

# SEOUL OFFICE LEASING

July 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, June 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 = 1,308.70 KRW (0.76 USD = 1,000 KRW) as of 25th July 2022

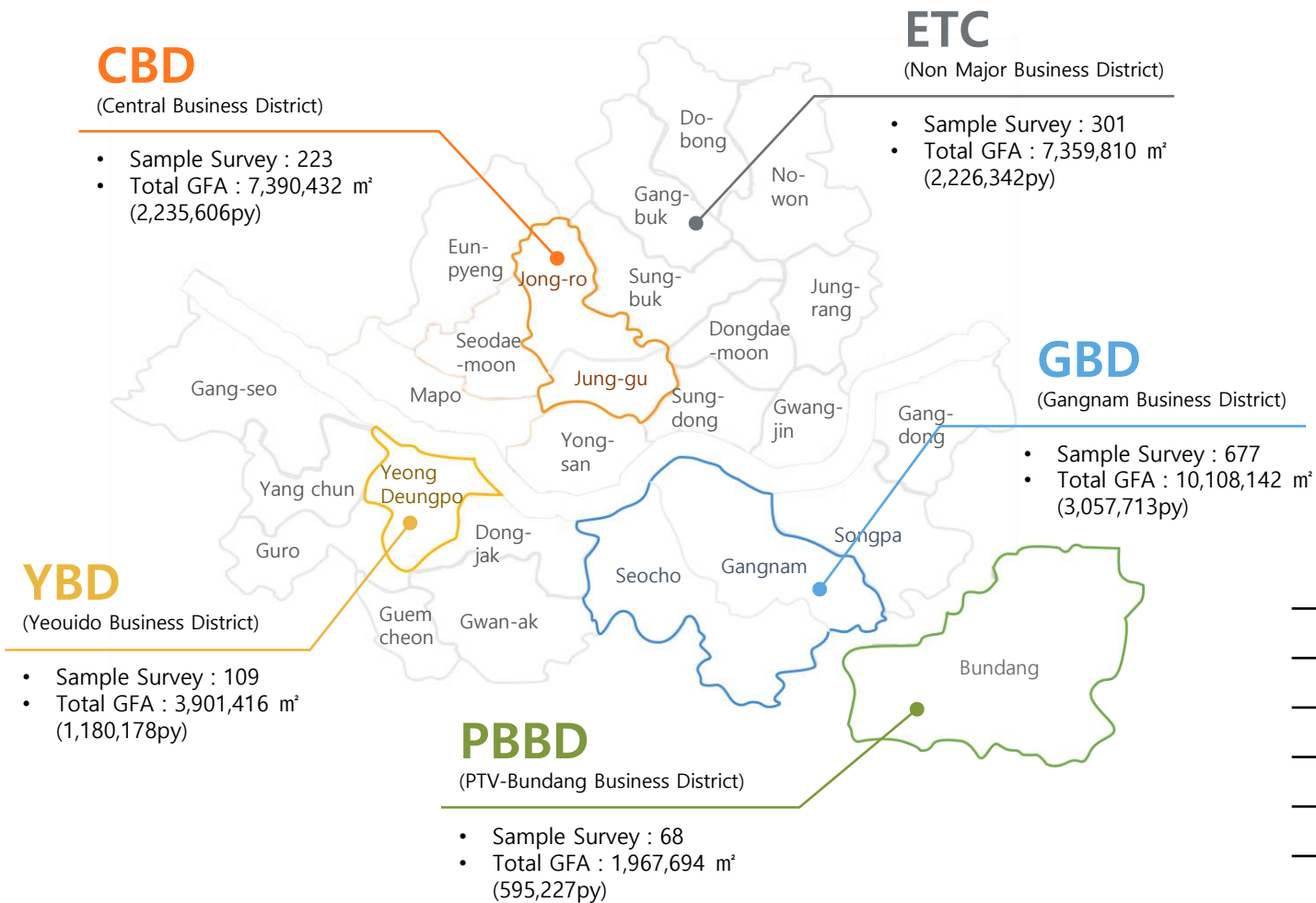
## 5 Regional Divisions in Seoul

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 <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 1,367

	P	S	A	B
<b>CBD</b>	45	66	34	78
<b>GBD</b>	30	82	97	458
<b>YBD</b>	18	24	29	38
<b>ETC</b>	43	56	51	150
<b>PBBD</b>	9	15	17	27

### • 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.

# 01

## SBD Seoul Capital Area

Vacancy rate

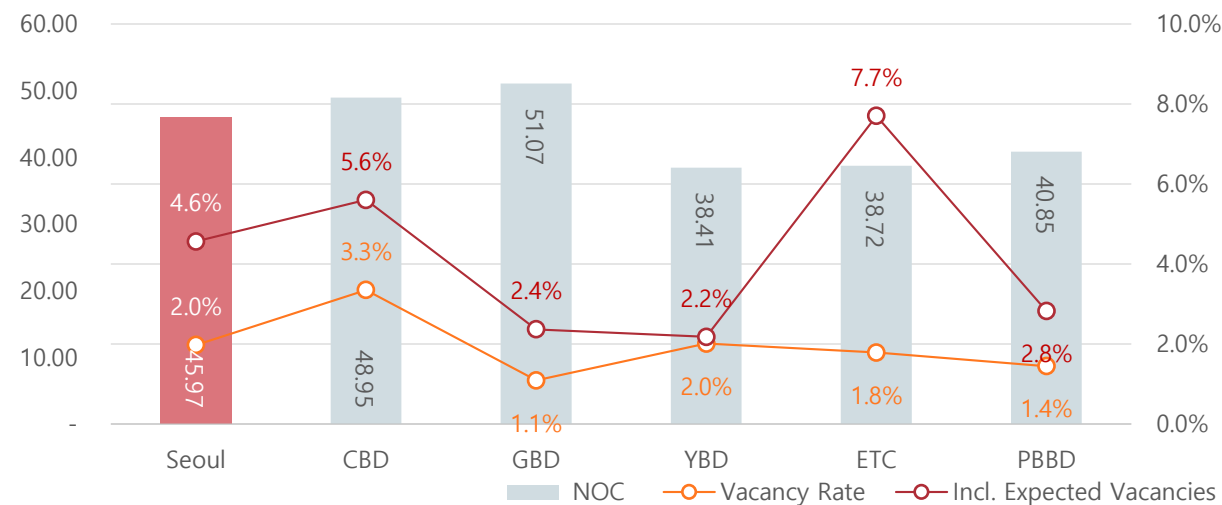
1.97 % ↓

Avg, NOC

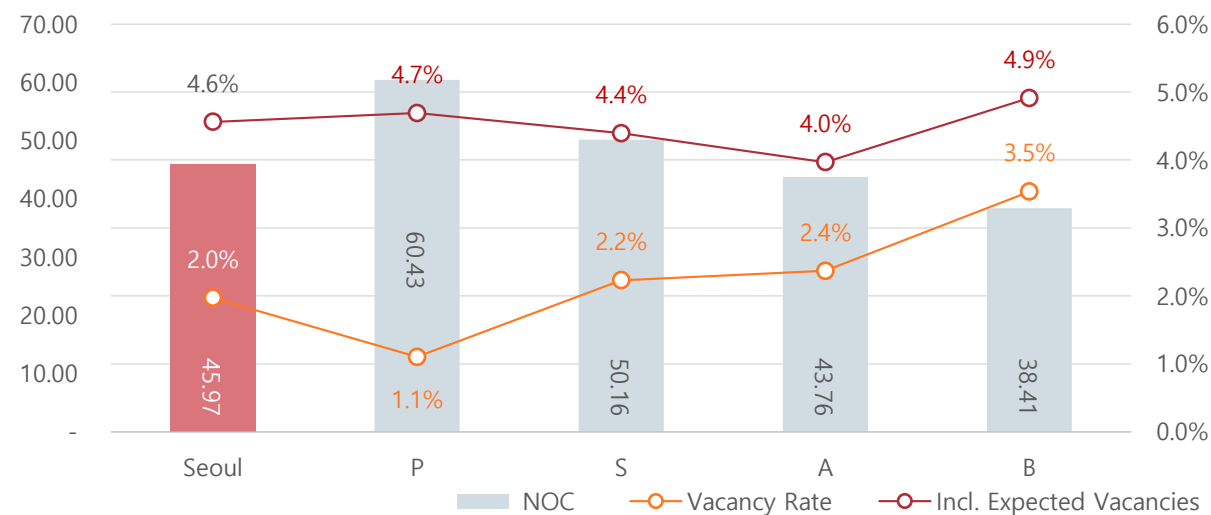
\$ 45.97 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
19.18	206.43	7.11

The average vacancy rate of the office buildings in Seoul is 1.97 % as of June 2022, and the average NOC is \$ 45.97.



■ Vacancy Rate & NOC in Seoul and Each District



■ Vacancy Rate & NOC in Seoul & Each Building Category



# 01 SBD Seoul Capital Area

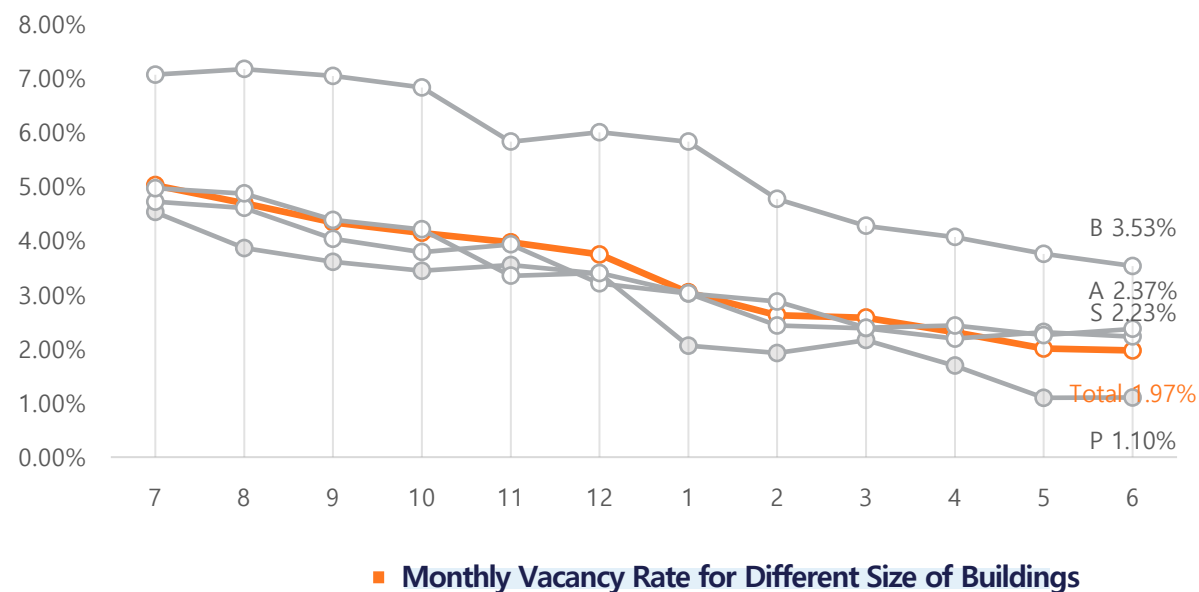
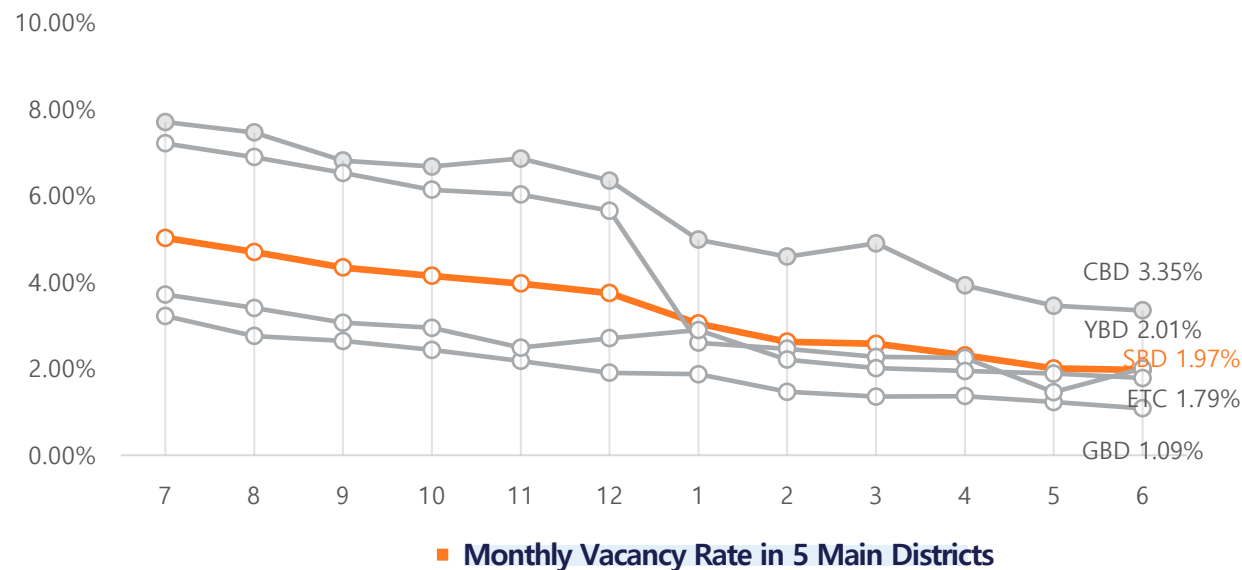
The following charts indicates the vacancy level of Seoul for June 2022.

Korean Press Center building in CBD filled the vacant second floor of 4,050m<sup>2</sup> with the governmental office and on contrary, ENA Center building produced the additional vacancies of 3,660m<sup>2</sup> which includes the two floors previously rented by Samsung Card Corp.

The vacant office units of 5,250m<sup>2</sup> in Keungil Tower in GBD came on the local lease market, which includes the one floor currently occupied by Korea City Gas Association and another floor currently occupied by Factorial Games Corporation. Similarly in Samwon Tower, the additional office units of 3,770m<sup>2</sup> came on the lease market, which includes the two floors currently occupied by Korean Bar Association and KBA Legal Aid Foundation.

Gangnam Finance Plaza signed the lease contract with an IT Startup company to rent the four floors in the plaza, including three floors currently occupied by Fastfive Corp. Line Building also signed the contract with Posicube Ltd. Co. and Mega Zone to rent the one floor and the three floors, respectively, in the building and the total leasing area of the four floors was 3,520m<sup>2</sup>.

In Sangam DDMC Center, CJ E&M moved in as a new tenant after SKY Life TV and began renting the extra leasing area in addition to the existing leasing area. Consequently, the center could fill the office units of 5,620m<sup>2</sup> in total.





## CBD Central Seoul

Vacancy rate

3.35 %



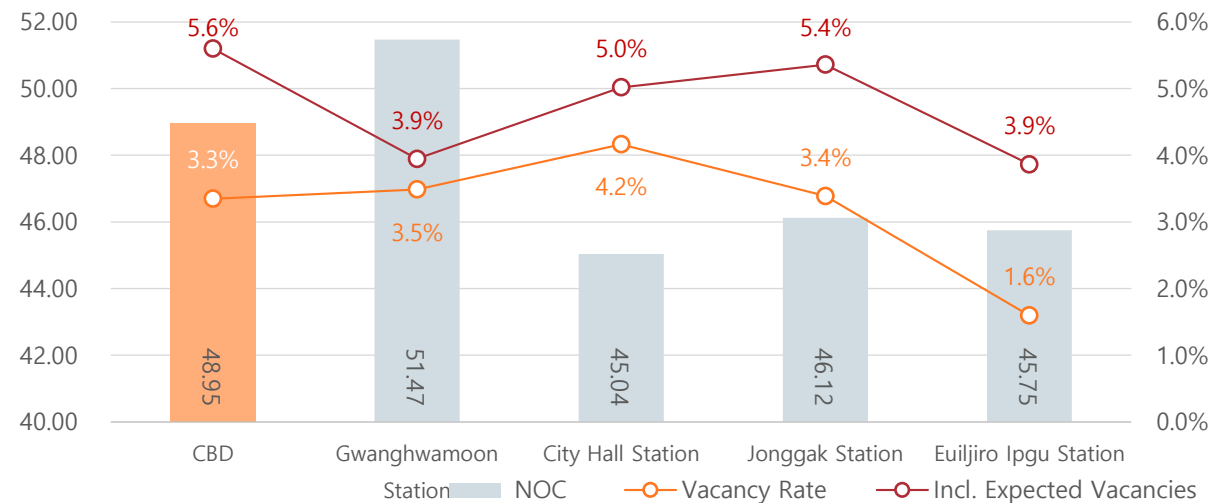
Avg, NOC

\$ 48.95

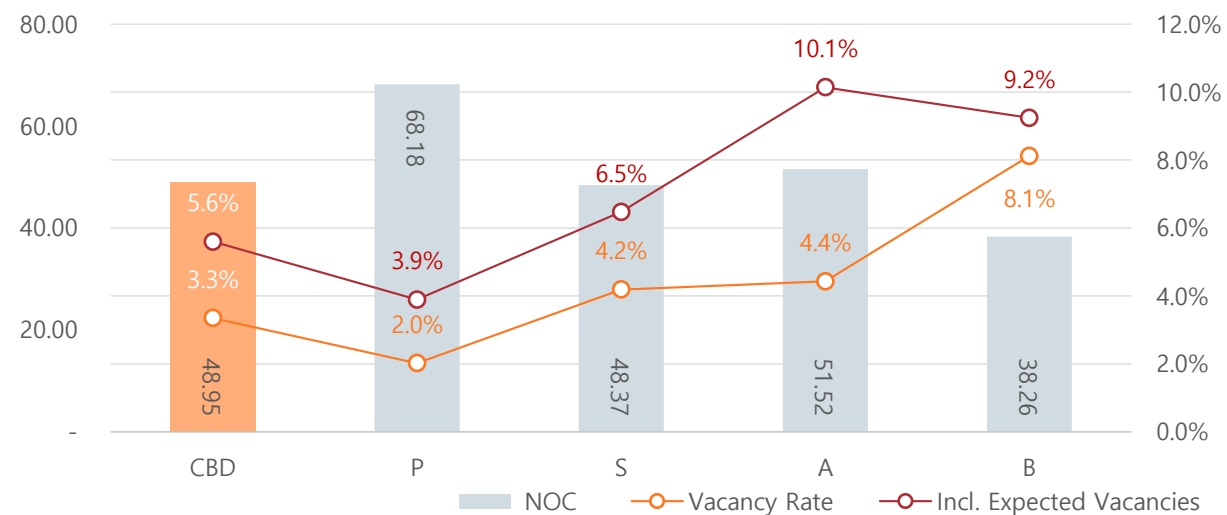


Avg. Rent	Avg. Deposit	Avg. Management. Fee
20.44	202.34	8.17

The average vacancy rate of the office buildings in CBD is 3.35 % as of June 2022, and the average NOC is \$ 48.95.



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



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

# 73 GBD Gangnam

Vacancy rate

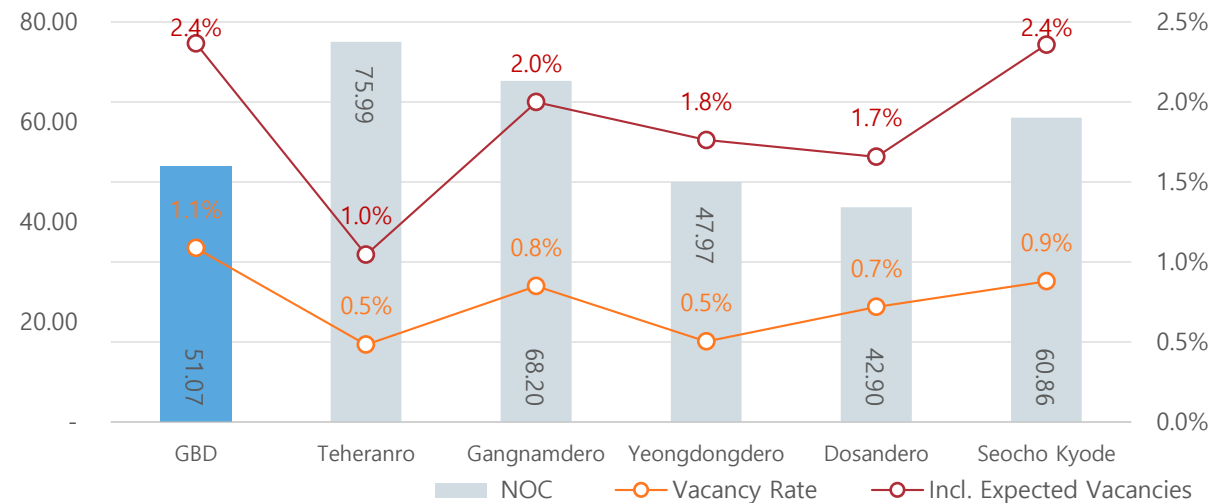
1.09 % ↓

Avg, NOC

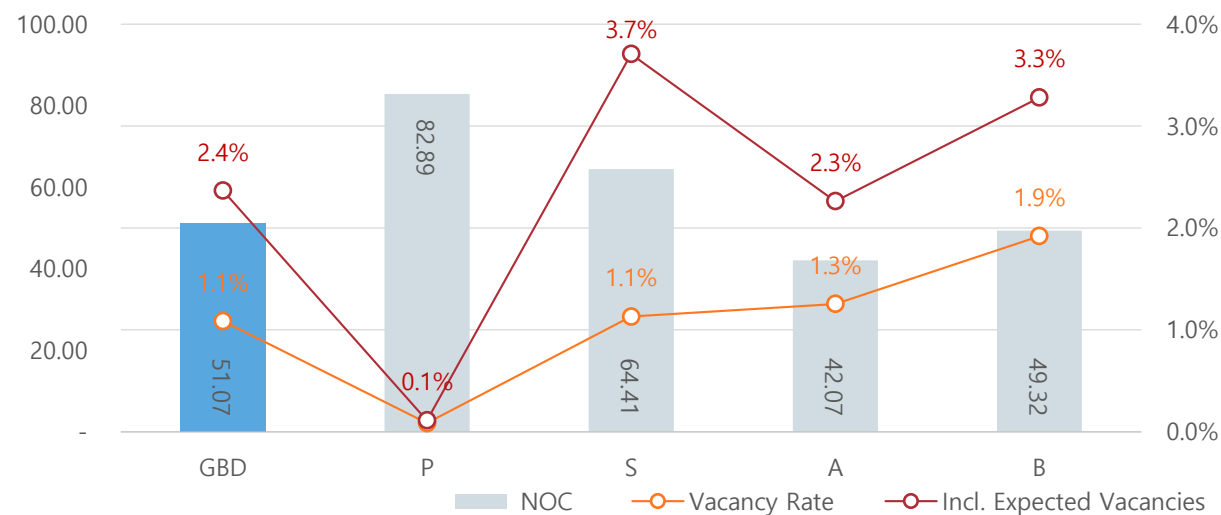
\$ 51.07 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
23.00	286.38	6.67

The average vacancy rate of the office buildings in GBD is 1.09 % as of June 2022, and the average NOC is \$ 51.07.



■ 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

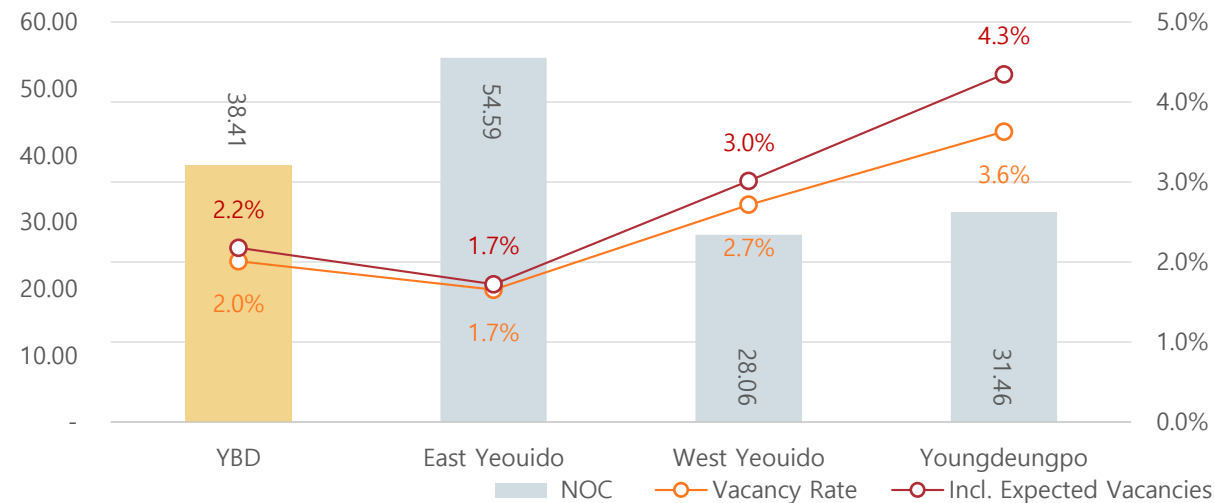
2.01 % ↑

Avg, NOC

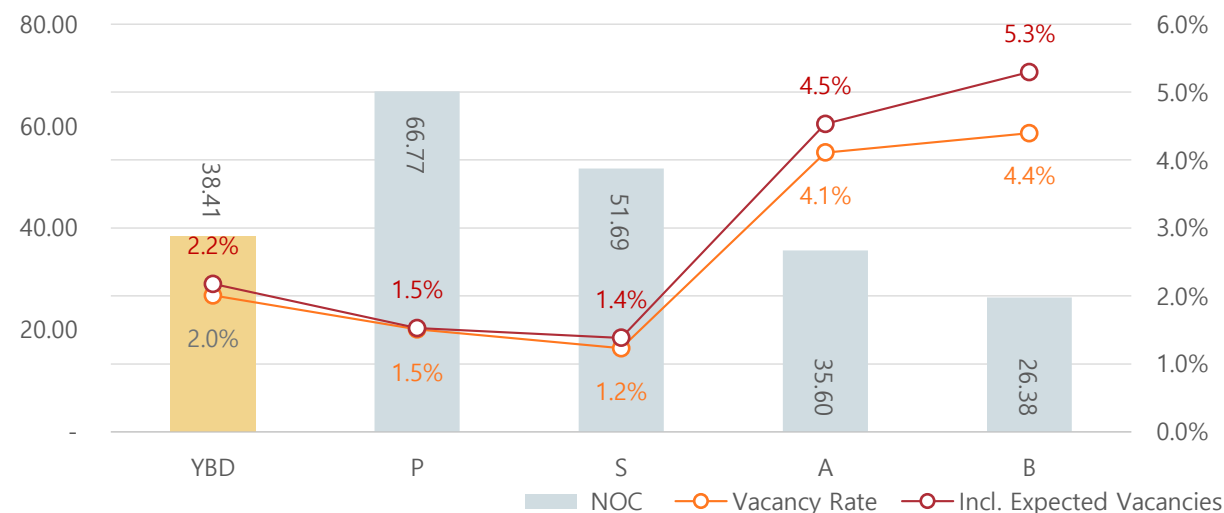
\$ 38.41 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
15.20	158.46	6.60

The average vacancy rate of the office buildings in YBD is 2.01 % as of June 2022, and the average NOC is \$ 38.41.



■ 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

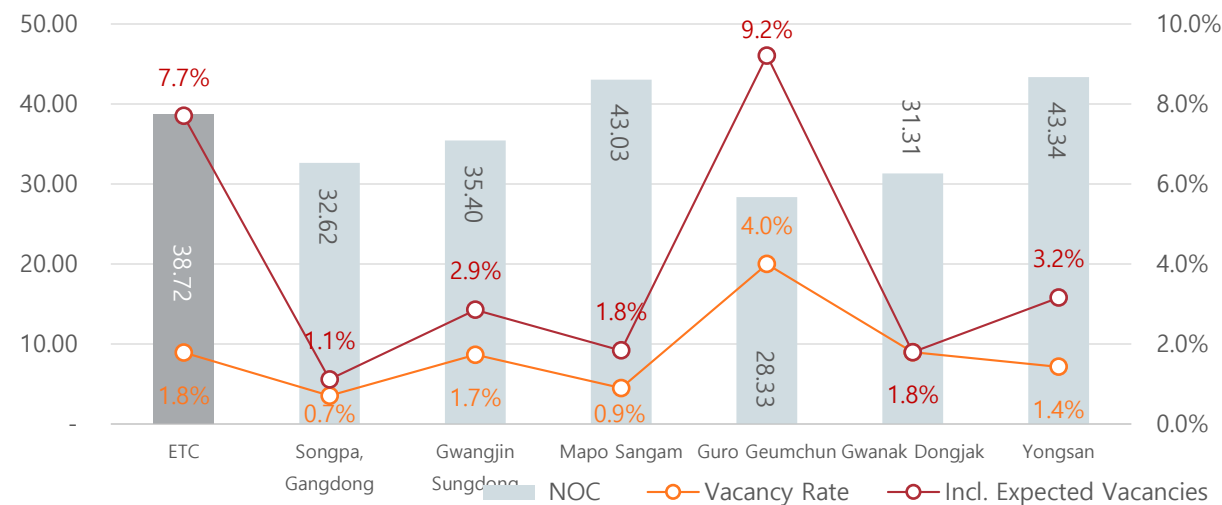
1.79 % ↓

Avg, NOC

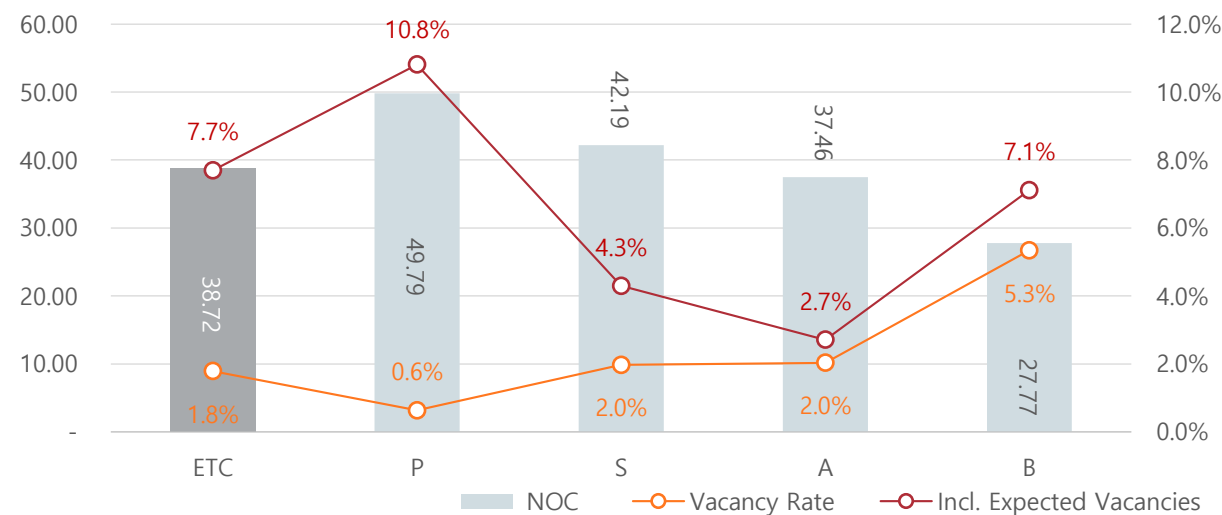
\$ 38.72 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
15.08	166.61	5.61

The average vacancy rate of the office buildings in ETC is 1.79 % as of June 2022, and the average NOC is \$ 38.72.



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



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

# 76

## PBBD PANGYO & BUNDANG

Vacancy rate

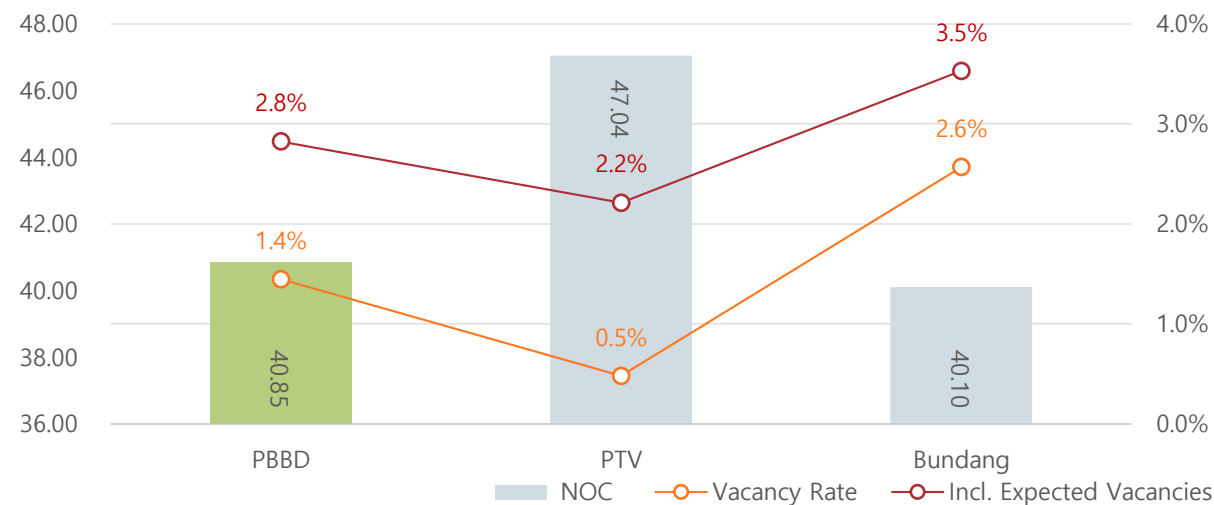
1.45 % ↑

Avg, NOC

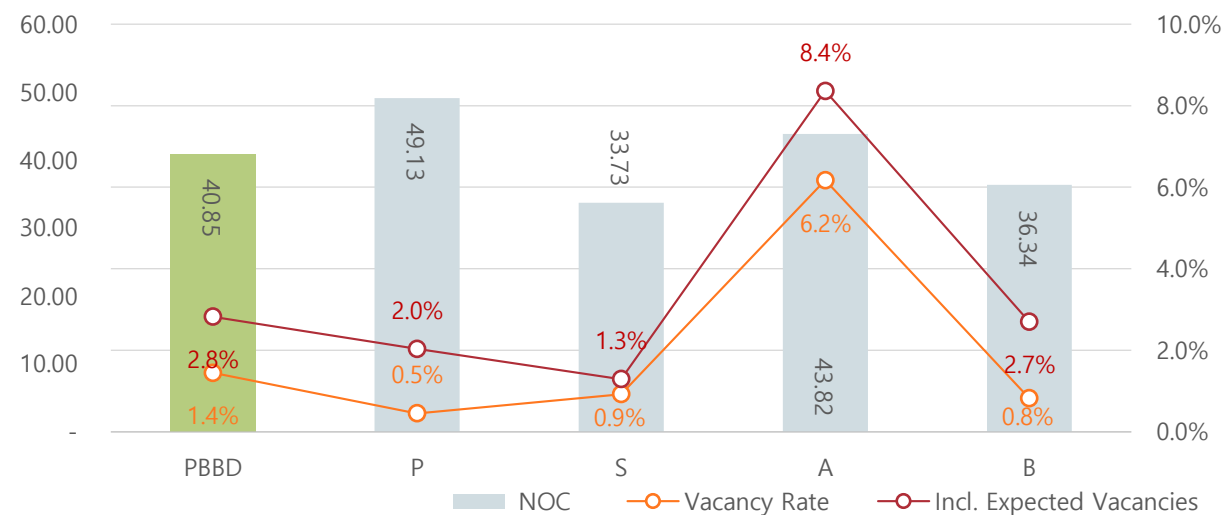
\$ 40.85 ↓

Avg. Rent	Avg. Deposit	Avg. Management. Fee
14.10	156.23	6.13

The average vacancy rate of the office buildings in PBBD is 1.45 % as of June 2022, and the average NOC is \$ 40.85.



■ 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	226.48	22.81	8.04	51.47	3.49%
	City Hall Station	924,585	165.41	16.94	7.22	45.04	4.16%
	Jonggak Station	1,001,933	194.43	19.75	8.40	46.12	3.39%
	Euiljiro Ipgu Station	823,120	173.99	18.54	8.29	45.75	1.60%
GBD	Teheranro	3,253,000	388.84	40.78	7.64	75.99	0.48%
	Gangnamdero	1,551,625	406.77	36.56	7.05	68.20	0.85%
	Yeongdongdero	687,300	203.95	19.07	7.13	47.97	0.50%
	Dosandero	339,493	288.09	21.69	6.06	42.90	0.72%
	Seocho Gyodae	438,197	295.44	24.06	8.88	60.86	0.88%
YBD	East Yeouido	2,950,943	193.98	20.03	8.31	54.59	1.65%
	West Yeouido	539,635	114.40	11.62	5.39	28.06	2.71%
	Youngdeungpo	410,837	175.22	13.86	5.69	31.46	3.63%
ETC	Songpa, Gangdong	1,694,775	202.33	14.23	4.45	32.62	0.71%
	Gwangjin Sungdong	506,474	215.86	17.61	4.37	35.40	1.73%
	Mapo Sangam	2,025,174	185.10	17.84	7.64	43.03	0.90%
	Guro Geumchun	829,525	118.45	11.40	3.85	28.33	3.99%
	Gwanak Dongjak	487,070	132.73	12.33	5.33	31.31	1.79%
	Yongsan	733,641	166.42	14.95	7.62	43.34	1.43%
PBBD	PTV	1,057,391	176.04	18.63	5.80	47.04	0.48%
	Bundang	910,302	153.83	13.55	6.15	40.10	2.57%



## Land Use Information by District

District	Building Name	Address	Land Use	GFA (m')	Completion
CBD	175-3 Hyoje-dong	Hyoje-dong Jongro-gu	#2 Commercial	1,025	06-May
	Geunjung Building	Seochodong Seochogu	Office	4,607	18-May
GBD	SMG Building	Yeoksamdong Gangnam-gu	#1 Commercial	2,534	11-May
	Lison Vill	Nonhyundong Gangnam-gu	#2 Commercial	1,499	25-May
	953-24 Daechi-dong	Daechi-dong Gangnam-gu	#2 Commercial	1,077	18-May
	Zanca Dream Tower	Gasandong Geumchun-gu	Factory	23,402	25-May
ETC	Mushinsa Campus	Seongsudong 2-ga Seongdong-gu	Office	19,005	04-May
	Woosung Urban Tower	Guyeodong Songpa-gu	#2 Commercial	12,731	03-May
	Hangang G-tree Tower	Yeomchangdong Gangseo-gu	Factory	12,400	18-May
	NK Building	Songpadong Songpa-gu	#1 Commercial	2,069	12-May
	Taerim	Sangamdong Mapo-gu	#2 Commercial	2,028	10-May
	Sunglim Building	Daehyundong Seodemun-gu	#1 Commercial	1,745	18-May
	Hestia plex	Sangsoodong Mapo-gu	#2 Commercial	1,480	30-May
	JJ Building	Sinsuldong Dongdaemun-gu	#1 Commercial	1,380	13-May
	146 Garak-dong	Garak-dong Songpa-gu	#2 Commercial	1,368	17-May



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