

# Singapore Good Class Bungalow market sees interest picking up amid global uncertainty

Buyers are becoming 'more discerning' and sellers more willing to engage on pricing, say market watchers

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WHILE the market for Good Class Bungalow (GCB) properties has slowed from its peak in 2021, sales are picking up and prices remain supported by wealthy locals and high-net-worth individuals settling in Singapore.

Despite US President Donald Trump's recent tariffs rattling global financial markets, analysts told *The Business Times* that the Singapore GCB market may weather the storm better than expected.

Leonard Tay, head of research at Knight Frank Singapore, said high-net-worth individuals might tighten their purse strings as they wait for more clarity amid global uncertainty caused by tariffs and "insular policies dividing nations".

Still, the shaky macro outlook could prompt some of the globally mobile wealthy to "put down roots in Singapore for its stability and purchase a luxury home", he added.

Steve Tay, executive director of Steve Tay Real Estate (STRE), said the GCB segment might "stand out as a safe haven and hedge for long-term wealth preservation, amid short-term market volatility".

An economic slowdown as tariffs take hold could also lead to more GCBs changing hands as global businesses take a hit and affected homeowners lower prices, noted Han Huan Mei, research director at List Sotheby's International Realty (List SIR).

GCB demand picked up in 2024, with 22 deals totalling S\$1 billion, Knight Frank data showed. This compares with 11 deals worth S\$525.5 million in 2023, and 20 transactions amounting to S\$779 million in 2022.

In April, BT reported three deals for GCBs that have been sold or are in the process of a sale. Late pioneer architect Alfred Wong's bungalow in the Bin Tong Park Good Class Bungalow (GCB) Area is being sold for S\$45 million, while a White House Park property is in the early stages of a sale at about S\$40 million. A shipping entrepreneur is also buying a Leedon Park GCB for S\$45.8 million.

Although deal volumes have fallen from the 2021 peak—when 60 GCBs changed hands for a record S\$2.1 billion—Knight Frank's Tay described the surge as a one-off.

Higher selling price expectations amid rising interest rates led to slower sales in 2022 and 2023, said STRE's Tay. "As transaction volume starts to taper down due to



GCB demand picked up in 2024, with 22 deals totalling S\$1 billion, Knight Frank data shows. PHOTO: BT FILE

**"Government land sales, primarily focused on non-landed developments, have indirectly influenced the landed property market, where the emphasis on high-density developments has heightened the relative scarcity of landed properties, increasing their desirability and value."**

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slow take-up rates, selling expectations in terms of prices started to be more aligned with market valuations."

The renewed momentum in 2024 was led by several high-profile deals, said Himmat Singh, joint managing director at Christie's International Real Estate Singapore (CIRE).

Notably, a Tanglin Hill GCB changed hands at S\$93.9 million, setting a record land rate of nearly S\$6,200 per square foot (psf), and surpassing the previous S\$4,500 psf land rate from the 2023 sale of three Nassim Road GCBs by Cusca-den Peak Investments.

"These sales create new pricing

benchmarks, encouraging other sellers to enter the market in the hope of achieving similar values," added Singh.

In 2024, prices of landed properties rose by 0.9 per cent, much slower than the 8 per cent in 2023 and 9.6 per cent in 2022, data from the Urban Redevelopment Authority showed.

Chia Siew Chuin, head of residential research at JLL, said that in recent years, the GCB market has evolved into a "distinct two-tier structure", reflecting an increasing gap between buyer preferences and property pricing.

Prime GCBs consistently attract "significant interest and command

substantial price premiums" from ultra-high-net-worth individuals and new citizens, while less prime GCBs face longer marketing periods and more modest price growth, she said.

Last October, a Nassim Road GCB owned by Hong Fok Corporation's joint chief executive Cheong Pin Chuan and his wife was put on the market for S\$308 million, up from its S\$175 million price tag in 2019.

Singh noted that enquiries and viewings at CIRE have risen, especially among naturalised citizens and younger HNWIs.

"Some homes have experienced a 20 to 30 per cent rise in viewing requests compared to late 2023," he said.

There have also been more price negotiations at the upper end, said Singh, as buyers are becoming "more discerning", and sellers—especially those holding multiple properties—are "more willing to engage on pricing if the offer is serious".

## More GCBs on sale

On the supply front, market watchers observe more GCBs being listed for sale.

A freehold house in the Oei Tiong Ham Park enclave was put on the market in March for S\$42.8 million, or S\$2,800 psf on the land area of 14,982 square feet (sq ft).

This followed the listing of a GCB property belonging to former president Ong Teng Cheong's family, which was priced at S\$60 million, or about S\$2,742 psf on land.

A house at Jervois Road is up for sale at S\$55 million or S\$3,649 psf, and another property in the GCB enclave of Belmont Road has been put up at S\$43.8 million or S\$2,755 psf.

An Old Holland Road property is up for auction at S\$36 million after a 46 per cent mark-down, and a Sentosa Cove bungalow is listed at S\$12.88 million, selling at a loss of S\$1.12 million.

Knight Frank noted: "More GCBs coming onto the market could be due to some HNWIs or families rationalising their portfolio, given that holding costs for elite homes have increased with higher property taxes."

Both List SIR's Han and STRE's Tay also pointed out that most sellers in the market are older individuals seeking to downsize.

Without disclosing figures, Real-

star Premier's managing director Julian Yip observed more buyers emerging from the crypto sector, likely driven by the industry's recent performance.

Bitcoin surged to an all-time high of US\$109,241 in January as Trump, who has signalled plans to deregulate the crypto sector, prepared to be sworn in as US president.

STRE's Tay also pointed out that the growing number of family offices in Singapore could contribute to the rising demand for GCBs.

The number of family offices exceeded 2,000 in 2024, rising 43 per cent on year from 1,400 in place at end-2023.

"Among these new family offices, there will be some families who see themselves setting up homes in Singapore for the long term and looking to raise their children here as Singaporeans," he added.

"If granted citizenship, some of them are likely to enter the pool of newly naturalised buyers looking for a GCB to call home."

Although the redevelopment of older landed properties has improved the quality of housing stock, it has not led to a substantial increase in the overall supply of GCBs, said JLL's Chia.

"Government land sales, primarily focused on non-landed developments, have indirectly influenced the landed property market, where the emphasis on high-density developments has heightened the relative scarcity of landed properties, increasing their desirability and value."

A minimum plot size of 1,400 square metres or 15,070 sq ft is stipulated as the norm for bungalows in GCB Areas. One generally has to be a Singapore citizen to be allowed to buy a landed property in a GCB Area.

With steady demand and the sector's inherently limited supply, Chia expects GCB prices to remain stable with "potential for modest appreciation".