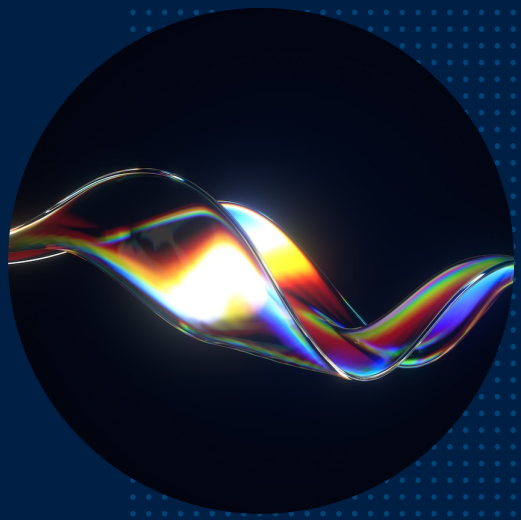
PGIM

REALASSETX INNOVATION INSIGHTS | PART 1

AGENTIC AI

From assistance to advantage in real assets



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Key Takeaways

- Robust outcomes emerge where operating models are redesigned around autonomy
- Early adopters are compounding efficiency, data advantage and decision speed, widening dispersion
- Agentic AI redefining cost structures, productivity and competitive advantage across real assets

When JLL surveyed more than 1,500 senior real estate decision-makers across multiple markets in October 2025, an overwhelming majority said they were piloting AI. Yet only 5% felt they had achieved what they set out to do.[1] That gap is not a failure of the technology but of strategy and execution. The opportunity lies in closing that gap and it is precisely where agentic AI is gaining traction.

The shift from generative to agentic AI expands the scope of automation and reshapes the cost base for real assets. McKinsey estimates that the annual value creation opportunity across real assets knowledge work at more than $500 billion.[2]

Given the scale of this opportunity, there are two key questions that are front of mind for investors:

1. Where is value being created today and what does the evidence really show?
2. How does agentic AI change how real assets businesses are run in practice?

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> The firms most likely to benefit from agentic AI adoption are those that balance ambition with disciplined control."

[1] JLL, October 2025, Real estate's AI reality check, Accessed May 2026
[2] McKinsey & Company, March 2026, How agentic AI can reshape real estate's operating model, Accessed May 2026

CASE STUDY #1:

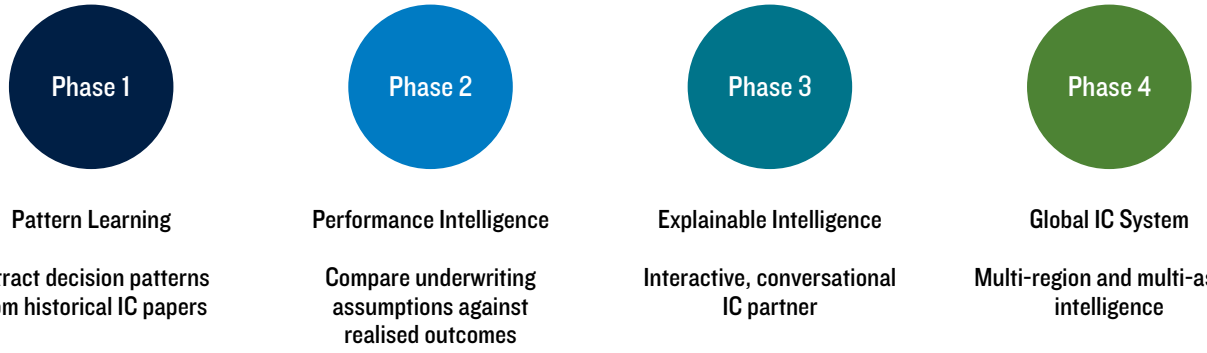
Investment Decision Making Process

If one area demonstrates where agentic AI can reshape value creation in real assets, it is within the investment decision-making process. Investment Committees (ICs) are central to capital deployment, but among the challenges they face is documentation burden and discussion fragmentation, whilst possessing knowledge that cannot be easily replicated.

This can lead to inefficiencies. Each new investment case is assessed largely in isolation, while historical decisions, rejected deals and prior assumptions are difficult to systematically learn from. As a result, institutional knowledge is underutilised and decision-making consistency is challenging to sustain.

Agentic systems are now being developed to address this gap. Rather than simply assisting with document preparation, these systems learn directly from historical IC papers, harnessing decisions and outcomes to build a structured view of how investment decisions are made.

At the foundational level, these systems extract recurring approval drivers, rejection reasons and implicit risk thresholds embedded in past decisions, effectively creating a "digital twin" of the IC's decision-making framework.



By incorporating realised portfolio performance, agentic models begin to compare underwriting assumptions with actual outcomes, identifying systematic biases in past decision-making processes. This allows ICs to challenge weak assumptions and provide a more consistent, evidence-based view across deals.

This Time Is Different

Agentic AI operates continuously, executing workflows in the background while professionals focus on actual, targeted pain points as opposed to static and repetitive processes. In real assets, this matters because the underlying work is inherently workflow-heavy, ranging from investor reporting requiring multiple data inputs across functions to monitoring leases and portfolios for extracting market signals.

But in practice, most AI tools available are not agentic. They provide suggestions within a single environment or execute one discrete task when prompted. These tools tend to optimise individual tasks rather than fundamentally change end-to-end workflows, limiting their impact on cost structures and execution speed at a systemic level.

Gartner's August 2025 framework identified five stages of agentic maturity. Their conclusion is that while most products described themselves as agentic, they sit at the lowest rungs of agentic maturity.[3]

[3] Gartner, Aug 2025, Gartner Predicts 40% of Enterprise Apps Will Feature Task-Specific AI Agents by 2026, Up from Less Than 5% in 2025, Accessed May 2026

Stage	Gartner label	What it does	Application in Real Assets
1	Copilot	Provides suggestions within a single tool. A human makes every meaningful decision.	AI writing suggestions in Microsoft Word; GitHub Copilot
2	Assistant	Executes one discrete task at a time, only when explicitly prompted.	ChatGPT answering a lease clause or valuation question
3	Task-specific agent	Completes a defined task end-to-end within clear constraints and guardrails.	Automated lease abstraction; rent roll analysis
4	Collaborative agent	Coordinates across systems and other agents to manage multi-step workflows.	Maintenance dispatch across work orders, vendors, and tenant notifications. Copilot Workflow, for example
5	Autonomous agent	Defines sub-goals, plans execution, acts, and monitors outcomes with minimal oversight.	End-to-end resident lifecycle management

Source: Gartner

The inflection point lies in moving beyond task-level automation toward systems that can coordinate, execute and adapt across entire workflows. This can help determine whether AI delivers a step change in operating model efficiencies.

CASE STUDY #2:

Property Management, Autonomous Operations In Practice

Agentic AI is now running full resident lifecycles at scale. Leading deployments now include platforms such as RealPage's AI Operations Agent and FORE Real, which embed autonomous workflows directly into property management systems, handling leasing, maintenance, compliance and financial processes with minimal human intervention.[4]

Across large customer bases, reported outcomes include units filling faster, renewal rates increasing by around 20% and increased net operating income. Property managers save more than twelve hours per week on fully automated tasks.[5]

At the enterprise level, autonomous systems managing trillions of dollars in assets now resolve most operational queries without human escalation. Financial reconciliations that took days can now be completed in hours. Accounts Payable processing times can be much faster.

Agentic systems increasingly track tenant behaviour and engagement patterns. They also identify demand shifts across submarkets and feed signals into leasing strategy.

Challenges For Wider Adoption

However, industry estimates suggest that a meaningful share of agentic AI projects will fail to scale by 2027 as the critical attributes required for optimisation are missing at the asset level.[6] Without being integrated into operating workflows, these systems deliver limited practical value. Some limiting factors to wider adoption are:

- **Data readiness:** Across most real assets platforms, core data remains fragmented across PDFs, legacy systems and manual records. This limits the historical depth required for robust model training.
- **Governance and liability:** AI can act but without clear decision rights and escalation frameworks, boards assume unseen risk. Leading firms address this by defining clear decision boundaries for agents, including escalation thresholds for financial, legal or tenant-facing actions. High-risk activities remain subject to human approval, while lower-risk workflows are fully automated within predefined guardrails, supported by audit trails that ensure accountability and regulatory compliance.

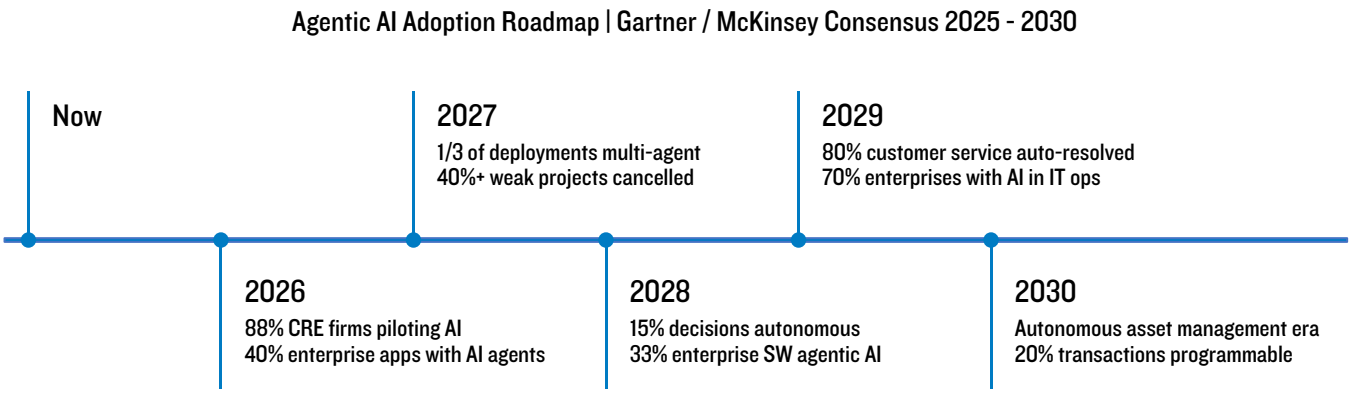
[4] McKinsey & Company, October 2025, Deploying Agentic AI with safety and security: A playbook for technology leaders.
[5] MMG, January 2026, The AI Playbook for Multifamily Operators
[6] Gartner, June 2025, Gartner Predicts Over 40% of Agentic AI Projects Will Be Canceled by End of 2027, Accessed May 2026

- **Cyber risk:** Autonomous agents create new attack surfaces. Breaches can cascade across portfolios due to weak controls. In response, firms are increasingly treating agentic systems as core infrastructure by applying enterprise-grade security, permissions and audit frameworks to ensure resilience while still capturing the operational benefits of autonomy.

Whilst those constraints matter, they do not invalidate the investment case. Firms that can improve data quality and secure their operating architecture will be better positioned to move from experimentation to scaled deployment. From that perspective, the more important question is where the next sources of advantage are likely to emerge.

Reasons To Be Optimistic

As the usage of agentic AI becomes more widespread in the commercial real estate sector, the following themes merit close attention:



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Digital Twins:

Static models are evolving into environments that update continuously, ingesting sensor data, operational inputs and market signals. In that context, agentic systems are interacting with them. They monitor conditions, trigger actions and adjust parameters within defined constraints. The result is a tighter feedback loop between asset performance and decision-making, particularly in areas such as energy optimisation, maintenance scheduling and tenant management.

AI meets tokenisation:

AI improves how decisions are made, while tokenisation reshapes how assets are owned and transacted. Together, they enable more automated and programmable execution of financial and operational workflows. They also point toward reduced transaction friction and, potentially, new liquidity channels. Programmable financial infrastructure (tokenisation) becomes significantly more powerful when combined with Agentic AI. Agents can monitor conditions, decide actions, and even execute transactions directly via tokenised infrastructure.

Robotics introduces a third operating layer:

This changes how tasks are executed and supervised. Inspection, security and maintenance increasingly involve a combination of autonomous systems and human oversight. Routine activities can be augmented or executed by machines, while human roles shift toward exception handling and judgement under uncertainty. This is particularly relevant in facilities management and development, where execution can be optimised through coordination.

For real asset owners and investors, the focus is on separating the signal from the noise.

The starting point is the identification of concrete operating and investment challenges across the business. Potential solutions are then tested through controlled pilots, with clear parameters around risk, accountability and performance. Scaling follows only once the trade-offs are demonstrably understood and governance frameworks are sufficiently robust.

In real assets, poorly governed autonomy can introduce fragility as readily as it can improve efficiency. The firms most likely to benefit from agentic AI adoption are those that balance ambition with disciplined control.

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