Logistics Real Estate Series Report
Logistics Center Tenant Analysis by Region

# Logistics Tenant Profile

## Gimpo



Apr 2021

CUSHMAN & WAKEFIELD



# The Origin region of E-commerce Logistics 'Gimpo'

Known for its granaries, new town and logistics,
Gimpo has long served
as Seoul's hinterland, meeting the city's needs
for food, housing, and logistics.

The Gimpo Logistics Complex, built over a decade ago,
has enabled us to respond to the logistics needs of
e-commerce in the Seoul metropolitan area. .

More recently, Gimpo has added
new large-scale logistics centers
to meet the renew e-commerce demand.

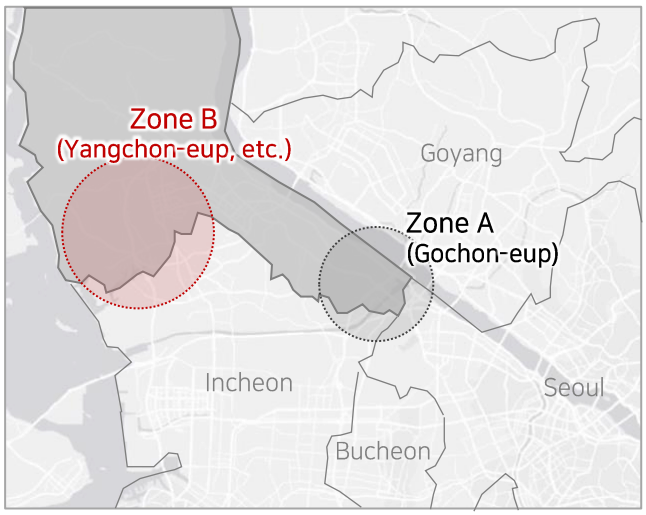
Gimpo is still viable as e-commerce logistics hub?

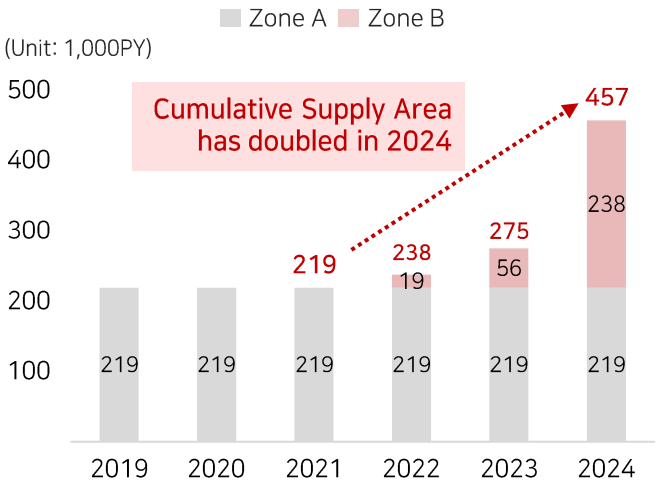
# E-Commerce Logistics Hub, Gimpo

## A. Supply Status of Logistics Center

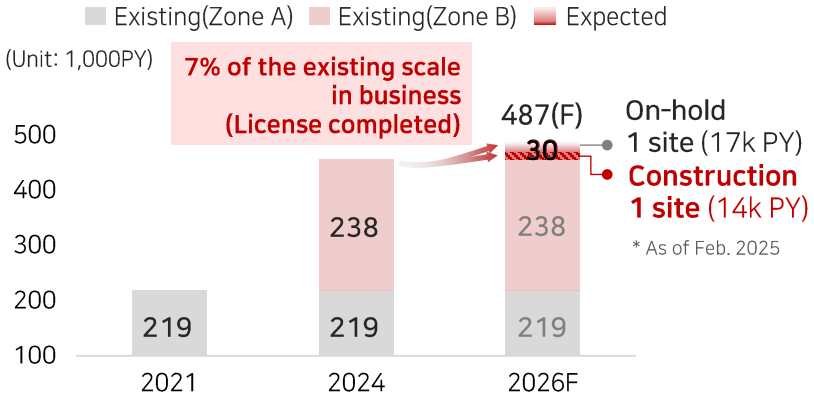
- Gimpo has established itself as **a crucial delivery hub near Seoul, anchored by the Gochon Logistics Complex (Zone A)**. Initially, limited developable space restricted expansion. However, **the 2022 development of the Daepo/Hakun Industrial Complex** provided substantial new logistics space, **leading to a twofold increase in Gimpo's facilities within three years**. Additionally, **a new logistics zone has emerged in Yangchon, adjacent to Incheon.**
- Currently, large-scale development in Zone B is mostly complete, with only two centers scheduled for supply as of February 2025. **Due to these supply restrictions, the value of existing supply assets is expected to increase further.**

### Supply Trend[1]




### New Supplies[2]




*Construction Center



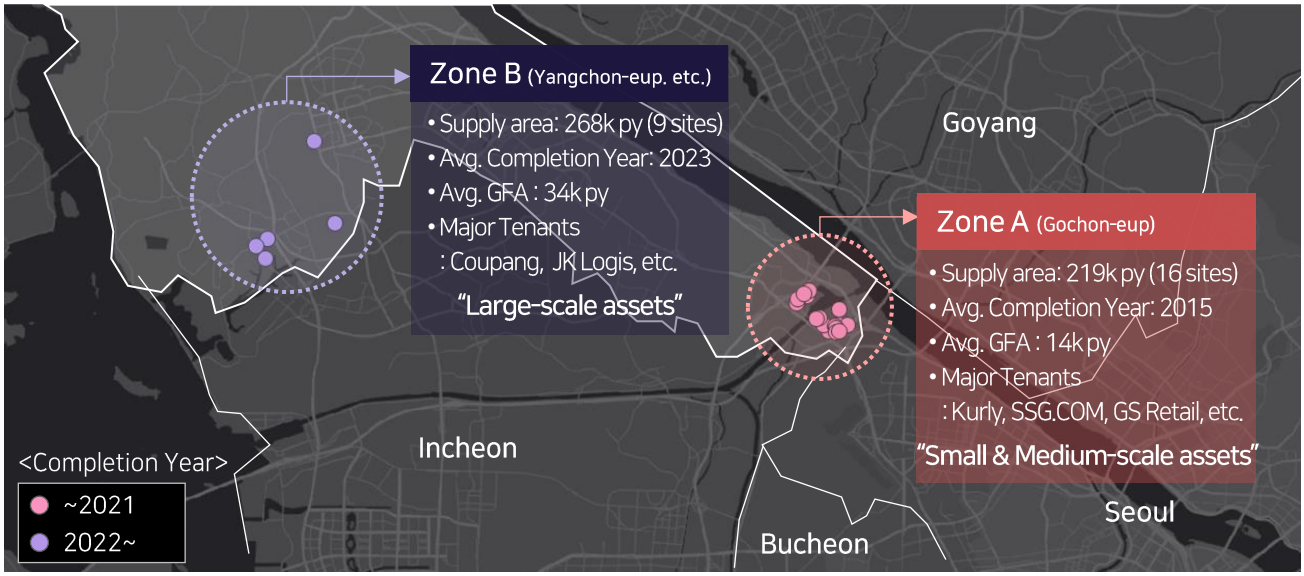

Note1: Scale of 5,000py+ in Gimpo, as of February 2025
Source: C&W Research

# E-Commerce Logistics Hub, Gimpo

## B. Key Features and Rental Rates by Zone

- **The logistics areas of Gimpo is divided into two zones: Zone A (centered in Gochon-eup) and Zone B (centered in Yangchon-eup).**
- **Zone A commands high rental rates of ₩45k~57k/py**, reflecting its popularity among distribution and e-commerce companies. This demand stems from **its excellent location, which offers 30 min access to major urban areas like Seoul, Bucheon, and Goyang.**
- **Zone B currently has lower rental rates of ₩35k-42k/py** due to short-term oversupply and slightly reduced urban accessibility. However, **we expect to rise to the level of Zone A to quickly match Zone A levels, driven by rapidly growing cross-border e-commerce Import/Export demand** through Incheon Airport and Port connections

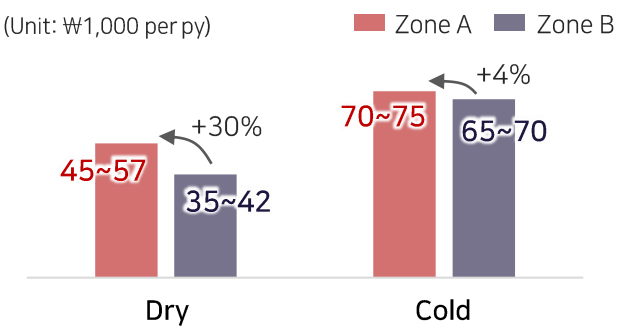
### Key Features by Zone[2]




### Urban Area Accessibility

| | Zone A | Zone B |
|---|---|---|
| Seoul | 30 min | 60 min |
| Incheon | 50 min | 45 min |
| Goyang | 20 min | 40 min |
| Bucheon | 30 min | 40 min |

### Rental Rates



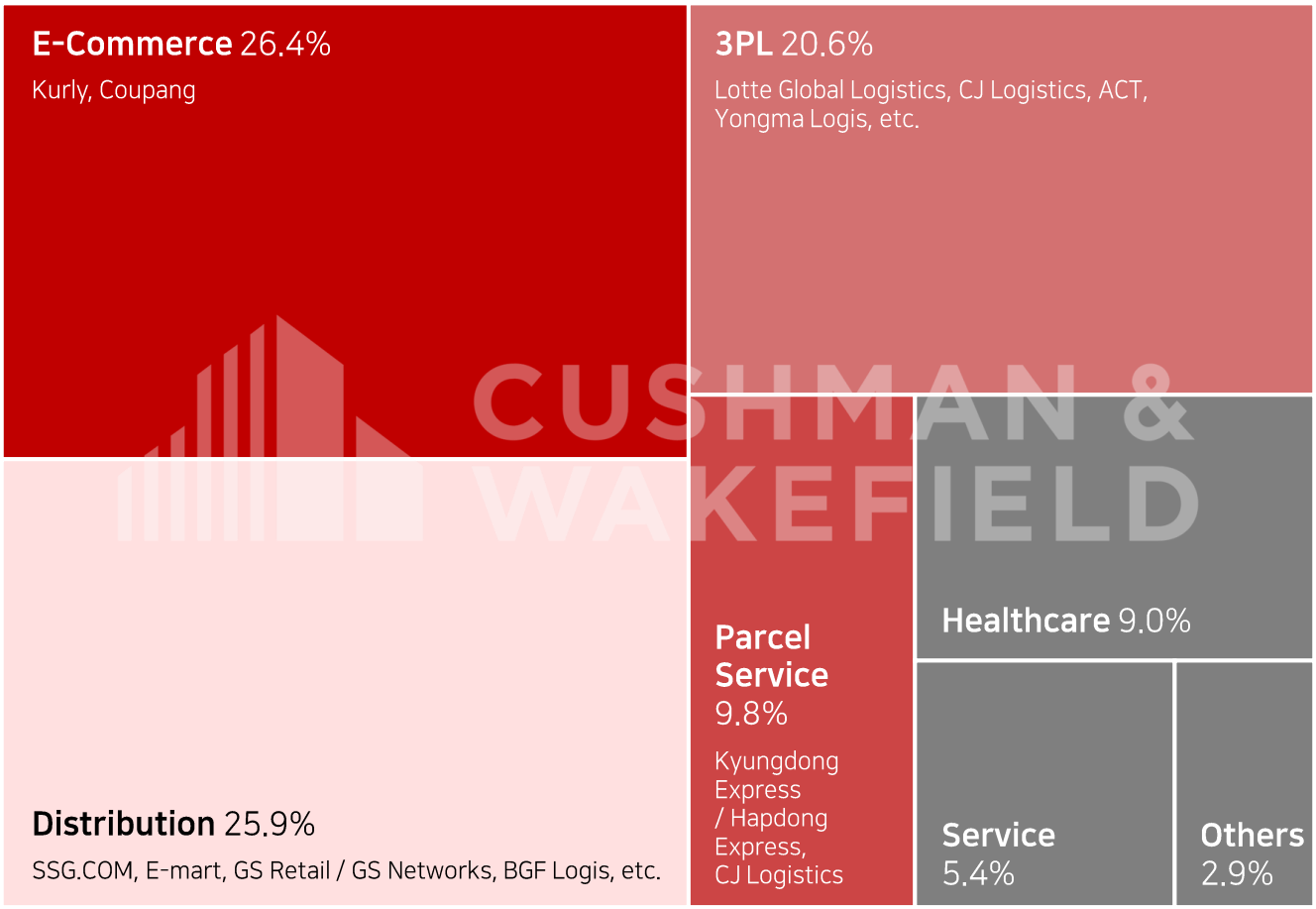

Note2: Scale of 5,000py+ in Gimpo, as of February 2025
Source: C&W Research

# Who is the primary tenant?

## C. Tenant Industry Sector Proportions (by GFA)

- **E-commerce logistics companies occupy the largest area (26% of total space), with distribution, 3PL, and parcel services following** in order of space utilization.
- Taking advantage of excellent urban accessibility, **Kurly and Coupang** operate last-mile delivery hubs for their rapid delivery services (Rocket Delivery and Dawn Delivery). Several retail companies, including **SSG.COM, E-mart, and GS Networks**, have established distribution hubs for both online and offline operations. The area also houses 3PL logistics centers operated by **Lotte Global Logistics, ACT, and Yongma Logis**, alongside last-mile delivery terminals for **Hapdong & Kyungdong Express and CJ Logistics**.

### Tenant Proportion[3]

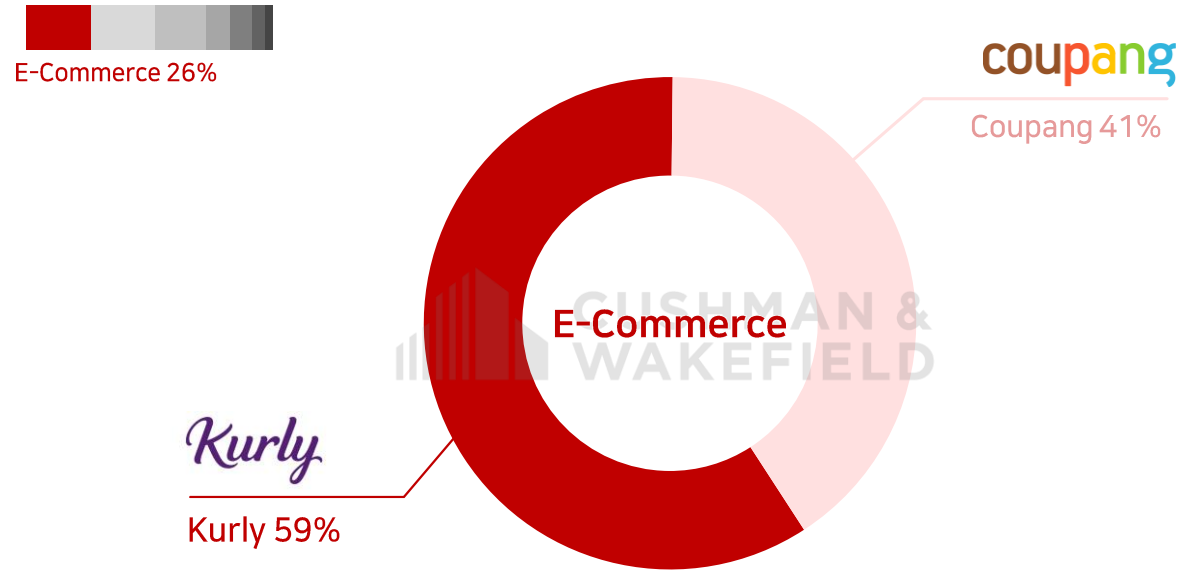



Note3: Scale of 5,000py+ in Gimpo, as of February 2025
Source: C&W Research

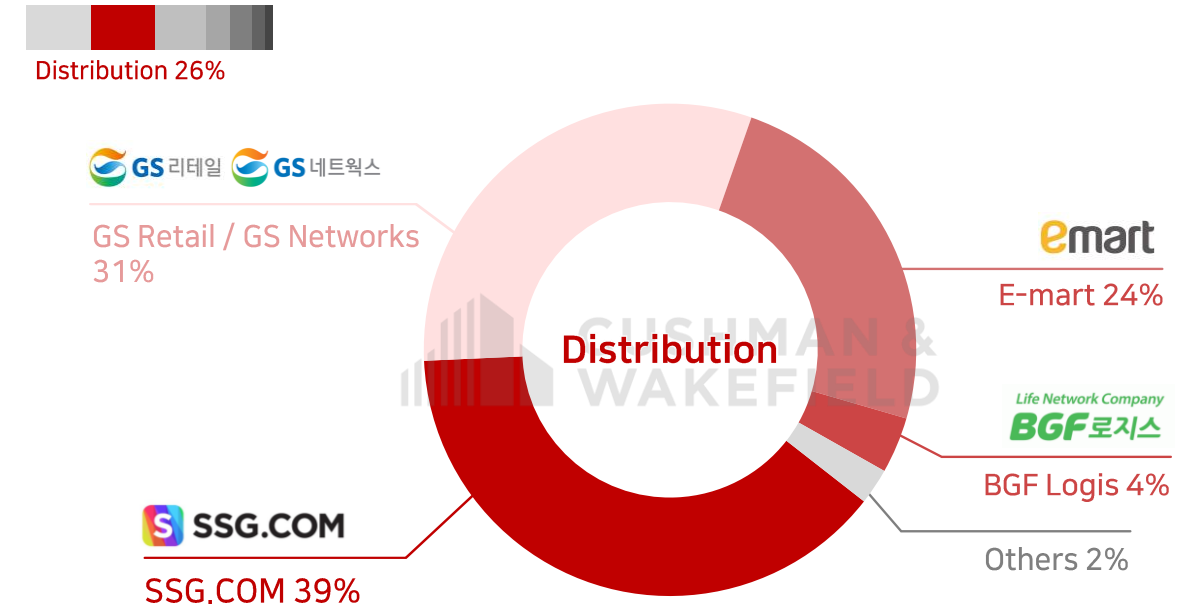
# Who is the primary tenant?

## C. Tenant Industry Sector Proportions (by GFA)

### Proportion of E-Commerce Companies




### Proportion of Distribution Companies

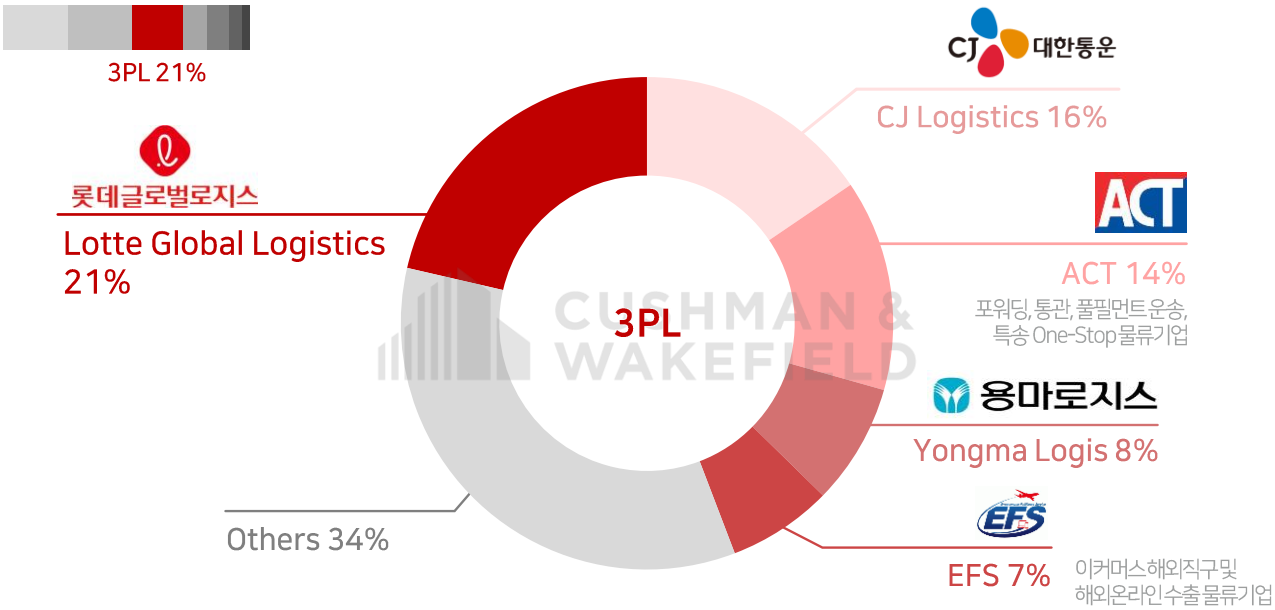



Source: C&W Research

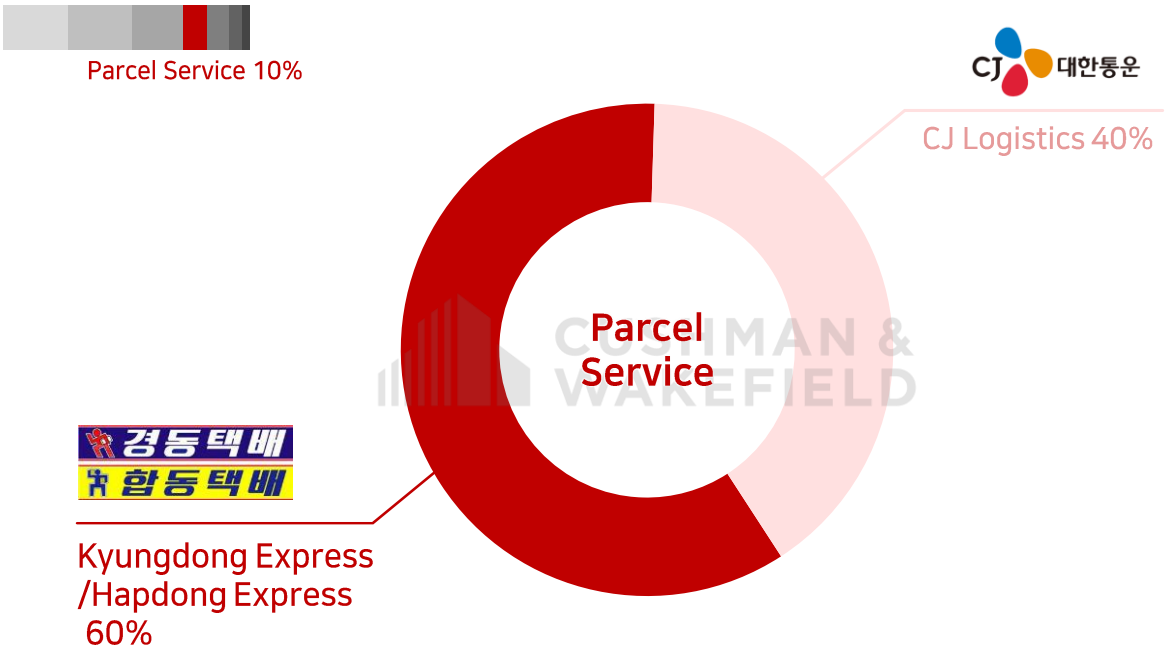
# Who is the primary tenant?

C. Tenant Industry Sector Proportions (by GFA)

## Proportion of 3PL Logistics Companies




## Proportion of Parcel Service Companies



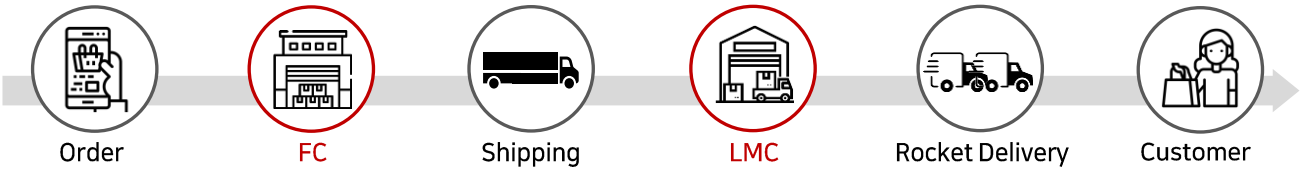

Source: C&W Research

# Online Fulfillment Centers: Coupang Case Study

## D. Coupang's Logistics Hub Operation Status

- Coupang operates two logistics hub types : **FC for inventory storage and order packaging**, and **LMC for sorting products by delivery destination.**
- **Coupang operates 43 warehouse in the metropolitan area**, with the majority (35 sites, about 81%) are concentrated in two key regions. **The southeastern area hosts a high density of supplier logistics centers**, while **the western region** provides strategic advantages for fulfillment and last-mile delivery operations-**offering both easy workforce access and proximity to urban and residential demand zones.**

### Coupang's Rocket Delivery Supply Chain




FC (Fulfillment Center)



LMC (Last Mile Center)




### Coupang's Logistics Center Operation Status[4]

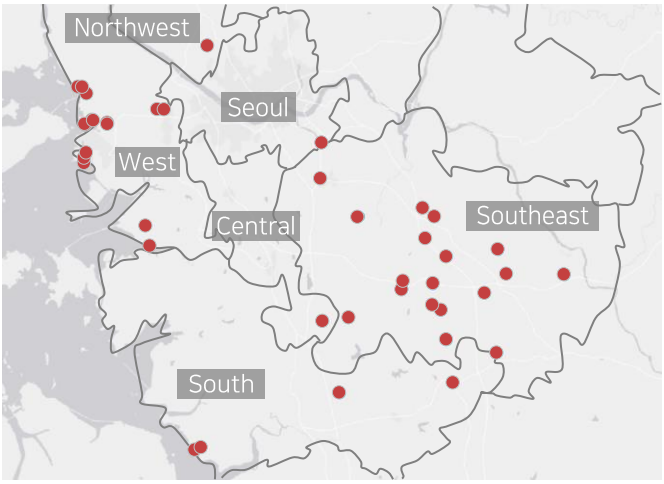
(Unit: site)

| | Southeast | West | South | Others | Total |
|---|---|---|---|---|---|
| FC | 19 | 16 | 5 | 3 | 43 |

81% concentrated in Southeast and west

**Southeast**
- Major logistics hub with 36% of metropolitan area centers
- Well-connected to all regions via transportation network and home to key suppliers

**West**
- Key last-mile delivery location near Seoul and Incheon
- Favorable location for labor-intensive fulfillment centers




Note4: Scale of 5,000py+ in the metropolitan area; When operating 2+ centers in one logistics asset, it is counted as one center.
Source: C&W Research

# Online Fulfillment Centers: Coupang Case Study

## E. Coupang's Operation Features and Structure Requirements

- Coupang's logistics hubs operate with four key characteristics: **logistics automation, frequent vehicle traffic, large-scale workforce operations, and milk-run supply chain operations**.
- They are actively **investing in automation facilities** to boost efficiency. They **deploy over 10,000 vehicles daily and maintain a large workforce** to handle massive shipping volumes. **Their supply chain uses a milk-run system—circulating through suppliers to collect products**—which helps improve inventory turnover.

## Coupang Logistics Operations Characteristics

### Logistics Automation Investment

3 trillion won logistics investment (2024-2026)
(AGV, Sorters, AI, etc.)



### Frequent Vehicle Traffic

Operation of over 10,000 vehicles daily,
handling more than 1.3 billion parcels per day



### Large-scale Workforce Operations

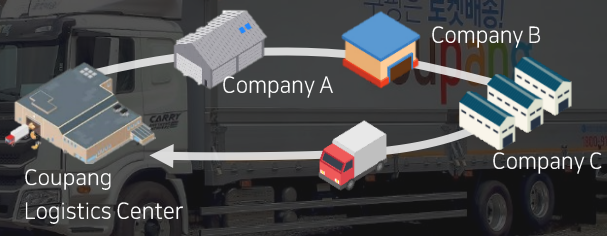
Workforce of 80,000 employees (Ranked 5th*),
with plans to hire 10,000+ additional workers by 2026

*Samsung 240,000, Hyundai 200,000, LG 150,000, SK 110,000, Coupang 80,000 employees



### Milk-Run Supply Chain Operation

Implementation of a milk-run system where vehicles collect products by circulating through multiple suppliers, optimizing inventory turnover



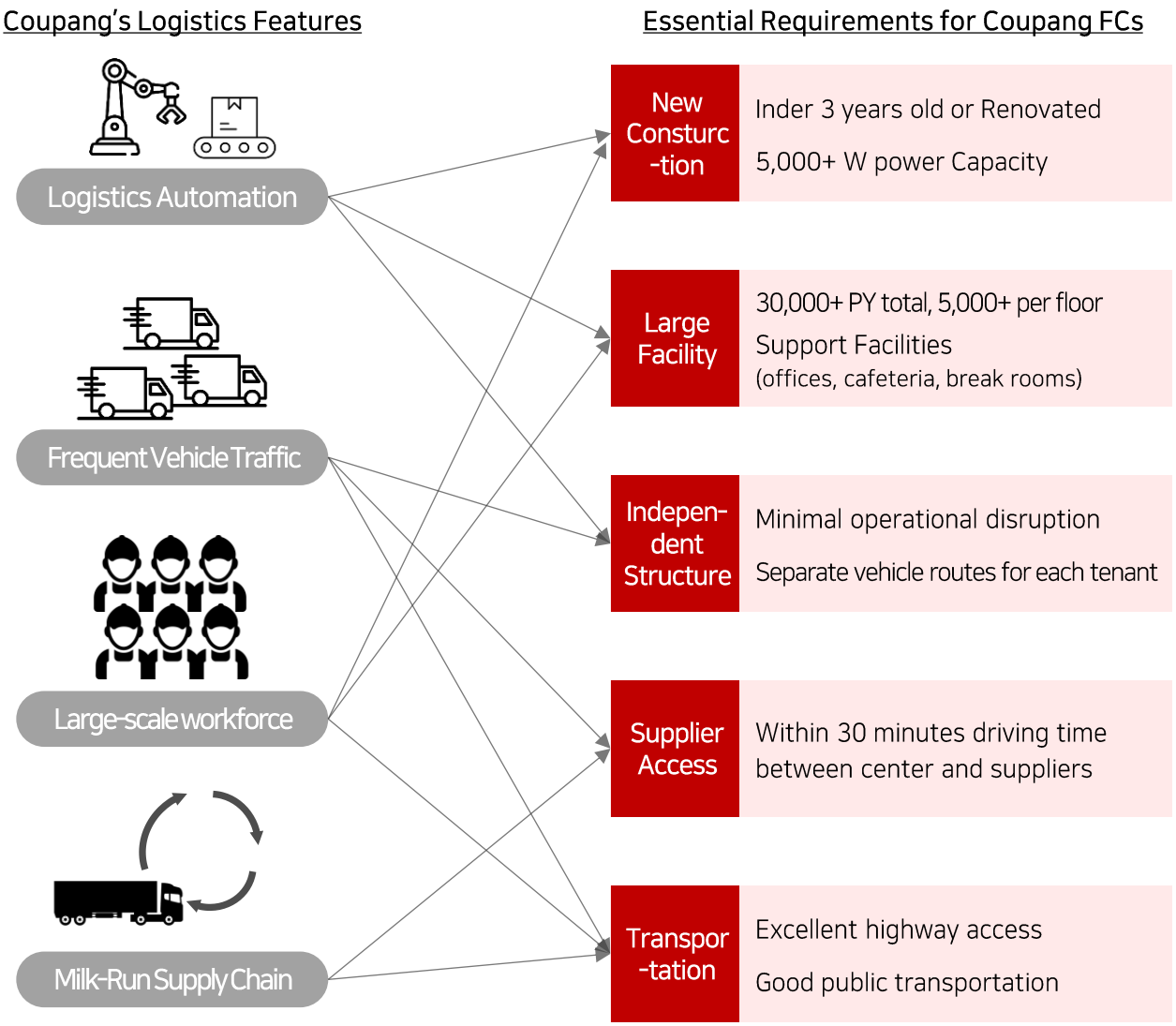

Source: C&W Research

# Online Fulfillment Centers: Coupang Case Study

## E. Coupang's Operation Features and Structure Requirements

- Coupang's logistics operations requires **newly built, large-scale and standalone facilities in location with seamless transportation and supplier access**.
- The facilities require **adequate electrical capacity and large floor space** for automated equipment installation. **The standalone structure helps minimize traffic congestion** between trucks, allowing smooth vehicle movement. The location must have **reliable public transportation** to facilitate large-scale hiring. For efficient milk-run inventory operations, the center should be **within 30 minutes' driving distance of a high concentration of suppliers**.

### Coupang Logistics Requirements




Source: C&W Research

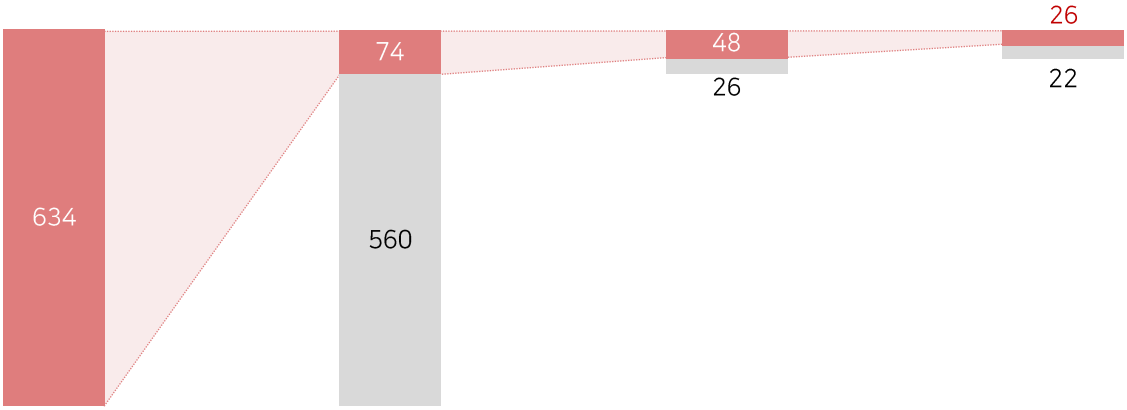
# Online Fulfillment Centers: Coupang Case Study

## F. Status of E-commerce-optimized facilities

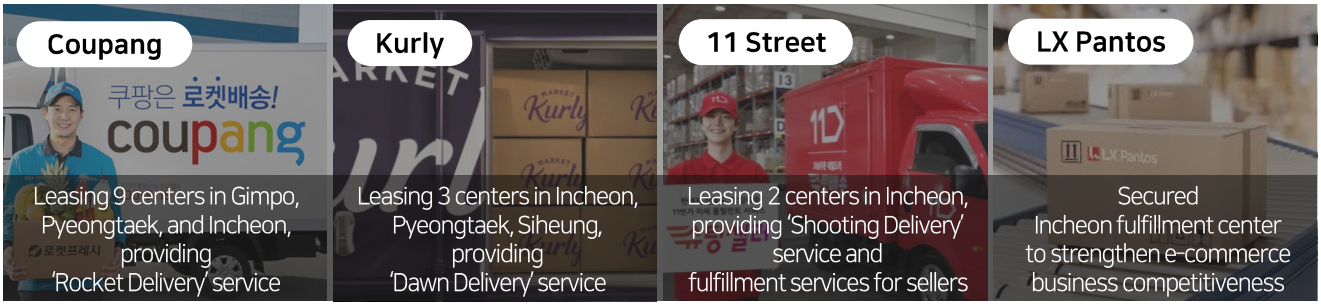
- Of 634 logistics centers over 5,000 py in the metropolitan area, **74 are large scale facilities** exceeding 30,000 py. Of these, **only about 26 facilities (4%), are newly built within 3 years with good transportation access.**
- Major **e-commerce retailers (Coupang, Kurly, 11 street) and logistics providers (CJ Logistics, LX Pantos, Lotte Global Logistics)** operate these e-commerce-optimized facilities.
- With limited new supply expected, **the asset value of these core large scale, newly built facilities is expected to increase further in the future.**

## Coupang-Compatible Centers

| Total Supply in SMA[5] | 30,000+ py total | Under 3 years old | Within 5km of IC |
|---|---|---|---|
| 634 sites (100% of Total Supply) | 74 sites (12% of Total Supply) | 48 sites (8% of Total Supply) | 26 sites (4% of Total Supply) |

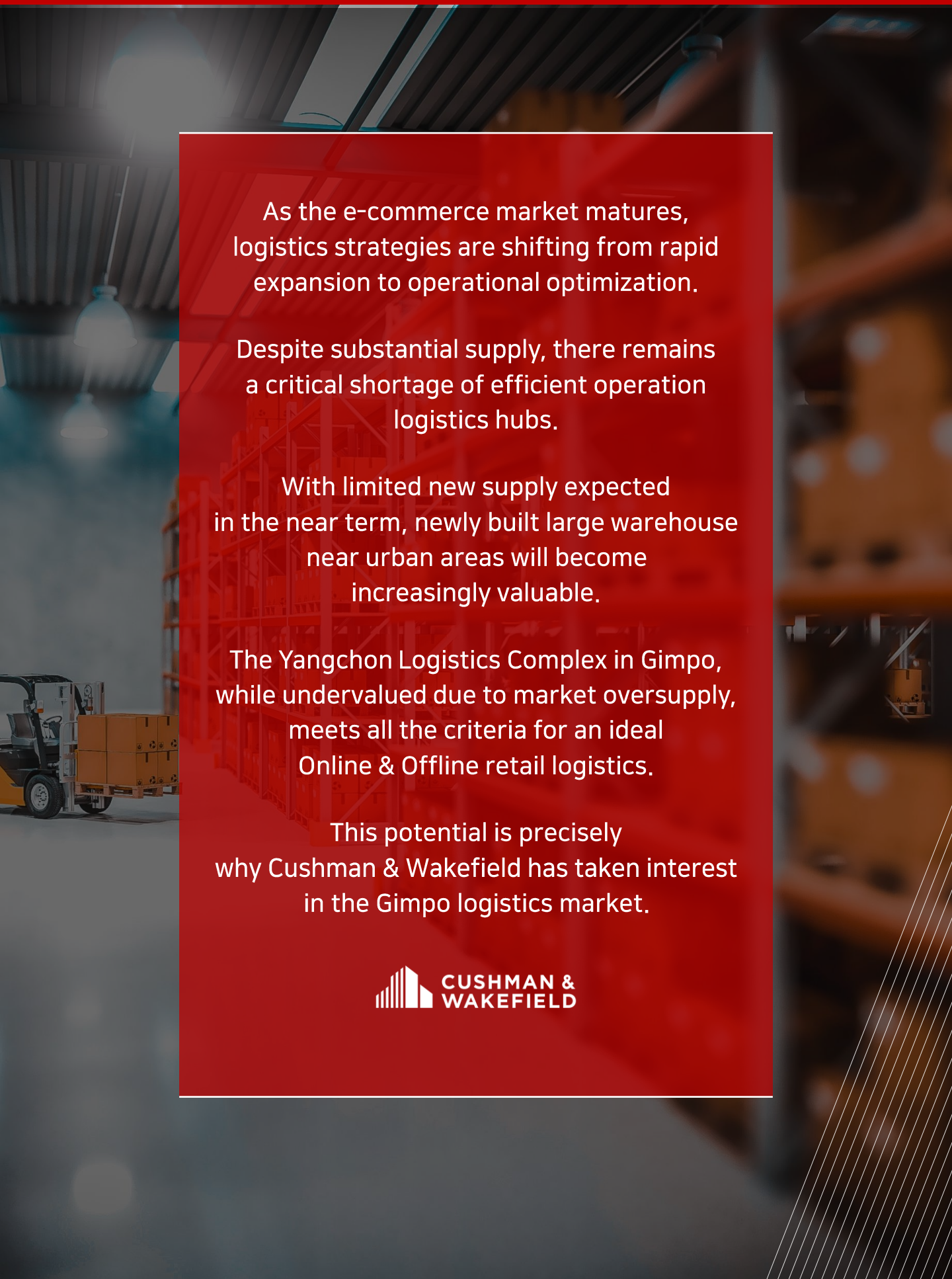



*Major Tenants in Infrastructure-Compliant Centers (26 sites)




"Preferred logistics infrastructure for major e-commerce fulfillment firms like Coupang, Kurly, and 11 Street"

Note5: Total logistics centers ≥ 5,000 PY in Seoul Metropolitan area, including completed and under construction, as of Q4 2024
Source: C&W Research



As the e-commerce market matures, logistics strategies are shifting from rapid expansion to operational optimization.

Despite substantial supply, there remains a critical shortage of efficient operation logistics hubs.

With limited new supply expected in the near term, newly built large warehouse near urban areas will become increasingly valuable.

The Yangchon Logistics Complex in Gimpo, while undervalued due to market oversupply, meets all the criteria for an ideal Online & Offline retail logistics.

This potential is precisely why Cushman & Wakefield has taken interest in the Gimpo logistics market.

# 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.
If you have any questions about data, please contact us through the contact below.

In Addition, this report is intended for reference and may not be used for any purpose other than for reference.
All, part, or summary thereof may not be copied, disclosed, or cited to a third party without C&W's prior written consent.

C&W does not provide any warranties or guarantees, either explicitly or implicitly, in connection with this report, and all decisions must be made by your responsibilities and reasonable judgment.

Therefore, any decisions you make based on this report are at your own risk, for any harm or damage of any kind arising out of the use of this material, C&W assumes no responsibility or liability.

Therefore, we remind you that all decisions should be made by the reasonable judgement of your company upon receipt of this report.


## Consulting

**Carter Kim | Team Leader**

Logistics Consulting Team
carter.kim@cushwake.com

## General Inquiry - Data

**Suki Kim | Team Leader**

Research
suki.kim@cushwake.com

# C&W Logistics Services

## Logistics Real Estate One-Stop Consulting

- Market Due Diligence & Feasibility Study
- Logistics Leaseing
- 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

CUSHMAN & WAKEFIELD