MARKETBEAT
SINGAPORE
OFFICE Q4 2025

CUSHMAN & WAKEFIELD

CBD GRADE A OFFICE

	YOY Chg	Outlook
4.4% Vacancy Rate	▲	▼
S$11.21 Gross Effective Rent, PSF/mo	▲	▲
0.7% Rental Growth, QoQ change	▲	▲

ECONOMIC INDICATORS Q3 2025

	YOY Chg	Outlook
4.8%* Real GDP Growth	▲	▼
0.6% Inflation Growth	▼	▲
2.0% Unemployment	▲	▼

Source: Ministry of Trade & Industry (MTI), Moody's Analytics
** Real GDP Growth for the whole of 2025 based on MTI's advance estimates. The remaining indicators are as of Q3 2025.*

RESILIENT ECONOMIC CONDITIONS

Singapore's economy expanded by 4.8% yoy in 2025, extending the 4.4% growth in 2024, supported by office-using sectors, finance & insurance, information & communications, and professional services, which collectively grew 4.1% in the year, after 5.2% in 2024. While GDP growth is expected to moderate to 1.0-3.0% in 2026 amid stronger tariff effects, lower interest rates, stabilising trade tensions, low unemployment and Singapore's safe-haven status should underpin resilient office demand.

MOMEMTUM BUILDS ON LOW SUPPLY AND IMPROVING DEMAND

CBD Grade A office rents rose 0.7% qoq in Q4 2025, from 0.5% in Q3, as vacancies tightened to 4.4% from 4.7% amidst continued flight to quality. For full-year 2025, rents grew 2.4% yoy, outpacing 2024's 1.7%, as the growing scarcity of CBD Grade A office spaces and lower interest rates encouraged more decisive occupier activity. CBD Grade A office net demand reached 0.7 msf in 2025, compared with 0.9 msf in 2024. This was largely due to the amount of new Grade A office supply, which came up to only 0.6 msf in 2025, against 1.3 msf in 2024. While net demand in 2025 was driven by continued leasing activities in new developments, including IOI central Boulevard Towers and Keppel South Central, vacancy rates also declined across other CBD Grade A office developments.

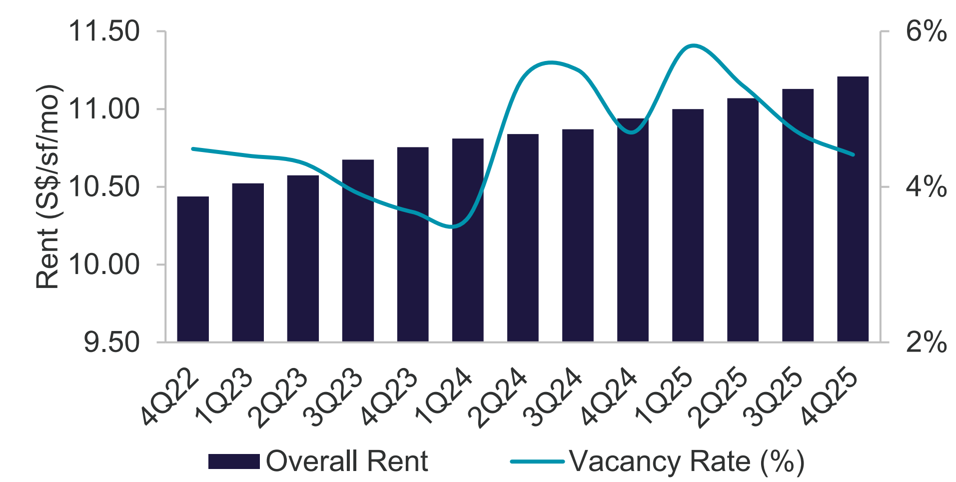
Decentralised all-grades office rents climbed 0.4% qoq in Q4, up from 0.1% in Q3, as vacancies fell to 4.7% from 5.3%. Full-year rents grew 1.3% yoy, below 2024's 1.7%, as demand remained selective among cost-conscious occupiers.

RENTS POISED FOR UPSWING IN 2026

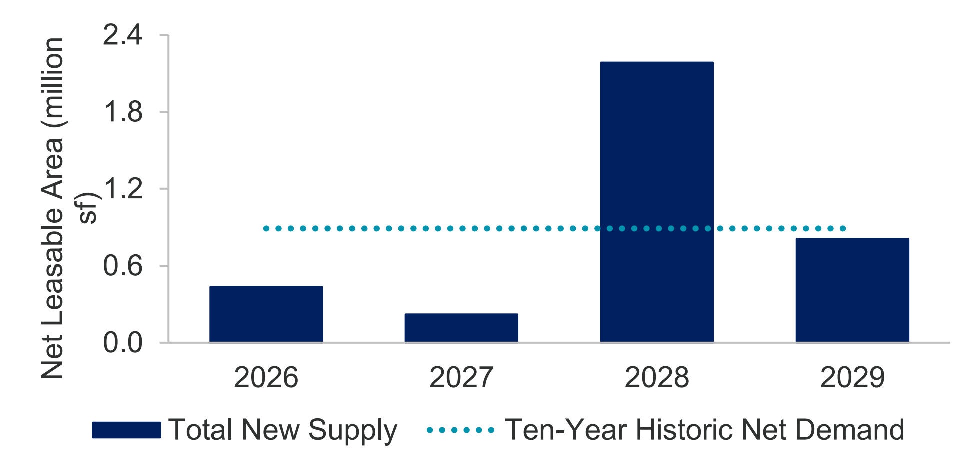
CBD Grade A office rental growth is expected to gain pace in 2026, as vacancy is projected to fall below 4.0%, backed by improving demand and constrained supply. Limited new supply will remain a key driver, with only 0.4 msf of CBD Grade A space completing in 2026 and 0.2 msf in 2027, well below the historical annual net demand of 0.9 msf. Market tightness is set to persist, though rent performance might vary across Grade A buildings by location and specifications.

Decentralised office rents are also expected to pick up in 2026. As CBD Grade A rents accelerate, decentralised locations, which offer a more cost-effective alternative, may attract renewed occupier interest, particularly from firms seeking value or larger floor plates.

GRADE A CBD OFFICE GROSS EFFECTIVE RENT & VACANCY RATE



GRADE A CBD OFFICE SUPPLY PIPELINE



** 2025 includes both completed and ongoing projects for the year*

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	PLANNED & UNDER CNSTR (SF)	GRADE A GROSS EFFECTIVE RENT *		
					S$/SF/MO	US$/SF/MO	EUR/SF/MO
Marina Bay	10,242,414	347,850	3.4%	0	12.93	10.05	8.56
Raffles Place	8,217,984	386,372	4.7%	360,000	11.36	8.83	7.53
Shenton Way / Tanjong Pagar	5,457,708	585,238	10.7%	1,131,000	10.95	8.51	7.26
City Hall / Marina Centre	4,899,772	82,728	1.7%	0	10.95	8.51	7.25
Orchard Road	2,981,632	58,086	1.9%	913,000	9.86	7.66	6.53
Bugis	1,997,172	31,088	1.6%	994,000	11.48	8.93	7.61
CBD GRADE A TOTAL	**33,796,682**	**1,491,362**	**4.4%**	**3,357,000**	**11.21**	**8.71**	**7.43**
City Fringe (All Grades)	8,362,730	500,675	6.0%	575,000	7.58	5.89	5.02
Suburban (All Grades)	6,610,924	210,020	3.2%	370,000	6.31	4.90	4.18

**Gross Effective Rents are after adjustments for any incentives*
US$/S$ = 1.286; €/S$ = 1.509, as of 31 Dec 2025

RECENT KEY LEASE TRANSACTIONS

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Shaw Tower	Bugis	Adyen	40,000	Relocation
Keppel South Central	Tanjong Pagar	The Great Room	20,000	New lease
Bank of Singapore Centre	Raffles Place	ARCC Offices	16,700	Expansion
Marina Bay Financial Centre Tower 2	Marina Bay	Moody's	13,600	Relocation
Keppel South Central	Tanjong Pagar	K Marine Ship Management	13,000	Relocation
Asia Square Tower 1	Marina Bay	HD Hyundai Marine Solution	12,800	Relocation

KEY SALES TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	SELLER/BUYER	PRICE (S$M)
Marina Bay Financial Centre Tower 3 (one-third partial interest)	Marina Bay	Hongkong Land / Keppel REIT	1,453.0
Merchant Square	River Valley	Raffles Education / LaSalle JV Elevate Capital Group	121.8
REHAU Building	Bugis	Macritchie Developments JV Coliwoo / Undisclosed	40

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