

# Private New Home Sales

JAN 2024

## PROPNEX RESEARCH MONTHLY REPORT

### Monthly new home sales doubled to 281 units (ex. EC) in January due to low base effect

- Developers' sales rebounded in January, with 281 units (ex. EC) sold in the month – up by 108% from December, and sales were down by 29% year-on-year from 394 units transacted in January 2023.
- New home sales in January were led by the Outside Central Region (OCR) where 144 new units were sold, representing more than half of developers' sales in the month.

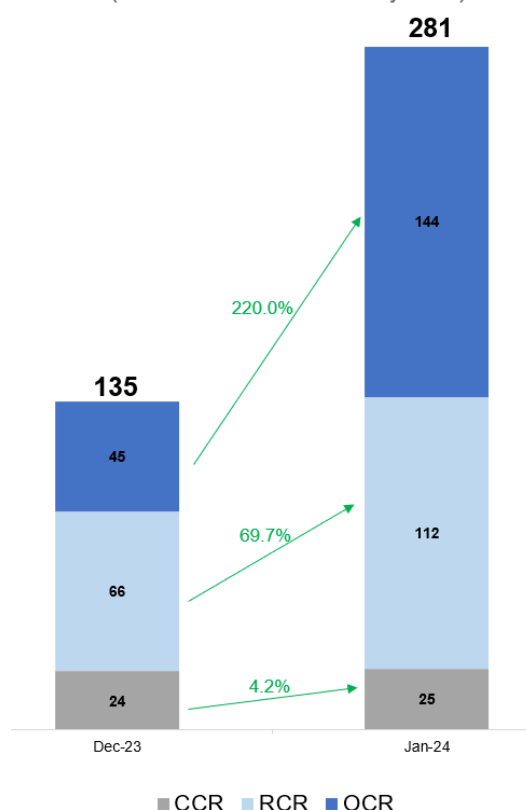


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## MONTHLY PRIVATE NEW HOME SALES

### JANUARY 2024

Private New Home Sales (Excl. ECs)  
(December 2023 vs January 2024)



Source: PropNex Research, URA (15 February 2024)

Developers' sales jumped by about 108% month-on-month in January to 281 units (ex. executive condos) – from a low base of 135 units in the previous month. On a year-on-year basis, January's new private home sales were down by 29% from 394 units in January 2023. At 281 units, this is the lowest developers' sales for the month of January since 108 units were transacted in January 2009.

The increase in sales in January was driven by two new project launches in the month, namely Hillhaven and The Arcady at Boon Keng, which collectively accounted for about 40% (or 111 units) of the month's transactions. The EC segment also saw a surge in sales from December to January owing to the launch of Lumina Grand EC in Bukit Batok.

In January, the **Outside Central Region (OCR)** led sales, with developers selling 144 new units (ex. EC) – up three times from the 45 units shifted in the previous month. This sub-market accounted for 51% of the new private home sales in January. The top-selling OCR project in the month was the newly-launched Hillhaven in Hillview Rise, which sold 64 units at a median price of \$2,065 psf (see Table 2). This is followed by The Myst which saw 21 units change hands at a median price of \$2,212 psf in January.



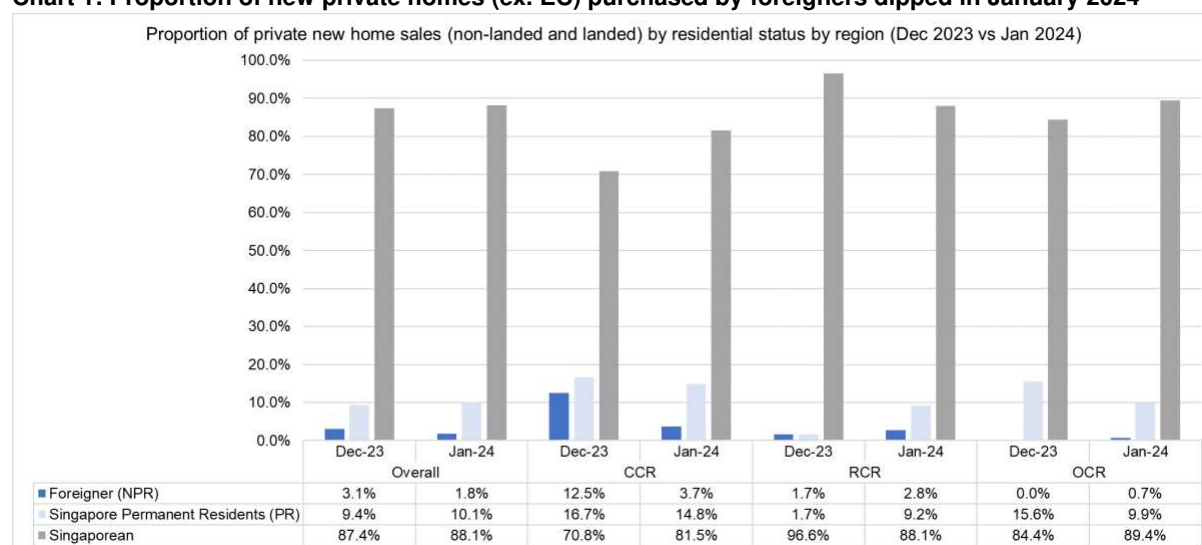
Over in the **Rest of Central Region (RCR)**, developers sold 112 new units, marking a nearly 70% MOM increase from the 66 units transacted in December. Sales in the RCR sub-market – which made up about 40% of January’s developers’ sales - were supported by transactions at the newly-launched freehold development The Arcady at Boon Keng, where 47 units were sold at a median price of \$2,574 psf. Other popular RCR projects included The Landmark and Pinetree Hill which transacted 17 and 15 units, respectively.

Meanwhile, new private home sales in the **Core Central Region (CCR)** inched up by about 4% MOM in January, with 25 new homes being transacted. The top-selling CCR project in January was Watten House which sold 6 units at a median price of \$3,239 psf. There were no new launches in the CCR in January which had contributed to the softer sales.

In the **EC market**, new sales surged from 17 units in December to 307 units in January, as the launch of the 512-unit Lumina Grand EC boosted sales. Lumina Grand sold 271 EC units at a median price of \$1,525 psf – a new high for ECs sold by developers. Based on URA’s data, there are about 497 unsold new ECs available on the market as at the end of January.

Developers placed a total of 417 new units (ex. EC) for sale in January – up sharply from the 36 units (ex. EC) released for sale in the previous month. Meanwhile, 512 new ECs were launched for sale in January.

**Chart 1: Proportion of new private homes (ex. EC) purchased by foreigners dipped in January 2024**



Source: PropNex Research, URA Realis (data retrieved on 15 February 2024)

In terms of buyers’ profile, the proportion of non-landed and landed new private home sales (ex. EC) to foreigners (non-PR) dipped to 1.8% in January (see chart 1); lower than the 3.1% in December. In absolute terms, there were only 5 transactions to foreigners (NPR) in January, compared with the 4 caveats lodged in the previous month. Meanwhile, the proportion of new private home sales to Singaporean buyers remained elevated in January, at 88%.

Looking at the median transacted unit price of non-landed new private homes sold (ex. EC), the CCR posted a 7.4% MOM increase to \$3,182 psf (see Table 1). It is noted that Midtown Bay and Perfect Ten have posted their highest transacted median price in January since project launch, at \$4,108 psf and \$3,589 psf respectively. Meanwhile, the median unit prices in the RCR and OCR dipped slightly in January, with the more sensitive pricing at new launches. PropNex continues to expect prices of new launches in the OCR to generally hover

at the \$2,000 to \$2,100 psf range on average, and at around \$2,400 to \$2,700 psf on average in the RCR, depending on project location and attributes.

**Table 1: Median transacted unit price (\$PSF) of non-landed new private homes and ECs by month by region**

Date	Median unit price (\$PSF)				
	CCR	RCR	OCR	Overall Non-landed	ECs
Jan-23	\$2,884	\$2,589	\$2,083	<b>\$2,308</b>	\$1,389
Feb-23	\$2,947	\$2,688	\$2,120	<b>\$2,740</b>	\$1,385
Mar-23	\$2,920	\$2,614	\$2,065	<b>\$2,279</b>	\$1,375
Apr-23	\$2,890	\$2,461	\$1,993	<b>\$2,491</b>	\$1,291
May-23	\$2,919	\$2,525	\$2,154	<b>\$2,555</b>	\$1,274
Jun-23	\$2,902	\$2,615	\$1,989	<b>\$2,689</b>	\$1,305
Jul-23	\$2,902	\$2,499	\$2,087	<b>\$2,416</b>	\$1,322
Aug-23	\$2,852	\$2,610	\$2,068	<b>\$2,360</b>	\$1,475
Sept-23	\$3,115	\$2,535	\$2,070	<b>\$2,541</b>	\$1,468
Oct-23	\$3,242	\$2,414	\$2,078	<b>\$2,318</b>	\$1,298
Nov-23	\$3,195	\$2,559	\$2,342	<b>\$2,447</b>	\$1,368
Dec-23	\$2,962	\$2,621	\$2,123	<b>\$2,567</b>	\$1,333
Jan-24	\$3,182	\$2,575	\$2,074	<b>\$2,313</b>	\$1,520
<b>Jan-24 MOM % change</b>	<b>7.4%</b>	<b>-1.8%</b>	<b>-2.3%</b>	<b>4.0%</b>	<b>14.0%</b>

Source: PropNex Research, URA Realis (retrieved on 15 February 2024)

Based on caveats lodged, the median unit price of new ECs saw a steeper increase of 14% MOM to \$1,520 psf in January (see Table 1), supported by transactions at Lumina Grand EC, which sold more than 50% of its units at launch. PropNex expects transactions at Lumina Grand to pick up when sales booking is opened to more second-timer buyers a month from the launch. With the increase in EC's median unit price, the price gap between OCR non-landed new private homes and that of ECs has narrowed to 36.4% in January – the slimmest since 32.1% in June 2022, according to URA Realis caveat data. With new EC prices likely to stay firm and new OCR prices stabilising at around the \$2,100 psf-mark, we anticipate that the median unit price gap between the two segments could hover at the 35% to 40% range in the near-term.

## Outlook

Developers' sales in the new year got off to a relatively slow start, with developers selling 281 new units (ex. EC) in January. Even though new private home sales were up by 108% MOM in January, part of the reason was due to the low base in December. There were two fresh project launches (341-unit Hillhaven and 172-unit The Arcady at Boon Keng) during the month which collectively sold 111 units, making up nearly 40% of the month's sales.

The slower sales were not unexpected given the seasonal lull that is typical of the year-end period and going into the new year. It is possible that many prospective buyers are waiting for more clarity on the market, following a relatively uncertain year in 2023. Meanwhile, with overall private home prices peaking, high interest rates, new home sales slowing to a 15-year low in 2023, cautious sentiment, and cooling measures still in place, it is little wonder that buyers are proceeding with great care.

As much as new home sales are driven by project launches, they are also highly influenced by the prevailing market sentiment. Given the sense of caution and uncertainties in the market, some buyers may prefer to hunker down temporarily, bidding their time till the skies clear up a little. They may also take this time to assess the unsold units on the market or perhaps wait for other project launches to come on, before making a purchase.

PropNex expects developers' sales in February could likely remain muted as there may be no new projects out on the market for sales bookings. Two projects are expected to preview in February - the 267-unit Lentoria and the 17-unit Koon Seng House – and they could be launched for sale in March. New private home sales may only pick up more meaningfully from March onwards when more projects are put on the market.

**Table 2: Top-selling Private Residential Projects (Ex. ECs) in January 2024**

S/N	Project	Region	Units Sold in Jan 2024	Median Price in Jan 2024 (\$PSF)
1	HILLHAVEN	OCR	64	\$2,065
2	THE ARCADY AT BOON KENG	RCR	47	\$2,574
3	THE MYST	OCR	21	\$2,212
4	THE LANDMARK	RCR	17	\$2,610
5	PINETREE HILL	RCR	15	\$2,453
6	LENTOR HILLS RESIDENCES	OCR	13	\$2,130
7	THE BOTANY AT DAIRY FARM	OCR	11	\$2,006
	THE CONTINUUM	RCR	11	\$2,838
8	LENTOR MODERN	OCR	7	\$2,233
	POLLEN COLLECTION	OCR	7	\$2,254
	THE RESERVE RESIDENCES	RCR	7	\$2,594
9	SKY EDEN@BEDOK	OCR	6	\$2,141
	WATTEN HOUSE	CCR	6	\$3,239
10	19 NASSIM	CCR	5	\$3,462
	SCENECA RESIDENCE	OCR	5	\$2,053

Source: Propnex Research, URA

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