



Realion Research Stock Image

# Q1 2026 Retail

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## Occupancy Remains Stable Despite Some High Profile Store Closures

# At A Glance

Retail | Q1 2026

QoQ Change

YoY Change

Orchard/Scotts Road 1<sup>st</sup> Storey Rent: **S\$41.85 psf**

▲ 0.25%

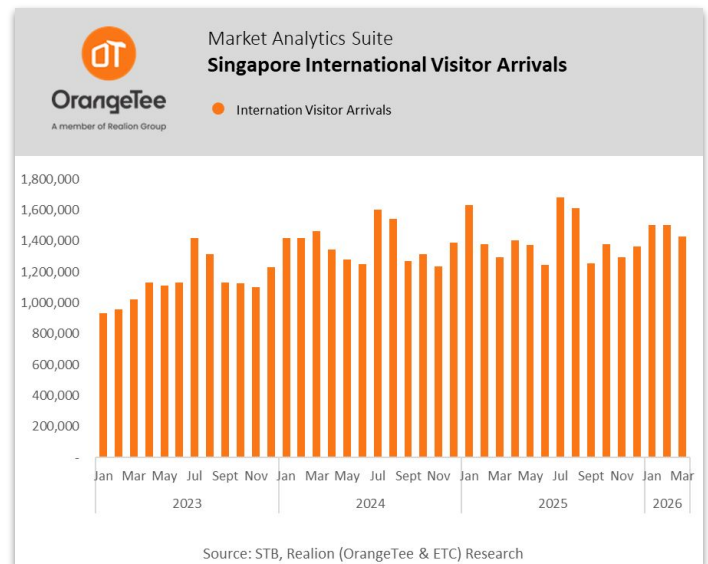
▲ 1.6%

Supply Pipeline: **2.70 million sq ft (2026 to 2030)**

## Tourism Trends | Increase in quarterly visitor arrivals

- In Q1 2026, International Visitor Arrivals (IVA) reached 4.4 million, reflecting a 9.8 per cent increase from 4.0 million visitors in Q4 2025.
- According to the Singapore Tourism Board (STB), international visitor arrivals are projected to reach between 17.0 and 18.0 million in 2026, with tourism receipts estimated to be between S\$31 billion and S\$32.5 billion. While various events are planned for the rest of the year to boost visitor numbers, global uncertainty may weigh on the tourism sector.

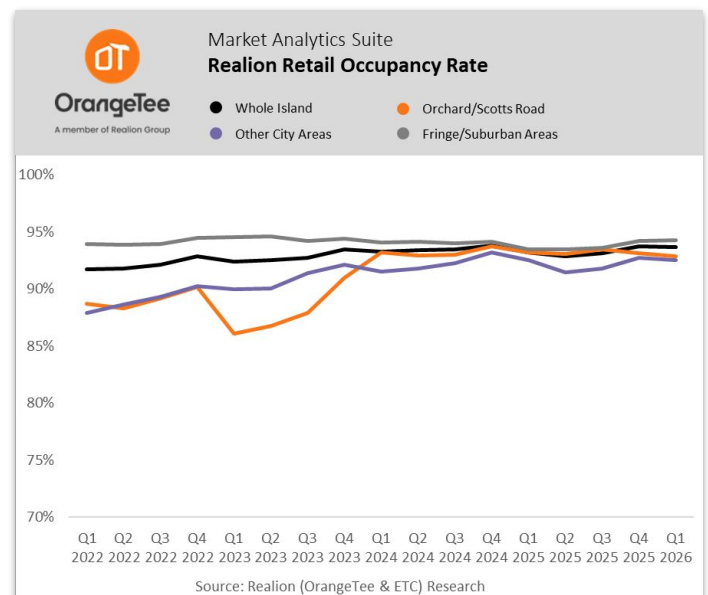
Figure 1 : International visitor arrivals climbed in Q1 2026



## Occupancy | Retail occupancy rates remain steady

- Island-wide retail occupancy remained stable at 93.7 per cent in Q1 2026, indicating steady leasing demand across malls. Despite several high-profile store closures, vacancies were generally backfilled quickly as new and existing brands continued to open outlets in Singapore. Store closures include The Providore, T2 Tea, Itacho Sushi and Pull & Bear.
- Occupancy in Fringe/Suburban Areas increased marginally from 94.2 per cent in Q4 2025 to 94.3 per cent in Q1 2026, supported by strong local demand and steady footfall at food and beverage businesses, as well as essential goods and services operators. However, occupancy dipped slightly in both the Orchard/Scotts Road and Other City Areas, falling from 93.2 per cent and 92.7 per cent in Q4 2025 to 92.9 per cent and 92.6 per cent in Q1 2026, respectively. Store closures may have contributed to the minor increase in vacancies, despite some new entrants taking over portions of the retail space.

Figure 2 : Island-wide occupancy remained flat



# Rental Trends | Orchard and Fringe rents grew marginally

- Prime first-storey rental rates inched up in Orchard/Scotts Road by 0.25 per cent quarter-on-quarter (q-o-q) in Q1 2026 to S\$41.95 psf, while prime first-storey rents in Other City Area retail spaces remained flat. Prime first-storey rents in Fringe/Suburban Areas grew by 0.25 per cent q-o-q in Q1 2026 to S\$34.70 psf.

**Table 1 : Other City Area rents remained flat**

	Q4 2025	Q1 2026	Q-o-Q Change
<b>Orchard/Scotts Road</b>			
First Storey	S\$41.85 psf	S\$41.95 psf	0.25%
Upper Storey	S\$15.65 psf	S\$15.70 psf	0.25%
<b>Other City Areas</b>			
First Storey	S\$19.60 psf	S\$19.60 psf	0.0%
Upper Storey	S\$8.75 psf	S\$8.75 psf	0.0%
<b>Fringe/Suburban Areas</b>			
First Storey	S\$34.65 psf	S\$34.70 psf	0.25%
Upper Storey	S\$18.45 psf	S\$18.50 psf	0.25%

Source: Realion (OrangeTee & ETC) Research

## Supply Pipeline | Limited supply until 2029

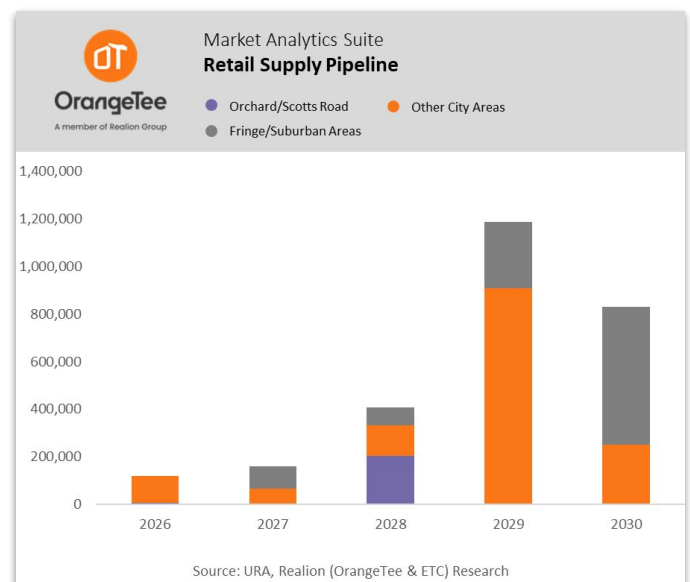
- 2.7 million sqft of Net Lettable Area (NLA) will be added between 2026 and 2030, with the completion of new retail spaces and redevelopment projects.
- A few projects will be completed in 2026 and 2027, including major redevelopment projects. Some of these include Canninghill Square in 2026, Clifford Centre redevelopment and Chill @ Chong Pang in 2027.
- Completions of larger redevelopments will contribute to the bulk of new retail space from 2028 onwards, including Forum Mall and Voco Orchard Hotel, as well as the redevelopment of Marina Square and Golden Mile Complex.
- Retail space from a few mixed-developments will also contribute to the future supply of retail space from 2030 and onwards.

**Table 2 : More supply expected in 2028 and 2029**

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

Source: Realion (OrangeTee & ETC) Research

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



# Outlook | Modest rental growth supported by limited supply

- Geopolitical uncertainties stemming from the ongoing Middle East conflict will continue to pose significant downside risk. Inflationary pressures from surging energy costs and supply chain disruptions could dampen discretionary spending for the rest of the year.
- Retailers may continue to struggle with manpower shortages and high business costs.
- Nevertheless, the projected strong international visitor arrivals will boost luxury and tourist-centric retail spending, especially for prime retail malls. The tight retail supply will also support occupancy and rental performance.
- Overall, retail rents are projected to remain broadly stable with modest growth this year.

## Retail Rents (Prime First Storey)

Indicators	2023	2024	2025	Q4 2025	Q1 2026	Projection for 2026
Orchard/Scotts Road	3.5%	1.6%	1.5%	0.0%	0.25%	1.5% to 2.5%
Other City Areas	0.5%	0.6%	1.0%	0.0%	0.0%	1.0% to 2.0%
Fringe/Suburban Areas	2.0%	1.4%	1.2%	0.3%	0.25%	1.0% to 2.0%

Source: Realion (OrangeTee & ETC) Research

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