

February 2021

Seoul Office

M O N T H L Y M A R K E T R E V I E W



01

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, January 2021
DB Management	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 = 1,106.00 KRW (0.90 USD = 1,000 KRW) as at 19 February 2021

02

5 Regional Divisions in Seoul

CBD Central Business District Gwanghwa-moon, Joong-gu, Seodaemoon, Jong-ro, Etc	GBD Gangnam Business District Gangnam-gu, Seocho-gu, Etc.	YBD Yeido Business District Yeido, Mapo-ku, Etc.	ETC Non Major Business District Sangam, Gangdong, Songpa-gu, Etc.	PBBD PTV-Bundang Business District Pangyo Techno Valley, Seohyundong, Sunedong, Etc.
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03

Categories of Office Buildings by Their Sizes

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

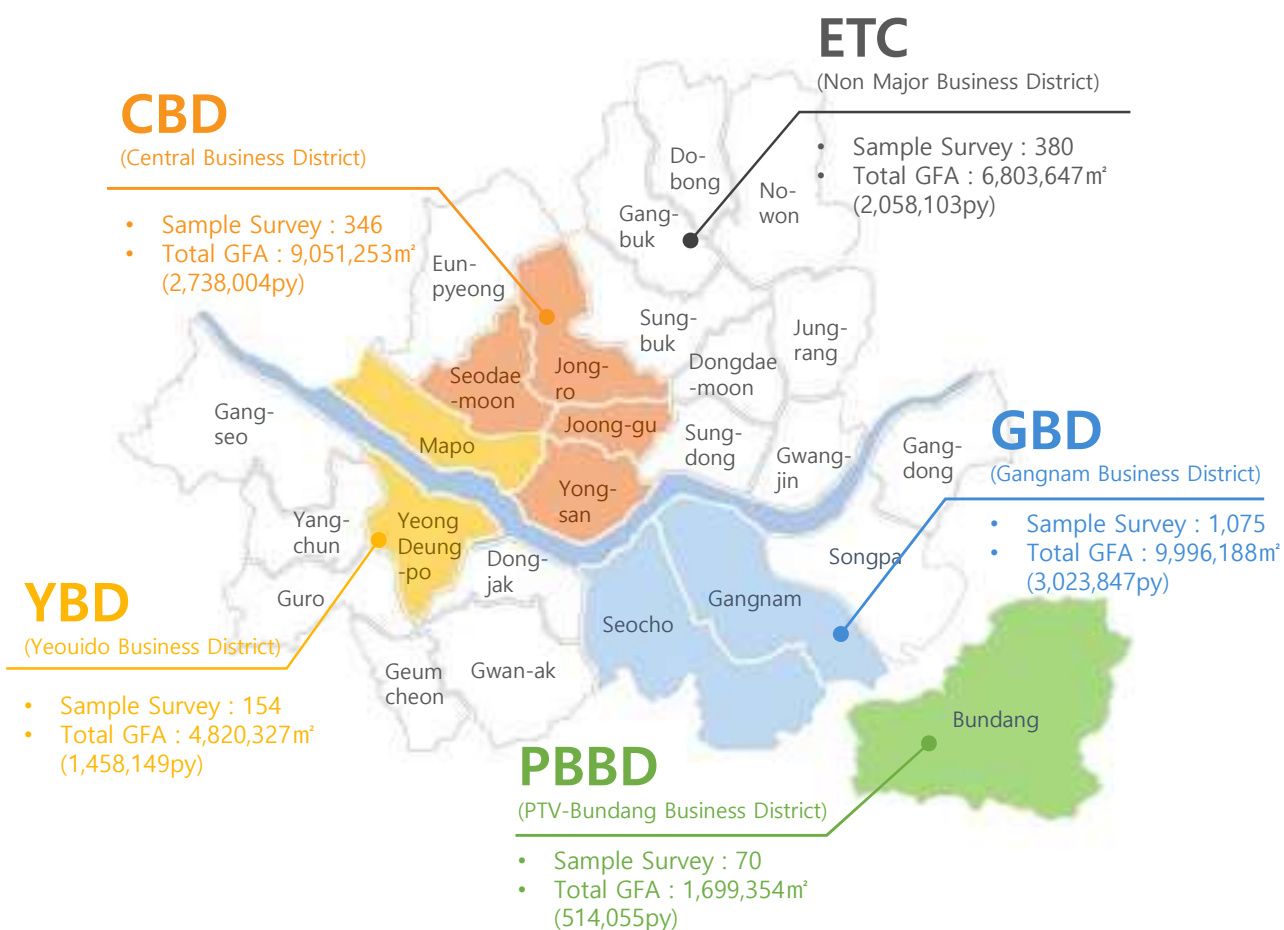
NOC (Net Occupancy Cost)

*NOC: 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.

*py : Pyung (1 m² = 0.3025 py)

04

Sample Size of Each District



05

Sample Size of Each Building Grade

SBD	P	S	A	B	C
Sample	131	238	225	646	715
GFA(m ²)	12,708,612	8,210,731	3,956,999	4,426,378	1,368,694
GFA(3.3m ²)	3,844,355	2,483,746	1,196,992	1,338,979	414,030

Q1 SBD Seoul Capital Area

SBD OFFICE LEASING MARKET



Vacancy rate

6.43% ↓



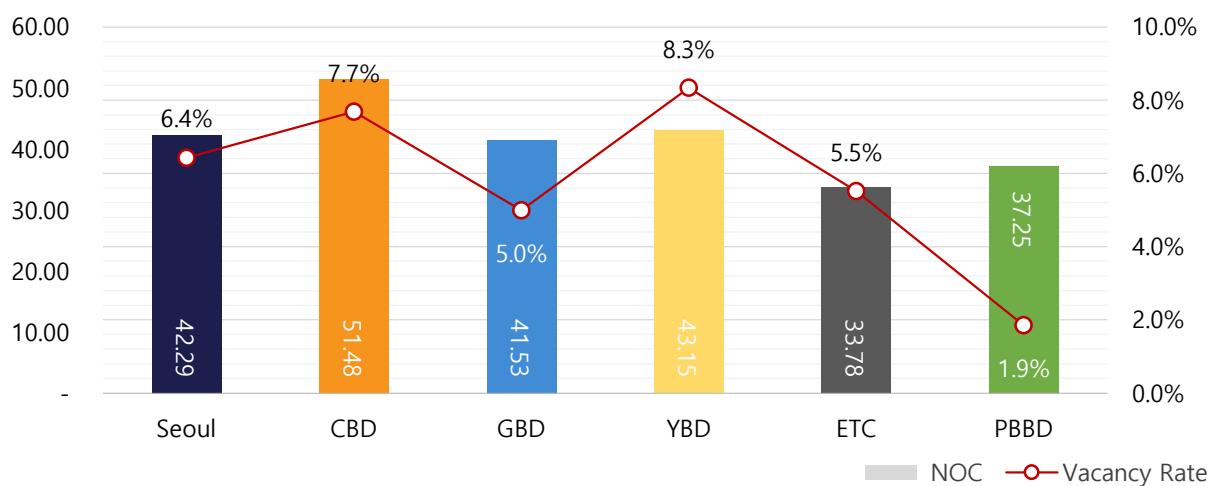
Avg. NOC

\$42.29 ↓

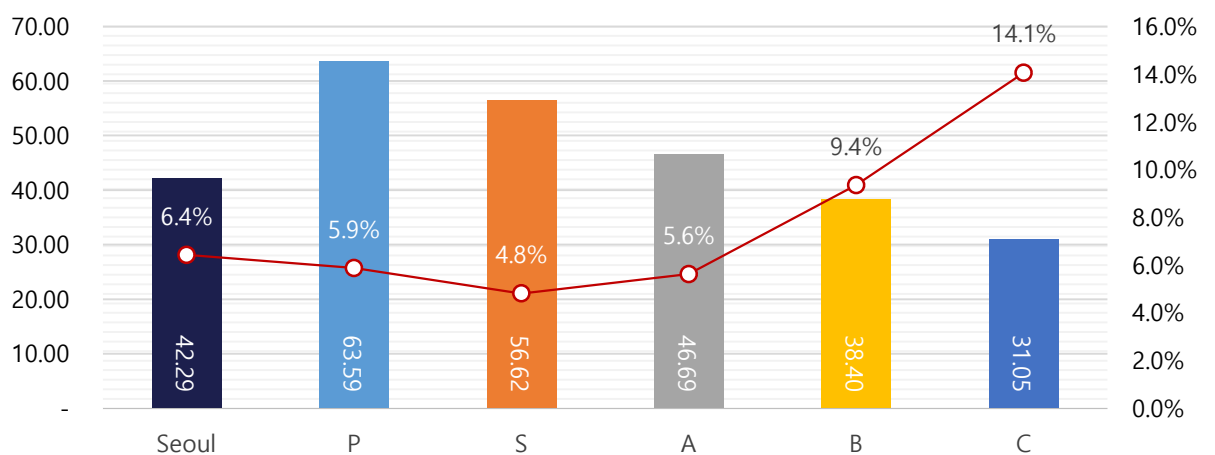
Avg. Rent	Avg. Deposit	Avg. Management. Fee
17.98	231.28	6.57

The average vacancy rate of office buildings in Seoul is 6.43% as at January 2021, and the average NOC is \$42.29.

Vacancy Rate & NOC in Seoul and Each District



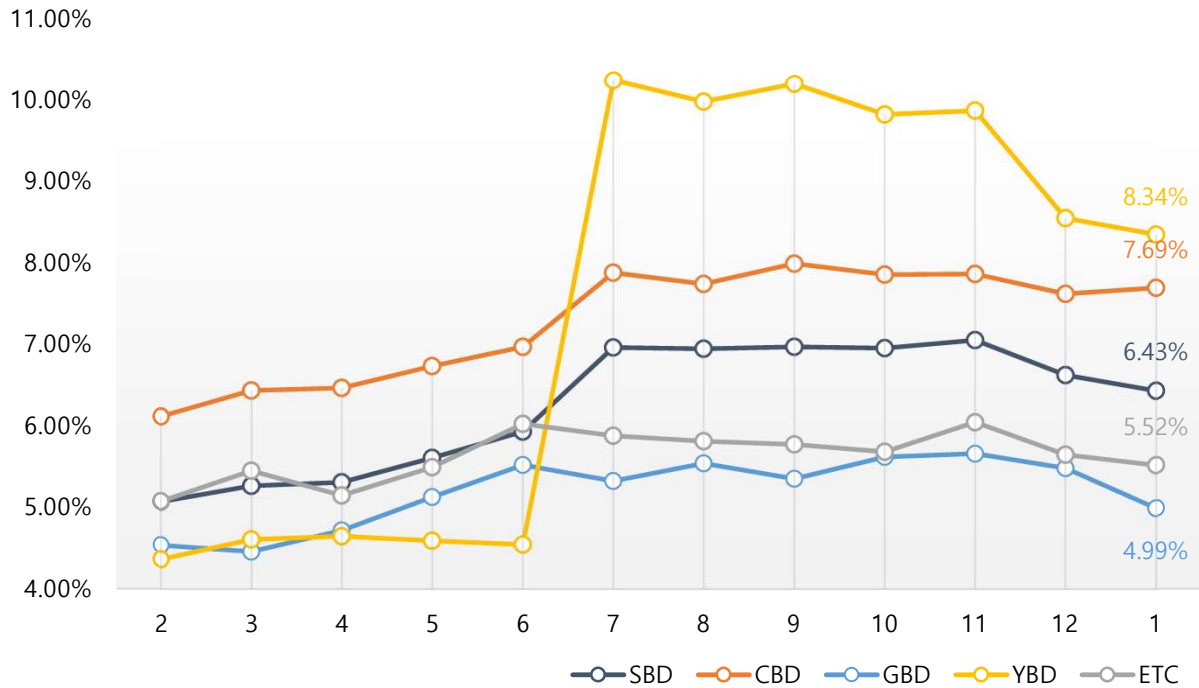
Vacancy Rate & NOC in Seoul & Each Building Category



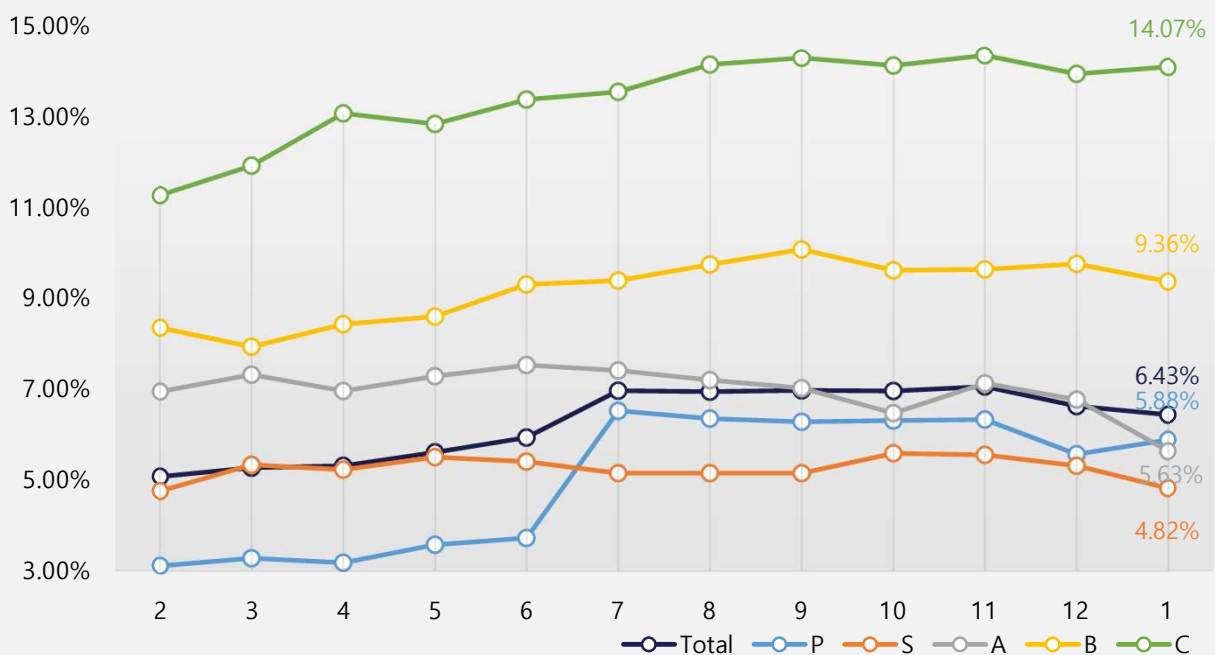
Monthly Vacancy Rate in 5 Main Districts

The following charts indicate the vacancy level of Seoul in January 2021.

Samsung Jeil Building in GBD filled the vacant space of the four entire floors in the building by the two new tenants; 1) Crowdworks Inc. which moved into the one floor (1,320m²) and 2) Korea Aerospace Industries Ltd. into the three floors (5,450m²) in the building. AJ Building in Moonjung-dong in ETC also filled its vacant space, up to 6,600m² in total, by the new quality tenants; 1) Handeul Architecture Corporation for 830m² in the building, 2) Eugene Group for 2,500m² and 3) other minor tenants for the rest in the building.



Monthly Vacancy Rate for Different Sizes of Buildings



Q2

CBD Central Seoul

CBD OFFICE LEASING MARKET



Vacancy rate

7.69% ↑



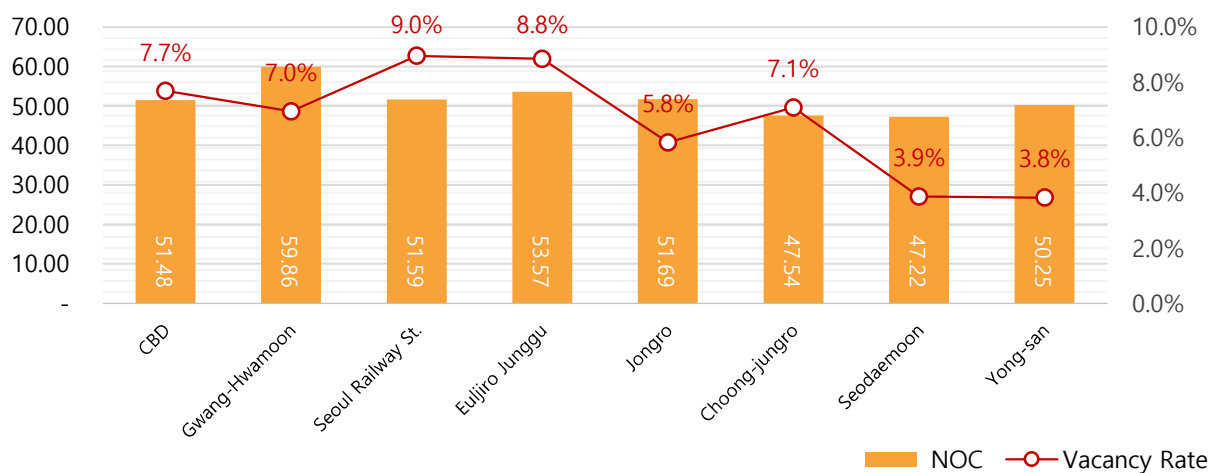
Avg. NOC

\$51.48 ↓

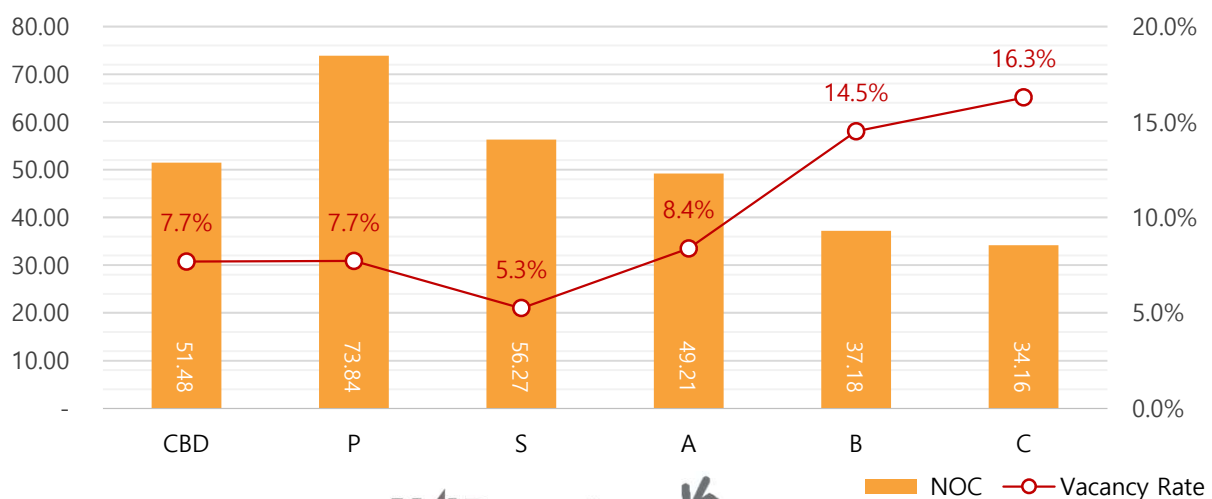
Avg. Rent	Avg. Deposit	Avg. Management. Fee
20.48	211.63	8.78

The average vacancy rate of office buildings in CBD is 7.69% as at January 2021, and the average NOC is \$51.48.

Vacancy Rate & NOC in Central Business District (CBD)



Vacancy Rate & NOC for Different Sizes of Buildings in CBD



Q3

GBD
Gangnam

GBD OFFICE LEASING MARKET



Vacancy rate

4.99% ↓



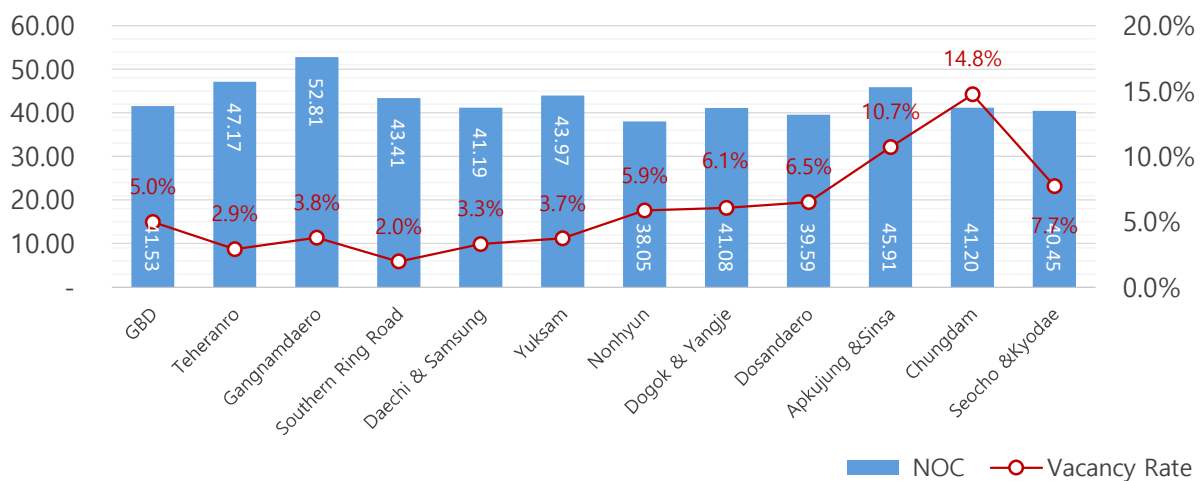
Avg. NOC

\$41.53 ↓

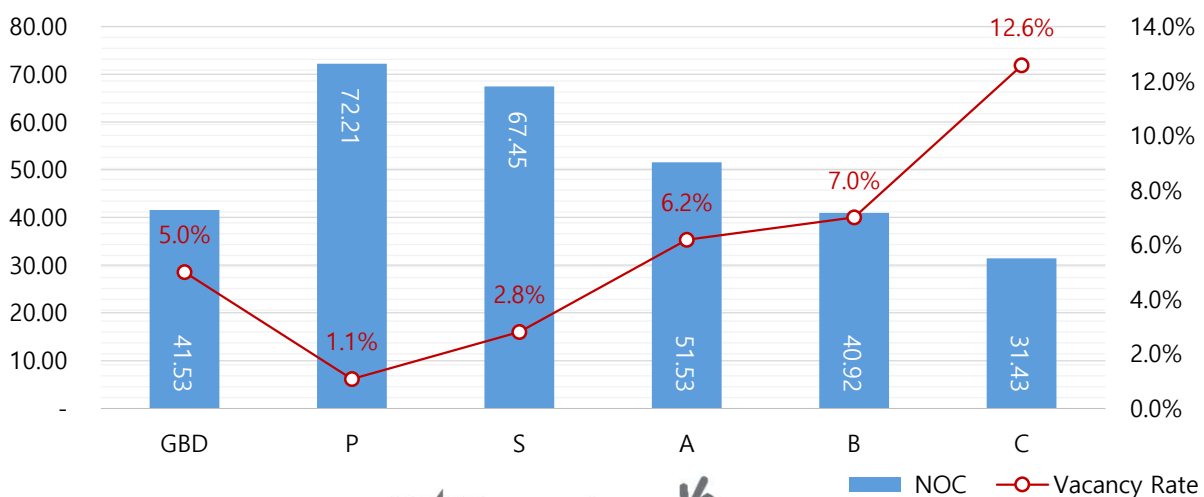
Avg. Rent	Avg. Deposit	Avg. Management. Fee
18.78	260.93	6.15

The average vacancy rate of office buildings in GBD is 4.99% as at January 2021, and the average NOC is \$41.53.

Vacancy Rate & NOC in Gangnam Business District (GBD)



Vacancy Rate & NOC for Different Sizes of Buildings in GBD



Q4

YBD Yeuido & Yeongdeungpo

YBD OFFICE LEASING MARKET



Vacancy rate

8.34% ↓



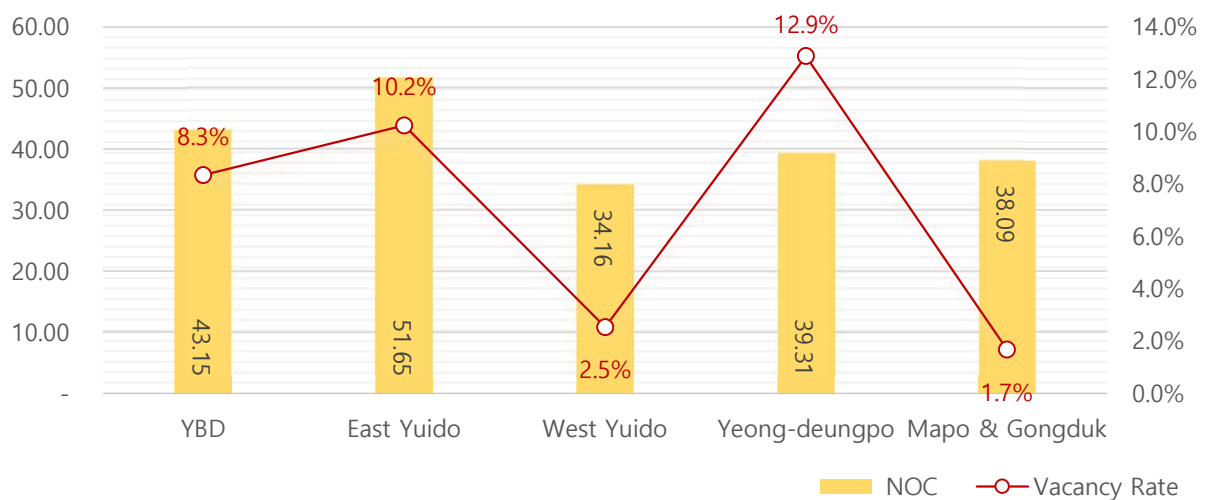
Avg. NOC

\$43.15 ↑

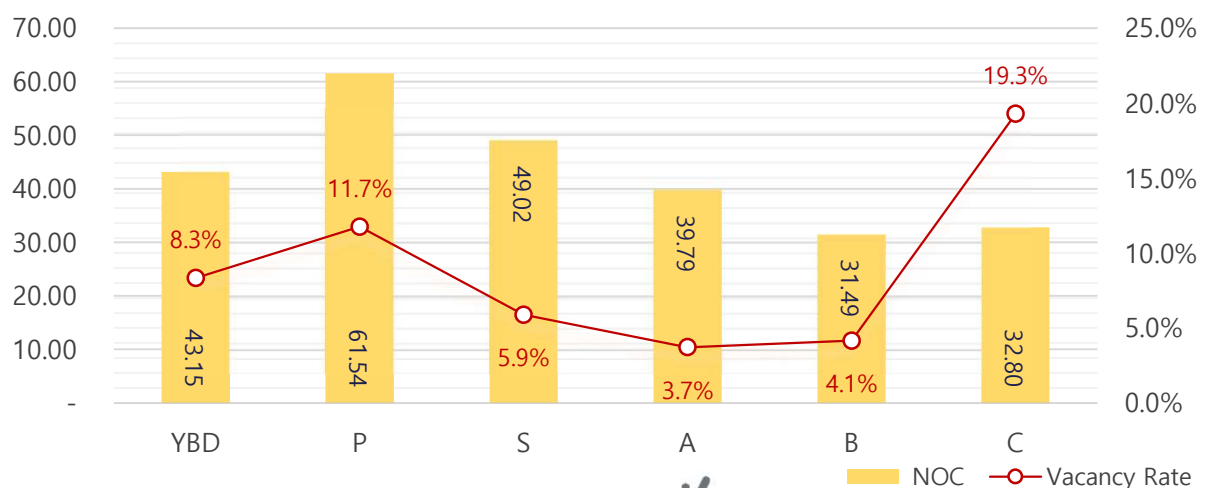
Avg. Rent	Avg. Deposit	Avg. Management. Fee
15.20	162.04	7.52

The average vacancy rate of office buildings in YBD is 8.34% as at January 2021, and the average NOC is \$43.15.

Vacancy Rate & NOC in YeongdeungpoBusiness District (YBD)



Vacancy Rate & NOC for Different Sizes of Buildings in YBD



Q5 ETC Other Districts in Seoul

ETC OFFICE LEASING MARKET



Vacancy rate

5.52% ↓



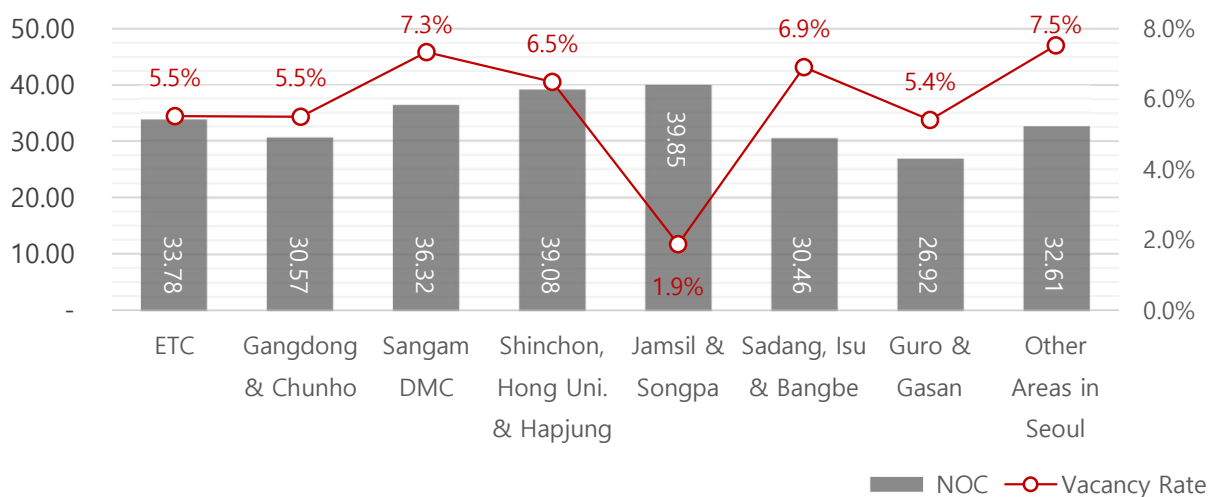
Avg. NOC

\$33.78 ↑

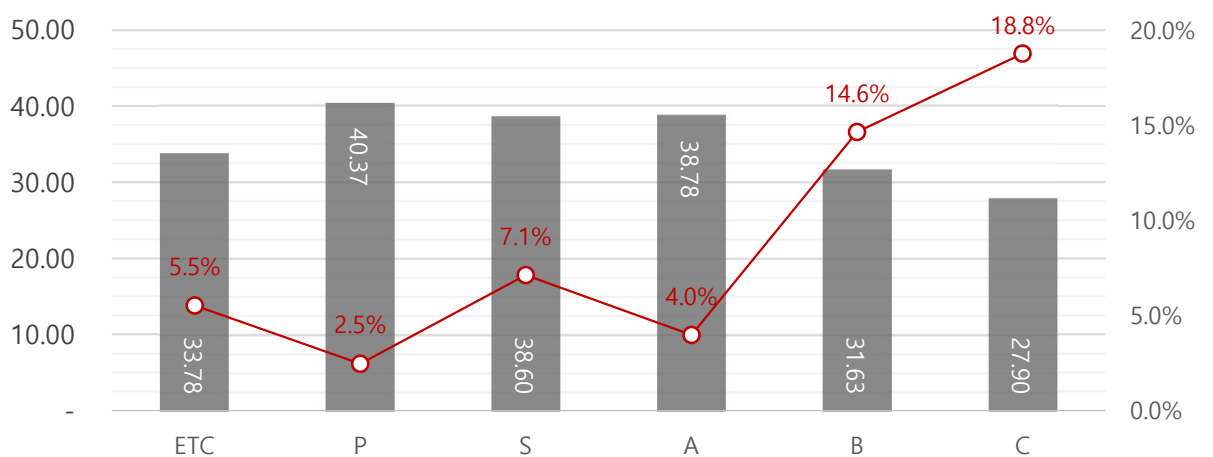
Avg. Rent	Avg. Deposit	Avg. Management. Fee
14.12	189.04	5.05

The average vacancy rate of office buildings in ETC is 5.52% as at January 2021, and the average NOC is \$33.78.

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



Vacancy Rate & NOC for Different Sizes of Buildings in ETC



06

PBBD Pangyo & Bundang

PBBD OFFICE LEASING MARKET



Vacancy rate

1.85% ↓



Avg. NOC

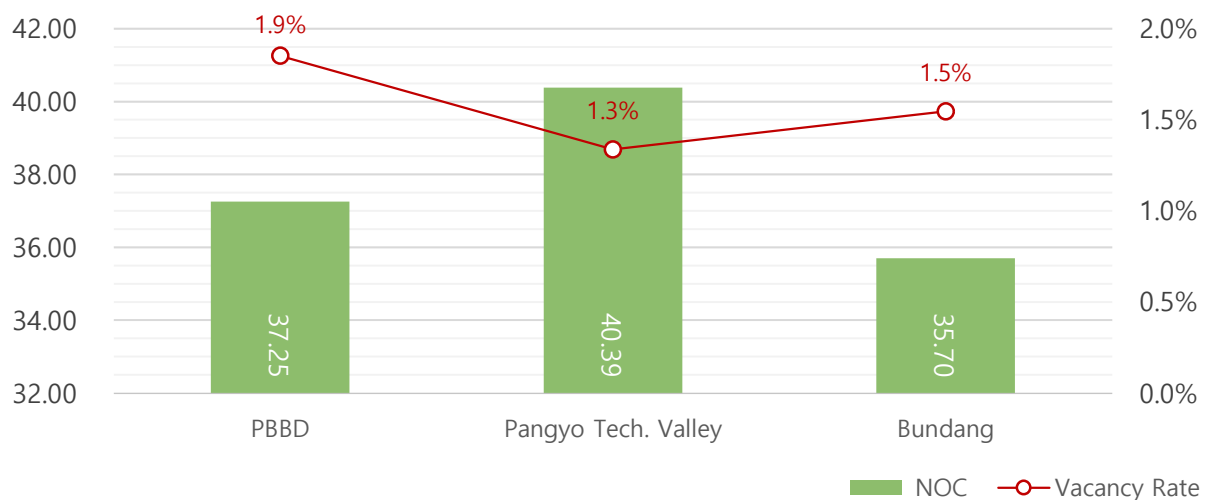
\$37.25 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
12.73	147.28	5.92

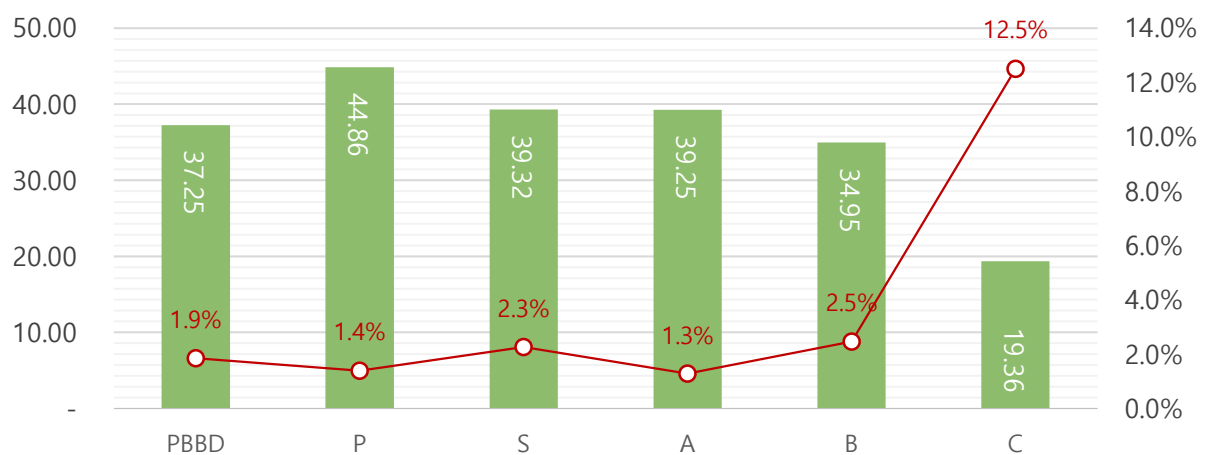
The average vacancy rate of office buildings in PBBD is 1.85% as at January 2021, and the average NOC is \$37.25.



Vacancy Rate & NOC in Pangyo& BundangBusiness District (PBBD)



Vacancy Rate & NOC for Different Sizes of Buildings in PBBD



OFFICE
LEASING
MARKET

Overall Lease Status

Unit : USD/m²

Market	Submarket	Gross Leasing Area	Avg. Deposit	Avg. Rent	Avg. Mgmt. Fee	Avg. NOC	Vacancy Rate
CBD	Gwang-Hwamoon	2,046,048	235.21	23.66	9.42	59.86	6.95%
	Seoul Railway St.	2,813,493	205.74	20.57	9.29	51.59	8.96%
	Euljiro Junggu	4,425,230	210.33	21.12	9.36	53.57	8.85%
	Jongro	2,419,460	227.37	21.11	8.58	51.69	5.82%
	Choong-jungro	592,868	177.74	17.27	8.41	47.54	7.09%
	Seodaemoon	409,806	207.68	18.07	8.26	47.22	3.87%
	Yong-san	876,084	184.75	17.77	7.86	50.25	3.82%
GBD	Teheranro	4,358,237	242.79	19.96	7.38	47.17	2.90%
	Gangnamdaero	1,866,274	266.29	21.62	7.38	52.81	3.79%
	Southern Ring Road	200,287	223.21	16.67	7.06	43.41	1.96%
	Daechi & Samsung	2,884,563	241.80	18.46	6.28	41.19	3.29%
	Yuksam	3,691,104	236.22	19.18	6.54	43.97	3.72%
	Nonhyun	1,022,966	301.27	17.83	5.81	38.05	5.86%
	Dogok & Yangje	461,898	211.64	14.98	5.92	41.08	6.06%
	Dosandaero	243,820	303.50	18.06	6.17	39.59	6.51%
	Apkujung & Sinsa	242,894	476.47	27.55	5.26	45.91	10.72%
	Chungdam	352,001	312.58	20.18	5.38	41.20	14.75%
	Seocho & Kyodae	699,709	244.37	17.25	5.66	40.45	7.72%
YBD	East Yuido	2,948,123	180.12	17.33	8.66	51.65	10.23%
	West Yuido	499,553	131.58	12.43	6.25	34.16	2.53%
	Yeong-deungpo	583,222	159.28	14.85	6.60	39.31	12.89%
	Mapo & Gongduk	712,996	159.88	13.89	7.20	38.09	1.66%
ETC	Gangdong & Chunho	269,721	161.06	12.93	4.55	30.57	5.50%
	Sangam DMC	1,076,294	114.46	11.09	6.92	36.32	7.33%
	Shinchon, Hong U ni. & Hapjung	289,205	299.66	18.97	5.45	39.08	6.49%
	Jamsil & Songpa	1,622,381	199.72	15.50	6.08	39.85	1.87%
	Sadang, Isu & Bangbe	160,087	274.42	15.71	4.50	30.46	6.91%
	Other Areas in Seoul	3,564,322	174.99	13.81	5.00	32.61	7.53%
PBBD	Pangyo Techno. Vally	954,228	146.84	13.81	5.74	40.39	1.34%
	Bundang	613,128	151.34	12.32	5.99	35.70	1.55%



MONTHLY MARKET REVIEW

MEET THE TEAM

Seoul, Korea Office
Market Overview

Seoul Office


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