



Fund predicts bullish prospects for property

Stephanie Lai | 23/05/2013 | in [Property](#)

Despite the hint of more curbs, one high-end property developer has forecast constant growth in home prices

Despite hints that more curbs on the property market may be introduced soon, there are at least 24 months of growth ahead for Macau's property market, according to Sniper Capital (Macau) Ltd.

The final 22 flats in pre-sale phase of the high-end property development The Fountainside were launched yesterday.

The low-density housing project on Penha Hill is owned by the Macau Properties Opportunities Fund and managed by Sniper Capital.

Construction began about two years ago and should be complete by the end of June, said Sniper director João Afonso.

"We're pretty confident with the sales of The Fountainside as we cannot see any new property projects to be rolled out in the coming two years," said Mr Afonso.

"We've gained a good timing for the sales."

Chief Executive Fernando Chui Sai On said late last month the government could impose a levy on second homes, raise stamp duty or tighten mortgage rules.

"Despite any curbing policies or even the housing pre-sale law, we still project a gradual 5 to 10 percent growth in home prices in the next two years," Mr Afonso said.

Premium sales

"That growth is supported by a limited supply in local market and a group of local buyers with strong purchasing power."

"These buyers are usually looking to switch for a new home and are able to not rely on bank loans to make the purchase."

In yesterday's release at The Fountainside there are 15 basic flats, three special flats and four villas. Prices for a basic flat range from HK\$11,000 to HK\$15,000 (US\$1,932) a square foot, with flat sizes from 718 square feet to more than 2,000 square feet.

The villa is the most expensive property in the development, spread across three storeys, with a garden and private garage. Prices start at HK\$13,000 a square foot.

Sniper had already sold 20 units at an average of between HK\$4,800 and HK\$5,000 a square foot, Mr Afonso said. About 90 percent of the buyers are Macau residents.

The Fountainside's façade is four former homes of civil servants in Portuguese-style that were bought for US\$8.6 million in 2006.

With limited land available for development on the Macau peninsula, high-end residences located next to cultural heritage sites like Lilau Square would be hard to find, Mr Afonso said.

Niche shopping planned

Property developer Sniper Capital is planning to build a 6,503-square-metre shopping centre near Senado Square. The project hopes to attract middle to high-end retail stores, Sniper Capital director João Afonso told Business Daily. It would be a chance to cater to a market niche, creating a modern shopping centre outside the city's casino-resorts. The company is waiting for the government to approve its construction plans before it estimates the project's budget. The shopping centre is due to open in 2016.