

◆ Greater Tokyo

The vacancy rate was flat at 4.8% in July 2017 and stayed at around the 5% range from January 2016 (Fig 1). The completions in this term were 291 thousand sqm. The net absorption in this term was 267 thousand sqm and the balance was approximately stabled (Fig 2).

Development rush trend in greater Tokyo continues in this term. The completions in 2018 will record over 2.7 million sqm, which is the volume of 1.5 times of the completions in 2016 setting a record high. Therefore vacancy rate will be going up from 2018.

The asking rent as of July 2017 was 4,280 JPY/Tsubo, which has increased by 0.5% from the previous term. This is the fourth consecutive quarterly increase (Fig 3). After the huge supply in 2018 as described above, only high-spec facilities which are having competitive advantage over employment will maintain steady rent level.

Figure1: Vacancy Overview in Greater Tokyo

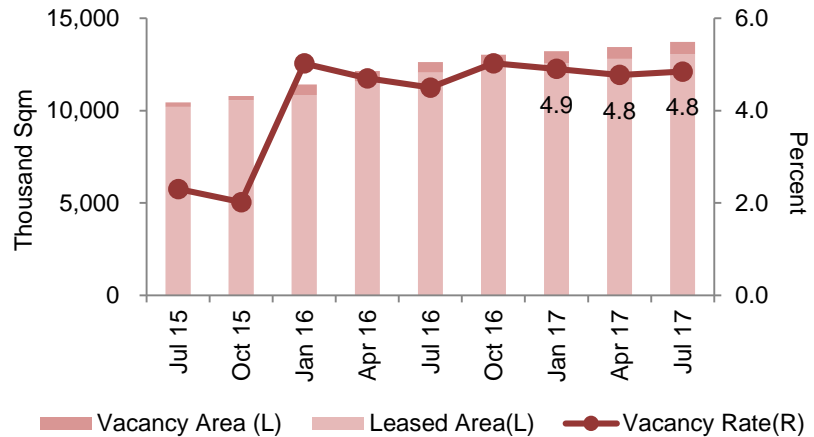


Figure2: Supply-Demand Balance in Greater Tokyo

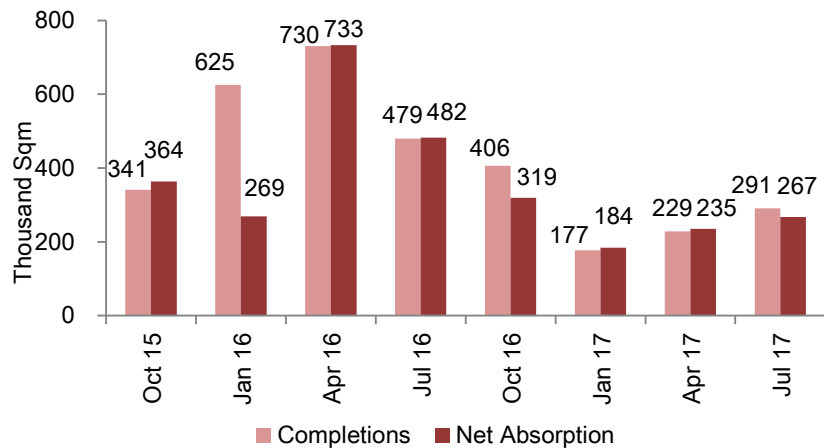
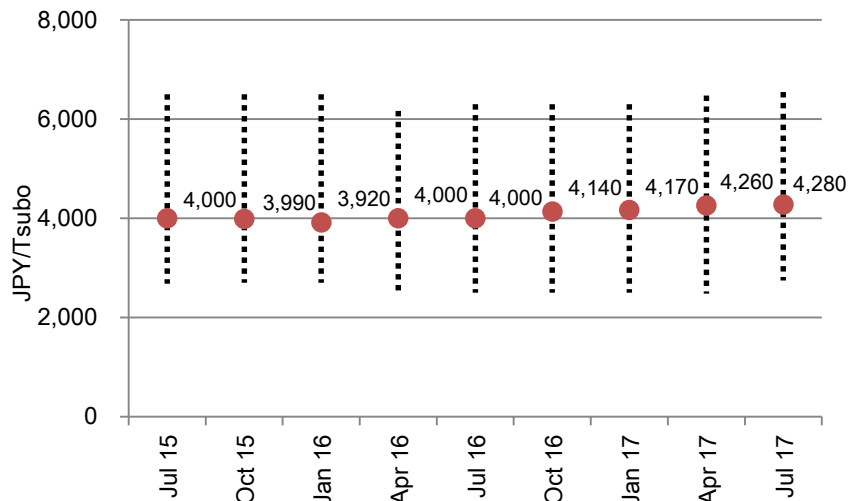


Figure3: Rent Overview in Greater Tokyo



Source: Ichigo Real Estate Service

◆ Kansai Area

The vacancy rate as of July 2017 has decreased to 10.4%, down by 1.3 points from the previous term (Fig 4). The completions were 134 thousand sqm and the net absorption was 178 thousand. This situation has improved the supply and demand balance for the first time in a year and a half (Fig 5).

The huge supply exceeding steady demand is coming in Kansai area too and the improvement such as this term is temporal. Vacancy rate will be going up from the second half of this year.

The asking rent as of July 2017 was 3,310 JPY/Tsubo, down by 1.2% from the previous term. It is the third consecutive quarterly decrease, especially the rent level in bay area is keeping negative growth(Fig 6).

Figure4: Vacancy Overview in Kansai Area

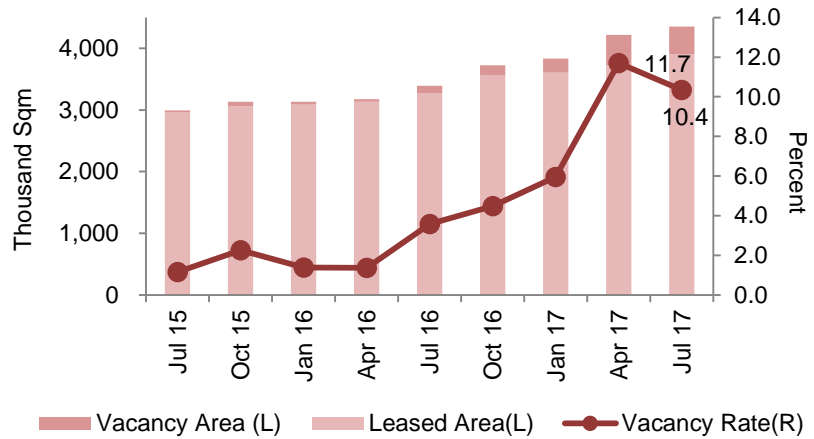


Figure5: Supply-Demand Balance in Kansai Area

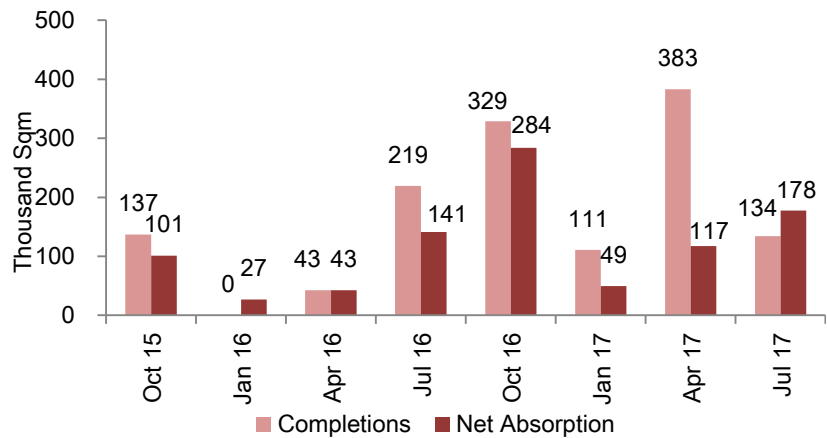
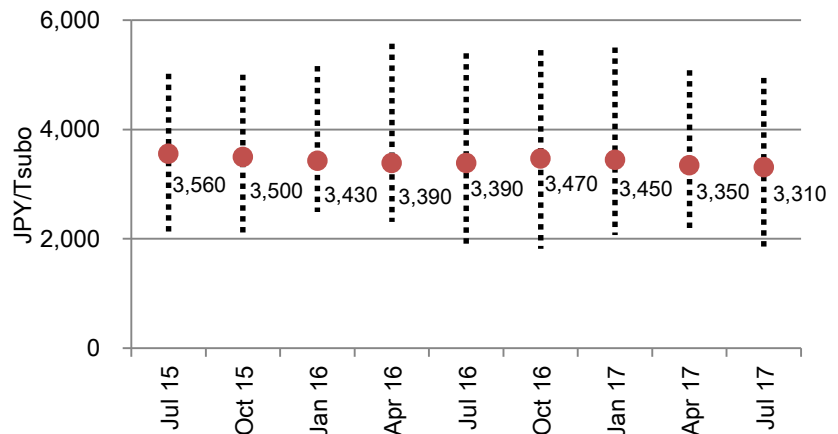


Figure6: Rent Overview in Kansai Area



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	4,492	4,006	487	10.8	-	-	4,510
Oct-08	4,750	4,150	600	12.6	258	145	4,500
Jan-09	5,133	4,498	635	12.4	383	348	4,410
Apr-09	5,313	4,635	678	12.8	180	137	4,210
Jul-09	5,567	4,704	863	15.5	254	69	4,200
Oct-09	5,692	4,882	811	14.2	125	177	4,000
Jan-10	5,766	5,042	725	12.6	74	160	4,000
Apr-10	5,926	5,197	728	12.3	159	156	3,990
Jul-10	5,973	5,437	536	9.0	47	239	4,000
Oct-10	6,124	5,597	527	8.6	151	160	3,990
Jan-11	6,196	5,688	508	8.2	72	91	3,990
Apr-11	6,368	6,038	330	5.2	172	350	3,890
Jul-11	6,579	6,198	381	5.8	211	160	3,890
Oct-11	6,647	6,306	341	5.1	69	108	3,910
Jan-12	6,735	6,498	238	3.5	88	192	3,990
Apr-12	6,817	6,689	128	1.9	82	192	3,920
Jul-12	7,033	6,873	160	2.3	216	184	3,880
Oct-12	7,330	7,149	182	2.5	298	275	3,820
Jan-13	7,374	7,219	155	2.1	43	70	3,800
Apr-13	7,624	7,450	173	2.3	250	231	3,830
Jul-13	7,977	7,779	198	2.5	353	329	3,880
Oct-13	8,436	8,200	236	2.8	460	421	3,990
Jan-14	8,802	8,510	292	3.3	366	311	3,890
Apr-14	9,332	8,902	430	4.6	530	391	3,920
Jul-14	9,371	8,947	424	4.5	39	45	3,990
Oct-14	9,503	9,119	384	4.0	132	173	4,000
Jan-15	9,881	9,559	321	3.3	378	440	4,000
Apr-15	10,313	9,939	373	3.6	432	380	3,990
Jul-15	10,454	10,213	241	2.3	141	274	4,000
Oct-15	10,795	10,577	218	2.0	341	364	3,990
Jan-16	11,420	10,847	574	5.0	625	269	3,920
Apr-16	12,151	11,580	571	4.7	730	733	4,000
Jul-16	12,630	12,062	568	4.5	479	482	4,000
Oct-16	13,036	12,381	655	5.0	406	319	4,140
Jan-17	13,213	12,565	648	4.9	177	184	4,170
Apr-17	13,733	13,068	666	4.8	291	267	4,280

◆ 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	1,815	1,604	211	11.6	-	-	3,970
Oct-08	1,815	1,634	181	10.0	0	30	3,800
Jan-09	1,815	1,640	176	9.7	0	6	3,920
Apr-09	1,932	1,699	232	12.0	117	60	3,820
Jul-09	2,007	1,775	232	11.6	75	75	3,630
Oct-09	2,007	1,821	186	9.3	0	46	3,500
Jan-10	2,007	1,812	195	9.7	0	-9	3,490
Apr-10	2,007	1,854	153	7.6	0	42	3,500
Jul-10	2,034	1,908	126	6.2	27	54	3,450
Oct-10	2,133	2,007	126	5.9	99	99	3,310
Jan-11	2,145	2,029	116	5.4	12	22	3,250
Apr-11	2,121	2,033	88	4.1	-24	4	3,230
Jul-11	2,121	2,037	84	4.0	0	4	3,200
Oct-11	2,115	2,038	77	3.6	-6	1	3,170
Jan-12	2,135	2,110	26	1.2	20	71	3,170
Apr-12	2,135	2,130	5	0.2	0	20	3,230
Jul-12	2,241	2,183	58	2.6	106	53	3,190
Oct-12	2,253	2,210	43	1.9	11	27	3,230
Jan-13	2,292	2,259	33	1.4	40	49	3,170
Apr-13	2,313	2,288	24	1.0	20	29	3,150
Jul-13	2,313	2,285	28	1.2	0	-3	3,200
Oct-13	2,352	2,335	17	0.7	40	50	3,200
Jan-14	2,460	2,450	11	0.4	108	115	3,210
Apr-14	2,590	2,571	20	0.8	130	121	3,240
Jul-14	2,678	2,664	14	0.5	88	94	3,300
Oct-14	2,791	2,765	25	0.9	112	101	3,390
Jan-15	2,939	2,867	71	2.4	148	102	3,490
Apr-15	2,953	2,901	52	1.7	14	34	3,500
Jul-15	2,996	2,961	35	1.2	43	60	3,560
Oct-15	3,133	3,062	70	2.2	137	101	3,500
Jan-16	3,133	3,089	43	1.4	0	27	3,430
Apr-16	3,175	3,132	44	1.4	43	43	3,390
Jul-16	3,395	3,273	122	3.6	219	141	3,390
Oct-16	3,724	3,557	167	4.5	329	284	3,470
Jan-17	3,834	3,606	228	5.9	111	49	3,450
Apr-17	4,352	3,901	451	10.4	134	178	3,310

◆ Technical Notes

➤ Supply-Demand Data

Greater Tokyo :

Number of Investigations: 324 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 : 83 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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