

NEWMARK

Singapore Strata Commercial & Shophouse Report

2H25

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Overview

While more banks are right-sizing to achieve efficient floorplates, tech companies, including fintech, AI and crypto-related firms, are looking to expand their office footprints.

In addition, the ongoing displacement of tenants due to the redevelopment of older office buildings has contributed to the absorption of shadow space in the market.

Separately, more landlords are carving out smaller, fitted-out office units to help smaller tenants manage upfront capital expenditure.



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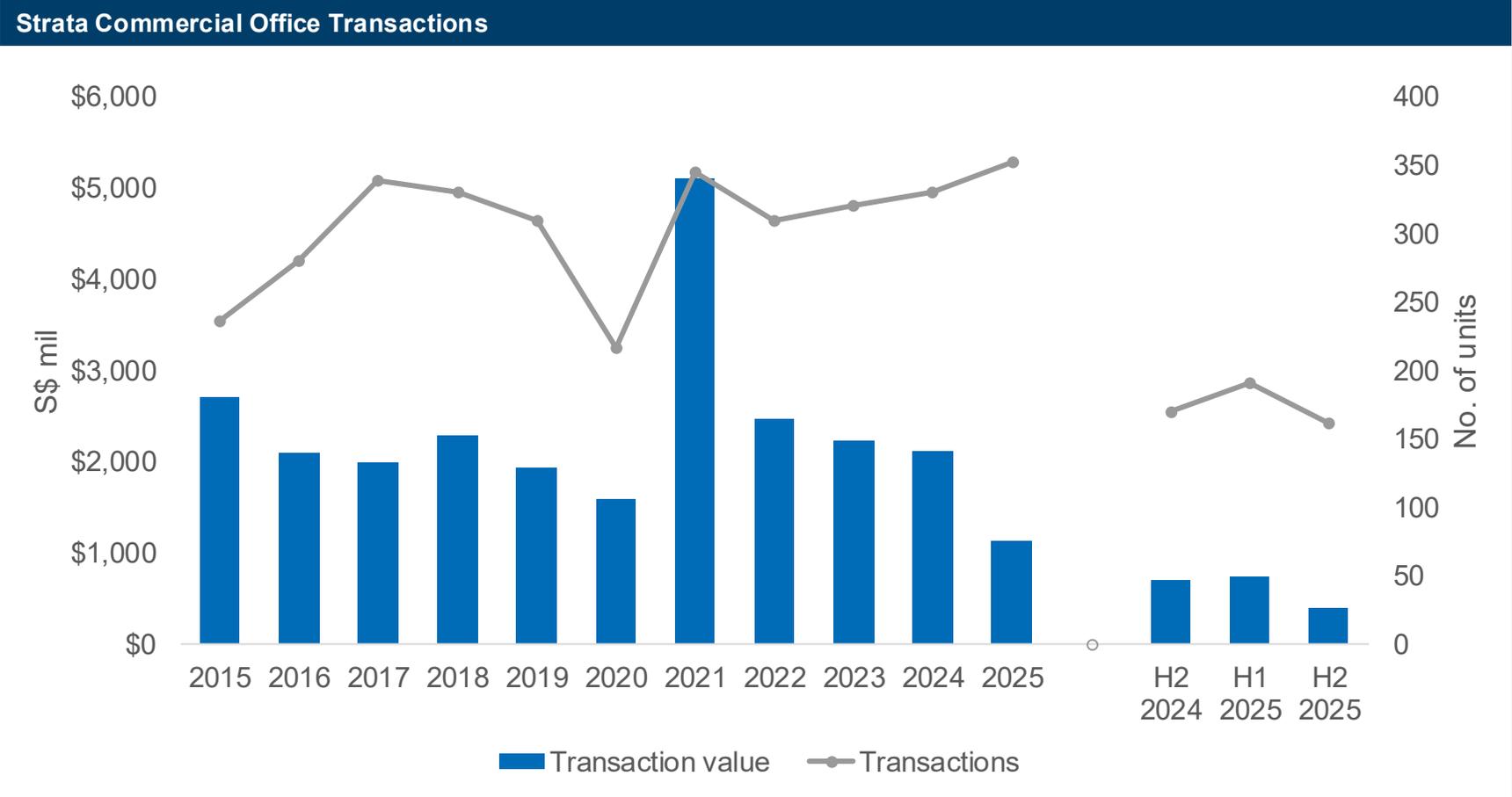
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Strata Office



Strata Office: Two-Tier Market Driven by Scarce Grade A Offices and Reviving Enbloc Interest in Older Offices



Sales of strata commercial offices declined for the fourth consecutive year, falling to \$1.13 billion in 2025. While total transaction value fell across the board, the number of deals edged higher, to around 350 transactions, up 6.1% year over year. In H2 2025, transaction value and deal volume have moderated compared with H1 2025, pointing to softer market momentum toward the year-end.

Rather than viewing this as a broad shift toward smaller-ticket office deals, the divergence could reflect the limited larger-price quantum strata office assets opportunities coming to market, which continue to cap overall transaction values. Premium office space remains highly coveted by investors and owner-occupiers seeking to acquire offices for their own use.

Motivation of Strata Office Buyers Varied

Ahead of the development of the Jurong Lake District (JLD), interest in Grade A offices in the vicinity has picked up. Collectively, nine transactions were recorded at Vision Exchange in 2025, of which two involved the purchase of multiple units on a single floor.

Similarly, interest in the Woodlands planning area picked up with 31 units at Woods Square transacted in 2025. The project's proximity to the upcoming RTS Link, as well as the Johor–Singapore Special Economic Zone has drawn the attention of investors, reflecting expectation of future demand.

Separately, interest in selected older strata office projects picked up in recent months, supported by buyers' hopes of a potential enbloc opportunity. For instance, the Manhattan House saw a portfolio of 32 units sold to a single buyer in H2 2025, following a transaction involving another 11 units to the same buyer earlier in the year.

Top 10 Strata Office Transactions in H2 2025

No.	Project Name	Address	Transacted Price (\$)	Area (SQFT)	Unit Price (\$ PSF)	Tenure [1]
1	Suntec Tower One	7 Temasek Boulevard #35-01,02,03	\$33,966,000	10,097	\$3,364	LH
2	Vision Exchange	2 Venture Drive #20-01 - 14	\$20,500,000	10,775	\$1,903	LH
3	Prudential Tower	30 Cecil Street #19-05/06/07/08	\$16,221,000	5,952	\$2,725	LH
4	Vision Exchange	2 Venture Drive #22-09 - 14	\$13,586,000	5,845	\$2,324	LH
5	111 Somerset	111 Somerset Road #14-01-04	\$10,593,541	3,638	\$2,912	LH
6	Tung Ann Association Building	141 Cecil Street #05-01	\$10,550,000	4,338	\$2,432	FH
7	Suntec Tower One	7 Temasek Boulevard #39-02	\$8,100,000	2,196	\$3,689	LH
8	Manhattan House	151 Chin Swee Road #03-01 etc	\$7,262,000	9278	\$782 to \$784	LH
9	The Central	8 Eu Tong Sen Street #11-96, 97	\$7,400,000	2,368	\$3,125	LH
10	Paya Lebar Square	60 Paya Lebar Road #13-17,18	\$6,000,000	2,680	\$2,239	LH



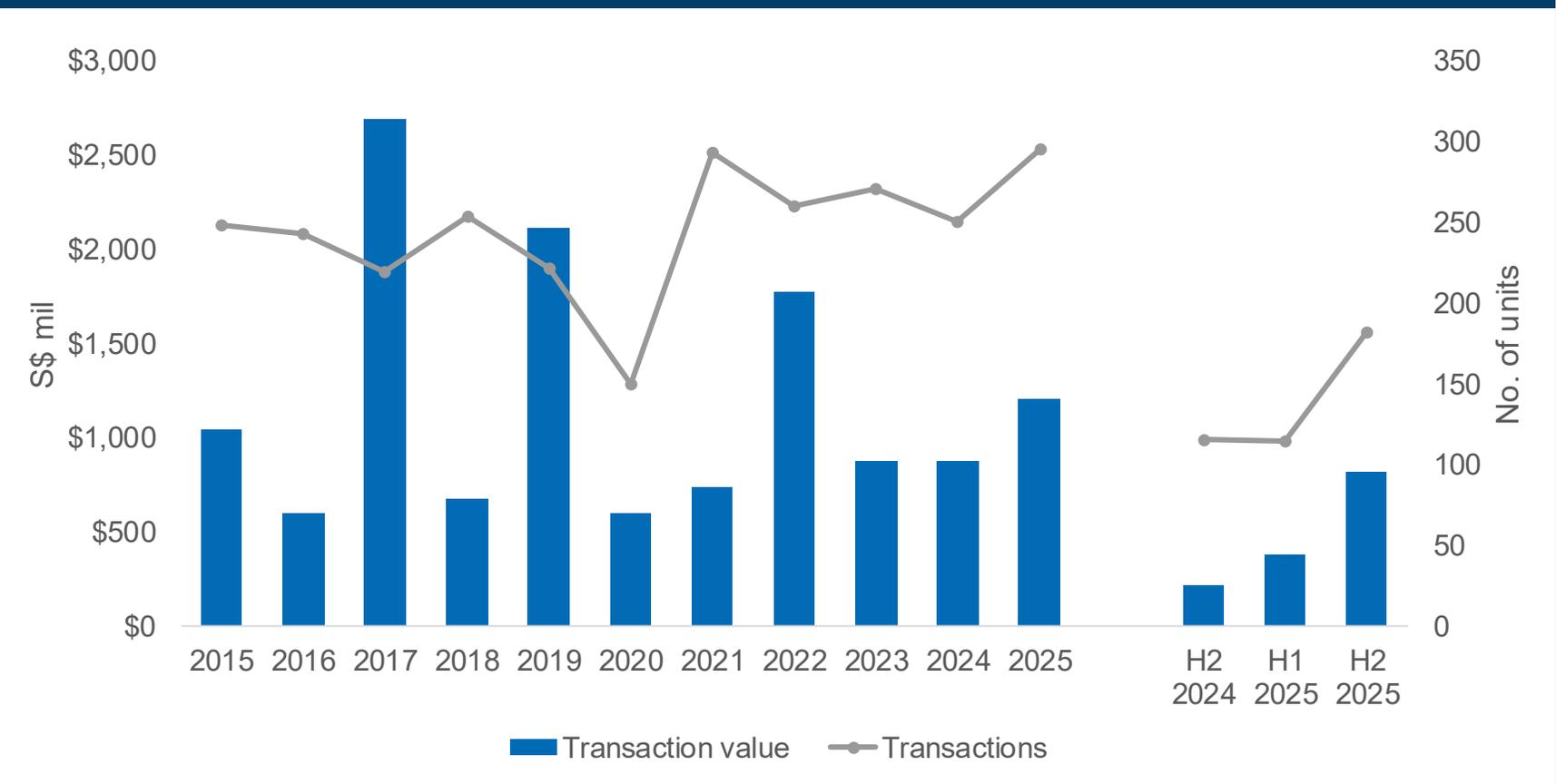
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Strata Retail



Strata Retail: More Opportunities Driving Transaction Activity

Chart 2: Strata Commercial Retail Transactions



2025 marked a revival in the strata retail segment, with transaction values up 38.3% year over year to \$1,206 mil following two years of largely flat activity. Overall, total transaction value rose in H1 2025, then more than doubled in H2 2025.

The significant jump in H2 2025 was anchored by the sale of several larger-ticket retail assets.

Strata Retail Headwinds Prompt Owner Exits, Opening Value Opportunities for Buyers

The strata retail segment remains challenged by structural headwinds, including shifting consumer preferences, e-commerce competition and rising operating costs.

Although these malls continue to offer attractive yields, some owners of older retail assets are unwilling to invest further in asset enhancement and instead opt to unlock capital through divestment. Correspondingly, this has created more investment opportunities in the market today.

The market's top transaction was UOL's divestment of Kinex to Kinex Times Square Pte. Ltd. and Xiaohong Property Management Pte. Ltd for S\$375 mil. Another notable deal is the portfolio sale of seven ground floor retail spaces at Holland Road Shopping Centre, which are thought to have been sold to a single buyer.

Table 2: Top 10 Strata Retail Transactions in H2 2025

No.	Project Name	Address	Transacted Price (\$)	Area (SQFT)	Unit Price (\$ PSF)	Tenure [1]
1	Kinex	11 Tanjong Katong Road #02-01,02,03 Etc	\$375,000,000	261,382	\$1,435	FH
2	Holland Road Shopping Centre	211 Holland Avenue #01-02, 03, Etc	\$71,122,403	12,261	\$5,366 - \$6,301	FH
3	GB Building	143 Cecil Street #01-01, #02-01	\$39,200,000	13,068	\$3,000	LH
4	Golden Village - Yishun Ten	51 Yishun Central 1 #01-01,02,03,09 Etc	\$34,500,000	10,398	\$3,318	LH
5	N.A.	108 Robinson Road #01-01	\$27,683,416	6,728	\$4,115	FH
6	Heritage Place	21 Tan Quee Lan Street #01-03,03a	\$14,000,000	3,025	\$4,629	FH
7	Robertson Blue	86 Robertson Quay #01-01	\$8,800,000	1,755	\$5,016	FH
8	Robertson Blue	86 Robertson Quay #01-02	\$8,288,000	1,561	\$5,310	FH
9	Thomson Plaza	301 Upper Thomson Road #01-73	\$4,700,000	452	\$10,396	LH
10	Square 2	10 Sinaran Drive #10-02	\$4,566,046	904	\$5,050	LH



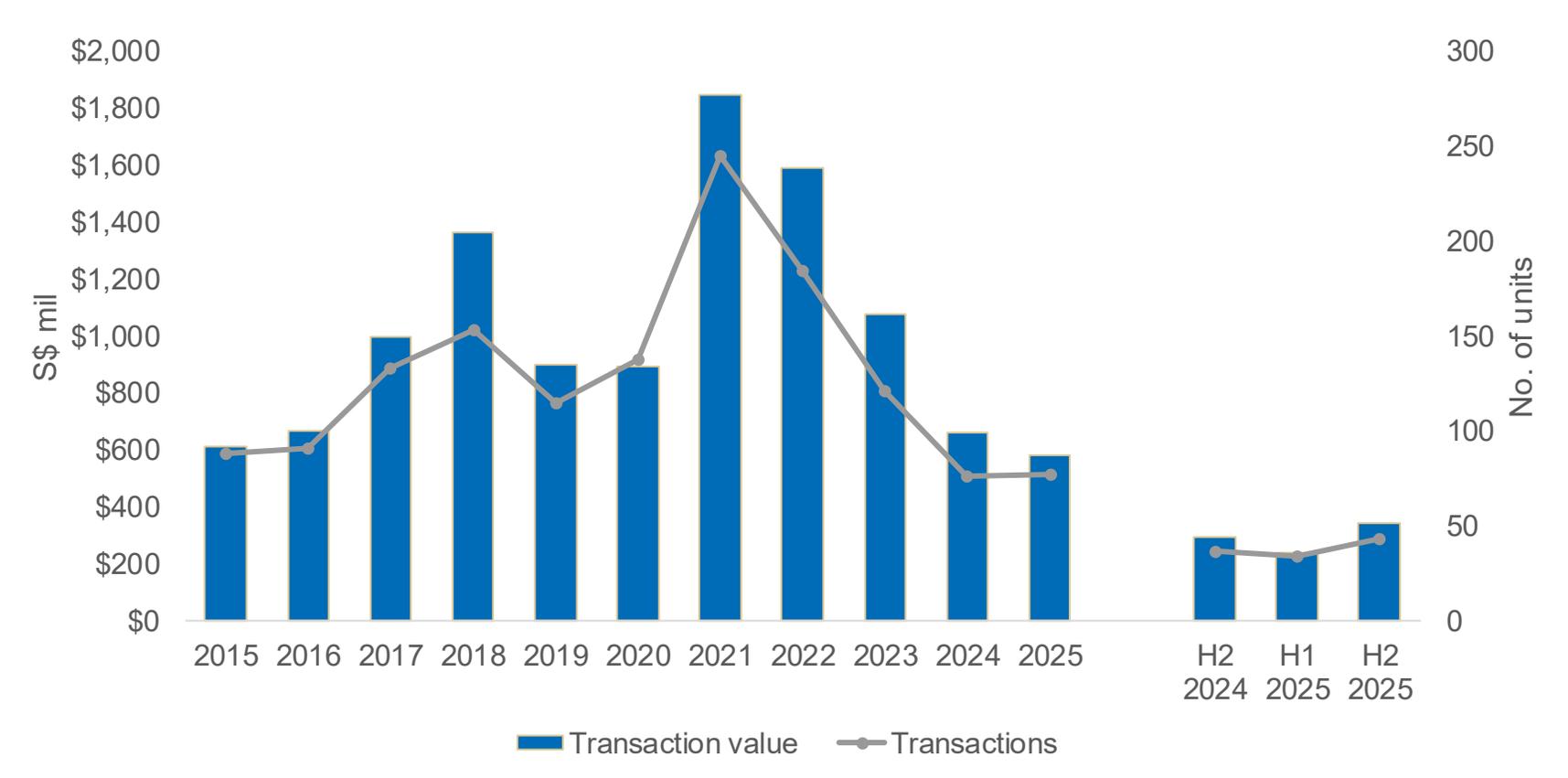
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Landed Shophouse



Landed Shophouse: 2025 Transactions Hit a 10-Year Low

Chart 3: Landed Shophouse Transactions



Landed shophouse transaction value declined to \$579 mil, registering 12.0% year-over-year decline and marking the lowest level since 2014 (\$548 mil). Despite weaker transaction values, deal volumes held steady at 77 units and remained largely unchanged from 2024.

While opportunities remain in the market, buyers are cautious and selective, as they contemplate higher construction and redevelopment costs.

Strata Retail Headwinds Prompt Owner Exits, Opening Value Opportunities for Buyers

Demand for landed shophouses remains strong due to their limited availability and the enduring allure of freehold properties as a means of wealth preservation. Foreign buyers are exempted from Additional Buyer Stamp Duty that apply to the purchase of residential units, when acquiring shophouses zoned under commercial use.

Selected leasehold shophouses with coveted use-type also command a price premium. Overall, landed shophouses continue to serve as a preferred asset class for investors seeking to deploy \$10m–\$20m of capital.

Table 3: Top 10 Landed Shophouse Transactions in H2 2025

No.	Project Name	Address	Transacted Price (\$)	Area (SQFT)	Unit Price (\$ PSF)	Tenure [1]
1	Desker Road Conservation Area	203,205,207 Jalan Besar	\$36,500,000	6378	\$5,723	FH
2	N.A.	37 North Canal Road	\$23,888,888	1730	\$13,810	LH
3	Telok Ayer Conservation Area	65 Club Street	\$21,000,000	2083	\$10,082	FH
4	N.A.	259, 259A, 259B Outram Road	\$15,000,000	2168	\$6,919	FH
5	Blair Plain Conservation Area	69,71 Kampong Bahru Road	\$14,880,000	2343	\$6,350	FH
6	N.A.	20 Liang Seah Street	\$14,200,000	1129	\$12,576	FH
7	Kreta Ayer Conservation Area	78 Pagoda Street	\$12,000,000	1145	\$10,478	LH
8	N.A.	556,558,560,562 Sims Avenue	\$11,800,000	5815	\$2,029	FH
9	N.A.	259 Joo Chiat Road	\$10,000,000	1748	\$5,721	FH
10	Kampong Glam Conservation Area	781 North Bridge Road	\$9,900,000	1798	\$5,507	FH



In Summary



What to Expect for 2026?

Overview

In summary, even amid ongoing global uncertainty, investor appetite is expected to remain intact, supported by investors' perception of Singapore as a safe-haven market, though motivations for acquisitions are likely to differ across asset classes.

Strata Office

An increasingly two-tier strata office market is taking shape.

Demand for Grade A strata offices is expected to remain firm, supported by wealth-preservation motives and limited supply, although available opportunities remain scarce.

Meanwhile, reviving enbloc interest is supporting demand for older office buildings.

Strata Retail

Strata retail headwinds are expected to persist, driving more owner exits and opening new opportunities for buyers.

That said, fragmented and limited opportunities may embolden some owners to seek higher prices.

Landed Shophouse

Landed shophouses could continue to see firm demand, supported largely by wealth-preservation motives and limited supply.

But buyers remain cautious and selective, factoring in higher construction and redevelopment costs, which could temper transaction momentum.

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