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TÜRKİYE REAL ESTATE ANNUAL

2026



 The Association of
Real Estate Investors

Powered by Türkiye Türkiye's Real Estate Vision Through GYODER



Neşecan Çekici
GYODER Board President

At MIPIM 2026, GYODER participates under the concept of “Powered by Türkiye,” bringing together the country’s leading real estate developers and brands under a single national platform. Together with Emlak Konut GYO and other prominent sector representatives, and in partnership with the Presidency of the Republic of Türkiye Investment and Finance Office and the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change, we present a coordinated and forward-looking representation of Türkiye’s real estate ecosystem. Our objective is not only to showcase projects, but to communicate Türkiye’s long-term urban vision, investment capacity, and development expertise to the global investment community.

Founded in 1999, GYODER (Association of Real Estate Investors) is the leading umbrella organization of Türkiye’s real estate sector. Bringing together developers, investors, financial institutions, consultants, and industry stakeholders, GYODER works to advance a sustainable, transparent, and institutional real estate ecosystem. Our members are responsible for high-volume developments that shape cities, drive urban transformation, and compete internationally, reflecting the depth and resilience of Türkiye’s market.

Türkiye offers a unique investment landscape supported by a young and dynamic population, strong construction expertise, advanced project development capabilities, and a strategic geographic location bridging Europe, the Middle East, and Asia. The real estate sector spans a wide range of asset classes, from residential and mixed-use developments to logistics hubs and data centres, positioning Türkiye not only as a large domestic market but also as a regional production and investment hub.

In recent years, data centres, logistics infrastructure, and technology-driven commercial real estate have emerged as high-growth segments. Strategically located at the crossroads of continents, Türkiye is increasingly positioned as a natural digital hub, driven by growing data consumption, cloud adoption, and AI-driven infrastructure demand. Expanding fiber connectivity, renewable energy investments, and energy security initiatives further strengthen its competitiveness in this space.

Across the broader real estate industry, artificial intelligence and digital transformation are redefining development and investment processes. AI is increasingly applied in site selection, feasibility modelling, demand forecasting, and investment analytics. PropTech solutions enhance property management efficiency, smart building systems optimize operations, and digital twins are becoming integral to planning and design. Urban transformation, ESG compliance, and energy efficiency management are also becoming increasingly data-driven. In a market as dynamic and production-oriented as Türkiye, technology integration is essential for resilience, transparency, and long-term value creation.

Guided by its 4T vision — Technology, Design, Nature, and Society — GYODER continues to lead the structural transformation of the sector. Our goal is to strengthen a predictable, sustainable, and globally competitive market environment while contributing to more resilient and livable cities.

Through “Powered by Türkiye,” we invite international investors to engage with a market defined by strong execution capacity, strategic positioning, and long-term growth potential. Türkiye is not only building projects — it is shaping the cities of the future.

Türkiye Real Estate Annual 2026
By GYODER The Association of Real Estate Investors



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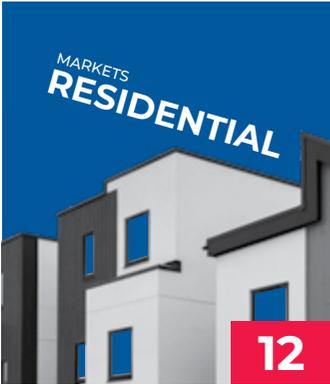
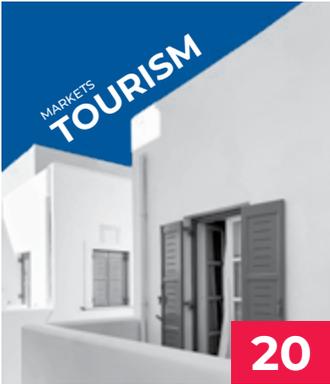
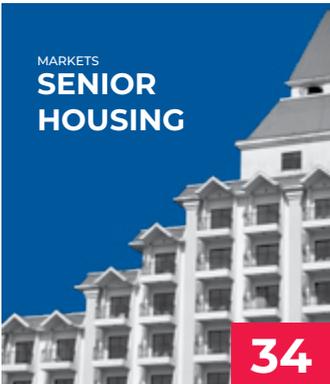
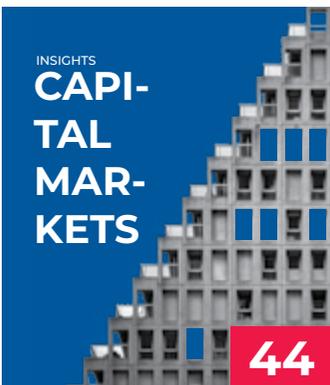


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GYODER The Association of Real Estate Investors

The Leading Real Estate Platform of Türkiye

Founded in 1999, the Real Estate Investors Association (GYODER) is the most established and influential non-governmental organization within Türkiye's real estate and real estate investment ecosystem. Initially established by representatives of real estate investment trusts (REITs), GYODER has expanded its scope over time to become a powerful umbrella platform bringing together developers, investors, portfolio management companies, financial institutions, consultants, architects, engineers, and other key industry stakeholders.

Today, GYODER represents a broad spectrum of the sector in Türkiye, ranging from large-scale residential projects and mixed-use developments to commercial real estate investments, logistics, and next-generation asset classes. Its members consist of leading organizations that shape urban transformation, manage substantial investment volumes, and operate on an international scale. In this respect, GYODER stands as the most comprehensive body representing the sector's investment capacity, expertise, and institutional strength.

Mission and Institutional Role

GYODER's core mission is to contribute to the development of a sustainable, transparent, and institutionalized real estate sector in Türkiye while creating long-term value for all stakeholders. Acting as a bridge between the public and private sectors, the Association strengthens sectoral dialogue and contributes to policy development processes.

With its collective intelligence-driven approach, GYODER brings together the various components of the industry to encourage knowledge sharing, support data-driven decision-making processes, and contribute to the development of regulatory frameworks. Through collaborations with academia, the financial sector, and public institutions, it is positioned as a key actor shaping the structural advancement of the industry.



The 4T Vision: Technology-Design-Nature-Society

GYODER shapes its strategic approach around its “4T” vision:

- **Technology:** Supporting digital transformation, data-driven analytics, PropTech solutions, and smart city applications
- **Design:** Promoting the development of human-centered, aesthetically refined, and functional urban environments
- **Nature:** Advancing sustainability, ESG compliance, energy efficiency, and environmental responsibility
- **Society:** Encouraging accessible housing, inclusive urbanization, and projects that enhance quality of life.

This vision positions GYODER not only as a sectoral association but also as a strategic platform contributing to Türkiye’s urban and economic transformation.

Data, Research, and Thought Leadership

GYODER considers sectoral knowledge production one of its strategic priorities. Through regularly published reports, research initiatives, and academic collaborations, it contributes to building a reliable data foundation on the current dynamics of the sector.

The Association’s publication platforms provide comprehensive analyses on the investment environment, market trends, and structural challenges, serving as reference sources for decision-



makers and investors. In addition, thematic committees focusing on housing, commercial real estate, logistics investments, sustainability, and social impact develop strategic recommendations aimed at shaping the future of the sector.

A Platform for Dialogue and Collaboration

By organizing the Real Estate Summit—one of the most significant gatherings of Türkiye’s real estate sector—GYODER brings together national and international stakeholders. The Summit provides a strategic dialogue platform connecting investors, developers, financial institutions, public representatives, and global industry leaders.

With a structure composed of 22 committees and platforms, GYODER conducts initiatives that strengthen its sectoral impact. These committees and platforms focus on various sub-disciplines within real estate, supporting knowledge creation, fostering solution-oriented collaborations, and establishing joint working grounds that contribute to the structural transformation of the sector.

International Representation and Global Outreach

GYODER represents Türkiye’s real estate sector on international platforms and serves as a bridge between the industry and global investors. At international real estate fairs and investment events, it presents Türkiye’s project development capacity, urbanization experience, and investment potential within a strong and compelling narrative framework.

International outreach initiatives conducted in collaboration with public and private sector stakeholders contribute to positioning Türkiye as a reliable, dynamic market offering long-term investment opportunities.



MACROECONOMY



Outlook of The Turkish Economy As of 2025



Mustafa Aşkın
Economist

With more than 30 years of professional experience Aşkın has worked in banking, fund management, capital markets, risk management, financial management, corporate finance, and real estate finance. He has hosted television programs on economics and financial markets across various TV channels and has written columns for newspapers and magazines. He holds licenses from the Capital Markets Board of Türkiye (CMB) and the Istanbul Stock Exchange (ISE).

The Turkish economy has a structure that stands out with its unique dynamism and flexibility. With a dynamic and well-educated population that does not fall below a certain pace in terms of both growth and development, Türkiye carries significant potential and has demonstrated a trend of realizing this potential in recent years.

Periodic economic fluctuations can be described as a form of “growing pains.” Indeed, certain economic setbacks tend to give way to more favorable conditions within a relatively short period of time.

In 2025, the Turkish economy was affected to some extent by global uncertainty. However, thanks to the measures taken and policies implemented, the scale of fluctuations remained more limited compared to many other countries. Domestically, balanced growth, the fight against inflation, and economic rebalancing came to the forefront. In this context, examining key macroeconomic variables provides a clearer understanding of economic developments.

Growth

It can be confidently stated that a growth path that can be considered to be “reasonable” has been maintained in line with the disinflation policies that have been implemented. Despite the tight monetary policy and other economic measures applied over the past three years, an acceptable growth trend has been sustained.

In the third quarter of 2025, the Turkish economy grew by 3.7% compared to the same quarter of the previous year. The second-quarter growth figure, previously announced as 4.8%, was revised upward to 4.9%. Seasonally and calendar-adjusted GDP increased by 1.1% quarter-on-quarter.

As of the third quarter of 2025, Türkiye’s annualized GDP reached 57.6 trillion Turkish lira at current prices, corresponding to \$1.5 trillion. Between 2002 and 2024, the Turkish economy achieved an average annual GDP growth rate of 5.3%, exceeding the average of many countries.

During this period, the main contributors to growth were:

- Domestic consumption: 74%
- Investment expenditures: 31%
- Exports: 28%
- Imports: -28%
- Inventories: -5%

A strong domestic market and an entrepreneurial private sector have supported investments and exports, accelerating Türkiye’s economic growth over the past 22 years. In terms of Purchasing Power Parity (PPP), Türkiye ranked as the world’s 18th largest economy in 2003 and rose to 12th place in 2024, marking record progress.

When compared with other countries, Türkiye’s economic dynamism becomes even clearer. As of 2024, Türkiye ranked as the fourth fastest-growing country among the G20 members in terms of real GDP growth. Among the 38 member states of the OECD, Türkiye also ranked fourth in real growth performance in 2024.

The Executive Board of the International Monetary Fund completed its 2025 Article IV consultation with Türkiye in February 2025. The statement noted that following a temporary slowdown in mid-2024, GDP growth remained strong and was projected at 4.1% for 2025. While global growth is expected to hover around 3% in 2025 and the following years, Türkiye’s ability to maintain robust growth under more balanced policies represents a significant strength.

Inflation and Monetary Policy

In the ongoing fight against inflation aimed at achieving lasting economic stability, measurable progress has been made. The disinflationary process over the past two years has balanced macroeconomic priorities such as growth and employment while combating inflation. As a result of this delicate balance, disinflation has proceeded gradually.

Monetary policies implemented by the Central Bank of the Republic of Türkiye, along with macro-prudential measures carried out in coordination with the Banking Regulation and Supervision Agency and other institutions, have supported this effort.

Annual inflation, which had exceeded 70%, declined significantly over two years. By the end of 2025:

- CPI fell to 38.89%
- PPI declined to 27.67%

Annual inflation stood at 44.38% at the end of 2024, marking a 13.49 percentage point decline year-on-year. Although some intractability remains in core components such as food, transportation, housing, and services, further declines are expected in 2026. The TCMB has adopted a cautious and data-driven approach, considering both domestic indicators and global developments. It projects end-2026 inflation in the range of 15% to 21%, with an interim target of 16%.

At its Monetary Policy Committee meeting on January 22, 2026, the TCMB reduced the policy rate by 100 basis points—below market expectations. The one-week repo rate was lowered from 38% to 37%, the overnight lending rate from 41% to 40%, and the overnight borrowing rate from 36.5% to 35.5%. Although inflation has not yet reached single-digit levels and interest rates remain relatively high, expectations suggest that the policy rate could decline by 600 to 900 basis points by the end of 2026.

With high potential across multiple dimensions and continued reform momentum, Türkiye is positioned to emerge as a “rising star in the global economy in the years ahead.”

Budget Balance

In addition to monetary policy, relatively tight fiscal policy has aimed to reinforce gains in inflation control. Both revenue-enhancing and expenditure-reducing measures have been implemented.

The central government budget deficit, which stood at 2.1 trillion Turkish lira (TRY) in 2024, declined to 1.8 trillion lira in 2025, driven by strong tax revenues and restrained non-interest expenditures. This figure remained below both the initial target of 1.9 trillion lira and the Medium-Term Program estimate of 2.2 trillion lira.

- Budget revenues increased by 48% in 2025.
- Budget expenditures rose by 35.7%.
- The primary balance shifted from a 837.3 billion lira deficit in 2024 to a 255.3 billion lira surplus in 2025.

The budget deficit-to-GDP ratio, which was 4.7% in 2024, is expected to decline to around 3% in 2025.

Risk Indicators

International risk indicators have shown significant improvement. Türkiye's five-year CDS premiums declined from 838 basis points in June 2002 to 215 basis points as of February 15, 2026.

In January 2026, Fitch Ratings affirmed Türkiye's credit rating at “BB-” and revised its outlook from “stable” to “positive,” citing increased foreign exchange reserves, reduced external vulnerabilities, improved reserve quality, and continued relatively tight macroeconomic policies.

Additional Key Indicators

- Net reserves (excluding swaps) reached \$77.8 billion as of February 6, 2026; gross reserves rose to \$207.5 billion.
- The public debt-to-GDP ratio declined from over 70% in 2002 to approximately 23% in 2024.
- GDP increased from \$238 billion in 2002 to \$1.358 trillion in 2024.
- Unemployment declined to 7.7% in December 2025; the employment rate reached 49.1%.
- Exports rose from \$36 billion to \$262 billion over 22 years.
- Türkiye's share in global exports increased from below 0.6% in 2002 to 1% in 2024.
- Per capita income increased from \$3,616 in 2002 to \$15,325 in 2024.
- The median age of the population reached 34.9, with the total population projected to peak at 93.5 million by 2050.

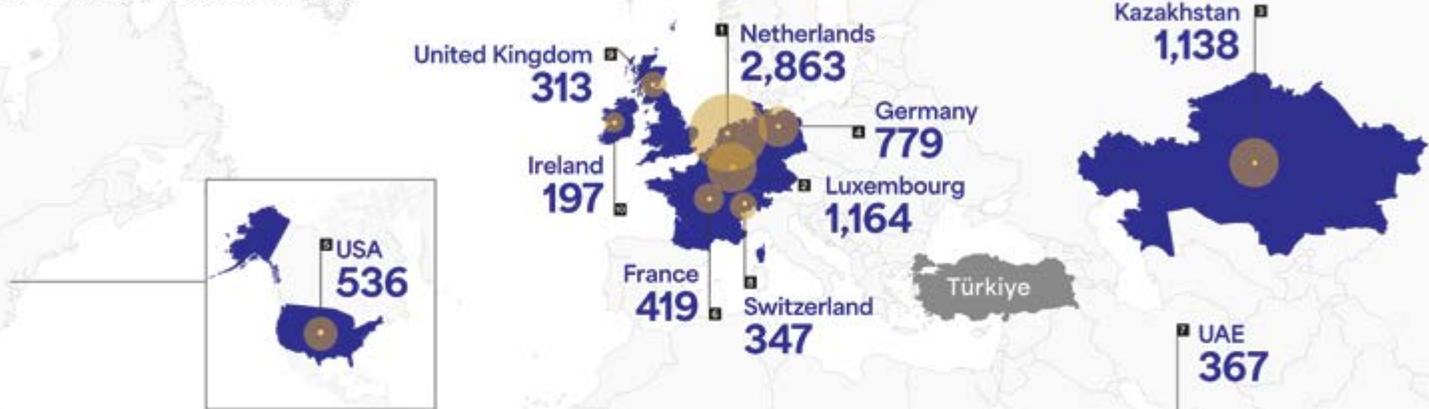
With its dynamic and evolving socioeconomic structure, Türkiye possesses an economic framework resilient to fluctuations. With high potential across multiple dimensions and continued reform momentum, Türkiye is positioned to emerge as a “rising star” in the global economy in the years ahead.

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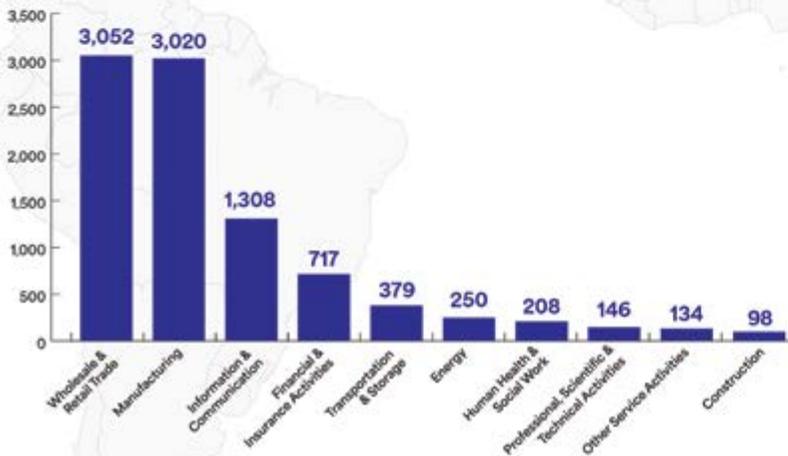


Türkiye Attracts USD 13.1 Billion of FDI in 2025

FDI Breakdown by Country TOP 10 COUNTRIES (USD MILLION)



FDI Breakdown by Sector TOP 10 SECTORS (USD MILLION)



FDI Inflows (USD BILLION)

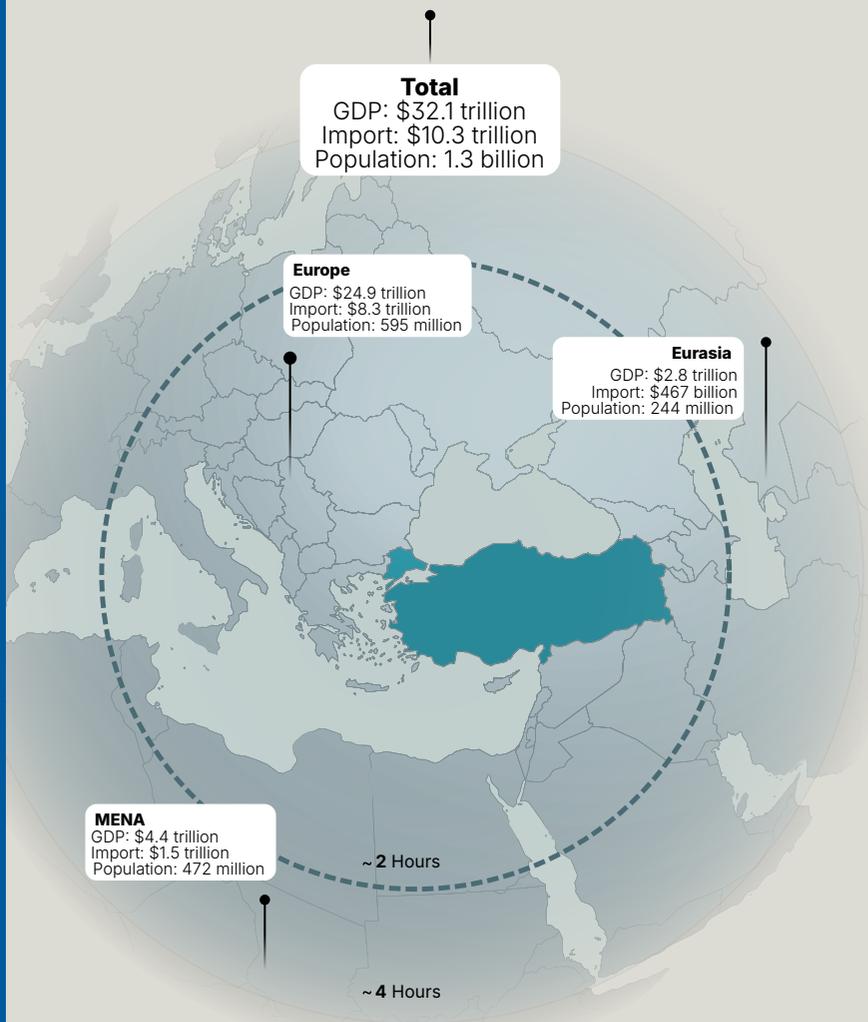


Source: Central Bank of the Republic of Türkiye (CBRT)

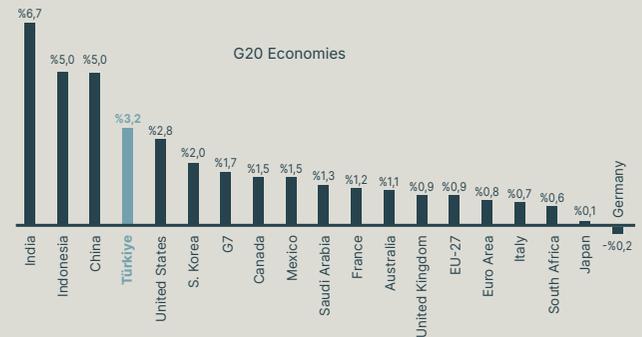
TÜRKİYE Nexus of Growth

Easy access to markets with a combined GDP of USD 32.1 trillion, trade volume of USD 10.3 trillion, and a population of 1.3 billion within a 4-hour flight

ACCESS TO MULTIPLE MARKETS

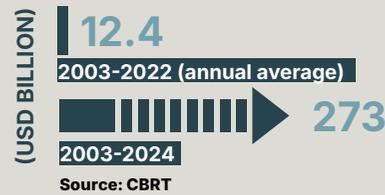


AVERAGE ANNUAL REAL GDP GROWTH (2024)



Source: OECD, TurkStat

CUMULATIVE FDI INFLOWS TO TÜRKİYE



TÜRKİYE was the fastest growing economy of the OECD members during 2003-2024, with an average annual growth rate of

5.3%



For more info

Nexus of Talent

SKILLED AND DEDICATED LABOR FORCE



960,000 graduates annually from 208 universities



Around 36 million young, well-educated, and motivated professionals

SOPHISTICATED CONSUMER BASE



A population of 85.7 million, with half under the age of 34.4



96.4 million fixed and mobile broadband internet subscribers

Largest youth population compared to the EU

Highlights

- Booming economy reaching USD 1.32 trillion in 2024, up from USD 238 billion in 2002
- Over USD 273 billion in FDI from 2003 to 2024, up from USD 15 billion between 1980–2002
- Fastest-growing economy in Europe and among the fastest globally, with an average annual GDP growth rate of 5.3% over the past 21 years
- 12th largest economy in the world (GDP at PPP)
- 12th largest automotive manufacturer globally and 4th in Europe (2024)
- 6th largest electricity market in Europe with over 115 GW capacity
- 9th largest agricultural producer globally, and 1st in Europe (2023)

Nexus of Mobility & Infrastructure

INFRASTRUCTURE



Well-developed and cost-efficient sea transport facilities



Railway connectivity linking Asia to Central and Eastern Europe



Fast and efficient air transport via 60 airports with international connections

AIRPORTS IN TÜRKİYE



MARKETS
RESIDENTIAL



An Analysis of Türkiye's Housing Market

TSKB Real Estate Appraisal Inc.

As of 2026, the Turkish real estate market has transitioned from a correction phase into a strategic Recovery window, offering prime yield potential for institutional capital. With the Central Bank's policy rate at 38% and inflation cooling to 30.9%, the era of 'Negative Real Rates' has concluded, paving the way for rationalized asset pricing and a predictable growth trajectory. For Capital Preservation-focused investors, this represents a unique entry point before full-scale price appreciation.

The market has progressed through the following stages:

- 2020-2022: Euphoria Phase (Liquidity Abundance & Negative Real Rates)
- 2024-2025: Rationalization (Tight Monetary Policy & Real Price Correction)
- 2026: Recovery (Cyclical Bottom & Strategic Entry Point)

This "Recovery" phase represents a historically critical threshold for yield maximization. For portfolio managers, this period is a strategic window where assets are not yet fully priced to capacity, yet financing channels (mortgages) are beginning to reopen.

To understand the true impact of macroeconomic stabilization on prices, one must look past the illusion of nominal figures and perform a "Yield Compression" analysis based on real value indices. Furthermore, Türkiye stands out with a trend toward structural recovery rather than merely a cyclical one, with a visible recovery also trending in real terms.

Türkiye distinguishes itself from other emerging markets through its high real growth potential, low credit penetration (underscoring significant room for leverage expansion), and structural supply constraints that ensure resilient demand

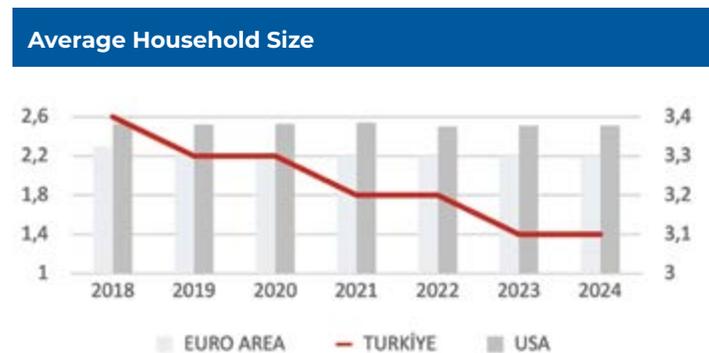
Household Size

■ **Household Fragmentation:** The decline in average household size to 3.11 continues to generate significant annual housing demand, even as population growth slows. This confirms that housing in Türkiye remains a structural necessity rather than just a basic shelter need.

■ **Urbanization:** An urbanization rate of 93.6% indicates that demand is heavily consolidated within metropolitan centers.

■ **Median Age & First-Time Buyers:** A median age of 34.9 represents a "demographic peak," where the Millennial and First-time Buyer segments are most active in the market.

This demographic transformation provides a robust foundation for investors. Price per square meter, rental multipliers, and exit liquidity are expected to remain resilient in the medium-to-long term. Despite the deceleration in population growth, demographic drivers continue to fuel an annual requirement for approximately 800,000 additional housing units in Türkiye.



The shrinking household structure in Türkiye is one of the fundamental structural factors supporting housing demand in the medium-to-long term, independent of population growth.

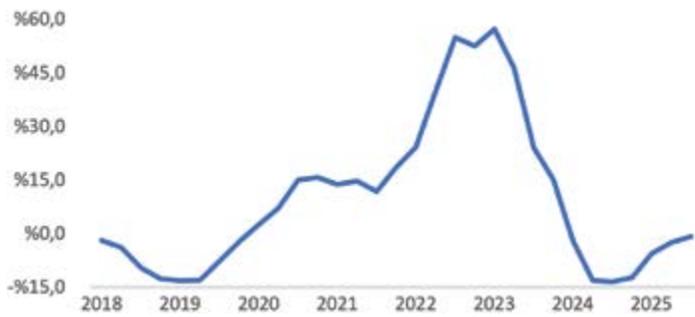
Real Prices and The Interest Rate Environment

■ **Market Resilience & Liquidity:** Despite the high-interest-rate environment in 2024 and 2025, the housing market maintained strong liquidity with robust transaction volumes. The decline in inflation and the peaking of policy rates are fostering a rationalization in pricing, creating strategic opportunities for selective buyers.

Strategic Entry Window: As of 2025, the market has transitioned from a correction phase into a "Recovery" phase, offering an attractive entry window for medium-to-long-term investors.

Mortgage Penetration & Structural Potential: The ratio of residential financing to GDP in Türkiye remains in the single digits, significantly lower than the ~70% levels seen in developed economies. While housing is the primary engine of the financial system in the US, UK, and France—where ownership is achieved by "borrowing against future income"—Türkiye's model has traditionally relied on "liquidating past savings" due to high interest and inflation. However, as rising prices challenge this traditional model and push homeownership rates down, there is immense structural upside for the expansion of mortgage markets and institutional rental products.

Real House Prices



Having completed its real price correction in 2024, the Turkish housing market has entered a recovery phase—driven by declining inflation, the peaking of policy rates, and strong transaction liquidity—offering a clear entry window for long-term investors.

Mortgage Sales & Pent-Up Demand

Credit Cost Analysis: Mortgage rates have retreated to 2.49% monthly—the lowest level in the last 28-30 months—triggering a dramatic reduction in installments. For a 120-month, 1 million TRY loan, monthly payments have dropped from 31,352 TRY to 26,273 TRY, representing a total repayment saving of approximately 609,000 TRY.

Liquidity Transformation: The high-interest environment previously suppressed mortgaged sales, with their share dropping to around 10% and creating significant pent-up demand. Currently, this share has climbed to the 13-15% range, serving as a leading indicator that we are at the very beginning of a new "Credit Cycle."

Strategic "So What?" (Call to Action): Market participants project interest rates to fall into the 1.0% - 1.5% band by 2027-2028. However, waiting for these rates is a strategic oversight. The "demand surge" that will occur when rates hit 1.0% will likely drive asset prices upward, neutralizing any financing cost

advantage. 2026 is the optimal window for "Front-running the Credit Cycle." As rates decline and credit conditions normalize, this pent-up demand is expected to activate rapidly, driving a full recovery in mortgaged sales.

Number of Housing Sales and Mortgaged Sales



The suppressed mortgage demand caused by the high-interest-rate environment has created a powerful pent-up demand potential, poised for rapid activation as credit conditions normalize.

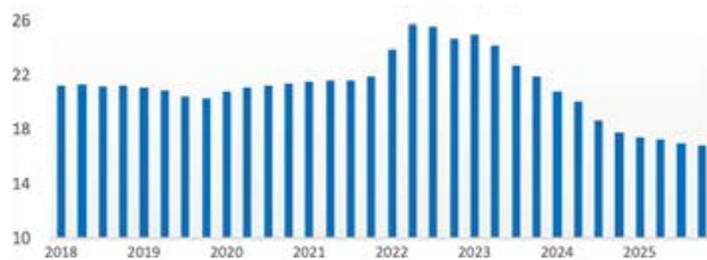
Payback Period (Amortization)

Temporary Yield Compression: In 2022, the residential payback period extended significantly to the 24–26 year band, indicating a temporary divergence in investment efficiency.

Restoration of Equilibrium: The downward trend that began in 2023 and accelerated through 2024–2025 confirms that the price-to-rent equilibrium is effectively being restored.

Return to Rationality: The contraction of the payback period to the 16–18 year (5.5%-6.2% yield) range demonstrates that residential assets have once again become a rational investment instrument, particularly for cash-rich investors with a medium-to-long-term perspective.

Housing Payback Period (Years)

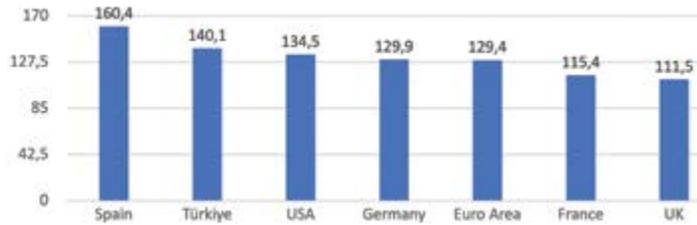


The significant contraction in residential payback periods indicates that the price-to-rent equilibrium has been restored and investment efficiency has entered a recovery phase.

Ownership Structure And Rental Yields

- Price-to-Rent Dynamics:** The rise of Türkiye's price-to-rent index to 140.1 indicates that property prices have outpaced rental growth; however, rental yields continue to provide a robust cash flow for investors.
- Superior Yield Profile:** With an average amortization period of approximately 17 years, Türkiye offers a significantly more attractive yield profile compared to core markets, where the 25–30 year band is the standard.
- Structural Rental Demand:** A homeownership rate of 55.8% signals a persistent structural demand for rental housing, ensuring that the rental market remains resilient and dynamic over the medium term.

Price to Rent Ratio 2025 Q3 (2015=100)

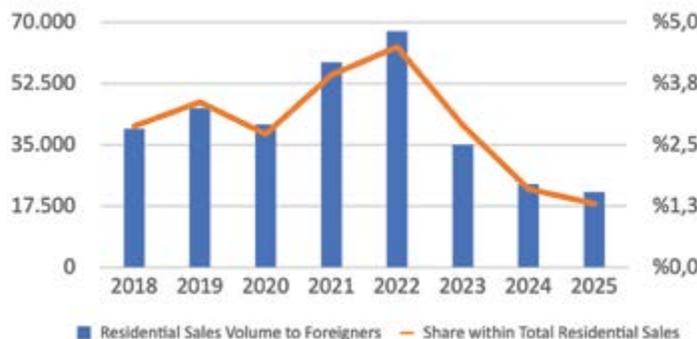


Despite rising prices, the Turkish housing market offers an attractive balance for yield-oriented global investors through strong rental returns and relatively short amortization periods.

Foreign Sales: A Structural Shift

- Shift from Quantity to Quality:** While the increase in the citizenship threshold has led to a contraction in sales volume, inbound real estate capital has evolved into a structure focused on asset quality, brand equity, and prime locations rather than sheer volume.

Foreign Sales



Foreign and Domestic Investors' Real Estate Capital Flows



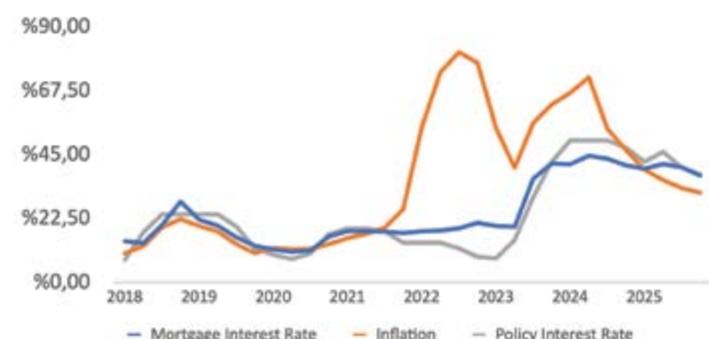
The contraction in residential sales to foreigners in Türkiye indicates a shift toward a more selective, quality-oriented capital flow seeking re-pricing, rather than a total loss of inbound investment.

- Capital Diversification:** The simultaneous rise in outbound real estate acquisitions by Turkish investors indicates a directional divergence in capital flows, driven primarily by risk diversification and currency hedging motivations.
- Strategic Re-entry Potential:** This dual-directional capital movement demonstrates that for the right pricing and product segments, Türkiye maintains significant re-entry potential for sophisticated foreign investors.

Inflation and Demand Dynamics

- Monetary Policy as an Anchor:** While tight monetary policy and high interest rates continue to weigh on housing demand in the short term, the expectations for declining inflation serve as a decisive anchor for the market's medium-term outlook.

Interest Rates and Inflation



MARKETS - RESIDENTIAL

The weakness in housing demand indicates a massive accumulation of pent-up and deferred demand awaiting the normalization of inflation expectations, rather than a permanent market contraction.

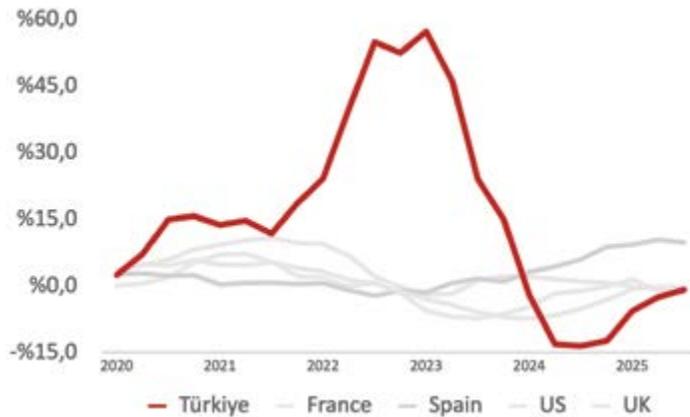
- The 2026 Stabilization Period:** 2026 stands out as a stabilization phase where real prices remain sideways and transactions are predominantly cash-based.
- Market Psychology & Timing:** Historical data suggests that housing demand activates not merely when interest rates drop, but once inflation expectations are broken and pricing behaviors begin to normalize.

Real Price Appreciation

Türkiye's real index value proves that residential real estate has accumulated more than 122% in real value against inflation since 2010. While index values in markets such as Germany (129) and France (100) indicate that assets in these countries have merely tracked inflation, Turkish assets have proven their maturity as a definitive "Inflation Hedge."

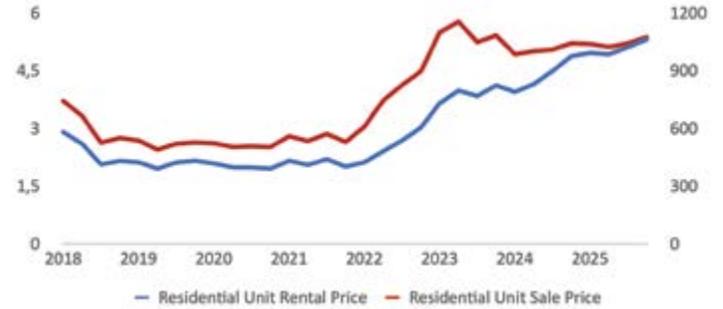
The slight real-term retreat observed during the 2024–2025 period has effectively purged the market of "overheating" risks, establishing a rational entry foundation for the 2026 cycle.

Real Price Increase Rates by Country



COUNTRY	Annual Real Change (%)	Market Analysis
Türkiye	-0,8	Real Value Preservation / Successful Inflation Hedge
Spain	+9,76	Accelerating Momentum
Germany	+1,0	Post-Crisis Adjustment
France	-0,3	Stagnation / Sideways Trend
UK	-1,0	Downward Trend
USA	-1,6	Downward Trend

Residential Rental Unit Price (USD/m²/month) – Residential Sales Unit Price (USD/m²)

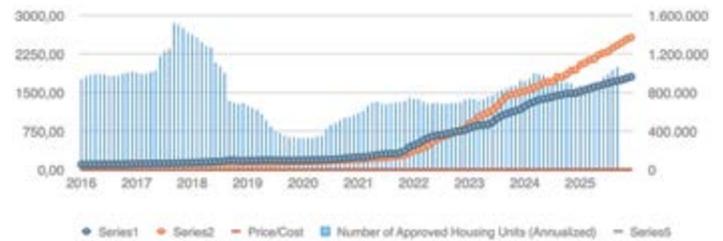


Inflation-adjusted real price analysis is the only valid metric demonstrating the value preservation capacity of real estate as a 'Hard Asset.' Türkiye's real index performance diverges sharply from its global peers.

Economic Incentive for Production

- Margin Compression (2017–2020):** The decline of the price-to-cost ratio below the 1.0 threshold signaled a deterioration in developer margins, leading to a sharp contraction in building permits.
- Economic Recovery (Post-2021):** The recovery in the price-to-cost ratio marked the return of economically sustainable production conditions, triggering a delayed but significant upward trend in building permits.
- Persistent Supply Constraint (2023–2025):** Although the ratio has stabilized above 1.0, residential supply remains below historical peaks. This indicates that despite a gradual revival in production, structural supply constraint risks persist for the medium term.

Price-Cost Dynamics and Housing Supply



The improvement in the price-to-cost equilibrium bolsters developer investment appetite and indicates that housing supply may increase in the medium term.

Conclusion & Future Outlook

As inflation is projected to decline significantly and interest rates approach the 15%-20% band during the 2027–2028 period, we anticipate a gradual activation of deferred housing demand and a renewed upward trend in mortgaged sales. At this stage, nominal price increases are expected to accelerate, while real price appreciation settles into a modest yet positive trajectory.

Looking toward 2029 and beyond, the market is expected to transition into a more predictable and stable structure, aligned with single-digit inflation targets. During this era, the primary

drivers of the real estate market will shift from macro-volatility to demographic trends, changing household structures, supply quality, and location-based differentiation.

Overall, the current landscape positions residential real estate not as a short-term speculative tool, but as a medium-to-long-term value preservation and selective yield instrument. Investment performance will no longer be dictated by general market movements but will instead be shaped by asset-specific quality, legal transparency, liquidity potential, and timing aligned with the macroeconomic recovery path.

Five Surprising Trends That Shaped Türkiye's Housing Market in 2025



Prof. Ali Hepşen
Istanbul University

Since 2002, Prof. Dr. Ali Hepşen has been a faculty member at Istanbul University Faculty of Business Administration. His main areas of expertise include real estate finance, housing markets, financial markets, investment management, and securitization. In these fields, he has published numerous articles, book chapters, and conference papers in nationally and internationally recognized journals indexed in SSCI and ESCI.

The Turkish housing market in 2025 was marked by apparent contradictions. Headlines alternated between rapidly rising prices and sharply shifting sales dynamics, creating uncertainty for buyers, sellers, and investors alike. Whether the market was expanding or weakening became a recurring question. As is often the case, however, the answer lay not in the headlines themselves but in the underlying data.

When the focus shifts away from daily news flow and toward the data, a markedly different picture emerges. A limited set of key indicators and year-end figures clearly shows that the housing market was shaped by forces that rarely dominated public discussion. The story of the data was not roundly intuitive in its comprehensibility. Together, these five trends reveal a housing market undergoing a structural transition, moving beyond simplified narratives toward a more complex and nuanced reality.

1. The Price Illusion: Rising Prices Without Real Value Creation

In high-inflation environments, one of the most critical distinctions is that between nominal and real price changes. Nominal prices refer to the figures observed in listings and transaction values, while real prices reflect inflation-adjusted purchasing power. The latter ultimately determines whether an asset's value is increasing faster than the erosion of the currency.

This distinction revealed one of the most striking features of the Turkish housing market in 2025. Although the housing price index closed in December of 2025 with a nominal annual increase of 29%, this did not translate into real value appreciation. On the contrary, the data confirmed continued real value erosion.

In 2024, average nominal house prices had increased by 43.9%, while real prices declined by 10.2%. In 2025, the pace of real losses slowed but did not disappear. By December of 2025 the real housing price index still stood at negative 1.8%.

For homeowners and investors, this outcome represented a critical and often counter-intuitive insight. While nominal prices continued to rise, the real purchasing power and intrinsic value of housing assets failed to keep pace with inflation. This persistent price illusion became a defining feature of the market's underlying condition in 2025.

2. The Return of Mortgage Credit: A Credit-Driven Recovery in Demand

After several years of contraction, 2025 marked a clear turning point for mortgage-financed housing demand in Türkiye. The share of mortgaged transactions within total housing sales had declined from 38.2% in 2020 to a historical low of 10.7% in 2024, significantly constraining access to homeownership, particularly for first-time buyers.

In 2025, this trend reversed decisively. The number of mortgage-financed housing sales increased from approximately 158,000 units in 2024 to nearly 236,000 units, representing a strong annual growth of around 49%.

Monthly data further illustrated the scale of this recovery. During the early months of 2025, mortgage-backed sales recorded exceptionally high year-on-year increases, reaching 183% in January and 90% in February.

In an environment where real housing values remained under pressure, this sharp expansion in credit-supported demand signaled a clear shift in market dynamics. Access to financing emerged as the primary mechanism sustaining housing demand in a market struggling to generate real capital gains. Mortgage credit thus became the central driver of market activity throughout 2025.

3. The Foreign Buyer Narrative Revisited: Retrenchment Rather Than Dominance

A widely held perception of the Turkish housing market has been the dominant role of foreign buyers. While international demand did experience a period of rapid expansion in earlier years, the data for 2025 clearly indicated that this phase ended and gave way to a pronounced retrenchment.

Foreign housing purchases peaked in 2022 at approximately 67,000 units. This figure declined to around 35,000 units in 2023 and fell further to roughly 23,000 units in 2024. In 2025, sales to foreign buyers declined again, reaching approximately 21,000 units.

Viewed alongside overall market performance, the divergence became more evident. While total housing sales increased by 14% in 2025, foreign purchases declined by about 9%. Consequently, the share of foreign buyers in total transactions fell from 4.5% in 2022 to just 1.3% in 2025.

These developments underscored that the recovery observed in 2025 was driven overwhelmingly by domestic demand rather than international inflows. Adjustments to citizenship-by-investment thresholds, combined with ongoing real value erosion, reduced the attractiveness of Turkish housing for foreign investors seeking pure capital appreciation.

4. The Cooling of Rental Inflation: Deceleration Without Relief

Rental markets across Türkiye entered 2025 under severe strain following several years of extraordinary rent inflation. Annual rental price increases had peaked at an unsustainable level of approximately 125% in May 2024.

Throughout 2025, this trend began to reverse. Rental inflation decelerated steadily over the course of the year, declining to 61.6% by December 2025.

While this moderation represented a positive shift, it did not imply meaningful relief for households. Annual rental inflation exceeding 60% remained exceptionally high and continued to impose significant pressure on household budgets. The key development in 2025 was therefore not affordability, but the loss of momentum in what had previously been an unchecked upward trajectory.

Together, these five trends reveal a housing market undergoing a structural transition, moving beyond simplified narratives toward a more complex and nuanced reality.

For investors willing to look beyond short-term price movements, 2025 may therefore be remembered not as an endpoint, but as the beginning of a healthier and more transparent phase in Türkiye's housing market.

5. Two Permits, Two Signals: The Medium-Term Supply Pipeline

While the number of completed housing units remained broadly stable in 2025, developments on the permitting side pointed to a significantly different medium-term outlook. Occupancy permits, which reflect completed housing supply, and building permits, which indicate future construction activity, conveyed contrasting signals.

Occupancy permits declined by approximately 1% in 2025, suggesting that no immediate surge in completed housing stock entered the market during the year.

By contrast, building permits for new housing units increased by 23% on an annual basis. Monthly data revealed particularly sharp increases, with permits issued in June 2025 exceeding those of June 2024 by 186%.

It should be noted that building permit figures for the final quarter of 2025 are partially estimated based on historical seasonal patterns. Nevertheless, the overall trend points to the formation of a robust medium-term supply pipeline. When considered alongside the deceleration in rental inflation, this pipeline suggests growing stabilizing pressures on both rental and sales prices in the period ahead.

Conclusion: From Adjustment to Opportunity

The Turkish housing market in 2025 was defined less by cyclical volatility and more by structural adjustment. Moving beyond nominal prices and headline narratives revealed a market in which real values remained under pressure, yet key fundamentals began to realign. Credit-supported domestic demand recovered strongly, rental inflation started to decelerate, and a new supply pipeline gradually took shape beneath the surface.

From an investment perspective, this adjustment phase carries important implications. The erosion of real prices, combined with the normalization of financing channels, has contributed to a gradual re-pricing of risk and return in the housing

market. For long-term investors, this environment increasingly resembles a transition from speculative price-driven dynamics toward income-focused and fundamentally anchored investment strategies.

Equally important, the weakening role of foreign demand has reduced volatility associated with sudden capital inflows, while strengthening the market's reliance on domestic absorption. This shift enhances market depth and predictability, both of which are critical for institutional and long-horizon investors.

Looking ahead, the real test for the Turkish housing market is not whether demand can be stimulated, but whether it can be sustained within a framework of improved affordability, balanced supply, and financial discipline. If the emerging alignment between credit access, rental dynamics, and future supply is maintained, the post-2025 period may offer a more stable and investable housing environment than the market has experienced in recent years.

For investors willing to look beyond short-term price movements, 2025 may therefore be remembered not as an endpoint, but as the beginning of a healthier and more transparent phase in Türkiye's housing market.

MARKETS
TOURISM



Türkiye Tourism & Hospitality 2025: Market Overview

Servotel

Türkiye's tourism sector in 2025 demonstrates stable performance with 52.8 million visitors, representing a marginal year-on-year ("YoY") growth of 0.28%. While visitor volume remained relatively flat, the sector achieved meaningful gains in revenue quality. Foreign tourist expenditure reached \$63.9 billion, up 2.7% from the previous year, with per capita spending increasing from \$972 to \$1,008, a 3.7% improvement that demonstrates the sector's ability to enhance revenue quality even amid flat visitor growth, a critical metric for hospitality asset performance, considering ongoing efforts to move away from "mass tourism", which is one of the biggest challenges in the hospitality industry from a sustainability / ESG standpoint.

Türkiye's source market composition in 2025 showed mixed results, reflecting broader geopolitical and economic dynamics. The Russian Federation and Germany, remaining as Türkiye's two largest feeder markets, maintained a demand growth of 2.89% and 1.88% in tourist arrivals respectively, reaching 6.9 million and 6.7 million visitors. This resilience in core European markets provided stability despite headwinds from other regions.

Significant year-on-year growth came from several secondary source markets: the United States increased 9.88% to 1.58 million visitors, Ukraine grew 9.03% to 1.03 million, Uzbekistan surged 14.02% to 649,719, and Italy expanded 12.69% to 811,000. These gains partially offset contractions in markets including Iran (-6.95%), Georgia (-9.43%), Kazakhstan (-11.67%), and Greece (-12.10%), reflecting both economic pressures and shifting travel preferences in specific regions. Türkiye's hospitality infrastructure remains heavily concentrated with respect to its primary tourism destinations. The top five cities (Antalya, Muğla, Istanbul, İzmir, and Ankara) collectively account for a disproportionate share of both facility count and room inventory relative to their visitor volumes.

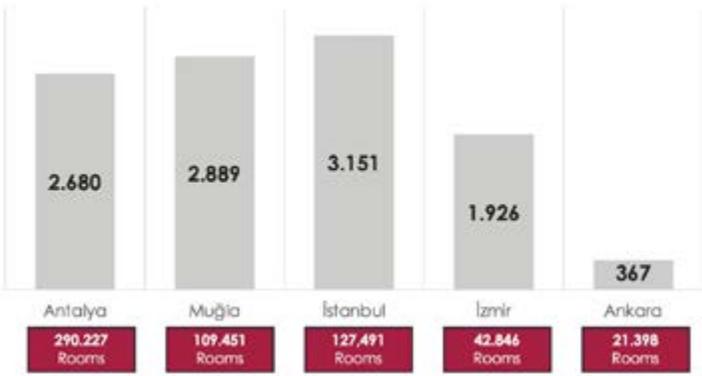
In terms of registered hospitality facilities, these five cities represent approximately 51% of Türkiye's total licensed accommodation establishments (11,013 facilities out of Türkiye's nationwide total of 21,441). When measured by room count, their concentration is even more pronounced, accounting for roughly 67% of Türkiye's total room inventory (591,413 rooms of approximately 882,025 nationwide).

Antalya leads with 290,227 rooms across 2,680 facilities, reflecting its position as Türkiye's premier resort destination. Istanbul follows with 127,491 rooms in 3,151 facilities, demonstrating its strength in urban hotel capacity. Muğla (which includes Bodrum) offers 109,451 rooms in 2,889 facilities, while İzmir and Ankara provide 42,846 and 21,398 rooms respectively. This concentration pattern reflects decades of infrastructure investment in proven markets and suggests limited near-term supply competition from emerging destinations.

In 2024, the top European countries by international tourist arrivals were France (102.0 million), Spain (93.8 million), Türkiye (60.6 million), Italy (57.7 million), and the United Kingdom (42.5 million), highlighting the scale and maturity of these markets within the global tourism landscape. Based on top European tourism destinations, representative gateway cities and leading resort destinations were selected from these countries to serve as benchmark references for comparison with Bodrum and Istanbul, ensuring alignment in terms of international visibility, demand depth, and overall market structure.

In 2024, the top European countries by international tourist arrivals were France (102.0 million), Spain (93.8 million), Türkiye (60.6 million), Italy (57.7 million), and the United Kingdom (42.5 million), highlighting the scale and maturity of these markets within the global tourism landscape.

Number of Hospitality Establishments - Türkiye 2025



Istanbul: Gateway City Dynamics

Istanbul maintained its position as Türkiye's primary tourism hub, welcoming 19.0 million visitors in 2025, a 2% increase from 2024's 18.6 million. The city continues to attract substantial volume from key source markets, supported by strong and growing airlift capacity and its strategic "transient" position bridging Europe and Asia via the powerhouse support of Turkish Airlines as the world's leading airline in terms of number of destinations. With 3,151 registered facilities and 127,491 rooms, İstanbul commands approximately 15% of Türkiye's total room inventory while hosting 36% of international arrivals, demonstrating exceptional facility utilization efficiency.

Hotel performance metrics reveal a competitive urban market. Average daily rates (ADR) stood at €129.86 in 2025, down modestly from €132.91 in 2024, while occupancy rates settled at 67.9%. This pricing environment reflects broader dynamics across major European city destinations, where supply additions and shifting traveler preferences are influencing rate strategies.

Examining İstanbul within its broader landscape as a European gateway city reveals a nuanced market positioning rather than underperformance. While Paris strengthened its occupancy to reach 78.7% despite a marginal ADR decline, and Madrid achieved simultaneous gains in both occupancy (+1.1pp) and ADR (+5.3%), İstanbul's modest contractions (-1.2pp occupancy, -2.3% ADR) align closely with Barcelona's flat occupancy and Rome's minimal movement. The critical distinction lies in scale and market maturity: İstanbul operates 76,450 rooms across 666 hotels, representing significantly higher inventory than Rome (49,884 rooms, 669 hotels) or Milan (38,048 rooms, 470 hotels), yet maintains comparable occupancy levels. This suggests İstanbul's challenge is not demand generation but rather price positioning challenges in a supply-rich environment impacting the variety of clientele profile as well as the weight of the top of the segmentation pyramid.

The opportunity for İstanbul lies in continued product enhancement and market segmentation especially by either (i) re-positioning exhausted existing inventory or (ii) the penetration of more international brands while offering and securing certain globally recognized standards, physically and operationally, as the infrastructure itself seems to be covered. The city's rich cultural assets, expanding infrastructure, and growing meetings and incentive travel sector provide foundations for capturing higher-yield segments alongside its traditional volume strengths.

[Istanbul's rich cultural assets, expanding infrastructure, and growing meetings and incentive travel sector provide foundations for capturing higher-yield segments alongside its traditional volume strengths.]



Bodrum: Premium Resort Performance

Bodrum exemplifies Türkiye's luxury resort segment, demonstrating strong pricing power and consistent demand from affluent domestic and international visitors, proving the potential of the long-term strategy for Türkiye overall at the city-level. The destination, with an active season from May to September, achieved €694.41 ADR in 2025, up 11.1% from €624.90 in 2024, with occupancy maintaining stability at 42.9%. This ADR and occupancy performance — especially for top-tier accommodations, such as ultra-luxury, newsworthy property destinations — places Bodrum firmly among not only the top Mediterranean luxury resort destinations such as Sardinia, St. Tropez, Ibiza, Mykonos, Porto Heli, but also at global level.

A broader view of Mediterranean resort dynamics reinforces Bodrum's competitive positioning. While destinations like Nice (71.3% occupancy, €264.33 ADR) and Ibiza (67.6% occupancy, €281.55 ADR) achieve higher year-round utilization, their lower ADR and substantial occupancy gains suggest these markets are competing through volume strategies and accessibility rather than exclusivity. Ibiza's notable 10.8% occupancy increase alongside modest 3.4% ADR growth exemplifies this trade-off; higher volumes at the expense of pricing power. Conversely, Bodrum's stable occupancy combined with robust 11.1% ADR expansion mirrors Marbella's trajectory (0.1% occupancy change, 11.1% ADR growth), indicating both destinations' efforts in their successful fight against “mass tourism” and as a result defense of their top positioning in 2025 from a RevPAR perspective. Bodrum's RevPAR of approximately €298 significantly exceeds many Mediterranean competitors despite slightly lower occupancy, demonstrating the power of premium positioning.

The market is bifurcating: high-volume destinations like Nice, Ibiza, and Sicily are filling rooms through competitive pricing, while Bodrum and Marbella maintain rate discipline. The destination's success stems from supply and investment discipline with well-studied product development, responding to respective demand through increasing “intellectual investment” by (i) constantly placing a higher standard across all segments and (ii) preserving the right balance among segments, rather than concentrating on a “specific segment”, which usually tends to be on the bottom end of the “demand pyramid”.

Türkiye's tourism fundamentals remain solid; (i) source market diversification mitigates geographic risk, (ii) infrastructure concentration and improvements support increasing growth across various segments, (iii) promotion and development of new destinations increase demand via diverse purpose of engagement and (iv) improvement of per capita spending signals successful evolution toward value-oriented growth. While the above proves the presence of all ingredients for the country's tourism industry to increasingly command a substantial share of the national GDP at the macro-level, at the micro-level the “right” product development to either (i) respond to the demand and/ or (ii) generate demand through intellectual investment at every stage of the development starting from land

Bodrum exemplifies Türkiye's luxury resort segment, demonstrating strong pricing power and consistent demand from affluent domestic and international visitors, proving the potential of the long-term strategy for Türkiye overall at the city-level.

development to hotel operations remains one of the most critical success factors, as proven by Bodrum. The strategy executed and pursued in the latter should be adjusted and implemented across the whole country with necessary governmental efforts toward a geopolitically stable atmosphere, spotlighting incentivized investments to not only catalyze tourism growth in Türkiye but to also further attract international and institutional investors to the country and its industries.

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MARKETS RETAIL

Türkiye Retail and Commercial Real Estate Sector 2025 Outlook



Nuri Şapkacı
Chairman, AYD-Council of Shopping Centers
Türkiye

Nuri Şapkacı serves as the Managing Director of ECE Türkiye. With more than 25 years of leadership experience, he has built a solid career in management, having previously held senior executive positions at Teknoser, Yapı Kredi Leasing, Teknoloji Holding, ITE Group PLC, and Pegasus Airlines. He began his professional career as an auditor at KPMG. He served as Vice President of the Council of Shopping Centers Türkiye (AYD) between 2011 and 2023 and was elected Chairman of the Board in February 2023. Re-elected to this position in February 2025, Şapkacı will continue to serve as Chairman for the 2025–2028 term.

Türkiye's commercial real estate sector holds a strategic position between Europe, the Middle East and Central Asia, supported by an institutionalized market structure, strong domestic demand dynamics and regional trade networks. As of year-end 2025, Türkiye hosts 442 shopping centers with a total gross leasable area of approximately 13.7 million square meters. By the end of 2026, an additional 205,000 square meters of new supply is expected to enter the market, bringing the total stock close to 13.9 million square meters. Organized retail density stands at 160 square meters per 1,000 inhabitants nationwide. Major metropolitan areas such as Istanbul and Ankara function as regional commercial hubs, while rising consumption potential in Anatolian cities indicates that growth is becoming geographically more widespread.

Strong occupancy levels in high-performing shopping centers demonstrate that the supply of quality commercial space remains limited despite retailers' expansion ambitions. This dynamic highlights Türkiye's capacity to offer both scale and growth potential for domestic and international brands as well as commercial real estate investors.

In terms of performance, the sector experienced a cyclical slowdown in 2025 following the strong post-pandemic recovery. Economic policies aimed at disinflation and the normalization of demand have created pressure on unit sales and real productivity. While nominal turnover growth continued, real growth remained limited and visitor traffic showed signs of gradual stabilization. This trend reflects not a contraction in demand, but rather a shift toward more selective and experience-oriented consumption patterns.

Rising operational costs, difficulty in accessing finance and certain regulatory uncertainties remain among the factors that make the investment climate more challenging. These conditions have led to a more selective investment supply, while efficiency- and cost-driven strategies, asset repositioning, refurbishments and ownership changes have gained prominence across existing properties. The functional evolution of shopping centers also constitutes a key component of this transformation. The integration of gastronomy,

entertainment, co-working spaces, health and service functions — alongside the expansion of mixed-use developments — continues to support value creation across commercial real estate assets.

Türkiye offers growth potential not only for shopping center investments but across all segments of commercial real estate, including office, logistics, tourism and mixed-use developments. Ongoing urbanization, evolving lifestyle patterns and regional trade flows remain the primary drivers supporting this potential.

From a medium-term perspective, 2026 is expected to mark the beginning of a gradual recovery phase, supported by macroeconomic stabilization and the anticipated decline in inflation. In this environment, well-positioned assets with strong management structures and multi-functional design are expected to stand out for investors.

In conclusion, despite short-term macroeconomic fluctuations, Türkiye continues to offer long-term opportunities for international investors and retail brands, supported by solid consumption fundamentals of young population, high occupancy levels and an evolving commercial real estate ecosystem.

From a medium-term perspective, 2026 is expected to mark the beginning of a gradual recovery phase, supported by macroeconomic stabilization and the anticipated decline in inflation.

MARKETS
OFFICE



Prime Office Markets Across Europe: A Comparative Positioning of Istanbul

Cushman & Wakefield | TR International

	Country	City (Submarket)	Prime Rent (US\$/sq.m/PM)	Prime Rent YoY Growth	Prime Yield	QoQ Shift	Prime Yield YoY Shift
1	United Kingdom	London (West End)	205,6	13.3%	3.75%	0 bp	-25 bp
2	France	Paris (CBD)	122,7	12.1%	4.00%	0 bp	0 bp
3	United Kingdom	London (City)	110,1	5.2%	5.50%	0 bp	-25 bp
4	Switzerland	Geneva (Centre)	105,5	0.0%	2.90%	-10 bp	-10 bp
5	Switzerland	Zurich (Centre)	91,5	0.0%	2.50%	0 bp	-25 bp
6	Sweden	Stockholm (CBD)	90,0	1.6%	3.85%	-5 bp	-10 bp
7	Italy	Milan (CBD)	78,5	9.6%	4.00%	-25 bp	-25 bp
8	Ireland	Dublin (2/4 District)	68,7	1.6%	5.00%	-10 bp	-10 bp
9	United Kingdom	Bristol (City Centre)	60,5	4.2%	6.75%	0 bp	0 bp
10	France	Paris (La Défense)	60,4	2.5%	6.50%	0 bp	0 bp
11	Italy	Rome (CBD)	58,9	0.0%	4.50%	-25 bp	-25 bp
12	United Kingdom	Edinburgh (City Centre)	56,2	2.2%	6.50%	0 bp	-25 bp
13	Norway	Oslo (CBD)	55,8	0.0%	4.50%	0 bp	0 bp
14	United Kingdom	Birmingham (City Centre)	55,6	5.1%	6.75%	0 bp	0 bp
15	United Kingdom	Leeds (City Centre)	55,6	15.0%	7.00%	0 bp	0 bp
16	Germany	Munich (CBD)	55,0	3.8%	4.60%	0 bp	0 bp
17	United Kingdom	Manchester (City Centre)	54,4	0.0%	6.75%	0 bp	0 bp
18	Luxembourg	Luxembourg City (CBD)	54	0.0%	4.90%	-10 bp	-10 bp
19	Germany	Frankfurt (CBD)	52,0	6.1%	4.90%	0 bp	0 bp
20	Netherlands	Amsterdam (Southaxis)	51,5	0.0%	5.25%	0 bp	0 bp
21	United Kingdom	Glasgow (City Centre)	50,2	7.8%	7.00%	0 bp	-25 bp
22	Türkiye	Istanbul (CBD)	50	11.1%	7.25%		0 bp
23	Germany	Dusseldorf (CBD)	46,0	5.7%	5.10%	0 bp	0 bp
24	United Kingdom	Newcastle (City Centre)	45,4	25.0%	8.00%	0 bp	0 bp
25	Germany	Berlin (CBD)	45,0	0.0%	4.80%	0 bp	0 bp
26	Spain	Madrid (CBD)	43,0	2.4%	4.25%	0 bp	-15 bp
27	Finland	Helsinki (City Centre)	42,0	0.6%	5.00%	0 bp	0 bp
28	Sweden	Gothenburg (CBD)	41,3	12.5%	4.50%	0 bp	-10 bp
29	Belgium	Brussels (Leopold)	38,3	0.0%	5.15%	0 bp	0 bp
30	Germany	Hamburg (CBD)	37,0	5.7%	4.80%	0 bp	-10 bp

Istanbul's prime CBD office market has entered a new pricing tier within Europe, with prime rents reaching USD 50/sq.m per month — ranking 22nd among 46 major European office markets and positioning the city alongside key continental locations such as Frankfurt, Amsterdam and Munich.

Prime rents recorded an annual growth of 11.1%, placing Istanbul among the strongest performing office markets in Europe, comparable to Paris CBD and ahead of most German and Southern European cities.

This rental momentum reflects constrained Grade A supply, sustained flight-to-quality demand and a structurally underdeveloped institutional stock base.

While prime yields remain elevated at 7.25%, this primarily reflects sovereign risk pricing rather than asset-level fundamentals, creating a notable 200–325 bps yield premium over Western European core markets.

The current pricing structure positions Istanbul as a high-growth, yield-enhanced gateway market — offering income returns significantly above continental Europe, combined with re-rating potential under improving macroeconomic conditions.

As capital markets gradually normalize, Istanbul's spread to core Europe presents one of the most compelling medium-term compression narratives across the broader European office landscape.

Source: Cushman&Wakefield - The DNA of Real Estate 2025 Q4 EMEA

Istanbul Office Market 2025 Overview

Cushman & Wakefield | TR International

In the fourth quarter of 2025, the global economy continued to follow a cautious course under the influence of geopolitical tensions and uncertainties in trade policies. Although inflation worldwide maintained a slowing trend, energy and service prices in particular remained high. In Türkiye, inflation fell from 33.29% in September to 30.89% in December, confirming that the disinflation process had returned to track in the final quarter of the year. This decline provided the necessary maneuvering space for the CBRT's year-long 'controlled easing' strategy, and despite the policy rate being lowered to 38%, positive real interest rates were maintained, preserving the commitment to price stability. During this period, partial stagnation was observed on the consumption side, while investment decisions followed a cautious approach. Overall, the fourth quarter stood out as a period in which price pressures persisted but the economy was being balanced in a controlled manner. Prime office rents were recorded at \$50 per

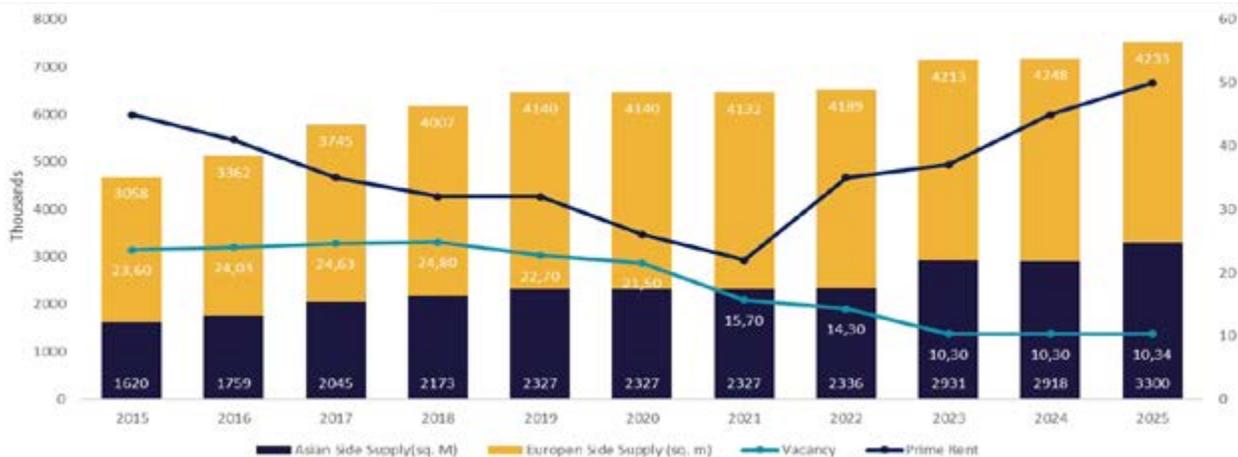
square meter in the fourth quarter of 2025, marking an 11% increase on a USD basis compared to the same quarter of the previous year. In terms of Turkish lira (TRY), rents rose 36% to reach ₺2,109 per square meter, exceeding the December inflation of 31%. As a result, the prime rent level reached the highest level to date, setting a new record once again.

In 2025, as the Istanbul Finance Center was gradually introduced to the market, new supply was added and the total supply of the Istanbul office market increased from 7.16 million square meters to 7.53 million square meters. In the first half of the year, a total of 74,689 square meters of transactions were realized as new leasing deals; in the second half, 54,864 square meters of transactions were realized. Thus, in 2025, a total of 129,553 square meters of transactions were recorded, showing a 7% decrease compared to the previous year.

Take-Up Transactions

Q4 2025

Total Leasing Activity	38.697 thousand sq. m
Prime Rent	50 US\$/sq. m/month
Prime Yield	7,25 %
Total Supply	7,53 million sq. m
Vacancy Rate	10,34 %
Future Supply	0,834 thousand sq. m
Green-certified office stock	2.695 thousand sq. m



Source: Cushman&Wakefield TR International

In 2025, demand in the office market was primarily concentrated on fitted out, ready-to-use (fit-out / plug&play) office spaces.

Meanwhile, 58% of the transactions consisted of new leasing agreements. In renewal transactions, a decrease was observed from 37% to 20% compared to the same quarter of the previous year.

The major new leasing transactions realized in 2025 include Demirören Medya (20,000 square meters, IFM), Dream Games (13,000 square meters, Torun Center), Rumeli University (8,900 square meters, DMY Plaza), Bahçivan Gıda (6,627 square meters, Skyland), Yapı Kredi (5,741 square meters, Karamancılar İş Merkezi), Epiaş (5,000 square meters, IFM), Ankara Sigorta (4,992 square meters, NidaKule Küçükalyalı), Amazon (3,374 square meters, Ferko Signature), Öncü Group (3,060 square meters, Apa Nef), and KVK (2,674 square meters, NidaKule Küçükalyalı).

Among the largest investment transactions in the first half of 2025 were the sale of the İstanbul Finans Merkezi Office Building, owned by İş GYO and measuring 35,386 square meters in İstanbul Finance Center, to KT Sağlık Gayrimenkul A.Ş. for 5.6 billion Turkish lira, and the sale of 193 Plaza in İstanbul Levent-Şişli, owned by Eczacıbaşı Holding A.Ş., to MYC İnşaat Taahhüt Sağlık Hizmetleri Turizm Sanayi ve Ticaret A.Ş. for 2.25 billion Turkish lira. In the second half of the year, notable transactions included İş GYO's sale of Ankara İş Kulesi to Çelikler Group for 1.215 billion Turkish lira, Ahlatcı Holding's acquisition of 4B Plaza in Ümraniye, and Peker GYO's subsidiary DIGH Maslak İnşaat's purchase of a 1,706 square meters property in Sarıyer, sold by the General Directorate of Foundations, for 1.51 billion Turkish lira.

Investment transactions are expected to accelerate over the medium and long term.

In 2025, demand in the office market was primarily concentrated on fitted out, ready-to-use (fit-out / plug&play) office spaces. Under inflationary conditions, rising construction, furniture, and relocation costs directed occupiers toward existing fitted out spaces that did not require additional investment, a trend particularly evident in tenant renewal transactions. During the same period, demand for qualified office buildings compliant with earthquake regulations and high seismic safety standards also increased significantly, strengthening the exit trend from older building supply trends. In contrast, interest in shell & core office spaces remained limited, while the constrained availability of safe and ready-to-use office supply created upward pressure on rent levels.

MARKETS

LOGISTICS



Main Logistics Markets

Value Solution Partners



Source: VS Partners

■ Türkiye is one of the emerging logistics markets in the EMEA region (Europe, Middle East and Africa), supported by its strong geopolitical position, advanced transportation infrastructure, industrial production, and robust consumer demand.

Positioned as a strategic logistics hub between Europe and Asia, Türkiye's role has been further reinforced by international initiatives such as the Middle Corridor, which is more cost-effective and faster compared to the northern corridor, and the Development Road Project.

■ Over the past decade, the country's growing importance in global supply chains has been increasingly acknowledged by multinational companies and foreign governments alike.

Logistics Supply

■ The primary logistics market is located in Türkiye's Marmara region, which includes the Istanbul and Kocaeli provinces. Hadımköy and Esenyurt on the European side, Tuzla on the Asian side in Istanbul, and Gebze, Çayırözü and Dilovası in Kocaeli remained the primary logistics markets of the Marmara region.

As of year-end 2025, the total existing logistics supply in the Marmara region, including the Istanbul and Kocaeli sub-markets, was recorded as 11.6 million square meters with a slight rise of 2.7% year-on-year. There are approximately 370k square meters of logistics warehouse projects under construction.

There is also 7.8 million square meters of existing non-owner-occupied logistics supply, which was constructed for lease and/or sale purposes as of 2025 year-end. Almost all of the under-construction warehouses are being built for commercial purposes.

Logistics Performance Index (LPI), Türkiye

Türkiye's logistics sector aims for top 25th global rank by 2028*

Based on the World Bank's Logistics Performance Index, which reflects countries' global competitiveness and on-the-ground efficiency of trade supply chains and logistics services, Türkiye's grouped ranking rose to 38th out of 138 countries by increasing its score to 3.4 in 2023 from 3.2 in 2018.

In recent years, the Turkish logistics market remained firm under global supply chain disorders due to having a strategically significant location and being a logistics hub, as well as offering a shorter lead time compared to Europe and China.

Market Performance

The logistics market in Türkiye continued to broaden its performance in 2025; however, supply pressure remains high as construction activity struggles to keep up with the high occupier demand and larger new space requirements.

Demand for modern, well-located facilities remained strong, particularly in Istanbul's Hadımköy, Esenyurt, and Gebze corridors.

The total logistics take-up volume rose by 61% year-on-year in 2025, reaching 340k square meters. Leasing activity was predominantly concentrated in the Kocaeli region, with 3PL companies leading transactions across both the Kocaeli and Istanbul regions.

The trend of near-shoring operations in Europe, prompted by global supply chain disruptions, has increased international occupier interest in Türkiye's industrial and logistics market, which provides easy access to production corridors and end-users.

The vacancy remained stable comparable to the previous year due to the many newly completed warehouses entering the market fully leased as a result of limited supply.

Prime Rent

Pressure on prime rents continues, therefore, as supply of suitable space remains limited.

Prime rents rose to \$11.25 per square meters per month through a 12.5% year-on-year rise, while TRY-based prime rents increased to 475 Turkish lira per square meter per month through a 35.7% year-on-year increase.

Prime logistics rents are expected to increase in the mid-term due to limited availability.

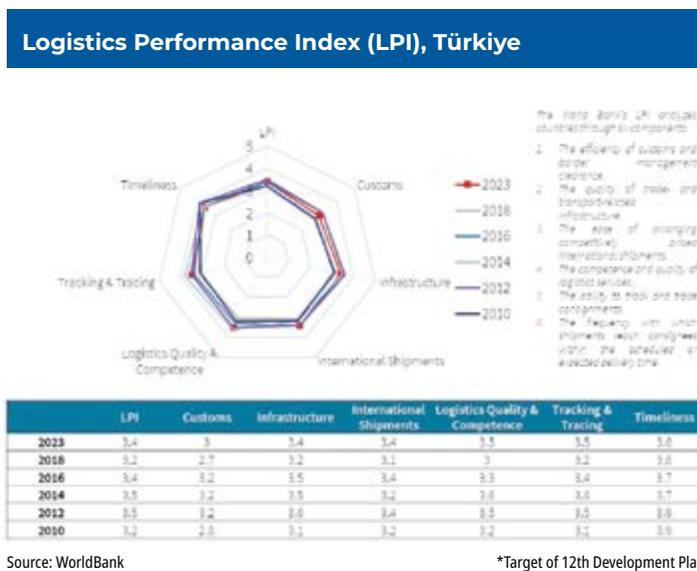
Outlook

Looking ahead, early signs of PMI recovery and easing inflation may support a moderate rebound in manufacturing. Limited Grade-A supply continues to drive demand for new developments, especially from occupiers seeking efficiency and scale. Secondary cities expected to benefit from the supply pressures in prime regions.

Türkiye's near-shoring appeal is growing due to its strategic location as a logistics hub, with international interest focused on leasing in well-connected regions.

While rising geopolitical tensions may pose a risk, the expansion of e-commerce networks and export regulations is expected to lead to major structural changes in Türkiye in the long term.

On the other hand, given the Green Deal in Europe, one of Türkiye's main export markets, digital transformation in last-mile logistics and an expansion of e-commerce export networks are also expected to shape the logistics market dynamics in Türkiye.



Türkiye, A Global Logistics and Trade Hub at The Intersection of The Middle Corridor and The Development Road



Atilla Albuyur
Chairman, GYODER Logistics Investments Committee

For 28 years, Atilla Albuyur has served as Broker/Owner of Albuyur Construction & Real Estate Ltd., the company he founded, combining 24 years of civil engineering expertise with a strategic investment perspective across commercial, industrial, and logistics real estate. Through the “Excellent Invest” brand, he provides high-level advisory and brokerage services to domestic and international investors throughout Türkiye. He also serves as Chairman of the Logistics Investments Committee at GYODER, the umbrella organization of the Turkish real estate sector, where he plays a strategic role in fostering public-private sector collaboration, shaping industry vision, and contributing to policy development processes.

Located at the intersection of the Middle Corridor and the Development Road, Türkiye offers unparalleled opportunities in global logistics, supported by its strategic geography, robust infrastructure, growing economy, and competitive workforce.

Global trade and logistics networks are undergoing a profound transformation driven by geopolitical uncertainties, supply chain disruptions, decarbonization policies, and the growing demand for speed and resilience. In this new era, countries are evaluated not only by their geographic location, but by their ability to deliver integrated multimodal infrastructure, competitive labor markets, advanced production capabilities, and sustainability-oriented policies. Positioned at the crossroads of continents and major trade routes, Türkiye stands out as a strategic global logistics hub at the intersection of the Middle Corridor and the Development Road Project.

Strategic Geography: A Bridge Between Europe, Asia, and the Middle East

Türkiye’s unique geographic position places it at the center of Europe, the Middle East, North Africa, the Caucasus, and Central Asia. From Türkiye, it is possible to access 1.3 billion people and an economic area exceeding 30 trillion USD within a four-hour flight radius. This exceptional accessibility elevates Türkiye beyond a transit country, positioning it as a regional hub for manufacturing, distribution, and supply chain management for multinational companies.

This strategic advantage is further reinforced by two major international trade corridors. The Middle Corridor, connecting China to Europe via Central Asia, the Caucasus, and Türkiye, offers a safer, faster, and more cost-efficient alternative to northern routes. Complementing this, the Development Road Project establishes a resilient, land-based trade corridor linking the Persian Gulf to Europe through Türkiye. Together, these corridors place Türkiye at the heart of the evolving global trade architecture.

The Middle Corridor has gained increasing importance as global companies seek to diversify their supply chains away from congested and geopolitically sensitive routes. Türkiye’s integration into this corridor significantly shortens transit times between Asia and Europe while enhancing supply chain reliability.

The Development Road Project, originating from Iraq’s Faw Port and extending through Türkiye to European markets, further strengthens this advantage by offering a competitive alternative to traditional maritime routes. Taken together, these two corridors position Türkiye as a key logistics node delivering speed, cost efficiency, and risk mitigation.

Large-Scale Infrastructure Investments and Multimodal Strength

Over the past two decades, Türkiye has made substantial investments in transport and logistics infrastructure. High-capacity highways, modernized railway networks, expanded ports, logistics centers, and world-class airports have significantly enhanced the country’s multimodal transportation capabilities.

Road transport remains the backbone of Türkiye’s logistics sector, supported by a young, skilled, experienced, and flexible workforce, ensuring seamless connectivity with European markets. Railway investments are accelerating in line with the Middle Corridor and the Development Road, increasing freight capacity and supporting intermodal transport solutions. Maritime transport continues to dominate, accounting for nearly 88% of Türkiye’s foreign trade tonnage, while port capacities and cargo handling areas are steadily expanding. Air cargo transportation has gained strategic importance with the rapid growth of Turkish Cargo, positioning Türkiye as a regional hub for time-sensitive and high value-added goods.

A Growing Economy, Expanding Trade Volumes, and Advanced Logistics Ecosystem

Türkiye is a dynamic and developing economy with a steadily increasing import and export capacity. Exports are diversified across key sectors such as automotive, machinery, electrical equipment, iron and steel, and textiles, while imports support

advanced manufacturing and industrial production. Major centers including Istanbul, Kocaeli, Izmir, Bursa, Gaziantep, Mersin, and Manisa form the backbone of the country’s logistics ecosystem.

Türkiye’s logistics strength is further supported by 416 Organized Industrial Zones (OIZs) and 19 Free Zones, which play a critical role in export-oriented production. These zones—continuously integrated with ports, highways, and railway networks—help reduce logistics costs and enhance supply chain efficiency. Across the country, logistics facilities are becoming increasingly sophisticated, offering advanced warehousing, distribution, e-commerce logistics, and value-added services.

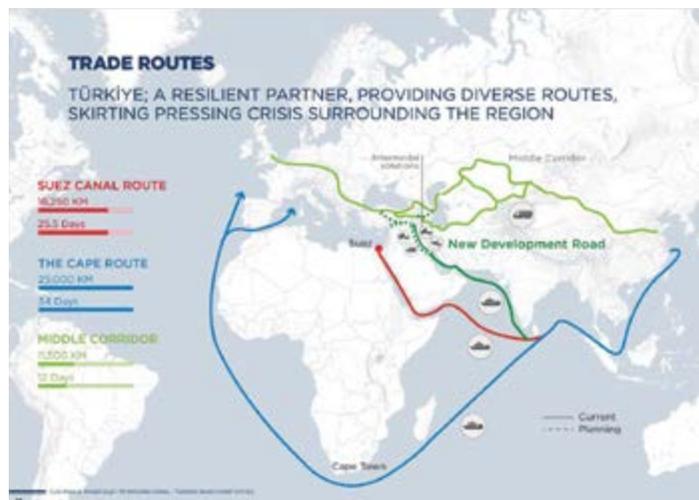
Global Logistics Leaders Investing in Türkiye: Türkiye’s logistics potential is not theoretical—it has been proven in practice. Global logistics leaders such as ARVETO, CEVA Logistics, DB Schenker, DFDS, DHL, FedEx, Hellmann Worldwide Logistics, Kuehne+Nagel, Mars Logistics, Maersk, and PSA & BDP operate extensive networks in Türkiye through partnerships, acquisitions, and direct investments. Their long-term presence clearly demonstrates Türkiye’s position as a trusted and proven global logistics hub.

Young, Skilled, and Competitive Workforce: One of Türkiye’s strongest advantages is its young and well-educated workforce, with an average age significantly lower than that of most European countries. This demographic structure provides high productivity, operational flexibility, and scalability—particularly in road transport, contract logistics, and last-mile operations.

Green Transformation and Sustainable Logistics: Aligned with the European Green Deal and global sustainability standards, Türkiye is taking concrete steps to reduce carbon emissions, promote intermodal transportation, and develop energy-efficient logistics infrastructure. These efforts further enhance Türkiye’s attractiveness for international investors seeking ESG-compliant and future-ready supply chains.

Conclusion: Early Movers Gain the Advantage

Located at the intersection of the Middle Corridor and the Development Road, Türkiye offers unparalleled opportunities in global logistics, supported by its strategic geography, robust infrastructure, growing economy, and competitive workforce. For countries and logistics companies seeking time and cost advantages in an increasingly competitive global environment, investing in Türkiye means securing a position at the center of tomorrow’s trade routes. Those who invest early will capture the greatest long-term value. This vision is presented to the global investment community by GYODER at MIPIM, highlighting Türkiye’s role as a next-generation global logistics hub.



MARKETS

SENIOR HOUSING



Türkiye's Undiscovered Demographic Treasure: Senior Living And The Silver Economy Investment Strategy as A New Asset Class

EPOS Property Consulting and Valuation PLC

The Silver Economy and Spatial Transformation

According to data from the United Nations Department of Economic and Social Affairs, the global population aged 65 and over is expected to double by 2050, reaching approximately 16% of the world's population. This demographic transformation has positioned the concept of the Silver Economy—defined as the economic value chain generated by individuals aged 50 and above—at the center of real estate development. The Silver Economy encompasses housing, healthcare, tourism, care services, and digital solutions, forming a comprehensive ecosystem driven by longevity.

Real estate constitutes the physical foundation of this transformation. The healthcare access, care requirements, and social living expectations of an aging population can only be effectively addressed through purpose-built environments. In this context, Senior Living developments represent the primary platform through which the Silver Economy translates into spatial production and sustainable commercial value.

A Stable, Strategic, and ESG-Compliant Asset Class

Global market experience demonstrates that Senior Living has evolved from a niche investment segment into a core institutional asset class. Pension funds, insurance companies, and long-term capital investors increasingly regard the sector as resilient during periods of economic volatility.

This positioning is supported by three structural characteristics. First, demand is driven by demographic necessity rather than economic growth cycles. Second, unlike office and retail sectors affected by economic downturns or changing work patterns, the need for housing and care cannot be postponed, ensuring demand stability even during crises. Third, Senior Living investments align strongly with ESG principles by generating measurable social benefit, supporting healthcare infrastructure, and promoting social inclusion.

Türkiye is undergoing a structural demographic transition in which the traditionally young population of the greater demographic pyramid is gradually transforming into an aging society. This shift represents a significant investment signal.

Türkiye's Demographic Reality: A Critical Threshold in Figures

Türkiye is undergoing a structural demographic transition in which the traditionally young population of the greater demographic pyramid is gradually transforming into an aging society. This shift represents a significant investment signal.

The Dramatic Asymmetry and Pace of Population Growth

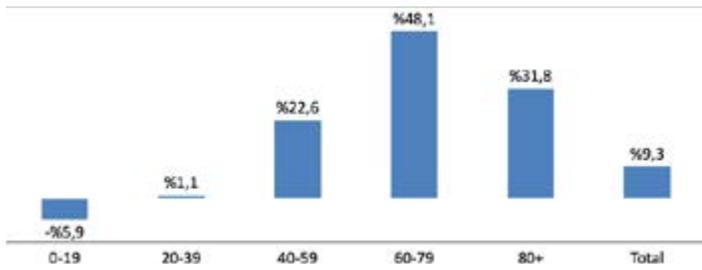
Data and projections from the Turkish Statistical Institute reveal a strong imbalance across age groups. Over the past decade, total population growth has remained limited, while the population aged 60–79 increased by 48% and the 80+ age group by 32%. In contrast, the population aged 0–19 declined by 6%. The share of individuals aged 60 and above has risen from approximately 10% in 2010 to over 16% by 2025, while birth rates have steadily decreased and the median age has approached 35.

This demographic evolution indicates that Türkiye is rapidly transitioning toward an aging society. The rising old-age dependency ratio is placing increasing pressure on both social security systems and traditional family-based care structures.

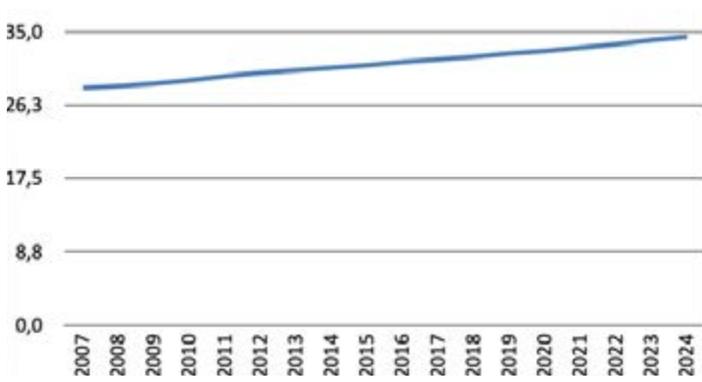
Transformation of Household Structure and Structural Demand

Equally important is the transformation of household structures. The traditional extended family model is weakening under urbanization and socioeconomic change. Single-person households have increased significantly, while no-family households have nearly doubled. At the same time, the proportion of extended families accommodating elderly members has declined.

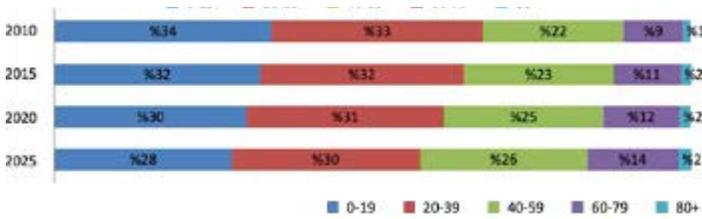
The Ten-Year Population Change by Age Group



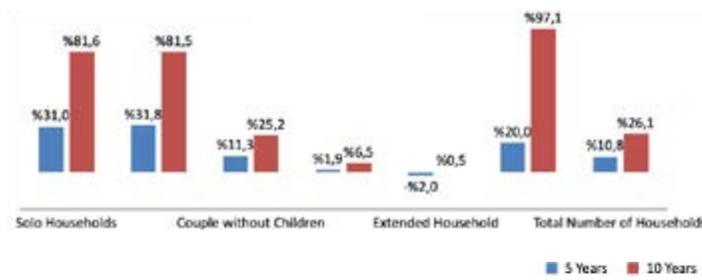
Median Age



Population Distribution by Age Groups



Change in Household Types



Increased female workforce participation and urban living conditions have reduced the feasibility of family-based elderly care. Rising home care costs and sustainability challenges are directing elderly individuals toward institutional and semi-institutional solutions, transforming Senior Living demand into a structural and needs-driven requirement rather than a discretionary choice.

General Market Analysis: Supply Gap

The Turkish market currently demonstrates a significant imbalance between rapidly increasing demand and limited supply, creating a substantial opportunity for investors.

Existing Capacity vs. Actual Needs Analysis

As of recent data, approximately 560,000 individuals receive home care services in Türkiye, while institutional capacity consists of around 500 nursing homes and care centers with a total bed capacity of approximately 30,000–35,000. Against a population aged 65 and above exceeding 9.5 million, institutional utilization remains at only 0.3%, compared to 3%–5% in OECD countries.

Reaching OECD averages would require a ten- to fifteen-fold increase in existing capacity, highlighting a structurally undersupplied market.

Potential Demand Projection and Investment Opportunity

Demographic projections indicate a requirement for nearly 300,000 individuals needing home care services and approximately 373,000 individuals requiring Senior Living facilities. The gap between existing capacity and projected demand represents one of the most significant investment opportunities within Türkiye’s real estate sector. Demand growth is structurally driven by demographic change and remains largely independent of cyclical economic fluctuations.

Product Strategy and Structural Transformation: Next-Generation Asset Types

A major limitation in the Turkish market is the lack of product diversity. Existing solutions largely oscillate between family-based care and traditional nursing homes, while intermediate models remain underdeveloped.

Independent Living: Independent Living targets individuals aged 55–75 who maintain independent lifestyles but seek reduced domestic responsibilities and enhanced social interaction. Typically structured as residential units supported by service packages, this model offers investors stable rental income, low operational risk, and long-term occupancy potential.

Assisted Living: Designed for individuals requiring partial assistance with daily activities, Assisted Living combines residential comfort with accessible care services. This model generates higher value through integrated service fees and allows revenue per resident to increase as care needs evolve.

Nursing & Personal Care: Nursing and Personal Care facilities serve residents with advanced physical or cognitive limitations. Although operationally intensive, this segment addresses essential needs, resulting in highly secure occupancy levels and minimal demand elasticity.

Financial Performance, Revenue Model, and Portfolio Resilience

Senior Living projects belong to the category of operational real estate and differ from conventional property investments through their hybrid income structure.

Diversified Revenue Streams: Revenue is generated through accommodation fees, care service packages, healthcare services, commercial area leases, and ancillary services such as cleaning and social activities. This diversification reduces income volatility and strengthens portfolio resilience during economic downturns.

International Performance Indicators and Benchmarking: International benchmarks indicate occupancy rates between 85% and 95% and EBITDA margins ranging from 20% to 35%, depending on the operating model. Because demand is driven by demographic necessity rather than economic cycles, the sector demonstrates strong stability even during periods of economic contraction.

Challenges, Barriers, and A Solution Roadmap in The Turkish Market

The limited development of the sector in Türkiye stems primarily from structural and perceptual barriers rather than financial limitations.

Senior living developments represent not only a social responsibility but also a scalable and high value-added asset class suitable for institutional investment portfolios.

The “Nursing Home” Perception and Re-Branding: Cultural perceptions associate nursing homes with abandonment and social isolation, discouraging middle- and upper-income groups from early adoption. A conceptual repositioning toward “life campuses,” active aging environments, and quality-of-life-focused communities is essential for unlocking demand and establishing trust.

Operational Complexity and Developer Reluctance: Senior Living projects require the integration of healthcare and hospitality programs, streamlining complexities in design, regulation, and workforce management. Long-term revenue realization and financing challenges further increase entry barriers, resulting in a market environment with limited competition for institutional investors possessing operational expertise.

The Perception of “Social Right” and Pricing Pressure: Historically, elderly care has been perceived as a responsibility of the family or the state, limiting private-sector pricing power. However, demographic change and insufficient public capacity are gradually increasing acceptance of private solutions, particularly among middle- and upper-income groups.

Conclusion: Action Plan and Future Vision for Investors

Considering demographic certainty and supply insufficiency, the Senior Living market in Türkiye represents a rare opportunity for global investors. The country’s healthcare infrastructure, climate advantages, and cost efficiency create potential for foreign currency-denominated income through international demand. At the same time, the sector aligns strongly with ESG investment criteria and supports long-term portfolio diversification.

Türkiye’s demographic transformation should therefore be viewed not as a risk but as one of the most predictable and sustainable investment opportunities in real estate. Senior Living developments represent not only a social responsibility but also a scalable and high value-added asset class suitable for institutional investment portfolios.

As a largely untapped and emerging sector, the Senior Housing market in Türkiye offers significant first-mover advantages and strong return potential. However, the early-stage nature of the sector also presents challenges, including limited market knowledge, a shortage of qualified local solution partners, and structural barriers to market penetration. Overcoming these challenges requires the involvement of experienced and market-knowledgeable advisory firms, such as ours, capable of guiding investors throughout all stages of the investment process, from feasibility and development to operational structuring.

INSIGHTS
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2025: An Investment Overview



Firuz Soyuer

Founding and Managing Partner, Pamir & Soyuer Gayrimenkul Danışmanlık A.Ş.

Firuz Soyuer is a founding and managing partner of Pamir & Soyuer Gayrimenkul Danışmanlık A.Ş., established in 1993 in Istanbul. Since 2003, he has been a licensed valuation expert authorized by the Sermaye Piyasası Kurulu (Capital Markets Board of Türkiye). He also holds the professional designations MRICS from Royal Institution of Chartered Surveyors and MAI from Appraisal Institute. A member of Urban Land Institute (ULI) since 1999, Mr. Soyuer served on the ULI Türkiye Executive Committee between 2003 and 2021.

Provided that a long-term financing opportunity arises from both local and international sources, Türkiye's residential market still offers the most lucrative opportunity for developers and investors.

Residential

Historically, real estate dynamics in Türkiye are always driven by residential investment demand, creating both an opportunity and pressure for public and private developers. Compressed households, where 4 to 3.11 people reside doubled in the last 25 years to 23.6 million. In addition to the decrease in household sizes, combined with changes in lifestyles as sought by younger adults who wish to live independently and the rising of single-person households, the compression trend is expected to continue, leading to an immense demand in households, added by demand for earthquake resistant residential buildings especially in larger metropolitan areas. However, high inflation still remains still the major obstacle for younger adults on their path to forming new households.

Provided that a long-term financing opportunity arises from both local and international sources, Türkiye's residential market still offers the most lucrative opportunity for developers and investors.

Changes in Household

Household Type	2000 Status	2025 Status
One-Person	Minimal (approx. 5%)	High (~20%)
Nuclear Family	Dominant (~65-70%)	Declining (~63%)
Extended Family	Common (especially rural)	Significantly lower (~13%)
Multi-Person Non-Family	Rare	Increasing (roommates/unrelated)

Retail

The development of shopping centres matured during the post-pandemic era with a total of 455 centres encompassing 14 million m² in 2025. Driven mostly by institutional investors developments in late 2000s, local investors are the primary of players in both metropolitan and smaller cities retail centres. Dominated largely by Istanbul, Ankara and İzmir, both in terms of numbers and total GLA, retail density reached 163 m² of GLA per 1,000 inhabitants, while doubling at 312 m² per 1,000 people in Istanbul.

The shift from apparel to service and experience-based retail centres is likely to continue following the success of Galataport, in parallel with the social preferences of Gen-Z to embrace shopping centres as third on their list of places to go.

The high street retail dominated by Istanbul still attracts both local and international fashion, convenience, F&B brands, although limited supply remains the primary concern among investors. Urban regeneration developments in these areas are likely to provide an opportunity for new supply opportunities.

Shopping Malls Distribution		
Region/City	Share of Total Malls	Share of Total GLA
Istanbul	~30% (134 malls)	~37%
Ankara	~9%	~13%
Izmir	~6%	~5%
Anatolia (Other)	~55%	~45%

Offices

The post-pandemic lack of supply on the European side of Istanbul, especially in CBD will likely force office users to consider hoteling and hybrid working environments in the near future. The Asian side still provides enough of an office supply market thanks to the Istanbul Finance Centers but with limited incentives beyond the financial sector and the ambiguous opening date for the metro line, which creates a major obstacle for prospective residents.

Urban regeneration projects within 5 km of Levent in the next 10 years should provide enough office space in order to maximise the efficiency of the existing urban transportation of CBD. Developers should consider including office space in their new projects as a key strategy to reach institutional investors seeking stable income and capital gains in the long term.

Office Rent Trends		
District	Grade-A Prime Rent (Monthly)	Trend for 2026
Levent / CBD	\$45 – \$50/m ²	Upward (Scarcity driven)
Ataşehir (IFC)	\$25 – \$35/m ²	Stable (Absorption phase)
Maslak	\$26 – \$30/m ²	Stable (Competition from IFC)
Kağıthane	\$20 – \$25/m ²	Moderate Growth

Logistics

Foreign Direct Investment in manufacturing climbed over 30% recently, with German, Dutch, and U.S. firms shifting production closer to European end-markets to avoid trans-Pacific disruptions where Türkiye presents a clear advantage. In September 2025, FedEx opened a \$130 million, 25,000 m² hub at Istanbul Airport, reducing regional transit times by 30% and setting a new benchmark for "super-hubs" in the region. Last-mile hubs to support e-commerce provides a growing opportunity for metropolitan areas.

Speculative supply is expected to increase due to strong demand, however developers should consider power-ready facilities capable of supporting robotics, AI-driven sorting, and cold-chain automation to attract logistics operators.

Logistics Rents According to Region		
Region	Primary Driver	2026 Rental Benchmark
Kocaeli (Gebze)	Heavy Industry & Automotive	\$7.00 – \$9.00 / \$m ² \$
Istanbul (Tuzla/Hadımköy)	E-commerce & Last-Mile	\$9.00 – \$13.50 / \$m ² \$
Izmir	Port Expansion & Lower Land Costs	\$5.50 – \$7.50 / \$m ² \$
Istanbul Airport Area	Air Cargo & Transit	\$12.00 – \$20.00 / \$m ² \$ (Plaza/Office Integrated)

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Tourism

Being within the top five tourism destinations as a country, Türkiye still provides a stable opportunity for hotel developers, operators and investors.

As of early 2026, approximately 40% of new hotel agreements are actually conversions of older existing buildings or renovations of existing independent hotels into branded chain assets to capture better RevPAR (Revenue Per Available Room). Senior living and wellness integrated residences is likely to provide a better return for investors with the aging population.

Main Tourism Metrics			
Metric	2025 Actual (Record Year)	2026 Target / Forecast	Market Character / Insight
Total Visitors	64 Million	68 Million	4th most visited country globally (UNWTO).
Tourism Revenue	\$65.2 Billion	\$68 Billion	Strategic shift to exceed \$100/night avg. spend.
Prime Rental Yields	6% – 10%	8% – 12%	Highest in Alanya and Antalya (leisure lets).
Avg. Occupancy	~60% – 65%	62% – 68%	Rising MICE and "Bleisure" demand in Istanbul.

Data Centers

The sector is currently defined by a shift from smaller colocation facilities to hyperscale "Mega-facilities" and AI-ready infrastructure. Tightening Personal Data Protection Law (KVKK) regulations are compelling multinational firms to move their data from European hubs to local Turkish colocation spaces, ensuring a high floor for rental demand.

While Istanbul still holds a 65% market share (home to ~20 major facilities like Türk Telekom's Esenyurt site), new demand is shifting for seismic and strategic reasons to Ankara which dominates the upcoming market with nearly 70% of new power capacity, largely due to the Google/Turkcell hyperscale region and proximity to government institutions. Izmir also enjoyed being the fastest-growing hotspot due to lower seismic risk and proximity to subsea cable landing stations.

Being within the top five tourism destinations as a country, Türkiye still provides a stable opportunity for hotel developers, operators and investors.

Data Centers Developments			
Project / Entity	Location	2026 Status	Significance
Turkcell & Google Cloud	Ankara	Construction begins Q1 2026	43rd global Google Cloud region; "Sovereign Cloud" model.
ENKA Tuzla	Istanbul	Construction underway	10 MW+ capacity; targeted for late 2026 commissioning.
Turkish Airlines	Istanbul Airport	Groundbreaking complete	Part of a 100 billion TRY infrastructure upgrade; operational by 2027.
Damac (Edgnex) & Vodafone	Istanbul	Active development	\$100 million project aimed at AI-ready digital infrastructure.

REIF/REICs

Being the first target for real estate investment in emerging markets, Türkiye's REICs (GYOs) market capitalisation reached \$20 billion in February 2026 in fifty companies, 5.5% of Istanbul Stock Exchange market capitalisation. For the first time in the last decade, the GYO sector is projected to significantly outperform the BIST 100 in dividend yield in 2026. This is a direct result of the new tax laws requiring GYOs/GYFs to distribute half of their real estate earnings to maintain their tax-exempt status.

Real Estate Investment Funds (GYFs) also is estimated as around \$5 billion in 255 active funds in February 2026.

The share of Turkish Private Pension System (BES) is still accounts for less than 3% of the total BES fund size. Particularly in a country suffering from high inflation and with a strong appetite for direct real estate as an investment vehicle, BESs should embrace REICs and REITs, especially which is focusing on income generating assets rather than residential development activities.

REIF/REICs Features		
Feature	GYO (REIC)	GYF (REIF)
Liquidity	High (Traded on Borsa Istanbul)	Moderate (Usually 2-7 year lock-in)
Entry Threshold	Very Low (Price of 1 share)	High (Typically for Qualified Investors)
Dividend Rule	50% Distribution Mandatory	50% Distribution Mandatory
Tax on Individual	0% Stopaj (on BIST sales)	0% - 15% Stopaj (Varies by holding period)
Main Use Case	Capital Growth / Dividends	Tax-Efficient Asset Preservation



Real Estate Investment Funds in Türkiye: Development, Structure, and the 2025- 2026 Outlook



Berna Yiğit Sevindi
Member Of The Executive Board, Gyoder
Chair Of The Real Estate Investment Fund
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Berna Yiğit Sevindi is a senior finance professional with extensive experience in capital markets, portfolio management, and alternative investment funds, particularly real estate and venture capital investment funds. She authored the book “Real Estate Investment Funds and Accounting Practices,” a reference work in the field of alternative investment funds in Türkiye. Ms. Yiğit Sevindi currently serves as a Member of the Executive Committee at GYODER and continues to be actively involved in the development of Türkiye’s institutional real estate and alternative investment ecosystem.

Today's investment ecosystem is in a state of continuous transformation, driven by investor appetite, global and local macroeconomic developments, and the impact of digitalisation. This transformation brings with it both regulations aimed at investor protection and a growing need for new and alternative investment products within capital markets. In parallel with international markets, Türkiye's capital markets are deepening steadily; the number of investors, product diversity, and assets under management continue to increase in a stable manner. Within this context, Real Estate Investment Funds (REIFs) have emerged in recent years as one of the most prominent institutional investment vehicles in Türkiye.

Real Estate Investment Funds are capital market instruments that restructure the traditional real estate investment approach under a fund framework, securitizing real estate investments that typically require high capital and have low liquidity.

In traditional real estate investments, ownership is acquired through title deeds, and investors are directly exposed to the appreciation of the property's value and, where applicable, rental income. At the same time, they bear operational burdens such as property taxes, maintenance and repairs, insurance, tenant relations, and day-to-day management processes. In contrast, REIFs relieve investors of these operational responsibilities and offer a more transparent, auditable, and institutional investment environment under professional portfolio management and the supervision of the Capital Markets Board of Türkiye (SPK).

One of the most significant features of REIFs is their ability to provide access to high-value real estate investments for both small- and large-scale investors. As a result, qualified real estate investments that were once limited to high-income individuals or large institutional investors have become accessible to a broader base of qualified investors. Through fund units, investors benefit proportionally from the appreciation of the properties in the portfolio, rental income, operating revenues, and gains from project development activities.

As of 2025, the REIF market in Türkiye has reached a more mature structure in terms of scale and asset quality. Fund portfolios are increasingly focused on completed, income-generating commercial assets. Office buildings, logistics facilities, retail spaces, and mixed-use projects—particularly those located in major metropolitan areas—have become the core components of REIF portfolios. This strategy enhances the predictability of cash flows while enabling more controlled management of investment risks.

Structurally, REIFs adopt a conservative investment approach that minimises development risk. At the same time, Project Real Estate Investment Funds play a complementary role in the sector's financing structure by providing long-term, institutional financing for projects at the development stage. Through these funds, projects can be financed with equity-like resources without excessive reliance on bank loans, thereby reducing

For both domestic and foreign investors, REIFs stand out as a reliable, transparent, and sustainable investment vehicle for accessing Türkiye's long-term real estate potential.

financing costs and balance sheet pressure. Independent valuation, reporting, and portfolio custody mechanisms implemented within the framework of SPK regulations further strengthen transparency and institutional discipline.

Tax advantages remain one of the strongest value propositions REIFs offer to investors. The application of corporate tax exemptions at the fund level, combined with a simple and predictable withholding tax regime at the investor level, supports net returns. The exemption of cash dividend distributions from withholding tax and the limited taxation of capital gains position REIFs competitively alongside international alternative investment funds.

Another notable development during the 2025–2026 period is the increasing preference of foreign investors for REIFs when entering the Turkish real estate market. Compared to direct property acquisition, investing through professionally managed funds reduces operational risks and enhances the efficiency of investment processes. This trend supports the inflow of capital into Türkiye's institutional real estate investment ecosystem in line with international standards.

As of the end of January 2026, 235 Real Estate Investment Funds have been established in Türkiye that issued fund units to investors, with total assets under management reaching approximately 210 billion Turkish lira (TRY). This magnitude clearly demonstrates the strategic position of REIFs within Türkiye's capital markets.

In conclusion, Real Estate Investment Funds have become one of the cornerstones of Türkiye's institutional real estate investment ecosystem, thanks to their growing scale, professional management structures, strong regulatory oversight, and tax-efficient models. For both domestic and foreign investors, REIFs stand out as a reliable, transparent, and sustainable investment vehicle for accessing Türkiye's long-term real estate potential.

INSIGHTS
**CAPITAL
MARKETS**



A Snapshot of Turkish Real Estate Capital Markets



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Dr. Levent Sümer is a strategist specializing in sustainable investment systems and real estate finance. He is the Founder and the Chairman of SMR Strategy, an international investment and management consultancy, and teaches at Boğaziçi University. Dr. Sümer has more than 25 years of professional experience in construction and real estate development, holding C-level positions, and he is the author of two books published by Palgrave Macmillan (Springer): “The World Economy and Financial System: A Paradigm Change Offering a Sustainable Approach” and “The Global Housing Crisis: A Sustainable New Home Financing Model”.

Türkiye’s capital markets have been quietly transforming the Turkish real estate market from a development market to an investment market. Similar to the rest of the world due to the high interest rates, as bank-loan affordability weakened, Türkiye started scaling capital-market wrappers that can mobilise long-term savings into income-producing property and new supply—through REITs (GYO), Real Estate Investment Funds (REIF/GYF), including project real estate investment funds and real estate certificates.

The REIT regulation in Türkiye dates back to 1995, predating that of many European countries. The BIST Real Estate Investment Trusts Index (XGMYO) comprises 50 REITs with a total market value of \$17.8 billion and 1.4 million investors (as of the end of 2025). The new tax regulations mandate the REITs to distribute at least 50% of their profits as dividends, which

is expected to attract more investors. Trend-wise, listed GYOs have served as a liquid proxy for real estate exposure in an inflationary environment—especially when direct purchases and mortgage access became more difficult. This has increased the relevance of transparency (IFRS reporting and independent valuation discipline) and of portfolio positioning.

REIFs are relatively new but fast-growing real estate capital market instruments compared to REITs. The REIT shares are sold to qualified investors. Since 2014, the REIF market has expanded in both count and scale. As of the end of 2025, Türkiye had 244 REIFs with a total value of \$4.8 billion. REIFs facilitate capital pooling, professionalise governance/valuation, and structure exits—especially for income-producing assets and large development pipelines. The project real estate funds (project REIFs) reflect the market’s need to finance supply without relying purely on short-term bank credit. Investors can invest in P-REIFs, which may develop real estate projects.

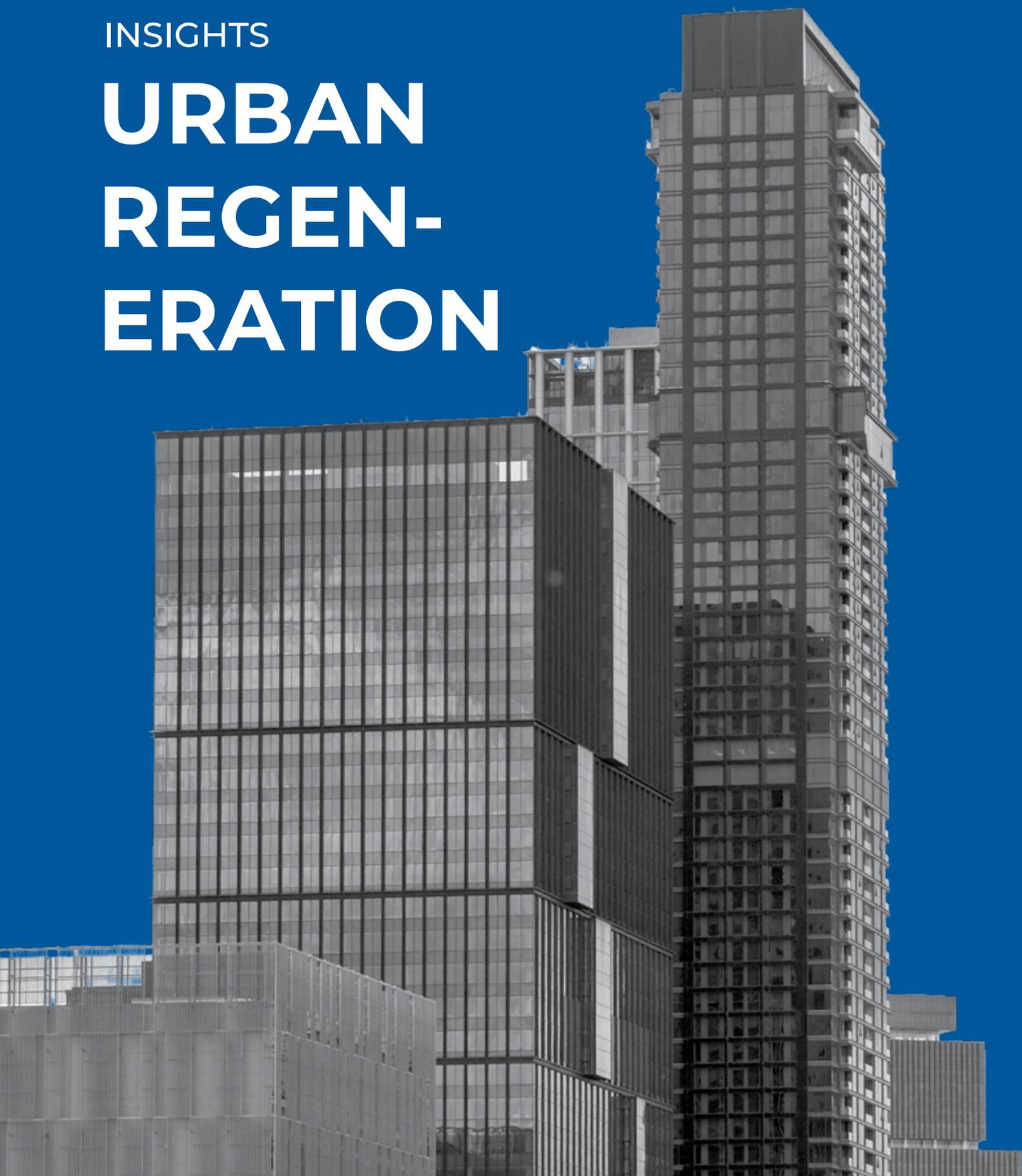
Türkiye introduced real estate certificates (gayrimenkul sertifikası), which provide a capital-market channel to fund specific housing projects and enable fractional participation—either to benefit from value appreciation or, upon accumulating sufficient certificates, to attain homeownership. A current example is the TOKİ-backed/Emlak Konut GYO-quality issuance linked to the Istanbul Başakşehir “Damlakent Project.” The trend here is important for affordability narratives: certificates can link household savings to production in a regulated manner—particularly relevant when down payments outpace wage growth.

In summary, listed REITs for liquidity and transparency, REIFs for institutional deployment and deal execution, real estate certificates for housing affordability, and financing for homebuyers and home developers are all attractive investment instruments in the growing Turkish real estate capital markets.

Türkiye’s capital markets have been quietly transforming the Turkish real estate market from a development market to an investment market.

INSIGHTS

URBAN REGEN- ERATION



Strategic Transformation in the Turkish Real Estate Sector: The 2025 Urban Regeneration Vision and Investment Ecosystem



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As of 2025, the Turkish real estate sector is undergoing a profound structural metamorphosis, representing a multi-dimensional strategy [...]

As of 2025, the Turkish real estate sector is undergoing a profound structural metamorphosis, representing a multi-dimensional strategy that encompasses the centralisation of legislative frameworks, the diversification of financing instruments, and the internalisation of international resilience standards. Following the earthquakes of February 6, 2023, the "Resilient Cities" vision has entered a new phase, characterised by the maturation of legal regulations and the integration of capital market tools into urban regeneration processes.

Legislative Reform: Law No. 6306 and Procedural Acceleration

The most significant development of 2025 is the comprehensive revision of Law No. 6306 on the Regeneration of Areas Under Disaster Risk. These amendments constitute an "acceleration package" designed to minimise property disputes and bureaucratic delays.

The previous requirement for a two-thirds (2/3) majority was replaced in 2025 by the "Absolute Majority" (%50+1) rule. This ensures a democratic decision-making process while preventing minority shareholders from blocking projects for protracted periods. Expert analyses indicate that this change has reduced initial reconciliation periods by approximately 30%. This acceleration has been particularly effective in resolving bottlenecks in districts with fragmented ownership, such as Istanbul's Fikirtepe.

Centralisation and Digitalisation

Authority has been consolidated within the Urban Transformation Presidency, which is now authorised to conduct "ex officio" (resen) risk assessments. To circumvent delays caused by physical notification, the e-Government (e-Devlet) system has become the primary method for legal service. Notifications made electronically are considered served at the end of the fifth day, creating a more predictable judicial calendar. Additionally, specialised courts for urban regeneration cases have been prioritised to ensure the swift resolution of technically complex files.

In 2025, Türkiye deployed one of its largest incentive packages to finance urban regeneration. The "Half is on Us" campaign significantly eased the financial burden on citizens through a balance of grants and loans. In May 2025, support amounts were substantially increased to address rising construction costs.

Loan repayment commences 24 months after the construction permit is obtained, with the first year being interest-free. Subsequent updates are limited to half of the Consumer Price Index (CPI) rate, allowing the real value of the debt to diminish over time. Furthermore, monthly rental aid in Istanbul rose to 8,000 Turkish lira (TRY) in 2025.

Urban Regeneration Campaign Support			
Type of Support	Per Residential Unit (TRY)	Per Commercial Unit (TRY)	Nature of Support
Grant Support	875,000	437,500	Non-repayable ⁵
Loan Support	875,000	437,500	10-Year Term ⁵
Relocation Assistance	125,000	-	Lump sum ⁵
Total Support	1,875,000	875,000	⁵

Capital Markets and Innovative Financing Models

The year 2025 represents a turning point where urban regeneration is increasingly financed via capital market instruments, specifically Real Estate Investment Funds (REIFs) and Real Estate Certificates.

According to the GYODER Indicator report, the number of REIFs in Türkiye reached 244 by the second quarter of 2025. The total fund size increased by 78.9% year-on-year, rising to 175.1 billion Turkish lira (TRY). With their transparent structures and tax advantages, REIFs provide a secure environment for institutional investors.

For international investors, 2026 offers a strategic window to enter the Turkish market as it elevates its standards to meet global green energy and seismic safety requirements.

One of the most innovative models is the Real Estate Certificate system, exemplified by the 5,325-unit "Damla Kent" project in Başakşehir. Investors can purchase certificates on a per-square-metre basis (initial value 7.59 Turkish lira), allowing small savings to partner in large-scale housing projects. Investors can either convert certificates into a physical unit (Primary Performance) or sell them on the stock exchange (Secondary Performance).

The Earthquake Zone: "Construction of the Century"

Reconstruction efforts in the 11 provinces affected by the 2023 disaster transitioned to "permanent and identity-based urbanisation" in 2025. The government aimed to deliver 452,983 independent units by year-end 2025. As of November 2025, more than 350,000 units have been handed over, meeting approximately 70% of the regional requirement.

Total investment in this mobilisation reached \$75 billion by 2025, with an additional \$44 billion planned through 2027. Planning projects follow the "nearly Zero Energy Building" (nZEB) concept, incorporating thermal insulation, solar energy, and rainwater harvesting.

Türkiye's strategy is strongly supported by global financial institutions. In August 2025, the World Bank approved a \$650 million loan for the "Istanbul Resilience Project". This project finances 250 paramedic stations, 19 fire stations, and the seismic strengthening of 50 critical public buildings, including schools and care facilities.

Concurrently, the EBRD upgraded its 2025 growth forecast for Türkiye to 3.1%. With a portfolio exceeding 8 billion euros, the EBRD holds a 43% share in municipal infrastructure projects, focusing on "hard-to-abate" sectors like cement and steel to green the regeneration supply chain.

Incentives and Tax Advantages for Foreign Investors

In 2025, Türkiye continues to offer tax exemptions to encourage foreign direct investment (FDI), treating urban regeneration zones as "Strategic Investment Areas". Key incentives include:

- VAT Exemption: For construction expenditures and machinery purchases.
- Corporate Tax Reduction: Reductions of up to 100% depending on the investment volume.
- Property Tax Exemption: For up to 5 years for newly constructed buildings.
- Citizenship Program: The right to apply for Turkish citizenship through a real estate investment of \$400,000 remains a major driver of demand.

Conclusion

Data from 2025 indicates that urban regeneration in Türkiye has evolved into a national security and economic stability strategy. The simplification of legal regulations has accelerated decision-making, while comprehensive supports like "Half is on Us" make cost risks manageable. For international investors, 2026 offers a strategic window to enter the Turkish market as it elevates its standards to meet global green energy and seismic safety requirements.

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INSIGHTS

TAX



Investing in Turkish Real Estate: A Practical Tax Guide for Foreign Investors



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In practice, foreign investors typically invest either as a foreign individual acquiring the property directly, or via a Turkish company established for this purpose.

Changes in the Turkish tax legislation reshaped many long-standing rules in the real estate market for Real Estate Investment Companies and Real Estate Investment Funds. Below is a concise, investor-focused overview of how foreign investors can structure real estate investments in Türkiye and what tax outcomes to expect.

Ownership Structures for Foreign Investors

Foreign legal entities are not allowed to acquire Turkish immovables directly (there are very limited exceptions, such as for petroleum exploration etc.). In practice, foreign investors typically invest either as a foreign individual acquiring the property directly, or via a Turkish company established for this purpose. A Turkish company may be 100% owned by a foreign company—there is no restriction on foreign shareholding.

Direct Acquisition by a Foreign Individual

Where an individual investor acquires real estate directly, the taxation of rental income depends on the legal status and use by the tenant. If the tenant uses the property for commercial purposes, the rent is subject to a 20% income tax withholding, which constitutes a final tax in Türkiye and removes the need to file a return. If, however, the tenant is an individual using the property as a residence no withholding applies and the investor must file an annual return in Türkiye. The progressive tax rates on declared rental income vary from 15% to 40%. The annual return must be filed in March of the year following the year in which the rental income is derived. Payment of the tax is made in two equal installments in March (the filing month) and July of the same year.

On the sale of a property, the taxation depends on the holding period. If the property has been held for more than five years, no tax is due on the capital gain. Otherwise, the capital gain will be taxed at rates of up to 40% in Türkiye. The capital gain is calculated as the positive difference between the sale price and the acquisition cost. If the Domestic Producer Price Index has increased by more than 10% between acquisition and sale, a cost adjustment can be applicable, which reduces the taxable gain and the associated income tax upon the sale of the property. It should be remembered that the return for the sale must be filed within 15 days from the date of sale, and the tax must be paid within the same 15-day period.

Investing via a Turkish Company

A Turkish company's profits from real estate activities (rent, trading gains, operations) are subject to 25% corporate income tax. Provisional tax returns are filed quarterly; the annual return is filed in April of the following year.

Dividends distributed by the Turkish company are subject to 15% dividend withholding tax, which may be reduced under an applicable double tax treaty (such as the Netherlands, Luxembourg, United Arab Emirates). When both 25% corporate income tax and 15% dividend withholding apply, the total Turkish tax burden on the repatriation of the total profit to the foreign shareholder is 36.25% (this can be reduced to approximately 32.5%-28.7% as per the double tax treaties).

From an indirect tax perspective

Rental income of the Turkish company is subject to 20% VAT which is the general VAT rate in Türkiye. On the other hand, for real estate sales, the applicable VAT rate depends on the nature of the immovable.

For land sales, the VAT rate is 10%, while for commercial immovables the general VAT rate of 20% applies. Residential properties are subject to a differentiated regime: depending on various factors such as residential unit's square meter size and the date of the building permit, the VAT rate may be 1%, 10%, or 20%.

Although liability for the tax falls on the person supplying the goods or services, the real VAT burden is borne by the final consumer.

In certain cases where the buyer is a foreign person or entity, a VAT exemption may be available on the purchase.

Regardless of whether the investor is an individual or a legal entity, each purchase and sale triggers real estate transfer tax at a total of 4% of the transaction value (2% for the buyer and 2% for the seller).

Sale and purchase agreements are generally subject to 0.948% stamp tax, while lease contracts are subject to 0.189%. There is a per-transaction cap on stamp tax (approximately 29 million Turkish lira—around 560,000 euros—for 2026), which is re-determined annually.

Real Estate Investment Companies (REICs) and Real Estate Investment Funds (REIFs/Project REIFs)

Tax-advantage collective investment vehicles in real estate—REICs and REIFs—follow a regime that differs from ordinary companies.

[D]irect individual ownership, a Turkish operating company, or a REIC/REIF platform—can be calibrated to manage Turkish and cross-border tax outcomes effectively under the new rules.

Corporate Income Tax Treatment

Until January 1, 2025, REICs and REIFs enjoyed a full corporate income tax exemption. As of January 1, 2025, their real estate-sourced profits remain exempt only if they distribute at least 50% of such profits to investors by the end of the second month following the month in which the corporate return must be filed. If this distribution condition is not met, they are taxed at 30%.

Even if the distribution condition is satisfied, REICs and REIFs must pay a 10% Minimum Corporate Tax (MCT) on profits sourced from real estate (e.g., rent, trading gains). The MCT does not apply during the first three years, starting from the establishment. For ordinary companies taxed at 25%, the MCT does not create additional burden; however, for REICs and REIFs relying on the exemption, it introduces an effective 10% cost on real estate-sourced income—replacing the pre-2025 effective 0% CIT.

Dividend Distributions

For profit distributions, the withholding tax treatment of REICs and Real Estate Investment Funds differs from that of ordinary companies.

REICs: Dividend withholding tax is 0% (unlike ordinary companies). Where the exemption and MCT apply, the Turkish tax burden on real estate-sourced profits effectively settles around 10%.

REIFs: Distributions to foreign corporate investors are subject to 0% withholding. For individual investors, distributions from participation units acquired on or after July 9, 2025 are subject to 17.5% withholding, which drops to 0% after a two-year holding period. Depending on the investor profile and holding period, the total Turkish tax burden typically ranges between 10% and 25%.

Sale of Shares or Independent Units

Sale of listed REIC shares: Gains are subject to 0% withholding, which is final taxation.

Sale of unlisted REIC shares: In principle, gains may be taxable in Türkiye (corporate tax and dividend withholding considerations), but under many double tax treaties Türkiye often has no taxing right depending on the holding period and treaty terms.

Sale of REIF participation units: Redemption or disposal is subject to the same withholding rules described above. Withholding is final; no return filing is needed.

Other Considerations

There are no special VAT or title deed fee exemptions for REICs or REIFs. However, contracts they execute for real estate purchases and sales are exempt from stamp tax.

Choosing the Right Model

The optimal structure depends on the asset type and use (rental vs. development vs. trading), expected income profile, investment size, project development plans, financing mix, and investor profile (corporate vs. individual, treaty residence).

Each of the routes—direct individual ownership, a Turkish operating company, or a REIC/REIF platform—can be calibrated to manage Turkish and cross-border tax outcomes effectively under the new rules.

INSIGHTS
LAW



A Brief Summary: Legislative Developments Over the Past Year in the Turkish Real Estate Industry



Berk Bengi
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Attorney Berk Bengi, together with his team at Bengi Law, provides high-level transactional and contentious advice across real estate & construction, corporate/commercial, HTR, banking & finance, arbitration, and tech/data privacy. With 10 years' experience at EU institutions and leading global law firms in Istanbul, he founded Bengi Law in 2023.

In recent years, the regulatory framework supporting Türkiye's real estate industry has diverted from its traditional focus towards a comprehensive public policy approach prioritising energy, environmental and infrastructural investments.

The real estate industry plays a crucial role in the Turkish economy in terms of employment and investment volume. The Turkish real estate industry is directly impacted by global economic uncertainties, a high rate of inflation, challenges in obtaining financing and growing concerns about the security of the energy supply. This summary provides the latest developments in the real estate industry with respect to relevant legislation.

Normative Sources of Turkish Real Estate Legislation

The Turkish Civil Code No. 4721 ("TCC"), drawing its constitutional basis from Article 35 of the Turkish Constitution, forms the foundation of real estate law through the regulation of property rights. On the other hand, The Turkish Code of Obligations No. 6098 ("TCO"), establishes the contractual framework governing the economic use of real estate, primarily through lease relationships. Serving as the cornerstone of Turkish real estate law and forming the structural basis for zoning legislation and related secondary regulations, both the TCC and the TCO were enacted based on Swiss law. In that regard the main principles of Türkiye's real estate legislations are widely in line with central Europe.

Recent Developments in Turkish Real Estate Law

Investments Changing Direction After the 2023 Earthquake

In recent years, the regulatory framework supporting Türkiye's real estate industry has diverted from its traditional focus towards a comprehensive public policy approach prioritising energy, environmental and infrastructural investments. The most significant point in this transformation was the convergence of the need for reconstruction due to the earthquakes of February 6, 2023, with the goal of realising energy security and green transformation during the same period. In this context, real estate development activities are now evaluated within a multi-layered legal regime that is no longer limited to the production of residential or commercial buildings, but also includes energy production, infrastructure facilities, and elements of environmental sustainability.

The amendments made to energy, mining and environmental legislation by Law No. 7554, dated July 24, 2025, form the normative basis of this new approach. This law centralises the permit, licence and zoning processes, particularly for renewable energy and strategic infrastructure investments. It expands the authority of the Ministry of Environment, Urbanisation and Climate Change in this regard. This, relatively speaking, weakens the decisive role of local governments in planning processes and brings project-based and centralised decision-making mechanisms to the table to ensure straightforward processes. From a property law perspective, this trend can be seen as a shift from classical zoning law based on the principle of suitability to an exceptional, planning approach focused on investment.

The same law has also expanded the scope of urgent expropriation procedures, enabling rapid access to the real estate required for energy and infrastructure projects. Specifically, accelerating land acquisition for solar and wind energy projects has increased predictability for investors. In this context, real estate has become not only an economic asset but also the type of property subject to more intensive intervention on the grounds of public interest.

In line with this, the introduction of the Production Facility Compliance Certificate for energy facilities operating without a licence has become an exceptional regulation. This mechanism has made it possible for facilities to acquire legal status under certain conditions, which also legalised the existing situation. This approach offers a solution in terms of ensuring the continuity of energy supply and protecting the investment environment.

This transformation in legislation also showed itself in the field of investment financing. In recent years, there has been a marked increase in investments secured by Turkish companies from international development finance institutions, primarily the European Bank for Reconstruction and Development (“EBRD”), for energy and environment-focused projects. It was recently reported by EBRD itself that it had carried out investments in Türkiye worth €2.7 billion in 2025. It was also announced that the investment in question in Türkiye consists of 54 projects, with 91% of the total investment directed towards the private sector.

When these developments are considered as a whole, it is evident that the legal framework of the real estate industry in Türkiye is shifting away from a structure dominated by traditional private law towards a model shaped by public law, energy law and environmental law. Energy and environment focused investments have become the centre of real estate development activities, both through legislations and international financing instruments.

Centralisation of the Financing of Real Estate: “Project REIF” Regime

The Real Estate Investment Fund (“REIF”) is a fund that offers qualified investors seeking to invest in real estate a long-term alternative investment opportunity financed through an investment fund structure.

Turkish real estate legislation is evolving into a structure that seeks to reestablish the balance between social protection and investment incentives, strengthens the role of central government, and aligns with international financing dynamics.

In order to increase the inflow of resources into real estate investments the Communiqué on Amendments to the Communiqué on Real Estate Investment Funds (“Communiqué”) has been published. The Regulation allows investment in projects where more than half of the total gross area of independent units is allocated for residential use if this is certified by independent real estate evaluation organisations, through project REIFs. In addition, the establishment processes for REIFs have been streamlined significantly.

The project to extend the investment phase of REIFs has indirectly contributed to an increase in the housing supply, while enabling the injection of capital into projects at an early stage of development. Prior to the amendment, REIFs could only invest in projects carried out by specific administrative authorities. The amendment has enabled the way for project REIFs to also invest in projects that have not yet obtained a building permit. This has expanded the pool of investable projects, creating new opportunities for real estate development activities.

It should be noted, in particular, that the Communiqué does not allow project REIFs to obtain the title of “contractors”. While the role of REIFs in land acquisition and financing has been preserved, the requirement that construction activities be carried out only by authorised contractors in accordance with the Communiqué remains in place. This distinction clarifies who bears the legal responsibilities and risks in the project development process, ensuring that risks such as delays, defects and building safety are transferred outside the fund portfolio.

Ultimately, it would not be wrong to say that this legislative change made recently has transformed REIFs into a corporate and regulated project financing mechanism in the real estate market as of 2025, especially targeting the urban transformation needs of the country.

Conclusion

Recent regulatory changes in Türkiye’s real estate industry indicate that the industry is no longer based solely on residential construction and the rental market since it has entered a comprehensive transformation process including the energy,

environment, and infrastructure sectors. This transformation manifests itself in protective interventions targeting the rental market, which has significant social impacts. The temporary rent increase cap, which has been introduced for residential rents but is no longer in force, aimed to protect tenants. However, due to the preservation of the rent determination mechanism for lease agreements exceeding five years, its intended effect on the market remained limited; in fact, it had the opposite effect, causing an imbalance in the obligations between parties. In contrast, the amendments made to the REIF's regime have strengthened the position of real estate as an investment and financing instrument; however, the explicit preservation of the provision that project REIFs cannot assume the role of contractors has deliberately limited the scope of the funds' activities.

On the other hand, after the 2023 earthquake, the centre of focus for real estate investments has shifted towards the areas of energy, infrastructure and environmental sustainability. This trend has been explicitly supported by amendments made to energy and environmental legislation under Law No. 7554, which accelerate permit processes, centralise planning authorities and facilitate land acquisition.

Against the backdrop of this regulatory transformation, it is evident that the increasing investments of international financial institutions, particularly the EBRD, in energy and environment-focused projects in Türkiye have played a significant role. The concentration of EBRD financing in these areas following the earthquake has necessitated legal predictability, centralised decision making, and accelerated permitting processes, which have subsequently been reflected in the legislation. As a result, Turkish real estate legislation is evolving into a structure that seeks to reestablish the balance between social protection and investment incentives, strengthens the role of central government, and aligns with international financing dynamics.

INSIGHTS ESG



GYODER's 4T: Driving Türkiye's Green Real Estate Transition



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Yener Coşkun is a finance professor specializing in ESG, REITs, and real estate valuation. Served Capital Markets Board of Türkiye during 1995-2025 as a senior regulator, Coşkun has authored four books, edited two books, and written numerous peer-reviewed and professional articles in finance and macroeconomics. He is a professor at Izmir University of Economics.

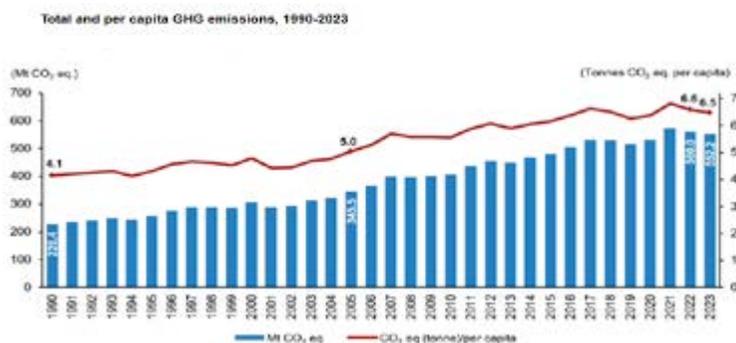
For decades, the Turkish real estate sector was shaped by rapid urbanization and skyline-altering mega-projects. Today, a different narrative is beginning to take form—one increasingly anchored in the adoption of sustainability. It may be premature to speak of a full-fledged “green renaissance,” yet Türkiye’s transition is likely to accelerate, driven by market dynamics and intensifying regulatory pressure. This brief examines the pace and contours of sustainability adoption across both the physical and securitised segments of the Turkish real estate market, and assesses the potential role of GYODER’s 4T project¹ in shaping this transformation.

Growth–Sustainability Trade-off in Türkiye

Temperatures in Türkiye are expected to increase by 2.5°C in east and central Türkiye, while the coasts are likely to experience 1.5°C increases. Temperatures above 40°C are projected to become a regular occurrence in summer. Türkiye’s total greenhouse gas emissions (excl. LULUCF) have increased by 127% between 1990–2019. In the same period, its total methane emissions (excl. LULUCF; Land Use, Land-Use Change, and Forestry) have increased by 42%.²

The trajectory of Türkiye’s greenhouse gas (GHG) emissions reveals the structural tension between economic expansion and environmental sustainability. According to the Turkish Statistical Institute (TurkStat),³ overall greenhouse gas emissions as CO₂ equivalent (eq.) for the year 2023 compared to the previous year decreased by 1.4% to 552.2 million tonnes (Mt). Total GHG emissions per capita were calculated at 4.1 tonnes CO₂ eq. for 1990, 6.6 tonnes CO₂ eq. for 2022 and 6.5 tonnes CO₂ eq. for 2023 (see, Figure 1). This long-term rise is not episodic but systemic reflecting the carbon implications of population growth, urbanisation, and a rapidly expanding economy.

Greenhouse Gas Emissions Statistics in Türkiye (1990-2023)



Source: TurkStat⁴

It may be premature to speak of a full-fledged “green renaissance,” yet Türkiye’s transition is likely to accelerate, driven by market dynamics and intensifying regulatory pressure.

A closer reading of the data underscores the dominant role of energy demand in shaping the country’s emissions profile. In 2023, 34.5% of total CO₂ emissions originated from the sub-category energy industries. Overall, the energy sector accounted for 86.2% of CO₂ emissions, while the industrial processes and product use contributed 13.5% and agriculture and waste sectors contributed 0.4%. This concentration suggests that decarbonisation pathways must prioritise energy efficiency, electrification, and cleaner generation if Türkiye is to meaningfully bend its emissions curve.

Overall, the figure signals more than a historical increase; it highlights a narrowing window for structural transition. Without accelerated sectoral transformation—especially in energy-intensive industries—Türkiye risks locking in a high-carbon development pathway at a time when global competitiveness is increasingly tied to climate performance.

Sustainability Policies in Türkiye

Türkiye has established a 2053 net-zero emission target,⁵ a vision formally enshrined in the national legal framework through the landmark Climate Law passed in July 2025.⁶ This legislation provides the necessary foundation for a domestic Emissions Trading System (ETS).

However, the international community views these efforts with caution; the Climate Action Tracker rates Türkiye’s current policies as “critically insufficient” because they allow absolute emissions to continue rising (see, below Figure 2). While the government has committed to installing 120 GW of wind and solar capacity by 2035,⁷ parallel investments in fossil gas production and coal-fired electricity threaten to lock the nation into a carbon-intensive economic model.

Despite these systemic challenges, the corporate landscape is transforming rapidly following the implementation of mandatory sustainability reporting in 2024. This shift has catalysed an unprecedented surge in transparency, with Turkish companies showing 80% alignment with global IFRS S2 standards⁸ and a 21% increase in climate change

Türkiye's Sustainability Policies (Climate Action Tracker)



Source: <https://climateactiontracker.org/countries/turkey/>

disclosures through CDP in 2024 alone. CDP indicates that Türkiye's corporate sector has responded to this transition with remarkable momentum. In 2024, 138 companies disclosed through CDP, marking an all-time high. Climate Change disclosures rose by 21%, Water Security by 65%, and Forests disclosures grew an impressive 220%.⁹

Turkish Real Estate Industry and Decarbonization

Within this national context, the Turkish building and real estate sector has emerged as a primary focus for decarbonisation. Ministry of Environment, Urbanisation and Climate Change (2023)¹⁰ indicates that in Türkiye, the building sector, responsible for approximately 31% of the final energy consumption and 30% of greenhouse gas emissions, has seen a recent prominence of concepts like energy-efficient buildings, zero-energy buildings, green buildings, and smart buildings within the context of sustainability. Qashou et al. (2022)¹¹ find that the real estate market contributes negatively to the deduction of carbon emissions in Türkiye. A 1% increase in the real estate market will cause a rise in Türkiye's carbon level by 0.010% and 0.009% in the short and long term, respectively. The authors suggest that Türkiye should design new strategies for sustainable real estate markets to improve the environmental quality by supporting green investment projects.

Supported by a landmark national climate law, expanding ESG commitments, and pioneering sector initiatives, Türkiye is increasingly positioning itself as a resilient and future-ready destination for international investors.

Energy Efficiency Action Plan of Türkiye and Nearly Zero Energy Buildings

As Europe's largest energy consumer - buildings have a critical role to play in achieving the EU's ambition of becoming the world's first climate-neutral continent by 2050. All new buildings in the EU are required to be 'nearly-zero energy buildings' since 2020. This will be replaced by a further enhanced 'zero-emission buildings' requirement, starting from 2028 for new buildings owned by public bodies and 2030 for all other new buildings.¹² In Türkiye, a large share of the building stock is aging and falls short of modern energy-efficiency standards.¹³ 76% of the overall building stock was built in the period before 2000, a period during which there were no national regulations on building energy performance in place.

To improve the energy efficiency of buildings a code has been devised to govern the energy performance of buildings, which enforces insulation standards, and the 2018 National Energy Efficiency Action Plan (NEEAP), which outline a goal of "nearly zero energy buildings" for newly built private and public buildings, and considers mandating efficiency classes of at least B Energy Performance Certificate.¹⁴ Approximately 9% of the building stock was built between 2000 and 2010, a period that coincided with the acceptance of the mandatory standards outlined in the TS825 Thermal Insulation Requirements for Buildings.¹⁵ To address this legacy, the government introduced the "Nearly Zero Energy Buildings" (NZEB) mandate in January 2023, requiring new large-scale structures to achieve high energy efficiency and meet at least 10% of their demand through renewable sources. Accordingly, as of January 1, 2023, all buildings with a total construction area exceeding 2,000 square metres on a parcel are required to have a minimum energy performance rating of "B".¹⁶

Residential properties are particularly consequential in this transition, generating roughly 76% of all building-related emissions, which necessitates aggressive retrofitting strategies that have already demonstrated the potential to reduce energy use by 40% in public facilities. Moving forward, the industry is increasingly focused on managing "embodied carbon"—emissions from material production and construction—while the financial sector is developing innovative tools like green home loans and "Building Passports" to ensure long-term monitoring and operational transparency.

ESG Integration in Real Estate Industry

Supported by a landmark national climate law, expanding ESG (Environmental, Social, and Governance) commitments, and pioneering sector initiatives, Türkiye is increasingly positioning itself as a resilient and future-ready destination for international investors. Notably, despite ongoing economic headwinds, ESG integration seems to begun to emerge as a strengthening market norm across the country. However, it seems that there is a long way to go. According to Çam and Çolak (2025) companies in

Türkiye had an average ESG score of 53.94, with the highest score recorded with regards to the social aspects of the industry, averaging 60.42.¹⁷ From a real estate perspective, the number of REITs with an ESG score as of February 4, 2025 is 7 out of almost 50 REITs according to LSEG data.¹⁸

GYODER's 4T Framework

It is precisely against this backdrop that GYODER's 4T framework has emerged as a structured response to the limitations of the past. The 4T acronym -Technology (in Turkish: Teknoloji), Design (in Turkish: Tasarım), Nature (in Turkish: Tabiat), and Society (in Turkish: Toplum)—represents a holistic philosophy that explicitly rejects the sector's former “concrete-only” mindset and reframes sustainability as an operational, social, and financial strategy. In this journey, the GYODER has a creative team of partners. The project has been developed with advisory support from PwC Türkiye and is backed by leading GYODER members, including Rönesans Holding,¹⁹ Folkart Yapı,²⁰ and Kuzu Group.²¹

In 4T framework, Technology focuses on integrating smart city solutions, proptech, and AI-driven energy management to improve efficiency and reduce carbon footprints. Design shifts the emphasis from maximising square metres to human-centred, accessible housing that prioritises functionality, health, and quality of life. Nature anchors developments within their ecological context, promoting renewable energy use and the protection of urban carbon sinks such as green spaces. Finally, Society addresses affordability and inclusion through accessible housing models that strengthen social cohesion and long-term community resilience.

Together, these four pillars translate sustainability from an abstract ambition into a measurable framework—one that aligns regulatory compliance, market expectations, and investor returns in Türkiye's evolving real estate landscape.

Beyond Concrete Profits: Redefining Value in Real Estate with “4T”

The shortcomings of the “build first, think later” model have become structural, particularly in real estate—one of the largest contributors to global and domestic carbon emissions. In Türkiye, decades of construction-led growth delivered scale and speed, but often at the expense of energy efficiency, lifecycle performance, and climate resilience. For investors, sustainability integration is no longer a reputational choice but a pricing variable: assets that fail to adapt risk valuation discounts, while those aligned with sustainability standards are better positioned to capture the emerging “greenium” across both private markets and securitised real estate.

The 4T project is more than a certification or an awareness project; it is an ESG integration tool. By adopting 4 “T” pillars, Turkish developers are aligning with global standards like

GRESB (Global Real Estate Sustainability Benchmark). The importance of 4T lies in its ability to standardize sustainability across the Turkish market, providing a clear “Green Route” for developers and a reliable metric for investors.

¹ Available at: https://portal.gyoder.org.tr/_lib/file/doc/3166c791-e808-4e03-825b-b6ceec402052-4t.pdf (accessed on: 31.01.2026).

² <https://www.climate-transparency.org/wp-content/uploads/2022/10/CT2022-Turkey-Web.pdf>

³ TURKSTAT Corporate

⁴ Available at: <https://data.tuik.gov.tr/Bulten/Index?p=Greenhouse-Gas-Emissions-Statistics-1990-2023-53974&dil=2> (accessed on: 3.02.2026).

⁵ Available at: https://unfccc.int/sites/default/files/resource/Turkiye_Long_Term_Climate_Strategy.pdf

⁶ Available at: <https://icapcarbonaction.com/en/news/turkiye-adopts-landmark-climate-law-paving-way-national-ets>

⁷ Available at: Türkiye | Climate Action Tracker

⁸ The IFRS S2 Alignment Analysis of Global CDP Responses Has Been Published | CDP Türkiye

⁹ CDP Türkiye 2024. (2025) Climate and Nature Report. May. Available at: https://cdpturkey.sabanciuniv.edu/sites/cdpturkey.sabanciuniv.edu/files/cdp_turkiye_2024_climate_nature_report3.pdf

¹⁰ Ministry of Environment, Urbanization and Climate Change (2023) Türkiye Building Sector Decarbonization Roadmap. December, <https://wrisehirler.org/sites/default/files/Turkiye%20Building%20Sector%20Decarbonization%20Roadmap...pdf>

¹¹ Qashou, Y., Samour, A., & Abumunshar, M. (2022). Does the real estate market and renewable energy induce carbon dioxide emissions? Novel evidence from Turkey. *Energies*, 15(3), 763.

¹² https://energy.ec.europa.eu/topics/energy-efficiency/energy-performance-buildings/nearly-zero-energy-and-zero-emission-buildings_en

¹³ TurkStat. (2021). Bina ve Konut Nitelikleri Araştırması, 2022. <https://data.tuik.gov.tr/Bulten/Index?p=Survey-on-Building-and-Dwelling-Characteristics-2021-45870>

¹⁴ <https://www.climate-transparency.org/wp-content/uploads/2022/10/CT2022-Turkey-Web.pdf>

¹⁵ <https://wrisehirler.org/sites/default/files/Turkiye%20Building%20Sector%20Decarbonization%20Roadmap...pdf>

¹⁶ <https://wrisehirler.org/sites/default/files/Turkiye%20Building%20Sector%20Decarbonization%20Roadmap...pdf>

¹⁷ Çam, İ., & Çolak, R. (2025) Corporate Sustainability and Financing Decisions of Firms in Türkiye: A Dynamic Multi-Equation System Approach. *İstanbul Gelişim Üniversitesi Sosyal Bilimler Dergisi*, 12(3)Special Issue:926-942.

¹⁸ <https://www.lseg.com/en/data-analytics/sustainable-finance/esg-scores> ; <https://spk.gov.tr/istatistikler/aylik-istatistik-bultenleri/2025-yili-istatistik-bultenleri>

¹⁹ <https://ronesans.com/en>

²⁰ <https://folkart.com.tr/about-us>

²¹ <https://www.kuzugrup.com/en/about-kuzu-group>

The importance of 4T lies in its ability to standardize sustainability across the Turkish market, providing a clear “Green Route” for developers and a reliable metric for investors.

PRO- JECTS



Türkiye Real Estate Development Outlook 2025



Hakan Malak
Founder - HOM Real Estate

Hakan Malak is the founder of HOM Real Estate, with over 20 years of experience across real estate investment, development and asset management in Türkiye and international markets. Throughout his career, he has been directly involved in the development of several landmark and first-of-their-kind projects in Türkiye, including Emaar Square, Soho House Istanbul, Galataport, Hilton Garden Inn Golden Horn, Republica Academic Aparts, DKY On, Greenox Urban Residence, Four Seasons Hotel and Residences Bodrum, Four Seasons Private Residences Istanbul, and Paşaköy Ecovillage, Türkiye's first ecotourism cooperative. Malak has long been active within the Urban Land Institute (ULI), serving on the ULI Türkiye Executive Board. He is also a founding member of the ULI Europe Living Concepts Council. He regularly moderates and speaks at real estate conferences and has published research papers and articles in leading real estate publications.

These projects do more than deliver buildings. They reshape how cities function, move, work and interact, positioning real estate as a strategic layer of urban infrastructure rather than a standalone asset class.

Urban Scale, Public Impact and Finance: Observations from Türkiye's Most Influential Developments in 2025

In 2025, real estate development in Türkiye is increasingly defined not by individual plots, but by projects operating at urban and systemic scale. The most influential developments of the past year integrate transportation, finance, culture, public space and private investment into coherent urban ecosystems. These projects do more than deliver buildings. They reshape how cities function, move, work and interact, positioning real estate as a strategic layer of urban infrastructure rather than a standalone asset class.

Terminal Kadıköy: Transportation, Public Space and Everyday Urban Life

Transport hub, retail, food and beverage, public space (42,000 m² GBA -Gross Built Area, Istanbul, developed by AKFEN REIT)

Located at one of Istanbul's busiest transit intersections, Terminal Kadıköy redefines the idea of a transportation hub by positioning itself as a new meeting point for culture, art, sports and gastronomy. Conceived as a gastronomy destination unlike any other in Türkiye, Terminal Kadıköy brings together an exceptionally diverse food ecosystem — ranging from street food to international cuisines, chef-led restaurants, next-generation cafés and an open organic market.



Terminal Kadıköy, Istanbul

PROJECTS

The project also hosts one of the world's largest sports bars, reinforcing its role as a social anchor beyond transit. Complementing its food and leisure offers, a 1,500-seat performance venue and cultural center is designed to host year-round events across music, performing arts and interdisciplinary programs.

Developed with a clear emphasis on social transformation and sustainable living, the project brings art, gastronomy and public life together in a way that feels unusually cohesive. Rather than adding another destination to the city, Terminal Kadıköy quietly reshapes how one of Istanbul's busiest places is experienced on an everyday basis.

Tersane Istanbul: Urban Regeneration at Metropolitan Scale
Culture, hospitality, offices, retail, public waterfront
(252,000 m² GBA, Istanbul, developed by Kalyon – EPP – Bilgili Holding consortium)

Stretching along the Golden Horn, Tersane Istanbul represents one of the largest and most ambitious urban regeneration projects in Türkiye. The transformation of a historic shipyard into a mixed-use district introduces a vibrant blend of five-star hotels, retail and social spaces, museums, arts, culture and performance centres, residential areas and marinas, all anchored by an astonishing nearly two-kilometre-long public promenade along the Golden Horn.

What distinguishes the project is not only its scale, but its ability to reconnect the city with its waterfront through a carefully phased, long-term masterplan. Value is created not through speed, but through diversity of use, public accessibility and continuity, positioning Tersane Istanbul as a new cultural and social spine within the metropolitan fabric.

Istanbul Finance Center (IFC): Finance as a Spatial System
Offices, public institutions, retail, support functions
(1.4 million m² GBA, Istanbul, developed by Türkiye Wealth Fund, Presidency's Investment and Finance Office, Emlak Konut GYO)

Observing the Istanbul Finance Center, the emphasis seems to lie not in architecture alone, but in concentration and structure. Financial institutions that once operated across the city are now gathered into a clearly defined district, suggesting a deliberate move toward institutional clustering.

From a development perspective, IFC reads less as a collection of office buildings and more as an experiment in organising economic systems through space. At this stage, the project reads as a system in transition — with interior fit-outs, office layouts and commercial spaces gradually coming online, and a more intensive phase of occupancy and functional use expected throughout 2026, as the development moves closer to its intended capacity.



Branded Residences and Luxury Living: From Hospitality Brands to Lifestyle-Driven Living

Looking at the market in 2025, one thing stands out: Türkiye's high-end residential segment is being reshaped by branded, lifestyle-driven concepts rather than conventional notions of luxury. Global brands, hospitality know-how and strong design identities now play a central role in positioning residential developments for durability and international appeal. Rather than selling premium square metres alone, these projects offer managed living environments, where trust, service quality and identity become integral to long-term value.

Mandarin Oriental Residences Etiler: Hospitality-Driven Residential Living

Branded residences, lifestyle retail, wellness and private amenities (270,000 m² GBA, Istanbul, approx. 170 hotel rooms, 250 residential units, developed by YapiandYapi, Astas Holding)

Mandarin Oriental Residences Etiler represents one of Istanbul's most prominent examples of hospitality-branded residential development. Architecturally designed by Amsterdam-based UNStudio, private residences and penthouses with generous terraces and balconies are set within an unusually rich landscape design, creating a dynamic yet protected atmosphere at the heart of the city.

ETRO Residences Istanbul: Fashion as a Residential Identity

Luxury residences, offices and retail (Istanbul, 41-storey mixed-use development developed by RAMS)

ETRO Residences Istanbul introduces a distinctly different reading of branded living to the city. Rising in Maslak as a 41-storey mixed-use development, the project combines luxury residences with office and commercial functions, positioning fashion not merely as an aesthetic layer, but as a spatial and programmatic identity. As the first ETRO-branded residential project globally, it translates the brand's design language and cultural codes into

an architectural and residential context, signaling a shift toward identity-based differentiation beyond hotel branding.

JW Marriott Residences Tarabya: Hospitality Operator as Value Anchor

Istanbul, 216 residential units + 22 home-office units

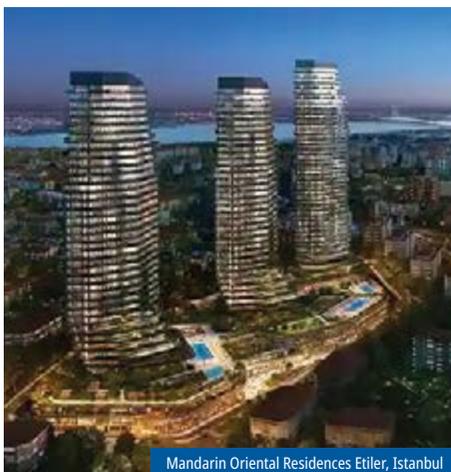
JW Marriott Residences Tarabya represents a more nuanced interpretation of branded living, where hospitality branding is present without a conventional hotel operation. Developed through a partnership between Gül İnşaat and Aslanlar Group, the project uses the JW Marriott brand under a licensing and brand partnership model, positioning the development firmly as a residential product rather than a serviced hotel asset. In this sense, JW Marriott Residences Tarabya reflects a growing trend in Istanbul's high-end market: brand-led residential development without hotel dependency.

Kempinski Residences Balmumcu: Where Location and the Bosphorus View Define the Asset

Residences, limited hospitality services (Istanbul, 260 residential units developed by: YapiandYapi, Astas Holding)

Kempinski Residences Balmumcu stands out first and foremost for its location and orientation. Developed on an approximately 30,000 m² site, all residences are positioned to capture uninterrupted Bosphorus views, an increasingly rare quality in such a central part of Istanbul. What makes the project particularly notable is this combination of centrality and panorama.

Looking beyond the project itself, the wider Balmumcu-Barbaros axis is clearly entering a period of accelerated transformation. Several major developers are preparing new flagship projects in the area, suggesting that this part of the city is on the verge of a significant shift. In a few years' time, the neighborhood is likely to be almost unrecognisable, repositioned as one of Istanbul's most prominent mixed-use and residential corridors.



Mandarin Oriental Residences Etiler, Istanbul



ETRO Residences Istanbul



JW Marriott Residences Tarabya, Istanbul

From Seasonal Tourism to Curated Living: Resorts, Coastal Developments and Lifestyle Destinations

Looking at Türkiye’s coastal real estate landscape today, a clear shift becomes visible. Development is gradually moving away from volume-driven, seasonal resort models toward more selective, brand-led lifestyle destinations that are designed to function beyond peak tourism periods. What distinguishes this new wave is not scale, but intent. Rather than maximizing short-term occupancy, these projects prioritise long-term use, identity and experience — blending hospitality, residential living and curated social environments into cohesive ecosystems.

Montes by Missoni: Design-Led Living on the Hilltop
Bodrum, 22,100 m² land area, 12,700 m² sellable area, 17 buildings, 53 residential units and social facilities, developed by RMA Holding

What stands out at first is how the Missoni brand is articulated through lifestyle rather than architecture alone. The project introduces the world’s first Missoni Pool concept within its social facilities, alongside the world’s first Missoni Beach concept planned at a nearby bay — positioning brand identity as something experienced, not just seen. Another development detail is the inclusion of Cozy Etiler — one of Istanbul’s most popular dining destinations — reinterpreted here as Cozy Yalıkavak.

Together, these elements suggest a project that reads less like a conventional branded residence and more like a curated lifestyle environment, shaped by design, landscape and a selective approach to social experience. Construction began in March 2025, with deliveries planned for June 2027, placing the development within the current cycle of carefully timed projects.



Kempinski Alaçatı

Kempinski Alaçatı: Hospitality-Led Residential Living
Çeşme, 103,000 m² land area, ~130 residential units (approx. 100 villas), developed by Dilek Gayrimenkul

Set directly on the Aegean coastline in Çeşme–Alaçatı, Kempinski Alaçatı occupies a rare seafront position overlooking a calm bay, where panoramic sea views and privacy come together naturally. What stands out is the project’s clear residential focus. Rather than operating as a conventional hotel resort, it is conceived primarily as a low-density residential and villa community, supported by hospitality standards rather than driven by short-term tourism.

The mix of apartments and predominantly private villas creates a quiet, long-term living environment, shaped by landscape and scale rather than turnover. In this sense, Kempinski Alaçatı reflects a broader shift along Türkiye’s coast: away from seasonal resort models and toward permanent, residential-led coastal living, where restraint and location define value over time.

Shangri-La Bodrum: Low-Density Luxury with a Hospitality Anchor
Bodrum

A major milestone has recently been reached with the signing of agreements for Shangri-La Bodrum, to be developed on the Marina Parcel within The One Bodrum project masterplan. The wider development already includes 72 completed villas, with additional residential phases currently under construction.

Construction of the Shangri-La Bodrum hotel is slated to begin in late 2026. The project will comprise 70 hotel rooms and 10 beachfront villas, positioned as the hospitality anchor of the masterplan and designed to provide services to both existing and future residential phases.

With an expected opening in 2029, Shangri-La Bodrum marks a clear transformation of The One Bodrum from a predominantly residential project into a fully serviced coastal ecosystem, integrating hospitality, residential living and marina life into a single destination.



Montes by Missoni, Bodrum

Infrastructure, Data and Logistics: The Rise of Invisible but Institutional Assets

By 2025, some of Türkiye's most consequential real estate investments are no longer defined by visibility or frontage, but by infrastructure, data centres and logistics, attracting global capital and long-term operators focused on resilience, continuity and scale.

Data Centers as a Core Asset Class

Looking at Türkiye's data infrastructure landscape, it becomes clear that the market is now shaped by both international hyperscale players and strong domestic operators. International developers such as Khazna Data Centers have announced plans for AI-ready, hyperscale facilities, while DAMAC Group, in partnership with Vodafone, has launched a major data center investment in Izmir, signaling growing foreign confidence in Türkiye's regional digital infrastructure potential.

Alongside these global entrants, Turkcell's Ankara Data Center stands out as a critical domestic benchmark. Spanning a total gross built area of approximately 47,000 m², the facility is designed with seismic isolators, ensuring a high level of earthquake resilience. The project has been awarded LEED Gold certification, underscoring its commitment to green building standards and environmental sustainability.

Taken together, these initiatives position Türkiye not merely as a consumer of digital infrastructure, but as a regional data and connectivity platform, extending well beyond traditional telecom-led facilities and aligning the country with the next generation of resilient, sustainable and institutional-grade data centre assets.

Logistics Platforms Driven by Global and Regional Operators

Following DHL Group's acquisition of MNG Kargo, Türkiye has become a core node within DHL eCommerce's regional network, driving investment in technology-driven sorting centres and large-scale transfer hubs. In parallel, Amazon continues to expand fulfillment and last-mile infrastructure, while integrated logistics operators such as DP World increasingly assess Türkiye as a strategic hub linking ports, hinterlands and regional trade corridors.

Positioned at the heart of the Middle Corridor linking China, Central Asia and Europe, Türkiye is increasingly evolving into a strategic logistics and transit hub. In this context, technology-enabled, large-scale logistics platforms are emerging as institutionally relevant assets, supported by long-term trade flows and sustained operational demand.

Reconstruction, Resilience and Infrastructure Renewal

Beyond data and logistics, a parallel layer of infrastructure investment has gained momentum in the aftermath of the 2023 earthquakes. What began as an emergency response has evolved into one of the most comprehensive reconstruction and renewal efforts in Türkiye's recent history, encompassing housing, transportation networks, utilities and social infrastructure across multiple cities.

This process is not limited to rebuilding what was lost. It is actively redefining construction standards, seismic resilience and urban planning principles at scale, positioning infrastructure not only as a necessity, but as a long-term development framework shaping how cities are rebuilt, upgraded and future-proofed.

Closing Perspective — Building Systems, Not Just Assets

Taken together, these observations point to a quiet but decisive transformation in how real estate development is being approached in Türkiye. Across cities, coastlines and infrastructure, the focus is steadily shifting away from isolated assets toward integrated systems — where mobility, finance, living, logistics and public space are deliberately organised rather than simply built.

What defines this moment is not scale alone, but intent. The projects that stand out are those that look beyond short-term cycles, using design, branding, infrastructure and resilience as tools to create continuity, trust and long-term relevance. At the same time, it is hard to ignore the broader market context. Türkiye's residential development market has entered a clear slowdown in recent years, shaped by high inflation and rising interest rates.

Increasing financing costs have reduced developers' appetite for launching new projects, while limited access to mortgage financing has constrained demand — resulting in a more cautious supply side and a visible decline in new housing development volumes. Looking ahead, there is a sense that this cycle may begin to shift. As inflation is expected to ease and financial conditions gradually stabilise toward 2026, I believe the residential market will start to recover — moving beyond the recent focus on high-end projects and once again creating room for middle-income housing developments to return to the agenda.

In this context, real estate development in Türkiye is evolving into more than a response to cycles or demand. It is becoming a strategic tool — one that rebuilds trust in the built environment and positions cities, and the country itself, within a more resilient and interconnected global landscape.

Terminology and Definitions

- Gross Built Area (GBA) refers to the total constructed floor area of a development, including all enclosed spaces such as offices, residences, retail areas, circulation zones and shared facilities. Used to describe the overall physical scale of large-scale, mixed-use and campus-style projects.
- Sellable Area indicates the portion of a project that can be sold to end users, typically referring to residential or commercial units offered for sale. This figure excludes non-sellable common areas and is primarily used for residential developments.
- Branded Residences are residential developments associated with a globally recognized brand, where branding may relate to design, lifestyle positioning or service standards. These projects do not necessarily include hotel operations unless explicitly stated.
- Mixed-Use Development is a single master-planned project that integrates multiple functions — such as residential, office, retail, hospitality, cultural or public uses — within a unified spatial and operational framework.
- Hospitality-Led Development is a development approach in which hospitality expertise, service logic or brand standards play a defining role in shaping residential or mixed-use environments, with or without an operating hotel component.

Architecture as an Investment Multiplier

Boytorun Architects



Yudum Boytorun
Managing Partner, Architect

Semih Boytorun
Managing Partner, Architect

At the intersection of architecture, real estate strategy, and operational performance, Boytorun Architects delivers integrated design solutions for institutional investors, developers, multinational corporations, and public stakeholders.

Headquartered in Istanbul and operating with a global outlook, the practice specializes in corporate headquarters, office campuses, commercial developments, industrial facilities, and mixed-use assets. Boytorun Architects positions architecture not as a standalone creative service, but as a value-generating instrument within the broader real estate ecosystem. In an era defined by ESG metrics, hybrid work models, digital transformation, and evolving user expectations, Boytorun provides investors and asset owners with resilient, future-ready architectural solutions.

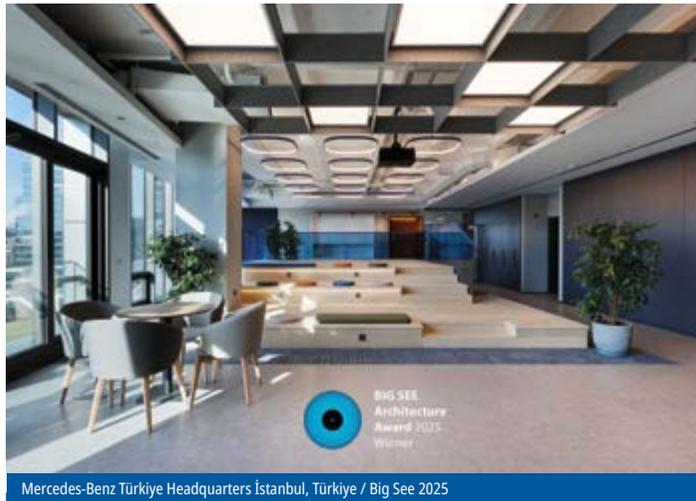
Architecture as an Investment Multiplier: For investors and developers, built assets must deliver more than spatial quality—they must generate long-term financial performance, tenant attractiveness, operational efficiency, and regulatory compliance.

Corporate and Workplace Strategy Expertise: The transformation of workplace culture has reshaped corporate real estate globally. Boytorun Architects works closely with multinational corporations and institutional occupiers to develop adaptive, performance-driven work environments.

ESG, Sustainability and High-Performance Assets: Environmental responsibility is no longer optional—it is central to investment strategy. Boytorun Architects integrates sustainability from concept to delivery, aligning projects with international certification systems such as LEED, BREEAM, and WELL.

Digital Leadership and Risk Mitigation: In large-scale developments, precision and coordination directly impact financial outcomes. Boytorun Architects employs Building Information Modeling (BIM) and advanced digital workflows to enhance transparency, reduce construction risks, and improve interdisciplinary collaboration.

Milano Liaison Office – European Gateway: As part of its international expansion strategy, Boytorun Architects operates a Milano Liaison Office, strengthening its presence within the European real estate and design network. Milan—recognized as one of Europe’s most influential centers for design, innovation, and finance—serves as a strategic gateway for cross-border collaborations and investor relations.



Mercedes-Benz Türkiye Headquarters İstanbul, Türkiye / Big See 2025

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Public Sector and Institutional Impact: Beyond commercial real estate, Boytorun Architects actively engages in public and institutional projects, contributing to sustainable urban development and socially impactful environments.

Global Outlook: Boytorun Architects' strategic ambition is to expand its international footprint across Europe, the Middle East, Asia, and North America. The firm seeks partnerships with global investors, developers, and design collaborators to contribute to large-scale, cross-border developments.

Why Partner with Boytorun Architects?

- ▮ Integrated design and implementation delivery
- ▮ Investment-focused architectural strategy
- ▮ ESG-aligned and future-proof development solutions
- ▮ Strong corporate workplace expertise
- ▮ Advanced BIM-driven coordination
- ▮ Reliable cost and schedule management
- ▮ User-centered, brand-aligned spatial experiences
- ▮ Strategic European presence through Milano Liaison Office

At MIPIM and beyond, Boytorun Architects presents itself as a strategic partner for stakeholders who view architecture not merely as construction—but as a long-term asset class.



Office Building İstanbul, Türkiye



Office Building İstanbul, Türkiye



Mixed Use, Residential&Office Building İstanbul



Mixed Use, Residential&Commercial İstanbul, Türkiye



Residential, Mixed Use Kayseri, Türkiye 50.000 sqm



Mercedes-Benz Mar20X Showroom Plovdiv, Bulgaria



Mercedes-Benz Mar20X Showroom

Success and Beyond: A Brand Story Centered on Humanity

Kuzu Mass Hosing



Özen Kuzu
Chairman of the Board

"As the world leaves the first quarter of the 21st century behind, success is no longer measured by profitability on balance sheets alone, but by the 'respect' shown to the planet, society, and future generations. As Kuzu Group—the architect of an 83-year journey spanning three continents—we summarize our investments with a single manifesto: Respect for humanity in every step, for nature in every decision, and for the future in every dream."

Operating since 1943, Kuzu Group is a disciplined investment group providing holistic solutions in construction, water treatment, and tourism, with a core focus on green transformation. With over 10,000 employees and an active project area exceeding 3 million m^2 , the company is not merely a builder of structures, but a city developer creating sustainable living ecosystems.

By undertaking reconstruction efforts in the earthquake-affected regions of Hatay, Adıyaman, and Malatya, Kuzu Group is establishing secure living spaces. Through projects currently in the delivery phase, the Group provides a significant contribution to the recovery and restructuring of the region.

Flagship projects in Istanbul and Ankara, such as SeaPearl, Kuzu Effect, and Kumru Ankara, have raised modern standards and added immense value to urban life. Furthermore, the urban transformation residences in Fikirtepe and Okmeydanı, alongside the Dilovası Modern Industrial Site investments, stand as prominent examples of the Group's sustainable and secure urbanization approach.

Kuzu Group serves more than 20 million people by treating 2 million m^3 of water daily at facilities it operates, primarily in Istanbul and Bursa, successfully reclaiming water for nature. While international projects—such as the 400,000 m^3 /day capacity advanced biological wastewater treatment plant in Al Mutlaa, Kuwait, and ventures in Montenegro and Uzbekistan—scale the Group's environmental engineering expertise globally, its sludge incineration and drying plants support a circular economy by converting waste into energy.



Beyond its contracting roots, Kuzu Group operates in the tourism sector as both an investor and operator. Located within SeaPearl Ataköy, the JW Marriott Hotel Istanbul Marmara Sea represents the Group's experience-oriented tourism vision, evidenced by its success in international evaluations.

Developed in collaboration with Marriott International, The St. Regis Karya Cove Resort, Bodrum—comprising 138 rooms and 188 branded residences—is positioned as a next-generation destination that harmonizes luxury, aesthetics, and sustainable living.

Rising to 113th place on the ENR 2025 Top International Contractors list and ranking as the 40th largest company globally in the building category, the Group maintains its resilience against global crises through a diversified portfolio. This wide range—extending from the Waterfront City project in Riga, Latvia, to the THY WIDECT e-commerce hub at Istanbul Airport, and from the Beykoz City Hospital to the Ziraat REIT Izmir Bayraklı project—showcases the company's mastery in risk management and operational capability.

With projects stretching across Asia, Europe, Africa, and the Middle East, Kuzu Group continues to resolutely lead the way toward the ideal of "Sustainable Cities, Livable Tomorrows."





FROM RÖNESANS GAYRİMENKUL YATIRIM

A FIRST IN TÜRKİYE!

Our portfolio of 12 shopping centers and 3 offices has achieved the highest “Outstanding” level under the BREEAM In-Use certification.

Comprising all 15 assets in Türkiye that have attained this distinction, we reinforce our sectoral leadership, as we continue to develop smart, future-ready buildings designed with a strong focus on energy efficiency and responsible water management.



 **RÖNESANS**
GAYRİMENKUL

About Rönesans Gayrimenkul Yatırım

Rönesans Gayrimenkul Yatırım is the commercial real estate development and investment company of Rönesans Holding.

By combining the group's more than 30 years of construction experience with its 22 years of real estate experience, the company has become Türkiye's largest shopping center investment group in terms of 1.500.000 sqm construction area and 740.000 sqm gross leasable area.

The current portfolio includes 20 real estates in total, consisting 12 shopping centers, 4 offices, 1 school that already operational and 1 ongoing residence project and 2 land plots available for future development.



Cushman & Wakefield | TR International



Tuğra Günden
Chairman



Merter Gürgün
Chief Operating Officer



Can Soleyman
Associate, Head of Agency



Nesil Aybar
Head of Valuation & Advisory



Gizem Naz İnci
Insights & Marketing Manager



Yılmazalp Efe
Associate, Head of Project & Development Services

Cushman & Wakefield is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture.

TR International is Cushman & Wakefield's exclusive affiliate in Türkiye and operates with the aim to be Türkiye's premier real estate institution, where our deep local knowledge meets global standards of excellence.

Cushman & Wakefield | TR International delivers advisory and transaction services across Agency Leasing, Tenant Representation, Capital Markets, Project & Development Services, and Valuation & Advisory, serving property owners, developers and occupiers.

Our purpose is to empower our clients through unparalleled service, leveraging our extensive network and expertise to deliver solutions that drive success and foster economic growth in Türkiye. We are committed to advancing the interests of our clients, colleagues, and communities with a spirit of collaboration and respect, ensuring that every action we take upholds the highest standards of conduct and contributes to a legacy of trust and confidence in the Turkish market.



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Emlak Konut GYO



Yasir Yılmaz
General Manager

Founded in 1953 with a vision of leading Türkiye's urbanization journey, Emlak Konut adopted as its corporate mission the development of environmentally responsible and modern cities that enhance quality of life, under the coordination of the Ministry of Environment, Urbanization and Climate Change.

Emlak Konut has delivered landmark projects that have left a mark on Türkiye's planned urban development process and given identity to the regions in which they were built. Its transformation into a Real Estate Investment Trust (REIT) in 2002 marked a strategic milestone in its corporate growth. With this transformation, Emlak Konut evolved into a strong institution that enhanced its financial capacity and developed design- and technology-oriented, environmentally conscious projects that add value to cities. Since 2003, Emlak Konut REIC has tendered a total of 447 projects and undertaken the construction of more than 260,000 independent units within these projects.

The initial public offering in 2010 ranked among the five largest IPOs in the history of the Republic. The secondary public offering in 2013 became the largest real estate IPO in Europe over the previous five years. Growing through its public offerings, Emlak Konut has become one of Türkiye's strongest companies with total assets reaching TRY 297.8 billion.

To transform knowledge into technology, Emlak Konut launched the "Emlak Konut Key Ideas Summit", and to facilitate access to housing, it introduced pioneering models such as the "Real Estate Certificate" and the "New Home Model". The public offering of the "Real Estate Certificate" attracted demand of TRY 27.3 billion, breaking a record as the "highest-amount public offering" in the history of the Republic.

In line with our international expansion vision, we signed a contract for the Hayat Makkah Project in Saudi Arabia, with an approximate value of USD 400 million.

Under the leadership of our President, Mr. Recep Tayyip Erdoğan, and in coordination with our Minister of Environment, Urbanization and Climate Change, Mr. Murat Kurum, we have resolutely carried out the construction of safe and livable cities in the earthquake-affected region. Within the framework of the "Construction of the Century" initiative led by the Ministry, and with the contributions of İlbank, Emlak Konut REIC, and Emlak Konut Elevator, the construction of 455,000 independent units has been completed, with a significant portion already delivered.

Our subsidiary EKA achieved its first export to Africa with domestically developed elevators and escalators featuring a 96.91% localization rate, reflecting Turkish engineering and technology. As Emlak Konut, in line with our human-centered development philosophy and our objective of becoming a global player, we continue our journey with determination.



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EPOS Property Consulting and Valuation PLC



Neşecan Çekici
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Taner Düner
Head of Real Estate Valuation



Kemal Çetin
Head of Real Estate Development

EPOS Property Consulting and Valuation is one of Türkiye's most established and well-recognized real estate advisory firms, with more than three decades of industry experience. The company delivers high-level real estate development consultancy and valuation services, combining analytical rigor with strategic insight to support investors, developers, and financial institutions in making well-informed decisions.

EPOS operates across all real estate asset classes, including residential, office, retail, logistics, industrial, hospitality, healthcare, and mixed-use developments. The firm is particularly distinguished by its expertise in complex and special-purpose properties, where market knowledge, technical competence, and development vision must work together. Each assignment maintains a strong focus on market realities, financial feasibility, highest-and-best-use analysis, and long-term value creation.

Through its development consultancy services, EPOS supports projects from early-stage concept development to positioning, feasibility analysis, and investment structuring. In valuation, the company is known for delivering independent, transparent, and internationally aligned reports that serve as reliable foundations for investment, financing, and strategic decision-making processes.

Over the years, EPOS has become a trusted partner for leading developers, investment funds, banks, and institutional investors, earning a strong reputation for reliability, professionalism, and sector expertise. Today, EPOS continues to stand out as a forward-thinking advisory firm that not only measures value, but helps create it.



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Burak Bakkaloğlu
Assistant General Manager



Göktaş Özbek
Assistant General Manager

İş REIC was established through the transformation of İş REIC into a real estate investment company, following its acquisition of Central Real Estate Investment and Project Evaluation Inc. on August 6, 1999.

İş REIC is focused on assuring the optimum risk versus return balance for its investors on the back of a diversified and well-balanced portfolio.

İş REIC invests in real estate properties and real estate projects and whose activities are carried out in compliance with the requirements of Turkish Capital Markets Board (CMB) laws and regulations.

İş REIC was originally founded on August 6, 1999 as a result of the merger of two real companies: İşbank-owned İş Gayrimenkul Yatırım ve Proje Değerlendirme A.Ş. and Merkez Gayrimenkul Yatırım ve Proje Değerlendirme A.Ş.

Adhering to a policy of pursuing only healthy, sustainable growth since the day it was founded, İş REIC reinforces the deep-rooted corporate principles and financial strength of the İşbank Group of which it is a member with a strong sectoral vision and distinguished projects of its own.

With steady rental income generated by its high-quality portfolio, its own deep equity resources, and convenient access to external funding, İş REIC is able to finance an uninterrupted series of new investments that further accelerate its growth and advance its position in the sector.

İŞ GYO



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Servotel: A Global Strategic Partner in Hospitality and Real Estate Development



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SERVOTEL

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Servotel is an international consultancy firm specializing in hospitality and real estate development, supported by more than four decades of expertise and a proven track record across 44 countries. Founded in London in 1984, the firm has established itself as a trusted advisor to investors, developers, hotel operators, and financial institutions, delivering strategic clarity, disciplined planning, and long-term value creation.

Operating through its London headquarters and Istanbul office, Servotel maintains a broad global footprint spanning Western Europe, the Americas, Eastern Europe, Africa, the Middle East, the CIS, and Southeast Asia. The firm's multidisciplinary team bridges analytical insight with hands-on development expertise, supporting projects from the initial vision to successful execution.

Servotel's integrated advisory platform is structured around four core pillars that collectively address the full lifecycle of complex real estate and hospitality developments:

Business Strategy, Research & Financial Modeling

Best-use analysis, market and financial feasibility studies, property valuations, joint venture structuring, brand and operator integration, asset management, and ownership modeling.

Project Concepting & Strategic Development

Conceptualization of unique hospitality brands and operations, positioning and development design strategy, and specialized sales and marketing advisory for residential developments.

Design & Technical Development

Land-use optimization, master planning, physical concept and massing strategy, design management, and multidisciplinary development coordination.

Financing & Fund Sourcing

Residential sales strategies, buy-side and sell-side advisory for hotel assets, and the structuring of strategic partnerships.

With a boutique approach and a selective client portfolio, Servotel ensures senior-level engagement in every mandate. By combining market intelligence, financial discipline and creative positioning, the firm delivers resilient, high-performance projects across the mixed-use, hospitality, residential, and commercial sectors. Servotel continues to support partners seeking to structure smarter investments, create differentiated destinations, and achieve sustainable growth within increasingly complex global markets.

TSKB Real Estate Appraisal Inc.



Makbule Yönel Maya
General Manager



Ozan Kolcuoğlu
Deputy General Manager



Berk Ünsal
Director



Ece Kadioğlu
Director

TSKB Real Estate Appraisal Inc. continues to focus on preserving and enhancing its knowledge and competencies, collaborating with leading international organizations, staying up-to-date with industry innovations, and maintaining its pioneering identity. Established in November 2002, TSKB Real Estate Appraisal Inc. was among the first companies to obtain a Capital Markets Board (SPK) license, being listed as a “Real Estate Appraisal Company” by SPK in February 2003.

As a subsidiary of Türkiye Sınai Kalkınma Bankası Inc. (TSKB), our main partner, TSKB, builds on its expertise in appraisal. In addition to being authorized by the Capital Markets Board (SPK) and the Banking Regulation and Supervision Agency (BDDK), TSKB Real Estate Appraisal Inc. is one of Türkiye's leading companies offering services with three licenses, including the RICS certification.

TSKB Real Estate Appraisal Inc. aims to deliver the most comprehensive services in the market, providing innovative and unique solutions in consultancy to a broad customer base.

With its headquarters in Istanbul and branch offices across Türkiye, the company offers appraisal services worldwide, from the US to Central Asia and from Europe to Africa, in line with international standards. To date, TSKB Real Estate Appraisal Inc. has carried out appraisal studies in 28 different countries.

Who do we serve?

Asset Management Companies, Banks, Companies Operating with a Franchise System, Companies Preparing for an Initial Public Offering, Companies Subject to Capital Markets Regulations, Construction and Development Companies, Cooperatives, Corporate and Individual Investors, Corporate Finance Firms, Financial Leasing Companies, Foundations, Foreign Investors, Fuel Distribution Companies, Holdings, Independent Audit Firms, Law Firms, Leading Companies in Turkish Industry, Portfolio Management Companies, Public Companies Listed on Borsa İstanbul, Public Institutions, Real Estate Investment Funds, Real Estate Investment Trusts, Urban Transformation Projects

Our Services

Real Estate Appraisal, Collateral Appraisal, Machinery - Equipment, Ship and Other Tangible Fixed Assets Appraisal, Highest and Best Use Analysis, Feasibility Analysis, Market Research and Sector Analysis, Tender Consultancy and Process Management, Urban Transformation Consultancy, Construction Progress and Investment Monitoring Consultancy, Concept Development Consultancy, Appraisal Review, Green Appraisal, ESG Assessment Report, Cost Consultancy



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Value Solution Partners



Dora Şahintürk
Co-Founder



Tarkan Ander
Co-Founder



Can Şahintürk
CEO

Value Solution Partners is a Preferred Partner of JLL in Türkiye. JLL is a Fortune 500 company with more than 280 corporate offices, operations in more than 80 countries and a global workforce of more than 102,000.

Value Solution Partners (VS Partners) is a specialized professional services firm in the real estate and investment sector. Working to make the world a more sustainable place, VS Partners combines innovative technologies with data analysis to offer solution-oriented opportunities to its business partners. Operating across various asset types, including industrial, commercial, residential, and hotel real estate, VS Partners provides expert services in areas such as acquisition, construction, settlement, and investment, enhancing its Clients' efficiency. As a JLL Preferred Partner, VS Partners's mission is to provide the best service, make an impact, and achieve significant success through sustainable projects. For more information, visit valuesolutionpartners.com, a platform dedicated to guiding investment decisions.

At Value Solution Partners we take pride in doing things differently. We believe that the built environment is a powerful tool that can be used to make our world a better place.

Therefore, our goal is to combine innovative technologies and data intelligence with our globally recognized expertise to uncover untapped opportunities and enhance our clients' success in every respect.

We work tirelessly to fulfil the demands of our business partners in various areas, including the acquisition, construction, settlement, and investment of industrial, commercial, retail, residential, and hotel properties. Our primary objective is to provide the most suitable investment opportunities for technology start ups, global companies, and significant firms in sectors such as banking, energy, healthcare, legal, life sciences, manufacturing, and technology. We tailor solutions to meet our clients' needs and maintain a flexible approach in responding to requirements across different industries.

Furthermore, we are committed to building a sustainable world. We place sustainability at the core of all our investment decisions, protecting natural resources and developing solutions for energy conservation. By doing so, we offer our customers the opportunity to contribute to a sustainable future.

Our priority will always be to provide our customers with the best possible service, contribute to their success, and evaluate this impact on a global scale.



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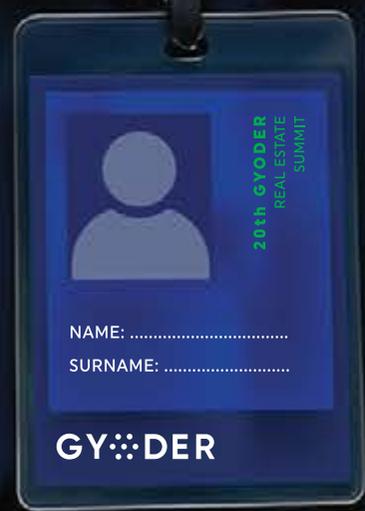
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**DON'T FORGET
TO TAKE YOUR
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**SAVE
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**April 27-28
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