

Mass market moving amid fall in private home sales

By AMANDA TAN

SUBURBAN condominium launches dominated new private home sales last month although activity was down overall.

There were 1,111 new mass-market units moved out of 1,371 total sales, excluding executive condos, said the Urban Redevelopment Authority (URA) yesterday.

But last month's sales total was a 19.5 per cent drop from the 1,704 units sold in May - a showing experts blamed on fewer launches and the June school holidays rather than weakened buying interest.

Last month's suburban sales were driven mainly by the launches of Tropika East in Eunos, Sea Estia in Pasir Ris and Punggol's River Isles.

The developers of these three

condos moved more than half of the 920 units they released in total, noted Dr Chua Yang Liang, Jones Lang LaSalle's regional research head.

There were also sales at older launches like Flamingo Valley and Seahill.

The activity around the three new condos failed to offset the overall slump, leaving suburban sector sales 8 per cent below

May's level.

High-end homes in the core central region posted second-best results, with 141 units moved and was the only region to record higher sales last month than in May.

This was due mainly to 1919 at Mount Sophia, which sold 74 out of 75 units at a median price of \$2,042 per sq ft (psf).

City fringe flats fared the worst, with just 119 sold, well down from 362 in May.

The URA numbers overall tell a story of slow decline. The 1,704 new home sales in May was 32 per cent down on April's 2,497 units.

The last time sales fell so sharply was in December after more cooling measures. Sales then plunged over 60 per cent to 632 from November's 1,702.

But last month's showing did not surprise property consultants, who noted that just 1,303 units were launched, down 47 per cent from May.

Mr Alan Cheong, Savills Singapore research head, said the sales figures do not "believe any weakness in housing demand caused by deteriorating economic conditions", and that developers and buyers will be back in full swing soon.

Falling sales could ease the pressure on the Government to impose more cooling measures.

"Certain segments of the market are already being weighed down by the existing curbs. Any additional measures would increase the risk of a sharp correction if the market were to soften suddenly," said SLP International head of research Nicholas Mak.

Still, the 1,371 units sold last month exceeds the 1,303 units launched and it also beats a monthly sales average of 1,341 units between the two boom years of 2010 and last year, noted Mr Mak.

SALES IN THE PAST 12 MONTHS



Source: URA

ST GRAPHICS

Last month's top-selling projects



PHOTO: QINGJIAN

RIVER ISLES (above)

Units sold: 263
Units launched: 442
Average price: \$835 psf

He added that the figure is also more "sustainable" than some levels seen in recent months, when sales have exceeded 2,000 units.

New and upcoming launches like Parc Olympia, Parc Centos and V on Shenton should boost July sales but "buying euphoria" could ease as pent-up demand is gradually met, said Colliers International's director of research and advisory Chia Siew Chuan.

This could mean 20,000 to 22,000 new private homes being sold this year, she said.

Businessman Henry Na, 45, recently bought a four-bedder at River Isles in Punggol for over \$1 million, attracted by its proximity to amenities and its price.

"Given this location, furnishings... You can't find such a price anywhere," he said.

"Initially I was hesitant (due to fears over the economy), but I'm buying it for my own stay and so long as I hold on to it, I'm not too worried," he added.

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SEA ESTA

Units sold: 255
Units launched: 376
Average price:
\$906 psf

1919 (right)

Units sold: 74
Units launched: 75
Average price:
\$2,042 psf

FLO RESIDENCE

Units sold: 62
Units launched: 371
Average price:
\$820 psf

TROPIKA EAST (right)

Units sold: 59
Units launched: 105
Average price:
\$1,312 psf



PHOTO: AURUM LAND



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