

RB Family Office markets Mosque Street asset amid increasing buzz in shophouse hotel scene

Billionaire philanthropist Leo KoGuan picks up 21 Carpenter heritage hotel for about S\$100m; Duxton Reserve Singapore sells for S\$80m

By **Kalpana Rashiwala**
kalpana@sph.com.sg

THE shophouse hotel investment sales market is seeing more buzz lately, with one property being put up for sale and two others recently sold.

RB Family Office's 138-room Hotel 1900 in Mosque Street, near Chinatown MRT station, is being marketed at a guide price that is around the property's S\$170 million valuation. It has appointed CBRE and HSBC Investment Banking to conduct a private expression of interest (EOI) exercise.

"This is a generational opportunity to acquire one of the largest boutique hotels housed in a row of conservation shophouses in Singapore," said Clemence Lee, executive director of capital markets, Singapore, at CBRE. The asset was formerly known as Porcelain Hotel before a revamp a few years ago.

Separately, Indonesia-born, Singapore-based billionaire Leo KoGuan is acquiring 21 Carpenter – a 48-room, award-winning hotel project completed by 8M Real Estate in December 2023. The hotel is on a site with a freshly topped up 99-year leasehold tenure from January 2022. The property is opposite Clarke Quay MRT station and near the Singapore River. The price is said to be around S\$100 million.

Assuming a price of S\$100 million, this would reflect S\$2.08 million per room or S\$3,380 per square foot on the approved gross floor area (GFA) of 29,580 square feet (sq ft). The per-room price is one of the highest for a hotel trans-



CBRE and HSBC were appointed to run a private EOI exercise for Hotel 1900 after its owner, RB Family Office, received a few unsolicited offers. PHOTO: RB CAPITAL

action in recent years, reflecting the well-designed product with a relatively large average room size of above 300 sq ft.

JLL, which brokered the deal, did not confirm the price when contacted by *The Business Times*. It is said to have gone to the market with 21 Carpenter about six months ago at above S\$120 million. The incoming buyer Leo, a philanthropist, said: "My mission in life is to contribute positively in society... I long to improve the welfare, culture and heritage of Singa-

pore. The 21 Carpenter boutique hotel contributes positively to the wellbeing of Singapore, improves her culture and enhances her heritage of Chinese migrants."

Standing at the corner of New Bridge Road and Carpenter Street, the property comprises a four-storey conserved block of four shophouses dating back to 1936, with a contemporary six-storey rear block added. The property is in a secondary settlement conservation area.

21 Carpenter's structures were originally built for the headquarters of the Chye Hua Seng Wee Kee/Chye Soon Long remittance office – one of the founders of Singapore's international finance sector.

Woha Architects, which designed the project, says on its website: "An important part of the history of the building, beautifully poetic phrases from remittance letters sent home by Chinese labourers, (was) incorporated into the art facade of the new extension, and inside the hotel." The project clinched the Singapore Institute of Architects' Design of The Year Award in 2024.

21 Carpenter is part of the Design Hotels brand by Marriott.

Separately, The Garcha Group is said to be selling Duxton Reserve

Singapore, Autograph Collection at S\$80 million, or S\$1.63 million per room. The 49-room hotel is on a site with about 62.5 years' balance lease. JLL is also understood to have brokered that transaction. The buyer is a company whose shareholders hail mostly from India, according to market talk.

Nihat Ercan, chief executive officer of JLL Hotels and Hospitality Group, Asia-Pacific, said: "Singapore's status as a safe-haven destination for hotel investors becomes more ironclad each year. The country continues to diversify its status



21 Carpenter comprises a four-storey conserved block of four shophouses dating back to 1936, with a contemporary six-storey rear block added. PHOTO: JOWIAN LIM

as a bona fide global gateway market and international travel destination, while its long-term economic fundamentals will ensure that its booming hotel sector will continue to attract a broader array (of investors) from across the region and globe. We are expecting strong sales volumes across 2025 particularly in the S\$100 million and below range."

A spokesperson for RB Family Office said that it appointed HSBC and CBRE to manage the private EOI for Hotel 1900 after receiving a few unsolicited offers. "A select group of prospective buyers has been approached."

Hotel 1900 comprises 12 config-

uous shophouses with four levels and a mezzanine. It bears five addresses – 46, 47, 48, 49 and 50 Mosque Street – and is on two land lots with a total site area of 10,144 sq ft. Both lots have land tenures of 99 years starting August 2002, leaving a balance term of about 76 years.

Said CBRE's Lee: "We envisage strong interest from family offices, ultra-high-net-worth individuals, real estate funds and corporates for this by-invite-only EOI exercise. Some potential buyers may team up with hotel management companies or co-living operators."

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“Hotels in central locations are hard to come by, especially one near an MRT station and with a relatively palatable quantum of below S\$200 million.”

Assuming a price of S\$170 million, average daily rate of S\$235 and occupancy in the high-80 per cent range, the pre-tax profit from the hotel would reflect a yield of 3.5 to 3.8 per cent.

Nearly half the rooms are between 130 sq ft and 150 sq ft; there are also larger rooms going up to 484 sq ft. The property’s floor area is about 40,000 sq ft including a 3,000 sq ft ground-floor space occupied by a restaurant.

RB Family Office – controlled by Raj Kumar of Royal Holdings and his son, Kishin, the founder of Singapore-based property group RB Capital – bagged Porcelain Hotel for S\$90 million in February 2022,

during the Covid period, from entities controlled by Jason Lee of J’Forte Group.

Jason Lee’s JL Asia Resources was issued a five-year master lease ending in February 2027 for the entire asset; it also operates the hotel.

RB Family Office invested between S\$10 million and S\$11 million more to refurbish the property in phases from 2022 to July 2023. The key works completed included facade restoration, upgrading of

the five-foot way, renovations of guest rooms and common areas, and an overhaul of air-con and electrical systems. The hotel took its current name in March 2023.

A potential buyer could extract more value from the asset in a few ways. One could be to reposition the asset to a high-end product and combine some rooms to create bigger rooms/suites that could fetch higher room rates. There is also potential to change the use of the asset to offices; this could appeal to, say, a tech company or a luxe fashion group looking for a corporate headquarters in a heritage building in an eclectic location near the Cen-

tral Business District.

Leo, who is buying 21 Carpenter, is no newcomer to the Singapore property scene. He made the headlines in Singapore in 2020 with his S\$62 million purchase of the triplex penthouse at Wallich Residence in Tanjong Pagar from British billionaire inventor and entrepreneur James Dyson and his wife.

Leo, who is about 70 years old, used to be one of Tesla’s biggest individual shareholders, but he said in December 2024 he was reducing his stake in the company. He has publicly criticised Tesla chief executive Elon Musk’s leadership, and voted against his pay package and

other proposals.

Duxton Reserve’s 49 guestrooms and suites range from 215 sq ft to 549 sq ft. Located at 80 and 83 Duxton Road, the restored heritage boutique hotel is branded Autograph Collection under a franchise agreement with Marriott International.

Satinder Garha, founder of The Garha Group, paid S\$50 million for the property in 2013, when it was known as Berjaya Hotel. He invested a substantial sum for a revamp of the asset by British interior designer Anouska Hempel, while retaining the rooms and suites.