

## 1. Outlook for Price

Ichigo conducts this questionnaire survey semiannually about the “Outlook for Logistics Market Conditions”.

The survey result of July 2017 about the outlook of real estate prices for the next six months is the percentages of “Rise” at 28.0%, “Flat” at 67.1% and “Decline” at 4.9% (Fig 1). The ratio of “Flat” has kept the majority from January 2016.

The top three reasons of “Rise” cited by respondents are listed below. The number of respondents who chose “Financing environment is in a good condition” has greatly decreased from the previous survey.

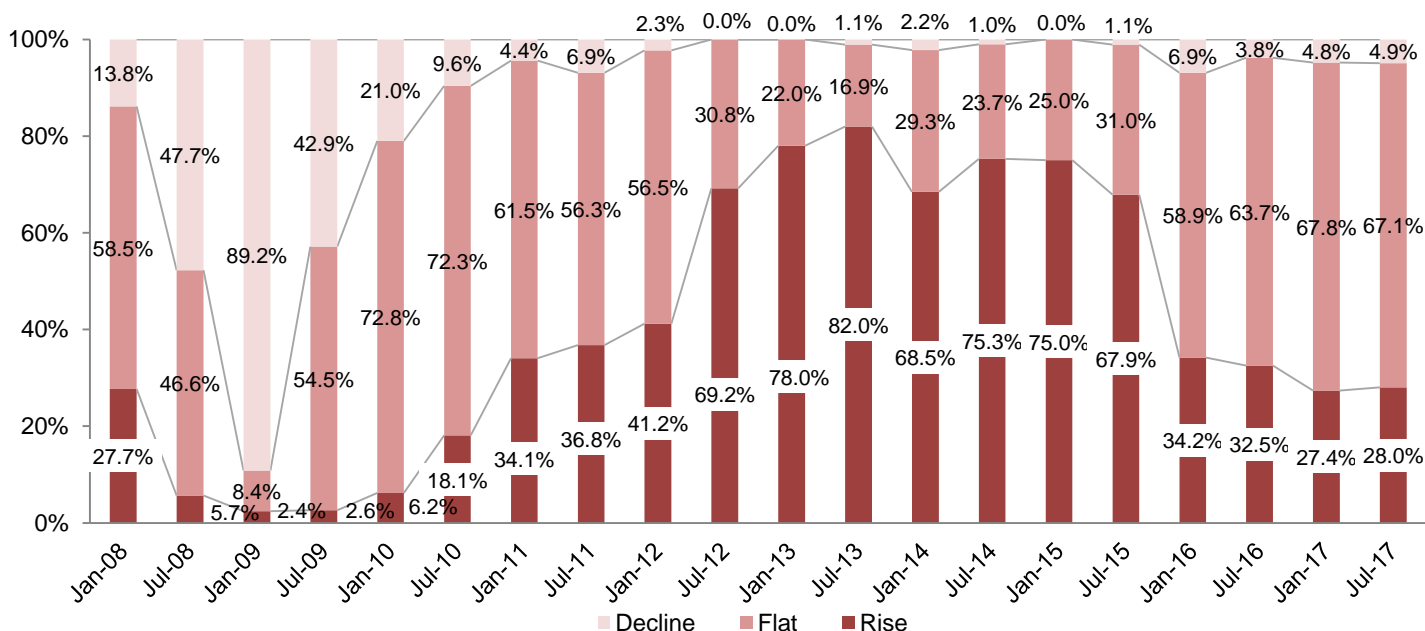
1. Due to the expansion of a variety of investors, the market is becoming more active.
2. The number of investors targeting for logistics facilities is rising.
3. Financing environment is in a good condition (It is easy to raise finance).

The top three reasons of “Flat” are given below. It indicates that many respondents has not expected the rent level to go up.

1. There is no significant change in market outlook of rent level.
2. Real estate prices are approaching a plateau.
3. A number of market players is refraining from investing due to the overheating market.

All of respondents who cited “Fall” chose “This excess of supply condition have a negative effect on industrial market” questionnaire. Many market player have a sense of caution that real estate prices are approaching a plateau or rising toward a peak, but the ratio of “Decline” was still in a lower rate.

Figure:1 Outlook for Real Estate Prices of Logistics Facilities Six Months Later



Source: Ichigo Real Estate Service

## 2. Outlook for Rent

The survey result of July 2017 about the outlook of rent for the next six months are as follows. The percentages are “Rise” at 4.9%, “Flat” at 74.4% and “Decline” at 20.7% (Fig 2). Nearly three-fourths of the respondents have chosen for “Flat”.

The top reason why respondents chose for “Flat” is “The tenants’ and logistics companies’ rent affordability did not change.” The top three reasons are as follows.

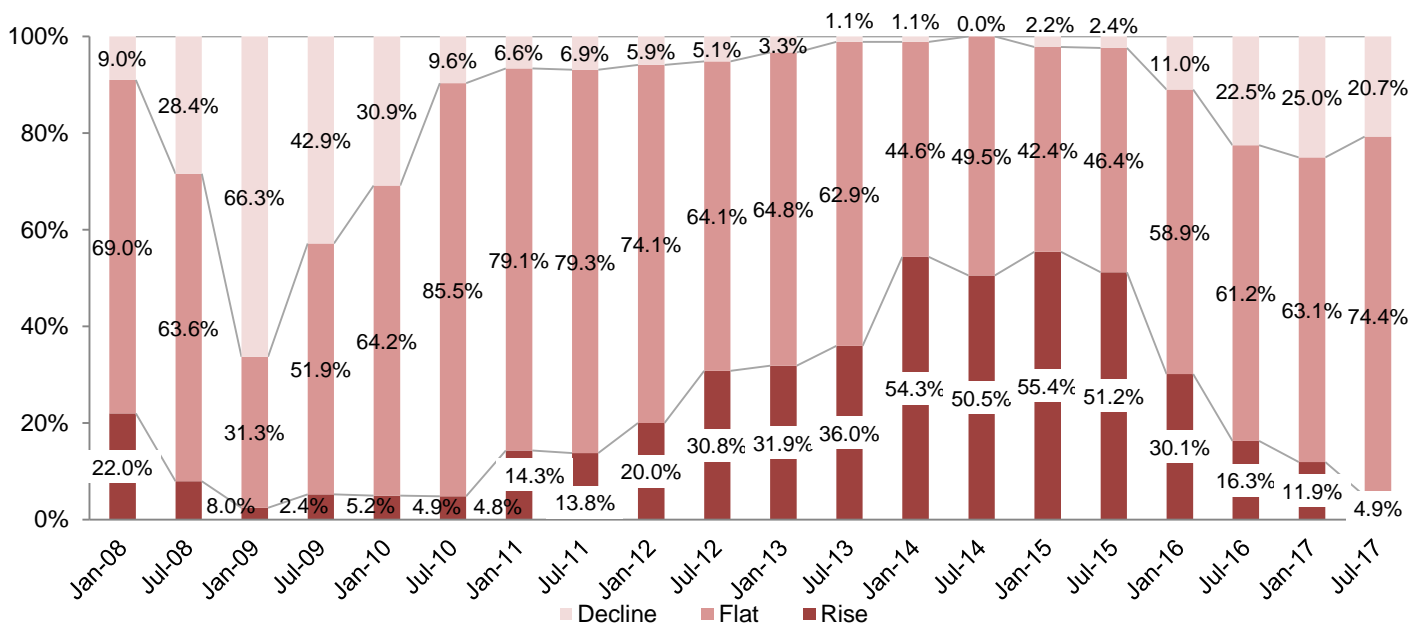
1. The tenants’ and logistics companies’ rent affordability did not change.
2. The increase of both completions and demands is in equal state.
3. There is no significant change in logistics industry and the market is stable.

The top two reasons of “Decline” are given below.

1. The large supply of logistics facilities raised the competitiveness for finding new tenants.
2. The scarcity value of high-spec facilities, which were developed in large numbers, became weaker.

Because the number of respondents who cited “Rise” was very few, we couldn’t find a tendency. However, some respondents who chose “Rise” or “Decline” commented as negative outlook for rent in Greater Kansai.

Figure:2 Outlook for Rent of Logistics Facilities Six Months Later



Source: Ichigo Real Estate Service

## ◆ Overview of Methodology of the Questionnaire Survey

### ➤ Summary of Questionnaire

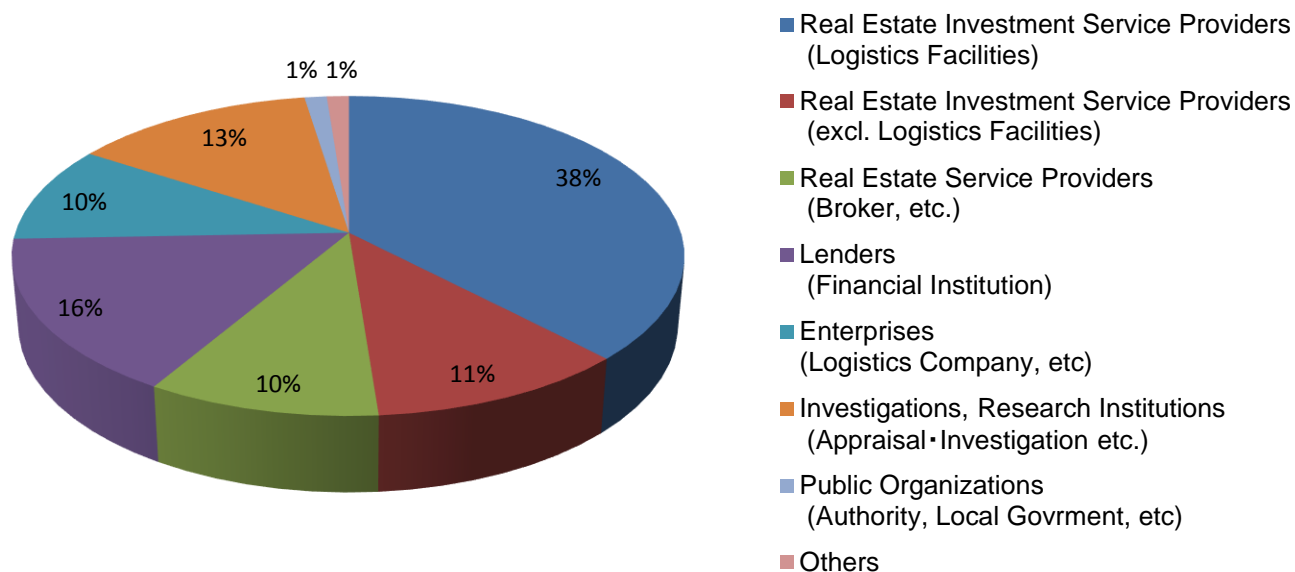
Survey Target : Practitioners and professionals associated to real estate.  
( regardless involvement with logistics ) .

Survey Method : Questionnaire sent by e-mail and answer sheets gathered through e-mail and website.

Survey Period : July 21 to 31, 2017

Respondents : 82

### ➤ Occupation Respondents



## ◆ Contact info

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