

SEOUL OFFICE LEASING

March 2023 Monthly Market Review

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, February 2023
DB Mangement	Okey Research Center has carried out our research with a large number 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 = 1,309.00 KRW (0.76 USD = 1,000 KRW) as of 22nd March 2023

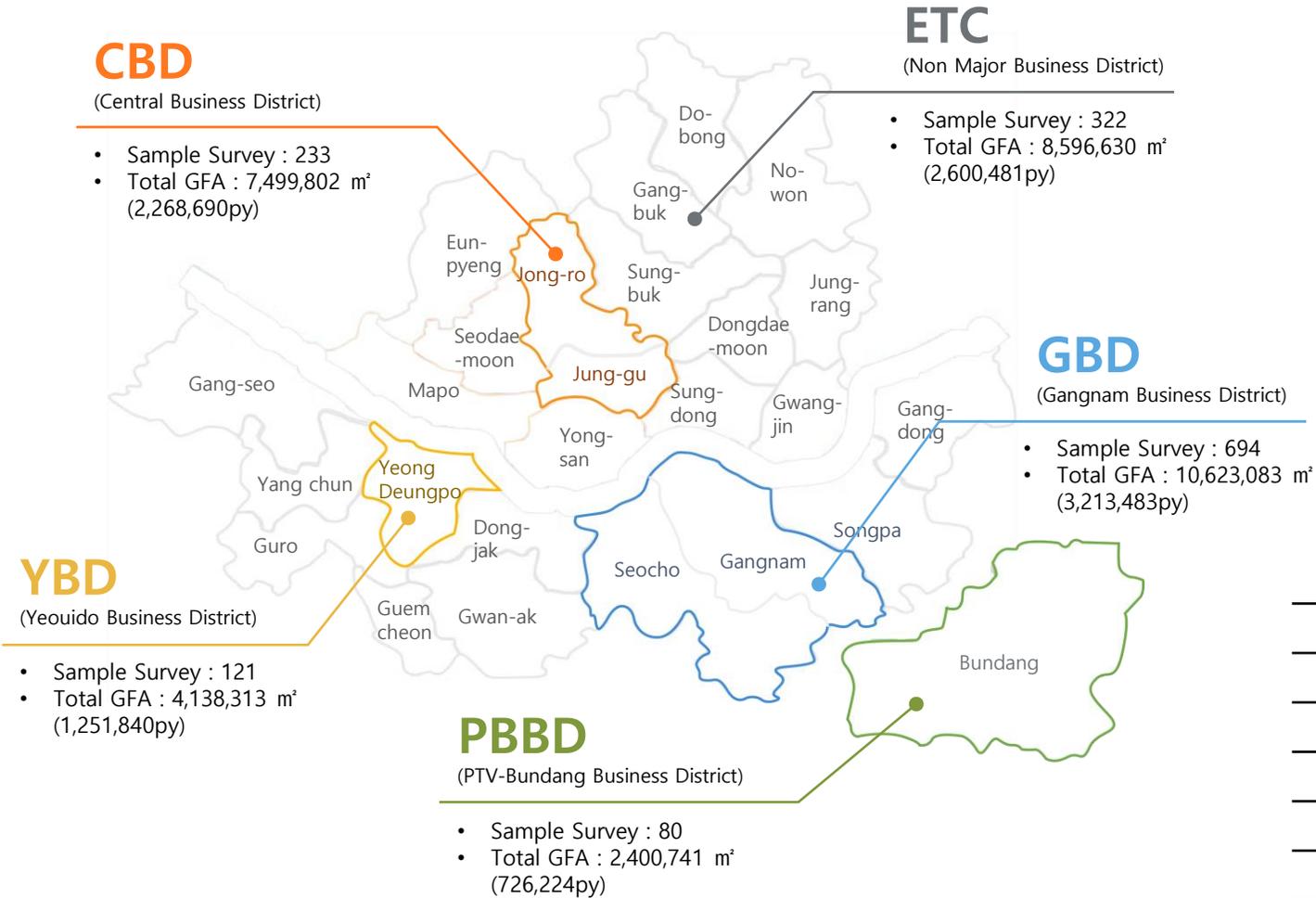
5 Regional Divisions in Seoul

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 Sunngam-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 3,306m 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 1,450

	P	S	A	B
CBD	45	67	35	86
GBD	30	86	93	485
YBD	20	25	33	43
ETC	48	60	59	155
PBD	12	17	17	34

• NOC (Net Occupancy Cost)

The monthly cost that 1m² of net area 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

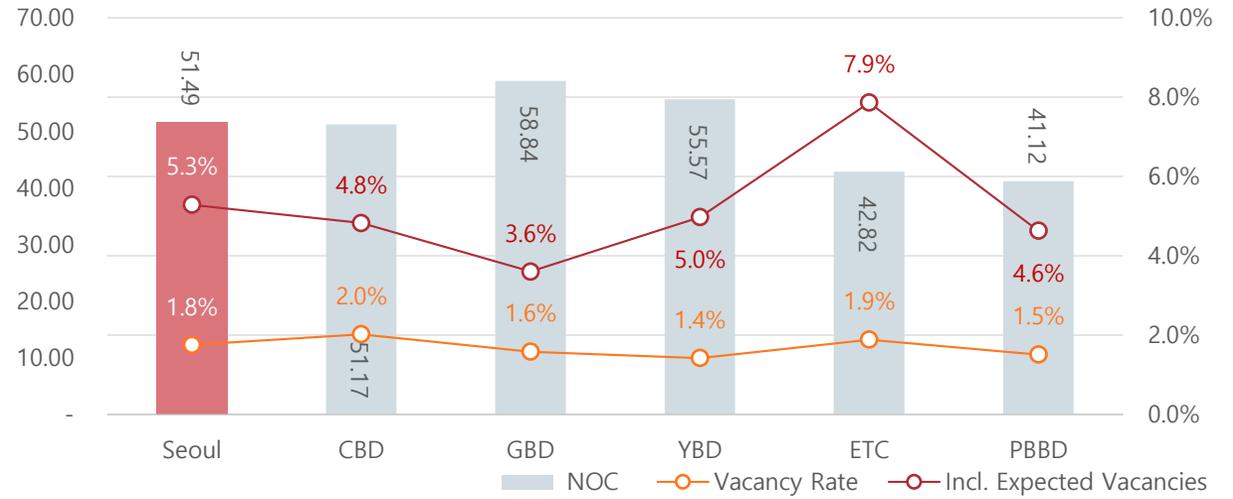
1.75 % ↓

Avg, NOC

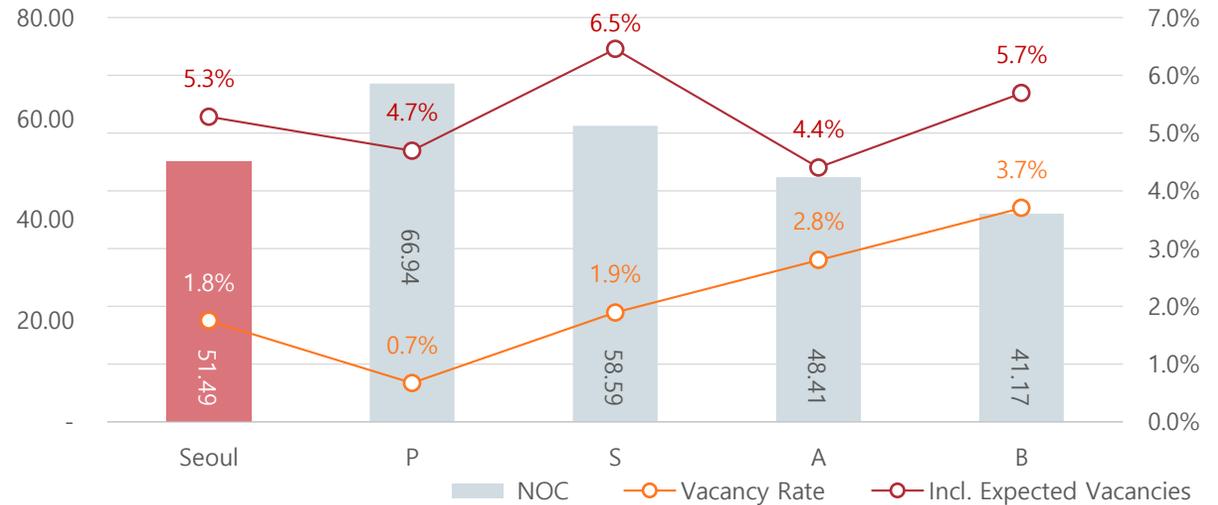
\$ 51.49 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
21.36	233.48	7.73

The average vacancy rate of the office buildings in Seoul is 1.75 % as of February 2023, and the average NOC is \$ 51.49.



■ Vacancy Rate & NOC in Seoul and Each District



■ Vacancy Rate & NOC in Seoul & Each Building Category

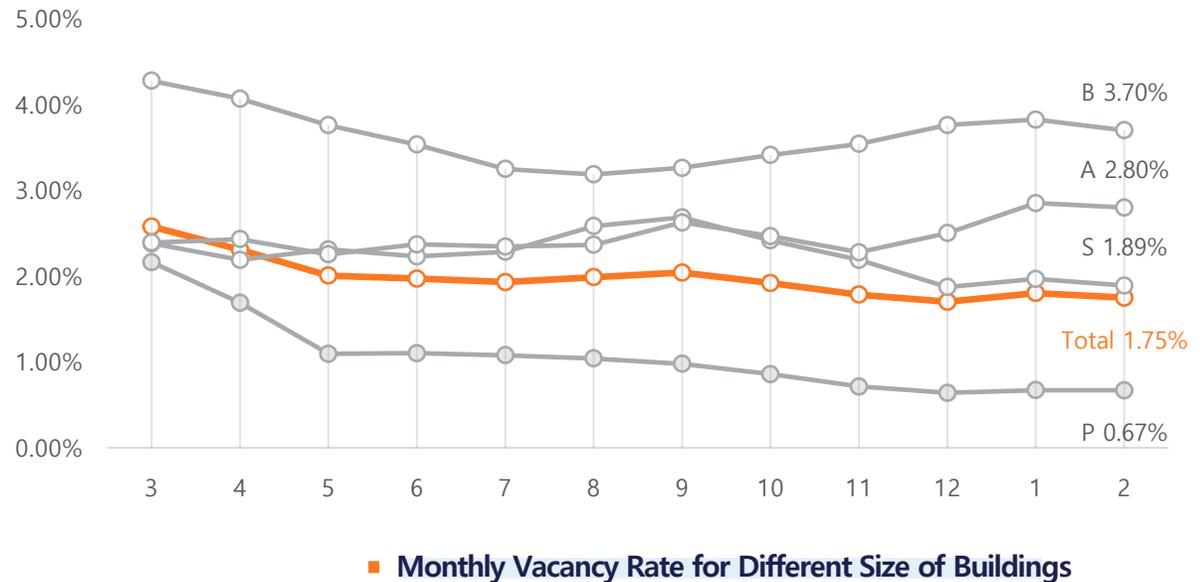
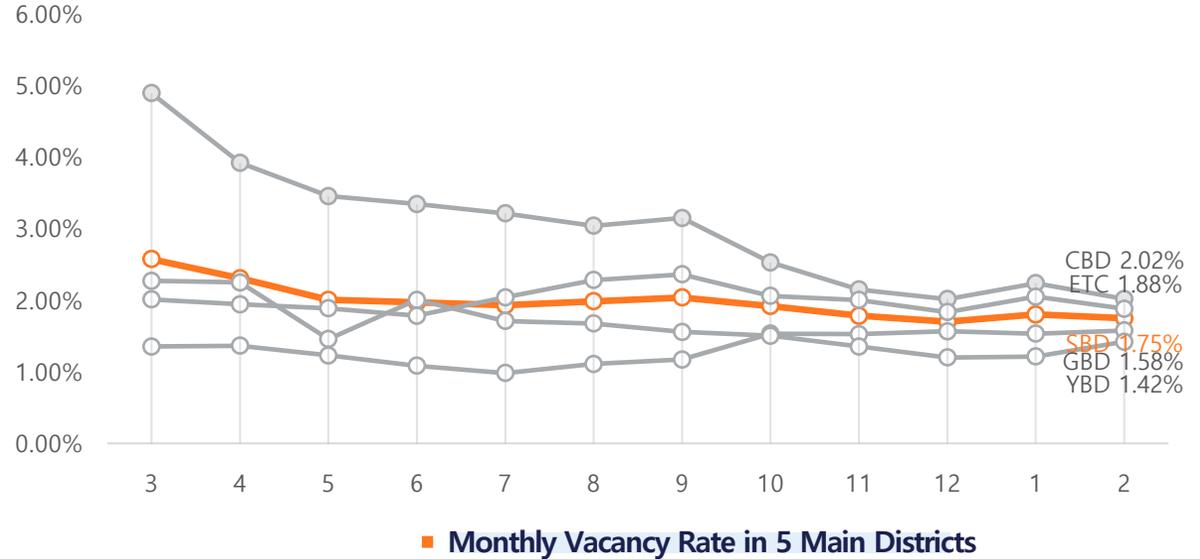
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SBD Seoul Capital Area

The following charts indicate the vacancy level of Seoul during February 2023.

In Samsung Life Insurance Building (CBD), the office units of 26,450m², currently rented by Bank of Korea, will come on the lease market in Seoul in mid-2023. And this regional office of Bank of Korea will move back to its head office building in CBD as the head office completed the recent renovation works to the building. Likewise, in Center Place Building (CBD), the 7 floors of 12,520m², currently rented by Hana Card, will come on the market by July 2023.

In Won Il Building (GBD), one of its tenants, Keunjung Architects & Engineers moved to Gwacheon City and thus it created the additional vacancy of 1,210m² in the building. In G-valley Biz Plaza Building in Guro-dong, Hyundai Marine & Fire Insurance moved in as a new tenant and began to use the vacant floor of 3,290m² in the building.





CBD Central Seoul

Vacancy rate

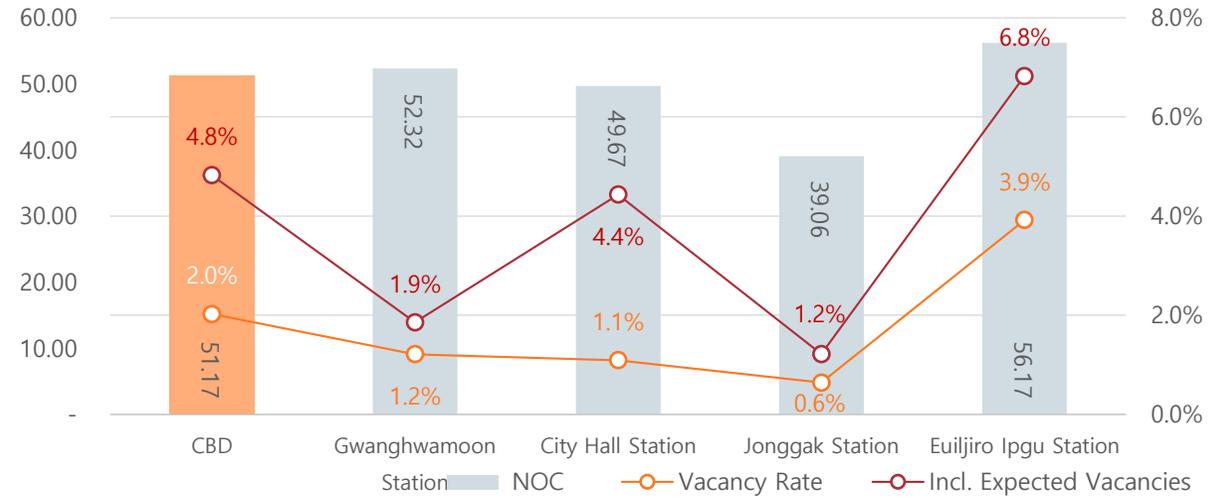
2.02 % ↓

Avg, NOC

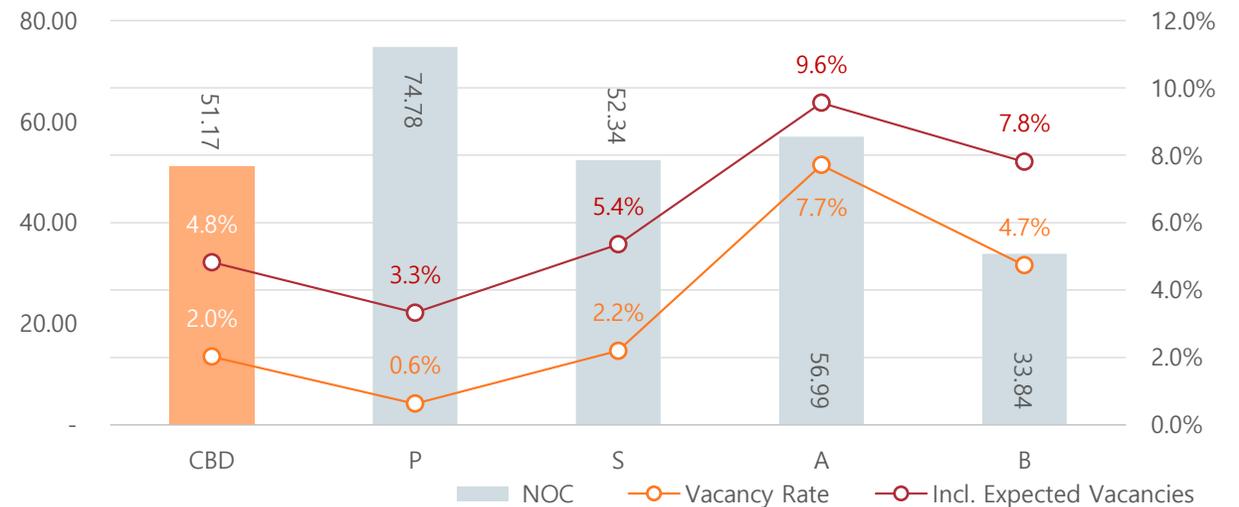
\$ 51.17 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
20.98	214.89	8.61

The average vacancy rate of the office buildings in CBD is 2.02 % as of February 2023, and the average NOC is \$ 51.17.



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



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



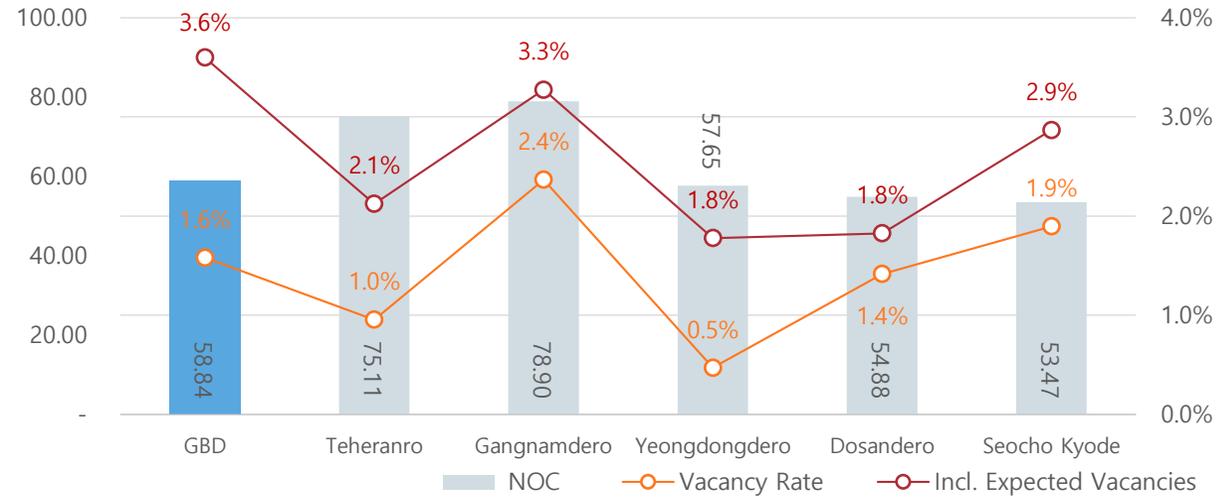
GBD Gangnam

Vacancy rate

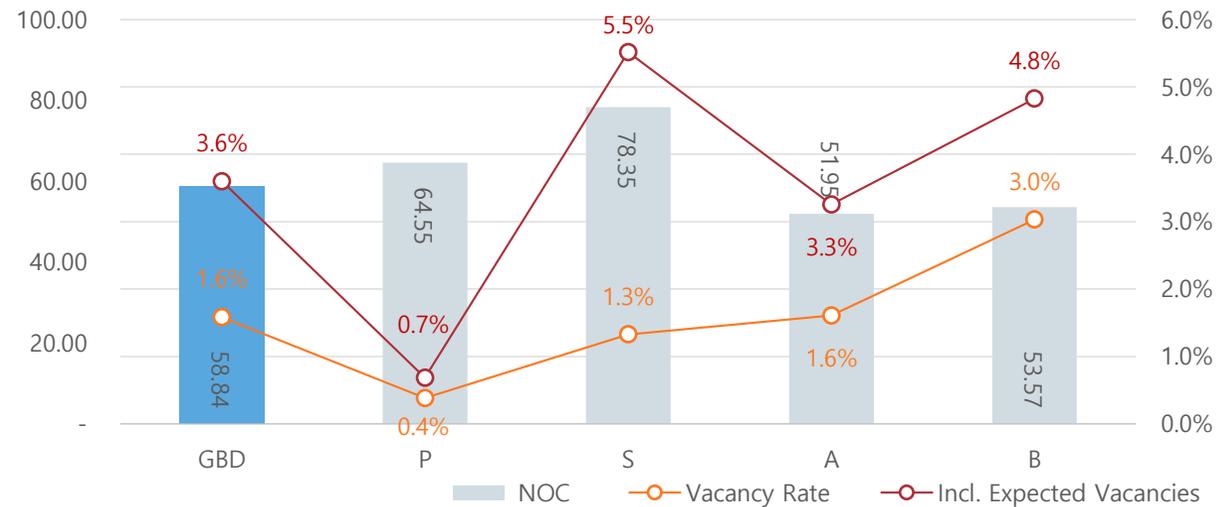
1.58 % ↑

Avg, NOC

\$ 58.84 ↓



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



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

Avg. Rent	Avg. Deposit	Avg. Management. Fee
27.20	317.00	7.35

The average vacancy rate of the office buildings in GBD is 1.58 % as of February 2023, and the average NOC is \$ 58.84.

24

YBD Yeouido & Yeongdeungpo

Vacancy rate

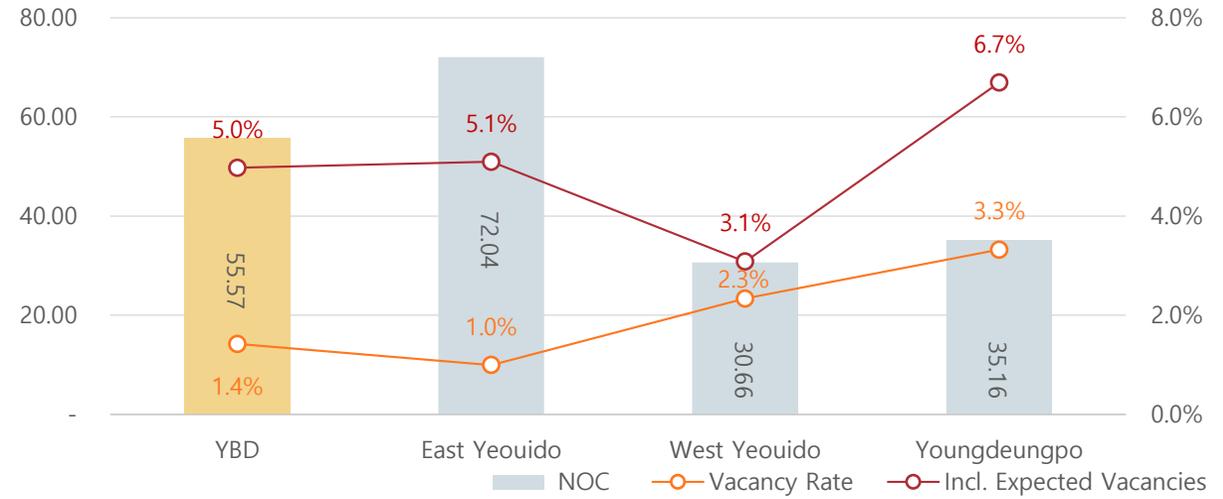
1.42 % ↑

Avg, NOC

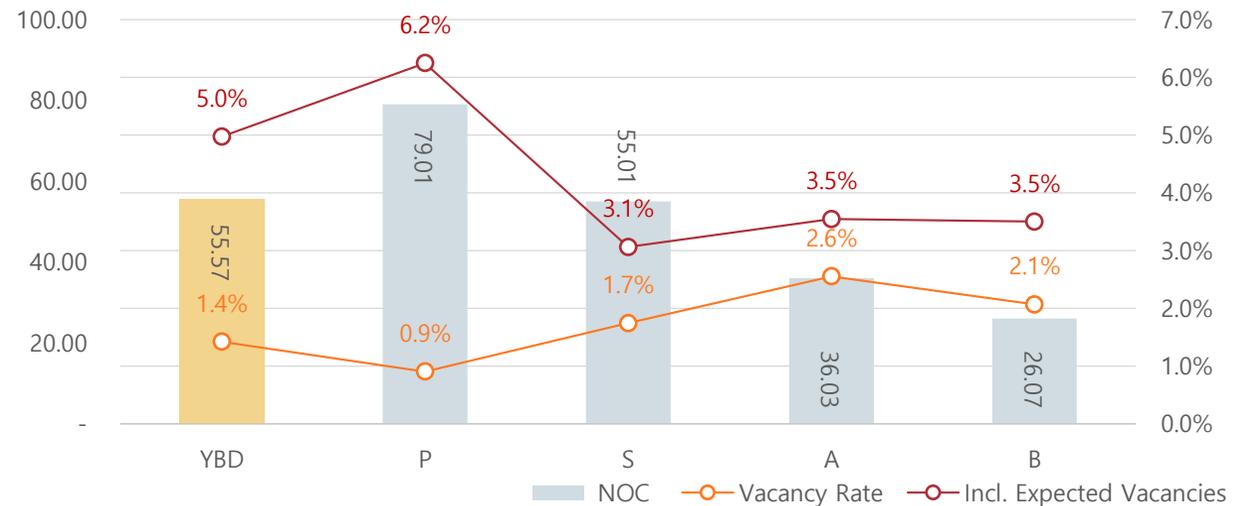
\$ 55.57 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
21.02	217.95	8.53

The average vacancy rate of the office buildings in YBD is 1.42 % as of February 2023, and the average NOC is \$ 55.57.



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



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

75

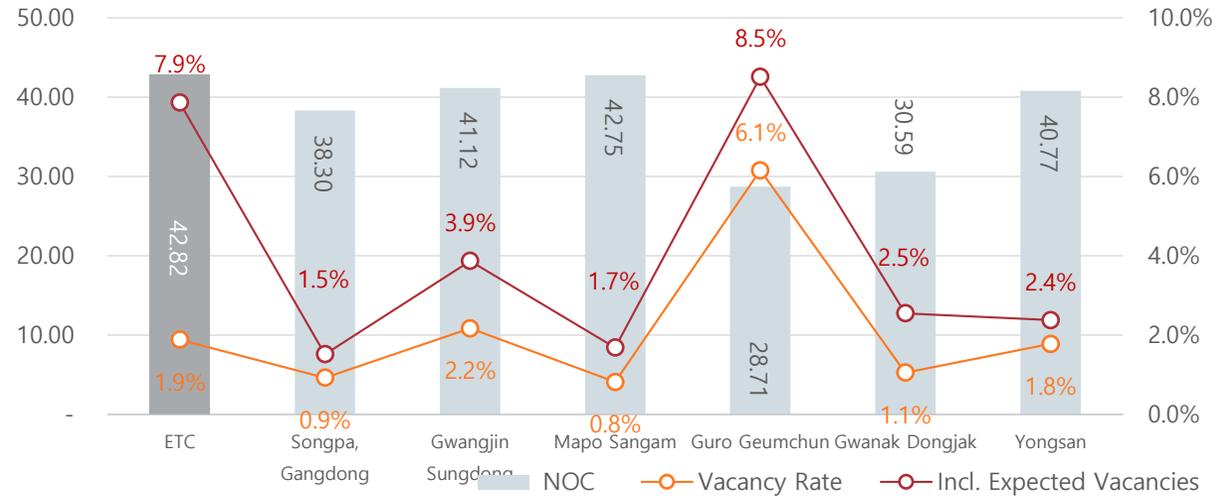
ETC Other District in Seoul

Vacancy rate

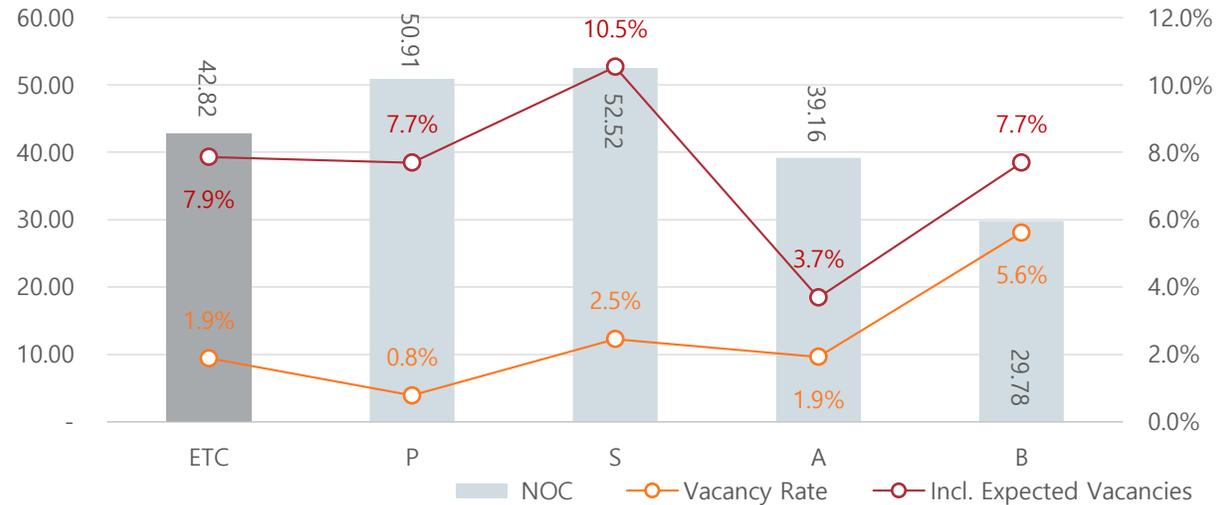
1.88 % ↓

Avg, NOC

\$ 42.82 ↓



■ 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
16.04	178.67	6.57

The average vacancy rate of the office buildings in ETC is 1.88 % as of February 2023, and the average NOC is \$ 42.82.

76

PBBD PANGYO & BUNDANG

Vacancy rate

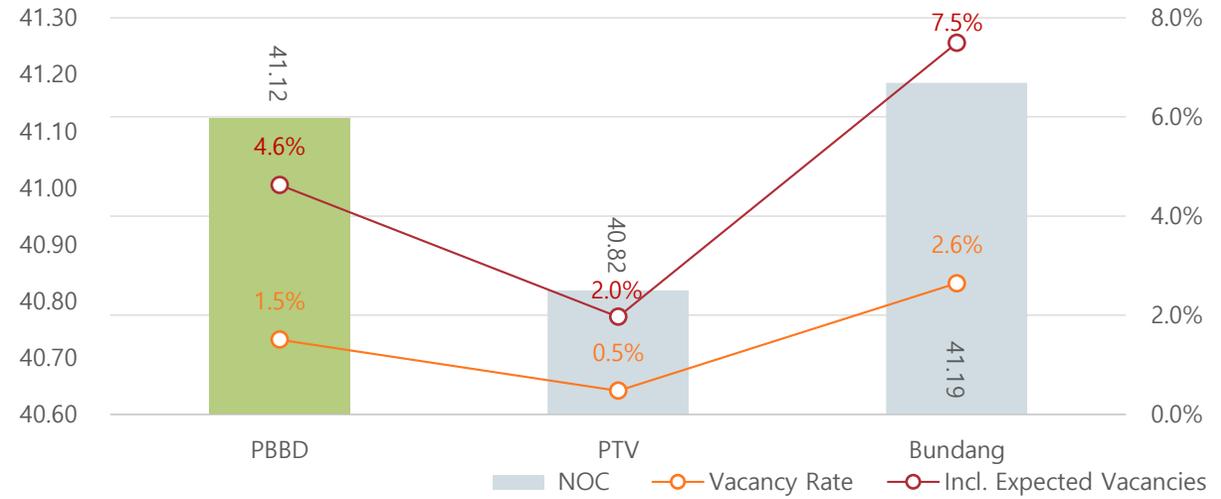
1.51 % ↓

Avg, NOC

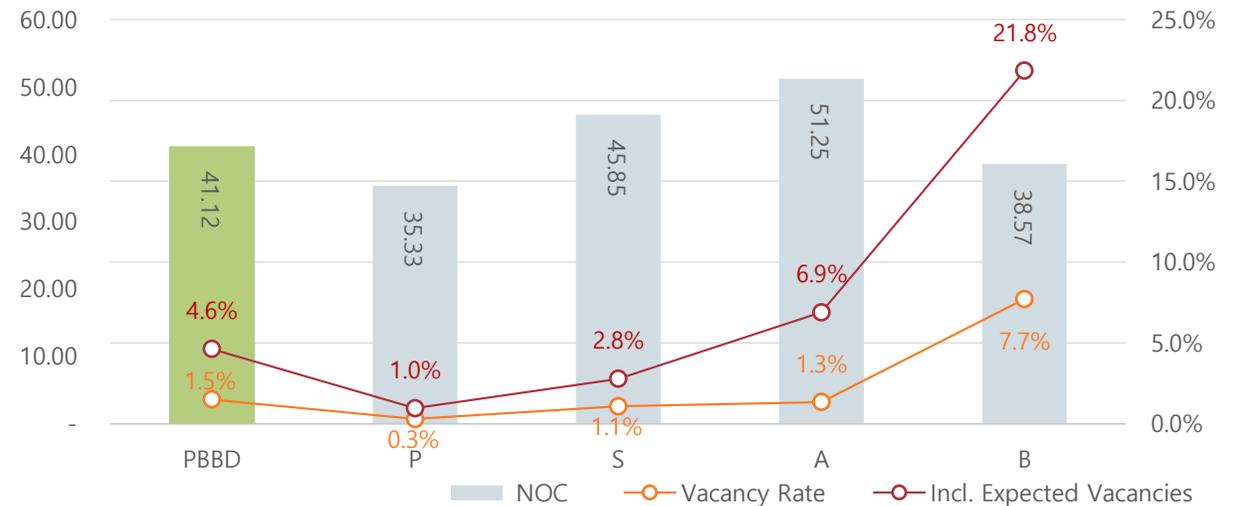
\$ 41.12 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
14.24	174.84	6.17

The average vacancy rate of the office buildings in PBBD is 1.51 % as of February 2023, and the average NOC is \$ 41.12.



■ 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	890,523	223.57	23.27	8.22	52.32	1.21%
	City Hall Station	953,407	191.91	18.98	8.37	49.67	1.09%
	Jonggak Station	946,459	164.41	16.47	7.37	39.06	0.64%
	Euljiro Ipgu Station	843,868	237.85	23.96	9.10	56.17	3.92%
GBD	Teheranro	3,539,883	407.54	37.49	8.07	75.11	0.95%
	Gangnamdero	1,625,435	452.64	40.38	8.14	78.90	2.37%
	Yeongdongdero	907,956	222.07	19.86	7.59	57.65	0.47%
	Dosandero	350,496	430.18	25.71	8.21	54.88	1.42%
	Seocho Gyodae	503,650	320.98	24.79	6.55	53.47	1.90%
YBD	East Yeouido	3,132,937	277.32	27.39	10.16	72.04	1.00%
	West Yeouido	586,298	116.29	10.56	6.11	30.66	2.34%
	Youngdeungpo	419,078	155.86	13.93	6.40	35.16	3.32%
ETC	Songpa, Gangdong	2,459,555	194.44	14.74	6.19	38.30	0.92%
	Gwangjin Sungdong	581,581	230.50	20.16	4.61	41.12	2.17%
	Mapo Sangam	2,138,219	167.72	16.56	7.51	42.75	0.82%
	Guro Geumchun	931,685	120.39	11.56	3.89	28.71	6.15%
	Gwanak Dongjak	474,503	136.19	10.64	5.20	30.59	1.05%
	Yongsan	732,731	163.37	13.42	7.43	40.77	1.78%
PBBD	PTV	1,256,695	145.73	14.63	6.10	40.82	0.48%
	Bundang	1,144,046	180.90	14.16	6.19	41.19	2.64%



Land Use
Information
by District

District	Building Name	Address	Land Use	GFA (m ²)	Completion
CBD	2BOM	Sindang-dong Jung-gu	#2 Commercial	1,003	09-Jan
	DS Tower	Secho-dong Seocho-gu	#1 Commercial	8,519	20-Jan
	Sungwoo Building	Yeoksam-dong Gangnam-gu	Office	1,890	10-Jan
	Yi An Building	Yangjae-dong Seocho-gu	#2 Commercial	1,422	10-Jan
GBD	Yeoksam-dong Newbuild	Yeoksam-dong Gangnam-gu	#2 Commercial	1,155	05-Jan
	PS-263 Building	Nonhyeon-dong Gangnam-gu	#2 Commercial	1,131	06-Jan
	Samsung-dong Newbuild	Samseong-dong Gangnam-gu	#2 Commercial	1,113	04-Jan
	Cheongdam-dong Commercial	Cheongdam-dong Gangnam-gu	#2 Commercial	1,087	26-Jan
ETC	KM TOWER	Gasam-dong Geumcheon-gu	Factory	28,595	19-Jan
	Daereung Techno Town #22	Gasam-dong Geumcheon-gu	Factory	27,687	05-Jan
	KR Industrial Wirye Building	Jangji-dong Songpa-gu	Office	19,162	27-Jan
	Ace Medical Tower	Godeok-dong Gangdong-gu	Office	18,046	30-Jan
	LG Best Shop Gunja	Junggok-dong Gwangjin-gu	Sales	2,530	06-Jan
	SKY1997	Banghwa-dong Gangseo-gu	Office	1,683	03-Jan
	Chorok Building	Hwigyeong-dong Dongdaemun-gu	#1 Commercial	1,588	19-Jan
	JS Building	Bangi-dong Songpa-gu	#1 Commercial	1,352	13-Jan
IL SQUARE	Munjeong-dong Songpa-gu	#2 Commercial	1,085	11-Jan	
PBBD	Yiryae	Bundang-gu Seongnam-si	#2 Commercial	2,650	17-Jan



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