


# Property Market Outlook 2022



How will the real estate market perform this year?  
How will the new property cooling measures affect the private residential, HDB and rental markets?

**January**



The private residential and public housing markets achieved brilliant sales last year. Prices of private residential properties rose for seven consecutive quarters to a historical high in the fourth quarter of 2021. For the HDB resale market, prices have similarly reached record levels in the same quarter.

According to flash estimates from the Urban Redevelopment Authority (URA), prices of private residential homes surged 10.6 per cent for the whole of 2021, surpassing the full-year growth in 2019 and 2020.

The fast-growing prices did not hamper demand. Sales were brisk across many project launches and resale developments. More than 25,000 private homes, excluding executive condominium units (EC), were sold in the first nine months of 2021, higher than the annual sales recorded over the past three years.

Demand for private homes was well-supported by an influx of HDB upgraders buying condominiums in the suburbs and city fringes. Many home owners sold their flats to capitalise on the rising resale prices and were seeking replacement homes. Other Singaporeans bought private homes for fear that prices may climb further when our economy picks up.

To address the upward momentum in prices and rein in the housing market, the Government introduced fresh measures on 16 December 2021. The authorities have upped the ante by imposing a more comprehensive slew of property curbs and ramping up housing supply for both the public and private housing markets.

The Additional Buyers' Stamp Duty (ABSD) rates were increased, and the Total Debt Servicing Ratio (TDSR) was tightened to temper demand.

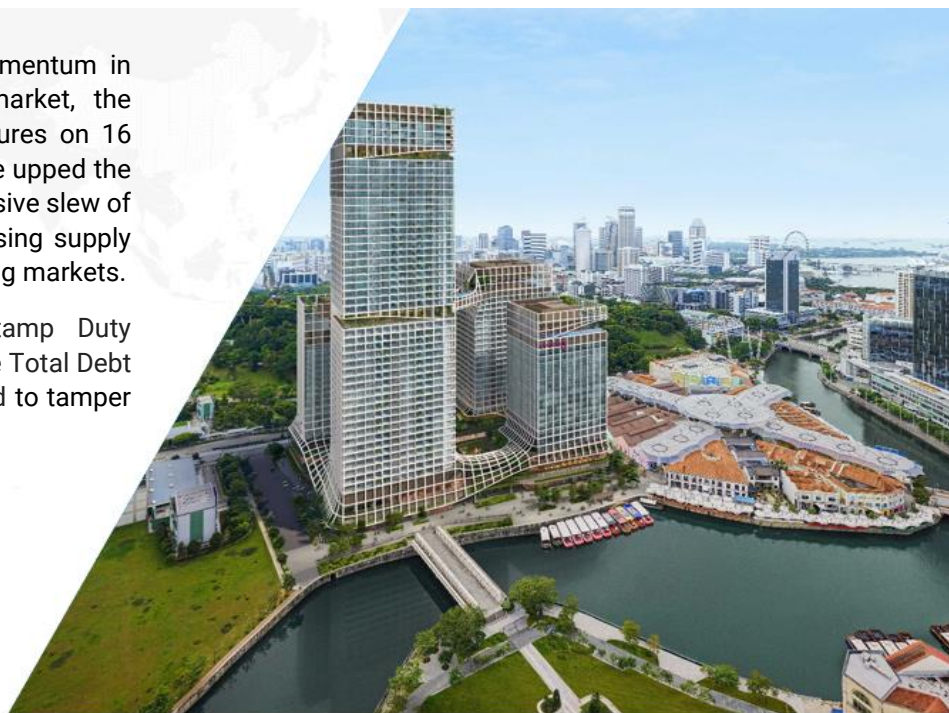
The new measures are likely to impact some buyers. Investors holding multiple properties, permanent residents (PR) and foreigners could bear the biggest brunt as they face the most significant ABSD hikes.

The ultra-rich and super-wealthy investors may proceed with their purchases. The advantages of parking their monies here, including our haven status and strong economic fundamentals, may outweigh the additional costs to these well-heeled buyers.

The new measures have little impact on Singaporeans purchasing their first private property as they are exempted from paying the ABSD. As investors take a temporary backseat, some HDB upgraders may take the chance to enter the property market now.

Those who are affected by the ABSD or need more time to raise funds may turn to the rental market temporarily. Some landlords may also hold back on the sale of their units while they wait for prices to recover.

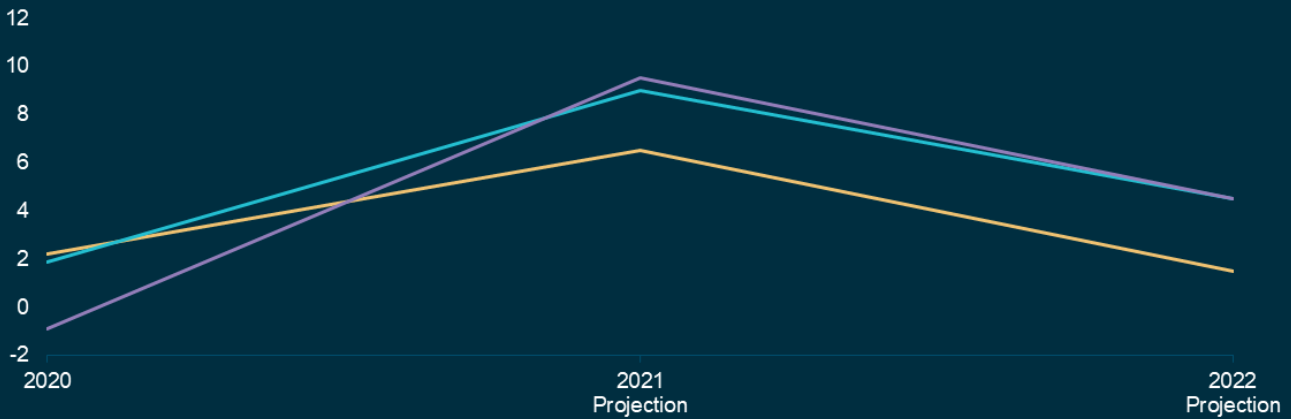
How will the different market segments fare in light of the new cooling measures? How will new home sales, resale and the rental markets perform this year? Read on to find out more.



Canning Hill Piers

# 2022 Forecast at a Glance

## Price Projection



**Overall  
Y-o-Y Price Change**

2022 Projection 0% to 3%



**New Sales  
Y-o-Y Price Change**

2022 Projection 3% to 6%



**Resale  
Y-o-Y Price Change**

2022 Projection 3% to 6%

## Rent Projection



**8% to 11%**

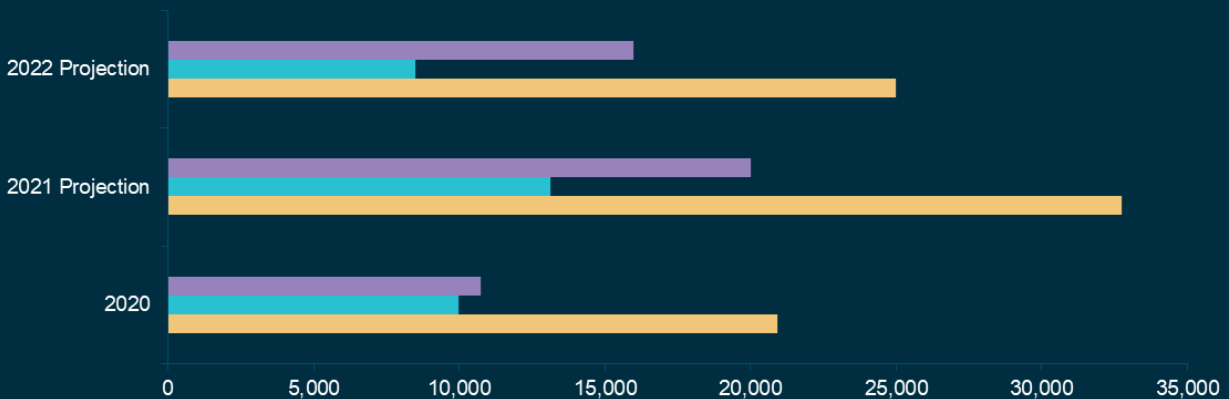
URA Rental Index  
2022 Projection



**95,000 to  
100,000 units**

Rental Volume  
2022 Projection

## Sales Projection



**Overall Sales Volume**

2022 Projection 23,500 to 26,500



**New Sales Volume**

2022 Projection 8,000 to 9,000



**Resale Volume**

2022 Projection 15,000 to 17,000

# Private Residential Market

This year, we anticipate that a constrained supply and robust demand may continue to prop up prices. More people could be buying properties than units available for purchase.

The unsold private housing inventory has dipped to an almost four-year low. The number of new project launches is expected to slide this year as the land supply from the Government Land Sales (GLS) Programme was moderated over the past two years to keep pace with the uncertain economic outlook. Successful en bloc deals have been few and far between.

Therefore, sales may dip to around 23,500- to 26,500- units, since fewer private homes could be launched (Chart 1).

The overall private home prices may rise up to 3 per cent in 2022, after an estimated increase of around 6 to 7 per cent last year.

Indicators	2018	2019	2020	2021 (projection)	2022 (projection)
<b>Overall</b>					
URA PPI Price Change (incl. EC)	7.9%	2.7%	2.2%	6% to 7%	0% to 3%
Sales Volume (excl. EC) (units)	22,139	19,150	20,909	32,000 to 33,500	23,500 to 26,500
<b>New Sale (excl. EC)</b>					
Price Change	12.1%	3.4%	1.9%	8% to 10%	3% to 6%
Sales Volume (units)	8,795	9,912	9,982	13,000 to 13,300	8,000 to 9,000
<b>Resale (excl. EC)</b>					
Price Change	3.7%	2.5%	-0.9%	8% to 11%	3% to 6%
Sales volume (units)	13,009	8,949	10,729	19,500 to 20,500	15,000 to 17,000
<b>Rental</b>					
URA Rental Index (incl. EC)	0.6%	1.4%	-0.6%	6% to 8%	8% to 11%
Leasing volume (units) (excl. EC)	89,904	93,960	92,537	92,000 to 97,000	95,000 to 100,000

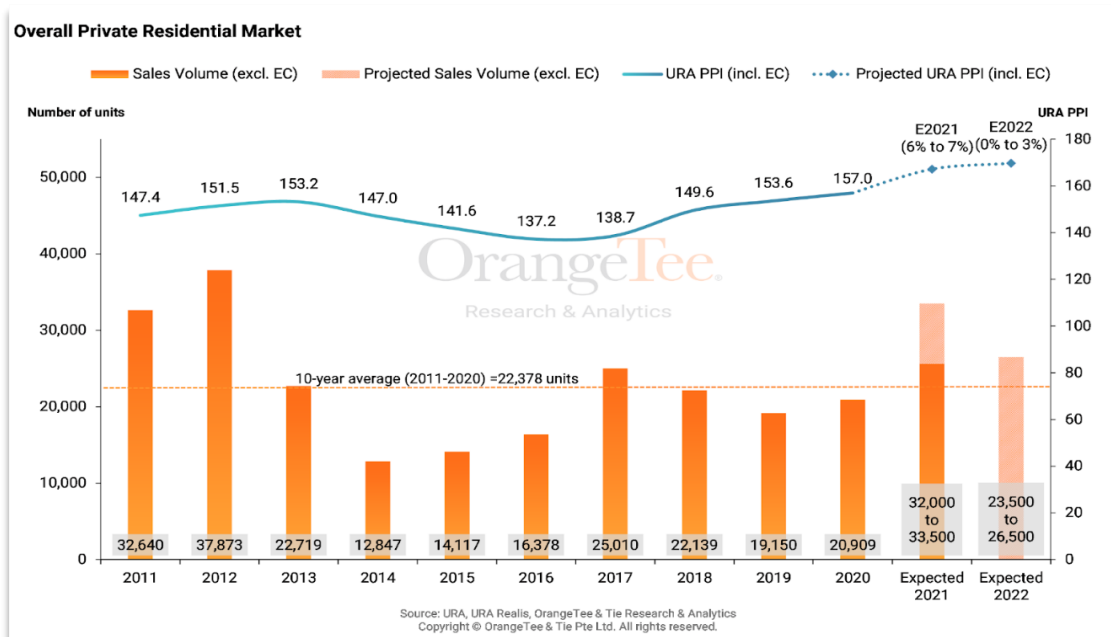
Source: URA, OrangeTee & Tie Research and Analytics

The overall economic-recovery scenario and travel corridor arrangement may have some positive impact on private home demand. Among the countries with Vaccinated Travel Lane (VTL) arrangements, we may see more impact from Malaysia, India and Indonesia as their citizens are among the top four foreign purchasers of condominiums in Singapore. From 2019 to Q3 2021,

these buyers bought around 4,000 condominiums.

The VTL with the United States, United Kingdom, Korea, France and Canada may have some moderate impact. Their citizens were among the top 12 foreign buyers of condominiums over the last three years, and they comprise around 12 per cent of the total foreign purchases here.

**Chart 1 Overall private residential market**





## Private New Sales

Around 30 projects or less could be launched for sale this year, which will be in stark contrast to the 50 over projects launched in 2019. Close to 9,000 units including executive condominiums (EC) may be released into the market, and this is approximately 17 to 20 per cent lower than the number of private homes launched annually in 2019 and 2020.

Developers in general are likely to proceed with their launches despite the cooling measures. There will be a few notable project launches. AXA Tower, opposite the Tanjong Pagar MRT station in Shenton Way along Cecil Street, will be redeveloped into a new mixed-development comprising residential units and office space. This is a joint-venture between Alibaba Singapore and a consortium led by Perennial Real Estate Holdings.

New projects at the former Maxwell House jointly developed by Chip Eng Seng Corp, SingHaiyi Investments and Chuan Investments and the Marina View white site by a wholly-owned subsidiary of Malaysian property developer IOI Properties Group, could be launched within the same precinct in H2 2022.

These launches could garner market interest as Downtown Core has been gaining traction as a new hotbed for luxury homes in recent years. The area is set to benefit further when it is rejuvenated alongside the planned development for the Greater Southern Waterfront.

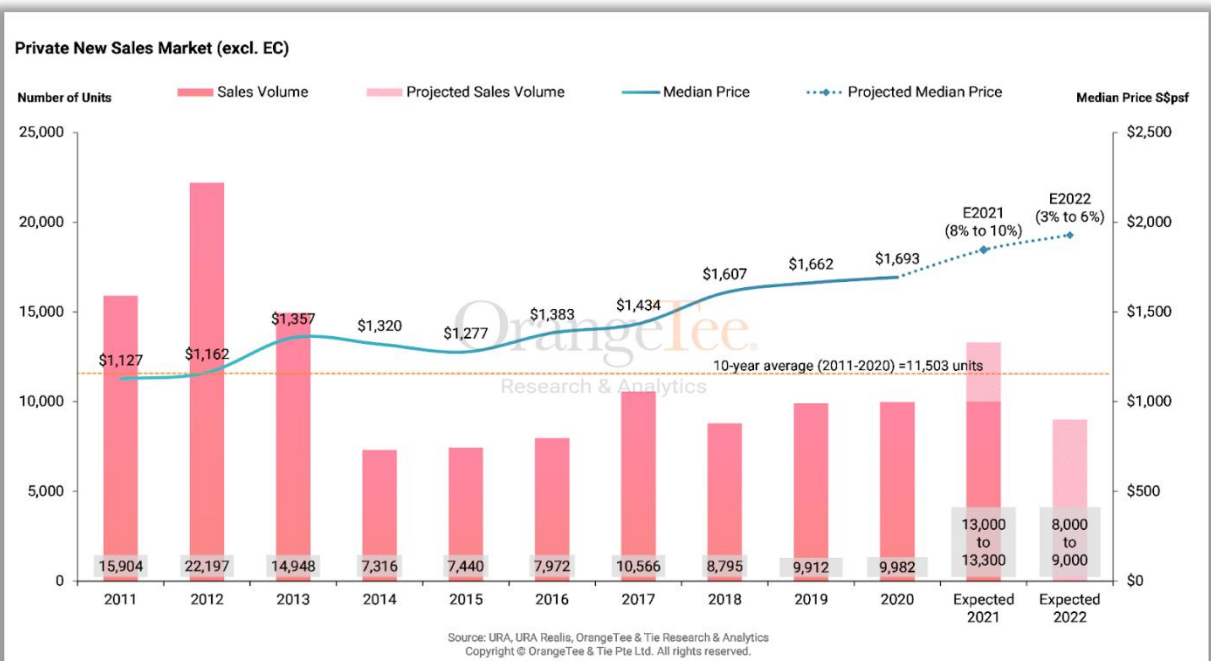
A sprawling hilltop site at the former Caldecott Broadcast Centre in Andrew Road jointly owned by Perennial Real Estate Holdings and its chairman, Mr Kuok Khoon Hong, could also be launched. It was cited in some news reports that the 752,015 sqft site could be redeveloped into 67 two-storey bungalows with a land area of 800 sqm each.

An upcoming EC project in Tampines Street 62 by Qingjian Realty and Santarli Construction and two leasehold sites - a private residential development with commercial space at Lentor Central by GuocoLand and a private housing site at Ang Mo Kio Avenue 1 opposite the Bishan-Ang Mo Kio Park by a joint venture between UOL Group, Singapore Land Group and Kheng Leong Company – may be keenly watched as these projects could set new price levels in those areas based on their record land prices and attractive locations.

Other residential projects that may draw buyers' interest include Liv @ MB at Arthur Road in District 15 and the Pollen Collection, which is third phase of strata landed houses to be launched at Nim Road.

New condominiums at Northumberland Road bought by City Developments (CDL) and joint venture partner MCL Land, and Tanah Merah Kechil Link bought by MCC Land (Singapore) may be launched too.

**Chart 2 Private new home sales (exclude EC)**





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Riviere



Normanton Park



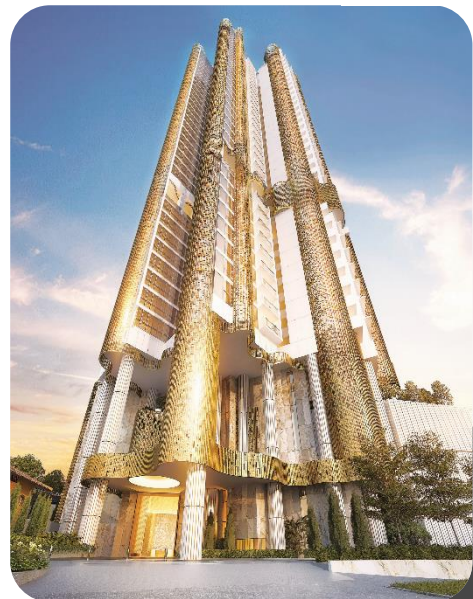
The Avenir



Irwell Hill Residences



Hyll on Holland



Klimt Cairnhill

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South Beach Residences

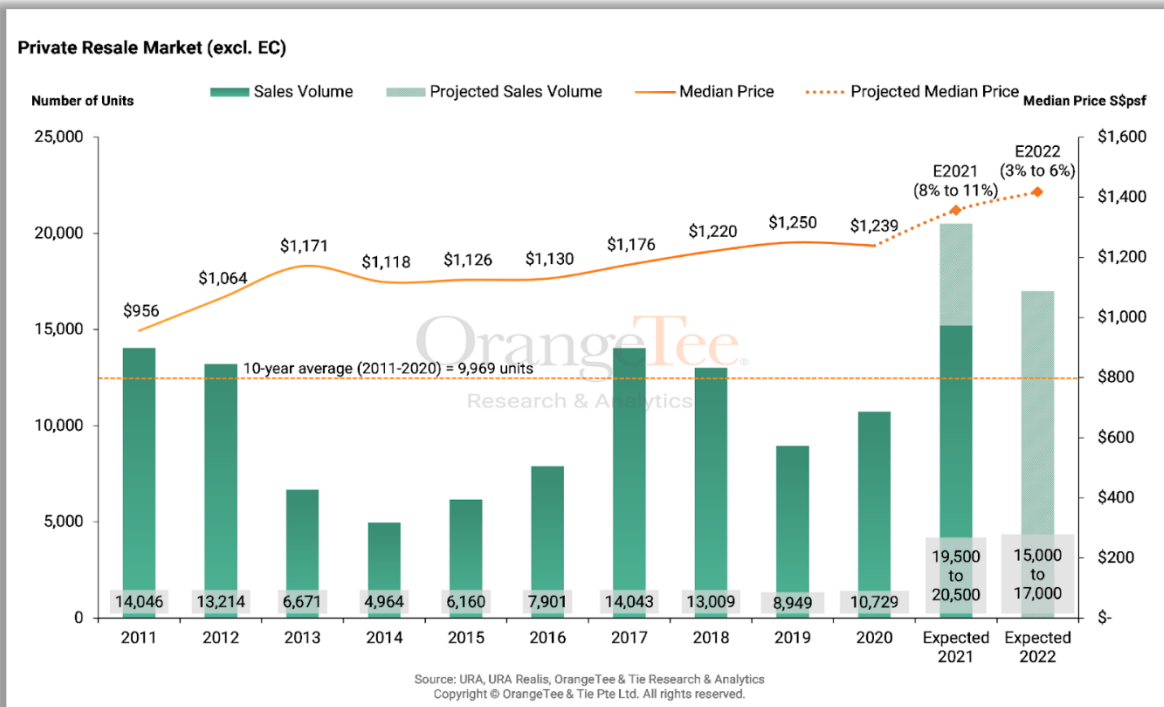
## Private Resale

The private resale market saw a significant rebound in buyers' interest last year. The number of resale transactions rose by 0.5 per cent quarter-on quarter (q-o-q) from 5,333 units in Q2 2021 to 5,362 units in Q3 2021. This is the highest quarterly resale volume registered since Q3 2009 when 5,809 units were sold.

A growing number HDB upgraders are turning to the resale market to meet their housing needs. The increased demand was more apparent in the suburbs as mass market condominiums tend to more affordable and supply of new homes in the suburban areas have been dwindling in recent months.

We anticipate that prices of resale homes may continue to rise this year by around 3 to 6 per cent in tandem with the price growth of new private homes. As prices of homes are expected to rise further, sales may slow down to around 15,000- to 17,000- units (Chart 3). However, the sales volume for 2022 will still be higher than the ten-year average of around 9,969 units.

Chart 3 Private resale market (exclude EC)



# Private Rental

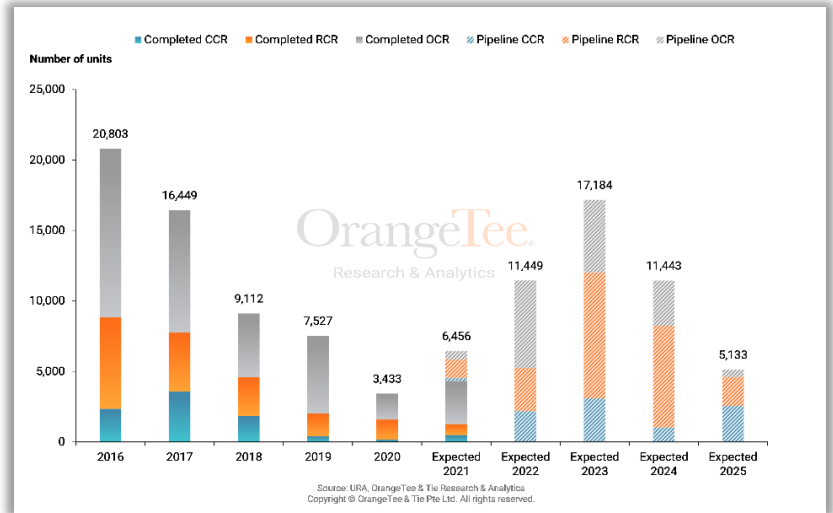
Barring new developments from the Omicron variant and border controls are not tightened, rental demand is poised to bounce back stronger this year when international air travel continues to be restored.

VTLs have been established with many countries, and we are expecting more foreign expats, business partners, and students to return after a two-year exodus.

Many permanent residents (PRs), Singaporeans and foreigners have been returning over the past few weeks. Those who are affected by the cooling measures may also turn to rental. Some could have sold their existing properties before buying another unit to avoid the ABSD.

Hiring prospects may improve for certain sectors like aviation, hospitality, MICE (Meetings, Incentives, Conferences & Exhibitions) and tourism in the coming months, which may help drive up rental demand.

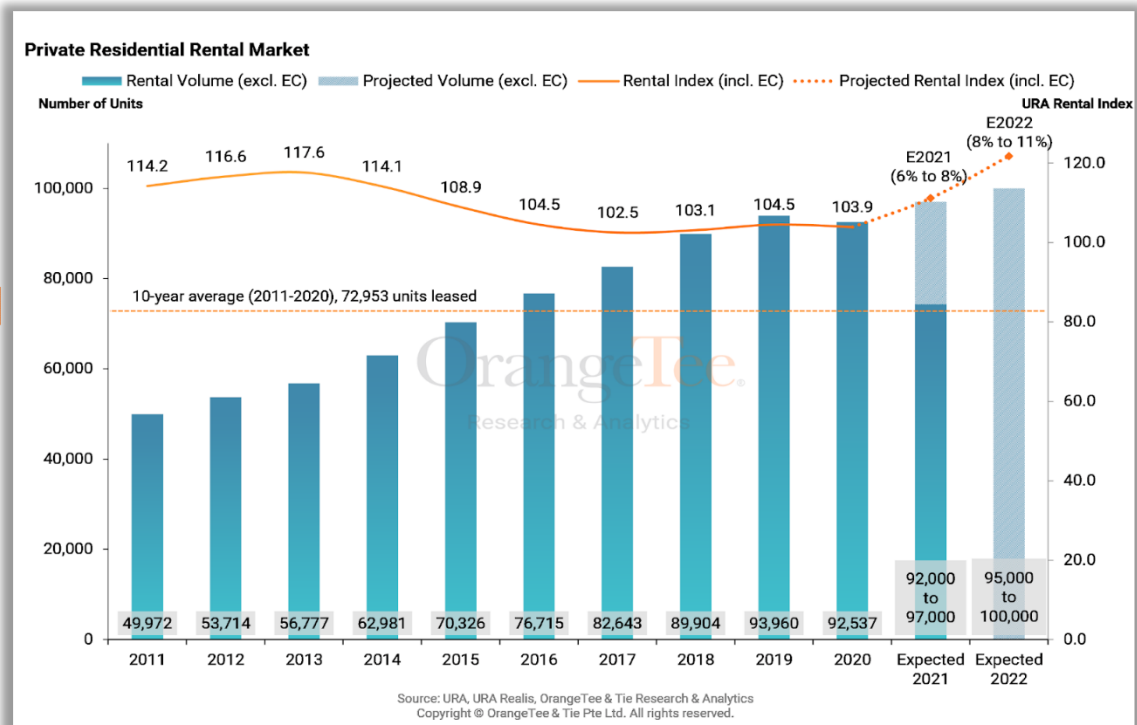
**Chart 5 Expected completions of private residential properties (exclude EC) as at Q3 2021**



Rents have been rising over the past year amid a tight supply of completed homes and robust demand. We estimate that rents may increase by 6 to 8 per cent in 2021, and may rise at a faster pace of between 8 and 11 per cent this year (Chart 4).

We anticipate that the overall leasing volume may hit around 92,000- to 97,000-units in 2021, rising further by 3 to 4 per cent to around 95,000- to 100,000-units in 2022.

**Chart 4 Private residential rental volume (exclude EC)**





# HDB Resale Market

## Resale

The HDB resale market have ended on a high note in 2021. 23,077 resale transactions were inked in the first three quarters of last year, which is almost on par with the full-year sales in 2018 (23,099 units) and 2019 (23,714 units). The total resale transactions for 2021 is poised to surpass 2020's numbers, which stands at 24,748 units.

New cooling measures were imposed on the public housing market, and the effects could be 'minimal to moderate' depending on the family's financial situation. The Loan-To-Value (LTV) Limit, or the maximum amount that potential homebuyers can borrow from HDB was lowered from 90 per cent to 85 per cent. Those who do not take a maximum loan or are borrowing from financial institutions will not be affected by the new cooling measures.

Indicators	2018	2019	2020	2021 (projection)	2022 (projection)
<b>Resale</b>					
Price Change	-0.9%	0.1%	5.0%	10% to 12%	5% to 8%
Sales Volume (units)	23,099	23,714	24,748	29,000 to 31,000	22,000 to 25,000
<b>Rental</b>					
Rental Price Change (SRX)	-0.4%	1.5%	1.6%	7% to 9%	7% to 10%
HDB Rental Applications (units)	46,440	48,195	38,798	42,000 to 44,000	46,000 to 48,000

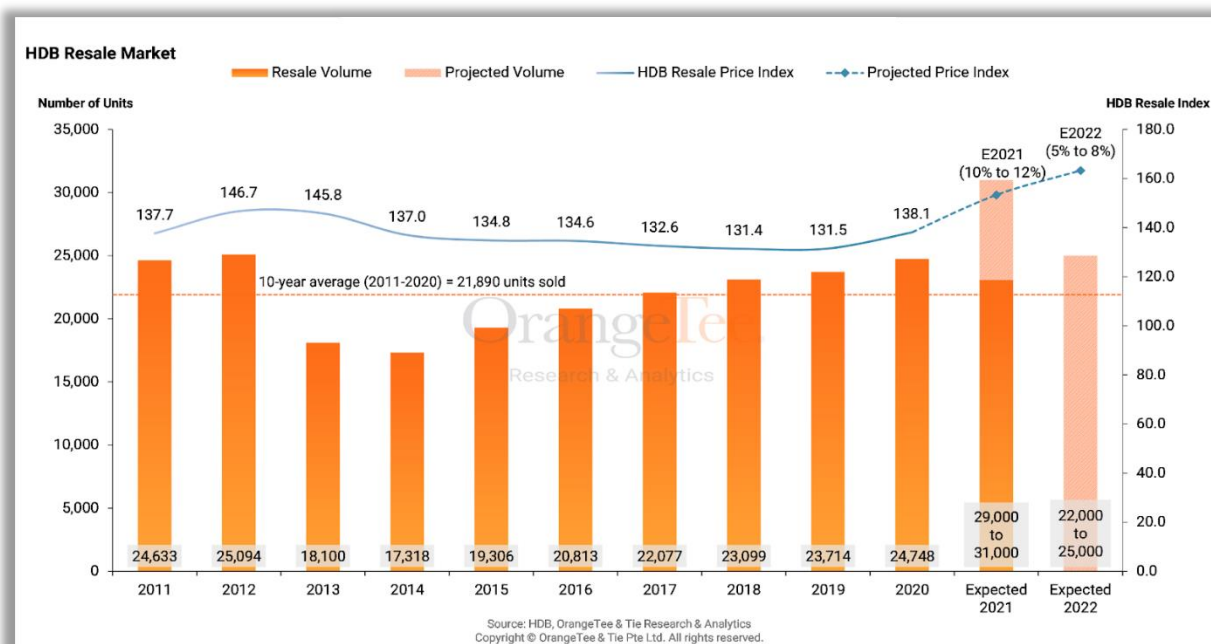
Source: HDB, Data.gov.sg, SRX, OrangeTee & Tie Research and Analytics

Even as the authorities push out more BTO flats to meet the increasing housing needs, the construction sector may still struggle to clear the backlog of flat completions as the sector is likely to grapple with continual global supply chain disruptions and manpower shortages. Young couples and expanding families may still buy resale homes to meet their immediate housing needs.

This year, we may see more million-dollar flat transactions as more flats in the mature estates are expected to reach their five-year occupation period. These include flats in Bukit Merah, Queenstown, Ang Mo Kio and Toa Payoh

We anticipate that resale flat prices could climb at a slower pace of between 5 and 8 per cent this year due to price resistance in some locations.

Chart 6 HDB resale market

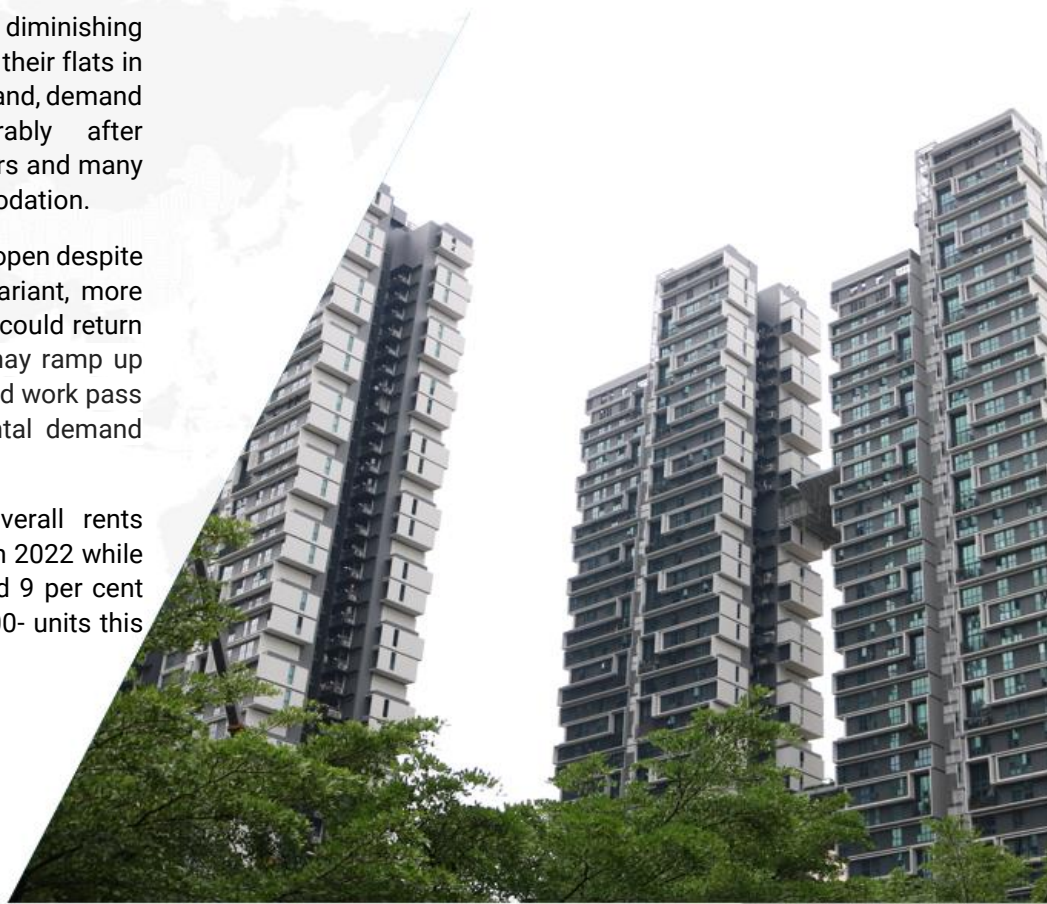


## HDB Rental

The rental stock has been diminishing since many owners have sold their flats in recent months. On the other hand, demand has picked up considerably after Singapore reopened its borders and many people needing new accommodation.

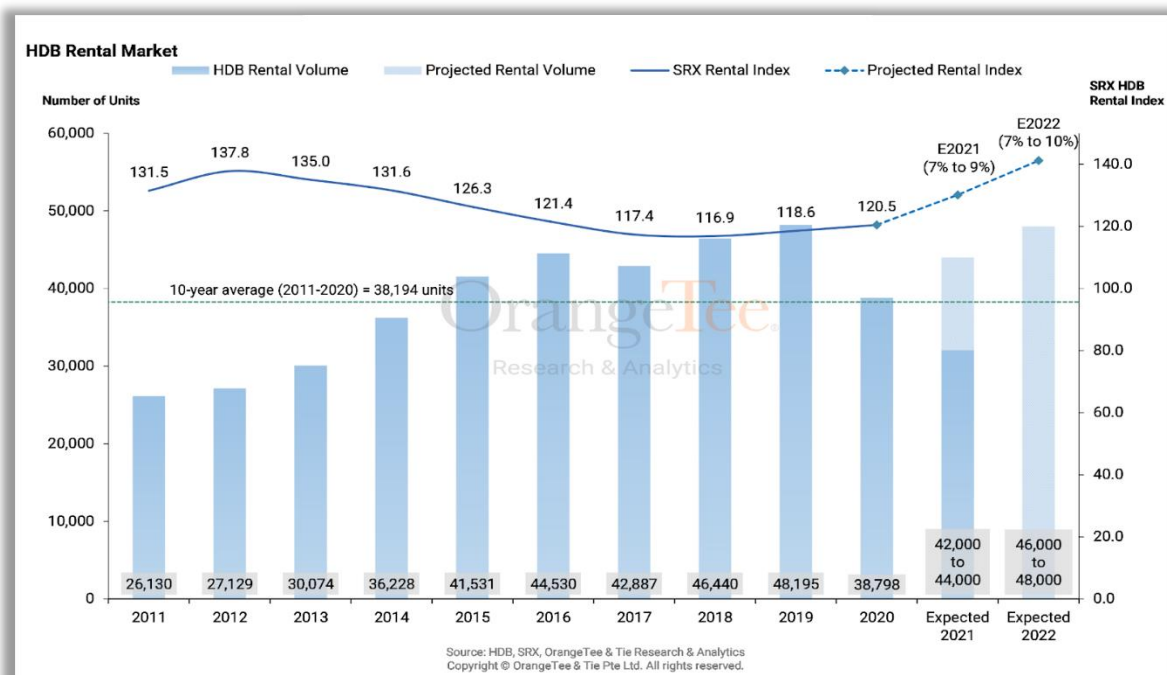
If our borders remain open despite the emergence of the new variant, more PRs, foreigners and students could return this year. More companies may ramp up the hiring of foreign expats and work pass holders, which may spur rental demand further.

We estimate that overall rents may rise by 7 to 10 per cent in 2022 while volumes may increase around 9 per cent to between 46,000- and 48,000- units this year (Chart 7).



SkyTerrace@Dawson

Chart 7 HDB rental market



**Chart 8 Number of flats reaching MOP**



Number of Flats reaching MOP							
Town	2019	2020	2021	2022	2023	2024	Grand Total
Bukit Batok	700	224	1,232	6,884	3,014	662	12,716
Punggol	4,638	6,232	1,638	5,844	680	754	19,786
Sembawang	456	0	2,561	3,962	518	2,669	10,166
Woodlands	687	1,002	818	3,701	1,746	0	7,954
Bukit Merah	2,966	340	570	2,023	689	0	6,588
Yishun	3,822	840	3,366	1,882	1,548	824	12,282
Jurong West	1,432	348	1,640	1,223	907	0	5,550
Queenstown	758	960	0	1,179	0	489	3,386
Tampines	2,074	462	852	902	1,943	1,930	8,163
Bedok	911	1,104	0	728	330	660	3,733
Ang Mo Kio	256	0	859	712	0	0	1,827
Sengkang	6,039	3,550	2,934	624	511	2,081	15,739
Toa Payoh	0	436	465	542	557	1,286	3,286
Clementi	888	0	962	502	0	385	2,737

Number of Flats reaching MOP							
Town	2019	2020	2021	2022	2023	2024	Grand Total
Hougang	2,020	878	1,338	467	2,234	711	7,648
Serangoon	0	195	0	150	0	0	345
Choa Chu Kang	0	4,032	2,476	0	0	0	6,508
Kallang/Whampoa	0	626	2,827	0	738	0	4,191
Geylang	0	975	584	0	108	642	2,309
Bukit Panjang	1,136	862	0	0	0	0	1,998
Pasir Ris	1,386	447	0	0	0	0	1,833
Jurong East	0	518	0	0	225	0	743
Bishan	0	0	408	0	0	0	408
Bukit Timah	0	132	0	0	0	0	132
Tengah	0	0	0	0	0	0	0
Marine Parade	0	0	0	0	0	0	0
Central Area	0	0	0	0	0	0	0

Source: Data.gov.sg, OrangeTee & Tie Research and Analytics

Please contact us for any research enquiries.

For sales enquiries, please contact your preferred OrangeTee agent or visit <https://www.propertyagentsreview.com>



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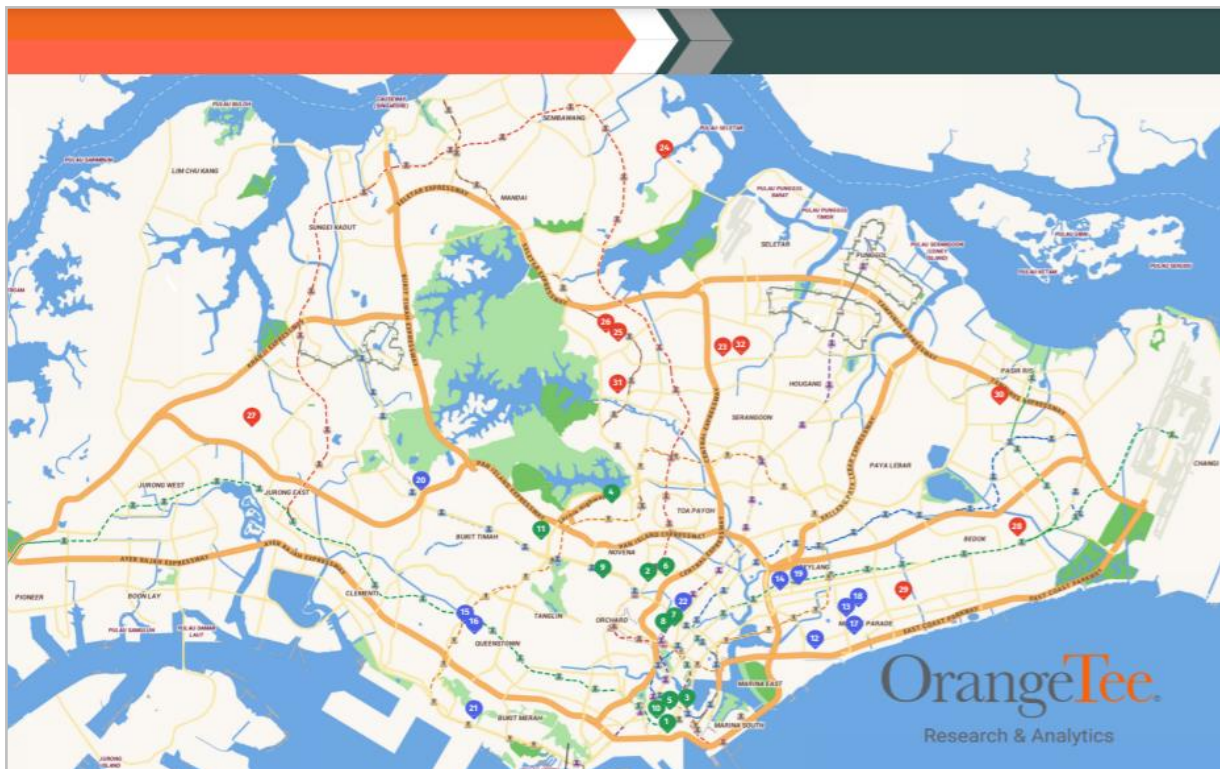
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### Core Central Region

- 1 Former Realty Centre  
The Place Holdings, MCC  
Land & Sun Card  
Enggor St  
Freehold, 100 Units
- 2 Former Surrey Point  
Amara Holdings, Santarli Capital  
Venture & Kay Lim Realty  
Surrey Rd  
Freehold, 36 Units
- 3 Site at Marina View  
IOI Properties Group  
Marina View  
99 Years, 905 Units
- 4 Former Caldecott  
Broadcast Centre  
Perennial Holdings Pte Ltd  
Andrew Rd  
Freehold, 67 Units
- 5 AXA Tower Redevelopment  
Perennial Holdings Pte Ltd  
& Alibaba Singapore  
Shenton Way  
99 Years, 200 Units
- 7 Former Shophouses  
ZACD Group Ltd  
2,4,6 Mount Emily Rd  
Freehold, 15 Units
- 8 Former Fairhaven and  
Sophia Ville  
Sophia Rd  
Freehold, 55 Units
- 9 6A, B & C Robin Drive  
Robin Development  
6 Robin Drive  
Freehold, 13 Units
- 10 Former Maxwell House  
Chip Eng Seng Corporation Ltd,  
SingHaiyi Group Ltd & Chuan  
Holdings Ltd  
Maxwell Rd  
99 Years, 204 Units
- 11 Former Watten Estate Condominium  
UOL Group & Singapore Land Group  
(Singland)  
36 Shelford Rd  
Freehold, 286 Units

### Rest of Central Region

- 12 LIV @ MB  
Bukit Sembawang Estates Ltd  
Arthur Rd  
99 Years, 298 Units
- 13 Site at Jalan Tembusu  
\*Tender closing on 18 Jan  
2022  
Jalan Tembusu  
99 Years, 650 Units
- 14 Gems Ville  
East Asia Geylang  
Development Pte Ltd  
Lorong 13 Geylang  
Freehold, 24 Units
- 15 Slim Barracks Rise (Parcel A)  
EL Development Pte Ltd  
Slim Barracks Rise  
99 Years, 265 Units
- 16 Slim Barracks Rise (Parcel B)  
Gao Xihua (Buyer)  
Slim Barracks Rise  
99 Years, 140 Units
- 18 Royal Hallmark  
E2 Holdings Pte Ltd  
Haig Lane  
Freehold, 32 Units
- 19 Zyanya  
Boldtek Holdings Ltd  
Lorong 25A Geylang  
Freehold, 34 Units
- 20 Site at Jalan Anak Bukit  
Far East Organization &  
Sino Group  
Jalan Anak Bukit  
99 Years, 845 Units
- 21 Former Flynn Park  
Hoi Hup Realty & Sunway  
Developments  
Yew Siang Rd  
Freehold, 271 Units
- 22 Site at Northumberland Rd  
CDL & MCL Land Ltd  
Northumberland Rd  
99 Years, 407 Units

### Outside Central Region

- 23 Pollen Collection  
Bukit Sembawang  
Estates Ltd  
Nim Rd/Ang Mo Kio Ave 5  
99 Years, 132 Units
- 24 North Gaia (EC)  
Sing Holdings Ltd  
Yishun Ave 9  
99 Years, 617 Units
- 25 Lenton Hills Rd (Parcel A)  
\*Tender closing on 18 Jan  
2022  
Lenton Hills Rd  
99 Years, 595 Units
- 26 Site at Lenton Central  
Guocoland Ltd  
Lenton Central  
99 Years, 610 Units
- 27 Tengah Garden Walk (EC)  
CDL & MCL Land Ltd  
Tengah Garden Walk  
99 Years, 628 Units
- 28 Site at Tanah Merah Kechil Link  
MCC Land Ltd  
Tanah Merah Kechil Link  
99 Years, 268 Units
- 29 Site at Lorong N Telok Kurau  
ABR & LWH Holdings Ltd  
Lorong N Telok Kurau  
Freehold, 24 Units
- 30 Tampines St 62 (Parcel A) (EC)  
Qingjian Realty & Santarli  
Realty Pte Ltd  
Tampines St 62  
99 Years, 590 Units
- 31 Site at Ang Mo Kio Ave 1  
UOL Group, Singapore Land Group  
& Kheng Leong Company  
Ang Mo Kio Ave 1  
99 Years, 372 Units
- 32 Belgravia Ace  
Tong Eng Group  
Belgravia Drive  
Freehold, 107 Units

# Potential Home Launches in 2022

Source : URA, OrangeTee & Tie Research & Analytics