

Briefing Villa/Townhouse sector

Q3/2015

Supply

Five new villa/townhouse projects and the next phase of an existing project provided approximately 930 dwellings to the primary market.

As of Q3/2015, the primary stock of the villa/townhouse segment was approximately 1,680 dwellings, an increase of 47% quarter-on-quarter (QoQ) and 142% year-on-year (YoY).

In the land plot segment, two new projects and the next phase of three existing projects entered the market, adding more than 240 plots. The primary land plot market had approximately 620 plots, down -19% QoQ and -60% YoY.

District 9 overtook Go Vap to as the largest supplier for the villa/townhouse segment and continued to be the largest supplier for the land plot segment.

Performance

The villa/ townhouse market performed well due to a significant increase in supply. Sales increased by 5% QoQ and 75% YoY. Townhouses dominated sales volumes at 79%.

The absorption rate was 25%, down -10 ppts QoQ and YoY.

Land plot sales decreased -17% QoQ and -40% YoY. District 9 and district 7 had the best performance, accounting for approximately 41% and 29% of sales respectively.

Demand

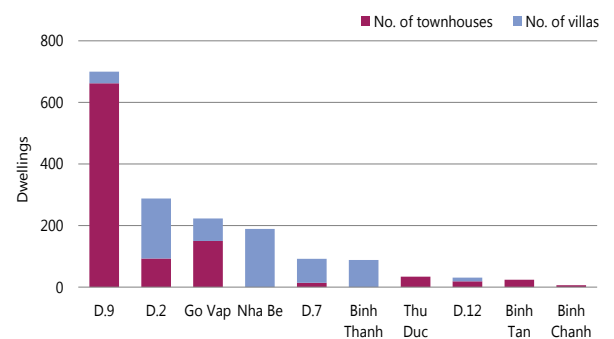
Villa/townhouse projects with completed internal facilities, a credible developer and flexible payment options attracted purchasers.

Outlook

Future stock from Q4/2015 onwards is more than 53,600 dwellings from 142 projects.

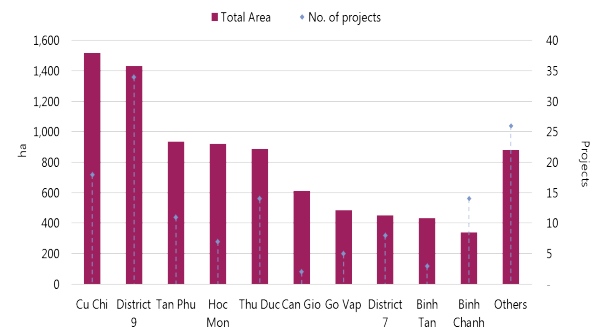
In Q4/2015, 15 projects with 2,250 dwellings are expected to enter the market. District 9 is the largest supplier, accounting for 65% market share. ■

FIGURE 1
Current stock



Source: Savills Research & Consultancy

FIGURE 2
Estimated future supply



Source: Savills Research & Consultancy

Savills Research team

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