



OrangeTee

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HDB Resale Market Outlook

Stable Demand Amid
Modest Price Growth

2026

A product by
Realion (OrangeTee & ETC) Research

HDB Resale Market Outlook 2026

Key Highlights



Bright Spots

Singapore's economy is expected to stabilise in 2026, while continual interest rate declines will improve borrowing costs. Many flats in mature estates will reach their five-year minimum occupation period (MOP), thus boosting overall prices if many are resold.



Potential Challenges

The number of MOP flats will more than double in 2026 when compared to the previous year. Older flats and those in less desirable locations will face stiffer competition from newer flats that are more attractively designed and completed within shorter periods.



Sales Projection

Fewer flats could be transacted in the resale market as more buyers may be diverted to the Build-To-Order (BTO) market and Sale of Balance Flats (SBF).



Price Projection

HDB resale prices are expected to stabilise in 2026. Overall prices are projected to rise modestly by 2 to 4 per cent in 2026, similar to the 3 to 4.5 per cent price growth in 2025.



Projection For Premium Flats

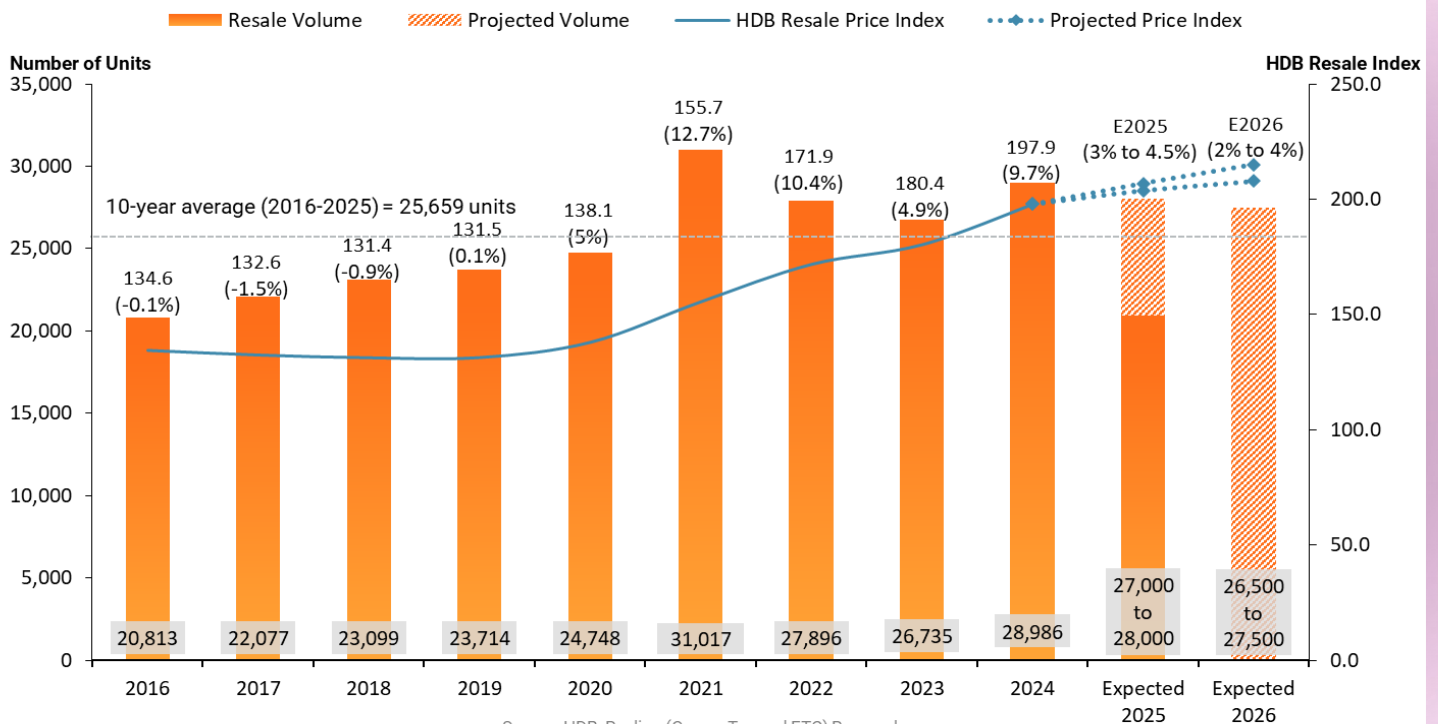
Premium flat transactions are expected to rise further in 2026, as 60.4 per cent of MOP flats are in mature estates, which typically command higher prices.



Projection For BTO Flats

The government will likely continue to launch new flats in attractive locations. We anticipate more flats to be launched in the Greater Southern Waterfront, Mount Pleasant and Bayshore.

HDB Resale Market





Realion Research Stock Image (Tengah HDB)

Outlook | Stable Demand Amid Modest Price Growth

Overview

■ The HDB resale market is expected to face heightened pressure in 2026 due to an anticipated surge in housing supply and potential policy changes. On the other hand, positive macroeconomic factors like lower mortgage rates, steady household income and stable economic growth will boost resale flat demand. More pricey resale flat transactions are expected as many new flats in mature estates would be reaching their MOP.

2025 In Review

■ The resale market experienced a noticeable slowdown in early 2025, with the decline becoming even more pronounced in the latter half of the year. Based on the HDB resale price index, price growth decelerated from 2.6 per cent in Q4 2024 to 1.6 per cent in Q1 2025, then to 0.9 per cent in Q2 2025, and further down to 0.4 per cent in Q3 2025.

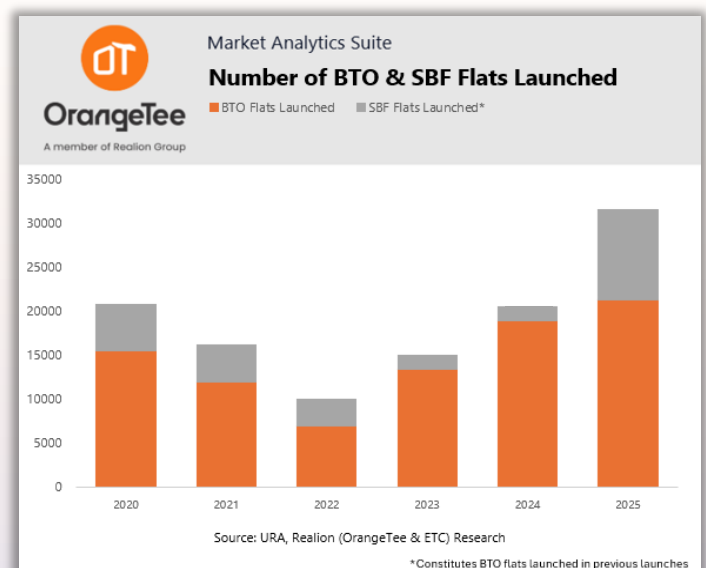
■ In the first three quarters of 2025, prices rose by 2.9 per cent. We anticipate that the full-year price growth may reach 3 to 4.5 per cent, which is substantially lower than the 9.7 per cent increase in 2024 and the 10.4 per cent gains in 2022.

■ The slower pace of price growth indicates a cooling demand for resale flats, as more buyers opted for SBF and BTO flats. In 2025, more than 30,000 new units were offered for sale over three sales exercises. The three BTO and SBF sales exercises drew close to over 100,000 applicants in 2025, marking a three-year high. In comparison, there were around 80,000 applicants in 2023 and 82,000 applications in 2024.

■ Over 100,000 BTO flats (excluding SBF) have been launched for sale since 2021, which significantly diverted demand from the resale market. (Figure 1) A growing number of BTO flats entail shorter construction periods, competing directly with resale flats.

■ The gap in price expectations was widening as many sellers asked for high prices while buyers showed increasing price resistance. As a result, deals were taking longer to close, leading to fewer transactions. According to HDB, 20,913 resale flats were transacted in the first nine months of 2025, a 7.3 per cent decrease from 22,562 during the same period in 2024. We anticipate that a total of 27,000 to 28,000 resale flats could be sold in 2025, down from the 28,986 units in 2024.

Figure 1: Strong Ramp-Up Of BTO & SBF Supply



Supply Pressures| More MOP Flats & Desirable BTO Flats

Strong Pipeline Supply Of MOP Flats

■ In the secondary market, housing supply is set to increase significantly over the next three years. The number of resale flats reaching their MOP is projected to more than double to 13,484 units in 2026, up from 6,973 units in the previous year (Figure 2). The supply of MOP flats is expected to grow further to 18,939 units in 2027 and 21,393 units in 2028. Collectively, almost 54,000 resale flats are projected to obtain MOP from 2026 to 2028, surpassing the estimated 34,000 MOP units in the three years prior from 2023 to 2025. With many flats reaching MOP, we anticipate more sellers listing their units for resale, which will exert some downward pressure on prices.

Competition from new flats

■ Sellers will continue to face competition from the primary market. Over the past three years, the number of applicants participating in the BTO and SBF sales exercises has steadily increased, indicating pent-up demand for the subsidised homes (Figure 3).

■ The government will likely continue to introduce new flats with innovative designs and integrated facilities that cater to modern living standards. These features may not be found in older resale flats. For example, a growing number of new flats offer flexible floor plans that allow for customisation. Some new BTO projects incorporate childcare centres and health care facilities within the HDB block, while selected 2-room flexi flats and Community Care Apartments feature senior-friendly equipment and offer optional paid care services such as health checks and communal activities for the elderly.

■ Furthermore, there are many Plus and Prime flats being launched, with over 30,000 units released since November 2021 (Figure 4). We expect more Prime and Plus flats to be released for sale in sought-after areas like Mount Pleasant, Greater Southern Waterfront, and Bayshore. These projects may draw buyers away from the resale market in prime locations.

■ Buyers can now secure new flats without lengthy waits. Therefore, older flats in non-mature estates will face direct competition from SBF and Standard flats, which offer shorter waiting periods. This shift is a game-changer since immediate occupancy was a key advantage that resale flats had over new flats.

Figure 2: MOP Flats Projected to More Than Double in 2026

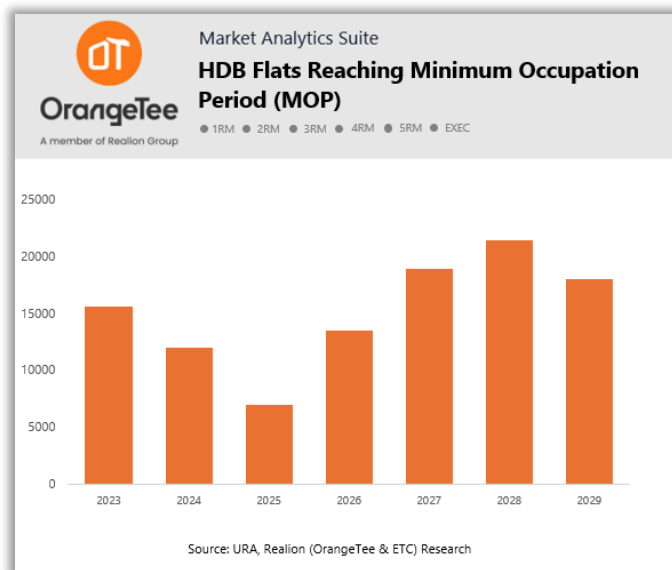


Figure 3: Number of BTO & SBF Applicants Steadily Increasing

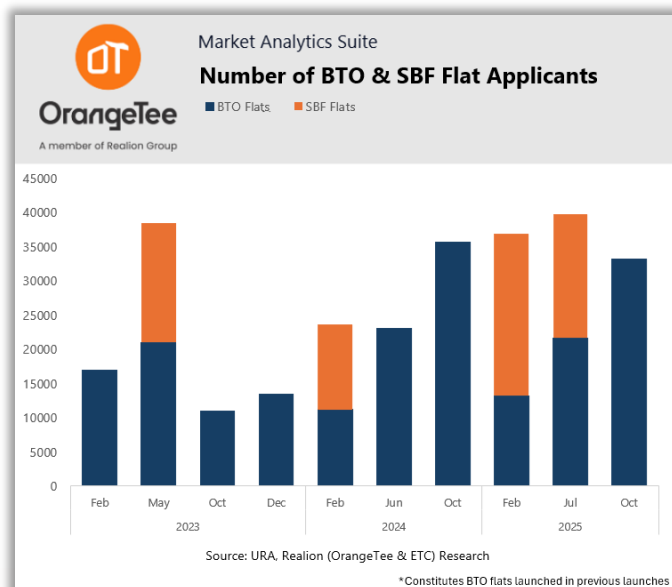
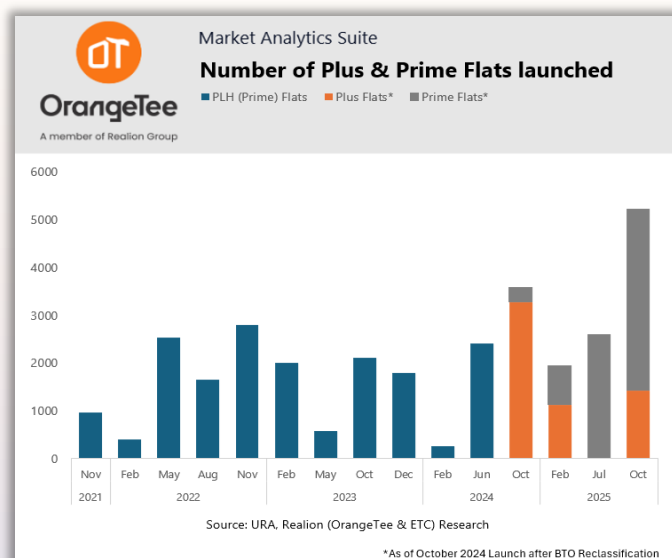


Figure 4: Rising number of Prime and Plus Flats





Realion Research Stock Image (Tengah HDB)

Demand Shifts | Potential Policy Changes

Review of Income ceiling

■ Next year, the government may introduce several new policies that could impact the resale market. They are considering raising the income ceiling to allow more Singaporeans to purchase BTO flats, thereby improving public housing accessibility to a broader group of citizens from diverse income backgrounds. The proposed revision is in line with the overall income growth observed in recent years.

■ Currently, the income ceiling stands at S\$14,000 for couples and families and S\$7,000 for singles. A review in 2026 would be timely as previous revisions occurred approximately every four years - 2011, 2015 and 2019 (Table 1). The income ceiling revisions typically occur in increments of S\$2,000 for couples and families, and S\$1,000 for singles. If the income ceilings were to be adjusted, we expect them to be raised to S\$16,000 for couples and families, and S\$8,000 for singles.

■ The increase in income threshold will enlarge the pool of potential buyers for new flats. The higher income ceiling could lead some to buy larger or pricier BTO flats, thus diverting more buyers away from larger, higher-priced flats in the resale market. Previously, many of these buyers could have been limited by the current income ceiling, which restricted their eligibility to buy directly from the BTO market.

■ For instance, with an income ceiling of S\$14,000 and assuming a Loan-To-Value ratio of 75 per cent, and a Mortgage Servicing Ratio that caps the borrower's total monthly mortgage repayment at 30 per cent of their gross monthly income, the borrower could purchase a flat of up to S\$1.18 million with a loan of up to S\$886,000 at 3 per cent interest rate and 25-year loan tenure. If the income ceiling is raised to S\$16,000, the buyer can take an additional loan of approximately S\$127,000 and purchase a property of up to S\$1.35 million (Table 2). This means that first-time buyers at the higher income scale can qualify to purchase a spacious, high-floor BTO flat.

Table 1: Expected Income Ceiling Revision

Income Ceiling	Revision (Years)	Couples and Families	Singles
2001	-	\$8,000	-
August 2011	10	\$10,000	-
July 2013	2	\$10,000	\$5,000
August 2015	4	\$12,000	\$6,000
September 2019	4	\$14,000	\$7,000
Expected 2026	5	\$16,000	\$8,000

Source: Data.gov.sg, Realion (OrangeTee & ETC) Research

Table 2: Impact of Expected Income Ceiling Increase

Parameters	Current	Expected Revision	Expected Increase
Income	\$14,000	\$16,000	S\$2,000
Mortgage Servicing Ratio (MSR)	\$4,200	\$4,800	S\$600
Loan-To-Value Ratio (LTV)	75%	75%	-
Interest Rate (Stress Test)	3%	3%	-
Loan Tenure (Years)	25	25	-
Loan Quantum	\$885,681	\$1,012,207	\$126,506
Downpayment	\$295,227	\$337,402	\$42,175
Max Purchase Price	\$1,180,908	\$1,349,609	\$168,701

Source: Data.gov.sg, Realion (OrangeTee & ETC) Research

Possible lowering of age eligibility

■ The authorities are considering lowering the age eligibility for young singles wishing to purchase flats from the current 35 years old. This may lead to more singles purchasing 2-room flexi BTO flats, which may adversely impact demand for small resale flats like 2- and 3-room flats. The authorities have already released more 2-room flexi flats in 2025 at 5,655, up from 4,408 units three years ago in 2022. We expect this number to rise further.



Realion Research Stock Image (Tengah HDB)

Tailwinds | Macroeconomic Stability & More Pricey Deals

Positive Macroeconomic Factors

- Singapore's economy is expected to stabilise in 2026. Asia-Pacific remains the fastest-growing region in the world despite higher tariff risks and rising protectionism that weigh on export growth. The International Monetary Fund (IMF) projects a growth rate of 4.1 per cent for the region. For Singapore, the Ministry of Trade and Industry (MTI) upgraded Singapore's GDP growth forecast for 2025 to 1.5 per cent to 2.5 per cent due to better-than-expected performance in Q3. We anticipate Singapore's GDP growth to remain positive in 2026.
- Interest rates will likely continue to decline next year, which will improve homeowners' mortgage costs. More HDB owners have already switched to private home loans, which are lower than HDB loan rates. We also anticipate healthy income growth and a continued population expansion, which will boost housing demand.

Expect more pricey flat transactions

- Moving forward, more than 8,100 flats in mature estates will be reaching MOP in 2026, marking the highest number in over a decade (Table 3). These flats also constitute a significant 60.4 per cent of the total MOP flats in 2026.
- As new flats in mature estates tend to command higher resale prices than those in non-mature estates, the overall median prices may be elevated if many of these flats are transacted in the market.
- Popular locations such as Punggol (3,222 MOP flats), Queenstown (2,409 MOP flats), Tampines (2,133 units), Toa Payoh (1,594 MOP flats), Bedok (1,440 MOP flats) and Kallang / Whampoa (243 MOP flats) are projected to have a significant MOP flat supply in 2026, according to HDB data.

Table 3: Proportion Of Flats Reaching MOP In Mature And Non- Mature Estates

Year	MOP Flats In Mature Estates	MOP Flats In Mature Estates (As Proportion Of Total MOP Flats)	MOP Flats In Non-Mature Estates	MOP Flats In Non-Mature Estates (As Proportion Of Total MOP Flats)	Total MOP Flats
2015	4,297	50.9%	4,146	49.1%	8,443
2016	7,848	46.8%	8,927	53.2%	16,775
2017	2,474	23.5%	8,044	76.5%	10,518
2018	959	6.7%	13,432	93.3%	14,391
2019	5,882	20.3%	23,031	79.7%	28,913
2020	5,827	25.8%	16,760	74.2%	22,587
2021	5,687	24.7%	17,295	75.3%	22,982
2022	7,188	23.3%	23,731	76.7%	30,919
2023	4,064	26.1%	11,485	73.9%	15,549
2024	4,694	39.3%	7,258	60.7%	11,952
2025	3,784	54.3%	3,189	45.7%	6,973
E2026	8,138	60.4%	5,346	39.6%	13,484

Source: Data.gov.sg, Realion (OrangeTee & ETC) Research



Potential HDB Flats Obtaining MOP | 2025 - 2027

North

Region	2025	2026	2027	Total
Yishun (YIS)	156	456	3,638	4,250
Woodlands (WDL)	0	172	629	801
Sembawang (SBW)	0	310	0	310

West

Region	2025	2026	2027	Total
Bukit Batok (BBT)	1,113	221	1,397	2,731
Clementi (CLE)	385	0	1,511	1,896
Bukit Panjang (BKP)	0	350	1,221	1,571
Choa Chu Kang (CCK)	126	0	371	497

North-East

Region	2025	2026	2027	Total
Punggol (PGL)	1,794	3,222	2,672	7,688
Sengkang (SKG)	0	330	1,300	1,630
Ang Mo Kio (AMK)	590	0	0	590
Hougang (HGN)	0	285	0	285



Central

Region	2025	2026	2027	Total
Toa Payoh (TPY)	1,258	1,594	1,694	4,546
Queenstown (QUE)	809	2,409	0	3,218
Geylang (GEY)	0	319	1,815	2,134
Kallang/Whampoa (KAL)	0	243	0	243

East

Region	2025	2026	2027	Total
Tampines (TAM)	527	2,133	2,691	5,351
Bedok (BDK)	215	1,440	0	1,655

Source: Data.gov.sg, Realion (OrangeTee & ETC) Research

Summary | 2026 Projections

- The HDB resale market will likely continue to stabilise in 2026, with a modest price growth and slightly fewer transactions. The increase in MOP flat supply will intensify competition among sellers as buyers will have a broader range of flat options. Furthermore, prospective policy shifts may encourage buyers to pivot towards the BTO market, where they can secure cheaper flats with fresh leases.
- Nonetheless, the anticipated lower mortgage rates, healthy income growth and population expansion may boost demand. Moreover, we expect an increase in premium flat transactions as more resale flats in mature estates will be reaching MOP in 2026. All these factors are expected to soften the market impact from the supply surge and help prevent significant price corrections.
- In light of the countervailing factors, overall resale prices may grow at a modest pace or stabilise in certain regions, with price divergence in specific locations and across flat types. For instance, newer flats will likely continue to command high prices, while older or less well-located flats will face greater price pressures.
- We expect HDB resale prices to rise by 2 to 4 per cent for the whole of 2026, which will be on par with the 3 to 4.5 per cent forecast for 2025 but lower than the 10-year average of 5.2 per cent.
- As prices continue to climb and competition intensifies, demand for resale flats may stabilise or decline slightly. Around 26,500 to 27,500 resale flats could be transacted in 2026, slightly less than the projected 27,000 to 28,000 resale volume for 2025 and 10-year average of 25,659 units.

HDB Resale Market Projection

Indicators	2021	2022	2023	2024	2025 Projection	2026 Projection	10-Yr Average 2016 to 2025
HDB Resale Price Index (Price Change)	12.7%	10.4%	4.9%	9.7%	3% to 4.5%	2% to 4%	5.2%
HDB Resale Volume (Units)	31,017	27,896	26,735	28,986	27,000 to 28,000	26,500 to 27,500	25,659
SRX-99.co Rental Index (Price Change)	7.0%	28.5%	10.2%	3.6%	1.5% to 2%	1% to 3%	5%
HDB Rental Applications (Units)	42,623	36,166	39,138	36,673	37,000 to 39,000	36,000 to 39,000	41,295

Source: HDB, SRX-99.co, Realion (OrangeTee & ETC) Research

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