

Property

New-home Sales Improve In September

Highlights

- **Home sales rose yoy and mom in Sep 26.** While new launch activity remained slow in the month of September, new-home sales improved yoy and mom as buyers continued to pick up units from existing projects. Excluding executive condominiums (EC), primary home sales rose 16% yoy and 93% mom to 296 units in Sep 26, according to URA data. The top selling developments during the month were Terra Hill, Lentor Garden Residences and Union Square Residences. Amberwood at Holland, which was launched during the month, saw a modest take-up rate of 34%, with 24 of the 70 units launched sold. This was likely due to its larger-format units (three bedrooms and above) and higher absolute price quantum of S\$2.5m and above per unit.
- **OCR accounted for bulk of monthly home sales.** Take-up in the Outside Central Region (OCR) made up 44% of total ex-EC sales, including 18 landed units at Luxus Hills taken up during the month. Rest of Central Region (RCR) transactions accounted for another 42% and Core Central Region sales took up the remaining 14%.
- **URA residential price index flash estimate up 1.4% qoq in 3Q26.** Meanwhile, private home prices grew 1.4% qoq in 3Q26, bringing 9M26 price appreciation to 2.8%. Meanwhile, HDB resale prices retraced 0.2% qoq in 3Q26, with prices declining 0.6% since end-25. units. **Maintain OVERWEIGHT.**

Analysis

- **Maintain our forecasts of 8,000-9,000 home sales and...** Excluding ECs, primary home sales in 9M26 of 5,343 units appear to be trailing slightly behind our projection of 8,000-9,000 units for 2026. However, we think sales could pick up in early 4Q26 with the roll-out of CIT's Lucerne Grand in early October (350 of 570 units sold during the first weekend of marketing) and the upcoming launch of 1,268-unit Thomson Reserve in the second half of Oct 26.
- **...2-3% price appreciation for 2026.** The 2.8% price growth in 9M26 remains within our forecast growth range of 2-3% for the year. With the 3-month SORA continuing to tick up mom in Sep/Oct 26 amid rising land cost, we think buying sentiment is likely to be shaped by developers' pricing strategy and absolute quantum affordability, in addition to location considerations.

Analyst(s)

Lock Mun Yee

munyeelock@uobkh.com

+65 6590 6266

OVERWEIGHT (Maintained)

Segmental Rating

Segment	Rating
Property	OVERWEIGHT (Maintained)

Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (\$S)	Target Price (\$S)
City Developments	CIT SP	BUY	7.05	11.85
Capitaland Investment	CLI SP	BUY	2.38	3.93

Source: Bloomberg, UOB Kay Hian

Top 5 Selling Projects In Sep 26

Project Name	Developer	Region	Total units	Cum. units sold to date	Units sold in Sep 26	Median price in Sep 26 (\$psf)
Terra Hill	Hoi Hup/Sunway	RCR	270	248	32	2,209
The Sen	SL Capital	RCR	347	180	25	2,386
Amberwood at Holland	Sim Lian	CCR	212	24	24	3,021
Lentor Gardens Residences	Kingsford	OCR	499	304	22	2,348
Union Square Residences	CIT	RCR	366	242	21	2,813

Source: URA, UOB Kay Hian

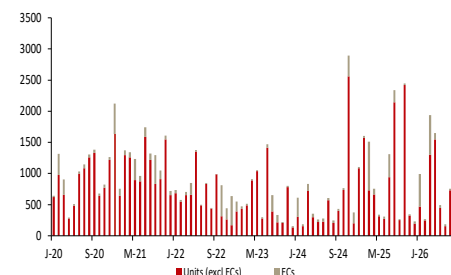
Valuation/Recommendation

- **Developers are trading below average P/B valuations.** Share prices of developer stocks have retraced mom in September and October, in tandem with rising interest rate concerns. The sector is trading at 0.6x P/B, which is just under -0.5SD below the long-term average. Valuations of developers are still inexpensive, as we expect NAV of developer stocks to be supported by still-firm residential prices and the robust outlook on valuation of commercial and retail properties in Singapore.
- **We maintain our OVERWEIGHT rating** on Singapore developers for their attractive P/B multiples as well as value-unlocking strategies from property companies such as CIT and CLI. During its strategic review announcement, CIT had announced its intent to monetise S\$6b of assets, generate S\$1b PATMI from divestment gains and lower its net debt to equity ratio to 55% during 2027-29. Meanwhile, CLI also indicated it would sharpen its focus to accelerate growth by unlocking S\$7b-9b of embedded value in non-core and legacy investments for future capital recycling and value realisation.

Sector Catalyst/Risk

- **Key sector risk includes rising interest rate trend.** Although still lower yoy, the 3-month compounded SORA rate has risen from its Apr 26 low. A continuous rise in mortgage rates could erode affordability and dampen demand. Meanwhile, slower macro conditions could moderate employment and wage growth, which in turn, could moderate demand for big-ticket items such as housing.

Monthly Private New-Home Sales



Source: URA, UOB Kay Hian

Developers' P/B Trend



Source: Bloomberg, UOB Kay Hian

Peer Comparison

Company	Ticker	Rec	Price @	Target	Market	PE					P/B		Yield		ROE		Net
			15-Oct-26	Price	Cap	2025	2026F	2027F	RNAV	P/RNAV	2025	2026F	2025	2026F	2025	2026F	Gearing
			(lcy)	(lcy)	(US\$m)	(x)	(x)	(x)	(lcy)	(x)	(x)	(x)	(%)	(%)	(%)	(%)	(%)
Apac Realty	APAC SP	NR	0.45	n.a.	155	8.3	11.0	9.6	n.a.	n.a.	1.2	1.3	4.0	16.0	12.8	12.1	(7.5)
Bukit Sembawang	BS SP	NR	4.37	n.a.	882	8.8	n.a.	n.a.	n.a.	n.a.	0.7	n.a.	0.9	n.a.	7.9	n.a.	(12.5)
Centurion	CENT SP	BUY	1.26	2.10	826	9.2	9.5	8.3	n.a.	n.a.	0.9	0.8	3.2	3.2	9.6	8.8	22.9
City Dev	CIT SP	BUY	7.05	11.85	4,912	10.0	11.1	17.9	16.92	0.4	0.7	0.6	3.5	3.1	6.7	5.6	121.6
CLI	CLI SP	BUY	2.38	3.93	9,268	82.3	19.0	17.5	3.93	0.6	0.9	0.9	5.0	5.0	1.1	5.0	49.1
Frasers Property	FPL SP	NR	0.9	n.a.	2,755	15.3	26.5	22.0	n.a.	n.a.	0.4	0.4	5.0	5.0	2.4	1.4	99.2
Guocoland	GUOL SP	NR	2.11	n.a.	1,831	25.0	28.7	12.1	n.a.	n.a.	0.5	0.5	2.8	3.3	2.5	2.2	22.4
Ho Bee Land	HOBEE SP	NR	1.85	n.a.	957	12.3	10.9	9.7	n.a.	n.a.	0.3	n.a.	0.0	n.a.	2.7	n.a.	60.4
Propnex	PROP SP	BUY	1.69	2.55	975	17.8	16.1	16.0	n.a.	n.a.	10.8	10.1	4.7	5.9	58.8	64.7	(110.3)
UOL	UOL SP	NR	7.61	n.a.	5,028	13.4	13.6	11.9	n.a.	n.a.	0.5	0.5	2.4	2.7	4.1	4.1	20.4
Wing Tai	WINGT SP	NR	1.43	n.a.	853	n.a.	45.8	n.a.	n.a.	n.a.	0.4	0.4	2.1	2.1	(2.1)	0.8	15.4
Average						20.2	19.2	13.9			1.6	1.7	3.1	5.1	9.7	11.6	25.5

Source: Bloomberg, UOB Kay Hian

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at [this link](#) or by scanning the QR code below:



The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full."