



Artist Impression

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PRIVATE NEW HOME SALES

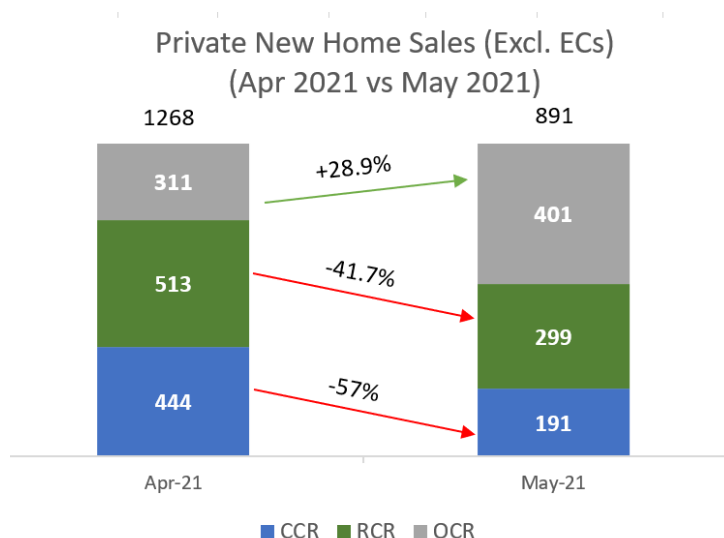
PROPnex RESEARCH
MONTHLY REPORT (MAY 2021)



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MONTHLY PRIVATE NEW HOME SALES

May 2021



New private home sales volume fell by almost 30% in May 2021 compared to the previous month, on the back of limited new launches as well as the tightening of safe management measures to tackle the rising number of COVID-19 community cases. Starting from 16 May 2021, Singapore entered Phase 2 Heightened Alert, which affected developers' launch activities and show flat turn-ups.

Developers sold 891 new private homes (excluding Executive Condos) in May 2021 – down by 29.7% from the 1,268 units transacted in the previous month. When compared to May 2020 – which was midway through the Circuit Breaker – new home sales last month were 83% higher than the 487 units transacted then.

Newly-Launched Projects (excl. ECs) in May 2021

	Total Units	Units Sold	% Units Sold	Median Price \$PSF
ONE BERNAM	351	83	23.6%	\$2,471
PARK NOVA	54	12	22.2%	\$5,006

Source: PropNex Research, URA Realis

Despite a dearth of new launches in the Outside Central Region (OCR), the sub-market led May's sales, selling a total of 401 units – boosted by sales at Treasure At Tampines (65 units). This was followed by the Rest of Central Region (RCR) and Core Central Region (CCR) where 299 and 191 new homes were transacted respectively. The CCR featured two new launches during the month - One Bernam and Park Nova – which sold 83 and 12 units respectively. The two projects collectively accounted for about 11% of the monthly total. One Bernam, in particular, accounted for 43.5% of sales in the CCR. Meanwhile, Normanton Park remained the top-seller in the RCR, with 53 transactions.

In terms of units launched, developers placed 514 new private homes (ex. ECs) on the market in May – twice lower than the 1,038 units (ex. ECs) launched in the previous month.

Private New Home Sales (ex. ECs)			
Period	Units Sold	Period	Units Sold
Q1 2021	3,493	Q1 2020	2,149
Apr-21	1,268	Apr-20	277
May-21	891	May-20	487
Year-to May 21	5,652	Year-to May 20	2,913
% Change	94%		

Source: PropNex Research, URA Realis

Overall private home sales slowed considerably in May 2021 from the previous month, and this is not entirely unexpected. PropNex Research attributes the dip in sales to two main reasons: a rise in COVID-19 community cases and the resulting tightening of safe management measures; as well as the relatively limited new launches in May 2021.

With the Phase 2 Heightened Alert in place and the cap of two visitors per group (including agent) at project sales galleries, most developers with unlaunched projects have pushed back their launch activities till after June 13, some even to July. In addition, some prospective buyers may also prefer to stay at home as much as possible to reduce transmission risk. These factors could have had some impact on sales – albeit mitigated somewhat by the use of digital tools and virtual tours.

In addition, compared to some of the earlier CCR launches this year, the new projects One Bernam and Park Nova have fewer units in the development, at 351 and 54 units respectively. They are also likely to appeal to different segments of the market, for instance the super posh Park Nova would be more attractive to high net worth individuals looking for a large-format, up-scale home in town.

Singaporeans remained the main driver of new homes sales in May 2021, accounting for about 83.2% of the non-landed new private homes transactions (ex. ECs) – slightly up from 81.3% in April 2021. The proportion of non-landed new private homes bought by foreigners inched up from 4.5% in April to 5% in May. We expect there should be growing interest among foreign buyers for Singapore homes, with several launches still to come in the CCR and RCR.

Nationality by Residential Status % of new sales in May 2021 (Non-Landed, Ex. ECs)

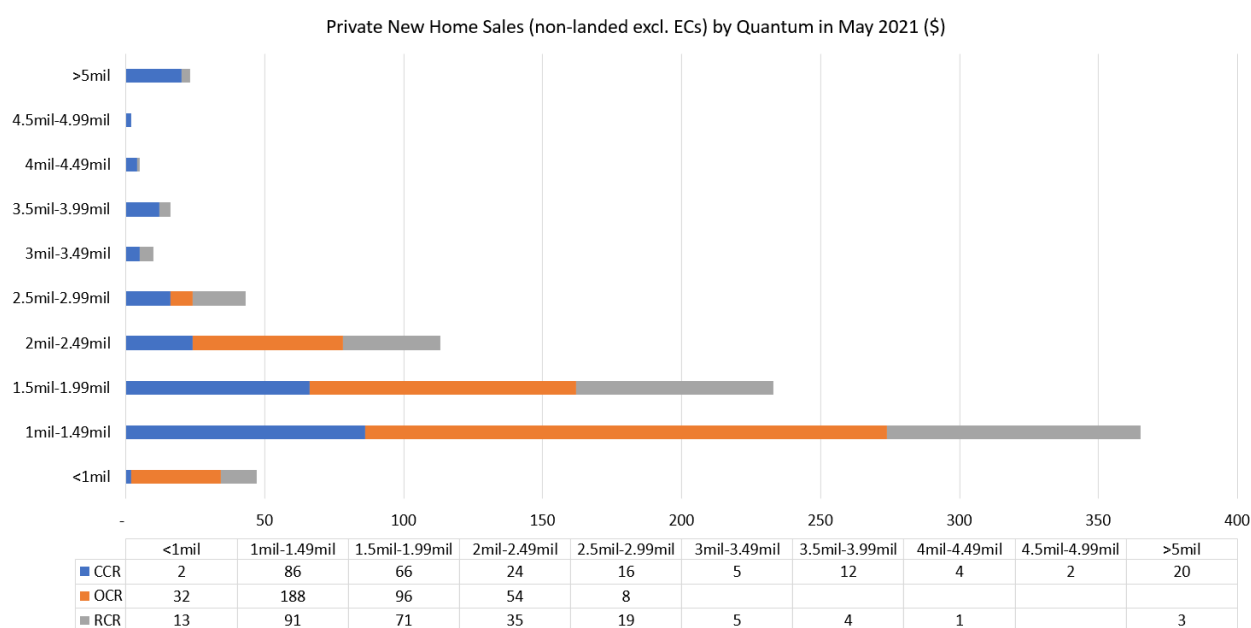
Company	0%
Foreigner (NPR)	5.0%
Singapore Permanent Residents (PR)	11.8%
Singaporean	83.2%
Total	100.0%

Source: PropNex Research, URA Realis

Based on the analysis of caveats lodged, buyers continued to gravitate towards larger homes amid more widespread adoption of telecommuting and flexible work arrangements. In May

2021, the number of new non-landed private homes sold (ex. ECs) that were 1,200 sq ft and above accounted for 19.4% of the sales, up from 14.7% in April and 11% in March.

Meanwhile, in terms of price quantum of new home sale purchases, about 75.3% of the new private non-landed homes transacted in May 2021 were below the sweet-spot quantum of under \$2 million. Almost half of these purchases below the \$2-million mark comprised homes in the OCR (48.9%).



Source: PropNex Research, URA Realis

Outlook

For June 2021, PropNex Research expects sales could remain muted, largely due to the absence of major launches. However, new home sales should rebound from July, where there will potentially be more projects being launched: Pasir Ris 8 and The Watergardens at Canberra in the OCR; Klimt Cairnhill and Perfect Ten in CCR; and Parc Greenwich EC. These projects will likely attract a favourable response from buyers, especially those in the OCR where there are signs of pent-up demand for more affordably-priced mass market units from owner-occupiers, including HDB upgraders. Based on market observations, consumer confidence is intact and home buying interest is still keen.

For the whole of 2021, PropNex projects that the total volume of new private home sales (ex. ECs) will likely cross 10,000 units, barring any unforeseen events and new cooling measures.

Top 10 Best-Selling Projects (Ex. ECs) in May 2021

	Project	Region	Units Sold	Median Price (\$psf)	Tenure
1	ONE BERNAM	CCR	83	\$2,471	99-year LH
2	TREASURE AT TAMPINES	OCR	65	\$1,423	99-year LH
3	NORMANTON PARK	RCR	53	\$1,807	99-year LH
4	MIDWOOD	OCR	42	\$1,651	99-year LH
5	AFFINITY AT SERANGOON	OCR	38	\$1,575	99-year LH
6	THE FLORENCE RESIDENCES	OCR	37	\$1,625	99-year LH
7	SENGKANG GRAND RESIDENCES	OCR	36	\$1,689	99-year LH
8	RIVERFRONT RESIDENCES	OCR	33	\$1,339	99-year LH
9	KI RESIDENCES AT BROOKVALE	OCR	28	\$1,808	999-year LH
10	AVENUE SOUTH RESIDENCE	RCR	26	\$2,173	99-year LH

Source: PropNex Research, URA

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