

1. Outlook for Price

The questionnaire survey about the “Outlook for Logistics Market Conditions” is conducted semi-annually.

The results of the January 2020 survey of the outlook of real estate prices for the next six months are the following percentages: “Rise” is at 45.1%, “Flat” is at 54.9% and “Decline” is at 0% (Fig 1). The percentages of the “Rise” had increased from the previous survey.

The top three reasons for the “Rise” cited by respondents are listed below.

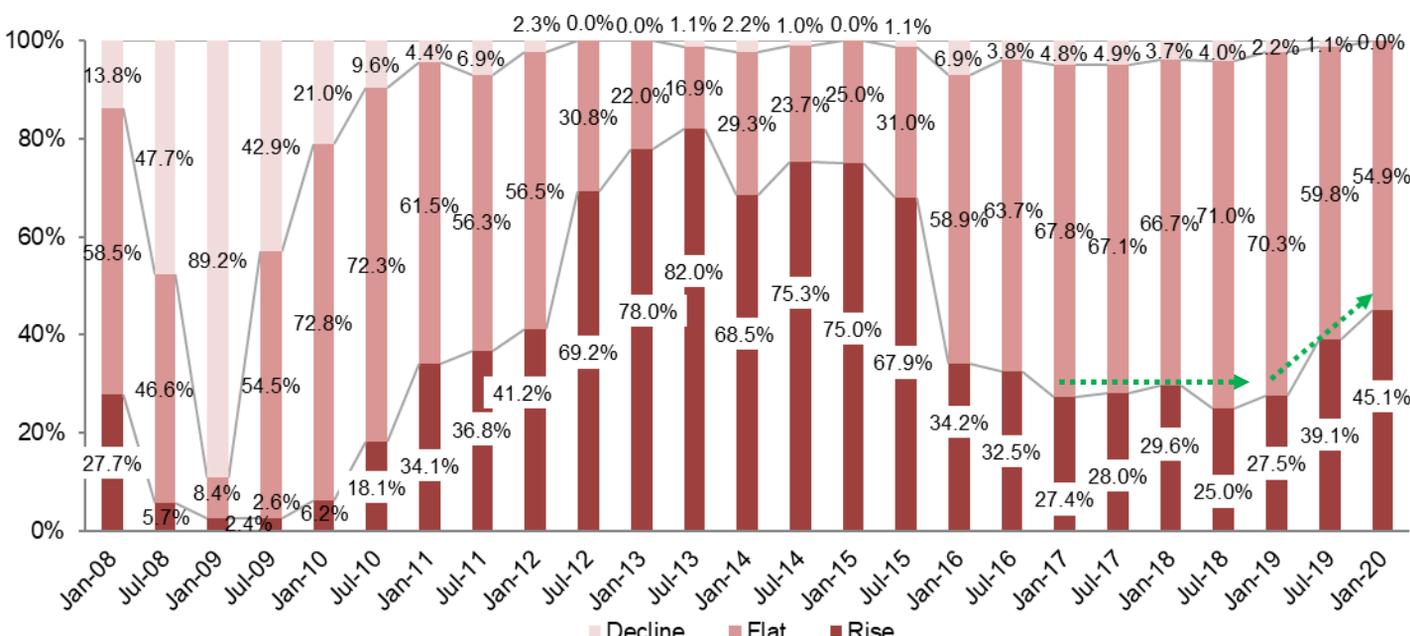
1. The number of investors who are targeting logistics facilities is increasing.
2. The market is becoming more active, due to the expansion of a variety of investors.
3. The rent level of logistics facilities is increasing.

The top three reasons for the “Flat” are given below.

1. It’s hard to anticipate any further drop in the capitalization rate.
2. There is no significant change in the market outlook of the rent level.
3. Because the market is overheating, market players refrain from investing in logistics facilities.

And, no one chose “Decline”.

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



Source: Ichigo Real Estate Service

2. Outlook for Rent

The results of the January 2020 survey of the outlook of rent for the next six months are the following percentages: “Rise” is at 48.8%, “Flat” is at 51.2% and “Decline” is at 0% (Fig 2). The ratio of the “Rise” is increasing from July 2017 and has reached around 50% in this survey.

The top two reasons for the “Rise” are given below.

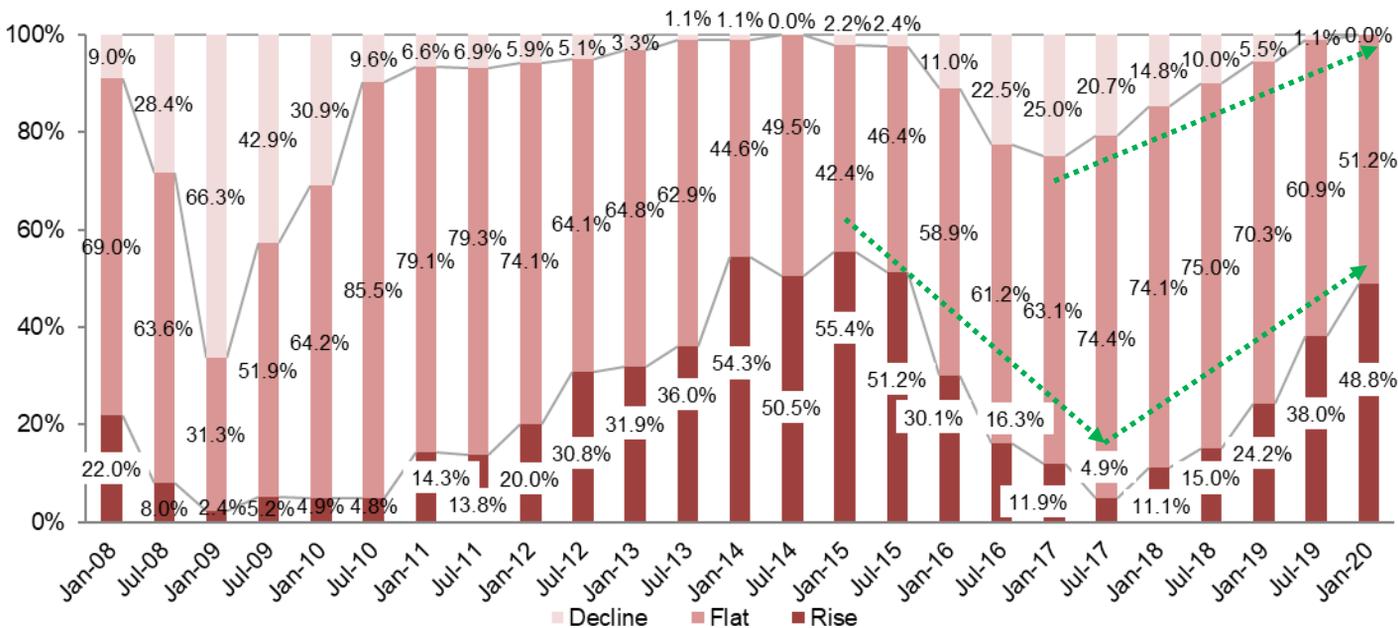
1. The prosperity of E-commerce draws up the demands.
2. Due to the increasing developmental cost of land and construction, the increment is shifting towards rent.

The top two reasons for the “Flat” are given below. In fact, there are all the same that we got from the results of the previous survey.

1. The tenants’ and logistics companies’ rent affordability did not change.
2. The increase of both completions and demands are in equal state.

And, no one chose “Decline” in this term.

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

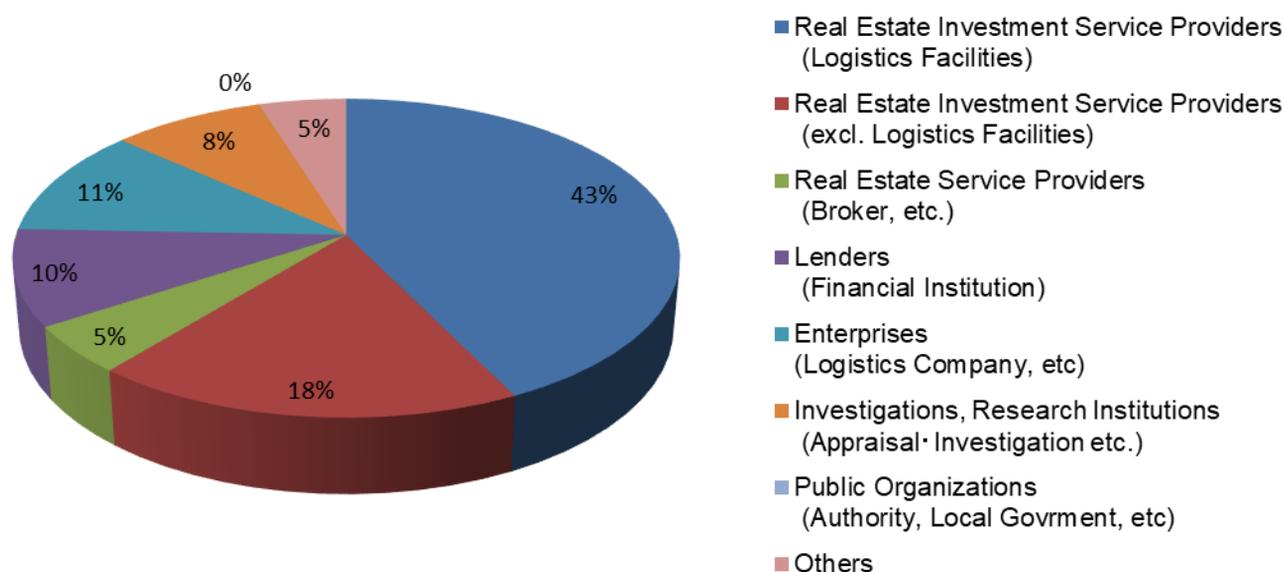
Survey Target : Practitioners and professionals associated to real estate.
(regardless involvement with logistics) .

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

Survey Period : January 24 to 31, 2020

Respondents : 82

➤ Occupation Respondents



◆ Contact info

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