RESEARCH

MARKET IN MINUTES

SINGAPORE Sales & Investment

Investment – Singapore – January 2026



Investment sales stayed robust

KEY TAKEAWAYS

- Real estate investment sales in Singapore closed the final quarter of 2025 with total transactions amounting to S$10.97 billion. While this represented a 3.3% quarter-on-quarter (QoQ) decline from the preceding quarter, activity levels were still resilient. It should be noted that the third quarter had a high base of S$11.35 billion.
- Investment activity from S-REITs, institutional investors, and high-net-worth individuals remained healthy, underpinned by lower financing costs and strong fundamentals across most property segments. In addition, the impact of US President Trump's tariffs proved less severe than initially anticipated.
- The outlook for the investment sales market in 2026 is shaped by more than just the trajectory of interest rates. Fluid and volatile geopolitical developments are increasingly adding complexity to the picture. Given these conditions, we are maintaining our investment sales forecast for 2026 at approximately S$34 billion, in line with 2025 levels. Among physical assets, sectors likely to perform better this year include office, retail, and properties with redevelopment potential.

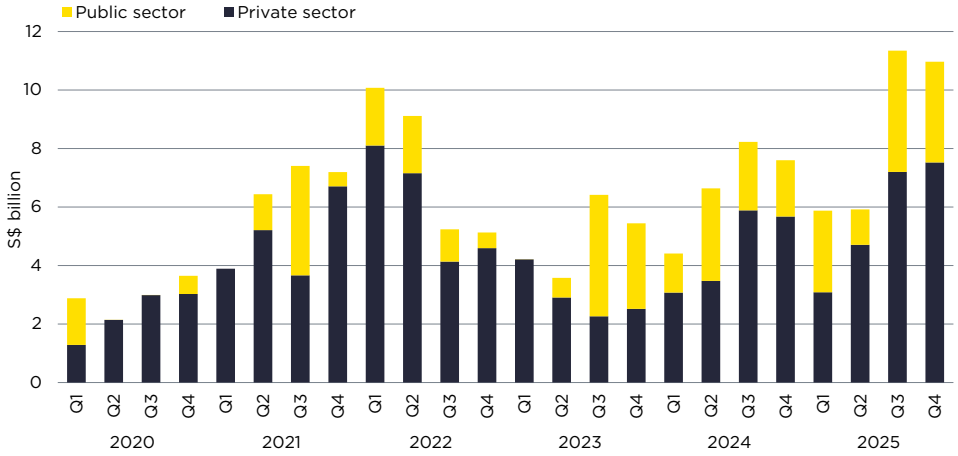
MARKET OVERVIEW

Despite the year-end holiday season, Singapore's real estate investment market remained resilient, closing the final quarter of 2025 with total transactions of S$10.97 billion. Although this represented a 3.3% QoQ decline from the strong S$11.35 billion recorded in the previous quarter, it marked a robust 44.4% year-on-year (YoY) increase from S$7.60 billion in the same period of 2024.

During the quarter under review, eight land parcels were sold under the Government Land Sales (GLS) Programme — comprising five private residential sites and three industrial sites — generating total proceeds of S$3.34 billion. In addition, the Singapore Tourism Board (STB) awarded the Marina South Coastal site for the development of a wellness attraction at S$100 million. Altogether, public sector investment sales reached S$3.44 billion, down 17.0% from the previous quarter's S$4.15 billion, which had been buoyed by the sale of 12 GLS sites.

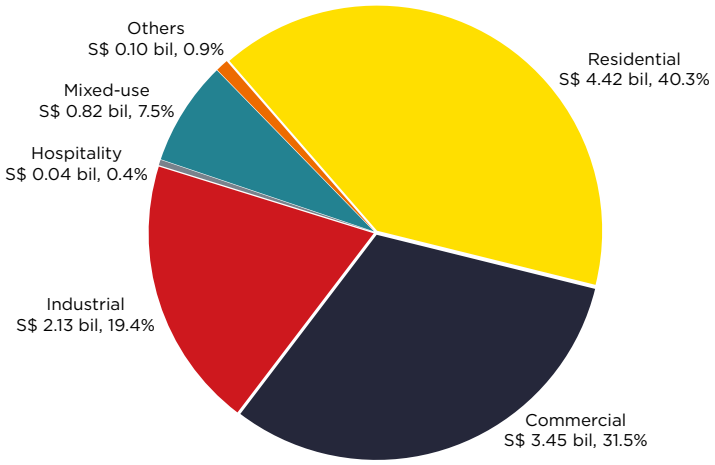
In contrast, the weaker public sector performance in Q4 was partially offset by stronger activity in the private sector, where sales rose 4.5% QoQ to S$7.53 billion. This growth was driven by several

FIGURE 1: INVESTMENT SALES TRANSACTION VALUES, Q1/2020 – Q4/2025



Source: Savills Research & Consultancy

FIGURE 2: INVESTMENT SALES TRANSACTION VOLUME BY PROPERTY TYPE, Q4/2025



Source: Savills Research & Consultancy

> "Although Singapore is a safe haven, geopolitical factors are becoming volatile, and spillover effects, whether positive or negative, would have a bearing on the outlook for investment sales this year."
>
> **ALAN CHEONG**

large transactions, even as the total number of deals eased slightly from 120 in Q3 to 106 in Q4. Investment activity among S-REITs, institutional investors, and high-net-worth individuals also remained healthy, supported by lower financing costs and solid fundamentals across most property segments. Meanwhile, the impact of tariffs imposed by U.S. President Trump proved less severe than initially expected.

For the full year of 2025, total real estate investment sales in Singapore reached S$34.12 billion, reflecting a strong 27.0% increase from S$26.87 billion in 2024. This was the highest annual total since 2017, when investment sales hit S$35.16 billion, driven then by an active collective sales market and developers' strong appetite for GLS sites.

Growth in 2025 was broad-based across both the public and private sectors. Public sector investment sales rose 32.3% YoY to S$11.60 billion, supported by a notable increase in the number of GLS sites awarded—from 20 in 2024 to 30 in 2025. Meanwhile, private sector investment sales grew by 24.3% YoY to S$22.52 billion, reflecting healthy activity across most property segments except industrial. The expansion was underpinned by renewed momentum in the high-end private residential market, several large-scale transactions—such as the sale of Marina Bay Financial Centre (MBFC) Tower 3 (one-third interest), South Beach (50.1% interest), Northpoint City South Wing, and the commercial component of CapitaSpring (55% interest)—as well as active S-REIT listings, including the Centurion Accommodation REIT.

RESIDENTIAL

Although the residential sector continued to account for the largest share of total investment sales in Q4/2025 at 40.3%, transaction value in this segment declined by 13.7% QoQ to S$4.42 billion. The contraction was primarily driven by the private sector, where investment sales fell 37.4% QoQ to S$1.33 billion. This reflected a moderation in luxury home transactions priced above S$10 million, following strong activity in the preceding quarter. Nonetheless, high-end residential sales—particularly for landed properties—remained stronger than in the first two quarters of 2025, indicating a rebound supported by lower borrowing costs and improving buyer sentiment.

The most expensive landed property sold in Q4 was a Good Class Bungalow (GCB) on Peirce Road, which transacted at S$148.0 million, or S$1,840 per sq ft (psf) based on land area. In addition, nine other GCBs were sold during the quarter, bringing the total to 10—the highest quarterly tally in the past four years. For the full year of 2025, Savills' data recorded 25 GCB transactions worth S$1.12 billion, broadly comparable to the 26 deals totaling S$1.15 billion in 2024.

TABLE 1: TOP INVESTMENT SALES IN THE PUBLIC SECTOR, Q4/2025

LOCATION	TYPE OF DEVELOPMENT ALLOWED	DATE OF AWARD	SUCCESSFUL TENDER PRICE (S$ MILLION)	SUCCESSFUL TENDERER
Telok Blangah Road	Residential	Nov 2025	918.3	Kingsford Huray Development Pte Ltd
Upper Thomson Road (Parcel A)	Residential with commercial at 1st storey	Oct 2025	613.9	Wee Hur Property Pte Ltd and GSC Holdings Pte Ltd
Bukit Timah Road	Residential	Nov 2025	566.3	HH Investment Private Limited

Source: URA, Savills Research & Consultancy

TABLE 2: TOP PRIVATE INVESTMENT SALES, Q4/2025

PROPERTY	SECTOR	TRANSACTION DATE	PRICE (S$ MILLION)	BUYER
Marina Bay Financial Centre Tower 3 (one-third interest)	Commercial	Dec 2025	1,453.0	Keppel REIT
The Clementi Mall	Commercial	Dec 2025	809.0	An entity linked to The Elegant Group
Three retail strata lots comprising PLQ Mall (70% interest)	Commercial	Nov 2025	619.5	Lendlease Global Commercial REIT

Source: Savills Research & Consultancy

Separately, 15 non-landed private residential units were transacted at prices above S$10 million in Q4, a level consistent with previous quarters (Q1: 17 units; Q2: 14 units; Q3: 15 units). For the year as a whole, 61 such units changed hands—well above the 37 transactions recorded in 2024—underscoring sustained demand for luxury homes amid ample liquidity from high-net-worth individuals and continued confidence in Singapore's prime residential segment.

In the public sector, five 99-year leasehold private residential sites with a combined value of S$3.09 billion were awarded under the GLS programme in Q4, representing a 3.0% increase from S$3.00 billion in the previous quarter. These sites comprised Dorset Road (S$524.3 million or S$1,338 psf per plot ratio (ppr)), Upper Thomson Road (Parcel A) (S$613.9 million or S$1,062 psf ppr), Telok Blangah Road (S$918.3 million or S$1,326 psf ppr), Bukit Timah Road (S$566.3 million or S$1,820 psf ppr), and Bedok Rise (S$464.8 million or S$1,330 psf ppr).

Among these, developer demand was notably strong for the Dorset Road, Bukit Timah Road, and Bedok Rise parcels, which attracted nine, eight, and ten bids respectively. Beyond their appealing locations, the robust participation reflected developers' continued confidence in Singapore's residential market, supported by healthy new-launch sales and low levels of unsold inventory.

COMMERCIAL

In Q4/2025, the commercial sector recorded investment sales totaling S$3.45 billion, a 31.1% increase from S$2.64 billion in the preceding quarter. Its share of total investment sales rose to 31.5%, ranking second among all sectors and up 8.3 percentage points QoQ. This robust growth was driven primarily by several major transactions. Overall, investment activity in the commercial segment has remained resilient since 2024, supported by lower financing costs and healthy market fundamentals, with S-REITs continuing to lead through strategic portfolio-enhancing acquisitions.

The largest transaction of the quarter—and notably the largest across all sectors in both private and public markets—was Keppel REIT's acquisition of Hongkong Land's one-third interest in MBFC Tower 3. The deal was based on an agreed property value of S$1.45 billion, or approximately S$3,268 psf on a net lettable area (NLA) basis. The 46 storey, premium Grade A office tower is located in Marina Bay, at the heart of Singapore's Central Business District. Following this acquisition, Keppel REIT's ownership in the property increased to two-thirds.

Beyond the MBFC Tower 3 deal, the quarter also saw several other large-scale transactions. The second-largest was the S$809.0 million acquisition of The Clementi Mall by an entity linked to The Elegant Group. Strategically located next to the Clementi MRT station, the suburban retail mall comprises six retail floors with an NLA of approximately 196,000 sq ft and a remaining lease term of close to 84 years. The asset enjoys full occupancy and benefits from a well diversified tenant mix.

The third-largest transaction involved another prominent retail property—PLQ Mall in Paya Lebar—where Lendlease Global Commercial REIT acquired a 70% indirect interest. Based on the agreed property value, the stake equates to S$619.5 million, or about S$2,789 psf on an NLA basis. The 99-year leasehold mall, located adjacent to the Paya Lebar MRT Interchange on the East-West and Circle Lines, forms part of the Paya Lebar Quarter mixed-use development and spans seven storeys with a diverse offering of retail, dining, and entertainment options.

In contrast, investment activity in strata titled commercial units and shophouses remained muted. Only two office units, one retail unit, and three shophouses priced at S$10 million or above were transacted in Q4/2025. Transaction volumes continued to be constrained by the limited availability of quality assets for sale and the ongoing mismatch between buyer and seller price expectations.

INDUSTRIAL

Ranked after the residential and commercial segments, the industrial sector accounted for 19.4% of total investment sales in Q4/2025, reaching S$2.13 billion—almost double the S$1.07 billion recorded in the preceding quarter.

Industrial REITs remained active, pursuing opportunistic transactions aimed at enhancing portfolio quality, optimizing balance sheets, and positioning for long-term growth. Consequently, transactions involving these REITs—including both acquisitions and divestments—totaled S$1.27 billion, representing nearly 60% of total industrial investment sales during the quarter.

The largest transaction was CapitaLand Ascendas REIT's acquisition of three industrial properties in late 2025 for S$532.6 million (excluding estimated upfront land and enhancement premiums of S$33.2 million). The portfolio comprises

9 Kallang Sector, a high-specifications industrial building; 2 Pioneer Sector 1, a ramp-up logistics facility; and Tuas Connection, a light industrial property. The assets were acquired from Vita Partners, a joint venture between Warburg Pincus and Lendlease.

Keppel DC REIT also remained active during the quarter, acquiring the remaining interests in Keppel DC Singapore 3 (KDC SGP 3) and Keppel DC Singapore 4 (KDC SGP 4) from Keppel Limited. The agreed property values for these remaining stakes—both located along Tampines Street 92—were S$43.4 million for the 10% interest in KDC SGP 3 and S$5.86 million for the 1% interest in KDC SGP 4. In addition, following conditional approval from the authorities for a 10-year extension of the land lease for the Keppel Data Centre Campus at Genting Lane to 15 July 2050, the REIT incurred a lease extension cost of S$350 million.

On the divestment front, ESR REIT disposed of eight non-core industrial assets for approximately S$338.1 million as part of its ongoing portfolio rejuvenation and capital recycling strategy.

Public sector activity also contributed meaningfully to the quarter's total. Three industrial sites were awarded under the GLS programme, collectively valued at S$256.2 million. These comprised land parcels at Sengkang West (S$156.1 million or S$250 psf ppr), Plot B Tukang Innovation Drive (S$95.2 million or S$189 psf ppr), and Plot A Tuas Bay Drive (S$4.9 million or S$51 psf ppr). The Sengkang West and Plot B Tukang Innovation Drive sites drew healthy developer interest, supported by their accessible locations, longer 33-year leases, and generous gross floor area potential.

OUTLOOK

The outlook for the investment sales market in 2026 is shaped by more than just the trajectory of interest rates. Geopolitical developments are increasingly adding complexity to the picture. Heightened global tensions can influence real estate investment either directly—through shifts in capital flows—or indirectly, via their impact on equity, bond, and foreign exchange markets.

Forecasting investment sales volumes is inherently volatile. Real estate is, by nature, a "lumpy" asset class, with transaction activity highly dependent on the number and scale of properties coming to market, as well as movements in equity performance and financing costs. The additional uncertainties stemming from geopolitics introduce another hard-to-forecast dimension to an already fluid environment.

Given these conditions, we are maintaining our investment sales forecast for 2026 at approximately S$34 billion, in line with 2025 levels. Among physical assets, sectors likely to perform better this year include office, retail, and properties with redevelopment potential. With interest rates expected to stay low, asking prices having adjusted downward, and opportunities to refresh tenant mixes through repositioning into newer formats, more assets are now achieving positive carry for prospective buyers.

If local equity markets continue to perform well, a rise in property company listings can also be anticipated. Furthermore, as the existing stock of buildings continues to age, redevelopment activity may gather pace, supported by government incentive schemes that encourage urban renewal and asset rejuvenation.

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SAVILLS SINGAPORE



Jeremy Lake
Managing Director
Investment Sales & Capital Markets
+65 6415 3633
jeremy.lake@savills.com.sg

SAVILLS RESEARCH



Alan Cheong
Executive Director
Singapore
+65 6415 3641
alan.cheong@savills.com.sg

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