



Artist Impression



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PRIVATE NEW HOME SALES

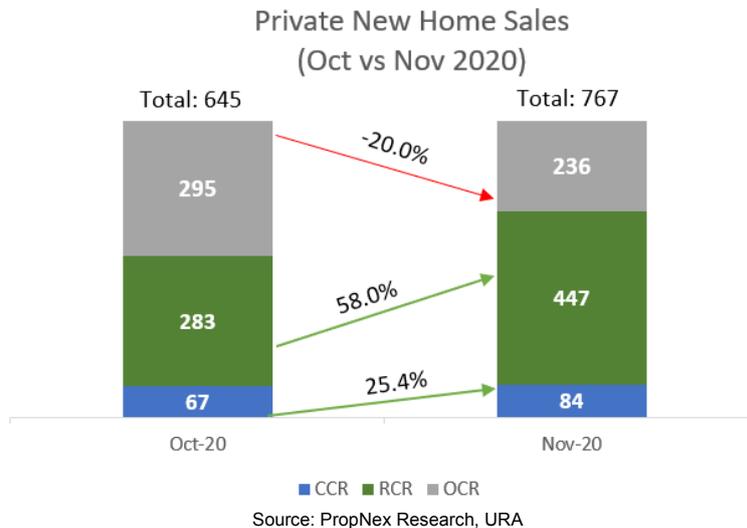
PROPnex RESEARCH
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November 2020



Private new home sales increased by 18.9% month-on-month to 767 units (excluding Executive Condos) in November from the 645 units sold in October 2020. When compared against the previous year, new home sales last month were 34.2% lower than the 1,165 units sold in the November 2019. Taken together, developers have sold a total of 8,791 new units in the first 11 months of 2020 – down by 8.1% from the 9,566 units transacted in the corresponding period of 2019.

The remarkable performance of The Linq @ Beauty World and The Landmark lifted overall new home sales in November. Freehold mixed development The Linq @ Beauty World was practically sold-out during its launch, while the 396-unit The Landmark - which is on the fringe of the central business district – also did well, transacting 27.5% of its total units over its launch weekend.

The Linq @ Beauty World sold 118 units at a median price of \$2,171 psf, while The Landmark shifted 109 units at a median price of \$2,135 psf. Collectively, the two projects accounted for nearly 30% (227 units) of total new home sales during the month.

In November 2020, majority of the transactions were concentrated in the Rest of Central Region (RCR) with 447 units sold, while the Outside Central Region (OCR) and Core Central Region (CCR) transacted 236 and 84 units, respectively. Meanwhile, developers placed 1,375 new units for sale last month, more than tripling the 423 units put on the market in October.

Private New Home Sales (First 11 Months)			
Period	Units Sold	Period	Units Sold
1Q2020	2,149	1Q 2019	1,838
2Q2020	1,713	2Q 2019	2,350
3Q2020	3,517	3Q 2019	3,281
Oct-20	645	Oct-19	932
Nov-20	767	Nov-19	1,165
First 11 Months 2020	8,791	First 11 Months 2019	9,566
% Change	-8.1%		

Source: PropNex Research, URA

November's developers' sales once again demonstrated the strong correlation between transaction volume and new project launches during the month. The Linq @ Beauty World and The Landmark made up about 30% of November's sales. Similarly, in September 2020, new launches such as Penrose, Verdale and Myra contributed to over a-third of monthly sales then.

Typically, December is a lull period for property sales as families go on holidays, but with the restriction on travel due to the pandemic, we expect some consumers could take the time to review their real estate portfolio and assess buying opportunities on the market. With two new projects out in December – Ki Residences and Clavon which have respectively sold 143 and 442 units during their launch – we expect new home sales to cross the 1,000-unit mark this month.

In a year that is fraught with uncertainties, new home sales have held steady. A total of 8,791 private new home sales (excluding ECs) were sold in the first 11 months of the year, and it looks on track to exceed 9,700 units for the full year 2020 – just shy of the 9,912 units sold in 2019.

Moving forward, we are cautiously optimistic of the property market outlook and anticipate that sentiment should remain positive to the extent that COVID-19 remains under control and that the Singapore economy continues to improve.

Private New Home Launched (First 11 Months)			
Period	Units Launched	Period	Units Launched
1Q2020	2,093	1Q 2019	2,989
2Q2020	1,852	2Q 2019	2,502
3Q2020	3,791	3Q 2019	3,628
Oct-20	423	Oct-19	909
Nov-20	1,375	Nov-19	947
First 11 Months 2020	9,534	First 11 Months 2019	10,975
% Change	-13.1%		

Source: PropNex Research, URA

While new launches have boosted home sales in November, it is worthy to note that projects which were previously launched also continued to sell units at a steady pace – about 70% (or 540 units) of November’s sales were from projects that were already on the market. Buyers likely took time to evaluate prices of various developments and returned to pick up properties in projects that they felt offered them the best value for their budget.

Units Sold by Newly Launched projects in Nov 2020	Units Sold by Previously Launched projects in Nov 2020	Total Units Sold in Nov 2020
227 (29.6%)	540 (70.4%)	767 (100.0%)

Source: PropNex Research, URA

In particular, we think the sales performance of the so-called mega projects has been very encouraging and may give developers more confidence in their upcoming launches as well as in their assessment of potential development sites to acquire when they are building up their land inventory. Based on Realis data, the top three best-selling projects in the first 11 months of 2020 were all mega developments launched between 2018 and 2019: Treasure At Tampines; Parc Clematis; and Jadescape. The overall take-up rate for the three projects is now 74%, 68%, and 88%, respectively. Other large developments such as The Florence Residences (66% sold) and Parc Esta (99% sold) have also performed well.

Top 10 Best-Selling Projects in November 2020				
	Project	Region	Units Sold	Median Price (\$psf)
1	THE LINQ @ BEAUTY WORLD	RCR	118	\$2,171
2	THE LANDMARK	RCR	109	\$2,135
3	THE GARDEN RESIDENCES	OCR	44	\$1,641
4	TREASURE AT TAMPINES	OCR	43	\$1,432
5	FORETT AT BUKIT TIMAH	RCR	32	\$1,941
6	JADESCAPE	RCR	25	\$1,752
7	URBAN TREASURES	OCR	21	\$1,998
8	LEEDON GREEN	CCR	18	\$2,603
9	RIVIERE	RCR	16	\$2,541
10	STIRLING RESIDENCES	RCR	15	\$2,047

Source: PropNex Research, URA

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