

# Private condo prices continue to decline

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**Wong Siew Ying**

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Prices of completed private condominiums continued to fall in November, suggesting that recovery is still some way off for resale homes.

Overall resale prices slipped 0.7 per cent last month from October – a stark decline following the revised 0.2 per cent dip from September to October.

Last month's price fall was led by units in the central region, according to flash estimates from the NUS Singapore Residential Price Index (SRPI) yesterday.

“It seems that price recovery for resale properties is still a long way ahead... price decline or stagnation is set to continue,” said R'ST Research director Ong Kah Seng.

Mr Wong Xian Yang, head of research and consultancy at Or-

angeTee, added: “With rents still on a downtrend and the outlook on interest rates remaining unclear, buyers will continue to negotiate hard for lower prices.”

Analysts also said the price fall was largely within expectations, owing to the weak sentiment in the property market and the typical lull in sales activity at this time of the year. Prices of completed condos were down across the board last month with the steepest decline seen in the central region, which fell by 0.8 per cent, much worse than the 0.3 per cent drop from September to October.

The SRPI defines the central region as districts one to four, including the financial district and Sentosa Cove, as well as the traditional prime residential districts of nine, 10 and 11.

Prices for completed units in the

non-central region fell 0.7 per cent from October to November while those for small apartments – a floor area of up to 506 sq ft – dipped by 0.1 per cent.

Market watchers say resale prices of small condos could weaken further, especially those in the suburban areas, which face competition from public housing.

The last time all segments of the SRPI declined was in August, noted the Institute of Real Estate Studies at NUS, which computed the data.

“In the resale market today, whoever wants to sell now must be someone who is under some pressure – who would want to sell when things are slow? So these sellers are more willing to listen to offers and to give discounts,” Savills Singapore research head Alan Cheong told *The Straits Times*.

OrangeTee expects overall resale prices for private properties to fall by up to 3.5 per cent this year, which could woo more buyers into the market next year.

As sales volume grows, “this should lead to a deceleration of price decline in 2017”, Mr Wong said.

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