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# PRIVATE NEW HOME SALES

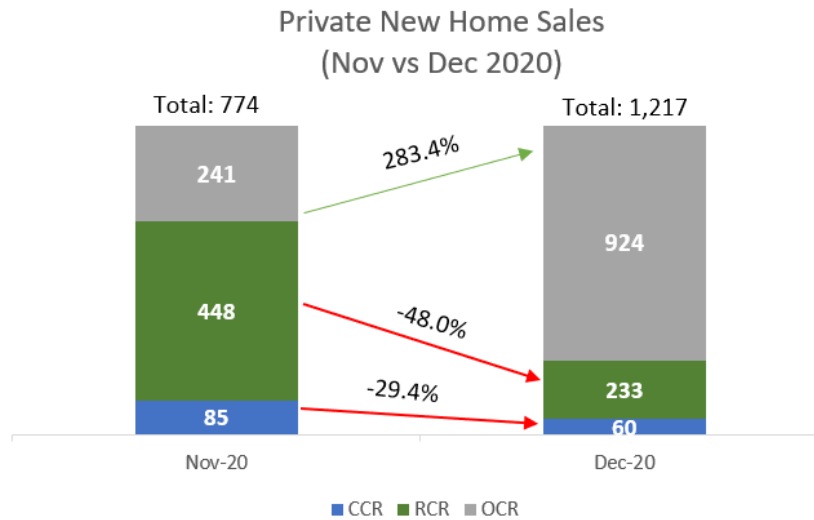
PROP NEX RESEARCH  
MONTHLY REPORT (DEC 2020)



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## December 2020



Source: PropNex Research, URA

Sales of new private homes surged by 57.2% to 1,217 units (excluding Executive Condos) in December 2020. This is the highest number of transactions for the month of December, since 1,410 units were sold in December 2012.

December's sales volume of 1,217 units was sharply higher than the 774 units transacted in November 2020 and more than doubled the 538 units that were sold a year ago in December 2019. The strong sales performance last month was again supply-led, with new launches driving take-up - Clavon in Clementi sold 473 units (or 74% of its total units) at a median price of \$1,637 psf, while Ki Residences At Brookvale shifted 172 units (about 26% of total units) at a median price of \$1,766 psf. Together, the two projects accounted for 53% of new home sales last month.

### Newly-Launched Projects in Dec 2020

	Total Units	Units Sold	% Units Sold
<i>CLAVON</i>	660	172	26.1%
<i>KI RESIDENCES AT BROOKVALE</i>	640	473	73.9%
<i>PHOENIX RESIDENCES</i>	74	5	6.8%

Source: PropNex Research, URA

The Outside Central Region (OCR) led new home sales in December owing to the brisk sales at Clavon and Ki Residences At Brookvale. There were 924 transactions in the OCR, while the Rest of Central Region (RCR) and Core Central Region (CCR) had 233 and 60 new private home transactions, respectively.

The string of robust sales in the second half of last year has lifted private new home sales to 10,024 units in 2020 – about 1.1% higher than the 9,912 units transacted in 2019. This is the first time that developers' sales breached the 10,000-unit mark since 2017, where 10,566

units were sold. Meanwhile, 1,349 new units were launched for sale last month, compared with the 1,375 units put on the market in November.

Private New Home Sales			
Period	Units Sold	Period	Units Sold
<b>1Q2020</b>	2,149	1Q 2019	1,838
<b>2Q2020</b>	1,713	2Q 2019	2,350
<b>3Q2020</b>	3,517	3Q 2019	3,281
<b>Oct-20</b>	654	4Q 2019	2,443
<b>Nov-20</b>	774		
<b>Dec-20</b>	1,217		
<b>2020*</b>	10,024	2019	9,912
<b>% Change</b>	1.13%		

Source: PropNex Research, URA // \*Updated figures for 4Q2020 will be released by the URA on Jan 22,2021.

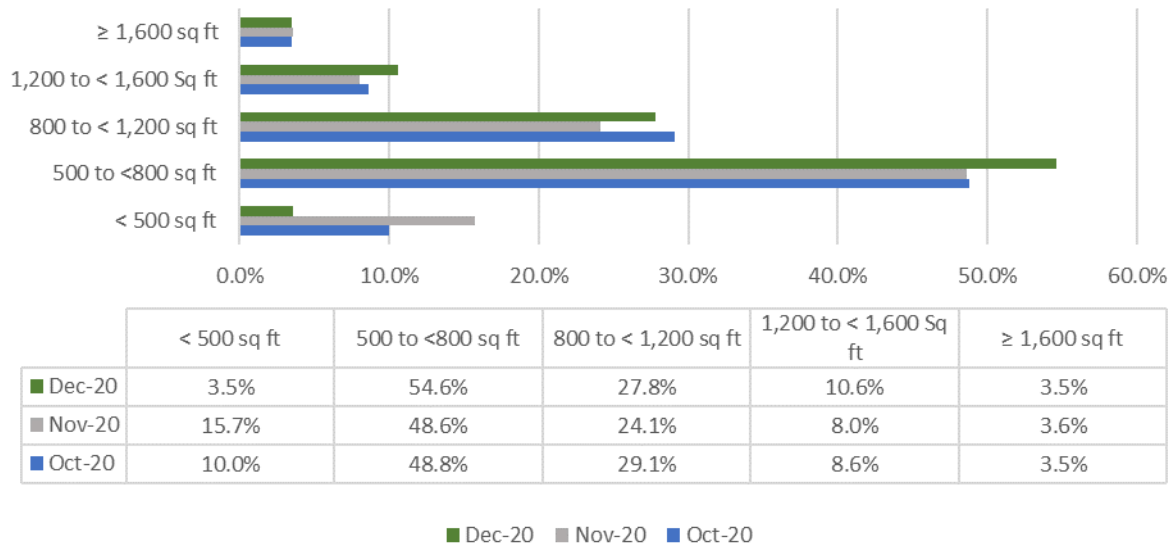
December's brisk sales performance was not unexpected. The strong demand was driven primarily by two attractive launches in the OCR – Clavon and Ki Residences At Brookvale – but projects that were launched previously also continued to woo buyers. Notably, with the travel restrictions keeping many families in Singapore this December as well as the low interest rates, some consumers may have taken the opportunity to review their real estate needs and decided to enter the market. As market sentiment improves and home demand remains healthy, some buyers may also have opted to buy sooner rather than later, as they expect home prices to rise further in 2021. Based on the URA flash estimate, private residential prices rose by 2.2% in 2020, led by the price growth in non-landed private homes.

We anticipate that the sales momentum should carry into this year, with the 1,862-unit Normanton Park kicking things off in January. The project launch pipeline in 2021 looks exciting and will provide home buyers with ample options. With the sustained underlying demand for homes and prospects of further recovery in the economy, we remain upbeat on the new home sales market this year.

Local buyers including HDB upgraders continued to be a key demand driver in December, as Singaporeans accounted for nearly 87% of new private home sales transactions, up from about 85% in the previous month, according to URA Realis data. We expect demand from local buyers to remain resilient this year, partly driven by HDB upgraders. The rising supply of flats attaining the 5-year Minimum Occupation Period (MOP) will allow owners to sell the flat on the resale market and upgrade to a private property. An estimated 25,530 HDB flats could reach their MOP in 2021– higher than the 24,163 flats in 2020.

Analysing the sales transactions, it appears that larger units are increasingly finding favour with buyers, likely due to more widespread work-from-home arrangements which made many people rethink their space needs. New homes that span 500 sq ft to 800 sq ft and below continued to account for a lion's share of sales in December, representing 54.6% of the monthly sale – up from 48.6% in the previous month. Similarly, sales of units with sizes ranging from 800 sq ft to under 1,200 sq ft and those from 1,200 sq ft to under 1,600 sq ft also made up a larger proportion of sales in December at 27.8% and 10.6%, respectively.

### Private New Home Sales (Exclud. ECs) in Oct-Dec 2020 (By Unit Size)



Source: PropNex Research, URA Realis

Top 10 Best-Selling Projects in December 2020					
	Project	Region	Units Sold	Median Price (\$psf)	Tenure
1	CLAVON	OCR	473	\$1,637	99 Years LH
2	KI RESIDENCES AT BROOKVALE	OCR	172	\$1,766	99 Years LH
3	PARC CLEMATIS	OCR	50	\$1,651	99 Years LH
4	TREASURE AT TAMPINES	OCR	37	\$1,400	99 Years LH
5	JADESCAPE	RCR	33	\$1,785	99 Years LH
6	THE FLORENCE RESIDENCES	OCR	23	\$1,625	99 Years LH
7	AVENUE SOUTH RESIDENCE	RCR	23	\$2,101	99 Years LH
8	THE GARDEN RESIDENCES	OCR	22	\$1,544	99 Years LH
9	MIDWOOD	OCR	19	\$1,605	99 Years LH
10	THE JOVELL	OCR	18	\$1,295	99 Years LH

Source: PropNex Research, URA

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Compiled on 15 January 2021.