



MARKET FUNDAMENTALS

23 / 49

No. of Operators / Data Centres

520MW

In Operation

217MW / 421MW

UC / Planned

6%

Vacancy Rate

* Key Indicators are based on operational or under construction Hyperscale Cloud, Colo, Edge & Telco data centre facilities by major operators in the greater Seoul market and excludes Captive and ICT.

Source: Cushman & Wakefield

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.5% GDP Growth	▼	▼
1.9% CPI Growth	▼	▼
3.8% Unemployment Rate	▲	▼

Source: KOSIS, Bank of Korea

MARKET OVERVIEW

Despite land and power constraints, data centre capacity in the Greater Seoul Area (GSA) reached 520MW in the 2H 2024 period, a 15% y-o-y increase. With 638MW in the development pipeline, GSA capacity is expected to exceed 1GW soon. Despite the capacity growth, the vacancy rate fell to 6% at end-2024, a 3.0pp drop, driven by strong colocation demand from financial services, cloud, and IT firms. The southwestern Seoul cluster (Gangseo, Guro, Geumcheon, Yangcheon, and Yeongdeungpo) holds 26% of total current capacity, while new supply is shifting to the Incheon/Bucheon cluster, representing 46% of the development pipeline. Meanwhile, Power System Impact Assessment procedures were updated in 2H to improve regional power distribution, with new measures due soon based on trial feedback.

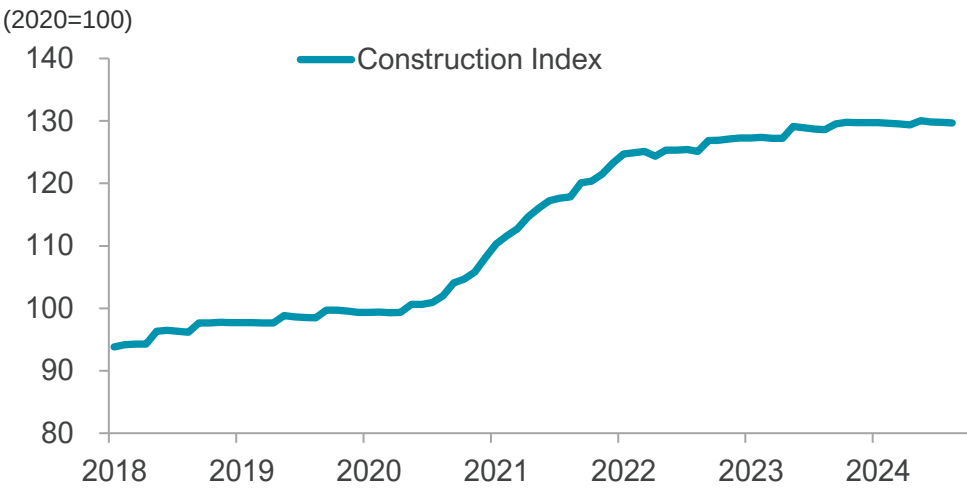
DEVELOPMENT / SALES & INVESTMENT

Development activity in 2H 2024 was more robust than in the first half. In the GSA, two projects received construction permits, four broke ground, and five were completed. Global investors were also actively engaged. Invesco invested in IGIS AMC’s Choji-dong data centre, which secured construction approval in 2H 2024. The Actis Yangpyeong data centre in Yeongdeungpo, developed by UK-based Actis, was completed, while Pacific AMC finalized the Pacific Sunny data centre in Yongin with CPP Investments' backing. Additionally, Pacific AMC launched a US\$711 million fund with CPP Investments to further expand data centre projects. Macquarie Infrastructure completed the KRW743.6 billion acquisition of the Hanam IDC, following its 2H 2024 preferred bidder selection.

POLICY & REGULATIONS

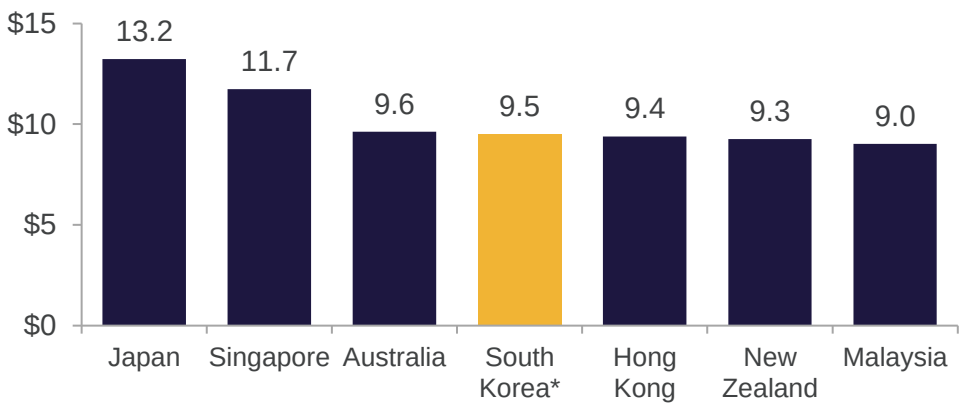
From 2025, the Zero Energy Building (ZEB) certification became mandatory for private buildings, including data centres exceeding 1,000 sq m, requiring ZEB Grade 5 or higher. With data centre energy efficiency gaining importance, Korean power companies are pursuing alternative energy sources. Korea Southeast Power and Samsung C&T plan to use hydrogen fuel cells, while LS Electric and Korea Hydro & Nuclear Power (KHNP) signed an MOU to develop Small Modular Reactors (SMR) for data centre power supply. In April 2024, the Personal Information Protection Commission (PIPC) introduced guidelines applying the Personal Information Protection Act (PIPA) to all companies, enforcing strict data protection standards for Korean data subjects. These policies are expected to boost demand for data centres in Korea.

KOREA CONSTURCTION COST INDEX



Source: Korea Institute of Civil Engineering

ASIA DATA CENTRE COST INDEX 2024 (\$/WATT)



Source: Cushman&Wakefield

* Data based on a mid-specification build; includes Seoul and Busan

BUILDING PERMITS ACQUIREMENT LIST 2H 2024

PROPERTY	LOCATION	CLUSTER	OPERATOR/DEVELOPER	SQM	IT LOAD (TOTAL CAPACITY)
Ansan IDC	Ansan	Ansan	Calm Square Ansan Data Centre PFV	76,459	80MW
Choji-dong Data Centre	Ansan	Ansan	IGIS AMC	49,590	24MW

CONSTRUCTION COMMENCEMENT LIST 2H 2024

PROPERTY	LOCATION	CLUSTER	OPERATOR/DEVELOPER	SQM	IT LOAD (TOTAL CAPACITY)
Digital Seoul 2 (ICN11)	Gimpo	Other	Digital Realty	95,051	10.6MW (64MW)
Ansan IDC	Ansan	Ansan	Calm Square Ansan Data Centre PFV	76,459	80MW
Incheon Gajwa Tech Center	Incheon	Incheon/Bucheon	Amazon Web Service	42,454	16MW (96MW)
Magna Data Centre	Goyang	Sangam/Ilsan	GS E&C	16,945	12MW

KEY CONSTRUCTION COMPLETIONS 2H 2024

PROPERTY	LOCATION	CLUSTER	OPERATOR/DEVELOPER	SQM	IT LOAD (TOTAL CAPACITY)
Pacific Sunny Data Centre	Yongin	Seongnam/Yongin	LG CNS/Pacific AMC	99,126	32MW (64MW)
Gabia Gwacheon Data Centre	Gwacheon	Anyang/Gwacheon	Gabia	54,674	1.7MW (13.6MW)
Digital Edge DC SEL2	Incheon	Incheon/Bucheon	Digital Edge DC	39,819	12MW (96MW)
Actis Yangpyeong Data Centre	Yeongdeungpo	Mockdong/Gasan	Actis	26,445	13MW (26MW)
SKB Yangju DC	Yangju	Other	SK Broadband	12,323	12MW

KEY SALES TRANSACTIONS 2H 2024

LOCATION	ZONING	SQM	PRICE (Mn.KRW)	SALES DATE
Pungsan-dong, Hanam-si, Gyeonggi-do	Quasi-residential area	6,638 (Land) & 41,919 (Building)	743,606	Aug-24

SIGNIFICANT CONSTRUCTION UPDATES

PROPERTY	LOCATION	CLUSTER	OPERATOR/DEVELOPER	SQM	IT LOAD (TOTAL CAPACITY)	STAGE
PEACH DATA CENTER	Bucheon	Incheon/Bucheon	KT Cloud	76,037	6MW (48MW)	U/C
Gangnam IDC	Seocho	Gangnam	Empyrion Digital	56,017	30MW	UC
Gasan Data Centre	Geumcheon	Mockdong/Gasan	ST Telemedia	39,691	30MW	UC
Gasan Iwill Data Centre	Geumcheon	Mockdong/Gasan	KT Cloud	36,518	13MW (26MW)	UC
SL2x	Goyang	Sangam/Ilsan	Equinix	21,769	12MW (22MW)	UC
Bucheon AI Data Centre	Bucheon	Incheon/Bucheon	Naver Cloud	18,683	4.8MW	UC
Gasan Data Centre (SEL01)	Geumcheon	Mockdong/Gasan	DCI	17,423	6MW (15MW)	UC

Note: Excludes Captive & ICT construction updates

The map displays the following locations and their status:

- Newly Supplied in 2H 2024 (Red dots):**
 - Yangju
 - Incheon
 - Guro
 - Anyang
 - Seongnam
 - Yongin
- Under Construction (Green dots):**
 - Gimpo
 - Bucheon
 - Gwangmyeong
 - Seocho
 - Osan
- Building Permits Acquired (Yellow dots):**
 - Goyang
 - Seodaemun
 - Mapo
 - Yongdeungpo
 - Yongsan
 - Gwangjin
 - Seongnam
 - Uijeongbu
 - Osan

Shaded regions indicate specific areas of interest:

- SANGAM/LSAN:** Goyang
- INCHEON/UCHEON:** Incheon, Bucheon
- MOKDONG/GASAN:** Guro, Geumcheo, Gwangmyeong
- GANGNAM:** Gangnam, Seocho
- SEONGNAM/YONGIN:** Seongnam, Yongin
- ANSAN:** Ansan
- ANYANG/GWACHEON:** Anyang, Uiwang

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