

MODEST PRICE GROWTH DUE TO MARKET STABILITY

Private Residential Market Outlook 2024

The logo for 'Market Watcher Series' features the words 'MARKET WATCHER' in a bold, sans-serif font. 'MARKET' is in black, while 'WATCHER' is in orange. Below it, the word 'SERIES' is in a smaller, black, sans-serif font. The text is overlaid on a background of three vertical bars of varying heights and colors (orange, light orange, and white) that resemble a bar chart. The entire graphic is set against a background image of a city skyline reflected in water.

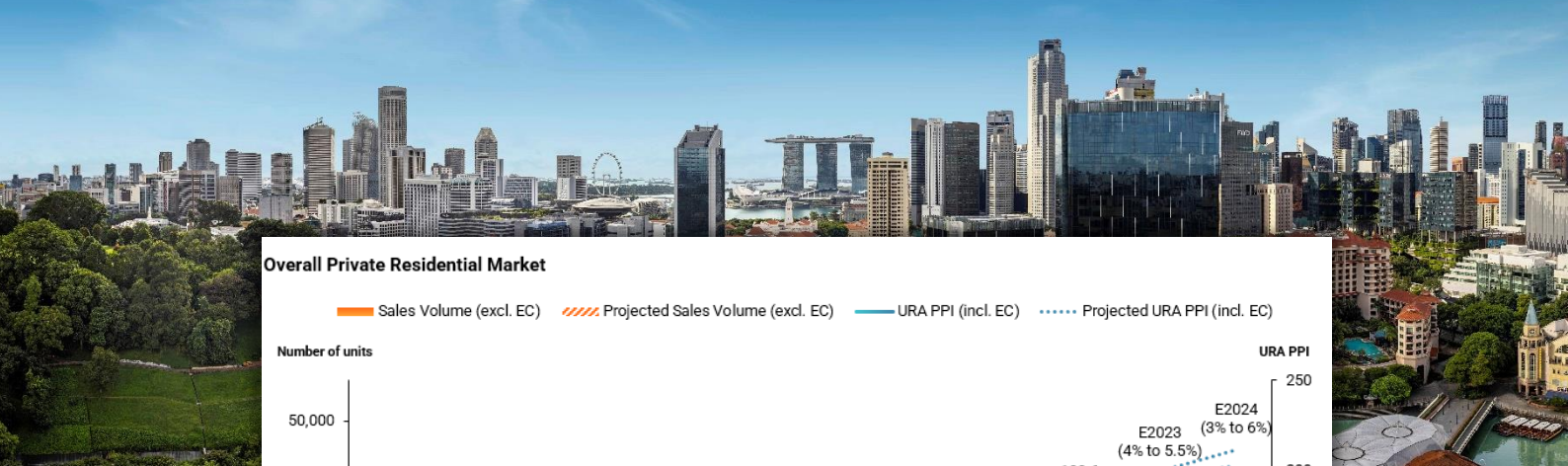
MARKET
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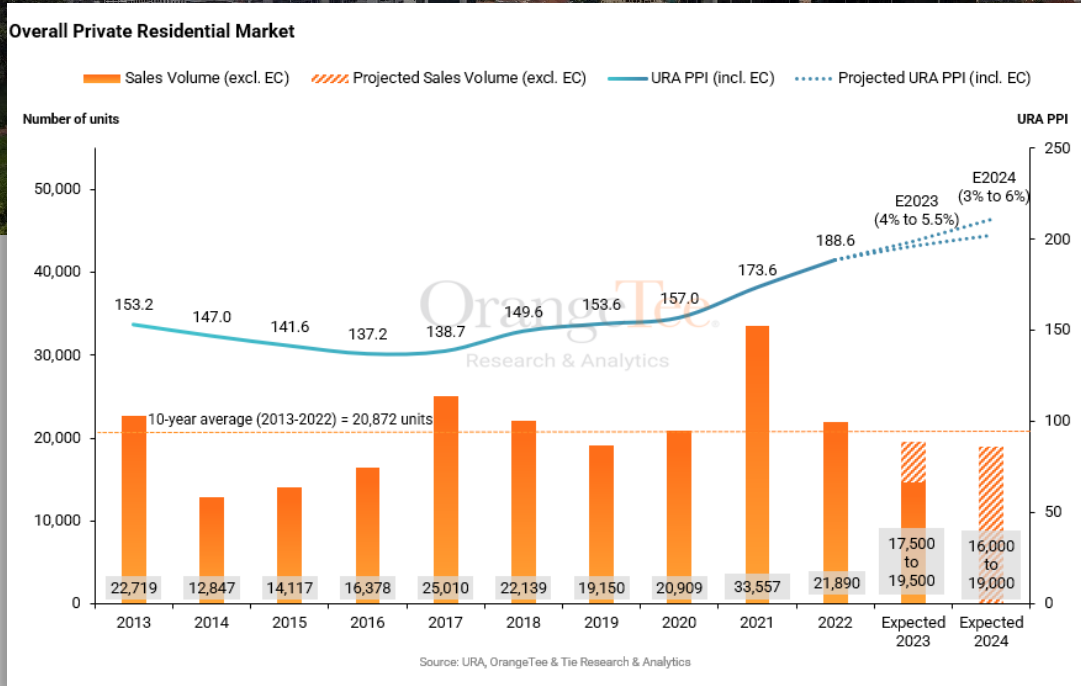
In 2024, prices of private residential homes are expected to experience a modest increase due to market stability. Central banks may shift their focus to rate cuts, which could result in a reduction in borrowing costs. Further, more projects may be launched in the suburban areas, which may reinvigorate housing demand.

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Notwithstanding the existing property curbs and cautious macroeconomic outlook, the prices of private homes are projected to rise modestly in 2024. Lower borrowing costs may be on the cards if central banks shift their focus to rate cuts. Furthermore, if inflation cools, household balance sheets and affordability will improve.

We expect an increase in new private property launches in 2024, with approximately half of these launched units will be in the suburban areas. This is expected to spur housing demand, especially among HDB upgraders. With more project launches expected, we anticipate a moderate rise in new home sales.

In the secondary market, the number of completions or private homes obtaining Temporary Occupation Permit (TOP) is expected to decrease sharply from an estimated 19,050 units in 2023 (excluding executive condominiums or EC) to approximately 9,875 units in 2024. The suburban area (Outside of Central Region or OCR) will experience the biggest drop in supply from over 10,000 units in 2023 to around 1,800 units in 2024.

As a result, sellers will continue to have the upper hand in the secondary market due to lower inventory levels. We expect resale prices to increase, especially for bigger units in the suburbs.

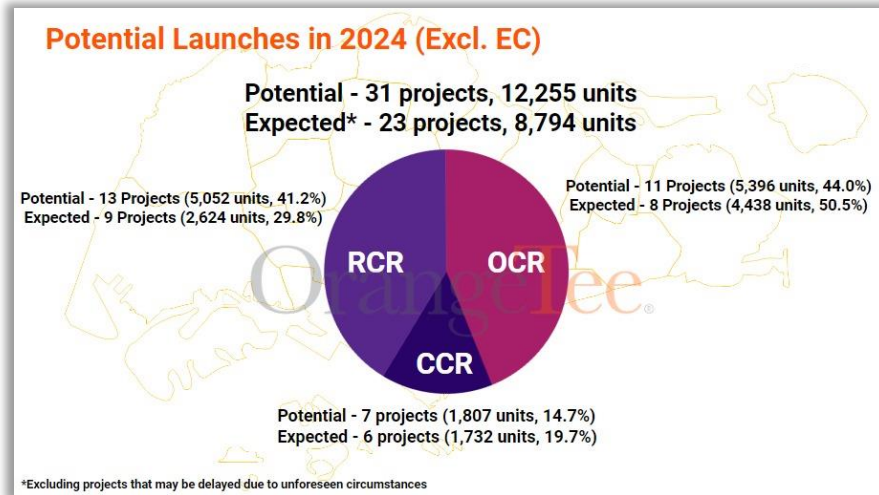
New project launches (2018 to 2024)

Launch Period	New homes launched (Exclude EC)	Project Launches (Exclude EC)	Small Project (less than 200 units)	Medium Project (200 to 500 units)	Large Project (more than 500 units)
2018	8,769	45	27	5	13
2019	11,345	52	31	13	8
2020	10,883	26	15	5	6
2021	10,496	25	15	6	4
2022	4,528	19	15	3	1
Expected 2023	Est. 7,600	22	6	10	6
Potential 2024* (Expected 2024)	12,255 (Est. 7,500-8,800)	31 (23)	10 (8)	12 (9)	9 (6)

Source: URA, OrangeTee & Tie Research & Analytics

*Based on Q3 2023 URA Quarterly Real Estate data, URA Developer Monthly Sales Data Nov 23

NEW SALE



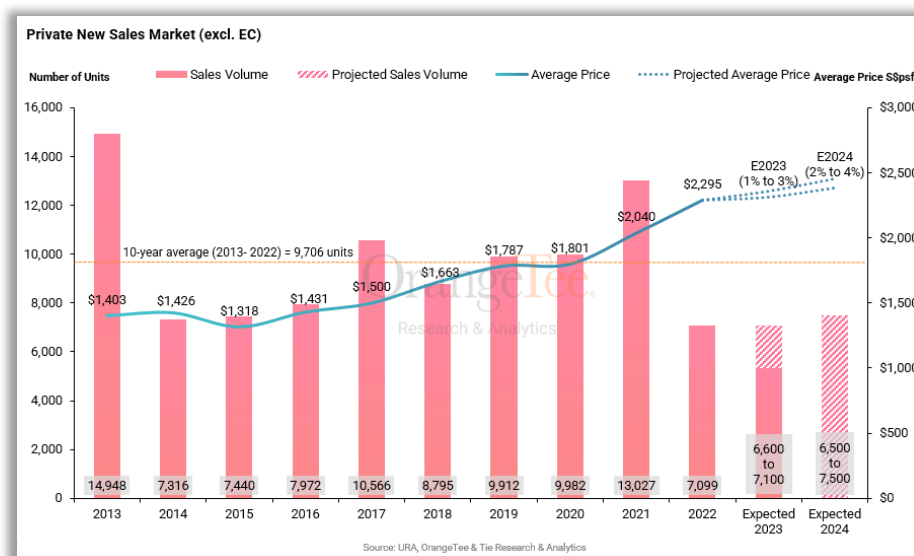
2024 will see a lineup of new launches coming on stream. According to our projections, about 30 new projects could be launch-ready in 2024, adding over 12,000 new homes, excluding EC.

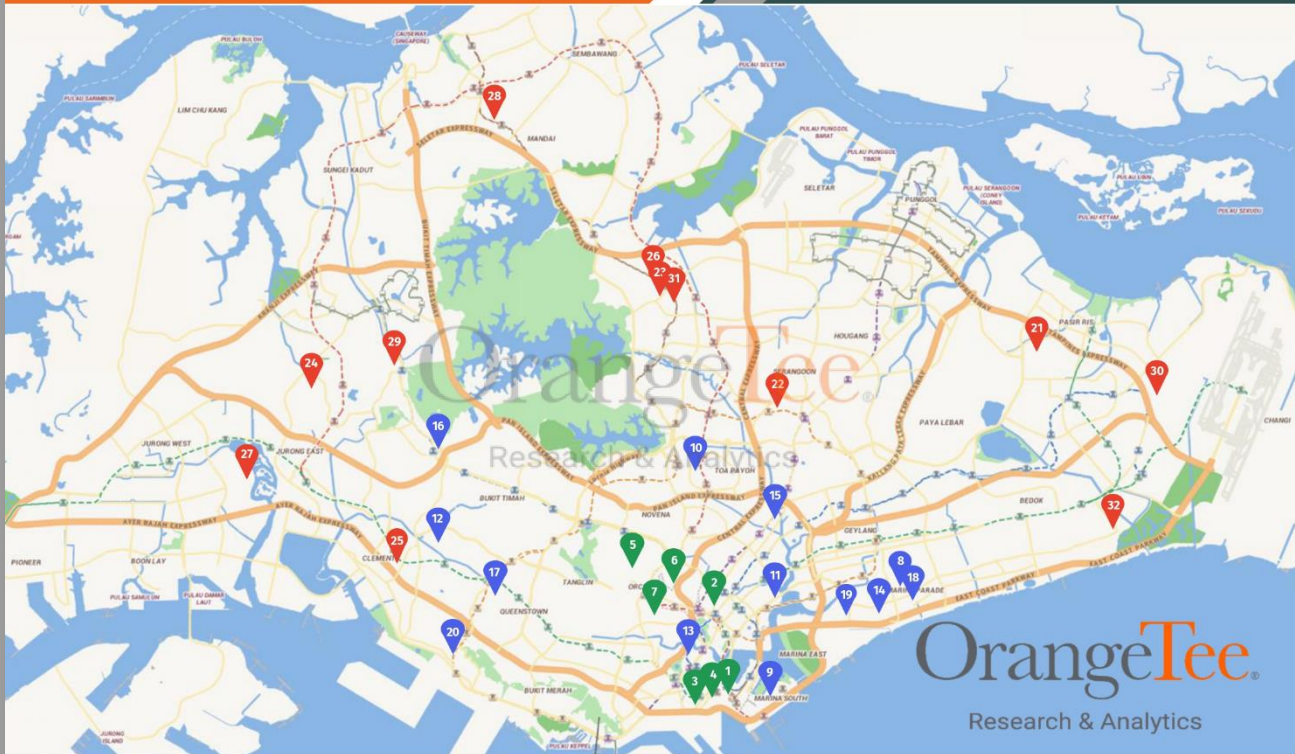
Even if developers stagger their launches or delay projects due to unforeseen circumstances, we still expect 23 launches yielding up to 8,800 units, 15.8 per cent higher than the approximate launch total of 7,600 units in 2023. Approximately half of the expected launched units will be in the OCR or the suburbs, 30 per cent in the Rest of Central Region (RCR) or city fringe, and close to 20 per cent in the prime Core Central Region (CCR).

It is expected that between six to nine large projects with more than 500 units may be launched next year, causing sales to exceed 1,000 units for certain months. In comparison, there was only one large project launch in 2022 and four in 2021.

The key project launches to watch include the 840-unit GLS site at Jalan Tembusu, the 775-unit GLS site at Lorong 1 Toa Payoh, the 533-unit GLS site at Lentor Gardens, the 512-unit Lumina Grand EC at Bukit Batok West Ave 5, the 475-unit GLS site at Lentor Central, the 440-unit SORA at Yuan Ching Road, and the 345-unit GLS site at Champions Way.

Since around half of the launch units are in the suburbs, where prices tend to be lower than other market segments, we estimate that the overall prices of new homes may rise at a modest pace of 2 to 4 per cent in 2024. Around 6,500 to 7,500 new homes, excluding EC, could be sold next year, which will be on par with or slightly higher than the total new sales transactions in 2023.





Core Central Region (7 key launches – 1,807 units)

- 1 **Marina View Residences**
IOI Properties Group
Marina View
99 Years, 748 Units (D1)
- 2 **Former Peace Centre**
CEL Development Pte Ltd, SingHaiyi Group Ltd & KSH Holdings Ltd
Sophia Rd
99 Years, 373 Units (D9)
- 3 **Newport Residences**
City Developments Ltd
Anson Rd
Freehold, 246 Units (D2)
- 4 **Skywaters Residences**
Perennial Holdings Pte Ltd
Shenton Way
99 Years, 215 Units (D1)
- 5 **Former 21 Anderson**
Kheng Leong Co Pte Ltd
Anderson Road
Freehold, 80 Units (D10)
- 6 **The Cairnhill**
Far East Organization
Cairnhill Rise
Freehold, 75 Units (D9)
- 7 **One Leonie Residences**
Far East Organization & Orchard Landmark
Leonie Hill
Freehold, 70 Units (D9)

Rest of Central Region (13 key launches – 5,052 units)

- 8 **Jalan Tembusu GLS**
Sim Lian Group
Jalan Tembusu
99 Years, 840 Units (D15)
- 9 **Marina Gardens Lane GLS**
Kingsford Development Pte Ltd
Marina Gardens Lane
99 Years, 790 Units (D1)
- 10 **Lorong 1 Toa Payoh GLS**
City Developments Ltd, Frasers Property Ltd & Sekisui House Ltd
Lorong 1 Toa Payoh
99 Years, 775 Units (D12)
- 11 **Former Golden Mile**
Far East Organization, Perennial Holdings Pte Ltd & Sino Land
5001 Beach Road
Freehold, 718 Units (D7)
- 12 **Pine Grove (Parcel B) GLS**
MCL Land & Sinarmas Land
Pine Grove
99 Years, 565 Units (D21)
- 13 **Former Central Mall**
City Developments Ltd
Keng Cheow Street/Magazine Road
99 Years, 370 Units (D1)
- 14 **Former Meyer Park**
UOL Group & Singapore Land Group
81 & 83 Meyer Road
Freehold, 222 Units (D15)
- 15 **The Arcady @ Boon Keng**
KSH Holdings Ltd
Serangoon Road
Freehold, 172 Units (D12)
- 16 **Bukit Timah Link GLS**
Bukit Sembawang Estates Ltd
Bukit Timah Link
99 Years, 160 Units (D21)
- 17 **Slim Barracks Rise (Parcel B) GLS**
Kingsford Development Pte Ltd
Slim Barracks Rise
99 Years, 142 Units (D5)
- 18 **Amber Sea**
Far East Organization
Amber Gardens
Freehold, 132 Units (D15)
- 19 **Former La Ville**
ZACD Group
Tanjong Rhu Road
Freehold, 107 Units (D15)
- 20 **Former Gloria Mansion**
Fraxtor Capital
292 Pasir Panjang Road
Freehold, 59 Units (D5)

Outside Central Region (12 key launches – 5,908 units)

- 21 **Tampines Avenue 11 GLS**
UOL Group & CapitaLand Group
Tampines Avenue 11
99 Years, 1190 Units (D18)
- 22 **Former Chuan Park**
Kingsford Development Pte Ltd & MCC Land Ltd
Lorong Chuan
99 Years, 916 Units (D19)
- 23 **Lentor Gardens GLS**
GuocoLand Ltd & Hong Leong Holdings Ltd
Lentor Gardens
99 Years, 533 Units (D26)
- 24 **Lumina Grand (EC)**
City Developments Ltd
Bukit Bajok West Ave 5
99 Years, 512 Units (D23)
- 25 **Clementi Avenue 1 GLS**
CSC Land Group Pte. Ltd & MCL Land
Clementi Avenue 1
99 Years, 500 Units (D5)
- 26 **Lentor Central GLS**
Hong Leong Holdings Ltd, GuccoLand Ltd & CSC Land Group Pte Ltd
Lentor Central
99 Years, 475 Units (D26)
- 27 **SORA**
CEL Development Pte Ltd, SingHaiyi Group Ltd, KSH Holdings Ltd
Yuan Ching Road
99 Years, 440 Units (D22)
- 28 **Champions Way GLS**
City Developments Ltd & MCC Land Ltd
Champions Way
99 Years, 345 Units (D25)
- 29 **Hillhaven**
Far East Organization & Sekisui House Ltd
Hillview Rise
99 Years, 341 Units (D23)
- 30 **Kassia**
Trijpartite Developers Pte Ltd
Flora Drive
99 Years, 276 Units (D17)
- 31 **Lentoria**
TID Residential Pte Ltd
Lentor Hill Road
99 Years, 267 Units (D26)
- 32 **Former Bagnall Court**
Roxy Pacific Holdings Ltd
811 Upper East Coast Road
Freehold, 113 Units (D16)

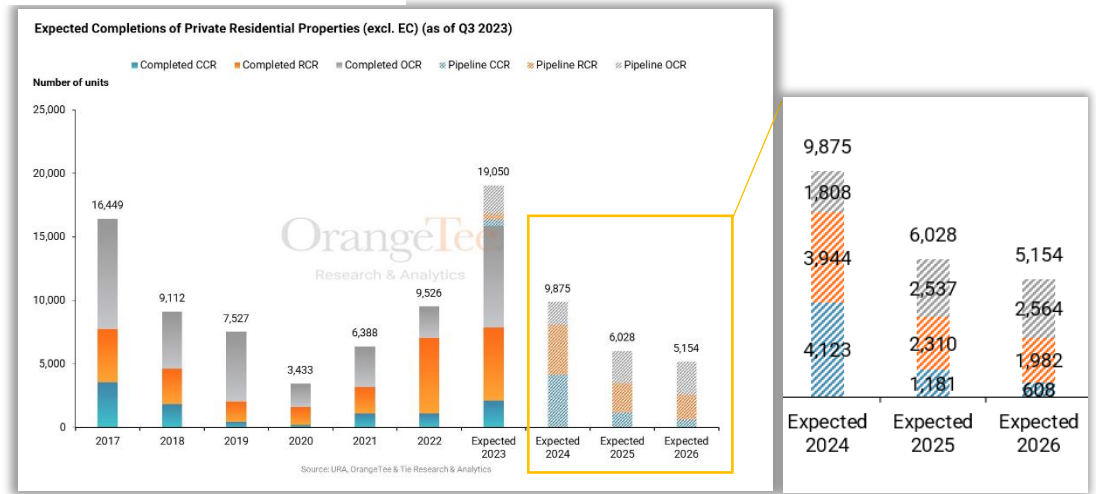
Potential Home Launches in 2024

Source: URA, OrangeTee & Tie Research & Analytics

*Small projects with less than 40 units are omitted, Total number of launches are subjected to variation



RESALE



Prices of resale properties are projected to increase in 2024, driven by robust demand and lower supply. After more than 19,000 private properties excluding ECs are completed in 2023, supply is expected to dwindle over the next few years. In 2024, the number of completions is projected to fall by 48.2 percent to 9,875 homes.

Most of these new homes will be located in prime CCR, where approximately 4,100 units are expected to be completed. Slightly over 3,900 homes will be completed in the city fringe (RCR). Due to the completion of almost 16,000 new homes from 2022 to 2024, homeowners in the city fringe areas will face steeper competition for buyers. Similarly, the total new completions in CCR will be around 7,700 over the same period, which may exert some downward pressure on prices for the luxury segment.

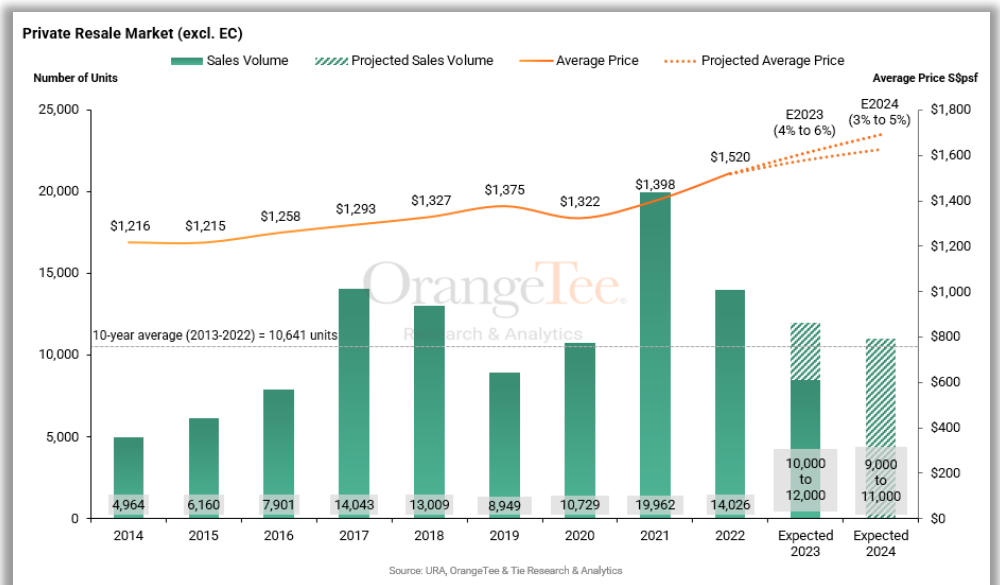
In contrast, the number of completions in the suburban OCR is expected to fall substantially from around 10,000 units in 2023 to approximately 1,800 units in 2024. As a result, resale prices may rise moderately in OCR, especially for larger units currently in high demand.

Overall, resale prices are projected to rise by 3 to 5 per cent in 2024, and resale volume may slightly dip from the projected 10,000 to 12,000 units in 2023 to 9,000 to 11,000 units in 2024.

Largest developments including EC obtaining TOP (Temporary Occupation Permit) in 2024

Project Name	Total no. of units	Launch Year	District
KI RESIDENCES AT BROOKVALE	660	2020	21
LEEDON GREEN	638	2020	10
FORETT @ BUKIT TIMAH	633	2020	21
AMBER PARK	592	2019	15
MIDTOWN MODERN	558	2021	7
PULLMAN RESIDENCES NEWTON	340	2019	11
LIV @ MB	298	2022	15
ONE HOLLAND VILLAGE RESIDENCES	296	2019	10
MIDTOWN BAY	219	2019	7
THE COMMODORE	219	2021	27

Source: URA, OrangeTee & Tie Research & Analytics



Indicators (All exclude EC except for URA PPI)	2021	2022	Q1 to Q3 2023	Projection for 2023	Projection for 2024
Overall					
URA Property Price Index (Price Change) (incl.EC)	10.6%	8.6%	3.9%	4% to 5.5%	3% to 6%
Sales Volume (units)	33,557	21,890	14,710	17,500 to 19,500	16,000 to 19,000
New Sale					
Average S\$PSF Price Change *	13.2%	12.5%	-8.2%	1% to 3%	2% to 4%
Sales Volume (units)	13,027	7,099	5,329	6,600 to 7,100	6,500 to 7,500
Resale					
Average S\$PSF Price Change*	5.8%	8.7%	3.3%	4% to 6%	3% to 5%
Sales volume (units)	19,962	14,026	8,498	10,000 to 12,000	9,000 to 11,000
Rental					
URA Rental Index (Price Change) (incl. EC)	9.9%	29.7%	11.1%	12% to 14%	2% to 5%
Leasing volume (units)	98,604	90,291	62,952	75,000 to 80,000	70,000 to 75,000

Source: URA, OrangeTee & Tie Research & Analytics, *URA Realis caveat data

Outlook

Looking ahead, the property market is likely to benefit from an improving economy and labour market conditions. Singapore's economy is projected to pick up pace in 2024, with growth rate to come in between 1 and 3 per cent, supported by the ongoing recovery in travel, tourism, and global electronics demand. Moreover, the downturn in the manufacturing and trade-related industries could be ending, which will spur employment prospects. Interest rates are also projected to cease their surge globally.

The property market is expected to remain stable in view of the prevailing property curbs and buyer prudence amid cost concerns. The increased supply of condos has helped to stabilize prices in 2023, and we expect market stability to continue into 2024.

The private home prices for the entire market may moderately increase by 3 to 6 per cent in 2024, which is almost on a par with the projected 4 to 5.5 per cent growth for the full year in 2023. Next year's growth will also be substantially lower than the growth rates of 8.6 per cent in 2022 and 10.6 per cent in 2021.

Since a decrease in private home completions will lead to fewer homes available for resale, total sales volume may decline slightly from the projected 17,500 to 19,500 units in 2023 to 16,000 to 19,000 units in 2024.

Please contact us for research inquiries.

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