

**LAST
CHANCE**

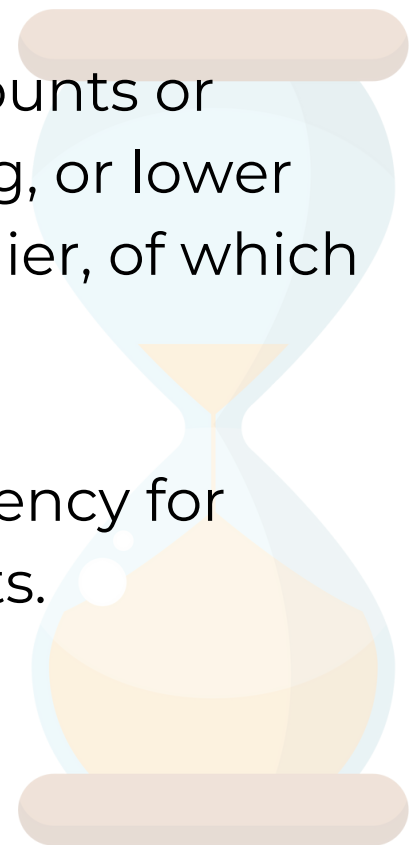
17 remaining

~~38~~ **PROJECTS
FACING 2023
ABSD DEADLINE**

With genuine current and upcoming discounts

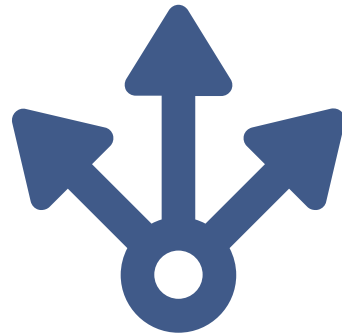
How the ABSD Deadline Affects Projects With Unsold Units

- Real estate developers face an ABSD charge if they fail to develop and sell all units in their development within five years of land acquisition date.
- If the deadline is not met, affected developers will have to pay 35% ABSD on the original acquisition price with accrued interest.
- To avoid this, developers may offer discounts or incentives, engage in aggressive marketing, or lower prices as we have seen recently with The Atelier, of which take up rates spiked within days.
- The ABSD deadline creates genuine urgency for developers to sell their unsold units.



Which Projects Are Likely To Have Discounts?

- There is no guarantee that projects facing an ABSD deadline will see discounts being dangled by the developer.
- Some developers would prefer not to upset their earlier buyers by slashing prices.
- Some would pay ABSD if they are bullish in the longer term and have too many units that might not sell out in time even with discounts.
- Some might have just a handful of units and are confident of a complete sell-through by the time of their deadlines.



POSSIBILITIES
THAT COULD
PLAY OUT

1. Outright discounts on remaining units

The Lilium	Type	Size Sqft	List Price	Nett Promo Price	PSF	Savings	Updated as of: 31/03/2023 1000hr
#04-02	4 Bedroom	1291	\$2,701,300	\$2,701,300 \$2,408,000	\$1,865	\$293,300	*ID unit addition \$120,000
#05-02	4+S Penthouse	1915	\$3,732,300	\$3,732,300 \$3,278,000	\$1,711	\$454,300	
#05-03	4+S Penthouse	1969	\$3,839,300	\$3,839,300 \$3,368,000	\$1,758	\$471,300	
#04-06	3 Premium	1227	\$2,629,800	\$2,629,800 \$2,278,000	\$1,856		SOLD
#02-11	3 Premium	1227	\$2,576,000	\$2,576,000 \$2,228,000	\$1,815		SOLD
#03-11	3 Premium	1227	\$2,587,800	\$2,587,800 \$2,238,000	\$1,823		SOLD
#02-14	4 Bedroom	1356	\$2,781,300	\$2,781,300 \$2,488,000	\$1,834		SOLD
#05-14	4+S Penthouse	1969	\$3,806,300	\$3,806,300 \$3,368,000	\$1,710	\$438,300	
The Gazania	Type	Size Sqft	List Price	Nett Promo Price	PSF	Savings	
#01-10	4+S Mezzanine	1765	\$3,490,000	\$3,490,000 \$3,138,000	\$1,777	\$352,000	
#01-11	4BR Mezzanine	1744	\$3,514,000	\$3,514,000 \$3,158,000	\$1,810	\$356,000	
#01-12	3 Premium	958	Released	\$1,938,000 \$1,938,000	\$2,022		SOLD
#01-14	4+S Mezzanine	1744	\$3,253,000	\$3,253,000 \$2,918,000	\$1,673	\$335,000	
#01-15	4+S Mezzanine	1841	\$3,545,000	\$3,545,000 \$3,188,000	\$1,731	\$357,000	
#01-23	4BR Mezzanine	1851	\$3,314,000	\$3,314,000 \$2,968,000	\$1,603	\$346,000	
#05-23	4+S Penthouse	1970	\$4,008,000	\$4,008,000 \$3,778,000	\$1,917	\$230,000	
#02-31	2 Bedroom	678	\$1,648,000	\$1,648,000 \$1,528,000	\$2,253		SOLD
#04-31	2 Bedroom	678	\$1,660,000	\$1,660,000 \$1,548,000	\$2,283		SOLD
#02-38	1 Bedroom	463	Released	\$1,048,000 \$1,048,000	\$2,263		SOLD
#01-46	4+S Mezzanine	1830	\$3,524,000	\$3,524,000 \$3,168,000	\$1,731	\$356,000	
#01-49	4+S Mezzanine	1819	\$3,460,000	\$3,460,000 \$3,108,000	\$1,708	\$352,000	
							Updated: 2nd April 2023 0935hrs

If the developer has a handful of units available, they may opt for an outright discount when they are close to the deadline.

For example in the list above, The Gazania and Lilium both had genuinely attractive discounts recently, and offered prices enjoyed only by early stage buyers.

2. Discounts on renovation, furniture, stamp duty



Besides outright discounts, developers may choose to provide renovations and furniture discounts and/or sell showflat units with done up interiors at a lower price.

3. Bulk sale to a firm



To avoid paying ABSD on the land acquisition price, the developer could also sell en masse to an investment firm.

Although the buying firm would have to pay 35% ABSD on the value of units purchased, and qualify for only 15% loan to valuation, it can be offset by a reasonable bulk sale discount and overall, typically a lower cost than the default ABSD cost.

The buying firm will then be able to rent out the units for rental returns to recoup the costs and await a better market to sell them subsequently.

17 Projects with 2023 ABSD Deadline (Sorted by Deadline)

Project name	Region	Estimated TOP date	Estimated ABSD deadline	Total units	% SOLD	Unsold Units
Jervois Prive	CCR	Jan-23	Q2-2023	43	6%	40
Kent Ridge Hill Residences	RCR	Dec-24	Q2-2023	548	99%	1
Petit Jervois	CCR	Mar-22	Q2-2023	55	43%	31
Ki Residences at Brookvale	OCR	Jun-24	Q3-2023	660	98%	13
One Pearl Bank	RCR	Dec-23	Q3-2023	774	97%	20
The Atelier	CCR	Mar-24	Q3-2023	120	99%	1
Urban Treasures	OCR	Jun-23	Q3-2023	237	97%	7
Van Holland	CCR	Mar-23	Q3-2023	69	60%	28
Wilshire Residences	CCR	Jul-23	Q3-2023	85	97%	3
15 Holland Hill	CCR	Dec-22	Q4-2023	59	91%	5
Cuscaden Reserve	CCR	Jun-22	Q4-2023	192	6%	180
Dalvey Haus	CCR	Dec-22	Q4-2023	17	58%	7
Hyll on Holland	CCR	Jun-25	Q4-2023	319	99%	1
Leedon Green	CCR	Dec-23	Q4-2023	638	97%	18
One Holland Village Residences	CCR	Dec-25	Q4-2023	296	98%	5
Pullman Residences Newton	CCR	Dec-23	Q4-2023	340	93%	23
Sky Everton	RCR	Sep-23	Q4-2023	262	99%	1
Total				385		
Total CCR				343		
Total OCR				20		
Total RCR				22		

*Projects with Q2 2023 deadline are included due to possible allowable extensions due to adverse conditions such as bad weather.