

# MONTHLY DEVELOPERS' SALES

Real Estate Data Trend & Analytics



Dec 2021

## New sales ease on cooling measures and holiday season

New home sales declined on the back of a double whammy of fresh property cooling measures that took effect on 16 December and the year-end holiday season when sales activities typically slow down. Based on the Urban Redevelopment Authority (URA) sales survey, developers sold 650 units last month, making for a 58.0 per cent drop from the 1,547 units booked in November.

Including Executive Condominiums (EC), new home sales dropped by 55.4 per cent month-on-month (m-o-m) to 719 units in December from 1,611 units sold in November. Compared to a year ago, new sales excluding ECs dipped by 46.6 per cent to 1,217 units.

The Government announced new property curbs to cool the private residential and HDB resale markets. Based on URA and HDB flash estimates, prices of residential properties and HDB resale flats rose for seventh straight quarter in Q4 2021 and on a full-year basis, reached their fastest growth since 2010. The authorities were concerned if prices could run ahead of economic fundamentals and risk a destabilising correction later.

With effect from 16 December 2021, the Additional Buyers' Stamp Duty (ABSD) rates will be raised and the Total Debt Servicing Ratio (TDSR) threshold will be tightened. The Loan-To-Value (LTV) limit for loans from HDB will be tightened from 90% to 85%.

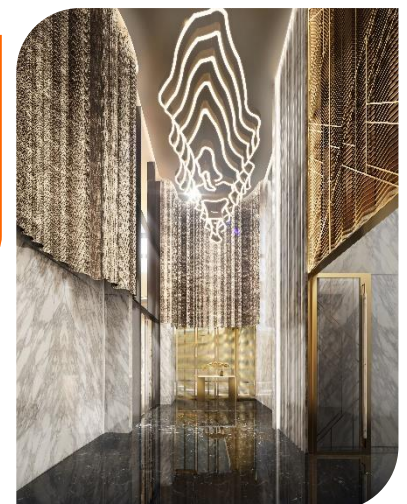
The private housing supply will be raised to meet the increased demand and address developers' dwindling supply of unsold homes. For the H1 2022 Government Land Sales programme, the supply of private homes from sites on its confirmed list has been increased about 40 per cent compared with the second half of last year.

Month	Sales Volume		Launches	
	(Excl. EC)	(Incl. EC)	(Excl. EC)	(Incl. EC)
Dec-20	1,217	1,265	1,349	1,349
Jul-21	1,602	1,757	1,104	1,104
Aug-21	1,216	1,323	836	836
Sep-21	834	1,296	210	706
Oct-21	912	1,048	661	661
Nov-21	1,547	1,611	1,283	1,283
<b>Dec-21</b>	<b>650</b>	<b>719</b>	<b>383</b>	<b>383</b>
M-o-M % Change	-58.0%	-55.4%	-70.1%	-70.1%
Y-o-Y % Change	-46.6%	-43.2%	-71.6%	-71.6%

Source: URA, OrangeTee & Tie Research & Analytics



Artist Impression of Verticus



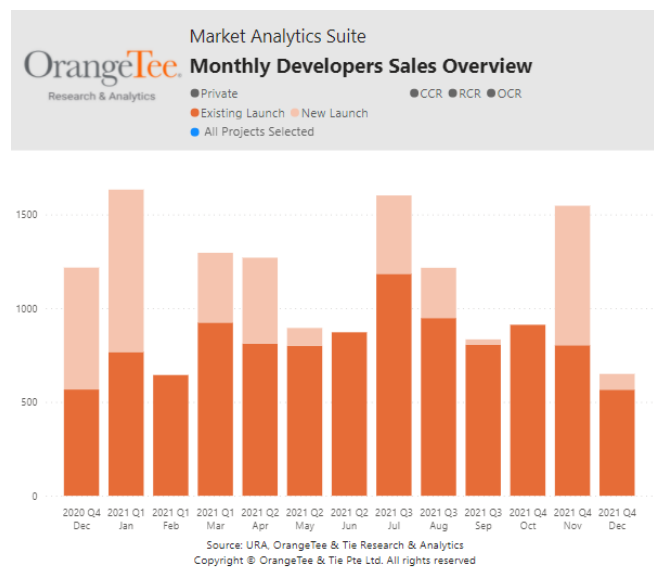
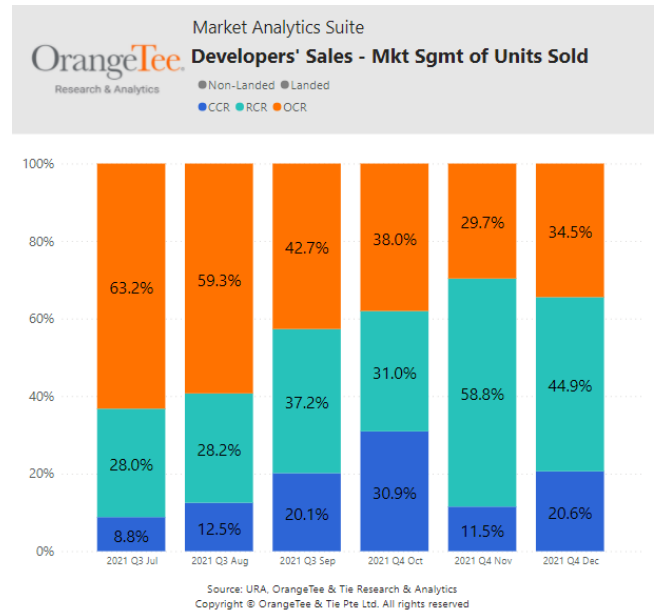
Artist Impression of Perfect Ten

Last month, the best-selling projects were Normanton Park, Mori, Dairy Farm Residences, The Florence Residences, Leedon Green, Provence Residence and Parc Greenwich. The Rest of Central Region (RCR) registered 44.9 per cent of total sales excluding EC. This is followed by the Outside of Central Region (OCR) 34.5 per cent and the Core Central Region (CCR) at 20.6 per cent.

Last month's sales may not reflect the full impact of the new cooling measures as a number of deals were closed before the property curbs kicked in on 16 December. Based on URA realis caveat data, about 60 per cent of the sales transactions of new homes (including EC) were closed in the first half of the month while 289 units were sold in the second half.

Moreover, the 137-unit Mori at Guillemard Road was launched before the cooling measures which may have driven sales higher. Therefore, January's sales figure may provide a clearer picture of the full impact of the property curbs. The 230-unit Perfect Ten at Bukit Timah Road was launched after cooling measures.

We expect the pull-back in sales to be temporary. Based on past records, a moderate number of new homes were sold for about seven months after property cooling measures were imposed in July 2018, when ABSD rates were raised and LTV tightened. The monthly average sales were 680 new homes excluding ECs from July 2018 to February 2019, lower than the 964 monthly average transactions in 2017. Demand subsequently started recovering thereafter and the monthly average sales were around 995 units from March 2019 to November 2021.



Artist Impression of Normanton Park, Royalgreen, Daintree Residences and Klimt Cairnhill



For the whole of 2021, 13,118 new homes excluding EC units have been sold, This is the best performance in eight years. Compared to 2020, sales increased 31.4 per cent from 9,982 transactions.

About 9,000 units or less (including EC units) may be launched this year, which is 17 to 20 per cent lower than the units launched annually in 2019 and 2020. In view of the new cooling measures and fewer project launches this year, we estimate that 8,000 to 9,000 new homes could be sold for the whole of 2022.



Artist Impression of Canning Hill Piers

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 <sup>^</sup> (%)	Sold out status* (%)
Normanton Park	RCR	1,862	1,862	1,492	73	\$1,831	80.1%	80.1%
Mori	RCR	137	100	71	71	\$1,869	71.0%	51.8%
Dairy Farm Residences	OCR	460	460	380	42	\$1,674	82.6%	82.6%
The Florence Residences	OCR	1,410	1,310	1,258	31	\$1,705	96.0%	89.2%
Leedon Green	CCR	638	350	320	29	\$2,727	91.4%	50.2%
Provence Residence	OCR	413	413	362	25	\$1,214	87.7%	87.7%
Parc Greenwich	OCR	496	496	437	22	\$1,293	88.1%	88.1%
One Pearl Bank	RCR	774	550	531	19	\$2,614	96.5%	68.6%
Sengkang Grand Residences	OCR	680	660	641	17	\$1,764	97.1%	94.3%
Midwood	OCR	564	564	491	17	\$1,823	87.1%	87.1%
Avenue South Residence	RCR	1,074	1,000	914	16	\$2,311	91.4%	85.1%

<sup>^</sup>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

Source: URA, OrangeTee & Tie Research & Analytics

Please contact us for research inquiries. For sales enquiries, please contact your preferred OrangeTee agents.



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