Resale non-landed private home prices fall 1.4 per cent: SRPI

SINGAPORE - Resale prices of completed non-landed private homes fell 1.4 per cent last month from January after a revised 0.8 per cent jump in the previous month, led by the drop in the central region, according to Singapore Residential Price Index (SRPI) flash estimates, released yesterday.

The SRPI, compiled by the National University of Singapore’s Institute of Real Estate Studies, showed that home prices in the central region slumped 3.7 per cent in February from the previous month, more than wiping out the revised 1.1 per cent gain in January.

Prices of small units, defined as homes with areas below 506 sq ft, were little changed, falling just 0.1 per cent, after a steep 9.3 per cent jump in January.

Prices of homes in the non-central region were modestly higher in February, rising 0.5 per cent to add to the 0.6 per cent gain in the previous month, the SRPI data showed.

Property consultancy OrangeTee analysed data from the Urban Redevelopment Authority’s Realsis database and found out that the median unit price of resale non-landed private homes in the central region, excluding small units, softened to S$1,696 per sq ft last month from S$1,767 psf in January.

The 7.4 per cent drop is double that of the SRPI partly due to differences in the composition of property basket but underlines the weakening of central region prices.

For the Outside Central Region, prices in the west and east generally went up, but they came down in the north and north-east regions.

There were only five transactions for unit sizes of less than 506 sq ft last month, OrangeTee said.

Ms Christine Li, Head of Research and Consultancy at OrangeTee, said prices could have been more volatile last month after the resale transaction volume plunged in the wake of property cooling measure unveiled on Jan 11.

She said, “A small number of units transacted at any, a lower price, could drug down the overall median price of the market segment.”

“Due to the higher additional buyers’ stamp duty imposed by the Government on foreigners, permanent residents and investors, these buyers are taking a wait-and-see attitude. If the low transaction volume persists in the next few months, we could see some downward adjustment in the resale private residential prices,” she added.