



Singapore Property Market Index

Q4 2021



PropertyGuru

Singapore continues to grapple with COVID-19, with goals set in place to live with the virus as an endemic. Effects of the pandemic continue to affect our daily lives, but the property market remains largely resilient.



126.65 (3.88%)

Q4 2021 Price Index



144.97 (3.59%)

Q4 2021 Supply Index



\$1,791 psf (3.88%)

Q4 2021 Median Asking Price

Unfazed by the economic uncertainties brought on by COVID-19, property prices have continued to rise for the sixth consecutive quarter. Our PropertyGuru Singapore Property Market Index (PMI) Q4 2021 saw an increase of 3.88%, or 4.73 points, for asking prices for non-landed private property listings on PropertyGuru, while URA recorded a 0.7% increase in transaction prices for the same segment.

On the supply side, the PropertyGuru Singapore Property Supply Index (SPSI), which tracks the number of non-landed private residential listings posted on PropertyGuru, also grew by 3.59%, or 5.03 points, in the third quarter of the year. This is the second consecutive quarter where the number of listings on PropertyGuru rose, albeit at a much slower pace than the preceding quarter (17.60%).



Private property market still resilient, prices growing for the sixth straight quarter

The PMI Q4 2021 increased by 3.88% from the previous quarter, aligning with the 1.1% growth reported in the URA private residential price index.



Property activity largely unaffected by Hungry Ghost Festival

Traditionally, the Lunar Seventh Month is considered an inauspicious month for property activity. But this year, the SPSI grew by 3.59%.



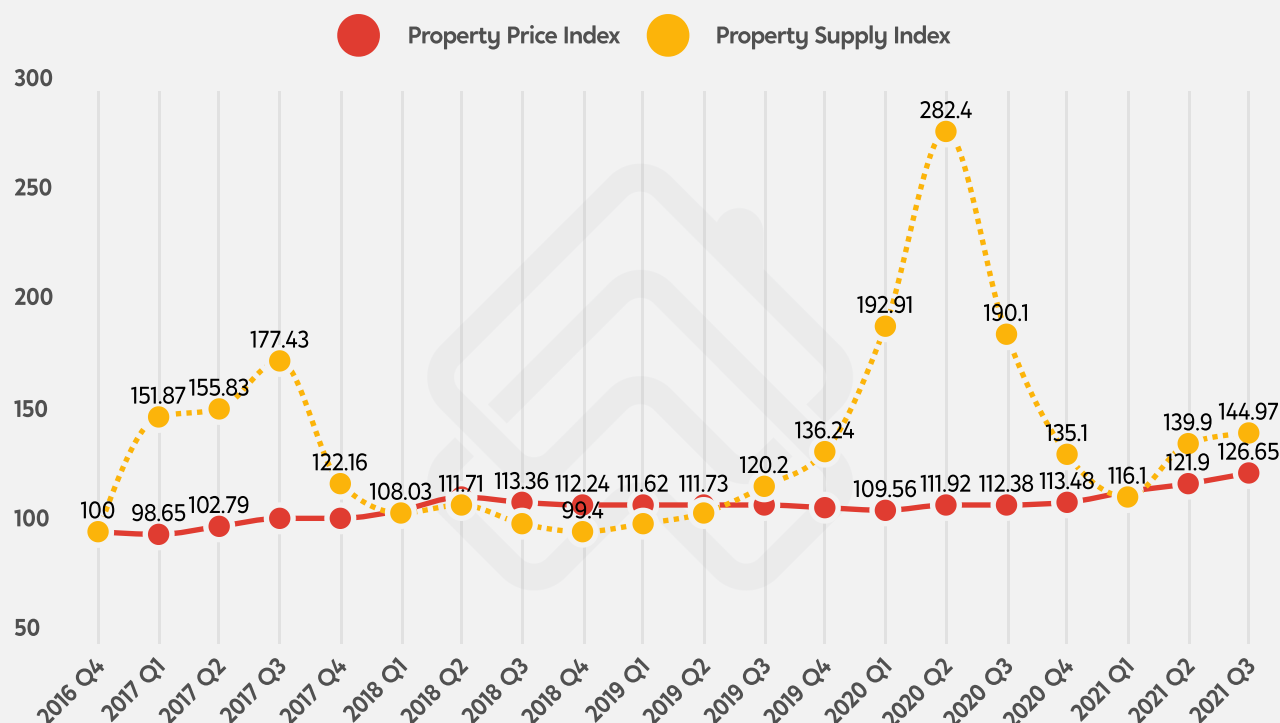
Demand for OCR condos stay strong

Condos in the OCR dominated our list of top-performing projects. This trend is likely due to an increased demand for larger, more affordable properties, and the hype surrounding new launches.

Singapore Property Market Index

Property Price and Supply Analysis

PropertyGuru Singapore Property Market Index Q4 2021



Source: PropertyGuru, URA.

Private property market still resilient, prices growing for the sixth straight quarter

The sustained growth over the past 1.5 years is a strong signal of property sellers' unwavering confidence in the market. The property price growth is likely to continue, but it is showing signs of slowing down, alongside decreasing transaction volumes.

In the primary market, demand remains resilient despite developers raising their prices due to challenges such as increasing construction costs, a manpower crunch, and pressures due to the Additional Buyer's Stamp Duty introduced in 2018.

“

The impressive performance of many newly launched projects has given many developers the confidence to raise prices by 1% to 4%. This may indeed slow down sales, but they can afford to wait. Many developers have depleted and are seeking to replenish their land banks.

”

Dr. Tan Tee Khoon

Country Manager, Singapore
PropertyGuru

It does not help that the Government has calibrated the land supply in the past two years, releasing only around three confirmed residential sites during each Government Land Sales (GLS) cycle. Developers can also look to en bloc sales, but the land cost is high for many of these large sites.

Despite warnings in early 2021, the Government recently said that they do not feel that the property market is overheated yet. Hence, the possibility of tighter property curbs in 2021 is low. However, if trends persevere, the likelihood of cooling measures being introduced looms heavier.

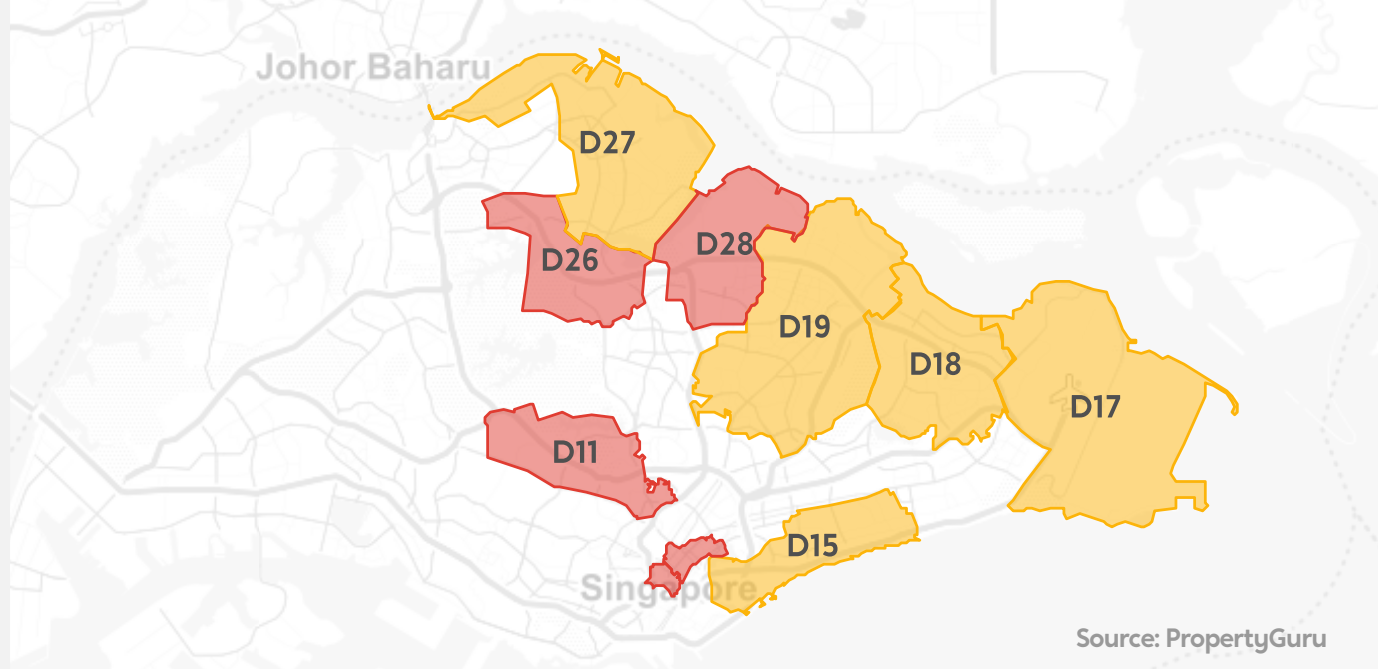
Market still buzzing despite Hungry Ghost Festival, tightened COVID-19 measures

Tightened COVID-19 safety measures during the Phase 2 (Heightened Alert) from 22 July to 9 August 2021 limited physical property viewings. Like in the previous quarter, this probably lengthened transaction periods and online property advertisements lifespans.

The appetite for private property remains healthy. According to URA, developers sold 3,550 private residential units (excluding ECs) in Q3 2021, up from 2,966 units sold in Q2 2021.

While transaction volumes dipped month-on-month in August and September, this was due to the strong showing in July. Year-on-year, there was growth observed for August and September, suggesting buyers are setting aside superstition for practicality.

District Roundup



5 best performing districts with asking price growth

	District	Area	Median Asking Price (psf)		% Change
1	Changi Airport, Changi Village	17	1,178.10	▲	10.40%
2	Sembawang, Yishun	27	1,252.61	▲	10.23%
3	East Coast, Marine Parade	15	2,187.28	▲	8.56%
4	Hougang, Punggol, Sengkang	19	1,504.27	▲	5.52%
5	Pasir Ris, Tampines	18	1,294.78	▲	4.95%

5 districts with the slowest asking price growth

	District	Area	Median Asking Price (psf)		% Change
1	Newton, Novena	11	2,322.73	▼	-0.15%
2	Seletar, Yio Chu Kang	28	1,194.03	▼	-2.10%
3	Beach Road, Bugis, Rochor	7	2,690.97	▼	-2.13%
4	Mandai, Upper Thomson	26	1,064.92	▼	-4.25%
5	City Hall, Clarke Quay	6	3,000.00	▼	-12.30%

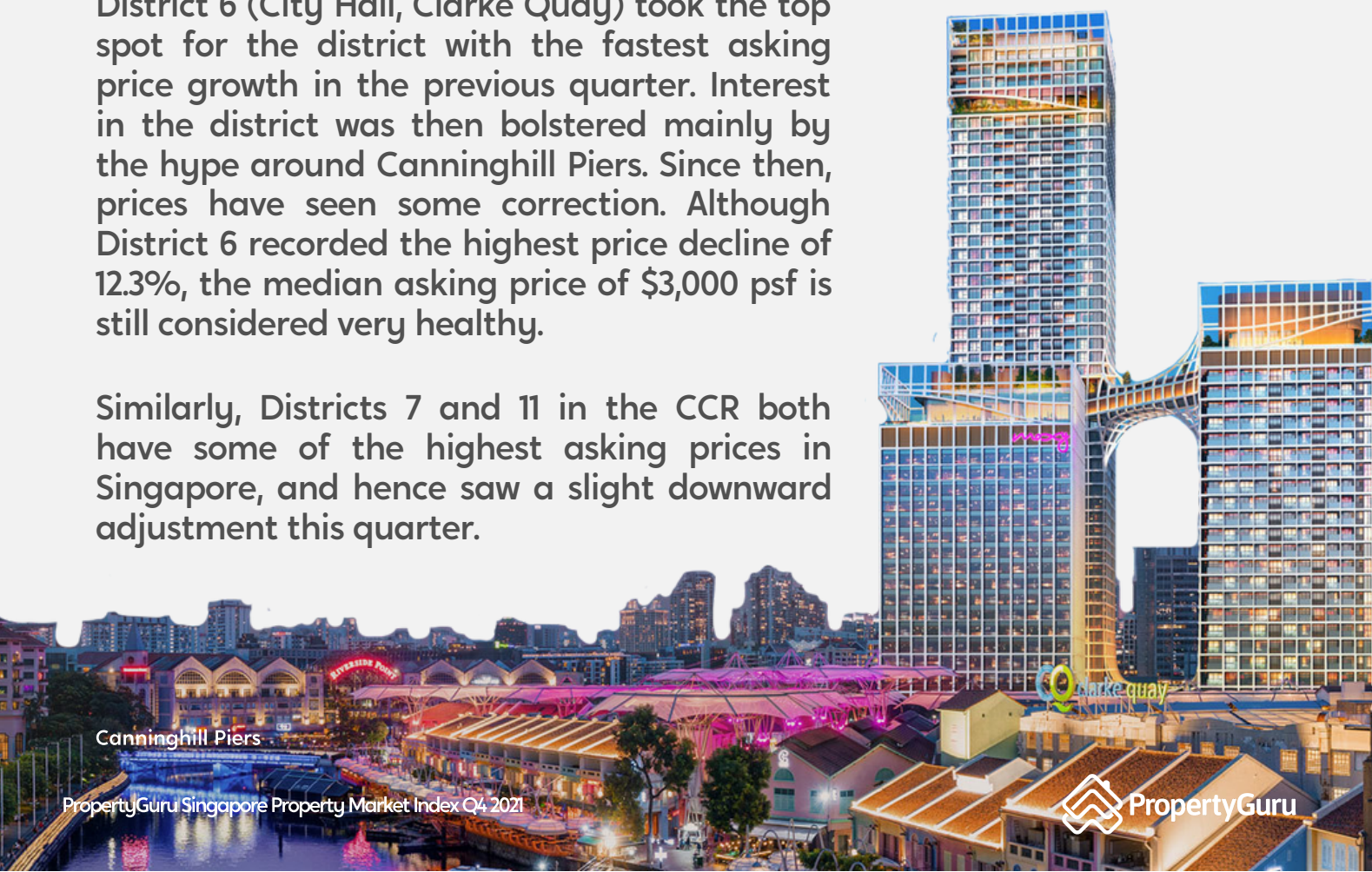
Three out of five districts that made the list had entries in the top 10 best-selling condos in Q3 2021. This includes Pasir Ris 8 and Treasure at Tampines in District 18, OLA, The Florence Residences and Sengkang Grand Residences in District 19, and The Watergardens at Canberra in District 27.



The Watergardens at Canberra

District 6 (City Hall, Clarke Quay) took the top spot for the district with the fastest asking price growth in the previous quarter. Interest in the district was then bolstered mainly by the hype around Canninghill Piers. Since then, prices have seen some correction. Although District 6 recorded the highest price decline of 12.3%, the median asking price of \$3,000 psf is still considered very healthy.

Similarly, Districts 7 and 11 in the CCR both have some of the highest asking prices in Singapore, and hence saw a slight downward adjustment this quarter.



Canninghill Piers

The Stars: Top 10 Best-selling Condos

	Project Name	Units Sold in Q3	District	Region	
1	Pasir Ris 8	425	18	Pasir Ris	OCR
2	Parc Greenwich	334	28	Yio Chu Kang	OCR
3	Normanton Park	329	5	One North	RCR
4	The Watergardens at Canberra	285	27	Sembawang	OCR
5	Midwood	176	23	Hillview	OCR
6	Parc Clematis	163	5	Clementi	OCR
7	OLA	162	19	Sengkang	OCR
8	Treasure at Tampines	143	18	Tampines	OCR
9	The Florence Residences	130	19	Hougang	OCR
10	Sengkang Grand Residences	124	19	Sengkang	OCR

Affordable projects dominated the market in Q3, with nine out of 10 of the best-selling projects located in the OCR. Among them, two are also Executive Condominiums (ECs).

This is due to the good performance from launches in the past two years and the preference for larger homes due to enduring work from home arrangements. Also, mass-market condominiums in the OCR hit the sweet spot between price and size for both HDB upgraders and current condominium owners who wish to live in a bigger space.

Pasir Ris 8 in District 18 was the most popular project, having sold 425 units. During its launch weekend in July, the mixed development that sits next to Pasir Ris MRT managed to sell 85% of the available 487 units.

In August and September – during the Hungry Ghost Festival month – there were two new launches: Parc Greenwich (an EC) and The Watergardens at Canberra. Buyers paid little mind to superstitious beliefs, snapping up 60% and 65% of available units for The Watergardens at Canberra and Parc Greenwich, respectively.

That said, interest in the luxury market has not waned. The CCR districts aren't as represented on the list as most of the new projects in the city were launched earlier this year, and there are fewer units available due to exclusivity. Last quarter, luxury projects such as Park Nova, 15 Holland Hill, The Avenir, and Leedon Green continued to move units at prices above \$3 million, indicating vibrant movement in this segment.

When looking at the landed property market, we see that transactions for Good Class Bungalows (GCBs) and properties in Sentosa Cove are at a high this year. According to URA, prices of landed properties grew 2.6% in Q3 2021, compared to the 0.3% decrease observed in Q2 2021.

PropertyGuru Singapore Property Market Index Q4 2021

Rising Stars: New Condos and Districts to Watch Out for



Canninghill Piers
District 6
(City Hall,
Clarke Quay)



Perfect Ten
District 10
(Tanglin, Holland,
Bukit Timah)



The Commodore
District 27
(Sembawang,
Yishun)

Conclusion

Over the course of 2021, managing COVID-19 and reopening the economy have been the Government's main priorities.

Towards the end of Q3 2021, the Government announced tighter restrictions for the Stabilisation Phase on 27 September, after the initial easing of Phase 2 (Heightened Alert) measures on 10 August. Currently, over 84% of the population is fully vaccinated, the number of daily cases is decreasing, and more Vaccinated Travel Lanes (VTL) allowing quarantine-free travel between selected countries have opened.

Depending on our progress in managing the health crisis, next year could possibly be when the Government turns its attention to the housing market. As it is, the Government is keeping a close eye on both the private and public property market.

Compared to the private market, HDB flat prices are growing at a much faster pace. If the Government is to intervene, they are likely to cool the HDB resale market first. This year, the number of million-dollar HDB flats reached a record high. In the first half of 2021, there were already 106 such transactions, far exceeding the 82 transactions for the whole of 2020.

Overall, while the property demand has remained bullish throughout 2021, it is uncertain whether this will continue into the upcoming year.

With the recent tapering of land supply, the private property market expects to see less than 10 new projects in 2022. As Singapore works towards opening its borders, more foreign buyers could return to the market as well. These factors may contribute to driving demand and prices up.

Furthermore, property buyers might have to contend with an increased cost of borrowing. Mortgage rates have been kept depressed in the past two years, but with more economies recovering, we will likely see a rise in interest rates.



About This Report

Buying a home is one of the most difficult decisions of our lives. It is also likely to be the most expensive decision. When committing to a home purchase, it is important to be equipped with relevant and sufficient information so that the decision can be made confidently.

PropertyGuru wants to simplify this process for property seekers, including first-time homebuyers and existing homeowners who might be looking into buying their second or third properties. In that vein, we created this report to help Singaporeans understand the movement of the property market better, so that property buyers can gain greater insight on current price trends that are in line with market sentiments, and to try to time their property purchases better.

As a leader in the real estate market in Singapore, PropertyGuru processes a vast amount of real estate data daily, providing us with the necessary data to crunch, and deliver in-depth insights to all Singaporean home seekers.

In this report, we look at pricing and supply indices of private residential properties in Singapore, in various locations, and across different property types, to provide a comprehensive overview of property market dynamics across the city-state.

Methodology

Using a range of statistical techniques, the data from over 200,000 private home listings on PropertyGuru Singapore are aggregated and indexed, demonstrating the movement of supply-side pricing. The PropertyGuru Singapore Property Market Index shows seller optimism and indicates the price level that developers and homeowners feel that they can fetch for their respective properties.

An increase in the Property Market Index (PMI) may demonstrate buoyancy of sentiment while a decrease may indicate a moderation of expectations.

The SPPI is indexed using Q4 2016 as the Base Quarter. The index was previously (2019) computed using Q1 2015 as the Base Quarter.

We complement the price levels with a view on supply volumes in the market through the number of property listings on PropertyGuru Singapore. Our supply volumes not only take into account residential resale supply, but also new launch supply in Singapore.

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With Thanks

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About PropertyGuru

Launched in 2007, PropertyGuru.com.sg continues to be the No.1 property marketplace in Singapore. With currently more than 5 million monthly visits* and 75%** market share, PropertyGuru is the preferred destination for property seekers to find, finance and own their dream home.

PropertyGuru.com.sg transformed the way Singaporeans find homes by taking property online and has since been helping them make confident property decisions. In 2020, PropertyGuru launched mortgage marketplace [PropertyGuru Finance](https://PropertyGuruFinance.com.sg) offering the best loans and home advisory services to Singaporeans.

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*Source – Google Analytics data, Oct – Dec 2020

**Source – SimilarWeb - Relative Engagement Market Share, average of Oct - Dec 2020