

Property

August Home Sales Dragged By Lack Of New Launches

Highlights

- **Dearth of new launches resulted in muted August new home sales.** A lack of new launches during the Hungry Ghost month led to monthly new-home sales declining to a ytd low of 171 units in Aug 26. Excluding executive condominiums (EC), primary home sales fell around 93% yoy and 79% mom, to 153 units. In Aug 26, only additional new units from Union Square Residences were launched, according to URA data. The top five selling developments during the month were Dunearn House, Lentor Garden Residences, The Sen, Union Square Residences and The Hudson Place Residences.
- **RCR accounted for bulk of monthly home sales.** Take-up in the Rest of Central Region (RCR) made up 47% of total ex-EC sales while Outside Central Region (OCR) transactions accounted for another 37%. Core Central Region sales took up the remaining 16%.
- **URA residential price index up 1.4% in 1H26.** Meanwhile, private home prices grew 1.4% in 1H26 while HDB resale prices retraced 0.4% over the same period. Based on SRX data for the secondary market prices and transactions, we note that private condo resale prices inched up 2.3% for 7M26 even as resale volumes fell 4.1% yoy to 6,863 units. Maintain OVERWEIGHT.

Analysis

- **Maintain our forecast of 8,000-9,000 home sales and 2-3% price appreciation for 2026.** Excluding ECs, primary home sales in 8M26 of 5,047 units are broadly in line with our projection of 8,000-9,000 units for 2026 while price growth of 1.4% in 1H26 also fell within our forecast range of 2-3% for the year.
- **Slower new launch pipeline in 2H26.** An estimated 4,222 units are expected to be marketed in 2H26, slightly lower than the 4,874 units launched in 1H26. Notable projects to be rolled out include Amberwood at Holland, the first residential project in the Holland Plain precinct, CDL's Lucerne Grand and UOL/Capitaland Development's Thomson Reserve. With interest rates ticking up from their Apr 26 low 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.

Top 5 Selling Projects In Aug 26

Project Name	Developer	Region	Total units	Cum. units sold to date	Units sold in Aug 26	Median price in Aug 26 (\$psf)
Dunearn House	FPL	CCR	380	227	18	3,008
Lentor Garden Residences	Kingsford	OCR	499	282	15	2,367
The Sen	Sustained Land/Ho Lee/Greatview Devt	RCR	347	155	12	2,305
Union Square Residences	CDL	RCR	366	221	10	2,762
Hudson Place Residences	Qingjian Realty/Forsea/CYZ Land/Jianan Capital	RCR	327	221	9	2,640

Source: URA, UOB Kay Hian

Analyst(s)

Lock Mun Yee

munyeelock@uobkh.com

+65 6590 6266

OVERWEIGHT (Maintained)

Sector Picks

Company	Ticker	Rec	Share Price (\$)	Target Price (\$)
City Developments	CIT SP	BUY	8.03	11.50
Capitaland Investment	CLI SP	BUY	2.64	3.93

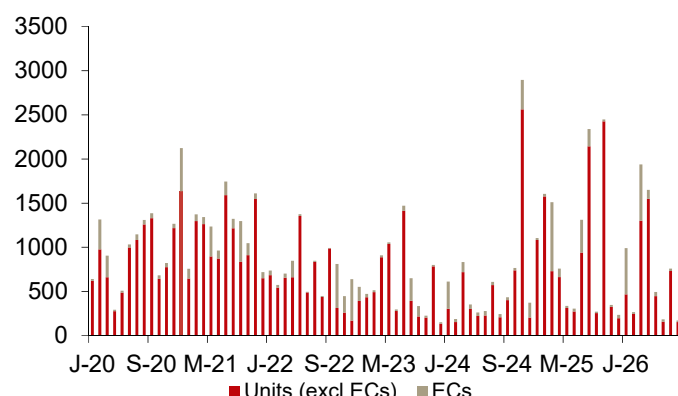
Source: Bloomberg, UOB Kay Hian

Schedule Of New Launches In 2H26

Project	Developer	Units	Est launch date
Lentor Gardens Residences	Kingsford	499	Jul-26
Dunearn House	Fraser/Sekisui House/CSC Land	380	Jul-26
Sophia Meadows	Sin Thai Hin	41	Aug-26
Amberwood at Holland	Sim Lian	212	Sept-26
Lucerne Grand	CDL	575	3Q26
The Island Residence	Keppel	84	3Q26
Thomson Reserve	UOL/Capitaland	1268	4Q26
The Serra Residences	FEO	133	4Q26
One Leonie Residences	FEO	25	4Q26
Wynwood Grand EC	CDL	420	4Q26
Senja Close EC	CDL	300	4Q26
Chiku Mansions (enbloc)	Macy Grp	20	4Q26
Sembawang Rd EC	Oriental Pacific	265	4Q26

Source: Propnex, UOB Kay Hian

Monthly Private New-Home Sales



Source: URA, UOB Kay Hian

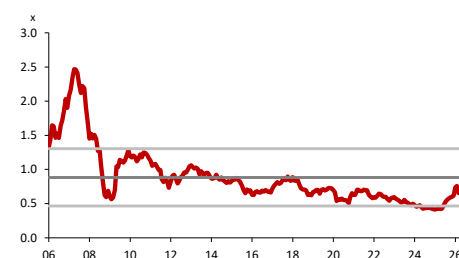
Valuation/Recommendation

- Developers are trading below average P/B valuations.** The sector is trading at 0.63x 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 firm residential prices and the robust outlook on valuation of commercial and retail properties in Singapore.
- We maintain our OVERWEIGHT rating** on Singapore developers on attractive P/B multiples and value-unlocking strategies from property companies such as CIT and CLI. In its 1H26 results briefing, CIT highlighted that it would announce the outcome of its strategic review by end-Sep 26. We believe this could include portfolio optimisation activities including monetisation of low-yielding assets in the UK and China. 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

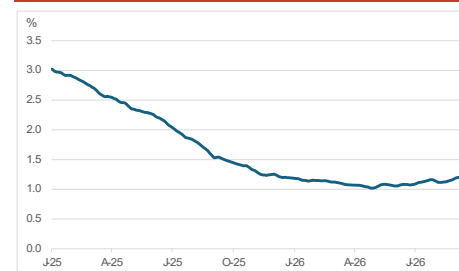
- Key sector risk includes rising interest rate trend.** The three-month compounded SORA rate has risen by 18bp from its Apr 26 low. A continuous rise in mortgage rates could erode affordability and dampen demand. Meanwhile, slower macro conditions could moderate employment and wage growth, which in turn, could moderate demand for big-ticket items such as housing.

Developers' P/B Trend



Source: UOB Kay Hian

Three-Month Compounded SORA Rate Trend



Source: MAS, UOB Kay Hian

Peer Comparison

			Price @	Target	Market		PE					P/B		Yield		ROE		Net
Company	Ticker	Rec	16 Sep 26	Price	Cap	FY	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	0.56	n.a.	194	12/25	10.3	13.7	11.9	n.a.	n.a.	1.5	1.6	3.2	12.9	12.8	12.1	(7.5)
Bukit Sembawang	BS SP	NR	4.37	n.a.	889	03/26	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	1.5	2.10	990	12/25	11.0	11.3	9.8	n.a.	n.a.	1.0	1.0	2.7	2.7	9.6	8.8	22.9
City Dev	CIT SP	BUY	8.03	11.50	5,634	12/25	11.6	16.3	14.4	13.54	0.6	0.8	0.8	3.1	2.4	6.7	4.6	121.6
CLI	CLI SP	BUY	2.64	3.93	10,353	12/25	91.3	21.1	19.4	3.93	0.7	1.0	1.0	4.5	4.5	1.1	5.0	49.1
Fraser's Property	FPL SP	NR	0.995	n.a.	3,068	09/25	16.9	29.3	24.3	n.a.	n.a.	0.4	0.4	4.5	4.5	2.4	1.4	99.2
Guocoland	GUOL SP	NR	2.28	n.a.	1,993	06/26	27.0	31.0	13.0	n.a.	n.a.	0.6	0.6	2.6	3.1	2.5	2.2	22.4
Ho Bee Land	HOBEE SP	NR	2.02	n.a.	1,053	12/25	13.4	n.a.	n.a.	n.a.	n.a.	0.4	n.a.	0.0	n.a.	2.7	n.a.	60.4
Propnex	PROP SP	BUY	1.77	2.55	1,029	12/25	18.6	16.9	16.7	n.a.	n.a.	11.3	10.6	4.5	5.6	58.8	64.7	(110.3)
UOL	UOL SP	NR	8.57	n.a.	5,702	12/25	15.0	15.2	13.4	n.a.	n.a.	0.6	0.6	2.1	2.4	4.1	4.1	20.4
Wing Tai	WINGT SP	NR	1.52	n.a.	912	06/26	n.a.	48.7	n.a.	n.a.	n.a.	0.4	0.4	2.0	2.0	(2.1)	0.8	15.2
Average							22.4	22.6	15.4			1.7	1.9	2.7	4.5	9.7	11.5	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."