

Outline of Survey on Trends of Land Transaction (First Survey) for FY2014

October, 2014

Ministry of Land, Infrastructure, Transport and Tourism,
Land Economy and Construction and Engineering Industry 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: August 2014

6. Results of the collection

	No. of questionnaires distributed	No. of valid responses	Rate of valid responses
Listed companies	1,750 companies	575 companies	32.9%
Unlisted companies	1,750 companies	842 companies	48.1%
Total	3,500 companies	1,417 companies	40.5%

7. Implementing agency of the survey: Central Research Services, 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” is almost flat as the last survey, +24.8 points, “Osaka” decreased by 4.5 points to +11.0 points, and “Other regions” turned to minus again, -9.0 points. (Figure 1)

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

Similarly to the current situation, “Tokyo” is almost flat as the last survey to, +31.8 points, “Osaka” decreased by 10.8 points to +12.8 points, and “Other regions” decreased by 13.5 points and tuened to minus again, to -4.8 points. (Figure 2)

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

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

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

“Tokyo” showed almost same result as the last survey. “Osaka” showed a decrease for “active,” but no change for “sluggish.” “Other regions” showed a decrease for “active,” but an increase for “sluggish.” (Figure 4)

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

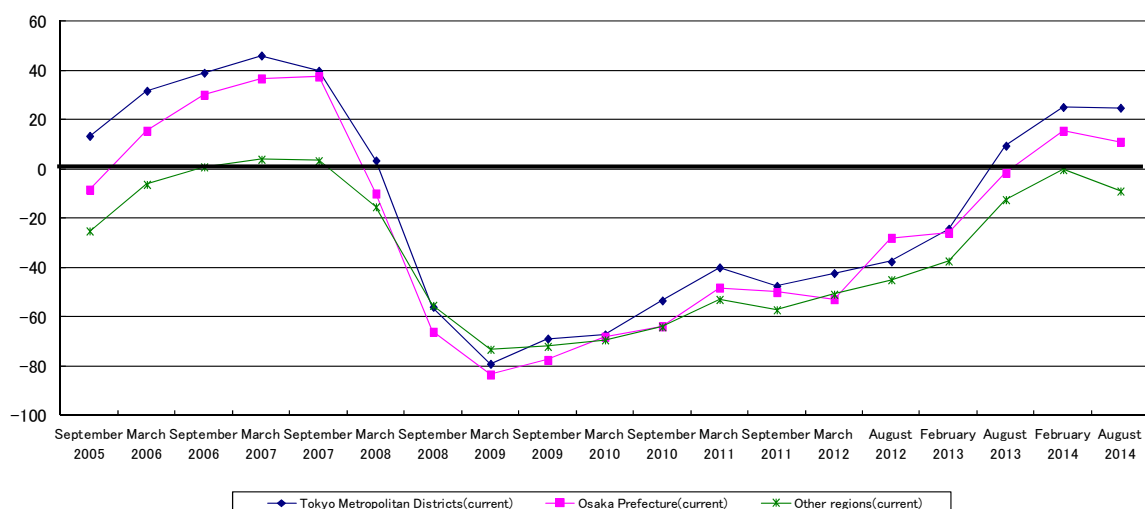


Figure 2 DI about forecasts of the land transaction situation in a year's time (by location of headquarters)

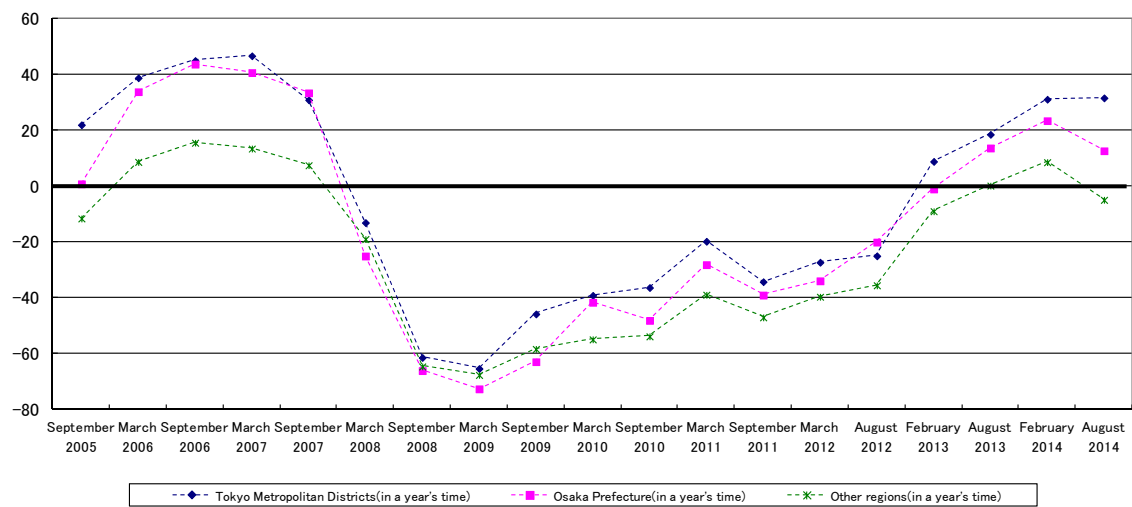


Figure 3 Judgments of the current land transaction situation (by location of headquarters)

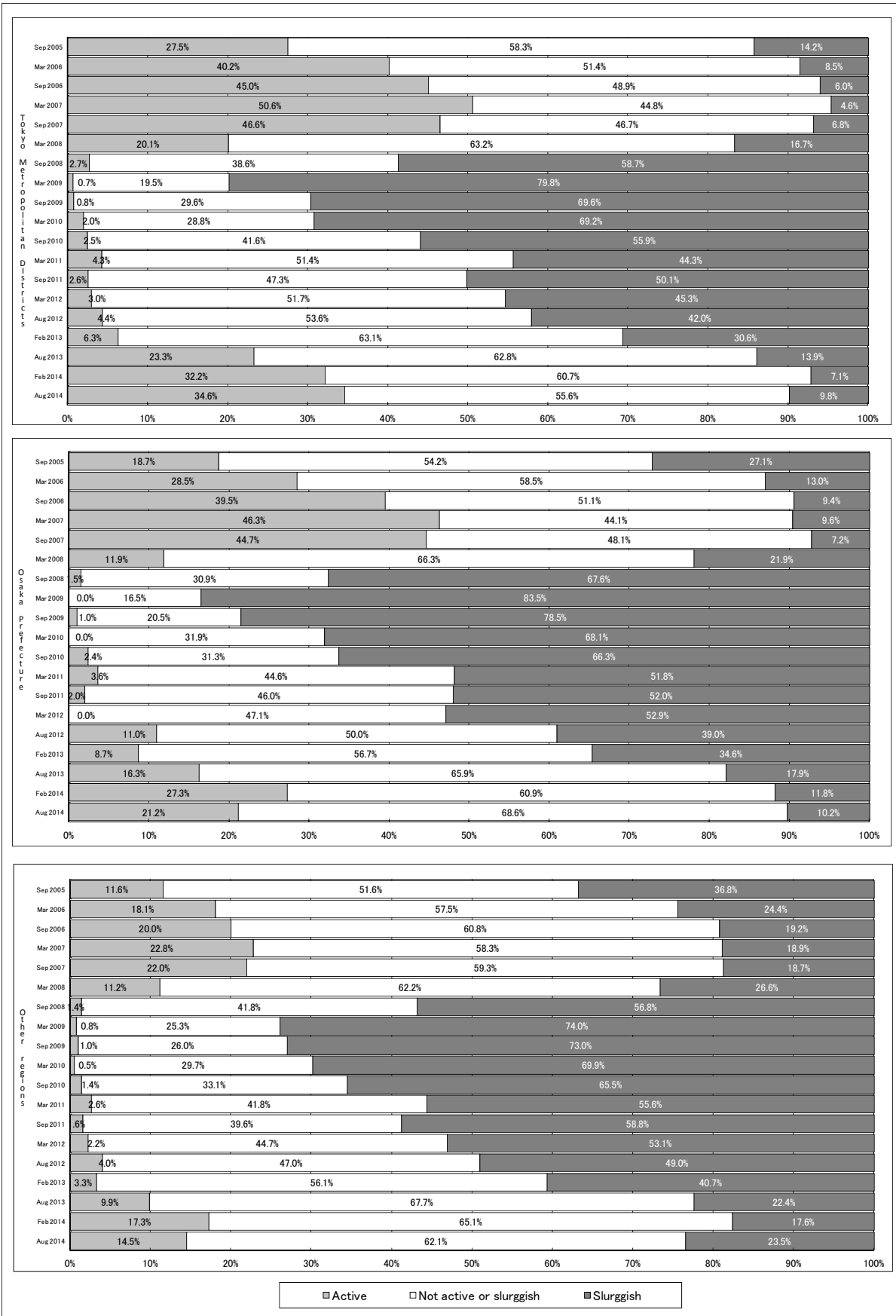
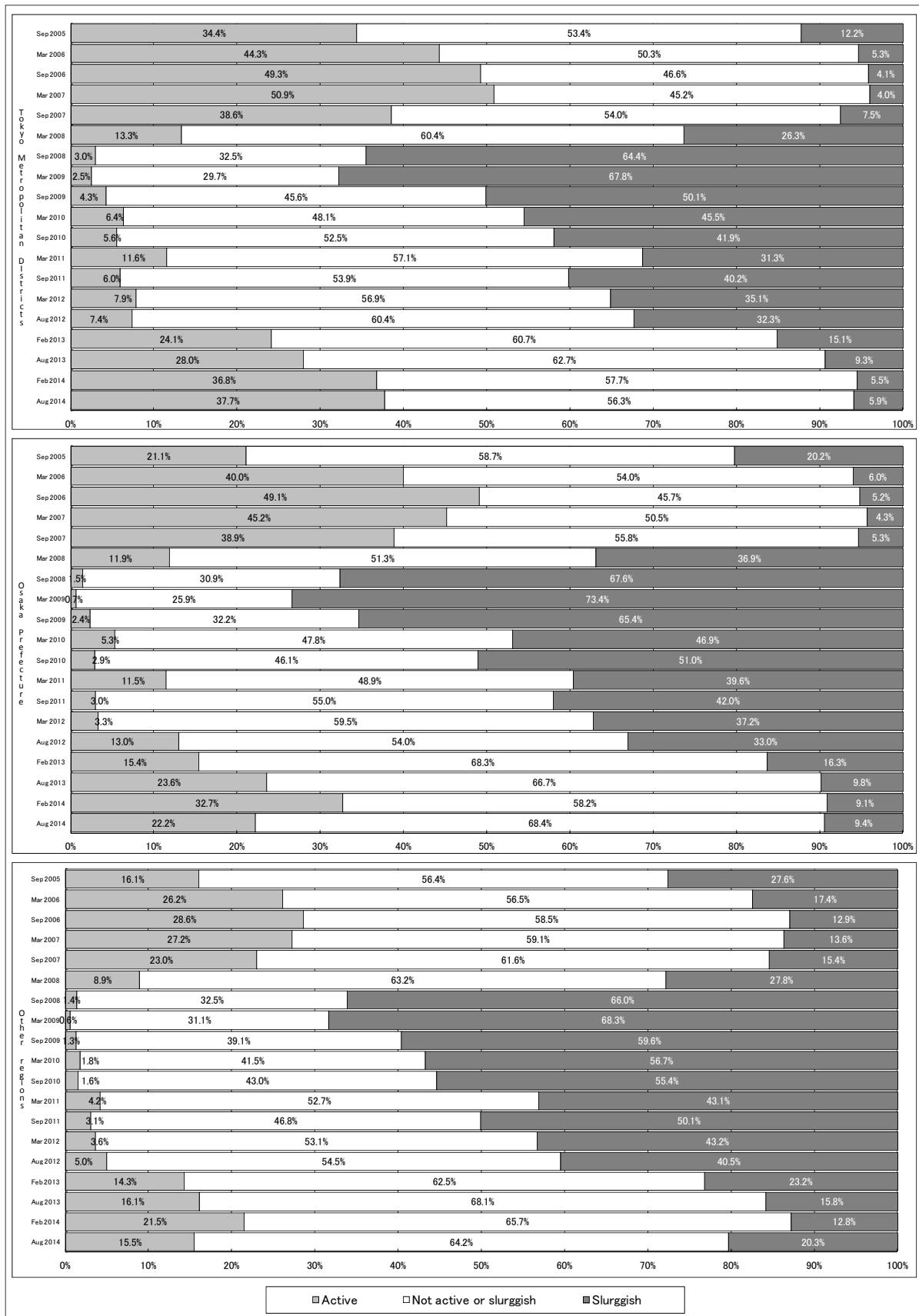


Figure 4 Forecasts of land transaction situation in a year's time (by location of headquarters)



(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 4.6 points to +36.6 points, “Osaka” increased by 18.0 points to +4.3 points, and “Other regions” decreased by 5.8 points to -15.5 points. (Figure 5)

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

“Tokyo” increased by 3.3 points to +53.3 points, “Osaka” decreased by 5.3 points to +25.0 points, and “Other regions” decreased by 4.5 points to +1.8 points. (Figure 6)

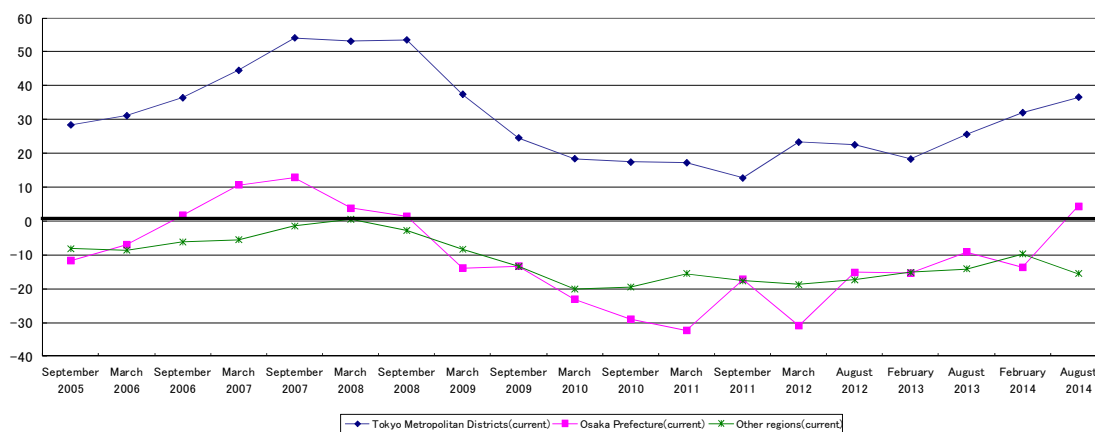
c. Judgments of the current land price levels (Responses)

“Tokyo” and “Osaka” showed increases for “high” and decreases for “low.” In particular, a change of “Osaka” is remarkable. “Other regions” showed a decrease for “high,” but an increase for “low,” contrary to “Tokyo” and “Osaka.”(Figure 7)

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

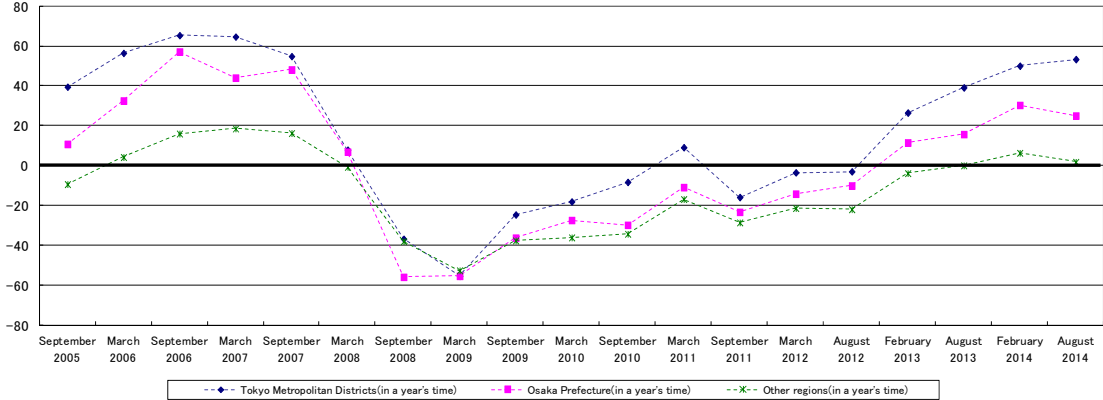
In responses of “expect to rise,” “Tokyo” showed an increase, but “Osaka” showed a decrease. “Other regions” showed a slight decrease for “expect to rise,” but an increase for “expect to decline.” (Figure 8)

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)

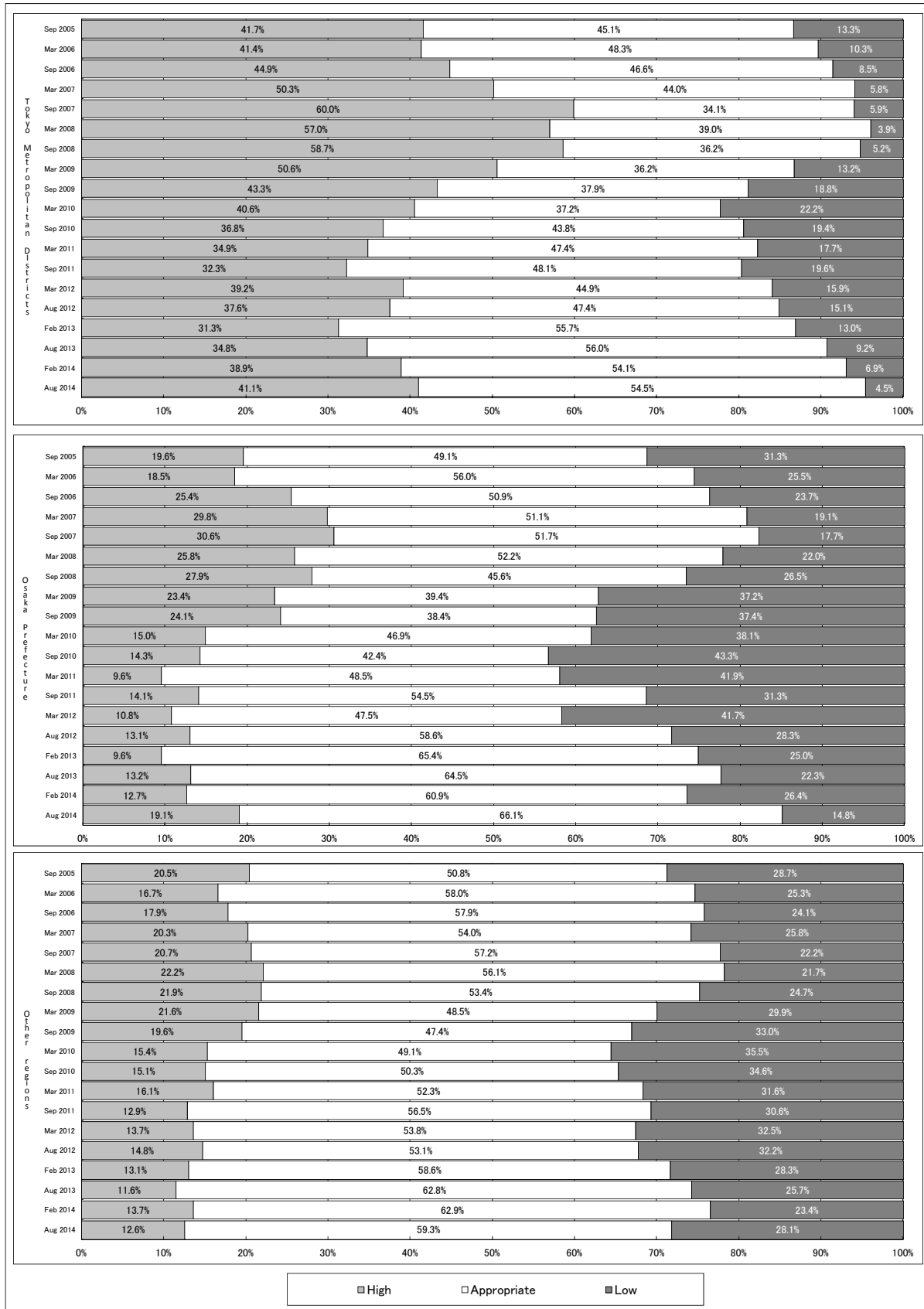
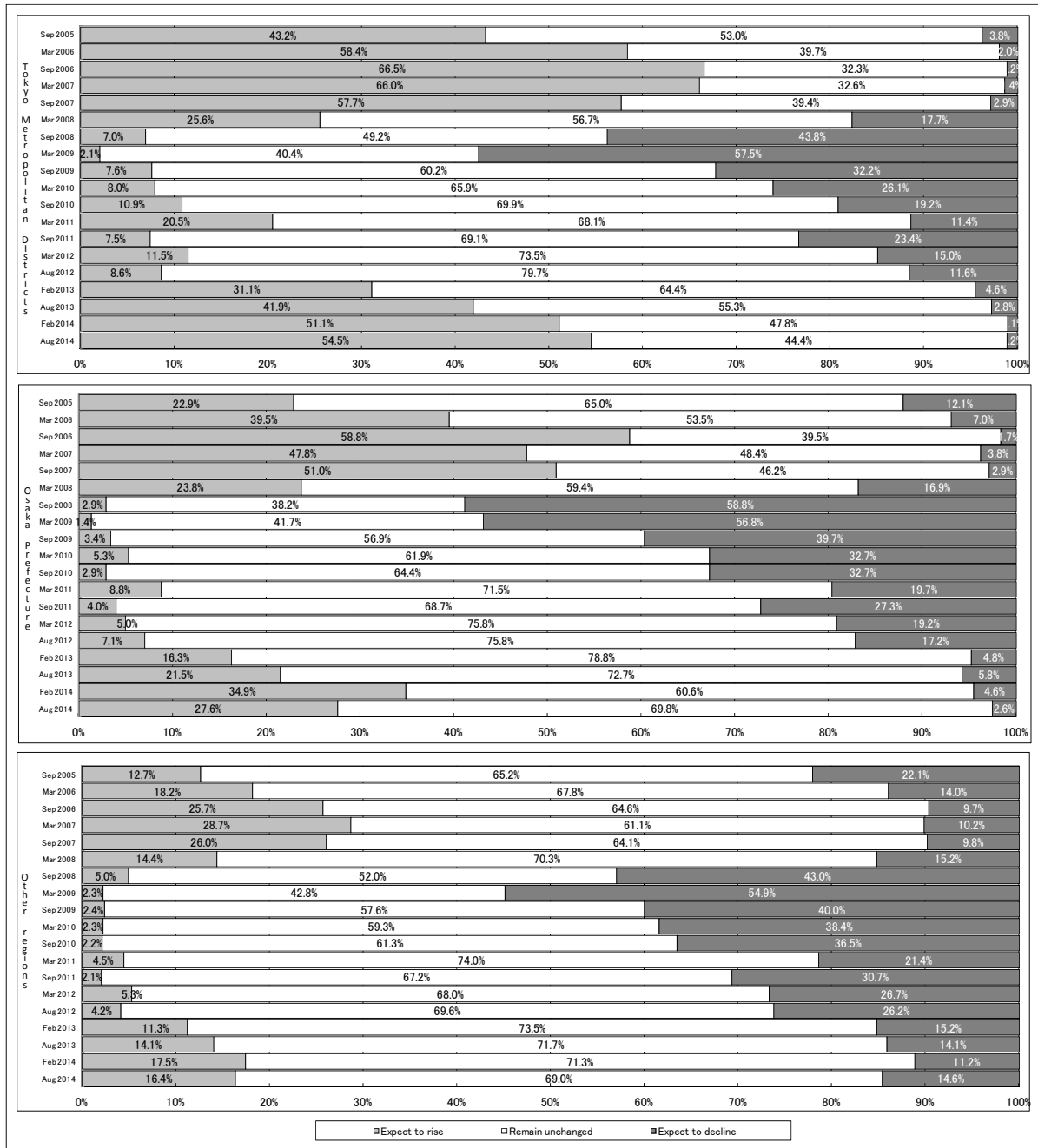


Figure 8 Forecasts of land price levels in a year's time (by location of headquarters)

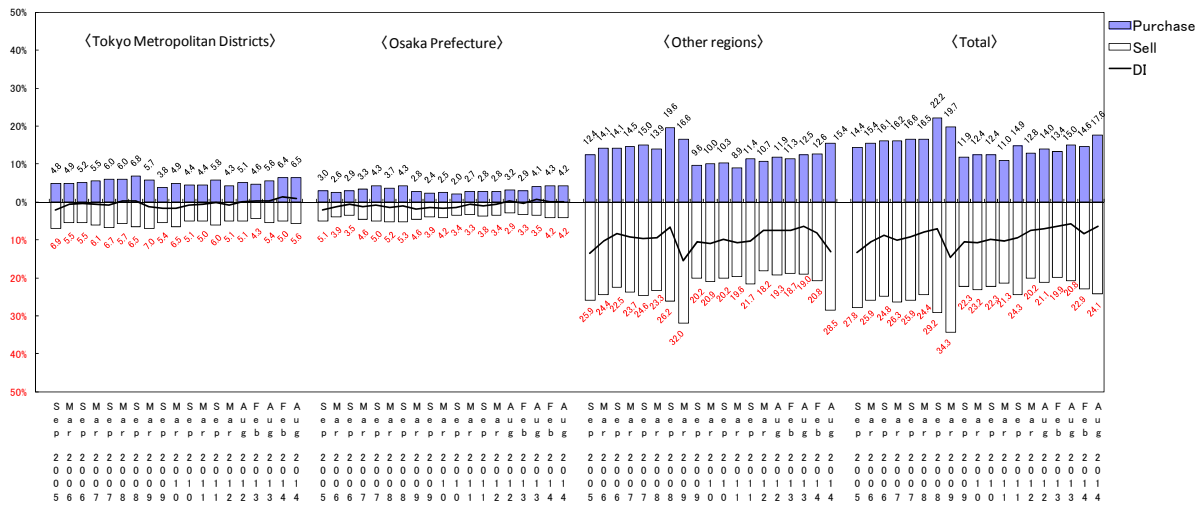


(3) Intentions to purchase or sell land

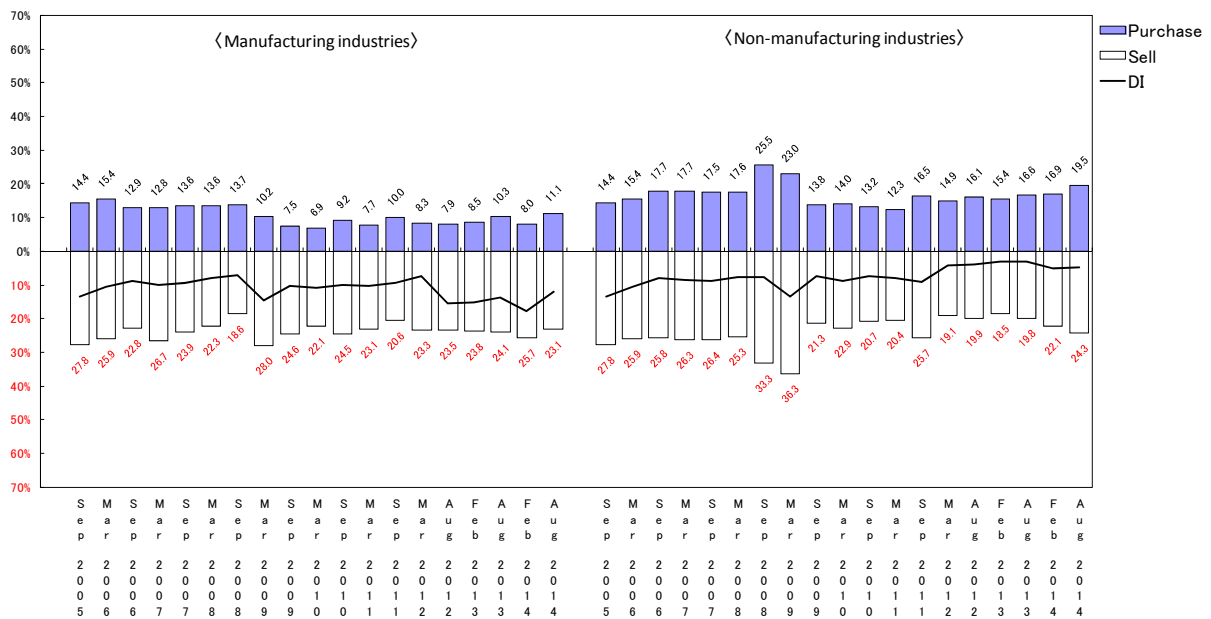
As for the “intentions to purchase or sell land within a year,” “Tokyo” and “Osaka” are almost flat for “purchase and sell” as the last survey. “Other regions” showed increases for “purchase and sell.” The DIs (“Increase” – “Decrease”) rose for “Tokyo,” and “Osaka,” but declined for “Other regions.”

The intentions by industry, “manufacturing industries” showed an increase for “purchase,” but a decrease for “sell,” “non-manufacturing industries” showed increases both for “purchase” and “sell.” The DIs rose for “manufacturing industries,” but almost flat for “non-manufacturing industries.” (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.

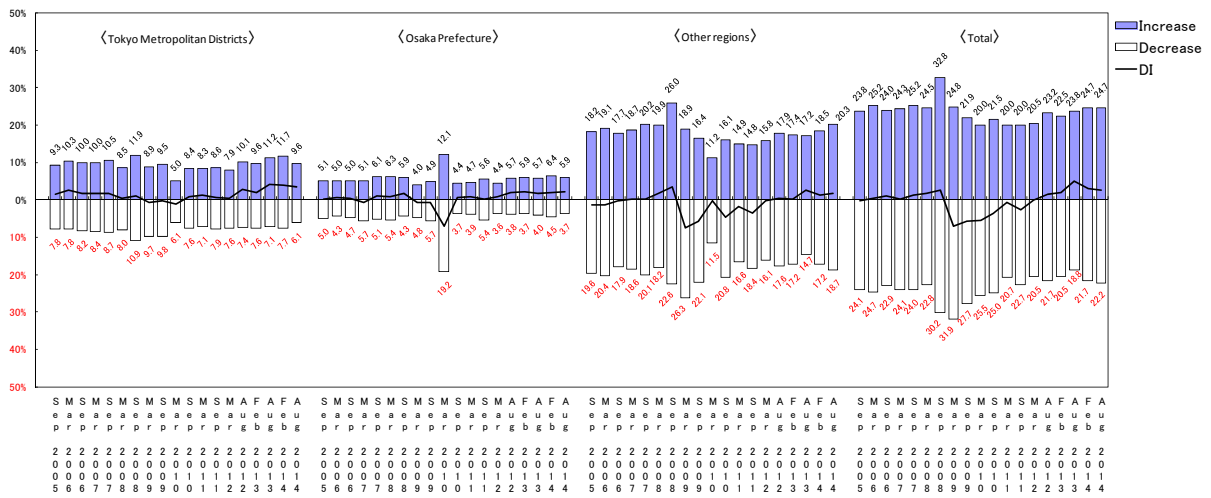
(4) Intentions to increase or decrease land and buildings for own company use

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 are almost flat for every location.

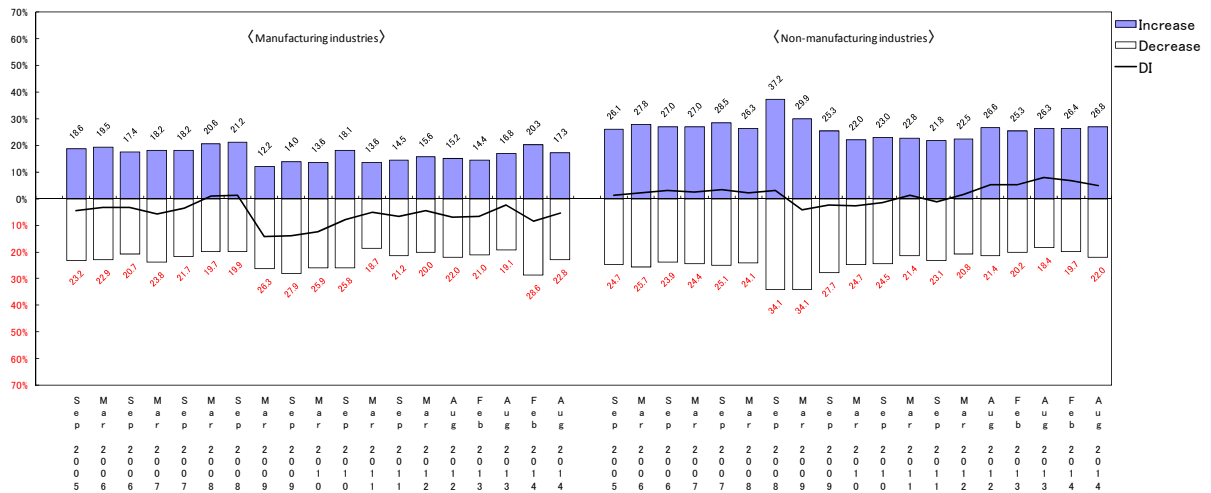
The DIs by industry are also almost flat as the last survey. (Figure 10)

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).