

Prices of completed condos down 0.1% in April: NUS index

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PRICES of completed non-landed private homes in Singapore fell 0.1 per cent in April over March, according to the National University of Singapore (NUS) flash estimate released on Thursday.

R'ST Research director Ong Kah Seng said this shows that buyers are maintaining a generally cautious stance when buying completed properties due to the substantial new completions coming up which will intensify leasing competition.

"That said, the 0.1 per cent decrease shows it wasn't a very big price decline for resale properties in April. Botanique at Bartley and North Park Residences achieved strong buyers' interest in April. Many would have thought that this would divert buyers from resale to developer sales.

"However, it seems that some buzz from the developer sales segment in April might have filtered through to resale property buying, because April's resale property prices staged a fairly stable picture. Very likely, the positive buying sentiments in April for developer sales have improved overall property sentiment – albeit only for a while in April. This allowed owners to maintain the selling prices of their completed properties."

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According to Mr Ong, the profile of buyers for developer projects and resale properties are different. Resale buyers need to occupy the unit almost immediately, while those buying developer projects can afford to wait.

Meanwhile, the sub-index for Central Region (excluding small units of up to 506 square feet) fell 0.1 per cent in April. Central Region is defined by the university's Institute of Real Estate Studies (IRES) as districts 1-4, including the financial district and Sentosa Cove, plus the traditional prime districts 9, 10 and 11.

The sub-index for Non-Central Region (again excluding small units) was flat in April.

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IRES also published the revised index values for March, which showed overall prices rising 0.3 per cent from February, a slightly steeper incline than the 0.2 per cent increase earlier estimated.