

# PRIVATE NEW HOME SALES

PROPNE X RESEARCH  
MONTHLY REPORT  
(JUNE 2022)



Report prepared by PropNex Research team

## CCR Projects take the lead in June 2022 Monthly New Home Sales

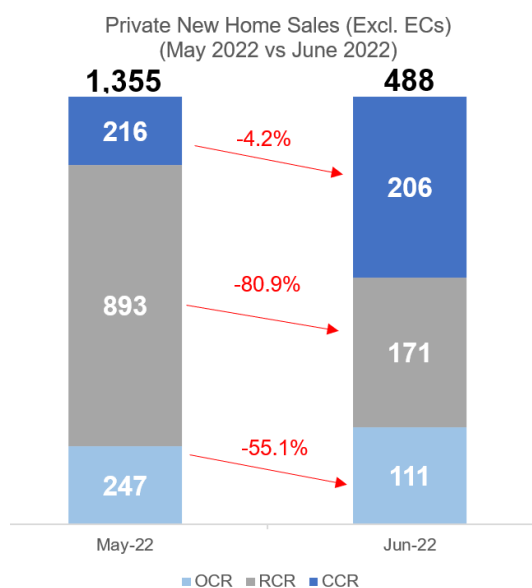
- Overall new home sales in June fell to 488 units, down sharply by 64% from the previous month owing to the lack of new launches, dwindling supply of unsold units, and the quieter June Holiday period.
- Private new home sales were led by the Core Central Region (CCR) where 206 units were sold at a median price of \$2.09 million.
- In June, nearly 12% of private new home sales buyers were foreigners, almost doubling from that of May (6%).



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# MONTHLY PRIVATE NEW HOME SALES

## JUNE 2022



Source: PropNex Research, URA

Private new home sales fell sharply in June as the lack of new launches drove a 64% decline in transactions from May to June. Developers sold 488 new private homes (ex. Executive Condos) in June, declining from the robust 1,355 units transacted in the previous month, where new projects Piccadilly Grand and Liv @ MB spurred take-up. On a year-on-year basis, sales also came in lower, easing by 44% from June 2021.

June's transaction numbers take the Q2 2022 new home sales to 2,504 units (ex ECs), which represents a 37.2% increase from the previous quarter. In the first half of 2022, developers sold an estimated 4,329 new homes.

The wane in new home sales in June as well as the magnitude of decline were expected, given that there were no fresh projects put up for sale during the month and considering the new-launches fuelled surge in sales in May. In addition, the resumption of international travel and the June holidays – where families tend to go on vacation abroad – may also have contributed to the slower market activities.

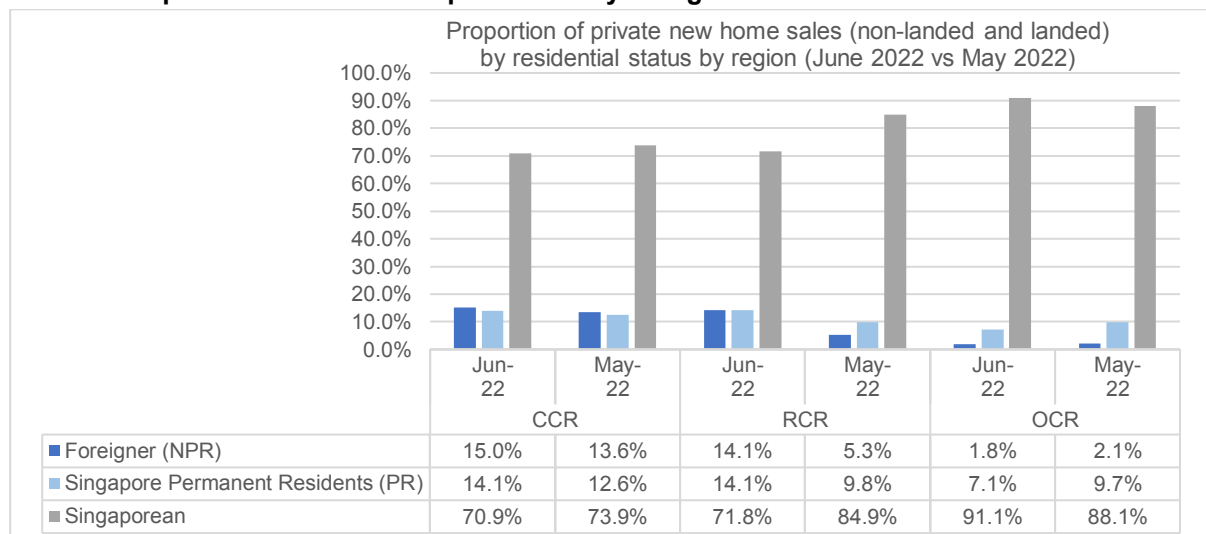
The **Core Central Region (CCR)** led new private home sales in June, with 206 transactions – down by 4.2% from May. The top performing CCR projects in June were Haus on Handy which sold 21 units at a median price of \$2,654 psf, Leedon Green which transacted 20 units at a median price of \$2,843 psf, and Irwell Hill Residences which shifted 19 units at a median price of \$2,876 psf.

Due to the lack of fresh projects, new home sales in the **Rest of Central Region (RCR)** in June fell markedly by 81% MOM to 171 units from the high base of 893 units in May, where the launch of Piccadilly Grand and Liv @ MB helped to supercharge sales in the sub-market. The best-selling RCR projects in June were Riviere which sold 25 units at a median price of \$2,856 psf, and Normanton Park which moved 21 units at a median price of \$1,864 psf.

Meanwhile, just 111 new homes were sold in June in the **Outside Central Region (OCR)** – down by 55% from the previous month. This marks the lowest monthly OCR sales tally since 98 units were sold in April 2020, during the circuit breaker. The top sellers in the OCR in June were The Florence Residences which sold 20 units at a median price of \$1,746 psf and The Watergardens at Canberra where 16 units were transacted at a median price of \$1,463 psf.

Developers placed 397 new units (ex. ECs) for sale in June compared to the 1,240 units that were put on the market in May. Of the 397 units, 349 units or 88% were from CCR projects that had been launched previously. They included Hyll On Holland, One Holland Village Residences, Perfect Ten and Haus On Handy. The remaining 48 units that were launched during the month were from The Watergardens at Canberra in the OCR.

**Chart 1: Proportion of new homes purchased by foreigners in CCR and RCR rose in June**

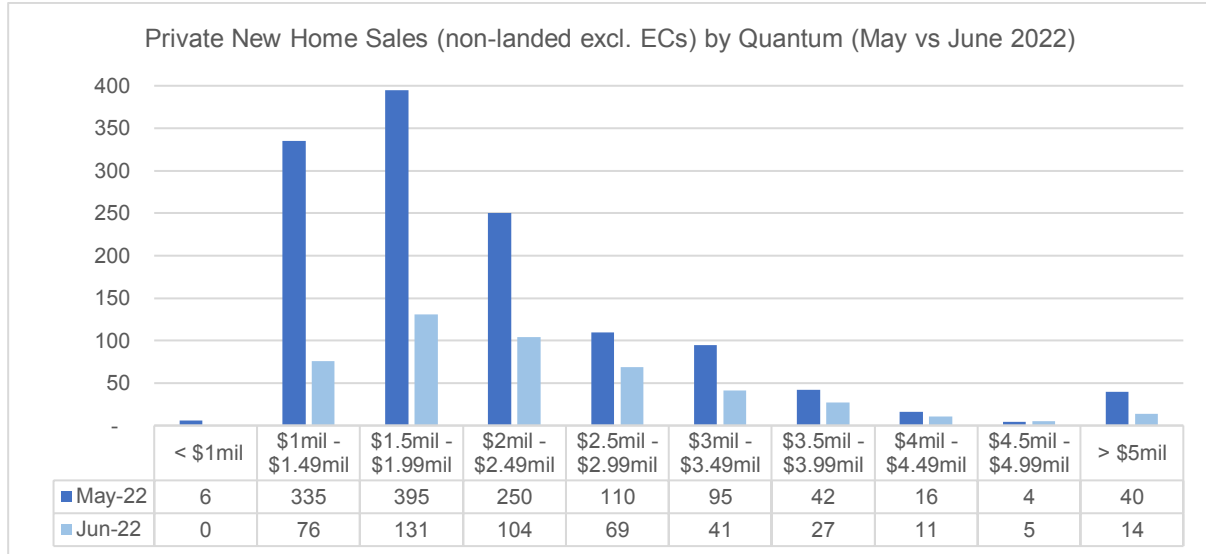


Source: PropNex Research, URA Realis (data retrieved on 15 July 2022)

The proportion of foreign buyers of private new home sales have risen to 11.7% in June from 6% in May. An analysis of the caveat data by region (see Chart 1) showed that the take-up of new units by foreigners in the CCR and RCR has increased from May to June as international travel picked up in momentum. Foreigners accounted for 15% of CCR new home sales in June (up from 13.6% in May), and 14.1% of RCR sales (up from 5.3% in May). Meanwhile, the proportion of Singaporean buyers dropped to 75.8% in June, down from 83.8% in May. PropNex expects the proportion of Singaporean buyers to rise in the months to come as more mass-market projects are launched.

Based on caveats lodged, about 57% of the non-landed new private homes transacted in June 2022 were priced above \$2 million (see Chart 2) – up from 43% in May. The increase was partly spurred by sales of homes in the CCR and RCR during the month.

**Chart 2: Private Non-landed New Home Sales by Price Quantum in June & May 2022**

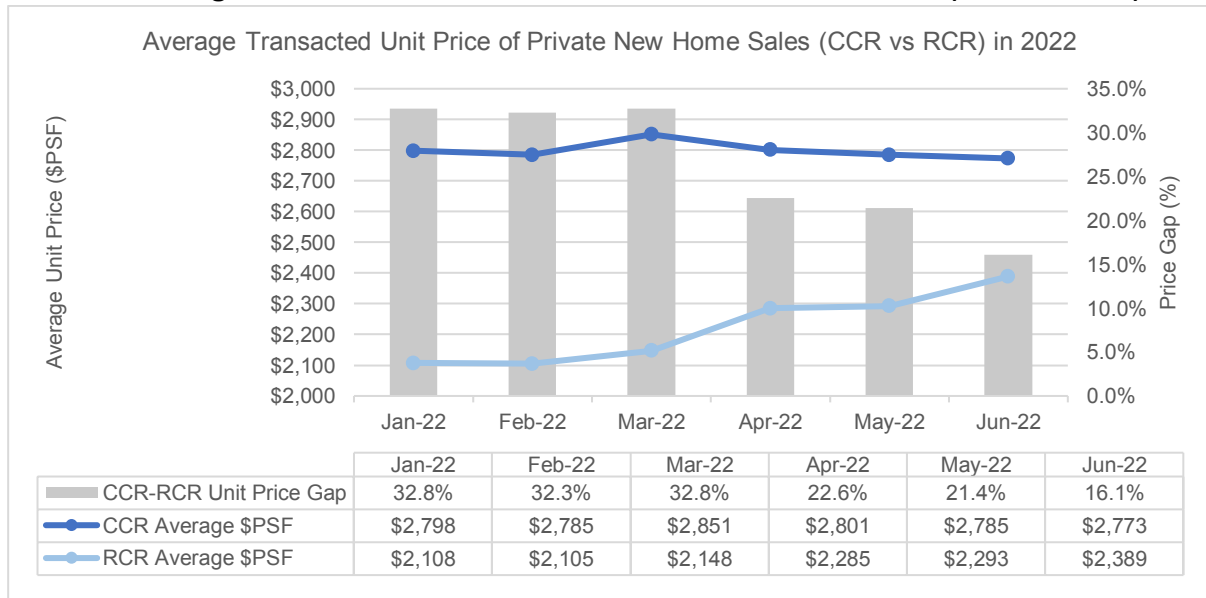


Source: PropNex Research, URA Realis (data retrieved on 15 July 2022)

With the lack of launches in the OCR and dwindling unsold stock weighing on the mass market sales volume, more buyers are finding CCR projects increasingly compelling as the average transacted unit price gap continued to narrow between new home sales in the CCR and the RCR to 16.1% in June, compared to 21.4% in May (see Chart 3). In June, the median transacted price of new private non-landed homes (ex. ECs) sold in the OCR was \$1.81 million, while that of CCR and RCR was \$2.09 million and \$2.35 million respectively, with the RCR surpassing CCR’s median price quantum.

According to Realis caveats data, about 75% of RCR new home sales transactions were priced above \$2 million – mostly transactions of larger units and at projects that have higher unit prices such as CanningHill Piers, Riviere and Avenue South Residence – which helped to lift overall median prices in the region.

**Chart 3: Average Transacted Unit Price of Private New Home Sales (CCR vs RCR)**



Source: PropNex Research, URA Realis (data retrieved on 15 July 2022)



## Outlook

With the launch of AMO Residence on 23 July, PropNex anticipates that new home sales in July will likely outperform that of June. In addition, some buyers may want to get transactions done before the Hungry Ghost month starts at the end of July. Some other launches slated to be launched in the third quarter of the year include The Arden in Phoenix Road, Lentor Modern in Lentor Central, Sceneca Residence in Tanah Merah Kechil Link and Sky Eden at Bedok Central. With more OCR launches coming up, this will give potential buyers more options amid the record low unsold new home stock in the suburban region.

As more new projects are launched, more buyers may decide to enter the market, including those who have been taking a wait-and-see approach, after the introduction of new cooling measures in December 2021. With home prices not likely to drop significantly in the near-term due to fixed land costs and rising construction costs, more purchasers may decide to buy sooner rather than later – and possibly to secure a more favourable interest rate, in anticipation of more rate hikes to come. That being said, home buyers are expected to remain cautious, exercising prudence owing to the uncertainties in the global economy.

**Table 1: Top 10 Best-Selling Private Residential Projects (Ex. ECs) in June 2022**

S/N	Project	Region	Units Sold in June	Median Price in June (\$PSF)
1	RIVIERE	RCR	25	2,856
2	HAUS ON HANDY	CCR	21	2,654
	NORMANTON PARK	RCR	21	1,864
3	LEEDON GREEN	CCR	20	2,843
	THE FLORENCE RESIDENCES	OCR	20	1,746
4	IRWELL HILL RESIDENCES	CCR	19	2,876
5	HYLL ON HOLLAND	CCR	18	2,669
6	PERFECT TEN	CCR	17	2,902
7	THE WATERGARDENS AT CANBERRA	OCR	16	1,463
8	AVENUE SOUTH RESIDENCE	RCR	15	2,442
	ONE PEARL BANK	RCR	15	2,417
9	CANNINGHILL PIERS	RCR	14	2,861
10	THE WOODLEIGH RESIDENCES	RCR	13	2,161

Source: PropNex Research, URA

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