

## **Singapore real estate investment sales hit S\$34.1 billion in 2025, highest since 2017**

## **Savills Singapore maintains S\$34 billion investment sales outlook for 2026**

**For Immediate Release** – Savills Singapore reported that Singapore’s real estate investment market closed 2025 on a strong footing, with total investment sales reaching S\$34.12 billion, representing a 27% increase from S\$26.87 billion in 2024. This marks the highest annual investment sales total since 2017, when volumes reached S\$35.16 billion.

For the full year, growth 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 higher number of Government Land Sales (GLS) sites awarded – from 20 in 2024 to 30 in 2025. Private sector investment sales increased 24.3% to S\$22.52 billion, underpinned by renewed momentum in the high-end private residential market, several large-scale transactions, and active S-REIT listings.

Investment sales activity remained resilient in the final quarter of 2025, with total transactions in Q4 amounting to S\$10.97 billion. While this was a 3.3% quarter-on-quarter (QoQ) decline from S\$11.35 billion in Q3, it represented a 44.4% year-on-year (YoY) increase from S\$7.60 billion in Q4 2024.

This was led by growth in the private sector, where sales rose 4.5% QoQ to S\$7.53 billion, driven by several 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. The impact of US President Trump’s tariffs also proved less severe than initially anticipated.

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In Q4 2025, the residential sector accounted for the largest share of total investment sales at 40.3%, although transaction value declined 13.7% QoQ to S\$4.42 billion, reflecting a moderation in luxury home transactions following strong activity in the preceding quarter. Nonetheless, high-end residential sales, especially 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.

10 Good Class Bungalows (GCB) were sold during the quarter, with the most expensive landed property on Peirce Road transacting at S\$148 million. 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.

The commercial sector recorded S\$3.45 billion in investment sales, rising 31.1% from the previous quarter, and accounted for 31.5% of total Q4 investment sales, ranking second among all sectors. The largest transaction of the quarter was Keppel REIT's acquisition of Hongkong Land's one-third interest in Marina Bay Financial Centre (MBFC) Tower 3, based on an agreed property value of S\$1.45 billion. The second-largest was the S\$809 million acquisition of The Clementi Mall by an entity linked to The Elegant Group.

**Jeremy Lake, Managing Director, Investment Sales & Capital Markets, Savills Singapore commented:** "The sharp drop in interest rates in 2025 was a game changer for the private investment sales market, which had been plagued by a large 'price gap' for the last few years.

The all-in cost of financing is now below the net property yields for all asset classes – not just industrial properties, as was previously the case. This has stirred buyer activity which coincides nicely with 'seller fatigue' among some owners. The price gap has narrowed to a point where deals can be closed, which will lead to a rebound in private investment sales in 2026."

The industrial sector accounted for 19.4% of total investment sales in Q4 2025, amounting to S\$2.13 billion, nearly double the S\$1.07 billion achieved in Q3 2025. Industrial REITs remained active during the quarter, pursuing acquisitions and divestments aimed at enhancing portfolio quality and positioning for long-term growth. Transactions involving these REITs totalled S\$1.27 billion – nearly 60% of total industrial investment sales during the quarter.

The largest was CapitalLand Ascendas REIT's acquisition of three industrial properties for S\$532.6 million (excluding estimated upfront land and enhancement premiums of S\$33.2 million).

Looking ahead, the outlook for the investment sales market in 2026 is shaped by more than just the trajectory of interest rates. Given the fluid and volatile geopolitical conditions, Savills Singapore is maintaining its 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, supported by lower financing costs, adjusted pricing expectations, and opportunities for asset repositioning.

**Alan Cheong, Executive Director, Research & Consultancy, Savills Singapore said:** "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.

**TABLE 1: Top Investment Sales in the Public Sector, Q4/2025**

LOCATION	TYPE OF DEVELOPMENT ALLOWED	DATE OF AWARD	SUCCESSFUL TENDER PRICE (\$ 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 (\$ 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

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Listed on the London Stock Exchange, we have more than 40,000 professionals collaborating across over 70 countries, delivering unrivalled coverage and expertise to the world of commercial and prime residential real estate.

By applying world research data and trends to local and global settings, we're able to empower our clients with insights from the forefront of the industry – bringing their aspirations to life through innovative, tailor-made solutions.

Whether we are working with a global corporate looking to expand, an investor seeking to sustainably optimise their portfolio, or a family trying to find a new home, we help our clients make better property decisions.

Savills Singapore puts our clients at the forefront of everything we do. And that has led us to where we are today – an award-winning real estate services provider in the Asia Pacific region.

We strive to be visionaries in better crafting astute property decisions for individuals, businesses and investors. We believe that our clients' achievements are a testament to our value-based expertise, and commitment to delivering premium service.

Our team of professionals, with their deep knowledge of specialist property sectors, is dedicated to providing tailored solutions that align with our clients' objectives. We take pride in the comprehensive range of services we offer: transactional advice in investment, industrial, commercial, residential, retail, project management, research and consultancy, property and facilities management and valuation.

Unwavering in our focus to deliver innovative solutions, excellent customer service, and build long-term relationships with our clients, we constantly adapt to meet the evolving needs of our clients. We remain committed to their success and strive to exceed their expectations in every interaction.

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