

Condominium Market¹

3rd Quarter of 2020



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Condominium Sales

Supported by low interest rates structure and increased mobility in-between first and second waves of the COVID-19 pandemic, sales transactions increased significantly during Q3 compared to Q2. Sales have increased in both mixed development and single condominium projects in Colombo district and indicated a high preference among the buyers for units priced below Rs.25 million, in single condominium project category. As at the end of the quarter, 92 per cent of the units in completed single condominium projects were sold and 55 per cent of the units in both single and mixed development projects in ongoing category were also reserved.

Figure 1: Condominium Property Volume Index²

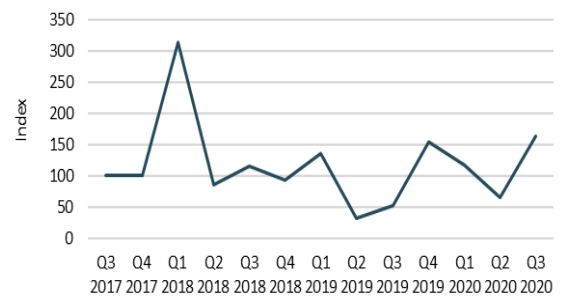


Figure 2: Percentage of Sales: Price Categories

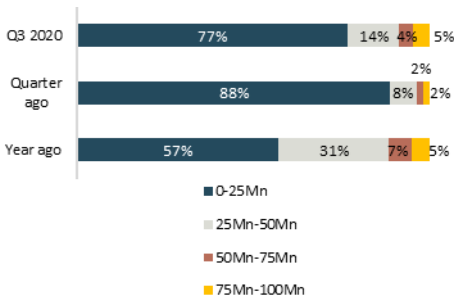


Figure 3: Percentages of Sales: Condominium Categories

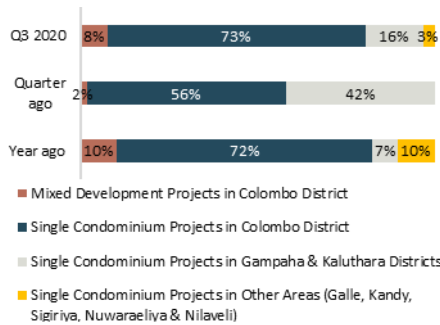
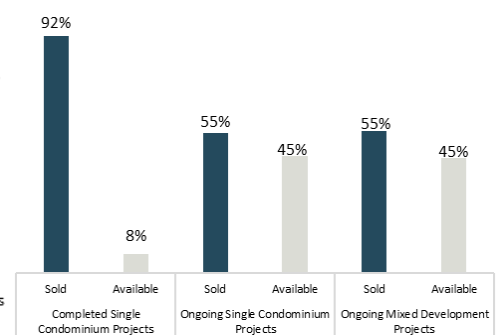


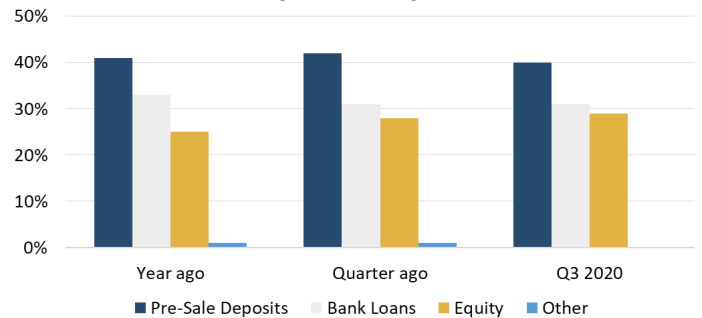
Figure 4: Sales Status of Condominium Projects



Funding Structure of Condominium Developments

On average, 40 per cent of the funding requirement for condominium developments was met through pre-sale deposits while 31 per cent was fulfilled by bank loans. The remaining 29 per cent was developers' equity. These averages were calculated to get an overall understanding about the funding structure of condominium developments using the percentages of funds received through different funding sources provided by each developer.

Figure 5: Funding Structure



Condominium Buyers

Majority of the condominium buyers were resident Sri Lankans and most of them have purchased condominium units for immediate living. Meanwhile, prime source of funding used by the condominium buyers has been their own funds.

Figure 6: Residence Status

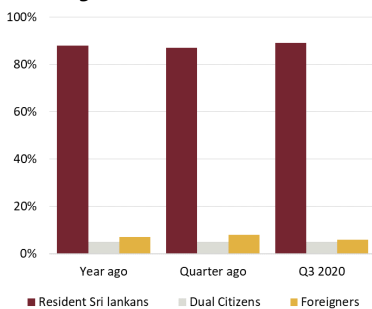


Figure 7: Purpose of Purchasing

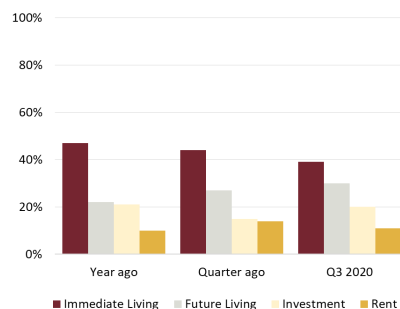
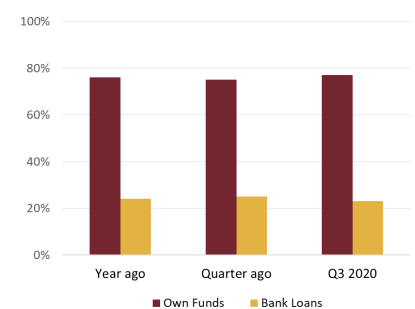


Figure 8: Source of Financing



¹This market analysis is based on the Condominium Market Survey conducted by the Central Bank of Sri Lanka for Q3, 2020 and 21 condominium property developers participated in this survey round.

²Condominium Property Volume Index is compiled to capture the variations in market activities by way of number of sales transactions reported for the reference period. (Base period: Q3, 2017 = 100).