



# *Spotlight on Seoul*









# Market Summary

As South Korea's political, economic and financial hub, Seoul is a bustling metropolitan city in Asia. With its rich heritage and traditions, scenic landscapes and modern infrastructure, Seoul is a major corporate and leisure destination in Asia, offering tourists a diverse mix of cultural, entertainment, dining and shopping experiences.

International visitor arrivals have been on the rise since 2003. The Korean wave and the government's initiatives to boost tourism as well as the depreciation of the Won have encouraged visitation to Seoul. In 2012, international visitor arrivals to South Korea was recorded at 11.1 million, above the target of 10 million tourists. In 2013, visitor arrivals edged up to 12.2 million tourists, a 9.3% year-on-year increase, supported by the increasing number of tourists from Mainland China. Japanese visitors decreased dramatically by 21.9% compared to 2012 due to the weakening of the Yen and a strained political relationship. However, Japan and Mainland China still remained as the top two source markets to South Korea in 2013.

There has been a significant increase in hotel development in the capital city of Seoul against a backdrop of demand growth and limited room supply in recent years. According to Korea Ministry of Culture, Sports and Tourism (KMCST), approximately 50 new hotel projects have been submitted which could potentially result in an additional 22,200 rooms by 2017. Several international branded full-service and limited-service hotels opened in the past few years and others have intentions to enter the Seoul market by 2015.

Hotel trading performance in Seoul recorded year-on-year growth until 2012 but showed a decline of 10% in Revenue per Available Room (RevPAR) in 2013. This can be attributed to the increase in room supply, the decline of Japanese visitors as well as the increase of more low cost Mainland Chinese tour groups. More aggressive pricing between hotels in Seoul is expected in the short term due to the increase in the number of new hotels.

## Economic Snapshot

	2010	2011	2012	2013F	2014F	2015F	2016F	2017F
Real GDP Growth (%)	6.30	3.70	2.00	2.70	3.60	3.80	3.60	3.50
Nominal GDP (USD Billion)	1014.90	1114.60	1129.10	1210.70	1282.70	1352.10	1445.00	1535.40
Consumer Price Index (%)	2.90	4.00	2.20	1.20	2.50	3.20	3.30	2.90
Policy Interest Rate (%)	2.50	3.25	2.75	2.50	3.25	3.75	3.75	3.50
Avg. Exchange Rates (KRW per USD)	1134.80	1153.30	1072.50	1081.22	1075.47	1056.54	1044.10	1037.51
Avg. Unemployment Rate (%)	3.70	3.40	3.20	3.30	3.50	3.90	4.10	4.20

Source: IHS Global Insight (forecast as at 14 November 2013) F: Forecast

# Major Business Districts

There are three major business districts in Seoul, namely the Seoul Central Business District (Seoul CBD), the Gangnam Business District (GBD) and the Yoido Business District (YBD). As these areas attract business clientele with accommodation needs, the city's main hotel markets are formed in and around these districts. Each district can be characterised as below:

## Seoul CBD

Located in Jung-gu and Jongro-gu Districts, north of the Han-gang River, the Seoul CBD has been the heart of the country's political and economic scene since the 14th century. Most commercial and investment banks, embassies, conglomerates' headquarters and multinational companies are located in this area. In addition, the historical architecture, museums, commercial districts and Namsan mountain attract leisure visitors to this area. Major hotels in the Seoul CBD include full-service properties such as The Westin Chosun Seoul, Lotte Hotel Seoul, The Plaza Hotel Seoul and The Shilla Seoul, as well as limited-service hotels such as the Ibis Seoul Myeongdong, the Sky Park hotel portfolio, and the Ramada Hotel and Suites Seoul Namdaemun. The Seoul CBD is also the most popular area for recent hotel development projects.

## GBD

Located in Gangnam-gu and Seocho-gu Districts, south of the Han-gang River, the GBD is the newest of the city's three business districts, although it already plays a critical role in South Korea's economy. Companies in the information technology industry, private banking, venture capital funds, chemical, health and pharmaceuticals, and defence industry sectors are located in this area. As compared to the Seoul CBD, there are a limited number of leisure destinations in the GBD but following the opening of the COEX Convention Centre in 1979, the area has become a popular area for meetings, incentives, conferences and exhibitions (MICE). Hotels in the GBD are located near office complexes, such as COEX, as well as along Teheran Road, the main road leading to corporate and government offices, and the shopping area. Major hotels in the GBD include full-service properties such as Park Hyatt Seoul, the InterContinental Seoul COEX, The Ritz-Carlton Seoul and the Lotte Hotel World, along with limited-service hotels such as the Ibis Seoul Ambassador and the Bestwestern Premier Gangnam.



## YBD

Yoido Island in Yongdeungpo-gu District, located south-west of the Han-gang River and also recognised as the YBD, is South Korea's finance hub, home to the Korean Stock Exchange and domestic securities companies, as well as the National Assembly and major media companies. Due to high land prices, the YBD has yet to see its hotel market take shape. In addition, accommodation demand in the YBD has generally been absorbed by the Seoul CBD, given easy accessibility to the Seoul CBD which offers more entertainment and leisure attractions, or other adjacent sub-markets with reasonably priced hotels. The Marriott Executive Apartments Seoul is one of the major lodging products located in the YBD, which opened in 2006. In recent years, however, there has been an emerging trend of hotels being included in redevelopment projects in new sub-markets near the YBD, such as Mapo, Yongdeungpo and Guro. With a limited number of hotels in the area, and an expected increase in both leisure and corporate traffic, these sub-markets are expected to continue to develop. Major hotels in these sub-markets include the Lotte City Hotel Mapo, the Courtyard Seoul Times Square and the Sheraton Seoul D-Cube City Hotel. Taking advantage of the Floor Area Ratio (FAR) incentive for hotel development offered by the government, new mixed-use complexes in the YBD began to include hotels, such as the Conrad Seoul in the Seoul International Finance Centre.

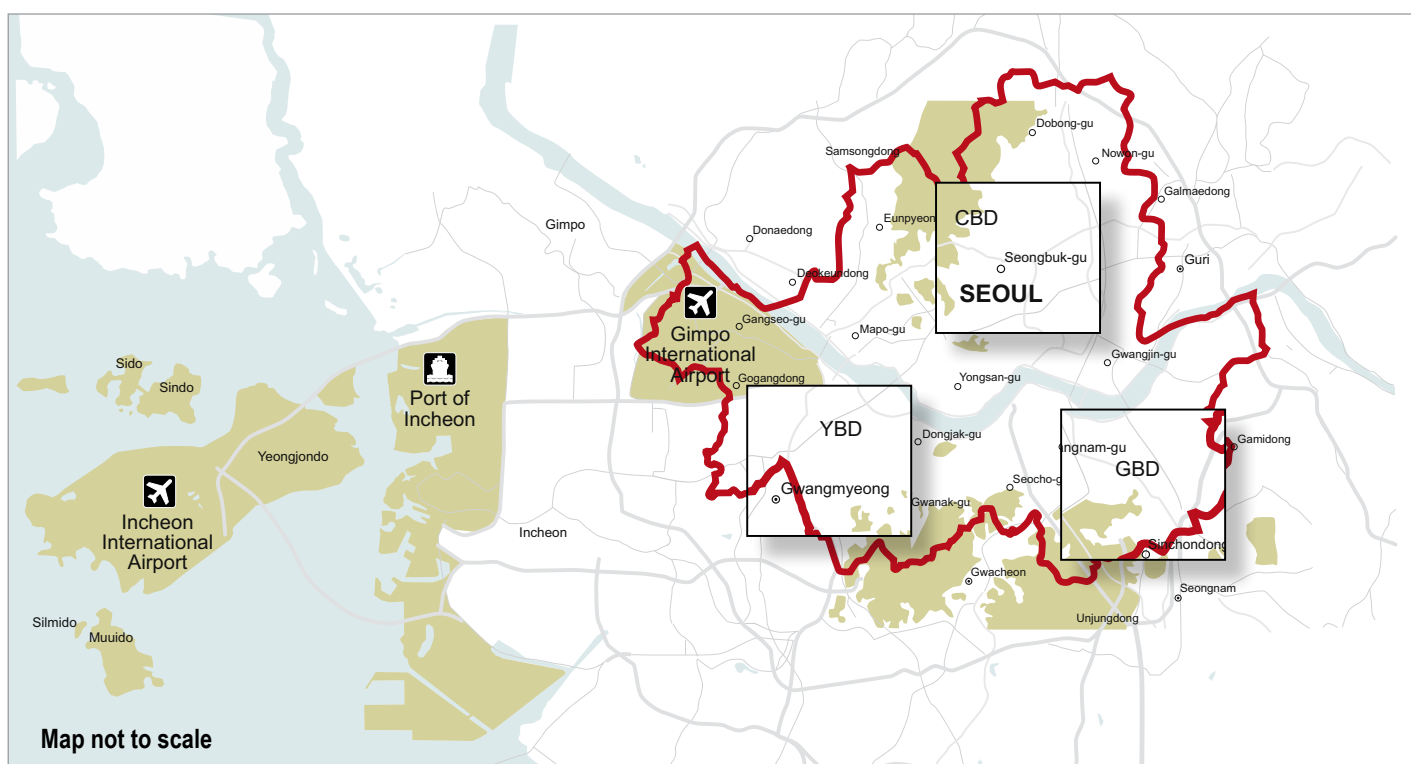
## Accessibility and Infrastructure Developments

The majority of international visitors fly into Seoul by air via two existing airports: Incheon International Airport and Gimpo International Airport. The main international airport is Incheon International Airport, which is 45 minutes away from the Seoul city centre by an airport express train.

Incheon Airport was rated number one in the world by the Airport Council International in 2012. In 2013, it announced a USD 4.6 billion expansion plan, boosting annual cargo capacity to 5.8 million tonnes. The increase in the number of low cost carriers flying to Incheon Airport from neighbouring countries has also supported the government's target to raise air traffic by an annual average of 6%.

Gimpo International Airport, which is approximately 15 kilometres away from central Seoul, was replaced by Incheon International Airport in 2001. While Gimpo International Airport offers primarily domestic flights, after the reconstruction in 2006, the airport also began to serve more international flights from neighbouring countries.

In addition, the Port of Incheon has become more important due to the increasing number of tourists arriving from Mainland China. Mainland Chinese tourists arriving by ferries doubled from 2012, due to the easing of visa requirements. Ferries depart from ten different Mainland Chinese ports to Incheon twice or three times a week in average and the duration is approximately 14 to 16 hours. From Japan, there are only ferries arriving in Busan.



# Tourism Market Overview

In 2013, South Korea achieved its target to welcome more than 12.2 million tourists. By 2012, South Korea achieved its target to attract more than 10 million tourists, a year prior to Japan. Seoul's tourism and accommodation markets benefitted from significant increase in demand from Asian countries, especially Mainland China, recording a rise in the number of arrivals by 50% from 2012. While the number of total international visitor arrivals increased, the composition per source market has also changed since 2012.

## Overall Visitor Trends

The total number of international visitors to South Korea has witnessed a healthy growth over the past decade. The only exceptions were in 2003, the year after 2002 FIFA World Cup Korea/Japan and the Busan Asian Games 2002. Global tourism was also negatively affected in 2003 by war in the Middle East and the Severe Acute Respiratory Syndrome (SARS) epidemic. Between 2007 and 2013, international visitor arrivals grew at a compound annual growth rate (CAGR) of 12.1%. The total number of international visitors in 2013 recorded 12.2 million, a 9.3% year-on-year growth from 2012.

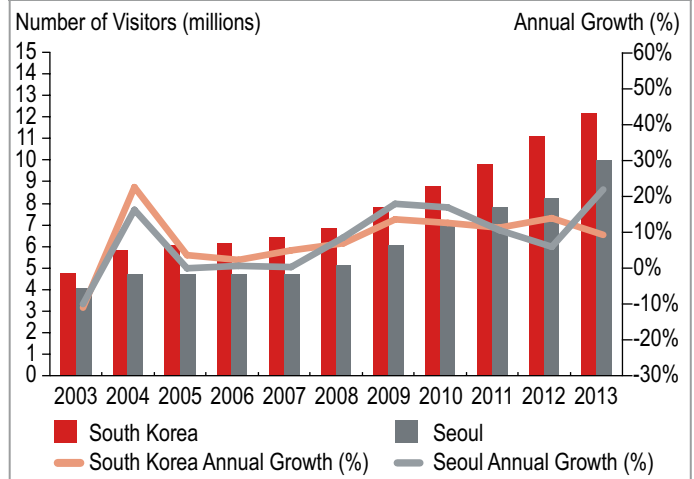
The rise of international visitor arrivals to South Korea can be attributed to the government's successful strategy of designating 2010-12 as "Visit Korea Year" in a bid to achieve 10 million visitors. Major events and festivals took place, among them the G-20 Summit in 2010, the F1 Korean Grand Prix and Expo 2012 Yeosu, as well as the 2013 East Asian Football Federation (EAFF) East Asia Cup.

Moreover, the increase in the popularity and influence of the Korean Wave in other Asian countries, relaxation of visa requirements for Mainland Chinese and East Asian tourists, recent economic growth and the South Korean government's on-going tourism promotions have positively impacted the rising number of international tourists. The tourism market is estimated to grow further over the next few years due to upcoming international events, such as the Incheon Asian Games in 2014 and the Pyeongchang Winter Olympic Games in 2018.

## Tourism Receipts

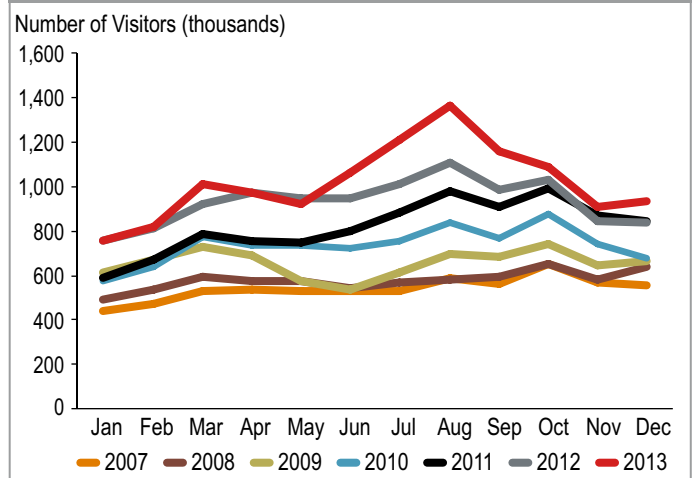
Tourism receipts have been increasing since 2006, with growth rates reaching 11.5% after 2011. This can be attributed to the increase in spending by Asian tourists in South Korea. In 2013, tourism receipts reached USD 14.3 billion, a 6.4% year-on-year increase from 2012. The growth rate fell due to the decreasing number of affluent Japanese visitors since the end of 2012 and the increasing number of low cost group tour packages from Mainland China and East Asia to South Korea.

Figure 1: South Korea: International Visitor Arrivals



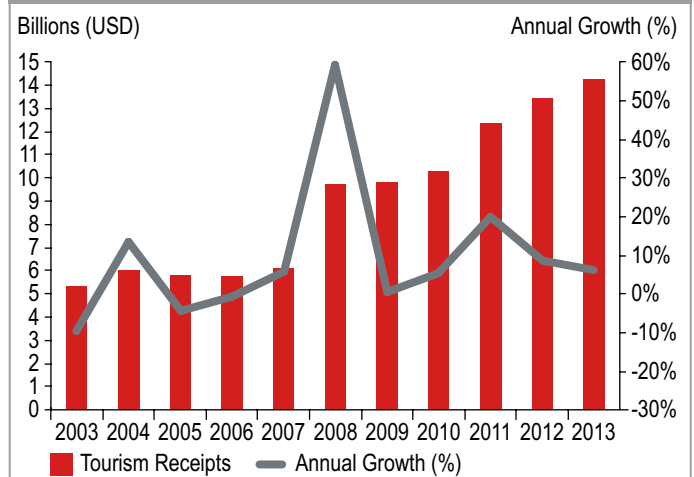
Source: KTO and KMCST

Figure 2: South Korea: International Visitor Arrivals by Month



Source: KTO

Figure 3: South Korea: International Tourism Receipts



Source: KTO

## Major Source Markets

The composition of major source markets of international visitors has changed in 2013 from previous years. While Japan was ranked the top international source market followed by Mainland China and USA in 2011 and 2012, the number of visitors from Mainland China exceeded Japan in 2013. Mainland Chinese visitors accounted for 34.9% of total inbound visitors, followed by Japan (22.6%) and the USA (5.9%) in 2013.

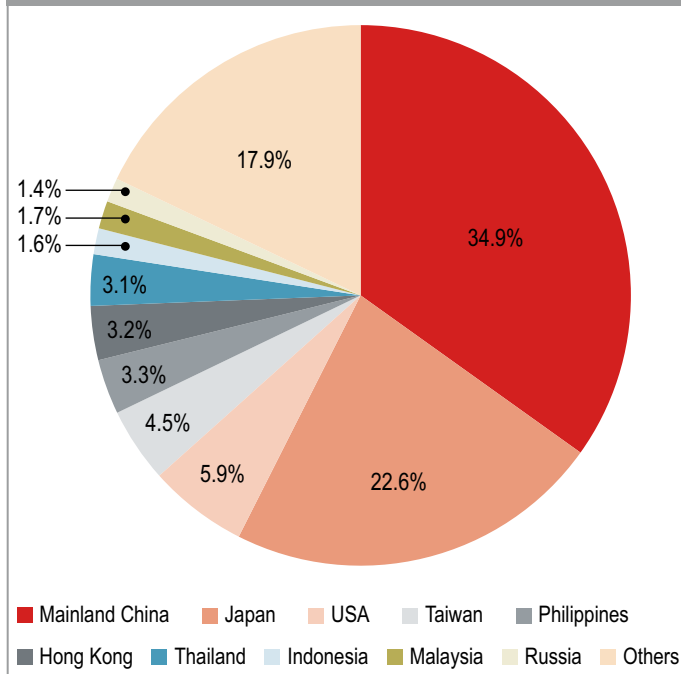
The decline in Japanese visitors from the end of 2012 occurred due to a weakening of the Yen. As a result, more Japanese tourists travelled within Japan than overseas in 2013. As the Yen continues to fluctuate, it is uncertain if the number of Japanese visitors will rebound to the same levels as 2011-12. In addition, the strained political relationship between South Korea and Japan and security concerns over North Korea are also reasons for the decreasing number of Japanese tourists.

While Japanese visitors declined, tourists from Mainland China increased significantly due to easing visa restrictions and the continuous appreciation of the Yuan against the Won. The number of tourists from Mainland China increased by nearly 50% in 2013 compared to the previous year. According to the Korea Tourism Organisation, South Korea revised the restrictions to the following to boost its tourism industry:

- 2012: Acceptance of immigration registration for tourists arriving by cruises at the port without a visa;
- May 2013: Allowance to transit in Gimpo and Incheon Airport without a visa and guarantee 30 days of stay if the visitor has a return airplane ticket and a valid visa from USA, Japan or other countries; and
- September 2013: Application of multiple-entry visas to Mainland Chinese, who i) are officially registered as residents in Beijing and Shanghai, ii) own timeshare condominiums which are worth KRW 30 million, iii) are students from 112 designated Chinese universities.

Besides visitors from Japan and Mainland China, there has not been a significant change in the top ten source markets since 2011. Majority of the source markets is still composed of Asian countries as shown in the following chart.

Figure 4: South Korea: Major Source Markets in 2013 by Country of Residence



Source: KTO



## Accommodation Demand

International visitors accounted for 76.3% of the total hotel demand reported by the Korean Hotel Association (KHA) in 2012. According to the KHA, approximately 80% of international tourists to South Korea visited Seoul, indicating the city's popularity. Domestic accommodation demand in Seoul comprises a small proportion as the majority of the country's population resides in Seoul and the greater Seoul metropolitan area, for instance, Incheon Metropolitan city and Gyeonggi-do Province, which are located nearby.

Other major cities are easily accessible within a day trip from Seoul and may not require overnight accommodation. This is in contrast to Japan and the capital city of Tokyo, where domestic guests accounted for about 80% of the total accommodation demand, while Seoul's hotel industry relies predominantly on international visitors.

## Key Demand Drivers

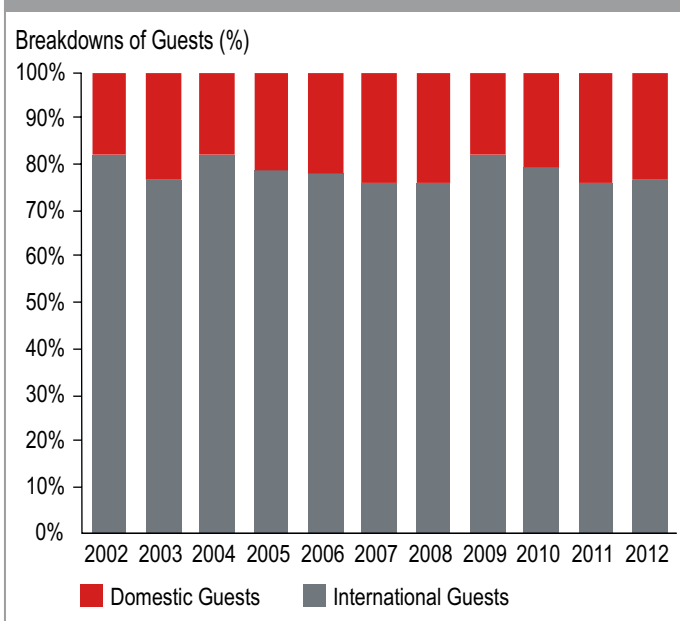
According to KMCST, 43.9% of arrivals to South Korea were leisure visitors in 2012. The top three reasons for tourists travelling to South Korea were shopping, sightseeing and food. The popularity of South Korean pop culture has also stimulated the tourism market. In addition, the presence of 10 UNESCO World Heritage sites, such as Jongmyo Shrine and Changdeokgung Palace and other historical sites have attracted many international visitors.

Business visitors, including MICE visitors accounted for 24.5% of total travellers. MICE is one of the key drivers for the tourism market in Seoul. International MICE events, for instance the Nuclear Security Summit in 2012 and the G-20 summit in 2010, were held in Seoul. The



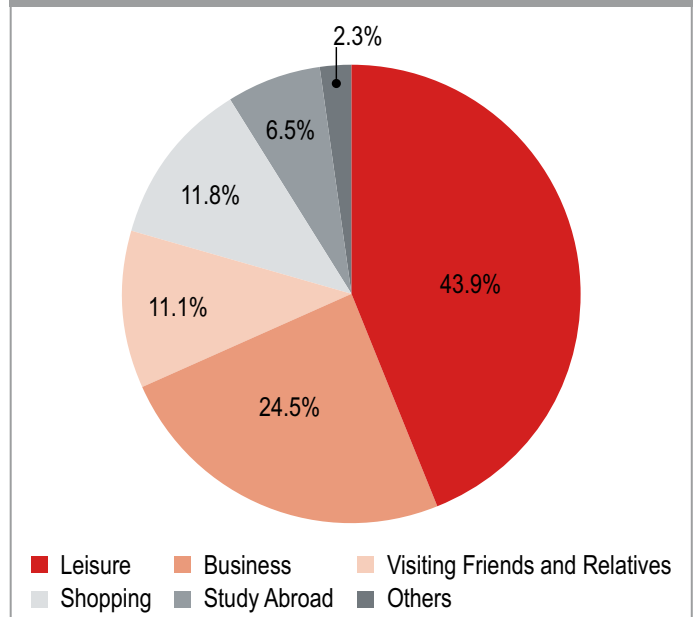
G-20 summit was attended by 33 world leaders and more than 10,000 delegates. Seoul has well-established MICE infrastructure such as the COEX Convention and Exhibition Centre located in Gangnam-gu, which hosts an average of 200 exhibitions and over 2,000 meetings and events annually.

Figure 5: Seoul: Hotel Guest Mix, Domestic vs. International



Source: KHA

Figure 6: South Korea: Purpose of Visit in 2012



Source: KMCST



## South Korean Gaming Market

Since the legalisation of gaming in South Korea in 1967, 17 casinos have been developed. Korea Tourism Organization (KTO) has promoted the importance of casinos in attracting visitors to the country as well as the gaming industry's contribution to tourism expenditure. According to the Korea Casino Association, gaming revenue in South Korea was recorded at KRW 2.46 trillion (USD 2.19 billion) in 2012. The South Korean gaming market is one of the leading gaming markets in Asia.

The growth in the gaming industry can be attributed to the increase of inbound Mainland Chinese tourists to some extent. According to KMCST, the gaming industry is highly dependent on high net-worth individuals from Mainland China. The percentage of Mainland Chinese travellers who visit for gaming purposes reached more than 40% of total foreign visitors visiting casinos.

Many international companies have been attracted by opportunities to invest in the gaming industry in South Korea. Sega Sammy, a Japanese entertainment company, formed a joint venture Paradise Segasammy Co. Ltd in May 2012 in cooperation with Korean leading foreigner-only casino operator Paradise. The joint venture company purchased Paradise Casino Incheon in July 2013 and is currently developing an integrated resort adjacent to Incheon Airport which will include a casino, hotel, shopping centre, convention centre, and is scheduled to open in 2016.

Despite the government's strategy to attract international tourists by expanding the gaming industry, South Korea still has not managed to establish a gaming industry which could rival Macau. In August 2013, the USD 280 billion plan by Eightcity to develop a casino and hotel resort in Incheon, requiring land reclamation of approximately 2.8 times larger than of the land area of Macau, failed to attract investor interest. Moreover, casino license applications from Universal Entertainment Corporation (Japan), Caesars Entertainment Corporation (USA) and Lippo Group (Indonesia) were refused by Seoul's Tourism Ministry in June 2013.

Singapore casino operator Genting and Mainland Chinese property developer Landing International Development Ltd announced a USD 2.2 billion casino resort in February 2014. The luxury resort will be constructed on Jeju Island, situated off the South Korea's southern coast. The project will be Jeju Island's largest tourism resort to date, with luxury hotels, a shopping mall, theme park, villas and apartments, as well as gaming entertainment and other leisure and entertainment facilities proposed. Both firms will jointly own, manage and operate the casino resort when it opens in 2017.



# Hotel Market Overview

## Hotel Classification

The KMCST classifies hotels in Seoul into seven categories, namely super deluxe, deluxe, first class, second class, third class, non-rated and family hotels.

The super deluxe and deluxe hotels are full-service hotels which offer facilities such as meeting facilities, a variety of food and beverage outlets and recreational facilities. International branded luxury hotels include The Westin Chosun Seoul and Park Hyatt Seoul.

First-, second- and third-class hotels are limited-service properties with a focus on guestrooms and limited food and beverage outlets. International branded economy hotels, for instance, the Ibis Seoul Myeongdong and the Best Western New Seoul Hotel, are included in these categories.

Non-rated hotels include new hotels currently awaiting classification, new hotels which have not applied for classification and hotels which have not applied for the classification which is required every three years.

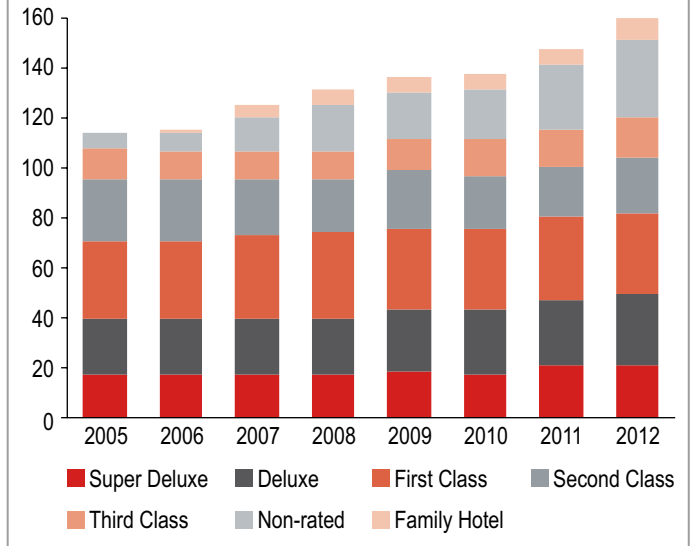
Family hotels include properties with a kitchenette facility which are designed to accommodate families. Serviced apartments, such as the Oakwood Premier Coex Center, are included in this category.

## Existing Hotel Supply

According to the latest statistics provided by the KMCST, there were 160 hotels with 27,140 hotel rooms in Seoul in 2012. While hotel supply statistics for 2013 have not been released by the KMCST, there were more than eight hotel openings in 2013.

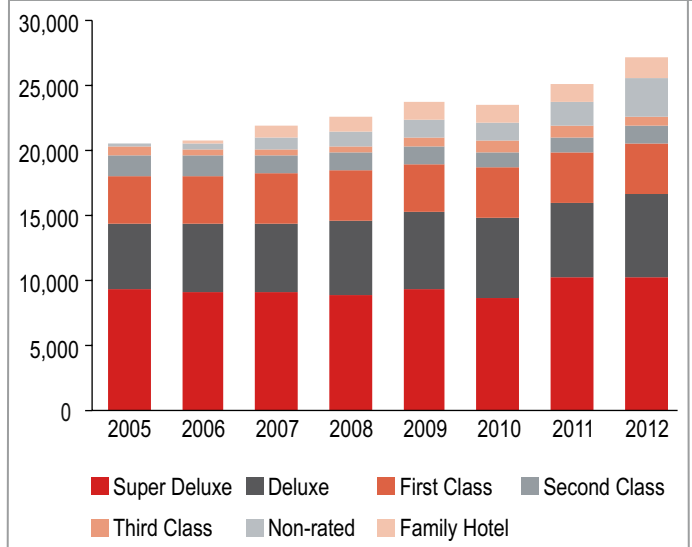
The growth in international visitors has led to the development of hotels in Seoul. Hotel room supply showed a steady growth from 2005 to 2012, recording a CAGR of 4.0%, according to KMCST. According to the KMCST, super deluxe and deluxe hotel sector account for 30% of the total hotel room inventory, while the limited-service sector accounts for 44.4% of total supply in 2012. In 2013, several international brands such as Ramada and Hotel Ibis Ambassador opened in Seoul. This indicates that international brands not only expand the business in super deluxe and deluxe hotel categories, but also in the limited-service hotel market.

Figure 7: Seoul: Number of Hotel Establishments



Source: KMCST

Figure 8: Seoul: Number of Hotel Rooms



Source: KMCST

## Future Hotel Supply

There is a steady stream of hotels scheduled to open over the next couple of years in light of the anticipated increase in international visitors and consequently, room demand.

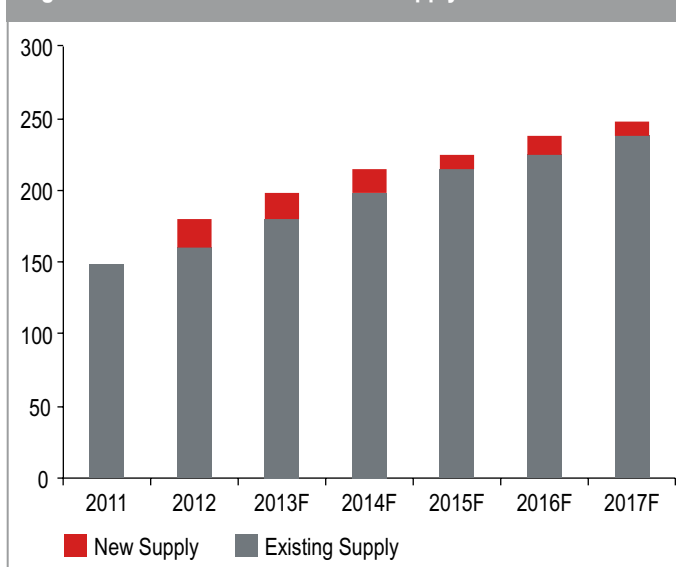
According to latest data from KMCST and the Seoul Metropolitan Government, 50 hotels or 22,201 hotel rooms, will be added to the city from 2014 onwards, which will increase total hotel room stock in Seoul to more than 52,800 rooms in 2017, assuming all projects materialise. This is almost double the room supply in 2012. These statistics are based on the development registration applications approved by the Seoul Metropolitan Government. However, some of these projects might be postponed, delayed or cancelled. Nevertheless, it is clear that Seoul's hotel room inventory will grow exponentially over the next few years.

The rapid growth in international visitor arrivals and the insufficient hotel rooms to cater to the demand has led to the development of new hotels in Seoul. In addition, the South Korean government has initiated incentive policies, such as the FAR incentive, which has been instrumental in the hotel development boom in Seoul as real estate investors and developers seek to shift their investments to hotels. The CAGR of hotel room supply in Seoul was recorded at 5.1% from 2007 to 2012 while international visitor arrivals registered a CAGR of 11.6% during the same period. This is reflective that hotel supply growth has lagged behind the increase in international visitor arrivals.

Based on publicly available information, the following market trends have been noted on upcoming hotel supply:

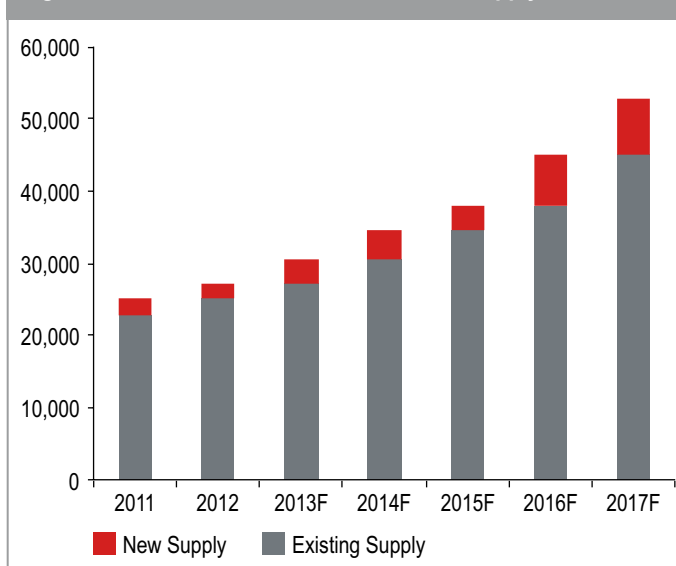
- Majority of the upcoming hotels will be limited-service properties;
- Most of the hotels will either be independently managed or operated under local Korean hotel brands, such as Lotte City;
- International brands in the luxury, upscale and limited service sectors are keen to enter the South Korean market. In 2012, new openings include the 434-room Conrad Seoul and the newly renovated 497-room JW Marriott in Seocho-gu. The 170-room JW Marriott Dongdaemun Square opened in February 2014; the 190-room Aloft Seoul Gangnam is scheduled to open in January 2015 and the 317-room Four Seasons Hotel Seoul is expected to open in May 2015;
- Hotels are expected to be developed in major business districts through conversion from commercial buildings and/or "officetels", a hybrid of office and hotel in South Korea, to save on high construction costs; and
- Several full-service hotels were added to redevelopment projects using the FAR incentive for hotel developments, including the Conrad Seoul located in the Seoul International Finance Centre.

Figure 9: Seoul: Additions to Hotel Supply



Source: KMCST and Seoul Metropolitan Government

Figure 10: Seoul: Additions to Hotel Room Supply



Source: KMCST and Seoul Metropolitan Government



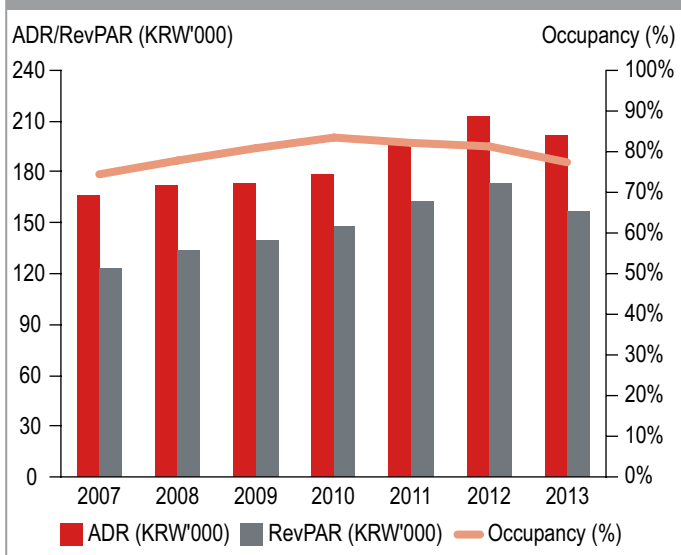
## Hotel Trading Performance

The following trends in hotel trading performance in Seoul are based on STR Global statistics from a basket of 26 hotels with a total of 9,331 rooms.

- Since 2007, occupancy has shown a steady increase, reaching 83.3% in 2010 due to the growth in leisure demand from Asian countries and an increase in international MICE events held in the city.
- Despite the growth in international tourists by 24.3% from 9.8 million to 12.2 million between 2011 and 2013, the occupancy rate registered 77.4% in 2013, a 4.8% drop from 2011. It is believed that the growing number of hotel supply by 38 hotels within these two years resulted in limited growth in occupancy.
- Occupancy levels in Seoul typically peak during October and November while January, February and December are shoulder months.
- ADR showed an increase from KRW 166,000 to KRW 213,000 between 2007 and 2012, recording a CAGR of 3.3%. This can be attributed to the depreciation of the Won against other currencies as well as the limited hotel room inventory in Seoul until 2012.
- However, ADR declined 5.3% year-on-year to KRW 202,000 in 2013. This can be attributed to an increase in competition between existing and new hotels by an increase of 3,486 rooms between 2012 and 2013, a growth in cheap tour groups from Mainland China as well as a decrease in the number of Japanese inbound visitors.
- Hence, RevPAR showed a significant year-on-year decline of 9.8% as compared to 2012 due primarily to a fall in in ADR.

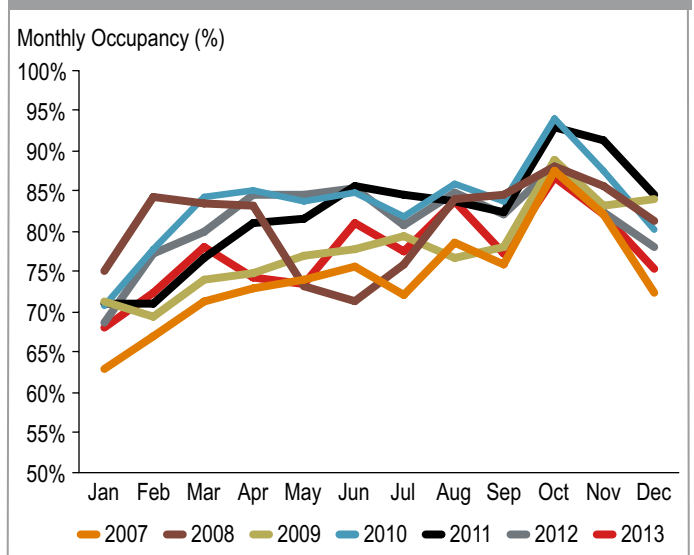


Figure 11: Seoul: Hotel Trading Performance



Source: STR Global

Figure 12: Seoul: Seasonality Monthly Occupancy Rate



Source: STR Global

## SWOT Analysis

The SWOT Analysis for South Korea as a tourist destination is as follows:

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Easing visa regulations for neighbouring Asian countries</li> <li>• Rich cultural heritage</li> <li>• Well-established transportation infrastructure</li> <li>• Government initiated policies supporting tourism, for instance, “Visit Korea Year”, Tourism Development Plan for developing resorts with a casino</li> <li>• Increase in government budget</li> <li>• Legalized gaming industry</li> </ul>	<ul style="list-style-type: none"> <li>• High reliance on tourists from Japan and Mainland China</li> <li>• Weak domestic tourism market</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Increase in inbound visitors before and during 2014 Incheon Asian Games and Pyeongchang Olympic Winter Games 2018</li> <li>• Further promotion on medical, MICE and cruise tourism</li> </ul>	<ul style="list-style-type: none"> <li>• Political tensions between South Korea and Japan</li> <li>• Continuous security concerns from North Korea</li> <li>• Oversupply of hotels might result in a decline in trading performance</li> <li>• Currency fluctuation of main source markets which includes the weakening of the Yen</li> </ul>

# Hotel Investment Market

The investment market in South Korea has improved over recent years as reflected by the increase in hotel transactions. Majority of the hotels were purchased by local Korean conglomerates, Korean real estate funds or REITs.

Domestic hotel companies which are usually subsidiaries of major Korean corporations view ownership of hotels as a means of strengthening the main firm's corporate brand image. In addition, the hotel's guestrooms are used for the main firm's accommodation and/or MICE events as well as any other business lines such as wineries, importers, restaurants and duty free shops.

Of the domestic hotel companies with their own hotel brands, Shilla and Lotte have been aggressive in their portfolio expansion and have introduced new limited-service hotel brands such as Shilla Stay and Lotte City. Shilla will add 30 hotels in South Korea by 2020 while Lotte will operate 40 more hotels by 2018 within and outside of South Korea. These two hotel management companies, which currently own their existing hotels, have expanded their hotel portfolio aggressively with third-party real estate owners.

REITs are increasing their portfolio of local South Korean hotels as hotel assets are becoming one of the most attractive sectors for real estate investors and developers. This is due to the decreasing return of investments in other real estate sectors as well as the rising demand

for accommodation in the city. The easing of government restrictions covering hotel development and/or conversion, and the possibility of the pro-rata sale of hotel rooms have also led to an increased interest by REITs for hotel assets. Aventure REIT announced its intention to invest in 10 additional hotels in Seoul by 2015. Since 2011, JR REIT has been increasing its hotel assets with the acquisition of Hotel Skymark and Sheraton Seoul D Cube City Hotel in a bid to diversify its real estate portfolio.

Conversion projects to accommodation uses are being planned by several real estate owners in a bid to increase the return on investment. An example is the acquisition of the office building in Dongjak-gu by Firstige REITS, which will be renovated to a business hotel that is expected to open in October 2014, and is likely to be operated by the Shilla group.

In addition, for the past five years, the ownership of the Banyan Tree Club & Spa Seoul (formerly the Tower Hotel) and the Ramada Hotel Dongdaemun (formerly the Gukdong Star Tower) have each changed twice. The Banyan Tree Club & Spa Seoul has been placed on the market again and the transaction is expected to close this year.

## Recent Major Hotel Transactions

Property Name	District	Year	No. of Rooms	Seller Type	Buyer Type	Purchase Price (KRW Million)	Price Per Room (KRW Million)
Ramada Hotel Dongdaemun (after conversion)	Jung-gu	2012	154	Japanese Real Estate Fund	Korean Real Estate Company	36,700	238.3
Hotel Skypark (Myeongdong Central Building)	Jung-gu	2012	306	German Financial Institute	REIT	11,000	35.9
Aventure Hotel Jongno	Jongno-gu	2012	160	N/A	REIT	3,570	22.3
T-mark Hotel Myeongdong	Jung-gu	2012	288	German Financial Institute	REIT	8,700	30.2
Banyan Tree Club & Spa Seoul (formerly Tower Hotel)	Jung-gu	2012	49	Korean Developer	Korean Conglomerate	Approx. 163,500	3,337.0
Sheraton Seoul D Cube City Hotel	Guro-gu	2013	269	Korean Conglomerate	REIT	Approx. 140,000	520.0
Mapo Shilla Hotel (to be opened in 2015)	Jung-gu	2013	387	Korean Corporate	Korean Fund Manager	Approx. 144,000	372.0

Source: Jones Lang LaSalle

Note: Closed confirmed transactions only





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