

# Condominium Market<sup>1</sup>

3<sup>rd</sup> Quarter of 2021



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இலங்கை மத்திய வங்கி  
CENTRAL BANK OF SRI LANKA

## Condominium Sales

An increase was observed in the reported condominium sales transactions during Q3, 2021 compared to the corresponding period of the previous year and also compared to the previous quarter, as indicated by the Condominium Property Volume Index<sup>2</sup>. Even though, the most preferred condominium units were in the single condominium project category and those of below Rs.25 million, a gradual increase could be observed in sales of condominiums priced between Rs. 25 to 50 million. By the end of Q3, 2021, majority of the units (96 per cent) in completed condominium projects have been sold. Meanwhile, in ongoing condominium projects, 58 per cent and 55 per cent of units have been reserved in single condominium projects and mixed development projects, respectively.

Figure 1: Condominium Property Volume Index<sup>2</sup>

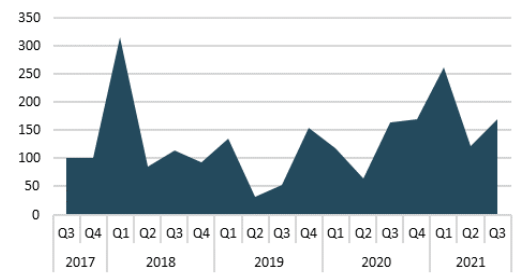


Figure 2: Percentage of Sales Price Categories

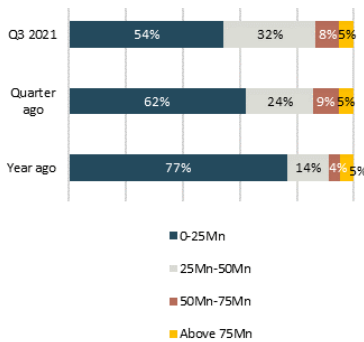


Figure 3: Percentages of Sales Condominium Categories

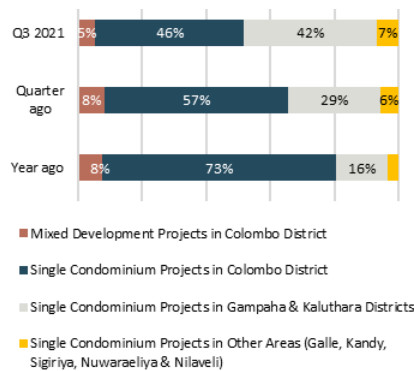
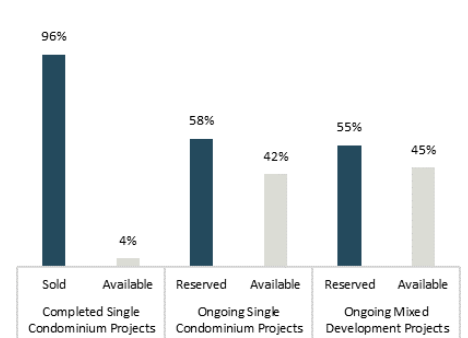


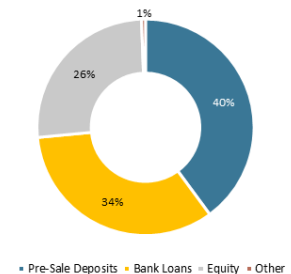
Figure 4: Sales Status of Condominium Projects



## Funding Structure of Condominium Developments

Pre-sale deposits, bank loans and equity were the three key funding sources for condominium developments. It could be observed that the proportions of pre-sale deposits have increased during Q3, 2021 compared to the previous quarter. The proportions were calculated to get an overall understanding about the funding structure of condominium developments by averaging the percentages of funds received through different funding sources provided by each developer.

Figure 5: Funding Structure



## Condominium Buyers

The majority of condominium buyers were Sri Lankan residents and only a few condominiums were purchased by dual citizens and foreigners. Majority of condominium purchases during Q3, 2021 were for immediate or future living. Meanwhile, the condominium purchases for investment and rent purposes were increased at this low interest rate environment. The prime source of funding used for condominium purchasing remained to be buyers' own funds, while on average 28 per cent of buyers have obtained bank loans during Q3, 2021.

Figure 6: Residence Status

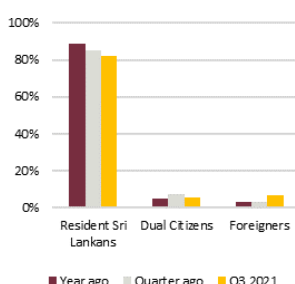


Figure 7: Purpose of Purchasing

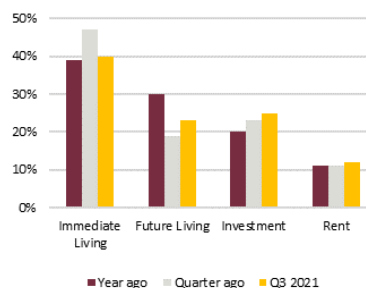
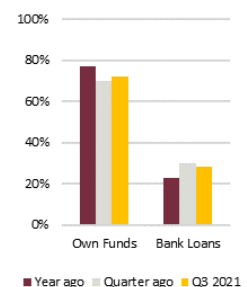


Figure 8: Source of Financing



<sup>1</sup>This market analysis is based on the Condominium Market Survey conducted by the Central Bank of Sri Lanka for Q3, 2021 and 24 condominium property developers participated in this survey round.

<sup>2</sup>Condominium 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).