

Condominium Market¹

4th Quarter of 2020



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Condominium Sales

Condominium sales increased marginally during Q4, 2020 compared to the previous quarter. The market conditions remained favourable during the period, preferably with the low interest rates structure, despite the obstacles that emanated from the second wave of the COVID-19 pandemic. Condominium units priced below Rs.25 million in single condominium project category was the most preferred option among the buyers. When considering the sales status of single condominium projects, it could be observed that 96 per cent of completed units were sold while 51 per cent of the ongoing units had been reserved. In mixed development projects 55 per cent of the units have been reserved thus far.

Figure 1: Condominium Property Volume Index²

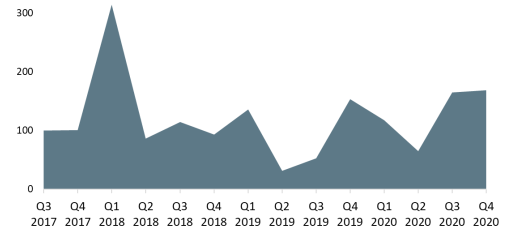


Figure 2: Percentage of Sales:

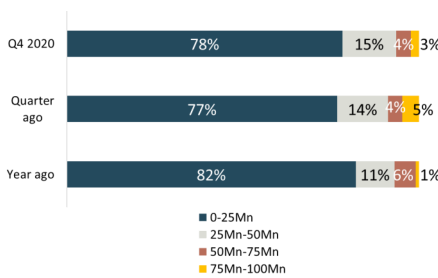


Figure 3: Percentages of Sales:

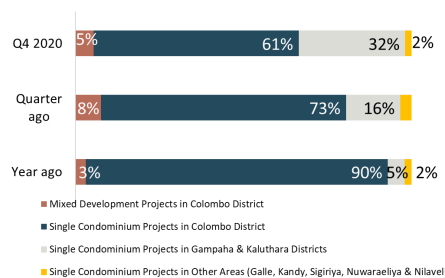
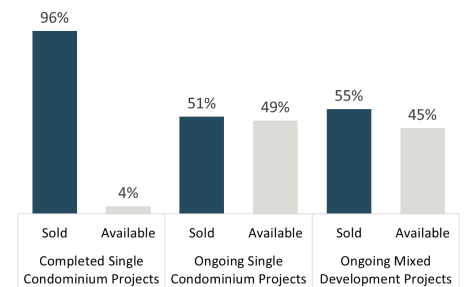


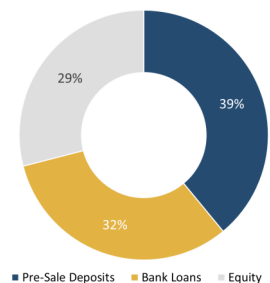
Figure 4: Sales Status of Condominium Projects



Funding Structure of Condominium Developments

On average, 39 per cent of the funding requirement for condominium developments was met through pre-sale deposits while 32 per cent was fulfilled by bank loans. 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

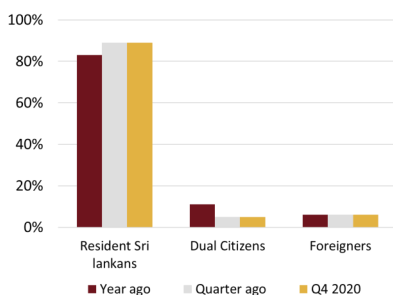


Figure 7: Purpose of Purchasing

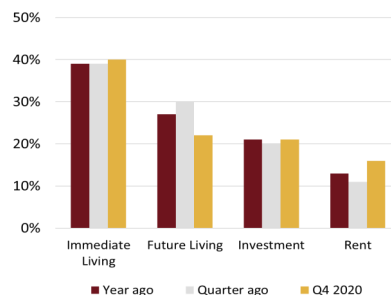
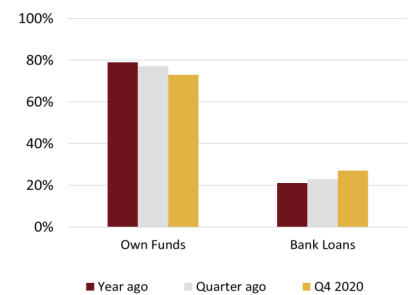


Figure 8: Source of Financing



¹This market analysis is based on the Condominium Market Survey conducted by the Central Bank of Sri Lanka for Q4, 2020 and 24 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).