

### Better than expected sales performance in 2019

Singapore's thriving economy and rising home demand have continued to underpin our private housing market. According to the developers' sales survey by the Urban Redevelopment Authority (URA) and the URA quarterly real estate statistics, around 10,100 new homes were sold in 2019. This number may be lower when URA adjusts the final figure in their Q4 2019 real estate statistics report which will be released later this month. Even with the adjustment, last year's new sales volume is expected to exceed the 8,795 transactions inked in the preceding year.

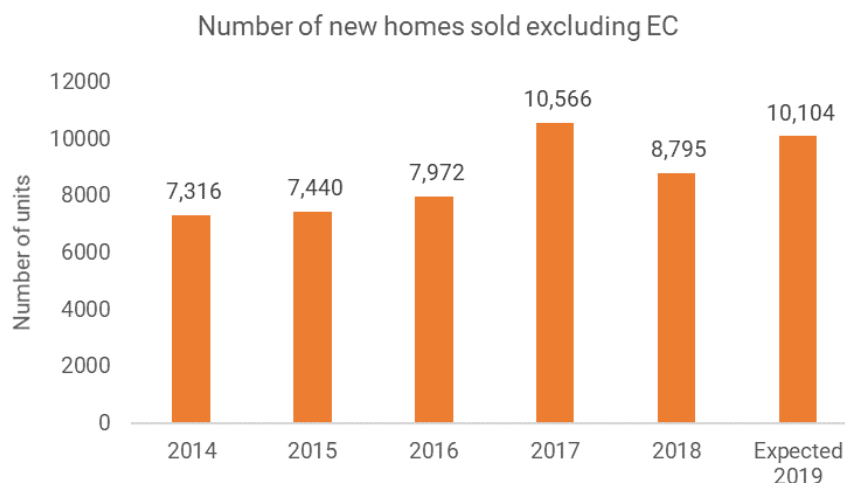
2019's better than expected sales performance indicates that the market is still resilient on the back of macroeconomic challenges like the US-China trade war, a sluggish global growth outlook, and geopolitical tensions in certain regions. The positive sales momentum suggests that Singapore's economic fundamentals have well supported the property market, which includes positive income growth and robust employment.

The healthy level of activities in the market may provide consumers with the assurance that demand may remain resilient this year, and the likelihood of a price correction is unlikely. After all, the overall health of the property market is mostly a function of supply and demand. Despite a large number of new homes launched over the past year, the market absorption of newly launched units had been strong, and the number of launched but unsold units have begun falling over the past two months. The launched but unsold units may continue to fall this year since the number of mega-launches is set to fall, especially in the Outside Central Region (OCR).

Last month, private home sales dipped month-on-month owing to a dearth of new launches and year-end holidays. Only 370 units were launched in December 2019. Many developers have held back their official launches in anticipation of a resurgence in buying interest, which usually occurs at the beginning of the year when buyers start returning after the year-end holidays. About 30 launches have already been lined up for the first half of this year, with about 50 per cent located in the Core Central Region (CCR) and the rest evenly spread between the Rest of Central Region (RCR) and OCR.

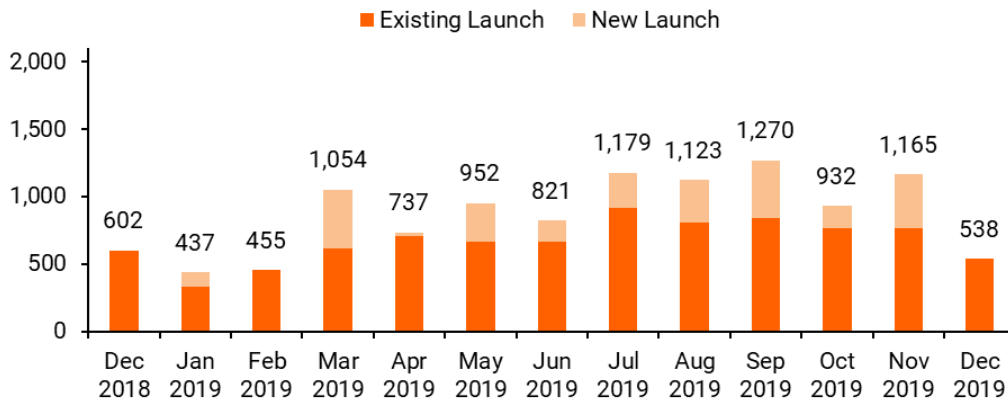
538 new homes were sold in December 2019, 10.6 per cent lower than the 602 units sold over the same period last year. Including executive condominiums (EC), developers sold 551 units last month, registering an 8.9 per cent y-o-y decrease from the 605 units. The best-selling projects were Parc Botannia, Parc Esta, Parc Clematis, Jadescape, and One Holland Village Residences.

Economic fundamentals like GDP and income growth, macroeconomic performance, and employment rates will continue to impact the private residential market this year. Buyer sentiment is expected to remain positive since most economists feel that the worst of economic storms could be over and global growth to rebound. We anticipate that demand for new homes may remain robust, and the new sales volume could hover between 9,000 and 9,800 units for the whole of 2020. Prices of new homes may continue to rise this year around 2 to 4 per cent.



Source: URA, OrangeTee & Tie Research & Consultancy

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



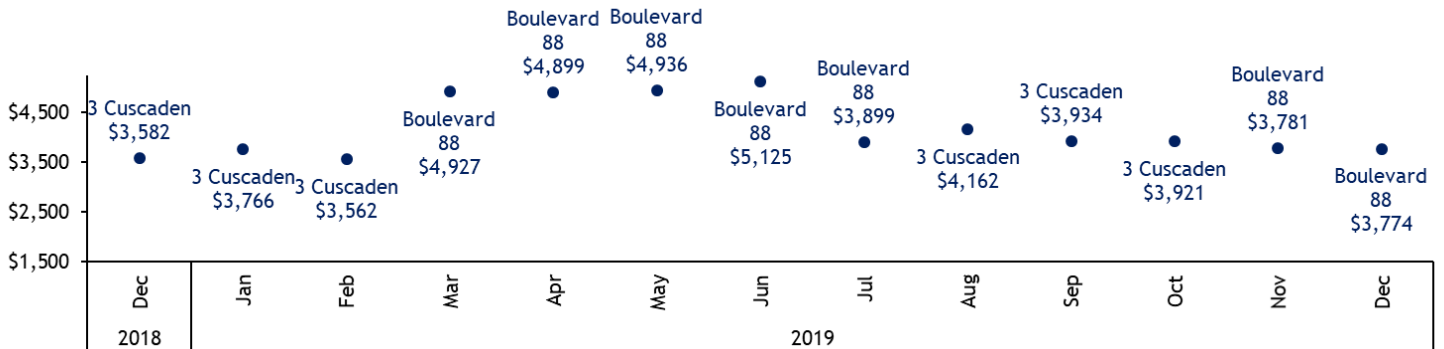
Source: URA, OrangeTee & Tie Research & Consultancy

Note: New launch refers to units sold in projects that were launched in Dec 2019.  
Existing launch refers to units sold in projects that had been launched in prior months.

Month	Sales Volume		Launches	
	(Excl. EC)	(Incl. EC)	(Excl. EC)	(Incl. EC)
Dec-18	602	605	101	101
Nov-19	1,165	1,186	947	947
Dec-19	538	551	370	370
m-o-m % Change	-53.8%	-53.5%	-60.9%	-60.9%
y-o-y % Change	-10.6%	-8.9%	266.3%	266.3%

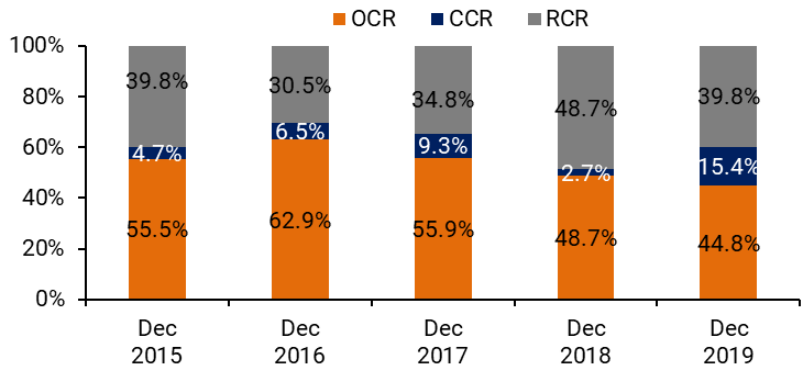
Source: URA, OrangeTee & Tie Research & Consultancy

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



Source: URA, OrangeTee & Tie Research & Consultancy

### Number of Units Sold in the Month



Source: URA, OrangeTee & Tie Research & Consultancy

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 Botannia	OCR	735	735	696	49	\$1,345	94.7%	94.7%
Parc Esta	RCR	1,399	1,050	1,015	45	\$1,666	96.7%	72.6%
Parc Clematis	OCR	1,468	665	528	40	\$1,638	79.4%	36.0%
Jadescape	RCR	1,206	600	571	37	\$1,715	95.2%	47.3%
One Holland Village Residences	CCR	296	156	118	35	\$2,768	75.6%	39.9%
Treasure At Tampines	OCR	2,203	950	874	30	\$1,378	92.0%	39.7%
Stirling Residences	RCR	1,259	980	913	22	\$1,897	93.2%	72.5%
The Florence Residences	OCR	1,410	650	561	18	\$1,500	86.3%	39.8%
Avenue South Residence	RCR	1,074	500	446	17	\$2,006	89.2%	41.5%
The Tre Ver	RCR	729	650	649	16	\$1,638	99.8%	89.0%

Source: URA, OrangeTee & Tie Research & Consultancy

^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

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