

# Holding the line

## 4Q 2025 at a glance

		QoQ change	YoY change
<b>Investment</b>	Total sales: <b>S\$13.7 billion</b>	▲ 35.0%	▲ 109.6%
	Top 5 private deals: <b>S\$6.6 billion</b>	▲ 57.1%	▲ 61.0%
<b>Office</b>	CBD Grade A rents: <b>S\$9.80 psf</b>	■ 0.0%	■ 0.0%
	Supply pipeline NLA: <b>5.9 million sq ft (2026 – 2030)</b>		
<b>Industrial</b>	First-storey multi-user factory rents: <b>S\$2.10 psf</b>	▲ 0.5%	▲ 0.5%
	Supply pipeline NLA: <b>39.0 million sq ft (2026 - 2030)</b>		
<b>Retail</b>	Orchard/Scotts Road first-storey rents: <b>S\$41.85 psf</b>	■ 0.0%	▼ 1.6%
	Supply pipeline NLA: <b>1.76 million sq ft (2026 – 2030)</b>		
<b>Residential</b>	Price index: <b>216.4</b>	▲ 0.6%	▲ 3.3%
	Volume of rental transactions: <b>6,590 units</b>	▼ 26.5%	▼ 0.1%

## Key highlights

### Investment

Singapore’s investment sales activity strengthened in 4Q 2025 to S\$13.7 billion, supported by easing interest rates and currency stability. Buyers showed confidence with increased interest across Government Land Sales, retail, office and industrial segments.

### Office

Office rents in the Central Region grew 0.4% QoQ in 4Q 2025 as island-wide occupancy rose to 95.1%, supported by 236,500 sq ft of net absorption. CBD shadow space tightened by 66,000 sq ft, even as total available shadow space increased to 432,000 sq ft NLA island-wide.

### Industrial

Industrial property prices rose 1.4% QoQ in 4Q 2025, led by multiple-user factories, while overall occupancy dipped to 88.7% due to new completions. The JTC all-industrial rental index increased by 0.5% QoQ, led by warehouses (+1.1% QoQ) and a rebound in business park rents (+0.4% QoQ).

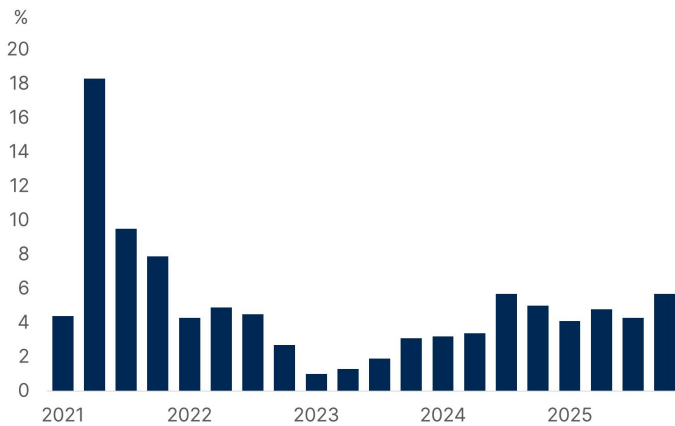
### Retail

International visitor arrivals eased to 4.0 million in 4Q 2025, full year arrivals remained resilient at 16.9 million, with STB projecting further growth in 2026. Singapore’s retail market remained stable, with island-wide occupancy edging up to 93.7%, supported by resilient demand in Fringe/Suburban Areas and absorption of completed spaces in the city.

### Residential

Overall prices in 4Q 2025 grew at a slower pace of 0.6% on the back of fewer project launches. For the whole of 2025, prices rose by 3.3%. Total sales hit a 4-year high in 2025 with 26,492 transactions. Rental prices dipped modestly while rental volume dipped by 27.4% to 19,771 in 4Q 2025 from 27,223 units in the preceding quarter.

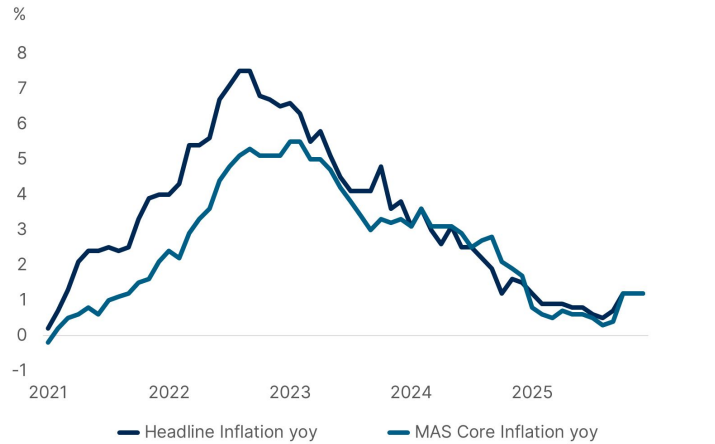
## GDP growth



Source: MTI, Realion (OrangeTee & ETC) Research

Singapore's economy grew 5.7% YoY in 4Q 2025, faster than the 4.3% YoY increase in 3Q 2025. According to the Ministry of Trade and Industry (MTI), the economy expanded 4.8% in 2025, extending the 4.4% growth in 2024.

## Inflation



Source: SingStat, MAS, Realion (OrangeTee & ETC) Research

Core inflation rate rose to 1.2% in December 2025 from 0.4% in September 2025. For the whole of 2025, core inflation averaged 0.7%, falling from 2.8% in 2024. According to MAS, Singapore's inflation is expected to edge higher in 2026, driven by firmer domestic cost pressures and steady consumption.

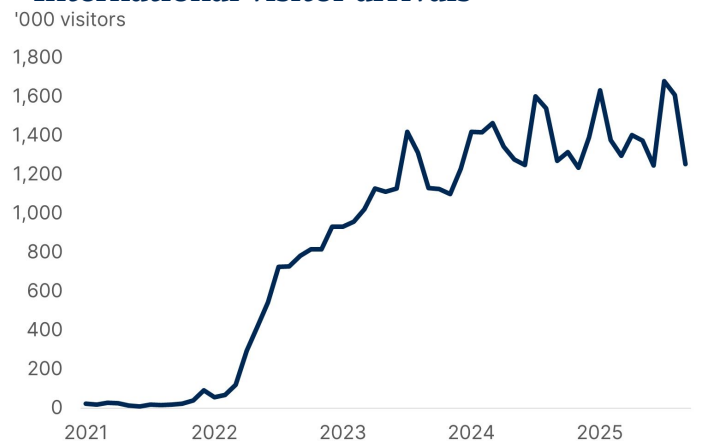
## Non-oil domestic exports



Source: SingStat, Realion (OrangeTee & ETC) Research

Non-oil domestic exports (NODX) (3MMA YoY) rose to 12.7% in December 2025, reversing the 3.4% decline recorded in September 2025. According to Enterprise SG, the growth was led primarily by non-monetary gold and electronic products.

## International visitor arrivals



Source: SingStat, Realion (OrangeTee & ETC) Research

For 2025, total international visitor arrivals reached 16.9 million, representing a 2.3% YoY growth compared to 2024. According to Singapore Tourism Board (STB), tourism receipts from January to September 2025 hit S\$23.9 billion and on track to exceed its projections of S\$29 billion and S\$30.5 billion for the whole of 2025.

# Investment | Strengthening momentum in 2026

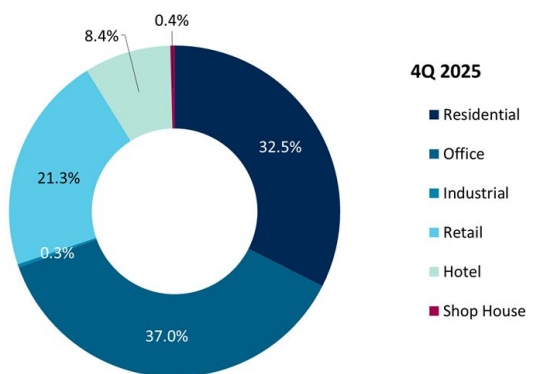
- In 4Q 2025, total investment sales in Singapore amounted to S\$13.7 billion, marking a 35.0% QoQ increase from S\$10.1 billion in 3Q 2025, but a strong 109.6% YoY increase from S\$6.5 billion in 4Q 2024. For full year of 2025, investment sales amounted to S\$35.0 billion, representing 39.2% increase from S\$25.2 billion in 2024. This growth was supported by a higher number of Government Land Sales (GLS) sites awarded last year.
- During the quarter, eight GLS sites were awarded totalling S\$3.3 billion. Notable sites include sites at Telok Blangah Road, Upper Thomson Road (Parcel A), Bukit Timah Road, Bedok Rise and Sengkang West, highlighting sustained developer interest across different market segments.
- In the private sector, investment activity during the quarter was concentrated in the residential and retail sectors. One collective sale transaction was recorded in the quarter, Starpoint at Pasir Panjang was acquired by Stalford International Education.
- Retail sector activity was led by the acquisition of Clementi Mall by Elegant Group, as well as Lendlease Global's acquisition of a 70% stakes in PLQ Mall.

- In the office sector, Hongkong Land transferred CBD assets worth S\$3.9 billion to Singapore Central Private Real Estate Fund, while Keppel REIT acquired one-third stake of Marina Bay Financial Centre Tower 3.

## Outlook

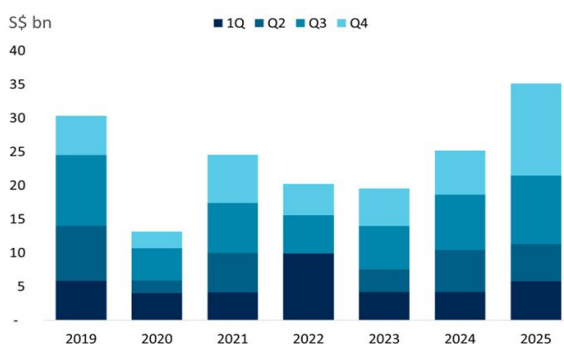
- Looking ahead, the investment sale market in 2026 is expected to gain further momentum, driven by factors beyond interest rates alone. Investor sentiments towards office and retail assets is expected to improve, alongside assets offering redevelopments or repositioning potential, as lower financing cost, more accommodative pricing expectations and clear value-add opportunities continue to support transaction activity.
- In addition, the relative stability of the Singapore dollar and Singapore's resilient economic fundamentals are expected to continue positioning the country as a preferred destination for capital preservation, particularly as investors seeks for stable currencies and macroeconomic environments amid ongoing global uncertainties.

Figure 1: Investment sales sectoral contribution (%)



Source: Realion (OrangeTee & ETC) Research

Figure 2: Investment sales (\$S billion)



Source: Realion (OrangeTee & ETC) Research

Table 1: Selected private investment sales transaction Q4 2025

Development	Purchase Price		Purchaser	Seller
	S\$ million			
<b>Retail</b>				
PLQ Mall (70% stake)	234		Lendlease Global Commercial REIT (LREIT)	Abu Dhabi Investment Authority (ADIA)
Clementi Mall	809.0		The Elegant Group	Cuscaden Peak Investments
<b>Office</b>				
Marina Bay Financial Centre Tower 3 (33.3% Stake)	937.5		Keppel REIT	Hongkong Land International Holdings
Hongkong Land Commercial Portfolio Transfer	3,900.0		Hongkong Land International Holdings	Singapore Central Private Real Estate Fund
<b>Industrial</b>				
A Portfolio of Three Industrial Properties	1,348.0		CapitaLand Ascendas REIT	Vita Partners

Source: Realion (OrangeTee & ETC) Research

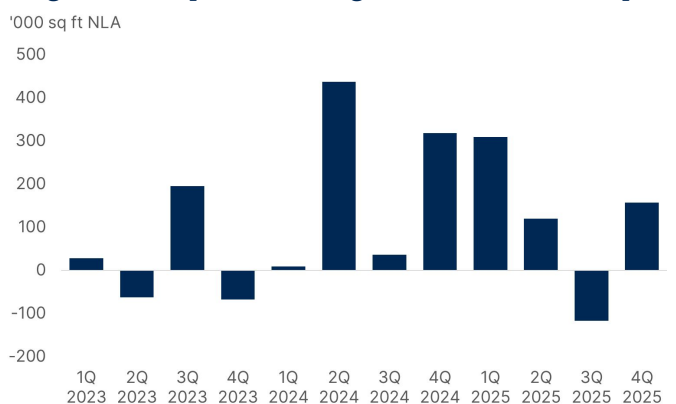
# Office | CBD reinforces position as business core in 4Q 2025

- Office rental growth in Singapore's Central Region grew marginally in 4Q 2025, with leasing activity largely driven by contract renewals. According to URA, office rental index for Central Region rose by 0.4% QoQ in 4Q 2025, reversing the 0.1% decline recorded in 3Q 2025. On a full-year basis, Central Region office rents saw marginal growth of 0.3% in 2025, an increase from 0.0% in 2024.
- Island-wide office occupancy rates rose marginally across all market segments in 4Q 2025 to 95.1%, representing a 0.3 percentage point QoQ rise and a net absorption of approximately 236,500 sq ft of office space. This increase marks the highest occupancy level recorded since 1Q 2024.
- The improvement in occupancy was primarily driven by the CBD, where occupancy rose by 0.5 percentage points QoQ to 94.3%. A net absorption of 195,000 sq ft of office space supported the higher occupancy rates. Non-CBD areas of the Central Region recorded stable occupancy at 97.0% alongside marginal negative net absorption. Meanwhile, decentralised areas saw occupancy rise to 94.7%, reversing the previous quarter's decline.
- Office shadow spaces increased 2.3% in 4Q 2025, increasing to approximately 432,000 sq ft NLA. CBD areas in particular saw a decline of 66,000 sq ft NLA of available shadow spaces, underscoring the preference for CBD office spaces.

## Outlook

- According to MTI, Singapore's growth is expected to moderate to 1.0% to 3.0% in 2026, following a 4.8% expansion in 2025. Interest rates has declined in 2025, with consensus expectations that interest rates to trough in 2026. The lower interest environment is supportive of investment activity in the office sector.
- On the supply front, Shaw Tower is the only main completion for 2026, resulting in limited availability of large, contiguous floor plates. The tightness in supply is likely to shift rental pricing power in favour of landlords.
- With steady demand and constrained new supply, CBD Grade A office rents are projected to increase by approximately 3% to 4% in 2026.

**Figure 3: CBD premium and grade A office net absorption**



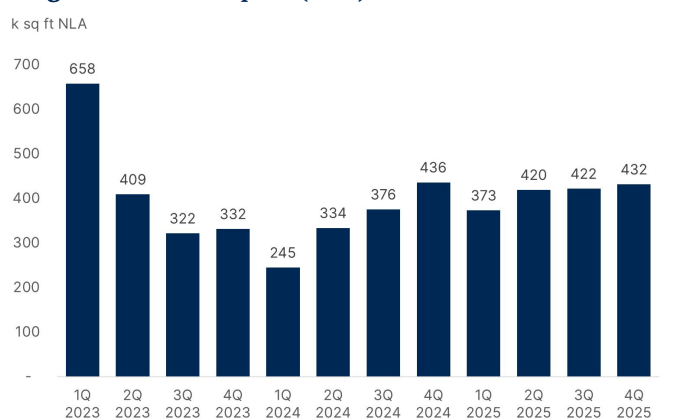
Source: Realion (OrangeTee & ETC) Research

**Table 2: Selected CBD micro-market rents**

Selected CBD micro-markets	3Q 2025 psf	4Q 2025 psf	QoQ	Occupancy Rate
Marina Bay (Premium)	S\$12.95	S\$13.00	0.4%	96.4%
Raffles Place (Grade A)	S\$10.55	S\$10.55	0.0%	93.1%
Shenton Way/Robinson Road/ Tanjong Pagar (Grade A)	S\$9.00	S\$9.00	0.0%	86.0%

Source: Realion (OrangeTee & ETC) Research

**Figure 4: Shadow space (NLA)**



Source: Realion (OrangeTee & ETC) Research

**Table 3: Selected office supply pipeline**

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Shaw Tower Redevelopment	381	381
	Newport Tower	263	
2027	Solitaire on Cecil	173	1,927
	The Skywaters	701	
	Clifford Centre Redevelopment	409	

Source: Realion (OrangeTee & ETC) Research

# Industrial | Steady rental growth amid lower supply

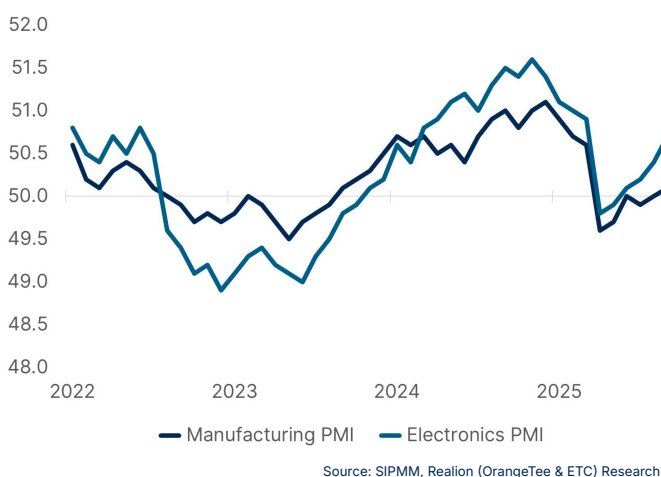
- The manufacturing sector continued its recovery in 4Q 2025 amid global tariff uncertainty. According to SIPMM, PMI rose marginally to 50.3 in December 2025 from 50.1 in September 2025. The electronics segment continued to show healthy performance, with electronics PMI reaching 50.9 in December 2025 from 50.7 in September 2025. The sustained growth in the electronics segment is largely driven by robust AI-related server demand and US tariff exemptions on electronics goods.
- Industrial property prices grew at a faster pace in Q4 2025. The JTC all industrial properties price index rose by 1.4% QoQ in 4Q 2025, more than the 0.6 % QoQ growth recorded in Q3 2025. The price growth was driven by multiple-user factories, which posted an increase of 1.9% QoQ.
- Overall industrial rents rose marginally in 4Q 2025 as the JTC all industrial rental index climbed by 0.5% QoQ to 112.7 in 4Q 2025, matching the 0.5% quarterly growth in 3Q 2025. All industrial segments recorded positive quarterly rental growth, led by the warehouse segment which saw a 1.1% QoQ increase. Business park rents rebounded to register a 0.4% growth QoQ, a reversal from the 0.2% QoQ decline in 3Q 2025.

- Overall occupancy for all industrial space decreased to 88.7 per cent in 4Q 2025, down by 0.4 percentage points from 89.1% in the previous quarter. On a YoY basis, the overall occupancy rate declined marginally by 0.3 percentage points from 89% in 4Q 2024. The fall in overall occupancy rate was attributed to strong completions, with around 3.7 million sq ft GFA added to the total industrial stock in 4Q 2025.
- Among the industrial segments, the occupancy rate for multiple-user factory recorded the largest QoQ decline of 1.1 percentage points in 4Q 2025, followed by a 0.3 percentage points decline for single-user factory. Despite the increase in net supply for all segments, business park and warehouse recorded positive occupancy growth, increasing marginally by 0.1 and 0.2 percentage points QoQ in 4Q 2025 respectively.

## Outlook

- Looking ahead, the manufacturing sector could face potential headwinds from US semiconductor tariffs, higher logistics costs and capacity constraints. Nonetheless, business outlook for the sector remains optimistic in the upcoming months, stemming from the electronics segment on the back of sustained AI-related growth. Occupiers could be more selective in choosing industrial spaces that align with their needs. Hence, we expect overall industrial rents to grow at a steady pace of 1 to 3% in 2026.

**Figure 5: Manufacturing & Electronics PMI**

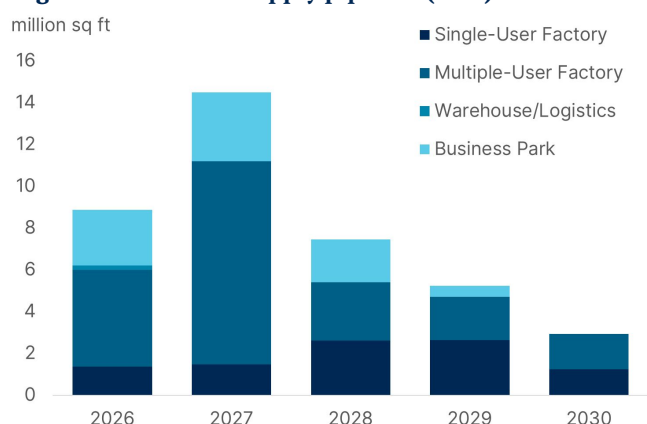


**Table 4: Industrial rents**

Selected industrial micro-markets	3Q 2025	4Q 2025	QoQ
First-storey multiple-user factory	S\$2.09 psf	S\$2.10 psf	0.5%
Hi-tech industrial space	S\$3.47 psf	S\$3.47 psf	0.0%
Warehouse/logistics	S\$1.89 psf	S\$1.90 psf	0.5%
Business park (Central Region)	S\$5.35 psf	S\$5.35 psf	0.0%

Source: Realon (OrangeTee & ETC) Research

**Figure 6: Industrial supply pipeline (NLA)**



- In Q4 2025, International Visitor Arrivals (IVA) stood at 4.0 million, marking 11.2 percent decrease from the 4.5 million recorded in the previous quarter. For the whole of 2025, total international visitor arrival reached 16.9 million. According to the Singapore Tourism Board (STB), international visitor arrivals are projected to reach between 17.0 to 18.0 million in 2026, with tourism receipt estimated at between S\$31 billion and S\$32.5 billion.
- In Q4 2025, Singapore's island-wide retail occupancy rate increased to 93.7 per cent, up from 93.1 per cent in the previous quarter, indicating a generally stable leasing environment supported by steady tenant demand. Occupancy in the Fringe/Suburban Areas rose marginally from 93.6 per cent to 94.2 per cent, as resilient local demand continue to support leasing activity, particularly from food & beverage businesses and essential goods and services operators.
- In contrast, Orchard/Scotts Road saw a slight easing in occupancy from 93.5 per cent to 93.2 per cent potentially reflecting ongoing tenant rotations and selective consolidation by retailers. Meanwhile, occupancy in the Other City Areas increased from 91.8 per cent to 92.7 per cent. This increase in occupancy is absorption-led as completed retail spaces were progressively taken up by operators.

- In 4Q 2025, prime first-storey rental rates on Orchard/Scotts Road remained unchanged at S\$41.85 psf, while Other City Areas held steady at S\$19.60 psf. Prime first-storey rents in the Fringe/Suburban Areas rose marginally by 0.4 per cent to S\$34.65 psf.

## Outlook

- Retail rental growth is expected to remain modest in the near term, as manpower constraints and rising operating costs continue to weigh on retailers' expansion plans. Consequently, leasing demand may soften as tenants become more cautious in committing to space.
- The impact on rents is expected to be mitigated by the limited retail supply pipeline, which should help support occupancy and rental performance. Overall, retail rents are projected to remain broadly stable with modest growth supported by tight supply conditions.

**Table 5: Retail prime rental rents**

Region	Floor	3Q 2025 psf	4Q 2025 psf	QoQ
Orchard/Scotts Road	First storey	S\$41.85	S\$41.85	0.0%
	Upper storey	S\$15.65	S\$15.65	0.0%
Other city areas	First storey	S\$19.60	S\$19.60	0.0%
	Upper storey	S\$8.75	S\$8.75	0.0%
Fringe/Suburban areas	First storey	S\$34.50	S\$34.65	0.4%
	Upper storey	S\$18.40	S\$18.45	0.3%

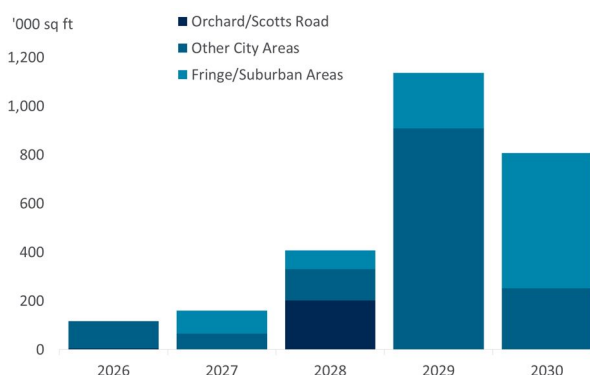
Source: Realion (OrangeTee & ETC) Research

**Table 6: Selected retail pipeline**

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Canninghill Square	90	95
	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

**Figure 7: Retail supply pipeline (NLA)**



Source: Realion (OrangeTee & ETC) Research

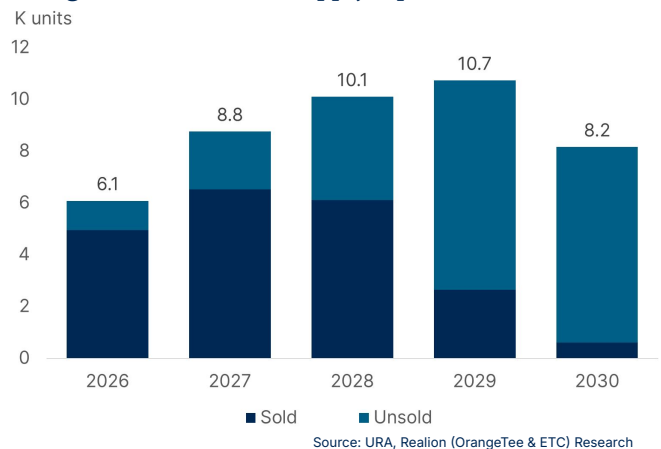
# Residential | Private home sales hit 4-year high in 2025

- Private home prices rose further in 4Q 2025, albeit at a slower pace, amid lower transaction volume. According to URA, the overall price index rose by 0.6%, less than the 0.9% increase seen in 3Q 2025.
- For the whole of 2025, private home prices climbed by 3.3%. This was a slower pace than the 3.9% growth in 2024, and substantially lower than the growth of 6.8% and 8.6% in 2023 and 2022, respectively. This is also the slowest annual price growth recorded since 2020, when prices increased by 2.2% during the COVID-19 pandemic.
- Prices of non-landed properties dipped marginally by 0.2% in the 4Q 2025, reversing the 0.8% gain in the 3Q 2025. Landed prices rose by 3.4% in 4Q 2025, more than the 1.4% increase in the 3Q 2025. Among the sub-markets, prices of non-landed properties increased the most by 1% QoQ in the OCR, followed by 0.7% in the RCR. In the CCR, prices fell by 3.5%.
- Private home sales volume dipped by 9.5% from 7,404 units in 3Q 2025 to 6,699 units in 4Q 2025 due to fewer primary sales. For the whole of 2025, 26,492 units were transacted, reaching a four-year high. The strong sales were driven by a surge in new sale transactions, which climbed from 6,469 units in 2024 to 10,815 units in 2025. The number of resale transactions similarly rose last year to 14,622 units, up from 14,053 units in 2024. Both the total new sales and resale volumes have similarly reached four-year highs.
- Rental prices dipped modestly in 4Q 2025 on weaker volumes. According to URA residential rental index, private rents dipped marginally by 0.5% in 4Q 2025, reversing the 1.2% growth registered in 3Q 2025. For the full year, rents increased by 1.9%, a reversal from the 1.9% decline in 2024. Similarly, rental volume dipped by 27.4% from 27,223 units in 3Q 2025 to 19,771 units in 4Q 2025. For the full year, private rental volume increased by 3.4% from 86,476 units in 2024 to 89,376 units in 2025, reaching a three-year high.

## Outlook

- The global economic outlook is expected to remain resilient in 2026 which may prop up property buying sentiment this year. While private home prices are expected to see modest growth this year, price growth will be constrained by fewer launches and transactions, with most new supply concentrated in lower-priced suburban areas.

**Figure 8: Residential Supply Pipeline**



**Figure 9: Property Price Index**



**Figure 10: Residential Sales and Launch Volume**



- Resale completions are expected to remain stable this year, which could continue to exert mild downward pressure on prices, with overall price growth projected at 2.5 to 4.5%, broadly in line with recent years. Private home sales is estimated to hit 23,500 to 25,500 units in 2026. While slightly lower than 2025, it is still at a healthy level when compared with 2022–2024.

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