

Summary | Private home prices grew 8.4% in 2022 | Propnex Calls for ABSD Rule Tweaks | New Launches H1 2023

Summary

Singapore's residential property market has been resilient in 2022, with prices growing steadily in both the private housing and HDB resale flat segments. While demand for homes remained healthy, the limited supply of new launches and resale homes available for sale have dampened transaction volumes. Residential rental market in the meantime continued to break new highs with strong rental growth due to persistent demand and limited rental supply.

Whilst new launches achieved robust take-up rates in 2022, sentiment turned cautious with the uncertain climate of rising interest rates, geopolitical tensions and global headwinds. Increasing borrowing costs and mortgage rates have also caused sellers to take a step back due to higher replacement costs.

New cooling measures were introduced with increasing interest rates which encouraged prudence, in turn reducing affordability as loan amounts were reduced as the total debt servicing ratio now uses the revised 4% interest rate for computation rather than the previous 3.5%. Developers also showed more caution from moderate bids in Government Land Sales (GLS) tenders.

With the upcoming headwinds in the economy, we still see Singapore's residential property sector to be relatively stable, largely due to stronger demand chasing after a limited supply, healthy fundamentals as well as an increase in population from foreign demand.

Private Home prices expected to rise over 8% in 2022

THE BUSINESS TIMES

Wednesday, January 04, 2023



SINGAPORE PROPERTY

Private home prices shrug off curbs to rise 8.4% in 2022; prices to grow slower in 2023

Q4 prices inch up 0.2% on sustained homebuyers' interest despite combination of recessionary pressures, cooling measures

By Corinne Kerk
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PRIVATE residential property prices inched up 0.2 per cent in the fourth quarter of 2022 after growing 3.8 per cent in the third quarter, finishing the year with a rise of 8.4 per cent, compared to the 10.6 per cent increase in 2021. Generally, analysts are expecting a slower price growth this year.

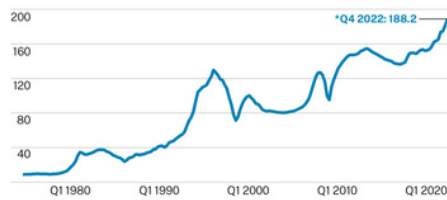
Knight Frank's head of research, Leonard Tay, said that 2022's 8.4 per cent price rise is "beyond expectation at the beginning of the year, when the December 2021 cooling measures set a conservative cloud on projections".

But with each subsequent new



URA data shows a decline in private housing sales, with transaction volume falling by about 49 per cent quarter on quarter and by about 60 per cent on year on year in Q4. PHOTO: BT FILE

URA overall private home price index (Q1 2009=100)



*The index for Q4 2022 is a flash estimate

Source: URA

senior director of research, attributed the drop in OCR prices to suburban market prices being more sensitive to interest rate

tered the lowest annual price gain for two years running compared to the RCR and OCR, Knight Frank's Tay said, dampened for high net

While property prices may seem swelled when we see above 8% growth in 2022, we notice in Q4 the property price index growth slowed to 0.2%. As various predictions from analysts for 2023 start from a 3% all the way to a 9% growth, we do highlight certain trends on the ground.

One is an increase in behavior of tenants switching to purchase properties after having rented for years. Two, with at least five new launches expected for Q1 2023 especially in the OCR and RCR, we don't expect volumes and prices to stay flat for long. Lastly, we are starting to see Chinese buyers coming back to snap up Core Central Region properties, which would see its supply start to deplete, creating new benchmark highs in this region.

On the other hand, higher interest rates are weighing heavier on the resale market, where sellers face some headwinds especially if asking prices are beyond past transacted prices. However, higher rents, low unsold inventory and healthy household balance sheets keep supply of resale properties muted.

PropNex Calls for ABSD Rule Tweaks

THE BUSINESS TIMES

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SINGAPORE BUDGET 2023

PropNex calls for ABSD rule tweaks for upgraders, more OCR land in Budget 2023

By Janice Tan
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MAINBOARD-LISTED real estate agency PropNex has urged for the additional buyer's stamp duty (ABSD) remission treatment for married couples upgrading from HDB flats to private homes to be aligned with that of those upgrading to new executive condominiums (ECs) from developers.

As part of its wish list for the Singapore Budget 2023 released on Thursday (Jan 12), PropNex suggested "some form of contractual undertaking" to ensure that the private home buyers sell their HDB flats within six months from collecting keys to their new home.

Currently, married couples who upgrade from an HDB flat to a private home will have to pay ABSD upfront, within 14 days of signing the sales and purchase agreement. They can apply for an ABSD remission if they sell the HDB flat within



Based on feedback on the ground, families have been finding it difficult to upgrade due to reluctance to rent, or high costs of rental, if they don't sell off their current unit before going for their next one. As for HDB upgraders going on to Executive Condominiums (EC), HDB owners are still able to hold onto their existing flats first, and sell it off only upon TOP of the new EC.

Hence there are calls for some rules to be tweaked, such as the ABSD remission for married couples to be in tandem with that of ECs, so that upgrading efforts will not be deterred by the hefty upfront ABSD.

Our take is if the government decides to review this measure, they may do it with caution, although there is no strong impetus at the moment since demand for private properties are still healthy especially for new launches. Smoothing of HDB upgraders' transition to private properties may benefit the housing market as a whole to cool down HDB resale prices by releasing supply of HDB resale properties into the market. This would serve the government's interests in ensuring affordability of HDB prices as an own-stay asset rather than for investment purposes. This may in turn drive up private property prices since the demand will be even greater.

New Launches H1 2023

THE BUSINESS TIMES



Monday, January 02, 2023

Over 5,000 new private residential units set to be launched in H1 2023

Half of new supply will sit in city fringe locations; five projects lined up for Q1 launch will yield around 1,800 units

By Ry-Anne Lim
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Condos set to launch in H1 2023

At least 10 private residential projects offering over 5,000 housing units are slated to be launched in the first six months of 2023, with some five developments expected to come to market in the first quarter.

Five projects said to be lined up for a Q1 launch will yield around 1,800 units – about 40 per cent of the number of units launched in the eleven months between January and November 2022, when Urban Redevelopment Authority (URA) data showed that developers launched 4,592 new units, excluding executive condos.

First to market will be Scenea Residence, while The Botany at Dairy Farm, Terra Hill, Blossoms by the Park and Lentor Hills Residences are also expected to be launched within the first three months of the year.

Half of the new supply to be launched for sale in the first half of 2023 will sit in city fringe locations, and several will be major projects that should be "well received in the market", said Huttons senior research director Lee Sze Teck.

These include three large mixed commercial and residential developments within Singapore's Core Central Region (CCR): The massive 748-unit Marina View Residences condo on the Marina View Government Land Sales (GLS) site, devel-

PROJECT NAME	LOCATION	TENURE	REGION	DEVELOPER	ESTIMATED UNITS
Scenea Residence	Tanah Merah Kechil Link	99	OCR	MCC Singapore, The Place Holdings, Ekovest Development	268
The Botany at Dairy Farm	Dairy Farm Walk	99	OCR	Sim Lian Group	385
Terra Hill	Yew Siang Road	FH	RCR	Hoi Hup Realty, Sunway Development	270
Blossoms by the Park	Slim Barracks Rise	99	RCR	EL Development	275
Marina View Residences	Marina View	99	CCR	IOI Properties	748
Lentor Hills Residences	Lentor Hills Road	99	OCR	Hong Leong Holdings, GuocoLand, TID	598
Newport Residences	Anson Road	FH	CCR	City Developments Limited	246
8 Shenton Way	Shenton Way	99	CCR	Perennial Holdings, Alibaba Singapore, Chip Eng Seng, Sing-Hay Emerald, Piermont Holdings, HPRV Holdings	215
2, 4, 6 Mount Emily Road	Mount Emily Road	FH	CCR	ZACD International	18
The Hill@One-North	Slim Barracks Rise	99	RCR	Kingsford Group	142
Gems Ville	Lorong 13 Geylang	FH	RCR	East Asia Development	24
Tembusu Grand	Jalan Tembusu	99	RCR	City Developments Limited	638
The Reserve Residences	Jalan Anak Bukit	99	RCR	Far East Organization, Sino Group	737
The Continuum	Thiam Siew Avenue	FH	RCR	Hoi Hup Realty, Sunway Development	807
798, 800 Upper Bukit Timah Road	798, 800 Upper Bukit Timah Road	99	RCR	City Developments Limited	408

Source: URA, Huttons Research data as of Dec 29, 2022



PropNex Realty expects prices of private suburban homes – or homes in the OCR – to remain firm, rising marginally from 2022 prices as overall supply climbs. PHOTO: BT FILE

PropNex Realty predicts that such launches as CDL's 638-unit Tembusu Grand condo in the RCR will lead the market with new average benchmark prices, mainly due to the higher land cost to acquire these sites at the recent state tenders.

With over 5000 new private residential units coming up in the exciting new launches first half of 2023, how do we decide which to go for?

While half of these can be found in the city fringe, where a dearth of new launches are currently at, we believe take-up rate for these launches will continue to be strong. Knowing developers' strong financial position and low unsold inventory, we do hope developers price these projects sensitively.

Again, we would love to understand your goals and concerns before making any recommendations. We have a full list of projects coming up in 2023, as well as an in-dept market report outlook for 2023, drop us a message to get the list, as well as an in-depth analysis into projects well suited for you!

*Kindest regards,
STL Properties*

SINGAPORE PROPERTY

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Knight Frank's head of research, Leonard Tay, said that 2022's 8.4 per cent price rise is "beyond expectation at the beginning of the year, when the December 2021 cooling measures set a conservative cloud on projections".

But with each subsequent new project, a significant number of units sold out within 48 hours of launch and prices continued to climb. These projects – mainly in the rest of central region (RCR) and outside central region (OCR) – stirred so much homebuyer interest that the combination of recessionary pressures, inflation, unrelenting interest rates hikes and cooling measures were not able to rein in demand and the consequent price increases between Q2 and Q3 2022, he noted.

Flash estimates released by the Urban Redevelopment Authority (URA) on Monday (Jan 3) are based on data till mid-December. They also show a decline in private housing sales, with transaction volume falling by about 49 per cent quarter on quarter and by about 60 per cent on year on year in Q4. For the whole of 2022, sale transaction volume fell by about 36 per cent to 21,437 from 33,557 in 2021. Analysts said the drop in Q4



URA data shows a decline in private housing sales, with transaction volume falling by about 49 per cent quarter on quarter and by about 60 per cent on year on year in Q4. PHOTO: BT FILE

sales volume is due to a dearth of launches during the holiday season and also locals going overseas as border controls were mostly eased worldwide.

Christine Sun, senior vice-president of research and analytics at OrangeTee & Tie, said that according to URA Realis data, only 666 new homes, excluding executive condominiums (ECs), were sold in Q4, down 69.1 per cent from 2,157 units sold in the preceding quarter. Resales, however, dipped only 36.4 per cent from 3,710 units to 2,360 units over the same period.

As a result, the proportion of new sales fell to as low as 21 per cent in Q4 2022 from 35.4 per cent in Q3, while resales formed the bulk of the 74.4 per cent of total sales last quarter, up from 60.9 per cent in Q3.

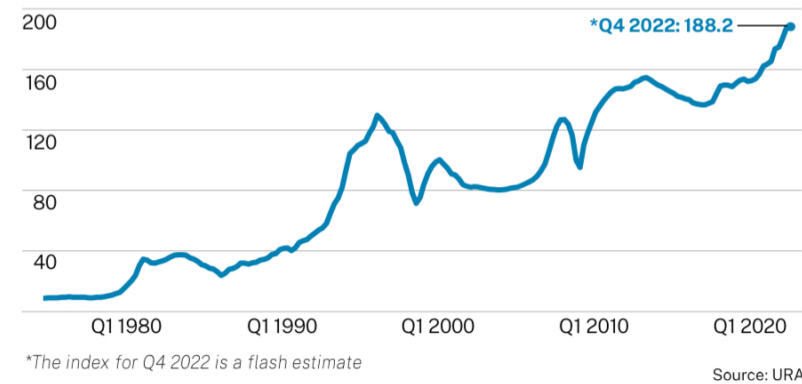
"Therefore, the weighted average price for the entire market may have been lowered by the higher

proportion of resale transactions, as these homes are typically sold at cheaper prices than new homes," said Sun. Prices of non-landed private residential properties in the core central region (CCR) increased by 0.5 per cent in Q4, compared to the 2.3 per cent increase in Q3.

Prices in the RCR increased by 2.6 per cent, versus the 2.8 per cent growth in the previous quarter. Prices in the OCR fell by 2.6 per cent, compared to the 7.5 per cent increase in Q3.

ERA Realty's head of research and consultancy Nicholas Mak said this "may raise some eyebrows", as new project units in the OCR were snagged at a rapid pace even when property prices there reached a new high of above S\$2,000 per square foot, giving the impression that there is significant strength in the increase of suburban condominium prices. Lee Sze Teck, Huttons Asia's

URA overall private home price index (Q1 2009=100)



senior director of research, attributed the drop in OCR prices to suburban market prices being more sensitive to interest rate hikes and demand from Housing and Development Board (HDB) upgraders.

"The higher interest rate is affecting demand from price-sensitive buyers as their ability to borrow is crimped," he said, adding that price growth in the HDB resale market is also slowing down, thus reducing some of the liquidity for HDB upgraders.

Of the three market segments, the RCR emerged as the winner with an increase of 2.6 per cent in Q4. With OCR home prices rising in the first three quarters of 2022, some homebuyers may have decided to top up their budget slightly to purchase a property in the RCR, which is located nearer to the city centre, said ERA's Mak.

For the whole of 2022, prices in the CCR, RCR and OCR increased by 4.6 per cent, 9.2 per cent and 9.3 per cent, respectively. Noting that the CCR has regis-

tered the lowest annual price gain for two years running compared to the RCR and OCR, Knight Frank's Tay said demand for high-end homes were curtailed by travel restrictions during the pandemic years.

Even when Singapore opened up from April 2022, countries in the region which traditionally comprise some of the high-net-worth buyers who prefer acquiring homes in Singapore remained closed to cross-border travel.

"As prices in the CCR have not increased as much as in the rest of Singapore, it now remains to be seen whether transaction volume and prices of homes in the CCR will gain traction after China relaxes its quarantine requirements for travel after Jan 8," said Tay.

According to Lee Nai Jia, PropertyGuru's head of real estate intelligence, data and software

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HDB resale prices climb at slower pace of 2.1% in Q4, Page 3

Wednesday, January 04, 2023

Private home prices shrug off curbs to rise 8.4% in 2022; prices to grow slower in 2023

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solutions, the top-performing non-landed private residential projects (excluding ECs) in 2022 based on caveats lodged as at Dec 28 are: Lentor Modern (519 units), Normanton Park (376 units), AMO Residence (367 units), Piccadilly Grand (344 units) and Liv @ MB (248 units).

The top performing non-landed private residential projects (excluding ECs) for Q4 2022 were Perfect Ten (54 units), Riviere (38 units) and Leedon Green (31 units).

Wong Xian Yang, head of research at Cushman & Wakefield, highlighted that landed property prices rose 9.5 per cent year on year in 2022, outperforming those for non-landed homes which grew 8 per cent. "Landed prices remain underpinned by their limited supply and strong underlying local demand," he said.

Even though 17,000-plus new private homes are slated for completion in 2023, with the possibility of some 12,000 units launched, Knight Frank's Tay said the undersupply of new private homes continues to prevail at the start of this year.

"Given that the tight supply will take some time to ease throughout the next 12 months, homebuyer demand will remain strong with each new launch that is characterised by good property attributes at the correct price points, so long as the unemployment rate remains low," he said.

Still, he said, private home prices

are unlikely to increase as much as they did in the past two years, due to the cumulative effect of a gloomy economic outlook, high interest rates and the additional buyer's stamp duty for foreigners. He projects private home prices to grow by a more moderate 5 to 7 per cent for 2023.

Meanwhile, PropertyGuru's Lee said that he does not expect prices in the resale segment to dip any time soon, due to limited supply and owners being unlikely to lower their prices in the short term.

"New launches in 2023 are expected to perform well, but their performance is largely linked to the limited options in the immediate term," Lee added.

Cushman & Wakefield's Wong said the market could surprise on the upside in Q1 2023, as developers push out new launches catering to resilient buying demand amid still-low levels of unsold inventory.

Apart from a tight labour market that should outweigh the effects of rising interest rates, thereby supporting buyer demand, he noted that HDB resale prices continue to rise, albeit at a slower pace, and would sustain HDB buyer demand.

As at Q3 2022, total unsold inventory remained at about 16,000 units, significantly below the five-year average of about 25,000 units, he added.

"Barring an unexpected deterioration in economic conditions, we are cautiously optimistic that private residential prices could trend higher, by up to 3 per cent in 2023,"

said Wong.

From the supply side, developers' strong financial position and low unsold inventory will give them little pressure to reduce prices, said Chia Siew Chuin, head of residential research at JLL, who believes private home prices will continue rising at a slower rate of 2 to 4 per cent in 2023.

CBRE Research expects new private home prices to rise 3 to 5 per cent this year, with upside supported by low unsold inventory, healthy household balance sheets, and higher rents.

Likewise, ERA's Mak said new private property prices are unlikely to face a correction in 2023 and projects private property prices to grow by another 4 to 9 per cent this year.

Huttons' Lee said that while interest rates are expected to peak this year, they are not expected to affect demand for new launches as the drawdown on loan is on a progressive basis. However, higher interest rates may weigh on the resale market. He anticipates private home prices rising by up to 5 per cent in 2023.

PropNex Realty's chief executive, Ismail Gafoor, said the moderation in price growth in Q4 2022 is "not a bad thing for the overall market" as it helps to keep home prices sustainable, adding that prices will rise at a slower 5 to 6 per cent this year.

"Overall, we expect the demand for homes in Singapore to remain stable in 2023, barring a deep recession," he said.

SINGAPORE BUDGET 2023

PropNex calls for ABSD rule tweaks for upgraders, more OCR land in Budget 2023

By Janice Tan
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MAINBOARD-LISTED real estate agency PropNex has urged for the additional buyer's stamp duty (ABSD) remission treatment for married couples upgrading from HDB flats to private homes to be aligned with that of those upgrading to new executive condominiums (ECs) from developers.

As part of its wish list for the Singapore Budget 2023 released on Thursday (Jan 12), PropNex suggested "some form of contractual undertaking" to ensure that the private home buyers sell their HDB flats within six months from collecting keys to their new home.

Currently, married couples who upgrade from an HDB flat to a private home will have to pay ABSD upfront, within 14 days of signing the sales and purchase agreement. They can apply for an ABSD remission if they sell the HDB flat within six months after the date of purchase or temporary occupation permit (TOP) or certificate of statutory completion, whichever is applicable.

This upfront ABSD payment is "the biggest hurdle" for families who wish to upgrade from their HDB flat to a private home, PropNex said.

The agency noted that some families choose to sell their HDB flat first before purchasing a private home to avoid paying the ABSD, which is at 17 per cent for Singaporeans who are eyeing a second residential property.

Subsequently, many of these families rent in the interim, which PropNex said not only causes inconvenience but could result in them incurring unnecessary expenses to relocate to the temporary accommodation.

Alternatively, some HDB upgraders have purchased new ECs from developers. ECs are appealing to HDB households as the upgraders buying them are currently not required to fork out the large ABSD payment upfront and are required to sell their flat six months after their new EC receives TOP.

However, many couples may not be eligible to buy ECs as they



PropNex is urging for the additional buyer's stamp duty remission treatment for married couples upgrading from HDB flats to private homes to be aligned with that of those upgrading to new executive condominiums from developers. PHOTO: BT FILE

have exceeded the monthly household income ceiling of S\$16,000, PropNex said. In addition, the stock of new ECs in the market is also limited and 70 per cent of EC units are set aside for first-timer buyers during the initial project launch, with fewer options left for upgraders.

At the same time, PropNex also hopes that the government will consider injecting more Government Land Sales sites to the Outside Central Region (OCR) in the second half of 2023, especially since the OCR serves a wider pool of demand – from first-time home buyers and HDB upgraders.

Although the slate in the first half of the year offers a stepped up supply of 4,090 private residential units, including EC, on the Confirmed List, the number of units in the OCR has fallen to 2,120 units.

Ismail Gafoor, executive chairman and chief executive of PropNex, observed an imbalance in the demand for and supply of new private homes in the OCR. The number of unsold uncompleted private homes in this region as at the third quarter of last year was at a record

low of 3,417 units excluding ECs.

Meanwhile, the average annual new home sales in the OCR from 2017 to 2021 was about 4,900 units excluding ECs.

"By that measure, the remaining stock would be sold out in less than a year. Given the low unsold stock, there's pent-up demand for new homes in the OCR which will likely keep prices firm," Gafoor said.

"We believe the injection of more OCR residential supply will play a part in keeping mass market home prices stable in the future," he added.

PropNex is also hoping that the government will offer more clarity on when the 15-month wait-out period from the sale of private property will be reviewed, as well as offer an update in the second half of 2023 on the initial impact of the wait-out period on moderating resale flat demand and prices. The wait-out period was introduced last September as part of a package of cooling measures and restricts private home owners from purchasing an unsubsidised HDB resale flat.

There is also a recommendation to shorten the waiting time for Build-to-Order (BTO) flats to three years to help young couples in planning their marriage and in starting a family. While HDB has brought forward the construction and building of selected BTO projects ahead of their sales launch since 2017, the waiting times for many standard BTO projects are still lengthy, estimated at more than four years.

Gafoor said that the recent cooling measures have acted like "speed bumps" to slow the pace of price growth in both the private residential and HDB resale markets in the fourth quarter of 2022, as indicated by the flash estimates released earlier this month.

"In addition, the government has also ramped up housing supply to meet healthy demand for homes. These moves will help to ensure that the housing market remains sustainable, even as we look to navigate continued uncertainties – weaker global growth, geopolitical tensions, and inflation – this year," he added.

Monday, January 02, 2023

Over 5,000 new private residential units set to be launched in H1 2023

Half of new supply will sit in city fringe locations; five projects lined up for Q1 launch will yield around 1,800 units

By Ry-Anne Lim
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AT least 10 private residential projects offering over 5,000 housing units are slated to be launched in the first six months of 2023, with some five developments expected to come to market in the first quarter.

Five projects said to be lined up for a Q1 launch will yield around 1,800 units – about 40 per cent of the number of units launched in the eleven months between January and November 2022, when Urban Redevelopment Authority (URA) data showed that developers launched 4,592 new units, excluding executive condos.

First to market will be Sceneca Residence, while The Botany at Dairy Farm, Terra Hill, Blossoms by the Park and Lentor Hills Residences are also expected to be launched within the first three months of the year.

Half of the new supply to be launched for sale in the first half of 2023 will sit in city fringe locations, and several will be major projects that should be “well-received in the market”, said Huttons senior research director Lee Sze Teck.

These include three large mixed commercial and residential developments within Singapore's Core Central Region (CCR): The massive 748-unit Marina View Residences condo on the Marina View Government Land Sales (GLS) site, developed by IOI Properties; City Developments Limited's (CDL) 246-unit Newport Residences at Anson Road; and the 215-unit project at the former AXA Tower site on 8 Shenton Way, developed by a Perennial Holdings-led consortium.

The last mixed-use development launched in the area is One Bernam at Tanjong Pagar, which comprises a 351-unit condominium. It pulled in an average selling price of S\$2,650 per square foot (psf) when launched in May 2021.

Data from URA Realis also showed that new sales in the area fetched a median price tag of S\$2,841 psf in the past few months. Meanwhile, resale prices for private homes in the area ranged from S\$913 to S\$5,695 psf.

Condos set to launch in H1 2023

PROJECT NAME	LOCATION	TENURE	REGION	DEVELOPER	ESTIMATED UNITS
Sceneca Residence	Tanah Merah Kechil Link	99	OCR	MCC Singapore, The Place Holdings, Ekovest Development	268
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The Hill@One-North	Slim Barracks Rise	99	RCR	Kingsford Group	142
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Source: URA, Huttons Research (data as at Dec 29, 2022)

PropNex Realty predicts that such launches as CDL's 638-unit Tembusu Grand condo in the RCR will lead the market with new average benchmark prices, mainly due to the higher land cost to acquire these sites at the recent state tenders.

Sceneca Residence, a 268-unit project at Tanah Merah Kechil Link being built by MCC Singapore, local investment group The Place Holdings and Malaysian property developer Ekovest Development. The mixed-use development will be sold at indicative prices ranging from S\$1,996 to S\$2,069 psf, depending on the room type. One-bedroom units are priced from S\$958,000, two-bedroom units from S\$1.3 million, three-bedroom units from S\$1.8 million, and four-bedroom units from S\$3 million.

Other upcoming projects slated for a Q1 launch include the 598-unit Lentor Hills Residence at Lentor Hills Road, developed by Hong Leong Holdings, GuocoLand and TID; and Sim Lian Group's The Bota-

ny at Dairy Farm, a 385-unit condo at Dairy Farm Walk.

Based on statistics from URA Realis, the median price for new private homes in the Lentor area was S\$2,107 psf, and ranged from S\$1,586 to S\$1,621 psf in the Dairy Farm area.

Lentor Hills Residence will be GuocoLand's second launch in the area, coming on the heels of its Lentor Modern project. Lentor Modern, an integrated mixed-use development, sold 508 out of 605 units at a median price of S\$2,106 psf over its launch weekend in September 2022, making it the year's best-selling condo with a take-up rate of 84 per cent at launch.

Half of the new launches expected in the first six months of the year

can be found in the city fringe, or Rest of Central Region (RCR) — three being located in District 5 (Pasir Panjang and Buona Vista) and two in District 15 (Joo Chiat and Tanjong Katong).

In District 5, homebuyers can expect to see the launch of the 270-unit Terra Hill condo at Yew Siang Road, developed by Hoi Hup Realty and Sunway Development on the site of the former Flynn Park condo that was sold en bloc for S\$371 million in September 2021. Another two projects coming up in the same district are EL Development's 275-unit Blossoms by the Park and Kingsford Group's 142-unit The Hill@One-North at Slim Barracks Rise.

As for District 15 in the east,



PropNex Realty expects prices of private suburban homes – or homes in the OCR – to remain firm, rising marginally from 2022 prices as overall supply climbs.. PHOTO: BT FILE

there will be CDL's 638-unit Tembusu Grand condo at the Jalan Tembusu GLS site and The Continuum, a 807-unit freehold condo developed by Hoi Hup Realty and Sunway Development.

PropNex Realty predicts that such launches in the RCR will lead the market with new average benchmark prices, mainly due to the higher land cost to acquire these sites at the recent state tenders.

CDL, for instance, had secured the GLS land parcel at Jalan Tembusu in January 2022 with a S\$768 million bid. Based on the site's maximum permissible gross floor area of 589,744 square feet (sq ft), this translates to about S\$1,302 psf per plot ratio.

The real estate firm also expects

prices of private suburban homes – or homes in the OCR – to remain firm, rising marginally from 2022 prices as overall supply climbs.

Altogether, ERA Realty expects around 30 new projects to be launched in 2023, compared to the 21 project launches in 2022.

Major launches in 2022 met with strong demand after an initial slow period in the first few months of the year as would-be buyers took stock of market cooling measures introduced in December 2021. After GuocoLand's Lentor Modern, UOL's Amo Residence was the next best-selling project of the year, moving 366 units at a median price of S\$2,110 psf, followed by CDL and MCL Land's Piccadilly Grand, which sold 344 units at a median price of S\$2,168 psf.