

PRIVATE AND HDB RENTAL VOLUMES REBOUND

Private and HDB Rental Trends Q1 2025



OrangeTee Stock Image

Both the private and HDB rental markets experienced a rebound in demand after the year-end holiday and festive celebration. Private rents increased slightly in the first quarter of 2025, after holding steady in the preceding quarter.



Marina One Residences (OrangeTee photo by student intern)

Private Rents



In the first quarter of 2025, overall private rents rose marginally with small increases observed for both non-landed and landed properties. According to the Urban Redevelopment Authority (URA) rental index, private rents, excluding Executive Condominiums (EC), increased by 0.4 per cent in Q1 2025, following a steady quarter in the preceding quarter (Chart 1). Landed rental prices grew by 0.3 per cent, a reversal from the 1.8 per cent decline in Q4 2024. Non-landed rental prices rose by 0.5 per cent after registering a 0.2 per cent growth in the preceding quarter.



By market segment, condo rental prices posted marginal quarter-on-quarter (q-o-q) gains across all market segments in Q1 2025. Condo rents in the prime areas or Core Central Region (CCR) and the city fringe or Rest of Central Region (RCR) both climbed by 0.4 per cent, after growing by 0.9 per cent and 0.3 per cent in the preceding quarter, respectively. Similarly, condo rents in the suburban area or Outside Central Region (OCR) increased by 0.7 per cent q-o-q, reversing from the 0.8 per cent drop in Q4 2024 (Chart 2).



The rental growth observed across all market segments was within expectation, given that demand likely outstripped supply in some locations. There was a substantial drop in projected completions in 2025 compared to previous years. Likewise, the upswing of rental growth rates in the suburban and city fringe areas compared to Q4 2024 were also expected as a drop in supply within these regions will be more significant.

Chart 1: Overall private rents rose slightly

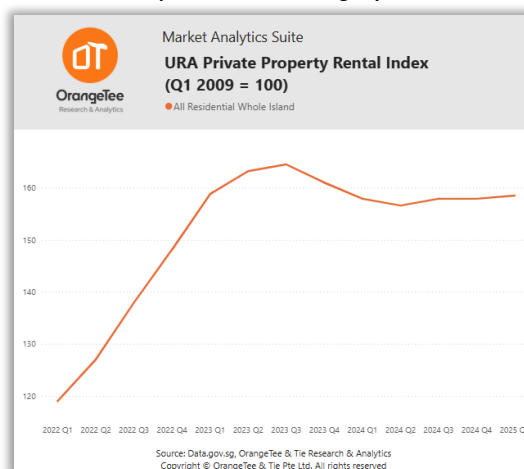
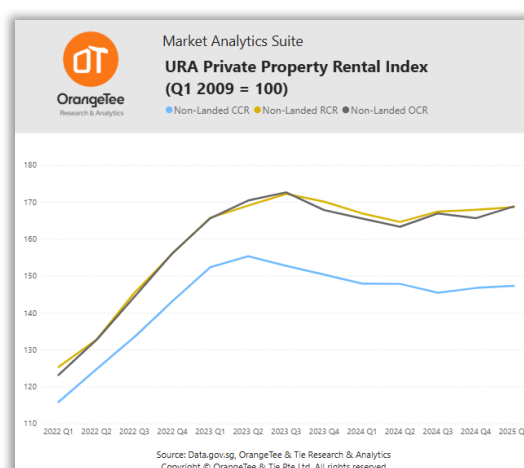


Chart 2 Condo rents rose across all segments



Rental Volume | Improved Demand

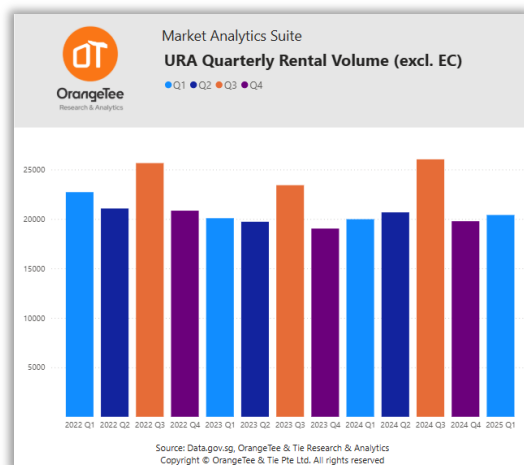


According to URA REALIS, the overall private non-landed (excluding EC) rental volume increased by 3.2 per cent from 19,782 units in Q4 2024 to 20,409 units in Q1 2025, a reversal from the 24 per cent q-o-q decline in Q4 2024 (Chart 3). The higher demand could be attributed to more tenants returning to the leasing market after the year-end holidays. As such, the overall occupancy rate rose to 93.5 per cent in Q1 2025 (Chart 4).



Year-on-year, private rental volume increased by 2.1 per cent, reversing the 0.5 per cent decline in the first quarter of 2024.

Chart 3 Rental transaction volume rose by 3.2%



Rental Supply | Decrease

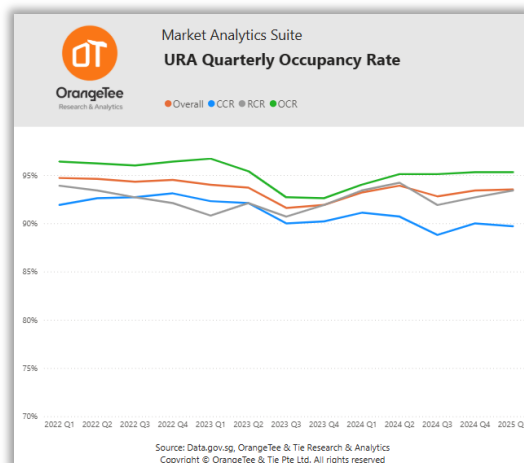


In the first quarter of this year, 1,988 private residential units (excluding EC) were completed, which was 35.5 per cent lower than the 3,084 units in Q4 2024. According to URA Q1 2025 real estate statistics, around 3,932 more units will be completed for the rest of the year. This translates to an average of about 1,311 units to be completed each quarter from Q2 to Q4, which will inevitably put some downward pressure on the number of new rental units entering the market.



The private rental market may take longer than expected to fully recover, given the rising macroeconomic uncertainties surrounding the tariff headwinds and potential global trade wars. Based on the latest World Economic Outlook report by the International Monetary Fund (IMF), global growth has been adjusted downwards.

Chart 4 Overall occupancy rose to 93.5%



Therefore, some companies may slow down their expat hiring in light of the uncertain economic outlook, and this may impact the private rental market. Nevertheless, the declining supply of completed homes, along with the lowering of interest rates, which helps reduce business financing costs, may mitigate a significant rental price correction. Overall rents may rise between 2 and 4 per cent for the whole of 2025.

Private Rental Market Projection

Indicators (All exclude EC except for URA PPI and URA RI)	2022	2023	2024	Q4 2024	Q1 2025	Projection for 2025
Rental						
URA Rental Index (Price Change) (incl. EC)	29.7%	8.7%	-1.9%	0.0%	0.4%	2% to 4%
Leasing volume (units)*	90,291	82,268	86,476	19,782	20,409	78,000 to 82,000

Source: URA, OrangeTee & Tie Research & Analytics * URA Realis caveat data

MOST POPULAR CONDOS IN Q1 2025

(BASED ON HIGHEST NUMBER OF RENTAL TRANSACTIONS)

Project Name	Address	Total Transactions	Median Rents SGD Per month (1 Bedroom)	Median Rents SGD Per month (2 Bedroom)	Median Rents SGD Per month (3 Bedroom)
Core Central Region (CCR)					
D'LEEDON	LEEDON HEIGHTS	127	\$3,900	\$5,400	\$7,500
MARINA ONE RESIDENCES	MARINA WAY	115	\$4,700	\$7,400	\$10,000
THE SAIL @ MARINA BAY	MARINA BOULEVARD	114	\$4,325	\$6,350	\$7,900
DUO RESIDENCES	FRASER STREET	83	\$4,750	\$7,000	\$10,500
ONE HOLLAND VILLAGE RESIDENCES	HOLLAND VILLAGE WAY	82	\$3,800	\$5,350	\$8,000
THE AVENIR	RIVER VALLEY CLOSE	82	\$4,325	\$6,500	\$9,400
ICON	GOPENG STREET	79	\$4,200	\$6,150	NA
THE M	MIDDLE ROAD	77	\$4,000	\$5,000	\$7,100
Rest of Central Region (RCR)					
NORMANTON PARK	NORMANTON PARK	173	\$3,300	\$4,200	\$5,300
ONE PEARL BANK	PEARL BANK	129	\$4,100	\$5,300	\$7,550
PARC ESTA	SIMS AVENUE	119	\$3,500	\$4,600	\$5,800
REFLECTIONS AT KEPPEL BAY	KEPPEL BAY VIEW	90	NA	\$5,950	\$8,725
JADESCAPE	SHUNFU ROAD	83	\$3,400	\$4,400	\$5,900
CITY SQUARE RESIDENCES	KITCHENER LINK	80	\$3,500	\$4,600	\$6,000
SIMS URBAN OASIS	SIMS DRIVE	79	\$3,100	\$3,950	\$5,000
SKY VUE	BISHAN STREET 15	74	\$3,300	\$4,100	\$6,000
Outside of Central Region (OCR)					
WATERTOWN	PUNGGOL CENTRAL	97	\$3,100	\$4,000	\$5,300
TREASURE AT TAMPINES	TAMPINES LANE	92	\$2,800	\$3,375	\$4,400
PARC CLEMATIS	JALAN LEMPENG	87	\$3,200	\$4,175	\$5,550
J GATEWAY	GATEWAY DRIVE	84	\$3,700	\$4,500	\$6,000
MELVILLE PARK	SIMEI STREET 1	70	NA	\$3,400	\$4,200
BAYSHORE PARK	BAYSHORE ROAD	69	\$2,800	\$3,600	\$4,400
HIGH PARK RESIDENCES	FERNVALE ROAD	68	\$2,600	\$3,100	\$3,650
HILLION RESIDENCES	JELEBU ROAD	67	NA	\$3,750	NA

Source: URA, OrangeTee & Tie Research & Analytics



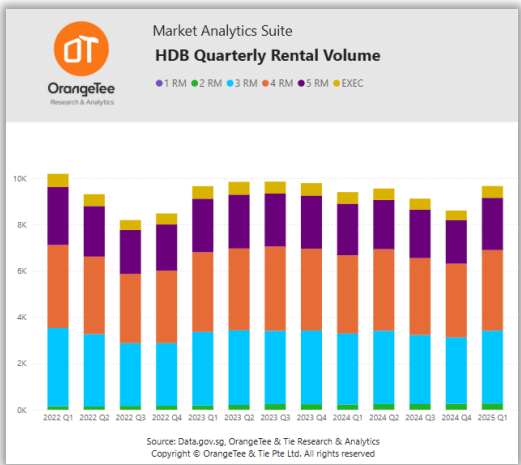
OrangeTee photo by student intern Colin Chang

HDB Rental Market

HDB rental volume rebounded in Q1 2025, rising for the first time in three quarters. According to HDB Public Housing Data for Q1 2025, the number of approved applications to rent out HDB flats climbed strongly by 12.3 per cent from 8,603 units in Q4 2024 to 9,662 units in Q1 2025, reversing the 5.6 per cent drop in Q4 2024 and the 4.6 per cent drop in Q3 2024. The uptick in HDB rental volume is expected, as rental activities usually pick up after the year-end holidays and festive season.

HDB rents remained relatively stable in Q1 2025. According to the SRX-99.co HDB rental price index, HDB rents increased by 0.1 per cent in Q1 2024, a slower growth compared to the 1.3 per cent growth in Q4 2024. Moving ahead, we may continue to see slight upward pressure on HDB rents this year due to the limited supply of flats reaching their Minimum Occupation Period (MOP). Recently, there has been a noticeable rise in foreign students and expats returning to Singapore. This may be attributed to our stable employment outlook and easing of inflationary pressures.

Chart 5 Approved applications for HDB rental rose by 12.3%



However, some landlords were also more flexible and open to negotiate rents, given the intense competition for tenants from the private rental market. The net effect may see overall rents rising between 2 and 4 per cent for the whole of 2025.

HDB Rental Market Projection

Indicators	2022	2023	2024	Q4 2024	Q1 2025	Projection for 2025
Rental						
Rental Price Change (SRX-99.co)	28.5%	10.2%	3.6%	1.3%	0.1%	2% to 4%
HDB Rental Applications	36,166	39,138	36,673	8,603	9,662	36,500 to 38,000

Source: HDB, SRX-99.co, OrangeTee & Tie Research & Analytics

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