

Monthly sales rose month-on-month but lower than the volume seen last year

Keener Sense of Real Estate

16 April 2018

**Slower sales attributed to lack of mega launches**

Developers’ monthly sales (excluding EC) rose 86.5 per cent to 716 units in March this year. However, this is 59.8 per cent lower than the 1,780 units recorded in Mar’17. The lower sales could be largely attributed to an absence of major launches, with The Tapestry being the only mega project launched this month.

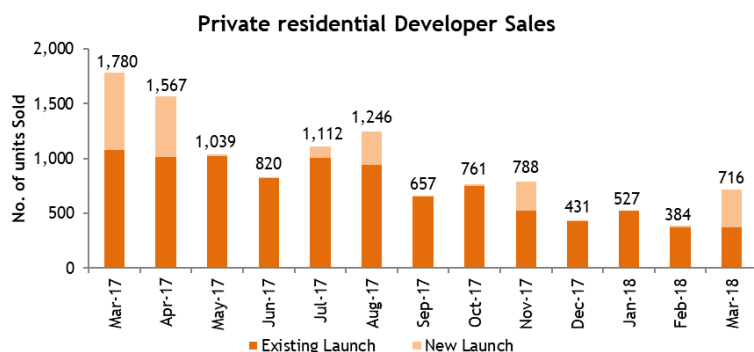
**New benchmark prices gaining market acceptance**

The Tapestry moved 329 units at a median price of \$1,408 psf this month. This is considered a new benchmark price for a newly launched project in that area. Separately, Grandeur Park which was launched in Mar’17 at \$1,406 psf has achieved a new benchmark median price this month at \$1,532 psf with 40 units being sold. Parc Botannia that was launched in Nov’17 at \$1,287 psf median price has also raised their selling price to a new high at \$1,310 psf and moved 30 units. The high-end project at Martin Modern achieved a new median price this month at \$2,772 psf with 20 new sales, much higher than the launched price of \$2,152 psf.

The healthy take-up rate for these projects at new benchmark prices this month lend testimony that the higher selling prices are gaining market acceptance. The demand could be driven by home-owners who are keen to snag a unit now before prices trend higher in the coming months.

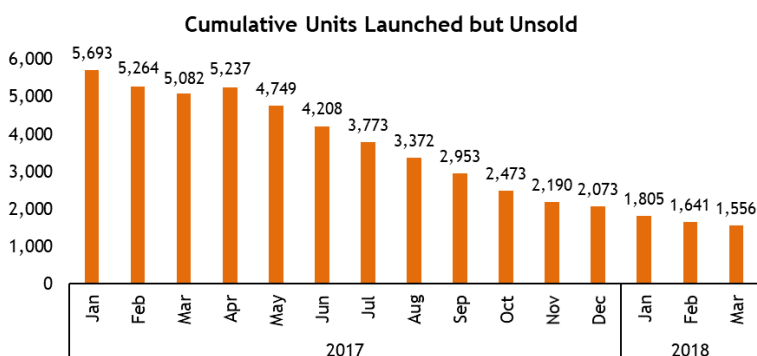
**Demand is outstripping supply**

We expect private homes prices to continue to rise as the current stock is depleting quickly. As it stands, the cumulative units launched but unsold units have been decreasing over the past few months, indicating that demand has already outstripped supply (see table below). There is also a time lapse of between 1.5 and 2 years before projects could be launched from the sold enbloc sites, wherein supply of new launched units would build up again from 2019. Therefore, the depleting stock and new demand from displaced enbloc sellers should continue to lend support to the current price increases.



Source: Ura, OrangeTee & Tie Research & Consultancy

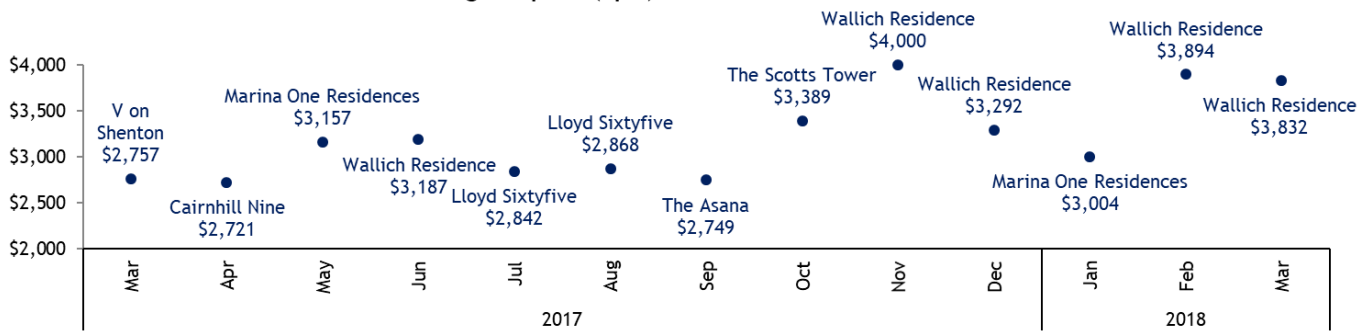
Note: New launch refers to units sold in projects that were launched in Mar 2018. Existing launch refers to units sold in projects that had been launched in prior months.



Source: Ura, OrangeTee & Tie Research & Consultancy

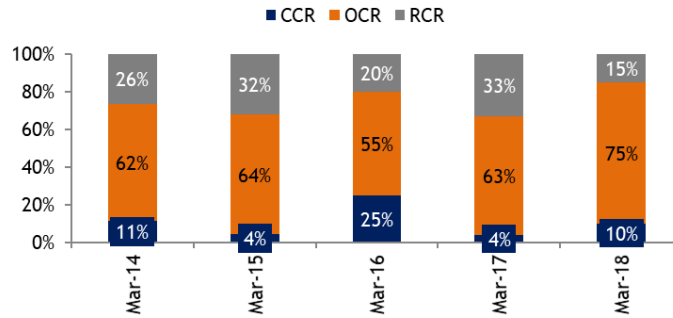
Months	Sales Volume
Mar-17	1,780
Apr-17	1,567
May-17	1,039
Jun-17	820
Jul-17	1,112
Aug-17	1,246
Sep-17	657
Oct-17	761
Nov-17	788
Dec-17	431
Jan-18	527
Feb-18	384
Mar-18	716
m-o-m % Change	86.5%
y-o-y % Change	-59.8%

### 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 March 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* (%)
The Tapestry	OCR	861	450	329	329	\$1,408	73.1%	38.2%
Grandeur Park Residences	OCR	720	720	677	40	\$1,532	94.0%	94.0%
Kingsford Waterbay	OCR	1,165	1,165	1,059	32	\$1,377	90.9%	90.9%
Parc Botannia	OCR	735	357	341	30	\$1,310	95.5%	46.4%
Gem Residences	RCR	578	578	552	23	\$1,513	95.5%	95.5%
Martin Modern	CCR	450	277	251	20	\$2,772	90.6%	55.8%
Seaside Residences	OCR	841	640	622	19	\$1,685	97.2%	74.0%
Artra	RCR	400	269	253	18	\$1,873	94.1%	63.3%
Queens Peak	RCR	736	736	660	16	\$1,919	89.7%	89.7%
8 Hullet	CCR	44	44	15	15	\$3,490	34.1%	34.1%

^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



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



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

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