

REAL ESTATE DATATREND

Developer Monthly Sales Analysis

Sales slid on the back of the holiday season and higher launch prices

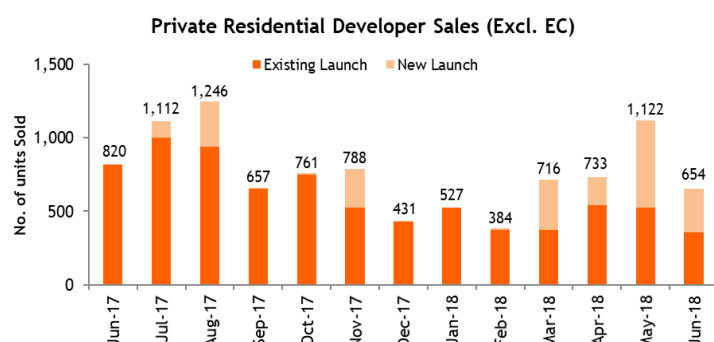
16 July 2018

Sales slid on the back of the holiday season and higher launch prices

Private new home sales took a beating in June as a result of the holiday season and new projects being launched at new benchmark prices. According to developers' sales survey by the Urban Redevelopment Authority for June, developers sold 42% less private homes (654 units excluding Executive Condominiums (ECs)) on a month-on-month (m-o-m) and 20% on a year-on-year (y-o-y) basis. Including ECs, sales dipped 44% m-o-m and 34% y-o-y to 706 units.

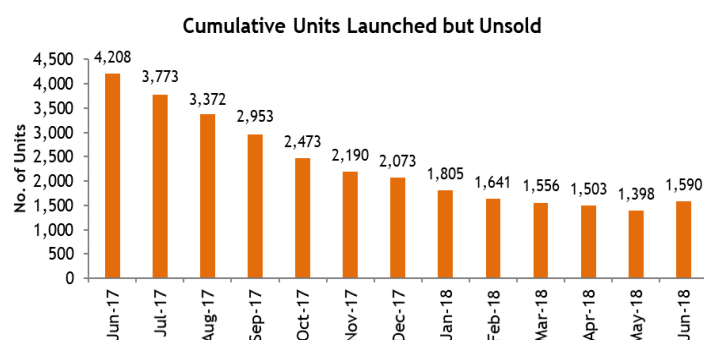
726 units were launched in June 18, the highest number of units launched in the month of June since 2013 (1,768 units excluding ECs). Sales volume did not match the market confidence of some developers as many key projects were launched at new benchmark prices in June. In Serangoon planning area alone, 456 units were launched from The Garden Residences and Affinity at Serangoon. 64 units or 41% of the 156 launched units at The Gardens Residences and 107 units or 36% of the 300 launched units at the Affinity at Serangoon were sold in June. Sales for both projects could have been stronger if their launches were better spaced. Both projects were essentially targeting the same pool of buyers and were cannibalising each other's market share by launching the projects together.

Moving forward, sales are expected to surge in July as over a thousand units were sold in Stirling Residences, Park Colonial and Riverfront Residences. However, we expect new sales to fall thereafter as a knee-jerk reaction to the latest cooling measures. August may especially see a large dip in sales volume due to the lunar seventh month, which usually sees slower sales. Now, we are seeing more first timers in the new launches as they are less affected by the cooling measures. The trend is likely to continue as the stabilising prices will present good buying opportunity for first timers who can afford to pay the extra 5% cash / CPF down payment (as a result of the lower LTV limit). We expect the full-year sales to be between 8,000 and 9,000 units.



Source: URA, OrangeTee & Tie Research & Consultancy

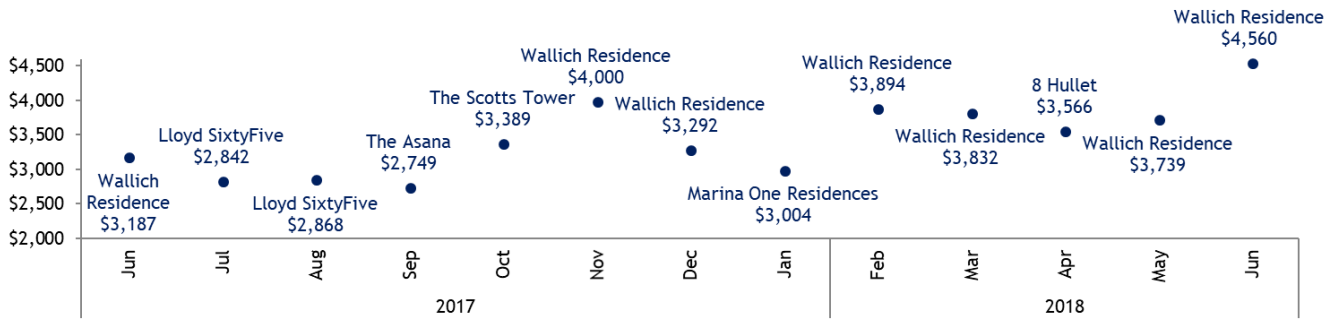
Note: New launch refers to units sold in projects that were launched in June 2018. Existing launch refers to units sold in projects that had been launched in prior months.



Source: URA, OrangeTee & Tie Research & Consultancy

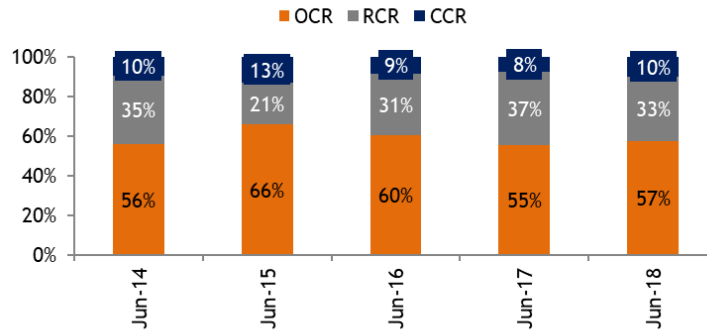
Months	Sales Volume	
	(Excl. EC)	(Incl. EC)
Jun-17	820	1,064
Jul-17	1,112	2,092
Aug-17	1,246	1,587
Sep-17	657	906
Oct-17	761	972
Nov-17	788	937
Dec-17	431	531
Jan-18	527	627
Feb-18	384	476
Mar-18	716	788
Apr-18	733	1,329
May-18	1,122	1,259
Jun-18	654	706
m-o-m % Change	-41.7%	-43.9%
y-o-y % Change	-20.2%	-33.6%

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 Jun 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* (%)
Margaret Ville	RCR	309	138	121	121	\$1,873	87.7%	39.2%
Affinity At Serangoon	OCR	1,052	300	107	107	\$1,584	35.7%	10.2%
Twin Vew	OCR	520	520	450	64	\$1,350	86.5%	86.5%
The Garden Residences	OCR	613	156	64	64	\$1,662	41.0%	10.4%
120 Grange	CCR	56	50	42	42	\$3,159	84.0%	75.0%
The Tapestry	OCR	861	500	469	39	\$1,378	93.8%	54.5%
Kingsford Waterbay	OCR	1,165	1,165	1,127	22	\$1,355	96.7%	96.7%
Parc Botannia	OCR	735	552	428	19	\$1,376	77.5%	58.2%
Artra	RCR	400	319	300	12	\$1,817	94.0%	75.0%
The Verandah Residences	RCR	170	170	170	12	\$1,815	100.0%	100.0%

^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



Darren Thang
 Senior Manager
 Digital Marketing and
 Communications
 +65 63032909
 darren.thang@orangetee.com



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

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