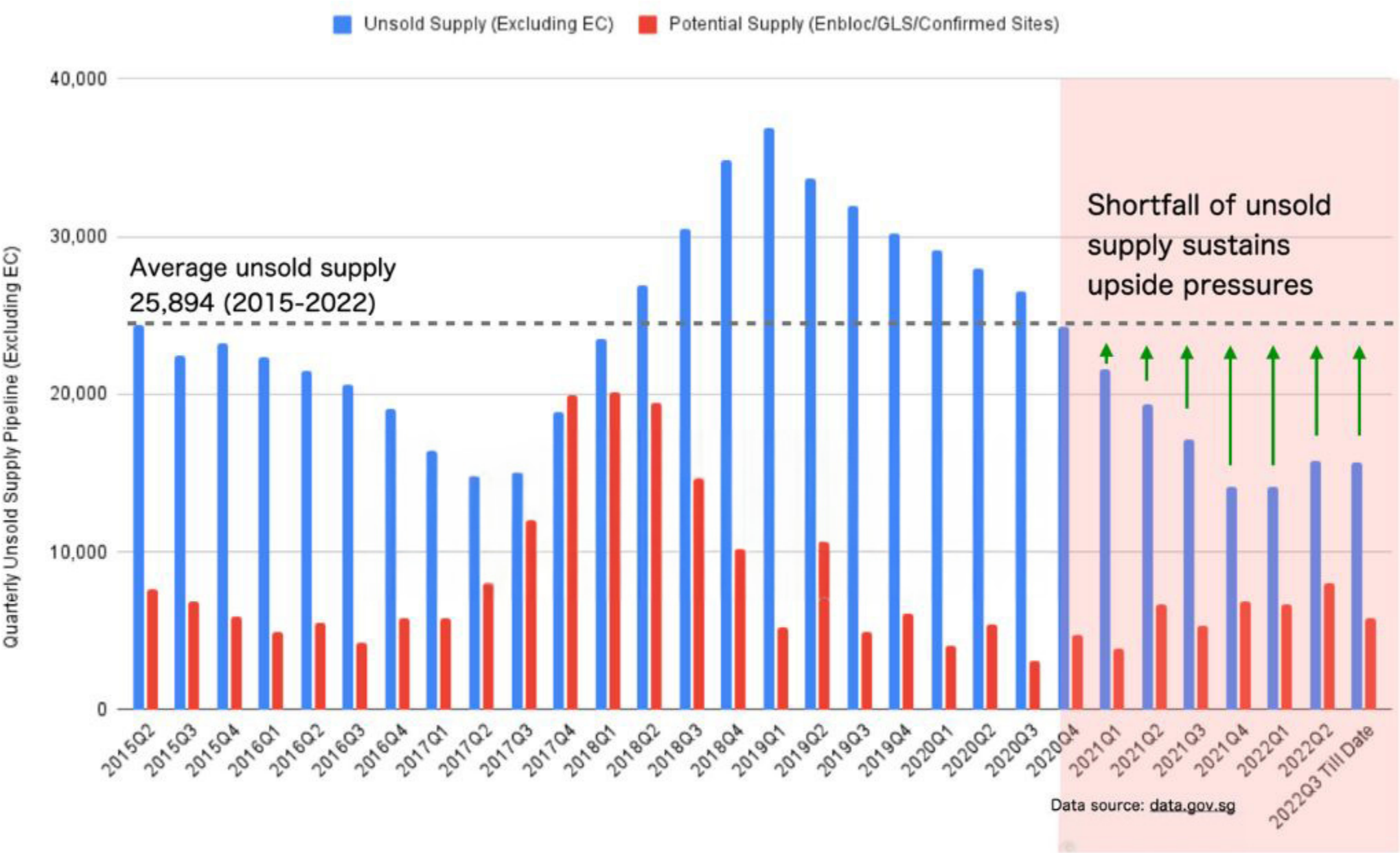


A scenic view of the Singapore skyline across a body of water, featuring the Singapore Flyer and modern skyscrapers. The image is overlaid with a semi-transparent Singapore flag and large white text. In the foreground, there are lush green plants and a small sign on the left that reads "Please do not approach the new tiger habitat".

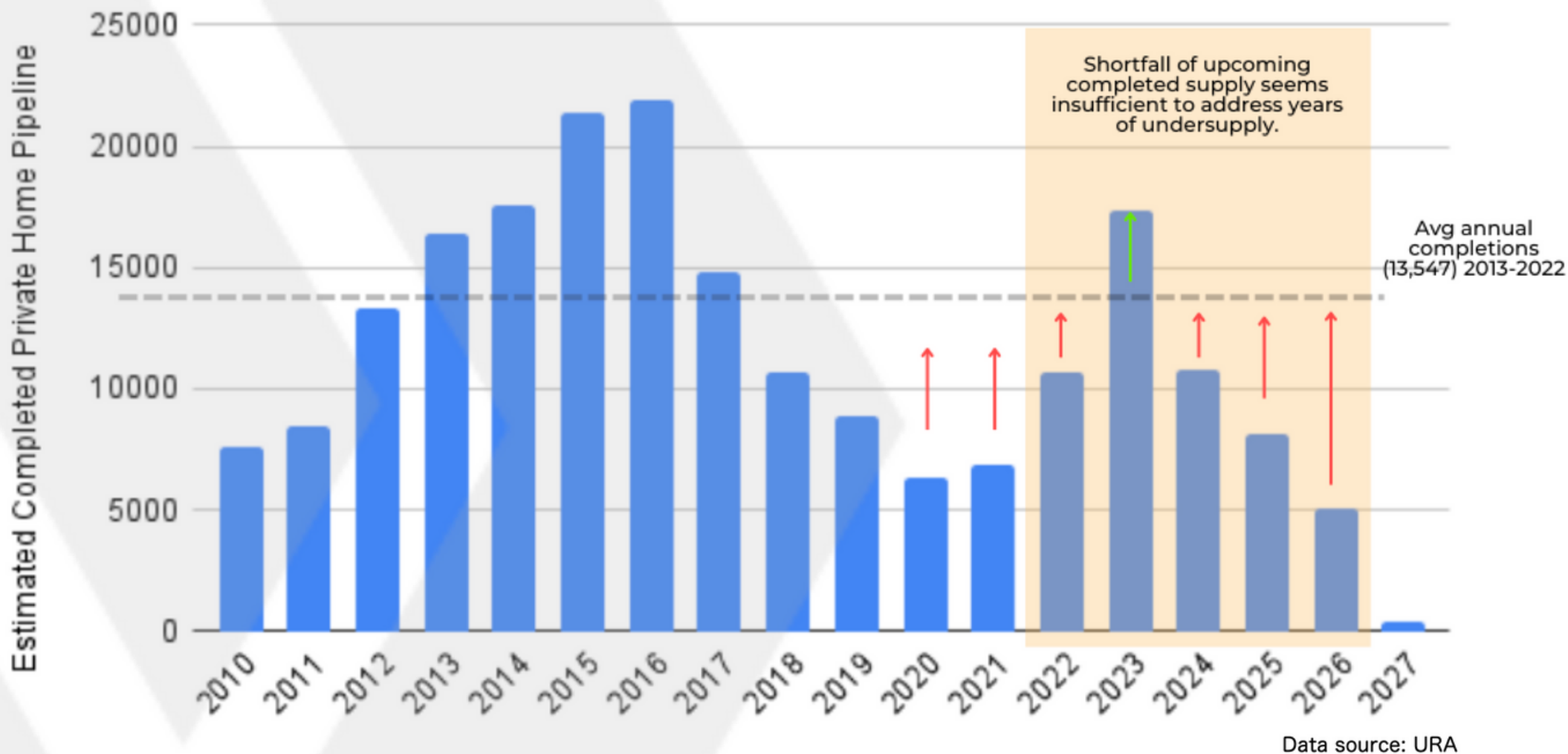
**WHY SHOULD  
INVESTORS  
CONSIDER NEW  
LAUNCHES IN  
TODAY'S MARKET**

# Quarterly Unsold Supply Pipeline (Excluding EC)



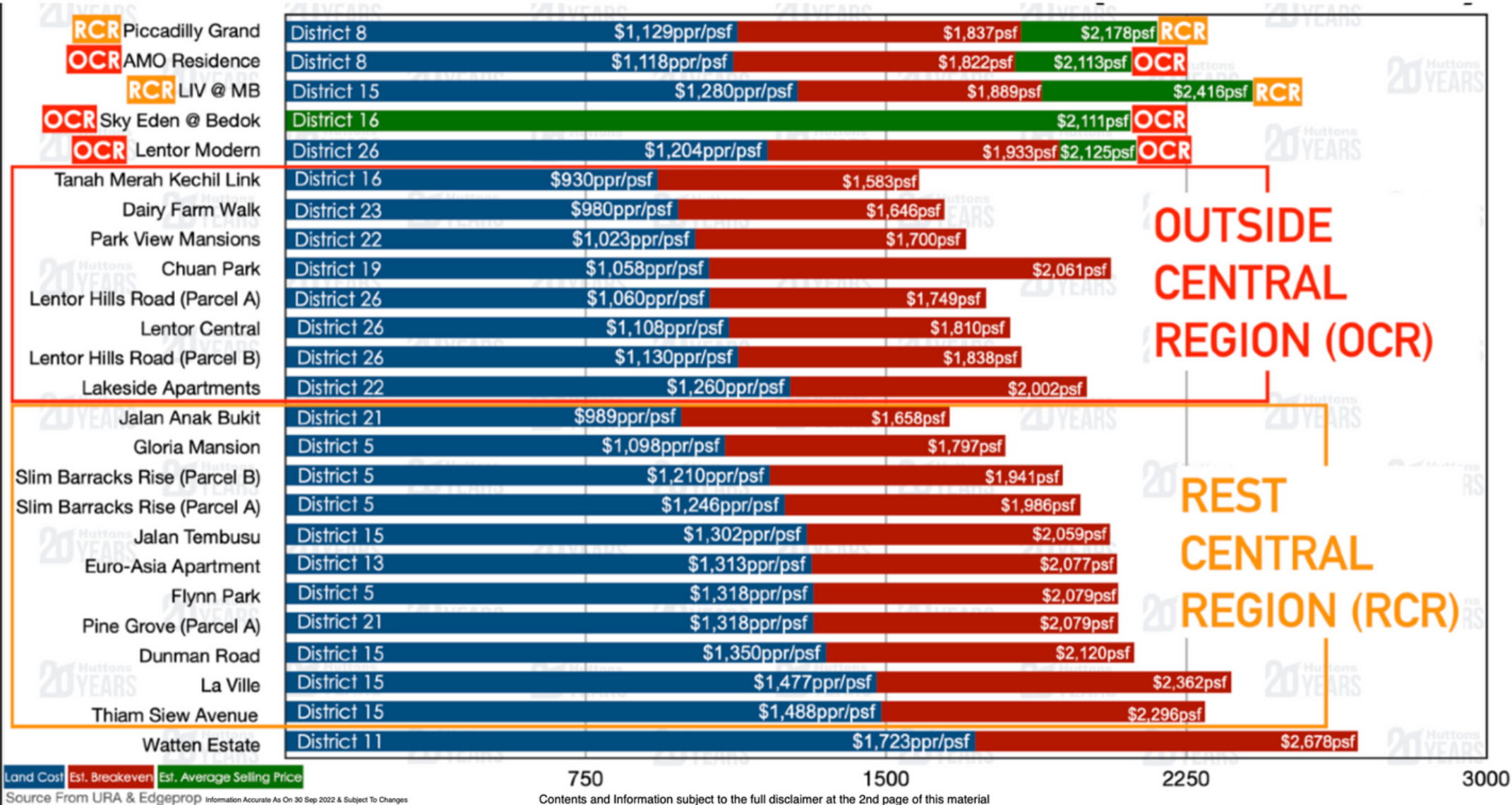
Persistently low unsold inventory exists at this point in time gives investors an added layer of safety net as pricing will remain sticky and resilient amidst low potential GLS and enbloc supply in 2023.

# Visibility of shortfall in completed supply up to 2026



Despite higher than average completions in 2023, a shortfall in completions in 2024 to 2026 are likely to sustain upwards price pressures and prevent large corrections from playing out.

# Rising breakeven prices of upcoming projects in 2023 (\$2000psf becoming the norm)



# Rising Construction Cost Pressures

2022 Tender Price / 2019 Tender Price Index =  
**30.5% increase in construction costs**

## ***TENDER PRICE INDEX (2010=100)***

*(Data as at 22 August 2022)*

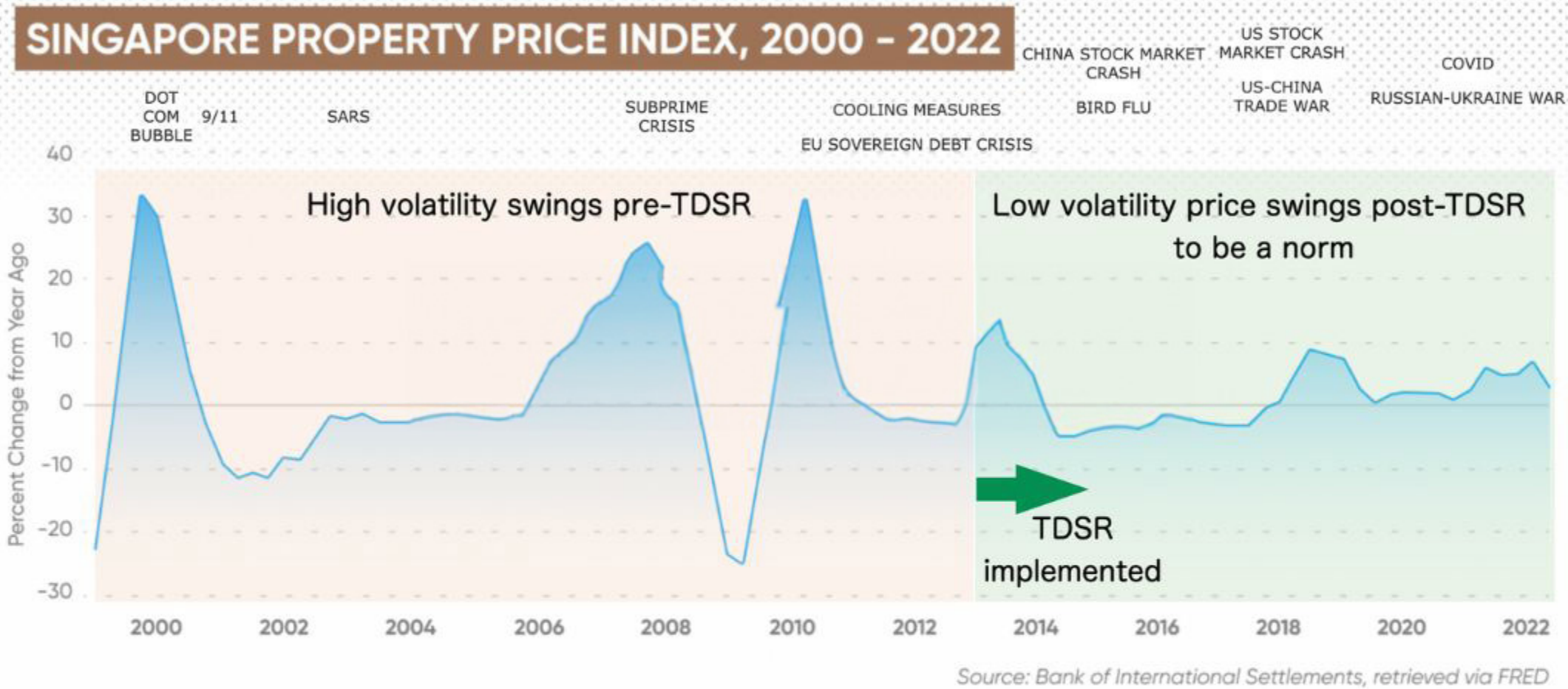
2015	2016	2017	2018	2019	2020	2021	1Q2022	2Q2022
104.0	98.0	96.7	98.6	99.9	102.8	117.1	126.5	130.3

3 years time frame

2022 Overall Private Property Index / 2019 Overall Private  
Property Index  
= 22% growth in prices

Rising construction costs are a real issue that impacts replacement costs for new homes. This again creates upwards price pressures as prices remain sticky.

# Price stability is expected in 2023



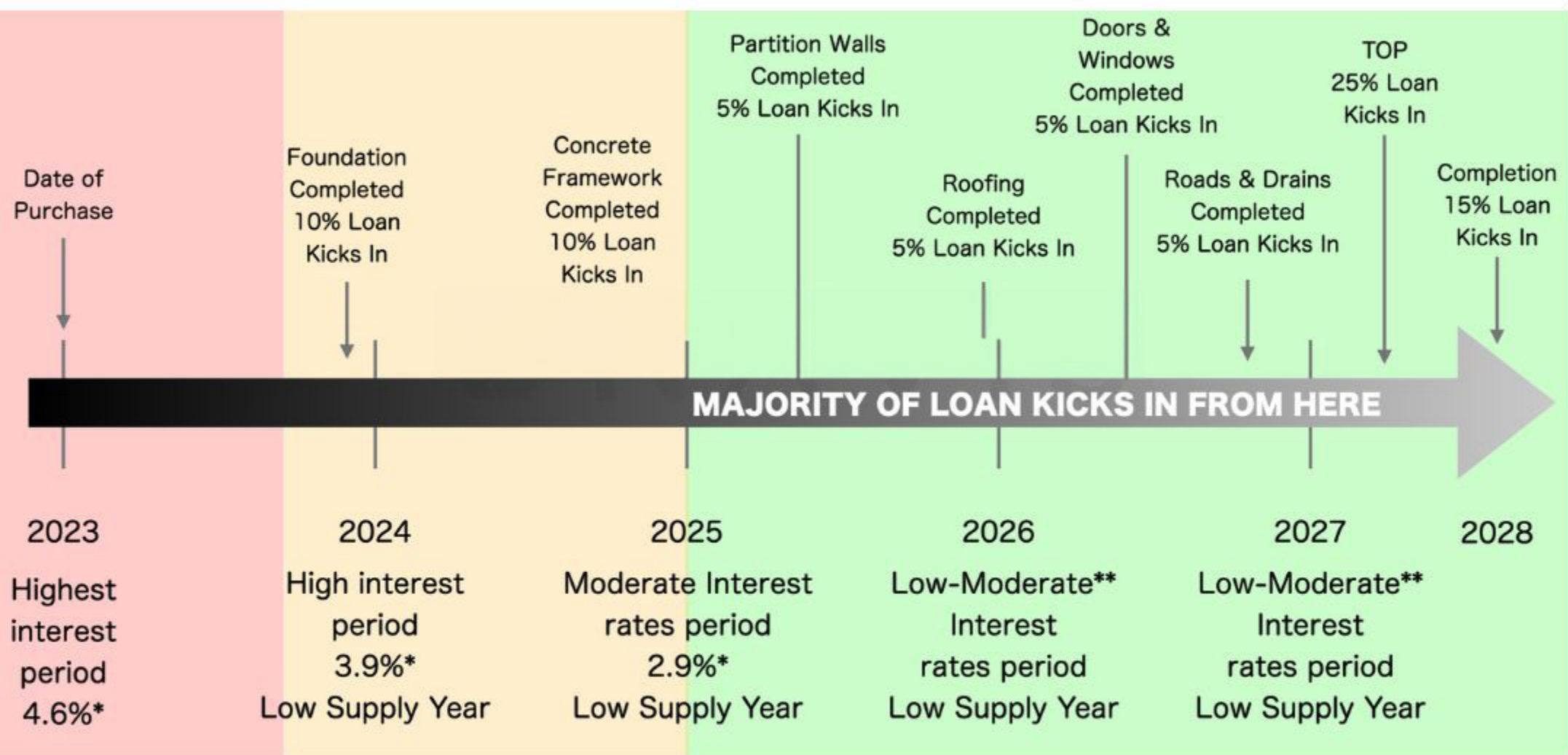
Post-TDSR, private property prices have seen lower volatility and smaller price swings.

With more robust financials in the system, significant corrections are unlikely to materialise even in light of foreseeable lower volume in 2023.

# **Why Investors Should Consider New Launches In Today's Market?**

- Park funds in real estate to take advantage of inflationary wave.
- Progressive payment means only a small portion of loan is disbursed over 2023/2024 where forecasted interest rates are highest.
- Upcoming projects will TOP only from 2027 onwards when interest rates are expected to have subsided.
- Developer's current lean profit margins of 10-15% means higher price protection for buyers as unlikely to slash prices to sell.
- Supply shortages expected in 2024-2026 are likely to fuel growth over the next 4 years.

# New launch Loan disbursements coincide with forecasted interest rate cut periods



Assuming 75% LTV Buyer  
\*According to Federal funds rate forecasts up to 2025 (Slide 34)  
\*\*Analysts forecasted rate cuts from late 2024/25

# Summary

Despite the headwinds, there is a high likelihood that inflationary price pressures, a tight labour market, robust financials of Singapore households, coupled with low inventory among developers will keep the property market afloat.

**Interest rate hikes are temporal and should ebb by 2025 as inflation appears to be peaking and commodity prices are correcting amidst global markets pricing in a possible recession.**

**Aside from the above, with the recent stock market and cryptocurrency bloodshed, investors are likely to seek safer havens in real estate until volatility subsides.**

**The strengthening of the Sing Dollar, once again increases the allure of global high networth individuals parking their funds in SGD denominated assets like real estate.**

**We expect new launches to match the sweet spot in lower supply completions and delayed loan disbursements over years 2024-2026 that would benefit a new launch investor.**