

PRIME LOGISTICS MARKET  
FUNDAMENTALS

	YOY Chg	Outlook
7.1% Vacancy Rate	▲	▲
\$1.88 Gross Effective Rent (Ground Floor), PSF/mo	▲	▲
0.0% Rental Growth, QoQ change	▲	▲

ECONOMIC INDICATORS  
Q1 2025

	YOY Chg	Outlook
3.9% Real GDP Growth	▲	▼
1.0% Inflation Growth	▼	▼
2.1% Unemployment	▬	▬

Source: Ministry of Trade & Industry (MTI), Moody's Analytics

CAUTIOUS OUTLOOK

Singapore's economy grew by 3.9% yoy in Q1 2025, easing from 5% yoy growth in the previous quarter. Economic growth is forecasted to moderate to 0.0%-2.0% yoy in 2025, compared to 4.4% yoy growth in 2024. Ongoing trade and tariff uncertainties have led to increasing cautiousness in manufacturing business sentiments and outlook. The Purchasing Managers' Index (PMI) remained in contraction for the second consecutive month, though it rose slightly to 49.7 in May. Manufacturing output growth slowed down to 3.9% yoy in May.

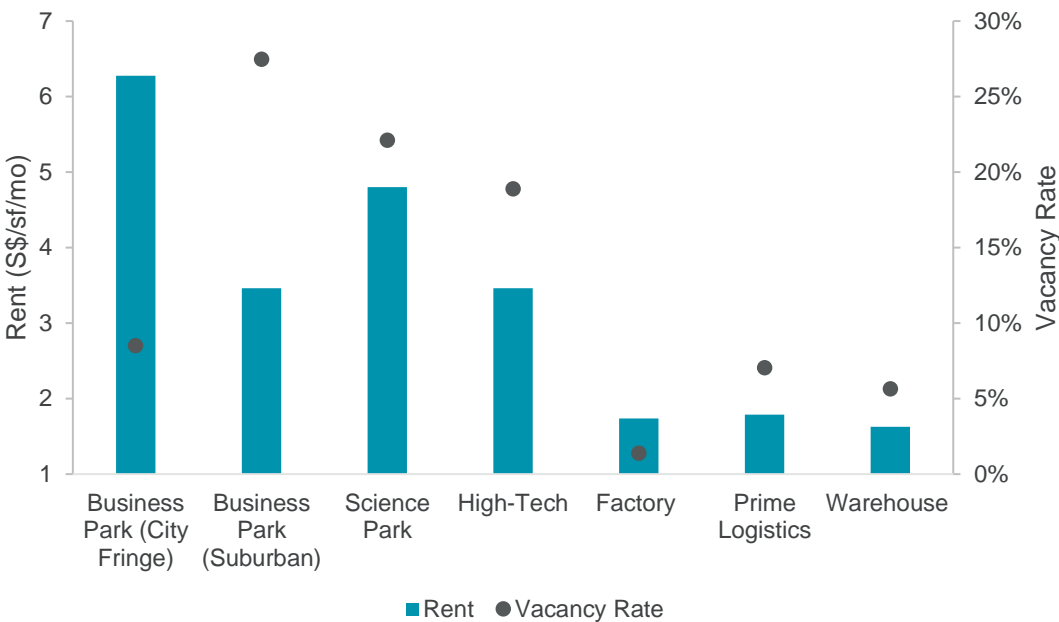
INDUSTRIAL RENTS MODERATE AMIDST UNCERTAINTY

Amid higher vacancy rates, warehouse rental growth moderated to 1.0% qoq, while prime logistics rents remained flat in Q2 2025. Conventional factory rents continued to grow by 0.5% qoq, though rental growth is expected to moderate in the coming quarters due to an expected slowdown in manufacturing recovery. High-tech rents rose by 0.7% qoq in Q2 2025, driven by newer and better-located properties. City fringe business park rents grew by 0.7% qoq while suburban business park rents rose by 0.1% qoq, due to higher rent for one of the projects in our property basket. While industrial rental growth is expected to moderate, most industrial properties could still see positive rental reversions as their leases come up for renewal given the robust industrial rental growth in recent years.

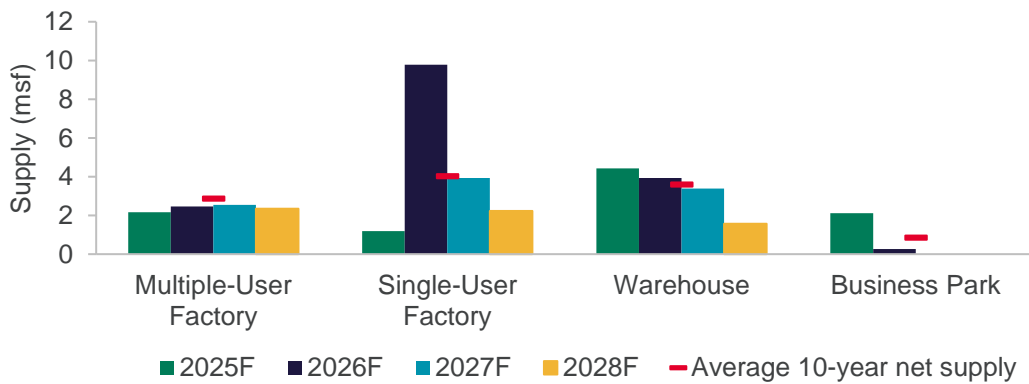
STEADY TAKE-UP RATES AT NEW DEVELOPMENTS

For the multiple-user factory segment, its incoming supply remains limited at below its ten-year historical average. Prime logistics and warehouse spaces will see higher supply in 2025, though majority are for single-users and hence pre-committed. New multi-user prime logistics spaces have seen steady take-up rates despite current uncertainty. Recently completed multi-user prime logistics project 36 Tuas Road is estimated to be 57% occupied, while upcoming projects this year include Mapletree Joo Koon Logistics Hub (50% pre-committed) and 5 Toh Guan Road East (50% pre-committed). Business park new supply is expected to taper off in 2026 after the completion of Punggol Digital District (PDD) and 1 Science Park Drive. New business park developments have seen encouraging take-up rates with tenants preferring close to city locations. 1 Science Park Drive, which is part of Geneo at the greater one-north region, is estimated 78% taken up and PDD is 65% taken up.

Q2 2025 RENT & VACANCY RATE BY ASSET CLASS



SUPPLY PIPELINE



Note: warehouse supply includes both conventional and prime logistics supply

MARKET STATISTICS

SEGMENT	GROSS EFFECTIVE RENT			Q-O-Q CHANGE (%)	12-MONTH OUTLOOK
	S\$/SF/MO	US\$/SF/MO	EUR/SF/MO		
Business Park (City Fringe)	S\$6.28	US\$4.87	€4.23	0.7%	▲
Business Park (Suburban)	S\$3.46	US\$2.68	€2.33	0.1%	■
Science Park	S\$4.80	US\$3.72	€3.24	0.0%	▲
High-Tech	S\$3.46	US\$2.69	€2.34	0.7%	▲
Factory – Ground Floor	S\$1.84	US\$1.43	€1.24	0.6%	▲
Factory – Upper Floor	S\$1.63	US\$1.27	€1.10	0.3%	▲
Warehouse – Ground Floor	S\$1.78	US\$1.38	€1.20	1.1%	▲
Warehouse – Upper Floor	S\$1.48	US\$1.15	€1.00	0.9%	▲
Prime Logistics – Ground Floor	S\$1.88	US\$1.46	€1.27	0.0%	▲
Prime Logistics – Upper Floor	S\$1.70	US\$1.32	€1.14	0.0%	▲

US\$/S\$ = 1.289; €/S\$ = 1.483, as of 23 June 2025

RECENT KEY LEASE TRANSACTIONS

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Alexandra Technopark	Queenstown	CTC Global Pte Ltd	25,400	New Lease
Bulim Square	Jurong West	Axial Testing Services Pte Ltd	10,900	New Lease
Admirax	Sembawang	Tech-Component Resources Pte Ltd	9,000	New Lease
Bulim Square	Jurong West	Trussco Pte Ltd	7,100	New Lease

KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER/BUYER	PRICE (S\$ Million)
Portfolio of two properties (9 Tai Seng Drive & 5 Science Park Drive)	Various	CapitaLand Development / CapitaLand Ascendas REIT	700.2
Portfolio of three properties (The Strategy, The Synergy & Woodlands Central)	Various	Mapletree Industrial Trust / Brookfield Asset Management	535.3
Ching Shine Industrial Building	Toa Payoh	Strata owners / Soon Hock Group	113.2

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