RESEARCH

MARKET IN MINUTES

# SINGAPORE Residential Leasing

Residential – Singapore – November 2026



# Record high leasing volume

## KEY TAKEAWAYS

- The number of rental contracts for private residential properties (excluding ECs) across the island commencing in Q3/2026 rose by 25.6% QoQ to 28,423. This was also 4.4% higher YoY than the 27,223 contracts recorded in Q3/2025.
- Overall, rental growth accelerated in Q3/2026, fuelled by robust leasing activity, while rental trends diverged across market segments.
- Average rents of larger units, including three- and four-bedroom apartments, in high-end non-landed developments tracked by Savills were broadly stable in Q3/2026.
- Amid the substantial increase in completed housing stock, the overall vacancy rate rose to 7.2% in Q3/2026.
- We expect private residential rents to remain broadly flat in both 2026 and 2027, as rising supply and higher vacancy rates are likely to be balanced by the increasing stickiness of lease renewals. Faced with relocation costs, moving disruptions and greater uncertainty over long-term employment prospects, many tenants may prefer shorter-term renewals at slightly higher rents rather than committing to a new residence. This behaviour should help cushion the impact of additional supply.

## MACROECONOMIC OVERVIEW

According to the Ministry of Energy, Trade and Industry's (METI) advance estimates, Singapore's economic growth moderated to 5.4% year-on-year (YoY) in the third quarter of 2026, down from 6.2% in Q2. The slowdown was primarily attributable to weaker momentum in the manufacturing sector, alongside softer activity in consumer-facing segments, particularly retail trade and food & beverage services, amid subdued consumer spending. On a quarter-on-quarter (QoQ) seasonally adjusted basis, Singapore's GDP expanded by 1.1% in Q3/2026, easing from 1.5% in the preceding quarter.

Latest statistics showed that the number of Employment Pass (EP) holders increased by 1,000, from 203,300 in December 2025 to 204,300 in June 2026, while the number of S Pass holders declined by 1,600 to 177,300 over the same period. Taken together, the slight contraction in the combined number of EP and S Pass holders could translate into some moderation in leasing demand for private residential properties.

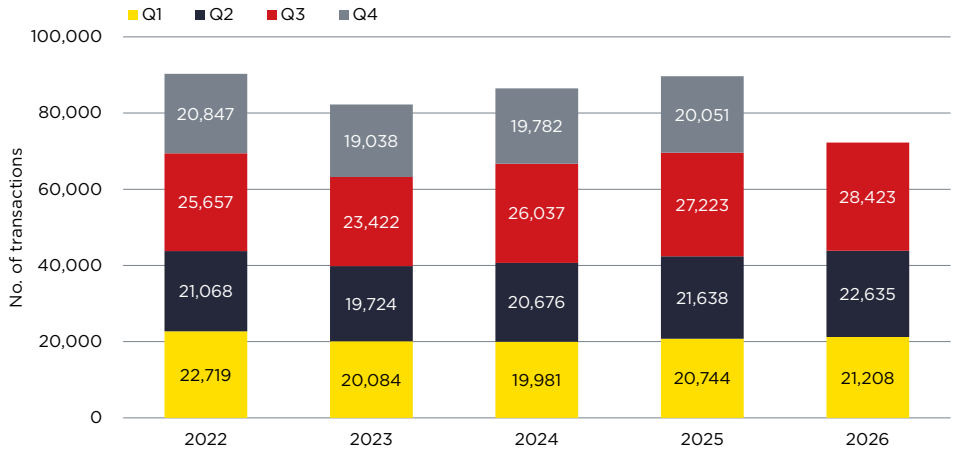
Meanwhile, although advance data indicated that Singapore's labour market continued to expand in Q3/2026, supported by stronger employment growth and a stable low unemployment rate, the number of retrenchments increased for the fifth consecutive quarter, reaching 4,800 during the quarter. Furthermore, the share of firms expecting to retrench edged up from 2.8% in August to 3.1% in September. Together, the rise in both actual and anticipated retrenchments signals some emerging softness in the labour market. This, in turn, could weigh on demand in the private residential leasing market.

## LEASING VOLUME

Leasing activity in Singapore's residential market typically peaks in the third quarter, supported by the seasonal influx of expatriates and international students amid global corporate relocation cycles and the

> "Job security concerns among expatriates and the influx of start-up talent could shape the residential leasing market in 2027."
>
> **ALAN CHEONG**

**FIGURE 1: LEASING TRANSACTION VOLUMES OF PRIVATE RESIDENTIAL UNITS, Q1/2022 – Q3/2026**




Source: URA, Savills Research & Consultancy

start of the academic year. Against this backdrop, the number of rental contracts for private residential properties [excluding executive condominiums (ECs)] across the island commencing in Q3/2026 rose by 25.6% QoQ to 28,423. This was also 4.4% higher YoY than the 27,223 contracts recorded in Q3/2025, marking a record high for third-quarter leasing volume.

Rental volume strengthened across all segments during the quarter, with landed properties recording the strongest QoQ increase of 37.0%, outpacing the 25.0% growth in non-landed properties. Within the non-landed segment, the Rest of Central Region (RCR) led the growth with a 26.7% QoQ increase, followed by the Outside Central Region (OCR) at 24.3% and the Core Central Region (CCR) at 23.8%.

On a YoY basis, leasing volume for landed properties remained broadly stable, edging up by 0.5% in Q3/2026, following a 1.3% increase in the preceding quarter. Meanwhile, leasing activity in the non-landed segment maintained its growth momentum, rising by 4.6%, with the CCR, RCR and OCR recording increases of 2.5%, 4.8% and 6.3%, respectively.

The most actively leased non-landed private residential projects in Q3/2026 were concentrated outside the prime residential districts. No projects in the CCR were featured among those listed in Table 1. The top two projects were in the RCR, while the remaining four were in the OCR.

Normanton Park topped the list with 233 rental transactions, followed by Stirling Residences with 195 transactions. In the OCR, Parc Riviera and J Gateway may have benefited from leasing demand from professionals working in and around International Business Park, while the neighbouring Lake Grande and Lakeville likely attracted tenants seeking accommodation near the Canadian International School (Lakeside Campus). The pattern was largely consistent with that observed in Q3/2025, with Normanton Park, Parc Riviera and Lakeville ranking among the most actively leased projects in both periods.

## RENTS

Overall, rental growth accelerated in Q3/2026, fuelled by robust leasing activity. According to the Urban Redevelopment Authority (URA), the rental index for non-landed private residential properties islandwide rose by 1.2% QoQ, accelerating from the 0.4% QoQ increases recorded in each of the first two quarters of 2026. However, rental trends diverged across market segments in Q3/2026. The OCR led the growth, with rents rising by 3.1% QoQ, followed by the RCR at 1.5% QoQ. In contrast, the CCR recorded a 0.3% QoQ decline, marking its first quarterly contraction after three consecutive quarters of growth.

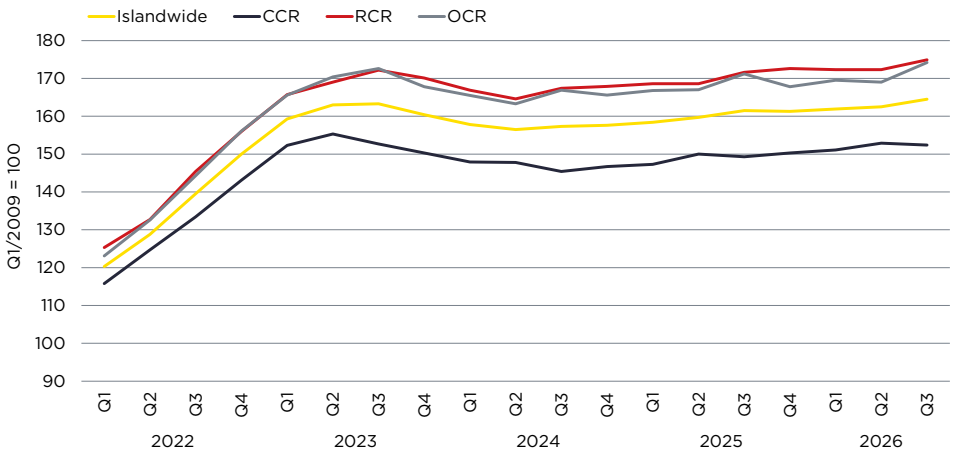
The weakness in the CCR appears to have been driven primarily by smaller units. Median rents for one-bedroom units declined by 0.7% QoQ, while those for two-bedroom units fell by 1.9% QoQ. Given that these two types of units accounted for more than half of rental contracts in the CCR, their weaker rents likely weighed on the overall rental performance. Conversely, median rents for one- and two-bedroom

**TABLE 1: NON-LANDED PRIVATE RESIDENTIAL PROJECTS WITH MOST LEASING TRANSACTIONS, Q3/2026**

| PROJECT NAME | POSTAL DISTRICT | LOCATION | MARKET SEGMENT | NUMBER OF LEASING TRANSACTIONS | MEDIAN RENT (S$ PSF) |
|---|---|---|---|---|---|
| Normanton Park | 5 | Normanton Park | RCR | 233 | 6.29 |
| Stirling Residences | 3 | Stirling Road | RCR | 195 | 7.05 |
| Parc Riviera | 5 | West Coast Vale | OCR | 160 | 6.11 |
| J Gateway | 22 | Gateway Drive | OCR | 146 | 6.93 |
| Lake Grande | 22 | Jurong Lake Link | OCR | 146 | 6.19 |
| Lakeville | 22 | Jurong Lake Link | OCR | 145 | 5.76 |

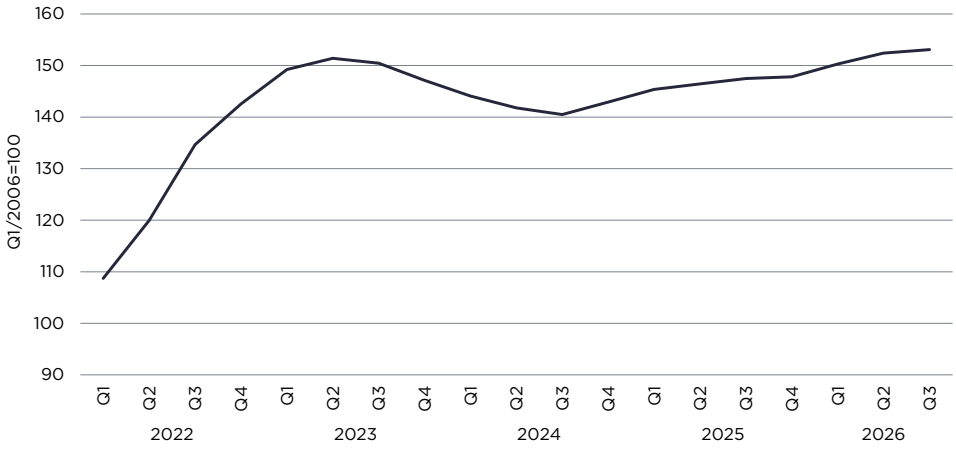
Source: URA, Savills Research & Consultancy

**FIGURE 2: RENTAL INDICES OF NON-LANDED PRIVATE RESIDENTIAL PROPERTIES, Q1/2022 – Q3/2026**




Source: URA, Savills Research & Consultancy

**FIGURE 3: SAVILLS HIGH-END, NON-LANDED RESIDENTIAL RENTAL INDEX, Q1/2022 – Q3/2026**




Source: Savills Research & Consultancy

units in the RCR and OCR rose by 1.4% to 4.2% QoQ, pointing to comparatively stronger rental conditions outside the CCR.

The softer median rents for smaller units in the CCR may partly be attributed to increased competition from newer and relatively more affordable developments outside the prime districts, particularly in the RCR. With a wider range of leasing options available, tenants may have become more price-sensitive, constraining landlords' ability to command higher rents. Nevertheless, there was an increase in leasing transactions for one- and two-bedroom units in the CCR despite lower median rents. This suggests that the underlying leasing demand is still resilient.

Average rents of larger units, including three- and four-bedroom apartments, in high-end non-landed developments tracked by Savills were broadly stable in Q3/2026, edging up by just 0.4% QoQ to S$6.26 per sq ft. This represented a moderation from 1.7% growth in Q1 and 1.4% in Q2, suggesting that rental momentum is easing amid tighter housing allowances and increased competition from newer projects.

## STOCK AND VACANCY

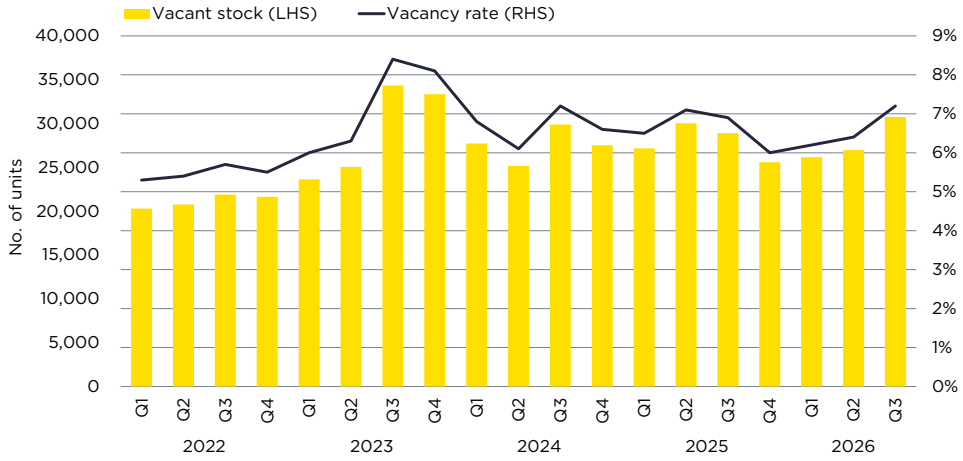
Following relatively limited completions in the first half of 2026, the private residential market witnessed a surge in new completions in Q3/2026. According to official data, a total of 3,559 private residential units (excluding ECs) obtained Temporary Occupation Permits (TOPs) during the quarter. Of these, 3,025 units, accounting for approximately 85.0% of the total, came from six projects developed on Government Land Sales (GLS) sites, all located in the RCR and OCR.

**TABLE 2: MAJOR PRIVATE RESIDENTIAL PROJECTS COMPLETED, Q3/2026**

| PROJECT NAME | LOCATION | DEVELOPER | LOCALITY | NO. OF UNITS |
|---|---|---|---|---|
| Grand Dunman | Dunman Road | Grand Dunman Pte Ltd | RCR | 1,008 |
| Lentor Mansion | Lentor Gardens | Lentor Mansion Pte Ltd | OCR | 533 |
| Pinetree Hill | Pine Grove | United Venture Development (No. 5) Pte Ltd | RCR | 520 |
| Hillock Green | Lentor Central | Lentor Central Developments Pte Ltd | OCR | 474 |
| The Myst | Upper Bukit Timah Road | CDL Aries Pte Ltd | OCR | 408 |
| Norwood Grand | Champions Way | CDL Stellar Pte Ltd | OCR | 348 |

Source: URA, Savills Research & Consultancy

**FIGURE 4: VACANT STOCK AND VACANCY RATES OF PRIVATE RESIDENTIAL UNITS, Q1/2022 – Q3/2026**




Source: URA, Savills Research & Consultancy

Consequently, the islandwide stock of completed private residential properties (excluding ECs) expanded by 0.8% QoQ, or 3,491 units, to 428,072 as at end-Q3. This marked the largest quarterly net addition to completed stock since Q4/2023, when 3,925 units were added.

Amid the substantial increase in housing completions, the overall vacancy rate for completed private residential properties (excluding ECs) rose by 0.8 percentage point (ppt) QoQ to 7.2% in Q3/2026, from 6.4% in the preceding quarter. This represented a cumulative increase of 1.2 ppts from the recent trough of 6.0% recorded in Q4/2025.

The island-wide stock of vacant completed units increased by 3,796 units during the quarter, with the RCR and OCR accounting for 45.8% and 53.0% of the increase, respectively. Together, these two market segments contributed nearly 99% of the additional vacant units, closely reflecting the geographical concentration of new completions during the quarter.

## OUTLOOK

The rise in vacancy rates following the surge in completions during Q3/2026 appears, at first glance, inconsistent with the continued increase in rents. However, several factors help explain this divergence. Leasing dynamics vary across developments, depending on tenant demand, the performance of industries employing expatriates, and the quality of a property's amenities and location. In the current market, many tenants continue to favour lease renewals over relocation, as moving entails both financial costs and operational inconvenience. Also, more are unsure about their longer-term job prospects here and thus renewing shorter terms. This has allowed landlords to raise rents to levels that remain acceptable relative to the cost and disruption of relocating. While this trend was highlighted in our Q1/2026 leasing briefing, it remains particularly relevant in explaining why rents have stayed resilient despite rising vacancies.

Private residential completions are projected to reach 7,783 units in 2026 (excluding ECs), compared with 6,123 units in 2025 and 8,460 units in 2024. The additional supply is expected to push the vacancy rate to slightly above 7% by year-end. However, the relatively low number of completions in the first half of the year limited the availability of new leasing options and likely reinforced the tendency for tenants to renew existing leases rather than relocate.

Looking ahead, approximately 8,868 private residential units are scheduled for completion in 2027, representing a 13.9% YoY increase. This could keep vacancy rate above 7% for much of next year. In our Q4/2025 leasing briefing, we observed that between 2021 and 2025, private residential rents tended to accelerate when vacancy rates fell below 6.5%, while rental growth generally moderated when vacancies rose above that level. If this relationship continues to hold, the elevated vacancy environment expected in 2027 could result in slower rental growth, or even mild rental softening. One area of vulnerability is the market for one-bedder and selected smaller two-bedroom units. The expanding stock of co-living accommodation, offering significant rental discounts, presents a growing substitute for conventional leasing, particularly for younger expatriates and cost-sensitive tenants.

That said, any downside may face resistance. Tenants continue to display a preference for lease renewals, and may be willing to accept some rental increases, while landlords face rising ownership costs, including higher property taxes. These factors could provide support for rental levels even as supply expands. Taking these opposing forces into account, we expect private residential rents to remain broadly flat in both 2026 and 2027.

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