

MARKET FUNDAMENTALS

	YOY Chg	Outlook
15.2% Vacancy Rate	▼	—
-0.2% Retail Sales Growth	▼	▲
108.7 Consumer Composite Sentiment Index (CCSI)	▲	—

ECONOMIC INDICATORS

	YOY Chg	Outlook
0.0% GDP Growth	▼	▲
2.2% CPI Growth	▼	▼
2.6% Unemployment Rate	▼	▲

Source: Korean Statistical Information Service,
Bank Of Korea

ECONOMY

The Consumer Sentiment Index (CCSI) rose to 108.7 in June 2025, up 6.9p from the previous month, marking a third consecutive monthly gain. The rise was partly driven by expectations for the new government’s stimulus measures, including a supplementary budget. Headline inflation was at 2.2%, with higher services and industrial goods prices offset by declines in agricultural, livestock, and fisheries prices. Private consumption was led by services sector growth, while facility investment softened amid weaker global demand. Strong semiconductor exports supported overall trade, though weakness in other sectors kept gains limited.

SEOUL HIGH STREET VACANCY RATES REMAIN STABLE IN Q2

The citywide high street vacancy rate stood at 15.2% in Q2 2025, up 0.1 pp q-o-q but down 0.8 pp y-o-y. Despite ongoing domestic and external economic uncertainty and subdued domestic consumption, the vacancy rate has remained stable at around 15% over the past year.

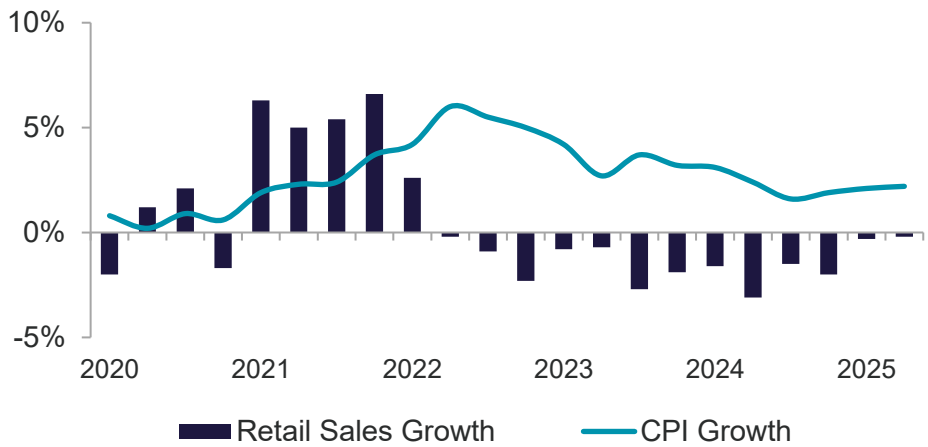
Cheongdam submarket recorded the most notable vacancy shift this quarter, falling 2.3 pp q-o-q, supported by the arrival of J.Lindeberg, Vacheron Constantin, and Maybach. Notably, the world’s first Maybach-exclusive showroom opened in Seoul, underscoring Korea’s standing in the global luxury retail market.

Myeongdong, Gangnam, Hongdae, and Seongsu districts maintained stable vacancy rates q-o-q. Gangnam saw active leasing activity, including new stores from Miniso, Oliveyoung and Musinsa, along with Chicor’s relocation and reopening. Seongsu continues to attract new flagship launches monthly, resulting in a higher tenant turnover rate compared to other districts.

Hannam-Itaewon continues to see growth in flagship stores from international brands and showroom-style spaces from domestic designer brands. With the ongoing global popularity of K-culture, foreign tourists visiting to explore Korean fashion have emerged as a key consumer base.

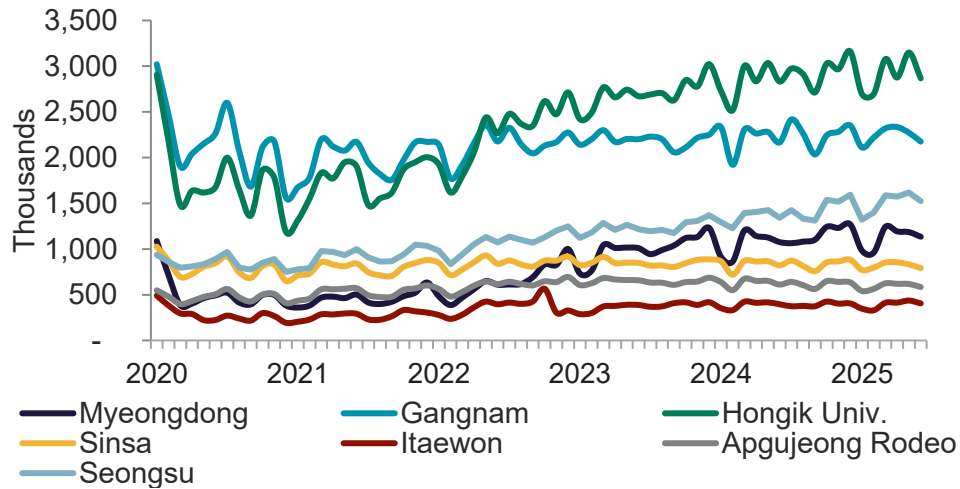
Beyond the seven key districts, Bukchon also saw notable brand activity in Q2. Blending traditional Hanok architecture with brand-specific design, it offers a distinctive experience for both domestic and international visitors. Formerly F&B-driven, its retail mix is expanding into beauty, sports, and fashion. Le Labo opened its first flagship store and café, while Today House launched an offline showroom. Bukchon benefits as a must-visit tourist destination, although surging visitor numbers have raised overtourism concerns, prompting early signs of regulation.

RETAIL SALES GROWTH & CPI GROWTH



Source: Korean Statistical Information Service

FOOT TRAFFIC FROM SUBWAY EXITS

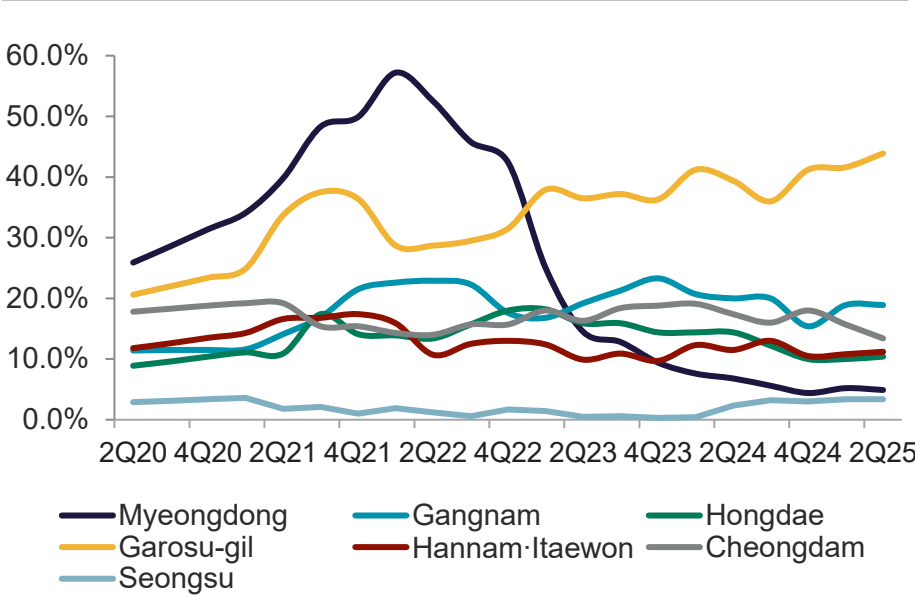


Source: Seoul Metropolitan Government

MARKET STATISTICS

SUBMARKET	Q2 2025 VACANCY RATE	Q1 2025 VACANCY RATE	% POINT CHANGE QOQ	Q2 2024 VACANCY RATE	% POINT CHANGE YOY
Myeongdong	4.9%	5.2%	-0.3	6.8%	-1.9
Gangnam	18.9%	18.9%	0.0	20.0%	-1.1
Hongdae	10.4%	10.0%	0.4	14.4%	-4.0
Garosu-gil	43.9%	41.6%	2.3	39.4%	4.5
Hannam-Itaewon	11.2%	10.8%	0.4	11.5%	-0.3
Cheongdam	13.4%	15.7%	-2.3	17.4%	-4.0
Seongsu	3.4%	3.4%	0.0	2.3%	1.1
TOTALS	15.2%	15.1%	0.1	16.0%	-0.8

HIGH STREET VACANCY RATE



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KEY LEASE TRANSACTIONS / NEW FLAGSHIPS Q2 2025

PROPERTY TYPE	SUBMARKET	TENANT	ESTIMATED SQM	CATEGORY	STATUS
High Street	Myeongdong	Discovery	270	Sports	Newly-opened
High Street	Myeongdong	Hemeko	510	Beauty	Newly-opened
High Street	Gangnam	Miniso	660	Lifestyle	Newly-opened
High Street	Gangnam	Chicor	410	Beauty	Newly-opened
High Street	Hannam-Itaewon	B shop	470	Fashion	Newly-opened
High Street	Cheongdam	Mercedes-Maybach	2,800	Automobile	Newly-opened
High Street	Seongsu	Salomon	300	Sports	Newly-opened
High Street	Seongsu	Amuse	160	Beauty	Newly-opened
High Street	Seongsu	Malbon Golf	160	Sports	Newly-opened
High Street	Dosan Park	Adidas Originals	390	Sports	Newly-opened
High Street	Dosan Park	Atiissu	280	Fashion	Newly-opened

KEY CONSTRUCTION COMPLETIONS / UNDER CONSTRUCTION

PROPERTY	LOCATION	SQM	COMPLETION YEAR
Starfield Village Unjeong	Paju	92,000	2025
Lotte Time Villas Songdo	Incheon	285,000	2026

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