



**REAL ESTATE
TIMES**

APRIL 2021

SINGAPORE 4Q 2020

Commercial activity picking up with economic recovery

ECONOMY

Market commentary

Key economic indicators

- Based on estimates released by the Ministry of Trade and Industry (MTI) on 15 February 2021, the Singapore's economy contracted by 2.4% yoy in 4Q 2020, moderating from the 5.8% decline in 3Q 2020 (Table 1). The economy expanded by 3.8% qoq in 4Q 2020, compared to an expansion by 9.2% qoq in 3Q 2020.
- As Singapore moved into Phase 3 of its recovery from 28 December 2020, up to 8 persons for social gatherings and household visitors are allowed at any point in time. The majority of industries, except for the entertainment sector, had restarted operations. The manufacturing sector expanded by 10.3 % yoy in 4Q 2020, a slight slowdown from the 11.0% pace recorded in 3Q 2020. The construction sector declined by 27.4 % yoy in 4Q 2020, an improvement from the 52.4% contraction in 3Q 2020.
- As more economic activities resumed, inflationary pressures picked up slightly in 4Q 2020, while the labour market improved slightly too. Inflation eased from -0.3% in 3Q 2020 to -0.1% in 4Q 2020. The unemployment rate declined to 3.2% in 4Q 2020, from 3.6% in 3Q 2020 (Table 2).

Table 1: Singapore's Gross Domestic Product (GDP)

Selected indicators	Yoy change (%)				
	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Overall GDP	1.0	-0.3	-13.3	-5.8	-2.4
Manufacturing	-2.3	7.9	-0.8	11.0	10.3
Construction	4.3	-1.2	-59.9	-52.4	-27.4
Services producing industries	0.8	1.5	-2.3	-13.6	-8.0

Source: MTI

Table 2: Inflation, unemployment rate and fixed asset investments

Selected indicators	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Consumer Price Index (Core inflation) Y-o-y % change	0.0	-0.2	-0.3	-0.2
Consumer Price Index (All items inflation) S.A. Y-o-y % change	0.4	-0.7	-0.3	-0.1
Unemployment rate, S.A. (%)	2.4	2.9	3.6	3.2
Fixed asset investments (\$\$bn)	12.4	1.9	2.1	3.0

Source: Singapore Department of Statistics

- Singapore attracted \$3.0bn in FAI in 4Q 2020, an increase from the \$2.1bn in 3Q 2020. The service cluster saw continued decline in 4Q 2020 while the manufacturing sector reported a significant increase of 131% qoq in 4Q 2020 to \$2.2 bn. The electronics cluster saw a 19% contraction in FAI in 4Q 2020, other clusters such as chemicals, biomedical manufacturing, precision engineering and transport engineering saw a significant pickup after a low base of nil or minimal activity in 3Q 2020. The services sector declined by 34% qoq to \$727.2mn in 4Q 2020.

INVESTMENT

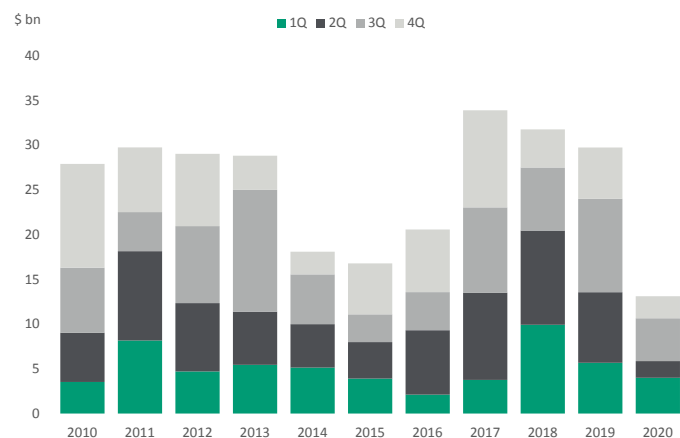
Market commentary

Investment sales

On a quarterly basis, total investment sales nearly halved from \$4.8bn in 3Q 2020 to \$2.5bn in 4Q 2020 (Figure 1). The near-halving of total investment sales in 2020 was a likely by-product of the COVID-19 situation, which resulted in reduced activities in the construction sector as well as the Government Land Sales (GLS) programme.

The public investment sales market saw the award of a single site at \$0.62bn for a Residential with Commercial at 1st Storey development in 4Q 2020. By sector, residential investment sales took the lead in 4Q 2020, 64.3% of total sales. The second largest sector was industrial investment sales at 14.6%, followed by shophouse (9.8%), retail (8.0%), and lastly office (3.3%) (Table 3).

Figure 1: Total investment sales (\$\$bn)



Source: Various sources, EDMUND TIE Research

Table 3: Investment sales summary*

	2018 \$ mn	2019 \$ mn	2020 \$ mn	1Q 2020 \$ mn	2Q 2020 \$ mn	3Q 2020 \$ mn	4Q 2020 \$ mn	qoq chg %
Total Investment Sales	31,692	29,711	13,105	3,985	1,853	4,780	2,466	-48
Residential	20,387	7,554	4,851	1,978	261	976	1,616	65
Office	5,000	8,386	3,038	784	1,324	846	84	-90
Industrial	2,777	4,717	2,098	1,133	174	425	366	-14
Retail	1,757	3,548	2,677	22	43	2,457	155	-94
Hospitality	985	5,038	0	0	0	0	0	n.m.
Shophouse	786	469	372	15	50	60	246	311
Others	0	0	70	53	0	16	0	n.m.
Private Sales	24,579	24,392	10,897	2,399	1,853	4,780	1,844	-61
Residential	13,856	3,003	2,865	615	261	976	993	2
Office	4,635	8,386	3,038	784	1,324	846	84	-90
Industrial	2,623	4,511	1,875	910	174	425	366	-14
Retail	1,757	3,548	2,677	22	43	2,457	155	-94
Hospitality	923	4,475	0	0	0	0	0	n.m.
Shophouse	786	469	372	15	50	60	246	-44
Others	0	0	70	53	0	16	0	n.m.
Government sales	7,113	5,319	2,208	1,586	0	0	622	n.m.
Residential	6,531	4,550	1,985	1,363	0	0	622	n.m.
Office	365	0	0	0	0	0	0	n.m.
Industrial	154	206	223	223	0	0	0	n.m.
Retail	0	0	0	0	0	0	0	n.m.
Hospitality	62	562	0	0	0	0	0	n.m.
Shophouse	0	0	0	0	0	0	0	n.m.
Others	0	0	0	0	0	0	0	n.m.

* Refers to any property transactions with value above S\$10mn.

Source: Various sources, EDMUND TIE Research

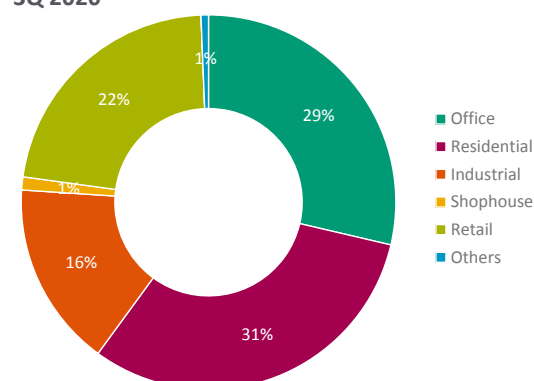
Sector trends and outlook

- There were no significant **office** transactions in 4Q 2020. Five transactions of \$30mn each took place in various office developments sited within the CBD in 4Q 2020.
- **Industrial** investment sales were at \$0.37bn in 4Q 2020. First, the sale of Lucas Real Estate Singapore's iconic facility, the Sandcrawler, to US private equity giant Blackstone Group, with the occupancy rate to be at the high-90 percent range was transacted at \$175.8mn. Second was the acquisition of Big Box, a shopping mall in Jurong East, by Perennial Real Estate Holdings for \$118.0mn. Perennial will be redeveloping the site into a business park named Perennial Business City. The majority stake of the new development will be held by Perennial with the remaining stake shared by other investors such as HPRY Holding, which is the investment vehicle of Perennial.
- For **retail** investment sales, there was just one significant transaction for 4Q 2020: FCT's divestment of Anchorpoint shopping centre for \$110mn to unrelated parties. The shopping centre has around 50 tenants spread over close to 7,000sqm of NLA.
- For **residential** investment sales, the sole significant transaction of 4Q 2020 came from Mediaworld's sale of the site occupied by the former Caldecott Broadcast Centre for \$280.9mn (Figure 2). It will explore redevelopment options for the site that was previously granted an Outline Approval to be redeveloped into a cluster of 2-storey bungalows with a minimum land area of 800sqm per house. Apart from the Caldecott site, there were 13 other landed residential transactions greater than \$20mn each in 4Q 2020.

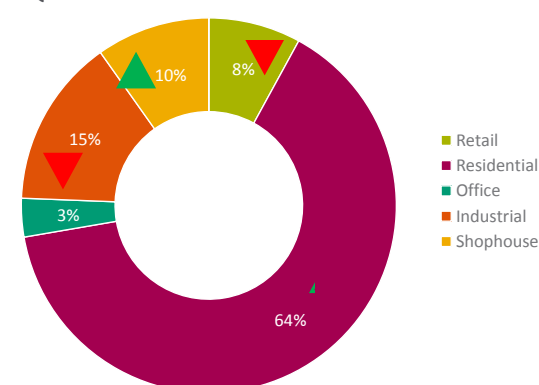
The decline in transaction activity in 4Q 2020 showed the uncertainties given the ongoing weakness in the economy. However, according to the Singapore Commercial Credit Bureau's Business Optimism Index, business optimism improved for the second consecutive quarter to

-1.03 percentage points in 1Q 2021 from -4.97 percentage points in 4Q 2020. As the economy resumes greater normalcy, the financial, manufacturing and service sectors anticipated a slightly better outlook in 1Q 2021.

Figure 2: Total investment sales by asset type 3Q 2020



4Q 2020



Source: EDMUND TIE Research

Table 4: Key private investment sale transactions in 4Q 2020

Development	Remaining tenure, yrs	Purchase price		Purchaser	Seller
		\$ mn	\$ psf		
Residential					
Former Caldecott Broadcast Centre	73	280.9	760 NLA	Perennial Real Estate Holdings and Kuok Khoon Hong	Mediacorp
Industrial					
Sandcrawler	50	175.8	2,395 land	Blackstone Group	Lucas Real Estate Singapore
Big Box	17	118	118 NFA	Perennial Real Estate Holdings	Big Box Pte Ltd
Retail					
Anchorpoint Shopping Centre	Freehold	110.0	1,545 NLA	Unknown	Frasers Centrepoint Trust

Source: Various sources

OFFICE

Office demand and occupancy rates

- Based on EDMUND TIE Research statistics, overall net absorption also improved from -374,000 sq ft in 3Q 2020 to 369,000 sq ft in 4Q 2020. The islandwide occupancy rate inched up slightly by 0.2% pts qoq to 88.2% in 4Q 2020 (Figure 3). The demand in office spaces can be attributed to the technology sector due to the conducive business environment in Singapore. The occupancy rate in CBD rebounded by 1.1% pts qoq to 93.1% in 4Q 2020.
- The technology and financial sectors were some of the sectors that supported demand in 4Q 2020 (Table 5).

Figure 3: Office occupancy rates* and qoq % point change (in arrows) in 4Q 2020

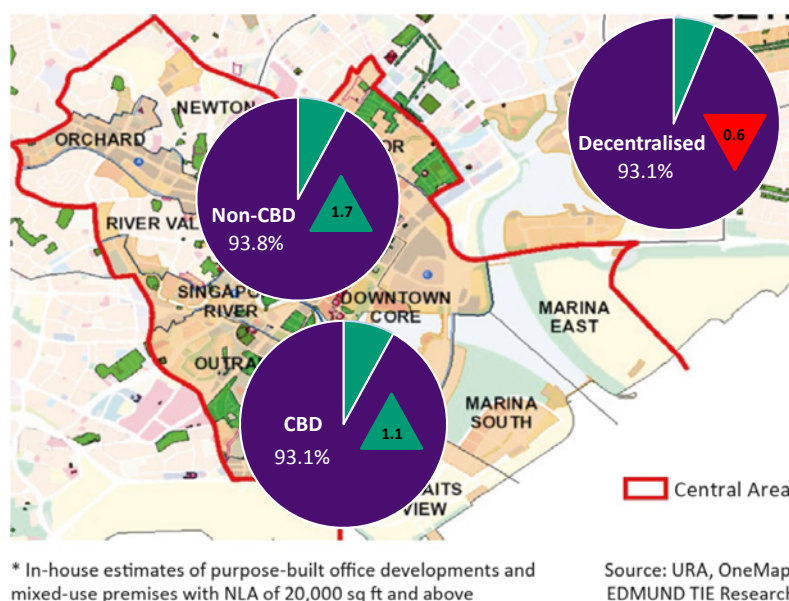


Table 5: Key tenant movements in 4Q 2020

Building	Location	Tenant	Sector	Remarks
79 Robinson Road	Shenton Way (CBD)	Equinix	Digital Infrastructure	Relocation
		Boston Consulting Group	Consulting	Relocation
		First State Investment	Finance	Relocation
5One Central	Bras Basah (Non-CBD)	Lazada	E-commerce	Relocation
30 Raffles Place	Raffles Place (CBD)	CIMB Bank	Finance	Relocation

Source: Various sources

Rents

- Monthly rents in the various subzones of the office sector showed qoq declines in 4Q 2020 (Table 6). Within the CBD, premium grade buildings in Shenton Way/Robinson Road/Tanjong Pagar ungraded rents at Shenton Way/Robinson Road/ Tanjong Pagar faced the greatest pressures and decline by 1.5% qoq. In Decentralised Areas, office rents in the various subzones remained stable qoq in 4Q 2020.

Table 6: Average monthly gross office rents (\$\$ per sq ft)

Location	Subzone	Grade	3Q 2020	4Q 2020	Qoq change (%)
CBD	Marina Bay	Premium	12.03	12.03	0.0
	Raffles Place	A	10.26	10.26	-1.0
	Shenton Way/Robinson Road/Tanjong Pagar	Premium	10.97	10.86	-1.0
		A	8.80	8.72	-1.0
		B	7.22	7.11	-1.5
Non-CBD	Marina Centre	A	9.75	9.60	-1.0
	City Hall/Bugis	Premium	10.72	10.72	0.0
	Orchard Road	*	7.05	7.01	-0.5
		*	8.84	8.84	0.0
Decentralised areas	Decentralised areas	*	6.03	6.03	0.0
		*	6.03	6.03	0.0

* Ungraded office space

Source: EDMUND TIE Research

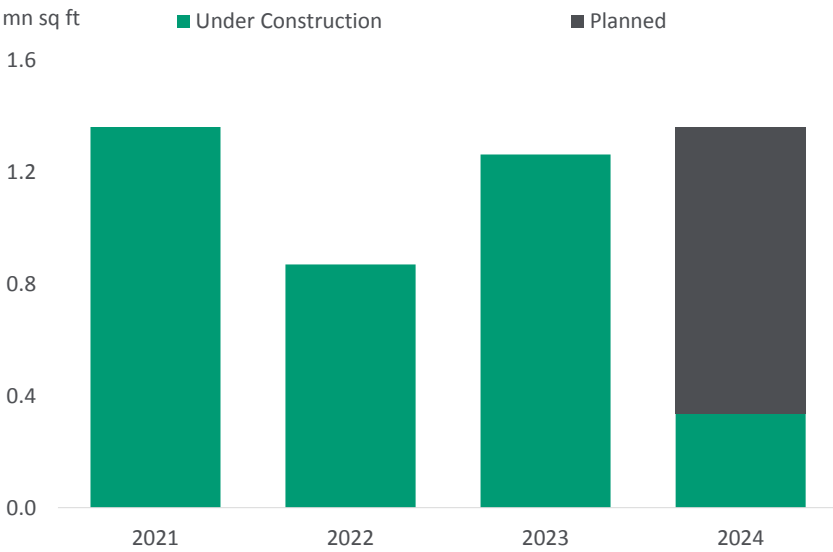
Supply pipeline

Based on EDMUND TIE Research, there is nearly 4.5mn sq ft of new office space that will be completed from 2021 to 2024 (Figure 4). Most of the office developments will be completed in 2021 (28.03% or 1.36mn sq ft) and 2024 (28.05% or 1.4mn sq ft). Close to half (47.2%) of the supply pipeline from 2021 (28% or 1.4mn sq ft) to 2024 will be in the CBD, followed by 32.2% in Decentralised Areas. In the CBD, Afro-Asia I-Mark is estimated to complete by end 2021 and currently has a 70% pre-commitment rate, with Delivery Hero, The Great Room and Foodpanda leasing space.

Outlook

The office market outlook should gradually improve with the rollout of the Covid-19 vaccines. Trends which are underway such as the proliferation of working from home arrangements that started since the Circuit Breaker period may also further encourage the decentralisation trend. With the recent announcement of Google co-founder Sergey Brin opening a family office in Singapore, this signals investors’ continuous confidence of Singapore as a financial hub. We expect that co-working space will continue to be favoured, even amid the pandemic, as it provides companies with the flexibility to amend their workspace needs and not be tied down to long-term leases.

Figure 4: Office development pipeline



Source: EDMUND TIE Research

INDUSTRIAL

Market commentary

Key indicators

The manufacturing PMI reading increased by 0.2 points from December 2020 to 50.7 in January 2021 (Table 7). This was the third month of expansion for the overall manufacturing sector, signalling the possibility of a recovery. NODX dropped by -0.5% yoy in 4Q 2020. The decline was mainly driven by the non-electronics sectors such as non-monetary gold, pharmaceuticals, and petrochemicals.

Table 7: Singapore's NODX and PMI

Key economic indicators	3Q 2020	4Q 2020	Key trends
NODX (Yoy)	6.5%	-0.5%	<ul style="list-style-type: none"> NODX dropped by -0.5% yoy in 4Q 2020. The decline was mainly driven by the non-electronics sectors.
PMI*	50.3 (Sep 2020)	50.5 (Dec 2020)	<ul style="list-style-type: none"> The PMI increased by 0.2 points from 50.5 in December 2020 to 50.7 in January 2021. This is due to more new orders and faster rates of growth in exports. The electronics subindex decreased by -0.2 points from December 2020 to 51 in January 2021.

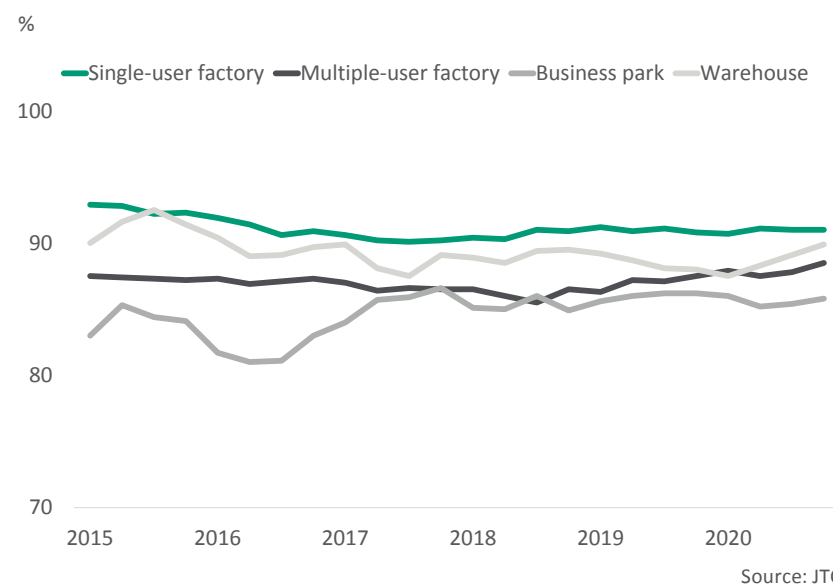
* Reading above 50 indicates an expansion, while below 50 indicates a contraction.

Source: SIPMM

Demand and occupancy

- Based on JTC's statistics, overall industrial net absorption increased from 1.2mn sq ft in 3Q 2020 to 2.3mn sq ft in 4Q 2020. The full year absorption declined from 7.9mn sq ft in 2019 to 7.5mn sq ft in 2020 (-4.0%). In 4Q 2020, occupancy rates of single-user factory space, multiuser factory space, and business park and warehouse space increased (Figure 5).
- Demand for warehouses is projected to be supported by the rise of e-commerce amid the Covid-19 pandemic, as more logistics facilities and fulfilment centres are required to meet the demand for faster deliveries, higher efficiency and lower costs.

Figure 5: Occupancy rates of private industrial space by type



Rents

- Based on EDMUND TIE Research's industrial property basket, monthly rents were broadly flat for most industrial segments in 4Q 2020 (Table 8).
- However, as demand for multiple-user factory space is largely location specific, industrial developments that are older or located far away from transportation nodes faced greater pressure to lower their rents in 4Q 2020.

Table 8: Average monthly gross rents (islandwide) (\$\$ per sq ft)

Industrial type*	Subcategory	3Q 2020	4Q 2020	Qoq change (%)
Multiple-user factory	First-storey	1.84	1.84	0.0
	Upper-storey	1.32	1.31	-2.0
Warehouse/logistics	Overall	1.59	1.59	0.5
High-tech industrial	Overall	2.92	2.92	-1.0
Business park	Central Region	5.00	5.00	2.5
	Suburban	3.68	3.66	0.0

* In-house estimates of key selected private industrial premises.

Source: EDMUND TIE Research

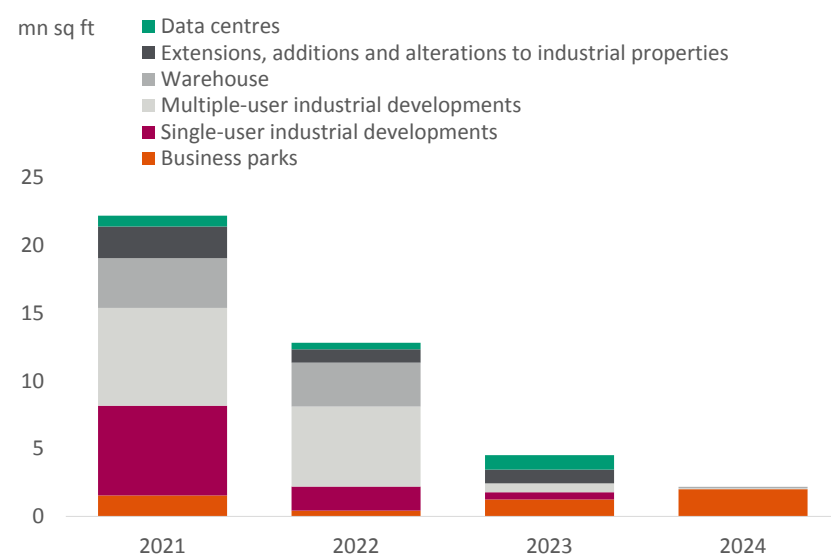
Supply pipeline

- As at 4Q 2020, the supply pipeline from 2021 to 2024 is projected to be around 41.7mn sq ft (NLA). Approximately 53% of the pipeline will be completed in 2021, followed by 30.7% in 2022 (12.8mn sq ft). Multi-user factories accounted for the bulk (33%) of the supply pipeline (Figure 6). The larger multi-user factory developments in the pipeline are Solaris @ Tai Seng (929,000 sq ft) and Mapletree Industrial Trust located at Kallang Way (710,000 sq ft).

Outlook

Compared to other sectors in the economy, the manufacturing sector has a brighter outlook fuelled by the growth from high-value manufacturing such as precision engineering, biomedical, medical technology and telecommunications. Despite the ongoing economic uncertainties, the

Figure 6: Industrial development pipeline (with planning approvals and GLS sites which are pending approvals)



Source: JTC, EDMUND TIE Research

government is set to continue the push for advanced manufacturing, as Singapore is set to prepare for Industry 4.0. Compared to factory space, business parks, hi-tech and warehouse spaces, which has limited supply and strong demand, rental growth is expected to be notably better.

RETAIL

Market commentary

Key indicators

- As Phase 3 of Singapore's reopening begun on 28 December 2021 dine-in activities of up to 8 persons for social gatherings were allowed. The capacity limit had increased from 10 sqm per person to 8 sqm per person. However, overall retail sales are not back to pre-Covid-19 levels yet.
- With the rise in e-commerce, brick and mortar retailers are jumping on to the bandwagon of online shops. CapitaLand and Shopee will debut Singapore's first virtual shopping centre, IMM mall, featuring popular retailers and discounts for shoppers to enjoy. Additionally, retailers who participate in the campaign will receive subsidies and marketing channels for their products.
- Retailers are finding new ways to attract consumers. Example, Zall Bookstore from Hubei, China opened its first outlet here located at Wheelock place. The 2-storey space features a café and an art gallery.
- The 3-month moving average of yoy change in retail sales (excluding motor vehicles) improved slightly to -5.7% in December 2020 from -9.5% in September 2020 (Figure 7). While retail sales continued to fall, the decline has been more moderated, implying a stabilisation in retail sales since the reopening of Singapore's economy.
- For 2020, supermarkets & hypermarkets reported the greatest growth in sales of 31.0% (Figure 8). However, department stores sales declined the most by 41.0%. Apart from cautious spending by consumers, the large decrease can also be attributed to more people purchasing goods online instead. The second largest drop in retail sales index is Apparel and Footwear, decreasing by 37.0%.

Figure 7: Retail sales growth (Three-year moving average) (excluding motor vehicles)

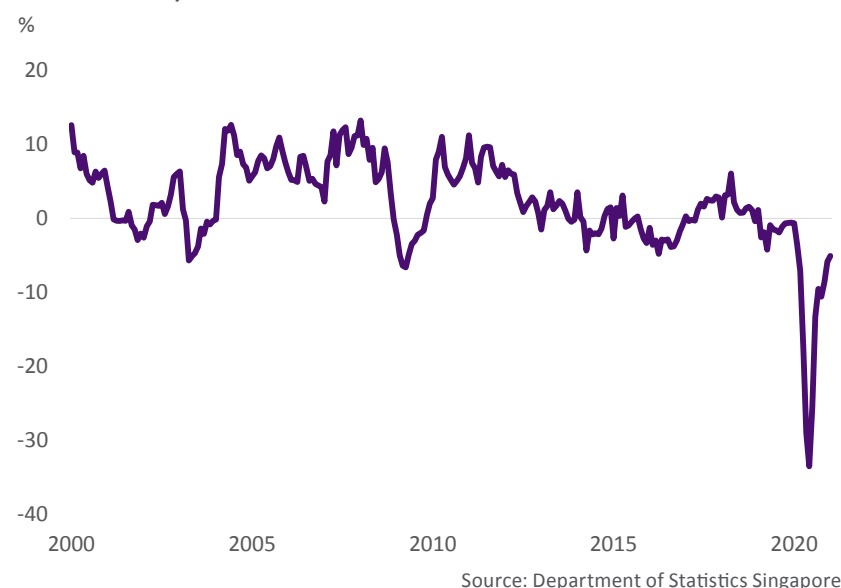
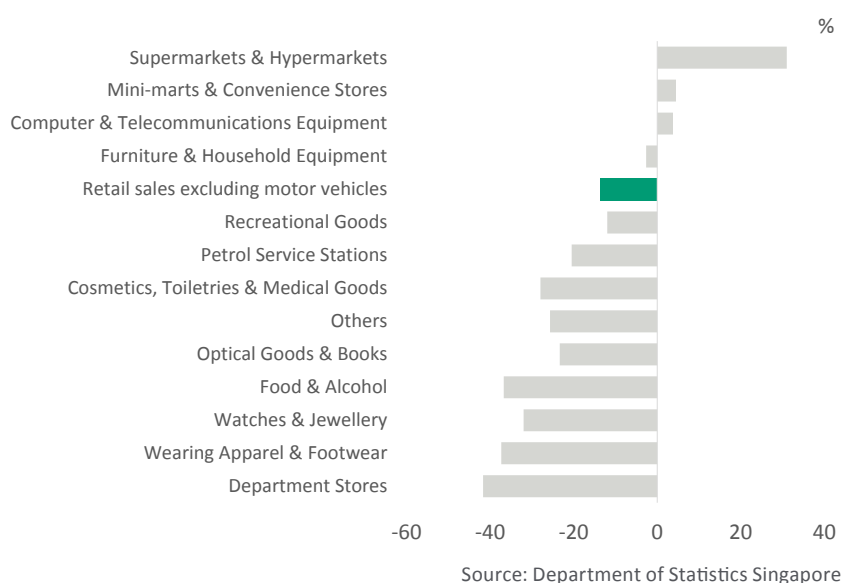


Figure 8: Retail sales index (2020), yoy change

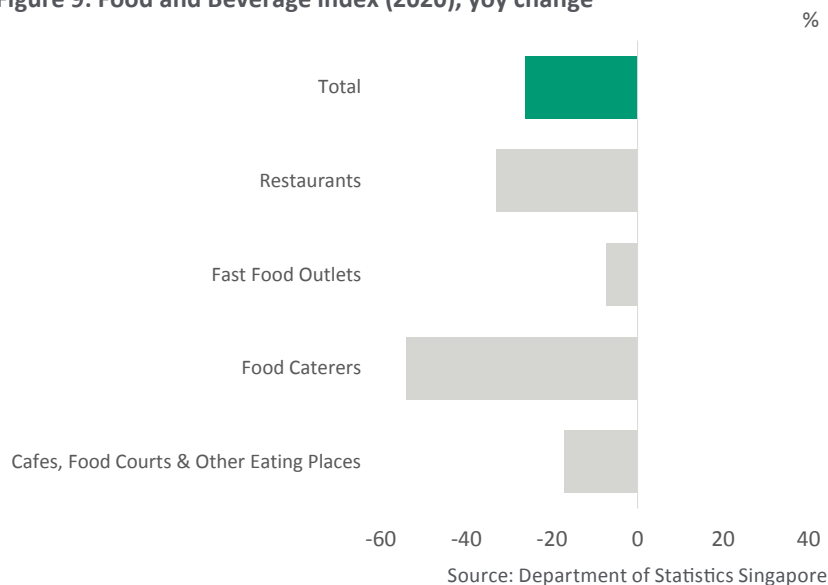


- For the food and beverage services index for 2020, food caterers reported the greatest decline of 54.1%, due to the restriction of large gatherings, resulting in the low demand for event catering (Figure 9).

Demand and occupancy

- Based on EDMUND TIE Research, islandwide net absorption contracted further to 258,000 sq ft in 4Q 2020 from -538,000 sq ft in 3Q 2020. The occupancy rate increased by 0.8% pts qoq to 91.2% in 4Q 2020 from 90.4% in 3Q 2020.
- In 2020, notable brands such as Robinsons, Topshop, Esprit, Sportslink, KidZania, STA Travel and Bakerzin have all officially closed in Singapore.

Figure 9: Food and Beverage index (2020), yoy change



	Orchard/Scotts Road (OSR)	Other city areas ¹ (OCA)	Fringe/Suburban areas ² (FSA)
Net absorption	<ul style="list-style-type: none"> Retail net absorption in Orchard/Scotts Road declined from 32,000 sq ft in 3Q 2020 to -194,000 sq ft in 4Q 2020. 	<ul style="list-style-type: none"> Net absorption in Other City Areas reversed from negative territory in the 3Q 2020 to a positive value of 118,000 sq ft in 4Q 2020. 	<ul style="list-style-type: none"> Net absorption rebounded to 334,000 sq ft in 4Q 2020 after three quarters of contraction in 2020
Occupancy	<ul style="list-style-type: none"> The occupancy rate declined from 90.9% in 3Q 2020 to 88.4% in 4Q 2020. (Figure 10). 	<ul style="list-style-type: none"> The occupancy rate increased by 1.7% pts from 3Q 2020 to 89.3% in 4Q 2020. 	<ul style="list-style-type: none"> The occupancy rate rose by 0.9% pts qoq to 92.5% in 4Q 2020.
Openings (4Q 2020)	<ul style="list-style-type: none"> Courts at The Heeren 	<ul style="list-style-type: none"> BHG at Raffles City Shopping Centre 	<ul style="list-style-type: none"> Shake Shack at VivoCity
Closures (4Q 2020)	<ul style="list-style-type: none"> Robinsons at The Heeren Bakerzin (all outlets) 	<ul style="list-style-type: none"> SuperPark at Suntec City Mall Marks & Spencer at Raffles City Shopping Centre 	

¹ Other City Areas refer to Downtown Core and Rest of Central Area

² Fringe/Suburban Areas refer to Fringe Areas and Suburban Areas (Outside Central Region)

Source: EDMUND TIE Research

Rents

Based on EDMUND TIE Research's definition of retail spaces, retail rents were stable across all subzones in 4Q 2020 (Table 9).

Supply pipeline

Based on EDMUND TIE Research, around 1mn sq ft of NLA is expected to be completed islandwide from 2021 to 2024. The bulk of the supply pipeline is expected to be completed in 2021 (39.0%) and 2023 (39.0%) (Figure 11). The majority (87.0%) of the supply pipeline will emerge from the Fringe/Suburban Areas.

Outlook

With the COVID-19 pandemic, many retailers were forced to shutter their outlets in 2020, reflecting the challenges in the retail industry. Traditional brick and mortar retailers are moving towards online sales with more consumers opting for delivery services rather than patronising retailer stores. Moving forward into 2021, retailers could face better prospects when consumers are more confident in terms of their income and in the recovery of Singapore economy.

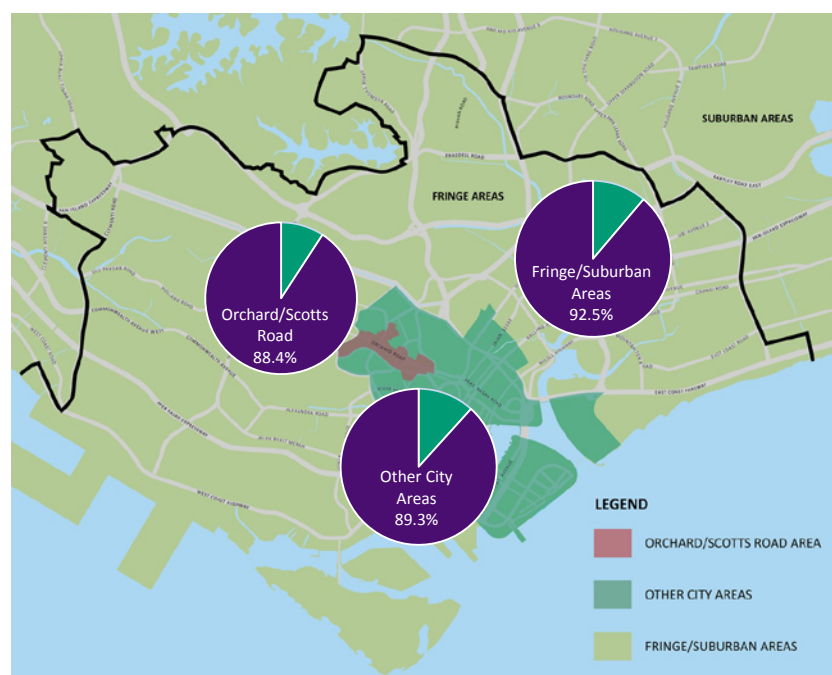
The trend of experiential retail is being accelerated, as retailers find ways to attract consumers to continue patronising their stores. Additionally, businesses can also reassess their digital strategies and adopt sound multi-channel strategies to connect their physical stores and e-commerce presence.

Table 9: Average monthly gross rents (\$\$ per sq ft)

Location	Level	3Q 2020	4Q 2020	Qoq change (%)
Orchard/Scotts Road (OSR)	First storey	37.27	37.27	0.0
	Upper storey	16.00	16.00	0.0
Other city areas (OCA)	First storey	19.45	19.45	0.0
	Upper storey	9.83	9.83	0.0
Fringe/Suburban areas (FSA)	First storey	29.97	29.97	0.0
	Upper storey	17.03	17.03	0.0

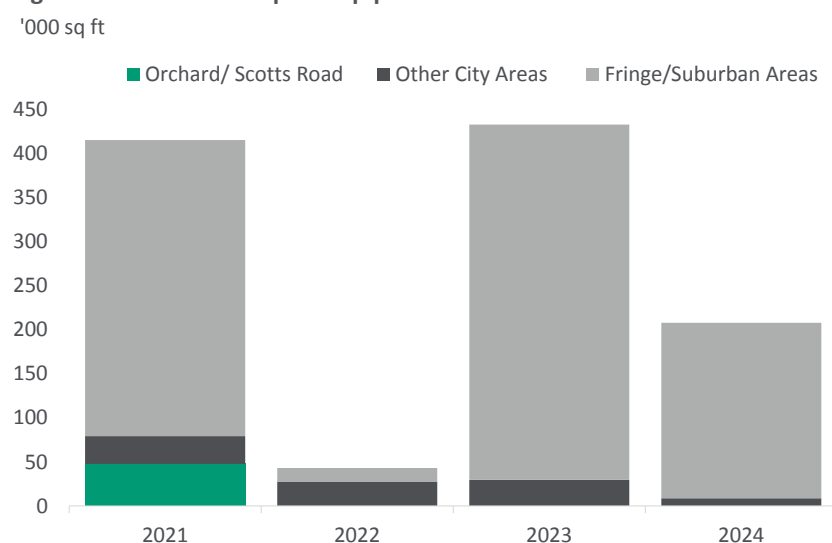
Source: EDMUND TIE Research

Figure 10: Retail occupancy rates (4Q 2020)



Source: EDMUND TIE Research

Figure 11: Retail development pipeline



Source: EDMUND TIE Research

RESIDENTIAL

Market commentary

Key indicators

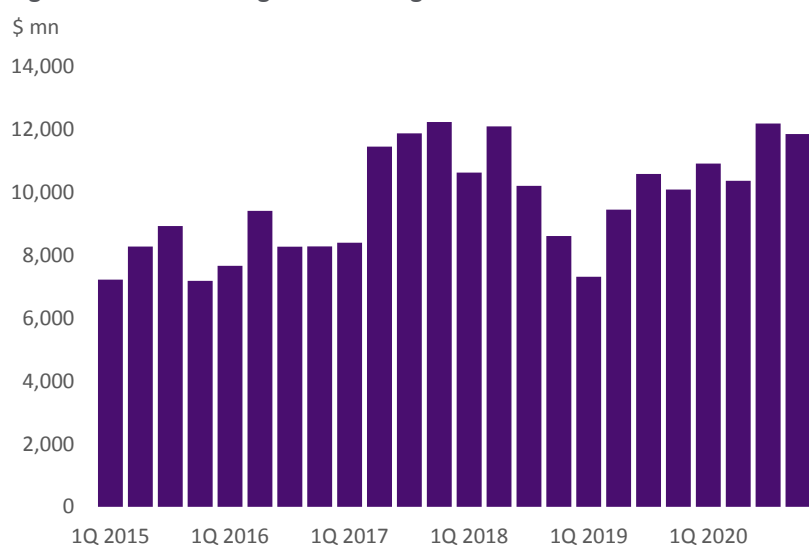
- According to the URA All Residential Property Price Index (PPI), overall private home prices rose for the third consecutive quarter in 4Q 2020, rising by 2.1% qoq. Compared to a year ago, prices at the end of 2020 are 2.2% higher (Table 10).
- In 4Q 2020, landed home prices fell by 1.6% qoq while non-landed prices rose by 3.0% qoq. On a full-year basis in 2020, landed homes prices rose by 1.2% while non-landed prices rose by 2.5%. Within the non-landed segment, prices in the CCR fell by 0.4% in 2020, while those in RCR and OCR rose by 4.7% and 3.2% respectively.
- Housing loans value rose for the sixth consecutive quarter by 17.5% yoy in 4Q 2020 (Figure 12). However, on a qoq basis, housing loans fell by 2.7% in 4Q 2020, compared to 15.1% growth in 3Q 2020.
- New sales declined slightly to 2,603 units in 4Q 2020. This can be attributed to the URA announcement in September 2020 of a clampdown on the re-issuance of OTPs by developers to the same buyers for the same unit within 12 months of the expiry of the earlier OTP.
- New sales in 4Q 2020 were 6.5% higher than that a year ago. Full-year sales of 9,982 units in 2020 were similar to that of 2019 (9,912 units).

Table 10: URA Private Residential Price Index

	3Q 2020	4Q 2020	qoq % chg
All Residential property	153.8	157	2.08
Non-Landed	148.8	153.3	3.02
Core Central Region (CCR)	129.5	133.6	3.17
Rest of Central Region (RCR)	153.8	160.6	4.42
Outside Central Region (OCR)	180.4	183.6	1.77
Landed property	176.6	173.8	-1.59

Source: URA

Figure 12: New housing loans limits granted



Source: Monetary Authority of Singapore

- **New home sales** volumes declined slightly from 3,517 units in 3Q 2020 to 2,603 units in 4Q 2020. This can be attributed to the URA announcement in September 2020 of a clampdown on the re-issuance of OTPs by developers to the same buyers for the same unit within 12 months of the expiry of the earlier OTP. New sales by developers increased to 774 units in November and 1,217 units in December 2020. New sales in 4Q 2020 were 6.5% higher than that a year ago.
- In 4Q 2020, there eight six new launches (Table 11). The Landmark had a very high take-up rate for its launched units; 109 units of the 120 units launched were sold (91.0%). It is located close to Chinatown and the Outram MRT.
- Another new launch was Clavon (District 5) which was launched in December 2020. It had the second highest take up of 73.9% (473 of 640 units sold). The project is strategically located close to Clementi Mall and supported by ample facilities and amenities.

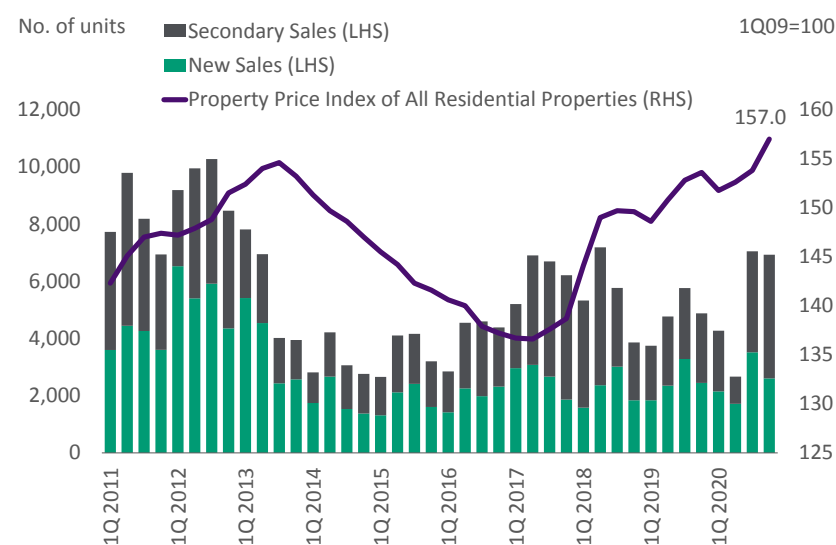
Table 11: Private residential launches (excluding ECs) in 4Q 2020

Development	Developer	Property type	Tenure	Total Units	Launched	Sold	Launched & Unsold	Prices \$ psf
CCR								
Hyll On Holland	Far East	Non-landed	Freehold	319	60	6	54	2,515-2,904
RCR								
The Landmark	MCC Land and ZACD Group	Non-landed	99 yrs	396	120	109	11	1,905-2,591
OCR								
Clavon	UOL Group	Non-landed	99 yrs	640	500	473	27	1,487-1,858
Dairy Farm Residences	United Engineers Limited	Non-landed	99 yrs	460	420	17	403	1,404-1,683
KI Residences At Brookvale	Hoi Hup Sunway	Non-landed	Freehold	660	660	172	488	1,612-1,950
Parc Clematis	Sing-Haiyi	Non-landed	99 yrs	1468	468	111	357	1,339-1,761
Phoenix Residences	OKP Holdings	Non-landed	99 yrs	74	74	5	69	1,496-1,536
The Linq @ Beauty World	BBR Holdings	Non-landed	Freehold	120	120	120	0	1,998-2,439
				3422	2242	898	1344	
Total				4,137	2,422	1,013	1,409	

Source: URA

- **Resale** volumes increased from 3,530 units in 3Q 2020 to 4,326 units in 4Q 2020. This was attributed to home viewings being allowed once again.
- After a robust 3Q 2020, transaction volumes dropped slightly in 4Q 2020, to 6,929 units in 4Q 2020 from 7,048 units in the previous quarter. On a yoy basis, transaction volumes was 42.0% higher. (Figure 13).
- Foreign purchases remained broadly unchanged at 200 units in 4Q 2020 from 222 units in 3Q 2020. This is a slight fall of 10% from 3Q 2020, however, this is a growth from 116 residential properties in 2Q 2020.
- In the private residential leasing market, total rental volumes declined by 11.6% qoq to 23,854 transactions in 4Q 2020 (Figure 14). Amid pressures on the expatriate employment market, rents are anticipated to stay soft moving into 2021.

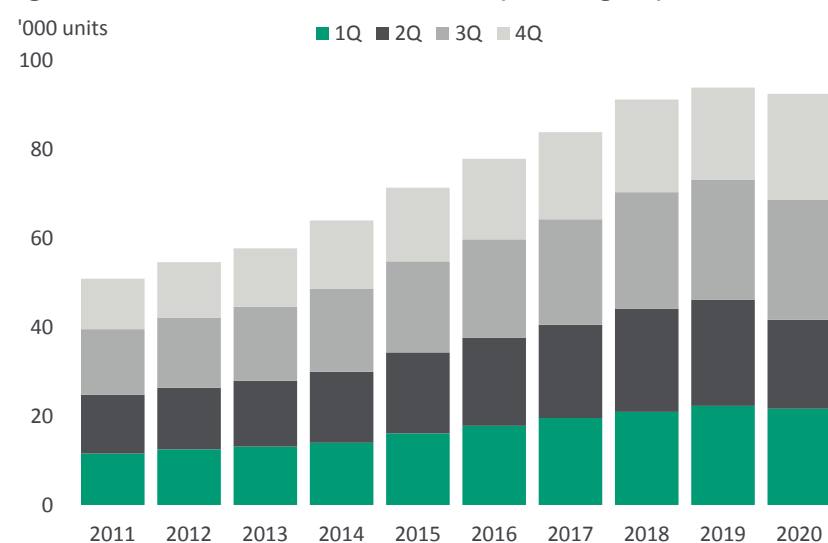
Figure 13: Private homes sales volume (excluding ECs) and URA All Residential Price Index



Note: 3Q 2020 property price index is based on URA flash estimates.

Source: URA

Figure 14: Private home rental transactions (excluding ECs)



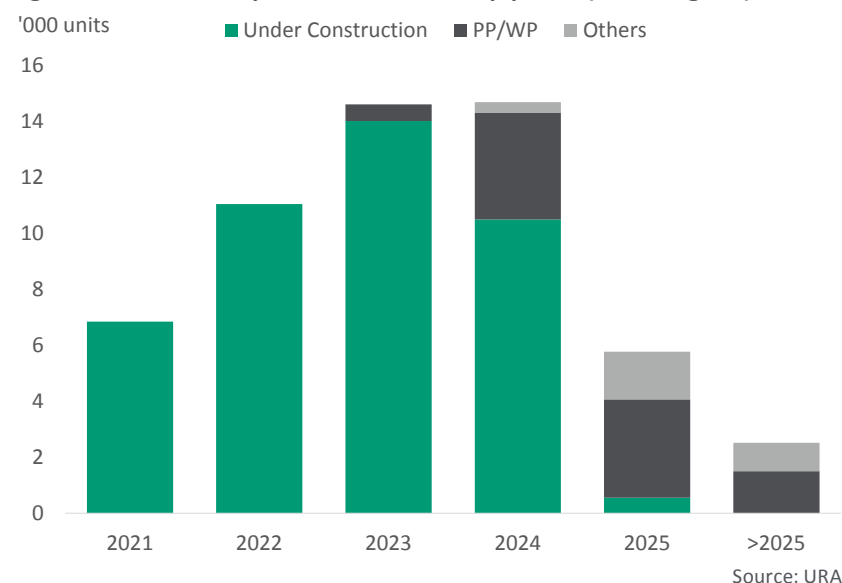
Source: URA

- As at 4Q 2020, the residential supply pipeline stood at 52,403 units. Most completions are expected to occur in 2023 and 2024 (Figure 15). The annual projected completions from 2022 to 2024 are estimated to be higher than the 3-year (2018 to 2020) annual average net supply of 3,915 units. Around 47.7% of the supply pipeline (25,011 units) have been sold, while the remaining 27,392 units are still unsold.

Outlook

- Despite the plunge in property demand in 1H 2020, housing demand picked up in 2H 2020 with healthy sales for both landed and non-landed segments. Notwithstanding the new policy relating to OTP re-issuance by the URA, homebuyers will adapt to the new policy and manage their finances. Homebuyers who are in a better financial position will be driving the demand
- The number of flats reaching five-year MOP is expected to rise. Coupled with the low interest rate environment, this is expected to support residential demand. Market sentiment will continue to be optimistic for both domestic and international investors with the nation accelerating the rollout of the Covid-19 vaccine.

Figure 15: Number of private homes in the pipeline (excluding ECs)



CONTACTS

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

PROFESSIONAL SERVICES

Valuation Advisory

Poh Kwee Eng
Executive Director
Regional Head of Valuation Advisory
+65 6393 2312
kweeeng.poh@etcsea.com

Nicholas Cheng
Executive Director
+65 6393 2312
nicholas.cheng@etcsea.com

Property Tax Advisory & Statutory Valuation

Ng Poh Chue
Executive Director
+65 6393 2515
pohchue.ng@etcsea.com

Research & Consulting

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

Lam Chern Woon
Senior Director
+65 6393 2340
chernwoon.lam@etcsea.com

Hospitality

Kwok Sai Kuai
Executive Director
+65 6417 9229
saikuai.kwok@etcsea.com

Tay Hock Soon
Senior Director
+65 6887 0088
tayhs@treetops.com.sg

Property Management

Kwok Sai Kuai
Executive Director
Regional Head of Property Management
+65 6417 9229
saikuai.kwok@etcsea.com

Paul Wong
Senior Director
+65 6417 9225
paul.wong@etcsea.com

AGENCY SERVICES

Investment Advisory

Poh Kwee Eng
Executive Director
+65 6393 2312
kweeeng.poh@etcsea.com

Swee Shou Fern
Executive Director
+65 6393 2523
shoufern.swee@etcsea.com

Auction & Sales

Chua Wei Lin
Executive Director
+65 6393 2326
weilin.chua@etcsea.com

Joy Tan
Senior Director
+65 6393 2505
joytan@etcsea.com

Tan Chun Ming
Executive Director
Cross-border Investment Advisory
+65 6393 2360
chunming.tan@etcsea.com

Residential

Margaret Thean
Executive Director
Regional Head of Residential
+65 6393 2383
margaret.thean@etcsea.com

Karen Ong
Executive Director
+65 6393 2366
karen.ong@etcsea.com

Business Space & Retail

Chua Wei Lin
Executive Director
Regional Head of Business Space
+65 6393 2326
weilin.chua@etcsea.com

China Desk

Tan Chun Ming
Executive Director
+65 6393 2360
chunming.tan@etcsea.com

REGIONAL OFFICES

Malaysia

Eddy Wong
Managing Director
+603 2024 6380
eddy.wong@ntl.my

Thailand

Christopher Ng
Chief Operating Officer
EDMUND TIE Group
+65 6393 2376
christopher.ng@etcsea.com

Tan Chun Ming
Executive Director
+65 6393 2360
chunming.tan@etcsea.com

Punnee Sritanyalucksana
Chief Operating Officer
EDMUND TIE Thailand
+66 2257 0499 ext 101
punnee.s@etcthailand.co.th

Editor:

Saleha Yusoff
Executive Director
Regional Head of Research & Consulting
+603 2161 7228 ext 302
saleha.yusoff@etcsea.com

Authors:

Lam Chern Woon
Senior Director
Research & Consulting
+65 6393 2340
chernwoon.lam@etcsea.com

Amanda Goh
Research Analyst
Research
+65 6393 2382
amanda.goh@etcsea.com

For more information, please contact us at research.sg@etcsea.com.

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Edmund Tie & Company (SEA) Pte Ltd

5 Shenton Way, #13-05 UIC Building, Singapore 068808.

T. +65 6293 3228 | F. +65 6298 9328 | mail.sg@etcsea.com | Please visit www.etcsea.com and follow us on



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