INDUSTRIAL MARKET RESEARCH July, 2015

◆ Greater Tokyo

The vacancy rate as of July 2015 decreases from 3.5% last April it went down to 2.3% this July, down by 1.3% (Fig 1). The supply and demand has improved because the completions in this term were 141 thousand sqm, and net absorption was 256 thousand sqm. (Fig 2).

GLP announced that GLP Zama, a new multi-tenant logistics facility opened last July 2015, and it occupied 70% of the area. Prologis announced a new project called Prologis Park Higashi-Matsuyama.

The asking rent as of July 2015 was 4,000 JPY/Tsubo, increased by 0.3%. It seems to continue fluctuating in 4,000 JPY/Tsubo level (Fig 3).

Figure1: Vacancy Overview in Greater Tokyo

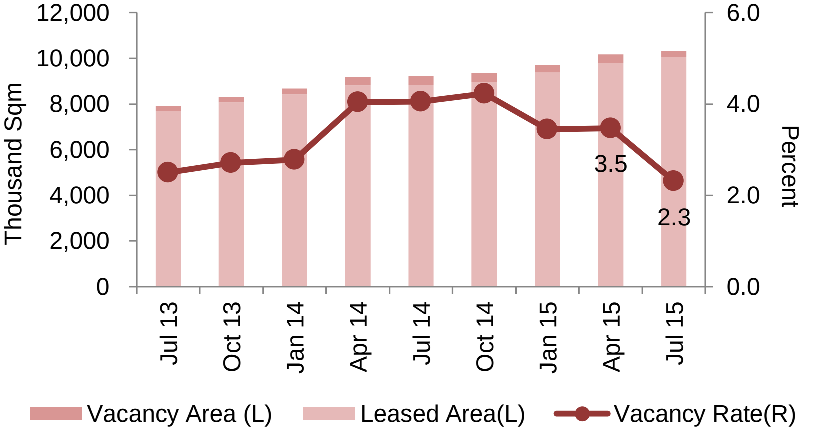


Figure2: Supply-Demand Balance in Greater Tokyo

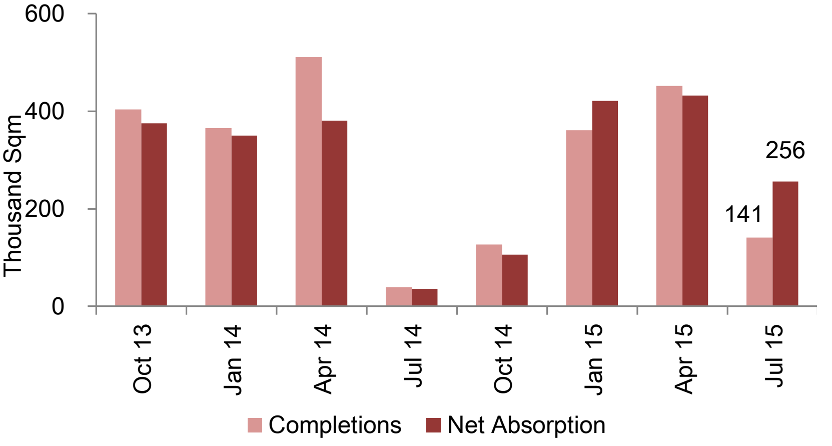
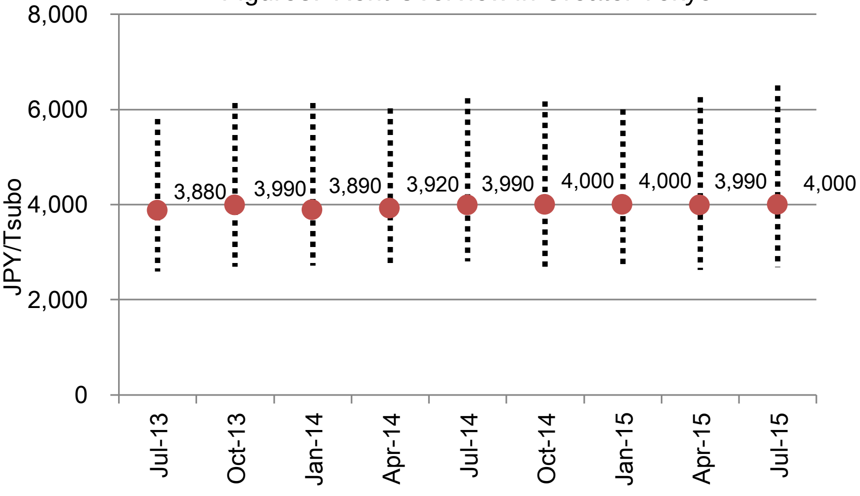


Figure3: Rent Overview in Greater Tokyo



Source: Ichigo Real Estate Service

Kansai Area

The vacancy rate as of July 2015 decreases from 1.8% last April it went down to 1.1% this July, down by 0.7% (Fig 4). The completions in this term is 43 thousand sqm and net absorption is 61 thousand sqm, higher than completions (Fig 5). Therefore supply and demand was improved.

Specifically, Orix announced that Hirakata Logistics Center which is a BTS type building for OTT Logistics Co., Ltd., was completed. And then IIF announced that they are planning to have an extension project of the IIF Nishinomiya logistics center to be completed next year.

About the rent overview, asking rent has increase from 3,500 JPY/Tsubo to 3,560 JPY/Tsubo. Asking rent in the Kansai Area has been in a upward trend since April 2013 with a original rental price of 3,150 JPY/Tsubo (Fig 6).

Figure4: Vacancy Overview in Kansai Area

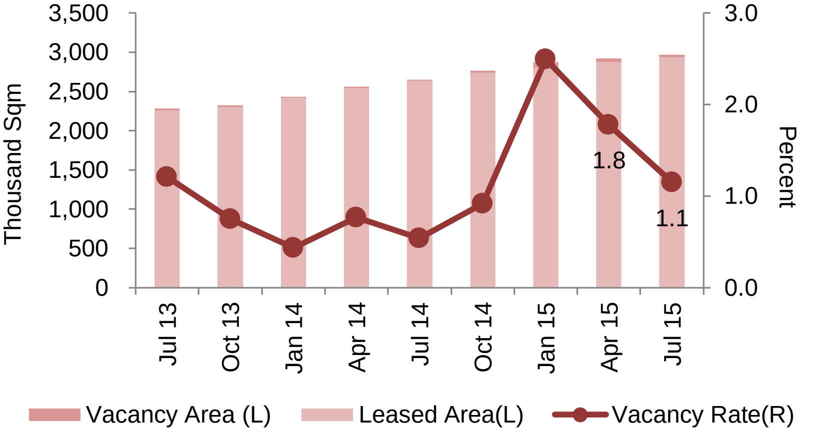


Figure5: Supply-Demand Balance in Kansai Area

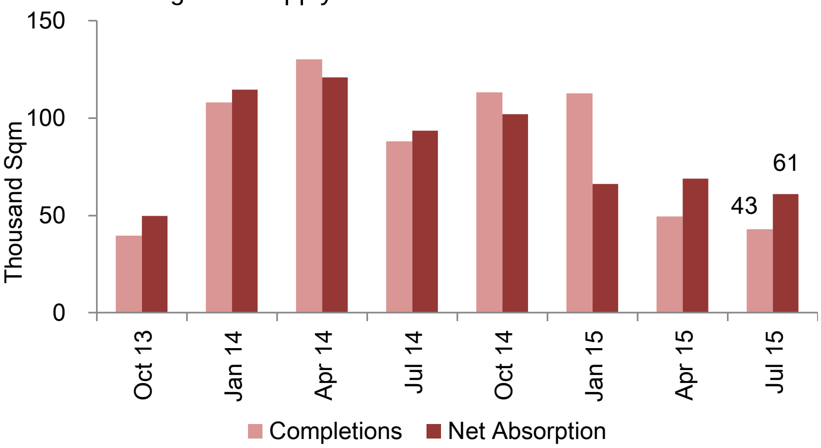
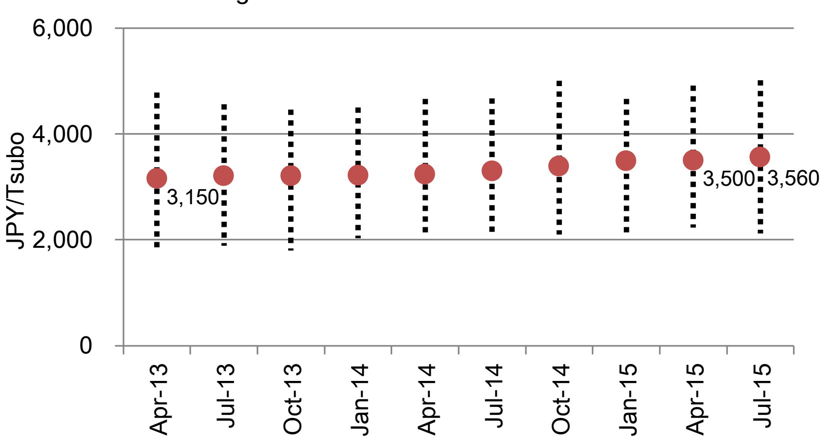


Figure6: Rent Overview in Kansai Area



Source: Ichigo Real Estate Service

◆ Data of Greater Tokyo

	Supply and Demand						Asking Rent (JPY/Tsubo)
	Leasable Area (1,000 sqm)	Leased Area (1,000sqm)	Vacancy Area (1,000sqm)	Vacancy Rate (%)	Completions (1,000sqm)	Net Absorption (1,000sqm)	
Jul-08	4,486	3,999	487	10.8	-	-	4,510
Oct-08	4,743	4,144	599	12.6	257	145	4,500
Jan-09	5,126	4,492	634	12.4	383	348	4,410
Apr-09	5,306	4,629	677	12.8	180	137	4,210
Jul-09	5,561	4,697	863	15.5	255	68	4,200
Oct-09	5,686	4,875	811	14.3	125	177	4,000
Jan-10	5,760	5,035	725	12.6	74	161	4,000
Apr-10	5,919	5,191	728	12.3	159	155	3,990
Jul-10	5,949	5,410	539	9.1	30	220	4,000
Oct-10	6,101	5,573	528	8.7	151	163	3,990
Jan-11	6,173	5,663	510	8.3	72	90	3,990
Apr-11	6,339	6,007	332	5.2	166	344	3,890
Jul-11	6,549	6,167	382	5.8	210	159	3,890
Oct-11	6,614	6,268	345	5.2	65	102	3,910
Jan-12	6,703	6,466	236	3.5	89	198	3,990
Apr-12	6,785	6,658	127	1.9	82	192	3,920
Jul-12	7,000	6,840	160	2.3	215	182	3,880
Oct-12	7,244	7,063	182	2.5	244	222	3,820
Jan-13	7,288	7,133	155	2.1	43	70	3,800
Apr-13	7,538	7,364	173	2.3	250	231	3,830
Jul-13	7,905	7,707	198	2.5	367	343	3,880
Oct-13	8,308	8,083	226	2.7	403	375	3,990
Jan-14	8,674	8,433	241	2.8	366	350	3,890
Apr-14	9,186	8,814	371	4.0	511	381	3,920
Jul-14	9,224	8,850	374	4.1	39	36	3,990
Oct-14	9,352	8,956	395	4.2	127	106	4,000
Jan-15	9,712	9,378	334	3.4	361	422	4,000
Apr-15	10,164	9,811	353	3.5	452	433	3,990
Jul-15	10,305	10,067	238	2.3	141	256	4,000

◆ Data of Kansai Area

	Supply and Demand						Asking Rent (JPY/Tsubo)
	Leasable Area (1,000 sqm)	Leased Area (1,000sqm)	Vacancy Area (1,000sqm)	Vacancy Rate (%)	Completions (1,000sqm)	Net Absorption (1,000sqm)	
Jul-08	1,798	1,587	211	11.7	-	-	3,970
Oct-08	1,798	1,617	181	10.1	0	30	3,800
Jan-09	1,798	1,623	176	9.8	0	6	3,920
Apr-09	1,915	1,682	232	12.1	117	60	3,820
Jul-09	1,990	1,758	232	11.7	75	75	3,630
Oct-09	1,990	1,804	186	9.3	0	46	3,500
Jan-10	1,990	1,795	195	9.8	0	-9	3,490
Apr-10	1,990	1,838	153	7.7	0	42	3,500
Jul-10	2,017	1,891	126	6.2	27	54	3,450
Oct-10	2,116	1,990	126	5.9	99	99	3,310
Jan-11	2,116	2,000	116	5.5	0	9	3,250
Apr-11	2,092	2,004	88	4.2	-24	4	3,230
Jul-11	2,092	2,008	84	4.0	0	4	3,200
Oct-11	2,086	2,009	77	3.7	-6	1	3,170
Jan-12	2,106	2,080	26	1.2	20	71	3,170
Apr-12	2,106	2,101	5	0.3	0	20	3,230
Jul-12	2,212	2,154	58	2.6	106	53	3,190
Oct-12	2,223	2,181	43	1.9	11	27	3,230
Jan-13	2,263	2,230	33	1.5	40	49	3,170
Apr-13	2,283	2,259	24	1.1	20	29	3,150
Jul-13	2,283	2,256	28	1.2	0	-3	3,200
Oct-13	2,323	2,306	17	0.7	40	50	3,200
Jan-14	2,431	2,420	11	0.4	108	115	3,210
Apr-14	2,561	2,541	20	0.8	130	121	3,240
Jul-14	2,649	2,635	14	0.5	88	94	3,300
Oct-14	2,762	2,737	25	0.9	113	102	3,390
Jan-15	2,875	2,803	72	2.5	113	66	3,490
Apr-15	2,925	2,872	52	1.8	49	69	3,500
Jul-15	2,968	2,934	34	1.1	43	61	3,560

◆ Technical Notes

➢ Supply-Demand Data

Greater Tokyo：

Number of Investigations：250 logistics facilities with gross floor area over 10,000 sqm.

Investigated Area ：Greater Tokyo, including Ibaraki, Saitama, Chiba, Tokyo and Kanagawa.

Kansai Area：

Number of Investigations：59 logistics facilities with gross floor area over 10,000 sqm.

Investigated Area ：Kansai Area, including Kyoto, Osaka and Hyogo .

➢ Rent

This report uses the median as the representative asking rent. Rent samples are selected under the criterion that the leasable area is over 1,000 sqm. Dotted lines in Fig3 and Fig6 show the top (bottom) 10% of all samples in each period.

➢ Periodic Revision of Database

Supply-Demand data released by Ichigo.Co., are revised periodically in Oct every year. All the samples that have changes are revised so as to keep the database as reflective of the current situation possible. These changes include facility owners (e.g. not for lease anymore), leasable area, and vacancy occurrence (or tenant change).

◆ Contact info

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