



Seoul Office Leasing

Monthly Market Review

December 2021

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Survey Overview

Target Areas	All districts in Seoul and Pangyo & Bundang districts
Target Samples	Commercial properties of 4 stories or more, and with a gross floor area of 1,000m ² (=300py) or more
Survey Method	Telephone enquiry, publications from property management and Korea's government
Main Focus	Market trend in a property industry, changes in vacancy rate and tenants' inflow/outflow etc.
Survey Period	One calendar month, November 2021
DB Mangement	Okey Research Center has carried out our research with a large numbers of sample data and provided the vacancy and rent information of office buildings via our office lease platform 'OKEY- Office Key'.
Exchange Rate	1 USD = 1,177.10 KRW (0.85 USD = 1,000 KRW) as at 3 December 2021

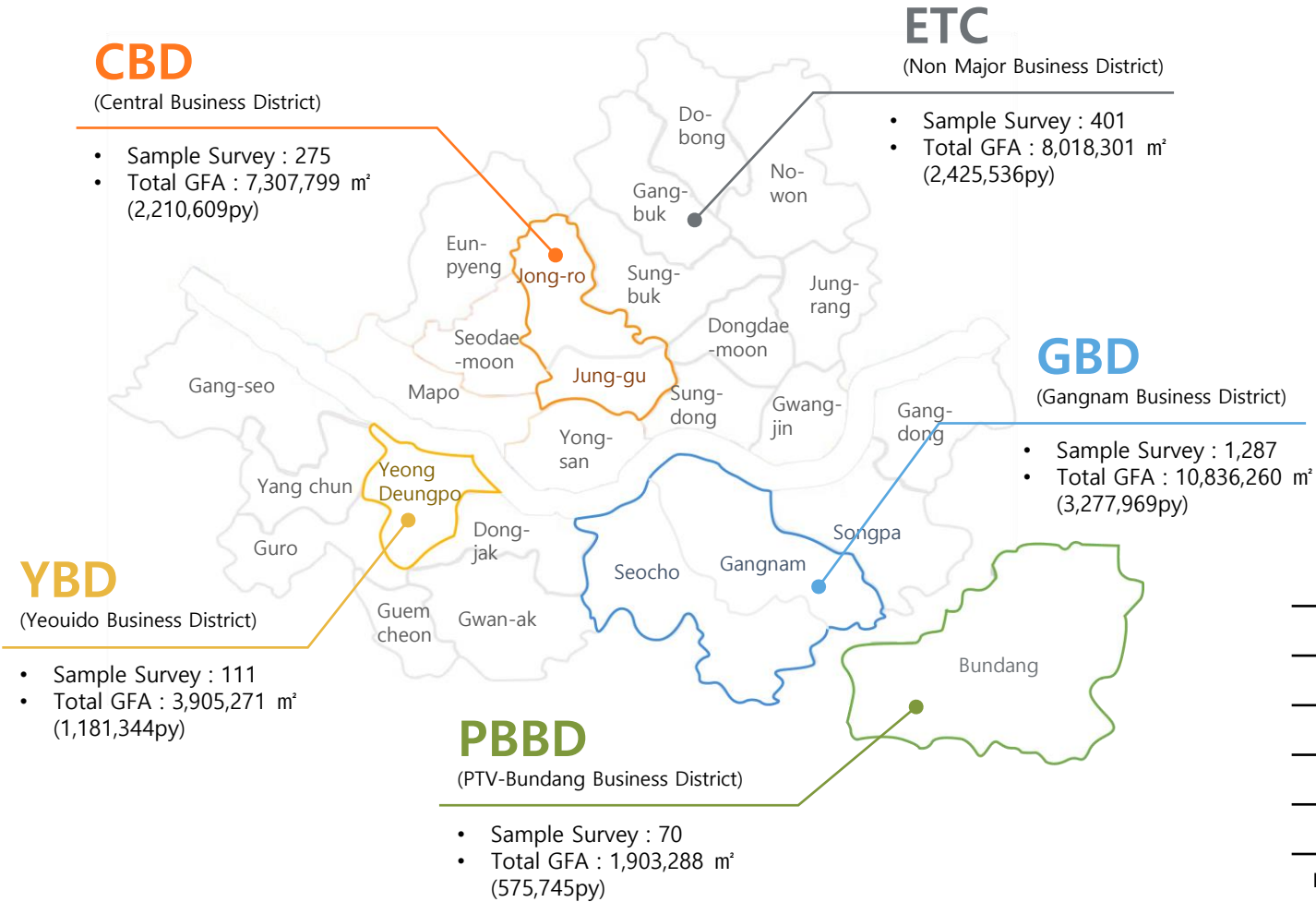
5 Regional Divisions in Seoul

CBD Central Business District	GBD Gangnam Business District	YBD Yeouido Business District	ETC Non Major Business District	PBBD PTV-Bundang Business District
Jongro-gu, Jung-gu, etc.	Gangnam-gu, Seocho-gu, etc.	Yeouido, Yeongdeungpo-gu etc.	Songpa, Mapo, Yongsan and other areas outside Central Seoul	Pangyo Techno Valley, Bundang-gu in Sunngnam-si etc.

Categories of Office Buildings by Their Sizes

OKEY	P Grade Prime Building	S Grade Large Building	A Grade Large-Medium	B Grade Medium-Small	C Grade Small Building
Gross Floor Area	49,587m ² (15,000py)	23,140m ² (7,000py)	13,223m ² (4,000py)	Above 3,3067m ² (Above 1,000py)	Under 3,306m ² (Under 1,000py)
Lease Area of Sample Floor	1,653m ² (500py)	992m ² (300py)	661m ² (200py)	Above 496m ² (Above 150py)	Under 496m ² (Under 150py)

Sample Size of Each District



Building Survey : Total 2,143

	P	S	A	B	C
CBD	43	63	34	79	56
GBD	28	81	90	421	667
YBD	18	24	30	33	6
ETC	44	55	58	117	126
PBBD	9	17	11	26	7

- **NOC (Net Occupancy Cost)**

The cost that 1m² of GFA incurs to a tenant who rents the property.
NOC can be useful to compare between different types of office buildings.



SBD Seoul Capital Area

Vacancy rate

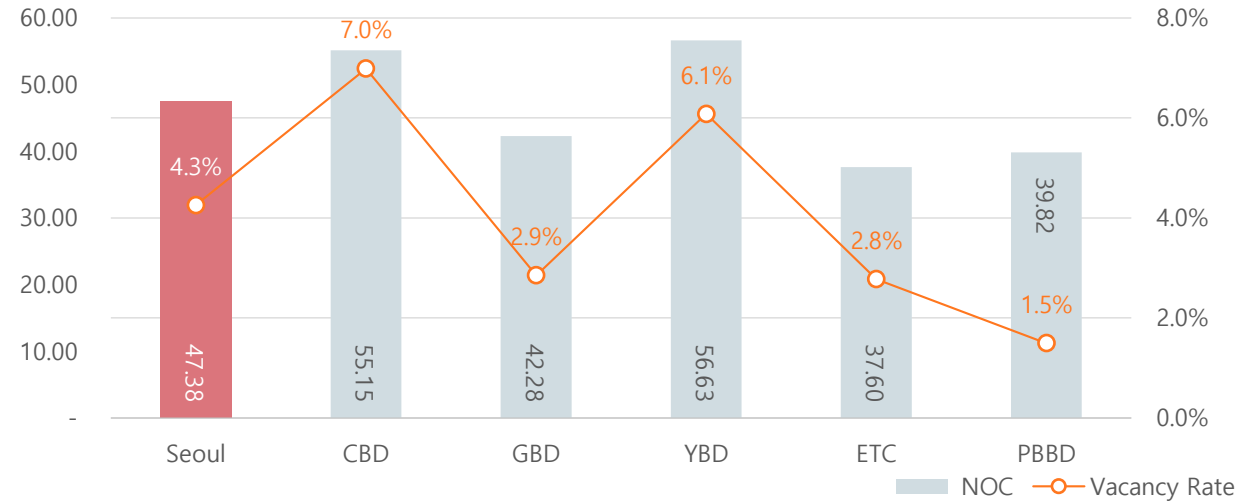
4.25 % ↓

Avg, NOC

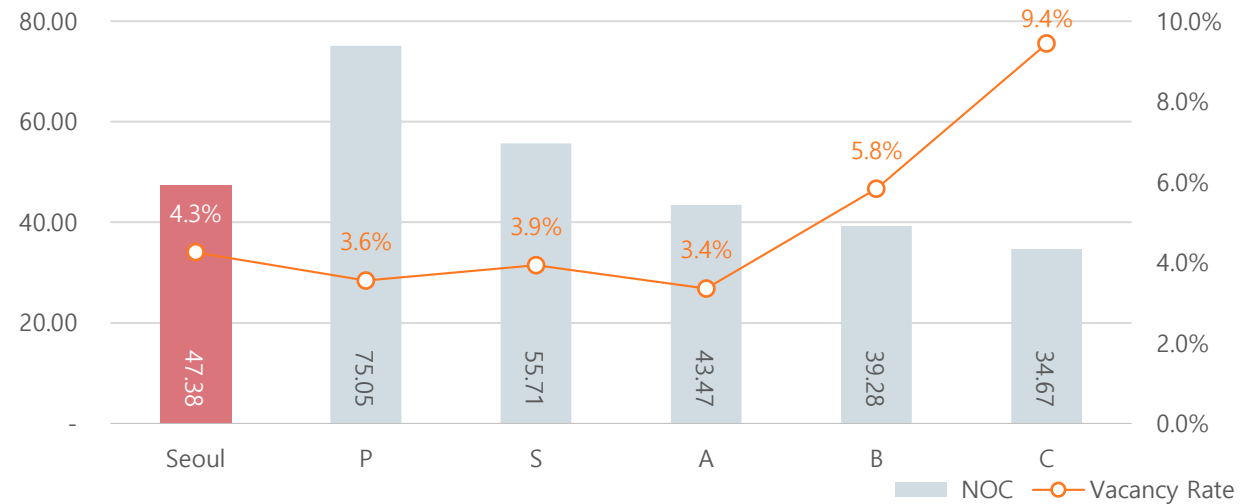
\$ 47.38 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
21.16	247.96	7.28

The average vacancy rate of the office buildings in Seoul is 4.25 % as at November 2021, and the average NOC is \$ 47.38.



■ Vacancy Rate & NOC in Seoul and Each District



■ Vacancy Rate & NOC in Seoul & Each Building Category

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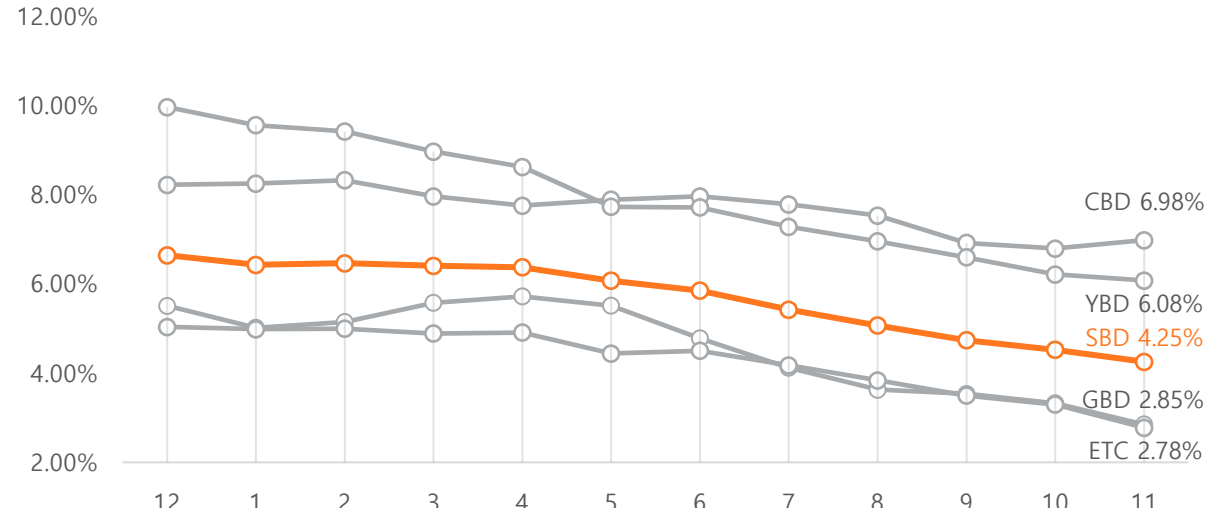
SBD Seoul Capital Area

The following charts indicate the vacancy level in Seoul for November 2021. Several tenants in Gwanhoon Building in CBD, such as SK Ecoplant and SK TNS, decided to move out from the current office units of 28,200m² in total, which adds this office area to the local lease market in CBD. On the other hand, Daesang Group finished moving their head office from Shinsul-dong office building to Jongro Place Building in CBD.

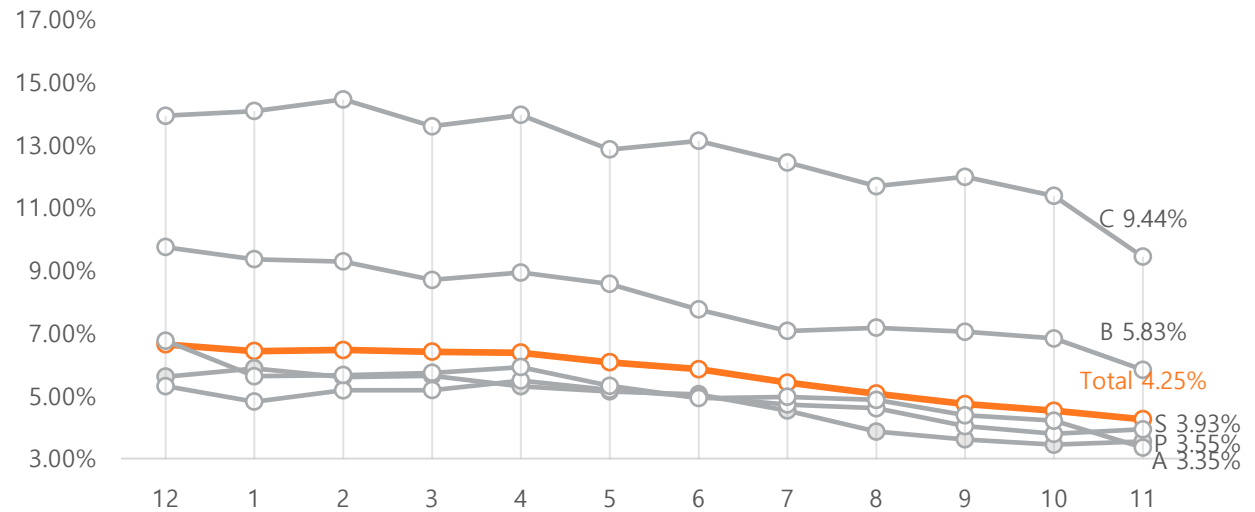
In GBD, Fantagio Corp. and its affiliates moved into the new building, which used to be the regional head office of SM Entertainment, and occupied the whole office units of 11,260m² in total changing the building name into Fantagio Building.

In YBD, Keppel Investment Management left GBD Trade Tower and began renting the one entire floor on 2,000m² in One IFC Tower. Additionally, the affiliates of Siemens Corp. decided to move out from Poongsan Building in Seodaemun-gu which will add these 7 entire floors of 15,530m² in total to the lease market by mid 2022. In Guro-gu, the new owner company of D-CUBE City Building recently changed the building name to SPACE-K and began the renovation work converting the entire hotel rooms into office units, which will soon add these office units of 40,940m² to the lease market in Guro-gu, Seoul.

And the innovation work of this 14-story building will be completed



Monthly Vacancy Rate in 5 Main Districts



Monthly Vacancy Rate for Different Size of Buildings



CBD Central Seoul

Vacancy rate

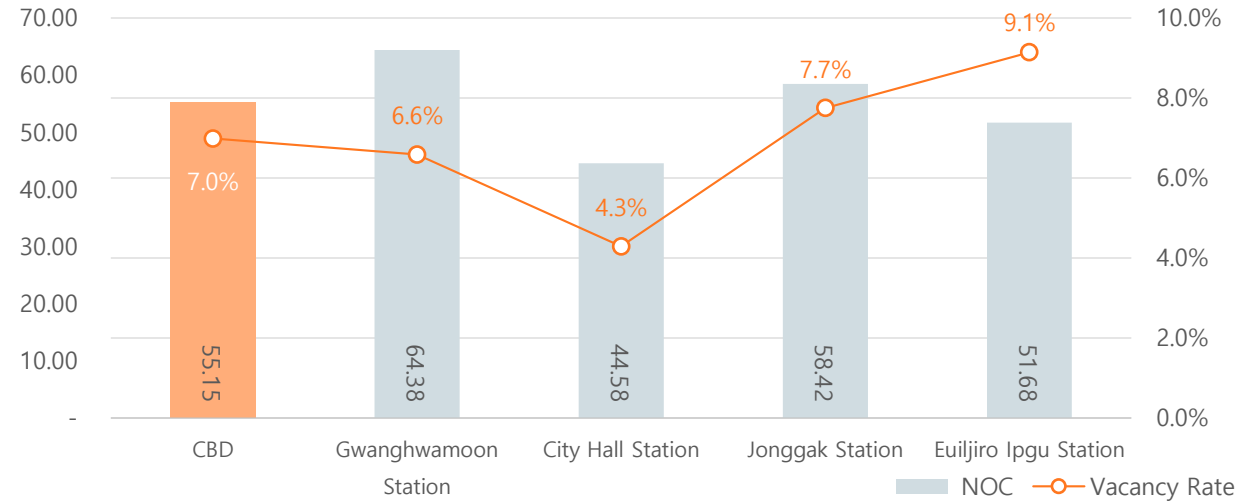
6.98 % ↑

Avg, NOC

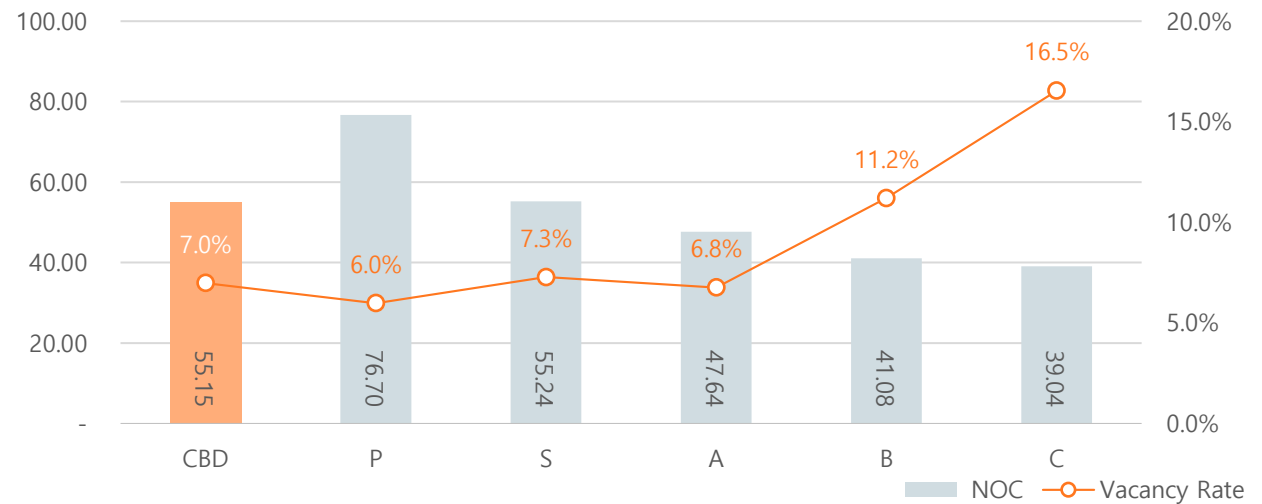
\$ 55.15 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
23.45	239.90	9.06

The average vacancy rate of the office buildings in CBD is 6.98 % as at November 2021, and the average NOC is \$ 55.15.



■ Vacancy Rate & NOC in Central Business District (CBD)



■ Vacancy Rate & NOC for Different Sizes of Building in CBD



GBD Gangnam

Vacancy rate

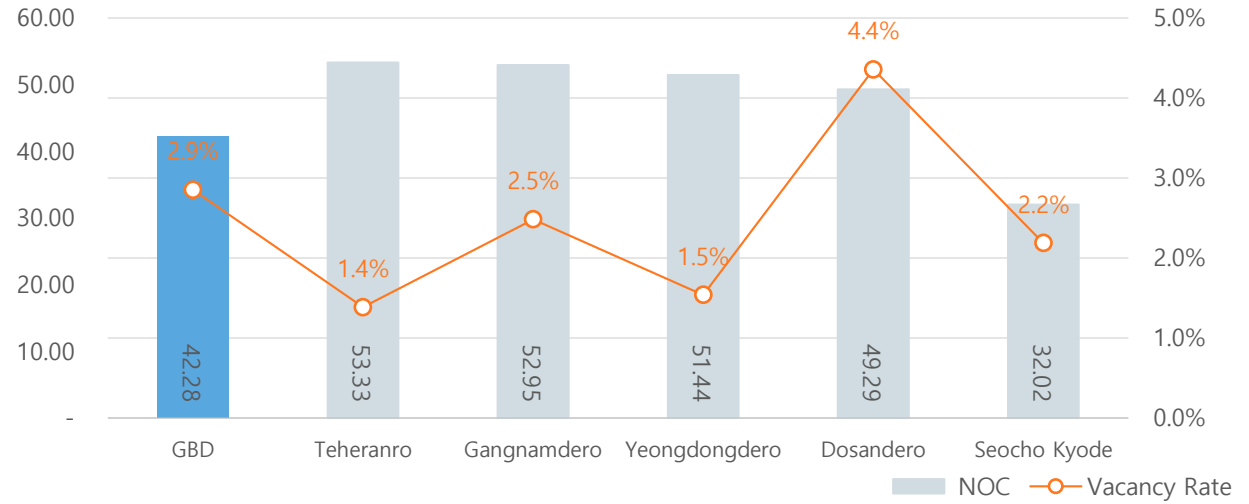
2.85 % ↓

Avg, NOC

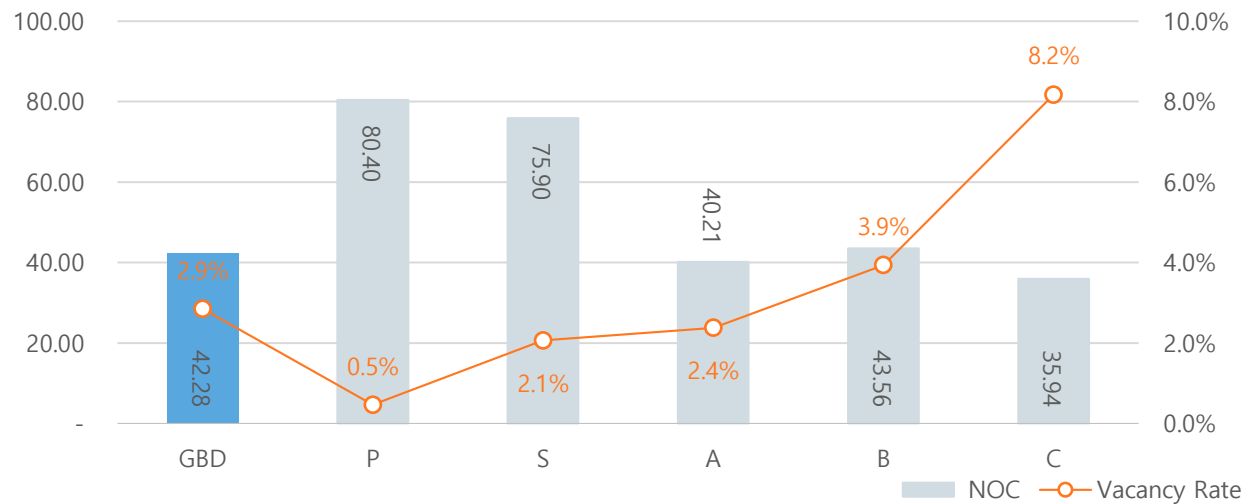
\$ 42.28 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
22.29	306.25	5.90

The average vacancy rate of the office buildings in GBD is 2.85 % as at November 2021, and the average NOC is \$ 42.28.



■ Vacancy Rate & NOC in Gangnam Business District (GBD)



■ Vacancy Rate & NOC for Different Sizes of Building in GBD

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YBD Yeouido & Yeongdeungpo

Vacancy rate

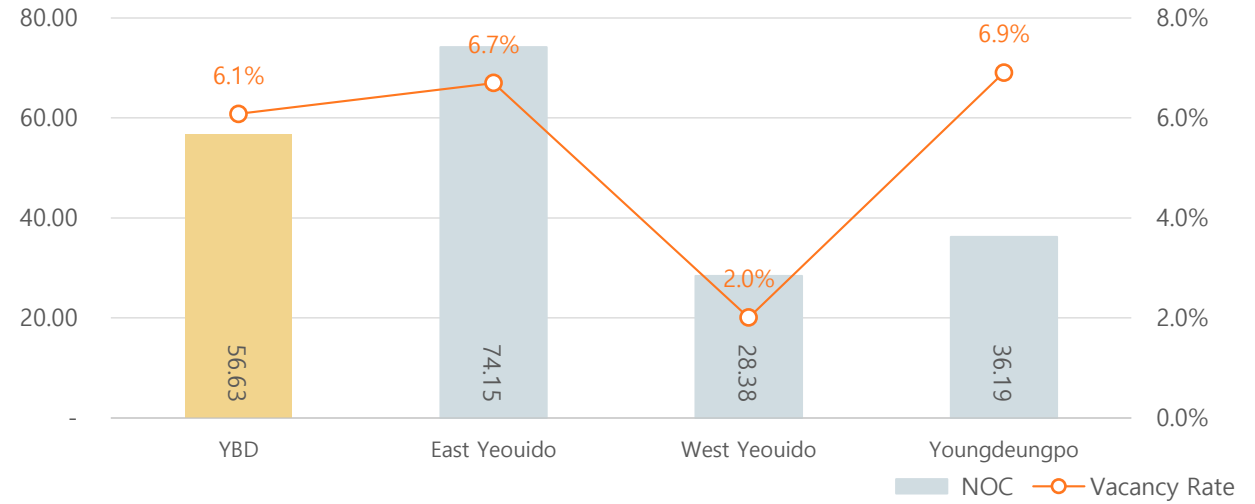
6.08 % ↓

Avg, NOC

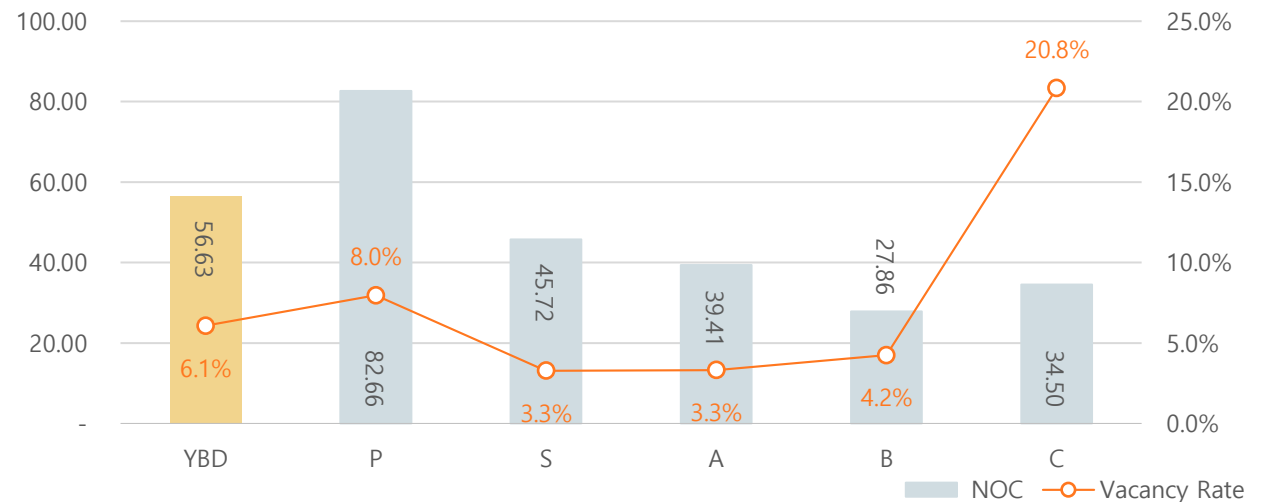
\$ 56.63 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
20.44	212.94	8.77

The average vacancy rate of the office buildings in YBD is 6.08 % as at November 2021, and the average NOC is \$ 56.63.



■ Vacancy Rate & NOC in Yeongdeungpo Business District (YBD)



■ Vacancy Rate & NOC for Different Sizes of Building in YBD

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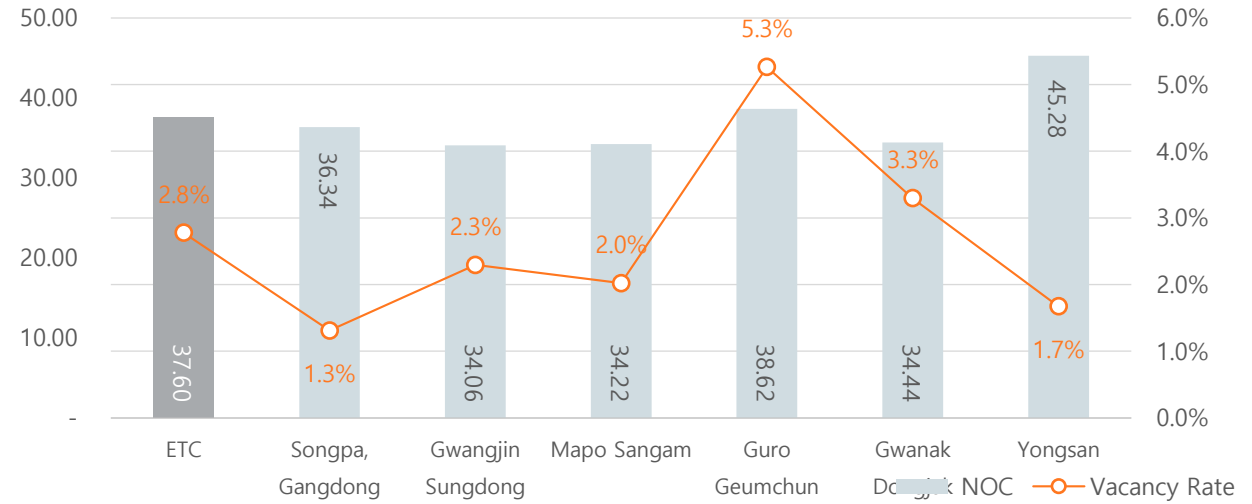
ETC Other District in Seoul

Vacancy rate

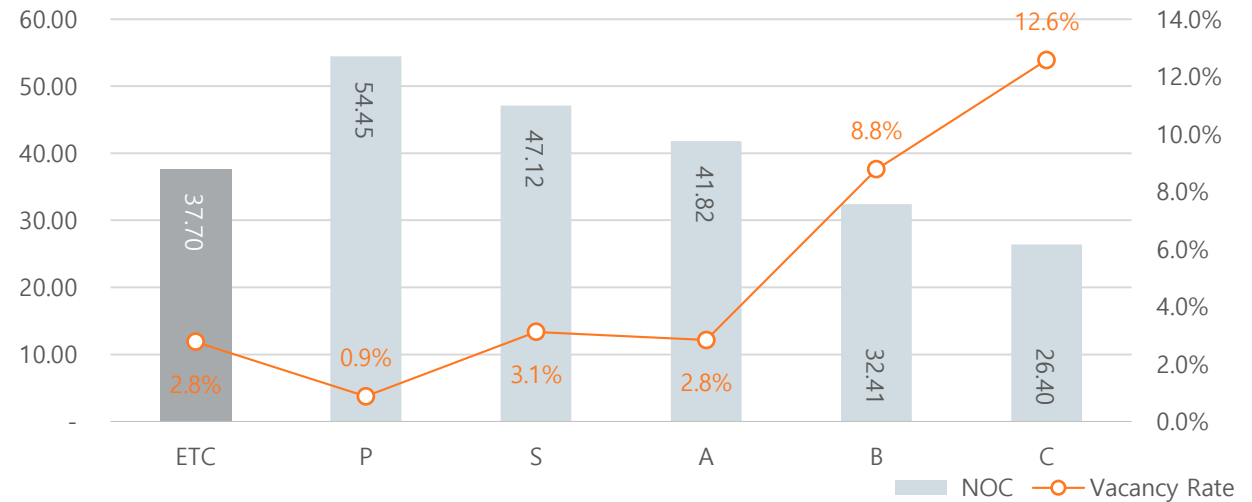
2.78 % ↓

Avg, NOC

\$ 37.60 ↑



■ Vacancy Rate & NOC in Other District in Seoul (ETC)



■ Vacancy Rate & NOC for Different Sizes of Building in ETC

Avg. Rent	Avg. Deposit	Avg. Management. Fee
15.40	182.31	5.30

The average vacancy rate of the office buildings in ETC is 2.78 % as at November 2021, and the average NOC is \$ 37.60.

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PBBD PANGYO & BUNDANG

Vacancy rate

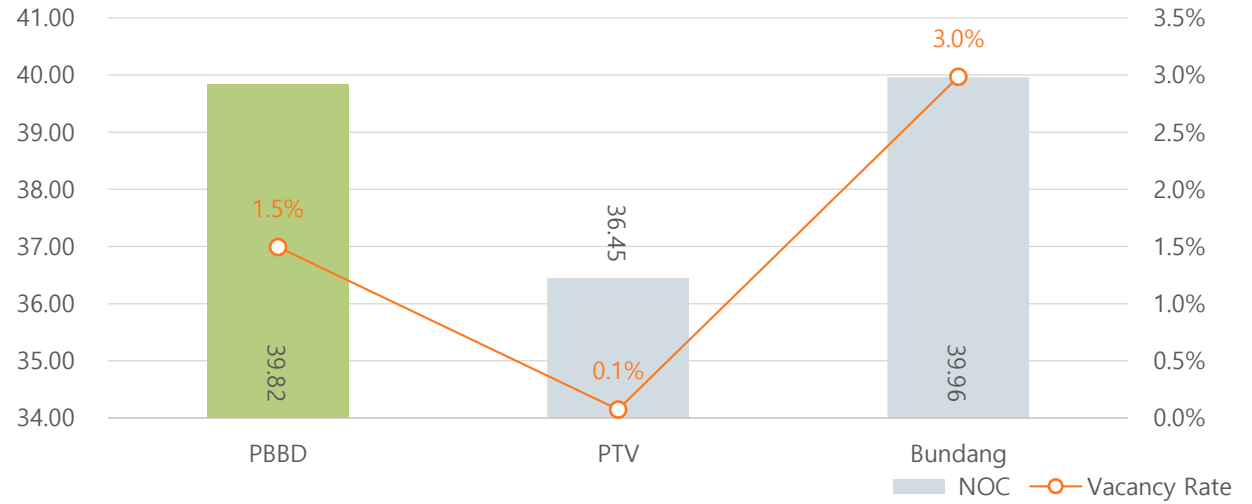
1.49 % ↓

Avg, NOC

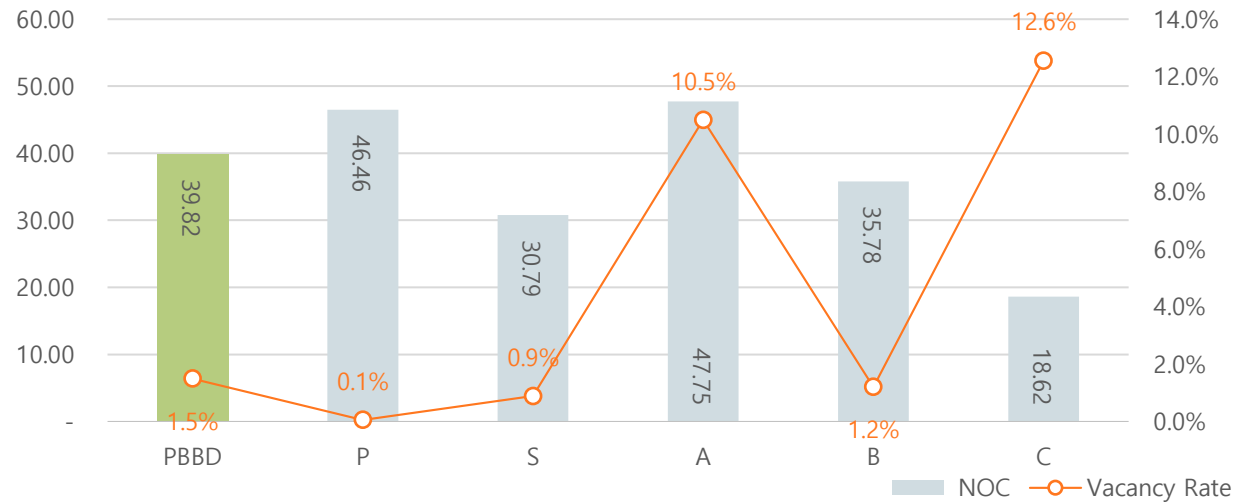
\$ 39.82 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
14.46	172.10	6.44

The average vacancy rate of the office buildings in PBBD is 1.49 % as at November 2021, and the average NOC is \$ 39.82.



■ Vacancy Rate & NOC in Pangyo & Bundang Business District (PBBD)



■ Vacancy Rate & NOC for Different Sizes of Building in PBBD



Overall
Lease status

Market	Submarket	Gross Leasing Area	Avg. Deposit	Avg. Rent	Avg. Mgmt. Fee	Avg. NOC	Vacancy rate
CBD	Gwanghwamoon Station	933,102	268.46	27.07	9.57	64.38	6.58%
	City Hall Station	901,345	173.19	17.12	7.89	44.58	4.29%
	Jonggak Station	993,663	242.85	24.52	9.69	58.42	7.75%
	Euljiro Ipgu Station	815,736	200.04	20.47	8.95	51.68	9.14%
GBD	Teheranro	3,374,618	328.09	25.09	6.93	53.33	1.38%
	Gangnamdero	1,690,511	428.95	29.15	5.79	52.95	2.48%
	Yeongdongdero	640,052	220.83	20.54	6.83	51.44	1.54%
	Dosandero	317,393	452.79	28.78	6.83	49.29	4.35%
	Seocho Gyodae	505,791	313.07	15.59	6.04	32.02	2.19%
YBD	East Yeouido	2,866,483	263.76	25.66	10.49	74.15	6.70%
	West Yeouido	536,811	110.99	11.10	5.82	28.38	2.01%
	Youngdeungpo	501,977	162.25	14.75	6.45	36.19	6.90%
ETC	Songpa, Gangdong	1,780,982	211.15	15.23	5.28	36.34	1.31%
	Gwangjin Sungdong	502,950	208.80	16.37	4.75	34.06	2.29%
	Mapo Sangam	2,178,599	163.14	14.10	6.00	34.22	2.02%
	Guro Geumchun	829,756	138.99	13.76	3.67	38.62	5.26%
	Gwanak Dongjak	509,517	234.60	18.42	4.24	34.44	3.29%
	Yongsan	1,197,856	229.55	18.30	6.97	45.28	1.67%
PBBD	PTV	973,439	195.10	14.70	2.70	36.45	0.07%
	Bundang	929,849	171.16	14.45	6.60	39.96	2.98%

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