



## HIGHLIGHTS

70.9% Surge in New Home Sales. OCR Sales driven by Launch of AMO Residence which sold 98% on the first day of launch. 40% of transactions in OCR sales crossed \$2 million mark. 7,219 BTOs completed in the first half of 2022, 15% more over the same period last year.

Singapore household net worth grew by 55% from 2014 to 2021. According to HSBC, Singapore will surpass Australia to have the highest share of millionaires by 2030.

**UPCOMING:** Lentor Modern & Sky Eden @ Bedok to launch in September.

Find out the real impact of rising interest rates. How much more are Homeowners paying to borrow?

In a Low-Supply Environment, Developers are on the hunt in the resale market. Check out the recent Collective sales & listings below...

## PROPERTY MARKET

- *Market Volume*
- *Rental Segment*

## UPCOMING LAUNCHES

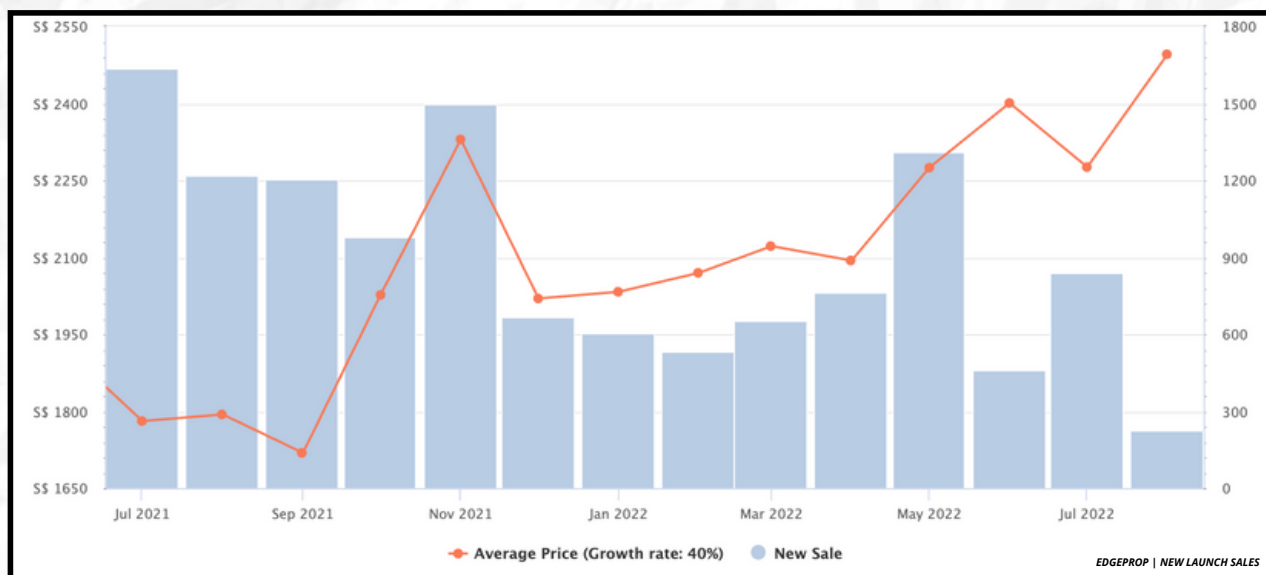
- *Sky Eden @ Bedok*
- *Lentor Modern*

## INTEREST RATE HIKES

## COLLECTIVE SALES



# Property Market



## MARKET VOLUME

Developers sold 834 new homes in the month of July, a 70.9% surge from the previous month. 75.46% of the units sold came from AMO Residences. This is a continuation of the trend since February 2021, where the number of units sold exceeds the number of units launched. With take-up continuously exceeding units launched since February 2021, it also implies that developers' inventory is depleting with unsold stock declining further.

Last month saw a new trend where more OCR homes sold above \$2million. Such sales made up 40.6% of transactions in the OCR in July 2022, compared to a low of 9.9% in August 2021, according to Huttons Research. With \$2,000 psf emerging as the new average price for mass-market homes, the proportion of such homes is expected to rise. While AMO Residence was the top performing new launch in July, others that ranked among the five best-selling projects were Hyll on Holland, Riviere, Ki Residences at Brookvale and Perfect Ten.

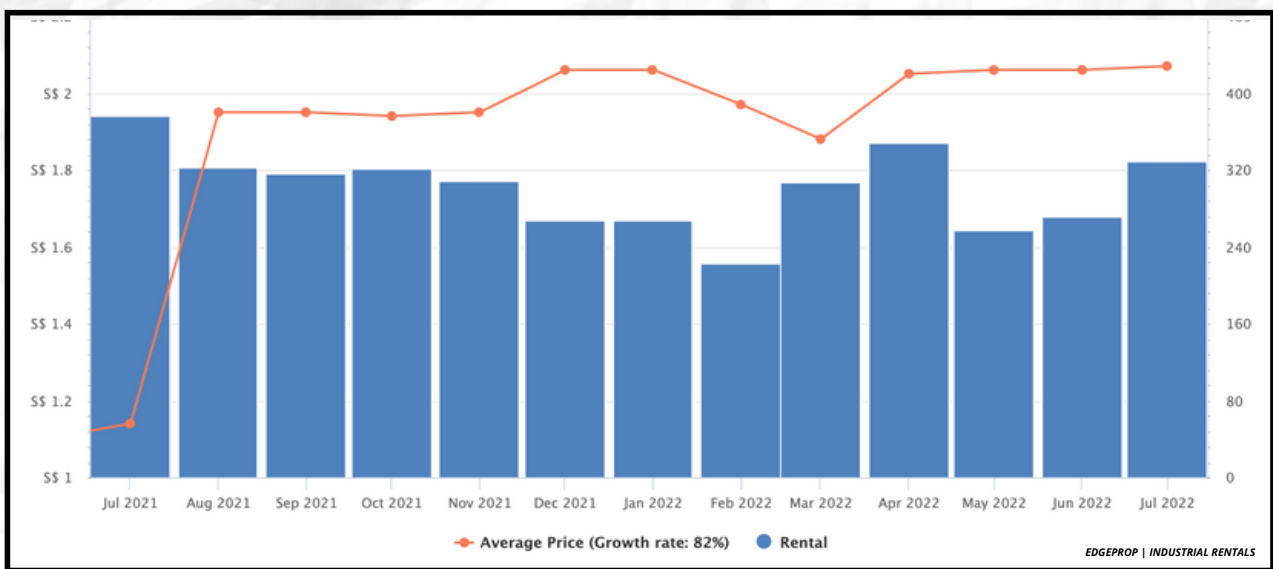
## 7,219 HDBs COMPLETED

The number of BTO flats completed in the first half of 2022 increased 15% to 7,219 units from 6,275 units over the same period last year, reported CNA citing the Housing and Development Board (HDB).

3 projects were completed a month earlier from their revised completion dates. The steady recovery in the construction sector due to improving manpower and COVID-19 situation has helped in restoring the BTO Supply.

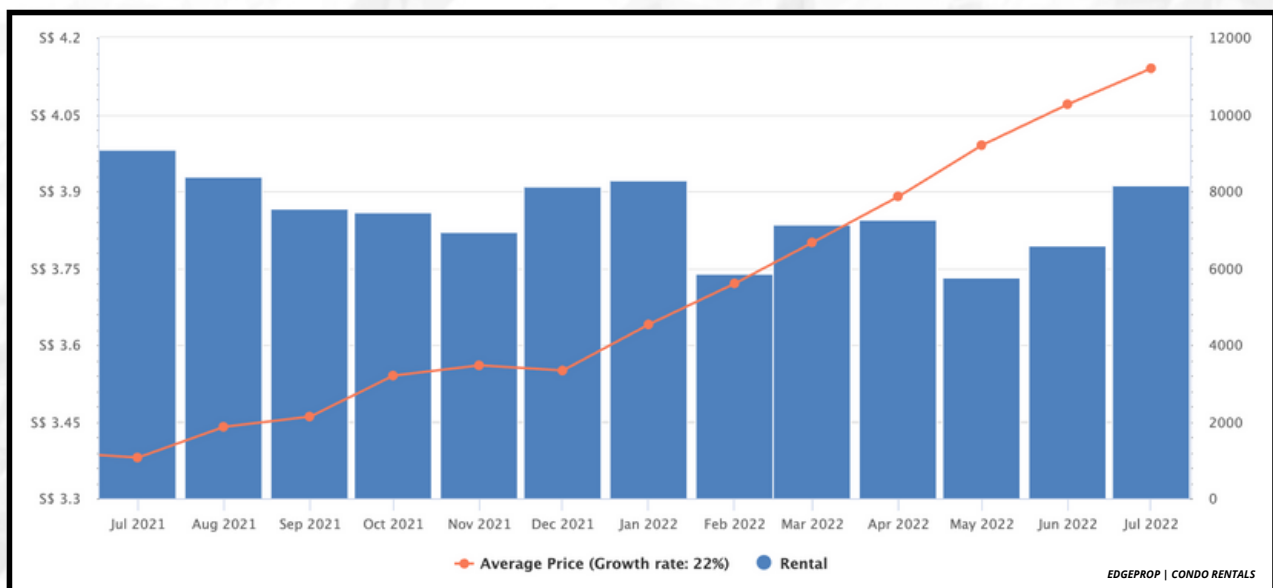


# Property Market



## INDUSTRIAL RENTAL

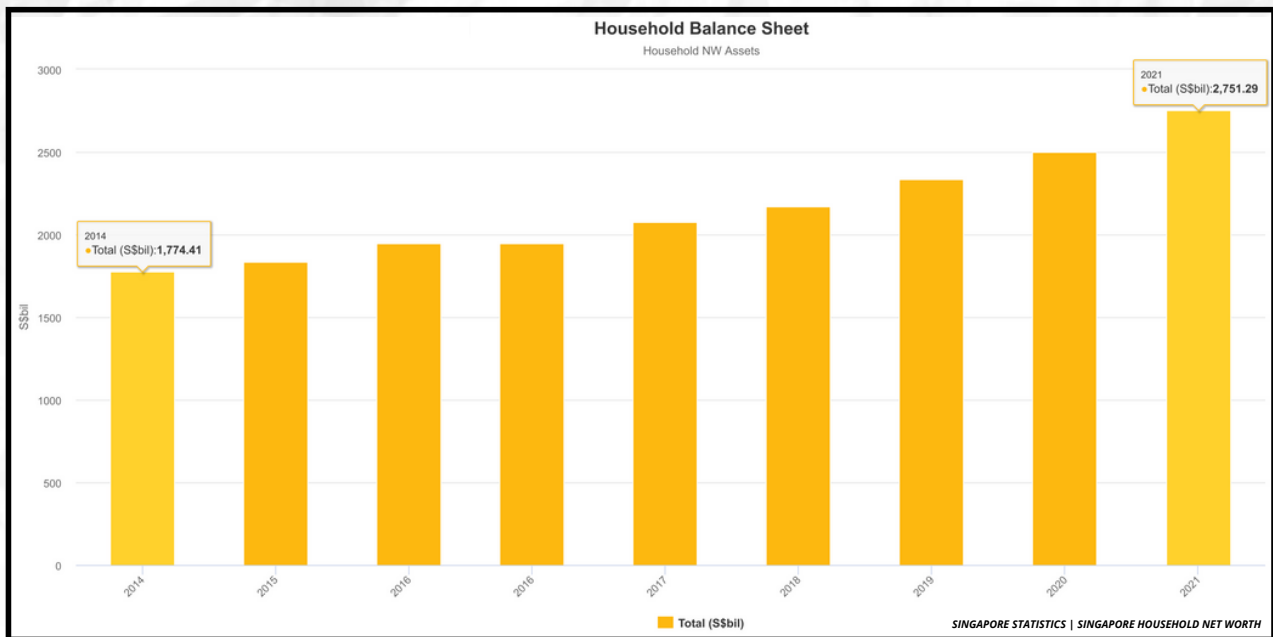
Industrial rents rose 1.5% in 2Q22, marking the 7th consecutive quarter of growth and the fastest quarterly growth since 3Q2013. On a y-o-y basis, rents grew 3.4% during the second quarter. The growth in industrial price and rental indices was supported by expansions in high-value manufacturing output. Stronger demand for warehouses arose from rising stockpiling activities. Coupled with the tight supply of industrial units.



## CONDO RENTAL

Rental prices hit a 16-quarter high in Q3 2022, matching Singapore’s rental growth with that of New York’s. Both countries tied in terms of clocking in the highest growth in prime residential rent, with an increase of 8.5% in the first half of 2022, according to Savills. With no other housing options and limited supply of housing stock, more tenants are accepting the rental hikes. Transaction volume for condo rents increased 5.3% month-on-month to 4,809 units in July, due to more expats and foreigners coming back into Singapore.

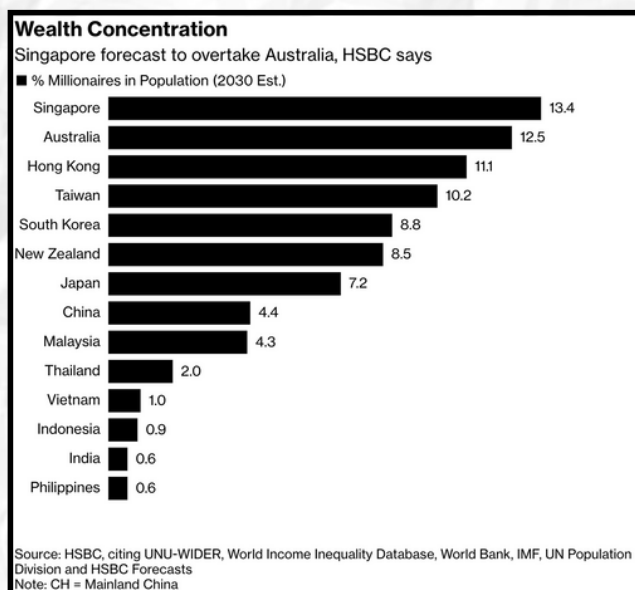
# Property Market



## INCREASE IN HOUSEHOLD NET WORTH

Overall household net worth of Singapore residents grew by 55% to almost \$2.75 trillion in 2021 from about \$1.77 trillion in 2014, signaling the increased purchasing power for private homes over the past decade. This explains why despite the 10 rounds of cooling measures, current pace of sales remains ever robust.

Rising inflation and lackluster financial markets may push buyers to property as an effective hedge against inflation, the tighter financing conditions for TDSR may cap home sales slightly. Overall pricing growth is expected to soften slightly for the rest of the year – about 8% for the full year compared with 10.6% last year. However, the primary market is still expected to clock about 10,000 units of home sales.



**SINGAPORE** will overtake Australia to have Asia's highest share of millionaires in the adult population by 2030, according to a report by HSBC Holdings Plc.

The financial hub is expected to top the list in Asia-Pacific followed by Australia, Hong Kong and Taiwan. The proportion of millionaires in those four places is also expected to come in higher than the US by the end of the decade.



# Upcoming Launches



**LENTOR MODERN** is a mixed-use development comprising three 25-storey towers with around 605 residential units. Developed by the premier regional real estate group GuocoLand, which is known for other mixed-use projects like Midtown Modern and Midtown Bay, as well as Wallich Residence.

Situated near the Lentor Hillock Park within walking distance to nature reserves, Lentor Modern's residents will enjoy unblocked views of lush greenery and the landed enclave. There will be a sky terrace in each tower and the project will have a mix of 1 to 4-bedroom units. Lentor Modern will be the first new launch condominium in the upcoming Lentor Hills estate under the GLS programme. There will be five other new condos, including *Lentor Hills Residences*.

Lentor MRT station (**TE8**) on the Thomson-East Coast Line (**TEL**) will be at the doorstep of Lentor Modern's residents. The TEL brings residents close to the famous Orchard Road Shopping Belt and those who work in the city area can conveniently get to Shenton Way and the Central Business District (CBD) with one direct line. Significantly cutting the travel time from the north to the city center.

The Lentor Modern shopping mall will offer 96,000 sq ft of commercial, retail spaces and F&B options including cafes, restaurants as well as clinics and more. Residents of Lentor Modern and the neighborhood can look forward to the convenience of having a plethora of F&B and retail options at their doorstep, including a 12,000 sq ft supermarket and a 10,000 sq ft childcare center. This design is in line with GuocoLand's goal to bring forward the 'live, work and play all in one place' lifestyle, as envisaged by the group in this post-pandemic situation.



# Upcoming Launches



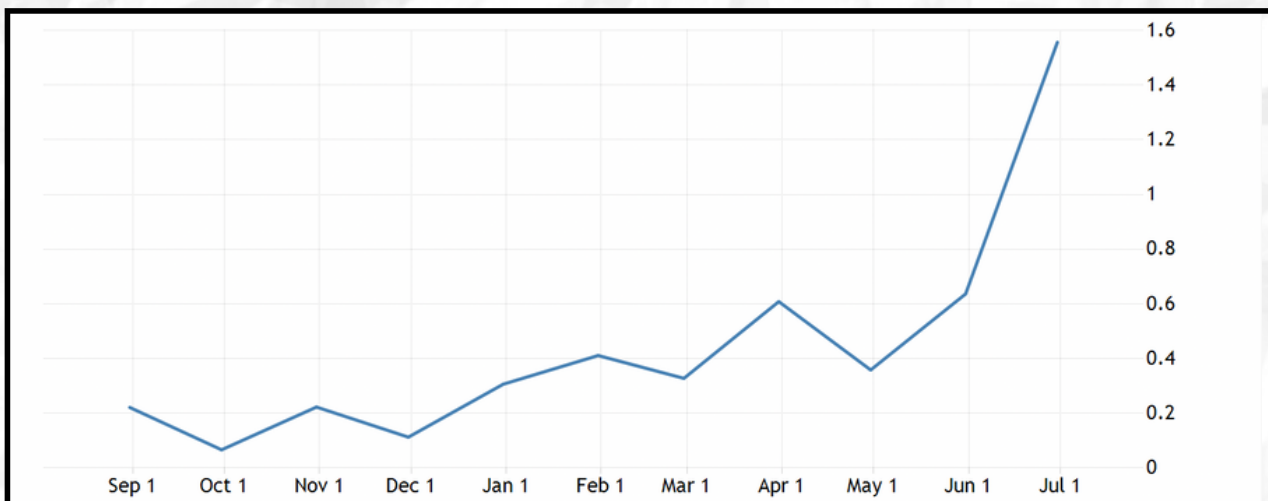
**SKY EDEN @ BEDOK** is an upcoming mixed-use development located in the heart of Bedok Central, located at the site where the former Bedok Point used to be. Frasers Property bought Bedok Point from Frasers Centrepoint Trust for \$108 million in 2020. Frasers is also known for projects like Rivière, Boathouse Residences, Camelot, Seaside Residences, Northpoint City and more.

The 17-storey development comprises 158 residential units offering 2 to 4-bedroom apartments. There will also be 12 commercial units on the first floor of the development. As the first new launch condominium in Bedok in 10 years, Sky Eden@Bedok is expected to generate interest among buyers.

Conveniently located just a 5-minute walk from Bedok MRT station, Sky Eden is also close to Bedok Integrated Transport Hub and Bedok Bus Interchange. Residents will be able to get to the city center in just 15 minutes via the East-West line, and the Orchard Road Shopping Belt in 20 minutes. Strategically located in between the Paya Lebar Commercial Hub and Changi Business Park, Changi Aviation Park and the Tampines Regional Hub.

Residents of Sky Eden@Bedok will be delighted to know that the area around it is a retail and food haven. Besides the shops that will open at Sky Eden @ Bedok itself, it is a mere 6-minute walk to Bedok Mall, which is filled with F&B and retail outlets. Bedok Interchange Hawker Centre, Bedok South Market & Food Centre and plenty of other food options are also within close proximity. There are also plenty of hangout spots and dining options in the east. Just a short drive from Sky Eden@Bedok, residents can enjoy the F&B offerings at the East Coast/Siglap food enclave, Simpang Bedok, Katong and East Coast Park.

# Interest Rate Hikes



**[IMPACT IN HOUSING MARKET]** Over the past two months, we have seen a sudden surge of buyers into the market to lock in the home loan rates before they climb higher. Home buyers now face higher borrowing costs and those who take a maximum housing loan or hold multiple properties with an unstable income may be most affected. **But how much more are people paying? Let's take a deep analysis into 2 specific segments.**

**[HDB]** For borrowers who have applied for a private loan, the current interest rate increase is still manageable since the loan quantum for flats is usually not big.

For instance, the median price of a resale flat is around \$500,000. The monthly instalment on a 25-year loan term and 75% loan-to-value (LTV) ratio increases by around \$189/month if the interest rate rises from 2% (\$1,589/month) to 3% (\$1,778/month).

**[NEW PRIVATE PROPERTY]** Interest rate hikes similarly may not have a significant impact on new home sales either. Due to the progressive payment schedule for new-launch private properties, loans tend to be smaller in the initial repayment period.

For a new property purchase, buyers pay the first 25% with cash and CPF. The first interest repayment starts only six months later. For a \$2 million private condo unit with a loan tenure of 30 years and 75% LTV, borrowers face a marginal increase of \$52/month for the first scheduled payment if interest rates increase from 2% to 3%. Borrowers may experience a monthly increase of about \$624/month when the project obtains its temporary occupation permit (TOP) around three to four years later. By that period, the borrowing climate may have changed. Home owners can refinance their packages or lease out their units to offset the higher monthly mortgages.



## Collective Sales

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### **EURO-ASIA APARTMENTS SOLD FOR \$222.18 MILLION**

Led by property developer KSH Holdings, a consortium of local companies has acquired Euro-Asia Apartments at 1037 Serangoon Road for \$222.18 million. The 84-unit development sits on a 56,476 sq ft site that has a plot ratio of 2.8. The purchase price translates to a land rate of \$1,313 psf per plot ratio, inclusive of bonus balcony area. The developers say that they intend to redevelop the site into a new residential development with about 172 residential units. Based on a compilation of nearby transaction data by EdgeProp Singapore, most of the existing properties in the area have recorded approximate resale prices that range from about \$1,000 psf to \$1,800 psf.

### **PARK VIEW MANSIONS SOLD FOR \$260 MILLION**

Park View Mansions, a 99-year leasehold condominium located along Yuan Ching Road in Jurong, has been sold for \$260 million in a collective sale to a joint venture comprising CEL Development (40%), Sing-Haiyi Pearl (30%) and TK 189 Development (30%). The price translates to a land rate of \$1,023 psf per plot ratio (psf ppr), inclusive of a differential premium payable to maximise the site's development plot ratio of 2.1 and to top-up the existing lease to a fresh 99 years, subject to JTC and URA's planning approval.

Park View Mansions is a 160-unit development sitting on a land site of about 191,974 sqft. Subject to approval from the authorities, the site can be developed up to a gross floor area of 403,145 sqft. Park View Mansions' collective sale comes not long after the en bloc sale of Lakeside Apartments – another 99-year leasehold condominium just next to Park View Mansions that also overlooks Jurong Lake Gardens – to Wing Tai Holdings for \$273.88 million in May.





### **SUTTON PLACE UP FOR COLLECTIVE SALE AT \$285 MILLION**

The 44-unit residential development at 24, 26, 28 Farrer Road, have launched a collective sale tender. The property has an indicative price of \$285 million, and the sale will be marketed by Colliers. Based on the indicative price of S\$285 million and a development charge payable of about \$20,886,880, this will translate to a land price of \$2,052 psf ppr.

Located in prime District 10, Sutton Place is a five-storey residential development comprising 44 units which sits on an elevated, 93,183 sqft plot. The residential site has an allowable gross plot ratio of 1.6. The new owner could redevelop the site into a 162-unit residential project with a minimum unit size of 915 sqft. The collective sale tender for Sutton Place will close on Sept 15.

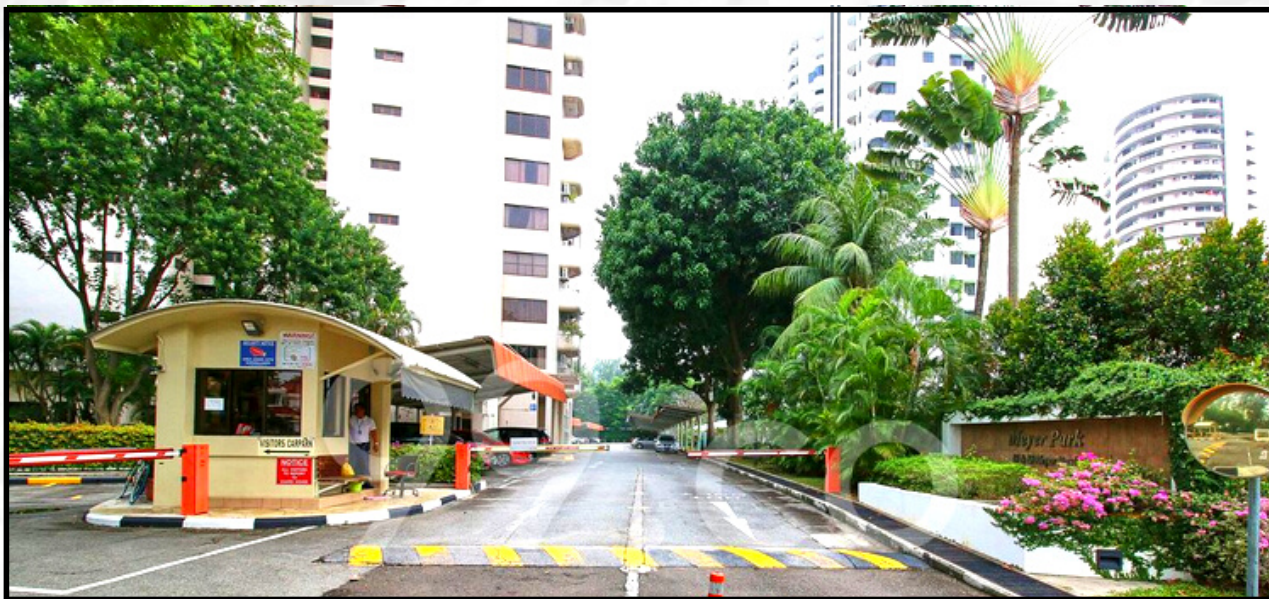
### **TRENDALE TOWER UP FOR COLLECTIVE SALE AT \$178 MILLION**

Trendale Tower at 79 Cairnhill Road has launched a collective sale tender for \$178 million. The collective sale of the property is currently marketed by Savills Singapore. The development sits on a 21,708 sqft site that is zoned residential with an allowable plot ratio of 2.8 and a height limit of 36 storeys. The existing development consists of a 20-storey residential block with 18 apartments of 3,206 sqft each.

Located in the highly desirable Cairnhill residential enclave at the edge of the Orchard Road shopping belt. Its central location makes it close to private clubs like Tanglin Club and The American Club, as well as dining and entertainment locations such as Newton Food Centre, Dempsey Hill, and Emerald Hill. The public tender for this collective sale closes on Sept 13.



# Collective Sales



## **MEYER PARK UP FOR COLLECTIVE SALE AT \$420 MILLION**

Meyer Park, a freehold condominium development at 81 and 83 Meyer Road in District 15's Marine Parade area, is up for collective sale with a reserve price of \$420 million. The land rate works out to around \$1,720 psf ppr. This includes a development charge of approximately \$78.2 million, which takes into account the 7% bonus floor area.

The 60-unit seafront condo that was completed in the early 1980s sits on a land area of 96,672 sqft, with an impressive 88m frontage facing the sea. Zoned for residential use with a plot ratio of 2.8, including the 7% bonus floor area, the maximum allowable gross floor area works out to some 289,628 sqft. Meyer Park is within walking distance of the upcoming Katong Park MRT Station on the Thomson-East Coast Line, which is expected to open in 2024. Other amenities in the vicinity include malls such as Parkway Parade, i12 Katong, Kinex and Kallang Wave Mall; while recreational facilities are available at nearby East Coast Park.

## **ORCHARD BEL AIR UP FOR COLLECTIVE SALE AT \$587.5 MILLION**

Orchard Bel Air, a 99-year leasehold condominium at 245 Orchard Boulevard, has been launched for collective sale at a guide price of \$587.5 million. Taking into consideration the 7% bonus gross floor area allowed for balconies, this translates to approximately \$2,526 psf ppr.

An estimated 128 new residential units with sizes averaging 2,153 sq ft could be developed, depending on layout and configuration, and subject to approval from the relevant authorities. The redevelopment would not require a pre-application feasibility study on traffic impact. The collective sale tender for Orchard Bel Air will close on Sept 6.



# About

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Kelvin's goal as a Realtor is to make sure that all his clients can retire with a **"Roof over their Heads, Food on the table & enough Money in the Bank"**. He aims to achieve that through Property and Retirement Planning.

He specialises in a wide range of portfolios including **HDBs, Private Residential**, as well as **Commercial** Properties. If you need a committed, sincere and efficient realtor to handle your property matters, Kelvin will be there to understand your Goals, Needs and help you make the right move.

*Call him now to see what he can do for you!*

## **RETIREMENT PLANNING**

The key to success is by starting with the end in mind. Growing up in a HDB neighbourhood, he understands how difficult it is for average Singaporeans to save for retirement, yet alone leave a legacy for their loved ones. As long as your retirement is covered, the sky is the limit.

## **ASSET PROGRESSION**

While it is necessary to plan for the long-term, it is also essential to live life to the fullest in the short-term. The trick is getting the right balance. If you fail to plan, you plan to fail.

## **CHOOSING THE RIGHT PROPERTY**

A perfect plan is only as good as its execution. Every property is an important decision. There's always the best choice at every stage of the way, you just have to know how to spot one.



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