

Outline of Survey on Trends of Land Transaction (Second Survey) for FY2015

April, 2016

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 2016

6. Results of the collection

	No. of questionnaires distributed	No. of valid responses	Rate of valid responses
Listed companies	2,000 companies	561 companies	28.1%
Unlisted companies	2,000 companies	795 companies	39.8%
Total	4,000 companies	1,381 companies	34.5%

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” decreased by 5.2 points to +24.0 points, “Osaka” decreased by 0.6 points to +25.0 points, and “Other regions” decreased by 5.6 points to -5.6 points. (Figure 1)

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

“Tokyo” decreased by 9.1 points to +16.5 points, “Osaka” increased by 12.7 points to +20.2 points, and “Other regions” decreased by 5.3 points to -3.2 points. (Figure 2)

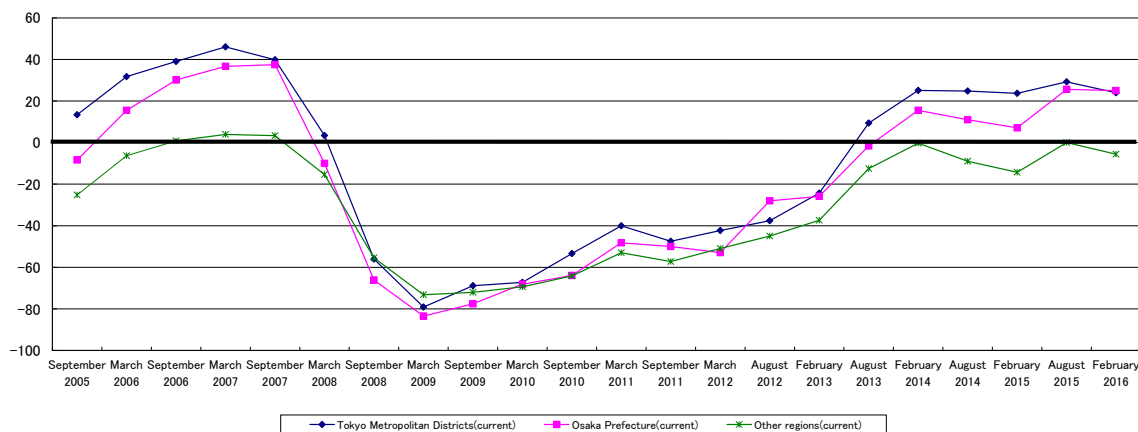
c. Judgments about the current land transaction situation (Responses)

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

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

“Tokyo” and “Other regions” showed decreases for “active”, and increases for “sluggish”. “Osaka” showed an increase for “active” and a decrease for “sluggish”. (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)

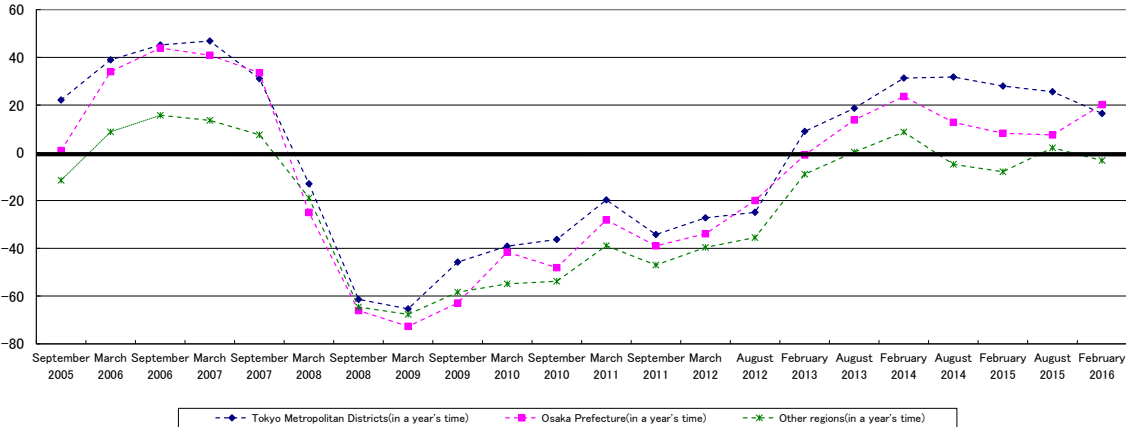


Figure 3 Judgments of the current land transaction situation (by location of headquarters)

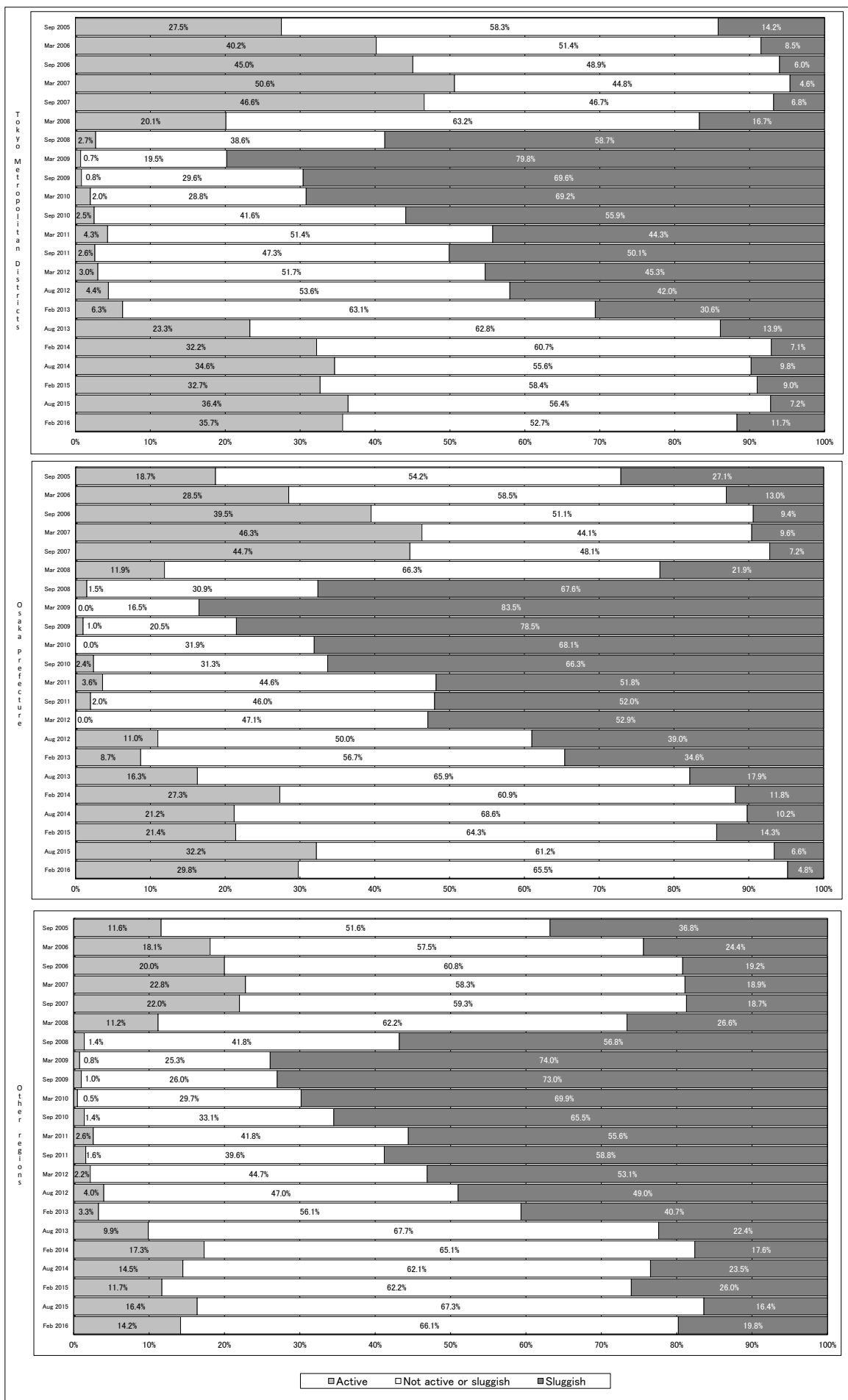
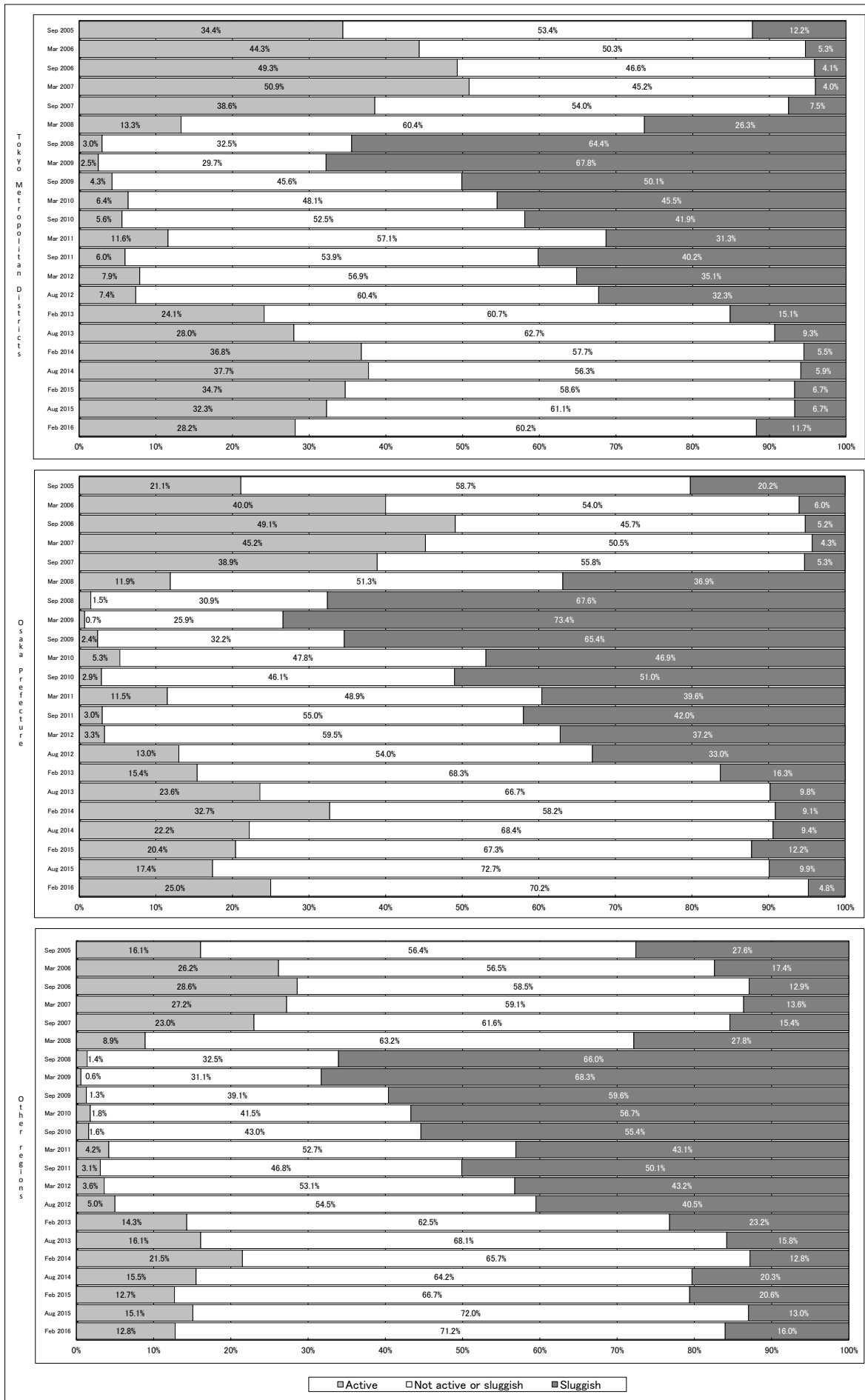


Figure 4 Forecasts of land transaction situation in a year's time (by location of headquarters)



(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 4.7 points to +49.7 points, “Osaka” increased by 4.2 points to +11.9 points, and “Other regions” decreased by 1.7 points to -3.7 points. (Figure 5)

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

“Tokyo” decreased by 5.4 points to +44.5 points, “Osaka” decreased by 7.2 points to +15.5 points, and “Other regions” decreased by 0.8 points to +4.8 points. (Figure 6)

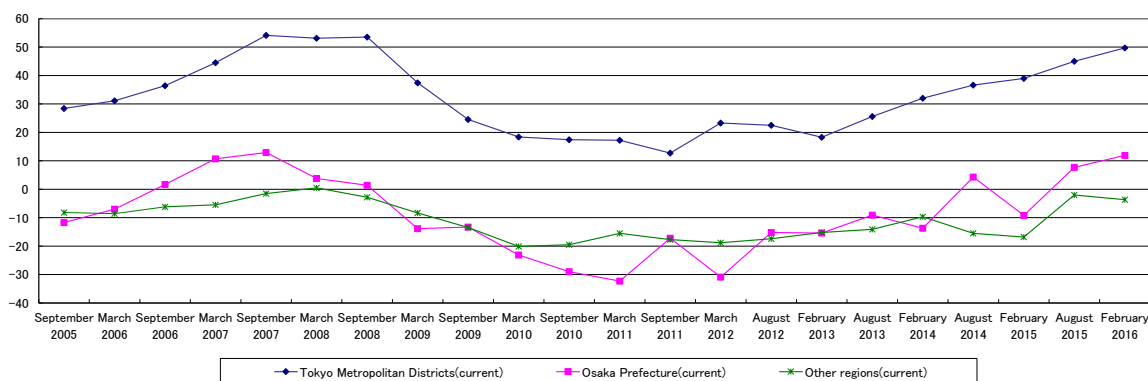
c. Judgments of the current land price levels (Responses)

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

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

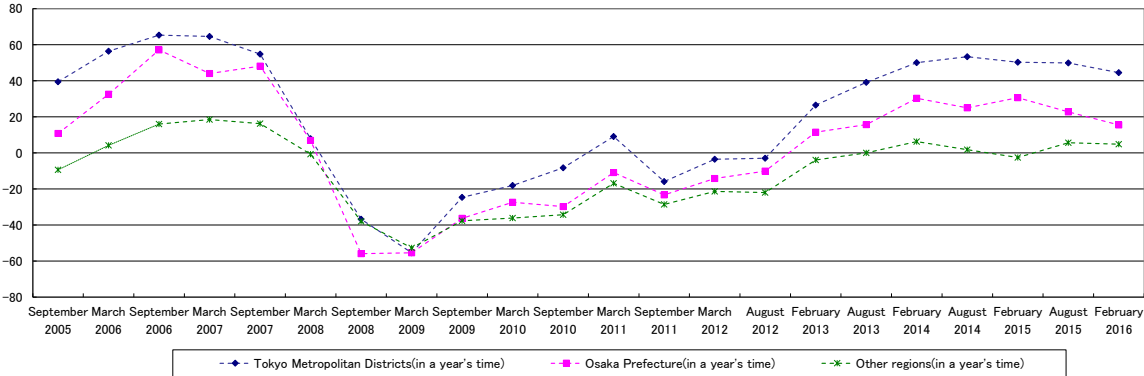
“Tokyo” showed a decrease for “expect to rise”, and an increase for “expect to decline”. “Osaka” showed decreases for both “expect to rise” and “expect to decline”. “Other regions” showed slight decreases for both “expect to rise” and “expect to decline”. (Figure 8)

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)

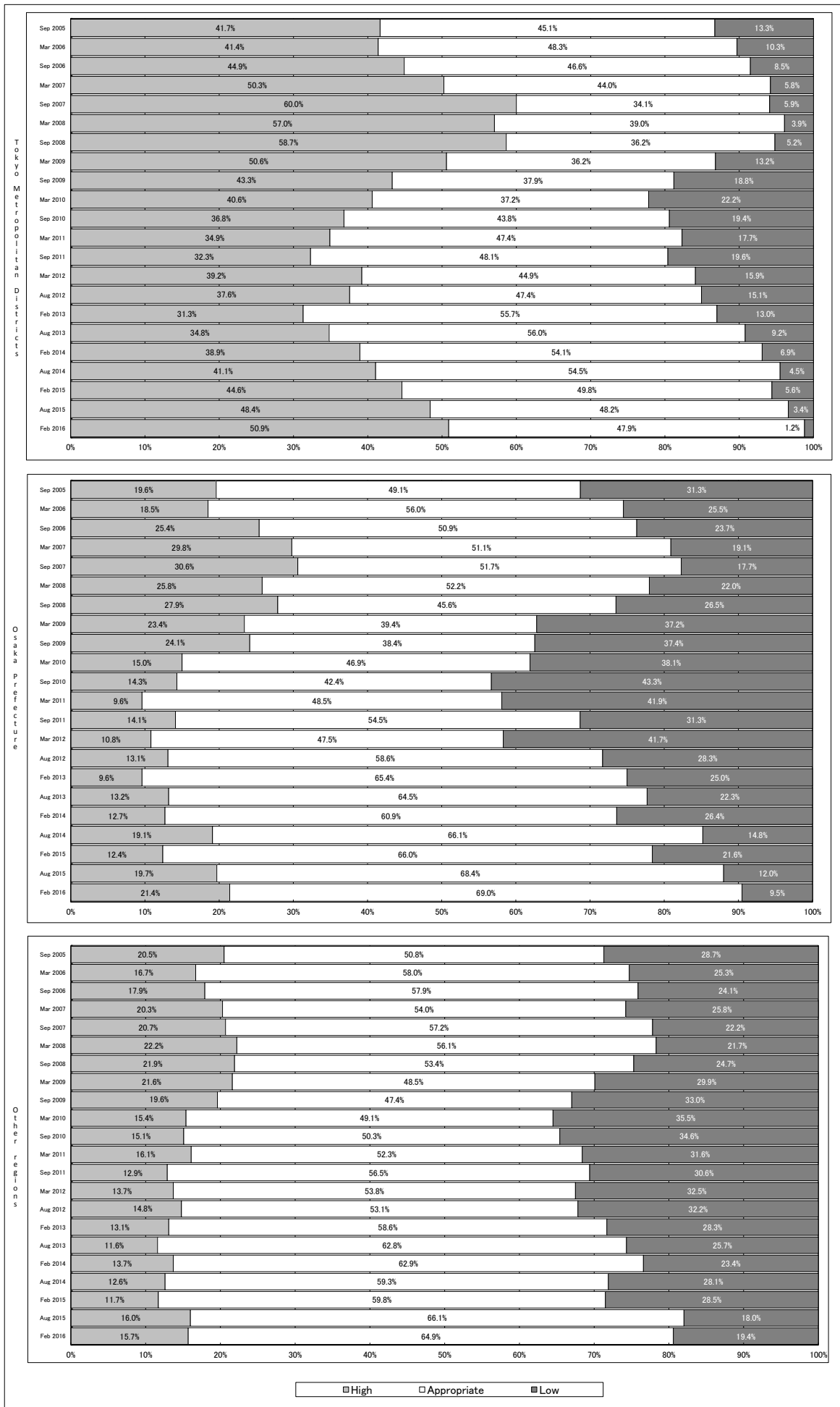
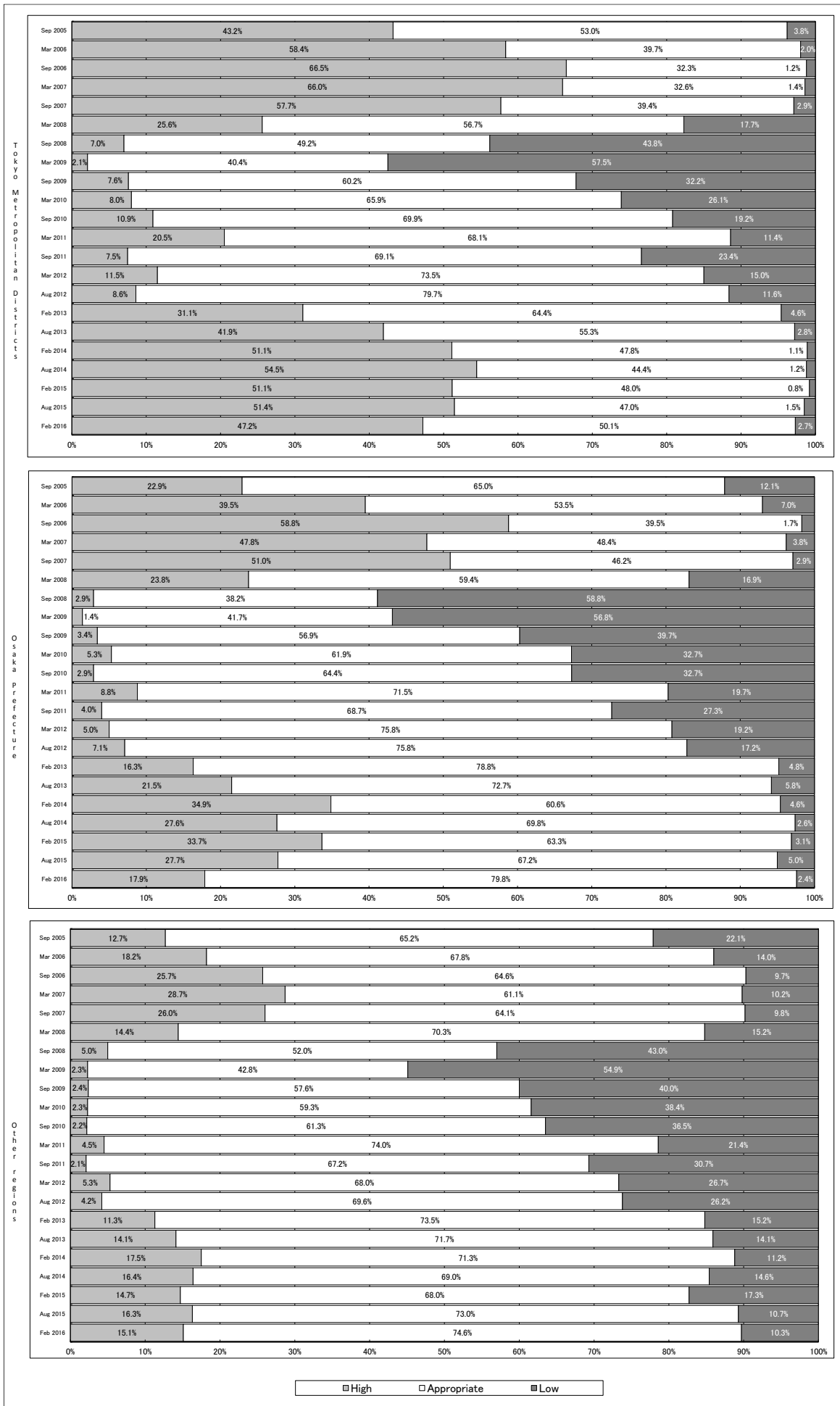


Figure 8 Forecasts of land price levels in a year's time (by location of headquarters)



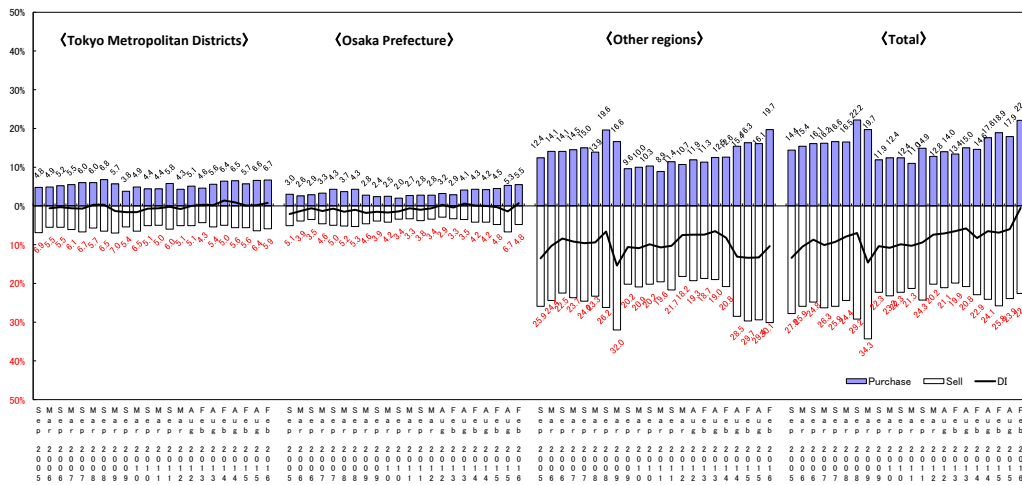
(3) Intentions to purchase or sell land

As for the “intentions to purchase or sell land within a year,” “Tokyo” and “Osaka” showed slight increases for “purchase” and decreases for “sell”, but “Other regions” showed increases for both “purchase” and “sell”. The DIs (“purchase”–“sell”) increased for every location.

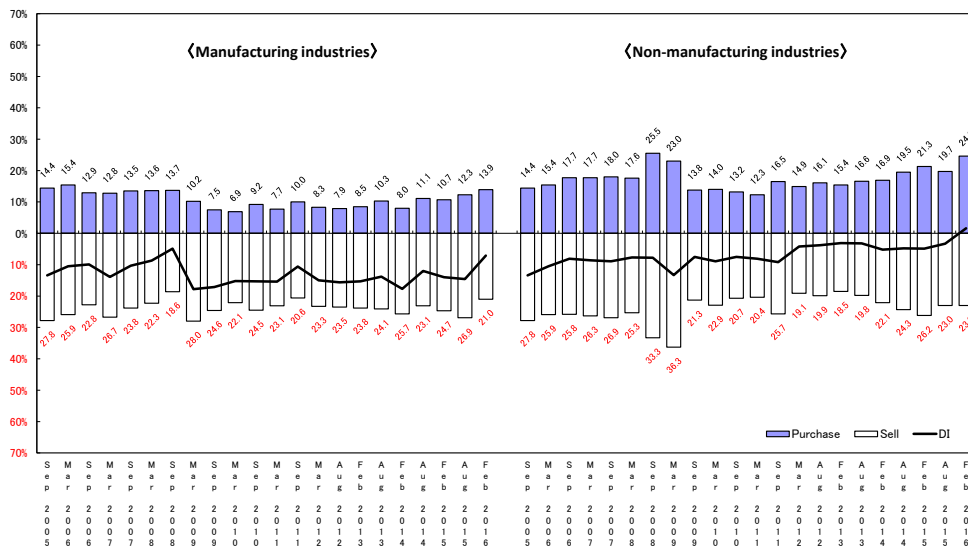
The intentions by industry, The DIs of “manufacturing industries” increased from the last survey, increased in response of “purchase” and decreased in response of “sell”. The DIs of “non-manufacturing industries” increased from the last survey, increased in response of “purchase” and remained almost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

(Figure 9)

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



(by industry)



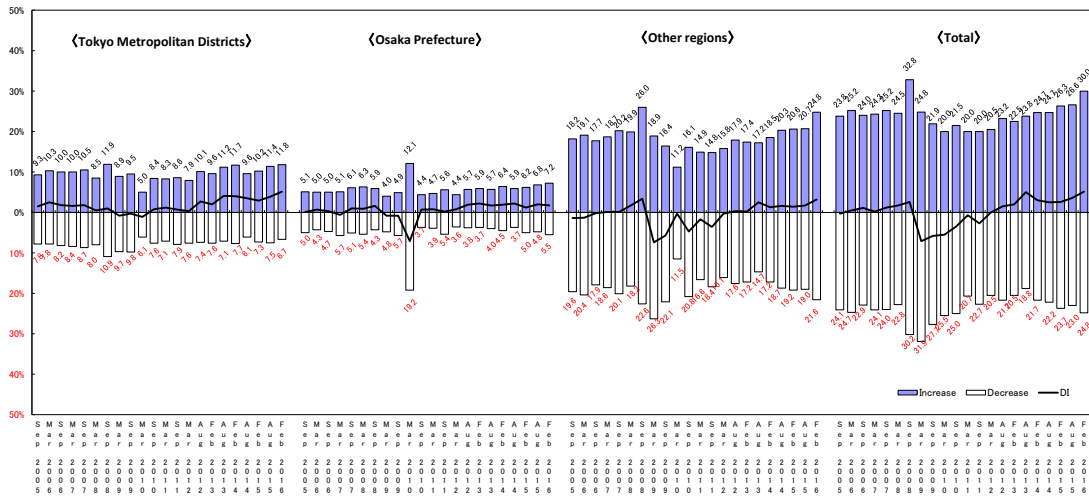
2: As for intentions by location of properties, multiple answers regarding regions are allowed for companies, so the totals may differ from the sums of each region.

(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 increased except “Osaka”.

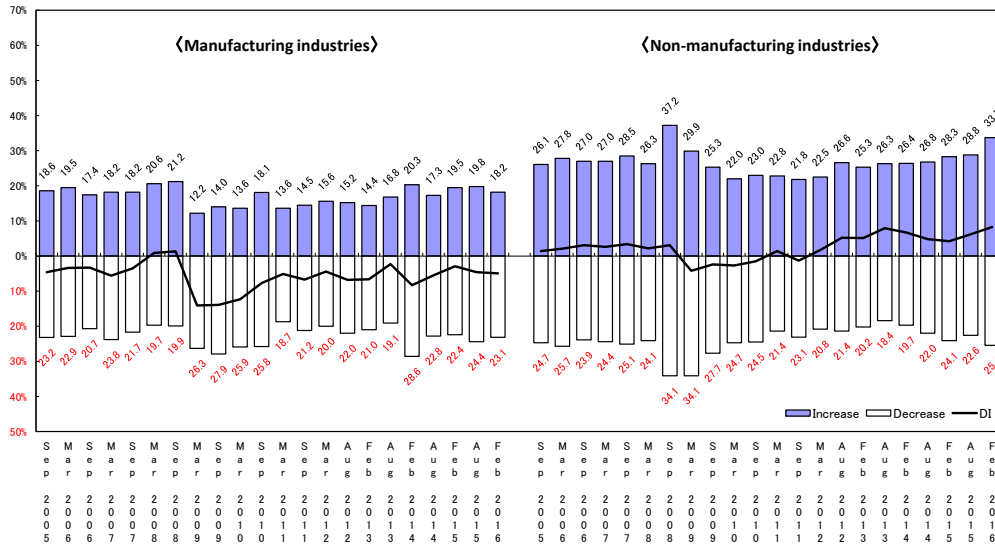
The DIs by industry, “manufacturing industries” decreased slightly, “non-manufacturing industries” increased. (Figure 10)

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).