

Novena's growing medical hub status boosts rents

Mount Elizabeth Novena Hospital, private operators see rising occupancy

By MELISSA PANG

THE opening of Mount Elizabeth Novena Hospital six months ago has further boosted Novena as a medical hub, leading to higher occupancy and rental rates.

Home to the government-run Tan Tock Seng Hospital, the area has in recent years drawn private medical operators to set up shop.

A medical hub is a plus for patients since services, from specialist care to traditional Chinese medicine to physiotherapy, are on tap in one area.

Novena Medical Centre, completed in 2007, and Novena Specialist Centre, which opened two years ago, are owned by property developer Far East Organization.

The growth momentum has given a 10 to 15 per cent lift to occupancy and rental rates at both centres. The current occupancy rate in Novena Medical Centre is 87 per cent, with 128 units in use. In 2010, it was 78 per cent.

Novena Specialist Centre is 70 per cent occupied, with 48 units in use or under renovation.

Mount Elizabeth Novena Hospital's specialist centre itself is about one-third full, six months after its opening last July.

All three places offer suites for rent and for sale. Savills Singapore research head Alan Cheong said the higher rents are tied to the country's growing reputation as a medical tourism hub in South-east Asia, especially among Indonesians.

According to a Frost & Sullivan (India) report, Singapore is expected to draw some 850,000 foreign patients this year.

Other health-care players have also sunk roots in Novena. Thomson Medical Centre chose to roll out its new lifestyle services – dental and aesthetics, for instance – in the area while still retaining its core maternity-care service in Thomson Road.

Proximity to Novena MRT station, as well as shopping and dining facilities, complements the lifestyle and health-care services offered, said a spokesman for Thomson Medical. It has units in Novena Specialist Centre, Novena Medical Centre and nearby United Square.

Mr Tim Yeo, director of Firma Medical Aesthetics Group, was drawn to Novena Specialist Centre because of its location beside Oasia Hotel, which is also owned by Far East Organization.



“
ATTRACTIVE SPOT
That there's a hotel next door makes it very attractive for medical tourists. Being close to Mount Elizabeth Novena Hospital will also be an advantage as I plan to offer plastic surgery services at the clinic soon.

– Mr Tim Yeo, director of Firma Medical Aesthetics Group, who was drawn to Novena Specialist Centre because of its location beside Oasia Hotel

“That there's a hotel next door makes it very attractive for medical tourists. Being close to Mount Elizabeth Novena Hospital will also be an advantage as I plan to offer plastic surgery soon,” said Mr Yeo, whose clinic opened in December.

Madam Aw Yong Poh Kim, 63, who recently had a minor procedure carried out at Mount Elizabeth Novena Hospital, said it is ideal to have a variety of medical services in one place. “That way, we don't have to travel all over,” noted the retiree.

The \$2 billion Mount Elizabeth Novena Hospital is the latest addition to Parkway Pantai's stable of hospitals here – Mount Elizabeth in Orchard, Gleneagles in Napier Road and Parkway East in Joo Chiat.

Dr Kelvin Loh, chief executive of both Mount Elizabeth hospitals, said patient volume has doubled at the Novena hospital since its July opening.

Parkway Pantai is a wholly owned subsidiary of IHH Healthcare, which is in turn owned by Malaysian sovereign wealth fund Khazanah Nasional.

Last December, a consortium comprising Hoi Hup Realty, Sunway Developments and Hoi Hup JV Development put in a successful bid of \$492.5 million for a mixed-use site beside the Novena MRT station. A spokesman for Hoi Hup said about 53 per cent of the space will be dedicated to medical suites which will come up to an estimated 210 units.

mel pang@sph.com.sg

ST GRAPHICS