Prices of Upscale Homes Slide in 2013, but Unit Prices Gain

By iCompareLoan Editorial Team

While the real estate landscape witnessed one round of mortgage rule change in 2012, it was mild in comparsion to what laid ahead in the following year. In 2013, the Government rolled out, in total, four rounds. First there was the increase in cash outlay and tigher loan-to-value (LTV) ratio for second, and subsequent homes, along with the tigher MSR ratio for HDB flats. These were coupled

with a myraid of other measures. By mid-year, a radical new framework came along in the form of the TDSR. Towards the fourth quarter, the MSR ratio for loans granted by the HDB was lowered to 30 per cent to be on par with HDB loans disbursed by financial institutions. Finally, 2013 closed with the MSR ratio, for the first time, applying to buyers of ECs.

In contrast, 2012 only saw the maximum loan tenure capped at 35 years, and a lowering of the LTV ratio for certain groups of borrowers.

So how have the series of regulations in 2013 affected the market for high-end homes in District 09, 10 and 11?

For each district, based on caveats lodged with URA, we compare the median price changes for projects with 10 or more caveats lodged in each of 2012 and 2013. (Refer to Table 1-3)

Comparing 2012 and 2013, we find that for

District 09

- 6 out of 11 projects experienced a fall in median price, but only 3 has a fall in median unit price

District 10

- 3 out of 10 projects experienced a fall in median price, but only 2 has a fall in median unit price

District 11

- 5 out of 8 projects experienced a fall in median price, but only 1 has a fall in median unit price

This indicates that the overall price quantum may have declined but this is due to smaller units being transacted, as attested by the corresponding fall in median area of homes that changed hands. Hence we can conclude that prices of upmarket homes are holding up well, as a matter of fact the median unit prices of most projects have soared. This can be attributed to the deep pockets of individual sellers and developers of these luxurious homes, who are not compelled to part with their properties at a discount – tepid housing market notwithstanding.

With a taming market but prices still going strong, coupled with stringent lending rules, it is more critical than ever to have a mortgage specialist helps you compare mortgage loan Singapore and work out your finances. Speak to an iCompareLoan mortgage expert today!

Figures are arrived at based on caveats lodged with URA as of 4 May 2014. Only projects with 10 or more caveats lodged in each of 2012 and 2013 are analysed.

Tables 1: District 09 Selected Homes Price Figures For 2012 & 2013

2012

Project Name	Street Name	Sample Size	Price Range (S$ mil)	Unit Price Range (S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
Aspen Heights	River Valley Road	40	1.3 - 4.75	1208-1699	2.01	1,524.50	1324
Belle Vue Residences	Oxley Walk	21	4.44 - 12.23	1510-2917	6.38	2,146.00	3175
Espada	St. Thomas Walk	11	0.84 - 1.92	2323-2920	1.1	2,590.00	377
Helios Residences	Cairnhill Circle	31	4.23 - 12.5	3130-3890	5.98	3,541.00	1668
Hilltops	Cairnhill Circle	11	3.71 - 11.41	2972-4398	5.25	3,199.00	1593
Parc Sophia	Adis Road	20	0.84 - 1.3	1411-1932	1.1	1,716.00	667
Rivergate	Robertson Quay	33	2.03 - 4.54	1778-2330	3.1	2,050.00	1507
The Scotts Tower	Scotts Road	58	1.94 - 3.31	3034-3982	2.24	3,402.50	667
The Wharf Residence	Tong Watt Road	31	1.52 - 3.95	1352-2229	2.01	1,718.00	1076
Visioncrest	Oxley Rise	16	1.37 - 2.38	1812-2215	1.88	2,009.00	920.5
Waterford Residence	Kim Yam Road	18	1.47 - 2.8	1294-1715	1.92	1,489.50	1394

2013

Project Name	Sample Size	Price Range (S$ mil)	Unit Price Range (S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
Aspen Heights	20	1.74 - 5.3	1484-1796	2.1	1,589.50	1572

Belle Vue Residences	11	3.8 - 10.5	1550-2069	4.39	1,735.00	3563
Espada	10	0.91 - 1.9	2442-2759	1.75	2,646.00	377
Helios Residences	18	3.46 - 12	2700-3976	1.41	3,464.00	1668
Hilltops	13	2.35 - 5.9	2601-3404	2.05	3,027.00	1335
Parc Sophia	10	0.93 - 1.28	1525-2069	1.61	1,865.00	549
Rivergate	18	2.32 - 4.26	1898-2298	2.04	2,050.00	1733
The Scotts Tower	37	2.08 - 5.16	3180-4267	1.8	3,608.00	807
The Wharf Residence	10	1.86 - 8.5	1592-2151	1.12	1,912.50	1254
Visioncrest	10	1.48 - 2.5	1919-2323	3.39	2,096.50	915
Waterford Residence	14	1.59 - 2.55	1500-1746	1.84	1,582.00	1141

Project Name	% Change in Median Price	% Change in Median Unit Price	% Change in Median Area (sq ft)
Aspen Heights	15.24	4.09	0.19
Belle Vue Residences	(9.06)	(23.69)	0.12
Espada	(13.99)	2.12	0.00
Helios Residences	(0.83)	(2.22)	0.00
Hilltops	(28.15)	(5.68)	(0.16)
Parc Sophia	(5.83)	7.99	(0.18)
Rivergate	11.05	0.00	0.15

The Scotts Tower	18.35	5.70	0.21
The Wharf Residence	21.04	10.17	0.17
Visioncrest	5.53	4.17	(0.01)
Waterford Residence	(4.07)	5.85	(0.18)

Tables 2: District 10 Selected Homes Price Figures For 2012 & 2013

2012

Project Name	Street Name	Sample Size	Price Range (S$ mil)	Unit Price Range (S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
D'leedon	Leedon Heights	228	0.96 - 3.81	1321-1937	1.7	1,469.50	1389
Leedon Residence	Leedon Heights	79	2.35 - 14.42	1413-2494	4.85	1,890.00	2131
Nathan Residences	Nathan Road	14	0.89 - 1.4	1394-1782	1.22	1,602.50	786
One Jervois	Jervois Close	16	1.5 - 3.35	1496-1799	2.3	1,623.00	1308
Parvis	Holland Hill	13	1.7 - 4.6	1650-2059	3.52	1,938.00	1991
Ridgewood	Mount Sinai Drive	14	1.55 - 3.43	845-1267	2.15	1,147.00	1873
Sommerville Park	Farrer Drive	22	1.04 - 6.55	1396-1730	2.93	1,567.00	1948
The Tessarina	Wilby Road	32	1.25 - 2.51	1250-1555	1.83	1,395.50	1318.5
The Trizon	Ridgewood Close	55	1.66 - 4.03	1101-2043	2.61	1,710.00	1550
Valley Park	River Valley Road	33	1.16 - 5.38	1357-1644	1.76	1,480.00	1216

2013

Project Name	Sample Size	Price Range (S$ mil)	Unit Price Range (S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
D'leedon	680	1.02 - 7.1	1244-2120	2.1	1485	1475
Leedon Residence	37	2.32 - 14.8	1708-2685	4.39	2100	2110
Nathan Residences	12	1.1 - 1.74	1357-2078	1.23	1910	592
One Jervois	12	1.26 - 4.25	1548-1984	3.05	1789	1701

Parvis	10	1.94 - 4	1835-2009	3.29	1934.5	1701
Ridgewood	16	1.6 - 3.65	1052-1399	2.51	1260.5	2002
Sommerville Park	13	1.26 - 3.5	1453-2018	2.17	1618	1302
The Tessarina	12	1.44 - 2.24	1495-1660	1.83	1581	1173
The Trizon	26	1.76 - 3.71	1500-1911	3.42	1707	2067
Valley Park	15	1.16 - 2.88	1394-1727	2.1	1567	1216

Project Name	% Change in Median Price	% Change in Median Unit Price	% Change in Median Area (sq ft)
D'leedon	19.05	1.04	0.06
Leedon Residence	(10.48)	10.00	(0.01)
Nathan Residences	0.81	16.10	(0.25)
One Jervois	24.59	9.28	0.30
Parvis	(6.99)	(0.18)	(0.15)
Ridgewood	14.34	9.00	0.07
Sommerville Park	(35.02)	3.15	(0.33)
The Tessarina	0.00	11.73	(0.11)
The Trizon	23.68	(0.18)	0.33
Valley Park	16.19	5.55	0.00

Tables 3: District 11 Selected Homes Price Figures For 2012 & 2013

2012

Project Name	Street Name	Sample Size	Price Range (S$ mil)	Unit Price Range(S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
Amaryllis Ville	Newton Road	24	1.03 - 4	1373-1657	1.45	1,494.00	958
Cube 8	Thomson Road	13	0.88 - 3.35	1108-1662	1.27	1,424.00	904
Lincoln Suites	Khiang Guan Avenue	20	0.97 - 3.77	1864-2948	2.29	2,068.50	1109
L'viv	Newton Road	27	1.29 - 2.5	2103-2541	2.15	2,277.00	990
Park Infinia At Wee Nam	Lincoln Road	28	1.12 - 5.37	1523-2153	2.15	1,887.00	1221.5
Soleil @ Sinaran	Sinaran Drive	34	1.04 - 3.44	1548-2202	2.02	1,849.50	1098
Suites @ Newton	Surrey Road	23	0.95 - 1.43	1810-2377	1.29	2,140.00	603
The Lincoln Residences	Surrey Road	14	2.25 - 3.89	1598-1923	3.00	1,766.00	1841

2013

Project Name	Sample Size	Price Range (S$ mil)	Unit Price Range (S$ psf)	Median Price (S$ mil)	Median Unit Price (S$ psf)	Median Area (sq ft)
Amaryllis Ville	12	1.14 - 2.6	1500-1741	1.75	1,542.00	1119.5
Cube 8	14	0.96 - 2.2	1394-1787	1.41	1,538.50	904
Lincoln Suites	11	1.18 - 2.4	1979-2798	2.05	2,143.00	1033
L'viv	12	1.3 - 2.46	2119-2544	1.61	2,442.00	657
Park Infinia At Wee Nam	11	1.2 - 3.03	1810-2144	2.04	2,039.00	1001
Soleil @ Sinaran	11	0.98 - 2.32	1346-2228	1.80	1,954.00	936

Suites @ Newton	16	0.97 - 1.49	1910-2460	1.12	2,045.00	517
The Lincoln Residences	14	2.4 - 5.3	1640-1884	3.39	1,773.00	1884

Project Name	% Change in Median Price	% Change in Median Unit Price	% Change in Median Area (sq ft)
Amaryllis Ville	17.14	3.11	0.17
Cube 8	9.93	7.44	0.00
Lincoln Suites	(11.71)	3.48	(0.07)
L'viv	(33.54)	6.76	(0.34)
Park Infinia At Wee Nam	(5.39)	7.45	(0.18)
Soleil @ Sinaran	(12.22)	5.35	(0.15)
Suites @ Newton	(15.18)	(4.65)	(0.14)
The Lincoln Residences	11.50	0.39	0.02

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Paul Ho is the editor of www.PropertyBuyer.com.sg, www.iCompareloan.com and www.SingaporeHomeLoan.net and he holds a Masters of Business Administration from a reputable university. He is passionate about helping people enhance their wealth through financial literacy and in making money work harder for them.

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