NM2207 Data Story: Final Project

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## Week-9: Webpage + Diary Entry

## Question 1:

1. What is the topic that you have finalized? (Answer in 1 or 2 sentences)

**Answer:** I have finalised and chosen to explore the changes in the prices of resale flats in Singapore. The goal is to analyse the nominal price growth from 1990 to 2023, an compare it with the adjusted inflation rate to understand the real increase in flat prices over the years

## Question 2:

1. What are the data sources that you have curated so far? (Answer 1 or 2 sentences).

**Answer:** I have curated two datasets from <https://beta.data.gov.sg/collections/189/view> – Singapore’s open data collection. The one data set contains transacted prices of resale flats from 1990 to 1999 and the other contains the resale prices from January 2017 onwards with an additional column “remaining\_lease” for the lease duration.

## ── Attaching core tidyverse packages ──────────────────────── tidyverse 2.0.0 ──  
## ✔ dplyr 1.1.2 ✔ readr 2.1.4  
## ✔ forcats 1.0.0 ✔ stringr 1.5.0  
## ✔ ggplot2 3.4.3 ✔ tibble 3.2.1  
## ✔ lubridate 1.9.2 ✔ tidyr 1.3.0  
## ✔ purrr 1.0.2   
## ── Conflicts ────────────────────────────────────────── tidyverse\_conflicts() ──  
## ✖ dplyr::filter() masks stats::filter()  
## ✖ dplyr::lag() masks stats::lag()  
## ℹ Use the conflicted package (<http://conflicted.r-lib.org/>) to force all conflicts to become errors

## month town flat\_type block street\_name storey\_range  
## 1 1990-01 ANG MO KIO 1 ROOM 309 ANG MO KIO AVE 1 10 TO 12  
## 2 1990-01 ANG MO KIO 1 ROOM 309 ANG MO KIO AVE 1 04 TO 06  
## 3 1990-01 ANG MO KIO 1 ROOM 309 ANG MO KIO AVE 1 10 TO 12  
## 4 1990-01 ANG MO KIO 1 ROOM 309 ANG MO KIO AVE 1 07 TO 09  
## 5 1990-01 ANG MO KIO 3 ROOM 216 ANG MO KIO AVE 1 04 TO 06  
## 6 1990-01 ANG MO KIO 3 ROOM 211 ANG MO KIO AVE 3 01 TO 03  
## 7 1990-01 ANG MO KIO 3 ROOM 202 ANG MO KIO AVE 3 07 TO 09  
## 8 1990-01 ANG MO KIO 3 ROOM 235 ANG MO KIO AVE 3 10 TO 12  
## 9 1990-01 ANG MO KIO 3 ROOM 235 ANG MO KIO AVE 3 04 TO 06  
## 10 1990-01 ANG MO KIO 3 ROOM 232 ANG MO KIO AVE 3 01 TO 03  
## floor\_area\_sqm flat\_model lease\_commence\_date resale\_price  
## 1 31 IMPROVED 1977 9000  
## 2 31 IMPROVED 1977 6000  
## 3 31 IMPROVED 1977 8000  
## 4 31 IMPROVED 1977 6000  
## 5 73 NEW GENERATION 1976 47200  
## 6 67 NEW GENERATION 1977 46000  
## 7 67 NEW GENERATION 1977 42000  
## 8 67 NEW GENERATION 1977 38000  
## 9 67 NEW GENERATION 1977 40000  
## 10 67 NEW GENERATION 1977 47000

## month town flat\_type block street\_name storey\_range  
## 1 2017-01 ANG MO KIO 2 ROOM 406 ANG MO KIO AVE 10 10 TO 12  
## 2 2017-01 ANG MO KIO 3 ROOM 108 ANG MO KIO AVE 4 01 TO 03  
## 3 2017-01 ANG MO KIO 3 ROOM 602 ANG MO KIO AVE 5 01 TO 03  
## 4 2017-01 ANG MO KIO 3 ROOM 465 ANG MO KIO AVE 10 04 TO 06  
## 5 2017-01 ANG MO KIO 3 ROOM 601 ANG MO KIO AVE 5 01 TO 03  
## 6 2017-01 ANG MO KIO 3 ROOM 150 ANG MO KIO AVE 5 01 TO 03  
## 7 2017-01 ANG MO KIO 3 ROOM 447 ANG MO KIO AVE 10 04 TO 06  
## 8 2017-01 ANG MO KIO 3 ROOM 218 ANG MO KIO AVE 1 04 TO 06  
## 9 2017-01 ANG MO KIO 3 ROOM 447 ANG MO KIO AVE 10 04 TO 06  
## 10 2017-01 ANG MO KIO 3 ROOM 571 ANG MO KIO AVE 3 01 TO 03  
## floor\_area\_sqm flat\_model lease\_commence\_date remaining\_lease  
## 1 44 Improved 1979 61 years 04 months  
## 2 67 New Generation 1978 60 years 07 months  
## 3 67 New Generation 1980 62 years 05 months  
## 4 68 New Generation 1980 62 years 01 month  
## 5 67 New Generation 1980 62 years 05 months  
## 6 68 New Generation 1981 63 years  
## 7 68 New Generation 1979 61 years 06 months  
## 8 67 New Generation 1976 58 years 04 months  
## 9 68 New Generation 1979 61 years 06 months  
## 10 67 New Generation 1979 61 years 04 months  
## resale\_price  
## 1 232000  
## 2 250000  
## 3 262000  
## 4 265000  
## 5 265000  
## 6 275000  
## 7 280000  
## 8 285000  
## 9 285000  
## 10 285000

## Week 10: Diary entry

**An update from Week 9:**

Due to the massive volume of data from the original data set, I have narrowed down to two years specifically - 1990 and 2023. The 33 year gap provides a unique opportunity to compare long-term trends and the evolution of the housing market. The selection can potentially provide valuable insights in to the factors that have influence the property market over the years. For example, the estate or the size (in square meters). After which, I will provide an analysis of a price for the next 5-10-15 years using a projected approach based on historical data gathered and the expected inflation rates. This could offer a realistic forecast, taking to account the likely impact on future property prices, helping to paint a picture of future market condition.

## Question 1:

**(1) What is the question that you are going to answer? (Answer: One sentence that ends with a question mark that could act like the title of your data story)**

**Theme:** Investigating Singapore’s Resale Flat Prices, from 1990 to 2023

**Background:**

In Singapore, housing affordability has been an increasing worry for future Singaporeans. However, in 2012, the then Deputy Prime Minister (DPM) Tharman Shanmugaratnam - stating household income of SGD $1000 was sufficient to own a home, sparked discussions among netizen online (Tan, 2012). While Mr Tharman argued the housing grants could provide support for low-income household, many Singaporeans expressed concern about the long-term viability of such claims, especially in the face of the constant rising cost of living and property prices.

**The Question:** Is public housing in Singapore truly affordable for the average Singaporean in the future? How will the evolving housing market impact the affordability of homes for future generations of Singaporeans?

The above question will uncover the complexities of the housing market, analyse potential long-term trend, also seek to understand that while variables such as estate, size or remaining lease play significant roles, this analysis aims to identity the most influential factors.

**References:**

1. Tan, J. (2012, March 2). Online uproar over DPM Tharman’s ‘$1k flat’ statement. Yahoo Singapore. <https://sg.news.yahoo.com/blogs/singaporescene/online-uproar-over-dpm-tharman-1k-flat-statement-132522414.html>

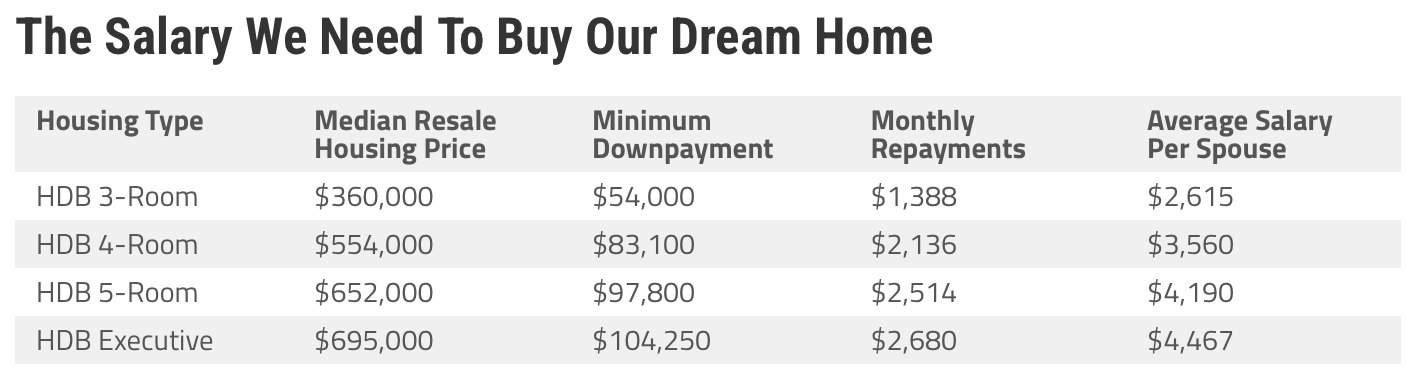
## Question 2:

**(2) Why is this an important question? (Answer: 3 sentences, each of which has some evidence, e.g., “According to the United Nations…” to justify why the question you have chosen is important)**

First, according to an article by Liew (2023), the resale prices from Housing Development Board saw a constant increase over 14 consecutive quarters since mid-2020. While the increase is has slowed down - 1.5% from 2nd Quarter in 2023 to 1.2% in 3rd quarter - the same year highlights the growing concerns of housing affordability in the future. The report also mentioned the alarming increase in million-dollar transactions in mature estates - 105 transactions from 2nd Quarter in 2023 to 128 transactions in 3rd quarter (Tan, as cited by Liew, 2023).

Next, in another article by Liew (2023), the Housing Development Board (HDB), more new home owners are opting for a resale flat instead of the ‘Build-To-Order’ flats. The sales delayed from August 2023 to October 2023 and the wait time of 4-years contributed to the shift in preference towards resale flats. Therefore, the shift highlights the urgent housing needs, the prices Singaporeans are willing to pay for immediate availability shows the importance of this analysis.

Lastly, to evaluate the affordability for future Singaporeans, it is important to delve into the analysis on income used for housing, and the median housing prices over time. For instance, according to the Central Provident Fund Board (CPF), Singaporeans should allocate a maximum of 30% of income for housing - Mortgage Servicing Ratio (MSR). Shown below, according to Kumar (2022), in order to afford a 3-room average flat in Singapore, buyers should have a minimum combined salary of $5,200. This highlights the critical housing afforability for Singaporeans’ financial sustainability for the long run.



Estimation of Average Salary Per Spouse (Kumar, 2022)

**References:**

1. Liew, I. (2023, October 2). HDB resale prices up 1.2% in Q3, lower than quarter average in 2022; more flats sold. The Straits Times. <https://www.straitstimes.com/singapore/housing/hdb-resale-prices-up-12-in-q3-lower-than-quarter-average-in-2022-more-flats-sold#>:~:text=SINGAPORE%20%E2%80%93%20Prices%20of%20Housing%20Board,from%20HDB%20showed%20on%20Monday.
2. Liew, I. (2023, October 1). About 1,900 BTO flats in 2 Choa Chu Kang projects to be offered in early Oct launch. The Straits Times. <https://www.straitstimes.com/singapore/housing/about-1900-bto-flats-in-2-choa-chu-kang-projects-to-be-offered-in-early-oct-launch>
3. Kumar, S. (2022, April 11). Here’s The Salary You Need To Earn To Afford These Homes In Singapore [2022 Edition]. DollarsAndSense.sg. <https://dollarsandsense.sg/salary-need-earn-afford-homes-singapore/>

## Question 3:

**(3) Which rows and columns of the dataset will be used to answer this question? (Answer: Actual names of the variables in the dataset that you plan to use). Include the challenges and errors that you faced and how you overcame them.**

**The overall plan:**

1. To get a price estimation of the flats based on Room Type (3-Room, 4-Room, 5-Room, Executive) for both years.
2. Use variables like the remaining lease, estates, size to see which plays a bigger role in setting the prices of Resale HDB Flats.
3. Use median income guidelines from SingStats to determine affordability of housing in current market, followed by adjusing to inflation.

To answer part (1) and (2) of why the question is important, we will be looking at two files:

File 1: ResaleFlatPrices1999.csv

resaleprice1999 <- read.csv("ResaleFlatPrices1999.csv")  
head(resaleprice1999, 3)

## month town flat\_type block street\_name storey\_range  
## 1 1990-01 ANG MO KIO 3 ROOM 216 ANG MO KIO AVE 1 04 TO 06  
## 2 1990-01 ANG MO KIO 3 ROOM 211 ANG MO KIO AVE 3 01 TO 03  
## 3 1990-01 ANG MO KIO 3 ROOM 202 ANG MO KIO AVE 3 07 TO 09  
## floor\_area\_sqm flat\_model lease\_commence\_date resale\_price  
## 1 73 NEW GENERATION 1976 47200  
## 2 67 NEW GENERATION 1977 46000  
## 3 67 NEW GENERATION 1977 42000

names(resaleprice1999)

## [1] "month" "town" "flat\_type"   
## [4] "block" "street\_name" "storey\_range"   
## [7] "floor\_area\_sqm" "flat\_model" "lease\_commence\_date"  
## [10] "resale\_price"

File 2: ResaleFlatPrices2022.csv

resaleprice2022 <- read.csv("ResaleFlatPrices2022.csv")  
head(resaleprice2022,3)

## month town flat\_type block street\_name storey\_range  
## 1 2022-01 ANG MO KIO 2 ROOM 323 ANG MO KIO AVE 3 07 TO 09  
## 2 2022-01 ANG MO KIO 3 ROOM 320 ANG MO KIO AVE 1 07 TO 09  
## 3 2022-01 ANG MO KIO 3 ROOM 225 ANG MO KIO AVE 1 07 TO 09  
## floor\_area\_sqm flat\_model lease\_commence\_date remaining\_lease  
## 1 44 Improved 1977 54 years 05 months  
## 2 73 New Generation 1977 54 years 05 months  
## 3 67 New Generation 1978 55 years 01 month  
## resale\_price  
## 1 245000  
## 2 358000  
## 3 355000

names(resaleprice2022)

## [1] "month" "town" "flat\_type"   
## [4] "block" "street\_name" "storey\_range"   
## [7] "floor\_area\_sqm" "flat\_model" "lease\_commence\_date"  
## [10] "remaining\_lease" "resale\_price"

**Columns to be used:**

1. **‘month’ :** To determine the time frame, and be used to track the resale prices overtime. For example, in 1990 September and compared against 2022 September to give a more accurate representation.
2. **‘town’:** Contains the different estates in Singapore, it is used to explore the geographical price variation and impact on prices. For example, if a similar ‘flat\_type’, ‘storey\_range’, but different ‘town’ and determine the more affordable versus expensive estate.
3. **‘flat\_type’:** Helps to categorise the estamate prices of the flats depending on room types. For example, “3-Room, 4-Room, 5-Room and Executive”
4. **‘storey\_range’:** Although not significant, it might still give insights into the price variations based on the floor level
5. **‘floor\_area\_sqm’:** Might be able to determine how size of the flat impact resale value - despite being the same flat-type
6. **‘lease\_commence\_data’:** The variable indicates the starting year of the lease, can potentially be used to calculate remaining lease for further comparision against resale price.
7. **‘resale price’:** This will be analysed against other independent variables to understand the trends or pricing factors that may effect affordability.

**Additional Column in resaleprice2022**

1. **‘remaining\_lease’:** By calculating the remaining lease (the amount of time before the flat gets released back to the government), it determines how it could significantly impact resale prices

To answer part (3), another data set of household income with CPF contribution. This data set will be used in gauging the affordability of housing in the current market. By using the median income from SingStats, and comparing it against the resale prices of HDB in 2022, it could give a clearer perspective if housing affordability is achieved.

**Challenges:**

1. **Volume of Original File:** As previously mentioned, due to the massive volume of data from the original data set, I have narrowed down to two years specifically - 1990 and 2023. Initially, there were over 300,000 rows of data on both files and I would be extremely tedious for comparision without pre-filtering. To solve this, I proceeded with further pre-filtering to concentrate on more common flat types (3-Room to Executive) and more typical flat levels (From Level 1 to 15). This data filtering can help to facilitate a more manageable and focused analysis so that the core question can be addressed more efficiently.
2. **SingStat Untidy Data:** Currently, still trying to tidy the data.This data set contained titles, descriptions, and other information that could interfere with the accurate reading and interpretation of the dataset. What i have done is removing titles, and non essential information. By reformating the data to a more structured format, the raw data can help with analysis and provide a more accessible framework to draw insights and form conclusions.
3. **Missing ‘remaining\_lease’ on “ResaleFlatPrices1999.csv”:** The data set lacked a crutial information which is viatal for a comparative analysis with the 2022 dataset. Therefore, to solve this, a new column is created by calculating the remaining lease through subtracting the ‘lease\_commence\_data’ from the year 1999, giving the remaining lease at the point in time.
4. **Trouble finding the current resale flat ownership data set:** While there is potential data set from SingStats, I am still finalising the last data set that I require. This dataset can roughly gauge the ownership rates and trends overtime. This can provide a clearer picture of how the evolving housing market is impacting the ownership raters, and potentially the broader socio-economic landscape in Singapore.

**References:**

1. Tan, J. (2012, March 2). Online uproar over DPM Tharman’s ‘$1k flat’ statement. Yahoo Singapore. <https://sg.news.yahoo.com/blogs/singaporescene/online-uproar-over-dpm-tharman-1k-flat-statement-132522414.html>
2. Household income - latest data. (n.d.). Singstat. <https://www.singstat.gov.sg/find-data/search-by-theme/households/household-income/latest-data>

## Week-11: Diary Entry

## Week-12: Diary Entry

## Week-13: Diary Entry