
SUMMARY



Real Estate Market Trends and Issues for 2035

Lee Soowook, Park Chengyu, Kim Sungil, Kim Jeehye, Noh Minji, ITaLy,
Jeon Sungje, Kang Sungwoo, Choi Jin, Hwang Gwanseok

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The purpose of this research is to forecast the real estate market in 2035 in Korea. The real estate market is of course changed by its own factors, but it is even more affected by the environment surrounding the real estate market.

By analyzing the real estate market and its surrounding environment, we identified that convenience and publicness will be much more emphasized than they currently are in the real estate market going forward, and that this will be the most likely result from the changes in population and household structure arising from low birthrate and aging, as well as economic factors.

In the changes in population and household structure, aging, low birthrate and the increase of non-marriage and small-sized households with one or two members will largely affect the real estate market going forward in terms of marketability, publicness and convenience. The economic factors such as low-growth and deepening of polarization, shown in the form of polarization in income and assets and stagnant income increase, will affect marketability and

publicness and the expansion of rational consumption or sharing economy will be widely recognized as a major factor to evaluate conveniency in the real estate market going forward. Due to the internal factors in the real estate market, those variables such as the public housing stock, rental fee, housing type, homeownership and housing price are expected to be much more volatile in the future.

In the real estate market in 2035, the housing demand will decrease and the recognition of use and residence of housing will be more widely spread than ownership, but the increase of housing value will continue to remain due to aging and low-growth. Also, the supply of the diverse housing types such as sharing houses and serviced residences will increase and the differentiation in housing market will be regionally deepened.

With regard to residential living and function, the increase of small houses and passive houses, the generalization of the monthly rent market, the increase of living space per person, the expansion of supply for smart and healthy houses and the increase of housing performance related to earthquake resistance, soundproofing, fine dust, and defect are forecasted to be more important in the real estate market going forward. Therefore, we need to pursue the real estate policy in response to these market changes.