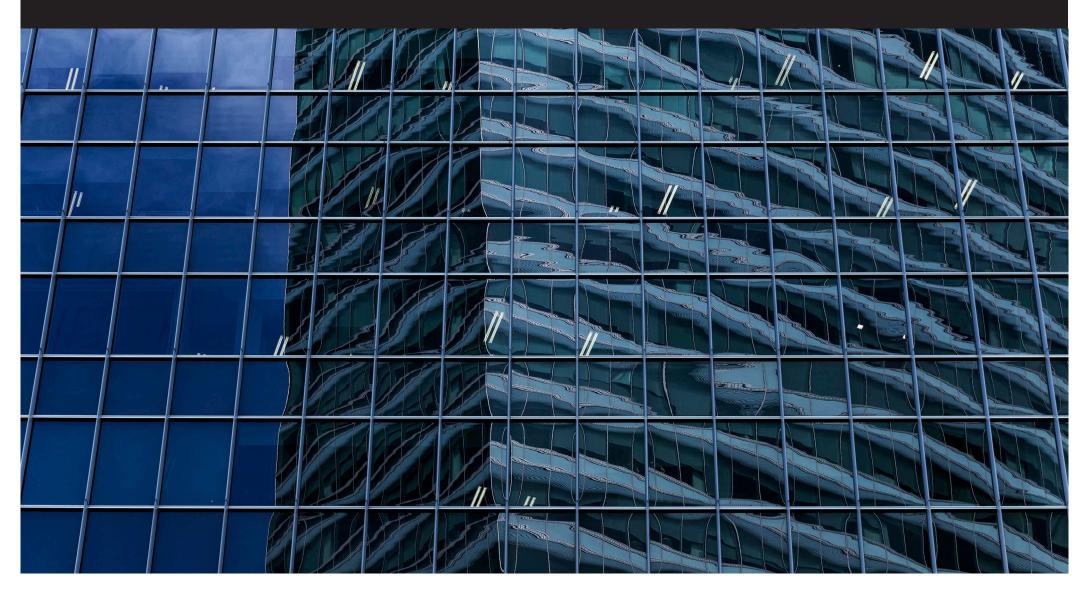
Office Leasing Kit

CORPORATE LOCATIONS

Singapore | Edition 2.0 | April 2024

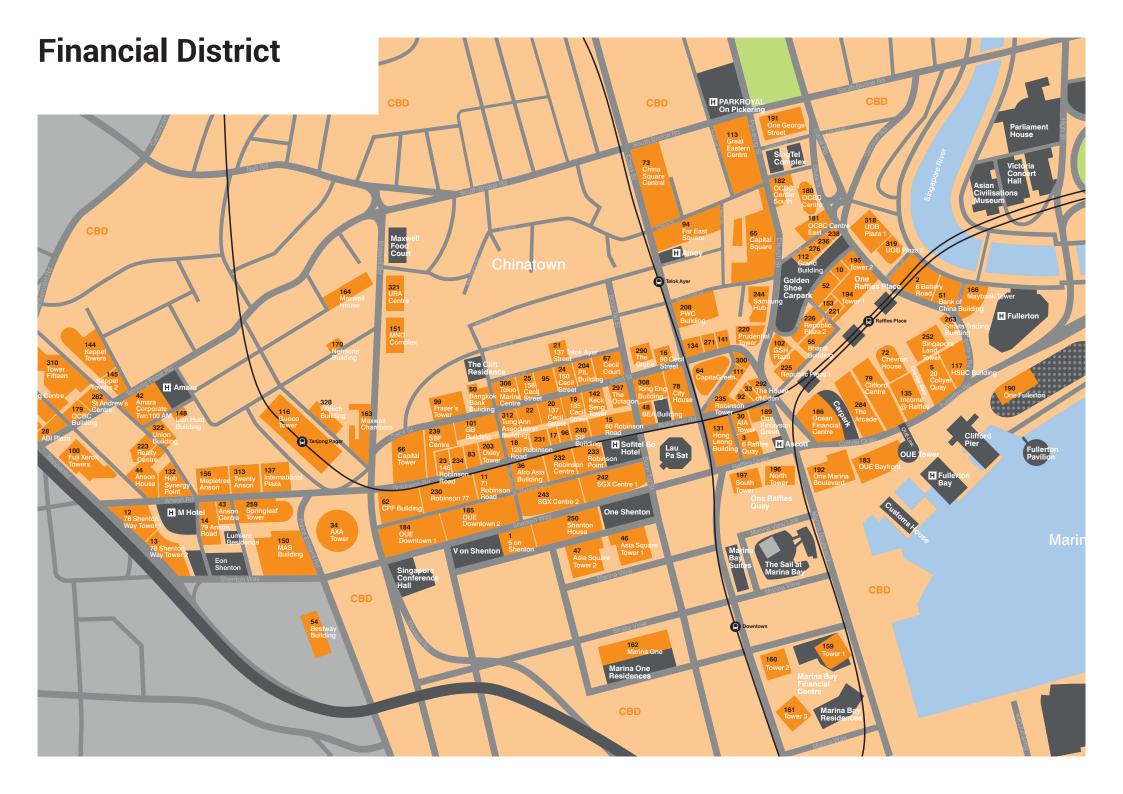


Index



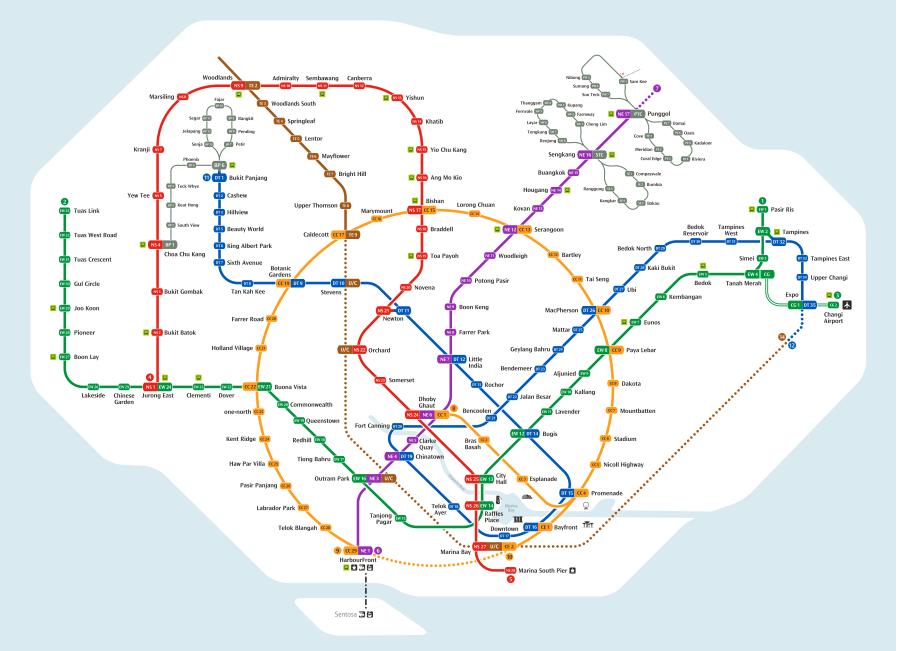
Maps	
Singapore CBD	3
Financial District	4
Out of Town Locations	5
MRT System	6
Office Leasing Kit	
Finding Office Space in Singapore	7
Space Calculator	10
Office Fit Out Costs	11
Project Timeline	12
Associated Costs	14
Leasing Procedures	15
Leasing Terminology	16
FAQs	18
Tenant Guides	20
Useful Contacts	21





Out of Town Locations





Station Code

Interchange Code







MRT



Line Code Station





LRT

Bukit Panjang LRT



PG Punggol LRT

Other Transport Modes

















Download







Finding Office Space in Singapore



It is essential that your chosen agent is 'totally conflict free'. We only act for tenants and don't market any building exclusively for any specific landlord / owner. Corporate Locations cover all established office buildings in Singapore (over 350+ properties) and happy to co-broke with a landlord's agent when necessary.

The firm has been operating in the Singapore Office Lease Market for over **25 years** and is well known by all in the industry.

Our service saves you time, and is completely FREE with no obligations.



Define Requirements

Size, budget and location are the most important criteria. This will determine the choice, quality, level of specification and facilities available to the tenant.

Office Space Calculator Office Fit Out Costs Associated Leasing Costs Office District Guide



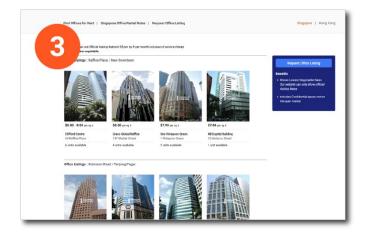
Timing of Possession

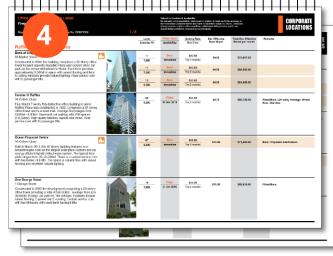
Tenants should be mindful that at least one to two months are required to order materials and furniture before taking possession, so it is important to set a realistic target date for possession, otherwise the unit will be standing idle during the rent-free fitting out period.

Project Timeline

Finding Office Space in Singapore









Initial Search

Our online search tool offers the simplest, yet most comprehensive search experience you are likely to find.

Search by budget, size and location 400+ properties covered Detailed fact page on every building Office Search Tool

Need more Details?

Then request a summary of available space, which a senior member of our team will collate and email within 60 minutes (Singapore business hours).

Will match exactly your specific requirements Shows Lowest Negotiable Rate (our website can only show official Asking Rates)

Includes confidential space not on the open market Total transparency - Will include ALL options Request Office Listing

Time to View

After you have set your shortlist, we will advise further to ensure your choice is right for your business plan objectives. We will then arrange a viewing so that we can show you each space, and will include a fact sheet and floor plan for each building.

We will set the optimal sequence, so as to save you time All buildings on the viewing list will be prepared for your arrival

All transport will be arranged from start to finish

Viewing Schedule

Finding Office Space in Singapore







Define Requirements

Size, budget and location are the most important criteria. This will determine the choice, quality, level of specification and facilities available to the tenant.

Office Space Calculator Office Fit Out Costs Associated Leasing Costs Office District Guide

Timing of Possession

Tenants should be mindful that at least one to two months are required to order materials and furniture before taking possession, so it is important to set a realistic target date for possession, otherwise the unit will be standing idle during the rent-free fitting out period.

Project Timeline

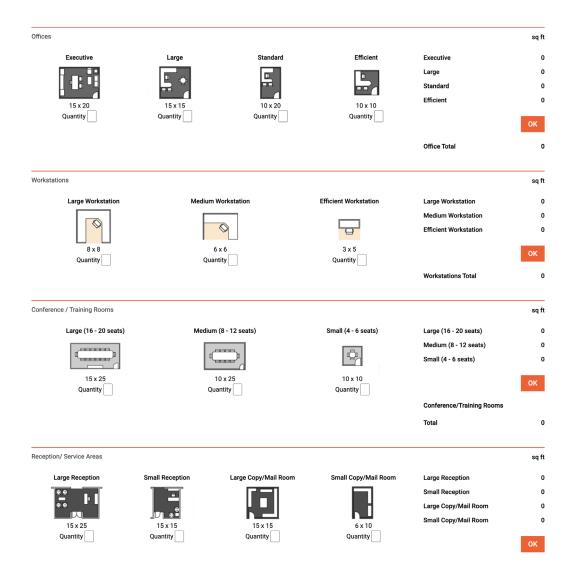
Space Calculator



As a general rule of thumb, most businesses allow between 100 sq ft to 140 sq ft (net) of office space per person, depending upon the overall headcount, culture of the company (open plan or many enclosed offices), and the need for amenities eg. break out rooms, pantry, library and storage.

Use our online space calculator to work out exactly how much space you need.

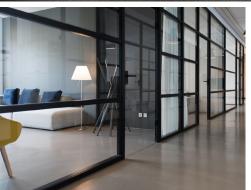




Office Fit Out Costs









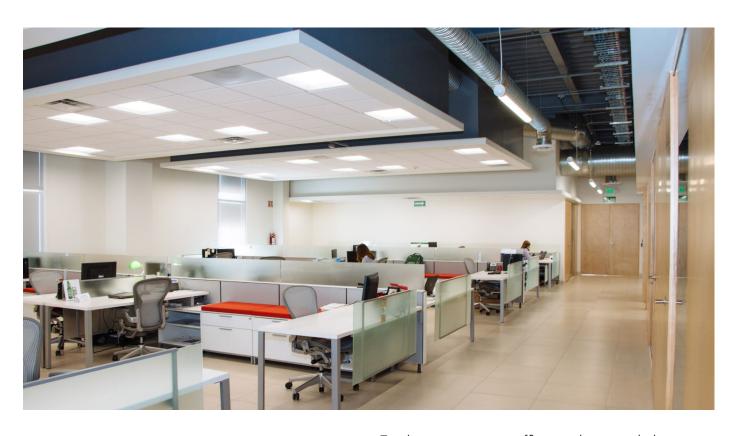
Reinstatement Costs* now stand at around <u>\$20+ per sq ft</u>, depending upon the extent that a tenant renovated a particular space.

*To strip an office unit to original bare condition at the end of the lease/on relocating.

ESTIMATED COSTS	Economy	Mid-Range	Premium
Leasehold Capital Expenditure	Per sq ft	Per sq ft	Per sq ft
GRAND TOTAL	S\$75.00	S\$100.00	S\$150.00
Fixtures & Fittings and Finishes	S\$22.00	S\$28.00	S\$42.00
Carpets / Floor finishes	(\$3.50)	(\$4.00)	(\$8.00)
Wall Finishes	(\$3.50)	(\$5.00)	(\$7.00)
Ceiling Finishes	(\$3.50)	(\$4.00)	(\$6.00)
Partitions (glass / gypsumboard)	(\$7.50)	(\$9.00)	(\$12.00)
Doors, frames and iron mongery	(\$4.00)	(\$6.00)	(\$9.00)
Furniture	S\$25.00	S\$38.00	S\$62.00
Custom and loose furniture			
Filing and storage cabinets			
Conference table and presentation cabinets			
Pantry and equipment cabinets			
M & E Services	S\$16.00	S\$18.00	S\$25.00
Electrical Works & Networking			
Fire Protection System			
Air-conditioning Works			
Miscellaneous	S\$6.00	S\$8.00	S\$11.00
Signage			
Plumbing Works			
Plantings / Graphics / Blinds			
General Services	S\$6.00	S\$8.00	S\$10.00
Insurance and preliminaries			
Consultancy fees: Architect/M&E/Structural			
GRAND TOTAL	S\$75.00	S\$100.00	S\$150.00

Project Timeline

One of the most common mistakes with any office relocation, is starting to plan too late, either evaluating your office rental needs, selecting the best office leasing agent to find the right offices for rent, selecting contractors / designers etc.



An office move can take months, even after selecting the office space for rent and a lease has been signed. Most tenants will work back from their lease expiry date, making allowance for moving out of their current space early, to factor in sufficient time to reinstate. However, many tenants still take are too an optimistic view over the time schedule when dealing with offices for rent, which leads to serious complications later.

To reinstate your current office premises can take between 2-6 week and fitting out usually takes 1-3 months. Ordering of materials before fitting out can take over 1 month and settling the legal paperwork can take longer than many expect. Before you know it you are already behind schedule so it is essential to be well prepared. On average you should start to plan your office relocation 7-12 months in advance, depending on the size of your requirement.

© Copyright Corporate Locations Singapore 2024 Cont. on next page 12

Project Timeline



When delays happen, many tenants try compressing the schedule. Trying to make up for lost time or a late start by reducing the allotted time for completion is very dangerous. It is important to plan for enough time to allow each vendor to complete his task as agreed. Your designer planned for this project, based on information you provided during your competition. They were selected based in part on their ability to get the project completed on time and on budget. Now, you must reduce the available time because of some schedule slippage caused by another vendor or unforeseen event.

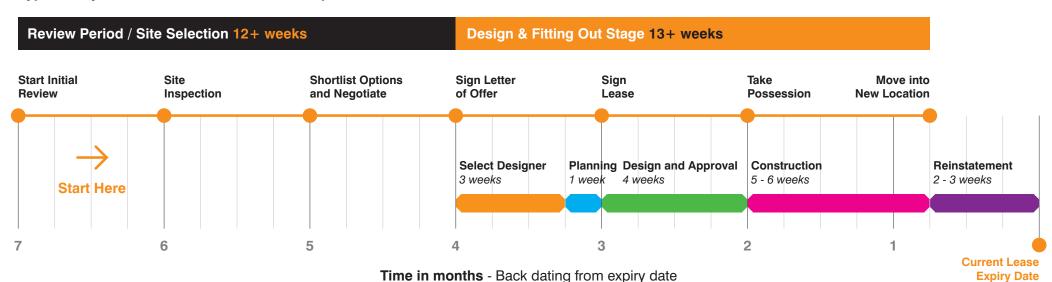
How can your designer get the same quality job done in less time? One way is by throwing extra bodies at the project. Another is by working overtime (longer days, double-shifts

and weekends). You can't expect your designer to eat this additional cost, since it is beyond their control. They will expect to be paid extra for this. If you decide to play tough guy and refuse to pay for the overtime your schedule slippage has caused, your designer's only defense is to treat your project as a loss leader. This means that will take their A-Team off the project, replacing them with less experienced employees who earn less money. Now, you have placed your project at risk.

General contractors are notorious for compressing parts of the construction schedule. If they can't obtain their permit to close up the walls, they will spend the time installing ceiling tiles. While this sounds like they are making good use of their time while maintaining their OVERALL schedule, think about how this one change will affect other vendors. Your cabling vendor will have far less time to install the cabling than planned. Who pays for their overtime? If the carpet is delayed, you already know how other vendors are affected. Will the general contractor pay for the overtime required of the furniture vendor, cabling vendor, and telephone System vendor? Even his small actions have major consequences.

The above is an extract from one of our Tenants Guides: Seven Deadly Sins – when moving office space and how to avoid them (also found under our Tenants Resources link) and illustrates the importance proper planning for new commercial offices for rent.

Typical Project Timeline for standard 5,000 sq ft office move



Associated Costs



Advanced Rental

Upon signing a binding offer/booking form or tenancy agreement the tenant is normally required to make an advanced payment equivalent to one month's gross rent inclusive of service charge and GST.

Security Deposit

Tenants are required to lodge a cash deposit equivalent to 3 months gross rent, inclusive of service charge and government rates. The deposit is refundable at the end of the lease to the tenant, but without interest

Extra deposit money is normally an additional 3 months rental is required when the tenant paid capital is less than the equivalent of 6 months rental.

Stamp Duty – always paid by the tenant

Stamp duty is payable on all lease documents and is always paid by the tenant at the time the lease is stamped. The amount of tax is fixed based on 0.4% of the total rent payable across the length of the lease. As a rough rule of thumb it works out to be around 15% of one month rental.

Insurance

The Tenancy Agreement will contain provisions for insurance liabilities. Tenants will normally be required to provide additional cover for contents and public liability.

Agency Fees - None

Corporate Locations' agency fees are paid by the landlords for the successful introduction of a tenant to their building, even when it is recognized that we are acting for the tenant.

Property Tax / Government Rates

Property owners are liable to pay property tax. This is paid by the landlord but this is always recovered through a provision in the service charge. Any increase on property tax is usaully passed onto the tenant though the service charge.

GST on Rental Payment

In the vast majority of cases the tenant will need to pay GST (Government Service Tax) on all rental payments. This currently stands at 9%. Tenants can offset the GST they pay against the GST they receive, provided they are GST registered.

Legal Costs - tenant's responsibility

The tenant normally pays both sides legal fees i.e. the tenant pays for the cost of the preparation of the tenancy agreement. Sometimes the landlord will use his in-house legal team and use their standard lease template so may only be charged an administration fee.

The usual admin fee is around \$\$500. Outsourced lawyer fees have no fixed scale, but are often around 10% of one month's gross rental.



Car Parking Charges

The number of lots allocated to each tenant is usually based on the total floor area leased. The average ratio is often 1 lot per 1,000 to 4,000 sq ft. Costs average \$200 to \$450 per month per lot, exclusive of GST and are not included in the office rental. Additional spaces are sometimes offered on a seasonal guarterly basis, subject to availability.

Leasing Process



Checklist for Office Leasing Procedures

1. Define Requirements

Size, budget and location are the most important criteria. This will often determine the quality, the level of specification and facilities available to the tenant.

2. Timing of Possession

Tenants should be mindful that at least one to two months are required to order materials and furniture before taking possession, so it is important to set a realistic target date for possession, otherwise the unit will be standing idle during the rent-free fitting out period.

3. Appraisal of Options

Corporate Locations will provide a complete list of opportunities available to the client, but will also offer accurate guidance on those buildings that will suit their needs best.

4. Site Inspections

Once a shortlist of buildings has been drawn up, Corporate Locations will arrange a site inspection with full itinerary prepared, transport organized and refreshments laid on.

5. Building Selection

Usually the client will have 2-3 buildings in their final shortlist and this is the time to check with an interior designer that the size, layout and specification will suit their needs. Corporate Locations will be able to give the client a list of the most suitable designers according to the nature of the requirement.

6. The Negotiations

Corporate Locations are completely independent agents, so we are one of the best qualified to negotiate the strongest possible terms for any occupier. We prepare the initial 'heads of terms' proposal in the form of a 'Letter of Intent' – which is always 'Subject to Contract' and thus non-binding until the landlord issues a formal offer for acceptance. Subsequent offers and counter-offers will all be scrutinized vetted and coordinated through Corporate Locations.

7. Documentation

Once heads of terms are agreed, the landlord will issue a formal Letter of Offer (LOO) or Booking Form, which is binding once signed. Often this refers to the lease agreement so this does need to be checked by the tenant before signing any LOO but sometimes a copy of the draft lease is not always provided which can cause issues.

The tenant will need to sign the LOO/ Booking Form with a company chop/stamp marked on the document and return with an initial security deposit (usually 1 month's rental). Before taking possession, the landlord will insist the actual lease documentation is signed and the remainder of the deposit money paid over.

8. Letter of Offer

This will be prepared by the landlord and most landlords insist on sticking with their standard template for Letters of Offer and Leases. The terms need to be checked and the draft lease approved 'in principle' at the same time because this will be mentioned in the Letter of Offer and will be legally binding.

Have a local legal expert review the lease, and have the space surveyed if you can (the size of all subdivided spaces will always be 'subject to survey' but might not be ready in time – Beware). Upon signing, all payments will need to be made e.g. security deposit, advanced rental, landlords legal fees and stamp duty etc.

9. Signing the Lease

At the time of signing, the following conditions must be met:

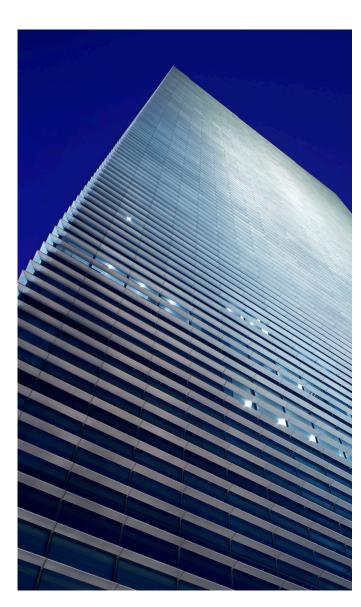
- a) Must be signed by a Director or someone who is an authorized signatory (may need a Director Resolution in such cases)
- b) Pay over the remaining of the deposit monies. The initial deposit that was paid at the time of signing the Letter of Offer can be put towards to this.
- c) Must pay over the stamp duty and any final legal fees
- d) Be chopped / stamped and each page initialled.

10. The Handover

It is recommended that the client's interior designer/ contractor be present at the time of handing over to take an accurate record of the condition of the premise at that time and to highlight repairs that the landlord should be responsible for.

Leasing Terminology





Rentals

Generally office rentals are nearly always quoted at a gross rate per sq ft per calendar month. This includes service charge, but excludes Goods and Service Tax (GST) which is currently 9%. There are no other hidden rental overheads. Rental is usually paid quarterly in advance, but monthly rental agreements also exist.

Service Charge

The charge covers landlords costs such as property tax, maintenance and management of common parts and air conditioning of the offices and common parts during normal office hours. The average service charge is between \$0.80 to \$1.50 per sq ft but is included in the gross rental. The exact figure will be specified in the lease but can change during the lease term.

Legal Fees

The ingoing tenant is normally responsible for both parties reasonable legal costs incurred in connection with the preparation of the lease documentation. The scale varies from landlord to landlord but this is not a major expense item. See page 14 for more details on Legal Costs

Length of Lease

Normally 3 years but 2 year leases are also quite popular. Longer leases over three years are now difficult to negotiate because this is a rising market. A five year lease with a rent review is possible in many cases but then the tenant is locked in even if they are unhappy with the then market rate.

Options to Renew

These are standard and lease renewals for 1 to 3 years should be no problem. Care should be taken in the drafting the revised rental clause in the option, which is sometimes worded "at a rate to be agreed" or "at market rate" with no provision to settle any disputes as to what is a fair rate.

Utilities

Electricity is usually supplied to the premises and the charges for consumption are paid by the tenant. The tenant is responsible for connection charges and opening an account with the relevant authorities. See later notes. Maintenance.

Tenants are only responsible for internal repairs (excluding structural items). The repair and maintenance of the exterior and common parts is the owners/management corporations responsibility.

© Copyright Corporate Locations Singapore 2024 Cont. on next page 16

Leasing Terminology



Air Conditioning

Normally provided by the landlords during normal office hours. Usually:

Weekdays: 8.00am to 5.30 - 6.00pm Saturdays: 8.00am to 1.00pm

After office hours air conditioning can often be provided on an hourly basis on giving sufficient notice. Costs range from \$40 to \$80 per hour depending on the size of the floor/area.

Alternatives include fitting your own air handling unit and tapping into the landlords chilled water supply. Costs are charged per ton of chilled water. Some tenants install their own split unit/condenser but not all buildings will allow external fittings to their buildings.

For regular out-of-hours use, tapping into the landlords water supply is the most cost effective. For infrequent use free standing / portable air conditioning units are commonly used.

Reinstatement

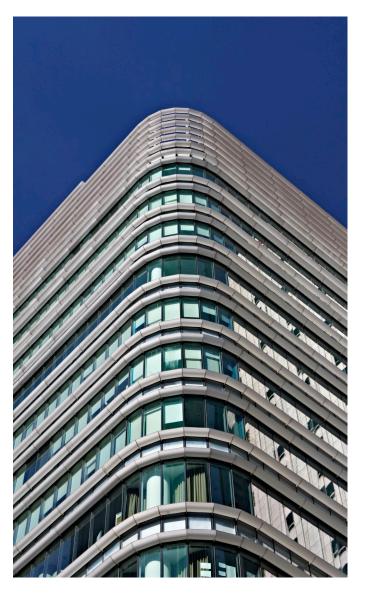
All tenants are required to put the premises back into their original state (fair wear and tear excepted) at the termination of their lease. This normally takes a period of 3-4 weeks for the average unit, and costs now average around \$20.00+ per sq ft, as mentioned on page 11.

Rent Free / Fit-Out Period

This will depend upon the size of the premises and is normally one month. For larger space users 2 to 3 months is often possible. This will always be given outside the lease term.

Stamp Duty

The ingoing tenant is also responsible for the cost of the stamp duty fees payable on the lease documentation. As an estimated guide, the amount payable on a standard 3 year lease would be approximately 10% of the monthly rental.



FAQs



A selection of frequently asked questions about lease agreements in Singapore.



Why are there two prices quoted in the lease agreement?

The two figures, namely "Rent" and "Service Charge" are broken down to show:

"Rent" payable for the premises and;

"Service Charge" associated with tenant's contribution toward the apportioned costs and expenses for services (like central air-conditioning) supplied in relation to or in respect of the Building (common areas and shared facilities like toilets, pantry etc.).

In most cases, rent will be maintained as per the agreed terms throughout the lease, while service charge may be revised anytime during the terms of lease whenever necessary.

Why does the landlord have the rights to revise "Service Charge" during the lease term and is this clause negotiable?

"Service charge" is payable by all tenants of the building and fees (based on per square feet/metre) are the same regardless of the leased space. The revision of service charge may be due to changes in utility rates or tariffs imposed by the service provider and/or statutory boards. Any revision will be imposed on all tenants and for reasons of fairness, landlords will not allow any tenants to be exempted from the change.

Why do tenants need to bear the increase in property tax when they are not the owners of the property?

The landlord is responsible to pay property tax for the annual value that is up to the annual rent for the premises paid by the tenant based on the prevailing tax rate. The tenant is only required to pay the difference in property tax if the annual value of the premises exceeds the annual rent for the premises and/or the tax rate is revised upwards. The costs are imposed on all tenants and for reasons of fairness, landlords will not allow any tenants to be exempted from this.

Insurance – Why do tenants need to take out insurance policies for the premises?

It is imperative that tenants take up adequate insurance policies to protect them against any theft, loss or damage to their property within the leased premises in the event of fire, any unforeseen or unfortunate situations, as the landlord's insurance coverage will mainly be in the common areas and the structure of the building.

What does yielding up and reinstatement at the expiry of term mean?

It is the duty of tenants to yield up and reinstate the lease premises back to the original bare condition at the expiry of the lease regardless of the unit's handover condition. However, landlords will generally as much as possible premarket the unit in the fitted up state to tenants interested in taking over the fittings/fixtures.

© Copyright Corporate Locations Singapore 2024 Cont. on next page 18

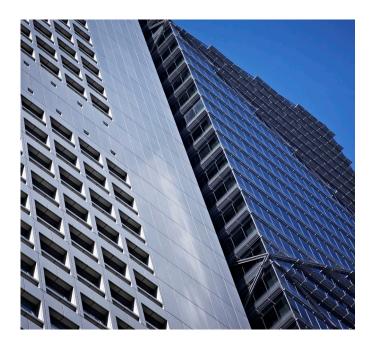
FAQs



Why do tenants have to pay the landlord's lawyer's fee when they are not acting for me.

For Singapore's commercial market, it is common practice that tenants pay for the landlord's legal costs when a landlord engages a law firm for the preparation of legal documents and providing advice in the event of any comments and enquires from tenants on the lease agreement. This is not negotiable.

Tenants however, do have the option on whether to hire lawyers to review and advise them on the lease agreement. For situations when only an administration fee is charged, legal fees may still be payable if there are substantial changes to the original legal documents as the landlord will seek a lawyer's advice.



Why is there no pre-termination clause in the lease agreement?

Commercial leases, unlike residential, do not allow pretermination of leases or provision of diplomatic clauses.

A tenant looking to pre-terminate their lease can sometimes be allowed to do so (even if the lease prohibits this) provided a suitable replacement is found at the then current market rate or existing rate (whichever is greater). However, nothing to this effect will be put in writing – not even a side letter.

Deeds of Novations/assignments are unusual and such cases are often handled by way of a simultaneous surrender and renewal. The outgoing tenant will be responsible for all costs and any rental shortfall - as there is no way any landlord will want to be out of pocket by accommodating such a request.

Are we able to sublet the premises?

Subletting of space is not allowed under the terms of the lease. Exceptions though can be made for associate/sister companies of the main tenant to share or sublet the premises with the landlord's agreement. In any case, there should be no monetary gains to be made by the main tenant.

Who can execute the Letter of Offer and Lease agreement?

A Director or Authorised Representative of the company as reflected in the company business profile will be able to sign off the legal documents. Any other person not listed in the business profile will require a Board resolution.

Why is there a redevelopment clause?

A redevelopment clause is commonly present in lease agreement in the event that the owner of the building have intentions to redevelop or plan major improvements/ refurbishment works. Tenants will need to ensure that a fair amount of notice period be given for relocation to take place. There will however, be no compensation given to tenants whether they are a new or a long term tenant.

More reading

The bane of redevelopment break clauses in office leases. What can tenants do to deal with them?

Option to renew - When?

Tenants typically need to inform the landlord 3, 6, or 9 months (sometimes longer for much larger space users) ahead of their intention to renew or return the premises. This is to allow the landlord sufficient time to market the space to the next tenant, and tenants should also take note of the notice period in order not to jeopardize their relocation plans.

Tenant Guides

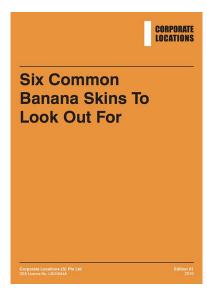


When looking for office space for rent in Singapore it can be a minefield of obstacles, which is why it is important to use a professional Office Leasing Agent.

Our Tenants Guides outline some of the most common mistakes when leasing commercial office space, such as starting your search to rent offices too late or picking the wrong commercial property consultant, where not all offices for rent are introduced. Other mistakes include using too many office agents and tenants end up viewing the same property several times with different agents.

Click to download PDFs











Useful Contacts



These contacts are recommended companies only, and have no contractual agreements with Corporate Locations.

These are all trusted companies that have been recommended to us by our clients at some time and we only include firms that we would use ourselves.

Intorior	I)ACIANARC
IIILEIIOI	Designers

CDplusA Melvyn See

9616 1858

melvyn @cdplusa.com

www.cdplusa.com

I.Dezign Linna Lim

9118 7972

linna@idezign.com.sg

www.idezign.com.sg

Conexus Studio Wendy Tan

9438 5061

wendy.tan@conexus.sg

www.conexus.sg

Crown Workspace Jarrad Brownlee

8778 8550

jbrownlee@crownww.com

www.crownworkspace.com

Facilitate Corporation Tang Wai Ko

9450 1098

waik oktang @facilitate corp.com

www.facilitatecorp.com

Generate Property Group

Adrian Canning

9159 0553

adrian@generatepropertygroup.com.sg

www.generatepropertygroup.com.sg

MKS Global Arthur Wu

9459 1022

arthur@mksingapore.com

www.mksingapore.com

M. Moser Associates Stephen Lyon

8128 1102

stephenl@mmoser.com

www.mmoser.com

Onestop Creative Mr Tony Chen

Associates (OSCA) 8181 7555

tony@osca.asia

www.osca.asia

Contractor

Mint Building Services

Mark Donlon 9296 9625

mark@mintbuildserv.com

www.mintbuildserv.com



Useful Contacts



Office System Furniture Suppliers

Offitek Joey Tok

6282 1655

sales@offitek.com.sg www.offitek.com.sg

JEB Asia Vanessa Chiam

8885 2154

vanessachiam@jebgroup.com

www.jebgroup.com

C + R Interiors Lynn Khoo

6372 0428

admins@cnrinteriors.com.sg www.cnrinteriors.com.sg

Telecommunications and System Integration

Greg Parkhurst First Aurora

9633 3057

greg@firstaurora.com www.firstaurora.com

Acuutech Hitan Mehta

6709 4933

hitan.mehta@acuutech.com www.acuutech.com.sg

Creative Infrastructure Solutions Eduard Moix

8738 1387

emoix@c-infrasolutions.com www.c-infrasolutions.com

Office Movers

Andrew Soon Crown Worldwide

6861 6818

asoon@crownwrelo.com www.crownworldwide.com

AGS Four Winds Jasmin Tan

6777 1166

jasmine.tan@agsfourwinds.com

www.agsfourwinds.com

Asian Tigers K.C. Dat **Desmond Lim**

6261 8116

desmond.lim@asiantigers-singapore.com

www.asiantigersgroup.com

Shalom Transport Gideon Lam

6287 6117

gideon@shalom.com.sg www.shalom.com.sg

SIR Movers Services Charlie Scott / Shyla Mathews

6534 7345

talk2us@sirmove.com www.sirmove.com

Useful Contacts



Government Bodies

IRAS

Stamp Duty

1800 356 8300

Inland Revenue Authority of Singapore

Revenue House 55 Newton Road Singapore 307987 www.iras.gov.sg

URA Permitted Use / Change of Use

6221 6666

Urban Redevelopment Authority

The URA Centre 45 Maxwell Road Singapore 069118 www.ura.gov.sg

EDB Grants / General Assistance

6832 6832

Economic Development Board 250 North Bridge Road #28-00 Raffles City Tower Singapore 179101 www.edb.gov.sg **Government Support / Grants - EDB**

Many companies overlook the support that various Government agencies can provide new and existing businesses in Singapore. The Economic Development Board is probably one of the most important of them all.

Tel: 6832 6832

client_services@edb.gov.sg

www.edb.gov.sg

Some of the schemes available include the following:

Pioneer Certificate Incentive (PC) & Development and Expansion Incentive (DEI)

Finance & Treasury Centre (FTC) Incentive

Aircraft Leasing Scheme (ALS)

Research Incentive Scheme for Companies (RISC)

Training Grant for Company (TGC)

Intellectual Property (IP) Development Incentive (IDI)

Resource Efficiency Grant for Energy (REG(E)

Click here for further details on the above grants.