

Logistics Real Estate Series Report
Logistics Center Tenant Analysis by Region

Logistics Tenant Profile

Yeoju



Finding the Logistics Hotspot 'Yeosu'

The logistics real estate market is gradually stabilizing as new supply significantly decreases in 2025.

However, Anseong, Siheung-Ansan, and Yeosu, which still have properties pending completion, are in fierce competition to secure tenants.

Despite landlords' active courtship, shippers are hesitating to sign lease agreements.

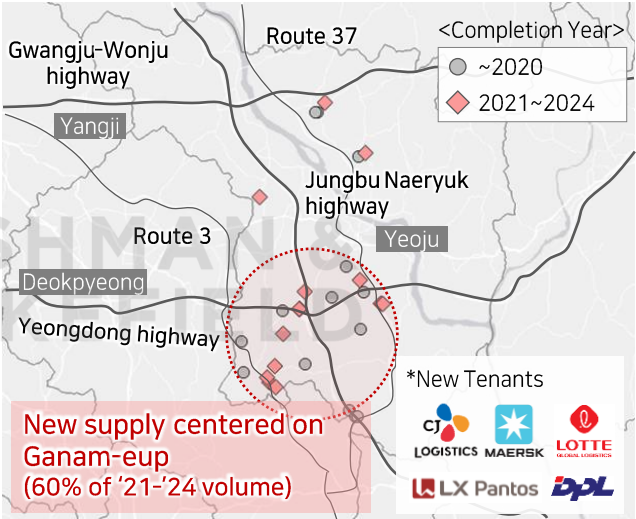
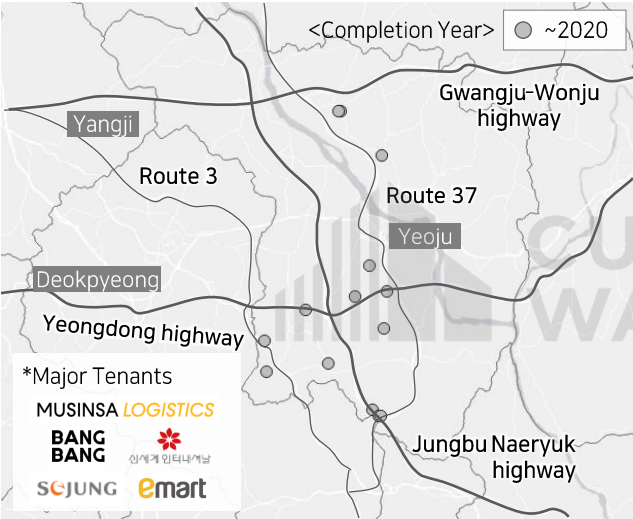
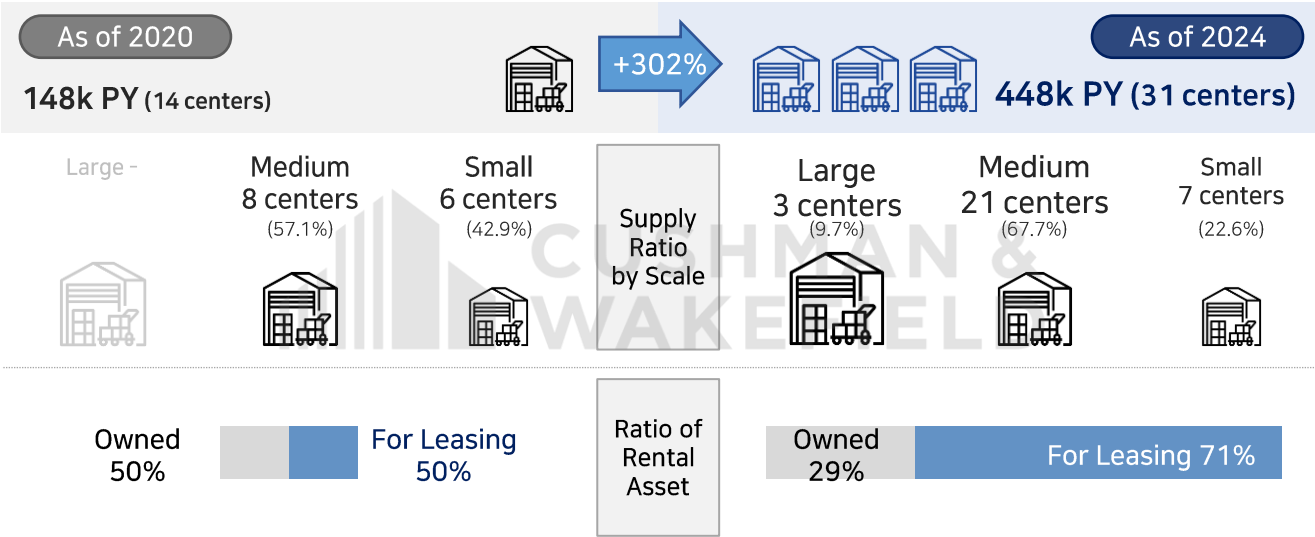
What is the optimal logistics model for shippers trying to overcome the economic downturn through logistics?

'Yeosu', Achieving Explosive Growth

A. Supply Status of Logistics Centers

- Since 2021, Yeosu has shifted from small private logistics centers to medium/large commercial ones. **The logistics supply in the Yeosu area in 2024 has reached approximately 448k py, more than triple the size compared to 2020 (148k py).**
- New logistics centers are concentrated in Ganam-eup, Yeosu City, with excellent access via Yeongdong Line, Jungbu Naeryuk Line, and National Route 3. Competitive rates** versus Yangji-Deokpyeong area **attract 3PL Logistics companies.**

Supply Trend¹



Note1: Scale of 5,000py+ in Yeosu, as of April 2025

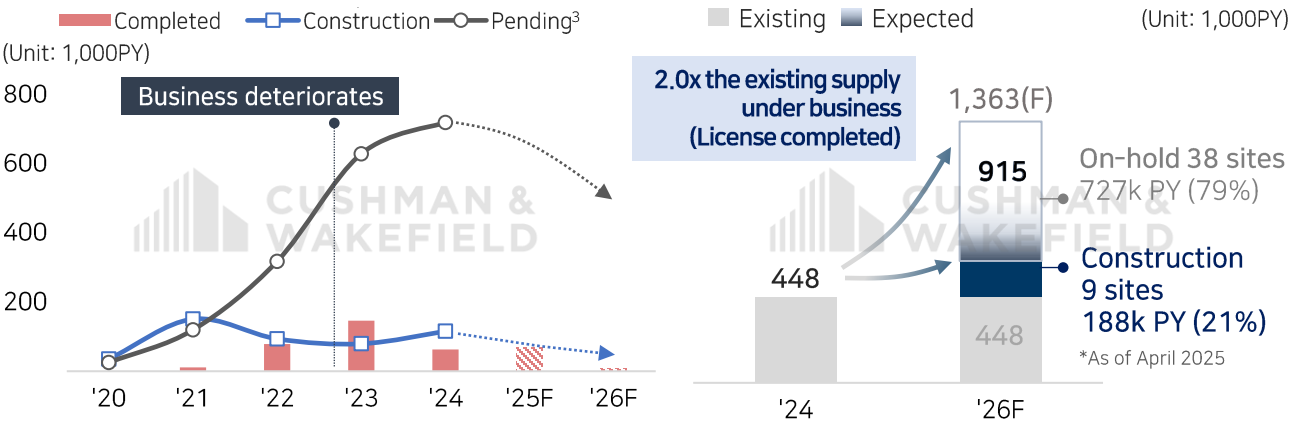
Source: C&W Research

'Yeosu', Achieving Explosive Growth

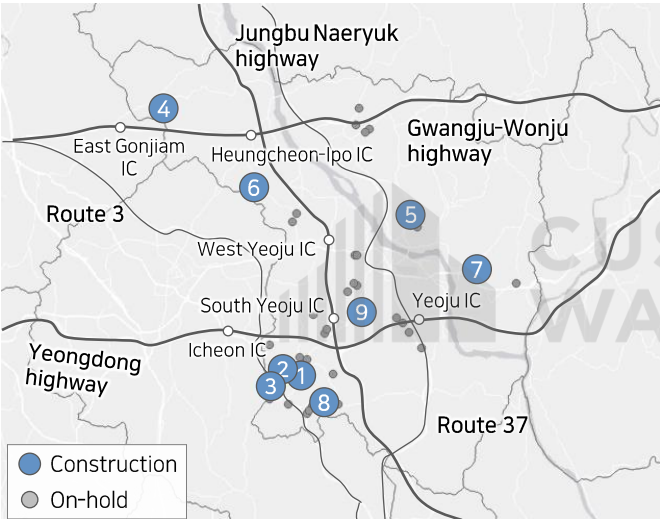
A. Supply Status of Logistics Centers

- Development has shifted to Yeosu following stricter regulations in Yangji-Deokpyeong, but rising construction costs and falling effective rents have led to numerous undeveloped sites.
- Of the 915k py planned supply by end-2024, only 21% (188k py) is under construction**, with remaining sites likely facing delays or cancellation.
- Supply is concentrated near major expressways**, with a focus on medium to large logistics centers (10-20k py) suited for automation, despite high vacancy rates.

New Supplies²



Major New Supplies



*Major Construction Centers

No	Name	Type	GFA(py)	Note
①	Samgun-ri 550	Mix	13,126	Medium
②	Yeosu H1	Mix	10,493	Medium
③	Shinhae-ri	Mix	15,997	Medium
④	GST East Gonjiam	Mix	15,195	Medium
⑤	Kyowon Life Yeosu	Dry	14,911	Medium
⑥	Dadae-ri	Dry	8,678	Small
⑦	Geoleun-ri	Mix	15,122	Medium
⑧	Yanggui District (Musinsa)	Dry	85,767	Large
⑨	Yeolla-dong	N/A	8,764	Small

Note2: Scale of 5,000py+ in Yeosu, as of April 2025

Note3: On-holding area after permits as of April 2025

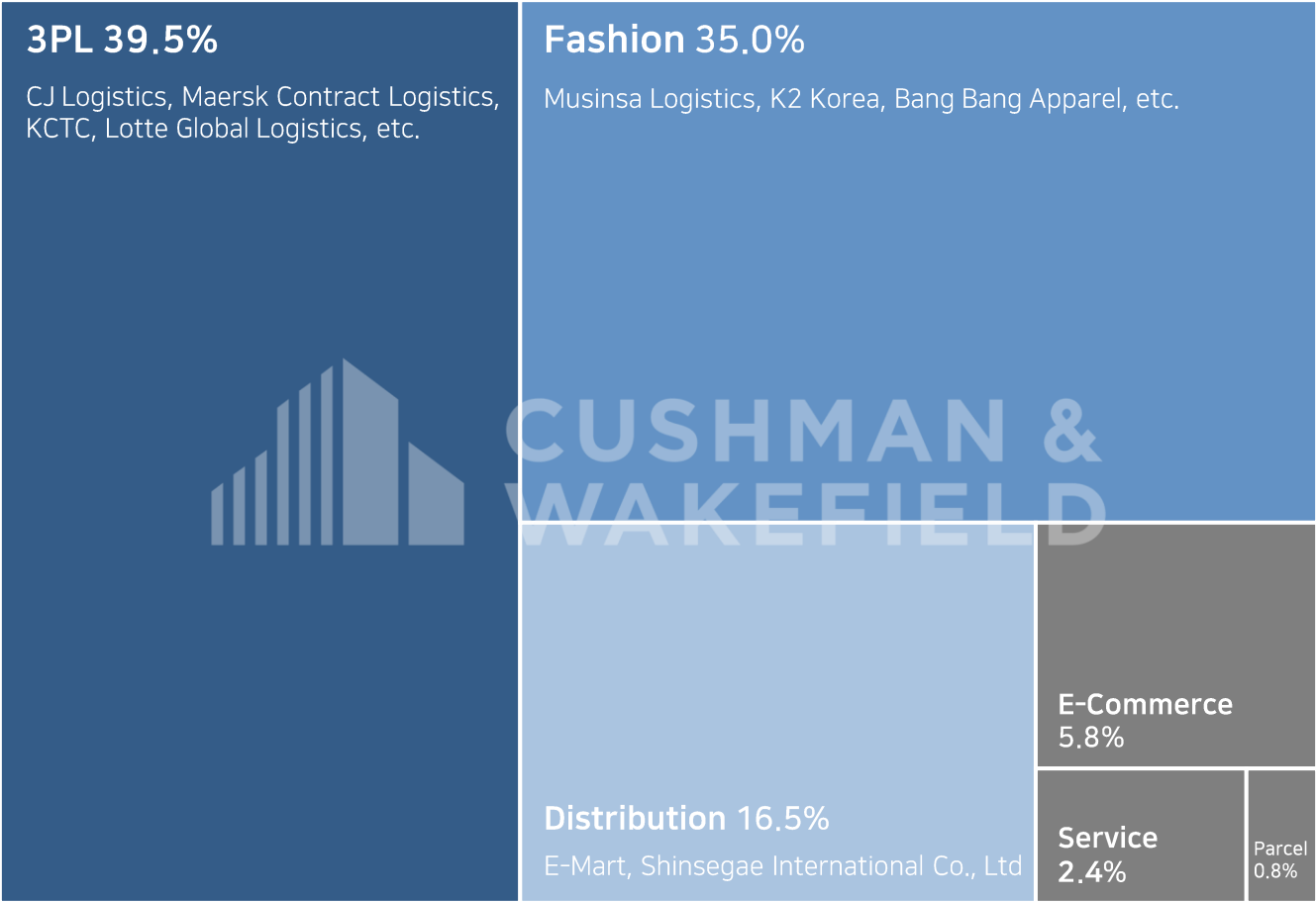
Source: C&W Research

Who is the primary tenant?

B. Tenant Industry Sector Proportions (by GFA)

- While **3PL Logistics companies with high rent sensitivity occupy the largest area (about 40%)**, the proportion of fashion, distribution, and e-commerce is gradually increasing.
- With good metro-regional connectivity and low rents, major 3PL companies like **CJ Logistics and Maersk Contract Logistics** have set up in Yeosu. A fashion cluster near Yeosu Shinsegae/Lotte Outlets houses major fashion companies' logistics bases including **Musinsa Logistics and K2 Korea**. Additionally, retail logistics centers of **E-mart and Shinsegae International**, as well as e-commerce fulfillment centers of **Coupang and Bucketplace** are also located in the Yeosu area.

Tenant Proportion⁴



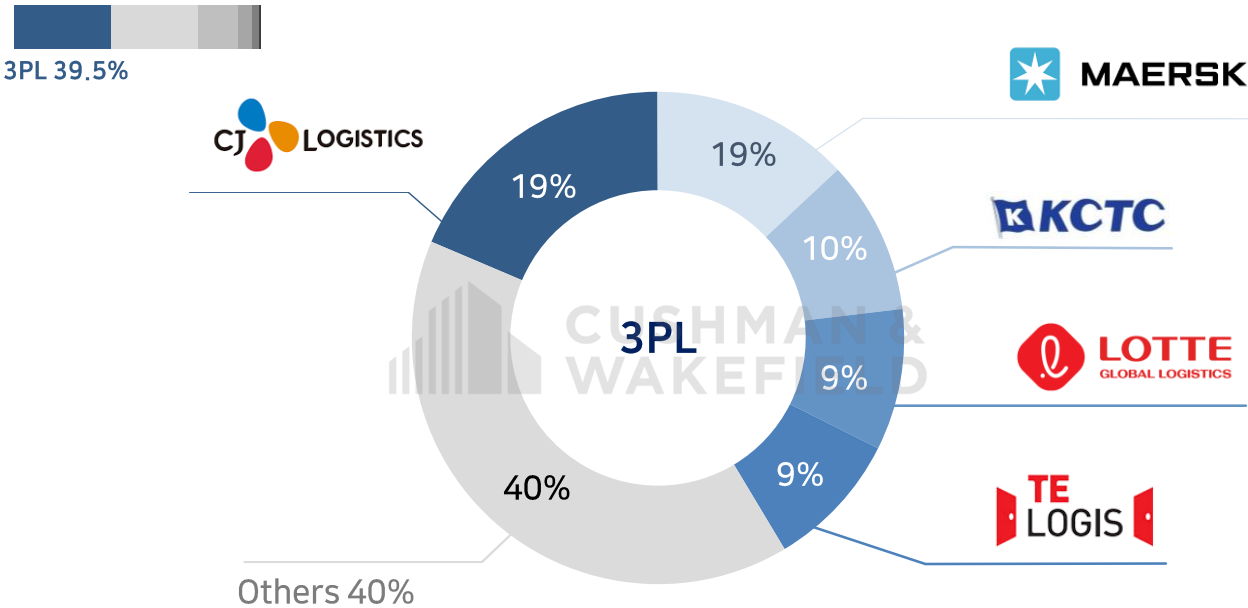
Note4: Scale of 5,000py+ in Yeosu, as of April 2025

Source: C&W Research

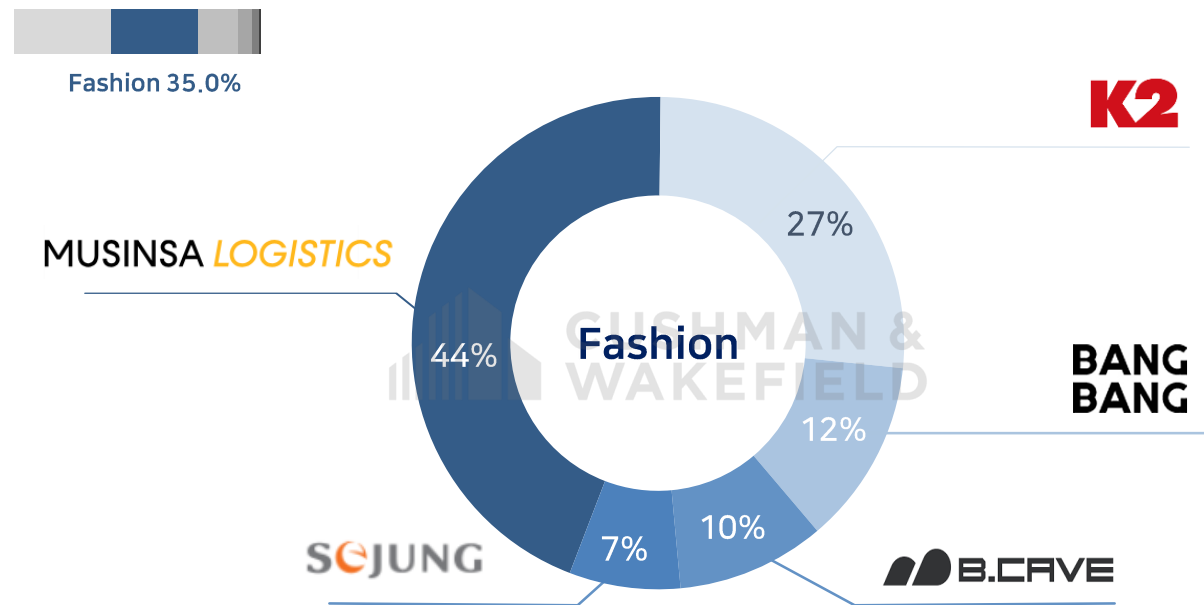
Who is the primary tenant?

B. Tenant Industry Sector Proportions (by GFA)

Proportion of 3PL companies



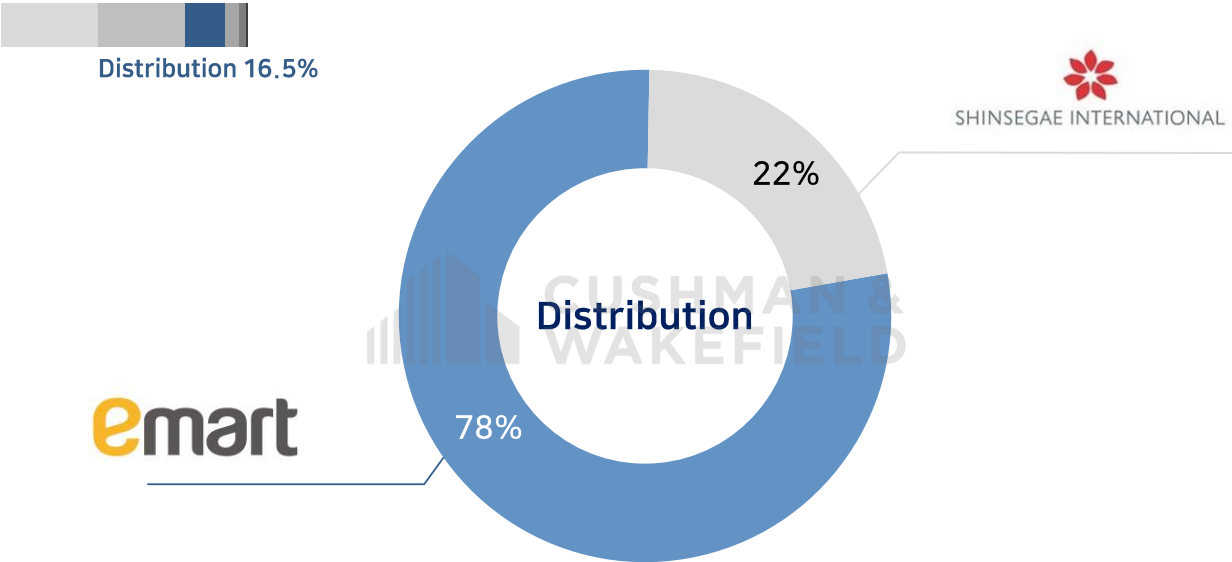
Proportion of Fashion companies



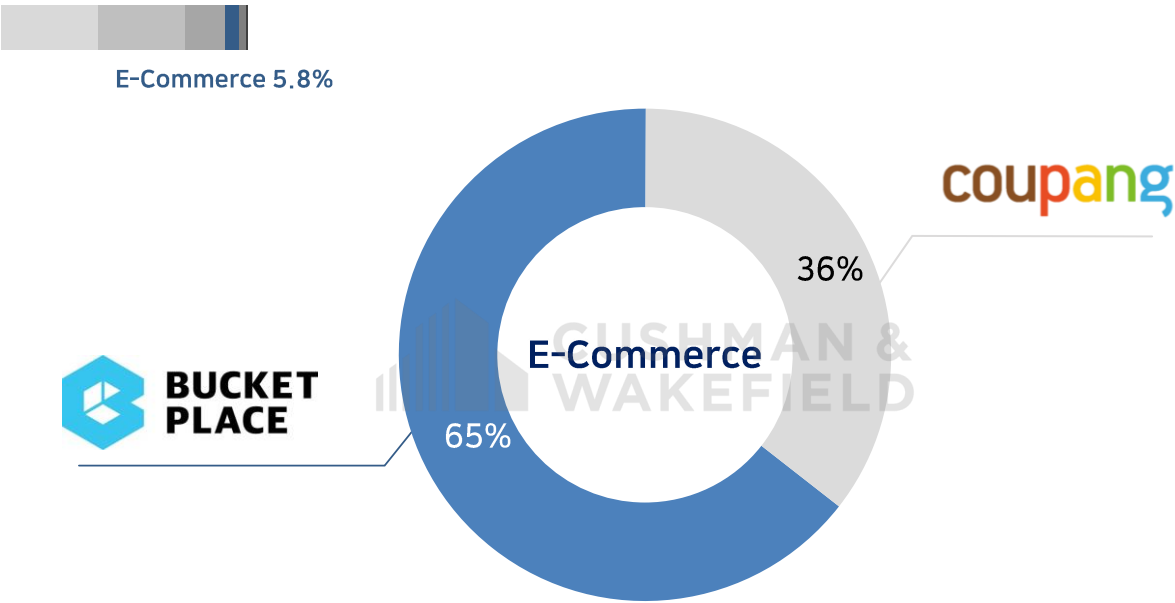
Who is the primary tenant?

B. Tenant Industry Sector Proportions (by GFA)

Proportion of Distribution companies



Proportion of E-Commerce companies



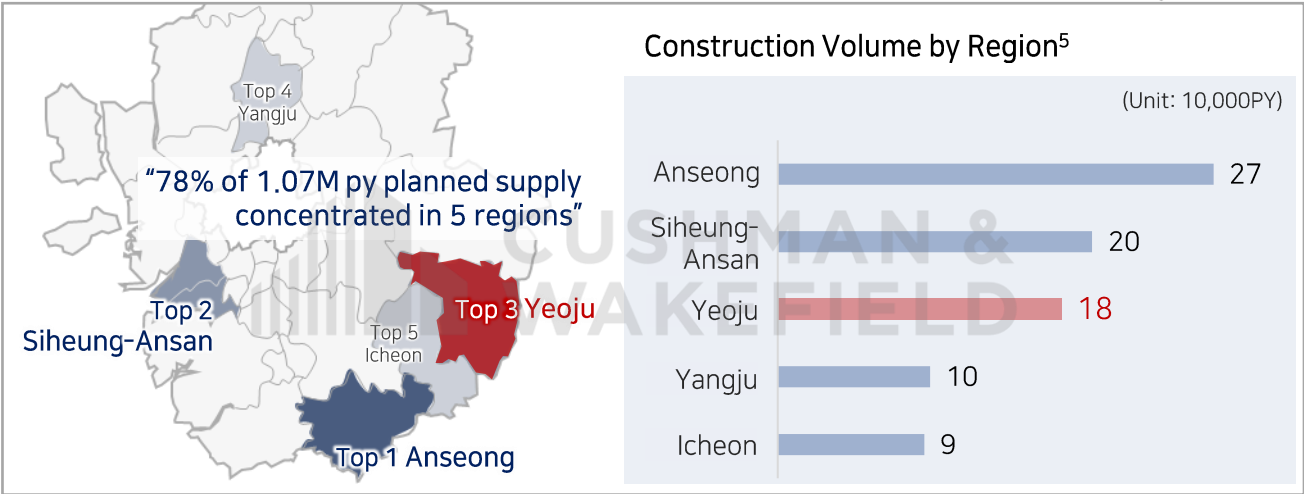
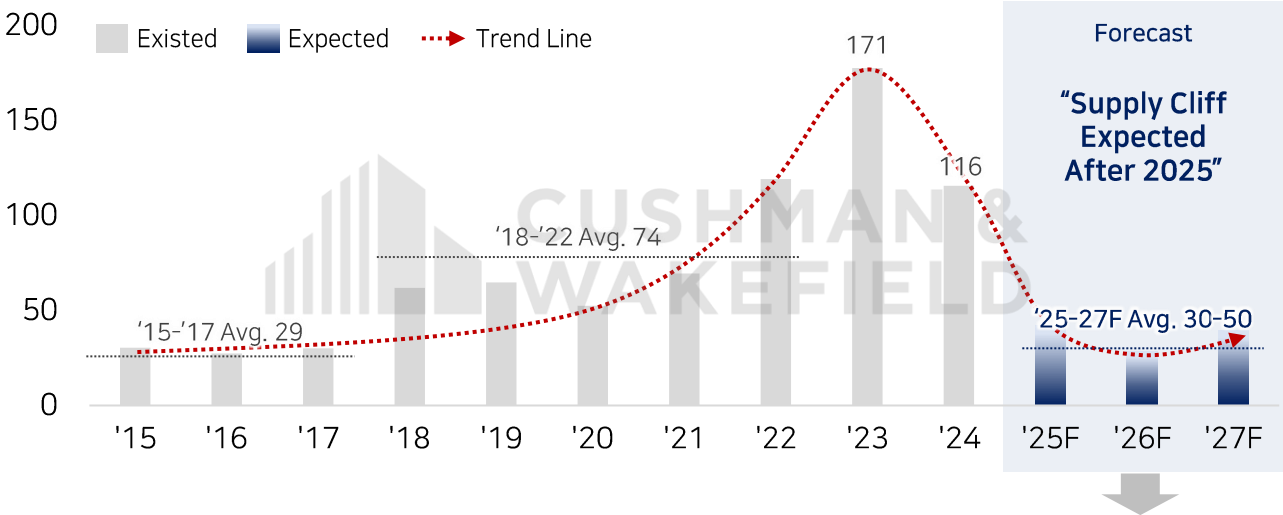
Which logistics centers will dominate the market?

C. Future Supply Risk Analysis

- The metropolitan area logistics market faces oversupply from peak 2023 volumes, but construction has declined since late 2022. **Supply is projected to stabilize at 20-30% of peak levels (300-500k py) after 2025.**
- With **80% of new development concentrated in 5 regions (Anseong, Siheung-Ansan, Yeosu, Yangju and Icheon)**, rental competition will intensify. **Location, transportation access, and center structure will become key competitive factors.**

Metropolitan Logistics Center Supply Outlook

Annual New Supply Trends (Unit: 10,000PY)



Note5: As of Q1 2025 for areas with >50k PY construction starts

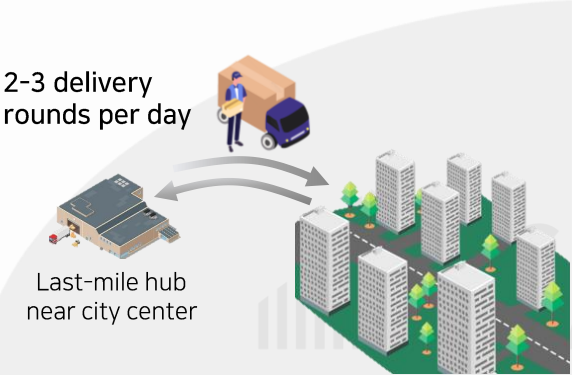
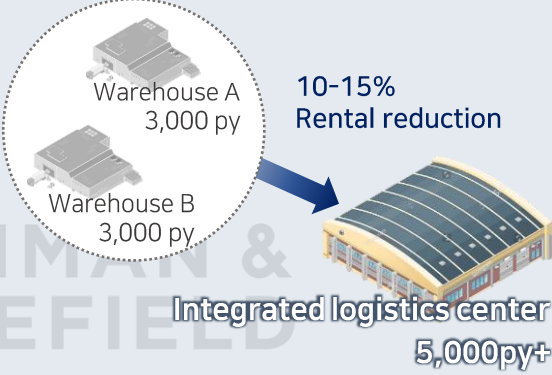
Source: C&W Research

Which logistics centers will dominate the market?

D. Key Shipper Preferences

- E-commerce companies, previously driving logistics demand, and now prioritizing profitability amid slowing online market growth. They seek both **urban delivery hubs for efficient multi-round deliveries** and **larger centers for automated operations and inventory consolidations**.
- Of the five major construction regions, **Yeosu, Anseong and Icheon offer ideal conditions for integrated centers** with their national transport networks and competitive rents. **Logistics centers with large floor plates over 5,000py are particularly attractive** to premium tenants seeking consolidated operations.

Logistics Demand & Infrastructure Needs

Urban Last Mile Delivery Hub for Transportation Cost Reduction	Large Centers in Outskirts for Operating Cost reduction
<p>Multi-cycle delivery from urban hubs reduces vehicles and transport costs</p> <p>2-3 delivery rounds per day</p> <p>Last-mile hub near city center</p> 	<p>Space optimization and automation reduce rent and labor costs</p> <p>10-15% Rental reduction</p> <p>Warehouse A 3,000 py</p> <p>Warehouse B 3,000 py</p> <p>Integrated logistics center 5,000py+</p> 
<p>Within 10km of city center (Gimpo, Goyang, Bucheon, Namyangju, etc.) Near dense residential areas</p>	<p>30~60km from city centers (Yeosu, Anseong, Icheon, etc.) Easy access to major highways (Gyeongbu / Jungbu)</p>
<p>Large vehicle yard with secure parking and loading docks</p>	<p>5,000+ py warehouse floor plate 5,000+ kW electrical capacity Break rooms, cafeteria and offices</p>

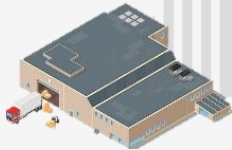
Which logistics centers will dominate the market?

E. Supply Outlook for mid-large facilities

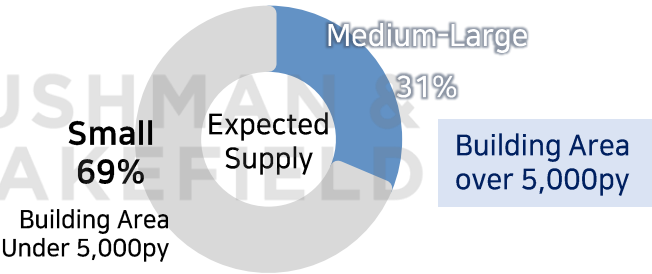
- Of 51 assets under construction in the metropolitan area, **only 16 centers (31%) have large floor plate (>5,000 py)** as of Q1 2025, with **most projects being premium tenant pre-lease or BTS (Built-to-Suit) developments**.
- In the competitive markets of Anseong, Yeosu, and Siheung-Ansan, **having sufficient warehouse space per floor to accommodate automated and integrated logistics hubs will be crucial for attracting premium tenants**.

Integrated Hub Infrastructure Asset Status

51 centers under construction in SMA (As of Q1 2025)



*Supply Ratio by Scale



Region	Name	Building Area (PY)	GFA(PY)	Construction Start	Completion (F)	Note
Anseong	Bangcho District	9,614	40,648	2022	2025	
	Dugyo-ri Logistics Center	5,497	11,525	2022	2025	
	Sanha-ri Building B	8,908	27,004	2024	2026	
	Sanha-ri Building C	10,036	30,496	2024	2026	
	Sanha-ri Building D	9,527	28,519	2024	2026	
	Neungguk 2 District Block A	7,915	21,431	2024	2026	
	Space4 Anseong	9,809	36,276	2024	2026	
Yeosu	GST East Gonjiam	5,175	15,195	2023	2025	
	Yanggui District Building A	9,722	46,372	2024	2026	Developed by MUSINSA
	Yanggui District Building B	9,495	39,394	2024	2026	
Siheung-Ansan	Sihwa Smart Green Center	7,981	52,223	2022	2025	
	Banwol Logis AD Town	6,430	45,827	2023	2025	
Yangju	Goam-dong Logistics Center	8,305	56,453	2022	2025	
Paju	YES24 Fulfillment Center	5,247	15,866	2024	2026	Developed by YES24
Namyangju	Hwado Geumnam 5 District	9,086	56,131	2025	2027	Coupang Lease Commitment
Incheon	Incheon International Maritime Express Center	6,908	8,762	2025	2027	Developed by CJ Logistics

2025 reveals a glimmer of hope
at the end of the long, dark tunnel of oversupply.

In Yeosu, vacancies persist
and new supply continues to enter the market,
leading to intense competition for securing shippers.

Yeosu's strategic location makes it an ideal hub
not only for the metropolitan area
but also for nationwide distribution.

Yet the area faces challenges in filling vacancies
due to shortage of medium and large-scale facilities
capable of housing integrated smart logistics centers
that can serve the entire country.

Cushman & Wakefield offers logistics models
optimized for each region's specific characteristics.



Disclaimer

The data used in the analysis was calculated and analyzed based on our logistics real estate DB, and are source data that are not available to other companies.

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C&W

Logistics Services

Logistics Real Estate One-Stop Consulting

Market Due
Diligence &
Feasibility Study

Logistics
Leasing

Acquisition &
Disposition

Logistics Real Estate Services Details



Market Due
Diligence &
Feasibility
Study

- Logistics Real Estate Feasibility Analysis Report
- Warehouse Design Consulting
- Big data-driven Logistics Advisory



Logistics
Leasing

- Leasing Advisory
- Logistics Center Marketing
- Logistics Center Due Diligence Representation



Acquisition &
Disposition

- Disposition/Acquisition Advisory
- BUILD-TO-SUIT(BTS) Advisory
- Logistics Development Advisory