

ECs a better long-term buy?

A hypothetical situation

	FULFILMENT OF MOP (5 YRS AFTER COMPLETION)		PRIVATISATION (10 YRS AFTER COMPLETION)	
	EXECUTIVE CONDO	PRIVATE RESIDENTIAL	EXECUTIVE CONDO	PRIVATE RESIDENTIAL
Size (sq ft)	1,098	1,098	1,098	1,098
Unit price per sq ft (S\$)	797	996	797	996
Purchase price (S\$)	875,040	1,093,801	875,040	1,093,801
Downpayment (S\$)	175,008	218,760	175,008	218,760
Yearly mortgage payments (S\$)*	39,735	49,668	39,735	49,668
Sale price (S\$)	1,094,894	1,203,181	1,246,933	1,312,561
Loan balance (S\$)	544,848	681,060	407,588	509,485
Rental supplement (yearly) (S\$)	-	32,400	32,400	32,400
Occupancy rate (%)	-	90	90	90
Internal rate of return (pa) (%)	4.7	5.1	6.2	5.6

** after 3 years of construction*