

Date: 15 April 2008

Analysis of URA monthly private residential statistics for the month of March 2008

Singapore, - Recovering from the lethargic sales in February, more units were launched by developers in March 2008, indicating a slight return of confidence among developers. In total, 642 units were launched for sale island-wide, a considerable improvement from February when only a meager 343 units were launched. Similarly, the total number of units sold increased from 170 units sold in February to 301 units last month. However, likewise in February, only approximately half of the new launches were sold for March portraying continuing cautious sentiments from the buyers. Typically the ratio of new sales to the number of units launched is about 90% to 100% in the more buoyant market environment.

After the primary market in prime Core Central Region (CCR) trickled to a mere 31 units launched in February, the number of new units launched rebounded to 108 units for the month of March. This is because investment sentiment has improved marginally in March and some developers are using this window of opportunity to test the market by re-launching some of their products.

The suburban Outside Central Region (OCR) also saw a 92.2% month-on-month increase in the number of units launched to 394 new units. More than half of the new launches were from The Quartz residential project launched in the later part of 2007. There were 140 new private homes in the mid-tier Rest of Central Region (RCR) launched for sale in March, a 31% increase over the previous month.

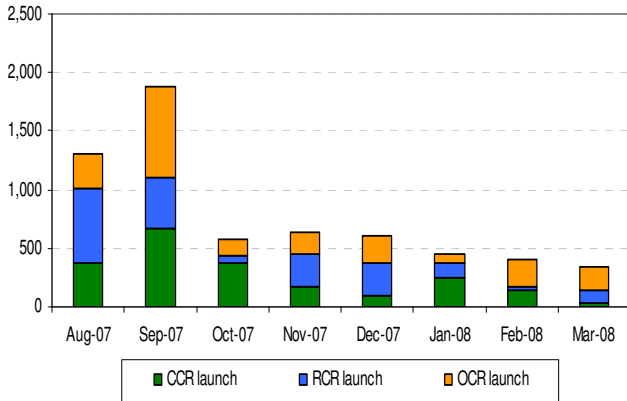
The ratio of new sales to the number of units launched in the CCR was an impressive 80%, which is higher than the 65% in the RCR and 31% in the OCR. High net worth buyers are still interested to purchase quality homes in choice locations. Although more units were launched in the suburban OCR, the take-up rate was the weakest due to the more cautious mood in mass-market segment.

Median prices of new sales dipped by 2.9% to achieve S\$1,035 psf compared to S\$1,066 in February. In terms of the number of units that transacted above S\$4,000, the month of March saw this increase slightly to 2 units sold above that price. The development that recorded the lowest transacted price is The Quartz at S\$485 psf located at Buangkok Drive/Sengkang Central while the development that achieved the highest price is Scotts Square, situated on Scotts Road at a price of S\$4,612 psf.

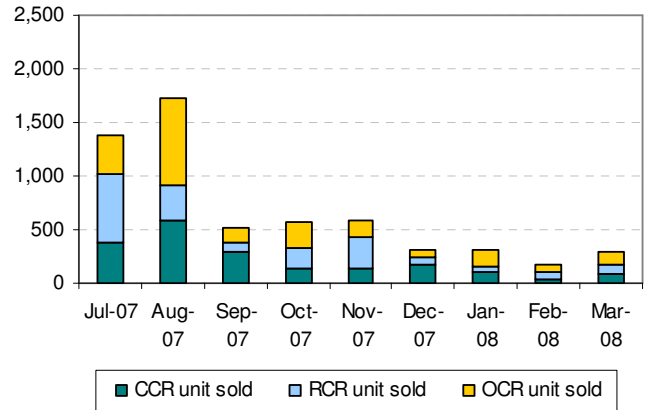
Outlook

Sales volume is expected to stay thin in the coming few months due to the continuing uncertainty of the US economic outlook and financial market problems. Homebuyers, especially in the mass-market segment, are expected to remain cautious until there is a sustained recovery in the financial markets and economic conditions, which would spill over to the property market. Developers on the other hand are likely to launch their projects slowly in the next few months to take advantage of any improvements in market sentiments.

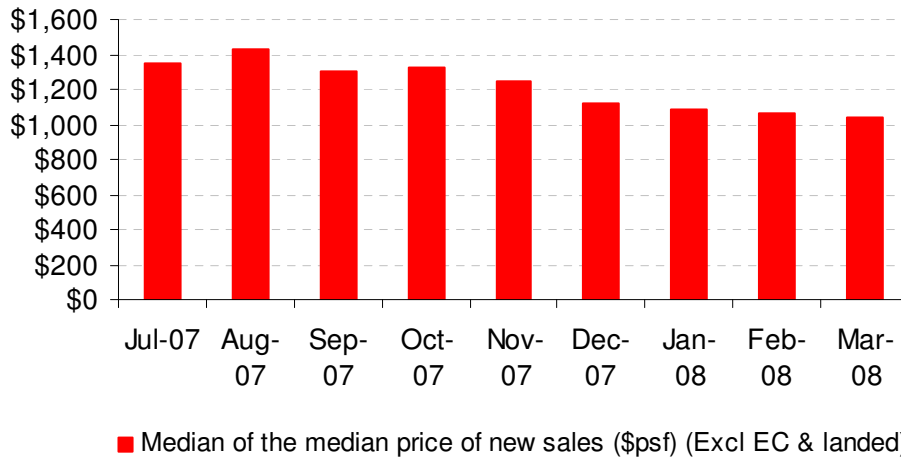
No. of Units Launched (Excluding EC)



No. of Units Sold (Excluding EC)



Median Price



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Notes to Editors

About Knight Frank

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