

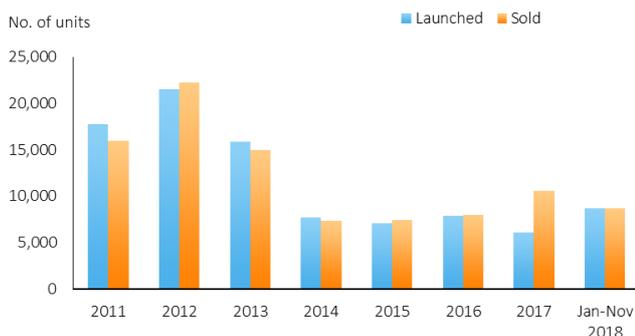
**Private home sales poised to end on a high note following a strong rebound in November**

**Market summary**

New private home sales rebounded strongly in November as developers returned to the market with new launches following the previous month's fall. Developers' sales survey by the Urban Redevelopment Authority (URA) for November showed a whopping 146.0 per cent more new private homes (1,198 units) sold when compared to a month ago or 52.0 per cent more than a year ago. This came on the back of a 47.7 per cent month-on-month (m-o-m) dive in new private home sales in October (487 units). Including executive condominiums (ECs), new private home sales rose 135.7 per cent m-o-m to 1,202 units in November 2018.

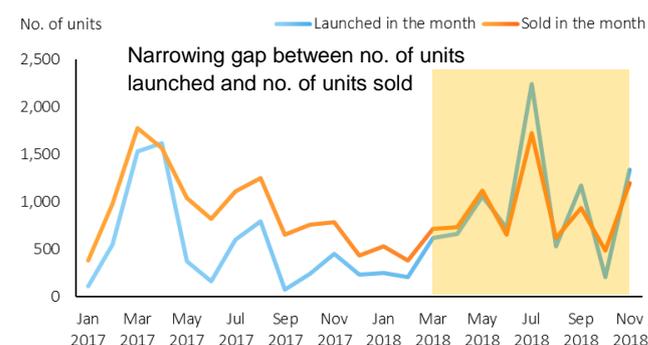
The number of new homes being launched surged from 202 units in October to 1,341 units in November (no ECs were launched). Most of the launched units were from new projects like Parc Esta (450 units), Whistler Grand (300 units), Kent Ridge Residences (250 units), 3 Cuscaden (96 units), Arena Residences (70 units), The Woodleigh Residences (50 units) and Belgravia Green (49 units). Existing launches like Riverfront Residences (50 units) and Mayfair Gardens (15 units) have also released more units in November.

Sales volume of private residential units by year



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Sales volume of private residential units by month



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**New Observations**

The gap between the number of units being launched and sold within the same month have narrowed since the beginning of this year. The trend may indicate that developers are generally adopting a more cautious stance in pacing the number of launched units in sync with what the market can absorb every month, to avoid an oversupply of units in the market, to test the market acceptance of new launch prices or to maintain launch prices of new units.

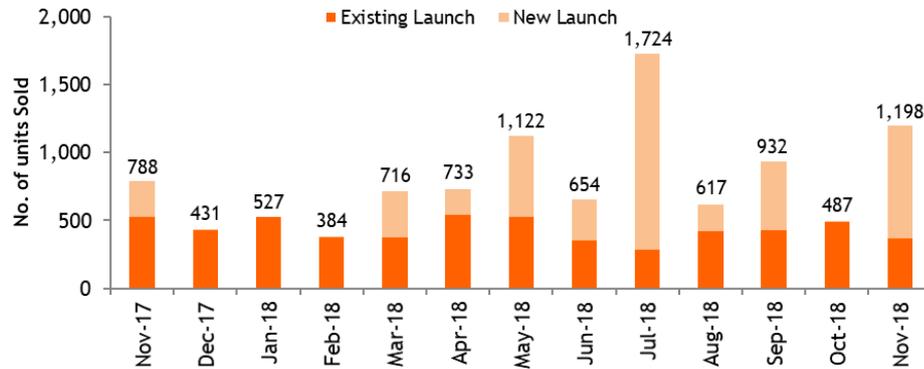
As anticipated, the proportion of new shoebox sales continued to surge after URA revised its guidelines to reduce the number of shoebox units being built in future developments. Based on URA realis data (downloaded on 17 November 18), the proportion of units <500 sqft sold rose from 7.9 per cent in September to 14.7 per cent in October and 16.7 per cent in November 2018. In absolute value, the number of shoebox units hit 185 units in November, the highest number recorded since July 2018 (293 units). The reduced supply of shoebox units may continue to spur buying interest in the coming months.

**Outlook**

For the first 11 months of 2018, 8,644 new homes (excluding ECs) have been sold. We estimate that 2018 may close with a full-year sale of 9,000 units. Although this could be around 15 per cent less than the full-year sales volume for 2017, sales demand is still considered encouraging given that the market has been met with an onslaught of challenges like the property cooling measures that were implemented in July, new guidelines aimed at curbing the number of shoebox units in certain locations and the revised guidelines for indoor and outdoor spaces. In fact, the primary sales of first 11 months of this year has surpassed the full-year of 2014, 2015 and 2016.

We estimate that 18,000-19,000 new private homes could be launch-ready next year. Developers may continue their cautious stance in spacing out their project launches to avoid head-on competition with other major developments and to intermittently release units over many months to maintain their launch prices. Therefore, a more accurate projection for 2019 would be around 13,000 to 14,000 units. The balanced supply would likely be spilled over to 2020-2021. If so, the widely speculated over-supply situation may be averted. In fact, the market may see sharp fall in new launch supply from mid-2020 as the collective sales market has already cooled down after the recent property measures. We anticipate that between 10,000 and 11,000 new homes could be sold in 2019.

### Private Residential Developer Sales (Excl. EC)

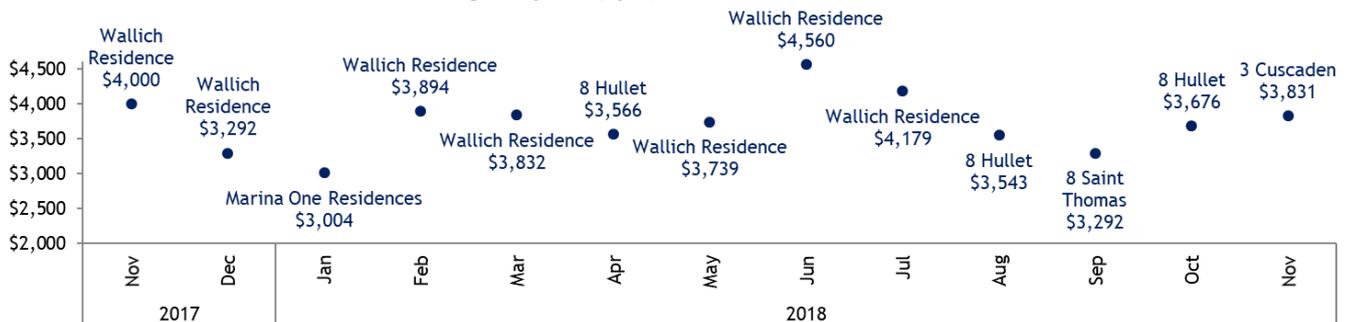


Source: URA, OrangeTee & Tie Research & Consultancy

Note: New launch refers to units sold in projects that were launched in Oct 2018. Existing launch refers to units sold in projects that had been launched in prior months.

Months	Sales Volume	
	(Excl EC)	(Incl EC)
Nov-17	788	937
Dec-17	431	531
Jan-18	527	627
Feb-18	384	476
Mar-18	716	788
Apr-18	733	1,329
May-18	1,122	1,259
Jun-18	654	706
Jul-18	1,724	1,776
Aug-18	617	640
Sep-18	932	944
Oct-18	487	510
Nov-18	1,198	1,202
m-o-m % Change	146.0%	135.7%
y-o-y % Change	52.0%	28.3%

### Highest price (\$psf) achieved in the month



Source: URA, OrangeTee & Tie Research & Consultancy

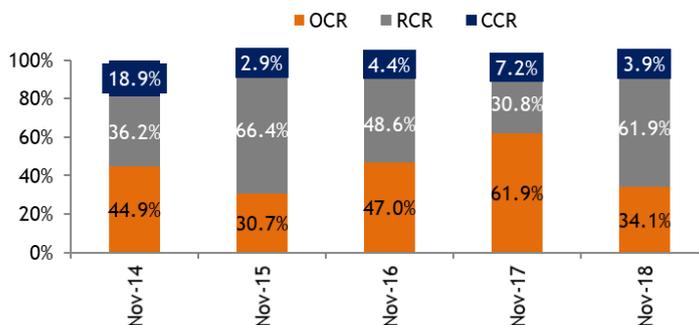
## Best Selling Projects in Nov 18

Project Name	Locality	Total No. of Units	Cumulative Units Launched to-date	Cumulative Units Sold to-date	Sold in the month	Median Price (\$psf)	Take up Rate^ (%)	Sold out status* (%)
Parc Esta	RCR	1,399	450	348	348	\$1,699	77.3%	24.9%
Whistler Grand	OCR	716	300	219	219	\$1,352	73.0%	30.6%
Kent Ridge Hill Residences	RCR	548	250	126	126	\$1,715	50.4%	23.0%
Arena Residences	RCR	98	70	54	54	\$1,813	77.1%	55.1%
Park Colonial	RCR	805	805	559	52	\$1,739	69.4%	69.4%
Riverfront Residences	OCR	1,472	850	810	51	\$1,324	95.3%	55.0%
Stirling Residences	RCR	1,259	530	482	43	\$1,723	90.9%	38.3%
Belgravia Green	OCR	81	49	31	31	\$860	63.3%	38.3%
The Tapestry	OCR	861	600	555	31	\$1,376	92.5%	64.5%
Affinity At Serangoon	OCR	1,052	300	291	30	\$1,490	97.0%	27.7%
The Woodleigh Residences	RCR	667	50	29	29	\$2,002	58.0%	4.3%

^Take up rate is calculated by taking the division of cumulative units sold to date over cumulative units launched to date

\*Sold out status is calculated by taking the division of cumulative units sold to date over total no. of units in project

### Number of Units Sold in the Month



Source: URA, OrangeTee & Tie Research & Consultancy

### Please contact us for further enquiries

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