

Developer cools price in response to cooling measures

Romesh Navaratnarajah • July 26, 2018



The Tre Ver in Potong Pasir opened for preview last weekend, attracting about 6,000 potential buyers. (Photo: UOL Group)

The developer of **The Tre Ver** condominium in Potong Pasir plans to offer significant discounts to attract home buyers amidst the **new property cooling measures**.

“In the vicinity, we know that projects have achieved an overall average of around \$1,750 psf. If not for the recent curbs, we would have priced this project at around this level. We are now giving a discount of more than 10 percent for our Phase 1 launch,” said Jesline Goh, senior general manager for asset management and marketing at UOL, which is jointly developing the project with SingLand.

Set to be completed by 2022, the 729-unit private residential project located near Potong Pasir MRT station will feature one- to four-bedroom units spread across nine blocks. Unit sizes range from 484 sq ft to 1,378 sq ft, while prices are between \$738,000 and \$2.08 million.

In comparison, the **average unit price** in the first phase of the nearby **Park Colonial** is between \$1,600 and \$1,700 psf, with the entire project averaging around \$1,700 to \$1,800 psf. The 805-unit condominium is being developed by a consortium led by Chip Eng Seng’s property arm CEL Development.

Prices at **The Tre Ver** are also believed to be lower than that of **The Woodleigh Residences**. In March, the *Straits Times* reported that prices at the 680-unit project, which is being developed by Singapore Press Holdings (SPH) and Japan’s Kajima Development, **are likely to exceed \$2,000 psf**.

JP Morgan property analyst Brandon Lee told the *Business Times* that developers who purchased land before Q3 last year “should be able to stomach lower average selling prices, yet attain decent profit-before-tax margins of 5-15 percent”.

On Saturday (21 July), **The Tre Ver** opened for preview, attracting about 6,000 would-be buyers comprising a mix of young couples and multi-generational families. Unit sales at the 99-year leasehold project will start on 4 August.

“The overwhelming turnout shows that there is still an underlying demand and interest in residential developments with strong product offerings despite the recent cooling measures,” said UOL’s deputy group CEO Liam Wee Sin.

Meanwhile, JLL Singapore’s research head Tay Huey Ying thinks that a **supply glut is unlikely to happen as long as home builders pace their launches**. She said this during a seminar organised by the Real Estate Developers’ Association of Singapore (REDAS), which believes the new property curbs could erode market confidence and worsen the high supply situation.