

Calm Waters, Selective Tailwinds

3Q 2025 at a glance

			QoQ change	YoY change
Investment		Total sales: S\$10.1 billion	▲ 82.5%	▲ 23.7%
		Top 5 private deals: S\$4.2 billion	▲ 47.2%	▲ 3.0%
Office		CBD Grade A rents: S\$9.80 psf	■ 0.0%	■ 0.0%
		Supply pipeline NLA: 6.3 million sq ft (4Q 2025 – 2029)		
Industrial		First-storey multi-user factory rents: S\$2.09 psf	■ 0.0%	■ 0.0%
		Supply pipeline NLA: 38.1 million sq ft (4Q 2025 – 2029)		
Retail		Orchard/Scotts Road first-storey rents: S\$41.80 psf	▲ 0.5%	▲ 1.7%
		Supply pipeline NLA: 1.5 million sq ft (4Q 2025 – 2029)		
Residential		Price index: 215.1	▲ 0.9%	▲ 5.1%
		Volume of rental transactions: 8,960 units per month	▲ 24.2%	▲ 3.2%

Key highlights

Investment

Singapore's investment sales surged 82.5% QoQ to S\$10.1 billion in 3Q 2025, largely driven by Government Land Sales (GLS) and developers' preference for well-located sites replete with amenities. Meanwhile, collective sales activity remained muted due to price expectation gap.

Office

Office rents in the Central Region were stable in 3Q 2025, with the URA rental index easing 0.1 per cent q-o-q and CBD Grade A rents staying unchanged at S\$9.80 psf per month. Island-wide occupancy declined marginally by 0.2 percentage points to 94.8 per cent, led by negative absorption in decentralised areas.

Industrial

Industrial property prices rose 0.6% QoQ in 3Q 2025, led by single-user factories, slower than the 1.4% QoQ growth in 2Q 2025. Overall occupancy rose to 0.3 percentage points to 89.1%, driven by warehouse demand. All industrial property rents grew 0.5% QoQ in 3Q 2025, moderating from the 0.7% QoQ recorded in 2Q 2025.

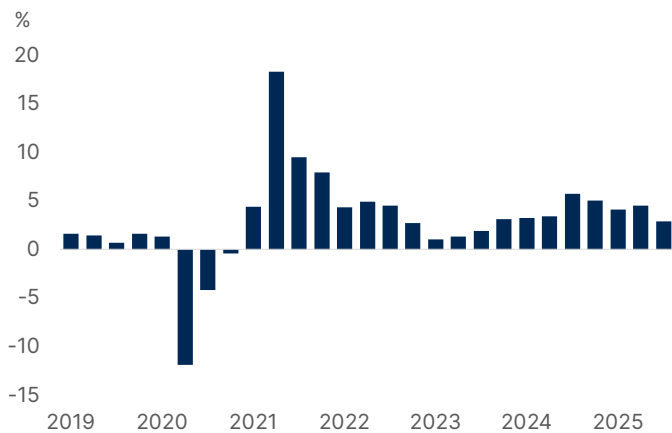
Retail

Singapore welcomed 4.5 million international visitors in 3Q 2025 driven by holidays and MICE events. Retail rents are expected to rise modestly in the near term. Leasing activity is likely to focus on relocations, downsizing, and space optimisation as retailers manage rising costs and consumer preferences.

Residential

Private home prices rose 0.9% QoQ in 3Q 2025, led by increases in the landed and non-landed CCR and OCR segments. Transaction volumes grew 44.4% QoQ to 7,404 units on higher primary sales, while rents edged up 1.2% QoQ amid steady leasing activity.

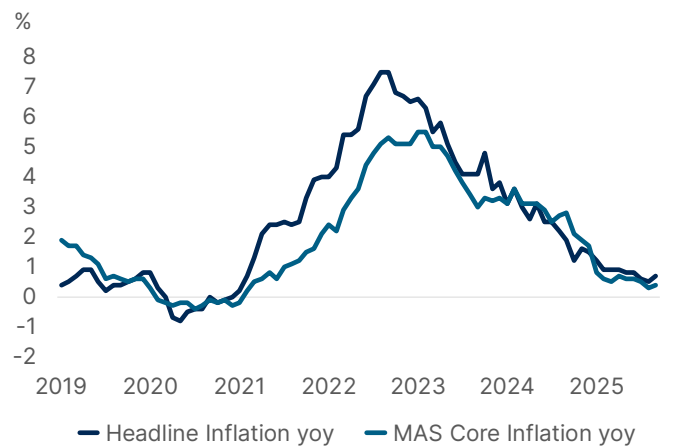
GDP growth



Source: Department of Statistics, Singapore (DoS), Realion (OrangeTee & ETC) Research

Singapore's economy grew 2.9% YoY in 3Q 2025, down from the 4.5% YoY increase in 2Q 2025. On a QoQ basis, GDP saw a 1.3% growth in 3Q 2025. Based on MTI's revision in August 2025, GDP growth is projected at 1.5% to 2.5% for 2025.

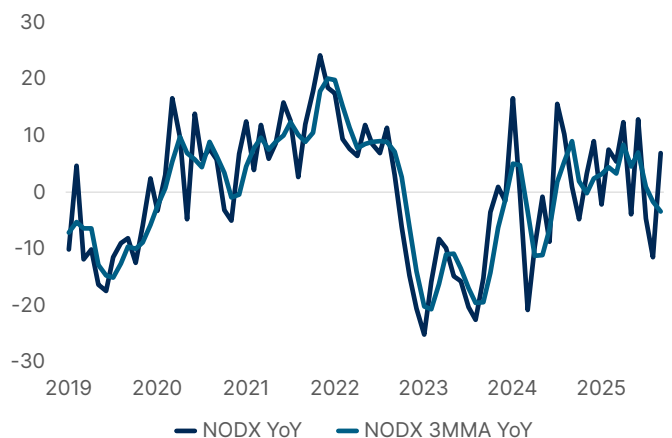
Inflation



Source: DoS, Singapore, Realion (OrangeTee & ETC) Research

Core inflation fell to 0.4% in September 2025. According to MAS and MTI, imported costs is expected to decline for the rest of 2025, albeit at a slower pace. For 2025, MAS core inflation is expected to average around 0.5%, whereas headline inflation is forecast to average 0.5% to 1.0%.

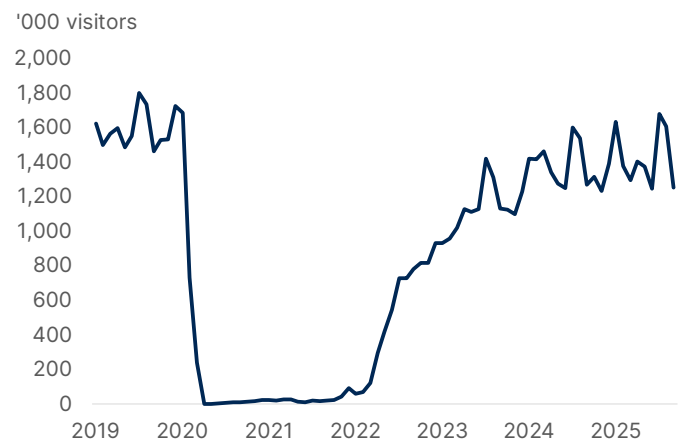
Non-oil domestic exports



Source: DoS, Realion (OrangeTee & ETC) Research

Non-oil domestic exports (NODX) (3MMA) rebounded by 6.9% YoY following declines in July and August. The uptick was driven by stronger electronics exports, though near-term prospects remain uncertain amid renewed U.S.-China trade tensions.

International visitor arrivals



Source: DoS, Realion (OrangeTee & ETC) Research

International Visitor Arrivals (IVA) reached 12.9 million year-to-date September 2025, according to STB. IVA is projected to hit 17 to 18.5 million in 2025 with tourism receipts of between \$29 billion and \$30.5 billion.

- In 3Q 2025, total investment sales in Singapore amounted to S\$10.1 billion, marking a 82.5% QoQ increase from S\$5.5 billion in 2Q 2025, and a 23.7% YoY increase from S\$8.2 billion in 3Q 2024. Government Land Sales (GLS) accounted for 40.9% of the total investment volume in 3Q through the award of twelve sites.
- Notable sites awarded included Chencharu Close, Chuan Grove and Woodlands Drive (EC), reflecting developers' growing confidence in well-located plots with strong amenities and transport connectivity.
- Developer's interest tends to be higher for plots situated near existing or upcoming MRT stations, established residential estates, and retail or lifestyle amenities as these factors enhance the marketability and pricing resilience of future developments.
- The private sector recorded one notable residential collective sale in 3Q 2025, Chiku Mansions, a freehold apartment transacted during the quarter. Overall, en-bloc market remained muted amid the gap in pricing expectations between sellers and developers which continued to weigh on transaction activity.

Outlook

- The market outlook for investment sales remains cautiously optimistic supported by global interest rate easing and redevelopment opportunities arising from Draft Master Plan 2025. Investors continue to show strong interest in location with strong attributes and assets with value-add opportunities. Overall transaction volumes may remain constrained by the gap in pricing expectation between sellers and buyers. As the gap in pricing narrows, investment momentum is expected to strengthen, particularly for assets with redevelopment potential and in areas undergoing rejuvenation.
- Cumulative investment sales for the first three quarters of 2025 totalled S\$21.5 billion. Based on this momentum, the full year 2025 investment sales volume is projected to land within a range of S\$24-25 billion.

Figure 1: Investment sales sectoral contribution (%)

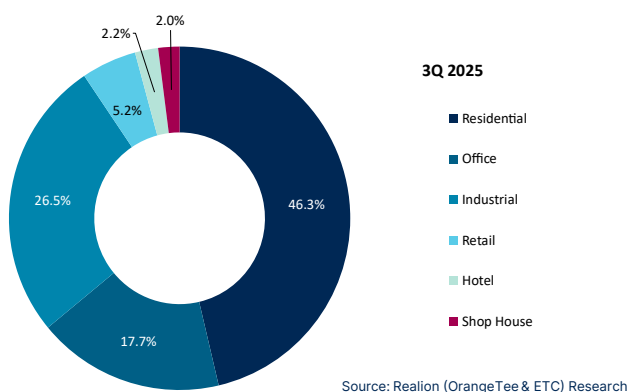
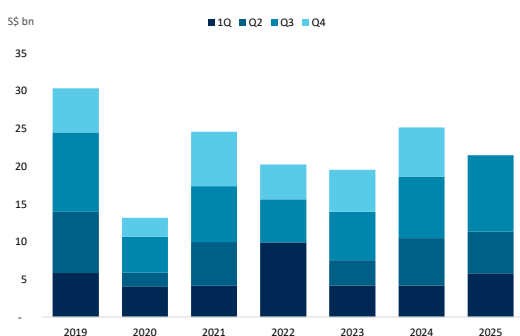


Table 1: Selected private investment sales transaction Q3 2025

Development	Purchase Price		Purchaser	Seller
	S\$ million			
Retail				
Kinex Mall	375.0		Kinex Times Square Pte Ltd & Xiaohong Property Management Pte Ltd	UOL Group
Office				
CapitaSpring (55% of stake)	1,000.0		CapitalLand Integrated Commercial Trust (CICT)	CapitalLand Development (CLD) & Mitsubishi Estate
JEM	462.0		Keppel's Sustainable Urban Renewal (SUR) strategy	Lendlease Global Commercial REIT
Industrial				
Westlite Mandai	1,348.0		Centurion Accomodation REIT	CapitalLand Development (CLD) & Mitsubishi Estate
Others				
Chencharu Close GLS	1,012.6		Evia MCS Pte Ltd, Gamuda (Singapore) Pte Ltd & H108 Pte Ltd	N/A

Source: Realon (OrangeTee & ETC) Research

Figure 2: Investment sales (S\$ billion)



Source: Realon (OrangeTee & ETC) Research

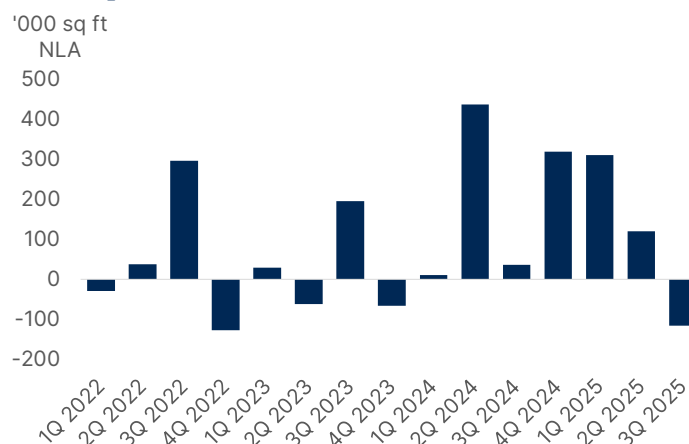
Office | Office market holds firm in 3Q 2025

- Office rental growth in Singapore's Central Region remained stable in Q3 2025, as leasing activity was largely driven by renewal contracts amid limited new demand. According to URA, the office rental index in the Central Region declined marginally by 0.1% q-o-q.
- Island-wide occupancy rates eased slightly by 0.2 percentage points to 94.8% in Q3 2025, with a negative net absorption of about 130,000 sq ft NLA.
- The decline was led by the CBD, where occupancy dipped to 93.8% alongside negative net absorption of 87,000 sq ft NLA, mainly due to tenant relocations. Nonetheless, CBD occupancy remains tight amid limited quality space.
- Non-CBD areas saw a slight 0.1 percentage point decline in occupancy and negative net absorption of approximately 12,000 sq ft NLA. The market remained largely stable with subdued activity and minimal tenant movements.
- Occupancy in decentralised areas eased to 94.5% in Q3 2025, reflecting -32,000 sq ft of net absorption. The decline was attributed to Tampines area which saw a negative 333,000 sq ft decline in net absorption, while Paya Lebar area provided partial support with a positive 257,000 sq ft NLA net absorption.
- Shadow spaces ticked up by 0.6 per cent in Q3 2025 to approximately 422,000 sq ft in NLA from the 420,000 sq ft in NLA recorded in Q2 2025. The increase in shadow space, accompanied with negative net absorption, indicates that tenants are making shifts in office spaces and/or subletting the available space until lease expires.

Outlook

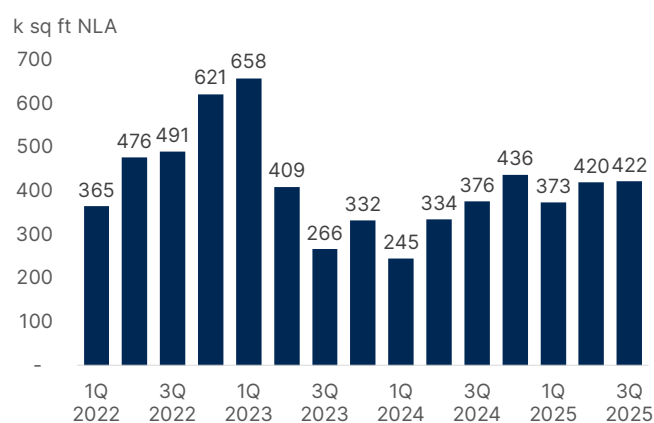
- According to the MAS, growth momentum is expected to remain resilient through the rest of 2025, supported by sustained global demand and continued AI-related investments. Economic uncertainty has eased following the conclusion of several trade agreements between the US and its trading partners.
- On the domestic front, office rental growth is expected to persist amid a limited supply pipeline from 2025 to 2027. The scarcity of new premium office developments in the CBD will help sustain high occupancy levels and underpin rental stability.

Figure 3: CBD Premium and Grade A Office Net Absorption



Source: Realion (OrangeTee & ETC) Research

Figure 4: Shadow Space (NLA)



Source: Realion (OrangeTee & ETC) Research

Table 2: Selected Office Projects In The Pipeline

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Shaw Tower Redevelopment	381	568
	Newport Tower	263	
2027	Solitaire on Cecil	173	1,358
	UE Bizhub Tower Redevelopment	132	
2028	Clifford Centre Redevelopment	409	409

Source: Realion (OrangeTee & ETC) Research

Table 3: Selected Office Micro-market Rental Rates

Selected CBD micro-markets	2Q 2025 psf	3Q 2025 psf	QoQ	Occupancy Rate
Marina Bay (Premium)	S\$12.95	S\$12.95	0.0%	94.7%
Raffles Place (Grade A)	S\$10.55	S\$10.55	0.0%	93.7%
Shenton Way/Robinson Road/ Tanjong Pagar (Grade A)	S\$9.00	S\$9.00	0.0%	86.1%

Source: Realion (OrangeTee & ETC) Research

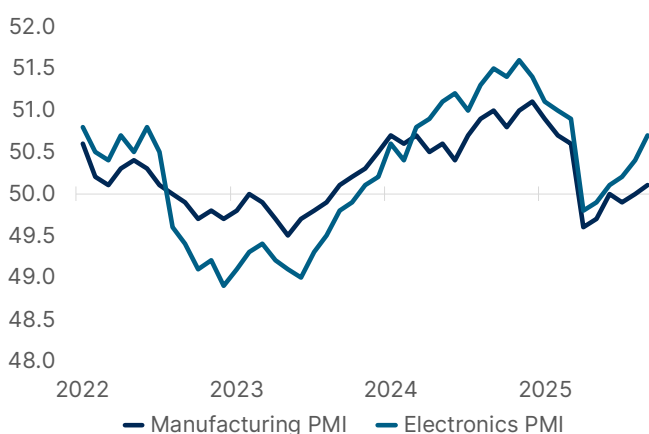
- Singapore's PMI rose marginally to 50.1 in September 2025 from 50.0 in June 2025, with July dipping to 49.9 before recovering in August and September. Electronics PMI, on the other hand, remained positive due to robust AI-related investments. Electronics PMI were recorded at 50.7 in September, up from 50.1 in June 2025.
- Industrial property prices grew modestly in 3Q 2025, The JTC all industrial properties price index increased by 0.6% QoQ in 3Q 2025, slowing from the 1.4% QoQ and 1.5% QoQ increases recorded in 2Q 2025 and 1Q 2025, respectively. The price growth was driven by single-user factories which posted a 2.1% QoQ increase, compared to the 0.1% QoQ growth seen in multiple-user factories.
- Overall industrial occupancy rose to 89.1% in 3Q 2025, after a marginal dip in 2Q 2025. The increase in occupancy rates was mainly attributed to an increase in demand from warehouse spaces, which saw occupancies improving by 0.8 percentage points to 89.6% in 3Q 2025. This represents a net absorption of approximately 1.2 million sq ft GFA.
- Business park spaces saw a decrease in available stock as occupancy rates rose from 76.7% in 2Q 2025 to 77.0% in 3Q 2025. Multiple-user factories and single-user factories were more muted, recording a 0 and 0.1 percentage point change in 3Q 2025, respectively.

- JTC's all industrial property rental index rose 0.5% QoQ in 3Q 2025, a slower pace than the 0.7% QoQ increase in 2Q 2025. Based on rental rates for our tracked industrial basket the warehouse segment saw a 0.5% QoQ increase while the Business Park and multiple-user factory rents remained stable.
- Key completions in the quarter included CT FoodNex, a freehold ramp-up food factory at Mandai Estate (0.2 million sq ft GFA), and a multiple-user logistics development at Toh Guan Road East (0.5 million sq ft GFA).

Outlook

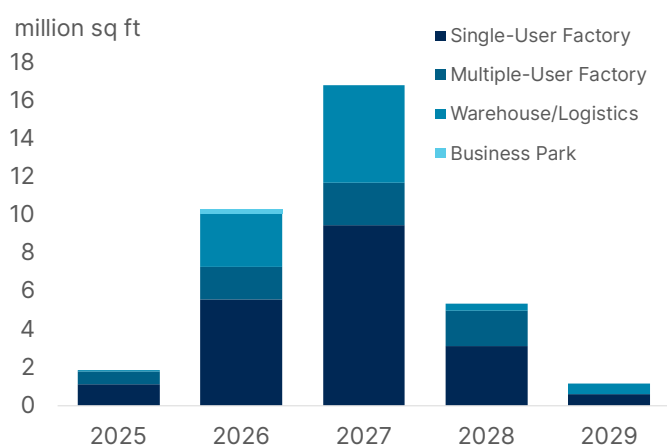
- Global supply chains will continue to recalibrate amid tariffs and shifting trade routes, with more goods re-routed through ASEAN hubs favouring Singapore's role as a regional logistics and manufacturing hub.
- Looking ahead, warehouse demand is expected to sustain rental growth as occupiers consolidate into newer and better located facilities.
- The upcoming supply pipeline of industrial spaces is estimated at 2.3 million sq ft GFA for 4Q 2025, comprising 61% of single-user factory spaces, 36% multiple-user factories, and 3% warehouse spaces. The new supply should help ease existing demand pressures.

Figure 5: Manufacturing & Electronics PMI



Source: SIPMM, Realon (OrangeTee & ETC) Research

Figure 6: Industrial Supply Pipeline (NLA)



Source: Realon (OrangeTee & ETC) Research

Table 4: Industrial Rents

Selected industrial micro-markets	2Q 2025 psf	3Q 2025 psf	QoQ
First-storey multiple-user factory	S\$2.09	S\$2.09	0.0%
Hi-tech industrial space	S\$3.47	S\$3.47	0.0%
Warehouse/logistics	S\$1.88	S\$1.89	0.5%
Business park (Central Region)	S\$5.35	S\$5.35	0.0%

Source: Realon (OrangeTee & ETC) Research

- In 3Q 2025, international visitor arrivals (IVA) stood at 4.5 million, marking a 12.9% increase from 4.0 million visitors in the previous quarter. Year-to-date, total arrivals stood at 12.9 million. The increase in international visitors could be driven by more summer travels, the school holidays and major events. We expect Singapore to be on track to meet the 17 to 18.5 million estimated visitors this year.
- In 3Q 2025, Singapore's island-wide retail occupancy rate increased to 93.1%, up from 92.9% in the previous quarter, which reflects a broadly stable leasing environment across all market segments. Occupancy in the Fringe/Suburban Areas rose marginally from 93.4% to 93.6%, while Orchard/Scotts Road saw a slightly improvement from 93.1% to 93.5%. Similarly, the Other City Areas occupancy rates increased slightly from 91.5% to 91.8%. Overall, the retail market remained steady with only modest movements quarter-on-quarter.
- During the reviewed quarter, prime first-storey rental rates on Orchard/Scotts Road increased by 0.5% quarter-on-quarter to S\$ 41.80 psf, supported by limited new supply and resilient tourism demand. Rents in Other City Areas increased by 0.5% to S\$ 19.60 psf, while the Fringe/Suburban Areas held steady at S\$ 34.50 psf.

- The overall rental growth was further supported by active tenant reshuffling and space optimisation within malls. Many retailers have opted to downsize to smaller floor plates to better manage operating costs, effectively driving up rents on a per-square-foot basis. Additionally, rising operation and manpower costs have continued to place upward pressure on retail rents.

Outlook

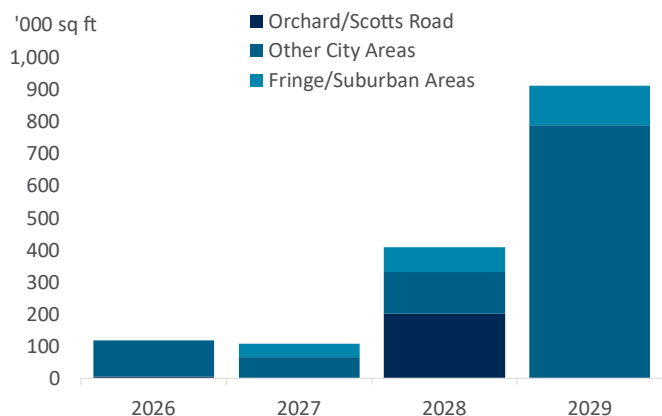
- Retail rents in Singapore are expected to stay resilient in the near term, supported by limited supply and sustained tourism demand. However, rising operating costs and continued manpower pressure are likely to keep retailers cautious. Leasing activities are expected to be more focused on relocations, downsizing or space optimisation.

Table 5: Retail Prime Rental Rents

Region	Floor	2Q 2025 psf	3Q 2025 psf	QoQ
Orchard/ Scotts Road	First storey	S\$41.60	S\$41.80	0.5%
	Upper storey	S\$15.60	S\$15.65	0.3%
Other city areas	First storey	S\$19.50	S\$19.60	0.5%
	Upper storey	S\$8.70	S\$8.75	0.6%
Fringe/ Suburban areas	First storey	S\$34.50	S\$34.50	0.0%
	Upper storey	S\$18.40	S\$18.40	0.0%

Source: Realion (OrangeTee & ETC) Research

Figure 7: Retail Supply Pipeline (NLA)



Source: Realion (OrangeTee & ETC) Research

Table 6: Selected Retail Pipeline

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Shaw Tower Redevelopment	11	16
	ParkRoyal Collection Faber House	5	
2027	Clifford Centre Redevelopment	35	88
	Chill @ Chong Pang	53	
2028	The Reserve Residences	74	276
	Forum Mall, voco Orchard Hotel	202	
2029	Marina Square Redevelopment	660	747
	Golden Mile Complex Redevelopment	87	

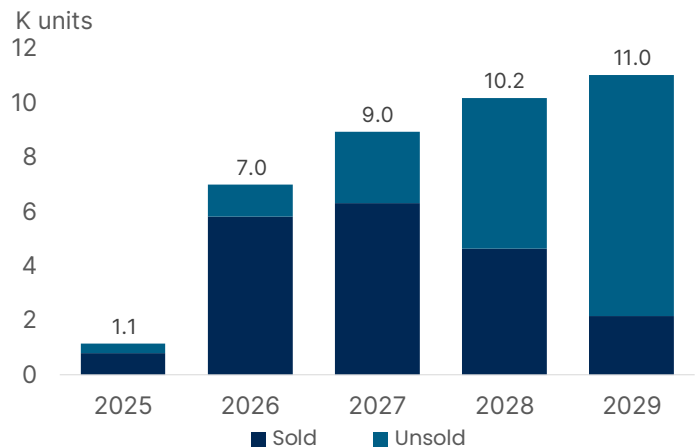
Source: Realion (OrangeTee & ETC) Research

- Singapore's private residential market demonstrated resilience in 3Q 2025, as prices continue to rise and more sales were being closed. The URA property price index rose by 0.9% QoQ in 3Q 2025, slightly slower compared to the 1.0% increase in 2Q 2025 but faster than the 0.8% increase in 1Q 2025 (Figure 9). Year-to-date, prices have grown by 2.7%, more than the 1.6% increase registered over the same period in 2024.
- Landed prices rose in 3Q 2025, continuing the uptrend in the preceding quarter. URA's landed property price index climbed by 1.4% in 3Q 2025, a slower pace than the 2.2% growth in 2Q 2025 but faster than the 0.4% increase in 1Q 2025.
- Non-landed property prices grew by 0.8% in 3Q 2025, rising at a slightly faster pace from the 0.7% in 2Q 2025. The CCR non-landed price index rose further by 1.7% but slower when compared to the 3.0% in 2Q 2025. OCR non-landed prices rose by 0.8% in 3Q 2025, lower than the 1.1% in 2Q 2025. Meanwhile, RCR non-landed prices increased by 0.3% in 3Q 2025, reversing the 1.1% drop in 2Q 2025.
- The price growth in the CCR may be attributed to the significant increase in new sale transactions, where transactions rose to 903 units in 3Q 2025 from 44 units in 2Q 2025.
- Overall transaction volumes rebounded strongly by 44.4% QoQ to 7,404 units, rising from 5,128 units in 2Q 2025 (Figure 10). This marks the highest third-quarter performance in four years. Primary sales volume soared by 171.3% QoQ in 3Q 2025 to 3,288 units from 1,212 units in 2Q 2025. Secondary sales demand grew last quarter, at a faster pace of 5.1% compared to 0.8% in Q2 2025. More secondary sale transactions were recorded in 3Q 2025 across all market segments compared to 2Q 2025.
- Rent prices rose modestly, while rental demand stayed robust in 3Q 2025. URA's rental index increased by 1.2% in 3Q 2025, at a slightly faster pace when compared to the 0.8% in 2Q 2025. This is the first time in nine quarters that the rental prices rose beyond 1%. Rental volume surged by 24.2% to 26,882 in 3Q 2025 from 21,638 units in 2Q 2025. Year-on-year, rental volume increased by 3.2% from 26,037 units in 3Q 2024.

Outlook

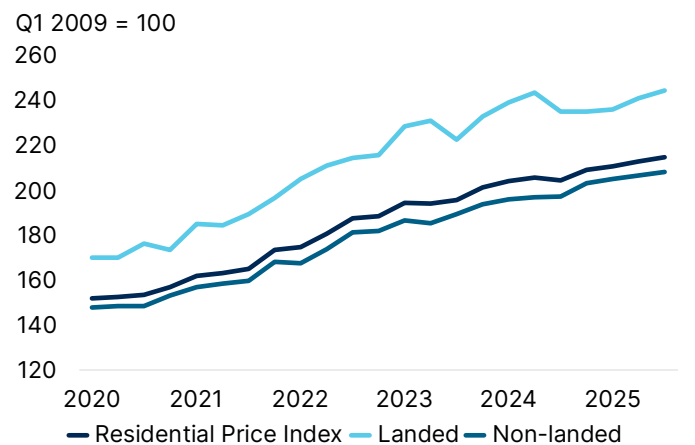
- Demand for primary sales is expected to hold firm for the rest of 2025. Developers are likely to expedite launches to capitalize on the current positive sales momentum.
- Market sentiment could also be buoyed by easing borrowing costs. The US Federal Reserve lowered interest rates in September and October, with possibly one more rate cut before the end of 2025.

Figure 8: Residential Supply Pipeline



Source: URA, Realion (OrangeTee & ETC) Research

Figure 9: Property Price Index



Source: URA, Realion (OrangeTee & ETC) Research

Figure 10: Residential Sales and Launch Volume



Source: URA, Realion (OrangeTee & ETC) Research

- Prices for the overall market are projected to rise by 3.5% to 4.5% for the whole of 2025, with total sales forecast to reach around 24,500 to 26,000 units.

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