

◆ Greater Tokyo

As of October 2021, the vacancy rate has increased to 1.7%. (Fig 1). The completions in this term were 1,207 thousand sqm, and the net absorption was 1,094 thousand sqm (Fig 2), and both of them reached a record high since July 2008, when the first survey was taken. In addition, the completions are higher than the net absorption, so the vacant rate has increased for three consecutive quarters.

The total completions in 2022 will exceed this year's total, and the supply and demand balance will shift from a tight situation to an equal one in the next few years.

The asking rent of greater Tokyo has increased to 4,580 JPY/Tsubo. As massive market supplies are planned for 2022 and after, the rent increase will slow down.

Figure1: Vacancy Overview in Greater Tokyo

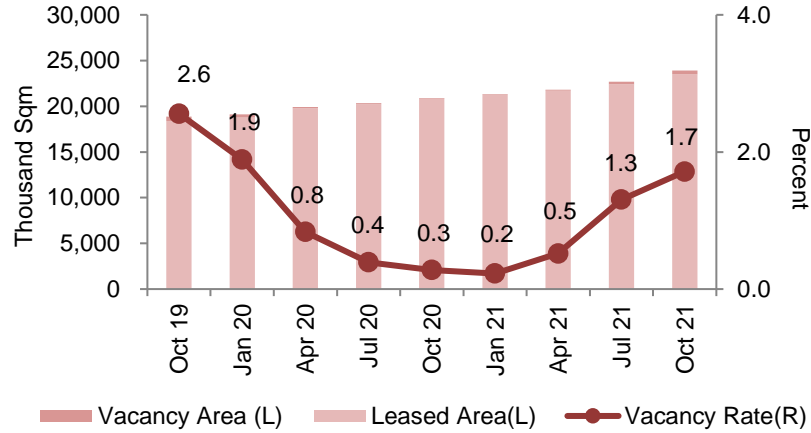


Figure2: Supply-Demand Balance in Greater Tokyo

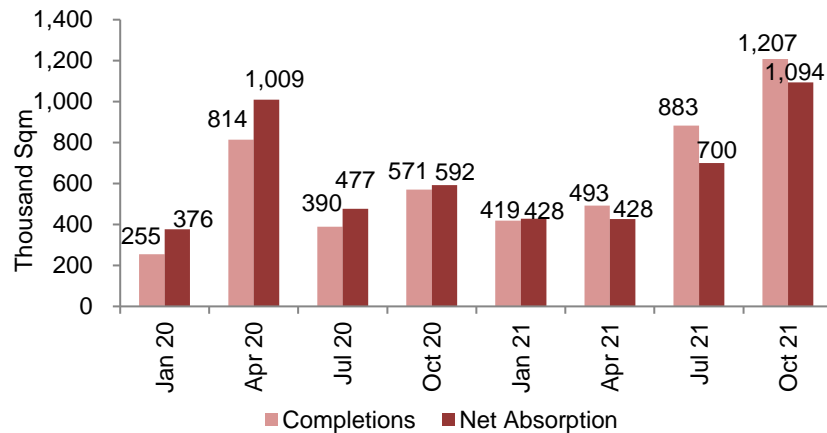
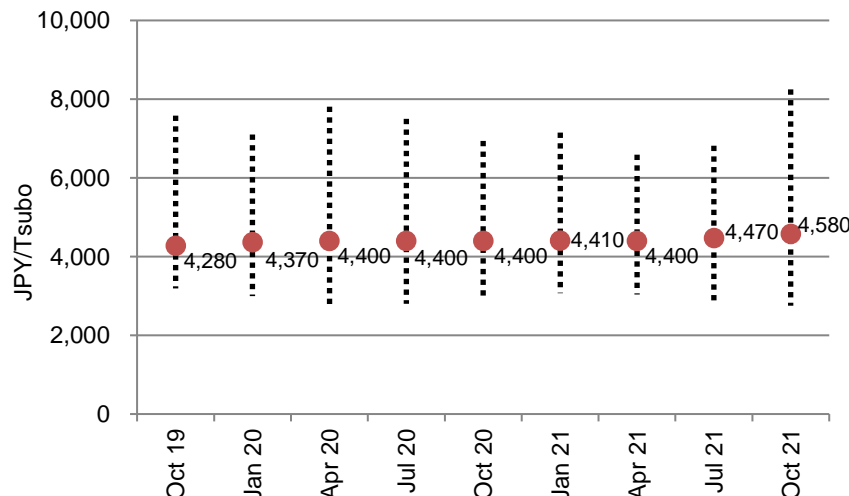


Figure3: Rent Overview in Greater Tokyo



Source: K.K. Ichigo Real Estate Service

◆ Kansai Area

As of October 2021, the vacancy rate has decreased to 1.1 % (Fig 4). The completions in this term were 226 thousand sqm, and the net absorption was 283 thousand sqm (Fig 5). The market demand was good and exceeded the supply, so the vacancy rate has improved.

Since the total supply in 2022 will be only 500 thousand sqm, which is 40% of 2021's total, a stable market balance is expected for a while. However, as many development plans are set after 2023, it is important to focus on them when forecasting the medium-term market for Kansai area.

The asking rent has decreased to 4,030 JPY/Tsubo in this term (Fig 6) and has been almost flat at around 4,000 JPY/tsubo since July 2020.

Figure4: Vacancy Overview in Kansai Area

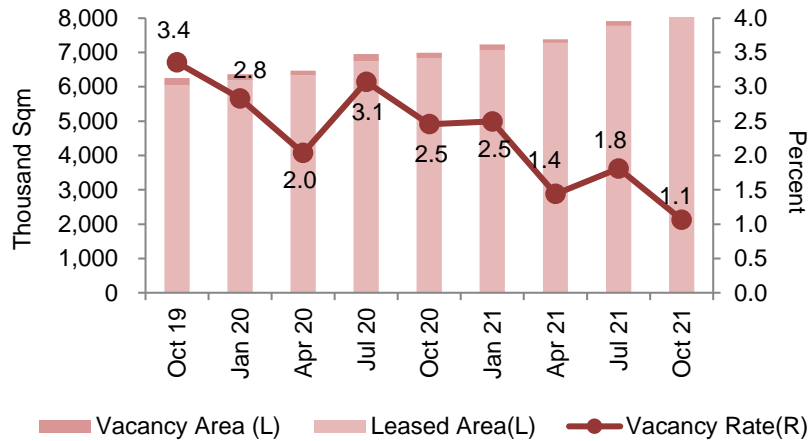


Figure5: Supply-Demand Balance in Kansai Area

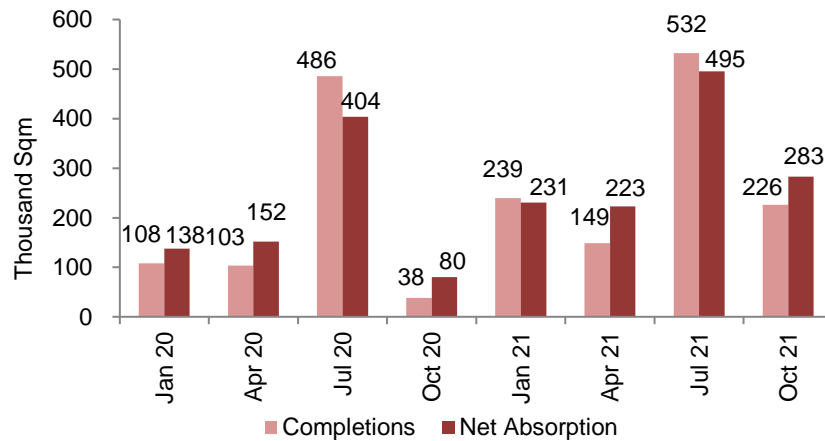
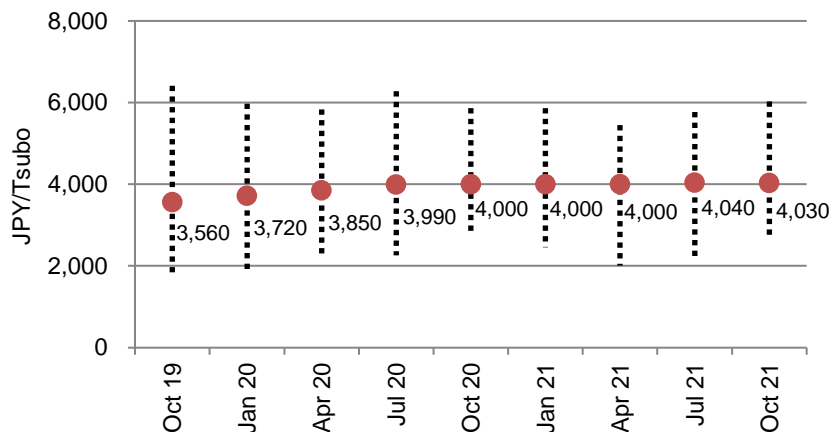


Figure6: Rent Overview in Kansai Area



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	4,544	4,059	485	10.7	-	-	4,510
Oct-08	4,821	4,223	598	12.4	277	163	4,500
⋮	⋮	⋮	⋮	⋮	⋮	⋮	⋮
Jan-19	16,639	16,060	578	3.5	314	566	4,180
Apr-19	17,314	16,640	675	3.9	676	579	4,160
Jul-19	17,918	17,356	562	3.1	604	716	4,120
Oct-19	18,868	18,385	483	2.6	950	1,030	4,280
Jan-20	19,123	18,762	361	1.9	255	376	4,370
Apr-20	19,937	19,771	166	0.8	814	1,009	4,400
Jul-20	20,327	20,248	79	0.4	390	477	4,400
Oct-20	20,898	20,840	58	0.3	571	592	4,400
Jan-21	21,317	21,269	48	0.2	419	428	4,410
Apr-21	21,809	21,696	113	0.5	493	428	4,400
Jul-21	22,692	22,396	296	1.3	883	700	4,470
Oct-21	23,900	23,490	410	1.7	1,207	1,094	4,580

◆ 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
⋮	⋮	⋮	⋮	⋮	⋮	⋮	⋮
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	6,257	6,048	210	3.4	126	180	3,560
Jan-20	6,366	6,185	180	2.8	108	138	3,720
Apr-20	6,469	6,337	132	2.0	103	152	3,850
Jul-20	6,955	6,741	214	3.1	486	404	3,990
Oct-20	6,993	6,822	172	2.5	38	80	4,000
Jan-21	7,233	7,052	180	2.5	239	231	4,000
Apr-21	7,381	7,275	106	1.4	149	223	4,000
Jul-21	7,914	7,770	143	1.8	532	495	4,040
Oct-21	8,140	8,053	87	1.1	226	283	4,030

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/2021/11/202110_data.csv

◆ Technical Notes

➤ Supply-Demand Data

Greater Tokyo :

Number of Investigations: 513 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 : 151 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

For any further inquiries, please contact:

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 warranties as to its correctness, 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.