
24 July 2009

Release of 2nd quarter 2009 real estate statistics

The Urban Redevelopment Authority (URA) released today the real estate statistics for the 2nd Quarter 2009.

SUMMARY

Prices of private residential, office, shop and industrial properties decreased by 4.7%, 3.9%, 1.4% and 4.5% respectively in the 2nd Quarter 2009.

Rentals of private residential, office, shop and industrial properties decreased by 5.2%, 7.7%, 2.0% and 5.6% respectively in the 2nd Quarter 2009.

The rates of decrease in the prices and rentals of private residential, office, shop and industrial properties have moderated in the 2nd Quarter 2009 as compared to 1st Quarter 2009.

As at 2nd Quarter 2009, there were 62,350 private residential units in the pipeline, comprising supply from projects that were already under construction and those that had been granted planning approval but were not under construction yet. For the office sector, there was a pipeline supply of about 1.24 million sq m Gross Floor Area (GFA) of office space from various Government and private land sources. Of these, about 38,112 private residential units and about 1.13 million sq m GFA of office space were expected to be completed between 3rd Quarter 2009 and 2012. This is based on developers' declaration and actual completion schedule may change from quarter to quarter as developers adjust their development plans or construction schedule according to market conditions.

PRIVATE RESIDENTIAL PROPERTIES

Prices

Overall prices of private residential properties fell by 4.7% in 2nd Quarter 2009, compared with the decline of 14.1% in the previous quarter (see Annexes A-1, A-6 & A-7).

Prices of non-landed properties fell by 4.7% in 2nd Quarter 2009, compared with the decline of 15.1% in

the previous quarter. Prices of apartments fell by 4.9%, while prices of condominiums fell by 4.5%.

Prices of non-landed properties in Core Central Region¹ (CCR) fell by 5.2% in 2nd Quarter 2009, and prices of non-landed properties in Rest of Central Region (RCR) and Outside Central Region² (OCR) fell by 4.4% and 2.3% respectively (see Annex A-2).

Prices of landed properties fell by 4.7% in 2nd Quarter 2009, compared with the decrease of 9.2% in the previous quarter. Prices of detached, semi-detached and terrace houses fell by 6.0%, 3.6% and 3.9% respectively in 2nd Quarter 2009.

The prices of private residential properties are not uniform and vary from project to project. Home-buyers can view the data on individual uncompleted private residential projects at the following url: <http://www.ura.gov.sg/realEstateWeb/price.jsp>. The database also provides information on projects with units still available for sale.

Besides the data on the sale of uncompleted units direct from developers, home-buyers can also access information on all private residential property transactions on URA's website at the following url: <http://www.ura.gov.sg/realEstateWeb/transaction.jsp>. This database, which is based on caveats lodged with the Singapore Land Authority (SLA), contains comprehensive information on the prices and floor areas of the units.

Rentals

Rentals of private residential properties³ fell by 5.2% in 2nd Quarter 2009, compared with the decrease of 8.5% in the previous quarter (see Annex A-3).

Rentals of non-landed properties in CCR, RCR and OCR fell by 5.1%, 6.1% and 5.9% respectively in 2nd Quarter 2009 (see Annexes A-3 & A-4).

In addition, URA also released data on the 25th percentile, median and 75th percentile rentals for individual private residential projects for 2nd Quarter 2009⁴. The data on the rentals of individual private residential projects are available on URA's website at the following url: <http://www.ura.gov.sg/realEstateWeb/rental.jsp>.

Supply in the Pipeline

As at the end of 2nd Quarter 2009, there was a total supply of 62,350 uncompleted units of private housing from projects in the pipeline⁵ (see Annex E-1). Of these, 38,482 units were still unsold. These comprised 2,594 units that had been launched for sale by developers and 12,534 units which had the pre-requisite conditions for sale and could be launched for sale immediately. The remaining 23,354 units with planning approvals did not have the pre-requisite conditions for sale⁶ (see Annex B-1). Details of the

number of unsold private residential units with planning approvals in the 3 market segments are given in Annex B-2.

Of the 62,350 units, 38,112 units were expected to be completed between 3rd Quarter 2009 and 2012, of which 27,934 units were already under construction⁷. Developers had obtained planning approvals⁸ for projects making up the remaining 10,178 units (see Annex E-2).

URA also released detailed data on supply in the pipeline by market segment, development status and expected year of completion at the following url: http://www.ura.gov.sg/real_estate/pipeline_supply. This is to enable the public to have a more comprehensive picture of supply coming on-stream over the next few years in the private housing market. Of the 62,350 uncompleted units of private housing from projects in the pipeline, 22,767 units, 17,783 units and 21,800 units were in CCR, RCR and OCR respectively.

Launches and Take-up

A total of 3,869 uncompleted private residential units were launched for sale by developers in 2nd Quarter 2009, compared with 2,108 units in 1st Quarter 2009. Of the 3,869 uncompleted units launched in the quarter, 1,134 units were in CCR, 1,426 units were in RCR, and 1,309 units were in OCR (see Annex C-1). Major residential projects launched in the quarter included 8@Woodleigh at Woodleigh Close (330 units), Mi Casa at Choa Chu Kang Avenue 3 (283 units of a total of 457 units), Martin Place Residences at Kim Yam Road (252 units of a total of 302 units) and The Arte at Jalan Raja Udang (216 units of a total of 336 units).

In 2nd Quarter 2009, 4,521 uncompleted private residential units were sold by developers, compared with 2,552 units in 1st Quarter 2009. Of the 4,521 uncompleted units sold in the quarter, 1,386 units were in CCR, 1,815 units were in RCR, and 1,320 units were in OCR (see Annex C-2). Developers also sold 133 completed private residential units in 2nd Quarter 2009.

Sub-sales

The total number of sub-sales was 940 in 2nd Quarter 2009, compared to 412 sub-sales in the previous quarter. In percentage terms, sub-sales accounted for 10.9% of all sale transactions in 2nd Quarter 2009, compared to 9.9% in 1st Quarter 2009. The number of sub-sales in CCR in 2nd Quarter 2009 accounted for 17.4% of the property sale transactions in this area in the quarter, compared to 23.6% in the previous quarter. The percentage of sub-sales in 2nd Quarter 2009 for RCR, at 8.5%, was lower than the 12.9% in the previous quarter. However, the percentage of sub-sales in OCR in 2nd Quarter 2009 of 7.9% was higher than the 5.7% in the previous quarter (see Annex D).

Stock and Vacancy

A total of 2,928 private residential units were completed (granted TOP) in 2nd Quarter 2009. Major residential projects completed in the quarter were The Quartz at Compassvale Bow (625 units), Botannia at West Coast Park (493 units) and The Metropolitan Condominium at Alexandra View (382 units).

The vacancy rate of completed private residential units remained at 5.9% as at the end of 2nd Quarter 2009 (see Annex E-1).

Executive Condominiums

As at the end of 2nd Quarter 2009, there were no Executive Condominium (EC) units in the pipeline. All available EC units have been sold (see Annexes F-1 & F-2).

The total stock of completed EC units was 10,430 units as at the end of 2nd Quarter 2009. As at the end of 2nd Quarter 2009, the vacancy rate was 0.7%, compared with the vacancy rate of 0.8% as at the end of the previous quarter (see Annex E-1).

OFFICE SPACE

Rentals

The rentals for office space in Singapore fell in 2nd Quarter 2009. Overall rentals for office space, based on leases which had commenced, decreased by 7.7% in 2nd Quarter 2009, compared with the decrease of 10.7% in 1st Quarter 2009 (see Annex A-3).

The median rental for "Category 1"⁹ office space, based on leases which had commenced, was S\$10.60 per square foot per month (psf pm) in 2nd Quarter 2009, lower than the median rental of S\$11.56 psf pm in 1st Quarter 2009. In comparison, the median rental for "Category 2"¹⁰ office space was S\$5.08 psf pm in 2nd Quarter 2009, lower than the median rental of S\$5.49 psf pm in 1st Quarter 2009 (see Annex A-5). As "Category 2" office space accounts for about 80% of all office space in Singapore, the rental for such space is more reflective of the typical rental paid by office tenants in Singapore. These statistics were compiled based on IRAS' records of rental contracts in Singapore where the leases had commenced in 2nd Quarter 2009.

The median rentals for "Category 1" and "Category 2" office space based on rental contracts signed in 2nd Quarter 2009 were S\$10.59 and S\$5.11 psf pm respectively (see Annex A-5). These statistics were compiled based on IRAS' records of rental contracts which were signed in the reference quarter, regardless of whether or not the leases commenced in the reference quarter¹¹.

Prices

Prices of office space decreased by 3.9% in 2nd Quarter 2009, compared with the 12.0% decrease in the previous quarter (see Annex A-1).

Supply in the Pipeline

As at the end of 2nd Quarter 2009, there was a total supply of about 1.24 million sq m GFA of office space in the pipeline. Of the total pipeline supply of office space, about 1.13 million sq m were expected to be completed between 3rd Quarter 2009 and 2012. More detailed data on pipeline supply of office space by development status and expected year of completion are at Annex E-1 and E-2.

Apart from office space, as at the end of 2nd Quarter 2009, there was a total supply of about 513,000 sq m of business park space from projects in the pipeline¹² from Government and private land sources which were expected to be completed between 3rd Quarter 2009 and 2012. Business Park space primarily caters to non-pollutive industries and businesses that engage in high-technology, research and development (R&D), high value-added and knowledge-intensive activities. However, some of the Business Park space could be used for selected office uses such as backroom operations of companies.

Stock and Vacancy

The amount of occupied office space decreased by 23,000 sq m (nett) in 2nd Quarter 2009, as compared with the 30,000 sq m decrease in the previous quarter. A total of 51,300 sq m of office space were completed (granted TOP) in 2nd Quarter 2009. This included the newly completed office development at Tampines Grande (25,800 sq m), completion of additions and alteration works to the existing office building at 60 Robinson Road (6,400 sq m) and EFG Bank Building at North Bridge Road (6,000 sq m).

The island-wide vacancy rate of office space was 10.8% as at the end of 2nd Quarter 2009, higher than the 10.0% as at the end of 1st Quarter 2009. Similarly, the vacancy rate for "Category 1" office space increased to 6.0% as at the end of 2nd Quarter 2009, from 5.3% as at the end of 1st Quarter 2009. The vacancy rate for "Category 2" office space as at the end of 2nd Quarter 2009 was 11.9%, compared to 11.0% as at the end of 1st Quarter 2009 (see Annex A-5).

SHOP SPACE

Rentals

The overall rentals for shop space in Singapore, based on leases which had commenced, decreased by 2.0% in 2nd Quarter 2009, compared with the 3.3% decrease in the 1st Quarter 2009 (see Annex A-3). The median rental for shop space in the Orchard Planning Area (Orchard), Rest of City Area (RCA)¹³ and Outside City Area (OCA) also decreased slightly to S\$10.39, S\$6.40 and S\$5.45 psf pm respectively in 2nd Quarter 2009 (see Annex A-5). These statistics were compiled based on IRAS' records of rental contracts in Singapore where the leases commenced in 2nd Quarter 2009.

The median rentals for shop space in Orchard, RCA and OCA based on all rental contracts signed in 2nd Quarter 2009, regardless of whether or not the leases commenced in the quarter, were S\$10.30, S\$6.61 and S\$5.45 psf pm respectively (see Annex A-5).

Prices

Prices of shop space decreased by 1.4% in 2nd Quarter 2009, compared with the 4.2% decrease in the previous quarter (see Annex A-1).

Supply in the Pipeline

As at the end of 2nd Quarter 2009, there was a total supply of 560,000 sq m GFA of shop space from projects in the pipeline¹⁴, from Government and private land sources. Of the total pipeline supply of shop space, about 475,000 sq m were expected to be completed between 3rd Quarter 2009 and 2012. More detailed data on pipeline supply of shop space by development status and expected year of completion are at Annex E-1 and E-2.

Stock and Vacancy

The amount of occupied shop space increased by 23,000 sq m (nett) in 2nd Quarter 2009, compared with the 1,000 sq m increase in 1st Quarter 2009. A total of 59,500 sq m of shop space were completed (granted TOP) in the 2nd Quarter 2009. This included the newly completed ION Orchard at Orchard Turn (42,200 sq m) and Orchard Central at Orchard Road (14,800 sq m).

The islandwide vacancy rate of shop space was 7.5% as at the end of 2nd Quarter 2009, compared to the 6.6% vacancy rate as at the end of 1st Quarter 2009. The vacancy rates for shop space in Orchard, RCA and OCA as at the end of 2nd Quarter 2009 were 16.2%¹⁵, 7.8% and 5.6% respectively. In comparison, the vacancy rates for shop space in Orchard, RCA and OCA as at the end of 1st Quarter 2009 were 4.7%, 8.0% and 6.4% respectively (see Annex A-5).

INDUSTRIAL SPACE

Prices and Rentals

Prices of multiple-user factory space fell by 4.5% in 2nd Quarter 2009, compared with the 9.9% decrease in the previous quarter (see Annex A-1). Rentals of multiple-user factory space also fell by 4.2%, compared with the 6.1% decrease in the previous quarter (see Annex A-3).

Supply in the Pipeline

As at the end of 2nd Quarter 2009, there was a total supply of 3.19 million sq m GFA of factory space from projects in the pipeline¹⁶, from Government and private land sources. Of the total pipeline supply of factory space, about 3.02 million sq m were expected to be completed between 3rd Quarter 2009 and 2012. More detailed data on pipeline supply of factory space by development status and expected year of

completion are at Annex E-1 and E-2.

Stock and Vacancy

The amount of occupied factory space increased by 139,000 sq m (nett) in 2nd Quarter 2009, higher than the increase of 40,000 sq m (nett) in 1st Quarter 2009. A total of 380,800 sq m of factory space were completed (granted TOP) in 2nd Quarter 2009.

The vacancy rate of factory space was 7.8% as at the end of 2nd Quarter 2009, higher than the vacancy rate of 7.0% as at the end of 1st Quarter 2009.

URA's REAL ESTATE INFORMATION SERVICE

More detailed information on the price and rental indices, supply in the pipeline, stock and vacancy position of the various properties can be found in the Real Estate Information System (REALIS), an online database of URA.

Subscribers of REALIS can obtain the information from the system after 12.30 pm today. More information on REALIS can be found at <http://spring.ura.gov.sg/lad/ore/login/index.cfm>. You can also contact the REALIS hotline at 6329 3456.

- 1 Core Central Region comprises postal districts 9, 10, 11, Downtown Core Planning Area and Sentosa. A map of Central Region showing the Core Central Region (CCR) and the Rest of Central Region (RCR) is available at: http://spring.ura.gov.sg/lad/ore/login/map_ccr.pdf
- 2 Rest of Central Region comprises of the area within Central Region that is outside postal districts 9, 10, 11, Downtown Core Planning Area and Sentosa. A map of Central Region showing the Core Central Region (CCR) and the Rest of Central Region (RCR) is available at: http://spring.ura.gov.sg/lad/ore/login/map_ccr.pdf
- 3 URA's rental data for private residential properties are compiled based on IRAS' records of rental contracts for such properties where leases commenced in the reference quarter.
- 4 The rental data released are for private residential projects where there were at least 10 rental transactions in the reference quarter.
- 5 Refers to new development and redevelopment projects with planning approvals (i.e. Provisional Permission, Written Permission). A Written Permission (WP) is a final approval, as compared with a Provisional Permission (PP), granted under the Planning Act for a proposed development.
- 6 Refers to uncompleted private residential developments without pre-requisites for sale but with Written Permission or Planning Permission granted. The sale licences could be obtained within 9 days and building plan approvals could be obtained within 7 days from the date of application for cases where clearances from various technical agencies are obtained and relevant documents are in order during formal submissions.
- 7 The expected completion dates of private residential projects in the pipeline are provided by the developers of these projects, and not estimated by URA.

- 8 Planning approvals refer to either Provisional Permission (PP) or Written Permission (WP). A Written Permission (WP) is a final approval, as compared with a Provisional Permission (PP), granted under the Planning Act for a proposed development.
- 9 Refers to office space in buildings located in core business areas in Downtown Core and Orchard Planning Area which are relatively modern or recently refurbished, command relatively high rentals and have large floor plate size and gross floor area. A map of Central Region showing the locations of Downtown Core and Orchard Planning Areas is available in URA's website at: http://spring.ura.gov.sg/lad/ore/login/map_central_region.pdf.
- 10 Refers to the remaining office space in Singapore which are not included in "Category 1".
- 11 Tenancy agreements for office space are usually signed up to 3 months before lease commencement. The methodology and sample size may differ from those used by some property consultants. For example, URA only uses actual contracted rentals in the computation of the statistics, whereas some property consultants use estimates of achievable rents in addition to actual contracted rentals in the computation of their statistics.
- 12 Refers to new development and redevelopment projects with planning approvals (i.e. Provisional Permission, Written Permission). A Written Permission (WP) is a final approval, as compared with a Provisional Permission (PP), granted under the Planning Act for a proposed development.
- 13 A map of Central Region showing Orchard and RCA is available at http://spring.ura.gov.sg/lad/ore/login/map_city_area.pdf.
- 14 Refers to new development and redevelopment projects with planning approvals (i.e. Provisional Permission, Written Permission). A Written Permission (WP) is a final approval, as compared with a Provisional Permission (PP), granted under the Planning Act for a proposed development.
- 15 The sharp rise in vacancy rate in Orchard Planning Area in 2nd Quarter 2009 could be attributed to the lag time taken for tenants to retrofit and occupy the shop space in the newly completed malls in Orchard Road, viz. ION Orchard and Orchard Central.
- 16 Refers to new development and redevelopment projects with planning approvals (i.e. Provisional Permission, Written Permission). A Written Permission (WP) is a final approval, as compared with a Provisional Permission (PP), granted under the Planning Act for a proposed development.

Summary of Key Information for 2nd Quarter 2009

Annex	Title
Annex A-1	Comparison of Property Price Index for 1st Quarter 2009 and 2nd Quarter 2009
Annex A-2	Price Indices of Non-Landed Properties by Locality and Completion Status.
Annex A-3	Comparison of Rental Index for 1st Quarter 2009 and 2nd Quarter 2009
Annex A-4	Rental Indices of Non-Landed Properties by Locality
Annex A-5	Median Rentals and Vacancy of Office and Shop Space
Annex A-6	Chart of Property Price Index by Type of Property
Annex A-7	Chart of Residential Property Price Index by Type
Annex B-1	Number of Unsold Private Residential Units from Projects with Planning Approvals
Annex B-2	Number of Unsold Private Residential Units from Projects with Planning Approvals by Market Segment
Annex C-1	Number of Uncompleted Private Residential Units Launched in the Quarter by Market Segment
Annex C-2	Number of Private Residential Units Sold in the Quarter by Market Segment
Annex D	Number of New Sale, Sub-Sale and Resale Transactions for Private Residential Units by Market Segment

Annex E-1	Stock & Vacancy and Supply in the Pipeline as at End of 2nd Quarter 2009
Annex E-2	Supply in the Pipeline by Development Status and Expected Year of Completion as at End of 2nd Quarter 2009
Annex F-1	Number of Executive Condominium Units Launched and Sold in the Quarter
Annex F-2	Sale Position of Executive Condominium Units with Pre-Requisites for Sale as at End of Quarter

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