

## 1. Outlook for Price

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

The results of July 2021’s survey of the outlook of real estate prices for the next six months are the following percentages: “Rise” is at 67.9%, “Flat” is at 30.9%, and “Decline” is at 1.2% (Fig 1). There are no significant changes in the results compared to the previous term, and a bullish outlook remains dominant.

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

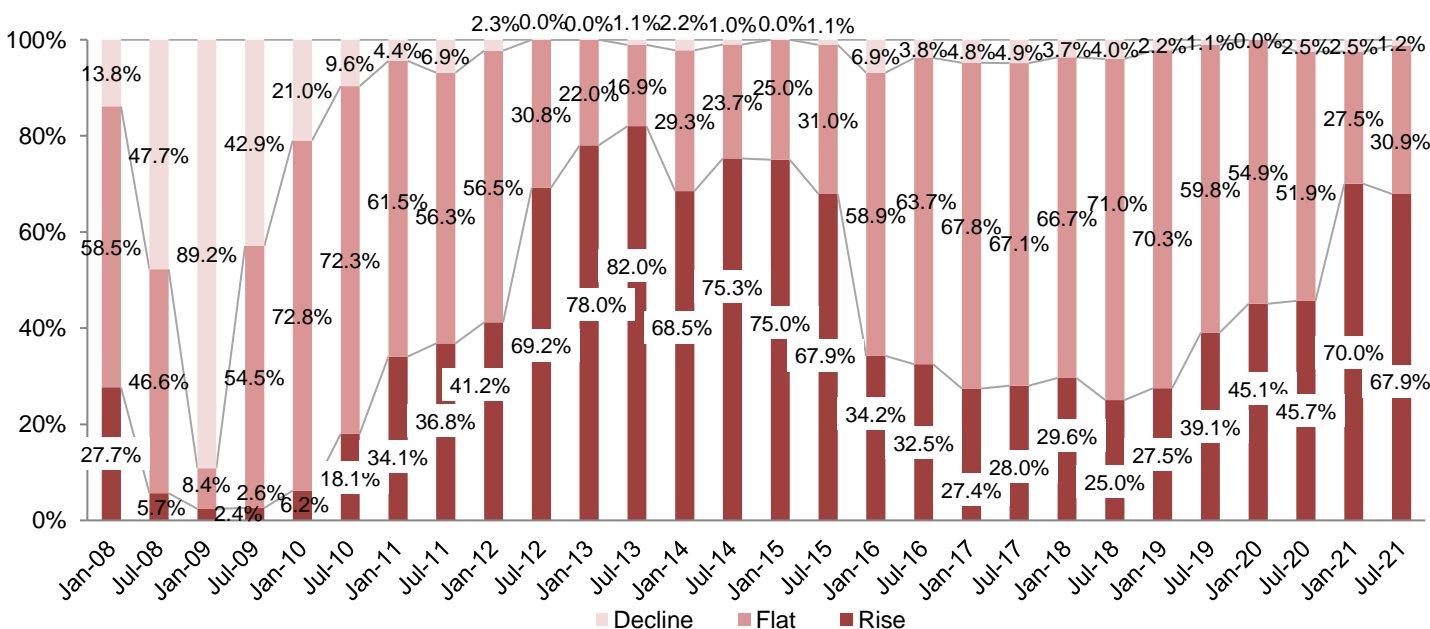
1. The number of investors targeting logistics facilities rose under the influence of the COVID-19, and the competition for purchasing them is getting intense.
2. The market is becoming more active since logistics facilities have attracted more attention due to the COVID-19.
3. The financing environment is in good condition, and it is easy to raise funds.

The top three reasons for the “Flat” cited by respondents are given below:

1. There are no significant changes in the market outlook of the rent level.
2. It is not expected that the capitalization rates will decline further.
3. Real estate prices will end their upward phase and enter a flat one.
3. Since the market is overheating, market players refrain from investing in logistics facilities.

A few respondents chose “Decline.”

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



## 2. Outlook for Rent

The results of July 2021’s survey of the outlook of rent for the next six months are the following percentages: “Rise” is at 51.9%, “Flat” is at 46.9%, and “Decline” is at 1.2% (Fig 2). The ratio of respondents that chose “Rise” has decreased slightly, but it is still in the majority.

The top three reasons for the “Rise” cited by respondents are given below. The number of respondents that chose the third reason increased sharply from the previous term.

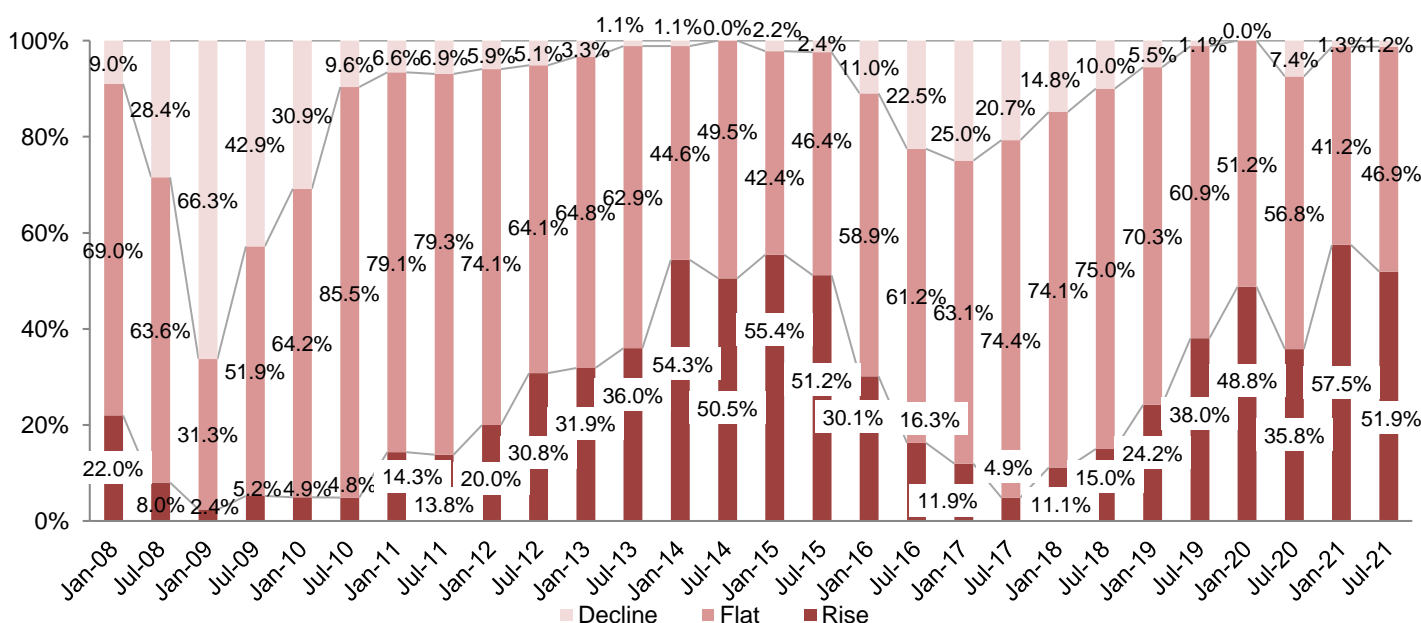
1. As the land prices and other development costs rise, the rent has increased to reflect those additional costs.
2. The demand for e-commerce will expand further due to the COVID-19.
3. Strong demand is expected to grow in various industries such as groceries and medical supplies.

The top three reasons for the “Flat” cited by respondents are given below:

1. The supply from new developments and the demand for logistics facilities are in balance.
2. There are signs that the increases in the rent will come to an end.
3. Factors that cause rent to increase and decrease are competing with one another so that the rental price remained flat.

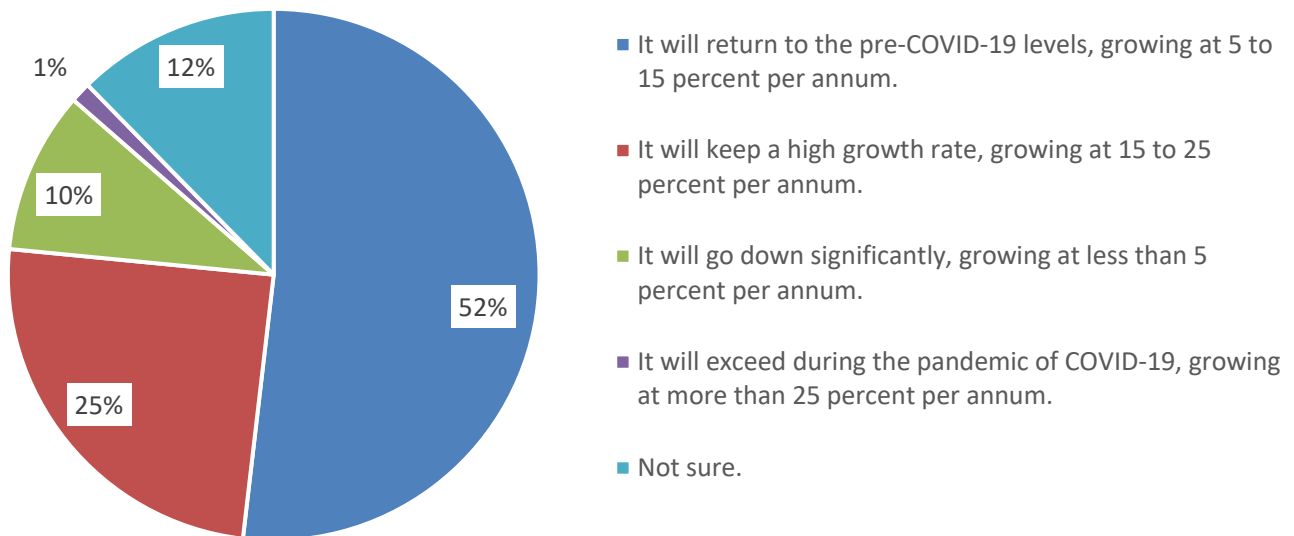
A few respondents chose “Decline.”

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



### 3. The growth rate of e-commerce in post - pandemic

The pandemic of COVID-19 has led to rapid growth in e-commerce. Therefore, we added this question “What is the growth rate of e-commerce in the post-pandemic? “. The composition ratio of respondents is as follows:



In the US, where more people are getting vaccinated, the growth rate of e-commerce is slowing. The phenomenal growth of over 40% has ended, and the latest growth rate has returned to the pre-COVID-19 level. The e-commerce growth rate in Japan is also likely to return to the pre-COVID-19 levels, similar to the US.

## ◆ Overview of Methodology of the Questionnaire Survey

### ➤ Summary of Questionnaire

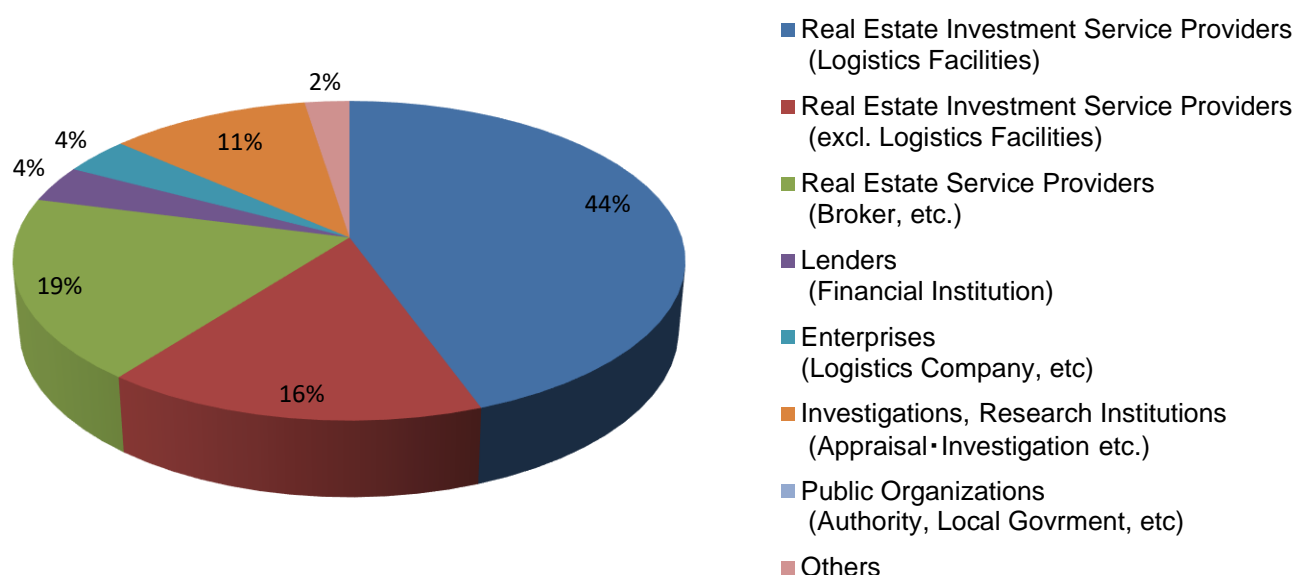
Survey Target : Practitioners and professionals associated with real estate.  
( regardless of involvement with logistics ) .

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

Survey Period : July 20 to 30, 2021

Respondents : 81

### ➤ Occupation Respondents



## ◆ Contact info

For any further inquiries, please contact:

[research@ichigo-re.co.jp](mailto:research@ichigo-re.co.jp)

K.K. Ichigo Real Estate Service

<https://www.ichigo-re.co.jp>

AMT Omori Bldg.6F, 2-2-10 Omorikita, Ota-ku, Tokyo 143-0016, Japan

While we strive to ensure that the information contained in this report is accurate and reliable, we make no guarantees as to the accurateness, completeness, or otherwise. The contents of this report reflect our analysis and judgment only as of the date and time of creation. We assume no liability or responsibility for future forecasts.