

Outline of Survey on Trends of Land Transaction (Second Survey) for FY2016

April, 2017

Ministry of Land, Infrastructure, Transport and Tourism,
Land Economy and Construction Industries Bureau,
Real Estate Market Division

<Survey method, etc.>

1. Purpose of the survey

This is a survey of major companies which appear to have a great influence on land market trends, and is carried out to understand and organize their short-term intentions regarding land transactions, etc. with an aim to develop and provide simple and clear leading indicators.

2. Coverage of the survey

Listed companies (including over-the-counter trading) and unlisted companies with capital of 1 billion yen or more.

3. Survey items

(1) Judgments about the land transaction situation

(2) Judgments about land price levels

(3) Intentions to purchase or sell land

(4) Intentions to increase or decrease land and buildings for own company use

4. Survey method: Questionnaire survey (sending and collecting by mail)

5. Date of the survey: February 2017

6. Results of the collection

	No. of questionnaires distributed	No. of valid responses	Rate of valid responses
Listed companies	1,685 companies	467 companies	27.7%
Unlisted companies	1,750 companies	588 companies	33.6%
Total	3,435 companies	1,055 companies	30.7%

7. Implementing agency of the survey: Advanced Solutions Technology Japan, Inc.

(1) Judgments about the land transaction situation

Judgments about the land transaction situation in general terms were sought from companies whose headquarters are located in each region.

a. Judgments about the current land transaction situation (DI)

“Tokyo” increased by 4.1 points to +24.4 points, “Osaka” increased by 2.2 points to +15.1 points, and “Other regions” increased by 1.3 points to -5.8 points. (Figure 1)

b. Forecasts of the land transaction situation in a year’s time (DI)

“Tokyo” increased by 0.6 points to +15.8 points, “Osaka” increased by 4.8 points to +5.8 points, and “Other regions” increased by 0.9 points to -5.8 points. (Figure 2)

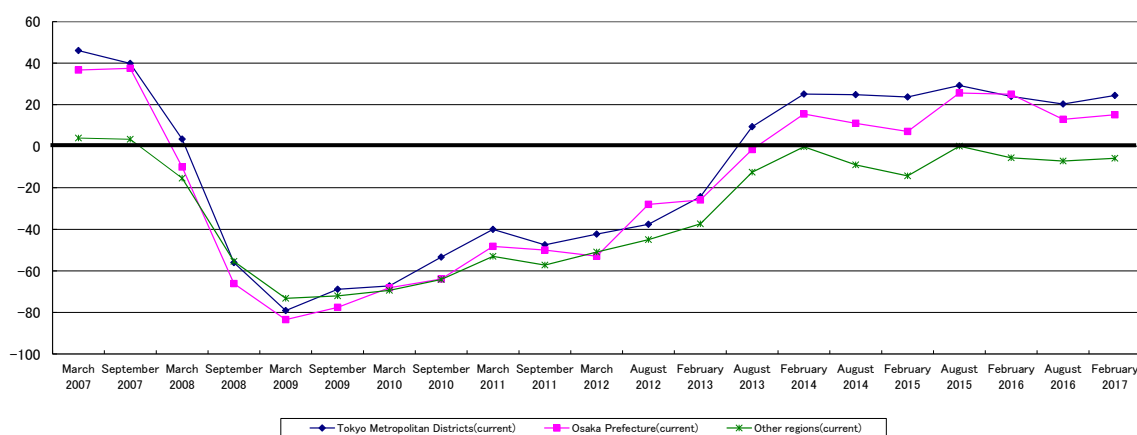
c. Judgments about the current land transaction situation (Responses)

All regions showed decreases for “sluggish”. “Tokyo” and “Osaka” showed increases for “active”, and “Other regions” showed decreases for “active”. (Figure 3)

d. Forecasts of the land transaction situation in a year’s time (Responses)

All regions showed decreases for “sluggish”. “Tokyo” and “Other regions” showed decreases for “active”, and “Osaka” showed increases for “active”. (Figure 4)

Figure 1 DI about judgments of the current land transaction situation (by location of headquarters)



Note: DI = Rate of (Active)–(Sluggish). The unit is points.

Figure 2 DI about forecasts of the land transaction situation in a year's time (by location of headquarters)

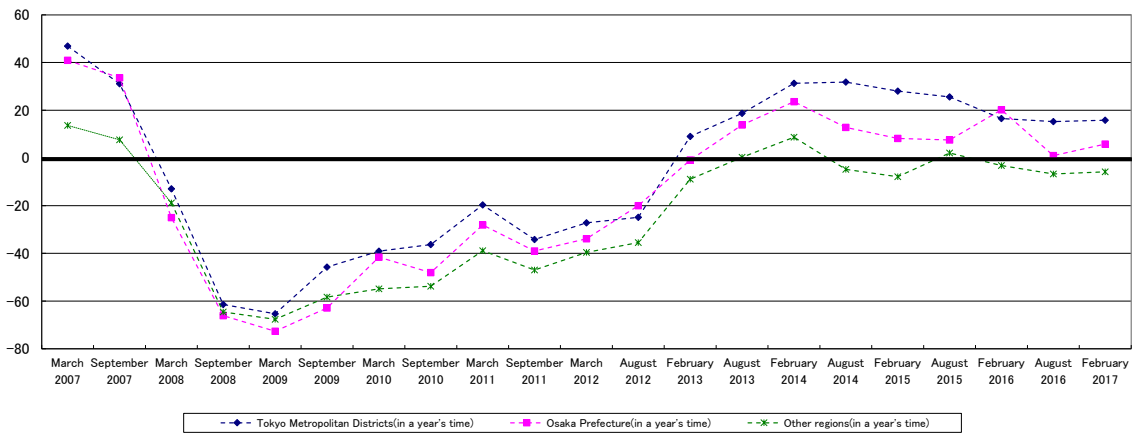


Figure 3 Judgments of the current land transaction situation (by location of headquarters)

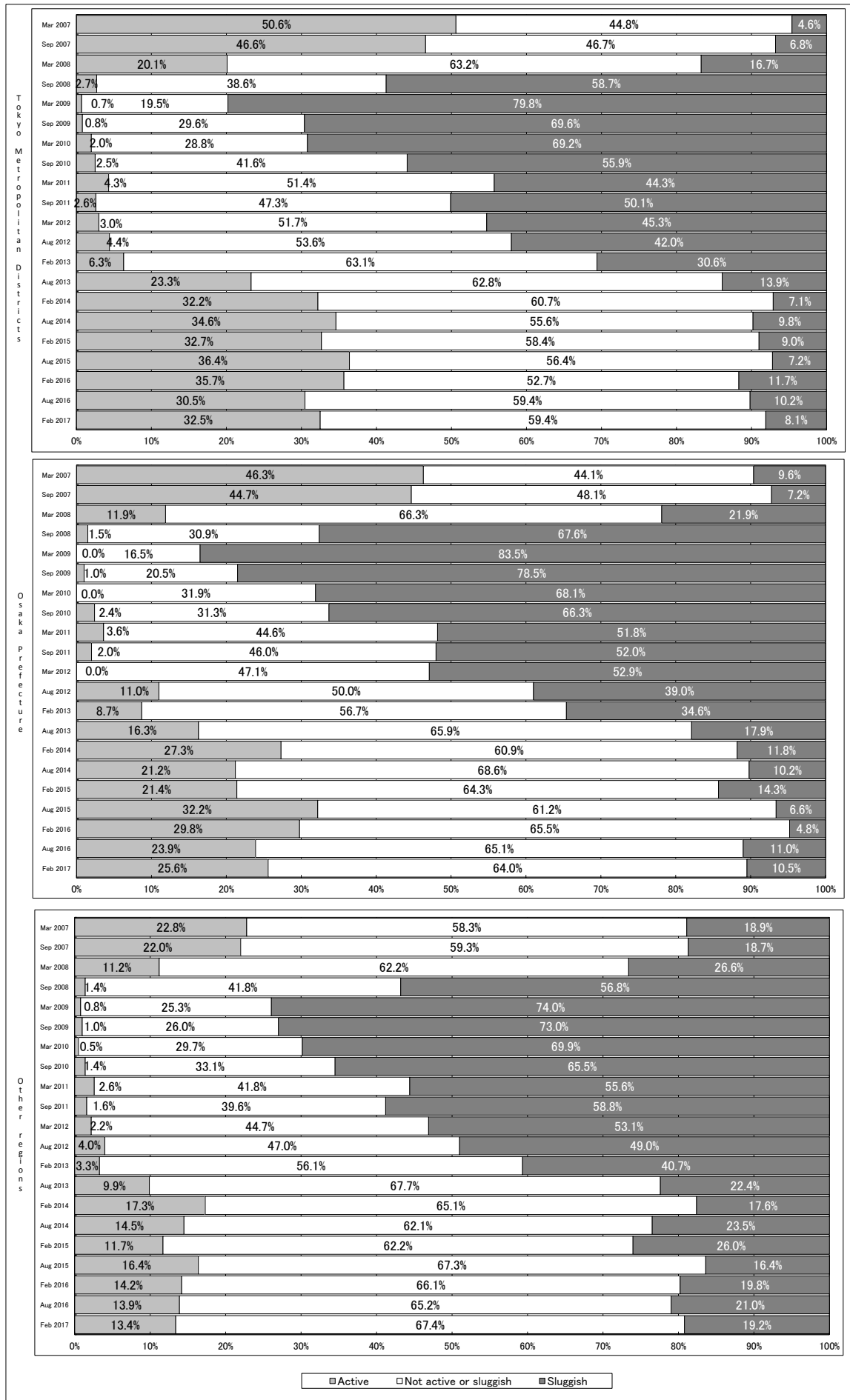
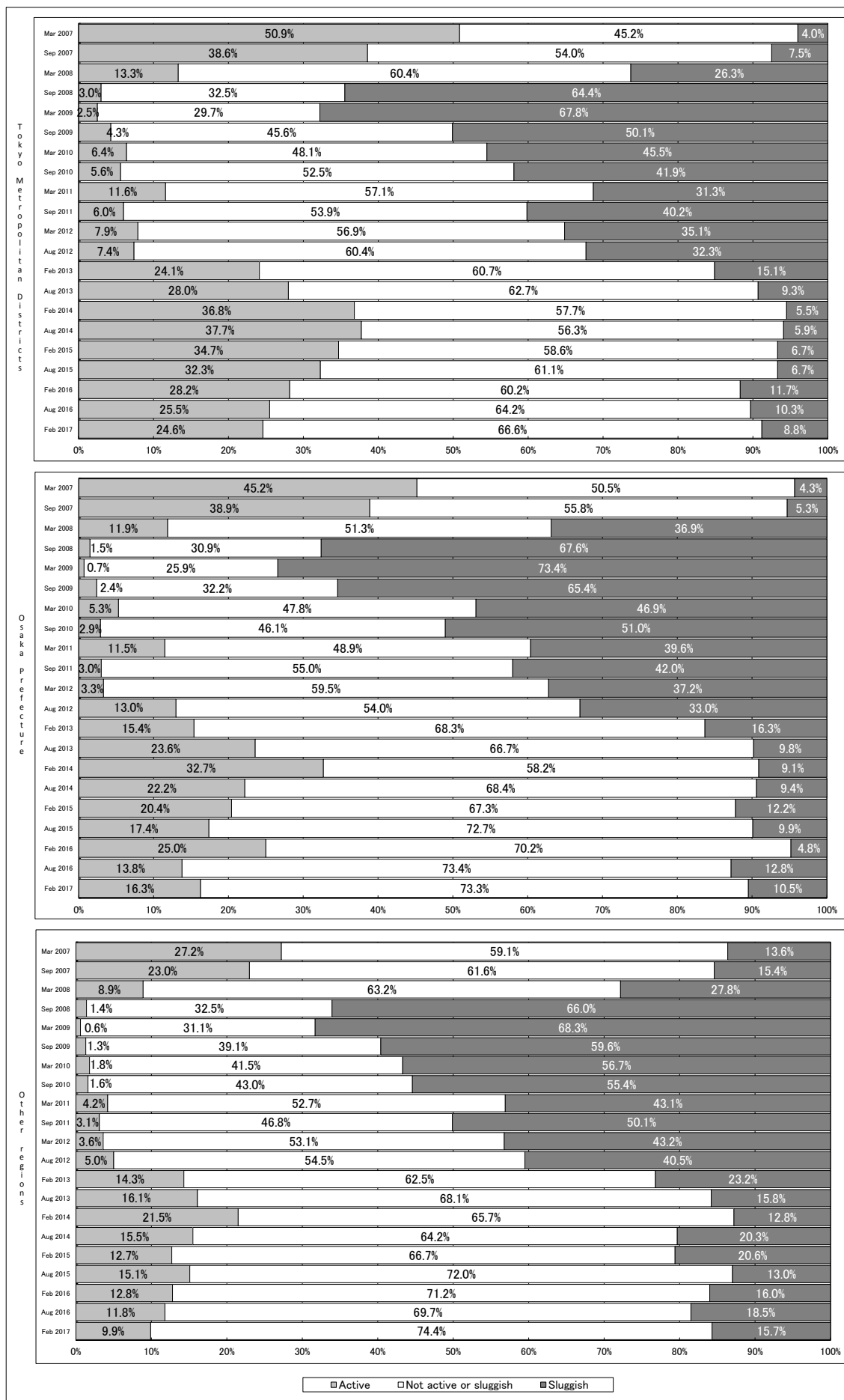


Figure 4 Forecasts of land transaction situation in a year's time (by location of headquarters)



(2) Judgments about land price levels

Judgments about land price levels at the locations of headquarters were sought from companies whose headquarters are located in each region.

a. Judgments of the current land price levels (DI)

“Tokyo” increased by 6.2 points to +53.7 points, “Osaka” decreased by 6.2 points to +13.3 points, and “Other regions” increased by 6.8 points to +1.7 points. (Figure 5)

b. Forecasts of land price levels in a year’s time (DI)

“Tokyo” decreased by 5.9 points to +35.2 points, “Osaka” increased by 3.2 points to +17.8 points, and “Other regions” increased by 0.4 points to +1.1 points. (Figure 6)

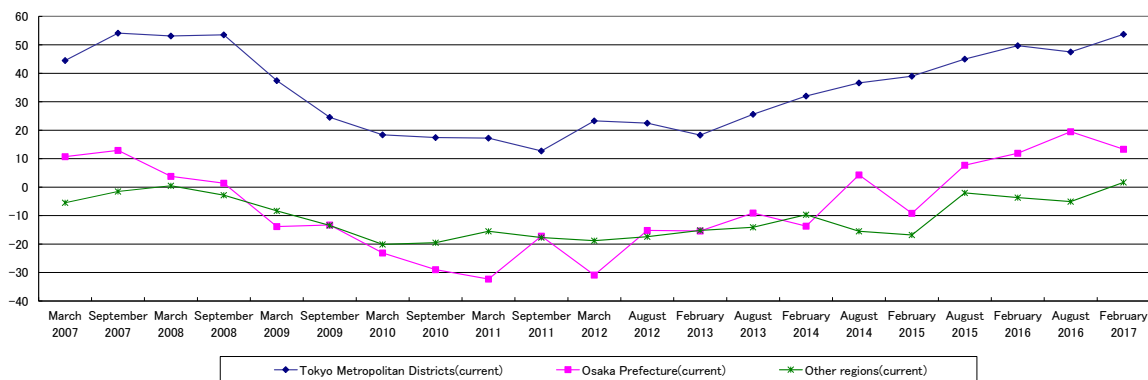
c. Judgments of the current land price levels (Responses)

“Tokyo” showed an increase for “high”, and “Osaka” and “Other regions” showed decreases for “low”. (Figure 7)

d. Forecasts of land price levels in a year’s time (Responses)

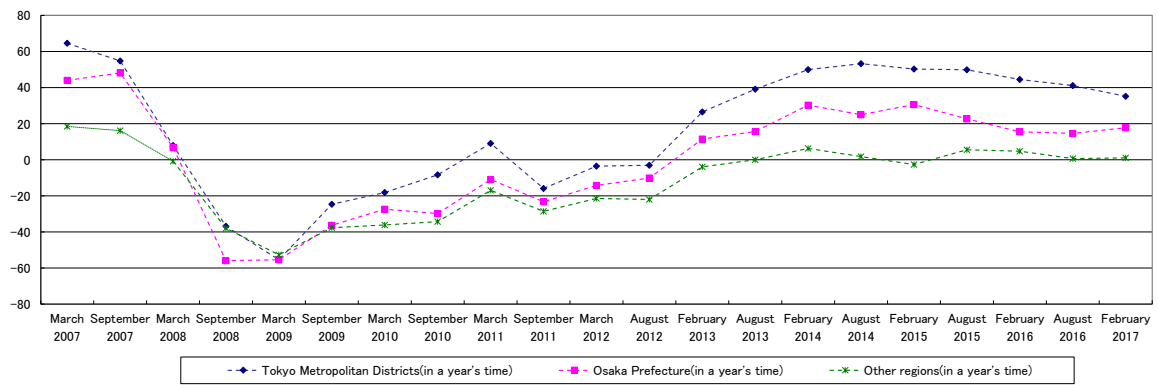
“Tokyo” showed a decrease for “expect to rise” and an increase for “expect to decline”. “Osaka” showed decreases for both “expect to rise” and “expect to decline”. “Other regions” stayed almost flat from the last survey for both “expect to rise” and “expect to decline”. (Figure 8)

Figure 5 DI about Judgments of the current land price levels (by location of headquarters)



Note: DI = Rate of (High)–(Low). The unit is points.

Figure 6 DI about Forecasts of land price levels in a year's time (by location of headquarters)



Note: DI = Rate of (Rise)–(Decline). The unit is points.

Figure 7 Judgments of the current land price levels (by location of headquarters)

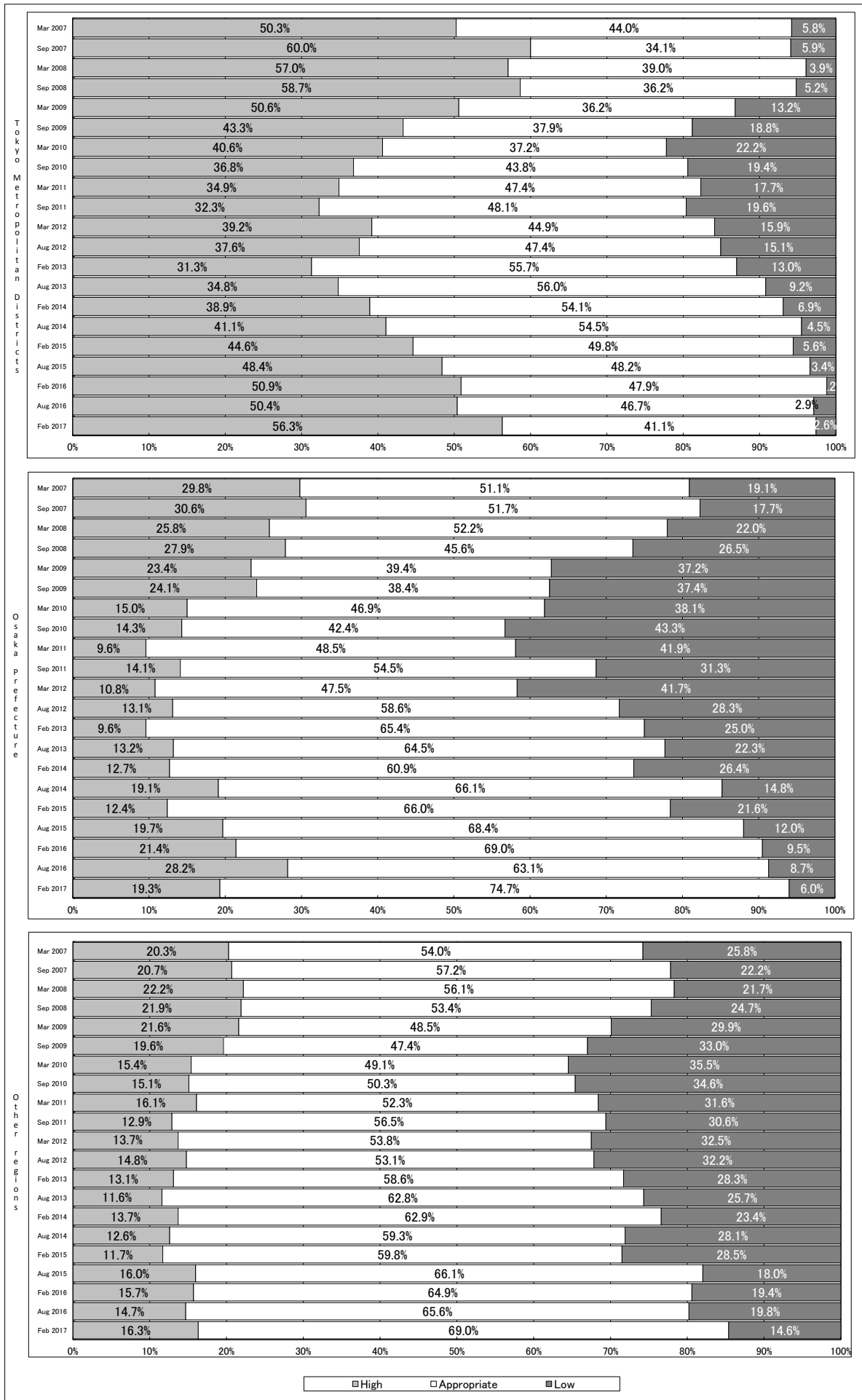
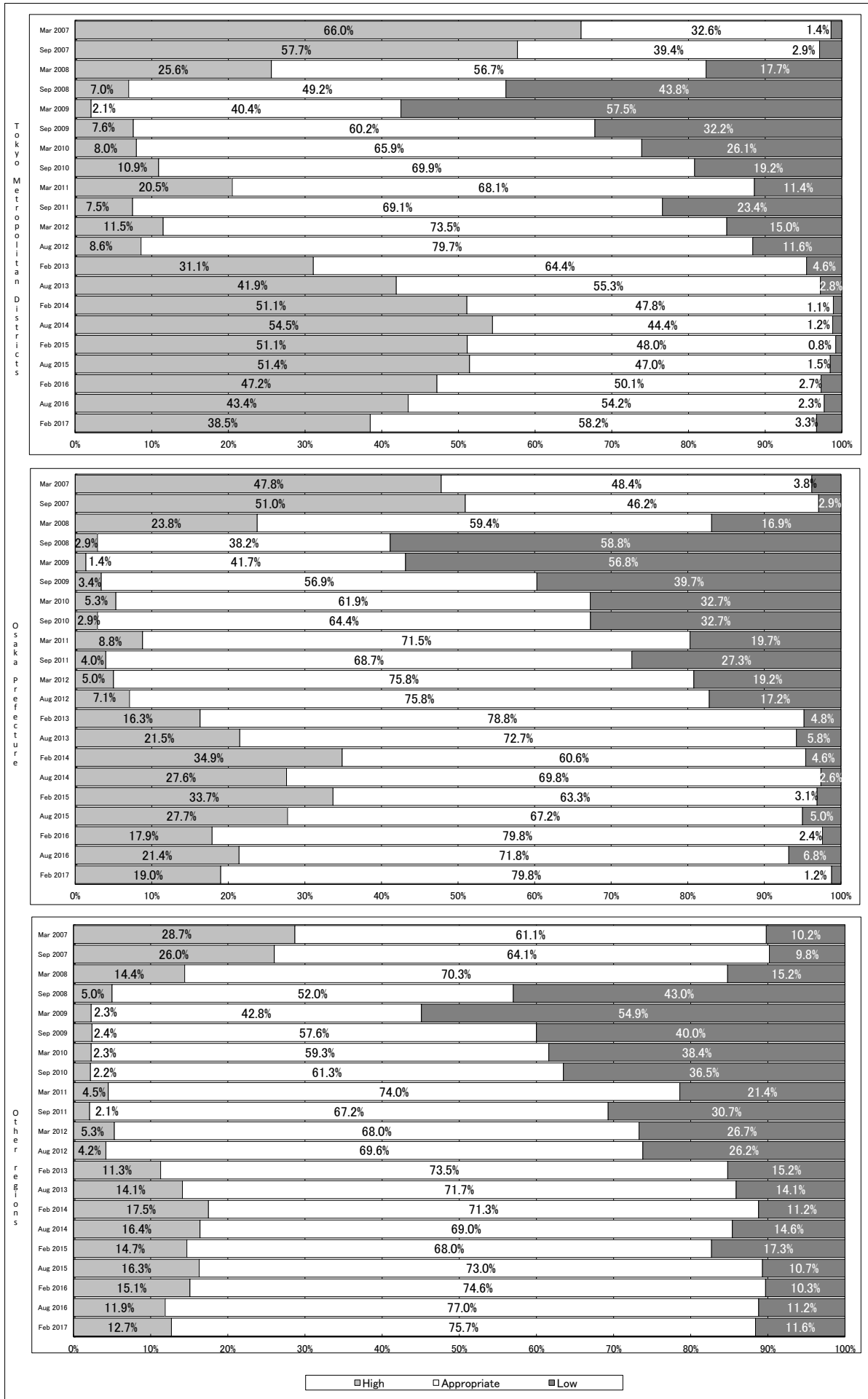


Figure 8 Forecasts of land price levels in a year's time (by location of headquarters)

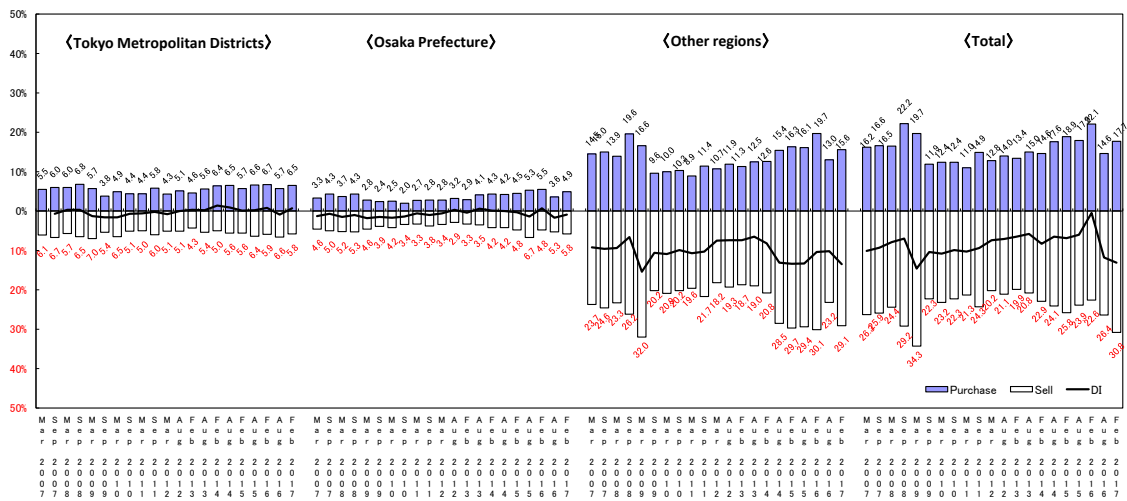


(3) Intentions to purchase or sell land

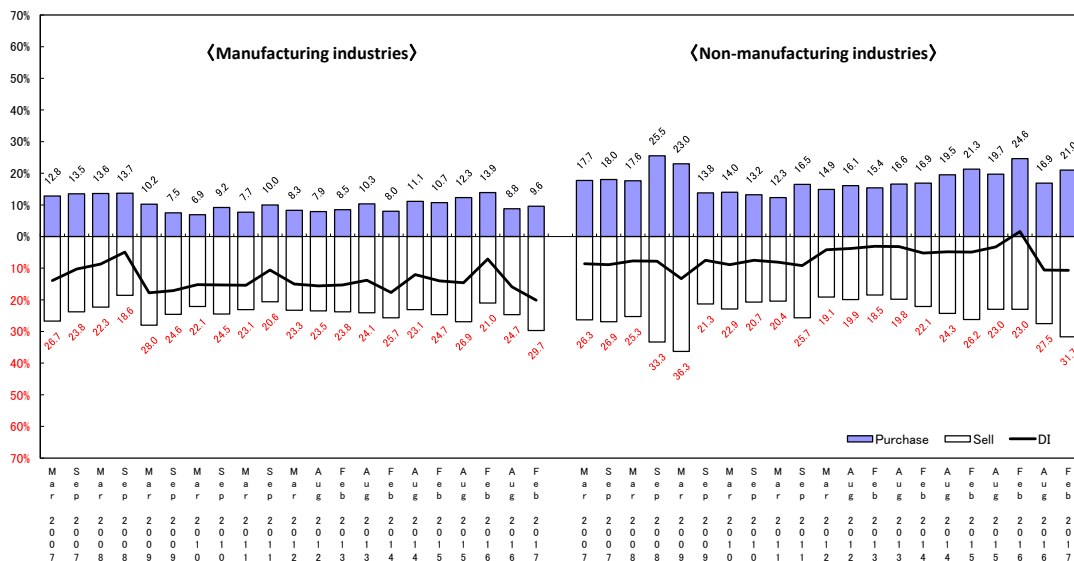
As for the “intentions to purchase or sell land within a year”, All regions showed increases for “purchase”. “Tokyo” showed slight decrease for “sell” and “Other regions” showed increase for “sell”. The DIs (“purchase” – “sell”) increased for “Tokyo” and “Osaka”, and decreased for “Other regions”.

The intentions by industry, The DIs of “manufacturing industries” decreased from the last survey, increased in response of “sell”. The DIs of “non-manufacturing industries” stayed almost flat from the last survey, increased in response of “purchase” and increased in response of “sell”. (Figure 9)

Figure 9 Intentions to purchase or sell land within a year
(by location of properties)



(by industry)



Notes 1: The figures of the intentions to purchase or sell are the ratios of companies which responded that they intend to purchase or sell land to the total number of valid responses (the total number of valid responses in each industry for intentions by industry).

2: As for intentions by location of properties, multiple answers regarding regions are allowed for companies, so the totals may differ from the sums of each region.

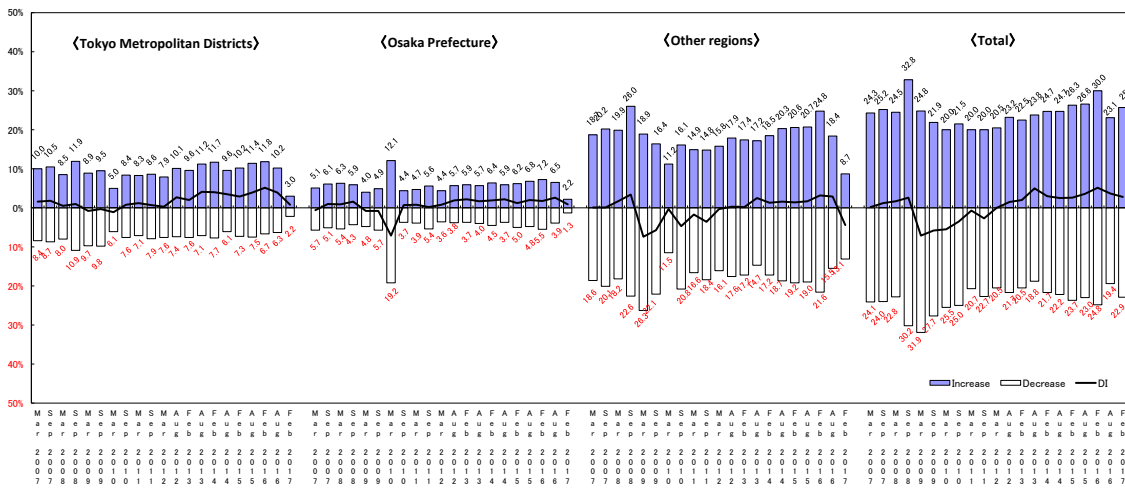
(4) Intentions to increase or decrease land and buildings for own company use

As for the “intentions to increase or decrease land and buildings for own company use within a year,” the DIs (“Increase” – “Decrease”) by location of properties decreased slightly.

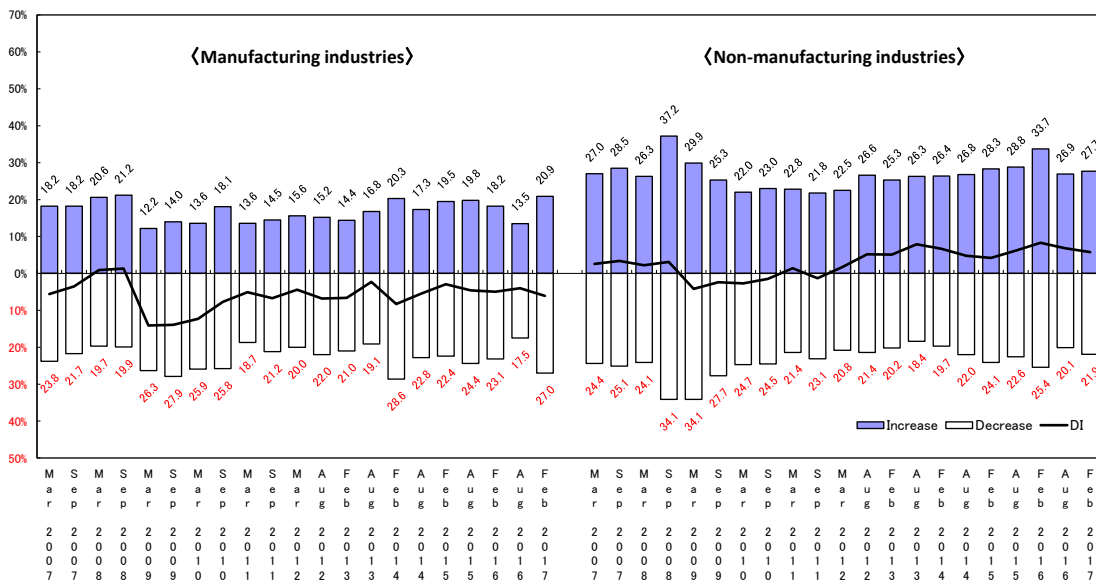
The DIs by industry, “manufacturing industries” and “non-manufacturing industries” decreased slightly. (Figure 10)

Figure 10 Intentions to increase or decrease land and buildings for own company use within a year

(by location of properties)



(by industry)



Notes 1: The intentions to increase or decrease land and buildings for own company use are as follows:

- Exclude the purpose of selling and lending to other companies and the purpose of investment
- Include the use of a building only (cases of moving into a rental building as a tenant, etc. also apply)
- Include “rent” or “terminate to rent,” not only to purchase or sell

2: The figures of the intentions to increase or decrease are the ratios of companies

which responded that they have intentions to increase or decrease land and building use to the total number of valid responses (the total number of valid responses in each industry for intentions by industry).