



H1 2026 Investor Survey Reports

GenstarMate Research Center

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H1 2026 Investor Survey Reports by GenstarMate Research Center

This survey report is based on a questionnaire provided to representatives of relevant departments of investment firms and management companies over a period of approximately 10 days from mid January 2026, and received responses from approximately 70 respondents.

Please note that this report is intended to synthesize the various opinions of each real estate investment market participant to help you make future investments, and contains the subjective views of individual respondents. We hope that this report will provide you with an overview of the real estate investment market in the first half of 2026 and will be useful for your future strategy considerations.

We wish you all the best for the 2026.

Thank you.

January 2026
GenstarMate Research Center

Korea Real estate market Investment Outlook

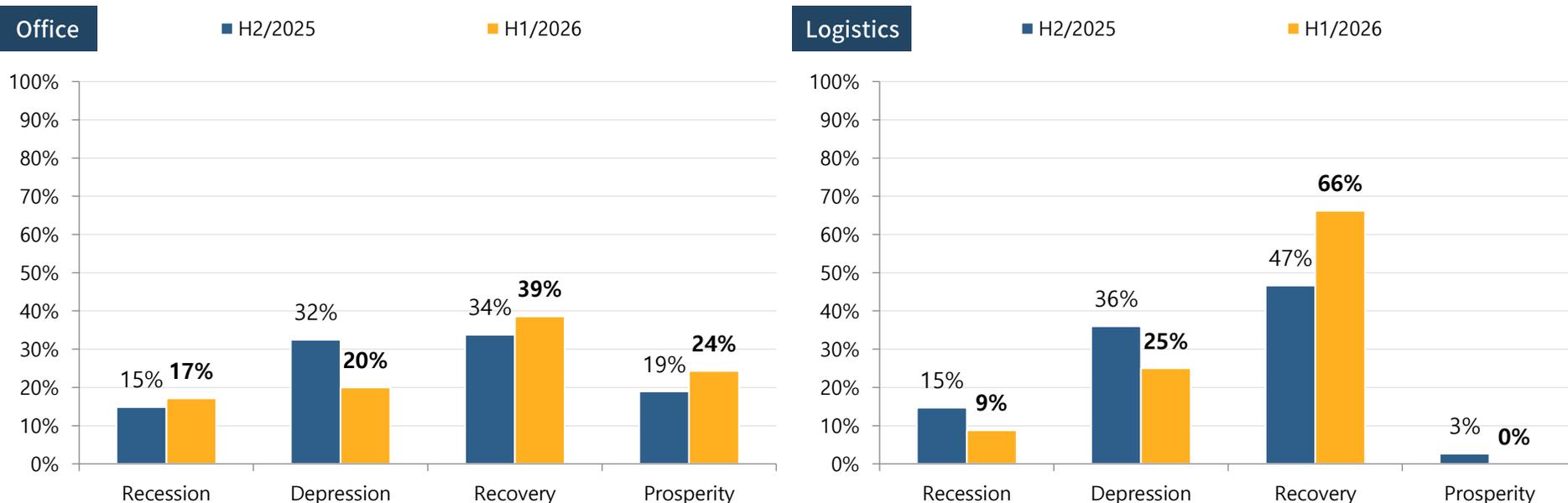
- I. **Real estate market outlook by sector**
- II. Investment strategies
- III. Investment destination
- IV. ESG and Investment

I. Real estate market outlook by sector

For office, the prospect of recovery/prosperity increased(63%), prospect of recovery for logistics center increased (66%)

- For the circular cycle of the office sector, the outlook for the ‘Recovery’/‘Prosperity’ is the most dominant at 39%/24%, and the outlook for the ‘Depression’ is 20%, down 12%p from H2 2025.
- For logistics center, the outlook for the ‘Depression’ decreased by 11%p compared to H2 2025, and the outlook for the ‘Recovery’ period was 66%, up 19%p from H2 2025, raising expectations for the recovery of the logistics sector.

Q. Cycles by Sectors



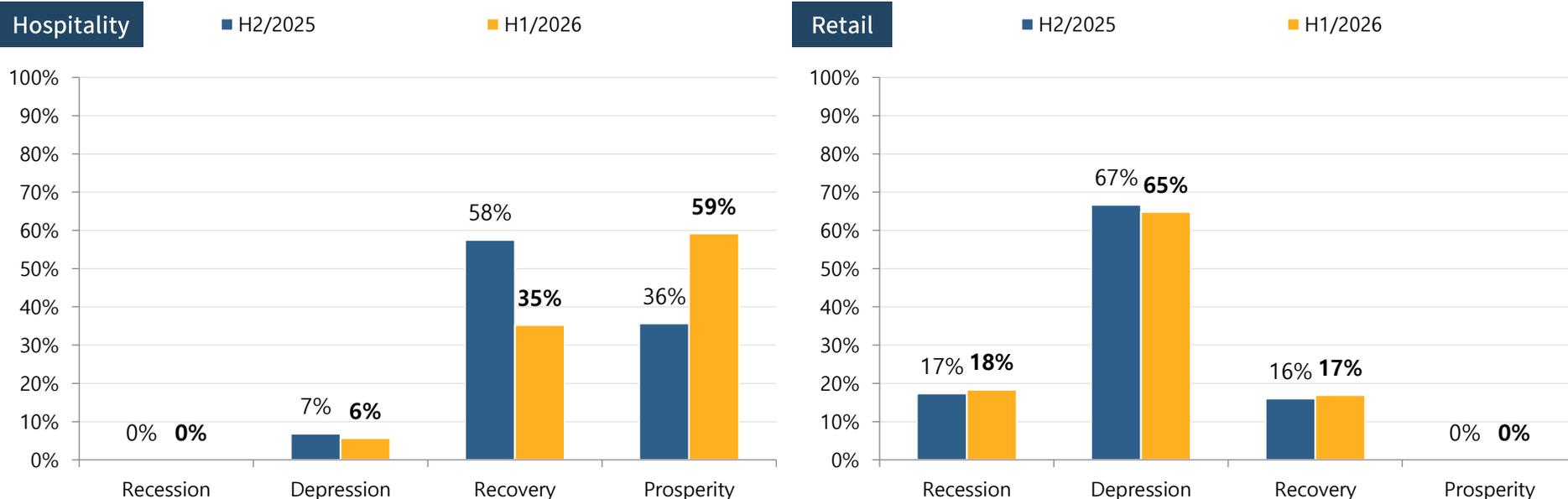
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Hospitality prosperity responses sharply up(59%), retail recession/depression outlook dominant(83%)

- In 2025, inbound tourist arrivals reached a record high, driving OCC above pre-pandemic levels. The proportion of respondents forecasting ‘Prosperity’ rose 23%p from H2 2025 to 59%, while positive sentiment toward the hospitality sector reached 94%.
- Retail ‘Recovery’ responses rose 1%p to 17%, but ‘Recession’/‘Depression’ outlooks continues to weaken to 83%, almost similar to H2 2025.

Q. Cycles by Sectors



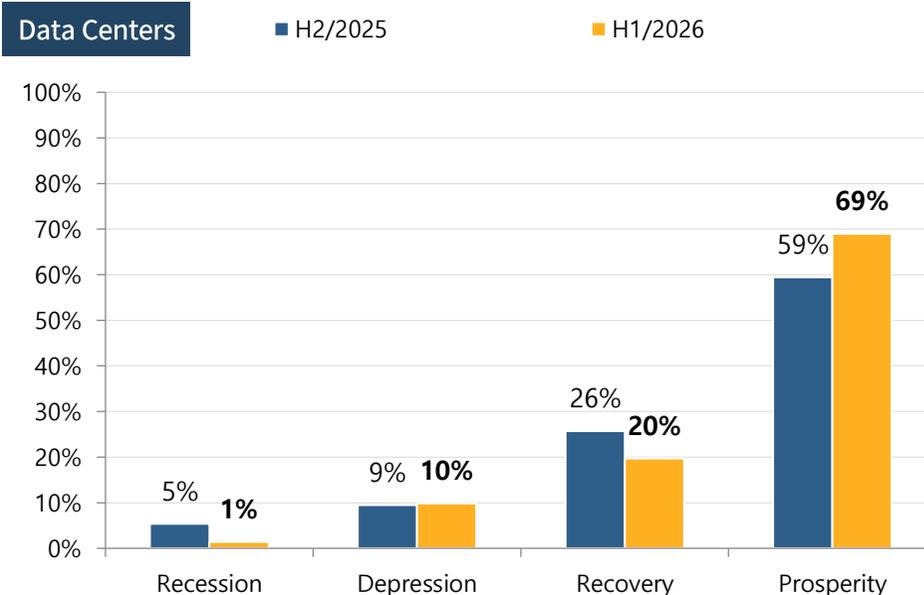
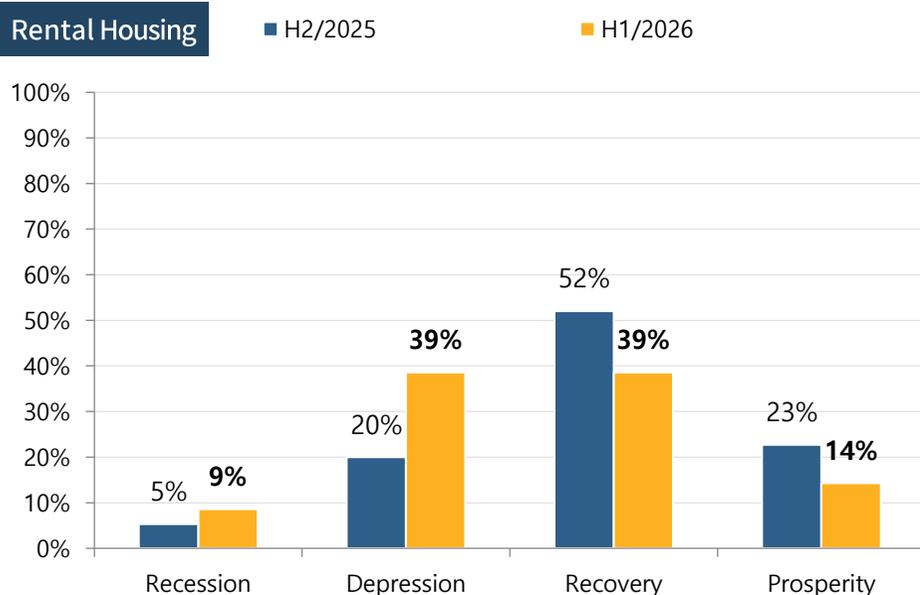
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Decline in positive outlook for rental housing(53%), prosperity outlook up for data centers(69%)

- In 2025, rental housing saw full-scale investment from institutional investors, including foreign capital, but positive outlook dropped sharply from 75% in H2 2025 to 53% amid government regulations and frequent policy changes.
- With global AI competition intensifying in 2025, data centers drew strong attention, the proportion rose 10%p from H2 2025 to 69%, sustaining investor expectations for demand in 2026.

Q. Cycles by Sectors



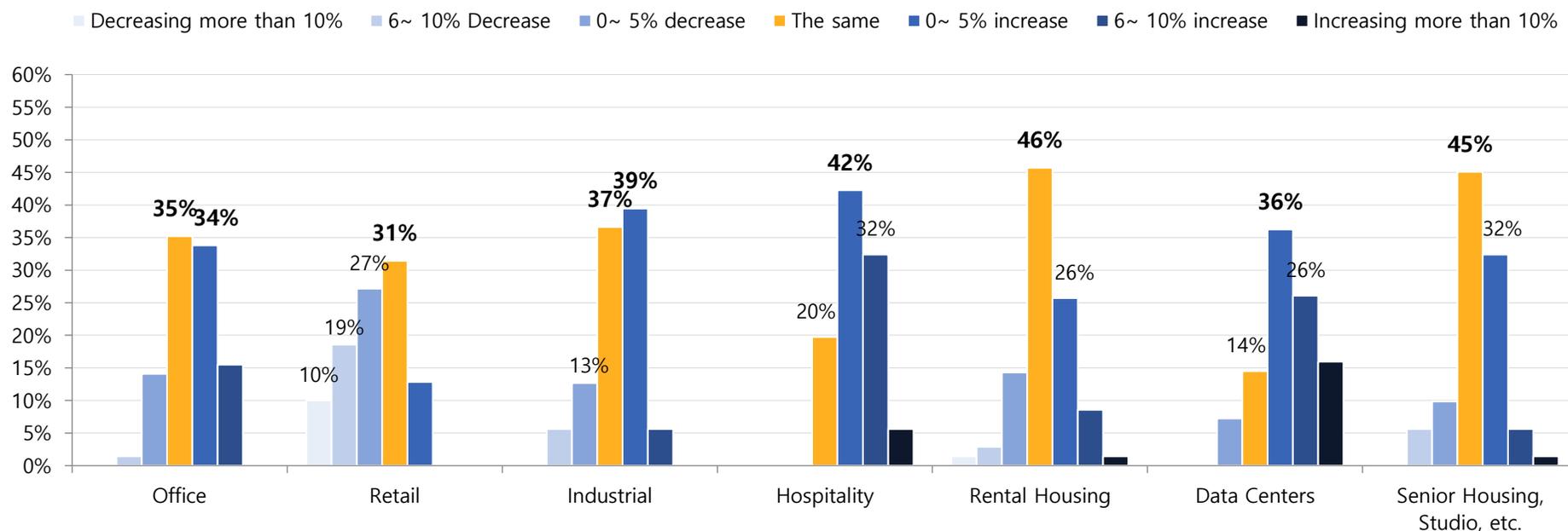
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Office · Retail · Rental Housing prices expected remain the same, Logistics · Hospitality expected price growth

- For office, 35% expect to remain current, 34% expect price growth within 5%, which slightly weakens expectations for price increases compared to H2 2025.
- For logistics, more respondents expected price increases than in H2 2025, suggesting a transition toward recovery.
- For hospitality and DC, 80% and 78%, respectively, expected price increases, up from H2 2025.
- For retail, over half expected price declines, indicating continued weakness, while the proportion expecting stable rose about 7%p.

Q. H1 2026 Outlook on Purchase/Sale Prices by Sector



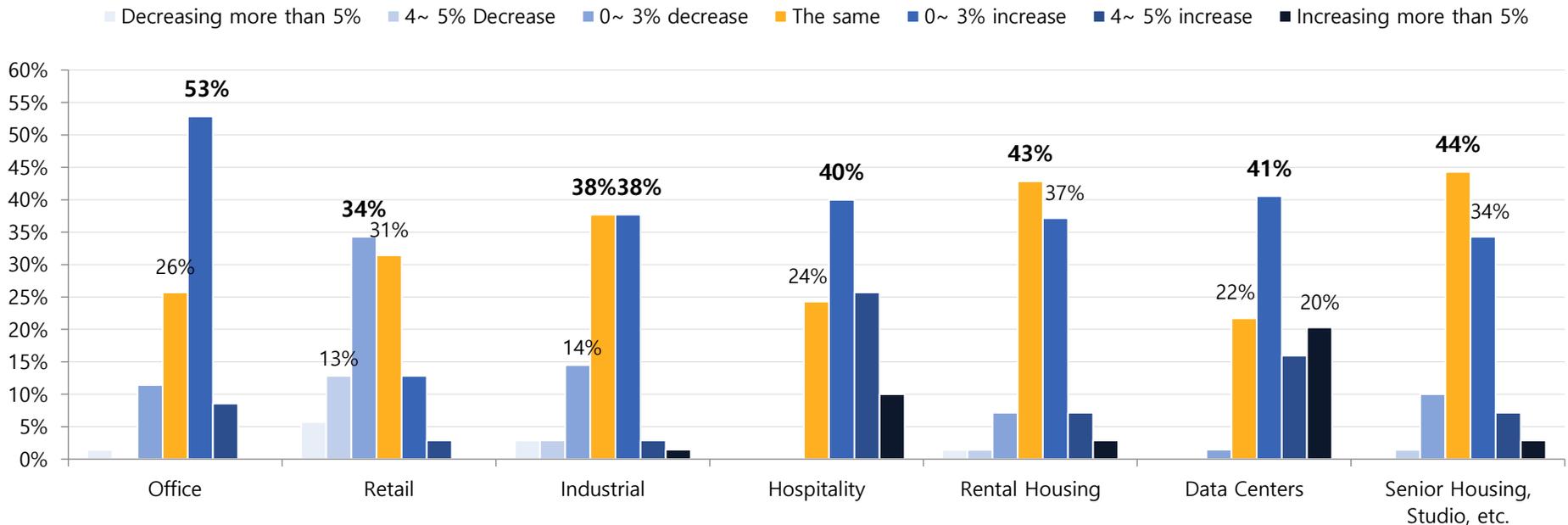
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Office · Hospitality · DC expected rent growth within 3%, Rental housing holding steady

- In the office sector, 53% expect rent growth within 3%, apart from weakening prospects for price growth. For retail, 34% expect rent fall within 3%, which is superior to ‘the same’.
- For logistics, unlike H2 2025, where ‘the same’ response was dominant, ‘the same’ and rent growth within 3% were recorded the same.
- DC is generally similar compared to H2 2025, but the proportion of ‘increasing more than 5%’ has increased significantly by 10%p.
- For rental housing, 43% expect the current status maintain, slightly weakening the outlook for rent growth compared to H2 2025.

Q. H1 2026 Outlook on Effective Rents by Sector



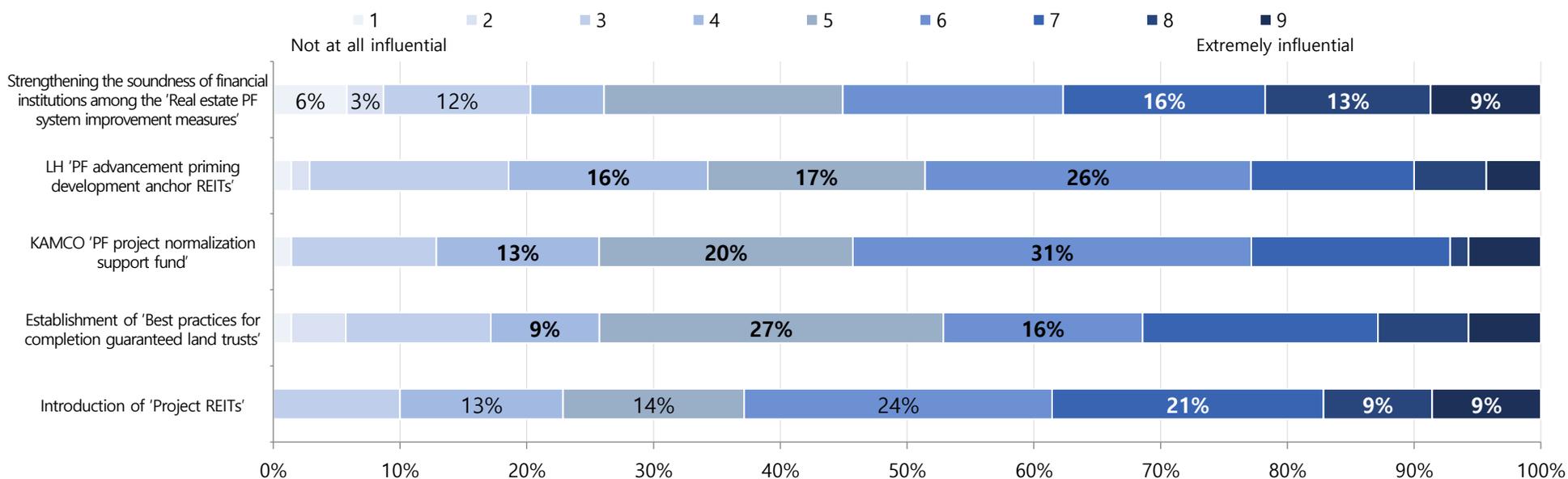
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Project REITs and strengthening financial soundness policies are seen as the most effective for PF normalization and stabilization

- While neutral responses exceeded 50% in most cases, ‘Project REITs’ was seen as the most effective, with 39% citing high effectiveness.
- Strengthening the soundness of financial institutions ranked second(38%), yet showed the highest of expecting limited effectiveness(20%).
- In contrast, PF advancement priming development anchor REITs(LH) and PF project normalization support fund(KAMCO), which are selectively applied rather than broadly implemented, showed only 23% of respondents expecting high effectiveness.

Q. Outcomes and effectiveness of key policy · institutional reform for real estate PF normalization and stabilization



※ Source: H1 2026 Investor Survey, GenstarMate Research Center

I. Real estate market outlook by sector

Positive/negative factors coexist, selective investments are expected as regional and asset polarization intensifies and expectations for new sectors

Q. Views on the current real estate market trends

-  A gradual recovery after H1 2026 is expected, supported by potential base rate cuts and stabilizing domestic and external conditions.
-  However, global and policy uncertainties remain, and fading rate cut expectations point to a near-term flat market and delayed recovery.
-  Market rates may rise despite policy rate cuts, raising concerns over higher financing costs.
-  Achieving target equity returns remains difficult, with capital concentrating in stable assets and intensifying competition for core real assets.
-  Selective investment favoring prime assets and regions is likely to deepen polarization, with differentiated demand for logistics · hospitality · data centers.
-  Investment sector and asset allocation decisions should reflect macro conditions, Korea's industrial restructuring, and related corporate trends.
-  In the office sector, optimism over lower vacancy and solid yields contrasts with concerns about higher vacancy from new supply.
-  Logistics is expected to recover with rising transactions, mainly in ambient facilities, while hospitality is also recovering amid short-term supply expansion.
-  Investment is diversifying into emerging sectors such as data centers and residentials , supporting growth, while rental housing and senior housing faces challenges from frequent policy shifts.

※ Source: H1 2026 Investor Survey, GenstarMateResearch Center

Korea Real estate market Investment Outlook

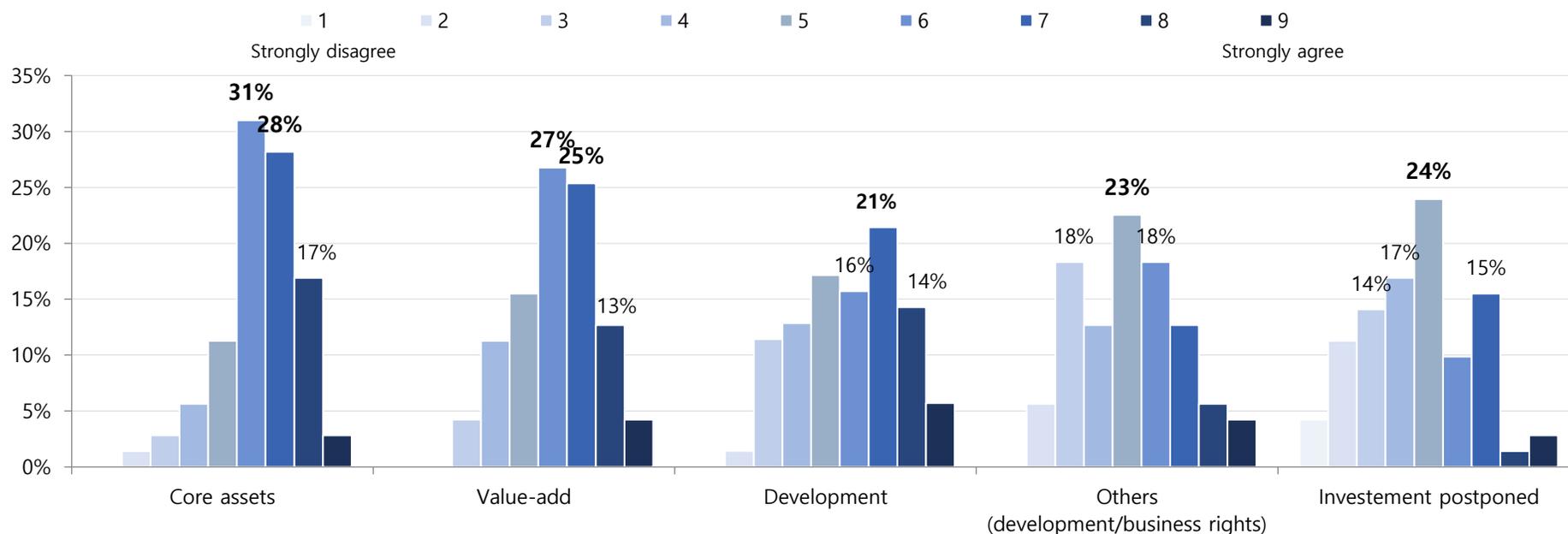
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II. Investment strategies

Overall, investment preferences decrease, investment postponed increase

- 7-9 scale responses for ‘Investment postponed’ rose slightly to 20%, while investment sentiment weakened due to rising market interest rates.
- For ‘Core assets’, responses for 7-9 scale slightly decrease to 48%, and 6 scale response increased by 7%p to 31%.
- ‘Value-add’ and ‘Development’ recorded 42% and 41%, with a decrease of 6%p and 9%p for 7-9 scale, respectively.
- For ‘Others(development/business rights)’, 7-9 scale responses also showed a decrease of 7%p to 23%, a significant increase in neutral responses(5 scale), and a 10%p increase in the response of 1-3 scale to 24%, showing a decrease in overall investment preference.

Q. Investment strategies change due to the high interest rate



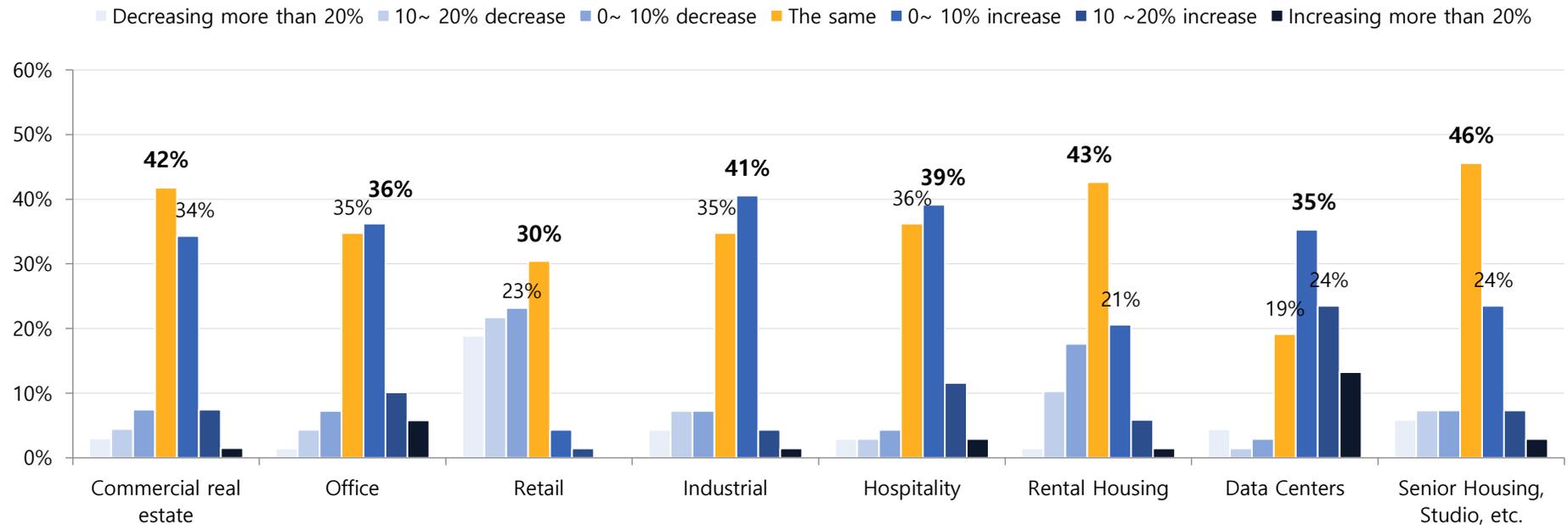
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

II. Investment strategies

Overall investment expected to expand, expanding investment in Hospitality · Logistics · Data Centers increased

- 42% of respondents chose to maintain investment in all commercial real estate, similar to the H2 2025.
- Office · Logistics · Hospitality investment expansion response increased. In DC, 10~20% increase response increased by 15%p, and the total investment expansion response proportion recorded 72%.
- Retail showed no significant change in the investment expansion, but ‘the same’ response slightly increased, and rental housing recorded 28% with a 22%p decrease in the investment expansion response proportion.

Q. Investment plan in H1 2026



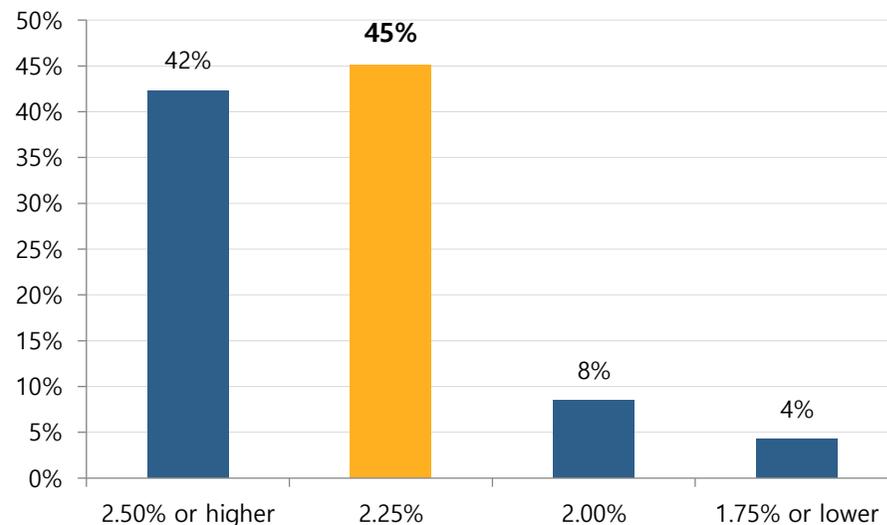
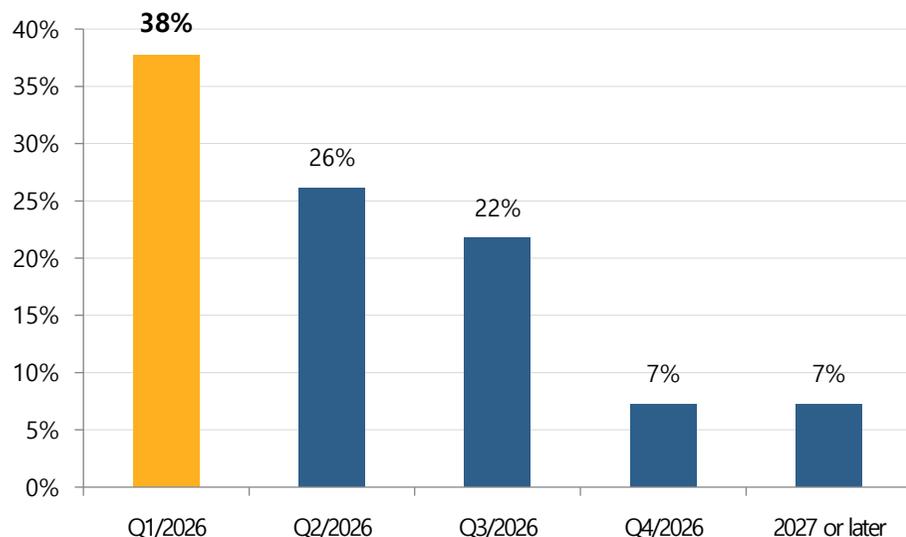
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II. Investment strategies

38% plan to resume investment immediately, base rate for H1 2026 expected at 2.25% or 2.5%

- 38% of respondents indicated Q1 2026 as the timing to resume investment, followed by Q2(26%) and Q3(22%), reflecting an intention for immediate action.
- The proportion of respondents expecting a 0.25%p cut in the H1 2026 was largest at 45%, and the proportion expecting a rate freeze increased significantly to 42% as expectations for a rate cut decreased in the Q4 2025.

Q. When will resume investment and what will the benchmark interest rate be by the mid of 2026



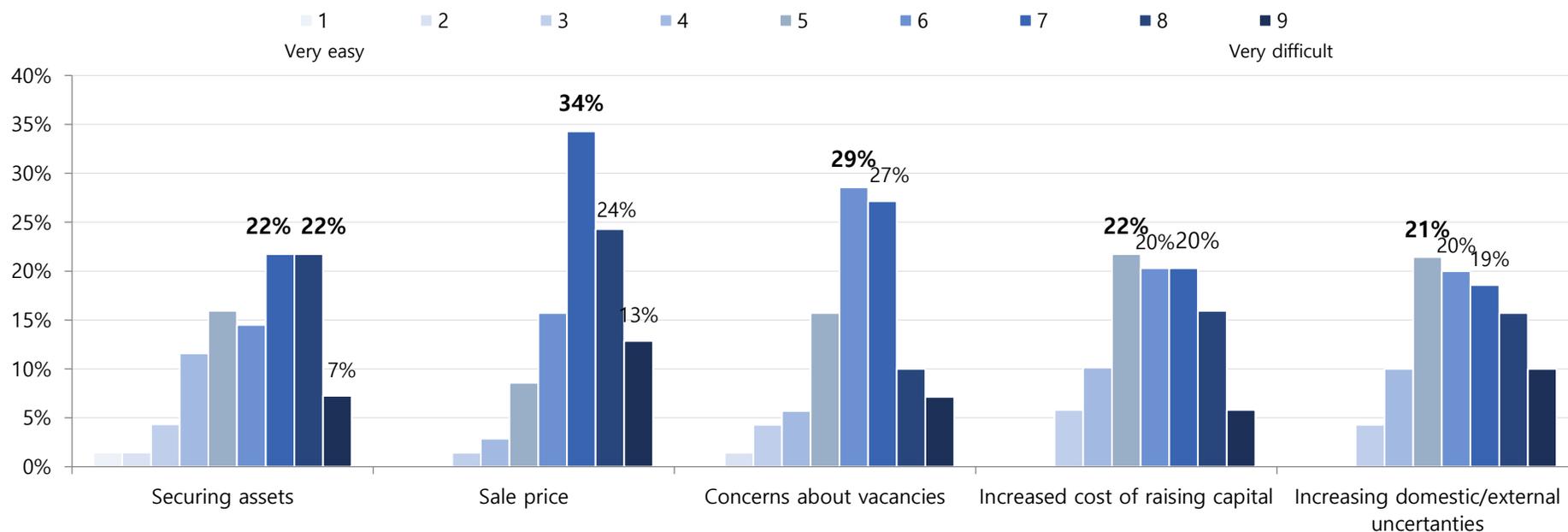
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

II. Investment strategies

Diverging views on sale prices, securing assets are main challenges

- The proportion of respondents citing investment difficulties(7-9 scale) declined overall versus H2 2025.
- Difficulties related to ‘Sale price’ fell to 71%, down 3%p from H2 2025.
- Responses for ‘Concerns about vacancies’ and ‘Increased cost of raising capital’ decreased to 44% and 42%, respectively (both 8%p ↓), indicating easing concerns over future supply-driven vacancies and cost of raising capital.
- Concerns over ‘Increasing domestic/external uncertainties’ also eased, with the 7-9 scale response falling 14%p to 44%.

Q. Most challenging part when invest



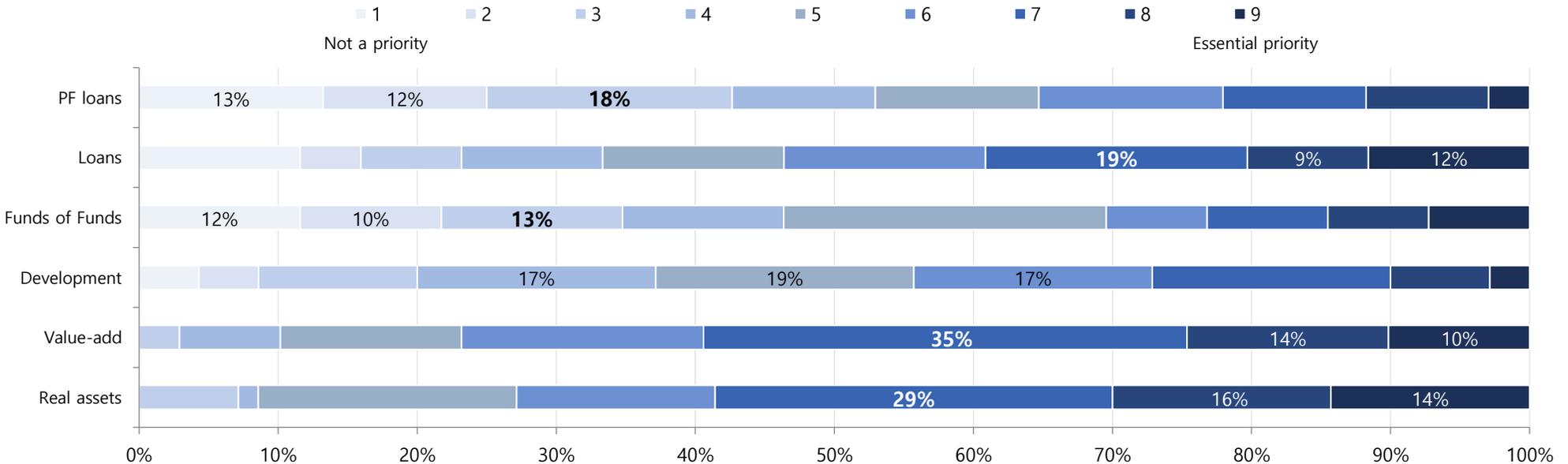
※ Source: H1 2026 Investor Survey, GenstarMate Research Center

II. Investment strategies

Value-add · Real assets · Loans are most preferred, while PF loans preference declines

- Compared with H2 2025, 7-9 scale response was unchanged for 'Value-add' (59%), while it declined for 'Real assets' (59%, 7%p ↓) and 'Loans' (42%, 3%p ↓). Despite those strategies remaining the most preferred strategy, overall preference weakened.
- 'Development' rose to 27% (7%p ↑), the only increase, though neutral responses still recorded for over half.
- 'PF loans' and 'Funds of Funds' were 43%, 35%, respectively, and 'PF loans' increased 6%p yet remained the least preferred strategy.

Q. Preferred investment strategy



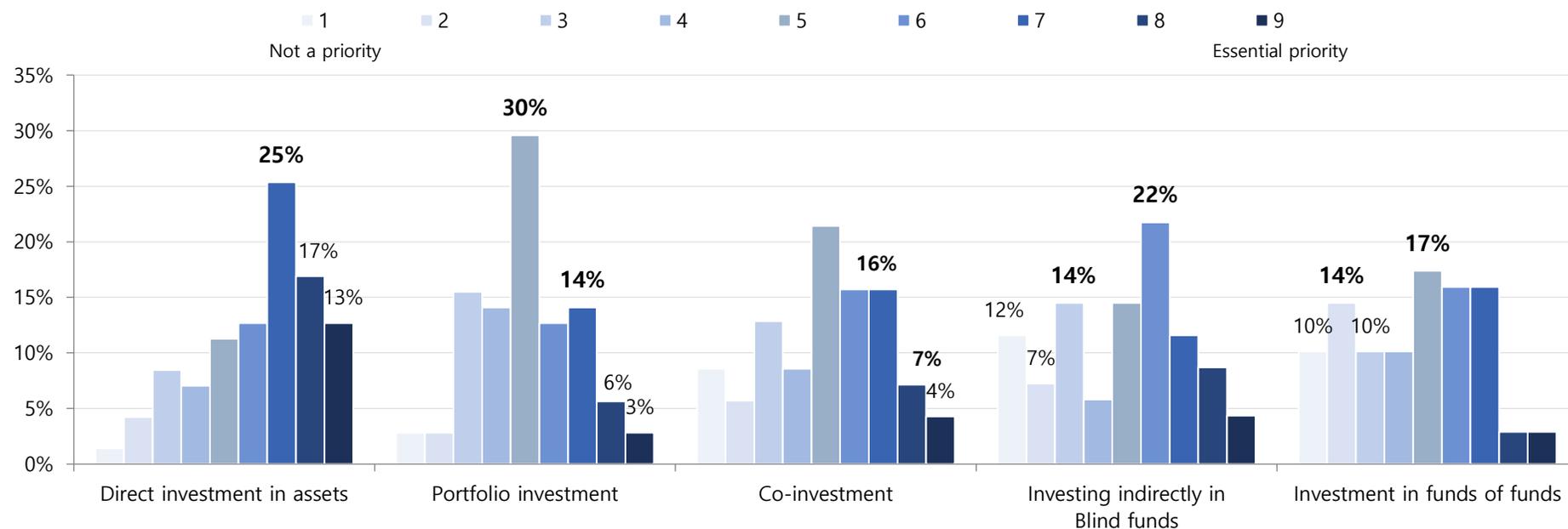
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II. Investment strategies

Preference for direct investment in assets, overall investment preference declined

- The proportion preferring (7-9 scale) ‘Direct investment in assets’ declined but remained the highest at 55%(3%p ↓).
- Preference for ‘Portfolio investment’, ‘Co-investment’, ‘Investing indirectly in Blind funds’, ‘Investment in funds of funds’ were similar at 23%, 27%, 25%, and 22%, respectively.
- Notably, preference for ‘Portfolio investment’ and ‘Investing indirectly in Blind funds’ fell sharply, down 24%p and 15%p, respectively.
- For ‘Investing indirectly in Blind funds’ (33%) and ‘Investment in funds of funds’(35%), non-preference exceeded preference proportion.

Q. Preferred investment strategy



※ Source: H1 2026 Investor Survey, GenstarMate Research Center

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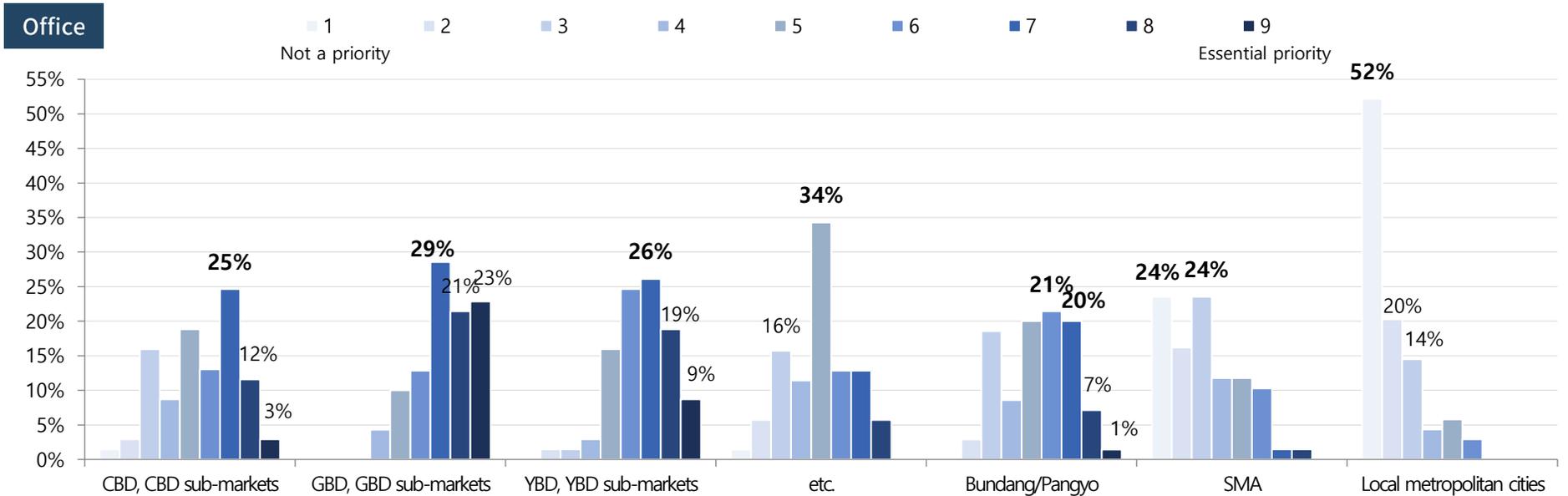
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III. Investment destination

Office continues to prefer GBD with 73% preference response, rising Seoul and Bundang/Pangyo favorable response

- For Seoul and Bundang/Pangyo, the overall preferred(7-9 scale) response increased. Still, the preferred response of GBD was the highest at 73%(6%p ↑), followed by YBD at 54%.
- For CBD, the preferred response continued to decline after H1 2024, but again slightly increased to 39%.
- The etc. and Bundang/Pangyo showed the highest proportion of neutral responses at 59% and 50%, respectively.
- SMA and local metropolitan cities showed that the preference decreased, non-preferred response was still high at 63% and 87%, respectively.

Q. Preferred investment destination



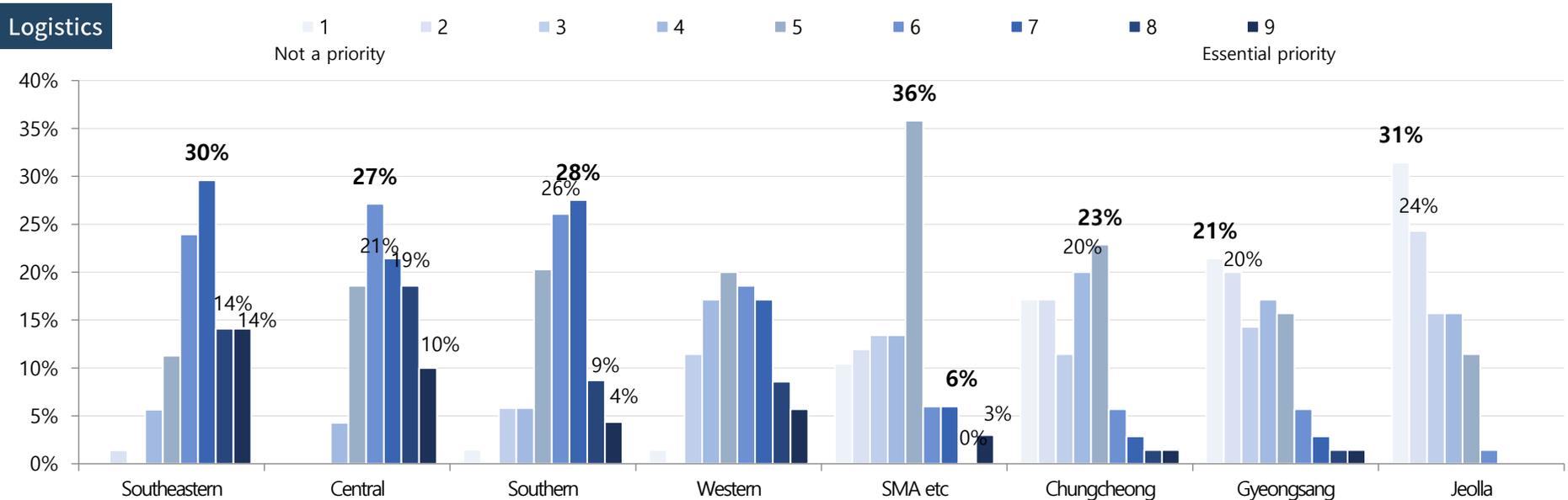
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III. Investment destination

For logistics, most prefer Southeastern region, followed by Central, Southern, and Western

- Aside from a 9%p increase in preference for the Western, overall preference distribution and regional ranking remained largely unchanged.
- Preference proportion declined to 58%(1%p ↓) in the Southeastern and 50%(4%p ↓) in the Central, though these remained the most preferred areas.
- In the Central, neutral and preference responses were equal at 50%, while neutral responses exceeded 50% in the Southern and Western.
- The Jeolla recorded the highest non-preference proportion at 71%, followed by the Gyeongsang(56%) and Chuncheong(46%).

Q. Preferred investment destination



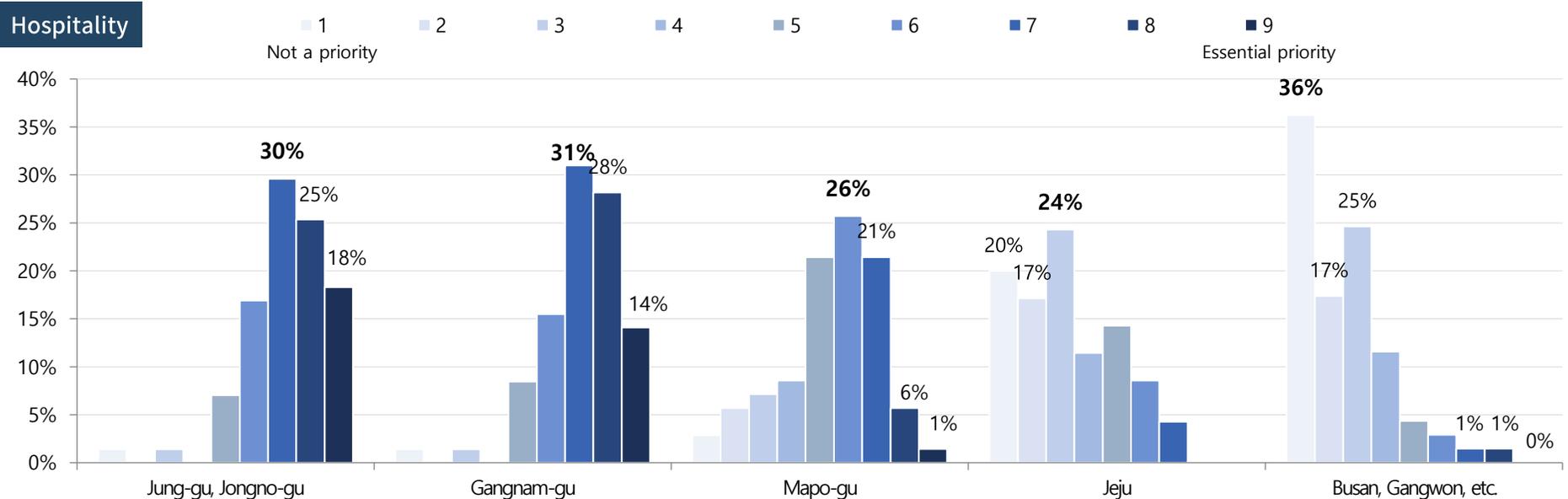
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III. Investment destination

Jung·Jongno-gu, Gangnam-gu most preferred in Seoul, Jeju declined slightly

- With the recovery of inbound tourism and improved hotel profitability in 2025, expectations for ‘Prosperity’ in the hospitality in H1 2026 increased significantly, although neutral responses rose overall in regional preferences.
- Jung-gu, Jongno-gu and Gangnam-gu remain the most preferred areas at 73% each.
- Non-preferred responses surged in Mapo-gu(16%) and Jeju(61%), Busan, Gangwon, etc.(78%), while Jeju’s preference fell by 9%p to 4%, marking a sharp decline.

Q. Preferred investment destination



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Korea Real estate market Investment Outlook

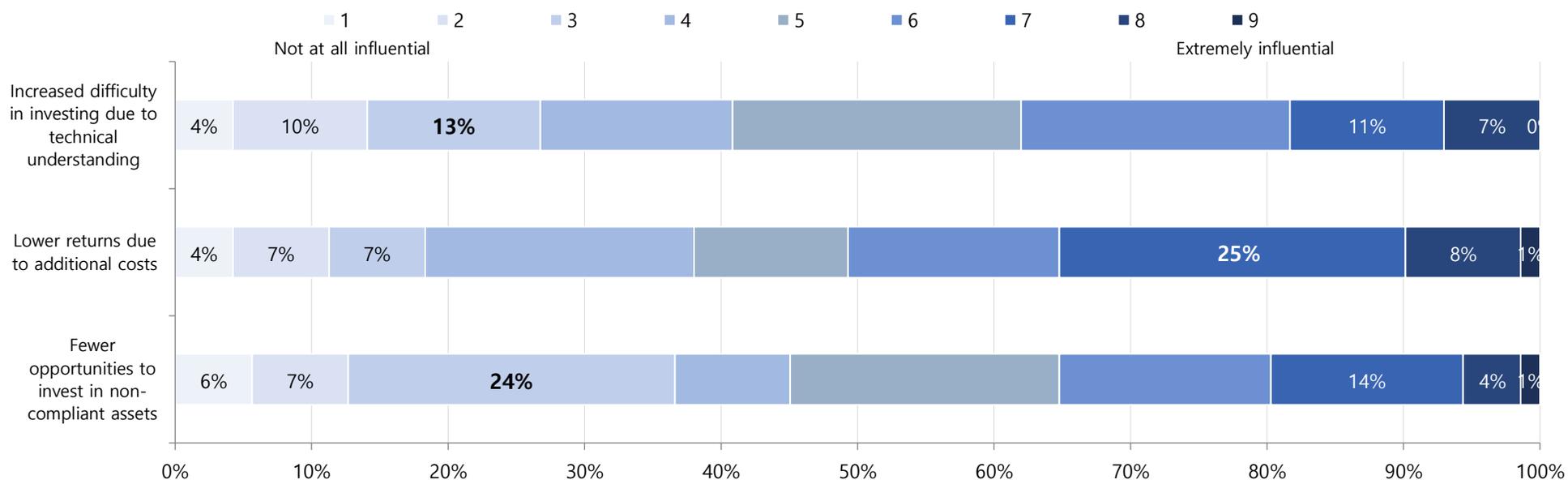
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IV. ESG and Investment

The main concern with ESG regulations is decline in investment returns due to added costs

- As ESG-integrated investment becomes more widespread, changes in perceptions that ESG regulations constrain investment vary by category.
- Response for a significant impact from ‘Lower returns due to additional costs’ rose 9%p to 35%, while those saying ‘Fewer opportunities to invest in non-compliant assets’ has limited impact increased 3%p to 37%
- For ‘Increased difficulty in investing due to technical understanding’, responses citing both significant (18%, 2%p ↑) and limited impact (27%, 3%p ↑) increased, with neutral views remaining the largest proportion at 55%.

Q. The impact of ESG regulations on domestic investments



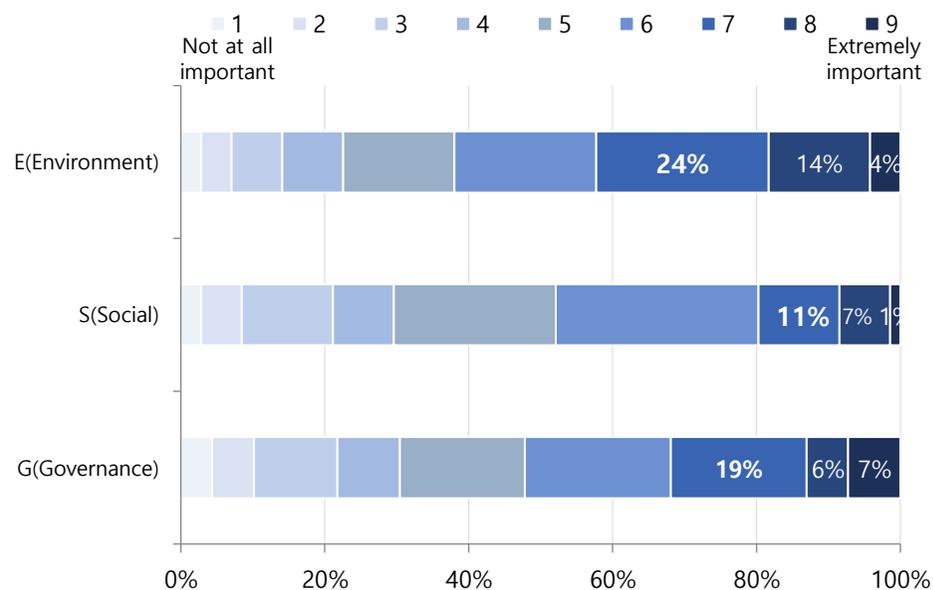
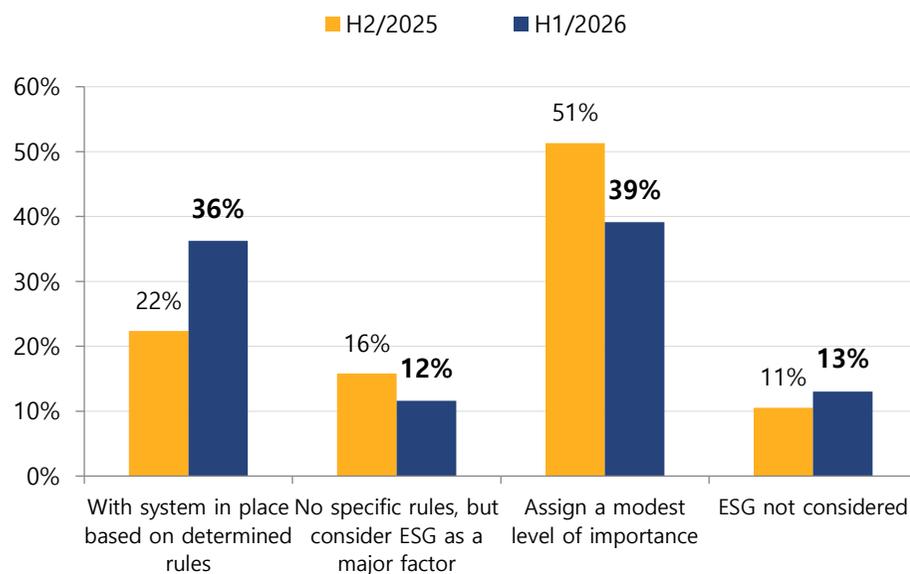
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IV. ESG and Investment

Investors cited ESG integration in investment decisions more frequently

- Among the three ESG factors, E(Environment) is considered most important in investment, with increasing by 13%p from H2 2025.
- Regarding ESG consideration in investment review, the proportion of ‘Assign a modest level of importance’ fell 12%p to 39%, while ‘With system in place based on determined rules’ increased 14%p to 36%.
- The proportion of ‘ESG not considered’ responses also increased 3%p to 13%.

Q. ESG factors affect the investment and the most important factors



※ Source: H1 2026 Investor Survey, GenstarMate Research Center

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Thank you !

GenstarMate Research Center

Rita Kim 02-3775-7252 rita.kim@genstarmate.com

Youngsun Song 02-2003-8187 ys.song@genstarmate.com