

# SEOUL OFFICE LEASING

November 2022 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 <sup>2</sup> (=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, October 2022
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 = 1,421.00 KRW (0.70 USD = 1,000 KRW) as of 4th November 2022

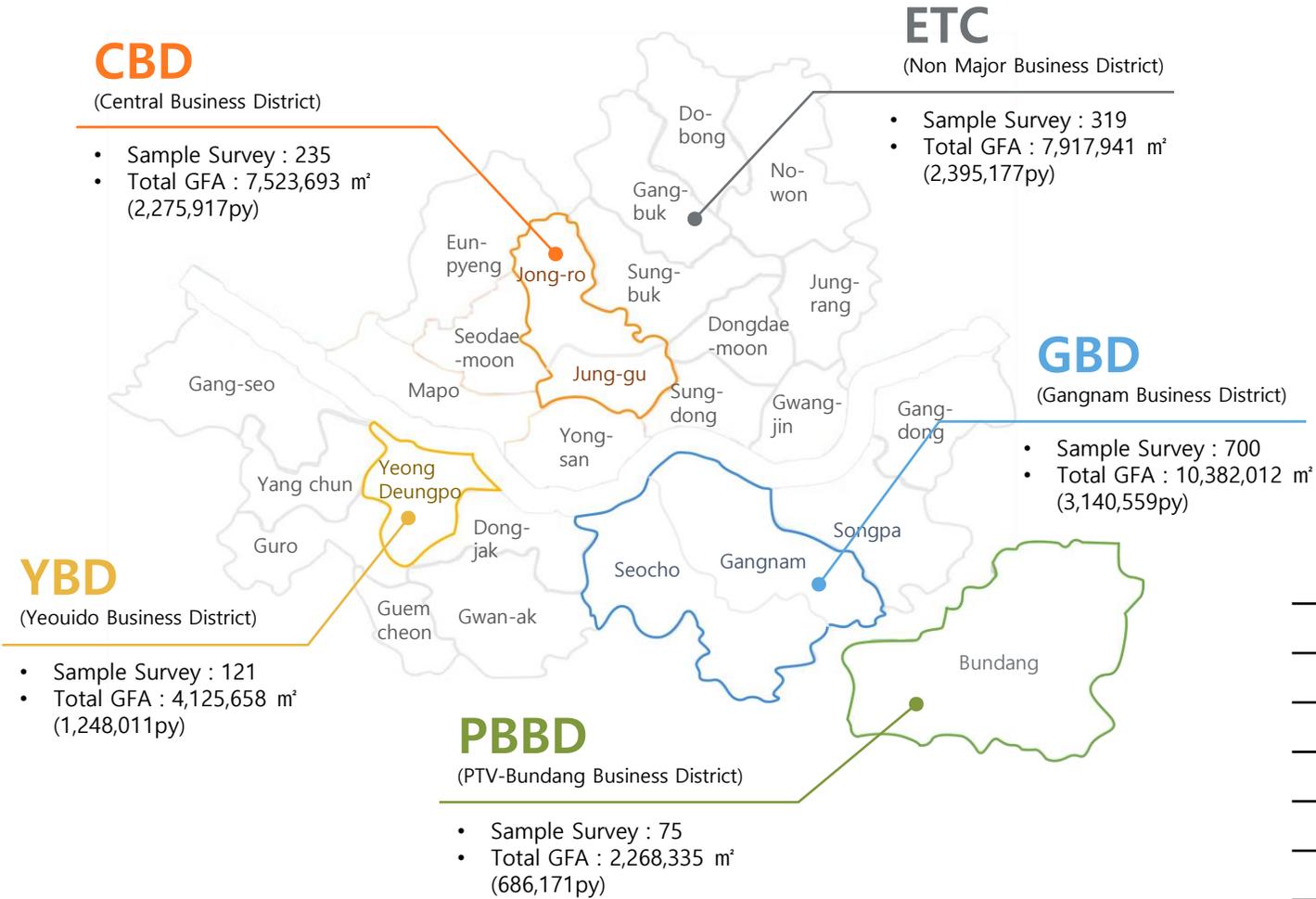
## 5 Regional Divisions in Seoul

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 <sup>2</sup> (15,000py)	23,140m <sup>2</sup> (7,000py)	13,223m <sup>2</sup> (4,000py)	Above 3,306m <sup>2</sup> (Above 1,000py)	Under 3,306m <sup>2</sup> (Under 1,000py)
Lease Area of Sample Floor	1,653m <sup>2</sup> (500py)	992m <sup>2</sup> (300py)	661m <sup>2</sup> (200py)	Above 496m <sup>2</sup> (Above 150py)	Under 496m <sup>2</sup> (Under 150py)

# Sample Size of Each District



Building Survey : Total 1,450

	P	S	A	B
<b>CBD</b>	45	68	34	88
<b>GBD</b>	30	81	98	491
<b>YBD</b>	20	25	32	44
<b>ETC</b>	45	62	55	157
<b>PBBD</b>	12	15	18	30

## • NOC (Net Occupancy Cost)

The monthly cost that 1m<sup>2</sup> 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

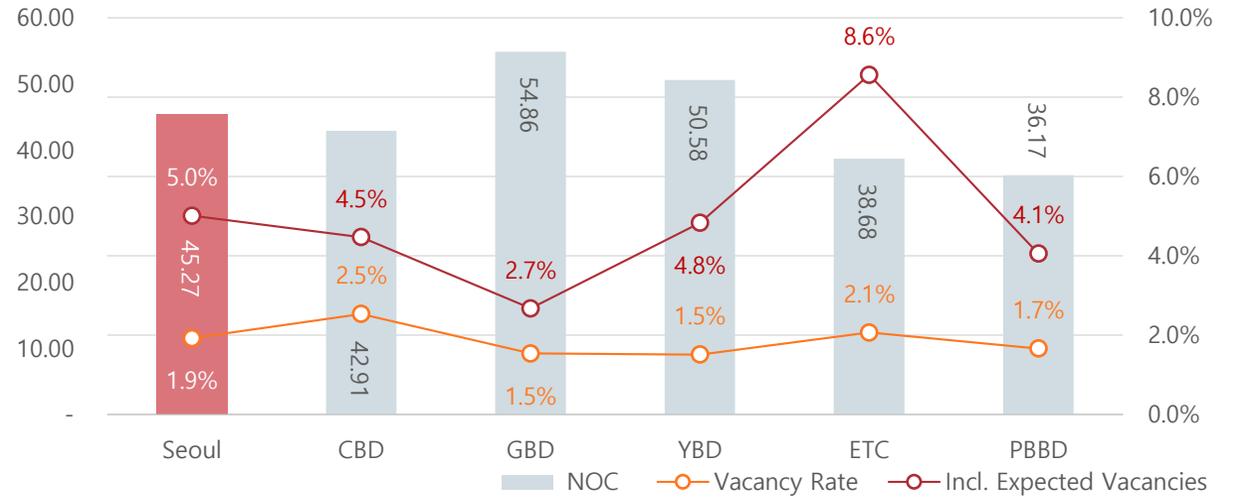
1.92 % ↓

Avg, NOC

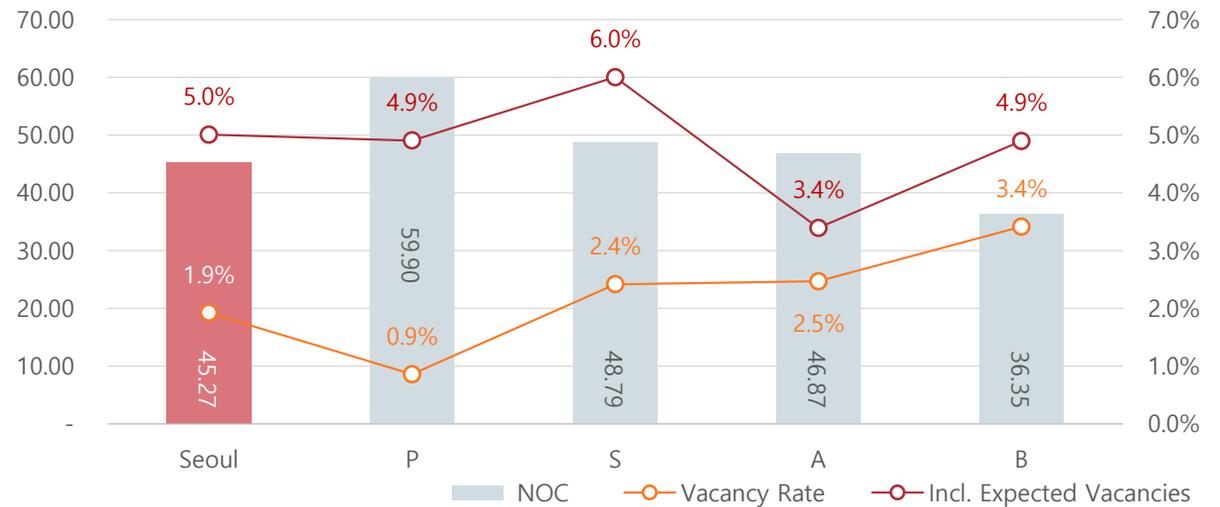
\$ 45.27 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
19.03	208.79	7.01

The average vacancy rate of the office buildings in Seoul is 1.92 % as of October 2022, and the average NOC is \$ 45.27.



■ Vacancy Rate & NOC in Seoul and Each District



■ Vacancy Rate & NOC in Seoul & Each Building Category



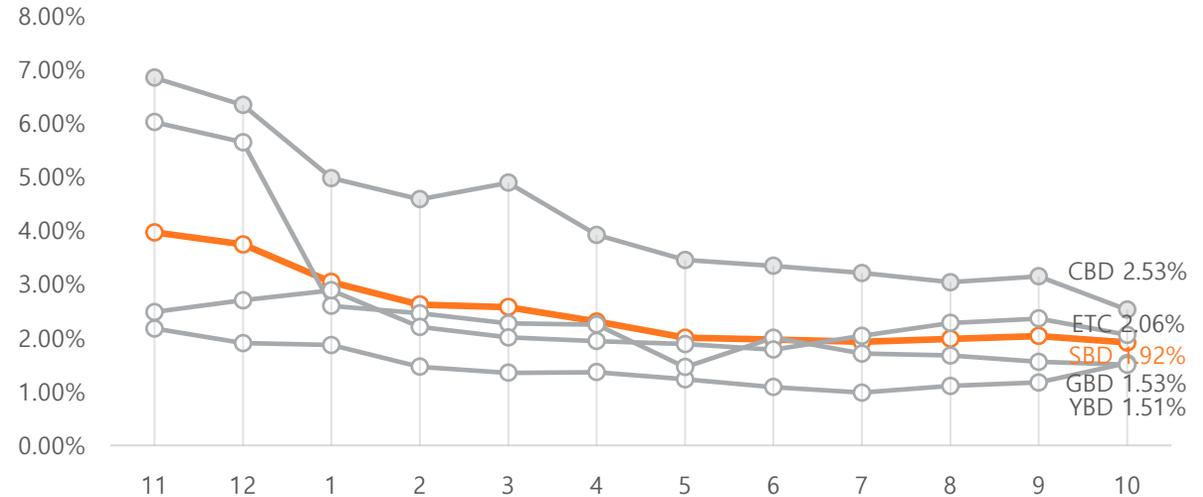
# SBD Seoul Capital Area

The following charts indicate the vacancy level of Seoul during October 2022.

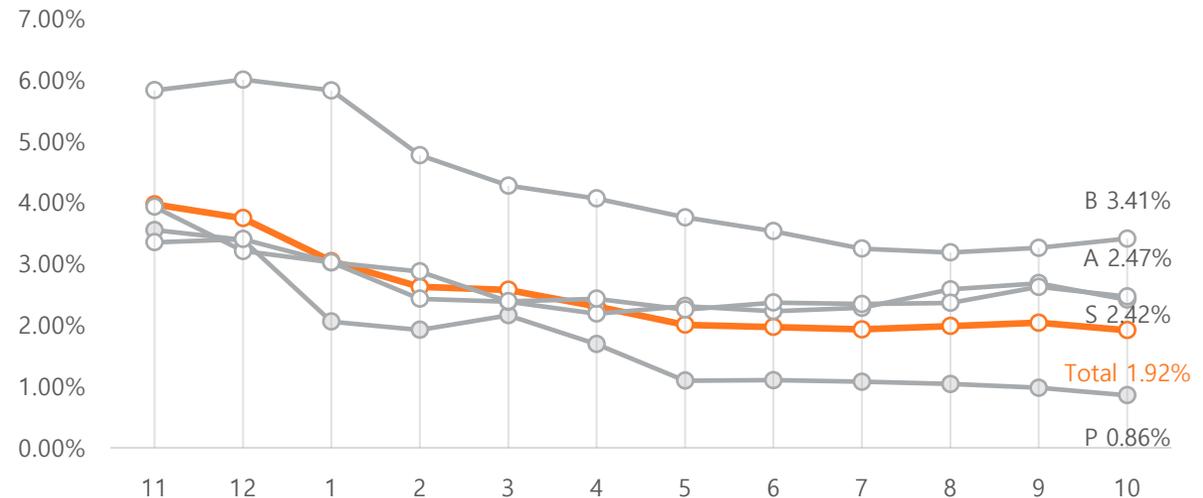
Concordian Tower in CBD filled the vacant units of 6,170m<sup>2</sup> by the new tenant, Binggrae. In addition, the office space of 2,090m<sup>2</sup> in D-Tower and of 5,370m<sup>2</sup> in Seoul Square Building will come on the lease market in CBD by December 2022 and August 2023, respectively. Out of this office space, Fursys Gwanghwamun Center is renting the 1 floor in D-Tower and KG Steel Corporation is renting the 1 floor in Seoul Square Building, at the moment. GN Building, the new-built in GBD achieved the occupancy rate of 100% to the available leasing area of 2,480m<sup>2</sup>, thanks to the quality tenant, the affiliate of SM Entertainment Ltd.

In YBD, the office space of 2,530m<sup>2</sup> in KC Tower, currently rented by Community Media Foundation, came on the lease market and another 1,690m<sup>2</sup> of the 2 floors in KC Tower, currently rented by Hyundai Capital and Hyundai Card, will come on the market by February 2023.

Additionally, the 5 floors equivalent with 3,090m<sup>2</sup> in S Tower, currently occupied by R Support Co., Ltd., will come on the lease market in January 2023.



Monthly Vacancy Rate in 5 Main Districts



Monthly Vacancy Rate for Different Size of Buildings



# CBD Central Seoul

Vacancy rate

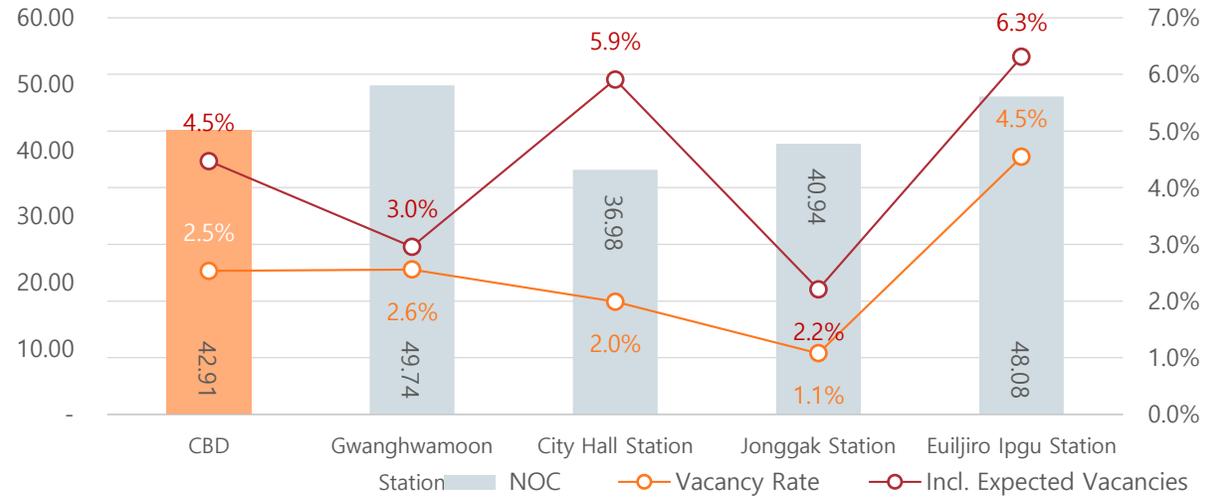
2.53 % ↓

Avg, NOC

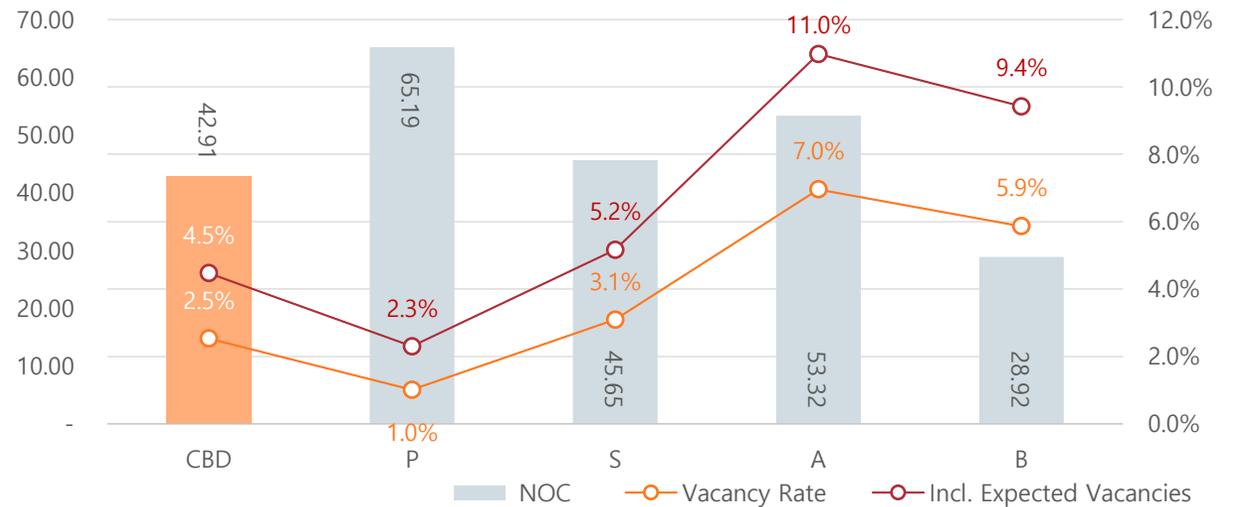
\$ 42.91 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
18.26	189.81	7.56

The average vacancy rate of the office buildings in CBD is 2.53 % as of October 2022, and the average NOC is \$ 42.91.



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



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



# GBD Gangnam

Vacancy rate

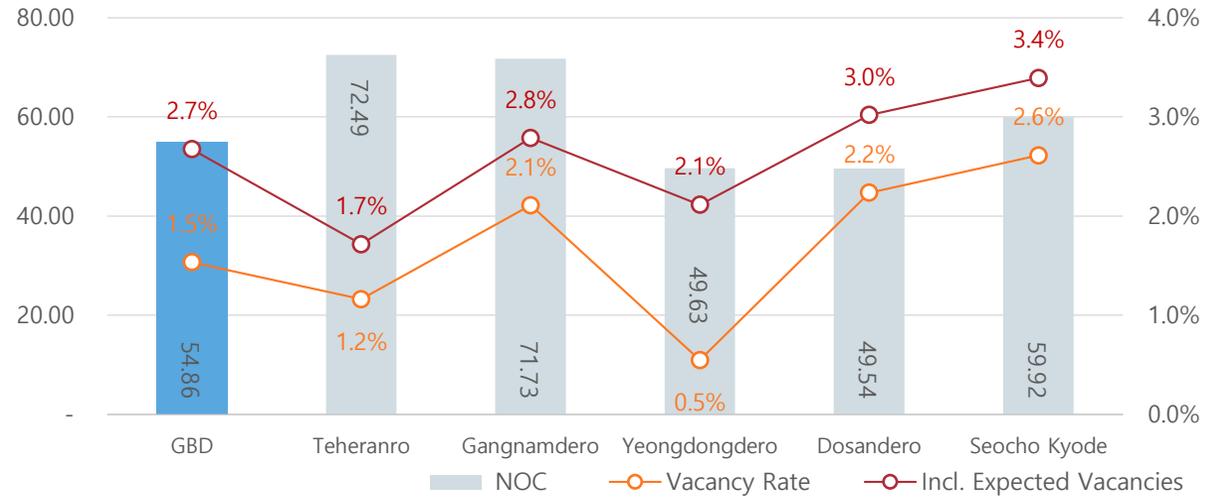
1.53 % ↑

Avg, NOC

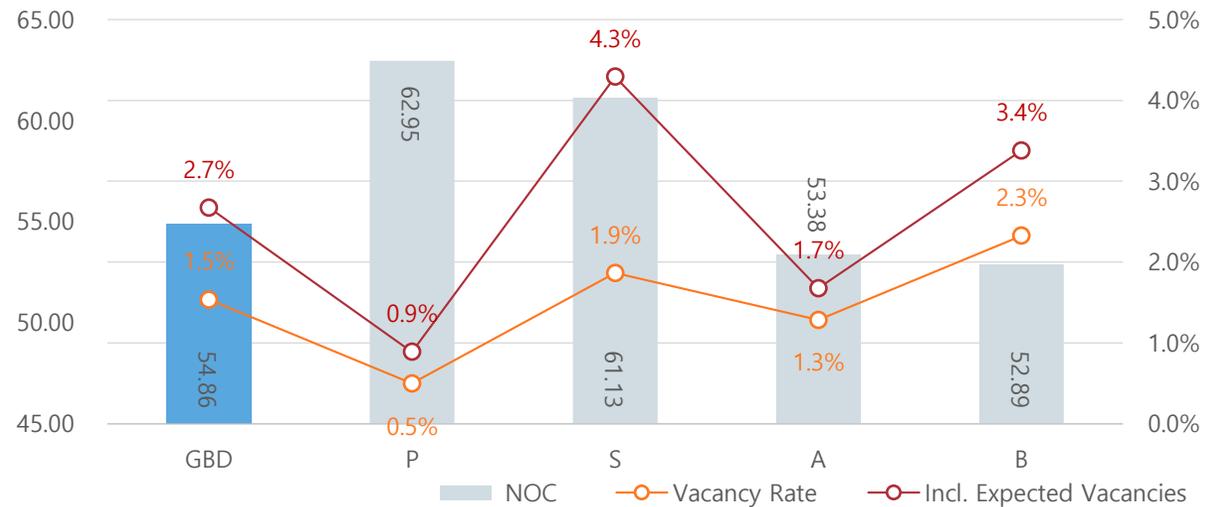
\$ 54.86 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
25.64	307.71	6.77

The average vacancy rate of the office buildings in GBD is 1.53 % as of October 2022, and the average NOC is \$ 54.86.



■ 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

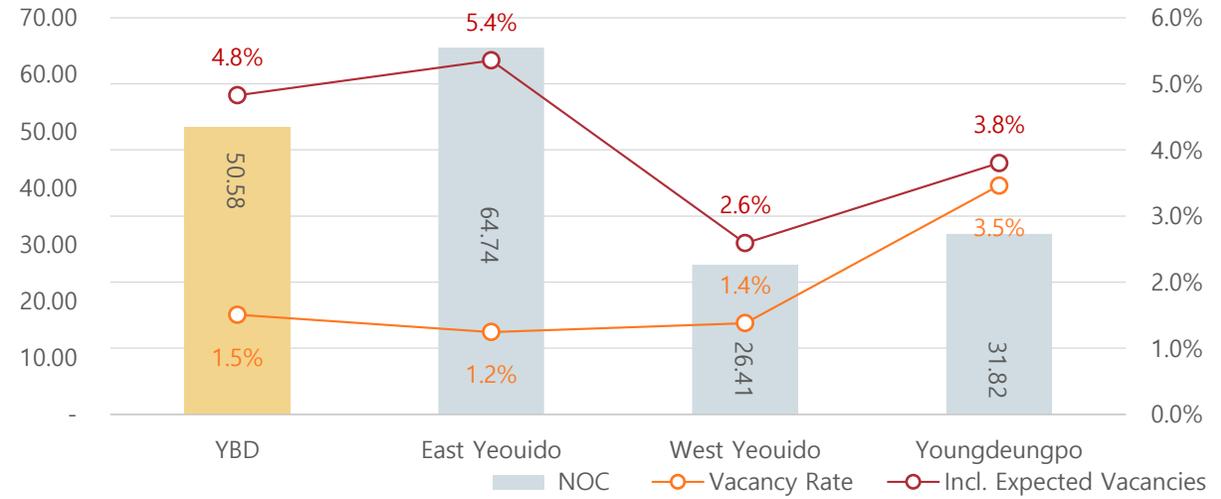
1.51 % ↓

Avg, NOC

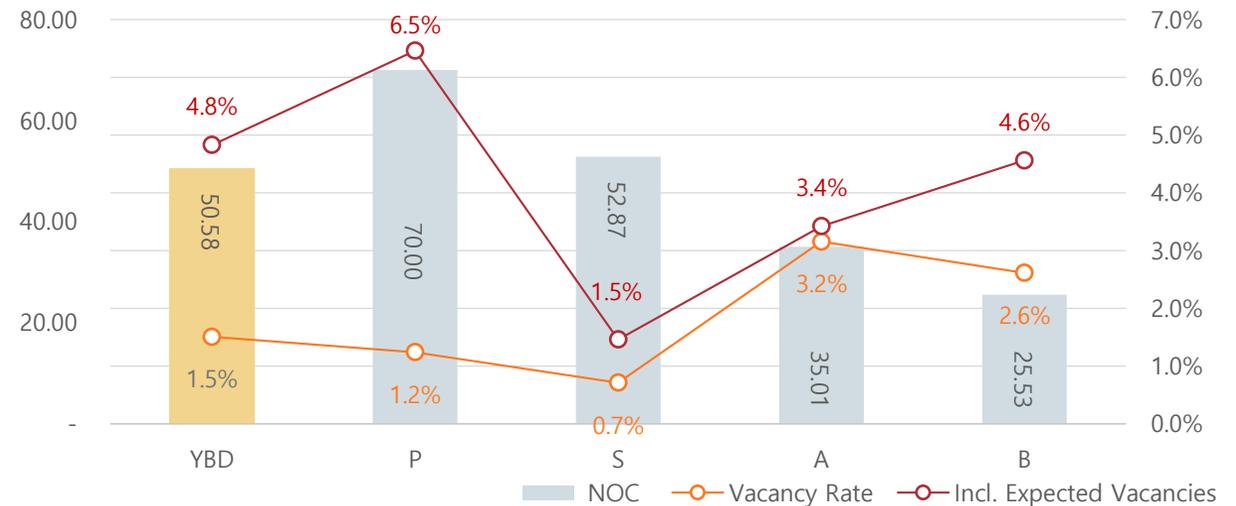
\$ 50.58 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
19.94	204.12	7.84

The average vacancy rate of the office buildings in YBD is 1.51 % as of October 2022, and the average NOC is \$ 50.58.



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



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

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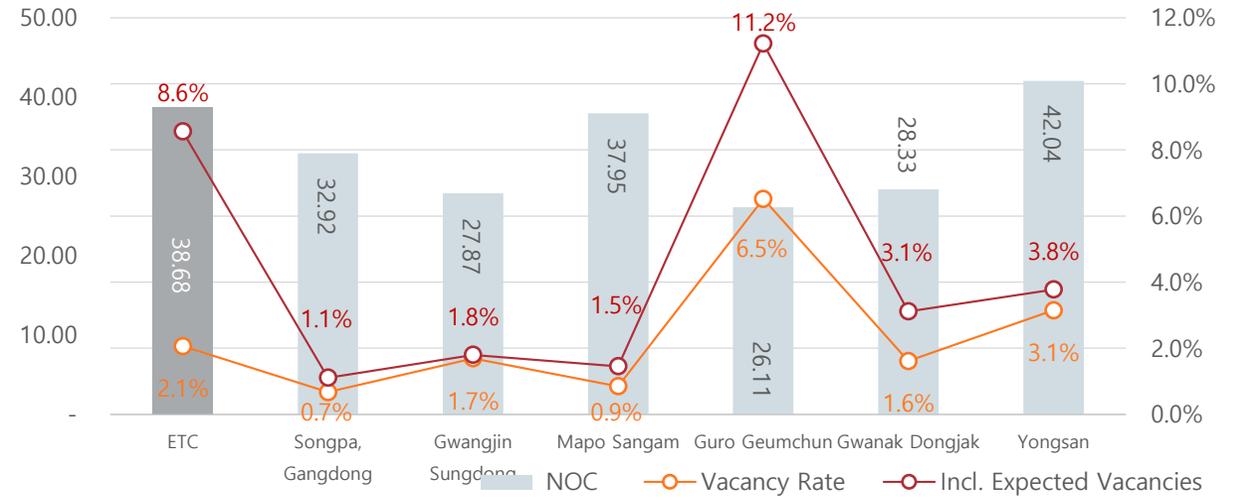
## ETC Other District in Seoul

Vacancy rate

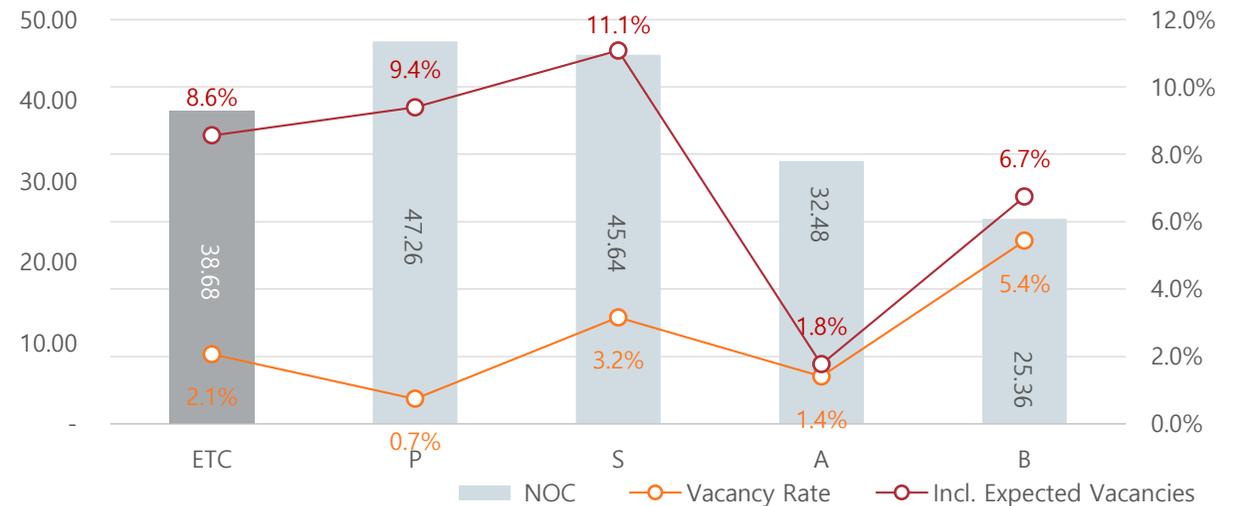
2.06 % ↓

Avg, NOC

\$ 38.68 ↑



■ 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
14.32	156.79	5.99

The average vacancy rate of the office buildings in ETC is 2.06 % as of October 2022, and the average NOC is \$ 38.68.

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## PBBD PANGYO & BUNDANG

Vacancy rate

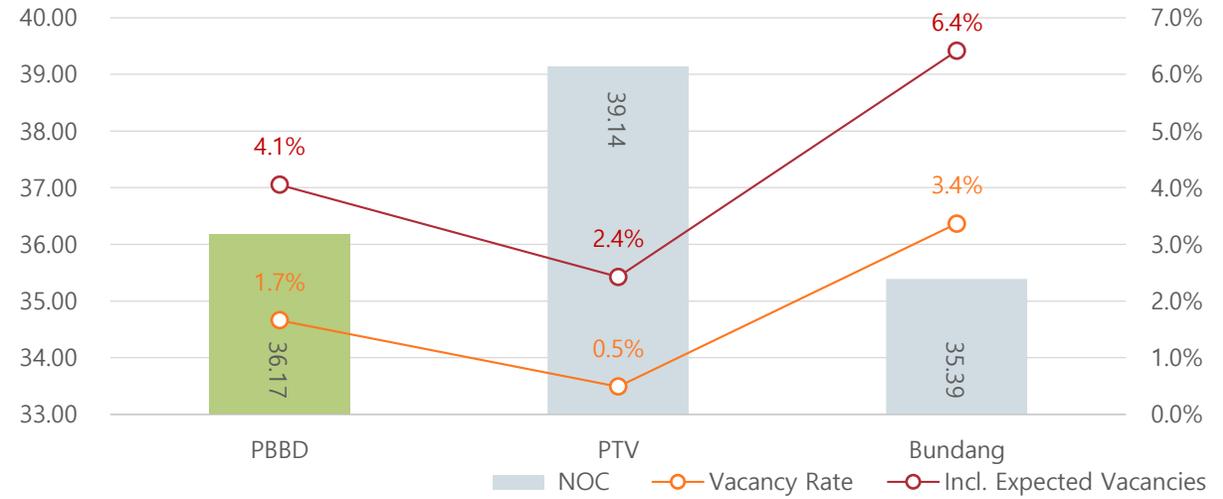
1.66 % ↑

Avg, NOC

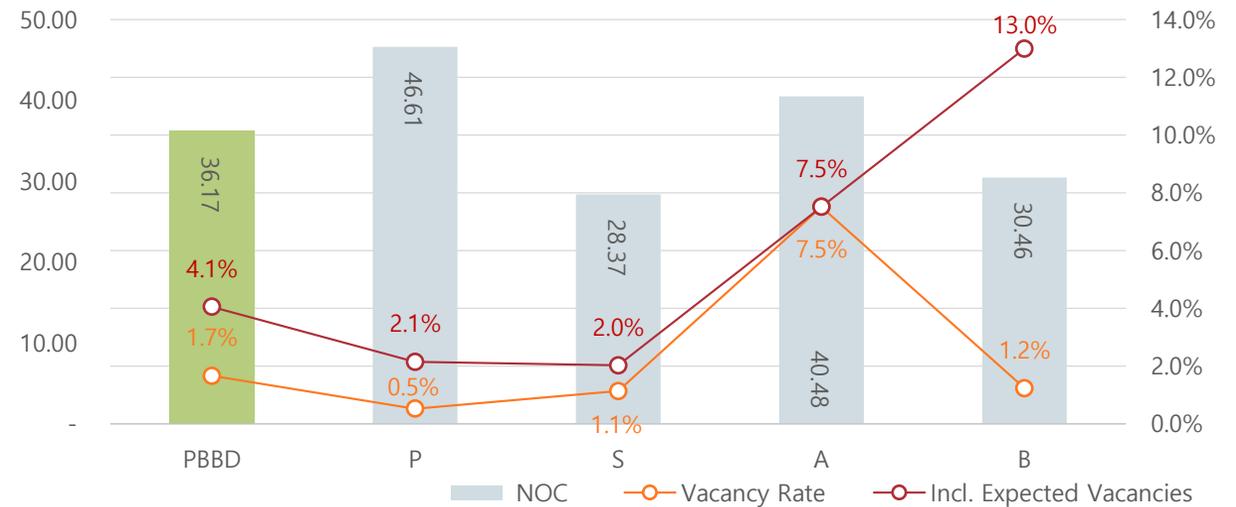
\$ 36.17 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
15.86	166.82	6.56

The average vacancy rate of the office buildings in PBBD is 1.66 % as of October 2022, and the average NOC is \$ 36.17.



■ 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
<b>CBD</b>	Gwanghwamoon Station	896,899	212.00	21.39	7.72	49.74	2.56%
	City Hall Station	965,306	158.06	15.98	7.21	36.98	1.99%
	Jonggak Station	983,434	168.98	17.03	7.51	40.94	1.08%
	Euljiro Ipgu Station	880,622	195.48	20.38	8.02	48.08	4.54%
<b>GBD</b>	Teheranro	3,309,930	392.35	35.06	8.45	72.49	1.16%
	Gangnamdero	1,659,505	459.68	38.17	6.92	71.73	2.11%
	Yeongdongdero	641,390	195.67	16.81	6.91	49.63	0.55%
	Dosandero	371,401	365.72	26.54	6.91	49.54	2.23%
	Seocho Gyodae	523,831	299.03	26.41	6.98	59.92	2.61%
<b>YBD</b>	East Yeouido	3,112,511	255.29	25.61	9.42	64.74	1.24%
	West Yeouido	559,888	104.24	10.05	5.22	26.41	1.38%
	Youngdeungpo	453,258	154.92	12.72	5.33	31.82	3.46%
<b>ETC</b>	Songpa, Gangdong	1,860,028	185.22	12.97	5.10	32.92	0.67%
	Gwangjin Sungdong	543,091	150.90	11.52	4.30	27.87	1.70%
	Mapo Sangam	2,103,453	153.85	15.05	6.84	37.95	0.85%
	Guro Geumchun	888,467	113.84	10.69	3.77	26.11	6.52%
	Gwanak Dongjak	531,431	155.32	10.70	4.15	28.33	1.61%
	Yongsan	749,362	166.16	15.99	7.29	42.04	3.15%
<b>PBBD</b>	PTV	1,343,979	155.11	15.83	5.94	39.14	0.49%
	Bundang	924,356	169.89	15.86	6.71	35.39	3.36%



Land Use  
Information  
by District

District	Building Name	Address	Land Use	GFA (m <sup>2</sup> )	Completion
CBD	LeMERIDIEN moxy	Chungmuro 1-ga Jung-gu	Hospitality	40,976	26-Sep
	Jisung Building	Myeong-dong 2-ga Jung-gu	#1 Commercial	1,849	27-Sep
	Myeong-dong Admin Cultural Center	Chungmuro 1-ga Jung-gu	Cultural & Social	1,630	26-Sep
GBD	AMC Tower	Yeoksam-dong Gangnam-gu	Office	8,916	08-Sep
	Cretanine	Nonhyeon-dong Gangnam-gu	Office	3,609	15-Sep
	Pro Building	Jamwon-dong Seocho-gu	#2 Commercial	1,684	28-Sep
	SOL Building	Daechi-dong Gangnam-gu	#2 Commercial	1,338	07-Sep
YBD	Into Tower	Yangpyeong-dong 4-ga Yeongdeungpo-gu	#2 Commercial	1,555	13-Sep
	M Tower	Yangpyeong-dong 5-ga Yeongdeungpo-gu	#1 Commercial	1,451	07-Sep
ETC	Withus Building	Seokchon-dong Songpa-gu	#2 Commercial	2,218	29-Sep
	LG Best Shop	Gocheok-dong Guro-gu	Sales	2,143	16-Sep
	Sammi Building	Beon-dong Gangbuk-gu	#1 Commercial	2,028	05-Sep
	Central Medi	Sillim-dong Gwanak-gu	#1 Commercial	1,752	21-Sep
	Sangyoung Building	Jangan-dong Dongdaemun-gu	#2 Commercial	1,627	19-Sep
	Studio Samik	Sangsu-dong Mapo-gu	Office	1,246	06-Sep



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