

Huttons

SINGAPORE'S LARGEST
PRIVATE REAL ESTATE AGENCY

HUTTONS DATA ANALYTICS

HDB UPDATES 1Q 2024

The HDB resale market moved at a faster clip in 1Q 2024.

Transaction volume of HDB resale flats was 7,068 in 1Q 2024, 8.0% higher quarter-on-quarter (QoQ) and 1.3% higher year-on-year (YoY). This is the highest 1Q volume since 2021.

The increased activities were both demand and supply led.

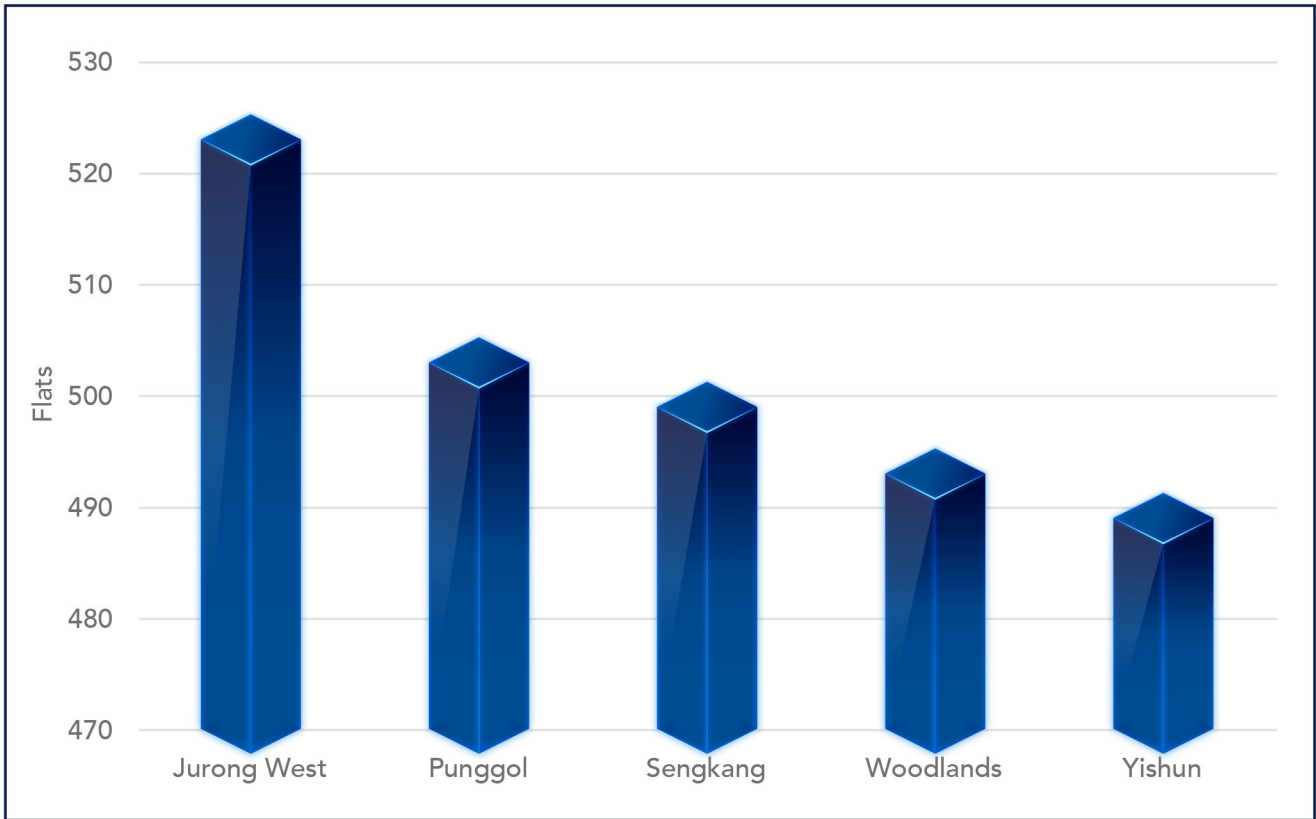
On the demand side, the first wave of ex-private property owners (PPO) who were waiting out the 15 months' period to buy a 5-room or larger flat entered the market in January 2024. The transaction volume of 5-room and larger flats in 1Q 2024 increased by 14.4% QoQ. Nevertheless it is 15.5% lower than the transaction volume of 2,465 5-room and larger flats in 3Q 2022 when the policy was implemented. Some of the ex-PPO may have bought smaller flats instead of waiting out the 15 months.

On the supply front, there was more supply of HDB resale flats put up for sale in 1Q 2024, some of these coming from the large number of flats that reached their 5-year minimum occupation period in 2022, 2023 and 2024.

The top 5 most popular HDB towns among buyers in 1Q 2024 are Jurong West, Punggol, Sengkang, Woodlands and Yishun. They accounted for around 35.5% of total transactions in 1Q 2024.



Figure 1: Top Five most popular HDB Towns among buyers in 1Q 2024



Source: HDB, Huttons Data Analytics as of 26 Apr 2024

The number of million-dollar flats continued to reach new highs in 1Q 2024.

A total of 185 HDB resale flats were sold for one million dollars and more in 1Q 2024. This is 38.1% higher than the previous quarter of 134 million-dollar flats.

Two HDB estates with million-dollar flats stand out among the rest – Toa Payoh and Hougang.

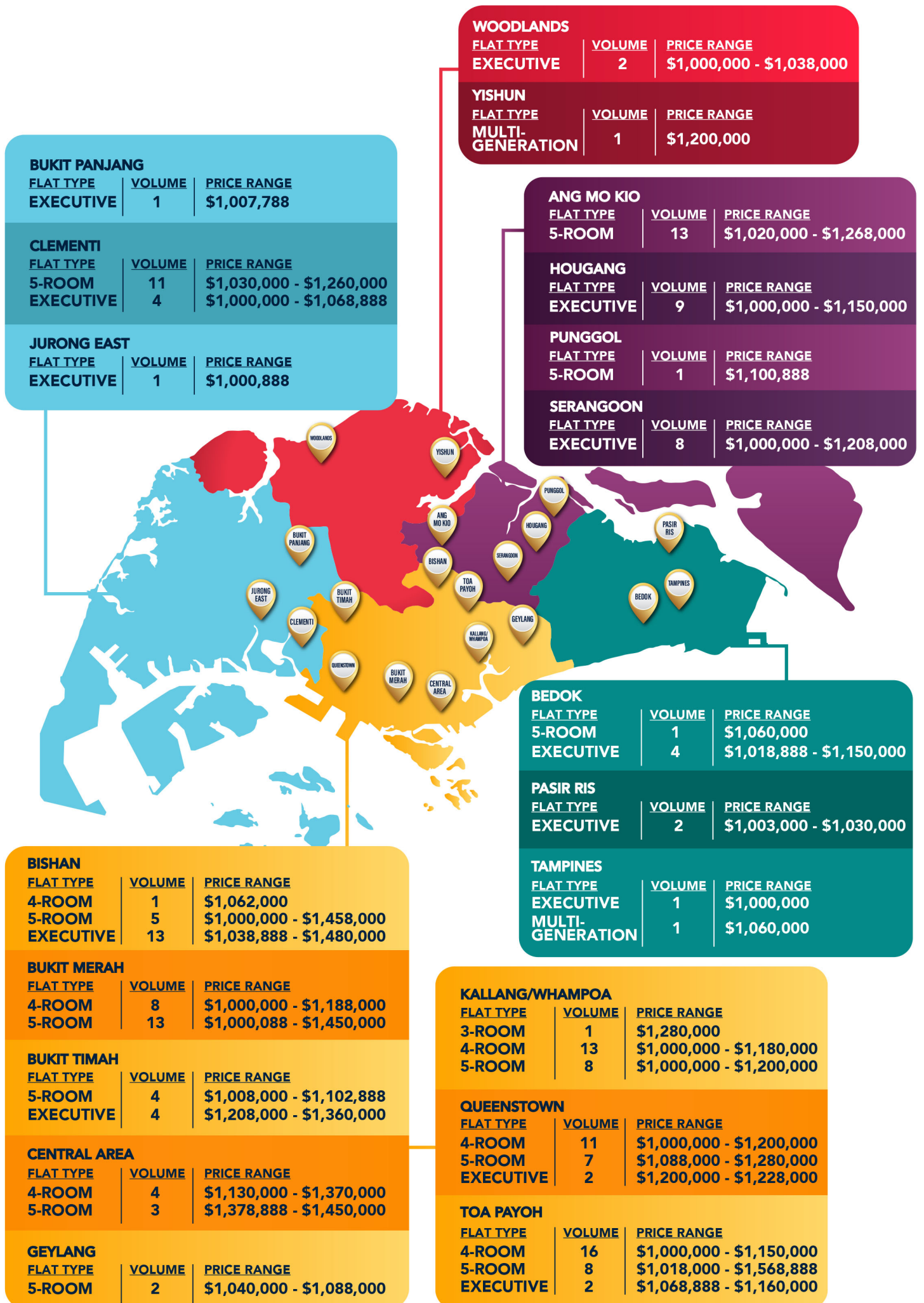
In January 2024, two 5-room flats at a DBSS project in Toa Payoh were sold for more than \$1.5 million each. This is the first time a HDB resale flat broke the \$1.5 million barrier. One of the 5-room flats was sold for a record \$1,568,888.

Hougang had a record number of million-dollar flats in its history. A total of 9 executive flats were sold for one million and more in 1Q 2024. This is much higher than the recorded 5 million-dollar flats each for the whole year of 2022 and 2023.

The top 3 HDB towns with the greatest number of million-dollar flats in 1Q 2024 were Toa Payoh, Kallang/Whampoa and Bukit Merah.



Map 1: Location of Million-Dollar Flats in 1Q 2024

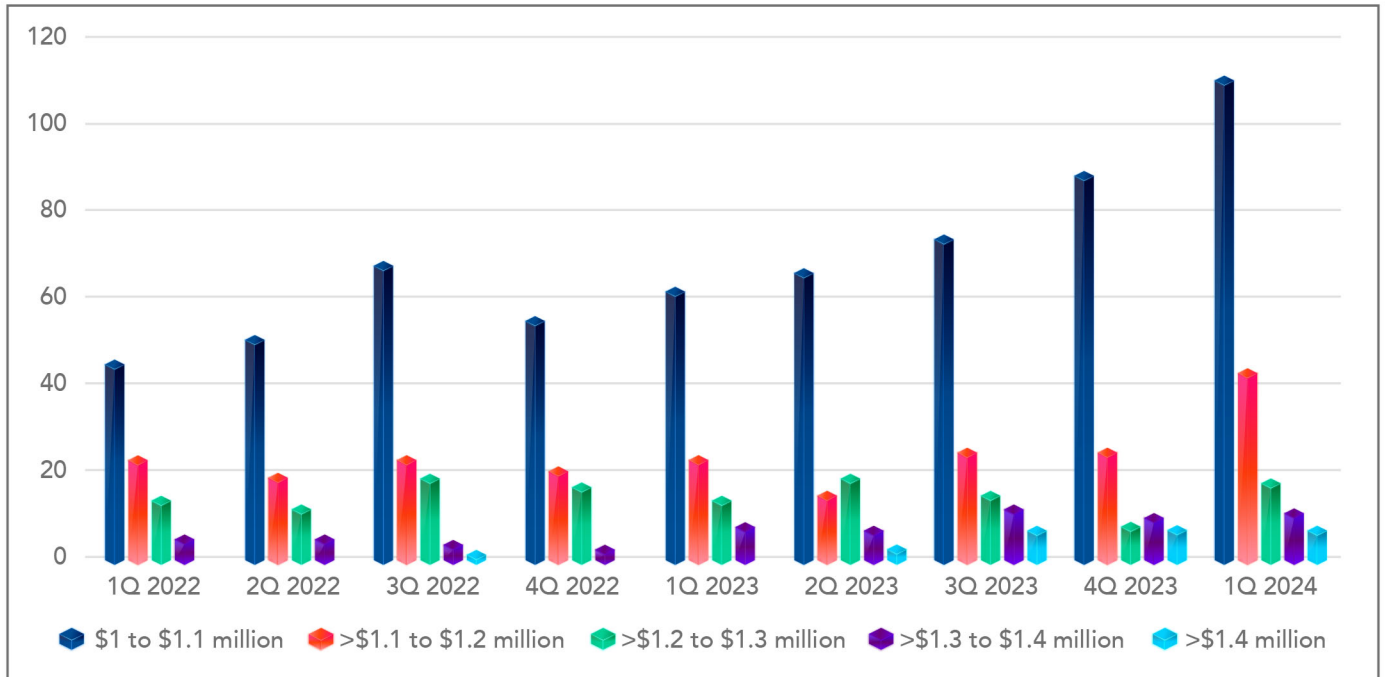


TOTAL: 185

Source: HDB, Huttons Data Analytics as of 26 Apr 2024

While the majority of million-dollar flats are priced between \$1 and \$1.1 million, the number of HDB resale flats sold for more than \$1.1 million to \$1.3 million appears to be inching up. It could be driven by the desire for larger space as one third of the transactions are for executive and multi-generation flats.

Figure 2: Breakdown of Million-Dollar Flats by Price Range

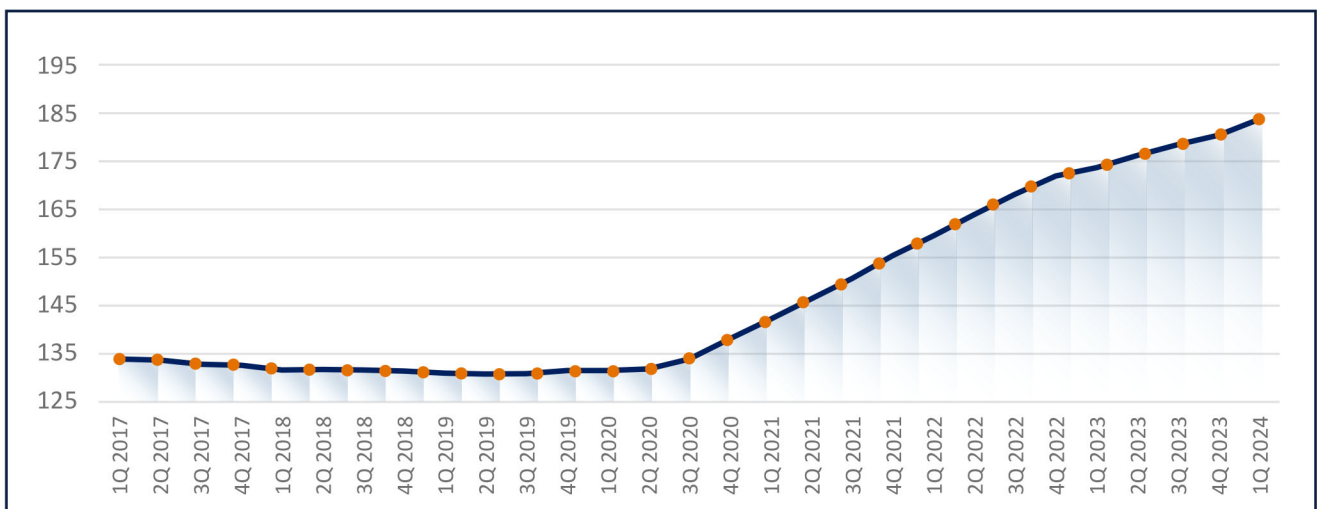


Source: HDB, Huttons Data Analytics as of 26 Apr 2024

The stronger demand for larger flats and the record number of million-dollar flats led to a faster pace of growth in prices in 1Q 2024.

Prices of HDB resale flats went up by 1.8% in 1Q 2024 compared to 1.1% in the previous quarter. It is also faster than 1Q 2023's price gains of 1.0%.

Figure 3: HDB Resale Price Index

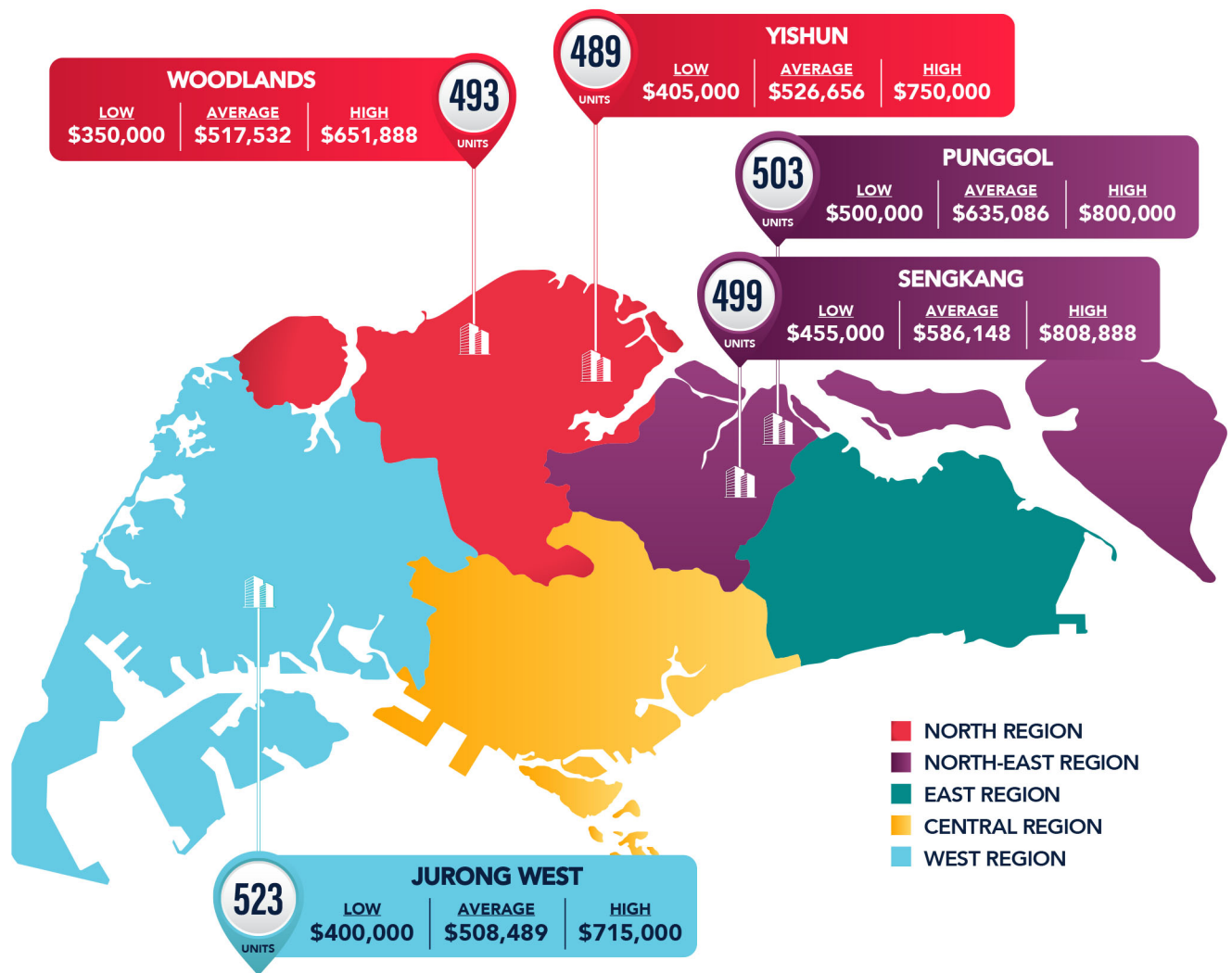


Source: HDB, Huttons Data Analytics as of 26 Apr 2024

There were more HDB towns which had price gains in 1Q 2024 compared to 4Q 2023. 20 out of 26 HDB towns saw price gains between 0.1% and 7.9% in 1Q 2024. Resale flats in Serangoon saw the largest gains of 7.9%, followed by Bishan 7.5% and Kallang/Whampoa 5.7%.

HDB resale flats in the Central Area and Marine Parade saw their average prices declining for the third straight quarter in 1Q 2024 by 2.0% and 6.4%, respectively. This could be due to the larger proportion of older flats in these two towns.

Map 2: Prices of 4-room flats in Top Five HDB Towns in 1Q 2024



Source: HDB, Huttons Data Analytics as of 26 Apr 2024

MARKET OUTLOOK

HDB will launch another BTO exercise with around 6,830 flats in Jun 2024. This will be the last batch of BTO flats under the existing flat classification of mature and non-mature estates. There may be slightly more applicants as it is unclear where the Plus category may be applied to flats in non-mature estates.

Applicants who are unsuccessful in the sole Sale of Balance (SBF) exercise in 2024 may return to the resale market in the coming months.

Existing resale flats in prime locations with longer leases are expected to see continued interest as they do not come with restrictions on subsequent resale.

Thus, the HDB resale market may see more transactions in the next few months.

Taking into account the various factors at play, HDB resale flat transactions are estimated to be between 25,000 to 27,000 while resale flat prices are likely to consolidate in the range of 3% to 5% in 2024.



Map 3: BTO Launches in Jun 2024



Source: HDB, Huttons Data Analytics as of 26 Apr 2024

CONTACT ME FOR A DETAILED DISCUSSION OF THE LATEST TRENDS



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