Are Singapore Property Prices Too High? Letâ??s Look at the Numbers Together

Description

Hi everyone, welcome to our first Singapore Property Podcast on LittleBigRedDot!

Almost every property conversation in Singapore eventually arrives at the same question: **Are prices simply too high?**

When we see million-dollar HDB flats, new launch condominiums crossing the S$2,000 or even S$3,000 per square foot mark, and friends talking about how much their homes have appreciated, it is very easy to feel that the market has run too far. However, â??expensiveâ?• and â??too expensiveâ?• are not exactly the same thing. One is a price observation. The other depends on income, financing, life stage, property type, location and how long you intend to hold the home.

So today, letâ??s analyse this together using the latest official information available as at 22 July 2026 â?? and not just the headlines!

Question 1: Are Singapore property prices still going up?

Short answer: not everywhere, and not at the same speed.

For the HDB resale market, HDBâ??s Resale Price Index fell by 0.1% in the first quarter of 2026. It may look like a very small movement, but it was the first quarterly decline in nearly seven years, since the second quarter of 2019. HDBâ??s flash estimate for the second quarter of 2026 then pointed to a further 0.3% decline.

That does not mean every HDB flat became cheaper. A renovated flat beside an MRT station, a rare executive apartment, or a high-floor unit with an unblocked view may still attract several determined buyers. The index tells us what is happening across the national resale market; it does not determine the value of one particular unit.

The private market tells another story. URAâ??s flash estimate showed overall private residential prices rising by 0.5% in the second quarter of 2026, after a 0.9% increase in the first quarter. But once we look inside the number, the market is much more mixed:

- Non-landed private home prices fell by 0.1%.
- Core Central Region non-landed prices rose by 2.0%.
- Rest of Central Region prices fell by 1.4%.
- Outside Central Region prices fell by 0.2%.
- Landed home prices rose by 2.6%.

Wow, that is quite a difference between segments! So when someone says â??Singapore property went upâ?•, my first question will be: **Which property market are we talking about?**

Question 2: If prices feel high, how should we measure affordability?

A property can be expensive in absolute dollars and still be manageable for one household. The same property can be financially uncomfortable for another household even if the bank is willing to grant the loan.

Singaporeâ??s median monthly household market income increased to S$12,446 in 2025, according to the Department of Statistics. That was a 6.8% nominal increase from 2024. Income growth helps, but it does not remove the pressure from a large downpayment, stamp duties, renovation, maintenance fees, property tax and years of mortgage instalments.

Instead of looking only at the selling price, I would split affordability into five checks:

1. **Upfront cash and CPF:** Can you pay the downpayment, Buyerâ??s Stamp Duty, legal fees and renovation without clearing your safety buffer?
2. **Monthly instalment:** Is the mortgage still comfortable after your normal household expenses, insurance and savings?
3. **Interest-rate stress:** Can you continue paying if the actual interest rate is higher when the loan is repriced?
4. **Life changes:** What happens if one income temporarily stops, a child arrives, or your parents need more support?
5. **Exit plan:** If you need to sell earlier than expected, will transaction costs, outstanding loan and CPF refund obligations leave you with sufficient flexibility?

MAS applies a Total Debt Servicing Ratio threshold of 55% for property loans. This is an important guardrail, but qualifying for the maximum loan does not automatically mean the purchase is comfortable. Personally, I prefer a household to leave breathing space because life rarely follows a perfect spreadsheet!

Question 3: Why have prices remained resilient?

There is no single reason. Singapore has limited land, strong home ownership aspirations, a stable legal system and a property market that many families see as both a home and a long-term store of wealth. Demand also concentrates around desirable schools, transport links, employment centres and neighbourhoods with convenient amenities.

At the same time, supply takes years to plan and complete. The Government is now sustaining a high level of private housing supply. URA said that 9,320 private residential units will be placed on the 2026 Confirmed List under the Government Land Sales Programme â?? more than 50% above the annual average of the previous 10 years. Around 61,000 private residential units, including Executive Condominiums, are expected in the overall pipeline over the next few years.

This supply is important because it gives buyers more choices and can reduce the fear of missing out. However, new supply will not affect every location equally. A future project in one planning area does not perfectly replace a resale unit beside your parents, your childâ??s school or your workplace.

Question 4: What about million-dollar HDB flats and very expensive condominiums?

These transactions are real, but they are often the most unusual and newsworthy part of the market. A million-dollar HDB sale can involve an unusually large flat, a central location, a long remaining lease, a high floor, premium renovation or a very scarce flat type. It should not automatically be used as the benchmark for every unit in the block â?? let alone every HDB flat in Singapore.

The same applies to private property. A record price in a new launch may reflect the developerâ??s land cost, product positioning, unit size, view, floor and launch strategy. Buyers should compare the actual unit against recent registered transactions, competing projects and resale alternatives. A headline is a useful starting point for research, but it is not a valuation.

Question 5: Should buyers wait for prices to fall?

This is the toughest question because nobody can promise the exact market level six or twelve months from now. The latest data shows slower and more uneven price movement, while the supply pipeline is increasing. Those factors may give buyers more room to compare and negotiate. They do not guarantee a broad crash.

For an own-stay buyer, waiting also has a cost. You may continue paying rent, delay your family plans or miss a suitable unit that is genuinely within budget. For an investor, the standard should be stricter: expected rent, vacancy risk, financing cost, taxes, maintenance and the eventual selling price must make sense without assuming that prices will automatically keep rising.

If your finances are stretched, the answer is simple â?? wait, save more and widen your choices. If the home meets a real need, the numbers remain comfortable under stress and you intend to hold it for the long term, trying to catch the perfect bottom may be less important.

My verdict: Are Singapore property prices too high?

Singapore property prices are high, but the market is not uniformly overpriced.

Some premium segments and individual units may be difficult to justify. Other homes may remain reasonable when we consider location, remaining lease, household income, grants, competing supply and the buyerâ??s time horizon. The recent softening in HDB resale prices and selected non-landed private segments is also a reminder that property does not move in only one direction.

The most useful question is therefore not simply, â??Is Singapore property too expensive?â?• It is: **â??Is this particular property too expensive for me, compared with my alternatives?â?•**

Take your time, compare registered transactions, calculate the full cost and make sure the home supports your life instead of controlling it.

Official sources

- HDB: 1st Quarter 2026 Public Housing Data and Upcoming Flat Supply
- HDB: Flash Estimate of 2nd Quarter 2026 Resale Price Index
- URA: Flash Estimate for 2nd Quarter 2026 Private Residential Property Price Index
- SingStat: Key Indicators on Household Market Income
- MAS: MSR and TDSR Rules for New Housing Loans
- CPF Board: Using CPF to Buy a Home

Love,
Lin Xuan

Disclaimer: I am in the Real Estate Field under ERA. This article and podcast are a sincere and friendly discussion for general information only and should not be treated as financial, legal or investment advice. Property figures and policies may change, and every buyerâ??s circumstances are different. Please verify the latest official information and obtain professional advice where required.

If you are looking to upgrade, downsize or purchase your next home and would like to compare your options, Iâ??m always available on WhatsApp at +65 8222 2556 to have a good chat!

Wishing you a great week!

Date Created
22/07/2026
Author
linxuan