



For Immediate Release

## **SGX-listed Singapore eDevelopment Sells More Texas Land Parcels, Raises Equity Stake in Black Oak Project To 64% From 60%**

- *A further US\$8.1 million worth of land parcels in Black Oak project sold in recent weeks, bringing total sales to US\$28.82M in value or 61% of total available lots, respectively*
- *New “home incubation” sales initiative has resulted in sales of 21 out of 27 tenanted U.S. homes to Asian buyers; Exploring opportunities to scale up*

**SINGAPORE, 15 December 2014 – Singapore eDevelopment Ltd.** (“SeD” or the “Company”) announced today that it has sold a further US\$8.1 million worth of sub-divided residential lots in its Texas property project in recent weeks, lifting total sales in the U.S. land parcel to US\$28.82 million. SGX Catalyst-listed SeD said that after sub-dividing the 136-acre land parcel in Houston into 365 lots (instead of 398 lots as announced three months ago) it had sold 221 (or 61%) of them to date at an average price of US\$130,000.

Following negotiations with municipal authorities, SeD expects to be reimbursed for certain development costs such as water and sewage infrastructure improvements and sales to the district. These reimbursements will offset against overall development costs for the total land parcel and will have positive impact on the financial returns of the Black Oak project

The Texas project is a significant component of its property division – chiefly in the U.S. where real estate is in a recovery phase – and is one of two engines of corporate recovery for SeD, the second being IT and software development.

The Group expects to complete the necessary infrastructure development and deliver the sub-divided lots in phases. It will recognize revenue from the Texas limited partnership vehicle, 150 CCM Black Oak Ltd (“Black Oak”), over four years (instead of three as previously announced) starting from the financial year ending 31 December 2015.

SeD said it has also agreed to extend an additional US\$6.1 million bridging loan – secured by the land and bearing 15% interest per annum – which will result in SeD increasing its stake in the project to 64% from 60% previously. The loan will be repaid once sales for the first phase are closed, expected in FY2015, or upon securing external refinancing (whichever is earlier).

Concurrently, SeD has started marketing completed U.S. single-family homes with existing tenants to Asian investors. SeD had acquired 27 such homes – funded from net proceeds raised from a recent Rights Issue – from a Houston developer and has so far received purchase interests for 21 of them after marketing them in Hong Kong.

SeD marketed the 21 homes at about US\$168,000 each or a total of US\$3.5 million and expects to sell the last six in the coming weeks.

Leveraging on the vast network of U.S.-based Inter-American Development Inc., and Hong Kong-based realtor, SLP-M.O.R.E. Limited – both associates of SeD’s CEO and largest shareholder, Mr. Chan Heng Fai – the Group is exploring opportunities to expand the scope of

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this “home incubation” initiative that offers attractive internal rates of return due to the compressed sales cycle.

Mr. Chan said: “The encouraging sales progress of Black Oak has helped our property-based engine of growth gain momentum. With the healthy sales of the home incubation initiative indicating strong appetite from Asian investors to invest in tenanted homes in the U.S., we intend to increase the scale of such units in the near future, leveraging on our management’s strong business network in the U.S.”

Apart from its U.S. projects, the Group holds three waterfront residential sites in Mandurah City, Western Australia, where it plans to develop seven units of waterfront bungalows and good-class townhouses for sale.

**### End of Release ###**

*Issued on behalf of the Company by WeR1 Consultants Pte Ltd:*

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**About Singapore eDevelopment Limited**

Incorporated on 9 September 2009 and listed on the Singapore Exchange Catalist on July 2010, Singapore eDevelopment Limited (“SED” or the “Group”) is pursuing twin engines of growth in (i) construction, property development and investments primarily in the United States and Western Australia; and (ii) Information Technology-related businesses.

For more information, please visit: [www.SeD.com.sg](http://www.SeD.com.sg)

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