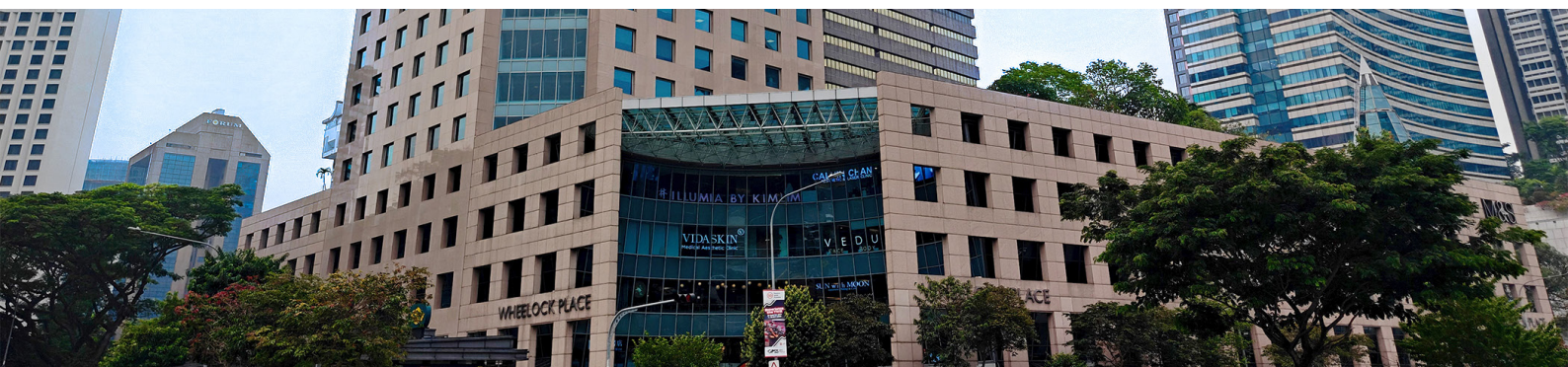


SINGAPORE Sales & Investment

Investment – Singapore – October 2026

savills



Private sector lacked big-ticket transactions

KEY TAKEAWAYS

- Following two strong quarters, Singapore real estate investment sales moderated in Q3/2026, falling 21.2% quarter-on-quarter (QoQ) to S\$12.06 billion.
- Residential assets overtook the commercial sector to become the largest contributor to investment sales in Q3/2026, accounting for 40.7% of total transaction value. Despite its leading share, the transaction value in the residential sector fell 9.9% QoQ to S\$4.91 billion.
- Investment sales in the commercial section fell sharply from S\$8.04 billion in Q2 to S\$2.02 billion in Q3, weighed down by the absence of big-ticket transactions, particularly in the office segment.
- Investment sales of mixed-use land parcels and properties rebounded to S\$2.46 billion in Q3/2026, contributing 20.4% of total investment sales and emerging as the second-largest asset class by transaction value.
- With rising interest rates and the closure of mega deals remaining uncertain, we expect a calmer fourth quarter. We are revising our 2026 forecast and now expect total investment sales to have a cap of approximately S\$55 billion, at the upper end of what appears achievable under current market conditions.

MARKET OVERVIEW

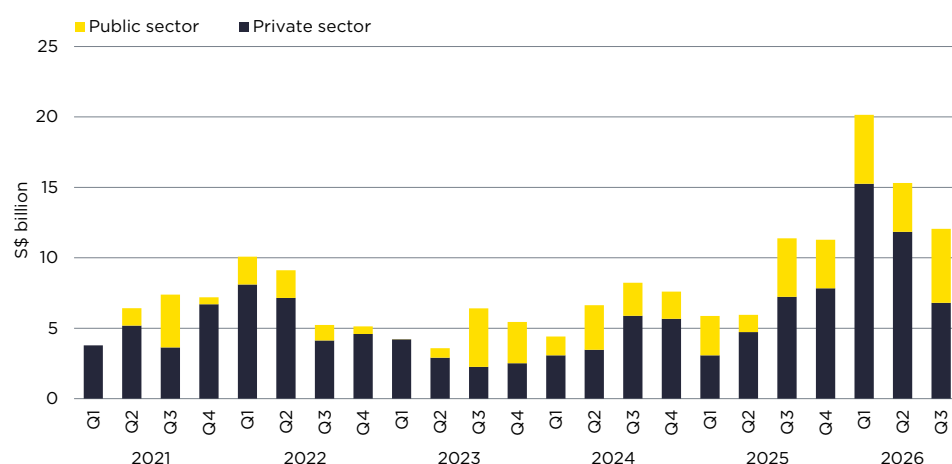
Following two quarters of strong performance, real estate investment sales in Singapore moderated in the third quarter of 2026, with total transaction value falling 21.2% QoQ to S\$12.06 billion. Nevertheless, transaction value remained 6.0% above the S\$11.38 billion recorded in Q3/2025, suggesting that investment activity continued to hold up despite the pullback from the elevated levels seen in the first half of 2026.

The moderation in investment activity reflected a combination of external uncertainties and seasonal factors. Global economic uncertainty and the protracted

conflict in the Middle East continued to dampen investor confidence, while uncertainty surrounding the interest rate outlook reinforced a cautious approach to investment decisions. At the same time, traditional observances during the Hungry Ghost Month may have temporarily held back transaction activity among individual investors.

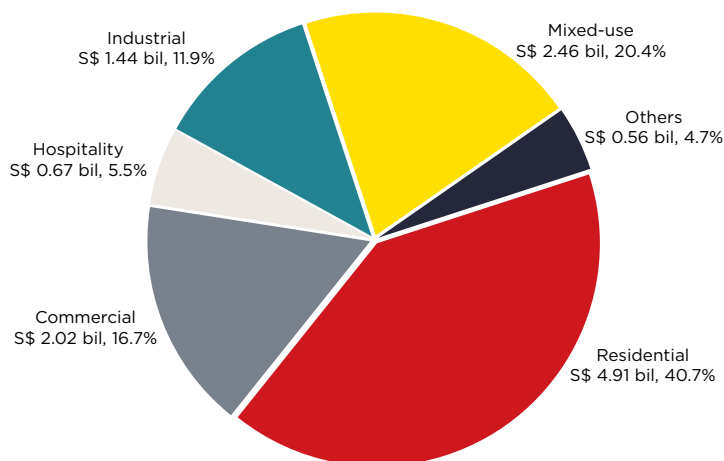
Investment sales in the public sector rose strongly in Q3/2026, with total transaction value increasing 51.5% QoQ to S\$5.26 billion. Activity was largely underpinned by the awards of the commercial & residential GLS site at Bayshore Drive (S\$2.13 billion) and the private residential GLS site at New

FIGURE 1: INVESTMENT SALES TRANSACTION VALUES, Q1/2021 – Q3/2026



Source: Savills Research & Consultancy

FIGURE 2: INVESTMENT SALES TRANSACTION VOLUME BY PROPERTY TYPE, Q3/2026



Source: Savills Research & Consultancy

Upper Changi Road (S\$1.43 billion), which together accounted for 67.6% of the total. The balance was generated from the sale of two private residential GLS sites, four industrial GLS sites, two purpose-built dormitory sites, and a cluster of conserved residential buildings at Chitty Road and Veerasamy Road.

In contrast, private sector investment sales contracted sharply in Q3/2026 as the absence of major big-ticket transactions weighed on overall activity. Total transaction value fell 42.5% QoQ to S\$6.81 billion, compared with S\$11.84 billion in the previous quarter. Decline was concentrated in the commercial (-74.9%) and hospitality (-40.9%) sectors, while the remaining asset classes recorded growth.

RESIDENTIAL

Residential assets overtook the commercial sector to become the largest contributor to investment sales in Q3/2026, accounting for 40.7% of total transaction value, after ranking behind commercial assets in the preceding two quarters. Despite its leading share, transaction value in the residential sector fell 9.9% QoQ to S\$4.91 billion, largely due to a lower number of residential GLS site awards and slower home sales activity during the Hungry Ghost Month.

In Q3/2026, three private residential sites were awarded under the GLS Programme: Berlayar Drive (S\$576.8 million), New Upper Changi Road (S\$1.43 billion), and Lorong Puntong / Sin Ming Avenue (S\$208.1 million). Tender participation across the three sites was uneven, with Berlayar Drive attracting a sole bid, compared with four bids for New Upper Changi Road and seven for Lorong Puntong / Sin Ming Avenue. Nevertheless, land rates reached new highs across all three sites. At S\$1,515 per sq ft per plot ratio

(psf ppr), the Berlayar Drive site set a new benchmark for purely residential GLS sites in the Rest of Central Region (RCR) in August, only to be surpassed a month later by the Lorong Puntong / Sin Ming Avenue site at S\$1,612 psf ppr. In the OCR, the New Upper Changi Road site similarly set a new high at S\$1,537 psf ppr. Despite the divergence in tender participation, these record land rates underscore developers' continued confidence in Singapore's private residential market and a positive outlook on market fundamentals.

Amid a resilient private residential market, developers also turned to the private sector to replenish their landbanks. Following the S\$880 million collective sale of Loyang Valley in April, another four transactions were recorded in Q3/2026. Notably, the two largest transactions involved sites that are currently zoned for non-residential uses, suggesting the potential for sizeable residential redevelopment opportunities to emerge from the private sector through the conversion of existing non-residential sites.

The largest was the S\$950 million collective sale of the freehold Tan Boon Liat Building to a unit of Kingsford Group. It was likely the largest collective sale transaction in Singapore in the past eight years, after Pacific Mansion changed hands for S\$970 million in March 2018. Located at the junction of Outram Road and Zion Road, the 15-storey industrial warehouse and showroom building occupies two separate land plots zoned for Business 1 use, with a combined site area of approximately 141,048 sq ft. The Urban Redevelopment Authority (URA) has advised that the site be rezoned to "Residential with Commercial at 1st Storey", with the plot ratio increasing from 3.1 to 4.9.



Investment sales numbers thus far have already surpassed any full-year total recorded since we began tracking in 2008.

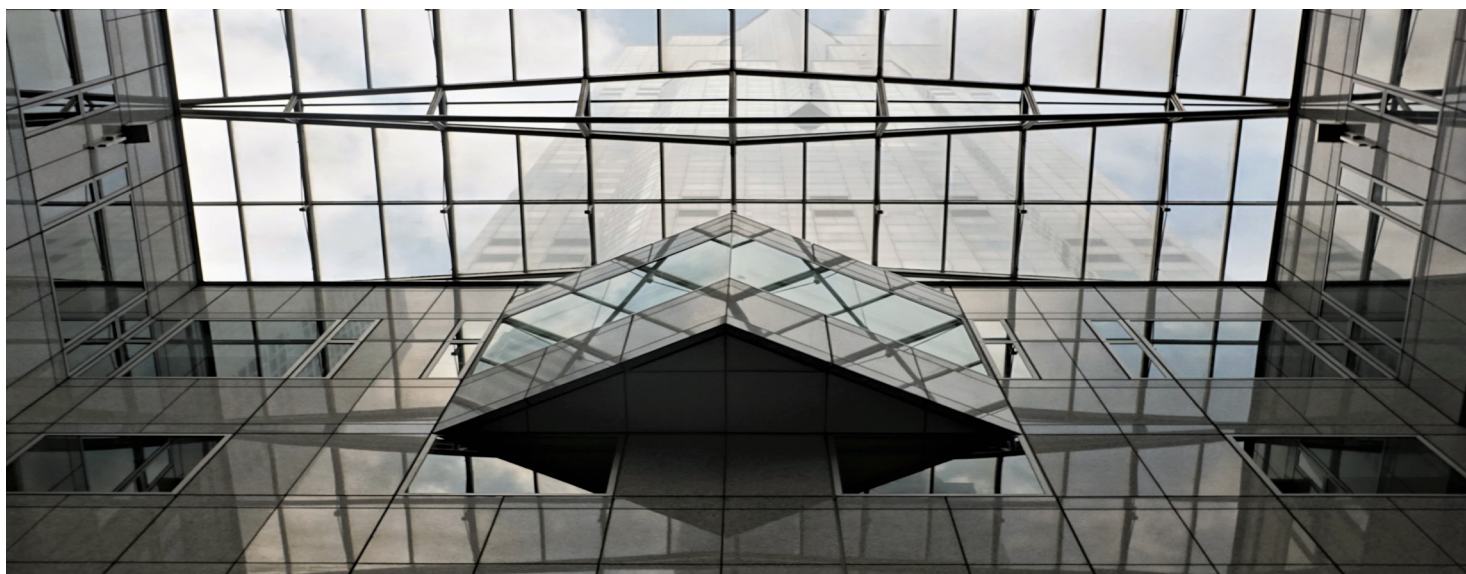
ALAN CHEONG

The second-largest transaction was the S\$578 million acquisition of 8 Thomson Lane by a joint venture led by Sustained Land. The 203,000 sq ft site is currently zoned for hotel use with a gross plot ratio of 2.1 under the URA Master Plan 2025. However, the vendor, Chequers Properties, is understood to have obtained in-principle approval from the URA to redevelop the site for residential use at a gross plot ratio of up to 3.5.

The other two, relatively smaller transactions comprised Aurum Land's S\$84.2 million acquisition of a three-storey walk-up apartment complex on Watten Estate Road and the S\$14.1 million collective sale of a residential property on Upper East Coast Road. Both sites are freehold.

As part of efforts to facilitate the renewal of ageing estates, the Ministry of Law in August proposed lower thresholds for older developments to secure an en bloc sale. Under the proposed amendments, the consent threshold would fall from 80% to 70% for developments aged 40 to 59 years and to 65% for those aged 60 years and above. The proposed relaxation could stimulate en bloc interest among older developments, although transaction activity may remain constrained by the persistent mismatch in price expectations between owners and developers.

Home sales activity typically moderate during the Hungry Ghost Month, as developers hold back new launches and some buyers defer purchasing decisions for cultural reasons. This seasonal lull was also evident in the high-end residential segment, with fewer individual residential properties worth at least S\$10 million changing hands during the quarter. Transaction volume fell by 19.8% from 81 units in Q2 to 65 units in



Q3, while total transaction value contracted more by 22.5% from S\$1.34 billion to S\$1.04 billion. The decline was largely attributable to weaker activity in the non-landed segment, which accounted for much of the pullback in high-value residential transactions during the quarter.

COMMERCIAL

Investment sales in the commercial section fell sharply from S\$8.04 billion in Q2 to S\$2.02 billion in Q3, weighed down by the absence of big-ticket transactions, particularly in the office segment. As a result, the sector's contribution to total investment sales declined by 35.8 percentage points (ppts) QoQ to 16.7%, lowering its ranking to third among all asset classes.

Among the most significant transactions during the quarter were Wharf Real Estate Investment Company's disposals of two properties in the prime Orchard Road

shopping district - Wheelock Place and the retail podium of Scotts Square - marking the end of the Hong Kong firm's presence in Singapore.

Wheelock Place, with a gross floor area (GFA) of approximately 465,860 sq ft, is a 99-year leasehold 21-storey commercial building and two basement levels of offices, a shopping podium and a car park. Hongkong Land's Singapore Central Private Real Estate Fund (SCPREF) acquired the property for S\$1.1 billion, marking the fund's first acquisition since its inception in February this year. Meanwhile, the four-storey retail podium of Scotts Square, which has a GFA of approximately 130,875 sq ft, was jointly acquired by Royal Capital and RB Capital for S\$310 million.

Other prominent transactions during the quarter included SC Capital Partners' S\$276 million sale of Rivervale Mall, a

three-storey suburban neighbourhood shopping centre located in Sengkang, and Frasers Property's S\$175 million acquisition of Cuppage Terrace, comprising 17 Peranakan-style conservation shophouses in the Orchard Road area that house a diverse mix of F&B, entertainment and nightlife establishments.

Despite softer retail sales and continued retail and F&B business closures amid high inflation, persistent cost pressures and intense competition, investor appetite for Singapore retail properties remained strong. Demand has been supported by relatively attractive net yields of around 4% to 5%, compared with borrowing costs estimated at around 2% to 2.5% until recently. At the asset level, near-full occupancy and a healthy pipeline of prospective tenants have also enabled mall owners to tolerate greater tenant churn in pursuit of higher rents.

TABLE 1: TOP INVESTMENT SALES IN THE PUBLIC SECTOR, Q3/2026

LOCATION	TYPE OF DEVELOPMENT ALLOWED	DATE OF AWARD	SUCCESSFUL TENDER PRICE (\$\$ MILLION)	SUCCESSFUL TENDERER
Bayshore Drive	Commercial & residential	Jul 2026	2,128.0	Gemini Residential Pte. Ltd. and Gemini Trustee Pte. Ltd. (as trustee-manager of Gemini Mall Trust)
New Upper Changi Road	Residential	Sep 2026	1,425.4	United Venture Development (Daisy) Pte. Ltd. and CL Sapphire Pte. Ltd.
Berlayar Drive	Residential	Aug 2026	576.8	Intrepid Investments Pte. Ltd. and GuocoLand (Singapore) Pte. Ltd.
Kranji Close	Civic & community institution (Foreign workers' dormitory)	Aug 2026	343.0	Westlite Dormitory (S I) Pte. Ltd.
Lok Yang Way	Civic & community institution (Foreign workers' dormitory)	Aug 2026	221.7	Westlite Dormitory (S II) Pte. Ltd.

Source: BCA, JTC, URA, Savills Research & Consultancy

TABLE 2: TOP PRIVATE INVESTMENT SALES, Q3/2026

PROPERTY	SECTOR	TRANSACTION DATE	PRICE (\$ MILLION)	BUYER
Wheelock Place	Commercial	Jul 2026	1,100.0	Singapore Central Private Real Estate Fund
Tan Boon Liat Building	Residential	Jul 2026	950.0	Kingsford Group
8 Thomson Lane	Residential	Aug 2026	578.0	A joint venture led by Sustained Land
Fraser's House (63.28% interest)	Hospitality	Aug 2026	351.2	TCC Group Investment Limited
Advanced Display Park	Industrial	Sep 2026	350.0	Western Digital

Source: Savills Research & Consultancy

INDUSTRIAL

Industrial investment sales rebounded strongly in Q3/2026, rising 152.4% QoQ to S\$1.44 billion, as private-sector transaction activity revived following a subdued preceding quarter. This lifted the sector's share of total investment sales by 8.2 ppts QoQ to 11.9%.

The recovery was broad-based, with 23 private-sector transactions of S\$10 million or more recorded during the quarter, more than double the nine deals in Q2. Capital recycling among industrial REITs also resumed, generating five divestments during the quarter. ESR-REIT disposed of 12 Ang Mo Kio Street 65 (S\$33.3 million), 15 Gul Way (S\$24.2 million) and 30 Pioneer Road (S\$32.0 million), while Mapletree Logistics Trust divested 39 Changi South Avenue 2 (S\$16.6 million) and CapitaLand Ascendas REIT sold Kim Chuan Telecommunications Complex (S\$200.4 million). Meanwhile, Digital Core REIT acquired a 2.5% interest in Digital Loyang 2, a five-storey data centre at Loyang Close, for S\$87.4 million. Collectively, these REIT-related transactions accounted for 35.1% of total private-sector industrial investment sales in Q3.

In the public sector, four GLS industrial sites were awarded during the quarter, contributing total proceeds of S\$317.4 million. This represents a 140.7% QoQ surge, driven primarily by the award of the site at Jalan Buroh to Soilbuild Group for approximately S\$214.4 million. Spanning some 335,300 sq ft and zoned for Business 2 use with a gross plot ratio of 2.5, the 33-year leasehold site is located directly opposite the future Jurong Pier MRT Station across Jurong Pier Road. The

other three GLS industrial sites awarded were Kaki Bukit (S\$52.8 million), 5 Tuas Avenue 13 (S\$43.4 million) and 6 Tuas Avenue 14 (S\$6.8 million). Overall, tender participation remained relatively healthy, although bidders continued to be selective, with winning land rates differentiated by location and individual site characteristics.

MIXED-USE

Investment sales of mixed-use land parcels and properties rebounded in Q3/2026, reaching S\$2.46 billion after no transactions were recorded in Q2. This represented 20.4% of total investment sales, making mixed-use the second-largest asset class during the quarter.

The S\$2.13 billion commercial & residential GLS site at Bayshore Drive contributed the bulk of the sector's transaction value. The site's integration with the upcoming Bedok South MRT station on the Thomson-East Coast Line and a bus interchange enhanced its appeal to major developers. Given the large investment quantum, developers formed three consortiums to bid for the site, with the consortium comprising Fraser's Property Limited (FPL), Fraser's Centrepoint Trust, Sunway MCL Limited, Sekisui House and Lum Chang Building Contractors emerging as the top bidder at S\$1,323 psf ppr.

HOSPITALITY

In Q3/2026, investment sales in the hospitality sector amounted to S\$669.2 million across six private-sector transactions, presenting a QoQ decline of 40.9%.

One of the six assets that changed hands was Coliwoo Midtown at 141 Middle

Road in the Bugis-Bras Basah precinct. CapitaLand Ascott Trust (CLAS) acquired the newly refurbished co-living serviced residence at an agreed property value of S\$134 million. Towards the end of the quarter, Qing Feng Construction Pre Ltd acquired three freehold Coliwoo co-living properties along River Valley Road for a combined S\$66.5 million.

The other two transactions formed part of FPL's S\$2.1 billion hospitality portfolio revamp. FPL sold its 63.28% interest in Fraser's House to TCC Group Investments (TCCGI) for S\$351.2 million, based on an effective property purchase price of S\$555 million for a 100% interest. At the same time, FPL took full ownership of Fraser Suites Singapore by acquiring TCCGI's 36.72% interest for S\$117.5 million, based on an effective property purchase price of S\$320 million for a 100% interest. Fraser's House is a five-star ultra-luxury hotel at 80 Middle Road, following its official rebranding from the former InterContinental Singapore, while Fraser Suites Singapore is a serviced apartment residence located at 491A River Valley Road.

OTHERS

The award of two purpose-built dormitory sites to Centurion Corporation contributed to investment sales activity within the other assets sector in Q3/2026. The sites, located at Kranji Close and Lok Yang Way, were awarded by the Building and Construction Authority (BCA) and JTC Corporation for S\$343 million and S\$221.7 million, respectively. Both sites have a tenure of 30 years and will enable the group to develop purpose-built workers' accommodation (PBWA) facilities with capacities of 7,000 and 5,000 beds, respectively.

OUTLOOK

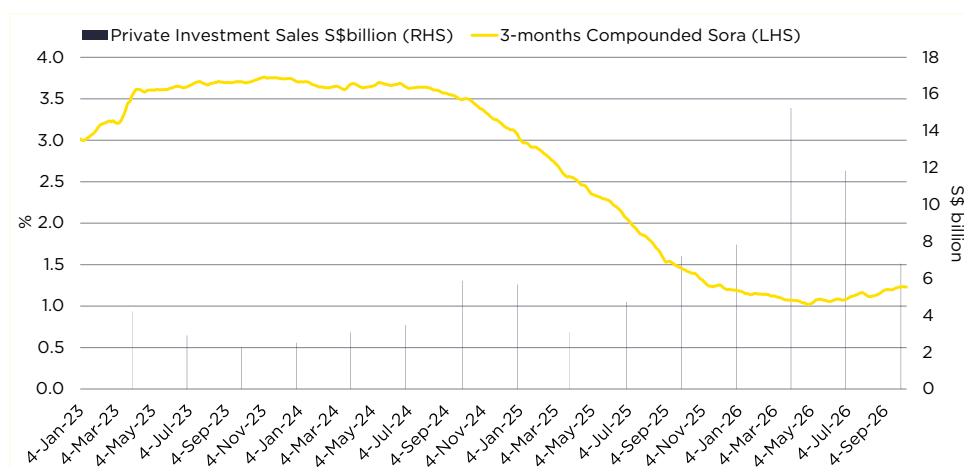
With cumulative investment sales reaching S\$47.52 billion by Q3/2026, the market has already exceeded any full-year total recorded since tracking began in 2008. However, transaction momentum appears to be moderating in the second half of the year, likely reflecting growing concerns over a potential rise in interest rates.

As shown in Figure 3, private-sector investment activity remained subdued throughout the high interest rate environment from 2023 to mid-2025. Transaction volumes only accelerated after borrowing costs declined sharply. Notably, investment sales appear to gain significant traction once the 3-month compounded SORA falls below the 2% threshold. Given the lead time required for underwriting and due diligence, market sentiment likely began improving several quarters before rates breached this level.

Looking ahead, expectations of further US Federal Reserve tightening could compress yield spreads for income-producing assets in Singapore, weighing on investor appetite. While office rents are projected to strengthen in 2026 and 2027, investors may remain cautious given the uncertainty surrounding the long-term impact of AI on occupier demand and workplace requirements.

Among the major asset classes, retail and industrial properties remain

FIGURE 3: 3-MONTH COMPOUNDED SORA VS PRIVATE INVESTMENT SALES VALUE



Source: MAS, Savills Research & Consultancy

relatively resilient to moderate increases in borrowing costs. Retail assets on 99-year tenures typically offer net yields of 4% to 5%, while industrial properties with remaining lease tenures of 20 to 25 years can generate yields of 6.0% to 6.5%. Nevertheless, the limited availability of such investment-grade assets is likely to constrain transaction volumes throughout the remainder of the year.

On the public land sales front, activity should remain robust. The Canberra Link Executive Condominium site is expected to be awarded in Q4/2026, while five GLS sites are scheduled to close tenders in the quarter, including the 3.72-hectare Town

Hall Link site. However, despite continued support from the GLS Programme, private-sector investment activity is expected to remain relatively subdued. Coupled with the uncertainty surrounding a potential sale of Marina One, the likelihood of achieving our earlier projection of S\$55 billion to S\$60 billion in total investment sales has diminished.

Accordingly, we are revising our 2026 forecast and now expect total investment sales to have a cap of approximately S\$55 billion, at the upper end of what appears achievable under current market conditions.



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