



Mixed Signals in Singapore Property Market: Private Home Prices Slow, HDB Resale Heats Up

Singapore's property market displayed a mixed performance in the first quarter of 2024, according to flash estimates released by the Urban Redevelopment Authority (URA) and Housing & Development Board (HDB). While private home prices saw a slowdown, HDB resale prices continued their upward climb.

Q1 2024 URA Private Residential Property Index (Flash)

Flash estimates from the Urban Redevelopment Authority (URA) showed that Overall private home prices grew by a modest 1.5% quarter-on-quarter (QOQ) in Q1 2024, a significant deceleration compared to the 2.8% increase in the previous quarter (see Table 1) . Analysts attributed this moderation to several factors, including the festive season lull, cautious buyer sentiment, and a higher base effect from strong growth in Q4 2023.

The non-landed segment mirrored the overall trend with a 1.0% QOQ price increase. However, price growth varied across regions. The Core Central Region (CCR) saw the steepest rise of 3.1% QOQ, driven by high-value transactions at projects like The Ritz-Carlton Residences. Prices in the Rest of Central Region (RCR) ticked up slightly by 0.2% QOQ, reversing the previous quarter's decline. The Outside Central Region (OCR) witnessed the slowest growth at 0.4% QOQ, following the surge in Q4 2023. The landed property segment, on the other hand, defied the trend with prices climbing by 3.4% QOQ, despite a decline in transaction volumes across all landed property types.

Table 1: URA Private Property Price Index

Price Indices	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q4 2023	Q1 2024 (Flash)
	(QOQ % Change)				(YOY Change)	% (QOQ Change)
Overall PPI	3.3	-0.2	0.8	2.8	6.8	1.5
Landed	5.9	1.1	-3.6	4.6	8.0	3.4
Non-Landed	2.6	-0.6	2.2	2.3	6.6	1.0
· CCR	0.8	-0.1	-2.7	3.9	1.9	3.1
· RCR	4.4	-2.5	2.1	-0.8	3.1	0.2
· OCR	1.9	1.2	5.5	4.5	13.7	0.4

Source: PropNex Research, URA

Sales activity also remained subdued, with developers selling an estimated 1,030 new private homes (excluding executive condos) in Q1 2024. This figure is likely to be on par with the previous quarter's 1,092 units and significantly lower than the 1,256 units sold in Q1 2023. The private resale market also saw a slowdown, with an estimated 2,072 units transacting in the quarter – potentially the slowest since the Circuit Breaker period in Q2 2020.

An analysis of median transacted unit prices for non-landed private homes (excluding ECs) in Q1 2024 suggests stabilizing prices, particularly in the Rest of Central Region (RCR) and Outside Central Region (OCR).

- In the RCR, new home prices hovered around S\$2,500 psf, while resale prices averaged around S\$1,700 psf.
- The OCR followed a similar trend, with new homes at S\$2,200 psf and resale homes at S\$1,400 psf (see Table 3 for reference).

This translates to a median unit price gap between new and resale non-landed homes sold in Q1 2024 ranging from 46% to 58% across the three regions.

Table 3: Median transacted unit price of non-landed private home new sales and resales (ex. EC) by region by quarter

	CCR			RCR			OCR		
	New sale	Resale	Gap %	New sale	Resale	Gap %	New sale	Resale	Gap %
2023Q1	\$2,926	\$2,114	38.4%	\$2,651	\$1,658	59.9%	\$2,073	\$1,317	57.4%
2023Q2	\$2,905	\$2,096	38.6%	\$2,493	\$1,688	47.7%	\$2,024	\$1,369	47.8%
2023Q3	\$2,923	\$2,003	45.9%	\$2,507	\$1,711	46.5%	\$2,080	\$1,385	50.2%
2023Q4	\$3,196	\$2,086	53.2%	\$2,523	\$1,765	42.9%	\$2,265	\$1,426	58.8%
2024Q1*	\$3,204	\$2,067	55.0%	\$2,573	\$1,763	45.9%	\$2,231	\$1,412	58.0%
QOQ %	0.3%	-0.9%		2.0%	-0.1%		-1.5%	-1.0%	
YOY%	9.5%	-2.2%		-2.9%	6.3%		7.6%	7.2%	

Source: PropNex Research, URA Realis (*new sale data up till 17 March, resale data up till 19 March 2024)

In Q1 2024 (till 19 March), foreigners (non-PR) accounted for 1.2% of the total new sale and resale non-landed private home transactions (ex. EC), based on URA Realis caveat data (see Table 4). This represents a dip from 1.7% in Q4 2023 and it is the lowest proportion of new and resale non-landed private homes purchased by foreigners on record since 1995. The proportion of Singaporean buyers, meanwhile, rose to 83% in Q1 2024 from 81.9% in the previous quarter, while Singapore PRs made up 15.6% of the transactions.

Table 4: Non-landed new private home sales and non-landed resales (ex. EC) by nationality by residential status by Quarter

Nationality by Residential Status	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1
Company	0.1%	0.2%	0.1%	0.2%	0.7%	0.1%	0.1%	0.1%	-
Foreigner (NPR)	3.1%	4.9%	4.7%	7.2%	7.2%	4.2%	1.8%	1.7%	1.2%
Singapore Permanent Residents (PR)	18.0%	17.1%	15.9%	20.8%	19.9%	16.1%	16.7%	16.3%	15.6%
Singaporean	78.7%	77.9%	79.2%	71.8%	72.2%	79.5%	81.4%	81.9%	83.1%

Source: PropNex Research, URA Realis (*new sale data up till 17 March, resale data up till 19 March 2024)

Q1 2024 HDB Resale Price Index (Flash)

In contrast to the private market, the HDB resale market displayed robust growth. HDB resale prices climbed by 1.7% QOQ, accelerating from the previous quarter's 1.1% increase (see Table 5). This marks the 16th consecutive quarter of growth for the HDB Resale Price Index (HRPI) and the strongest price rise since Q4 2022.

The demand for resale flats also surged, with 6,928 flats changing hands in Q1 2024, a 5.5% increase compared to the same period in 2023. This represents the highest quarterly sales volume in six quarters.

Table 5: HDB Resale Price Index

Quarter	QOQ % change	YOY % change
Q1 2021	3.0%	8.1%
Q2 2021	3.0%	11.0%
Q3 2021	2.9%	12.5%
Q4 2021	3.4%	

Outlook: Stability Expected

Ismail Gafoor, CEO of PropNex Realty, expects private home prices to remain relatively stable throughout 2024, with a potential increase of 4-5%. New home sales could reach 7,000-7,500 units (excluding ECs), while private resale volume might hover around 13,000-14,000 units. He anticipates a market driven primarily by local buyers, with foreign buyers making up a record low of 1.2% of total transactions in Q1 2024. The HDB resale market is likely to stay healthy with continued demand, especially from first-time homebuyers.

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