Resale apartment prices fall 1.4% in February

Dip mainly due to decline in city home values: NUS

By CHERYL LIM

Resale apartment prices dipped last month, led by a noticeable decline in city home values, according to new data yesterday.

Overall prices were down 1.4 per cent last month compared with January, reversing the 0.8 per cent increase recorded in that month over December.

The flash estimates from the National University of Singapore (NUS) also showed that central region flat resale prices dived 3.7 per cent last month.

That is a sharp reversal from January, when such homes recorded a rise of 1.1 per cent compared with December, said NUS, which uses the data to compile its monthly Singapore Residential Price Index.

Property firm OrangeTee also noted that the Urban Redevelopment Authority’s Resale system showed that the median price of non-landed private homes fell from $1,787 per sq ft (psf) in January to $1,636 psf last month.

Ms Christine Li, OrangeTee’s head of research and consultancy, said price falls were more pronounced in certain city areas.

“In District 11, the median unit price decreased by 5.9 per cent to $1,395 psf, District 10 experienced a slight drop of 0.8 per cent, while median unit prices in District 9 increased from $1,903 psf to $1,911 psf,” she said.

Analysts said the sharp decline in the resale prices of centrally located homes could be due to the growing supply of unsold units.

“Continuing tightening of expatriates’ housing allowances... and putting savvy high-end residential property buyers at bay,” said Mr Ong Kah Song, director of RST Research.

Resale prices of apartments of 500 sq ft or less fell by a marginal 0.1 per cent after rising 3.5 per cent in January.

Suburban apartments were the only category to improve last month, with resale prices up 0.5 per cent after a modest 0.6 per cent rise in January.

Mr Li said that higher stamp duties are deterring foreigners, permanent residents and investors from buying. “As resale transaction volume plunged in February, prices could be more volatile... if the (low volume) persists in the next few months, we could see some downward adjustment in the resale private residential prices.”

The Singapore Residential Price Index, which is compiled monthly by NUS’ Institute of Real Estate Studies, tracks the prices of completed non-landed private homes but excludes that of executive condominiums.

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