

# Prime Non-Landed and Landed Residential

H1 2023

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## Slower sales but prices of prime homes continued to climb in H1 2023

► “Despite the latest round of cooling measures, local ultra-high-net-worths, newly naturalised citizens and younger nouveau riche, have been and will continue to pursue prime homes throughout the year.”

NICHOLAS KEONG, HEAD, PRIVATE OFFICE

### Exhibit 1: Overview of Transactions, H1 2023

	PRIME NON-LANDED RESIDENTIAL <sup>1</sup>	LANDED RESIDENTIAL <sup>2</sup>	GCB <sup>3</sup>
H1 2023	Total Sales Volume S\$1.1 billion No. of Transactions 126 Average Price S\$2,580 psf	Total Sales Volume S\$2.7 billion No. of Transactions 257 Average Price S\$1,996 psf	Total Sales Volume S\$424.3 million No. of Transactions 8 Average Price S\$2,952 psf
H2 2022	Total Sales Volume S\$1.4 billion No. of Transactions 163 Average Price S\$2,464 psf	Total Sales Volume S\$2.7 billion No. of Transactions 284 Average Price S\$1,817 psf	Total Sales Volume S\$414.5 million No. of Transactions 10 Average Price S\$2,108 psf

Source: URA Realis, Knight Frank Research  
Note: Transactions are based on data available as at 5 July 2023. Unit prices for landed homes are based on land area.

## Prime Non-landed Residential

### DEMAND FOR EXCLUSIVE RESORT LIVING MOVED PRIME NON-LANDED SALES IN H1

Luxury non-landed home sales in the first half of 2023 eased to S\$1.1 billion, a half-yearly decline of 23.0% in total sales value from H2 2022. Despite the fall in overall sales value, the average unit price of prime non-landed homes gained 4.7% to S\$2,580 psf in H1 2023 from S\$2,464 psf in H2 2022. In the first six months of

### Exhibit 2: Top 5 Prime Non-Landed Residential Transactions, H1 2023

PROJECT NAME	ADDRESS	AREA (SF)	TRANSACTION PRICE (\$ MIL)	UNIT PRICE (\$ PSF)	SALE DATE
Les Maisons Nassim	14B Nassim Road #01-02	8,633	\$45.0	\$5,213	May-2023
Les Maisons Nassim	14B Nassim Road #04-02	6,286	\$36.0	\$5,727	Feb-2023
Klimt Cairnhill	71 Cairnhill Road #35-01	5,920	\$27.5	\$4,645	Feb-2023
Nassim Park Residences	21 Nassim Road #01-20	4,822	\$22.0	\$4,562	Mar-2023
Nassim Park Residences	21 Nassim Road #02-21	4,284	\$20.5	\$4,785	Feb-2023

Source: URA Realis, Knight Frank Research  
Note: Transactions are based on data available as at 5 July 2023.

the year, 126 luxury non-landed homes were sold, with 31 out of 48 transactions in Postal District 4 (D4) coming from Sentosa. Interestingly, non-landed homes in Sentosa gained traction, resulting from spillover demand of such homes in the prime districts from the main island as the number of homebuyers continued to outweigh the limited inventory of saleable stock in the prime districts.

Overall, the total prime non-landed home sales in H1 2023 slowed from six months ago when 163 transactions were recorded in H2 2022. Much of the activity went into a state of pause in Q2, largely attributed to the initial impact of the cooling measures, as the Additional Buyer's Stamp Duty (ABSD) rate doubled from 30% to 60% for foreigner homebuyers, Nevertheless, demand for uncompleted homes remained evident with Les Maisons Nassim achieving top sales in the H1 2023, as two new units transacted between S\$5,213 psf (S\$45.0 million) and S\$5,727 psf (S\$36.0 million) (Exhibit 2).

### MARKET OUTLOOK

The drop in foreigner homebuyer participation will characterise the slowing market for prime homes in the remainder of 2023. Together with the supply of new completions in the Core Central Region (CCR) of about 2,640 units from April to December 2023, the government could perhaps consider easing some of the ABSD rates, perhaps for foreigners, so as to bring back activity to the prime housing segment once demand and supply balances out. Additionally, this would be an added catalyst that would promote Singapore's growing reputation as a global wealth hub, an oasis for private capital investment and preservation.

In the meantime, the recent measures also resulted in potential sellers withdrawing their properties from the market, even though demand from wealthy locals, permanent residents and naturalised citizens remains.

<sup>1</sup> Prime residential apartments are defined as non-landed private residential units with a floor area greater than or equal to 2,500 sf and fall within Districts 1, 2, 4, 9, 10 and 11. These districts constitute prime areas such as the Central Business District (CBD), Orchard Road, Sentosa, Bukit Timah as well as Thomson.

<sup>2</sup> Landed residential houses include homes transacted at S\$5.0 million and above.

<sup>3</sup> Good Class Bungalows (GCB) include bungalow developments larger than or equal to 1,400 sm located within Good Class Bungalow Areas (GCBA), or are designated GCBs by the authorities.

# Landed Residential

## LANDED HOME PRICES MOVED UP WITH CONSISTENT DEMAND AMID LIMITED SALEABLE INVENTORY

According to flash estimates released by URA, the Property Price Index (PPI) for landed homes rose 0.1% q-o-q in Q2 2023\*\*, bringing the total increase to 6.0% in the first half of 2023\*\*.

In H1 2023, 257 landed homes changed hands, accounting for S\$2.7 billion in total sales value. This was similar to the S\$2.7 billion in H2 2022 (Exhibit 3). Unit land prices rose 9.9% to S\$1,996 psf in H1 2023 from S\$1,817 in H2 2022, as buyers were still willing to pay a premium to secure landed homes. In March 2023, three adjoining detached houses situated along Chancery Hill Road and Dyson Road were sold for a combined total of S\$61.1 million, translating to S\$1,900 psf on land. More than 10 offers from High-Net-Worth-Individuals (HNWIs) and developers were made for these bungalows, illustrating the persistent demand for landed homes in high-rise Singapore.

In the Good Class Bungalows (GCBs) segment, the total transaction value rose 2.4% to S\$424.3 million in H1 2023, after a 13.7% half-yearly increase between H1 and H2 2022. Unit land prices grew as well, from S\$2,108 psf in H2 2022 to S\$2,952 psf in H1 2023, setting a new land price benchmark for this pinnacle class of landed

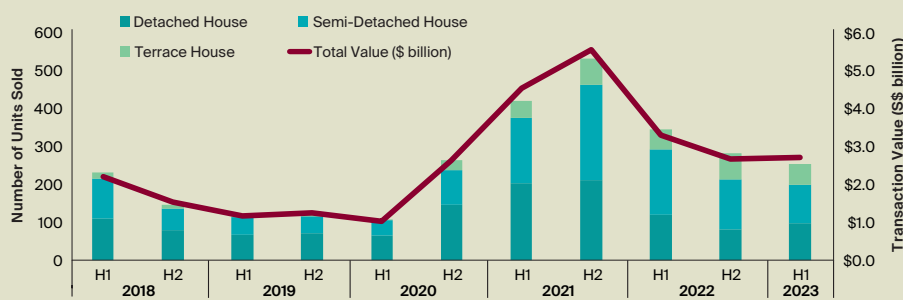
properties. Although transaction volume fell from 10 units in H2 2022 to eight in H1 2023, three bungalows in the Nassim Road GCB Area (GCBA) made the headlines in June 2023 when the Fangiono family paid a combined total of S\$206.7 million for these homes. This translated to S\$4,500 psf on land, with a total land area of 45,937 sf.

## MARKET OUTLOOK

In H1 2023, landed home sales continued to move despite economic volatility as wealthy individuals and a new breed of younger high-net-worths remained drawn to the exclusivity of these niche homes. Much like in H1 2023 when prices in the landed residential market increased 6.0%\*\*, this growth is likely to continue in a steady fashion with more buyers than sellers in the second half of the year.

\*\*based on flash estimates announced on 3rd July 2023.

Exhibit 3: Landed Residential Sales Performance



Source: URA Realis, Knight Frank Research  
Note: Transactions are based on data available as at 5 July 2023.

Exhibit 4: Top 5 Landed Residential Transactions, H1 2023

PROJECT NAME	ADDRESS	AREA (SF)	TRANSACTION PRICE (\$ MIL)	UNIT PRICE (\$ PSF ON LAND)	SALE DATE
N.A.	42,42A,42B Nassim Road	45,937	\$206.7	\$4,500	Apr-2023
N.A.	Nassim Road	22,470	\$88.0	\$3,917	Early 2023
N.A.	14,14A,10,10A,12 Dyson Road/ Chancery Hill Road	32,149	\$61.1	\$1,900	Mar-2023
N.A.	61 Wilkinson Road	25,681	\$55.5	\$2,161	Jan-2023
Capitol Park	6 Jalan Asuhan	16,396	\$42.0	\$2,562	May-2023

Source: URA Realis, Knight Frank Research  
Note: Transactions are based on data available as at 5 July 2023

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