

Special Issue

Resale Condominiums Are Back In The Spotlight



Residential
Market Depth
Q3 2021

Resale market making a strong comeback after a two-year hiatus

Vaccine optimism and an anticipated global economic upswing stoked a frenzy of property buying activities around the world. Pent-up demand bolstered by ample liquidity and record-low mortgage rates is propping up home prices worldwide.

In Singapore, the private resale market is cast into the spotlight after a two-year hiatus. Demand for private resale condominiums rose strongly amid the pandemic. According to caveat records from the Urban Redevelopment Authority (URA), 9,097 private non-landed homes excluding Executive Condominiums (EC) were sold in the first seven months of this year. This is more than the 8,769 units moved last year and higher than the 7,550 or so units sold in 2019. This year's transactions have surpassed the full-year sales from 2013 to 2016.

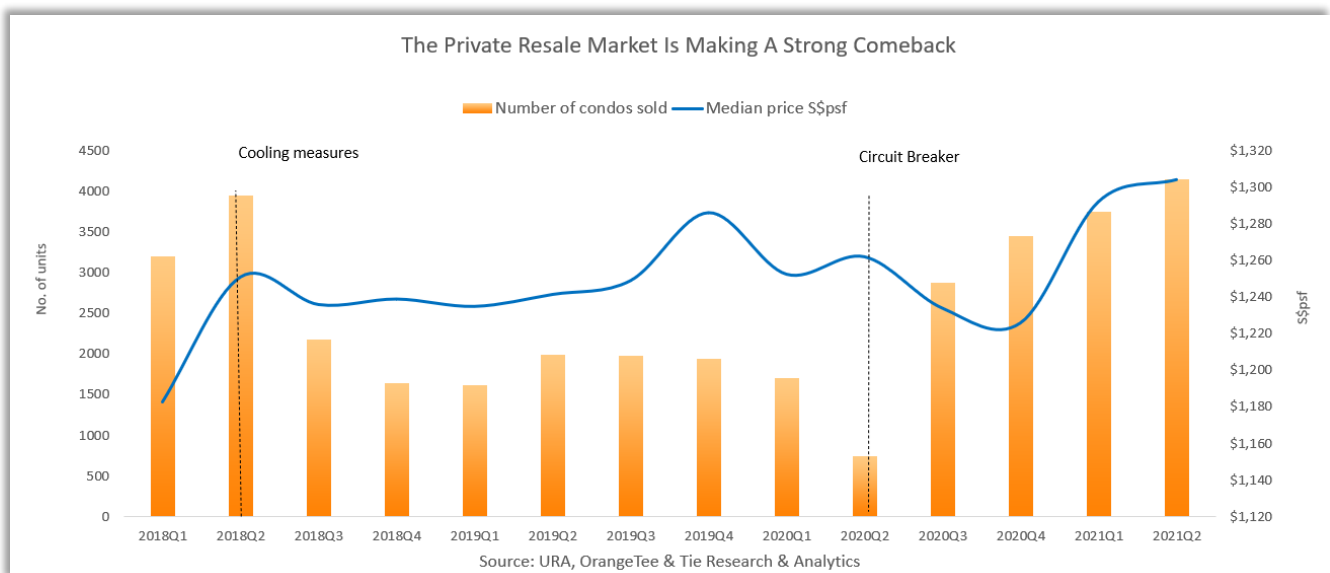
The good sales performance that we are seeing now is in stark contrast to the third quarter of 2018 when resale volume dipped by more than 45 per cent quarter on quarter after cooling measures were implemented. Resale demand remained low thereafter and around 1,700 units were averagely sold per quarter. In contrast, 3,752 units were sold in the first quarter of this year while 4,144 units were transacted in the second quarter. The sales turnaround is a positive sign for the resale market.

Quarter	Resale Condo Transactions		Resale Condo Median Price	
	Units	Q-o-Q	S\$PSF	Q-o-Q
Q1 2020	1,708	-12.2%	\$1,253	-2.6%
Q2 2020	743	-56.5%	\$1,262	0.8%
Q3 2020	2,871	286.4%	\$1,234	-2.2%
Q4 2020	3,447	20.1%	\$1,226	-0.6%
Q1 2021	3,752	8.8%	\$1,292	5.4%
Q2 2021	4,144	10.4%	\$1,304	0.9%
Jul 2021	1,201	NA	\$1,337	2.5%

Source: URA, OrangeTee & Tie Research & Analytics



8 Saint Thomas



Best-selling resale condominiums

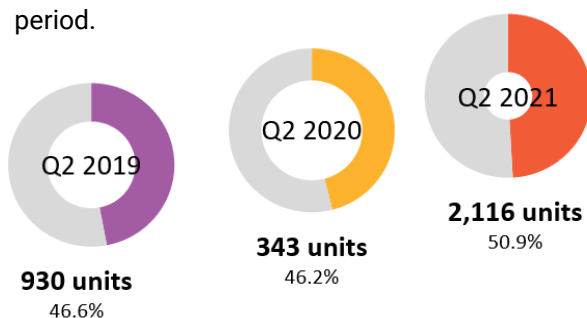
The most popular luxury projects in 2020 and 2021* were Marina One Residences (229 units), 8 Saint Thomas (119 units), D'Leedon (100 units), The Sail @ Marina Bay (71 units), Nouvel 18 (48 units), and Icon (47 units) in the Core Central Region (CCR).

The best-selling suburban resale condominiums over the same period were High Park Residences (126 units, median price of S\$1,232 psf), The Minton (117 units, S\$1,082 psf), Parc Rosewood (96 units, S\$1,093 psf), and D'Nest (86 units, S\$1,088 psf). Most of the top selling projects were attractively priced and transacted lower than the S\$1,581 median price for new condominiums in the Outside of Central Region (OCR).

The same trend can be observed in the city fringe areas where the most popular projects like Reflections at Keppel Bay (139 units, S\$1,601 psf), Sims Urban Oasis (98 units, S\$1,543 psf) and the Caribbean at Keppel Bay (85 units, S\$1,528 psf) were sold below the median price for new condominiums in Rest of Central Region (RCR) at S\$1,846 psf.

Demand surge for suburban resale projects

In the suburban regions, demand for resale condominiums surged strongly on the back of a diminishing home supply. In the second quarter of this year, 2,116 resale condominiums were sold in OCR, 516.9 per cent more than the 343 units sold in Q2 2020. The proportion of resale homes in the suburban region has also increased from 46.2 per cent to 50.9 per cent over the same period.



Source: URA, OrangeTee & Tie Research & Analytics

Most popular resale condominiums exclude EC (2020-2021*)

Project Name	Number of condos sold	Median price S\$psf
Core Central Region		
MARINA ONE RESIDENCES	229	\$2,337
8 SAINT THOMAS	119	\$2,760
D'LEEDON	100	\$1,639
THE SAIL @ MARINA BAY	71	\$1,835
NOUVEL 18	48	\$3,099
ICON	47	\$1,676
SOLEIL @ SINARAN	40	\$1,834
ONE SHENTON	39	\$1,613
WALLICH RESIDENCE	33	\$3,252
THE OCEANFRONT @ SENTOSA COVE	31	\$1,539
Rest of Central Region		
REFLECTIONS AT KEPPEL BAY	139	\$1,601
SIMS URBAN OASIS	98	\$1,543
CARIBBEAN AT KEPPEL BAY	85	\$1,528
EIGHT RIVERSUITES	79	\$1,474
BARTLEY RIDGE	79	\$1,446
THE INTERLACE	65	\$1,287
COMMONWEALTH TOWERS	63	\$1,858
THE GARDENS AT BISHAN	55	\$1,142
THE CASCADIA	50	\$1,721
SKY VUE	47	\$1,711
WATERBANK AT DAKOTA	47	\$1,626
Outside of Central Region		
HIGH PARK RESIDENCES	126	\$1,232
THE MINTON	117	\$1,082
PARC ROSEWOOD	96	\$1,093
D'NEST	86	\$1,088
BOTANIQUE AT BARTLEY	75	\$1,538
WATERTOWN	74	\$1,365
LA FIESTA	74	\$1,259
MELVILLE PARK	73	\$694
COCO PALMS	73	\$1,239
THE BAYSHORE	72	\$979

Source: URA, OrangeTee & Tie Research & Analytics

*up to 15 August 2021 caveat records

Developers have been paring down their unsold stock as brisk throughout the pandemic, while only two large projects (excluding ECs) with more than 500 units have been launched in the OCR since 2020, resulting in a significant supply-demand imbalance. Many buyers have been struggling to find new homes in the suburban areas since supply is dwindling.

Demand will likely remain low as most developers have yet to replenish their land banks. The land supply in the suburban and city-fringe areas has dipped to a new low since the end of the collective sales cycle in 2018. There have been few successful enbloc deals, and supply from the government land sales have been moderated.



The current home supply especially in the suburban regions is not able to meet the swelling demand from Singaporeans like HDB upgraders. Further, developers in Singapore are landbank-starved as enbloc sales have ground to an almost complete halt after the cooling measures.

Developers' hunger for land will grow as they continue to pare down their unsold stock. We may see more active bidding activities at land auctions and government land sales programmes. Market optimism and the declining home supply may drive home prices higher in the second half of this year.

Please contact us for research inquiries



Christine Sun
Senior Vice President
christine.sun@orangetee.com

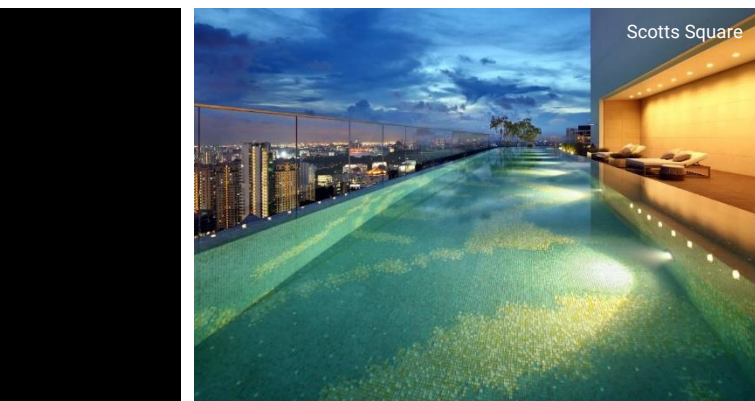


Timothy Eng
Research Analyst
timothy.eng@orangetee.com

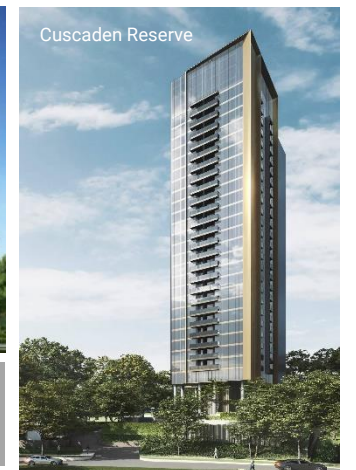


Daniel Chiang
Senior Data Analyst
daniel.chiang@orangetee.com

Resale Projects Marketed by OrangeTee



Contact Our Sales Team:
64718888 newhomes@orangetee.com



Terms of Use: The reproduction or distribution of this publication without the express consent of the author is prohibited. This publication is provided for general information only and should not be treated as an invitation or recommendation to buy or sell any specific property or as sales material. Users of this report should consider this publication as one of the many factors in making their investment decision and should seek specific investment advice. OrangeTee.com Pte Ltd and the authors of this publication shall not accept and hereby disclaim all responsibilities and liability to all persons and entities for consequences arising out of any use of this publication.

Copyright © OrangeTee & Tie Pte Ltd. All rights reserved.