

# 3 Reasons

why it is a No-Brainer to buy  
**Executive Condos**



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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**

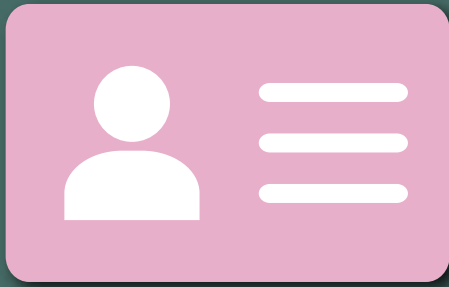


**CAN SELL TO  
DIFFERENT TARGET  
GROUPS  
AFTER FULFILLING  
5 TO 10-YEAR  
MINIMUM  
OCCUPATION  
PERIOD (MOP)**

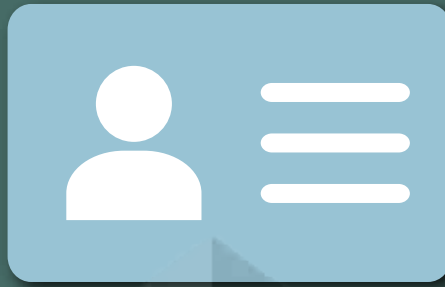
*Source: [hdb.gov.sg](http://hdb.gov.sg)*

# AFTER 5-YEAR MOP

## CAN SELL TO



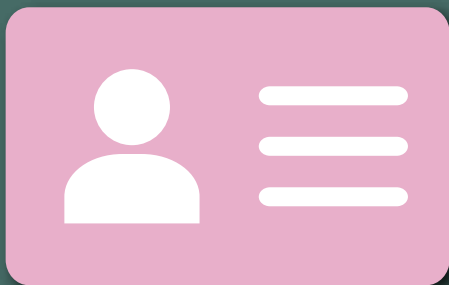
**Singapore  
Citizens**



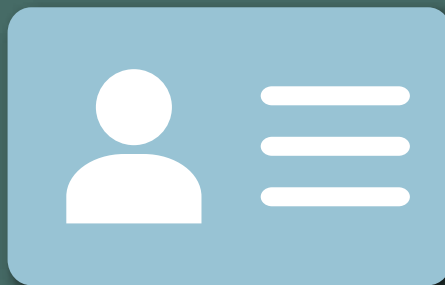
**Permanent  
Residents**

# AFTER 10-YEAR MOP

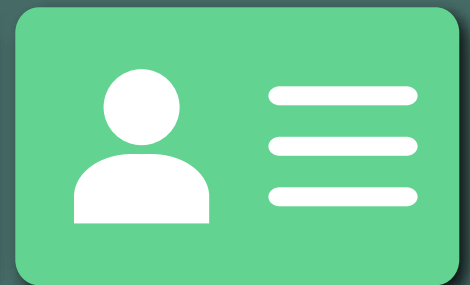
## CAN SELL TO



**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

### COUPLE A



4RM Unit  
2012: \$842,350

AFTER 5-YEAR MOP

*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**

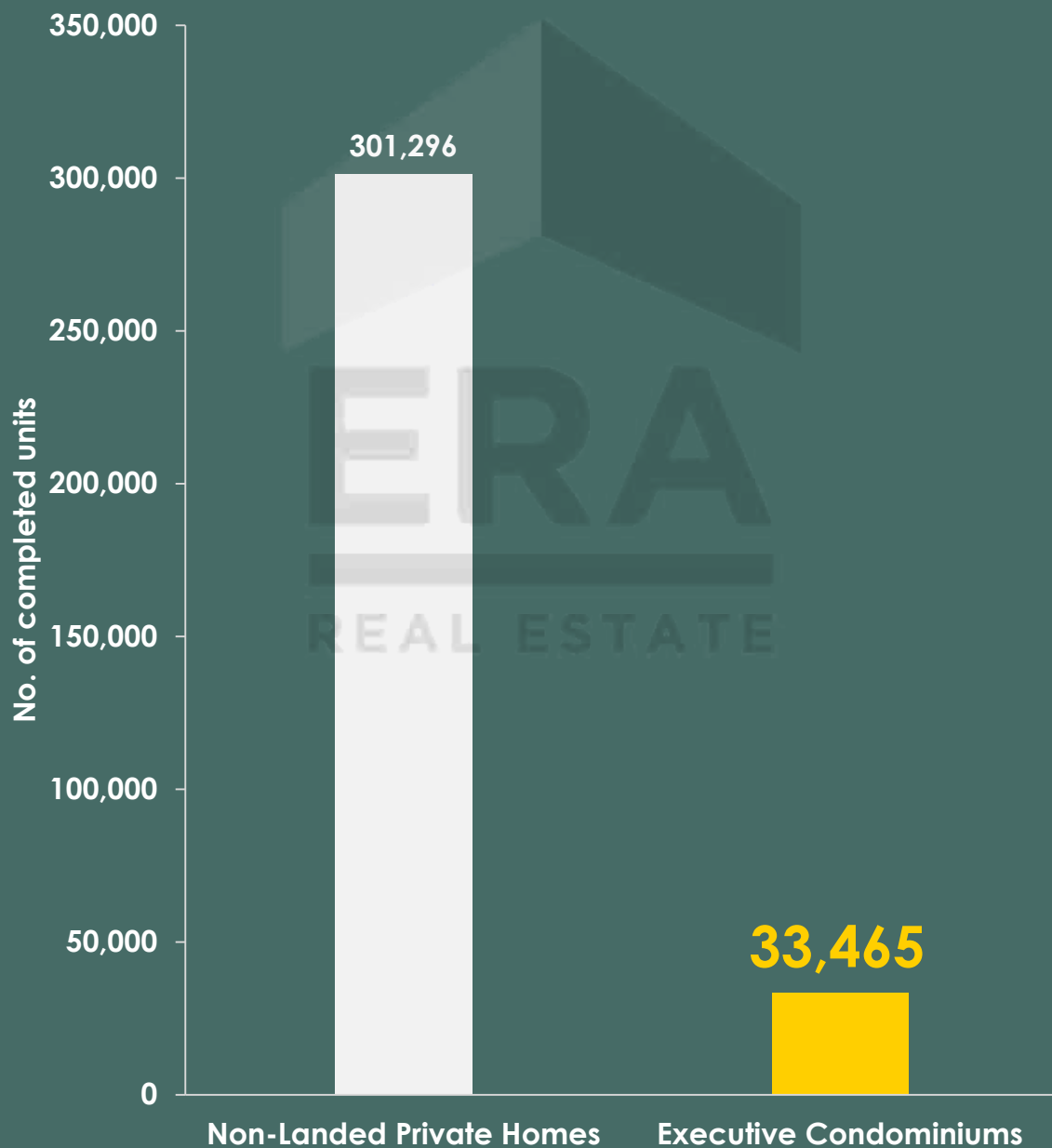


## REALLY?!

*Note: Before deducting any costs.*

# LIMITED SUPPLY OF EXECUTIVE CONDOS

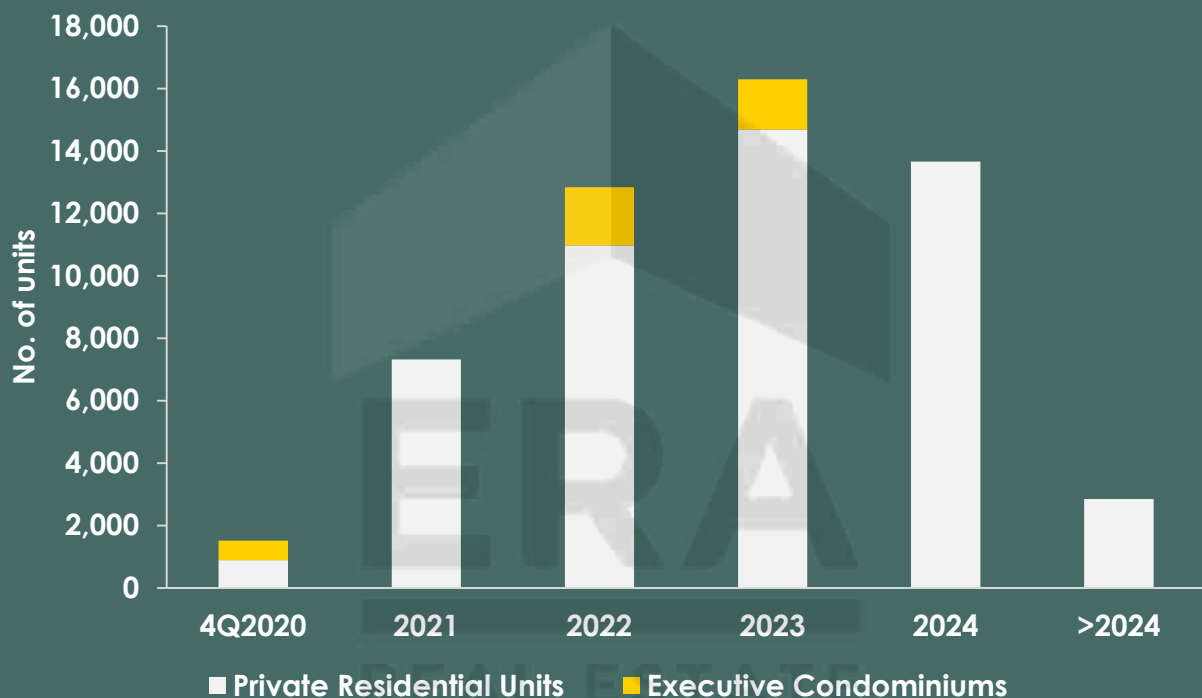
Completed Non-Landed Private Homes  
and Executive Condominiums as of 2Q 2020



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](http://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](http://hdb.gov.sg)*



**ENJOY  
FAMILY GRANT  
OF UP TO  
\$30,000** 

**OR HALF-HOUSING  
GRANT**

**OF UP TO  
\$15,000** 

Source: [hdb.gov.sg](http://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](https://www.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?



**THEN YOU ARE  
NOT ELIGIBLE  
TO BUY  
BTO FLATS**



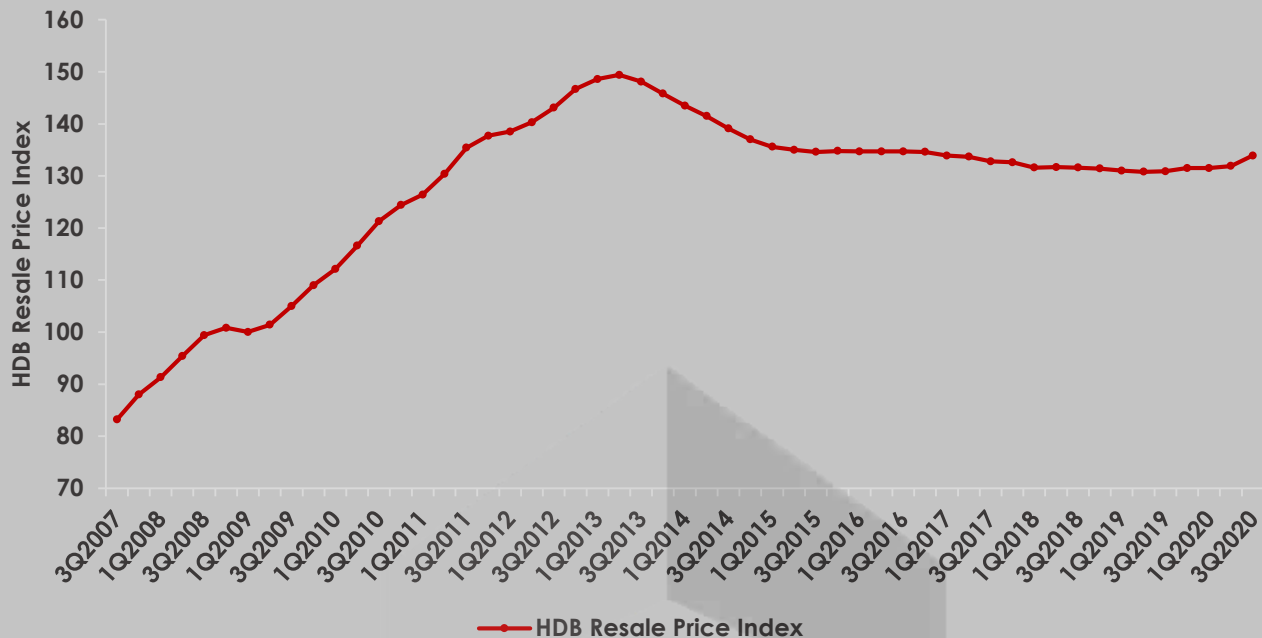
**HOW ABOUT  
RESALE HDB  
FLATS?**

**YES!**

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

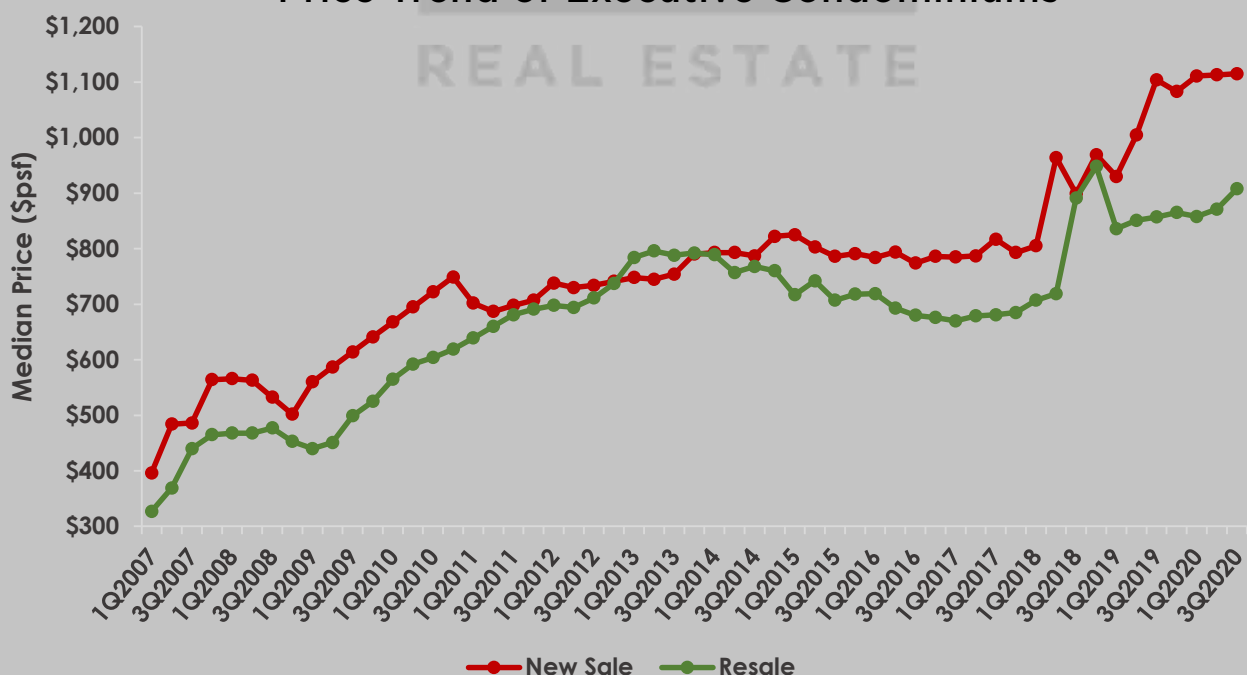
# PRICES OF RESALE HDB FLATS HAVE BEEN TRENDING DOWNWARDS SINCE 2Q 2013

HDB Resale Price Index



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

Price Trend of Executive Condominiums



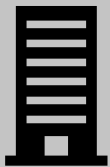
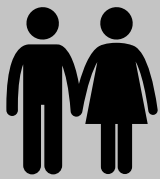
Source: Housing Development Board, Urban Redevelopment Authority

# CASE STUDY

## RESALE HDB VS NEW EC (ARC AT TAMPINES)

### COUPLE C

Resale HDB (Tampines)



4RM Unit  
2011: \$381,000

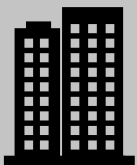
AFTER 8 YEARS  
PROFIT \$29,000



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**

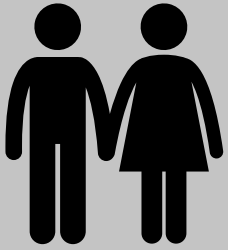
**CONDOMINIUMS!**



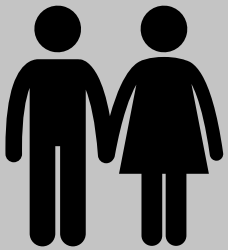
# IMPLICATIONS



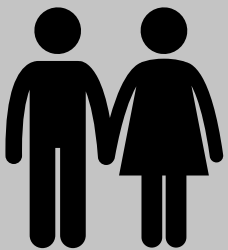
# WHEN BUYING ECs VIA DEFERRED PAYMENT SCHEME, YOU:



**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.**



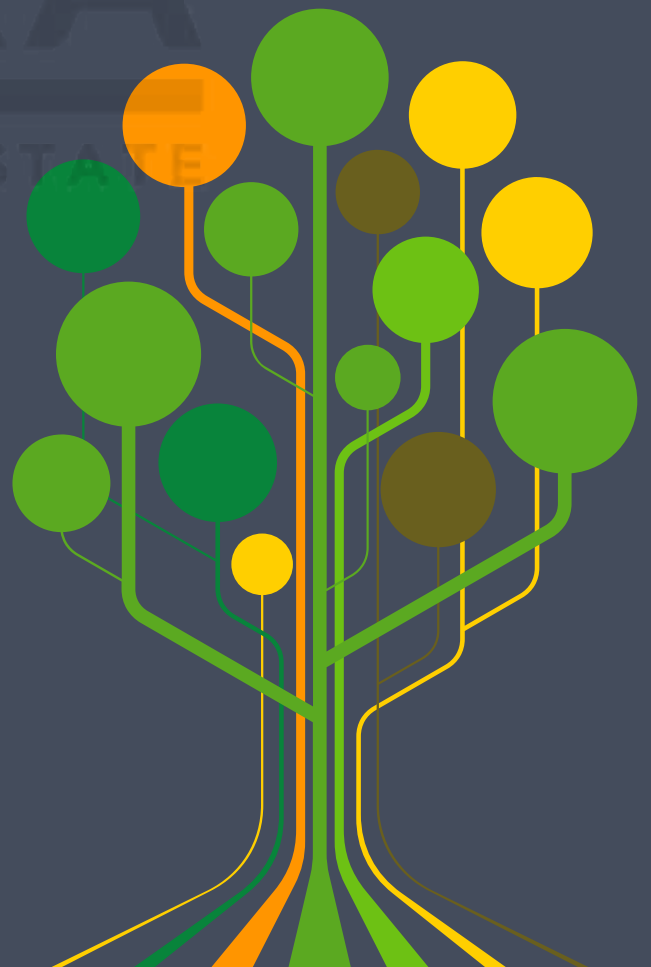
**CAN BUY BIGGER EC UNIT  
AS YOU HAVE AMPLE TIME  
TO GROW YOUR CASH**

# CONCLUSION

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



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**





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