

# Seoul Office Market Report

English ver.

Quarterly Report \_ Q2 2025

GenstarMate 

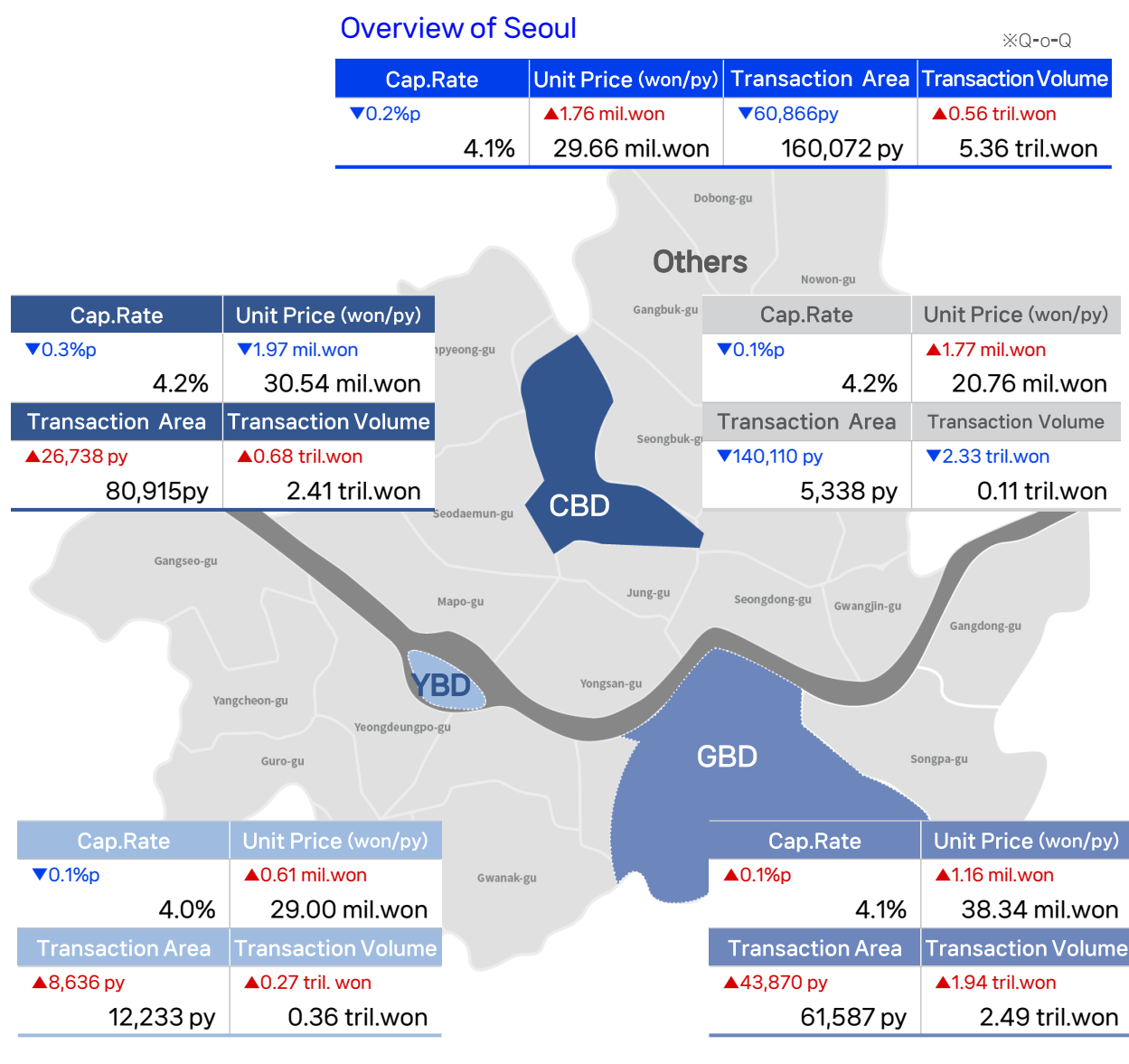
# Q2

# Investment Market

“In Q2 2025, Seoul office transaction volume rose 557.2 bil. KRW (+12% QoQ) to 5.36 tril. KRW.”

In Q2 2025, Seoul office transaction volume rose 557.2 bil. KRW (+12% QoQ) and 4.29 tril. KRW (+400% YoY) to 5.36 tril. KRW. Unit price per py across Seoul increased 1.76 mil./py KRW (+6.3% QoQ) to 29.66 mil./py KRW, driven by price gains in GBD and YBD, while the overall Cap.Rate fell 0.2%p to 4.1%.

With many large office assets currently on the market, only a few, including NC Tower 1 and Chungmuro Namsan N Tower, are expected to close in Q3, suggesting that transaction volume may decline compared with Q2.



# Transaction Volume & Unit Price

In Q2 2025, Seoul office transaction volume reached 5.36 tril. KRW, marking the second-largest quarterly volume since Q3 2020 (5.48 tril. KRW). Transactions of core assets over 10,000 py were prominent this quarter, with SI Tower (897.1 bil. KRW), Gangnam N Tower (680.5 bil. KRW), KDB Life Tower (674.4 bil. KRW), and CJ CheilJedang Center (656.5 bil. KRW) totaling 4.8 tril. KRW, accounting for approximately 90% of overall transaction volume.

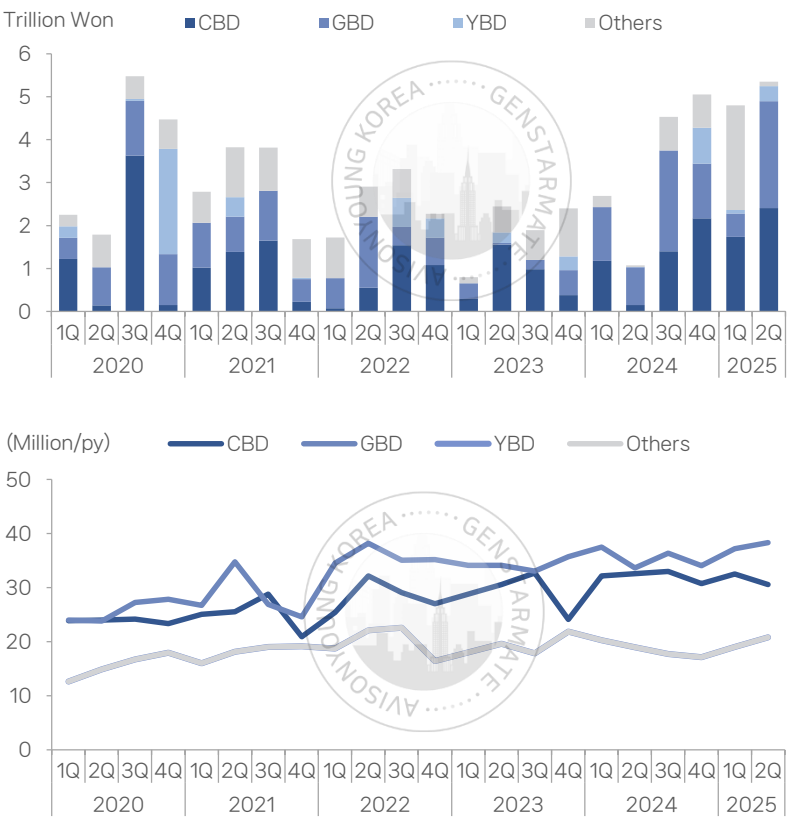
## Total volume: KRW 4.8T

By district, transaction volumes were 2.41 tril. KRW in CBD, 2.49 tril. KRW in GBD, 354.8 bil. KRW in YBD, and 105.0 bil. KRW in Others, with CBD and GBD accounting for 45% and 46% of total volume, respectively. Notably, GBD recorded a sharp increase to 2.49 tril. KRW, up 1.94 tril. KRW from the previous quarter, driven by multiple buildings transacting at over 40 mil. KRW per py.

## Unit Price: KRW 27.9M/py

By district, unit price per py was 30.54 mil. KRW in CBD, 38.34 mil. KRW in GBD, 29.00 mil. KRW in YBD, and 20.76 mil. KRW in Others. Prices in GBD and Others rose 3% and 9% QoQ, while YBD increased 27% QoQ, reflecting the Hyundai Motor Securities Building transaction, the only deal in the district this quarter.

In Q2, Seoul office transactions totaled 13 buildings (160,000 py). By district, CBD recorded 4 buildings for 2.41 tril. KRW, led by CJ Group acquisitions and the sale of assets held by DWS Asset Management. GBD had 6 buildings worth 2.49 tril. KRW, the largest quarterly volume on record, driven by large office and REIT deals. YBD recorded a single transaction of the Hyundai Motor Securities Bldg. (355.0 bil. KRW) via a share deal, while Others totaled 105.0 bil. KRW from small office deals.



Building	District	Price (Billion)	Unit P (Million)	Seller	Buyer
KDB Life Tower	CBD	674.0	27.2	KB Asset Management	CJ Olive Young
CJ CheilJedang Center	CBD	656.5	27.0	IGIS Asset Management	IGIS Asset Management
Crecendo	CBD	556.7	33.7	DWS Asset Management	Koramco REITs Management and Trust
SI Tower	GBD	897,1	44.8	KB Asset Management	IGIS Asset Management
Gangnam N Tower	GBD	680.5	44.0	KB Real Estate Trust	KB Real Estate Trust
BNK Digital Tower	GBD	457.8	40.7	BNK Asset Management	Shinhan REITs Management
Hyundai Motor Securities Bldg.	YBD	354.8	29.0	Koramc Asset Management	Koramco Asset Management

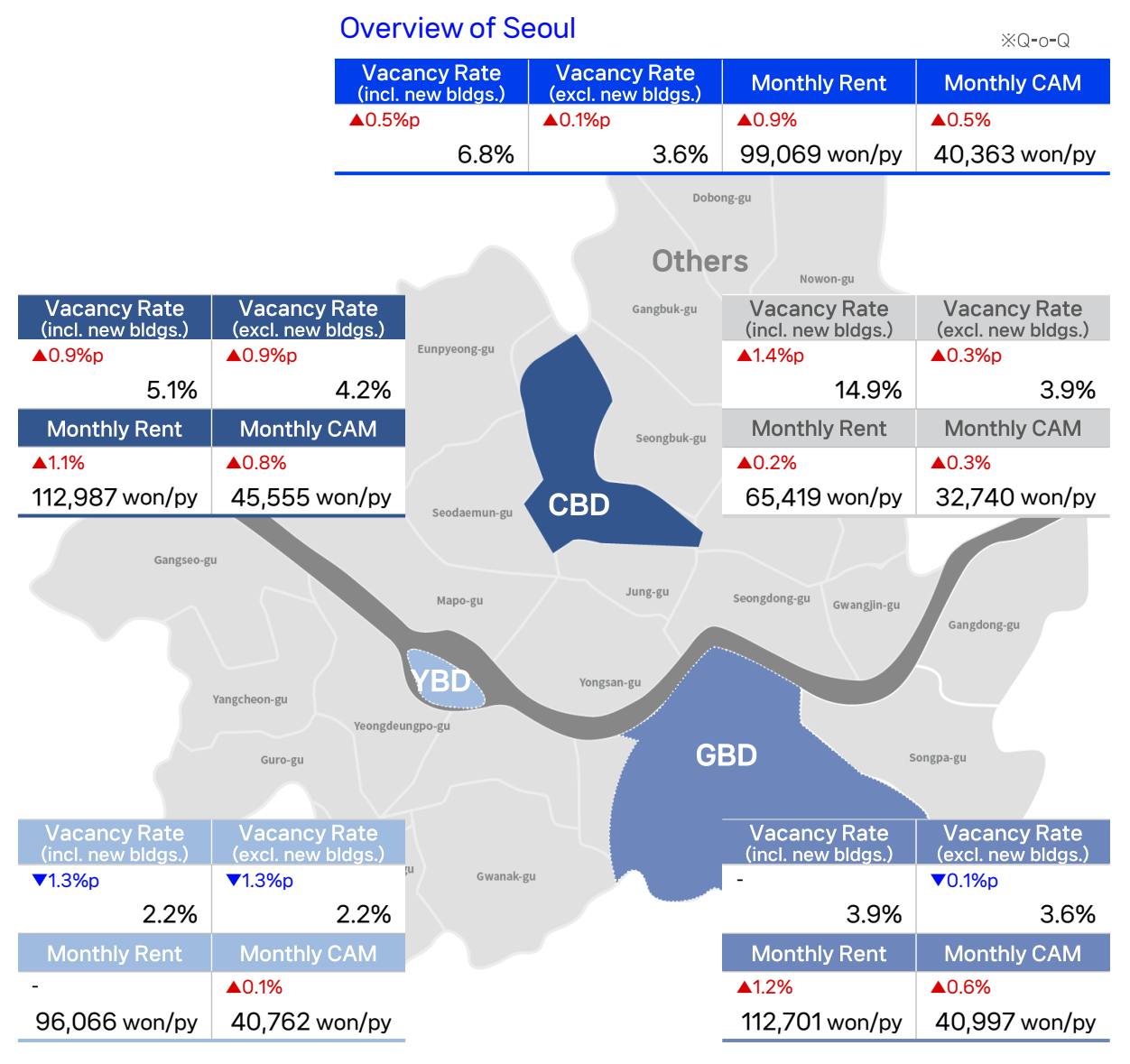
# Leasing Market

“The Seoul office vacancy rate recorded 6.8%, with new supply observed across all districts except for the YBD.”

In Q2 2025, the Seoul office vacancy rate stood at 6.8%, up 0.5%p from the previous quarter, with new supply observed across all districts except YBD. The CBD vacancy rate rose 0.9%p to 5.1%, reflecting the inclusion of INNO88 Tower (formerly Samhwan Bldg.) after remodeling and vacancies in prime offices. In GBD, despite new completions along Gangnam-daero, absorption in large and prime buildings kept the vacancy rate unchanged at 3.9%.

YBD, with no new supply, saw active leasing by financial and insurance tenants at One Sentinel, driving the vacancy rate down 1.3%p to 2.2%. In the Others district, while some vacancy reduction occurred in prime offices in Magok, new supply increased the vacancy rate by 1.4%p to 14.9%.

Average rents and CAM increased by 0.9% and 0.5%, respectively, with rental growth slowed compared to Q1.



# Vacancy & Rent

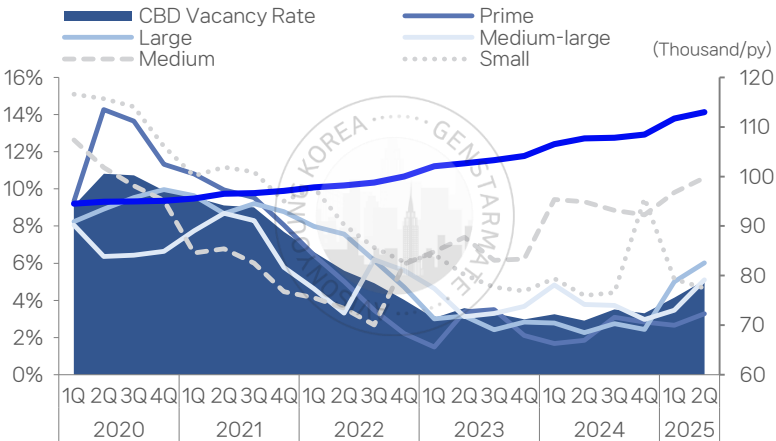
## CBD

In Q2 2025, the CBD vacancy rate including new completions rose 0.9%p to 5.1%, the first time back in the 5% range since Q2 2022.

Medium-large office vacancy increased 1.7%p to 5.1%, driven by the newly completed INNO88 Tower, which added new office supply, and Boryung Building, where vacancies arose following remodeling.

By submarket, vacancy rose in all areas except the rest of CBD, where SK-C Tower vacancies were fully absorbed.

Deposits averaged 1,129.9 mil. KRW/py, rents 113.0 mil. KRW/py (+1.1% QoQ), and CAM 45.6 mil. KRW/py (+0.8% QoQ).



Grade	Vacancy Rate (incl. new bldgs.)			Monthly Rent (1,000 won/py)			Monthly CAM (1,000 won/py)		
Total	5.1%	▲	0.9%p	113.0	▲	1.1%	45.6	▲	0.8%
Prime	3.3%	▲	0.6%p	136.8	▲	1.7%	51.3	▲	1.2%
Large	6.0%	▲	1.0%p	111.9	▲	0.3%	45.9	▲	0.3%
Medium-Large	5.1%	▲	1.7%p	80.7	▲	2.4%	38.3	▲	0.8%
Medium	10.6%	▲	0.8%p	81.2	▲	0.4%	35.2	▲	0.3%
Small	4.7%	▼	0.5%p	60.9	▲	0.2%	29.0	▲	0.5%

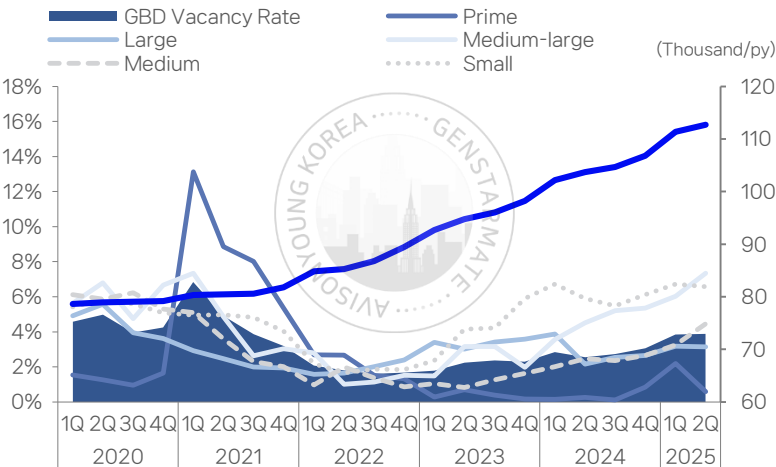
## GBD

In Q2, the GBD vacancy rate remained unchanged from the previous quarter at 3.9%, while the vacancy rate excluding new completions fell 0.1%p to 3.6%.

Vacancy in prime offices declined 1.6%p to 0.6%, as Shinsegae affiliates, including Starbucks Korea, moved into Centerfield East, absorbing over 5,600py of remaining space.

In large offices, vacancy was absorbed at ICON Samsung, while some vacancies were observed in medium-large offices such as Samsung-dong Bldg. and medium offices like Anam Tower.

Deposits averaged 1,127 mil. KRW/py, rents were 112.7 mil. KRW/py (+1.2% QoQ), and CAM averaged 41.0 mil. KRW/py (+0.6% QoQ).



Grade	Vacancy Rate (incl. new bldgs.)			Monthly Rent (1,000 won/py)			Monthly CAM (1,000 won/py)		
Total	3.9%	-	0.0%p	112.7	▲	1.2%	41.0	▲	0.6%
Prime	0.6%	▼	1.6%p	146.6	▲	1.9%	47.8	▲	0.8%
Large	3.1%	-	0.0%p	115.5	▲	0.5%	42.4	▲	0.3%
Medium-Large	7.3%	▲	1.3%p	101.3	▲	1.2%	38.9	▲	0.3%
Medium	4.5%	▲	1.2%p	87.2	▲	1.3%	35.2	▲	1.4%
Small	6.6%	▼	0.1%p	72.5	▲	0.4%	30.3	▲	0.3%

# Vacancy & Rent

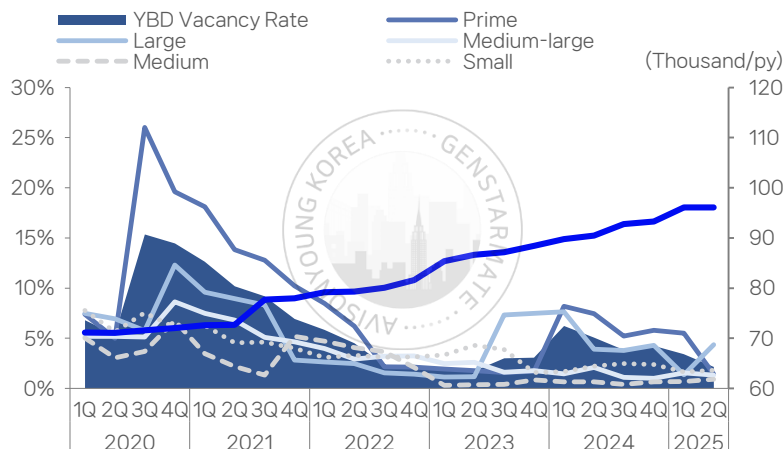
## YBD

In second quarter, the YBD vacancy rate fell 1.3%p to 2.2%, the first time back in the 2% range since H1 2023.

Due to the remodeling, One Sentinel was reclassified from prime to large offices, causing vacancy in prime offices to drop 4.1%p to 1.4%, while large office vacancy rose 3.0%p to 4.3%.

By submarket, the East Yeouido Securities submarket saw vacancy fall to 4.5% (-4.4%p QoQ), as tenants including Hyundai Motor Securities, Mirae Asset Life Insurance, and Woori Investment & Securities moved into One Sentinel.

Deposits averaged 960.7 mil. KRW/py, rents 96.1 mil. KRW/py, and CAM 40.8 mil. KRW/py (-0.1% QoQ).



Grade	Vacancy Rate (incl. new bldgs.)			Monthly Rent (1,000 won/py)			Monthly CAM (1,000 won/py)		
Total	2.2%	▼	1.3%p	96.1	-	0.0%	40.8	▲	0.1%
Prime	1.4%	▼	4.1%p	125.0	▼	0.5%	47.7	▼	0.3%
Large	4.3%	▲	3.0%p	86.0	▲	5.3%	40.5	▲	2.6%
Medium-Large	1.3%	▼	0.2%p	58.7	-	0.0%	30.0	-	0.0%
Medium	0.9%	▲	0.2%p	47.8	▲	0.2%	27.0	▲	0.1%
Small	1.8%	▲	0.2%p	35.0	▲	0.4%	22.9	▲	0.7%

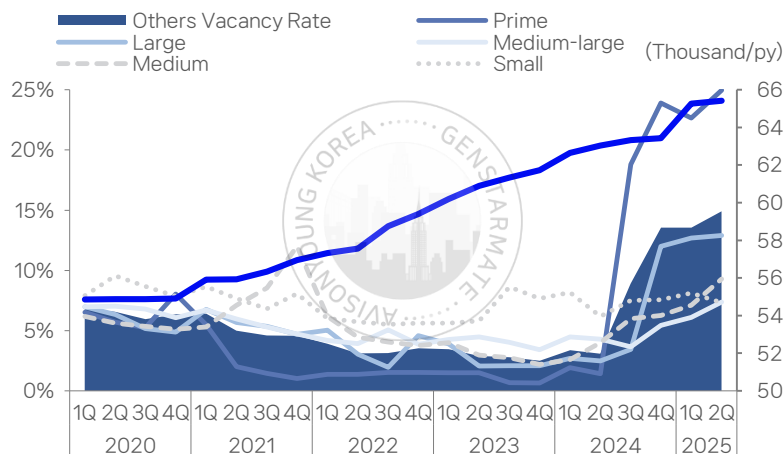
## Others

In Q2 2025, the Others district vacancy rate including new completions rose 1.4%p to 14.9%, while excluding new completions it increased 0.3%p to 3.9%.

Vacancy fell in prime offices like One Grove (Air Incheon) and K-Square Magok (NILE), and small offices such as Plant Yangpyeong (EZ Financial Services), but rose in all other sizes due to new supply at Seoul Forest The Sharp and East Pole Tower.

Excluding new completions, large office vacancy at Seoul Business Agency (Hanse MK, etc.) rose 1.0%p to 5.2%, while medium-large to small offices saw slight vacancy declines.

Deposits averaged 654.2 mil. KRW/py, rents 65.4 mil. KRW/py (+0.2% QoQ), and CAM 32.7 mil. KRW/py (+0.3% QoQ).



Grade	Vacancy Rate (incl. new bldgs.)			Monthly Rent (1,000 won/py)			Monthly CAM (1,000 won/py)		
Total	14.9%	▲	1.4%p	65.4	▲	0.2%	32.7	▲	0.3%
Prime	25.0%	▲	2.3%p	84.9	▲	1.0%	37.7	▲	0.6%
Large	12.9%	▲	0.2%p	60.2	▼	0.3%	32.3	-	0.0%
Medium-Large	7.4%	▲	1.3%p	59.2	▲	0.1%	32.4	▲	0.2%
Medium	9.3%	▲	2.2%p	56.1	▼	3.4%	27.4	▼	1.5%
Small	7.3%	▼	0.8%p	45.2	▲	1.7%	22.8	▲	1.5%

**Method :** Telephone/site investigation, disclosure materials from AMC

**Contents :** Office transaction cases, tenant status, and rent level

**Period :** Seoul/Bundang: Monthly (5<sup>th</sup> ~ 15<sup>th</sup>), 6 major cities: Quarterly (14<sup>th</sup> April ~ 27<sup>th</sup> June)

**Office grade:** Small: Under 3,000py/ Medium: 3,000py ~ 5,000py/ Medium-Large: 5,000py ~ 10,000py/ Large: 10,000py ~ 20,000py/ Prime: Above 20,000py

**Submarket :** Seoul, Bundang, and 6 major cities(Incheon, Daegu, Daejeon, Gwangju, Ulsan, Busan)

	District	Area	Submarket
Seoul	CBD (Central Business District)	Jongno-gu, Jun-gu(Jungmin-dong excluded), Yongsan-gu(Dongja-dong)	Gwanghwamun Sinmunro, Namdaemun, Euljiro, Jongno, The rest of CBD
	GBD (Gangnam Business District)	Gangnam-gu, Seocho-gu	Teheranro, Gangnamdaero, The rest of GBD
	YBD (Yeouido Business District)	Yeouido-dong, Yeongdeungpo-gu	West Yeouido, East Yeouido, Stock Exchange Market
	Others (Non Major Business District)	The rest of Seoul	Mapo, Yongsan, Jamsil/Songpa, Sangam, The rest of Others
Gyeonggi	BBD (Bundang Business District)	Bundang-gu, Sujeong-gu (Seongnam City)	Seohyun, Sunae, Pangyo, The rest of Bundang
Metropolitan	6 major cities	Incheon, Daegu, Daejeon, Gwangju, Ulsan, Busan	

- ※ **Vacancy rate:**

In order to consider the period of time it takes for new offices to have an actual impact on the office market, we distinguish between the 'new construction-included vacancy rate,' which reflects the immediate effect of the completion of new offices, and the 'new construction excluded vacancy rate,' which takes into account the rental stabilization period of new offices, and present both rates side by side in this report. Newly constructed offices are offices that are less than 12 months old at the time of the survey.
- ※ **Rent:**

In order to consider the immediate effect of the completion of new offices, we distinguish between 'new construction included rent,' which reflects the immediate effect of the completion of new offices, and 'new construction excluded rent,' which takes into account the rent stabilization period of new offices, and is presented in this report as 'new construction excluded rent.'

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GenstarMate General Service

info@genstarmate.com  
02-2003-8155  
02-3775-7252

Market Report | GenstarMate Research Center

Rita Kim (Head of Research)  
Yuseon Jeong | Jiyeon Bae  
Moonkyung Jang | Bumsoo Kang | Youngsun Song

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