

Market Share Of Resale Homes Reaches All-time High

Private Resale Trends Q2 2024



Kopar At Newton

The resale market share has reached a new pinnacle in the last quarter, accounting for 77.4 per cent of total sales. The price gap between new and resale condos continues to close.





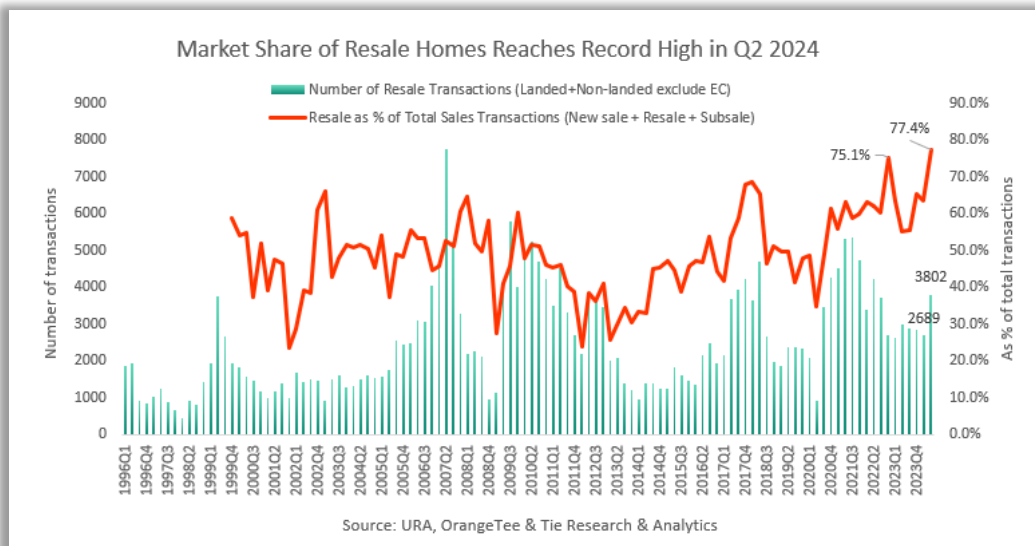
RESALE VOLUME

In the second quarter of this year, the private resale market experienced a significant surge, with sales volume reaching its highest point in two years. 3,802 resale homes, including landed and non-landed properties (excluding executive condominiums or EC), changed hands, based on quarterly real estate statistics from the Urban Redevelopment Authority (URA). This is the highest quarterly sales since Q2 2022 with 4,236 transactions and a substantial 41.4 per cent increase from the 2,689 units sold in Q1 2024.

The resale market share has reached a new pinnacle in the last quarter, underscoring its growing dominance. Resale transactions accounted for 77.4 per cent of the total 4,915 units (including new sales, resale, and subsale) sold in Q2 2024, marking the highest proportion of resale transactions on record (Chart 1). The previous record was at 75.1 per cent with 2,694 resales out of 3,588 total sales transactions in Q4 2022.

During the first six months of this year, a total of 6,491 resale homes were sold, showing a 16 per cent increase from the 5,598 units that were transacted during the corresponding period in 2023. The significant increase in resale transactions can be attributed to the higher availability of newly completed private properties. Around 30,000 homes were completed in 2022 and 2023, leading to an abundance of options for potential buyers. Moreover, as prices of new homes hold firm, buyers continued to turn to the secondary market, which offers more affordable home options, further fueling the surge in resale activity.

Chart 1 Resale homes constitute 77.4% of total sales in Q2 2024



PRICE TREND

Prices of private resale properties continued to climb in the second quarter of 2024, marking the fourth consecutive quarterly increase. The uptrend was primarily driven by notable price gains in the city fringe and suburban areas. According to data from the URA Realis, the average resale prices for both landed and non-landed homes, excluding executive condos (EC), saw a 1.1 per cent rise from S\$1,695 per square foot (psf) in the first quarter of 2024 to S\$1,714 psf in the second quarter (Chart 3). This is the first time that average resale prices have surpassed the S\$1,700 psf mark.

Last quarter, the Rest of Central Region (RCR) experienced a moderate surge in average prices, with a 2.9 per cent increase from S\$1,781 psf in Q1 2024 to S\$1,833 psf in Q2 2024, a substantial reversal from the 0.3 per cent quarter-on-quarter (q-o-q) decline seen in Q1 (Chart 4). The Outside of Central Region (OCR) also observed notable growth, with prices rising by 3.5 per cent from S\$1,444 psf to S\$1,494 psf during the same period, which was a stark improvement from the 0.2 per cent q-o-q drop experienced in the preceding quarter. In contrast, the average resale prices in the Core Central Region (CCR) dipped by 3.6 per cent from S\$2,226 psf to S\$2,147 psf in Q2 2024, following a 5.1 per cent increase in Q1.

In the first half of 2024, the average price of resale condos excluding EC rose 4.8 per cent from S\$1,618 psf in 1H2023 to S\$1,696 psf in 1H2024, while the average price of new condos excluding EC dipped 7.6 per cent over the same period from S\$2,574 psf to S\$2,379 psf. As resale prices have risen faster than new sales, the price gap between the two narrowed from 59.1 per cent to 40.2 per cent over the same period (Chart 2). However, the current price gap is still wide compared to the recent lowest level of 2 per cent in 2H 2012. In 1H2024, the price gap is widest in OCR at 49.9 per cent, followed by CCR at 46.6 per cent and RCR at 44.7 per cent.

Chart 2 Price gap closing up but remain substantial

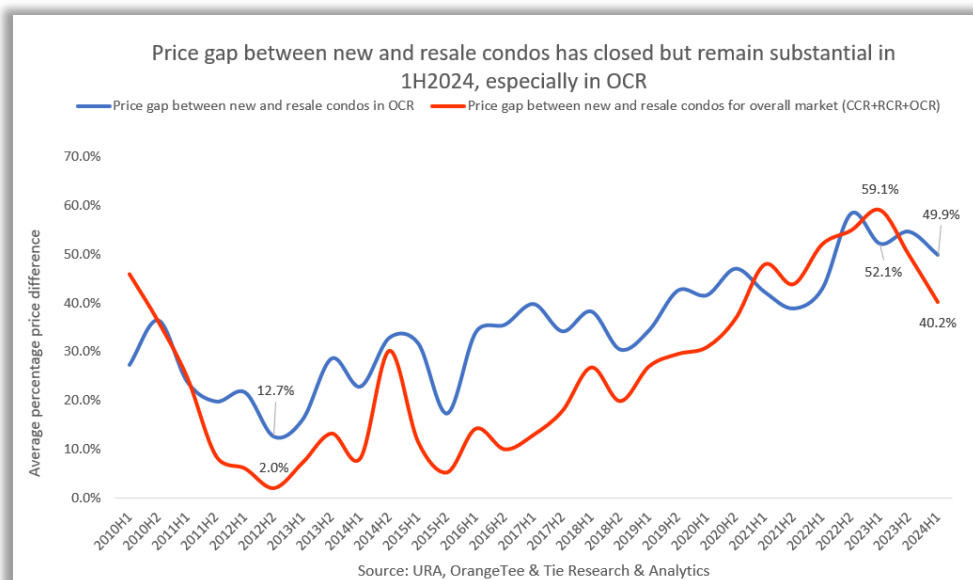


Chart 3 Avg resale prices grew by 1.1 per cent in Q2 2024

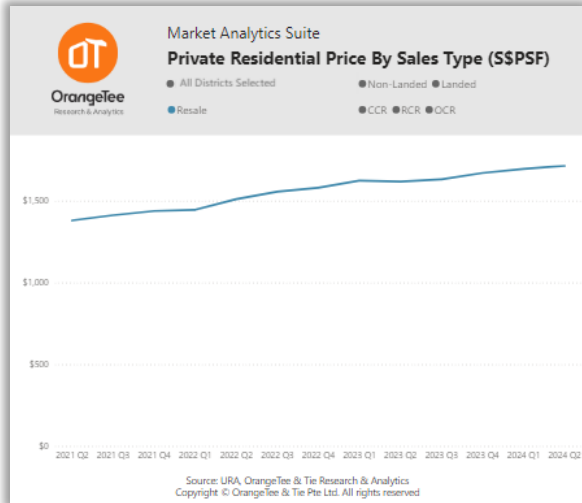
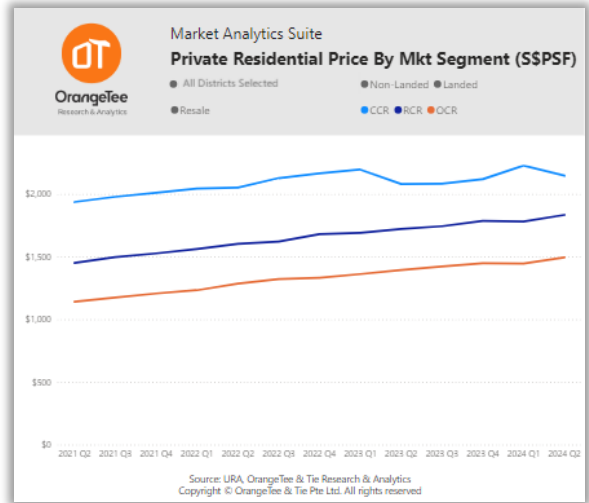
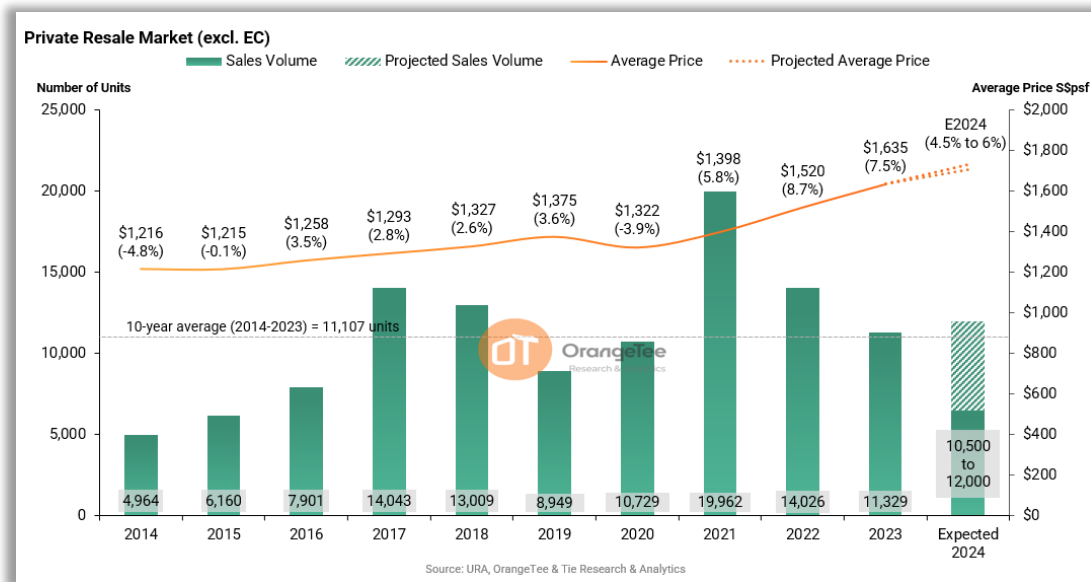


Chart 4 Avg resale prices rose in the RCR and OCR



RESALE MARKET PROJECTION



Indicators (All exclude EC except for URA PPI and URA RI)	2021	2022	2023	Q1 2024	Q2 2024	H1 2024	Projection for 2024
Resale							
Average S\$PSF (Price Change)*	5.8%	8.7%	7.5%	1.5%	1.1%	2.7%	4.5% to 6%
Sales volume (units)	19,962	14,026	11,329	2,689	3,802	6,491	10,500 to 12,000

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

Outlook

Resale demand is expected to stay resilient as many HDB upgraders seek completed homes after selling their flats to be exempted from the Additional Buyer's Stamp Duty (ABSD). If mortgage rates fall, the lower rates will boost affordability. Buying interest will also be high if the price difference between newly launched condos and resale properties remains substantial. However, the available stock for purchase is projected to decrease, as the number of condo completions has declined from 11,329 units in 2023 to an estimated 9,000 to 11,000 units this year. Due to the diminishing housing stock in the market, prices may continue to rise at a moderate pace of 4.5 to 6 per cent. Around 10,500 to 12,000 resale homes may be transacted in 2024, at a similar level as the 11,329 units sold in 2023.

MOST POPULAR RESALE CONDOS IN 1H2024 (HIGHEST NUMBER OF TRANSACTIONS EXCLUDING EC)

Project Name	Address	Total Transactions	Median Price S\$PSF	Median Price S\$
Core Central Region (CCR)				
CUSCADEN RESERVE	Cuscaden Road	93	\$3,019	\$2,472,000
THE RESIDENCES AT W SINGAPORE SENTOSA COVE	Ocean Way	71	\$1,801	\$2,925,000
D'LEEDON	Leedon Heights	41	\$1,969	\$2,320,000
THE SAIL @ MARINA BAY	Marina Boulevard	25	\$2,000	\$1,700,000
ONE DRAYCOTT	Draycott Park	20	\$3,272	\$2,600,000
ONE SHENTON	Shenton Way	16	\$1,767	\$1,660,000
ICON	Gopeng Street	15	\$1,900	\$1,150,000
MARINA BAY RESIDENCES	Marina Boulevard	13	\$2,186	\$2,258,000
DUO RESIDENCES	Fraser Street	13	\$2,192	\$1,450,000
Rest of Central Region (RCR)				
STIRLING RESIDENCES	Stirling Road	47	\$2,269	\$1,438,000
PARC ESTA	Sims Avenue	43	\$2,225	\$1,868,000
SIMS URBAN OASIS	Sims Drive	35	\$1,872	\$1,120,000
JADESCAPE	Shunfu Road	34	\$2,173	\$1,645,000
EIGHT RIVERSUITES	Whampoa East	23	\$1,781	\$1,475,000
REFLECTIONS AT KEPPEL BAY	Keppel Bay View	23	\$1,749	\$2,200,000
QUEENS PEAK	Dundee Road	21	\$2,215	\$1,360,000
THE INTERLACE	Depot Road	21	\$1,595	\$2,890,000
BRADDELL HILL	Braddell Hill	20	\$1,028	\$1,745,000
Outside of Central Region (OCR)				
TREASURE AT TAMPINES	Tampines Lane	88	\$1,698	\$1,235,000
THE MINTON	Hougang Street	39	\$1,470	\$1,450,000
HIGH PARK RESIDENCES	Fernvale Road	33	\$1,508	\$1,010,000
THE GARDEN RESIDENCES	Serangoon North View	32	\$1,822	\$1,262,500
THE PALETTE	Pasir Ris Grove	29	\$1,403	\$1,510,000
KINGSFORD WATERBAY	Upper Serangoon View	29	\$1,428	\$1,010,000
KINGSFORD . HILLVIEW PEAK	Hillview Rise	27	\$1,481	\$1,150,000
THE TAPESTRY	Tampines Street	27	\$1,654	\$1,040,000
BOTANIQUE AT BARTLEY	Upper Paya Lebar Road	26	\$1,937	\$1,480,000

Source: URA, OrangeTee & Tie Research & Analytics

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