

New home sales rebounded with more wealthy foreigners streaming back

The number of new private homes that changed hands in July rose almost 90 per cent when compared with June this year, according to developers' sales survey by the Urban Redevelopment Authority (URA). There were 1,178 new private home transactions - excluding executive condominiums (EC) - last month, up 43.5 per cent from the 821 units sold in the prevailing month. Including ECs, developers moved 1,556 units in July, reflecting a whopping 89.3 per cent month-on-month (m-o-m) leap in new home sales.

The stellar sales could largely be attributed to more buyers returning to the market after the June holidays and more developers fast-tracking their project launches ahead of the lunar seventh month. Last month, developers released 1,731 new units including ECs for sale. New launches include the only EC project for this year - Piermont Grand, and projects like One Pearl Bank, View at Kismis, Haus on Handy, Dunearn 386 and Jervois Treasures.

About 40 per cent of new home sales was from Piermont Grand (378 units) and One Pearl Bank (197 units). The robust sales at Piermont Grand reflect the strong pent-up demand for ECs. The market has been facing an undersupply of new ECs stemming from a dearth of launches over the past few years. Existing projects like Treasure at Tampines and The Florence Residences have clocked more than 100 sales last month while higher sales were observed at a number of projects (see Table 1).

Table 1: Ongoing projects that registered higher m-o-m new home sales in July

Project Name	July 2019 (no. of units sold)	June 2019 (no. of units sold)	m-o-m increase (no. of units sold)
The Florence Residences	112	48	64
Treasure at Tampines	119	70	49
Jadescape	30	0*	30
Parc Botannia	75	60	15
Stirling Residences	45	33	12

Source: URA, OrangeTee & Tie Research & Consultancy, (*Show flat was closed for renovation)

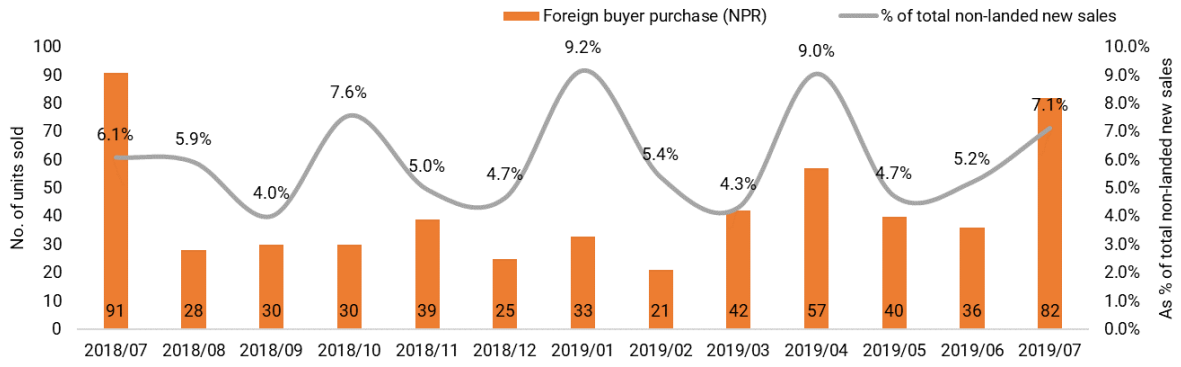
Foreign buyers streamed back to the market in July. According to URA Realis data downloaded today, 82 units or 7.1 per cent of all non-landed new home sales were snapped up by foreigners (non-permanent residents (NPR) last month, higher than the one-year average of 39 units. However, this is still below the highest monthly sales of 274 units in December 2011. Foreign buyers have also bought pricier homes this year. For the first seven months of 2019, 27.0 per cent or 84 of the 311 non-landed new homes bought by foreigners were above S\$3 million (See table 2). This is the highest percentage achieved since the 30.5 per cent record in 2007. 49 units or 15.8 per cent were sold above S\$5 million in January to July 2019. The growing global economic uncertainties may see more investors parking their funds here as Singapore's property market is known to be a safe and stable haven for capital preservation and appreciation.

Table 2: Non-landed new homes bought by foreign buyers

Year	Price quantum of purchase > \$3 million		Price quantum of purchase > \$5 million	
	No. of non-landed new homes bought by foreigners	As % of non-landed new homes bought by foreigners	No. of non-landed new homes bought by foreigners	As % of non-landed new homes bought by foreigners
2015	33	6.3%	11	2.1%
2016	41	6.6%	16	2.6%
2017	49	6.4%	4	0.5%
2018	109	20.6%	30	5.7%
Jan-Jul 2019	84	27.0%	49	15.8%

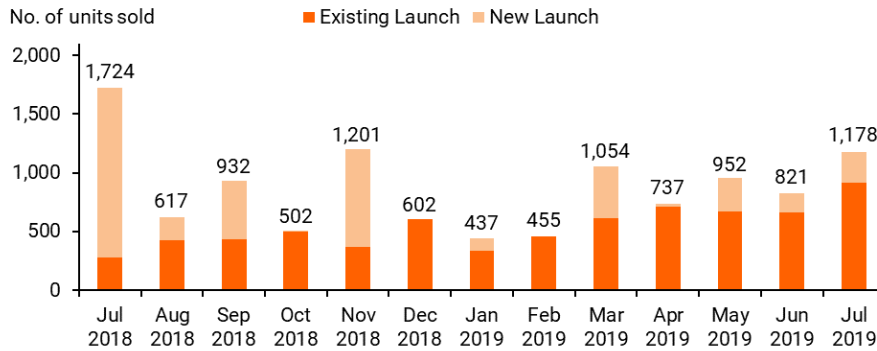
Source: URA Realis, OrangeTee & Tie Research & Consultancy

Increased number of non-landed new private homes bought by foreigners in July 2019



Source: URA Realis, OrangeTee & Tie Research & Consultancy

Private Residential Developer Sales (Excl. EC)



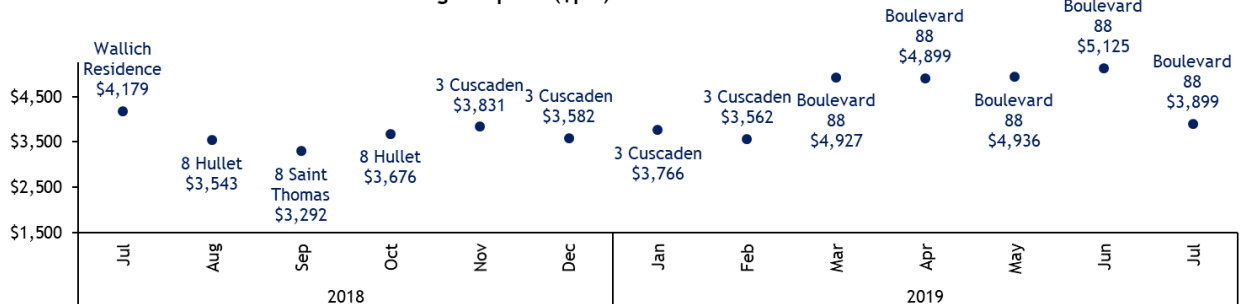
Source: URA, OrangeTee & Tie Research & Consultancy

Note: New launch refers to units sold in projects that were launched in their respective months. 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)
Jan-18	437	438	681	681
Feb-19	455	457	596	596
Mar-19	1,054	1,062	1,812	1,812
Apr-19	737	746	444	444
May-19	952	952	1,394	1,394
Jun-19	821	822	670	670
Jul-19	1,178	1,556	911	1,731
m-o-m % Change	43.5%	89.3%	36.0%	158.4%
y-o-y % Change	-31.7%	-12.4%	-59.3%	-22.7%

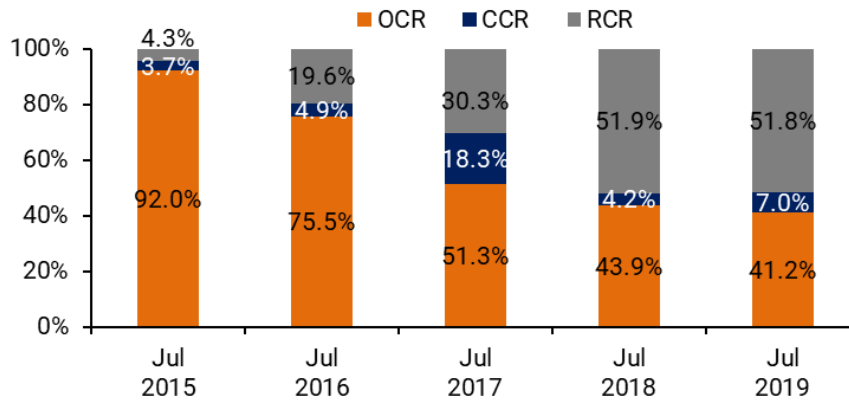
Source: URA, OrangeTee & Tie Research & Consultancy

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

Best Selling Projects in July 2019

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* (%)
Piermont Grand	OCR	820	820	378	378	\$1,107	46.1%	46.1%
One Pearl Bank	RCR	774	280	197	197	\$2,353	70.4%	25.5%
Treasure At Tampines	OCR	2,203	600	571	119	\$1,325	95.2%	25.9%
The Florence Residences	OCR	1,410	400	326	112	\$1,449	81.5%	23.1%
Parc Botannia	OCR	735	735	614	75	\$1,308	83.5%	83.5%
Sky Everton	RCR	262	262	160	67	\$2,606	61.1%	61.1%
Parc Esta	RCR	1,399	700	668	55	\$1,664	95.4%	47.7%
Stirling Residences	RCR	1,259	830	762	45	\$1,859	91.8%	60.5%
Riverfront Residences	OCR	1,472	1,200	1,082	43	\$1,327	90.2%	73.5%
View At Kismis	RCR	186	60	39	39	\$1,706	65.0%	21.0%

[^]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

OrangeTee & Tie Research and Consultancy



Steven Tan
 Managing Director
 Executive Office
 +65 6303 2999
 steven.tan@orangetee.com



Christine Sun
 Head
 Research and Consultancy
 +65 6303 2662
 christine.sun@orangetee.com



John Tay
 Senior Research Analyst
 Research and Consultancy
 +65 6303 2662
 john.tay@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.