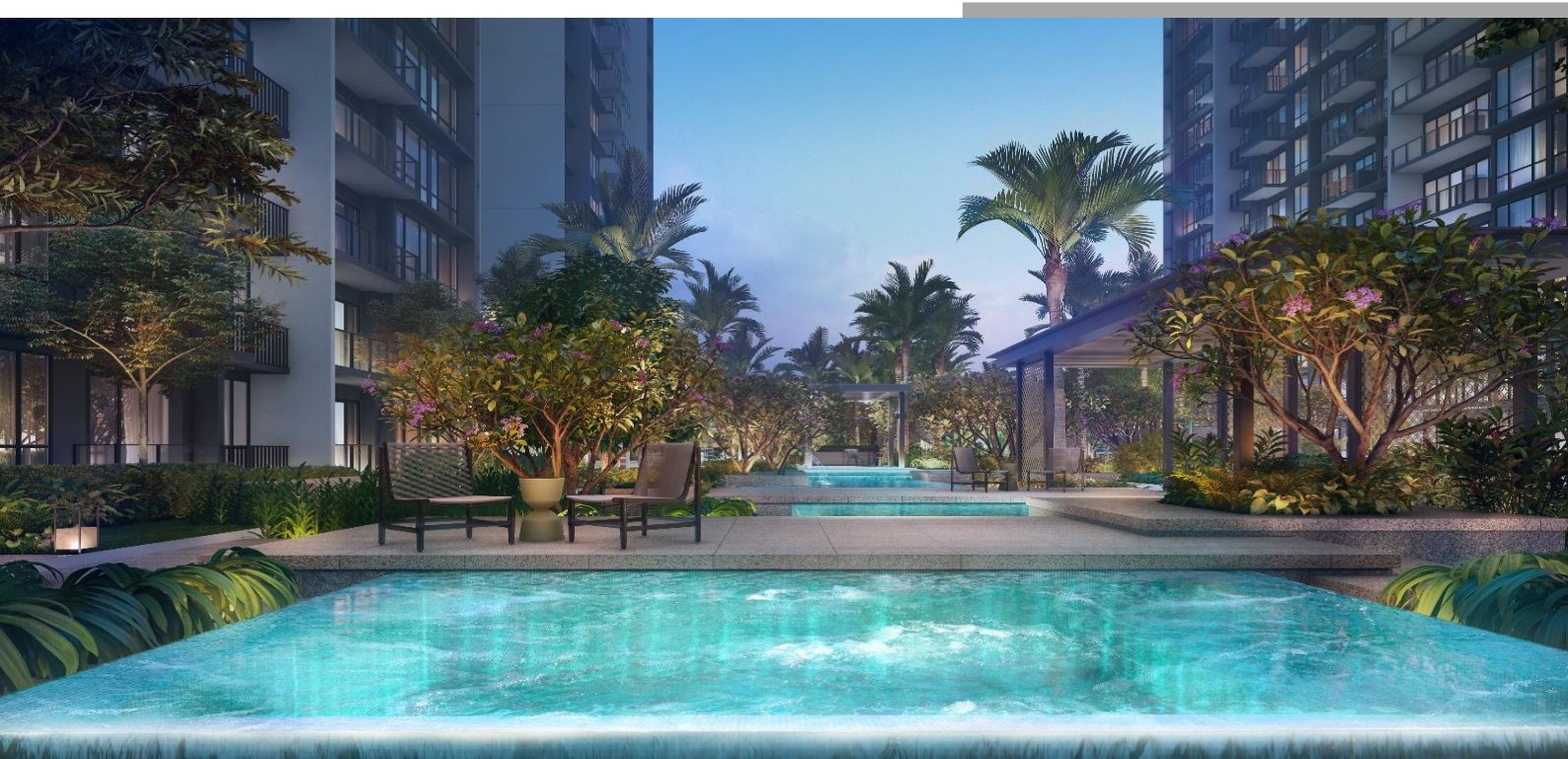


# NEW HOME SALES ON THE CITY FRINGE SOAR DESPITE RECORD PRICES

Private Residential Trends Q4 2024



Artist Impression of Emerald of Katong

Last quarter, new home sales in the city fringe area surged, reaching their highest level since Q3 2009, even as prices set new record highs. Consequently, the price difference between condos in the city fringe and prime areas decreased by more than 15 percentage points within a year, to the smallest price gap in over a decade.



Uncovering Trends Through Data Analytics+



Artist Impression of The Orie

## PRICE TREND

Prices of private homes increased in the fourth quarter due to a surge in new home transactions. According to data from the Urban Redevelopment Authority (URA), the overall price index for private residential properties rose by 2.3 per cent in Q4 2024, reversing the 0.7 per cent decline observed in the preceding quarter (Chart 1).

The non-landed segment, which includes condos and apartments, experienced a notable increase of 3.0 per cent in Q4 2024, compared to a modest 0.1 per cent gain in Q3 2024. In contrast, the prices of landed properties fell by 0.1 per cent in Q4 2024, a slower decline than the 3.4 per cent drop in the previous quarter.

Among the sub-markets, prices of non-landed properties increased by 3.3 per cent in the suburbs or Outside Central Region (OCR) after holding steady at zero growth in the previous quarter. Similarly, prices in the city fringe or the Rest of Central Region (RCR) saw an increase of 3.0 per cent in Q4 2024, up from 0.8 per cent in Q3 2024. Prices in the luxury or the Core Central Region (CCR) rebounded by 2.6 per cent in Q4 2024, reversing the 1.1 per cent drop in Q3 2024. (Chart 2).

However, for the whole of 2024, prices experienced their slowest growth at 3.9 per cent. This represents a decline from the increases of 6.8 per cent in 2023, 8.6 per cent in 2022, and 10.6 per cent in 2021. The last occurrence of such a slow growth was in 2020, during which prices rose by 2.2 per cent as a result of the pandemic.

Chart 1 URA PPI rose by 2.3% q-o-q in Q4 2024

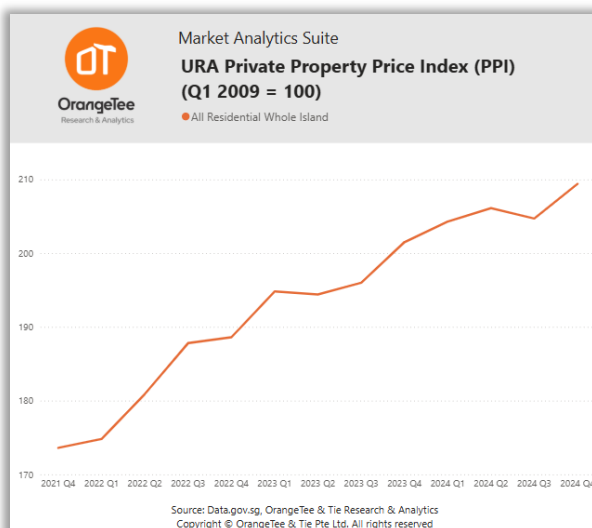
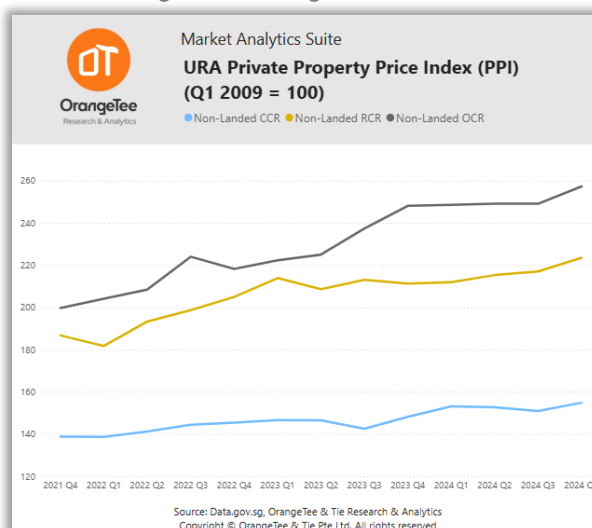


Chart 2 Price growth was highest in RCR and OCR





# PRICES BY MARKET SEGMENT

According to URA Realis caveat data, the average price of new private homes—both landed and non-landed, excluding executive condominiums—rose by 9.8 per cent from S\$2,328 per square foot (psf) in Q3 2024 to S\$2,555 psf in Q4 2024 (see Table 1). For resale, average prices increased at a slower rate of 2.0 per cent over the same period as more buyers were diverted to the primary market.

In the prime CCR, the average price of private homes (excluding EC) increased by 4.4 per cent, rising from S\$2,263 psf in Q3 2024 to S\$2,363 psf in Q4 2024. This increase was primarily due to a 1.7 per cent increase in resale prices. In contrast, new sale and subsale prices in the CCR fell by 6.9 per cent and 0.5 per cent, respectively, over the same period.

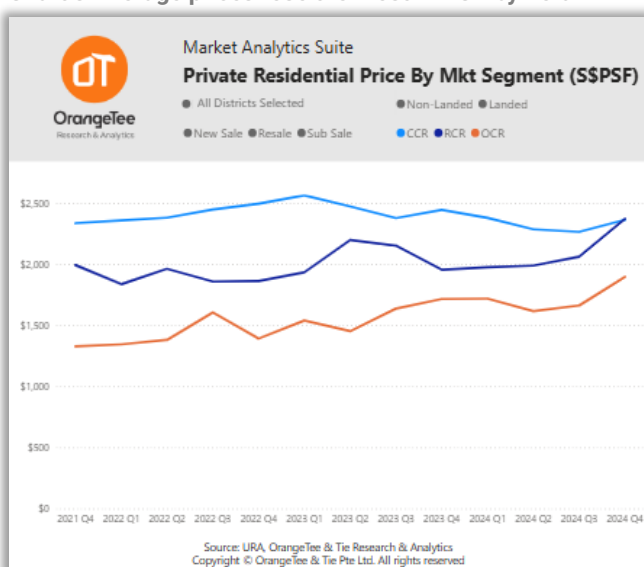
In the city fringe, RCR, the average price of private homes (excluding EC) increased by 15.0 per cent from S\$2,060 psf in Q3 2024 to S\$2,368 psf in Q4 2024. Price increases were observed across all sales types, with a 2.6 per cent rise in new sale prices, a marginal uptick of 0.1 per cent in resale prices and a 1.5 per cent increase in subsale prices.

**Table 1 Avg price of non-landed & landed homes (excluding ECs)**

Type of Sale	Q3 2024	Q4 2024	Q-o-Q % change
<b>Core Central Region (CCR)</b>			
New Sale	\$3,183	\$2,965	-6.9%
Resale	\$2,178	\$2,215	1.7%
Sub Sale	\$2,909	\$2,894	-0.5%
Overall	\$2,263	\$2,363	<b>4.4%</b>
<b>Rest of Central Region (RCR)</b>			
New Sale	\$2,602	\$2,670	2.6%
Resale	\$1,867	\$1,868	0.1%
Sub Sale	\$2,196	\$2,229	1.5%
Overall	\$2,060	\$2,368	<b>15.0%</b>
<b>Outside Central Region (OCR)</b>			
New Sale	\$2,123	\$2,368	11.5%
Resale	\$1,490	\$1,525	2.4%
Sub Sale	\$1,896	\$1,947	2.7%
Overall	\$1,662	\$1,894	<b>14.0%</b>
<b>Total (CCR+RCR+OCR)</b>			
New Sale	\$2,328	\$2,555	9.8%
Resale	\$1,712	\$1,747	2.0%
Sub Sale	\$2,053	\$2,120	3.3%
Overall	\$1,862	\$2,143	<b>15.1%</b>

Source: URA, OrangeTee & Tie Research & Analytics

**Chart 3 Average prices rose the most in RCR by 15%**



In the suburban OCR, the average price of private homes (excluding EC) increased by 14.0 percent, rising from S\$1,662 psf in Q3 2024 to S\$1,894 psf in Q4 2024. There was an 11.5 per cent increase in new sale prices, along with a moderate rise of 2.4 per cent and 2.7 per cent in resale and subsale prices respectively during the same period.

1,407 new suburban condos (excluding ECs) were sold last quarter. 1,324 units, or 94.1 per cent, were transacted at higher price tags of above S\$2,000 psf, which is the highest proportion to date. The remaining units were sold for at least S\$1,500 psf but below S\$2,000 psf. No private condos, excluding EC, were sold for less than S\$1,500 psf in OCR since Q2 2023.

# SALES VOLUME

Private home sales (non-landed and landed excluding EC) increased by 38.4 per cent from 5,372 in Q3 2024 to 7,433 units in Q4 2024 (Chart 4). 21,950 private homes, excluding EC, were sold for the entire year of 2024, which was 15.3 per cent higher than the 19,044 units sold in 2023 (Chart 5).

A surge in new home sales mainly drove last quarter's price increase, and new homes generally command higher prices than resale homes. With the spike in new project launches last quarter, new home sales jumped by 194.8 per cent from 1,160 units in Q3 2024 to 3,420 units in Q4 2024. This is the highest quarterly new sales since Q3 2021, when 3,550 units were sold. Regarding launches, the number of private homes released for sale jumped by 166.7 per cent from 1,284 units in Q3 to 3,425 units in Q4 2024.

Conversely, the resale market exhibited a more subdued performance due to increased competition from the primary market. Resale volume dropped by 4.1 per cent from 3,860 units in Q3 to 3,702 units in Q4 2024.

Chart 4 Overall sales volume rose 38.4% q-o-q in Q4 2024

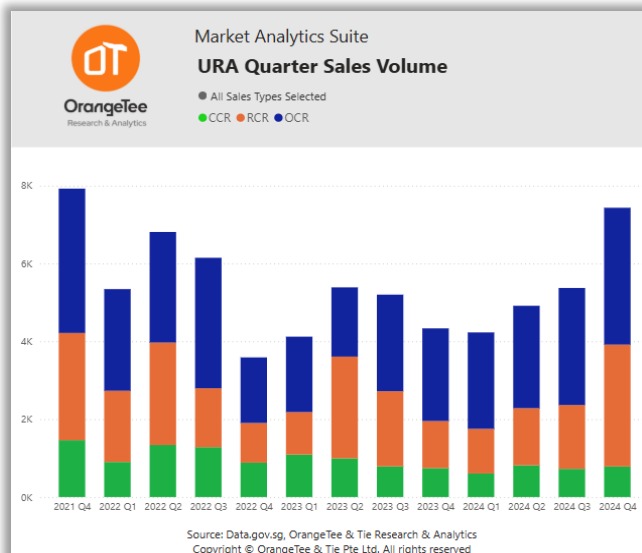
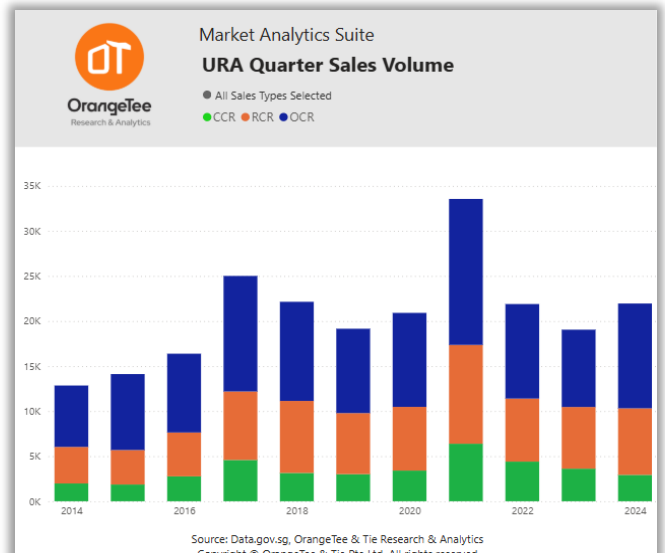


Chart 5 2024 sales volume rose 15.3% y-o-y



## NEW HOME SALES SURGED IN RCR

Many new homes were sold in the city fringe area in the fourth quarter of 2024, accounting for the largest market share of all new home transactions. According to URA Quarterly statistics, 1,859 new homes (landed and non-landing, excluding ECs) were sold in the city fringe or RCR in Q4 2024, rising significantly by 375.4 per cent from 391 units in the preceding quarter (Chart 6). This represents the highest quarterly sales volume since Q3 2009 when 1,867 transactions were recorded.

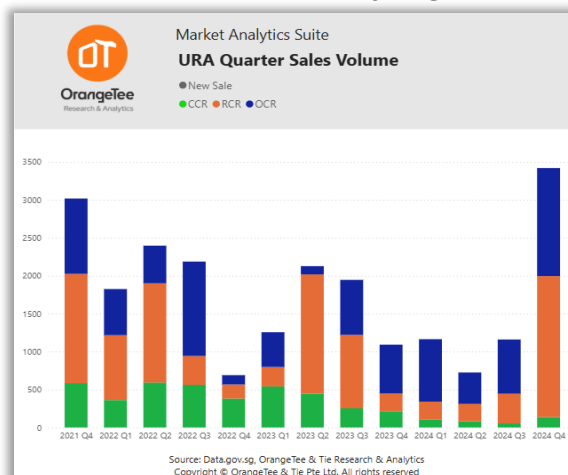
In contrast, only 137 new homes were sold in the prime CCR, an increase from 54 units over the same period. Meanwhile, 1,424 new homes were sold in the suburban OCR last quarter, up from 715 units in the previous quarter. In terms of proportion of total new sales volume, 54.4 per cent were in RCR, 41.6 per cent in OCR and 4 per cent in CCR in Q4 2024. This is also the highest proportion of new sales in the RCR since the second quarter of 2023 when 74 per cent was recorded. It is also significantly higher than the 33.7 per cent recorded in the third quarter of 2024.

Table 2 Best-selling new projects in 2024 (incl EC)

Project Name	Locality	Number of Transactions	Avg Price S\$PSF
<b>Emerald of Katong</b>	RCR	833	\$2,636
<b>Chuan Park</b>	OCR	723	\$2,587
<b>Lentor Mansion</b>	OCR	492	\$2,271
<b>Lumina Grand (EC)</b>	OCR	447	\$1,514
<b>Novo Place (EC)</b>	OCR	442	\$1,655
<b>Nava Grove</b>	RCR	387	\$2,453
<b>Norwood Grand</b>	OCR	291	\$2,080
<b>Hillhaven</b>	OCR	265	\$2,102
<b>The Continuum</b>	RCR	235	\$2,853
<b>Hillock Green</b>	OCR	221	\$2,205

Source: URA, OrangeTee & Tie Research & Analytics

Chart 6 Sales of new homes in city fringe soared in Q4

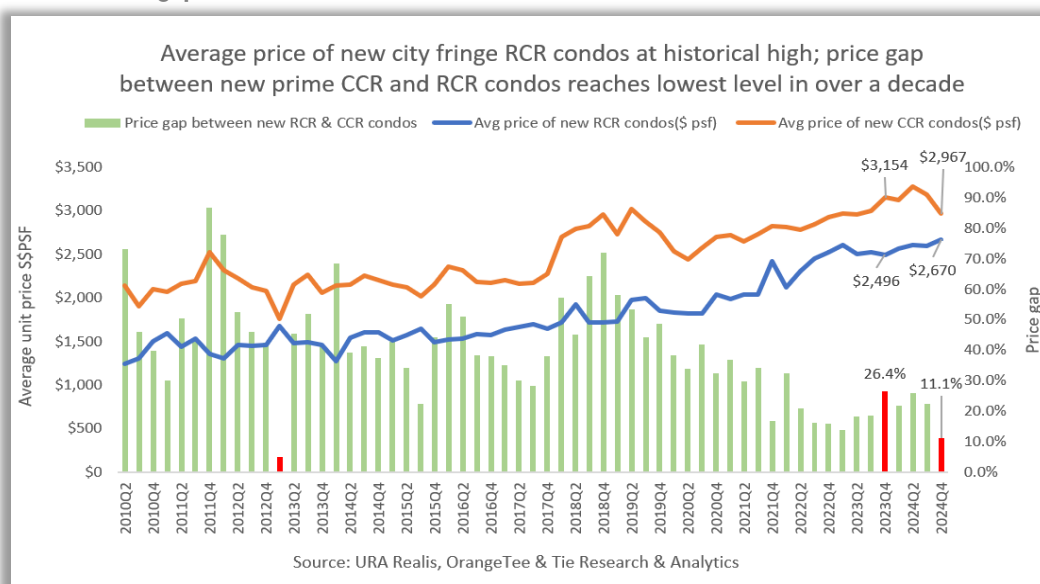


The substantial increase in new home sales in the city fringe can be attributed to several new project launches, including Emerald of Katong (846 total units in the project), Nava Grove (552 units), Union Square Residences (366 units) and Meyer Blue (226 units). These large and mid-scale projects led to a significant rise in new home sales within the RCR segment. Of these projects, Emerald of Katong emerged as the best-selling new project in 2024 (Table 2).

The high new sales volume recorded in RCR is considerable, given that the homes were sold at a new benchmark price within RCR. Based on data from URA Realis, the average transacted price of new condos in the city fringe hit S\$2,670 psf in the fourth quarter of 2024, which marks the highest price per square foot since 1995, when such pricing data first became available. This represents a 7 per cent increase from the S\$2,496 psf recorded during the same quarter in the previous year.

Comparatively, the average price of new condos in CCR dipped 5.9 per cent from S\$3,154 psf in Q4 2023 to S\$2,967 psf in Q4 2024. As a result, the price gap between new condos in CCR and RCR narrowed by 15.3 percentage points from 26.4 per cent in Q4 2023 to 11.1 per cent in Q4 2024 (Chart 7). The price gap in Q4 2024 is the lowest recorded since Q1 2013, at 4.8 per cent. The narrowing price gap indicates that more buyers recognize the value of city fringe homes and are increasingly willing to pay higher prices to live in this region.

Chart 7 Price gap between new CCR and RCR condos reaches lowest level in a decade



## Private Residential Market Projection

Indicators (All exclude EC except for URA PPI and URA RI)	2022	2023	Q3 2024	Q4 2024	2024	Projection for 2025
<b>Overall</b>						
URA Property Price Index (Price Change) (incl. EC)	8.6%	6.8%	-0.7%	2.3%	3.9%	4% to 7%
Sales Volume (units)	21,890	19,044	5,372	7,433	21,950	18,000 to 22,000
<b>New Sale</b>						
Average S\$PSF (Price Change)*	12.5%	9.6%	-3.7%	9.8%	-2.0%	2% to 4%
Sales Volume (units)	7,099	6,421	1,160	3,420	6,469	7,000 to 9,000
<b>Resale</b>						
Average S\$PSF (Price Change)*	8.7%	7.5%	-0.1%	2.0%	5.1%	4% to 7%
Sales volume (units)	14,026	11,329	3,860	3,702	14,053	10,000 to 12,000
<b>Rental</b>						
URA Rental Index (Price Change) (incl. EC)	29.7%	8.7%	-0.8%	0.0%	-1.9%	2% to 4%
Leasing volume (units)*	90,291	82,268	26,019	19,451	86,127	78,000 to 82,000

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

## Outlook

Looking ahead, we expect private home prices to increase at a faster rate of 4 to 7 per cent in 2025, primarily driven by more project launches and a faster resale price growth due to a tighter supply of completed homes.

Many new projects are expected to be launched this year. Seven large-scale projects, each exceeding 500 units, may be released for sale, which will boost sales activities significantly. This is an increase from four large-scale projects launched in 2024 and six in 2023. Further, there will be five mid-sized project launches, with units ranging from 200 to 500. Therefore, new home transactions may rise from 6,469 units in 2024 to around 7,000 to 9,000 units in 2025.

Conversely, the number of private home completions or homes obtaining Temporary Occupation Permit (TOP) will dwindle further in 2025. The tight supply will likely drive resale prices higher, especially in the suburbs where demand may outstrip supply. As a result, resale volume might decrease from 14,053 units in 2024 to between 10,000 and 12,000 units in 2025. A total of around 18,000 to 22,000 private homes, excluding EC, could be sold this year.

Please contact us for research inquiries. For sales enquiries, please contact your preferred OrangeTee agents.



Christine Sun  
Chief Researcher & Strategist  
christine.sun@orangetee.com



Timothy Eng  
Assistant Manager  
timothy.eng@orangetee.com



Kenneth Tan  
Research Analyst  
kenneth.tan@orangetee.com



Yuvana Mahendran  
Research Analyst  
yuvanalakshmi.m@orangetee.com

Terms of Use: The reproduction or distribution of this publication without the express consent of the author is prohibited. This publication is provided for general information only and should not be treated as an invitation or recommendation to buy or sell any specific property or as sales material. Users of this report should consider this publication as one of the many factors in making their investment decision and should seek specific investment advice. OrangeTee.com Pte Ltd and the authors of this publication shall not accept and hereby disclaim all responsibilities and liability to all persons and entities for consequences arising out of any use of this publication.

Copyright © OrangeTee & Tie Pte Ltd. All rights reserved.