GenstarMate MatePlus

2025 LOGISTICS MARKET REPORT

English Ver.

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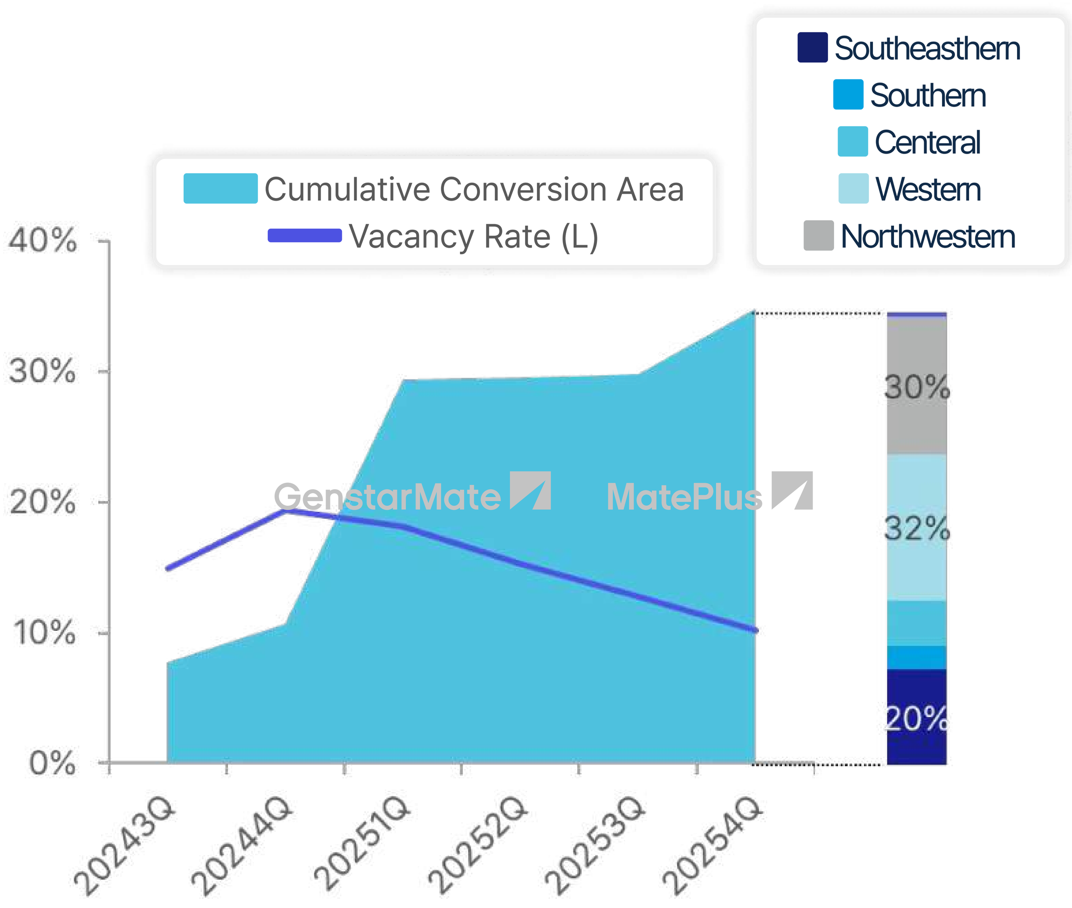
Logistics Talk, SMA Logistics Vacancy Rate Trend

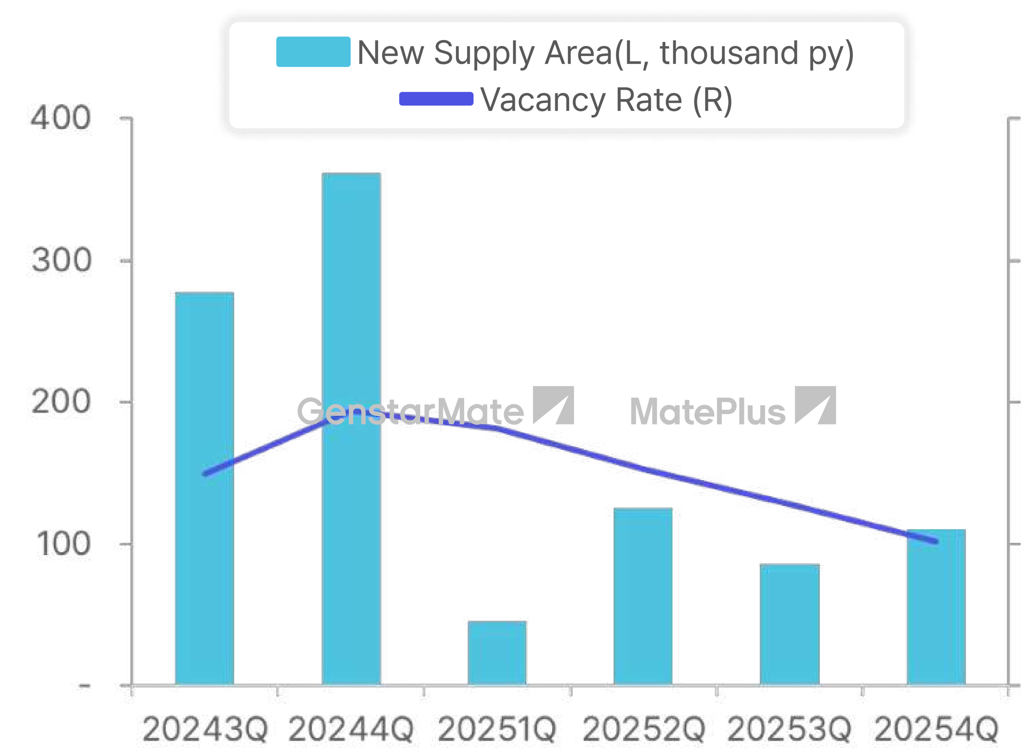
SMA Logistics Market: From Oversupply to Stabilization

- The vacancy rate of logistics centers in the SMA has declined rapidly after peaking in 2024, indicating that the market is gradually entering a stabilization phase. After reaching approximately 25.9% in Q4 2024 (19.2% for dry logistics centers), the vacancy rate fell to around 17.6% in Q4 2025 (10.2% for dry logistics centers), showing a clear recovery trend.
- This decline reflects not only improving leasing demand but also supply adjustments and asset repositioning. As new logistics center supply has slowed significantly, some assets have been converted from cold to dry logistics centers, which generally have more stable tenant demand. These adjustments have contributed to a gradual rebalancing of supply and demand.
- However, the current adjustment phase should be viewed as a continuation of the rapid supply expansion during the COVID-19 period. As e-commerce expanded and logistics emerged as a key investment sector, logistics development permits increased from 133 in 2020 to 153 in 2021 and 188 in 2022. Although some projects were later cancelled, the market effectively entered a structural oversupply phase during this period.
- During the expansion cycle, developments in locations with weaker demand or excessive scale were not uncommon. In addition, strategies to increase the proportion of cold storage to enhance asset value became widespread. As a result, perceived vacancy levels were often higher than reported figures, and performance gaps between assets within the same submarket widened.
- Nevertheless, the recent decline in vacancy suggests that supply-side adjustments are beginning to be reflected in the market. With slower new supply, asset conversions, and gradually recovering tenant demand, the logistics market appears to be entering the early stage of a transition from oversupply toward equilibrium.
- Despite the recent adjustment, long-term demand fundamentals remain supported by continued e-commerce growth and expanding global trade. Going forward, the SMA logistics market is likely to shift from quantitative expansion toward quality-driven differentiation, with location competitiveness, asset type, and operational efficiency becoming increasingly important. The ongoing supply adjustment will remain a key factor shaping future investment and development strategies.

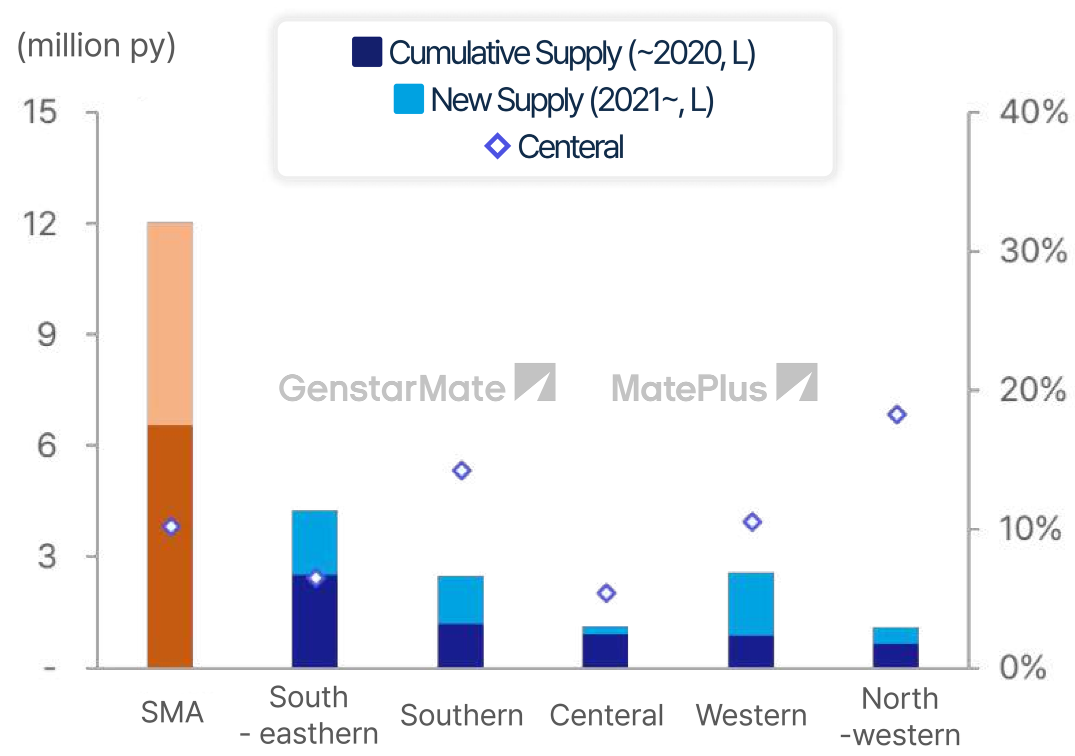
New Supply, Conversion, and Vacancy Trends in the SMA Logistics Market



▲ SMA Conversion & Vacancy Trend
▲ SMA Conversion Share by Submarket



▲ SMA New Supply & Vacancy Trend



▲ SMA Supply & Vacancy by Submarket

*Conversion area: Area converted from cold to dry centers
*Vacancy rate: Dry logistics center vacancy rate

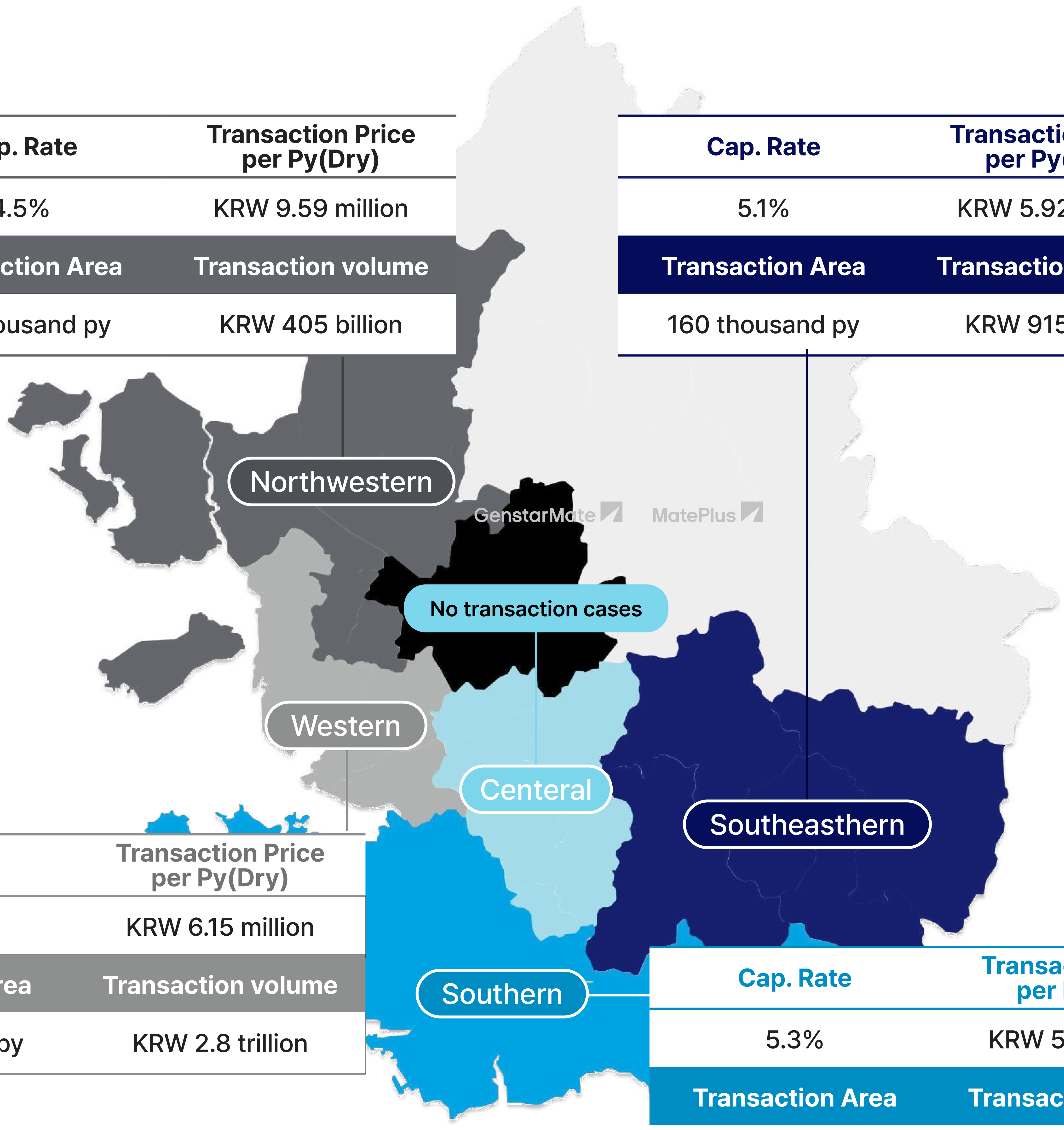
- An increasing number of logistics centers are being converted from cold storage to dry storage, contributing to declining vacancy rates in the dry logistics center segment.
- New logistics center supply has slowed, easing additional supply pressure, while improved absorption of existing assets has contributed to the overall decline in vacancy rates.
- Despite their large cumulative supply, the Southeast and Western submarkets have seen relatively faster absorption than other regions, supported by stable demand for dry logistics centers.

SMA Investment Market

1 Overview

2025 SMA Logistics Market

Cap. Rate	Transaction Price per Py(Dry)	Transaction Area	Transaction volume
5.2%	KRW 6.37 million	0.7 million py	KRW 4.5 trillion



Cap. Rate	Transaction Price per Py(Dry)
4.5%	KRW 9.59 million
Transaction Area	**Transaction volume**
43 thousand py	KRW 405 billion

Cap. Rate	Transaction Price per Py(Dry)
5.1%	KRW 5.92 million
Transaction Area	**Transaction volume**
160 thousand py	KRW 915 billion

Cap. Rate	Transaction Price per Py(Dry)
5.4%	KRW 6.15 million
Transaction Area	**Transaction volume**
411 thousand py	KRW 2.8 trillion

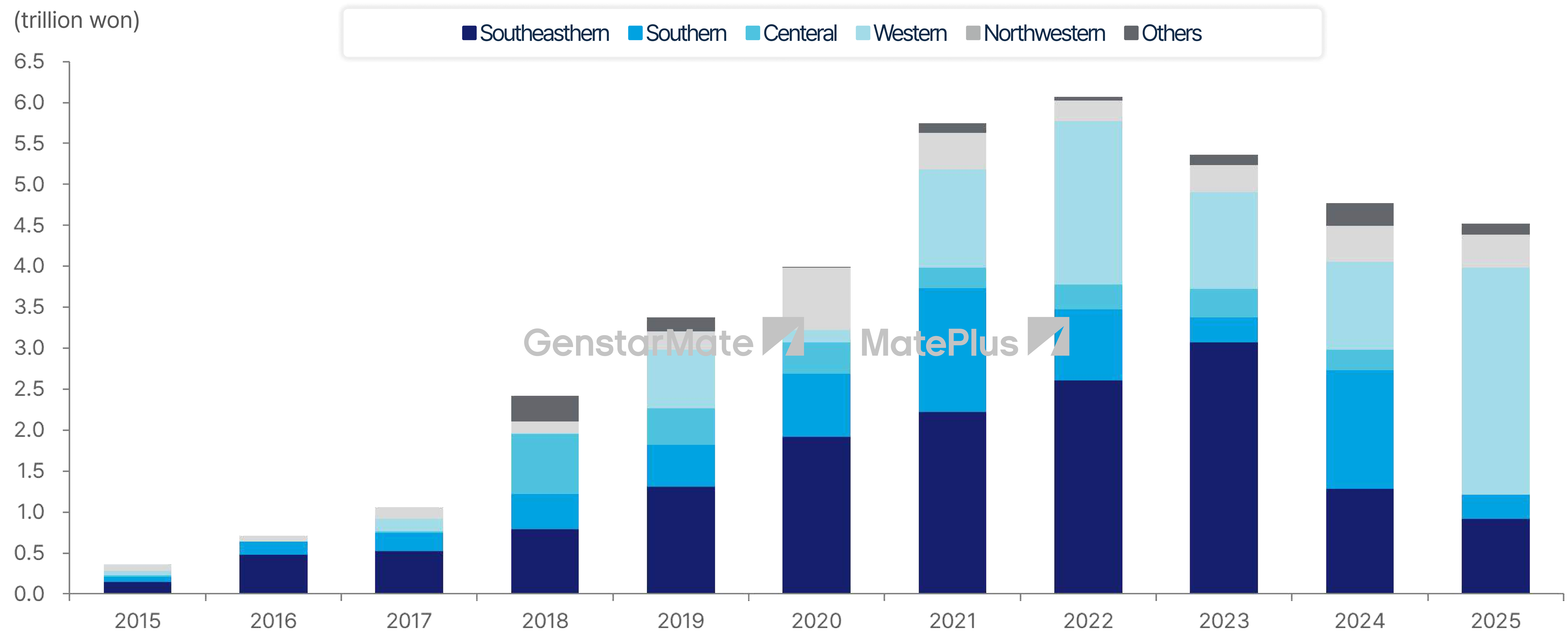
Cap. Rate	Transaction Price per Py(Dry)
5.3%	KRW 5.32 million
Transaction Area	**Transaction volume**
52 thousand py	KRW 297 billion

- Total logistics center transaction volume in the SMA reached KRW 4.52 trillion in 2025. The average cap rate stood at 5.2%, while the average price for dry logistics centers was KRW 6.37 million per py.
- By submarket, the Western region led activity with approximately KRW 2.8 trillion in transactions, followed by the Southeast region with KRW 915.1 billion.
- Meanwhile, the Northwest region recorded the highest dry logistics center price at KRW 9.59 million per py and the lowest cap rate at 4.5% among all submarkets.

SMA Investment Market

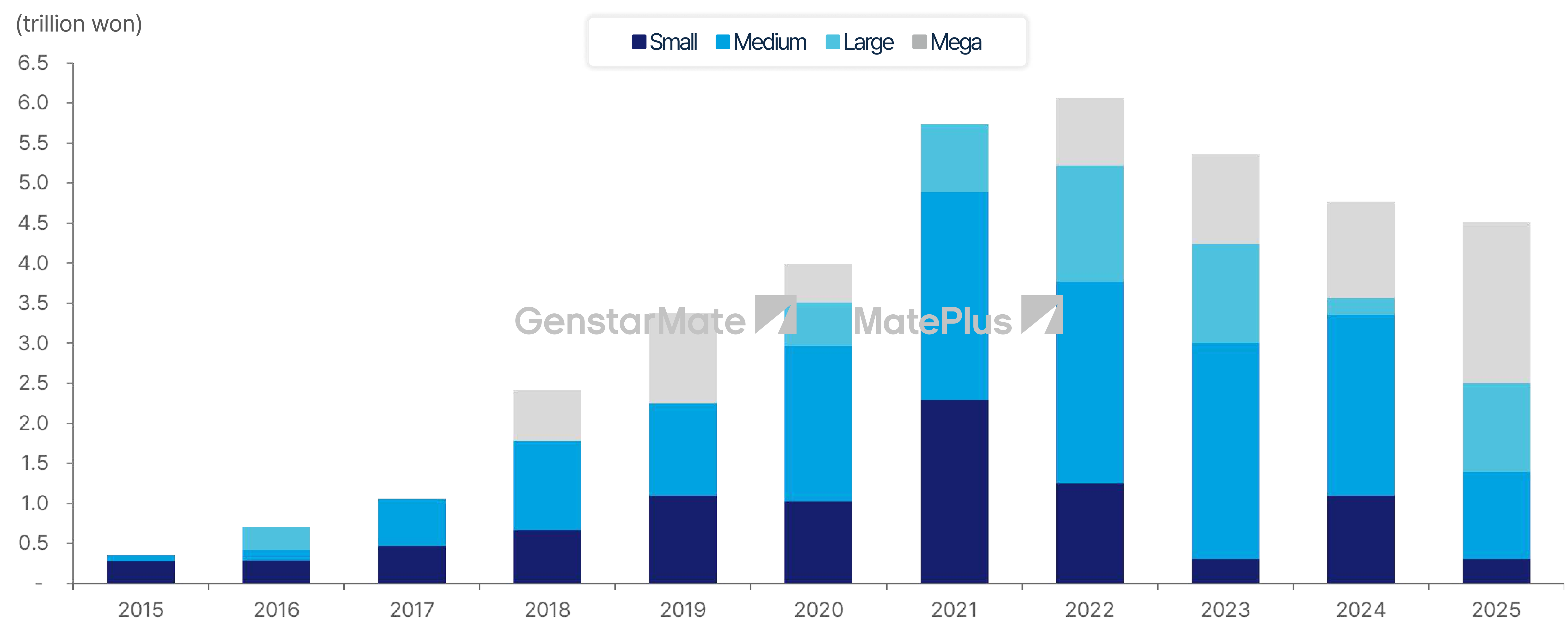
2 SMA Logistics Transaction Trend by District

- Total logistics center transaction volume in the SMA reached KRW 4.52 trillion in 2025, down approximately 5.2% from KRW 4.77 trillion in 2024. However, total transacted area increased to 681,000 py, up about 14,000 py YoY.
- The Western submarket led overall activity with approximately KRW 3.8 trillion in transactions, accounting for 61% of total volume and increasing by about 158% YoY.
- The Southeast submarket recorded approximately KRW 920 billion in transactions, representing about 20.3% of total volume.



3 SMA Logistics Transaction Trend by Size

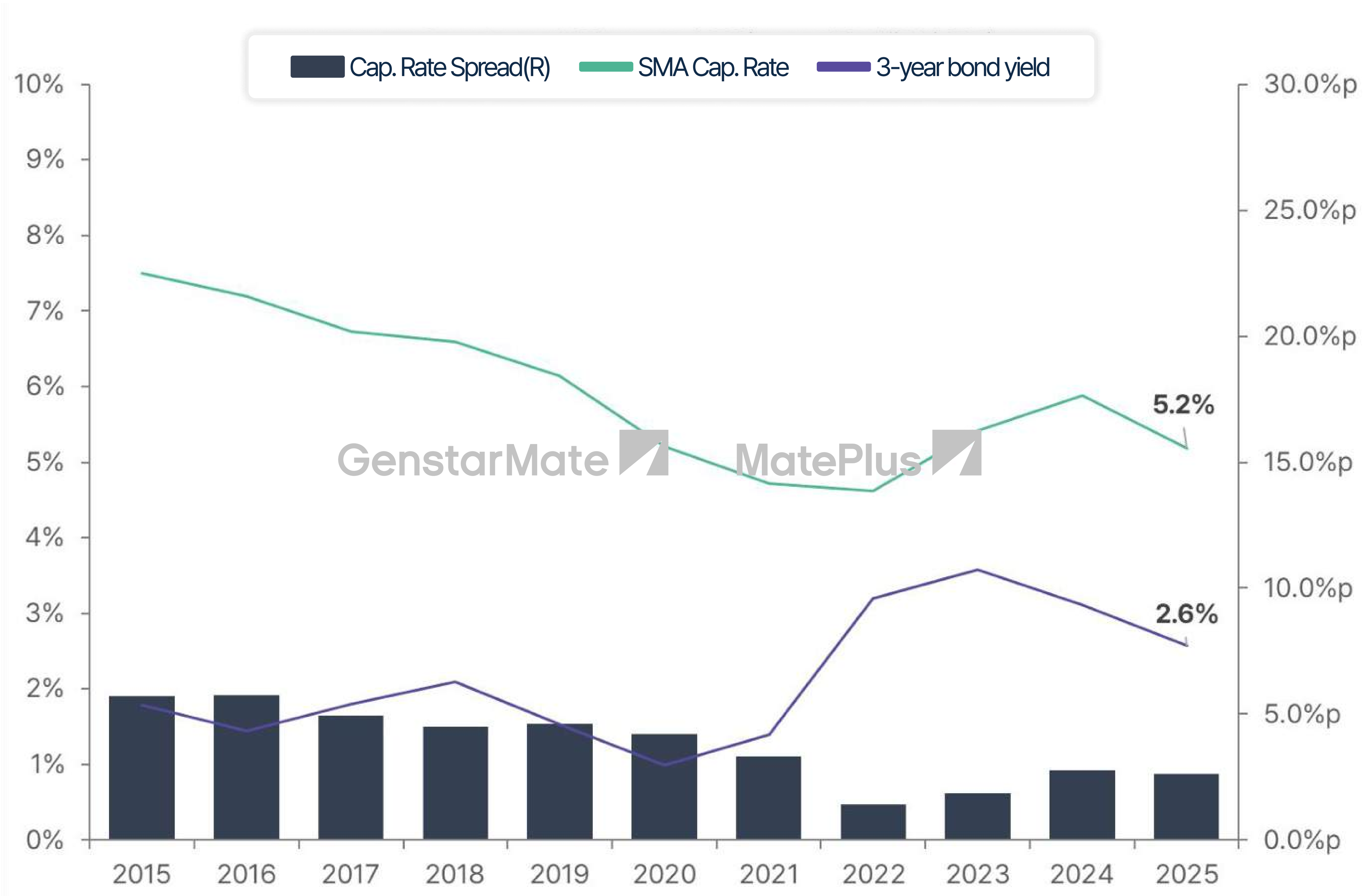
- Out of the total SMA logistics center transaction volume of KRW 4.52 trillion in 2025, super-large logistics centers accounted for approximately KRW 2.0 trillion, representing about 45% of total transactions. All were traded in the Western submarket.
- Key transactions included Cheongna Logistics Center (KRW 1.1 trillion), Ansan Siwha Logistics Center (KRW 512.3 billion), and GREENWAVE Siwha Logistics Center (KRW 475.0 billion).
- Super-large logistics center transaction volume increased by about 68% YoY from KRW 1.2 trillion in 2024. Large logistics centers also recorded KRW 1.1 trillion in transactions, up about 424% YoY, reflecting increased activity for assets exceeding 30,000 py.

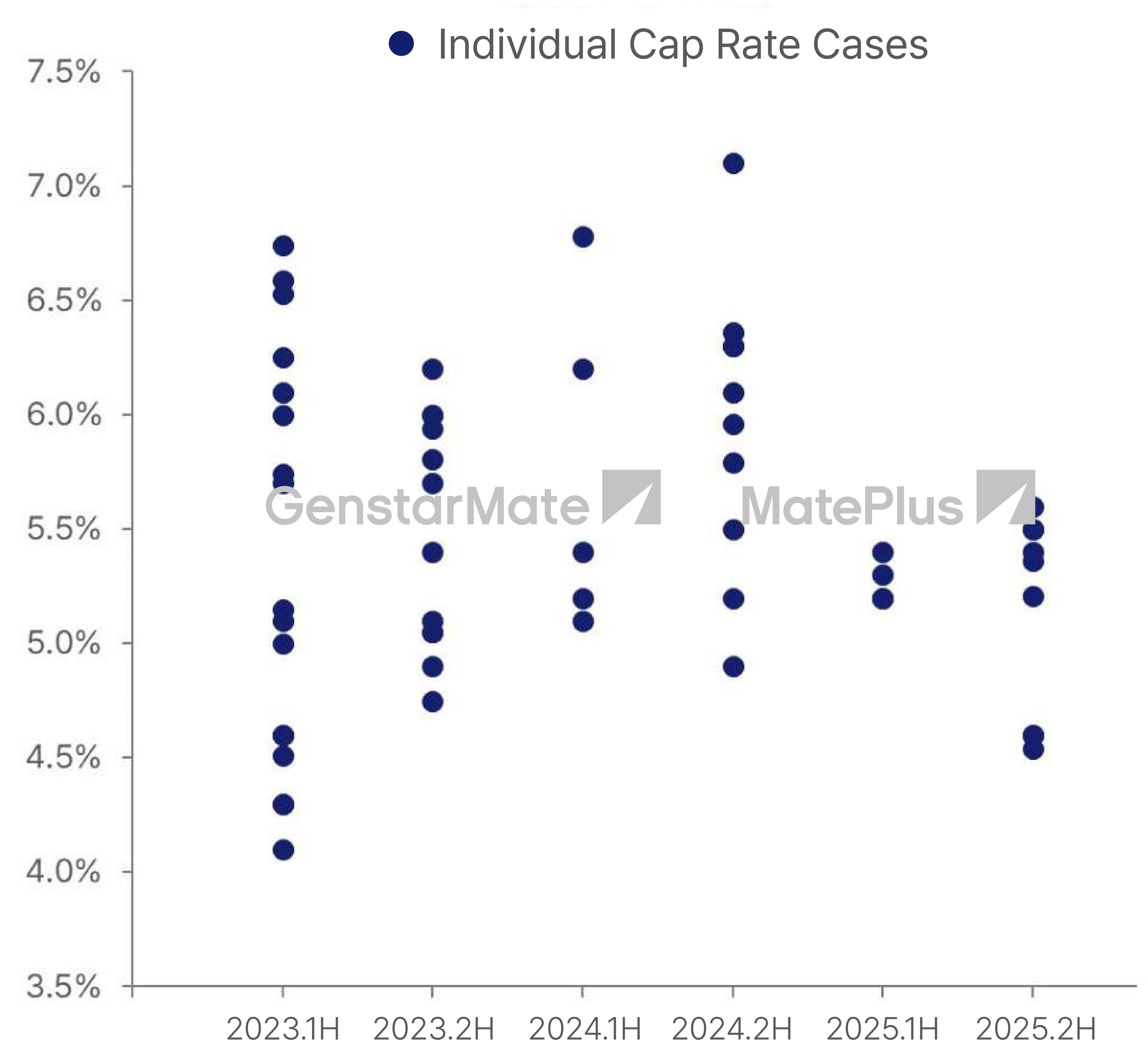


SMA Investment Market

4 SMA Cap.Rate Trend

- As of Q4 2025, the cap rate for SMA logistics centers stood at approximately 5.1%, with the 2025 annual average at around 5.2%. Following the decline in government bond yields, cap rates have shown a gradual stabilization trend since Q4 2024.
- The cap rate spread in Q4 2025 was approximately 2.2%p, slightly narrowing compared to the previous quarter.
- Transaction-level cap rates ranged between 4.5% and 5.6%, with spreads exceeding 100 bps depending on asset location, specifications, and tenant composition, indicating continued differentiation in pricing across assets.





5 Major Transaction Cases

- In 2025, investment activity in the SMA logistics market was concentrated in the Western submarket, particularly around Incheon.
- Key transactions included Seoknam Complex Logistics Center (KRW 245.0 billion), Siwha Logistics Center (KRW 475.0 billion), and Cheongna Logistics Center, which exceeded KRW 1.0 trillion in Q4. Despite its large scale of approximately 130,000 py, Cheongna was sold after resolving much of its vacancy, reflecting improving market conditions.
- The average transaction price for SMA logistics centers remained in the KRW 5 million per py range, while prime assets such as Ansan Siwha and Cheongna traded at around KRW 7 million per py, indicating widening price dispersion across assets.

2025 Major Transaction Cases

Transaction Date (Quarter)	Logistics Center	Address	Type	Transaction Price (100. mil won)	Transaction Area (py)	Price per py (1,000 won)	Seller / Buyer
2025.1Q	Incheon Hang-dong Dream Logistics Center	Jung-gu, Incheon	Mix	2,300	40,326	5,703	Dream Remicon / Koramco REITs & Trust
2025.1Q	Seoknam Mixed-Use Logistics Center	Seo-gu, Incheon	Mix	2,450	44,842	5,464	S&K Logistics / Brookfield Asset Management
2025.1Q	MegaWise Cheongna	Seo-gu, Incheon	Dry	2,250	43,213	5,207	MegaWise Cheongna, Cheongna Mega Logistics / LX Pantos
2025.1Q	GREENWAVE Siwha Logistics Center	Jeongwang-dong, Siheung-si	Mix	4,750	71,277	6,664	Siwha Road, Landbox, Kiwoom Asset / JB Asset Management
2025.3Q	Kendall Square Mokcheon DC	Dongnam-gu, Cheonan-si	Dry	863	16,629	5,190	Kendall Square Asset Management / Kendall Square REIT Management
2025.3Q	World In Cheonan Logistics Center	Seobuk-gu, Cheonan-si	Mix	1,030	18,910	5,447	SG ShinSung Construction / CapitaLand Investment Management
2025.4Q	Yeojoo Jeombong-dong Logistics Center	Jeombong-dong, Yeoju-si	Dry	2,200	36,949	5,954	Yeoju JB Logistics Center / ARA Korea Asset Management
2025.4Q	Ansan Siwha Logistics Center	Danwon-gu, Ansan-si	Dry	5,123	72,281	7,088	CBRE GI Asset Management / WideCreek Asset Management
2025.4Q	LogisPoint Yeojoo Logistics Center	Samgyo-dong, Yeoju-si	Mix	1,900	39,624	4,795	Masturn No.123 Yeoju Samgyo PFV / Koramco Asset Management
2025.4Q	Cheongna Logistics Center	Seo-gu, Incheon	Mix	10,300	130,152	7,914	Brookfield Asset Management Korea / KKR · Create Asset Management

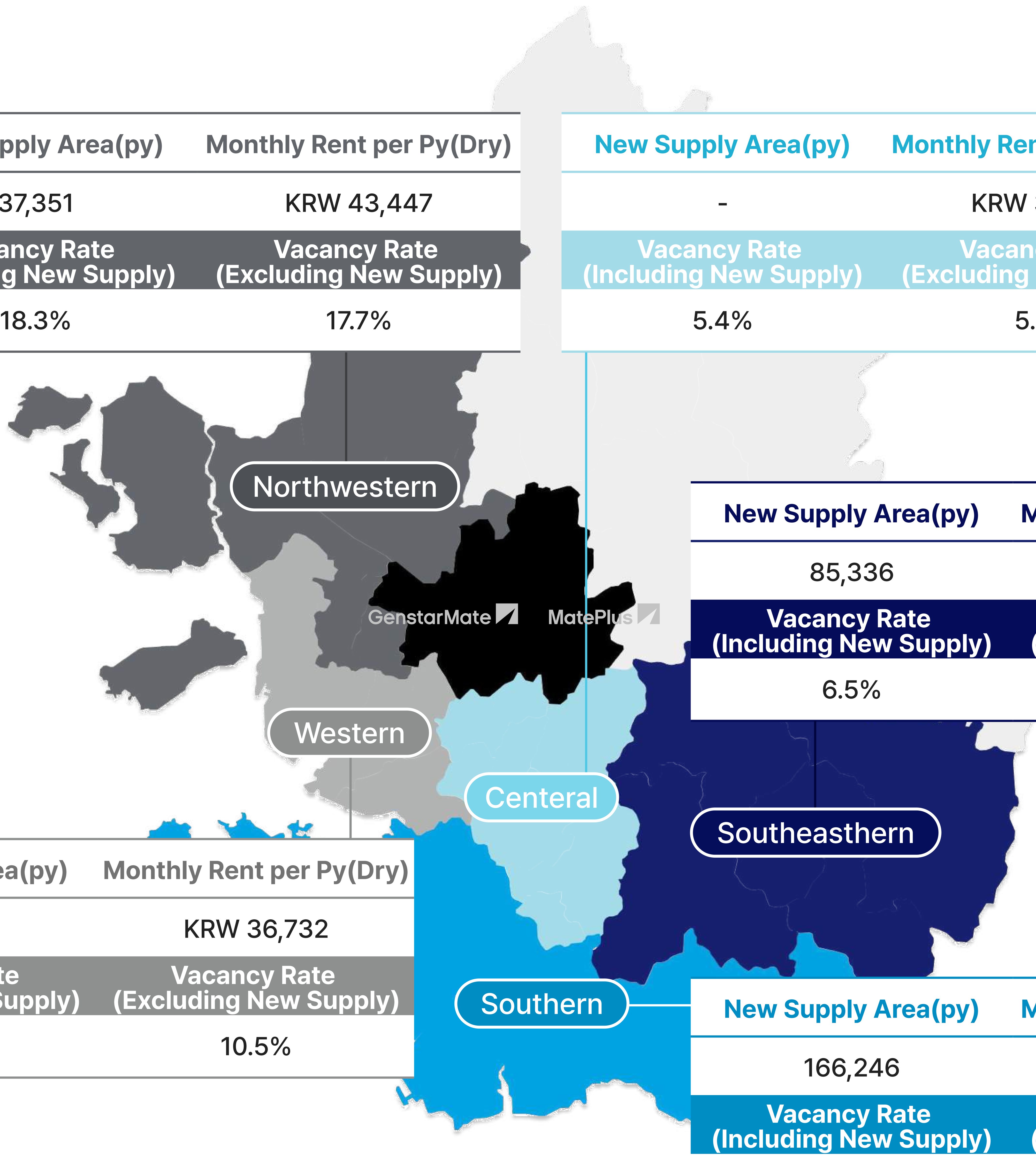
SMA Supply & Leasing Market

1 Overview

SMA Logistics Center

※ FY2025 & 4Q 2025

New Supply Area(py)	Monthly Rent per Py(Dry)	Vacancy Rate (Including New Supply)	Vacancy Rate (Excluding New Supply)
366,697	32,557원	10.2%	8.9%



New Supply Area(py)	Monthly Rent per Py(Dry)
37,351	KRW 43,447
Vacancy Rate (Including New Supply)	**Vacancy Rate (Excluding New Supply)**
18.3%	17.7%

New Supply Area(py)	Monthly Rent per Py(Dry)
-	KRW 36,595
Vacancy Rate (Including New Supply)	**Vacancy Rate (Excluding New Supply)**
5.4%	5.4%

New Supply Area(py)	Monthly Rent per Py(Dry)
85,336	KRW 29,528
Vacancy Rate (Including New Supply)	**Vacancy Rate (Excluding New Supply)**
6.5%	5.7%

New Supply Area(py)	Monthly Rent per Py(Dry)
47,862	KRW 36,732
Vacancy Rate (Including New Supply)	**Vacancy Rate (Excluding New Supply)**
10.5%	10.5%

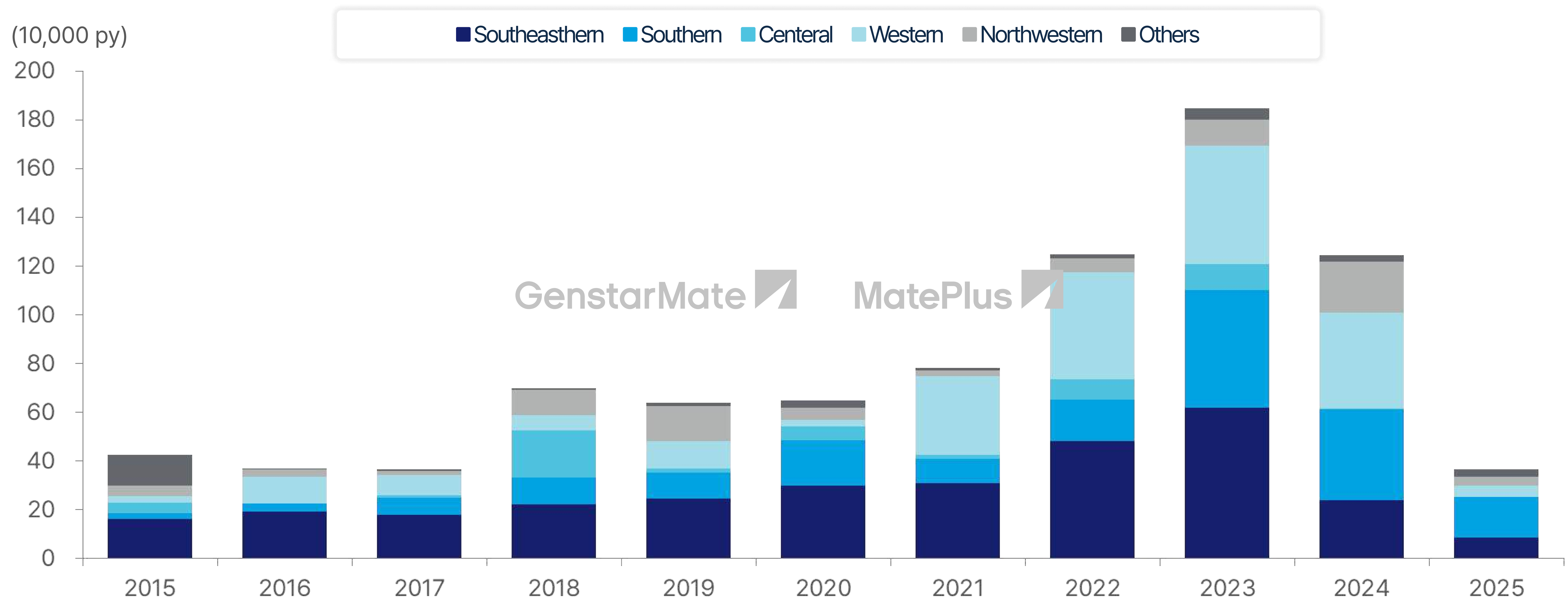
New Supply Area(py)	Monthly Rent per Py(Dry)
166,246	KRW 29,631
Vacancy Rate (Including New Supply)	**Vacancy Rate (Excluding New Supply)**
14.2%	10.2%

- Annual new supply of logistics centers in the SMA totaled approximately 367,000 py in 2025, down by about 877,000 py from 1.244 million py in 2024.
- The Southern submarket recorded the largest share of new supply at 166,000 py, including Hyundai Glovis Anseong W&D Center and Anseong CDC Logistics Center, followed by the Southeast submarket with 85,000 py.
- Planned supply for 2026 is approximately 672,000 py, about 83% higher than 2025 levels. However, construction delays at several projects suggest that actual completions may fall below the planned pipeline.

SMA Supply & Leasing Market

2 SMA Logistics Supply Trend by Submarket

- As of Q4 2025, annual new supply of logistics centers in the SMA totaled approximately 367,000 py. This represents a 71% decline from 1.244 million py in 2024 and about 19.8% of the peak supply of 1.848 million py recorded in 2023.
- By submarket, the Southern region accounted for the largest share with 166,000 py, representing 45.3% of total supply, followed by the Southeast with 85,000 py (23.3%) and the Western region with 48,000 py (13.1%).
- Planned new supply for 2026 is approximately 672,000 py, equivalent to about 183% of 2025 supply. However, prolonged construction delays across several projects suggest that actual completions may fall short of the planned pipeline.



Major New Logistics Supply in the SMA

- In Q4 2025, about 110,000 py of new logistics center supply was delivered in the SMA, bringing total new supply for 2025 to approximately 367,000 py.
- By submarket, the Southern region recorded the largest supply with 166,000 py, followed by the Southeast (85,000 py), Western (48,000 py), Northwest (37,000 py), and other areas (30,000 py).
- Key completions included Hyundai Glovis Anseong W&D Center and Anseong CDC Logistics Center in the Southern submarket, and Logispoint Sinhaeri and GST Donggonjiam Logistics Center in the Southeast. The Southern and Southeast submarkets accounted for about 68.6% of total new supply in the SMA.

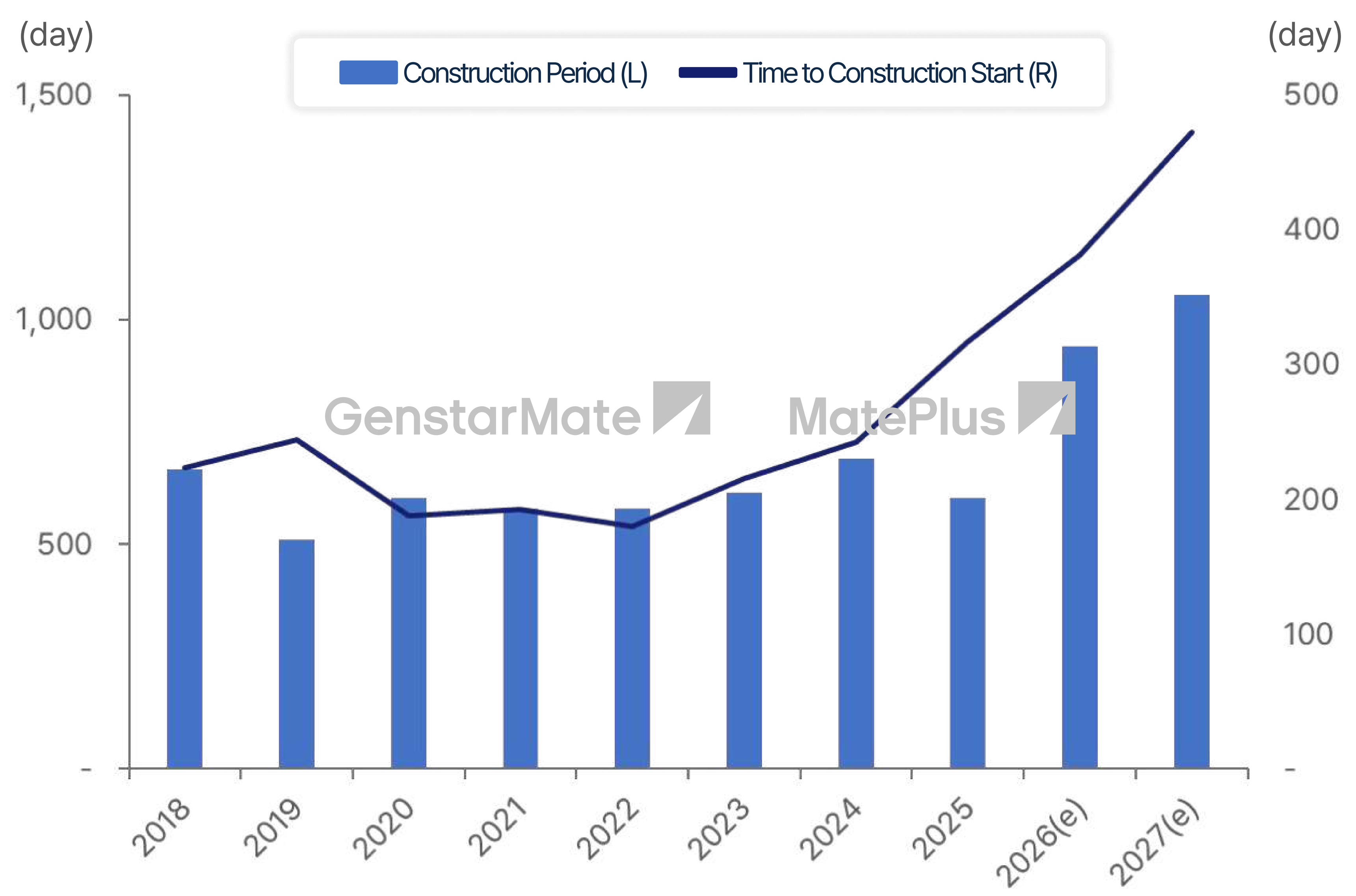
2025 Major New Supply Cases

Date of Completion	Logistics Center	Adress	Type	GFA (py)	Tenant
2025.2Q	Anseong Bangcho 2 District Logistics Center	Anseong-si, Gyeonggi-do	Dry	39,446	Hyundai Mobis, Hyundai Glovis
2025.2Q	GST Donggonjiam Logistics Center	Yeoju-si, Gyeonggi-do	Mix	15,121	CJ Logistics
2025.3Q	LogisPoint Sinhae-ri	Yeoju-si, Gyeonggi-do	Mix	15,997	Lotte Global Logistics
2025.3Q	YES24 Smart Fulfillment Center	Paju-si, Gyeonggi-do	Dry	15,870	YES24
2025.3Q	Hyundai Glovis Incheon International Airport Logistics Center	Jung-gu, Incheon	Mix	13,443	-
2025.4Q	LogisHK Siwha	Siheung-si, Gyeonggi-do	Dry	26,753	-
2025.4Q	Equalbase Icheon Baeksa	Icheon-si, Gyeonggi-do	Mix	12,664	GEODIS
2025.4Q	Anseong CDC Logistics Center	Anseong-si, Gyeonggi-do	Mix	12,243	-

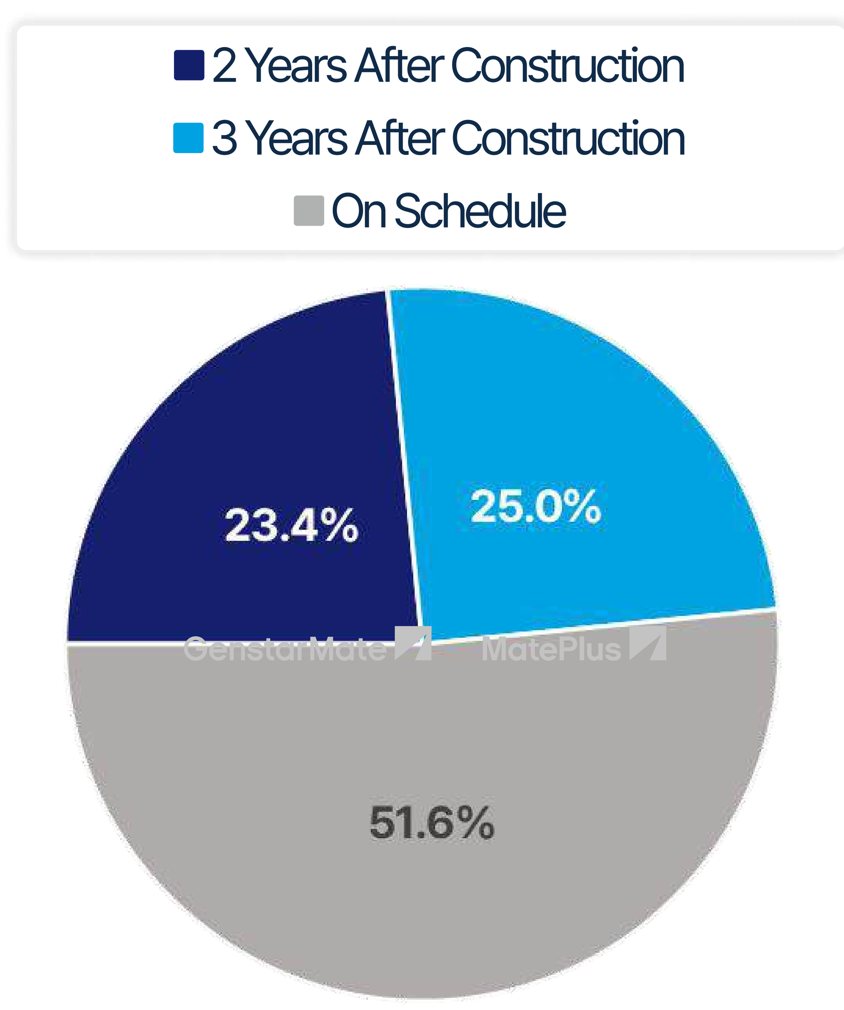
SMA Supply & Leasing Market

4 SMA Logistics Permits & Construction Starts

- Nine new logistics center development permits were recorded in Q4 2025. Since the peak of 58 permits in Q4 2022, approvals have declined sharply, with a total of 25 permits recorded in 2025.
- No new construction starts were confirmed in Q4 2025. Given the gap between accumulated permits and actual project starts, many developments are likely to be delayed beyond their original schedules.
- For logistics centers completed in 2025, the average period from permit approval to construction start was 317 days, up from 180 days in 2022, reflecting delays in the development process amid rising construction costs and higher interest rates.



▲ Trend in Development Period of Logistics Centers in the SMA (2018–2027(e))



▲ Proportion of Completion Delays – SMA (Projects with Starting Construction)

* Construction Period: Average duration (in days) from commencement to completion.
* Lead Time to Construction Commencement: Average duration (in days) from permit approval to commencement.

5 Major Upcoming Logistics Supply in the SMA

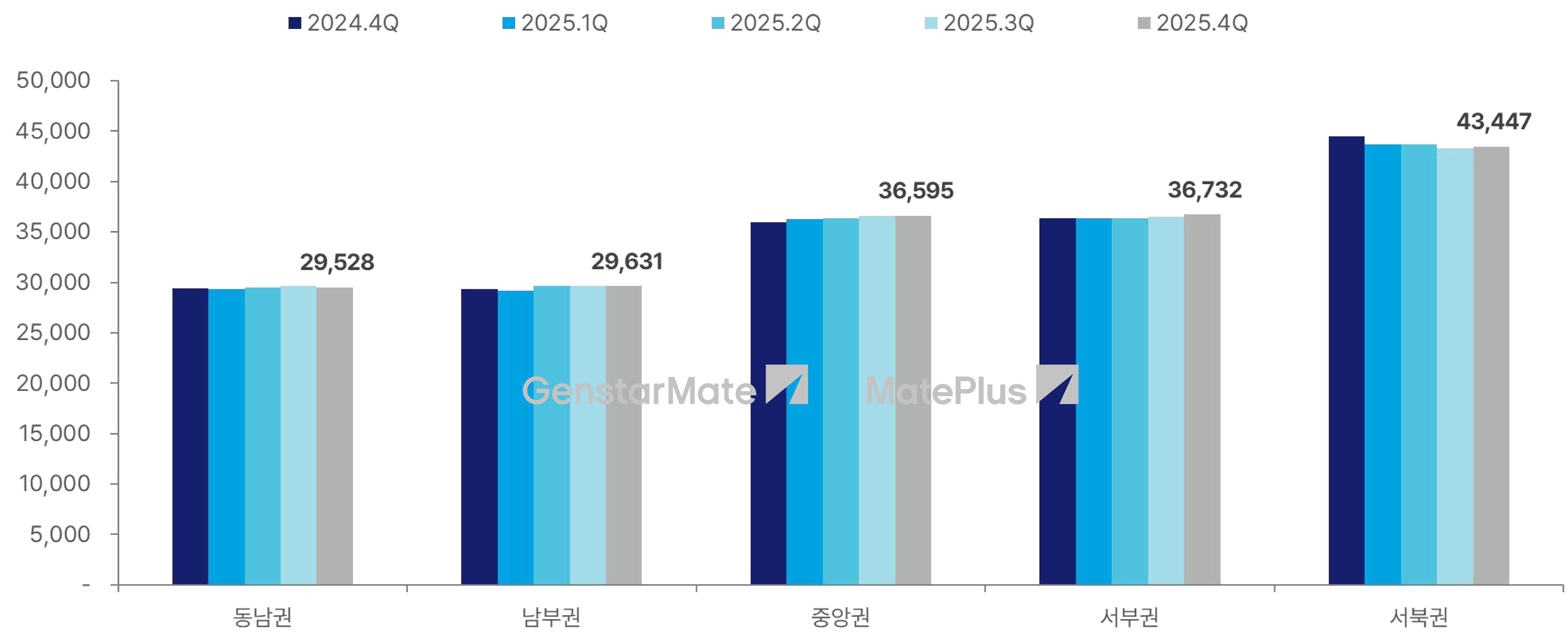
- Expected logistics center supply in the SMA for 2026 totals approximately 672,000 py. By submarket, supply is distributed across the Western (179,000 py), Southern (179,000 py), Southeast (152,000 py), Other areas (126,000 py), and Northwest (35,000 py).
- Major completions are expected to include Siwha Smart Green Logistics Center and Banwol Logis AD Town in the Western submarket, Samsung Electronics Pyeongtaek CDC in the Southern submarket, and Anseong Dangmok Center in the Southeast. Other areas will also see several large-scale projects, including Geumnam District 5 Logistics Center pre-leased to Coupang.

2025 Major Upcoming Supply Cases

Expected Completion Date	Logistics Center	Adress	Type	GFA (py)
2026.1Q	Wonsi 735 Logistics Center	Ansan-si, Gyeonggi-do	Mix	32,760
2026.2Q	Siwha Smart Green Logistics Center	Siheung-si, Gyeonggi-do	Dry	52,171
2026.2Q	Banwol Logis AD Town	Ansan-si, Gyeonggi-do	Mix	46,634
2026.2Q	Dangmok Logistics Center	Anseong-si, Gyeonggi-do	-	42,072
2026.2Q	Ansan Choji-dong Logistics Center	Ansan-si, Gyeonggi-do	Mix	39,129
2026.3Q	Geumnam 5 District Logistics Center (Coupang)	Namyangju-si, Gyeonggi-do	-	56,131
2026.3Q	Dangmok-ri Logistics Center	Anseong-si, Gyeonggi-do	-	30,665
2026.4Q	Samsung Electronics Pyeongtaek CDC	Pyeongtaek-si, Gyeonggi-do	-	44,049

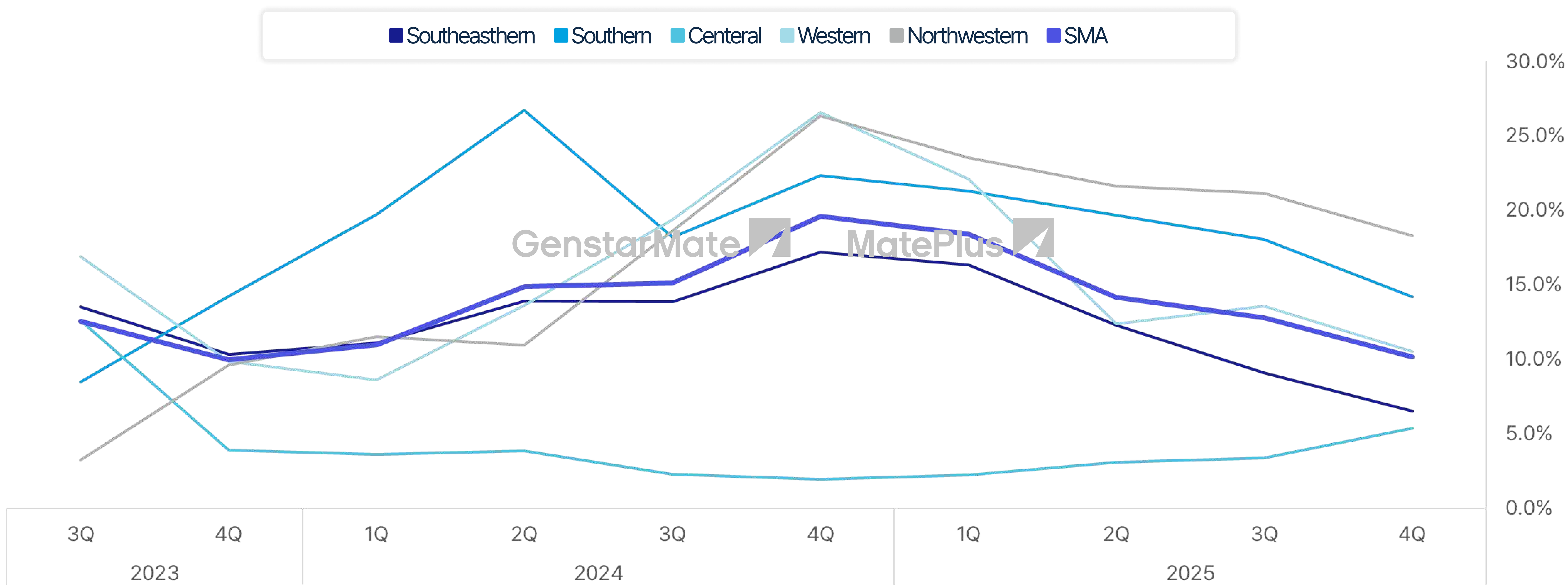
6 SMA Dry Logistics Rent Trend by Submarket

- As of Q4 2025, the average dry logistics center rent in the SMA was KRW 32,557 per py, up 0.6% YoY.
- By submarket, Other areas recorded the largest increase at 3.1%, followed by the Central region at 1.7%.
- In the Central submarket, where no new supply was delivered in 2025, rents increased at several existing assets, including LX Hausys Uiwang Logistics Center and JW Pharmaceutical Hwaseong Logistics Center.



7 SMA Dry Logistics Vacancy Trend by Submarket

- As of Q4 2025, the dry logistics center vacancy rate in the SMA stood at approximately 10.2%, down 9.4%p YoY.
- By submarket, vacancy rates were 5.4% in the Central region, 6.5% in the Southeast, 10.5% in the Western region, 14.2% in the Southern region, and 18.3% in the Northwest. Vacancy rates declined YoY across all submarkets except the Central region.
- However, in the Southeast and Southern submarkets—where a large share of new supply is scheduled for 2026—the pace of vacancy stabilization may moderate.



APPENDIX

Research Overview

Region	Nationwide
Target	Logistics Center with GFA of 3,300m² and more which uses at least 50% of its area as warehouse facilities
Method	Telephone/site investigation, Ministry of Land, Infrastructure and Transport
Contents	Logistics Center license and approval status, transaction cases, tenant status and rent level
Period	Research on the 15th to the last day of the following month at the end of each quarter

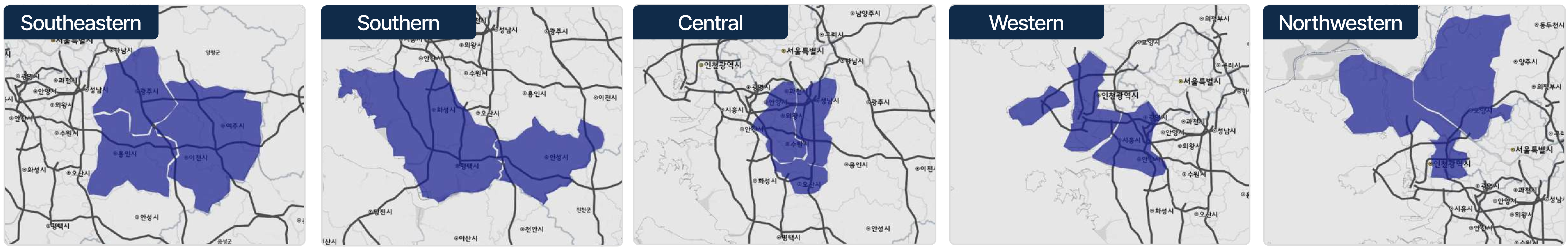
Grade Classification

Small	Less than 33,508m² (less than 10,000 py)
Medium	More than 33,508m² and less than 99,174m² (more than 10,000 py and less than 30,000 py)
Large	More than 99,174m² and less than 165,289m² (more than 30,000 py and less than 50,000 py)
Prime	More than 165,289m² (more than 50,000 py)

Classification of SMA Market & Submarket

Market	Administrative Distirct	Submarket
Southeastern	Gwangju, Icheon, Yeoju, Yongin (Cheoin-gu)	Gwangju·Gonjiam, Icheon·Yeoju, Yangji·Deokpyeong
Southern	Anseong, Pyeongtaek, Hwaseong (excluding Dongtan Area)	Anseong, Pyeongtaek·Hwaseong
Central	Gunpo, Uiwang, Anyang, Gwacheon, Suwon, Osan, Hwaseong (Dongtan Area), Yongin (Suji-gu, Giheung-gu), Seongnam	Gunpo·Anyang·Suwon, Dongtan·Osan, Giheung·Suji
Western	Incheon (excluding Gyeyang-gu, Bupyeong-gu, Ganghwa-gun) Ansan, Siheung, Gwangmyeong,	Incheon, Ansan·Siheung
Northwestern	Incheon (Gyeyang-gu, Bupyeong-gu, Ganghwa-gun) Goyang, Paju, Gimpo, Bucheon,	Gimpo·Bucheon, Goyang·Paju
Others	The rest of Gyeonggi-do, Seoul	-

Map of SMA Market



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