ABSTRACT

This dissertation investigates the effect, if any, of good quality schools on property prices in Singapore. In view of the common notion that proximity of a residential property to good quality schools commands a premium, the study sets out to investigate the relationship between good quality schools and the price of neighbouring residential properties. Because of the registration regulations set by the Ministry of Education (Singapore) that gives placement priority to pupils who live within a 2-kilometre radius around state-run primary schools, the scope of schools investigated has been narrowed to that of Primary Schools.

After a review of the relevant literature and case study of HDB apartments, condominiums and private low-density housing (e.g. terraced, semi-detached and detached housing) involving 20,000 recent price transactions, it was found, through hedonic analysis, that proximity to good quality schools does command a premium on housing transaction prices. However, the magnitude of the premium has been found to differ from one housing sub-market to the other, ranging from about S$2350 to S$800,000 for different specific aspects of relative proximity to the schools.

Key words: Schools, Property Prices, Housing Sub-markets, Hedonic Price Analysis