◆ Greater Tokyo

As of April 2021, the vacancy rate has increased to 0.5%. It was the first increase in two years, but it was only a slight increase. There were still a few vacancies(Fig 1 and Page 3). The completions in this term were 480 thousand sqm, and the net absorption was 415 thousand sqm (Fig 2). Seven of the ten facilities which were completed in this term started operating at full occupancy. So, market conditions were generally stable.

There have been many press releases about new development plans in this term, as many as 25 facilities. Leasing is likely to proceed smoothly for the foreseeable future since most of the development plans will take place in suitable locations for logistics.

The asking rent of greater Tokyo has decreased to 4,400 JPY/Tsubo. It has remained almost flat since April 2020(Fig 3).

Figure1: Vacancy Overview in Greater Tokyo

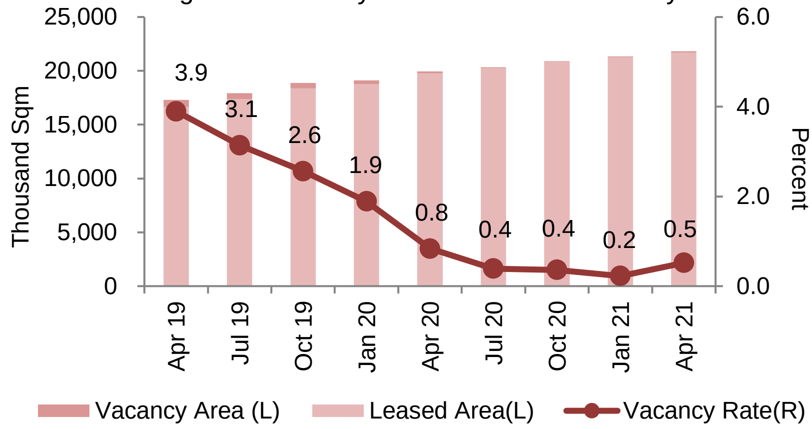


Figure2: Supply-Demand Balance in Greater Tokyo

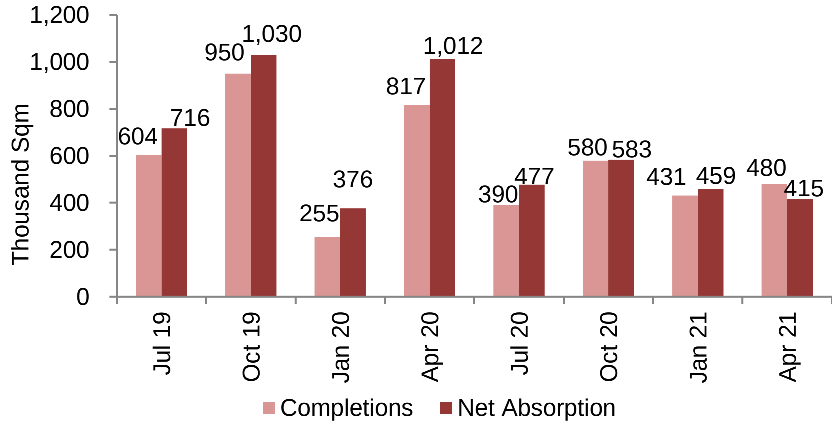
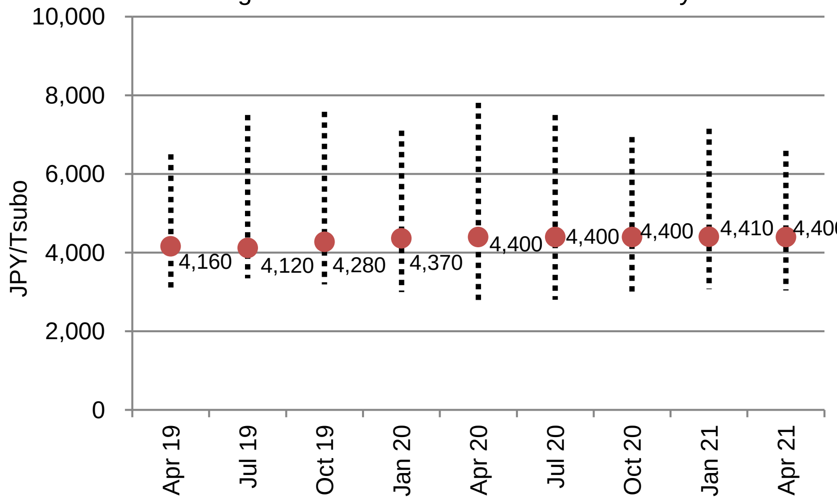


Figure3: Rent Overview in Greater Tokyo



Source: K.K. Ichigo Real Estate Service

Kansai Area

As of April 2021, the vacancy rate has decreased to 1.5%, down 1.3 points from the previous term(Fig 4). The completions in this term were 149 thousand sqm, while the net absorption was 261 thousand sqm (Fig 5). The demand has been good.

The supply and demand balance is expected to remain stable for a while. The reasons are that about 80% of the facilities completed in 2021 are located in inland areas having an advantage for leasing and most of the facilities under development in the bay area are of the Build To Suits type.

The asking rent has remained flat at 4,000 JPY/Tsubo in this term. (Fig 6) Rent trends have not changed and are stable.

Figure4: Vacancy Overview in Kansai Area

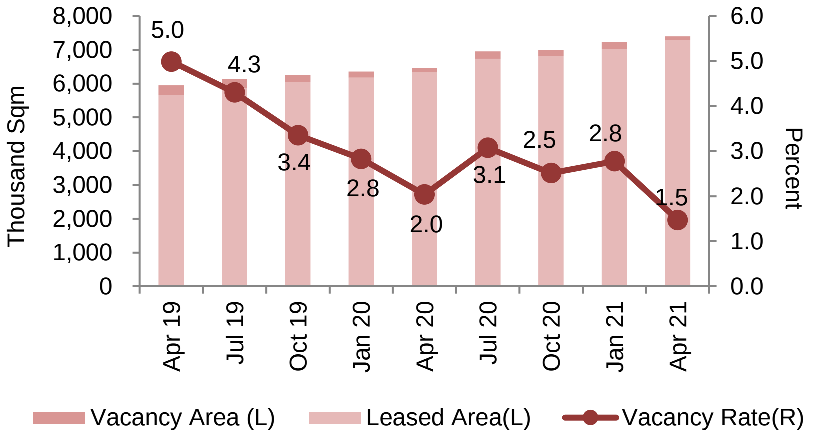


Figure5: Supply-Demand Balance in Kansai Area

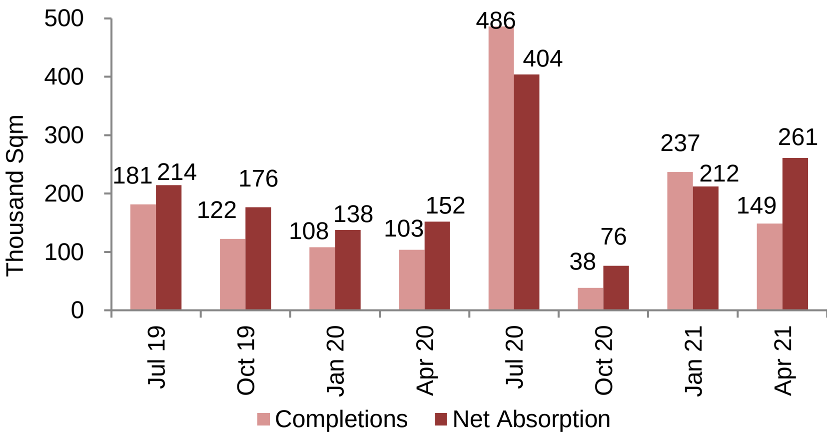
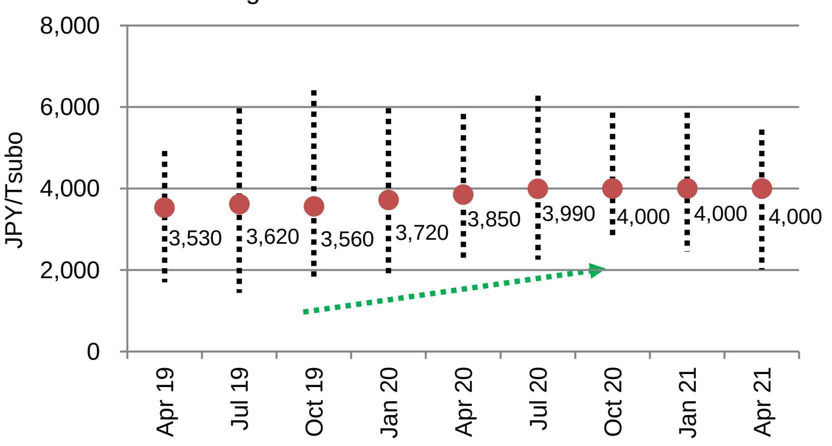


Figure6: Rent Overview in Kansai Area



Source: K.K. 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	4,546	4,060	487	10.7	-	-	4,510
Oct-08	4,823	4,223	600	12.4	277	163	4,500
⋮	⋮	⋮	⋮	⋮	⋮	⋮	⋮
Jul-18	15,638	14,921	718	4.6	432	460	4,260
Oct-18	16,327	15,497	830	5.1	689	576	4,220
Jan-19	16,637	16,058	578	3.5	310	561	4,180
Apr-19	17,312	16,638	675	3.9	676	579	4,160
Jul-19	17,917	17,354	563	3.1	604	716	4,120
Oct-19	18,867	18,383	483	2.6	950	1,030	4,280
Jan-20	19,121	18,760	362	1.9	255	376	4,370
Apr-20	19,938	19,771	167	0.8	817	1,012	4,400
Jul-20	20,328	20,248	80	0.4	390	477	4,400
Oct-20	20,908	20,832	76	0.4	580	583	4,400
Jan-21	21,338	21,290	48	0.2	431	459	4,410
Apr-21	21,818	21,705	113	0.5	480	415	4,400

◆ 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	1,812	1,600	211	11.7	-	-	3,970
Oct-08	1,812	1,630	181	10.0	0	30	3,800
⋮	⋮	⋮	⋮	⋮	⋮	⋮	⋮
Jul-18	5,473	4,835	638	11.7	0	40	3,400
Oct-18	5,744	5,195	549	9.6	271	360	3,460
Jan-19	5,935	5,518	417	7.0	191	323	3,460
Apr-19	5,950	5,653	297	5.0	15	135	3,530
Jul-19	6,131	5,867	264	4.3	181	214	3,620
Oct-19	6,254	6,044	210	3.4	122	176	3,560
Jan-20	6,362	6,182	180	2.8	108	138	3,720
Apr-20	6,465	6,333	132	2.0	103	152	3,850
Jul-20	6,951	6,737	214	3.1	486	404	3,990
Oct-20	6,990	6,814	176	2.5	38	76	4,000
Jan-21	7,226	7,026	201	2.8	237	212	4,000
Jan-21	7,375	7,287	109	1.5	149	261	4,000

You can find more data about Greater Tokyo and Kansai Area at the following URL.
https://www.ichigo-re.co.jp/wp/wp-content/uploads/2021/05/202104_data.csv

◆ Technical Notes

➢ Supply-Demand Data

Greater Tokyo :

Number of Investigations: 482 logistics facilities with the gross floor area over 10,000 sqm.
Investigated Area : Greater Tokyo, including Ibaraki, Saitama, Chiba, Tokyo and Kanagawa.

Kansai Area:

Number of Investigations : 136 logistics facilities with the 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 got chosen 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 are revised periodically in Oct every year. All the samples that have changed got rewritten 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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