

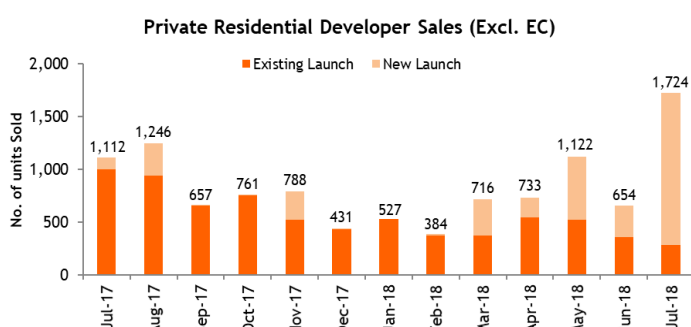
**Spike in new home sales due to last-minute buying spree**

Private new home sales spiked in July despite the recent announcement of the cooling measures. According to developers' sales survey by the Urban Redevelopment Authority for July, private new home sales excluding executive condominiums (ECs) jumped 163.6% month-on-month (m-o-m) and 55.0% year-on-year (y-o-y). Including ECs, new home sales rose 151.6% m-o-m but dipped 15.1% y-o-y. 52% of private home new sales are from the RCR; mainly attributed to Park Colonial (429 units sold) and Stirling Residences (339 units sold). This is followed by OCR (44%), due to the strong sales volume at Riverfront Residences (628 units sold), and CCR (4%).

The strong sales in July may not offer a good gauge of the current buying sentiment after the cooling measures, as the figures are 'inflated' by over a thousand units that were being sold on the night of the announcement of the cooling measures. Many buyers especially investors were snapping up units ahead of the implementation of the increased ABSD. Major projects like Park Colonial and Riverfront Residences had brought forward their official launches while other developments gave discounts to entice buyers during the last-minute buying spree.

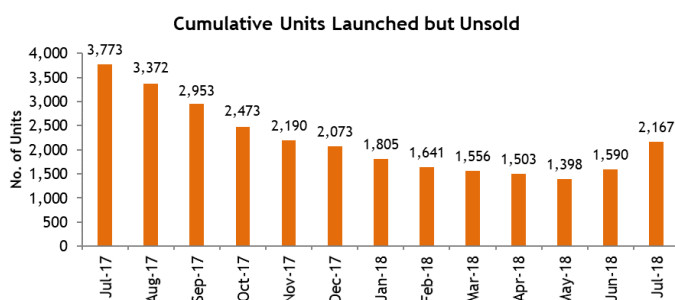
We examined the URA caveats (downloaded on 14 August 2018) to estimate the impact of the cooling measures on the residential sales market. 1,715 caveats (non-landed and landed new sales excluding ECs) were lodged in the month of July, of which 38.4% were recorded post-measures (06 - 31 July). The high percentage of caveats lodged after the implementation of the cooling measures indicate that sales are still relatively quite healthy, driven mainly by first-timers who are less affected by the cooling measures and may have found the current launch prices quite attractive. We observed a shift in buyers' preference for bigger units after the cooling measures as there are now more owner-occupiers than investors. The caveat analysis shows a decrease in percentage of new sales below 800 sqft from 68.4% pre-measures (01 - 05 July) to 62.3% post-measures, while sales of new homes between 800 and 1500 sqft increased from 29.4% pre-measures to 34.7% post-measures.

Moving forward, sales are expected to fall significantly from the high-base of July sales. This is mainly due to multiple factors like the knee-jerk reaction to the latest cooling measures, slower sales in the lunar seventh month and fewer new launches. Many developers are going ahead with their launches from October, including JadeScape, The Jovell, Parc Esta, Kent Ridge Hill Residences, Treasures at Tampines and The Woodleigh Residences.



Source: URA, OrangeTee & Tie Research & Consultancy

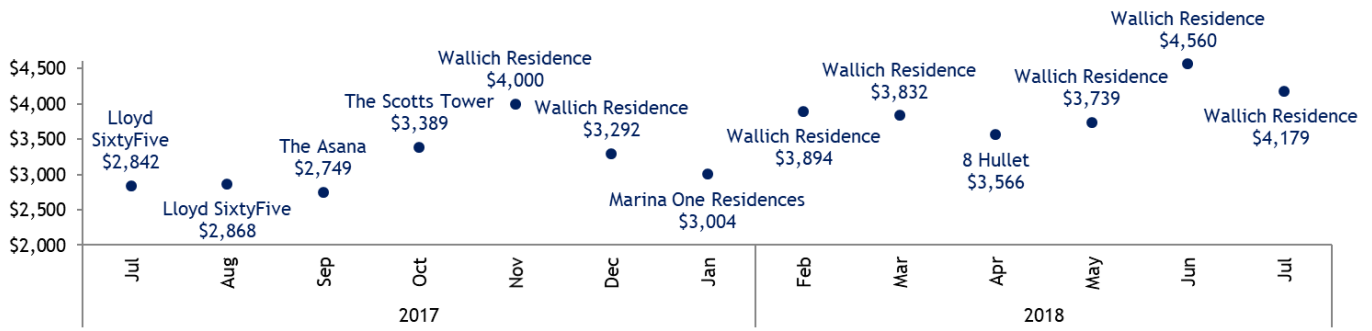
Note: New launch refers to units sold in projects that were launched in July 2018. Existing launch refers to units sold in projects that had been launched in prior months.



Source: URA, OrangeTee & Tie Research & Consultancy

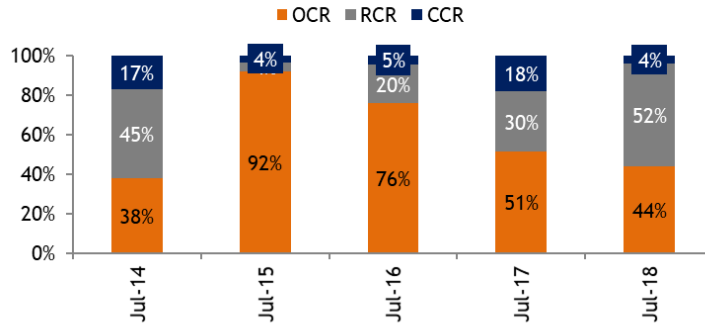
Months	Sales Volume	
	(Excl. EC)	(Incl. EC)
Jul-17	1,112	2,092
Aug-17	1,246	1,587
Sep-17	657	906
Oct-17	761	972
Nov-17	788	937
Dec-17	431	531
Jan-18	527	627
Feb-18	384	476
Mar-18	716	788
Apr-18	733	1,329
May-18	1,122	1,259
<b>Jun-18</b>	<b>654</b>	<b>706</b>
<b>Jul-18</b>	<b>1,724</b>	<b>1,776</b>
m-o-m % Change	163.6%	151.6%
y-o-y % Change	55.0%	-15.1%

### 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

### Best Selling Projects in Jul 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* (%)
Riverfront Residences	OCR	1,472	800	628	628	\$1,307	78.5%	42.7%
Park Colonial	RCR	805	805	429	429	\$1,756	53.3%	53.3%
Stirling Residences	RCR	1,259	380	339	339	\$1,746	89.2%	26.9%
Daintree Residence	RCR	327	80	46	46	\$1,716	57.5%	14.1%
Affinity At Serangoon	OCR	1,052	300	144	45	\$1,496	48.0%	13.7%
Marina One Residences	CCR	1,042	621	522	39	\$2,534	84.1%	50.1%
Margaret Ville	RCR	309	138	123	19	\$1,843	89.1%	39.8%
The Tapestry	OCR	861	550	485	17	\$1,416	88.2%	56.3%
Martin Modern	CCR	450	293	270	14	\$2,792	92.2%	60.0%
The Poiz Residences	RCR	731	731	724	13	\$1,347	99.0%	99.0%

^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

### Please contact us for further enquiries

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