



3 REASONS

WHY IT IS A NO-BRAINER TO BUY

EXECUTIVE CONDOS



DECEMBER 2020
EDITION

CONTENTS

1

Executive Condominiums (ECs)
Have Good Price Appreciation

2

Capitalise on Your Citizenship
Privileged Status

3

Ideal Starting Point for Your
Asset Progression Path

REASON 1

**EXECUTIVE
CONDOMINIUMS
HAVE**

*Good
Prices*



Appreciation

**PHYSICALLY
INDISTINGUISHABLE
FROM
CONDOMINIUMS
BUT PRICED
15% TO 20%
LOWER**

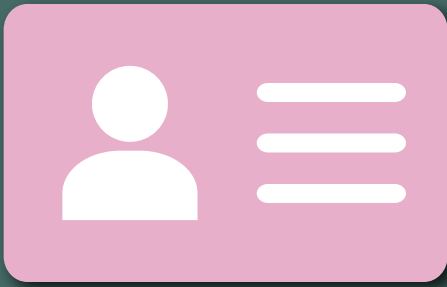


**CAN SELL TO
DIFFERENT TARGET
GROUPS
AFTER FULFILLING
5 TO 10-YEAR
MINIMUM
OCCUPATION
PERIOD (MOP)**

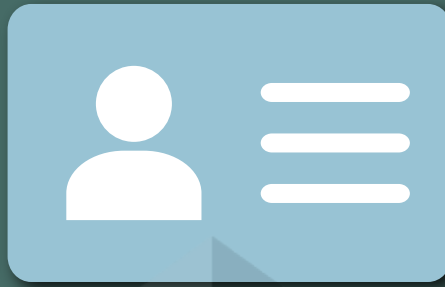
Source: hdb.gov.sg

AFTER 5-YEAR MOP

CAN SELL TO



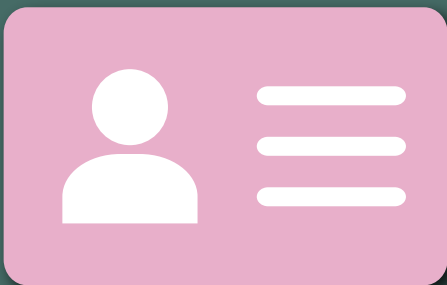
Singapore
Citizens



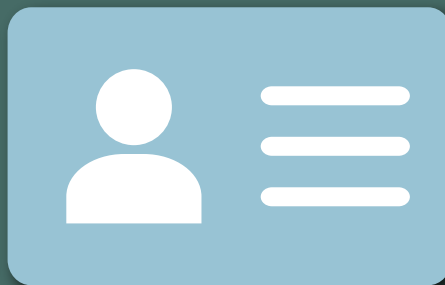
Permanent
Residents

AFTER 10-YEAR MOP

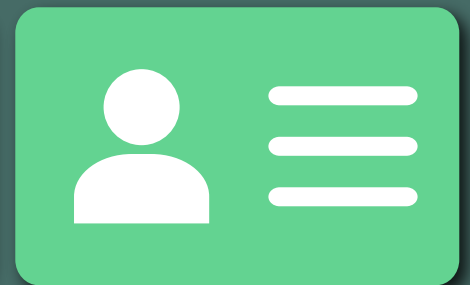
CAN SELL TO



Singapore
Citizens



Permanent
Residents



Foreigners

**MORE MARGIN
FOR PRICE**

APPRECIATION

ON PAR

**WITH COMPARABLE
CONDOMINIUMS**

CASE STUDY

TWIN WATERFALLS (EC)

Launched 2012, T.O.P. in 2015



4RM Unit
2020: \$1,130,000

AFTER 5-YEAR MOP

COUPLE A



4RM Unit
2012: \$842,350

*Note: Based on actual caveats lodged.
Source: Urban Redevelopment Authority*

\$287,650

PROFIT

After Staying in Twin Waterfalls
FOR 5 YEARS?

THIS IS HOW
EXECUTIVE CONDOS
CAN PERFORM

REALLY?!



Note: Before deducting any costs.

CASE STUDY

THE ESPARIS (EC)

Launched 2002, T.O.P. in 2005



4RM Unit
2015: \$930,000

COUPLE B



4RM Unit
2002: \$456,939

AFTER 10-YEAR MOP

*Note: Based on actual caveats lodged.
Source: Urban Redevelopment Authority*

\$473,000

PROFIT

After Staying in The Esparis
FOR 10 YEARS?

THIS IS HOW
EXECUTIVE CONDOS
CAN **PERFORM**

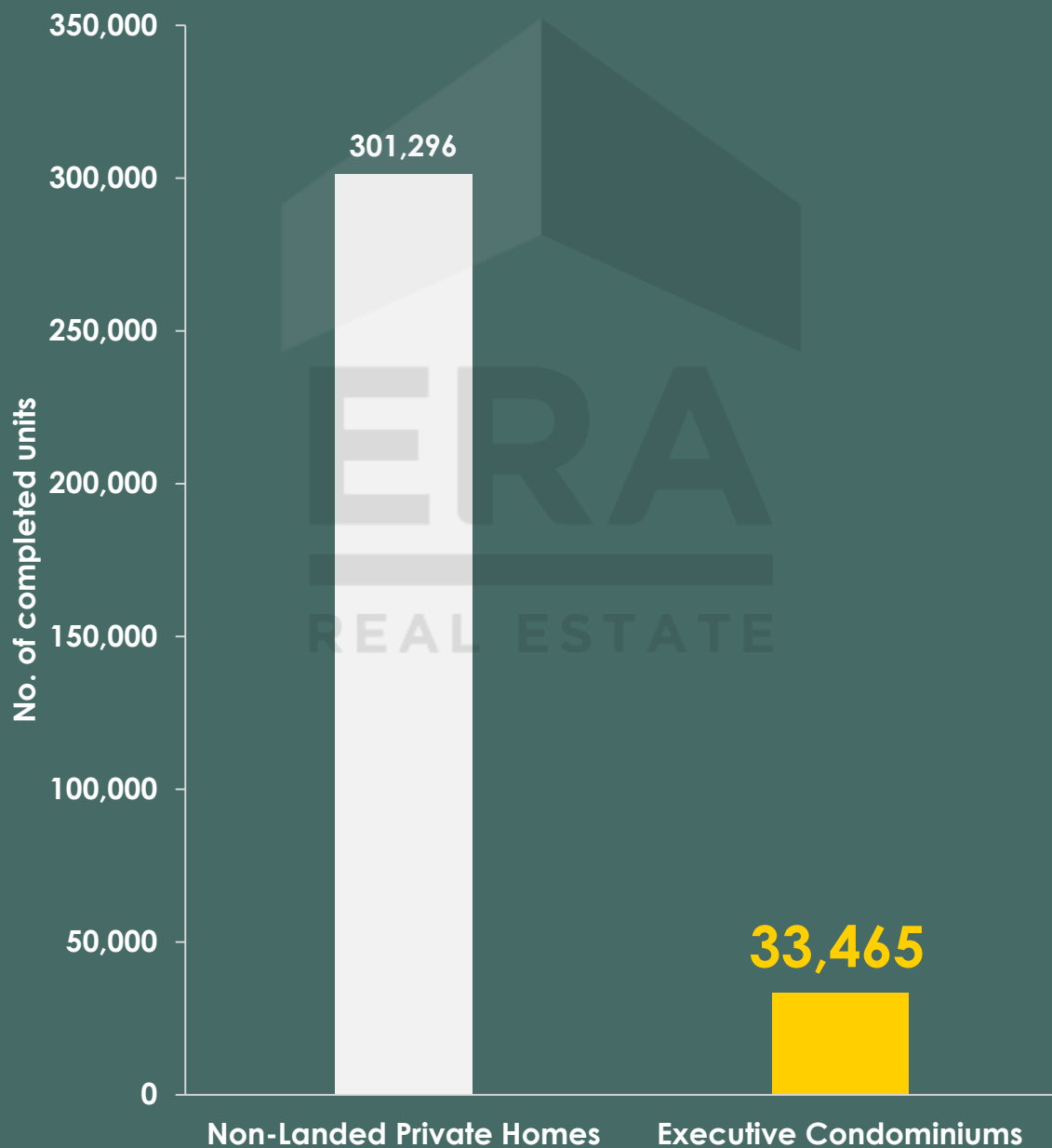


REALLY?!

Note: Before deducting any costs.

LIMITED SUPPLY OF EXECUTIVE CONDOS

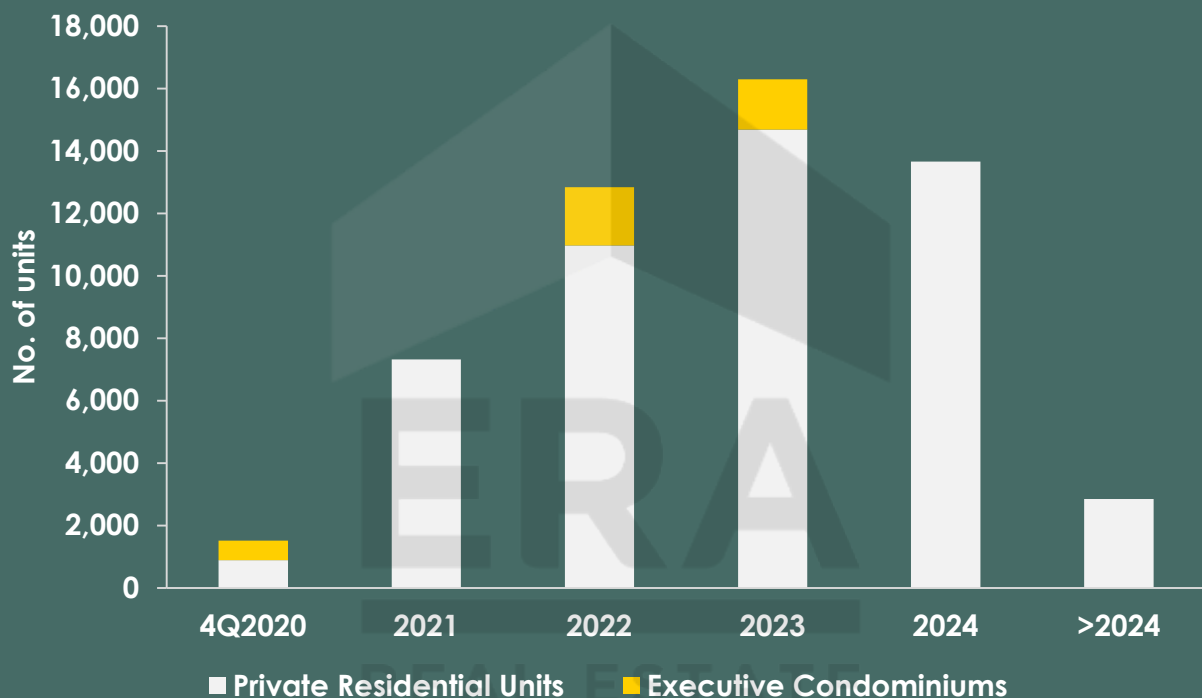
Completed Non-Landed Private Homes
and Executive Condominiums as of 2Q 2020



Source: Urban Redevelopment Authority

LIMITED SUPPLY OF EXECUTIVE CONDOS

Upcoming Supply of Private Homes and Executive Condominiums Over The Next Few Years




AS OF 3Q 2020, ECs ONLY MAKE UP
7.5% OF PRIVATE HOMES
EXPECTED TO T.O.P.
OVER THE NEXT FEW YEARS

Source: Urban Redevelopment Authority

REASON 2

**CAPITALISE
ON YOUR
CITIZENSHIP**

*PRIVILEGED
STATUS*

SINGAPORE CITIZENS
WITH HOUSEHOLD
INCOME
NOT EXCEEDING
\$16,000 
QUALIFY TO BUY
NEW EXECUTIVE
CONDOMINIUMS

Source: hdb.gov.sg

**YOU ARE ELIGIBLE TO BUY NEW ECs
IF YOU FALL UNDER THE FOLLOWING SCHEMES**

PUBLIC SCHEME

FIANCÉ/FIANCÉE SCHEME

ORPHANS SCHEME

JOINT SINGLES SCHEME

Notes:

*At least 1 other applicant must be a Singapore Citizen or Singapore Permanent Resident.
All singles must be Singapore Citizens of at least 35 years old if applying under the Joint
Singles Scheme.*

Source: hdb.gov.sg

**ENJOY
FAMILY GRANT
OF UP TO**

\$30,000



**OR HALF-HOUSING
GRANT**

OF UP TO

\$15,000



Source: hdb.gov.sg

**ABSD IS NOT
PAYABLE FOR
EXISTING
HDB OWNERS
UPGRADING TO
NEW EXECUTIVE
CONDOMINIUMS**

ABSD - Additional Buyer's Stamp Duty
Source: iras.gov.sg

**BANKS MAY
LOAN YOU UP TO
75%*
IF YOU HAVE AN
EXISTING HDB
LOAN**

** If you meet certain income requirements*

REASON 3

**IDEAL
STARTING POINT
FOR YOUR
ASSET
PROGRESSION
PATH**

EXECUTIVE
CONDOMINIUMS
ARE **HYBRID** 
PROPERTIES THAT
CONVERT FROM
PUBLIC HOUSING TO
PRIVATE CONDOMINIUMS
OVER THE FIRST
5 TO 10 YEARS

**DUE TO ITS
FAVOURABLE
ENTRY PRICE, MANY
BUYERS STILL CHOOSE
EXECUTIVE
CONDOMINIUMS
EVEN THOUGH THEY
CAN AFFORD PRIVATE
CONDOMINIUMS**

**IS YOUR
HOUSEHOLD
INCOME
MORE THAN
\$14,000
BUT \$16,000
OR LESS?**

IF



THEN YOU ARE
NOT ELIGIBLE
TO BUY
BTO FLATS

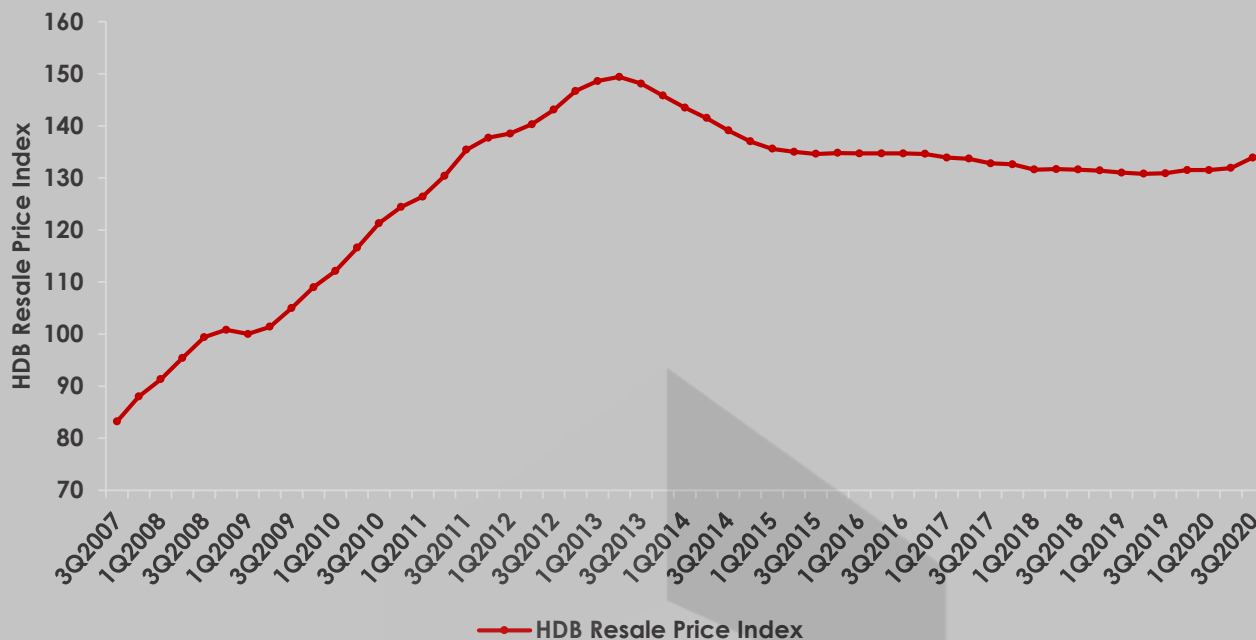
**HOW ABOUT
RESALE HDB
FLATS?**

YES!

**BUT IS THAT A
GOOD OPTION,
OR ARE ECs BETTER?**

PRICES OF RESALE HDB FLATS HAVE BEEN TRENDING DOWNWARDS SINCE 2Q 2013

HDB Resale Price Index



ON THE OTHER HAND, EC PRICES HAVE BEEN TRENDING UPWARDS...

Price Trend of Executive Condominiums



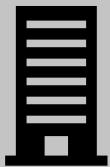
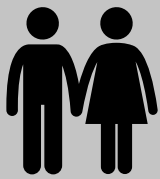
Source: Housing Development Board, Urban Redevelopment Authority

CASE STUDY

RESALE HDB VS NEW EC (ARC AT TAMPINES)

COUPLE C

Resale HDB (Tampines)



4RM Unit
2011: \$381,000

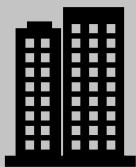
AFTER 8 YEARS
PROFIT \$29,000



4RM Unit
2019: \$410,000

COUPLE D

New EC (Arc at Tampines)



4RM Unit
2011: \$709,000

AFTER 5-YEAR MOP
PROFIT \$202,000



4RM Unit
2019: \$911,800

*Note: Based on actual caveats lodged. Profits before deducting any costs.
Arc at Tampines launched in 2011 and T.O.P. in 2014.
Source: Housing Development Board, Urban Redevelopment Authority*

\$29,000

VS

\$202,000

WHY NOT **CHOOSE** A HOME
THAT HAS MORE **GROWTH**
POTENTIAL

YOU DECIDE



**HOW ABOUT
PRIVATE
CONDOMINIUMS**



CONDOMINIUMS
HAVE STRONG
PRICE UPSIDE.
HOWEVER,

ECs HAVE MORE 
AFFORDABLE ENTRY PRICE
THUS CAN BUY BIGGER UNIT

ECs ENJOY DEFERRED 
PAYMENT SCHEME (DPS)

CASE STUDY

NEW EC VS NEW CONDO

COMPARING DEFERRED PAYMENT TO PROGRESSIVE PAYMENT

	Assume EC: \$800,000		Assume Condo: \$800,000	
	New launch (uncompleted)		New launch (uncompleted)	
	% of purchase fees payable	Deferred payment	% of purchase fees payable	Progressive payment
Grant of Option	5%	\$40,000	5%	\$40,000
Signing S&P agreement	15%	\$120,000	15%	\$120,000
Stamp Duty	-	\$18,600	-	\$18,600
Progressive Payments	-	-	40%	\$320,000
Miscellaneous Fees	-	\$3,000	-	\$3,000
Funds paid before T.O.P. in 3 years	-	\$181,600	-	\$501,600
Deferred amount for 3 years		\$320,000		

Notes:

S&P Agreement - Sales & Purchase Agreement

T.O.P. - Temporary Occupation Permit is a permit that allows homeowners to occupy the building temporarily when the key requirements are met before obtaining the Certificate of Statutory Completion (C.S.C.)

YOU CAN

DEFER

YOUR \$320,000

UNTIL T.O.P. IF

YOU BUY

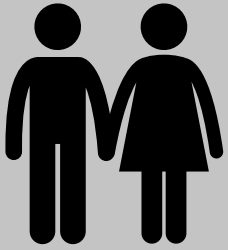
EXECUTIVE

CONDOMINIUMS!

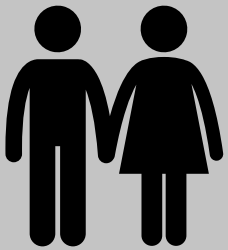
IMPLICATIONS



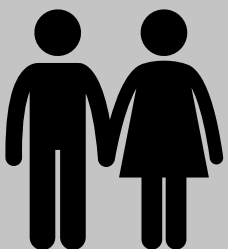
WHEN BUYING ECs VIA DEFERRED PAYMENT SCHEME, YOU:



**PAY 20% UPFRONT AND
DON'T NEED TO PAY
REMAINING UNTIL T.O.P.**



**HAVE LOWER CASH
OUTLAY OVER A CERTAIN
PERIOD BEFORE T.O.P.**



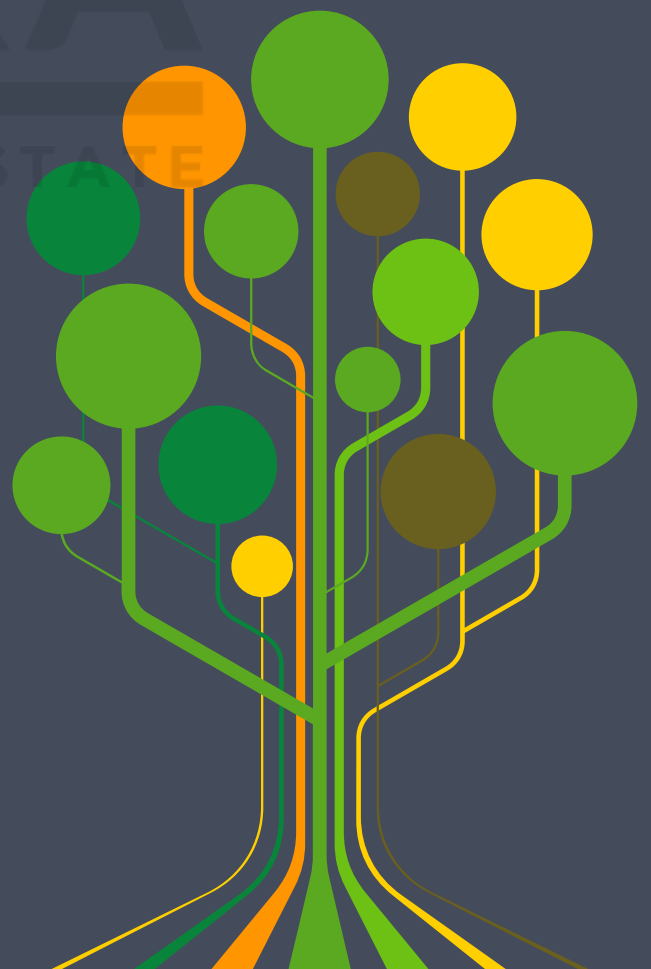
**CAN BUY BIGGER EC UNIT
AS YOU HAVE AMPLE TIME
TO GROW YOUR CASH**

CONCLUSION



**WOULDN'T IT BE
BETTER TO SIT ON
AN ASSET WITH
HIGHER GROWTH
POTENTIAL?**

ERA
REAL ESTATE



**WHY NOT
CAPITALISE
ON YOUR CITIZENSHIP
PRIVILEGED STATUS
WHEN YOU
CAN?**

ERA
REAL ESTATE



**DO YOU AGREE
THAT MAKING
THE RIGHT CHOICE
IN ASSET
PROGRESSION COULD
TURN OUT TO BE
THE BEST DECISION
OF YOUR LIFE?**

**WOULD IT BE BETTER
TO PLAN
BY YOURSELF
OR LEVERAGE ON
ERA'S WEALTH OF
EXPERTISE?**



ERA'S TRUSTED ADVISORS

**WILL HELP YOU
PLAN AND FIND
A PROPERTY WITH
FINANCIAL
PRUDENCY**



ASK ERA



#WeAreERA

Better In Every Way



www.ERA.com.sg



fb.com/ERASG



@erasgofficial

Disclaimer

The information contained in this document is for general information purposes only and does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. This report is prepared by Research & Consultancy Department of ERA Realty Network Pte Ltd (“ERA”). This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person or parties without the prior written permission of ERA.

The information, views or opinions contained in this document (“Information”) has been obtained or derived from sources believed by ERA to be reliable. However, ERA is not responsible for and makes no representation as to the accuracy or completeness of such sources or the Information and ERA accepts no liability whatsoever for any loss or damage arising from the use of or reliance in whole or in part on the Information. ERA and its connected persons may have issued other reports expressing views different from the Information and all views expressed in all reports of ERA and its connected persons are subject to change without notice. ERA reserves the right to act upon or use the Information at any time, including before its publication herein.

The recipient should not treat the contents of this document as advice relating to legal, taxation or investment matters. Any person or party interested in further pursuing the matters contained herein are advised to make their own independent investigations and verification of the Information and any other information such persons or parties may consider to be relevant or appropriate in the circumstances.

This document does not, nor is it intended to, constitute an offer or a solicitation to purchase or sell any asset or property, or to enter into any legal relations, nor an advice or a recommendation with respect to such asset or property.