

ASIAN PRIME

SINGAPORE REAL ESTATE MARKET UPDATES

JANUARY 2024 ISSUE





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ABOUT ASIANPRIME PROPERTIES

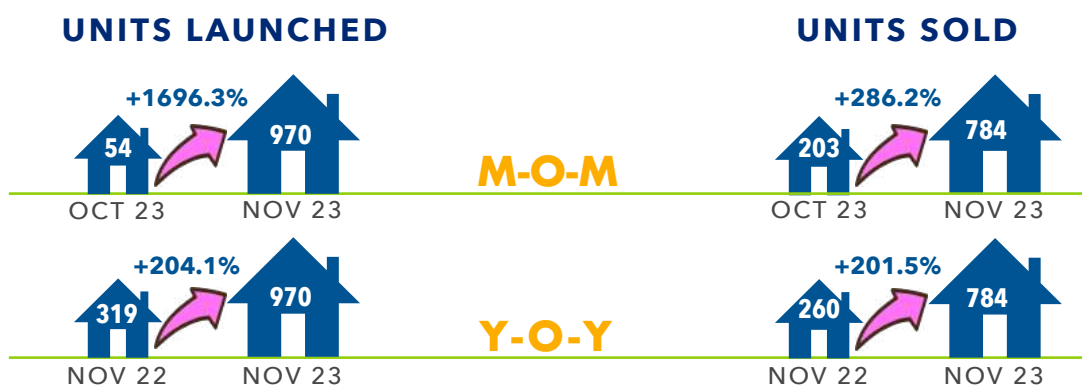
November Sees Over Threefold Increase in New Private Home Sales

Artist's impression

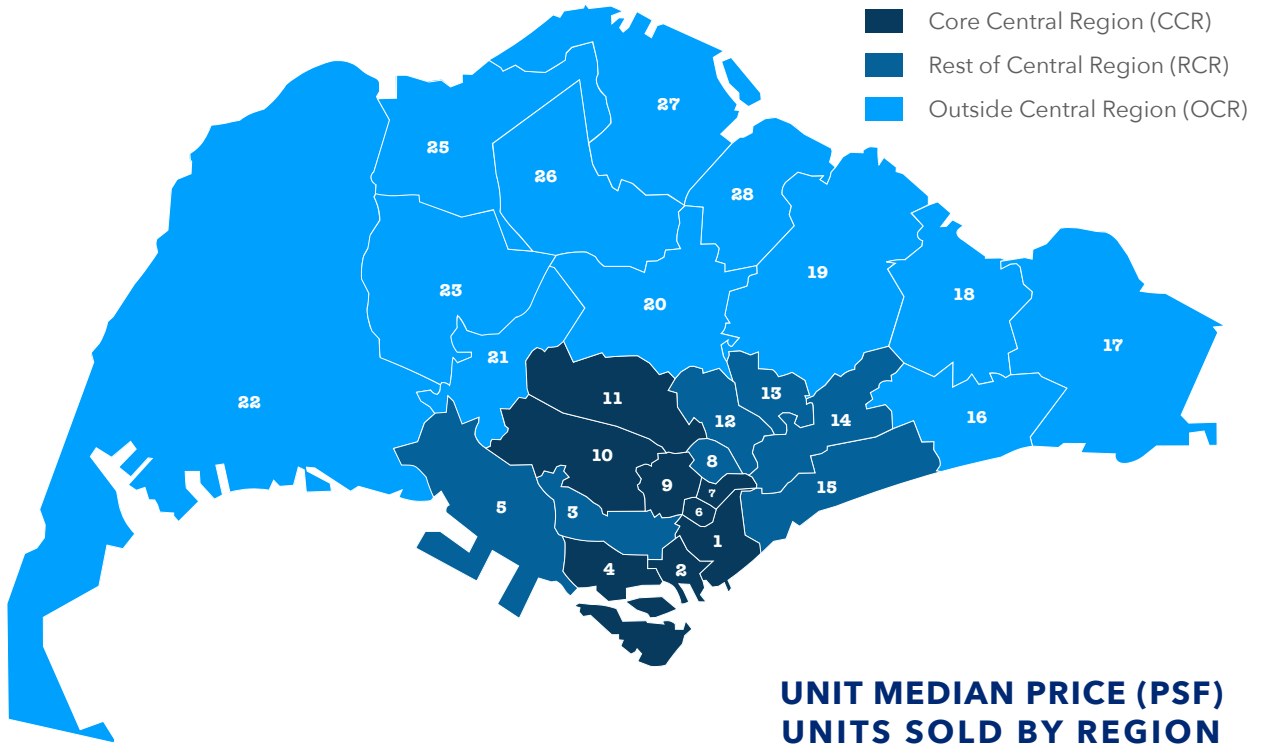
In November, the real estate market experienced a significant surge in new private home sales, largely driven by the launches of three major private residential projects: J'den, Hillock Green, and Watten House.

Data released by URA on December 15 revealed that developers sold a total of 784 units, excluding executive condominiums (ECs), marking a remarkable increase of 286.2% from October and 201.5% from the previous year. This surge in sales was particularly notable as it exceeded analysts' expectations, reflecting a strong rebound in homebuyer sentiment following the launch of these projects.

The month also saw a substantial increase in the number of units launched, with a total of 970 units introduced to the market, compared to just 54 units in October. Notably, the three aforementioned projects accounted for 570 units, approximately 73% of all units sold in November. Furthermore, these projects comprised nearly 97% of the units launched during the month.

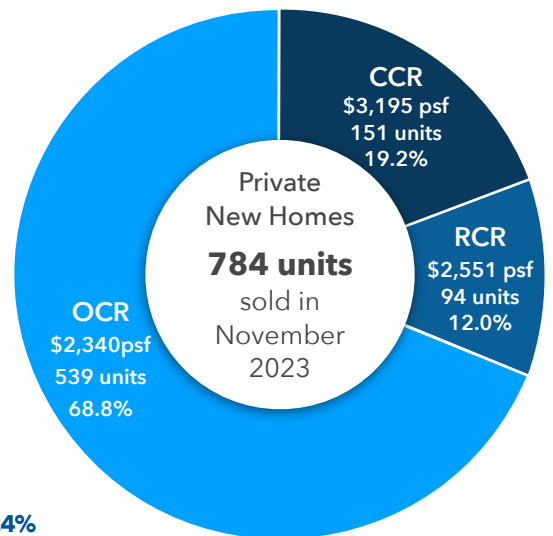
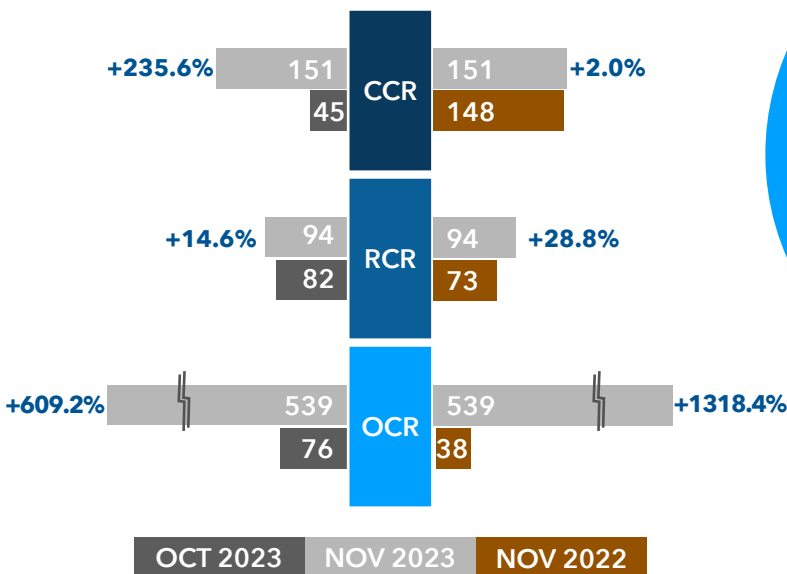


BY REGION



UNIT MEDIAN PRICE (PSF)
UNITS SOLD BY REGION
% OF TOTAL SALE

M-O-M | UNITS SOLD | Y-O-Y

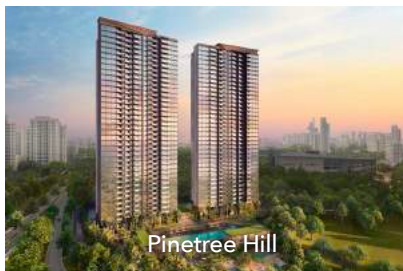


BEST SELLING PROJECTS

BEST SELLING PROJECTS IN OCTOBER 2023

PROJECT NAME	REGION	TENURE	TOTAL UNITS	UNITS SOLD IN NOV 2023	TOTAL UNITS SOLD	% SOLD	Median Price \$PSF
J'den	OCR	99-year	368	329	329	89.4%	\$2,475
Hillock Green	OCR	99-year	474	132	132	27.8%	\$2,110
Watten House	CCR	Freehold	180	109	109	60.6%	\$3,199
Pinetree Hill	RCR	99-year	520	17	165	31.7%	\$2,446
Grand Dunman	RCR	99-year	1,008	17	610	60.5%	\$2,567
Lentor Hills Residences	OCR	99-year	598	16	433	72.4%	\$2,084
The Continuum	RCR	Freehold	816	16	288	35.3%	\$2,791
The LakeGarden Residences	OCR	99-year	306	15	95	31.0%	\$2,080
The Reserve Residences	RCR	99-year	732	13	660	90.2%	\$2,576

SOURCE: URA



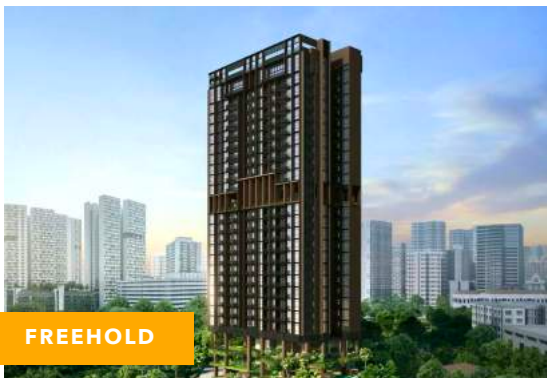
UPCOMING LAUNCHES



99-YEAR

Hillhaven

DEVELOPER	East Residences Pte Ltd
TYPE	Residential
TOTAL UNITS	341
SITE AREA	10,395 sqm
EXP TOP	2027
ADDRESS	5 Hillview Rise
DISTRICT	D23 - Bukit Batok



FREEHOLD

The Arcady at Boon Keng

DEVELOPER	KSH Ultra Unity Pte Ltd
TYPE	Residential
TOTAL UNITS	172
SITE AREA	5,246 sqm (est)
EXP TOP	2028
ADDRESS	1037 Serangoon Road
DISTRICT	D12 / Kallang



99-YEAR

Lumina Grand

DEVELOPER	CDL Zenith Pte Ltd
TYPE	Residential
TOTAL UNITS	509
SITE AREA	49,872 sqm
EXP TOP	2027
ADDRESS	Bukit Batok West Avenue 5
DISTRICT	D23 - Bukit Batok

UPCOMING LAUNCHES



99-YEAR

Lentoria

DEVELOPER	Lentor View Pte Ltd
TYPE	Residential
TOTAL UNITS	267
SITE AREA	10,819 sqm
EXP TOP	2027
ADDRESS	Lentor Hills Road
DISTRICT	D26 - Upper Thomson / Mandai



99-YEAR

Lentor Mansion

DEVELOPER	GuocoLand and Intrepid Investments Pte. Ltd.
TYPE	Residential
TOTAL UNITS	265
SITE AREA	21,858 sqm
EXP TOP	2028
ADDRESS	Lentor Gardens
DISTRICT	D26 - Upper Thomson / Mandai



Freehold

The Hillshore

DEVELOPER	Hillside View Development Pte Ltd
TYPE	Residential
TOTAL UNITS	59
SITE AREA	4,249 sqm (est)
EXP TOP	2026
ADDRESS	292 Pasir Panjang Road
DISTRICT	D05 - Pasir Panjang / Buona Vista / Clementi



Condo Resale Prices Up Sales Volumes Flat in Nov 23

The November property report reveals that condo resale prices continued to increase for the fourth consecutive month. However, resale volumes remained subdued despite signs of recovery in October.

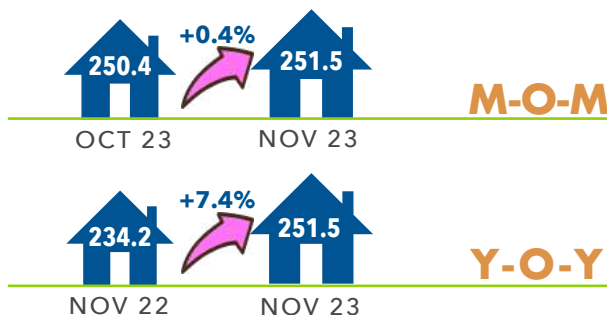
According to flash data from SRX and 99.co, resale prices rose by 0.4% from the previous month and were 7.4% higher than the previous year.

The rise in condo resale prices can be attributed to the completion of numerous new condo units in recent months. New homes often carry higher price tags, especially as most of these new condos were finished in the Outside Central Region (OCR) or suburbs.

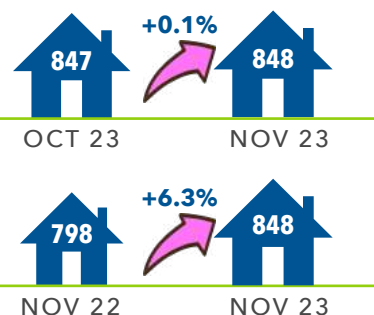
The resale volumes were muted, with 848 units sold in November, compared to 847 units in October. This marked a 6.3% increase compared to the previous year, but was 4.1% lower than the five-year average for November.

The slight increase in transaction volume was influenced by the launch of three significant non-landed projects in November - J'den, Watten House, and Hillock Green. This led to a spill-over effect on the resale market as buyers who were unable to secure their preferred unit or were priced out of new launches turned to the resale market, resulting in a modest uptick in volume.

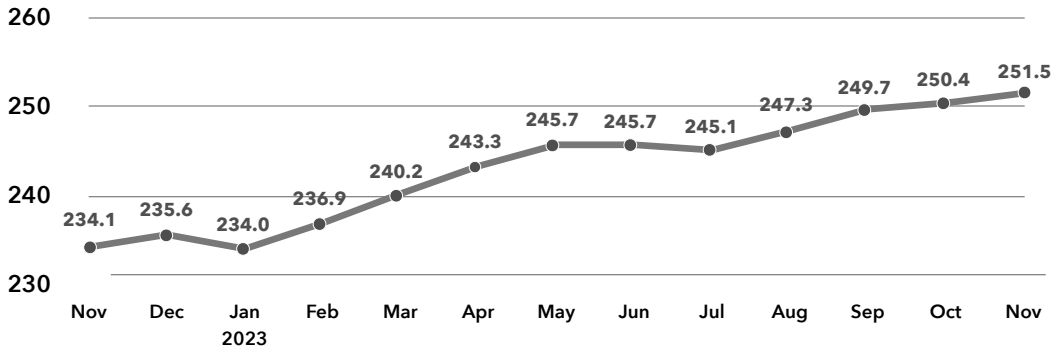
RESALE PRICE INDEX



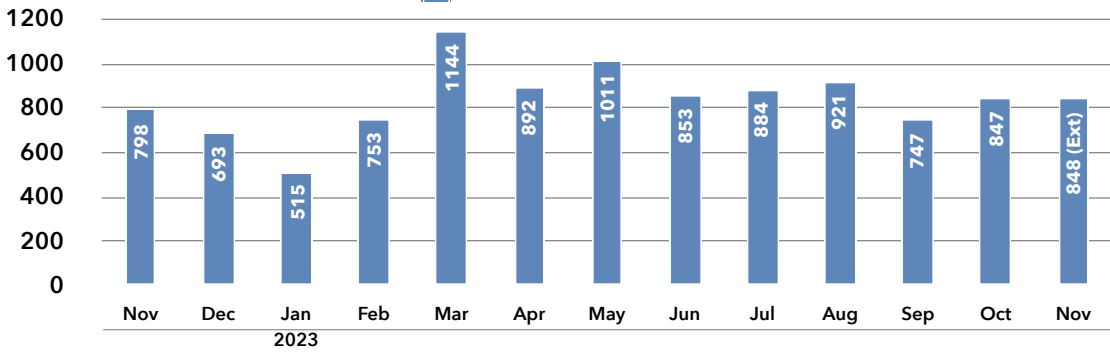
RESALE VOLUME



— Condo RESALE PRICE INDEX

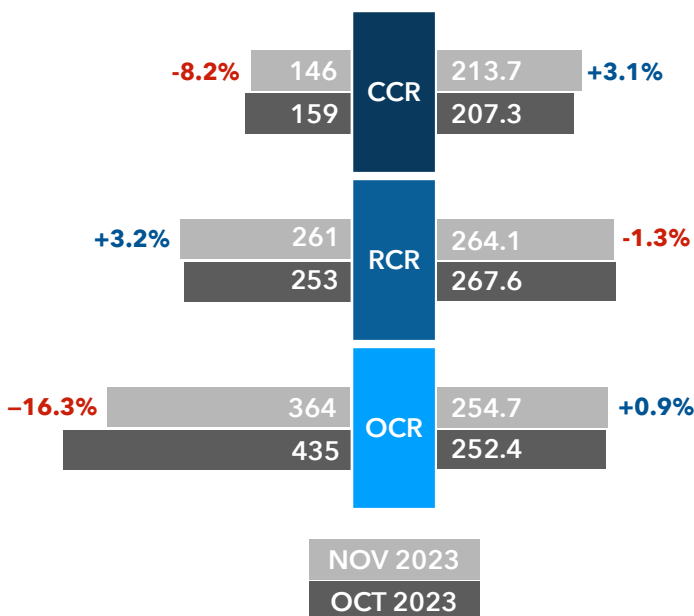


■ Condo RESALE VOLUME

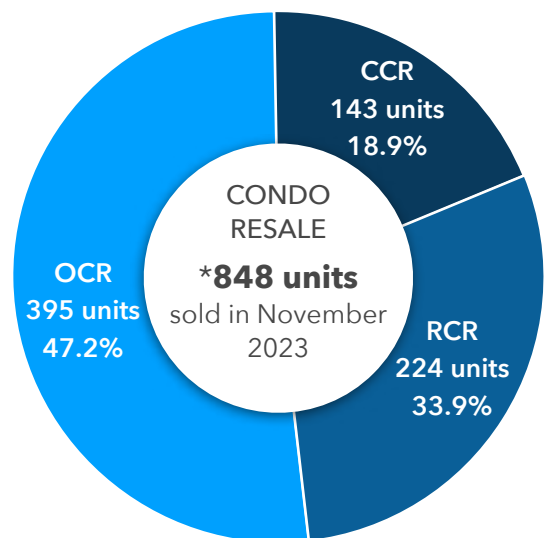


UNITS SOLD M-O-M

RESALE PRICE INDEX



UNIT MEDIAN PRICE (PSF)
UNITS SOLD BY REGION
% OF TOTAL SALE



* The most recent monthly figures are initial estimates derived from historical transaction patterns. The volume of transactions will be modified for accuracy in future months'

SOURCE: 99.co, SRX

Condominium Rental Rates Decline for the 4th Consecutive Month in November

In November, there was a decline of 1.4% M-O-M in condo rents, the most dramatic decrease since May 2020. This trend was attributed to landlords adjusting their rent expectations due to increased supply and declining demand. Looking ahead, it is expected that private condo rents in December 2023 will remain soft, resulting in rents staying stagnant for the first time since the pandemic.

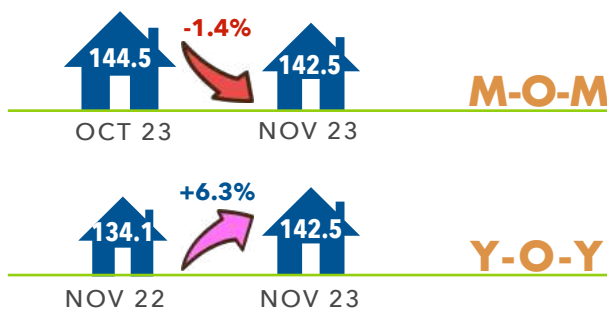
Additionally, rental price growth in the private residential market may continue to moderate in 2024, with an expected range of around 2% to 5%.

Furthermore, November witnessed a decline in condo leasing volumes, dropping 8.4% month-on-month to an estimated 4,950 units rented, compared to 5,402 units in October. These figures were 1.5% lower on a year-on-year basis and down 12% from the five-year average volume for the month of November.

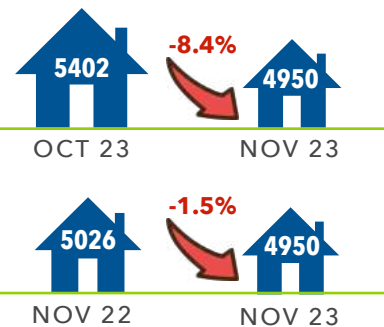
The decline in condo rental volumes was attributed to more tenants moving to more affordable accommodations such as HDB flats, and the expectation is for lower volumes to persist towards the end of the year as the holiday season approaches, with a potential pick-up in the first quarter of 2024.

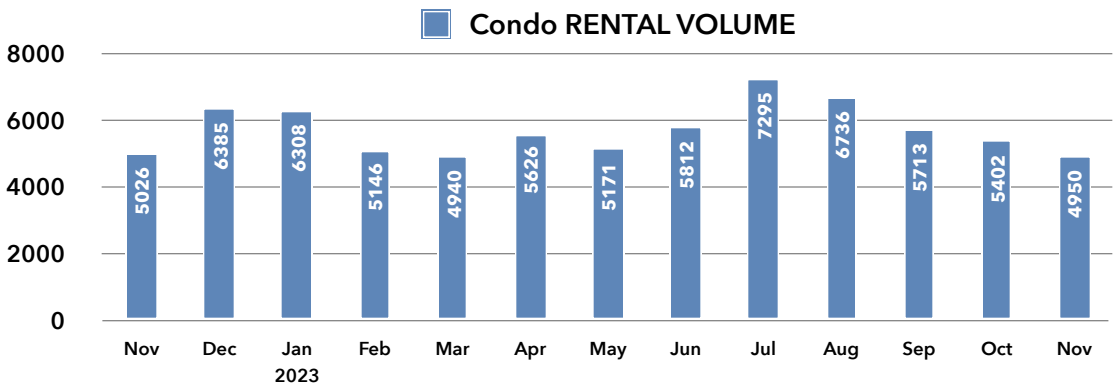
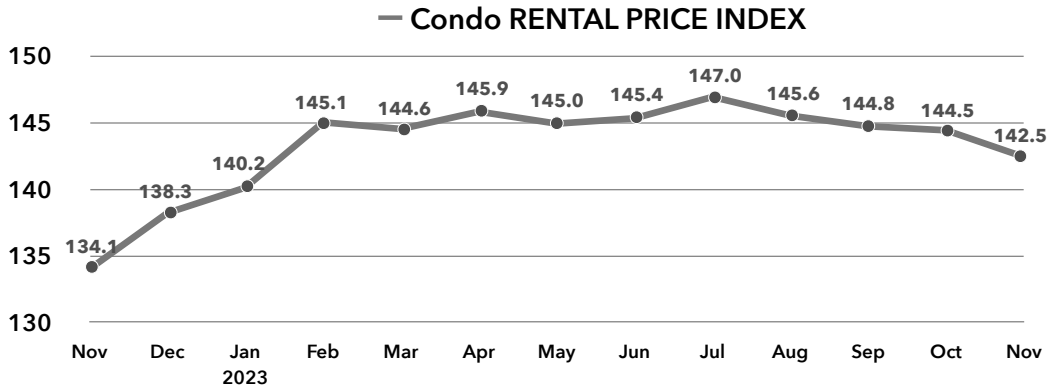
In addition, there is an anticipation of relatively stable private residential rents for the first quarter of 2024. Landlords may be hesitant to compromise on rents amid a softer rental market, given the projected increase in annual values and property taxes.

RENTAL PRICE INDEX



RENTAL VOLUME

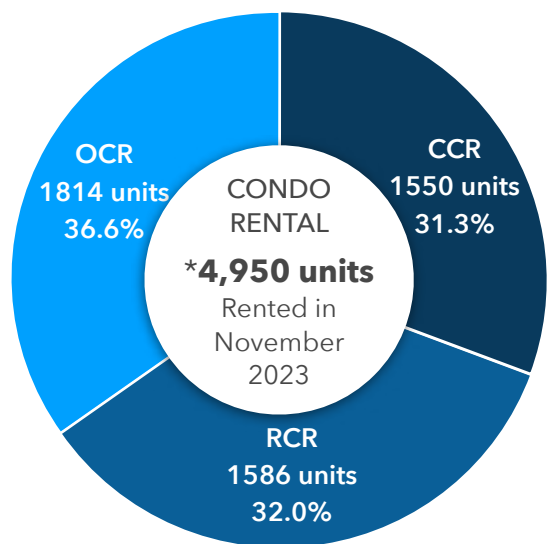
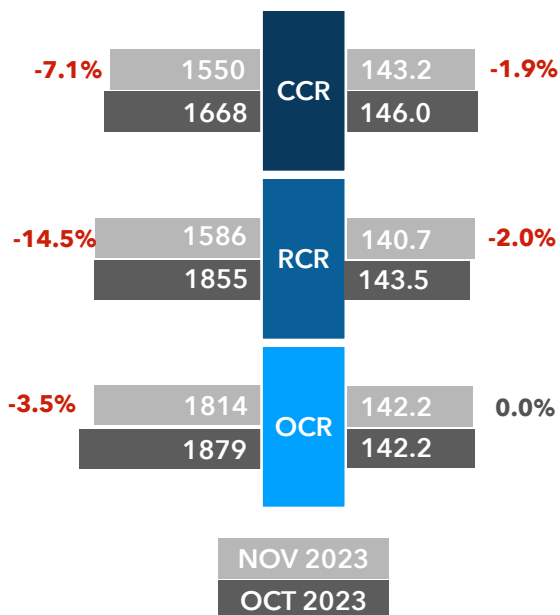




UNITS RENTED

RENTAL PRICE INDEX

UNITS SOLD BY REGION % OF TOTAL SALE



* Latest month figures are flash estimates based on past rental trends. Volumes will be adjusted for accuracy in subsequent months' flash reports as more transactions are confirmed and recorded

SOURCE: 99.co, SRX

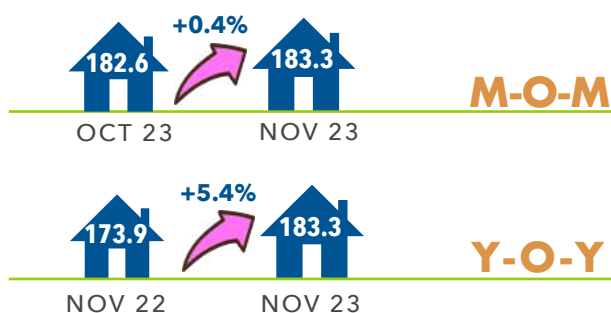
HDB Resale Prices Rise, Transaction Volume Declines in November

Based on flash data from real estate portals 99.co and SRX on Dec 7, the prices of HDB resale flats increased by 0.4% in November, marking the second consecutive month of growth following a decline in September. On a year-on-year basis, prices were up by 5.4%, indicating a positive trend in the resale market.

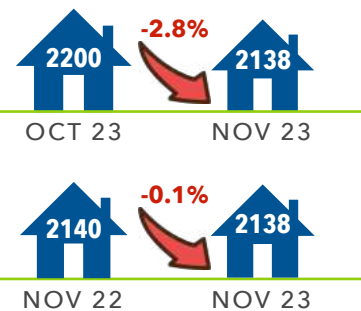
The number of resale flats sold in November experienced a decline of 2.8%, with an estimated 2,138 units sold, as compared to a 10.8% increase in October. This decrease in transactions was attributed to the lull in activity during the year-end school holidays. The slowdown in transactions was also linked to the Build-To-Order (BTO) launches in October and December, where a combined total of more than 12,800 units were offered. Many of these BTO flats boasted attractive qualities, such as proximity to MRT stations or amenities, while the wait times for these new flats had been shortened, thereby increasing the appeal for serious buyers.

It was suggested that some HDB upgraders may have chosen newly completed condominiums over larger resale flats, as the prices of resale flats, especially larger units, have risen substantially over the past two years, making the purchase of a new condo a more appealing option. Additionally, the mismatched price expectations between sellers and buyers, as well as concerns over job stability, could have also contributed to the decrease in the number of transactions.

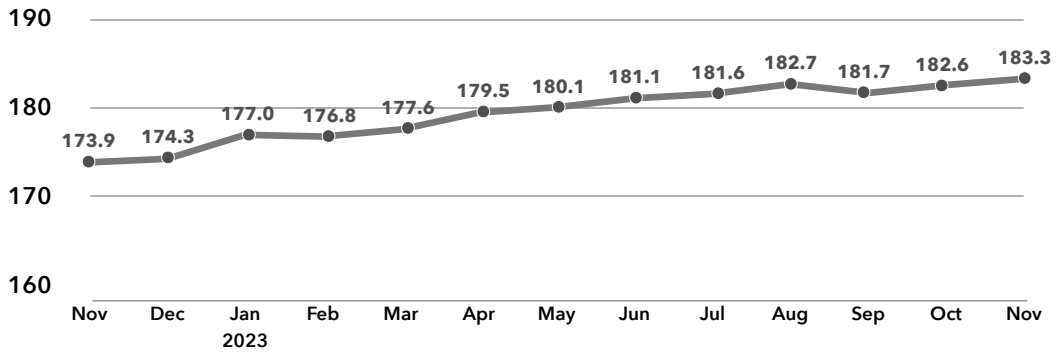
HDB RESALE PRICE INDEX



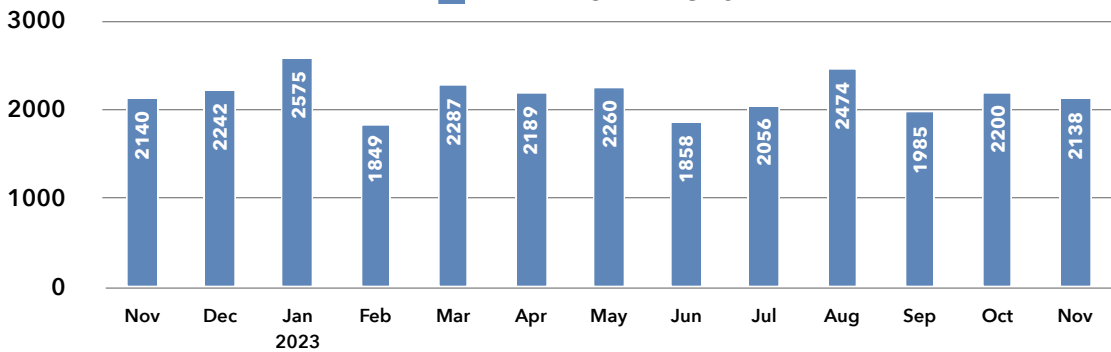
HDB RESALE VOLUME



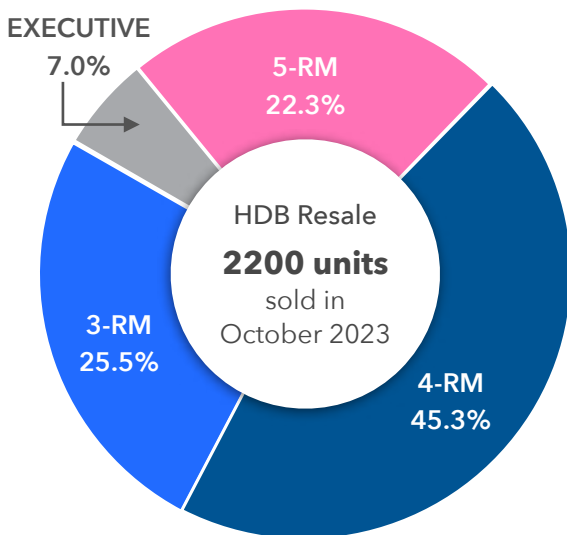
HDB RESALE PRICE INDEX



HDB RESALE VOLUME

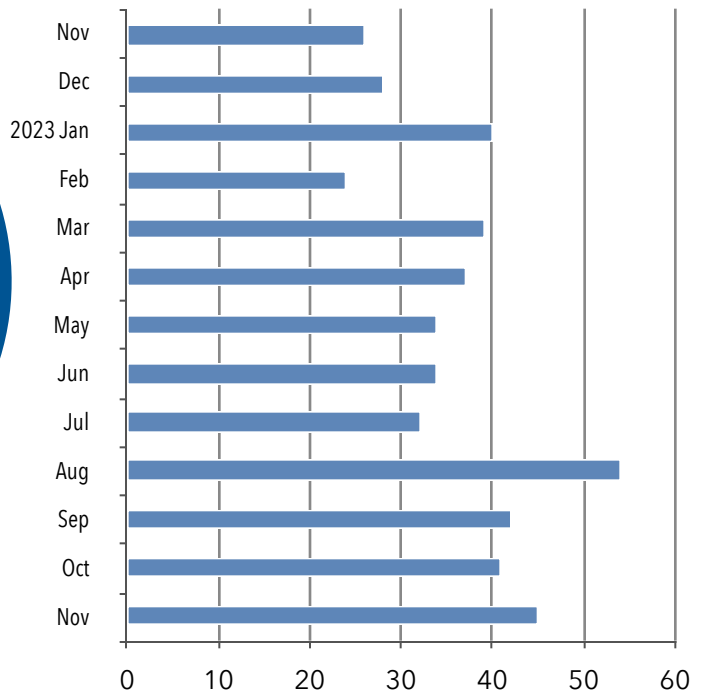


% OF TOTAL SALE TRANSACTIONS BY ROOM TYPE



2023 Number of Million-Dollar Resale Flats Sold

Number of Million-Dollar Resale Flats Sold to date: 422



SOURCE: 99.co, SRX

HDB Rental Market Shows Signs of Recovery in November

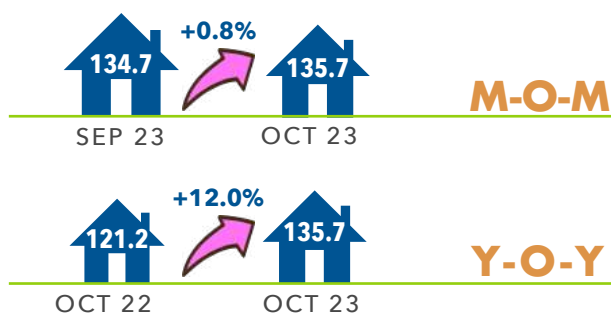
In November, the HDB rental market exhibited a modest recovery, with rental prices increasing by 0.8% from the previous month following a decline in October. All room types recorded rent increases. Additionally, on a year-on-year basis, overall rents in the HDB leasing market saw a substantial 12% increase.

However, leasing volumes in the HDB space in November experienced a decline from the previous month, dropping by 5.7% to 2,693 units rented, from 2,856 in October. Despite this decrease, the volume remained 0.3% higher than the five-year average volume for the month of November, and up 10% from November 2022.

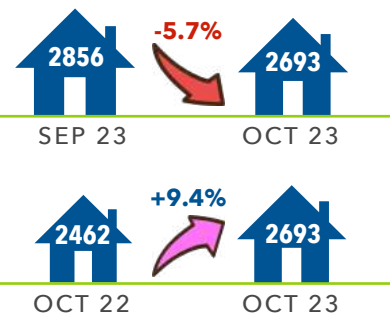
Industry observers have expressed mixed opinions on the future of the HDB rental market. While HDB rentals remain an affordable housing option in Singapore, the temporary relaxation of the occupancy cap may benefit S Pass holders and work permit holders in particular, allowing more tenants in a single rental flat to offset their rental costs.

Anticipating a continued decline in HDB stock, some experts do not foresee a surge in rental growth in the coming year, as affordability will likely remain a primary concern for tenants. Expectations are for HDB rents to remain flat in December, with rents for the full year anticipated to register an increase of between 9% and 10%. Moreover, the anticipated change in occupancy rate for larger condos and HDB flats from January 2024 may lead to a drop in demand as tenants may opt to move from smaller to larger units. This shift could potentially increase rents for larger units, while putting pressure on the rents of smaller units.

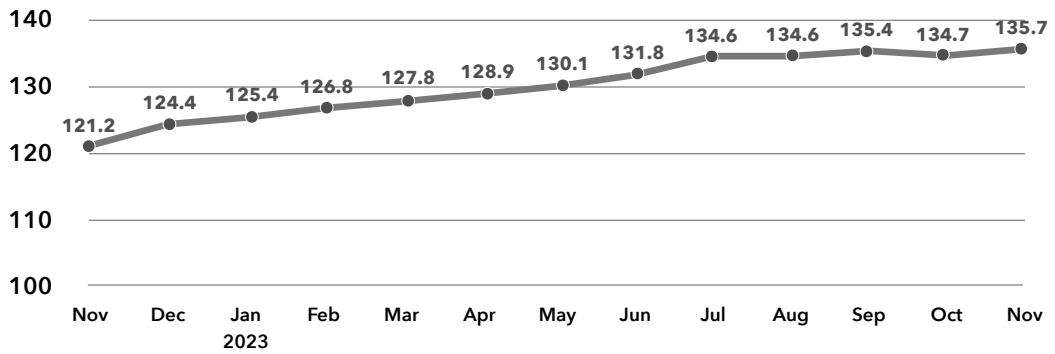
HDB RENTAL PRICE INDEX



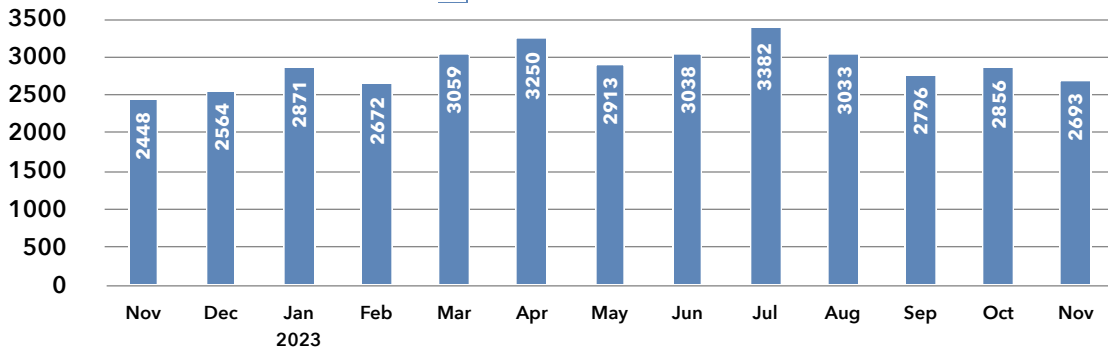
HDB RENTAL VOLUME



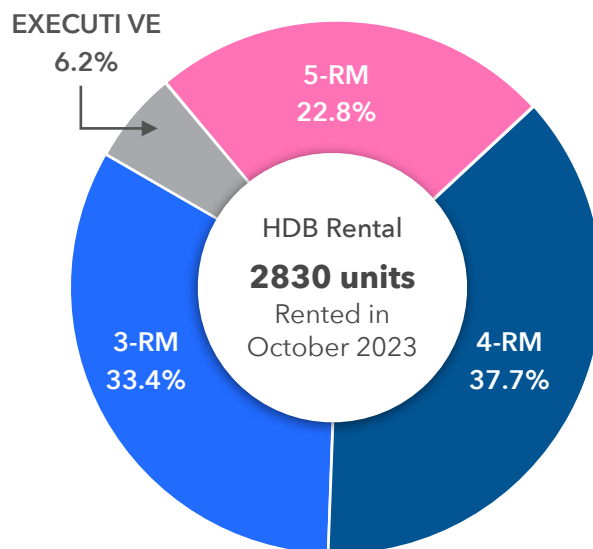
— HDB RENTAL PRICE INDEX



■ HDB RENTAL VOLUME



% OF TOTAL RENTAL TRANSACTIONS BY ROOM TYPE



SOURCE: 99.co, SRX



Singapore Temporarily Relaxes Rental Occupancy Cap for Larger Properties

The Housing and Development Board (HDB) and the Urban Redevelopment Authority (URA) announced a temporary relaxation of the Rental Occupancy Cap for larger properties, allowing up to **8 Unrelated Persons** to reside together, starting from **January 22, 2024**, until **December 31, 2026**. This measure aims to address the increased demand for rental housing, particularly for **4-Room and larger HDB flats, HDB Commercial Properties, and Private Residential Properties of at least 90 square meters**.

The government recognised the need to maintain a healthy rental supply to support individuals in need of housing, especially amid COVID-19 construction delays. With close to 100,000 new homes expected to be completed by 2025, the increased supply of new homes is anticipated to allow Singaporeans renting while awaiting project completions to vacate their rental units sooner, thus freeing up more rental supply.

Residential property owners currently housing up to 6 unrelated persons will need to apply to HDB for owners of HDB flats or to URA for owners of private residential properties to include additional occupants. Private property owners can register their properties through URA's e-services by paying a S\$20 administrative fee. Once registered, owners will be permitted to accommodate up to 8 unrelated persons, each subject to a minimum stay duration of 3 consecutive months.

The temporary relaxation of the occupancy cap is expected to benefit lower-income groups, students, blue-collar foreign workers, some Singaporeans, and big families. It is anticipated to foster a healthy leasing demand in the near term, allowing budget-conscious tenants to share housing costs with more roommates. However, this measure may present challenges to landlords with smaller properties, possibly resulting in a slight drop in overall rental volume as smaller units may accommodate fewer people.

The impact on rents is expected to face downward pressure in the short term while rental supply catches up. Although the measure is a short-term solution to stabilise the market situation, it is not expected to significantly impact rents. Additionally, companies employing many foreign workers may benefit from the measure as they will require fewer rental units to house their staff.

It is worth noting that the relaxation of the occupancy cap will be monitored closely by the government, and any infringements or serious disruptions may result in the revocation of homeowners' rental approval. Any extension of the relaxed occupancy cap beyond 2026 will be subject to review based on the open market situation at that time.

Meet Our Team



Sherry Tang

AsianPrime Properties Pte Ltd
Managing Director, KEO
+65 9844 4400
sherry@asianprime.sg



Cheryl Tan

AsianPrime Assets Pte Ltd
Managing Director, KEO
+65 8800 6828
cheryl@asianprime.sg



Martin Koh

AsianPrime Properties Pte Ltd
Founder, Consultant
+65 8666 6944
martin@asianprime.sg



Jonathan Mak

AsianPrime Properties Pte Ltd
Associate District Director
+65 9674 0939
johnathan@asianprime.sg



Eugene Quek

AsianPrime Properties Pte Ltd
Associate District Director
+65 8606 8886
eugene@asianprime.sg



Alan Mei

AsianPrime Properties Pte Ltd
Associate Sales Director
+65 9674 6871
alanmei@gmail.com



Christine Thexeira

AsianPrime Properties Pte Ltd
Associate Sales Director
+65 9822 6600
ccluniesross1812@gmail.com



Lim Sze Yhee

AsianPrime Properties Pte Ltd
Associate Sales Director
+65 9826 3980
szey33@gmail.com

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www.asianprimeproperties.sg

enquiry@asianprime.sg



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