OrangeTee
Research & Analytics

MONTHLY DEVELOPERS' SALES

Real Estate Data Trend & Analytics

Artist Impression of Riviere

Feb 2022

Triple whammy slows February sales

The private residential market is reeling under a triple whammy of cooling measures, declining housing supply, and global uncertainties from the Russia-Ukraine conflict. Sales take up was notably slower last month as buyers were more cautious and stayed on the sidelines.

According to the Urban Redevelopment Authority (URA) sales survey, new private home sales excluding executive condominiums (ECs) dipped 22.5 per cent from 680 units sold in January 2022 to 527 units in February 2022. Including ECs, new home sales decreased 23.6 per cent from 732 units to 559 units over the same period. On a year-on-year basis, new sales excluding ECs declined by 18.3 per cent from 645 units in February 2021.

There was only one new project launch – the 32-unit Royal Hallmark at Haig Lane. Existing projects in the market continued to clear their stock. Last month's best-selling projects were the Normanton Park, Dairy Farm Residences, Avenue South Residence, The Florence Residences, Verdale, One Pearl Bank, Parc Greenwich, Midwood, Leedon Green, Kopar at Newton and Fourth Avenue Residences.

The bulk of transactions (excluding ECs) took place in the Rest of Central Region (RCR), comprising 50.5 per cent of total new sales (excluding EC), followed by Outside of Central Region (OCR) with 30.4 per cent, and the Core Central Region (CCR) with 19.2 per cent.

Housing demand is often driven by market sentiment. Therefore, some buyers may have taken a backseat in light of the growing global uncertainties. The Russian-Ukraine conflict has impacted businesses worldwide and led to higher oil and natural gas prices.

Month	Sales Volume		Launches	
	(Excl. EC)	(Incl. EC)	(Excl. EC)	(Incl. EC)
Feb-21	645	756	167	167
Sep-21	834	1,296	210	706
Oct-21	912	1,048	661	661
Nov-21	1,547	1,611	1,283	1,283
Dec-21	650	719	383	383
Jan-22	680	732	178	178
Feb-22	527	559	194	194
M-o-M % Change	-22.5%	-23.6%	9.0%	9.0%
Y-o-Y % Change	-18.3%	-26.1%	16.2%	16.2%

Source: URA, OrangeTee & Tie Research & Analytics

Artist Impression of Cairnhill 16 and Irwell Hill Residences

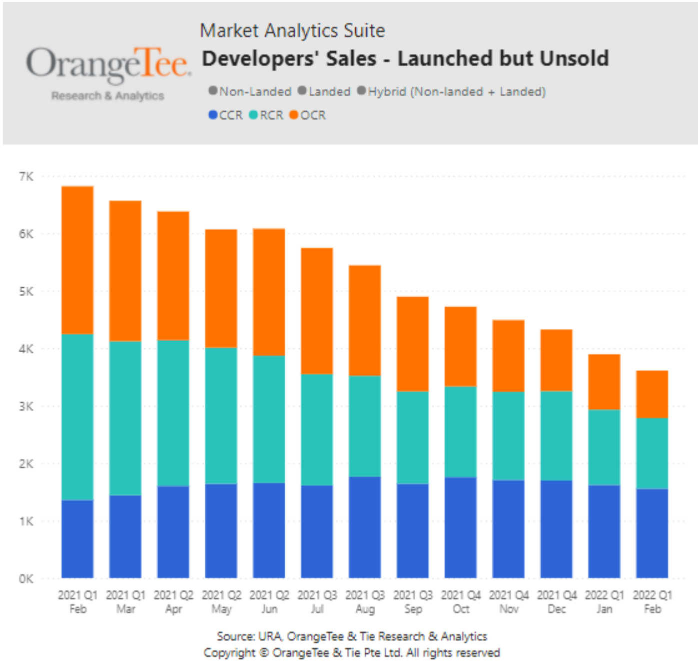
Besides the geopolitical conflict, property buyers may face other challenges – rising interest rates, property tax hikes from next year and fewer home options given a smaller slate of project launches this year.

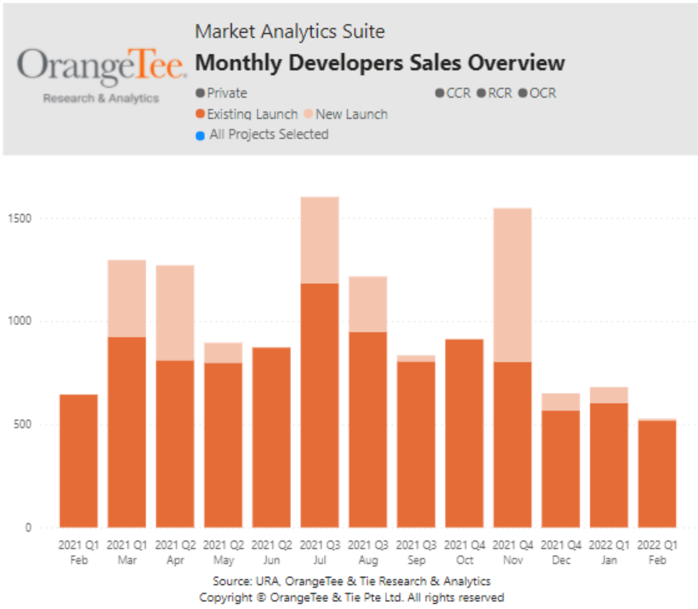
Demand has outstripped supply over the past year, and new home sales exceeded units launched each month. As a result, the number of launched but unsold units have declined steadily. The launched but unsold units excluding EC dipped 47.0 per cent from 6,819 units in February 2021 to 3,611 units in February 2022.

The supply crunch situation is set to worsen this year as the number of new homes slated for launch is expected to drop further by about 20 per cent to around 9,000 units (including EC). While more land parcels would be released from the Government Land Sales programme in the first half of this year, the new homes will only enter the market next year.

Wild swings in the financial and stock markets have reverberated across the world and prompted a global flight to safety. Many investors are keeping a watchful eye on the development of the Russia-Ukraine conflict, and the war's impact on the global economy.

As war tensions continue to escalate, there could be a revival in demand for safe-haven purchases. Looming uncertainties may instead benefit our real estate market as investors shift their focus back to defensive asset classes like properties.





Artist Impression of Royalgreen, Normanton Park, CanningHill Piers and Parc Clematis

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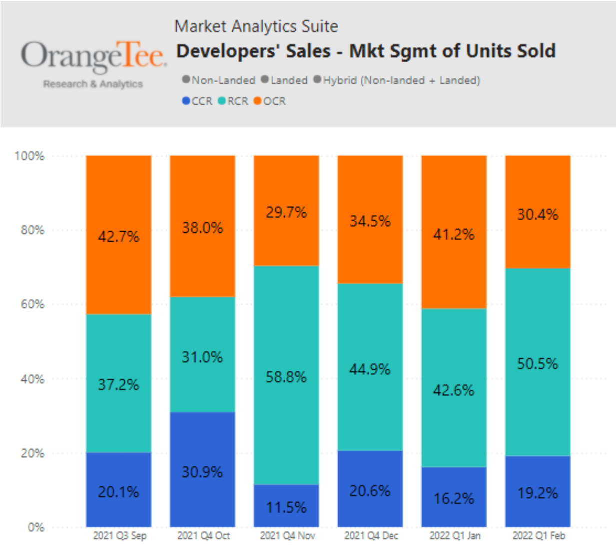

Source: URA, OrangeTee & Tie Research & Analytics


Artist Impression of Midtown Modern

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* (%)
Normanton Park	RCR	1,862	1,862	1,666	85	$1,855	89.5%	89.5%
Dairy Farm Residences	OCR	460	460	439	32	$1,716	95.4%	95.4%
Avenue South Residence	RCR	1,074	1,000	958	32	$2,371	95.8%	89.2%
The Florence Residences	OCR	1,410	1,310	1,291	26	$1,710	98.5%	91.6%
Verdale	RCR	258	258	228	20	$1,825	88.4%	88.4%
One Pearl Bank	RCR	774	600	561	19	$2,334	93.5%	72.5%
Parc Greenwich	OCR	496	496	467	18	$1,258	94.2%	94.2%
Midwood	OCR	564	564	525	16	$1,730	93.1%	93.1%
Leedon Green	CCR	638	350	338	14	$2,838	96.6%	53.0%
Kopar At Newton	CCR	378	378	257	13	$2,429	68.0%	68.0%
Fourth Avenue Residences	CCR	476	476	418	13	$2,469	87.8%	87.8%

^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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