

SEOUL OFFICE LEASING

October 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 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, September 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 = 1,436.00 KRW (0.70 USD = 1,000 KRW) as of 17th October 2022

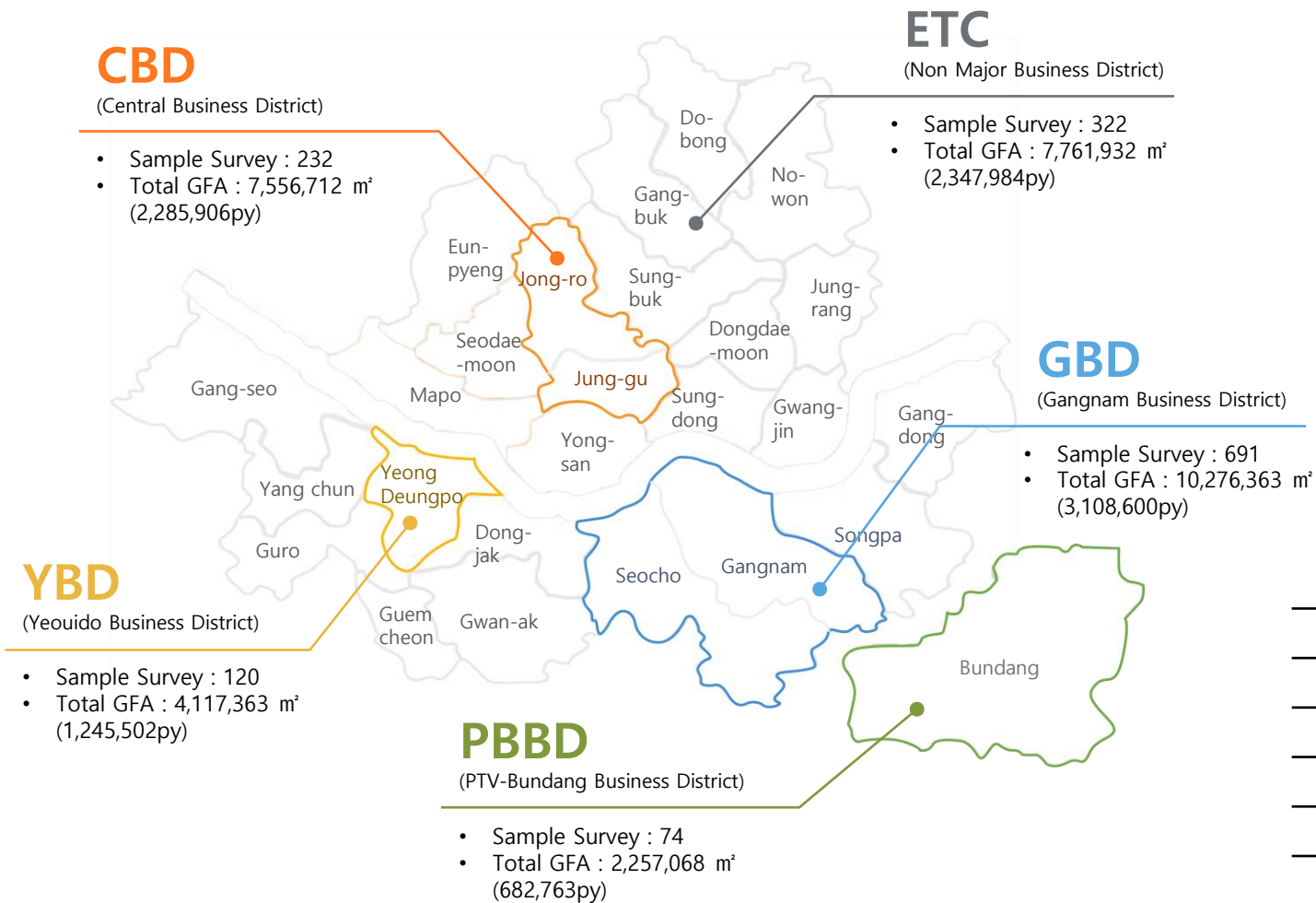
5 Regional Divisions in Seoul

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 Sunghnam-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 1,439

	P	S	A	B
CBD	46	70	32	84
GBD	30	81	99	481
YBD	20	25	32	43
ETC	43	62	56	161
PBBD	12	14	18	30

• 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.

01 SBD Seoul Capital Area

Vacancy rate

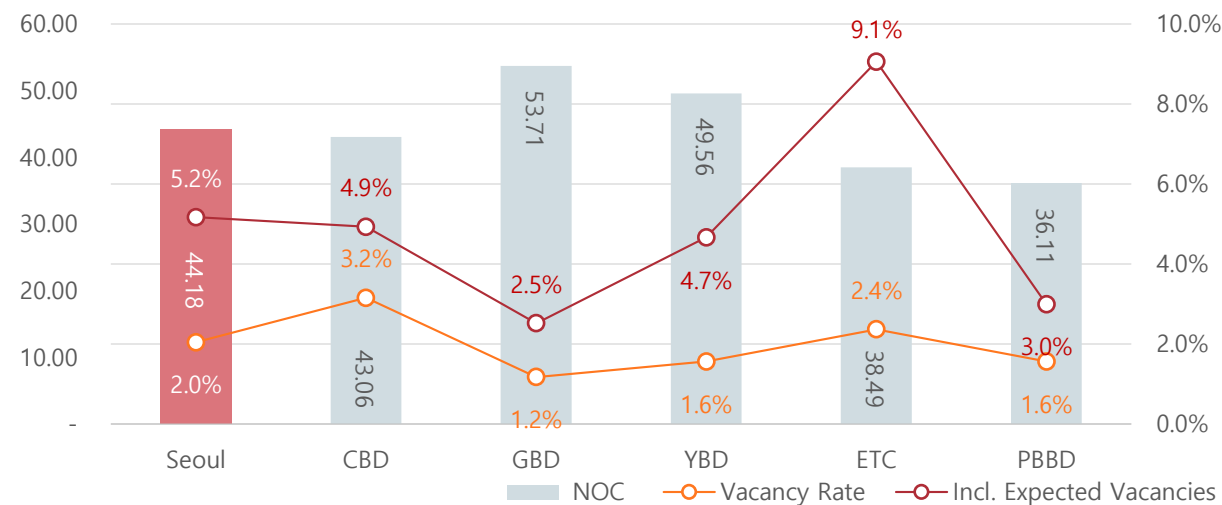
2.04 % ↑

Avg, NOC

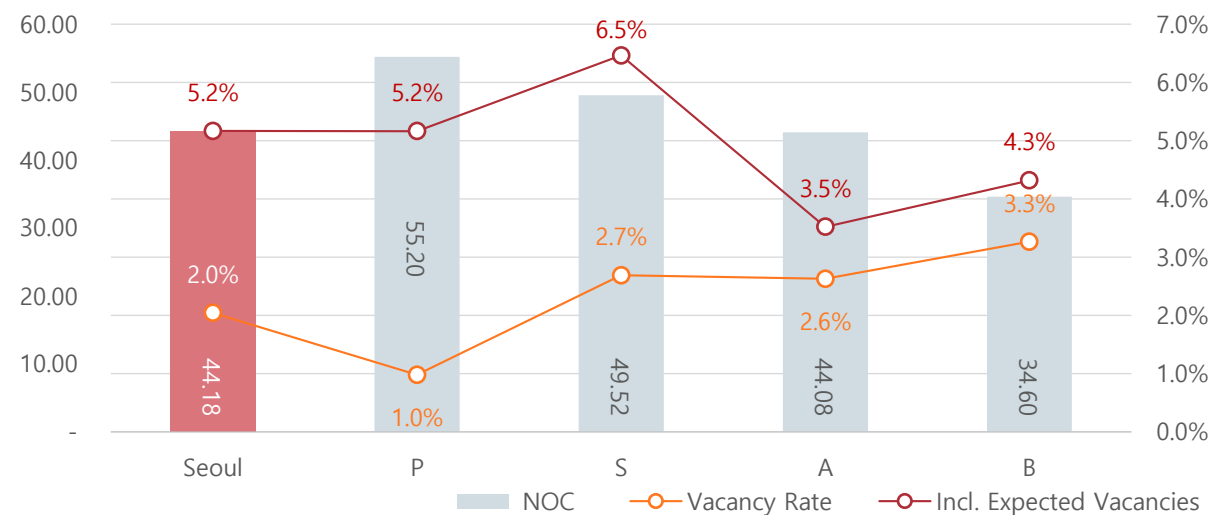
\$ 44.18 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
18.27	202.33	6.69

The average vacancy rate of the office buildings in Seoul is 2.04 % as of September 2022, and the average NOC is \$ 44.18.



■ Vacancy Rate & NOC in Seoul and Each District



■ Vacancy Rate & NOC in Seoul & Each Building Category

01 SBD Seoul Capital Area

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

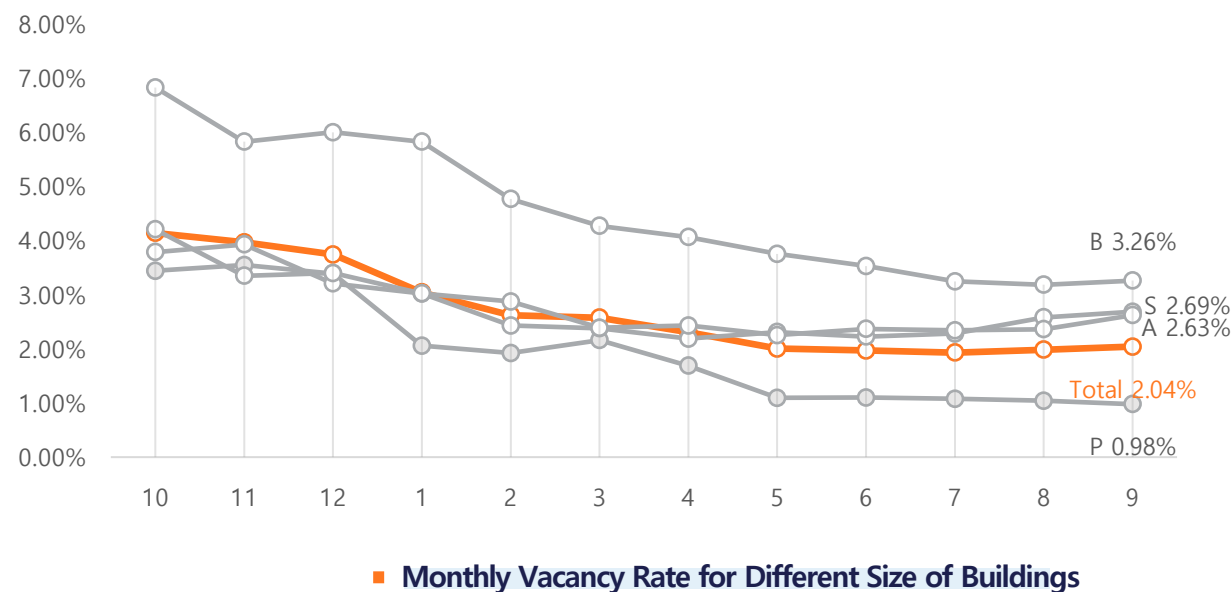
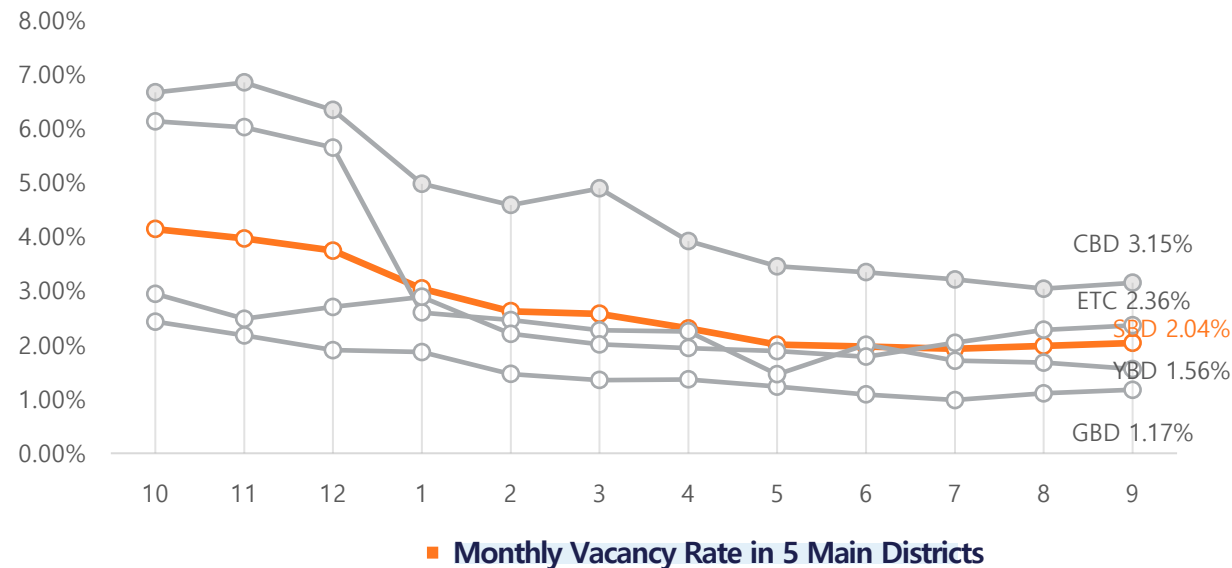
In CBD, East Center of Center 1 building filled its 3 vacant floors of 5,920m² thanks to the new quality tenant, SK Hynix. And 4 floors of 3,840m² in DB Da-dong Building is coming on the lease market in Seoul in Jan 2023, which are currently leased to Korea National Institute for Bioethics Policy (KoNIBP) with the 3 floors and to Fidelity Asset Management with the 1 floor.

In addition, the remodeling work of SK Networks building was completed and its leasing area of 10,590m² already came on the market.

In GBD, the office units of 8,940m² in Shinyoung Building currently rented by Volkswagen Korea will come on the market in June 2023.

In addition, the 11 floors of 3,630m² in Daegyeong Tower and another 2 floors of 3,320m² in Dongil Tower will come on the market in December 2022, which are currently leased to Sure Soft Tech and ACN head office, respectively.

On the other hand, KDB Life Insurance Building in Yongsan-gu filled its vacant units of 5,140m² with new tenants; Artworks Korea as one of the new tenants signed the lease contract for the one entire floor in the building.



02 CBD Central Seoul

Vacancy rate

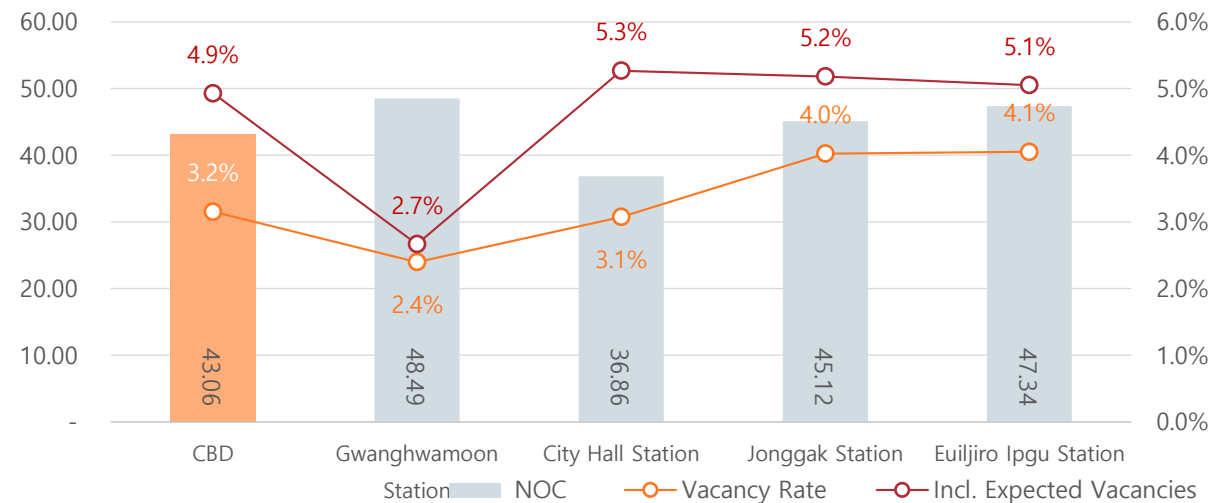
3.15 % ↑

Avg, NOC

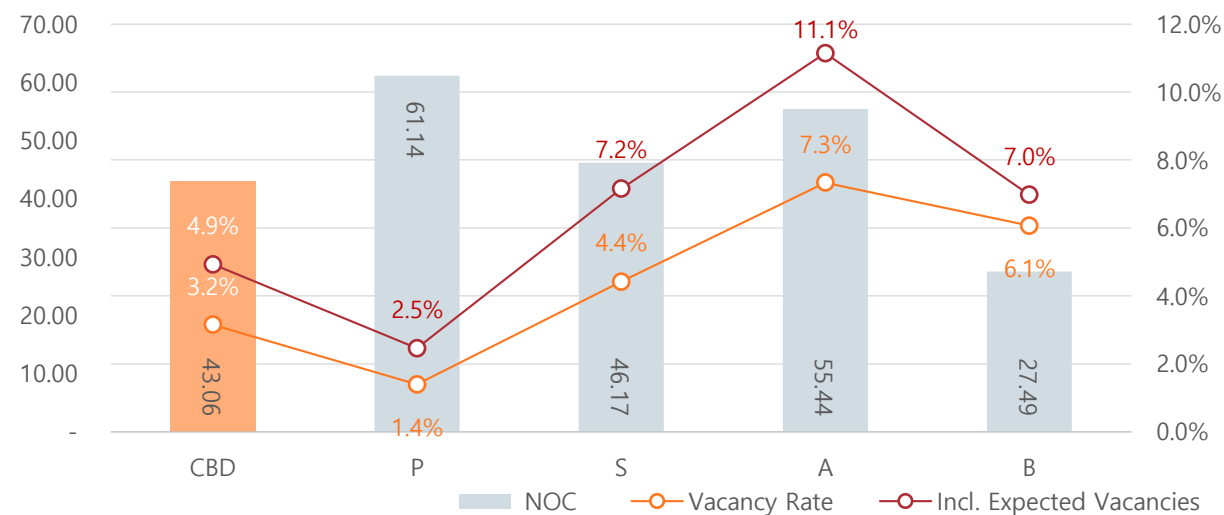
\$ 43.06 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
18.26	199.74	7.78

The average vacancy rate of the office buildings in CBD is 3.15 % as of September 2022, and the average NOC is \$ 43.06.



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



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



GBD Gangnam

Vacancy rate

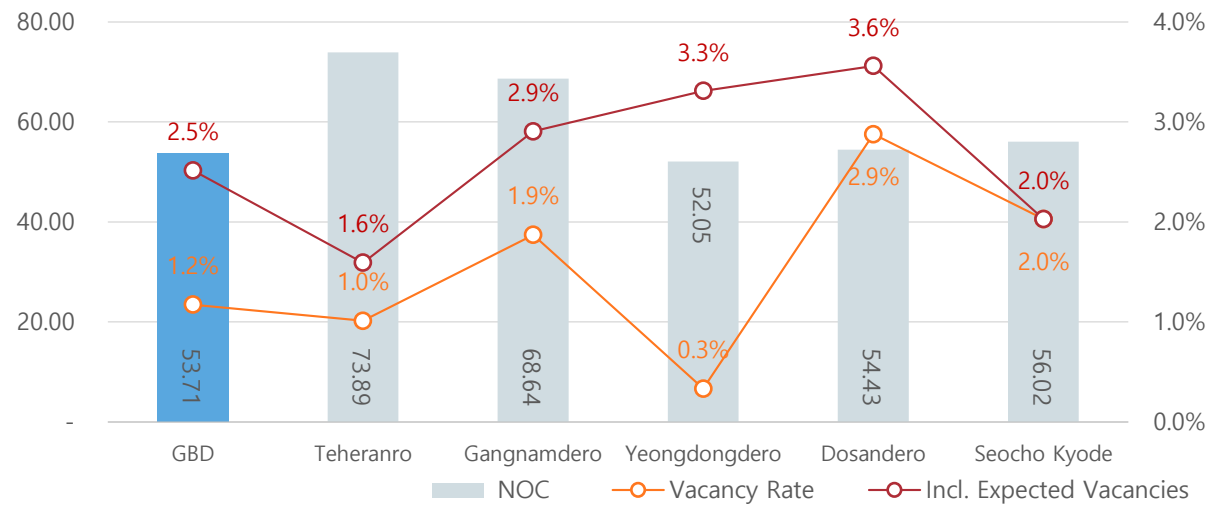
1.17 % ↑

Avg, NOC

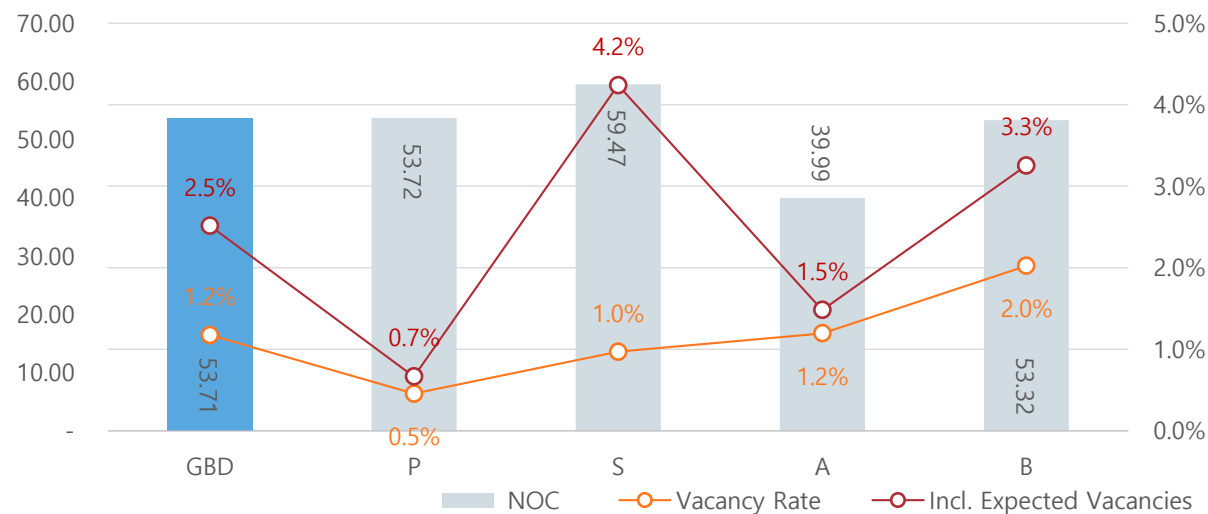
\$ 53.71 ↑

Avg. Rent	Avg. Deposit	Avg. Management. Fee
25.23	300.15	6.37

The average vacancy rate of the office buildings in GBD is 1.17 % as of September 2022, and the average NOC is \$ 53.71.



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



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



YBD Yeouido & Yeongdeungpo

Vacancy rate

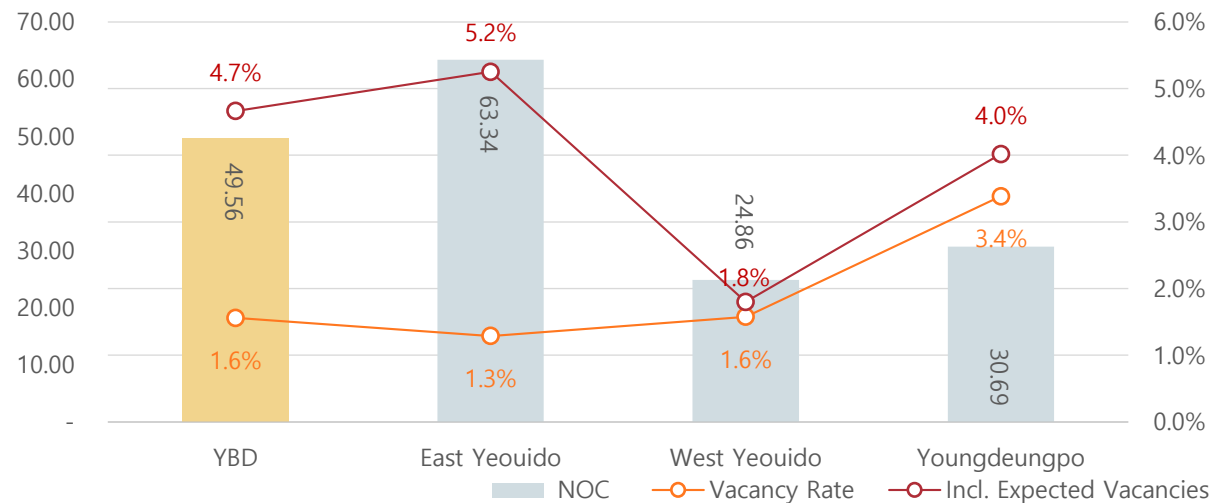
1.56 % ↓

Avg, NOC

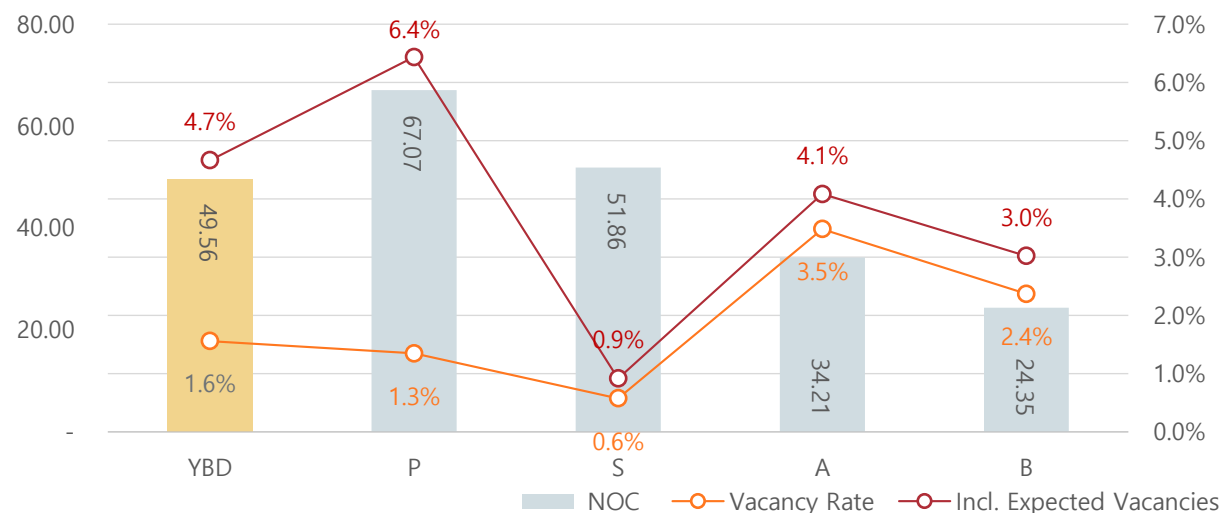
\$ 49.56 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
19.81	203.02	7.80

The average vacancy rate of the office buildings in YBD is 1.56 % as of September 2022, and the average NOC is \$ 49.56.



■ 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

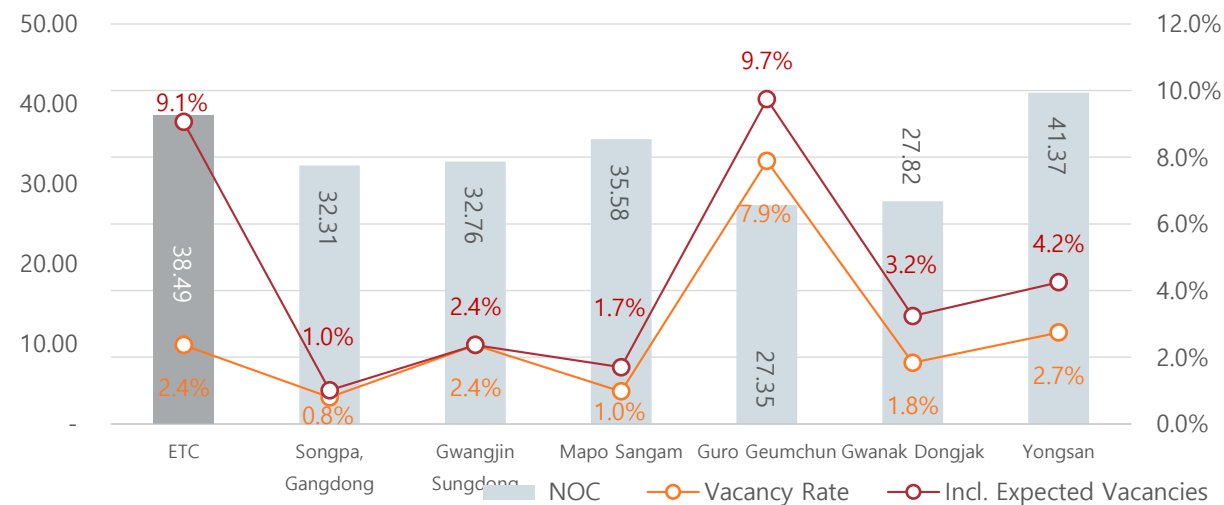
2.36 % ↑

Avg, NOC

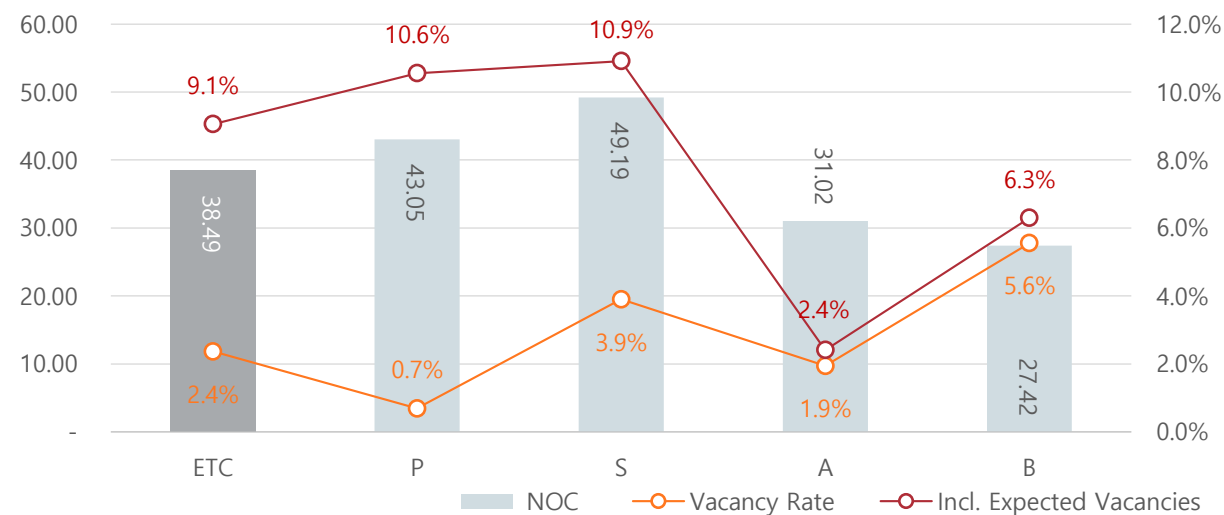
\$ 38.49 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
13.90	150.84	5.10

The average vacancy rate of the office buildings in ETC is 2.36 % as of September 2022, and the average NOC is \$ 38.49.



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



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

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PBBD PANGYO & BUNDANG

Vacancy rate

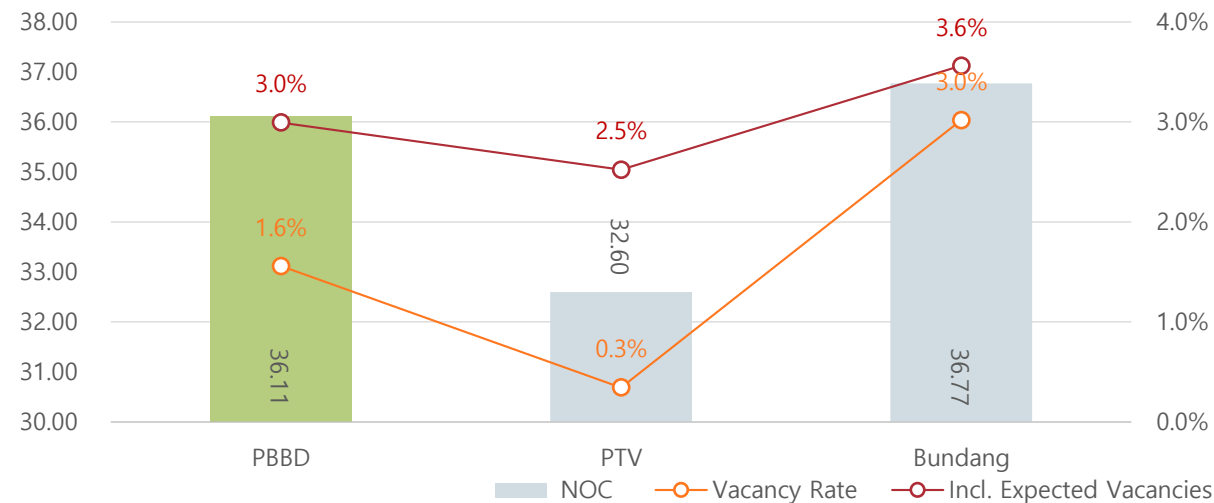
1.56 % ↑

Avg, NOC

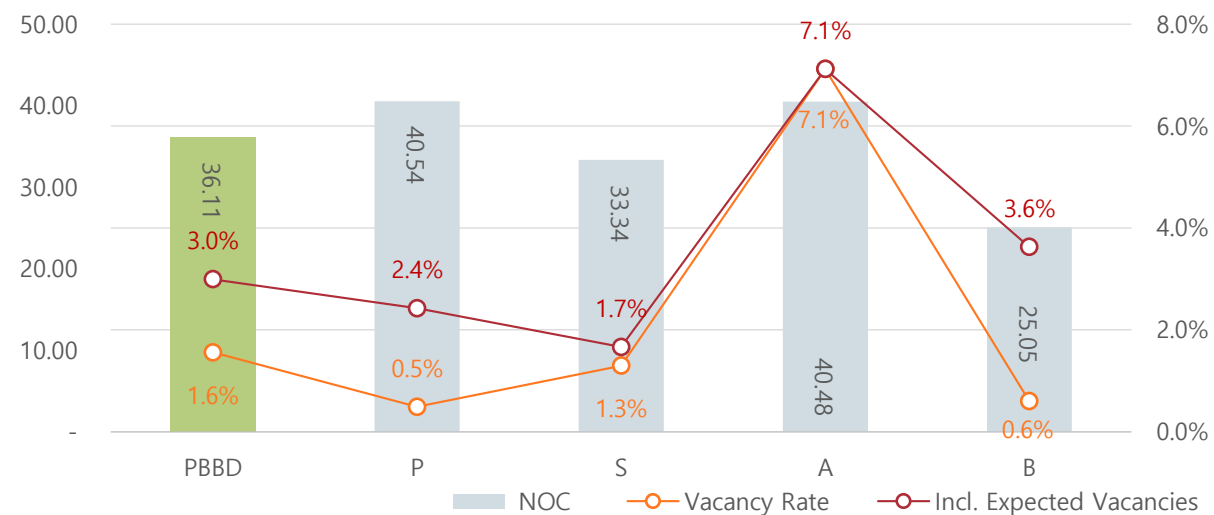
\$ 36.11 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
12.54	135.69	5.41

The average vacancy rate of the office buildings in PBBD is 1.56 % as of September 2022, and the average NOC is \$ 36.11.



■ 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	951,571	201.84	20.80	7.55	48.49	2.40%
	City Hall Station	952,872	154.85	15.78	7.29	36.86	3.07%
	Jonggak Station	972,618	179.63	18.41	7.97	45.12	4.03%
	Euiljiro Ipgu Station	842,354	265.73	21.54	8.68	47.34	4.05%
GBD	Teheranro	3,310,095	430.87	38.21	6.84	73.89	1.01%
	Gangnamdero	1,641,668	448.69	35.95	6.61	68.64	1.87%
	Yeongdongdero	646,094	177.76	17.78	7.26	52.05	0.33%
	Dosandero	361,451	430.41	33.25	6.41	54.43	2.88%
	Seocho Gyodae	460,312	277.64	22.69	6.35	56.02	2.03%
YBD	East Yeouido	3,101,626	249.37	25.21	9.26	63.34	1.29%
	West Yeouido	562,479	107.24	10.17	4.91	24.86	1.58%
	Youngdeungpo	453,258	155.67	12.36	5.26	30.69	3.38%
ETC	Songpa, Gangdong	1,872,665	197.32	12.31	4.71	32.31	0.80%
	Gwangjin Sungdong	549,120	192.37	16.24	4.03	32.76	2.37%
	Mapo Sangam	2,119,636	137.67	13.52	6.54	35.58	0.98%
	Guro Geumchun	893,973	115.60	11.09	2.30	27.35	7.89%
	Gwanak Dongjak	536,018	139.95	10.27	4.42	27.82	1.83%
	Yongsan	667,802	164.03	15.70	7.28	41.37	2.74%
PBBD	PTV	1,231,725	114.49	13.03	5.56	32.60	0.34%
	Bundang	1,025,342	139.67	12.45	5.38	36.77	3.02%



Land Use Information by District

District	Building Name	Address	Land Use	GFA (m')	Completion
CBD	JS Building	Gwancheol-dong Jongno-gu	#2 Commercial	1,470	17-Aug
	BL Tower	Daechi-dong Gangnam-gu	Office	3,850	24-Aug
GBD	Smatch Seocho Office Building	Seocho-dong Seocho-gu	Office	2,244	08-Aug
	Hye Woo Shinsa Building	Jamwon-dong Seocho-gu	#1 Commercial	1,435	08-Aug
	Yeoksamdong Geunseng	Yeoksam-dong Gangnam-gu	#1 Commercial	1,381	22-Aug
ETC	The Stairs	Sinsa-dong Gangnam-gu	#2 Commercial	3,855	25-Aug
	Hana Building	Sanggye-dong Nowon-gu	#1 Commercial	2,431	10-Aug
	Yeo San Building	Bangi-dong Songpa-gu	Office	1,849	04-Aug
	Art Plex	Hapjeong-dong Mapo-gu	Cultural & Social	1,802	17-Aug
	Cheong Mok Building	Sinjeong-dong Yangcheon-gu	#1 Commercial	1,796	23-Aug
	The Forest Building	Yeonhui-dong Seodaemun-gu	#2 Commercial	1,595	23-Aug
	Seogyodong Geunseng	Seogyo-dong Mapo-gu	#2 Commercial	1,140	30-Aug
	JH Building	Samseon-dong 3-ga Seongbuk-gu	#1 Commercial	1,137	08-Aug
PBBD	Chevrolet Bundang Service Center	Bundang-gu Seongnam-si	Automobile-related	5,704	18-Aug



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