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# Q4 2025
# **Retail**

## Retail Market Finds Balance
## Amid Tight Supply & Softened Demand

A product by Realion (OrangeTee & ETC) Research

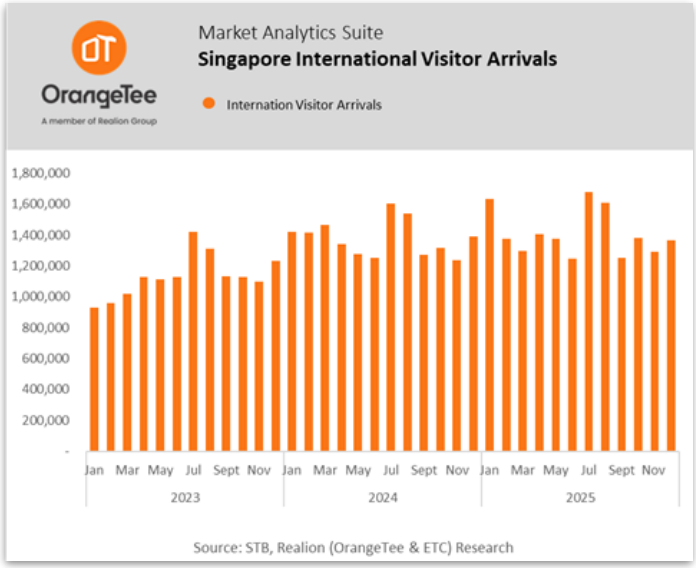
# At A Glance

| **Retail** \| Q4 2025 | QoQ Change | YoY Change |
|---|---|---|
| Orchard/Scotts Road 1st Storey Rent: **S$41.85 psf** | ▬ 0.0% | ▲ 1.6% |
| Supply Pipeline: **1.76 million sq ft (2026 to 2030)** | | |

## **Tourism Trends** | Visitor arrivals at 16.9 million in 2025

- In Q4 2025, International Visitor Arrivals (IVA) stood at 4.0 million, marking 11.2 percent decrease from the approximate 4.5 million recorded in the previous quarter. For the whole of 2025, total international visitor arrival reached 16.9 million.
- According to the Singapore Tourism Board (STB), tourism receipts hit S$23.9 billion in the first three quarters of 2025, this represents a 6.5 per cent increase year-on-year (y-o-y). Based on current trends, full-year tourism receipts are expected to exceed STB's 2025 forecast range of S$29.0 to S$30.5 billion.

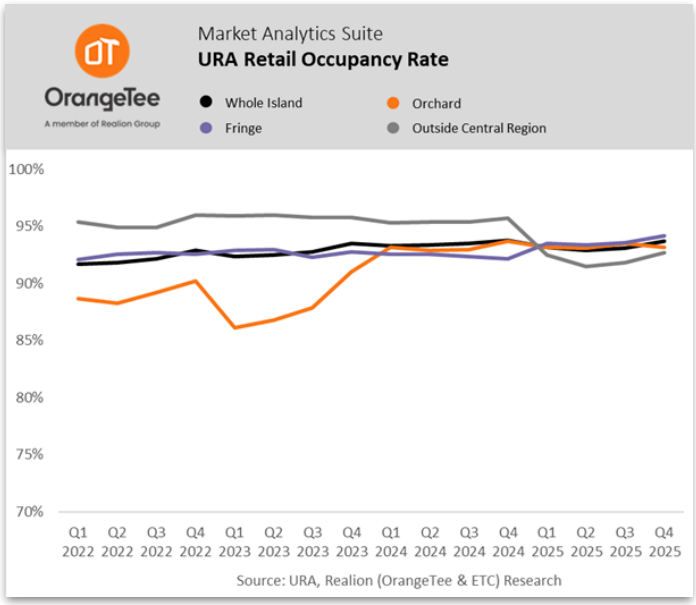
**Figure 1 : International visitor arrivals decline in Q4 2025**




## **Occupancy** | Retail occupancy rates remain stable

- In Q4 2025, Singapore's island-wide retail occupancy rate increased to 93.7 per cent, up from 93.1 per cent in the previous quarter, indicating a generally stable leasing environment, supported by steady tenant demand. Occupancy in the Fringe/Suburban Areas rose marginally from 93.6 per cent to 94.2 per cent in Q4, as resilient local demand continued to support leasing activity, particularly from food & beverage businesses and essential goods and services operators.
- In contrast, Orchard/Scotts Road saw a slight easing in occupancy from 93.5 per cent to 93.2 per cent, potentially reflecting ongoing tenant rotations and selective consolidation by retailers. Meanwhile, occupancy in the Other City Areas increased from 91.8 per cent to 92.7 per cent. This increase in occupancy is absorption-led, as completed retail spaces were progressively taken up by operators.

**Figure 2 : Island-wide occupancy rates increased**



# **Rental Trends** | Suburban rents increase marginally

- In Q4 2025, prime first-storey rental rates on Orchard/Scotts Road remained unchanged at S$41.85 psf, while Other City Areas held steady at S$19.60 psf.
- Prime first-storey rents in the Fringe/Suburban Areas rose marginally by 0.4 per cent to S$34.65 psf.

**Table 1 : Fringe/Suburban Area rental rates rose**

| | Q3 2025 | Q4 2025 | Q-o-Q Change |
|---|---|---|---|
| **Orchard/Scotts Road** | | | |
| First Storey | S$41.85 psf | S$41.85 psf | 0.0% |
| Upper Storey | S$15.65 psf | S$15.65 psf | 0.0% |
| **Other City Areas** | | | |
| First Storey | S$19.60 psf | S$19.60 psf | 0.0% |
| Upper Storey | S$8.75psf | S$8.75psf | 0.0% |
| **Fringe/Suburban Areas** | | | |
| First Storey | S$34.50 psf | S$34.65 psf | 0.4% |
| Upper Storey | S$18.40 psf | S$18.45 psf | 0.3% |

Source: Realion (OrangeTee & ETC) Research

# **Supply Pipeline** | Limited supply until 2029

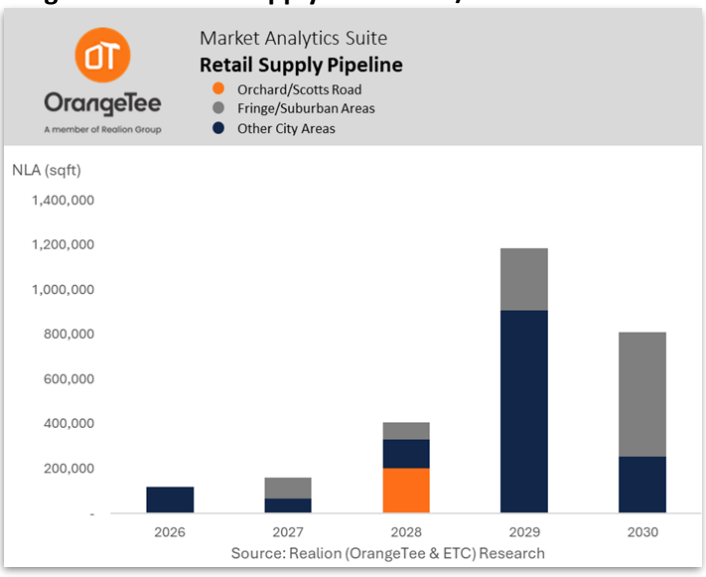
- A few major upcoming developments, expected to be completed between 2026 and 2029, will inject about 1.2 million sq ft of Net Lettable Area (NLA) in total.
- Supply is relatively measured in 2026 and 2027, driven mainly by projects such as Canninghill Square, Clifford Centre Redevelopment, and Chill @ Chong Pang.
- New supply is projected to increase from 2028 onwards, with larger-scale developments including Forum Mall at voco Orchard Hotel, as well as the redevelopment of Marina Square and Golden Mile Complex. Together, these projects account for a significant share of the pipeline toward the later years.

**Table 2 : More supply expected in 2028**

| Selected Major Upcoming Development | NLA '000 sq ft |
|---|---|
| **2026** | |
| Canninghill Square | 90 |
| ParkRoyal Collection Faber House | 5 |
| **2027** | |
| Clifford Centre Redevelopment | 35 |
| Chill @ Chong Pang | 53 |
| **2028** | |
| The Reserve Residences | 74 |
| Forum mall, voco Orchard Hotel | 202 |
| **2029** | |
| Marina Square Redevelopment | 660 |
| Golden Mile Complex Redevelopment | 87 |
| | **1,206** |

Source: Realion (OrangeTee & ETC) Research

**Figure 3 : Limited supply in Orchard/Scotts Road area**



# **Outlook** | Limited supply supports rents

- According to the Singapore Tourism Board (STB), international visitor arrivals are projected to reach between 17.0 to 18.0 million in 2026, with tourism receipt estimated at between $31 billion and $32.5 billion.
- Retail rental growth is expected to remain modest in the near term, as manpower constraints and rising operating costs continue to weigh on retailers' expansion plans. Consequently, leasing demand may soften as tenants become more cautious in committing to space.
- The impact on rents is expected to be mitigated by the limited retail supply pipeline, which should help support occupancy and rental performance. Overall, retail rents are projected to remain broadly stable with modest growth supported by tight supply conditions.
- We expect prime Orchard/Scotts Road rents to rise by 1.5 per cent to 2.5 per cent, while prime rents in other city areas and fringe/suburban areas are forecasted to grow by 1 per cent to 2 per cent.

## Retail Rents (Prime First Storey)

| Indicators | 2022 | 2023 | 2024 | Q3 2025 | Q4 2025 | 2025 | Projection for 2026 |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **Orchard/Scotts Road** | 5.1% | 5.4% | 2.7% | 0.5% | 0.0% | 1.5% | 1.5% to 2.5% |
| **Other City Areas** | 2.0% | 1.5% | 0.7% | 0.5% | 0.0% | 1.0% | 1% to 2% |
| **Fringe/Suburban Areas** | 5.3% | 3.8% | 1.9% | 0.0% | 0.3% | 1.2% | 1% to 2% |

Source: Realion (OrangeTee & ETC) Research

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