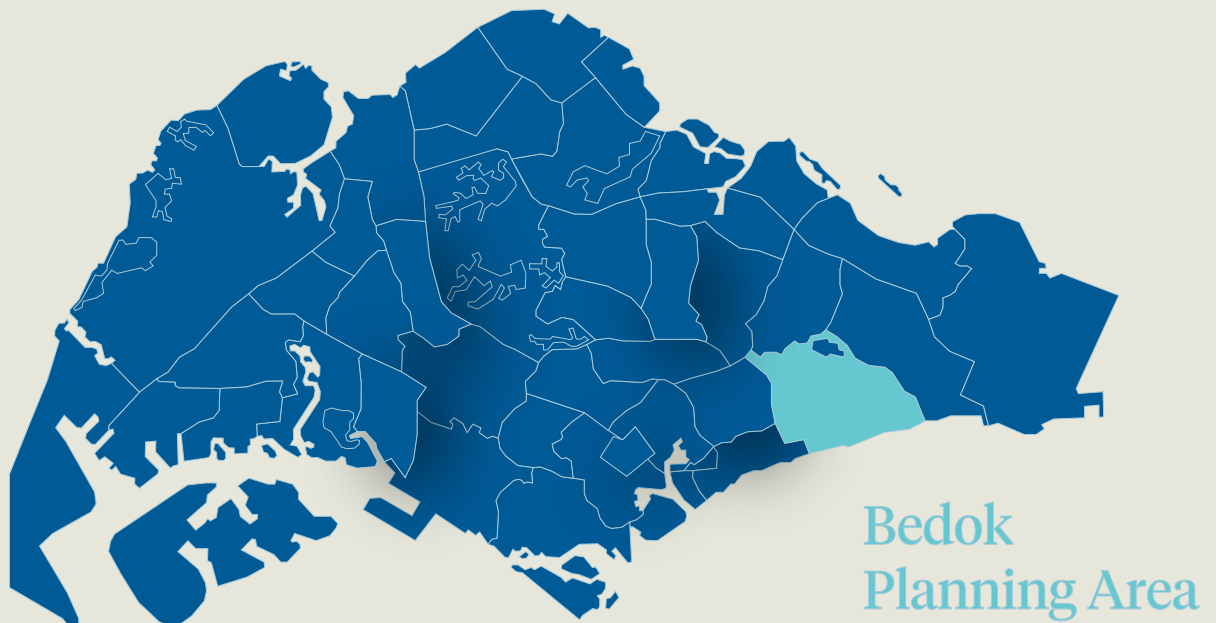


# Finding hidden gems in Singapore's private housing market - Bedok

*The Reality of Landed homes in Singapore... there is just not enough to go around*



Landed homes in Singapore sit on the top of the housing pyramid... and with good reason. With a total land area of 735.2 sq km in 2023, high-rise living is the only way to go in order to house a total population of some 5.9 million people.

Due to limited availability, landed homes are obviously prized assets. But what is not as obvious is that its worth will become even more of a treasure for Singaporean homeowners in the future, because there will be less landed homes per capita to go around, based on how the housing landscape in Singapore has evolved and will continue to evolve. In 2000, landed homes comprised 34.2% of private housing stock and about 6.4% of all homes in Singapore. By 2023, the proportion of landed properties to private homes was substantially lower at 17.9% and 4.7% of all homes. While the inventory of non-landed private homes in Singapore grew 165.4% from 2000 to 2023, the number of landed homes grew by a paltry 11.3% in comparison over the same 23-year period. The writing is on the wall – the slice of the landed pie is unlikely to grow in any significant fashion... ever.

As only Singaporeans are eligible to purchase landed houses as a general rule, the number of landed homes per Singapore citizen has been and will inevitably remain at a minimal 0.02. This means that in an average size house of about 3,000 sf of built-up area, a factor of 0.02 is the footprint of an average car.

## Who can buy landed homes if there is not enough to go around?

High-net-worth (HNW) and ultra-high-net-worth (UHNW) Singaporean families and individuals will naturally gravitate towards landed homes, especially with the increase in wealth drivers as Singapore is regarded as a harbour of stability for business with modern infrastructure and a highly educated workforce.

Knight Frank's flagship Wealth Report (TWR) of 2023 and 2024 show that the wealth population in Singapore has been increasing at a steady pace. Domestically, the HNW population (defined as someone with a net worth of US\$1 million or more) grew 47.4% from 2017 to 2022 and the UHNW demographic (defined as someone with a net worth

of US\$30 million or more) increased 50.9% in the same period. Between 2022 and 2023, the UHNW population moved up another 4.0% and is projected to increase 15.7% in the five-year stretch from 2023 to 2028.

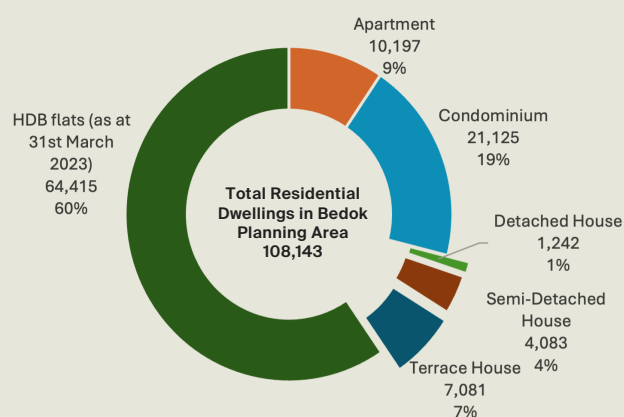
With the wealth population in Singapore set to increase as globally and regionally mobile families take the route to becoming naturalised citizens, stabilised long-term demand for landed property can only increase against what is essentially near stagnant growth in landed home supply – cementing the status of these homes as an attractive investment for capital preservation and appreciation.

## Where to buy? Why Bedok?

Thus, landed housing in Singapore is as good as a sure thing as far as investment products are concerned. The trouble for buyers is getting their hands on one of these. Prospective landed home buyers are usually drawn to the landed homes in the prime postal districts 10 and 11. However, landed homes can be found all over the island... the trick is to find a location where there is a growth story and where the local neighbourhood has its own unique character. Like a mix of the mature and the new...

Bedok Planning Area is the largest among all 55 planning areas in terms of resident population size at 279,510 and by number of dwellings with 108,143 public and private homes. In what is mostly a Housing & Development Board (HDB) area, there are pockets of private non-landed projects and landed locales, where landed homes comprise about 11.5% of the total housing stock (Exhibit 1).

## Exhibit 1: Breakdown of Housing Stock in Bedok Planning Area as at Q2 2024

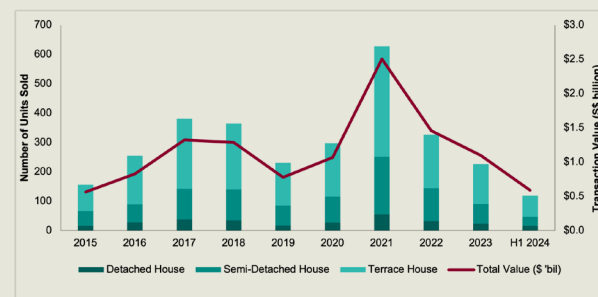


Source: URA Realis, HDB

Landed property sales volume in Bedok Planning Area has generally been stable in the past ten years since 2015 with an average of 250 to 350 transactions each year (Exhibit 2). However in 2021, this predictable pattern was broken as there was a surge of interest that resulted in 627 landed sales with a corresponding transaction value of S\$2.5 billion. Post-pandemic recovery fuelled sentiment for landed homes islandwide, where buyers were quick to secure landed homes in a frenetic urgency to realise opportunities as prices increased on the back of

owner occupier demand. After 2021, the pace of sales eased back to normalised levels with 326 units sold for a total of S\$1.5 billion in 2022 and 226 units for S\$1.1 billion in 2023.

## Exhibit 2: Landed housing performance in Bedok



Source: URA Realis (based on data as at 5 August 2024)

While the pace of landed transactions in Bedok has cooled from 2021, prices of all landed housing types (detached, semi-detached and terrace) have consistently been on the increase in the past ten years, with occasional temporary declines (Exhibit 3). Price increases for landed homes are inevitable given the scarcity. However, buyers and investors can take heart that short of a cataclysmic disaster of extinction level proportions, these home prices will almost always enjoy a natural price buoyancy, again due to the fixed supply of landed homes.

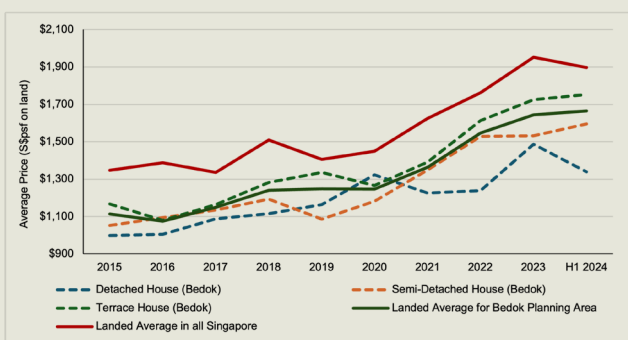
Additionally, landed prices in the Bedok Planning Area remained below the average islandwide landed price for all Singapore in the past ten years, providing a bit more affordability for potential landed homebuyers. The key



then would be capital appreciation, and there is enough evidence that landed sellers in Bedok have benefitted from this. In just H1 2024 alone, of the 59 landed home sellers who had bought their Bedok houses from 2009, 58 or 98.3% made a profit that ranged from 3.2% to 251.9% after holding for an average of eight-and-a-half years. And only one seller made a loss of 5.1% (based on URA Realis data as at 5 August 2024). Some 81.4% or 48 of these sellers made gains of over 30%.

And why should there not be interested buyers in Bedok landed homes? After all, the commencement of operations of the Thomson-East Coast Line Stage 4 in June 2024 has infused new accessibility in the east of the island

### Exhibit 3: Average Prices of Landed Homes in Bedok Planning Area versus the Average Price of Landed Homes in Singapore



Source: URA Realis (based on data as at 5 August 2024), Knight Frank Research

from Tanjong Rhu up to Bayshore, linking many landed homes in the Bedok Planning Area to the Central Business District (CBD), the Orchard shopping belt, and all the way to Woodlands and the future Rapid Transit System (RTS) to Johor Bahru (JB).

The announcement of the masterplan for the new Bayshore housing estate in October 2023 is an extension of Bedok town, and promises a unique waterfront living experience where residents can look forward to distinctive waterfront homes, connecting neighbourhoods and vibrant streets with a wide array of amenities. In addition, there will be more parks and green spaces, offering more outdoor recreational spaces, complimenting a living environment that encourages active lifestyles and healthy

### Exhibit 4: Top Five Property Gains of Landed Homes in Bedok Planning Area Transacted in H1 2024

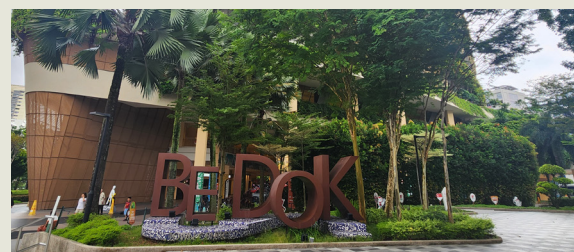
Development Name	Street	Sales Price (\$ million)	Date of Sale	Land Area (sqft)	Return	Estimated No. Years Held
BEDOK PESARI	TAMAN BEDOK	\$3.8	Apr 2024	2,102	251.9%	15
BEDOK RIA	BEDOK RIA CRESCENT	\$4.4	Feb 2024	2,378	165.5%	14
N.A.	LORONG J TELOK KURAU	\$4.6	May 2024	1,744	163.0%	13
N.A.	JALAN SENYUM	\$5.8	Jun 2024	3,708	161.8%	14
N.A.	SENNETT TERRACE	\$4.2	Jun 2024	2,249	148.8%	15

Source: URA Realis (based on data as at 5 August 2024), Knight Frank Research

living, an estate that will be smart and sustainable. And Bayshore is not the only growth story for Bedok.

Long Island comprising three tracts of land, spanning 800 ha in area reclaimed off East Coast Park, could create new homes, other amenities, as well as a new reservoir. Long Island will be developed as part of Singapore's response to the threat of rising sea levels and inland flooding in the East Coast area, and this unique project will bring even more human activity to the southern flank of Bedok Planning Area.

Over the long-term, Bedok Planning Area will have the best of all worlds - a mature estate with developed amenities and community that will graft in new vibrant growth areas, all connected to the rest of Singapore and even JB. And the existing stock of landed homes will be right smack in the middle of it all...



In the market for a new home or looking to grow your investment portfolio? Reach out to our Prime Sales and Leasing team at <https://www.knightfrank.com.sg/residential/prime-sales>

For further information on the report, please contact:



**Nicholas Keong**  
 Head  
 Residential & Private Office  
 +65 6228 6870  
 nicholas.keong@sg.knightfrank.com



**Leonard Tay**  
 Head  
 Research  
 +65 6228 6854  
 leonard.tay@sg.knightfrank.com



**Koh Kai Jie**  
 Senior Analyst  
 Research  
 +65 6228 6857  
 kaijie.koh@sg.knightfrank.com

**About Knight Frank Singapore**

Knight Frank LLP is the leading independent global property consultancy. Headquartered in London, Knight Frank has over 27,000 people, across more than 740 offices in over 50 territories. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. Knight Frank has a strong presence in Singapore with a head office and two subsidiaries: Knight Frank Property & Facilities Management and KF Property Network. For further information about the Company, please visit [www.knightfrank.com.sg](http://www.knightfrank.com.sg).

**© Knight Frank 2024**

This report is published for general information only. Although high standards have been used in the preparation of the information, analysis, views and projections presented in this report, no legal responsibility can be accepted by Knight Frank Research or Knight Frank for any loss or damage resultant from the contents of this document. As a general report, this material does not necessarily represent the view of Knight Frank in relation to particular properties or projects. Reproduction of this report in whole or in part is allowed with proper reference to Knight Frank Research.

