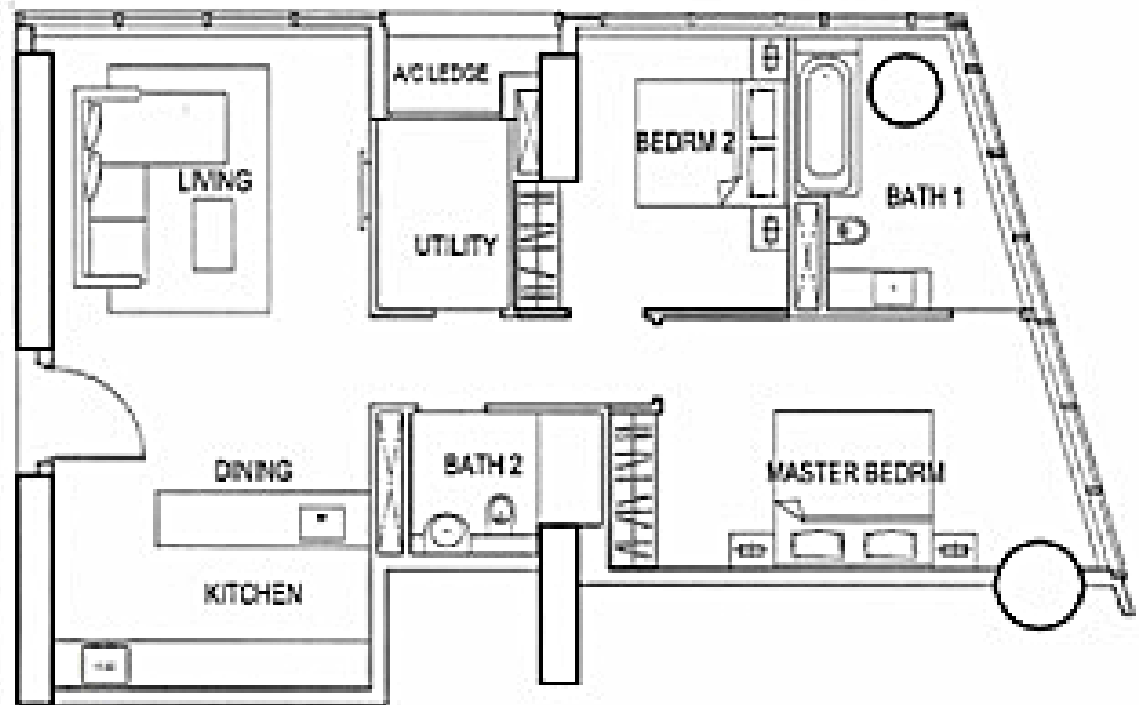
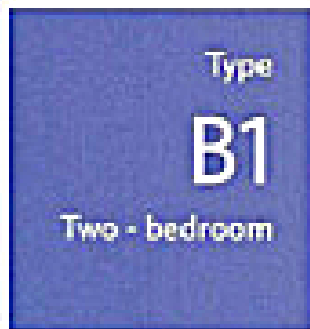
UNPROFITABLE SALES (184)

ALL ABORTED TRANSACTION (0)

Out of 256 resale transactions, 184 were sold at a loss despite the high demand in the neighbourhood over the years.

Let's take a look at their floorplans and identify their layout inefficiencies.

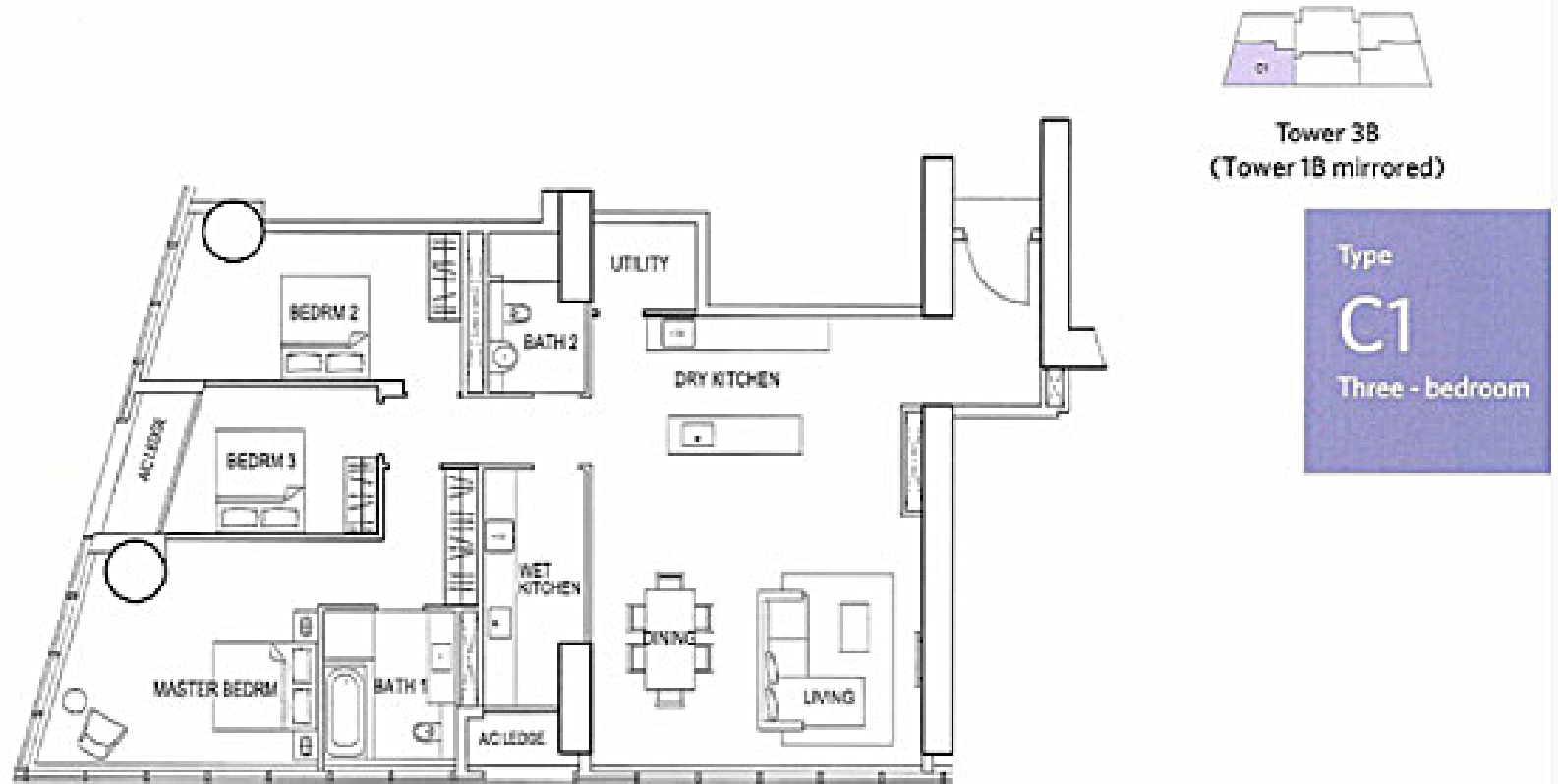
Reflections at Keppel Bay



In this 2 bedder example, which is a generous 1012sqft, we note some potential issues like:

- Beams in the bathroom and master bedroom reducing actual usable spaces and are hard to design around.
- Odd-shaped layouts are not preferred among most buyers as they are difficult to furnish.
- Lack of ventilation in the common bath room.
- Lack of ventilation in the kitchen. Only suitable for light cooking.
- Lack of yard space and laundry area.
- Lack of space for a dining set.

Reflections at Keppel Bay



In this 3 bedder example, which is a generous 1625sqft, we note potential issues like:

- Beams reducing actual usable spaces and are hard to design around.
- Odd-shaped layouts.
- Lack of ventilation in the common bath room.
- Lack of yard space and laundry area.
- Wasted corridor spaces.

The Lumos

Sales Transaction of THE LUMOS

Source: URA, 3rd-party, <https://www.edgeprop.sg>

Unit Search

#

Floor

Unit No

ALL SALES TRANSACTION (33)

PROFITABLE SALES (0)

UNPROFITABLE SALES (4)

ALL ABORTED TRANSACTION (0)

Out of 4 resale transactions done at Lumos, all were sold at losses despite it's prime location in the heart of Orchard Road and high demand in its surroundings.

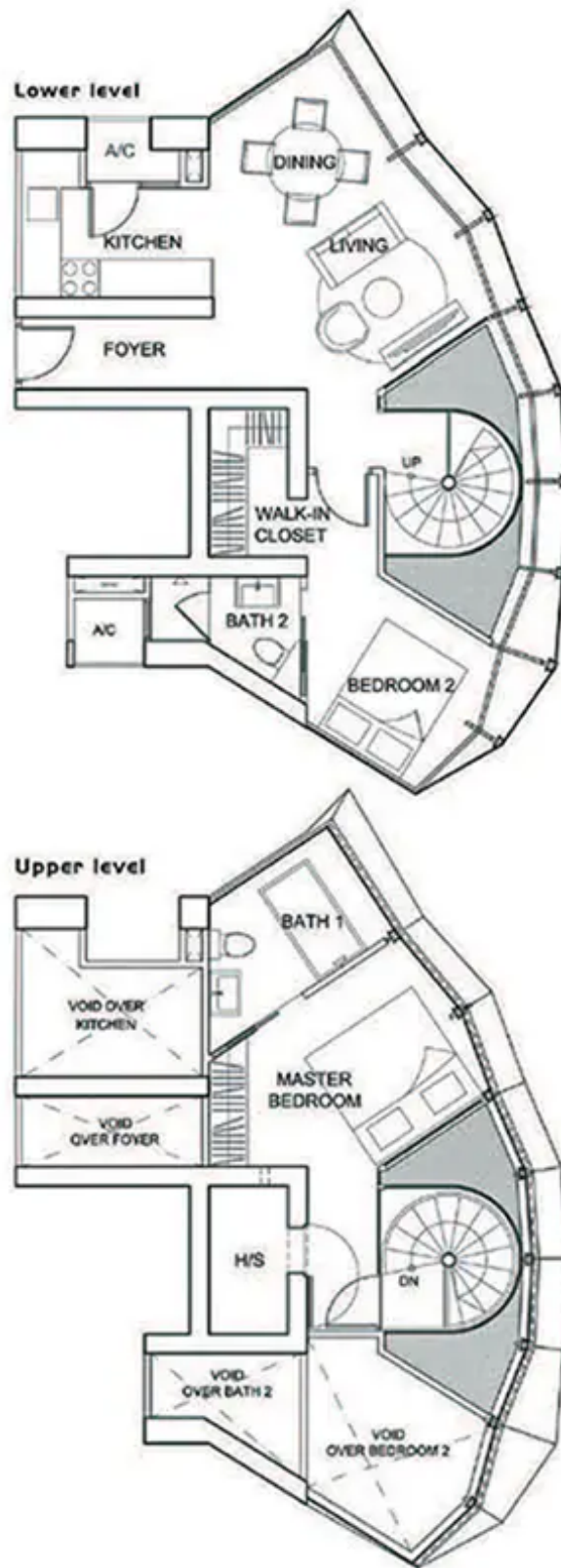
Let's take a look at their floor plans and identify their layout inefficiencies.

2 Bedroom Duplex

The Lumos

Type B

#22-03, #28-03
109 sq m (1,173 sq ft)



In this 2 bedder example:

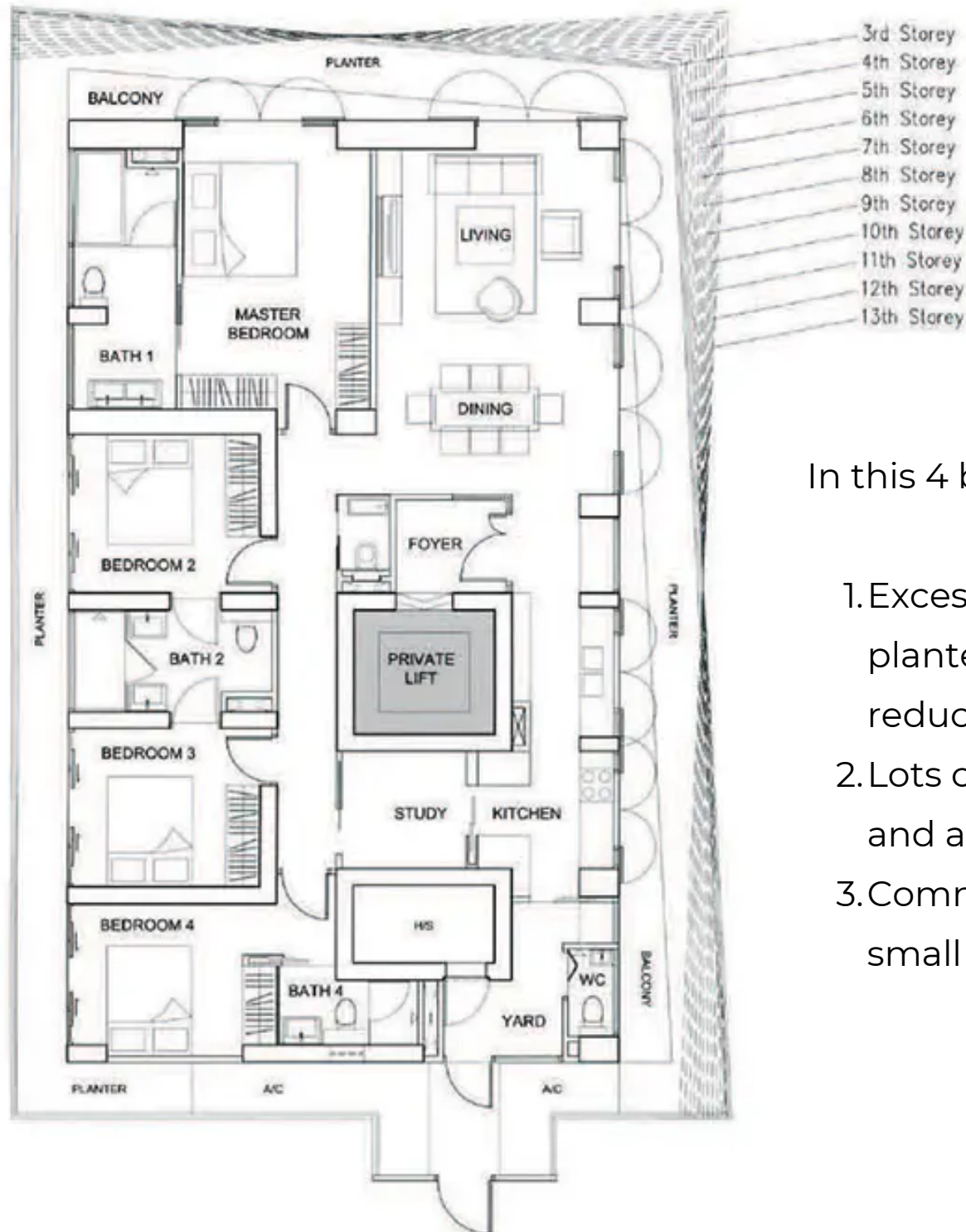
1. Odd shaped layout
2. Loss of space to foyer, void spaces and stairs.
3. Only suitable for light cooking unless closed up.
4. Household shelter sited on level 2 will not work well as storage for home supplies or bulky items.

4 Bedroom

The Lumos

Type D

#02-02, #03-02, #04-02, #05-02, #06-02, #08-02, #09-02
226 sq m (2,432 sq ft)



In this 4 bedder example:

1. Excessive and narrow planter/balcony spaces reduces actual usable space.
2. Lots of space lost to corridors and aircon ledges.
3. Common room sizes are small relative to the unit size.

Stellar RV

Sales Transaction of STELLAR RV

Source: URA, 3rd-party, <https://www.edgeprop.sg>

Unit Search

#

Floor

Unit No

ALL SALES TRANSACTION (146)

PROFITABLE SALES (3)

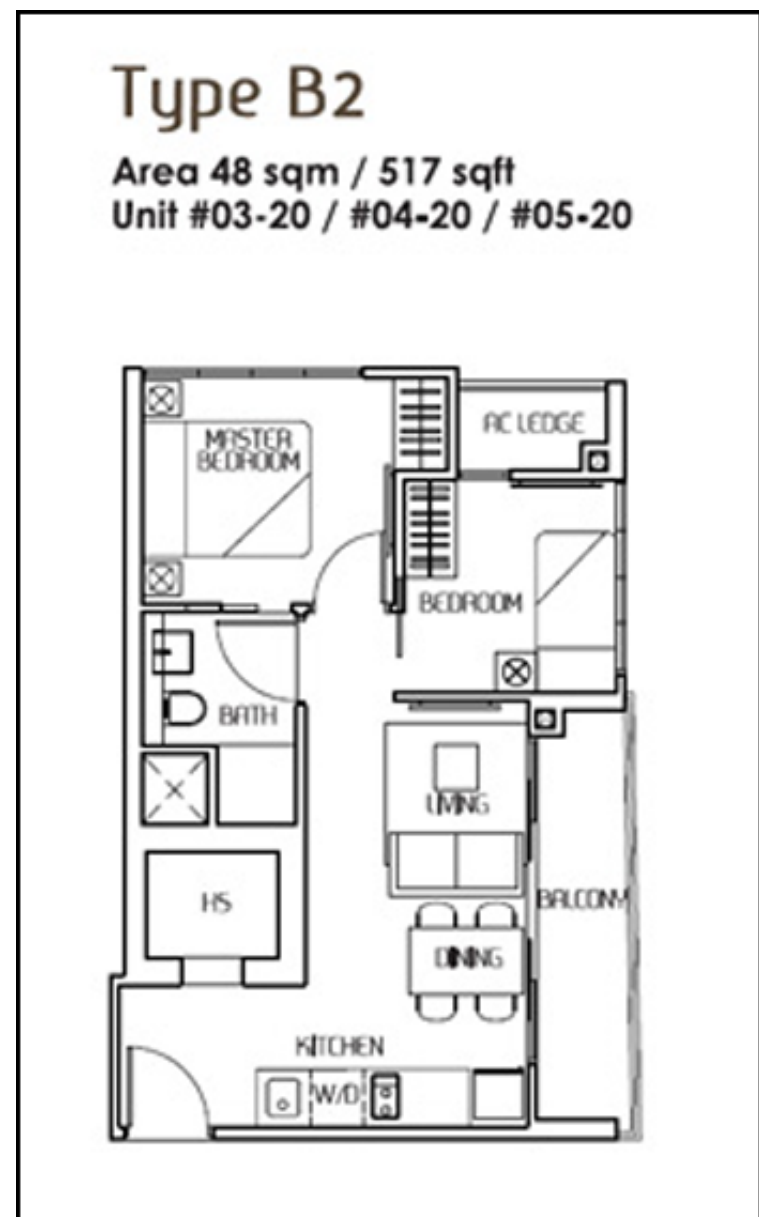
UNPROFITABLE SALES (26)

ALL ABORTED TRANSACTION (0)

Out of 29 resale transactions done at Stellar RV, 26 have been sold at losses and 3 are profitable despite it's prime location in River Valley and high demand in its surroundings.

Let's take a look at their floorplans and identify their layout inefficiencies.

Stellar RV



For the 1 bedroom example:

- Unsightly A/C ledge in the living room.
- Lack of ventilation in the bathroom.
- Tiny wardrobe space.
- Only suitable for light cooking.

For the 2 bedrooms example:

- Lack of ventilation in the bathroom.
- Shared bathroom not preferred by most occupiers.
- Only suitable for light cooking.

Midtown Residences

Sales Transaction of MIDTOWN RESIDENCES

Source: URA, 3rd-party, <https://www.edgeprop.sg>

Unit Search

ALL SALES TRANSACTION (215)

PROFITABLE SALES (32)

UNPROFITABLE SALES (21)

ALL ABORTED TRANSACTION (0)

For this mixed commercial/residential project in the heart of Hougang, there were 53 resale transactions with 21 sold at losses.

Let's take a look at their floorplans and identify their layout inefficiencies.

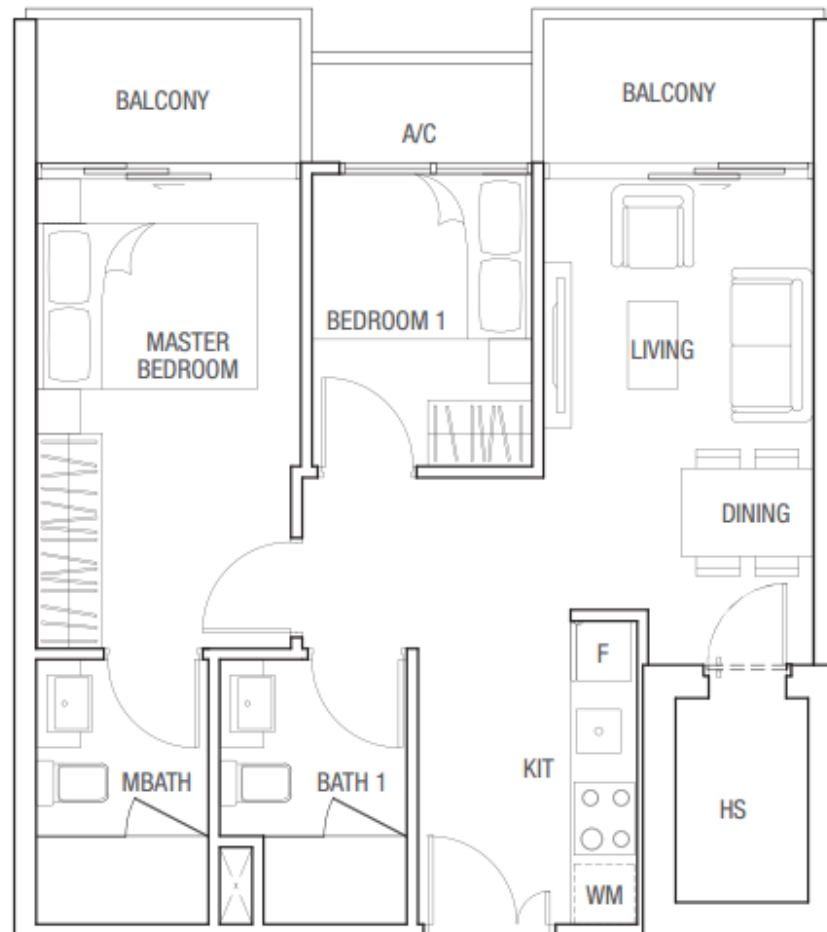
Midtown Residences

TYPE B

2 bdrm

59 sq m

#04-16 - #10-16



In this 2 bedder example, potential issues are:

- Open kitchen with no ventilation and only suitable for light cooking.
- Lack of ventilation in both bath rooms.
- Additional balcony in bedroom is unnecessary waste of space in a small unit.
- Very small common room with only single walkway.

Summary

A good floor plan can determine the profitability of your investment.

We hope that these examples provide you with some idea of what to look out for and attach an example floor plan of a recent launch in the next slide.

Ideally, a good floor plan comprises of the following factors:

1. Regular shaped with a wide living room of at least 3m.
2. Minimal wasted spaces in corridors, void areas, a/c ledges, planters & balconies.
3. Hidden and minimal aircon ledges.
4. Ventilation in all bathrooms and kitchens.
5. Multiple bathrooms.
6. Good sized rooms.
7. Enclosable kitchen.
8. Yard space.

Example of a good floor plan design



Lentor Modern 3 bedrooms