

Real Estate Market Trends

– Summer 2025 –

Research & Consulting Department
Nomura Real Estate Solutions Co., Ltd.



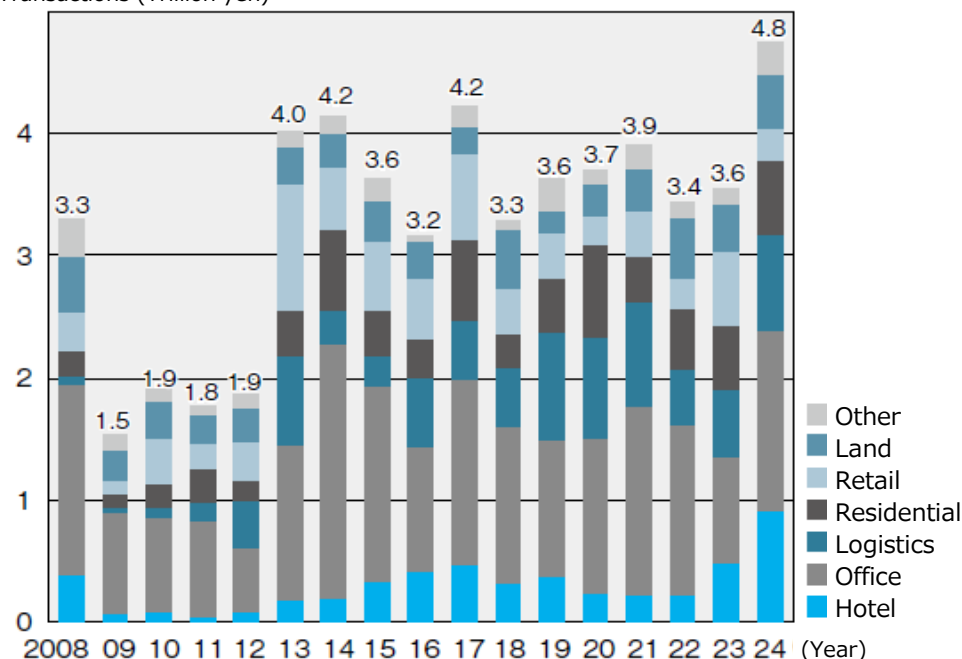
1. Commercial Real Estate Transactions

1 Commercial Real Estate Transactions (offices, hotels, stores, etc.)

- Real estate transactions for 2024 (full year) was 4.8 trillion yen (+36% YoY), the highest since the 2008 financial crisis.
- Transactions in Q1 2025 reached about 1.14 trillion yen (+13.8% YoY), exceeding the strong results of the previous year. Large-scale acquisitions by foreign capital continue to be notable in 2025, indicating a sustained strong investment appetite.

Real estate transactions

Transactions (Trillion yen)



Source:
Nikkei Real Estate Market Report - Reprinted Feb. 2025

Real estate transactions: Recent quarterly status

Timing	Amount	Percentage increase
2024 Q1	About 1.00 trillion yen	-
2025 Q1	About 1.14 trillion yen	+13.8%

Source: Compiled by NREAM from various articles (based on month of confirmation)

High-value real estate transactions confirmed in 2025

Name of property	Timing	Estimated amount	Notes
Meguro Gajoen	Mar.	Over 160 billion yen	Stake acquired by SPC of Brookfield (Canada)
Tokyu Plaza Ginza	Mar.	Over 150 billion yen	Acquired by Gaw Capital (Hong Kong) and Patience Capital (Singapore)
Sharp Sakai Plant	Jan.	About 100.0 billion yen	Acquired by SoftBank. Plans to convert into an AI data center
Akasaka Park Building	Apr.	80.7 billion yen	Acquired by Mitsubishi Estate from JRE

Source: Prepared by NREAM from various articles (excerpts)
Note: Confirmed transactions only. Timing is at the time of confirmation, contract, or delivery.



2-1 Office Trends in Major Cities (Tokyo)

[Tokyo] The Grade A vacancy rate fell by 0.6 points q-o-q to 3.6%, and rents rose by 2.7% q-o-q to 37,450 yen per tsubo.

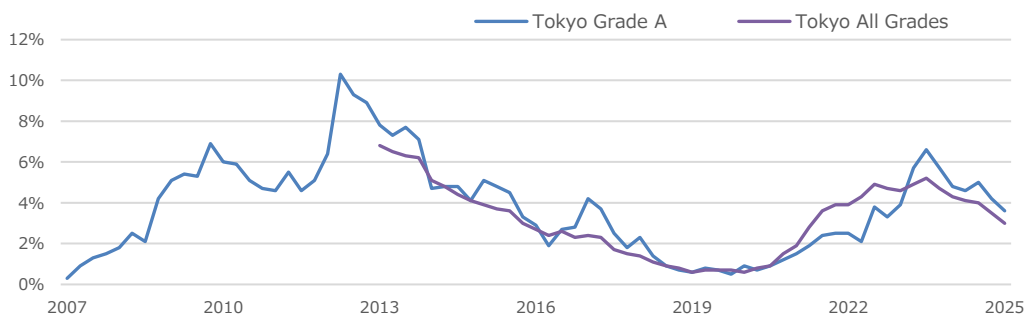
Grade A rent revenue is expected to have the highest growth rate among all grades, at +6.0% over the next year.

The vacancy rate of All Grades fell by 0.5 points q-o-q to 3.0%, and rents rose by 1.2% q-o-q to 22,050 yen per tsubo.

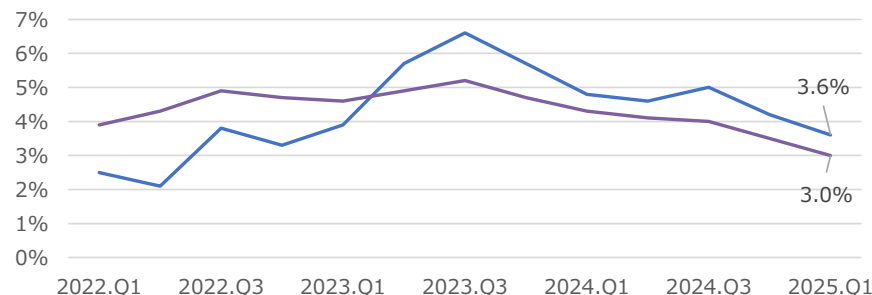
The vacancy rate decreased for the 6th consecutive quarter. In addition to relocations aimed at higher grade properties, location improvements, and expansions, the establishment of new branch offices was observed across a wide range of industries.

Area		2024.Q2	2024.Q3	2024.Q4	2025.Q1
Tokyo Grade A	Vacancy rate (%)	4.6%	5.0%	4.2%	3.6%
	Assumed achievable rent (yen)	35,350	35,750	36,450	37,450
Tokyo All Grades	Vacancy rate (%)	4.1%	4.0%	3.5%	3.0%
	Assumed achievable rent (yen)	21,480	21,620	21,780	22,050

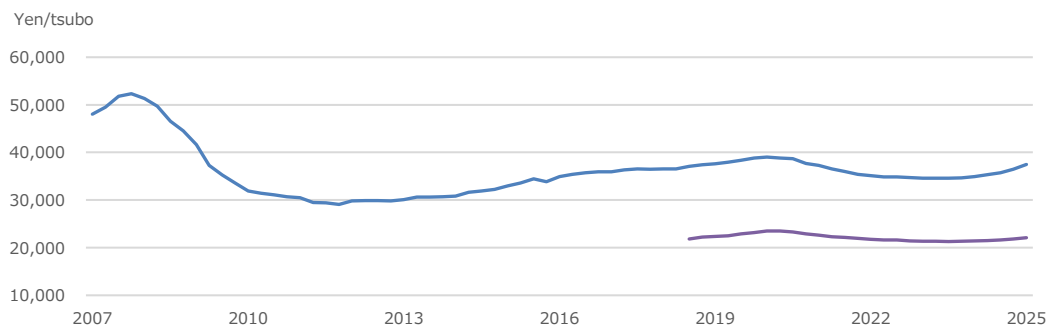
■ Vacancy rate (Long-term changes: from Q1 2007) * Data from Q1 2013 for Tokyo All Grades



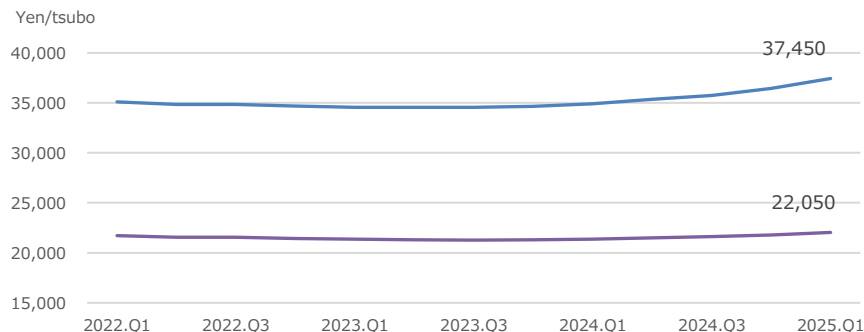
■ Vacancy rate (Short-term changes: from Q1 2022)



■ Rent revenue (Long-term changes: from Q1 2007) * Data from Q3 2018 for Tokyo All Grades



■ Rent revenue (Short-term changes: from Q1 2022)



Source: Prepared by Nomura Real Estate Solutions based on "Japan Office Market View" by CBRE

2-2 Office Trends in Major Cities (Osaka)

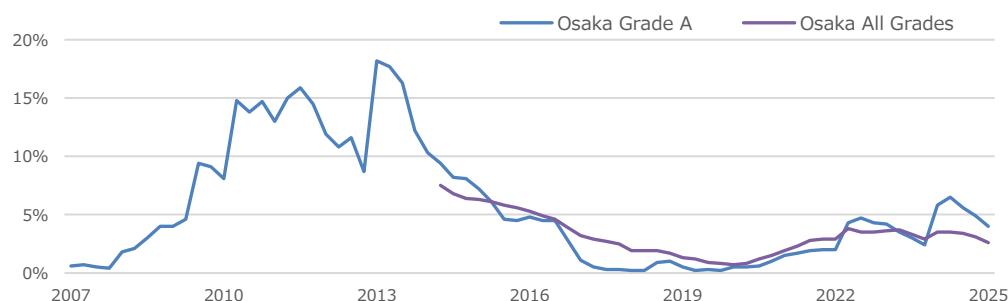
[Osaka] The Grade A vacancy rate fell by 0.9 points q-o-q to 4.0%, and rents rose by 1.9% q-o-q to 24,600 yen per tsubo. With tenant demand expected to remain strong, rents are expected to continue to trend upwards. Grade A rents are forecast to increase 3.7% over the next year.

The All Grades vacancy rate fell by 0.5 points q-o-q to 2.6%, and rents rose by 0.8% q-o-q to 14,420 yen per tsubo.

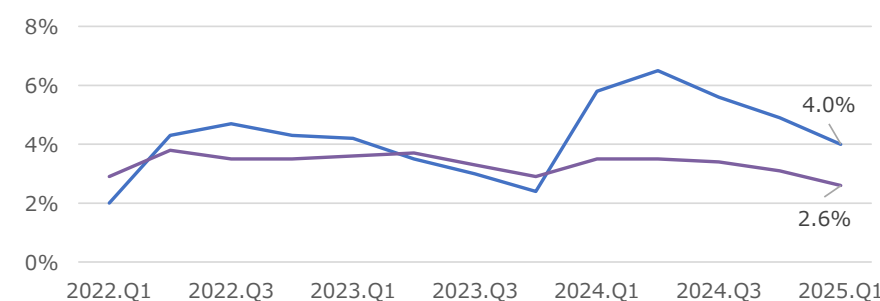
Vacancy rates fell below the level seen before the large supply in 2024. Rents increased in All Grades for the third consecutive quarter.

Area		2024.Q2	2024.Q3	2024.Q4	2025.Q1
Osaka Grade A	Vacancy rate (%)	6.5%	5.6%	4.9%	4.0%
	Assumed achievable rent (yen)	23,950	24,050	24,150	24,600
Osaka All Grades	Vacancy rate (%)	3.5%	3.4%	3.1%	2.6%
	Assumed achievable rent (yen)	14,240	14,270	14,310	14,420

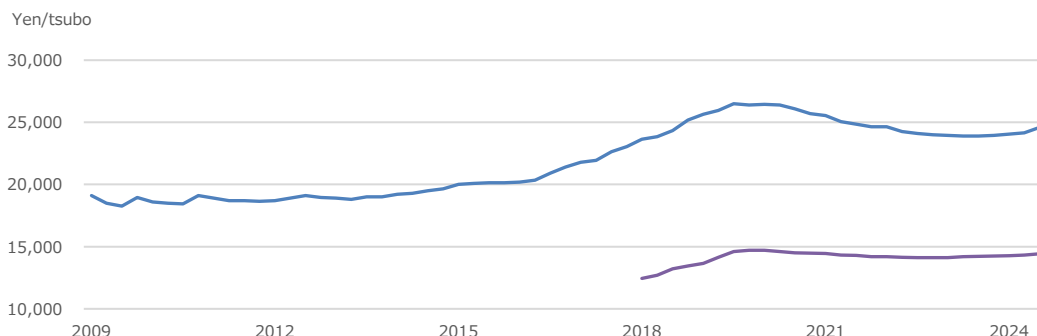
■ Vacancy rate (Long-term changes: from Q1 2007) * Data from Q2 2014 for Osaka All Grades



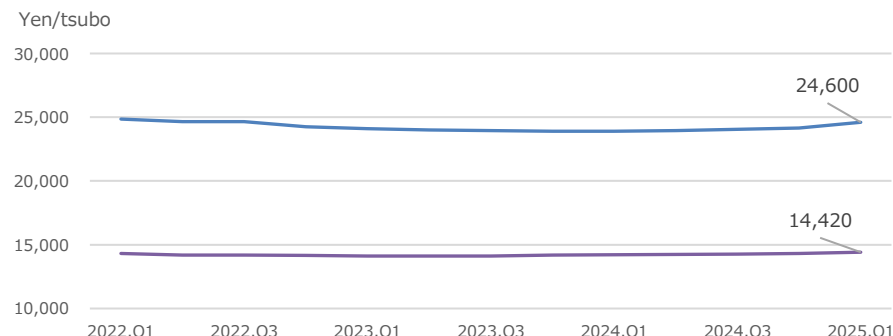
■ Vacancy rate (Short-term changes: from Q1 2022)



■ Rent revenue (Long-term changes: from Q3 2009) * Data from Q3 2018 for Osaka All Grades



■ Rent revenue (Short-term changes: from Q1 2022)

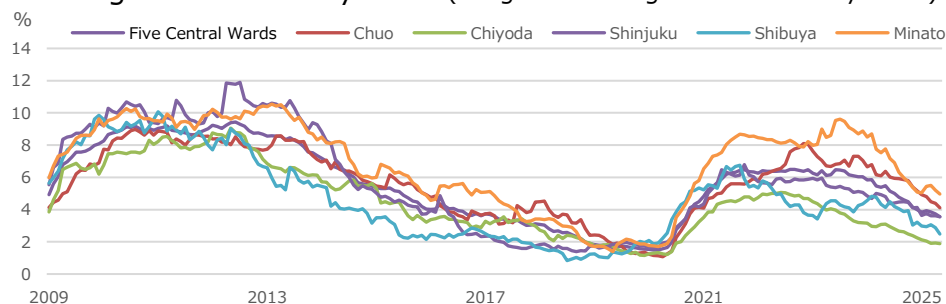


Source: Prepared by Nomura Real Estate Solutions based on "Japan Office Market View" by CBRE

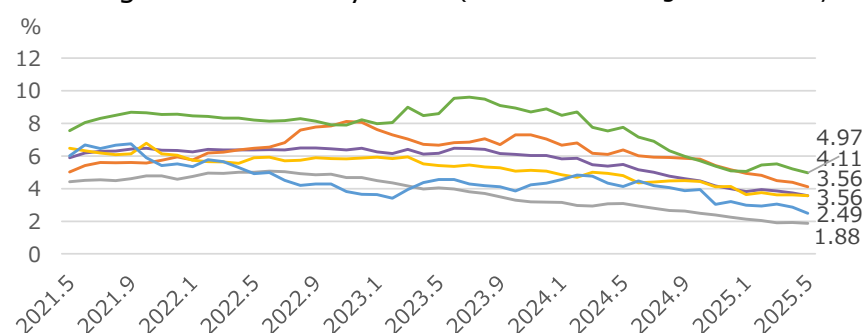
2-3 Office Trends in Tokyo's Five Central Wards

- The average vacancy rate in the five central wards of Tokyo was 3.56% as of May (down 0.17 points from April). Although there were some large-scale cancellations due to downsizing or consolidation, vacancy across the entire Tokyo business district decreased by about 15,000 tsubo in the past month, partly due to the closing of contracts for large-scale buildings less than one year old. For newly constructed buildings, vacancy rates declined as a result of the closing of contracts for large-scale buildings and the reclassification of three buildings (including large-scale buildings) to existing buildings. Similarly, vacancy rates also declined for existing buildings, driven by contracts for rebuilding and expansions of floor space within buildings.
- In addition to companies continuing to relocate or expand to secure/retain human resources, a reduction in WFH (introduced during the COVID-19 pandemic) and strengthened efforts to encourage employees back to the office have also contributed to a decline in vacancy rates.
- Average asking rents in the central five wards of Tokyo rose for the 17th consecutive month to 20,776 yen as of May (up 0.10% from April).

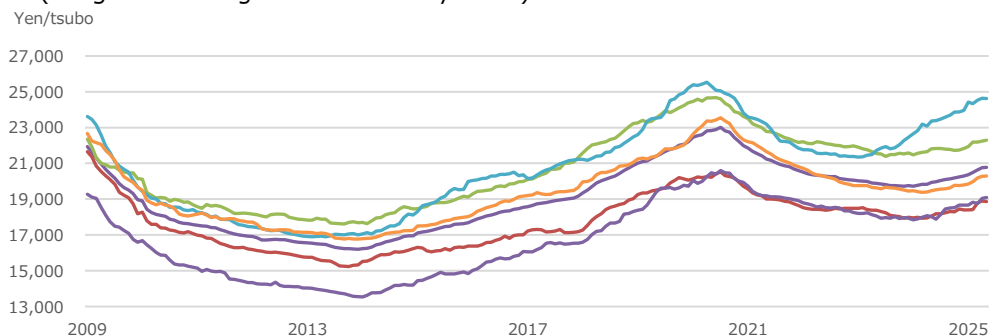
■ Average office vacancy rates (Long-term changes: from January 2009)



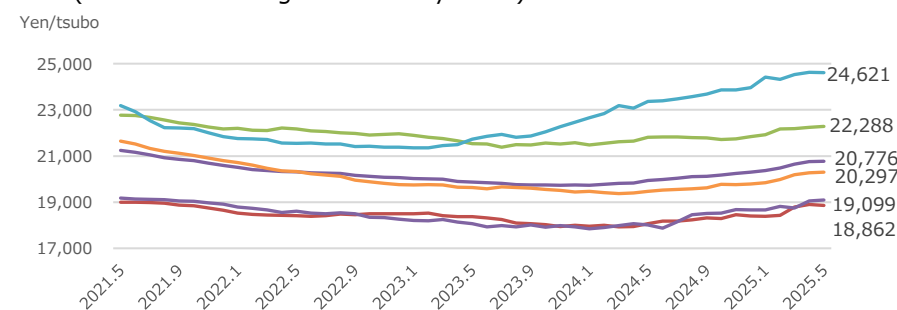
■ Average office vacancy rates (Short-term changes: from May 2021)



■ Average office asking rents by central wards (Long-term changes: from January 2009)



■ Average office asking rents by central wards (Short-term changes: from May 2021)

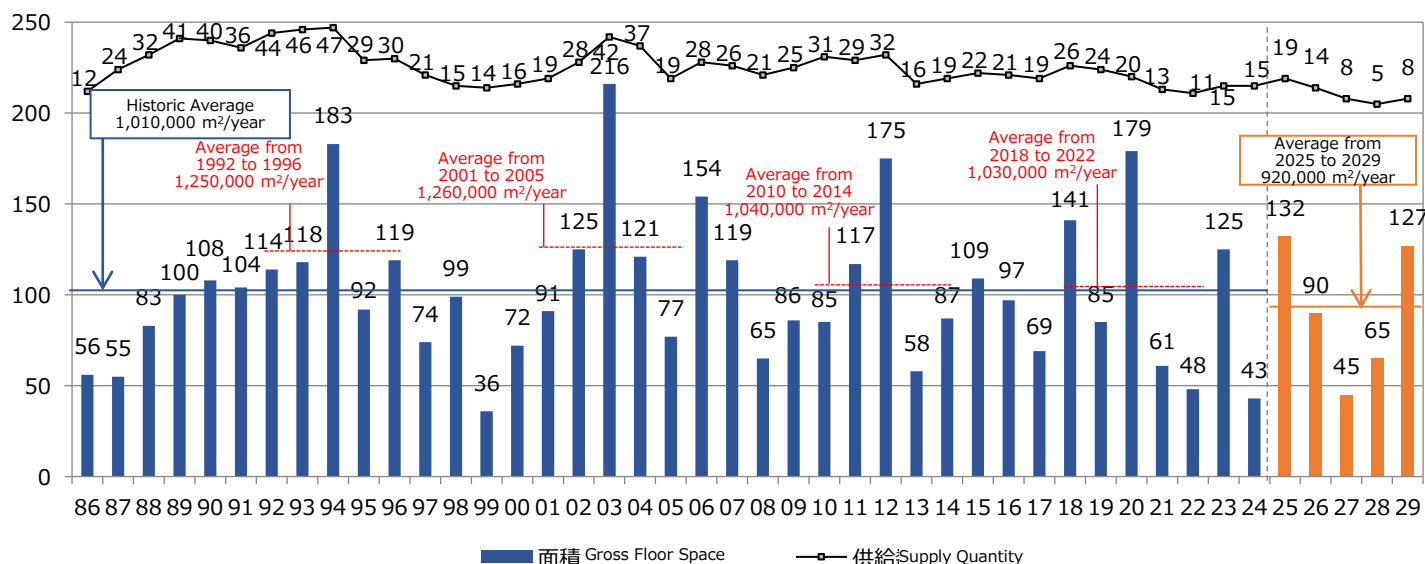


Source: Prepared by Nomura Real Estate Solutions based on data from Miki Shoji * Area and building standard covered by the survey: major office buildings for rent in the Tokyo business district (central five wards of Tokyo) with standard floor area of 100 tsubo or more, central five wards of Tokyo = Chiyoda Ward, Chuo Ward, Minato Ward, Shibuya Ward and Shinjuku Ward

2-4 Trends of Large-scale Offices in Tokyo's 23 Wards

- Regarding the supply of large office buildings in **Tokyo's 23 wards**, the **average supply over the next five years (0.92 million m²/year, 2025–2029) is expected to fall below the historical average (1.01 million m²/year, 1986–2024)**, and the impact from future supply on vacancy rates and rents in the office market is expected to be limited.
- Regarding the supply of large office buildings in **Tokyo's five central wards** (Chiyoda Ward, Chuo Ward, Minato Ward, Shinjuku Ward, and Shibuya Ward), **the average supply in the next five years is expected to be 0.79 million m² per year, slightly below the past 10-year average (0.82 million m²/year)**. Of the supply in Tokyo's 23 wards, the supply in the five central wards will account for 86% for the next five years, around the same level as the past 10-year average (85%).
- New demand for large office buildings in **Tokyo's 23 wards** in 2024 reached 1.13 million m². This figure, similar to the previous year, surpassed 1 million m² and significantly exceeding the new supply of 0.43 million m². **The vacancy rate fell sharply by 2.1 points to 3.7%, and in major business districts, by 2.9 points to 3.3%.**
- Approximately 90 of the properties supplied in 2024 were absorbed, while the absorption of existing properties was about 2.4 times higher than the previous year—clearly indicating strong demand for both new and existing office buildings.

■ Large office building supply trends in Tokyo's 23 wards



1986-2024

(1) Properties supplied:

1,005

(2) Gross floor space:

39,460,000 m²

2025-2029

(1) Properties supplied: 54

(2) Gross floor space:

4,590,000 m²

* The survey covered office buildings with a gross floor area of 10,000 m² or more (constructed after 1986) in Tokyo's 23 wards

Source: Prepared by Nomura Real Estate Solutions based on data from Mori Building "Market Trends for Large-scale Office Buildings in Tokyo's 23 Wards in 2025"

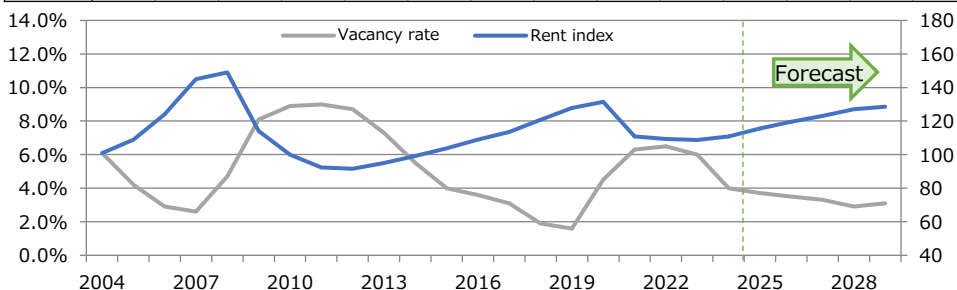
2-5 Forecasts for the Office Market in the Three Major Metropolitan Areas

Short-term forecasts for business zones (2025 to 2027)

- [Tokyo] In 2025, despite a large supply of about 500,000 tsubo, demand will continue to increase with leasing remaining strong. This will lead to a drop in vacancy rate to 3.7% and rents increasing by 4.5% compared to the previous year. From 2026 to 2027, new supply will be 200,000–300,000 tsubo, which is less than the past average. The vacancy rate will continue to decline, reaching 3.3% in 2027, and rents will continue to increase by around 3%.
- [Osaka] In 2025, a relatively high level of new supply is expected to continue, but due to sustained growth in new demand, the vacancy rate will fall to 3.3%. There will be a slightly larger increase in rents, rising by 1.3% compared to the previous year. From 2026 onwards, new supply is expected to be limited, driving the vacancy rate down to 2.3% in 2027. Rents will continue to increase by around 2% compared to the previous year, reaching 134.9 in 2027, the same level as the most recent peak in 2020.
- [Nagoya] In 2025, new supply is expected to decrease further, causing the vacancy rate to fall to 3.7%, and rents to increase by 1.1% compared to the previous year. In 2026, a large supply of about 70,000 tsubo is expected, which will slightly increase the vacancy rate to 4.2%. Rents will enter an adjustment phase, remaining almost flat but decreasing slightly. In 2027, there will be little new supply. The vacancy rate will fall again to 3.4%, with rents increasing by 0.8%.

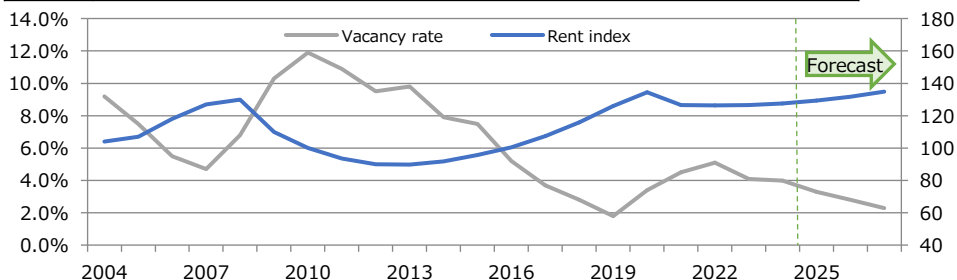
■ Tokyo

	2004	2007	2010	2013	2016	2019	2022	2023	2024	2025	2026	2027	2028	2029
Rent index	101	145	100	95	109	128	109	109	111	116	120	123	127	129
Vacancy rate	6.1%	2.6%	8.9%	7.3%	3.6%	1.6%	6.5%	6.0%	4.0%	3.7%	3.5%	3.3%	2.9%	3.1%



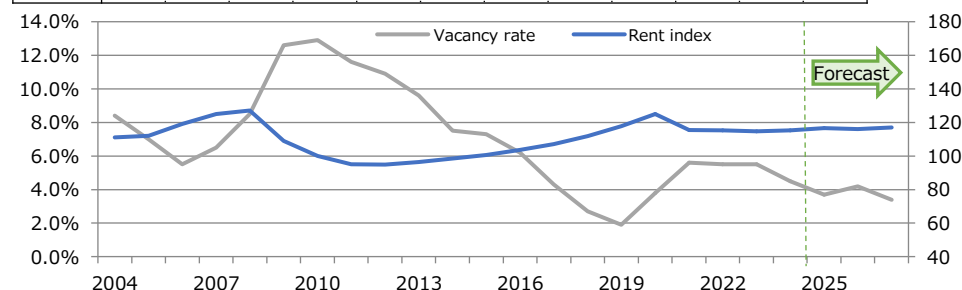
■ Osaka

	2004	2007	2010	2013	2016	2019	2022	2023	2024	2025	2026	2027
Rent index	104	127	100	90	101	126	126	127	128	129	132	135
Vacancy rate	9.2%	4.7%	11.9%	9.8%	5.2%	1.8%	5.1%	4.1%	4.0%	3.3%	2.8%	2.3%



■ Nagoya

	2004	2007	2010	2013	2016	2019	2022	2023	2024	2025	2026	2027
Rent index	111	125	100	96	104	118	115	115	115	117	116	117
Vacancy rate	8.4%	6.5%	12.9%	9.6%	6.2%	1.9%	5.5%	5.5%	4.5%	3.7%	4.2%	3.4%



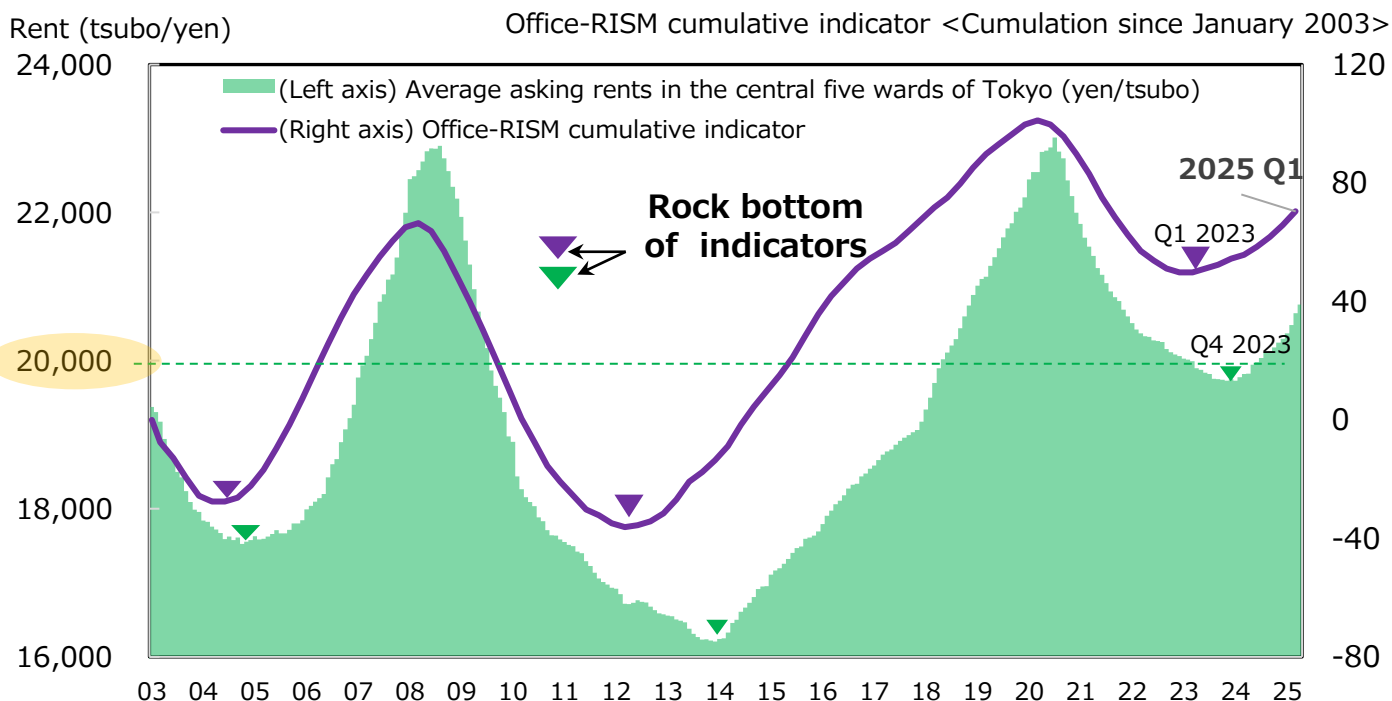
The rent index is 100 for 2010, and the values from 2025 onward are forecast values.

Source: Prepared by Nomura Real Estate Solutions based on materials (released on May 30, 2025) from the Office Market Trends Research Committee (joint research group by Japan Real Estate Institute and Miki Shoji)

2-6 Office-RISM®* (Office leasing market indicator)

- Office-RISM (a cumulative indicator)** is a leading indicator to monitor the rent fluctuation.
- This indicator hit rock bottom in Q1 2023 and rose from there. Rents rebounded after hitting rock bottom in Q4 2023 less than a year later.
- Rents are likely to continue to rise.

■ Relationship between Office-RISM and rent



* Office-RISM® is a registered trademark of Nomura Real Estate Asset Management.

** Office-RISM cumulative indicator is a value cumulated and adjusted quarterly from the deviation from the base value (50)

Source: Prepared by NREAM based on materials of Miki Shoji and others

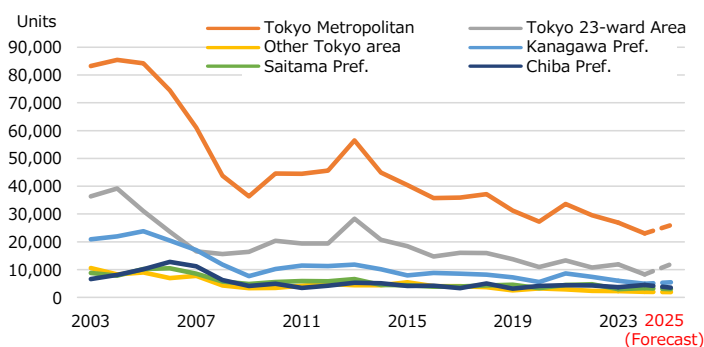


3. Residential for Sale

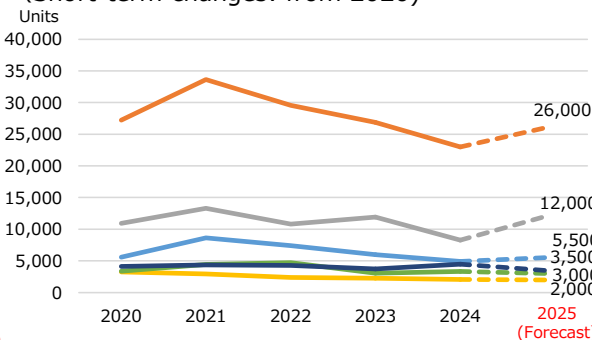
3 Supply and Price Trends of Residential for Sale in the Tokyo Metropolitan and Osaka Areas

- [Tokyo Metropolitan Area]** The supply of residential in the Tokyo Metropolitan area in 2025 is forecast to be 26,000 units (increase by 13.0% over the previous year). The Tokyo 23-ward area saw major growth. Large-scale high-rise projects in the Tokyo 23-ward area continue to be popular and once again lead the market. Inventory is stable at around 5,000 units. Construction starts from April have shown significant recovery within Tokyo. Attention is on popular areas in central Tokyo and its surrounding areas. Large-scale towers lead the market in nearby areas. The impact of rising interest rates is limited, but demand in suburbs may see decline due to price hikes.
- [Osaka Area]** The supply of residential in the Osaka area in 2025 is forecast to be 15,500 units (increase by 2.4% over the previous year). There is an increased shift to suburban areas, including high-rise and investment properties. Inventories and completed inventories continue to trend downward. Construction starts from January to October 2024 decreased 13.1% YoY. There are concerns about the impact on sale trends due to rising unit prices.

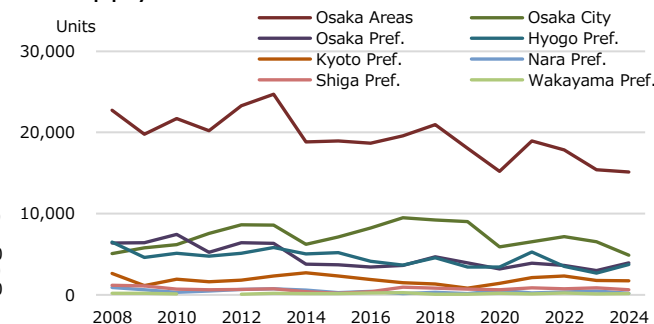
■ Supply trend: Tokyo Metropolitan Area



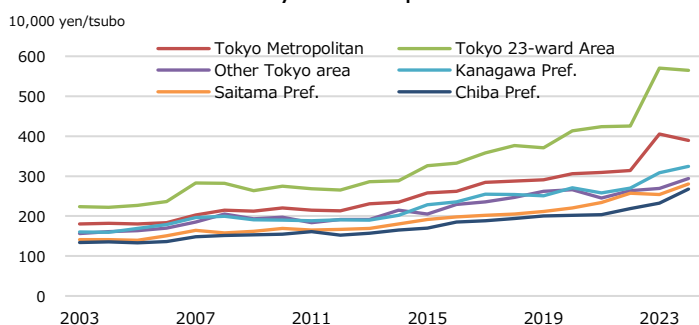
■ Supply trend: Tokyo Metropolitan Area (Short-term changes: from 2020)



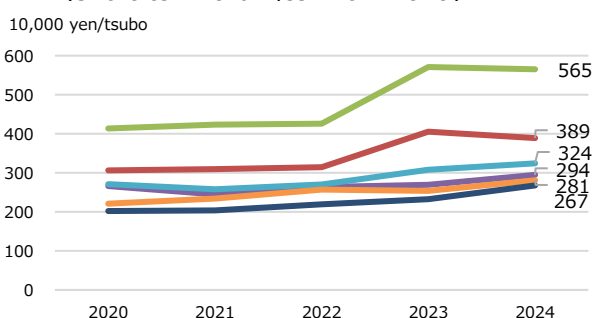
■ Supply trend: Osaka Area



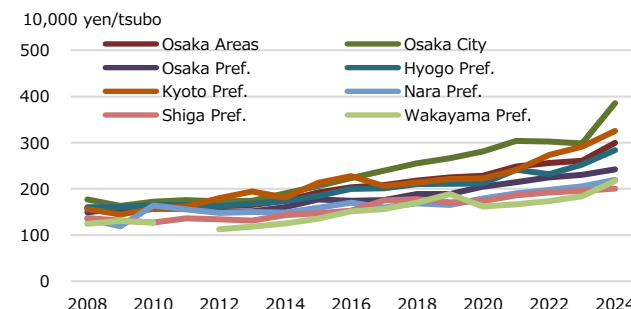
■ Price trend: Tokyo Metropolitan Area



■ Price trend: Tokyo Metropolitan Area (Short-term changes: from 2020)



■ Price trend: Osaka Area



Source: Compiled by Nomura Real Estate Solutions from the "Forecast of the Condominium Market in the Tokyo Metropolitan and the Osaka Areas," "Market Trends for Condominiums in the Tokyo Metropolitan" and "Market Trends for Condominiums in the Osaka Area" published by Real Estate Economic Institute

*No supply in Wakayama Pref. in 2011

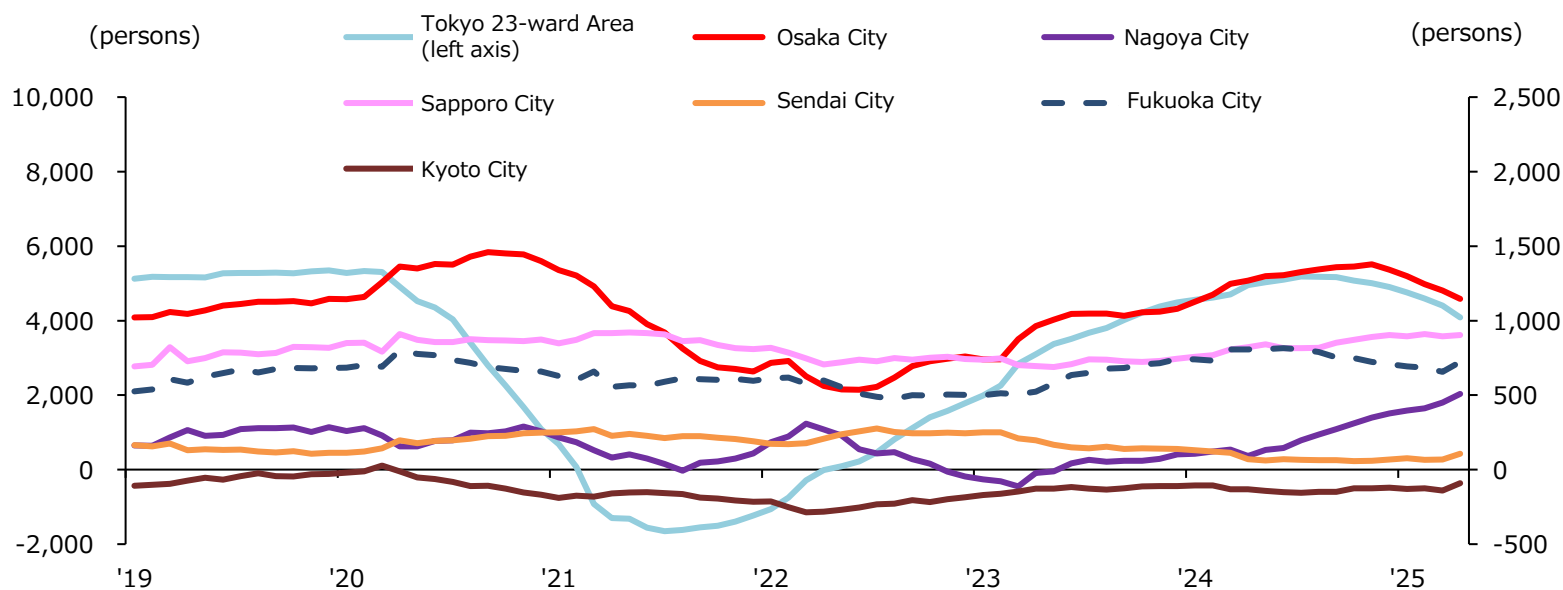


4. Residential for Rent

4-3 Trend of Residential for Rent (Net Number of Relocations by Major City)

- Net number of relocations increased in Sapporo, driven by inflows from within Hokkaido, and in Nagoya, driven by an increase in foreign residents.

■ Net number of relocations by city (12-month moving average)

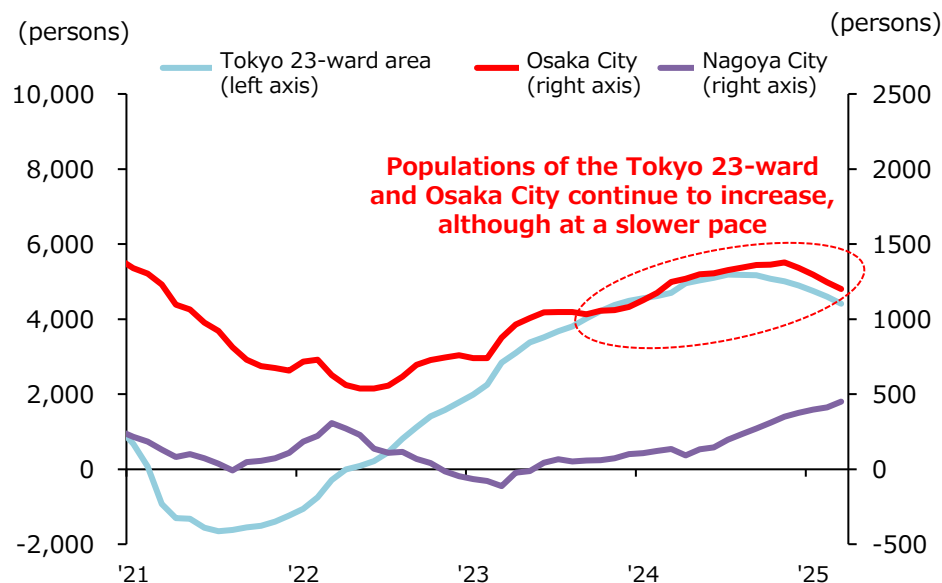


Source: Prepared by NREAM based on data from the Ministry of Internal Affairs and Communications
Note: Includes foreigners

4-4 Trend of Residential for Rent (Trend of Net Number of Relocations and Rate of Discrepancy with Past 5-year Average of New Supply)

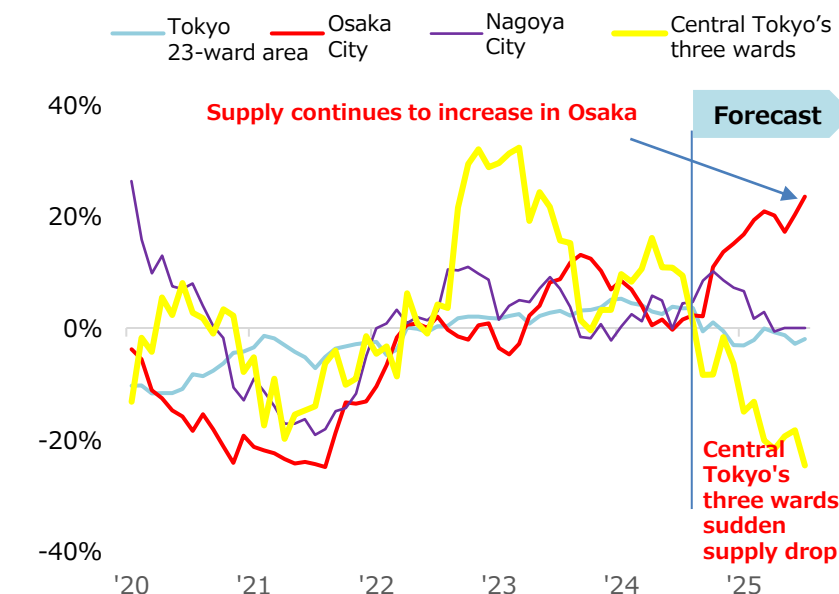
- Populations of the Tokyo 23-ward area and Osaka City continued to increase, although at a slower pace. Nagoya City continued to grow.
- Supply for central Tokyo's three wards saw a sudden drop. On the other hand, a high level of new supply is expected for Osaka City in 2025.

■ Net number of relocations to Tokyo, Osaka, Nagoya (12-month moving average)



Source: Figures for net number of relocations prepared by NREAM based on data from the Ministry of Internal Affairs and Communications
Note: Includes foreigners

■ Trend of rate of discrepancy with past 5-year average of new supply (estimated value)



Source: Statistics for building starts from the Ministry of Land, Infrastructure, Transport and Tourism
Note: Rate of discrepancy calculated based on rental housing constructions started (units) (12-month moving average); shown with a 1-year delay taking into account the period from building start to completion

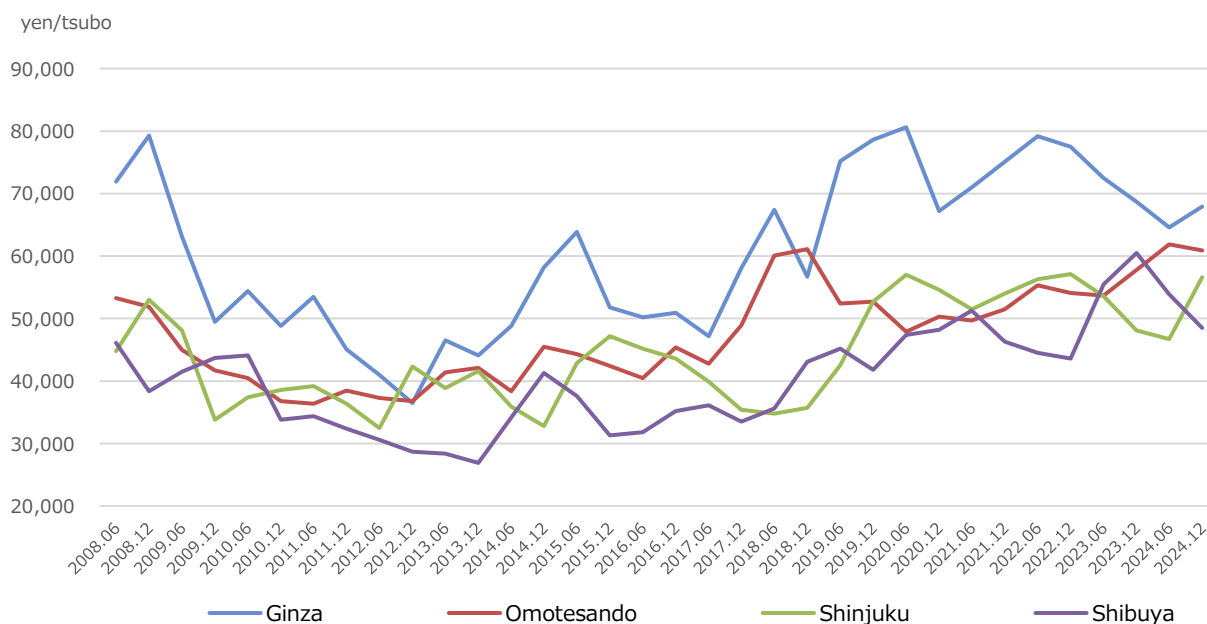


5. Retail

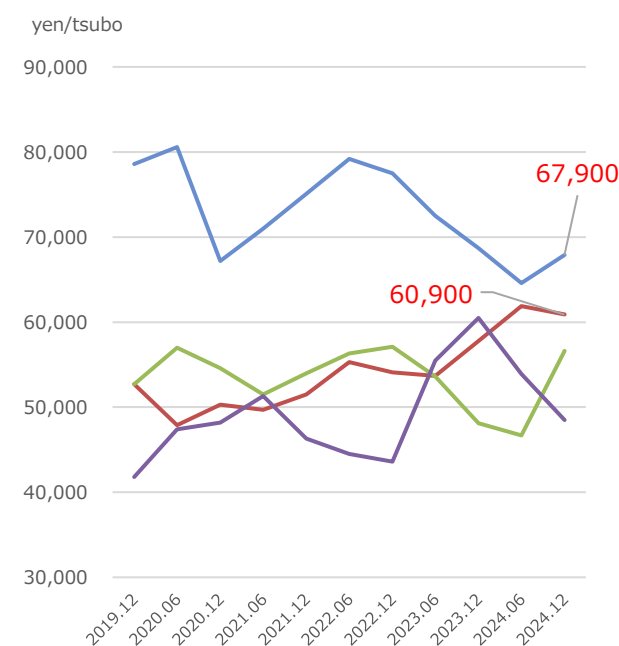
5-1 Trend of Retail (Tokyo)

- **[Ginza area]** Offered rents increased slightly q-o-q. Vacancies are declining with the number of offers trending downwards. The trend of high rents is expected to continue as long as property supply remains limited.
- **[Omotesando area]** Ground-floor offered rents decreased slightly q-o-q. Number of offers continues to decline. Rents differ for each street, but vacancies are declining on the whole.
- **[Shinjuku area]** Ground-floor offered rents are experiencing a rapid, but temporary, increase. Supply and demand will balance out after offers settle down. Various industries/businesses continue to show vibrant activity.
- **[Shibuya area]** Ground-floor offered rents were down from the first half, but balanced out after the number of offers settled down. Inbound tourists continue to increase, keeping Shibuya strong. Property supply is low, and rents are expected to remain at a high level.

■ Offered rent of ground-floor stores in Tokyo
(1st half of 2008 to 2nd half of 2024)



■ Offered rent of ground-floor stores in Tokyo
(1st half of 2019 to 2nd half of 2024)

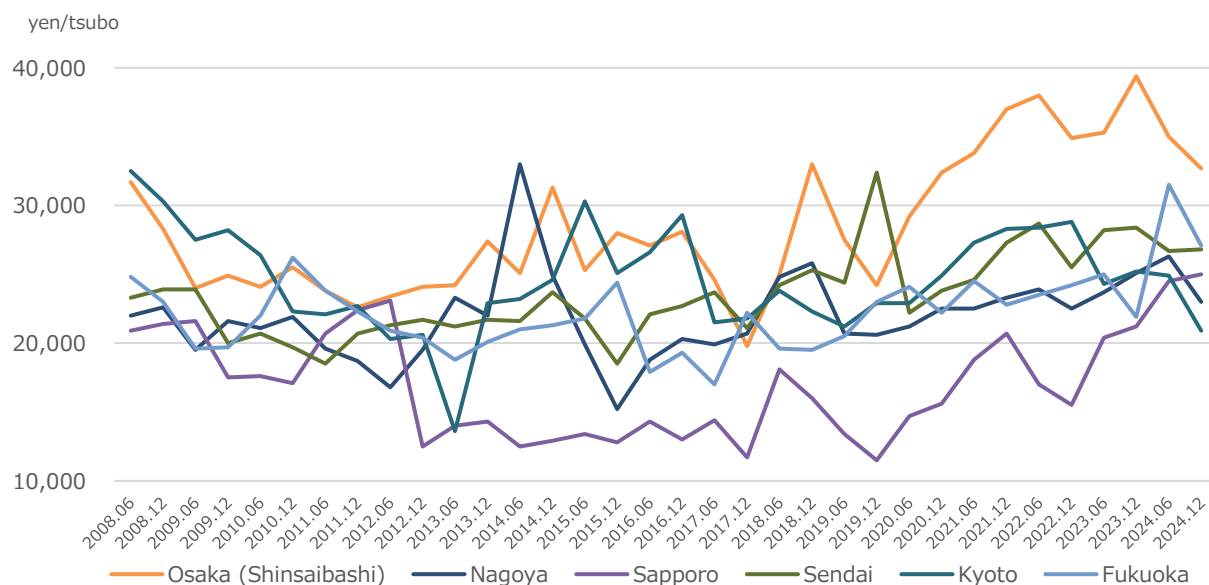


Source: "Store Rent Trends" published by Japan Real Estate Institute, BAC Urban Project and Style Act Co., Ltd.
(compiled by Nomura Real Estate Solutions)

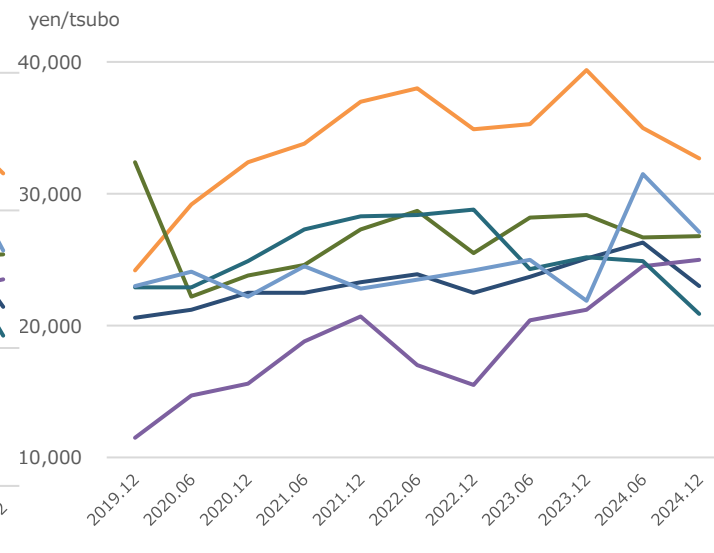
5-2 Trend of Retail (Osaka, Etc.)

- **[Osaka area]** Ground-floor offered rents fell rapidly from the first half of 2024, but have recently been recovering on a quarterly basis. The number of offers has also declined. Supply and demand has reached a balance across all areas. Economic effects of Expo 2025 Osaka and increased inbound tourists have led to unleashing the full power of the city. Rents are expected to remain high with continuing supply shortages.
- **[Nagoya area]** Ground-floor rents have not seen the same rises as other areas. A ripple effect from Otsu-dori to the surrounding streets is possible.
- **[Sapporo area]** Rises have been seen for all floors. Ground-floor rents are maintaining a higher level than past trends. New store openings are proceeding in the Tanukikoji and Susukino areas, eliminating vacancies. Rents are also expected to remain high.
- **[Sendai area]** There were no major changes in the number of offers or rent. There are moves toward reconstruction and redevelopment, but stagnation has been seen due to rising costs.
- **[Kyoto area]** Low store vacancies continue in prime areas. Major increases in domestic/international tourism are expected, and new store openings will continue in anticipation of inbound tourists consumption.
- **[Fukuoka area]** The number of offers remained flat and rents remained at a high level. Opening of new luxury brand stores may lead to an upward trend in rents.

■ Nationwide trend of offered rents of stores on the ground floor
(1st half of 2008 to 2nd half of 2024)



■ Nationwide trend of offered rents of stores on the ground floor (1st half of 2019 to 2nd half of 2024)



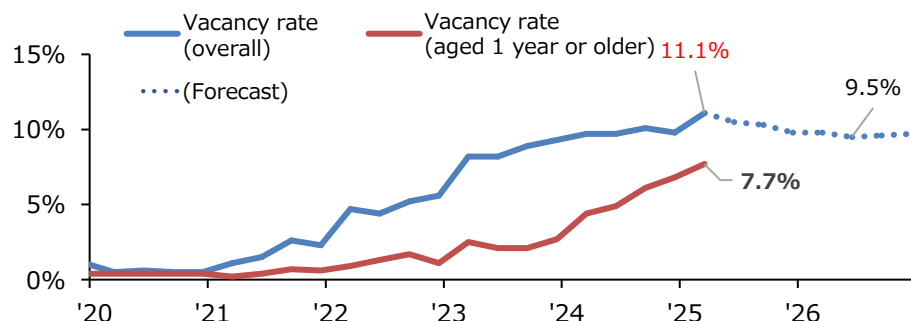
Source: "Store Rent Trends" published by Japan Real Estate Institute, BAC Urban Project and Style Act Co., Ltd. (compiled by Nomura Real Estate Solutions)



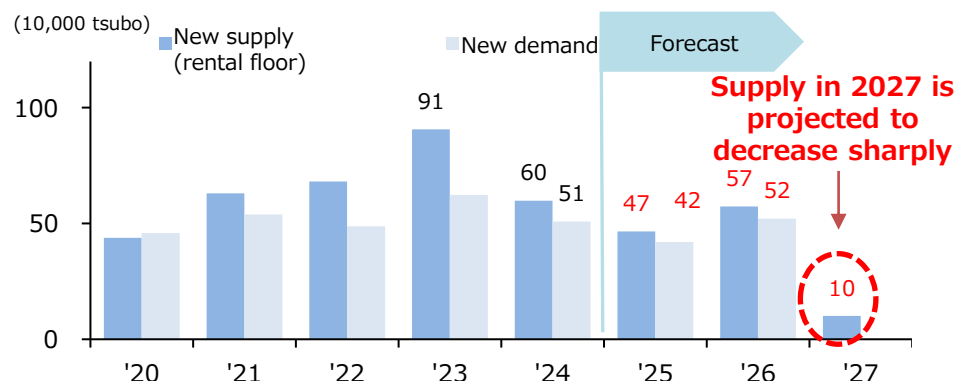
6-1 Trend of Logistics Facilities (Tokyo Metropolitan Area)

- The vacancy rate in the Tokyo Metropolitan Area increased by 1.3 points q-o-q to 11.1%, led by abundant supply in the Ken-O Expressway and NR 16 areas.
- Only the Ken-O Expressway area continues to see a decline in recent real rent (achievable). Other areas have seen increases.
- New supply in 2027 is expected to decrease sharply due to soaring construction costs and difficulties in acquiring land.

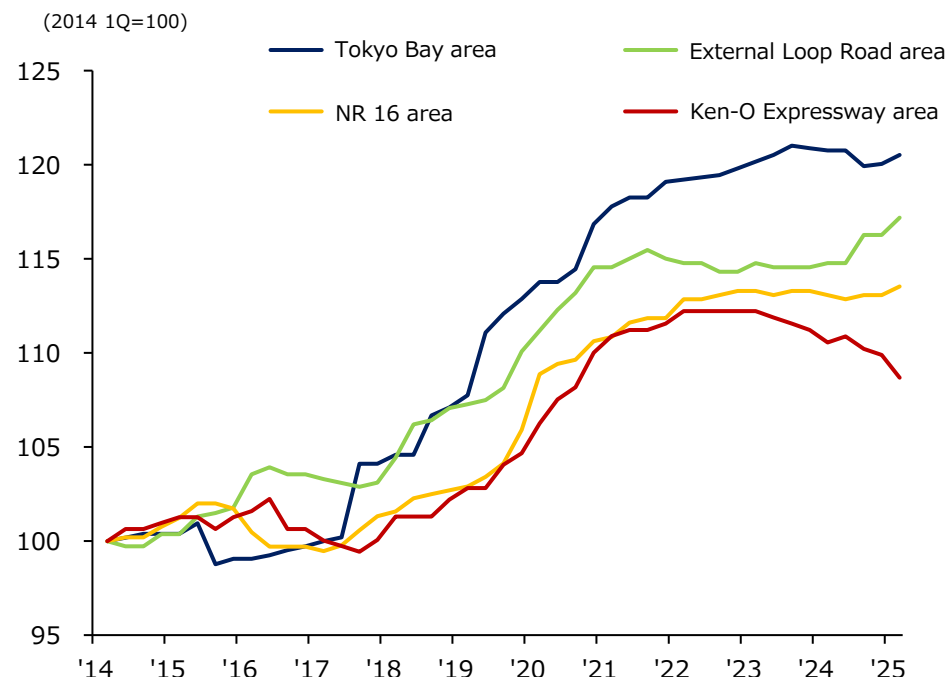
■ Trend of vacancy rate (as of December 31 of each year)



■ New supply and new demand



■ Trend of rent level Trend of real rent (achievable) level



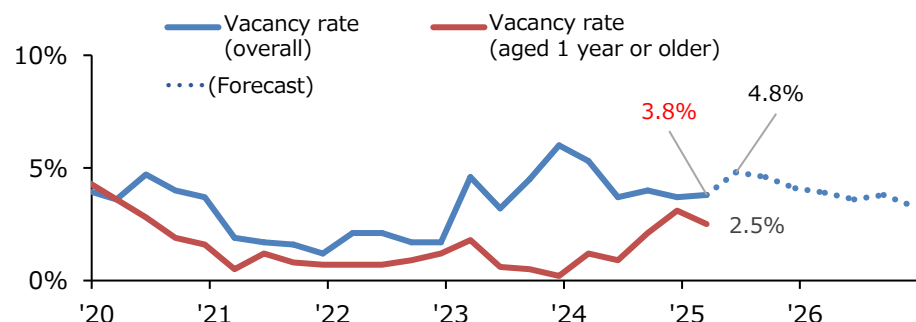
Source: Prepared by NREAM based on data from CBRE

Note: These are data on logistics facilities which have a gross floor area of at least 10,000 *tsubo* and suppose more than one tenant.

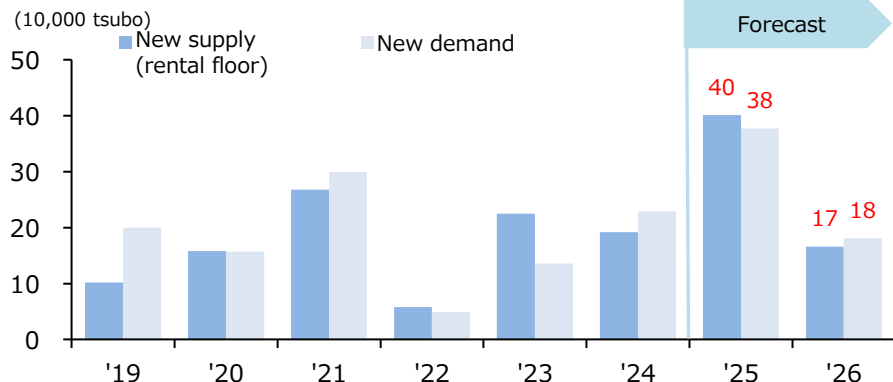
6-2 Trend of Logistics Facilities (Osaka Area)

- The vacancy rate in the Osaka area rose slightly by 0.1 pts q-o-q to 3.8%.
- Although supply will increase in 2025, it will be in areas with strong demand. The vacancy rate is expected to remain in the 4% range.
- Recent real rent (achievable) in most areas is either rising or flat.

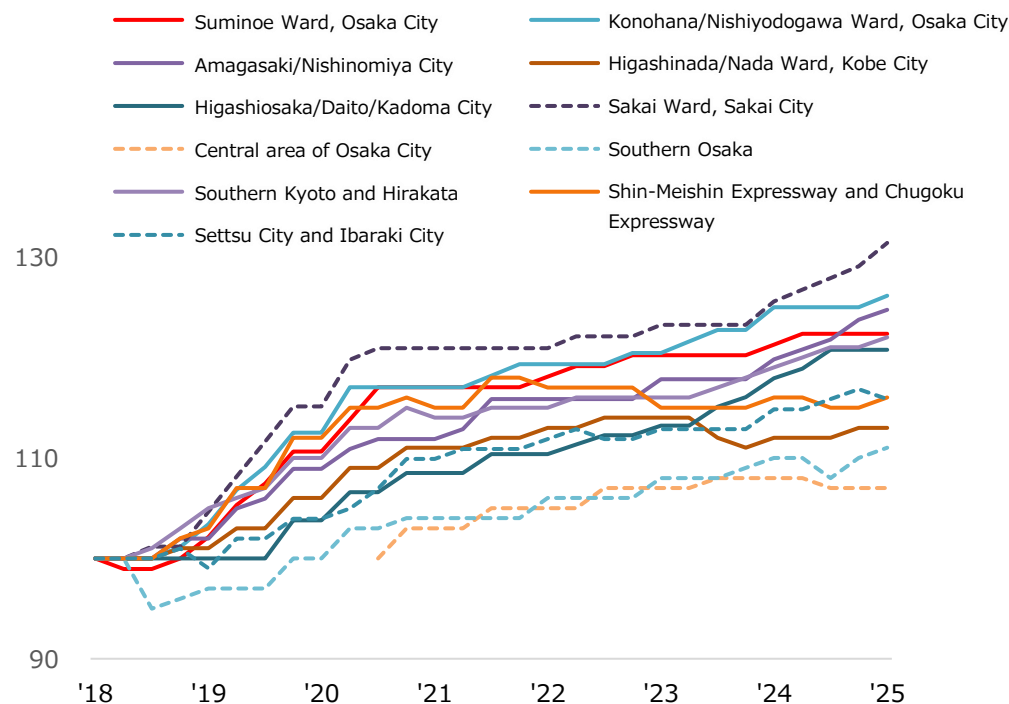
■ Trend of vacancy rate (as of December 31 of each year)



■ New supply and new demand



■ Trend of rent level (2018 1Q=100)



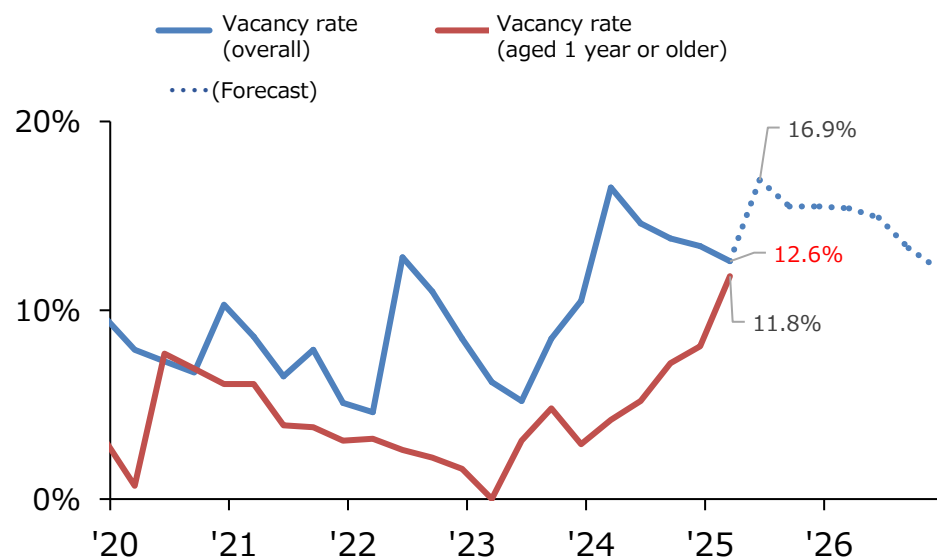
Source: Prepared by NREAM based on data from CBRE

Note: These are data on logistics facilities which have a gross floor area of at least 10,000 tsubo and suppose more than one tenant.

6-3 Trend of Logistics Facilities (Aichi Area)

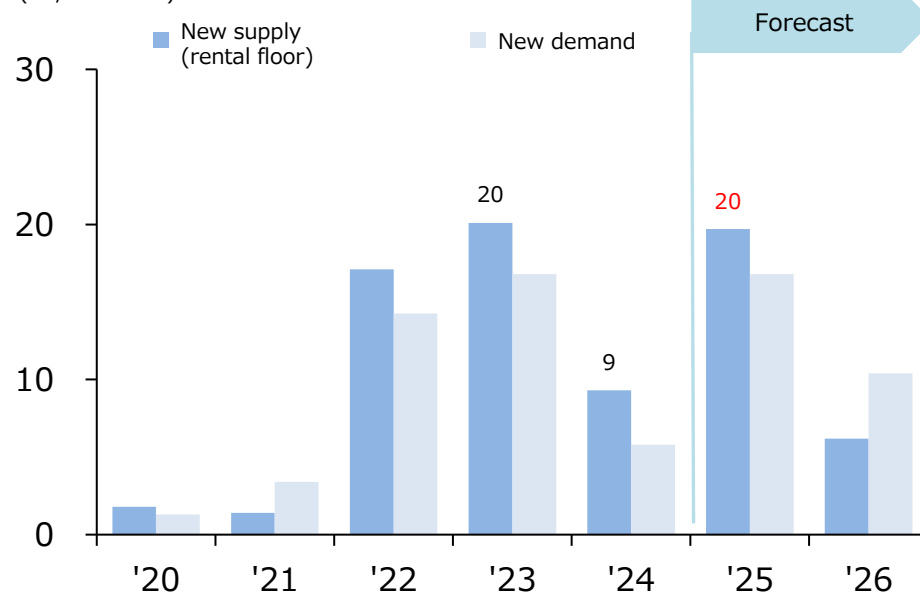
- As the market for the Aichi area is small, the vacancy rate tends to fluctuate wildly due to new supply.
- Demand is firm. While the vacancy rate trended downward in 2024 due to low supply, it is increasing in 2025 due to increased supply.

■ Trend of vacancy rate (as of December 31 of each year)



■ New supply and new demand

(10,000 tsubo)



Source: Prepared by NREAM based on data from CBRE

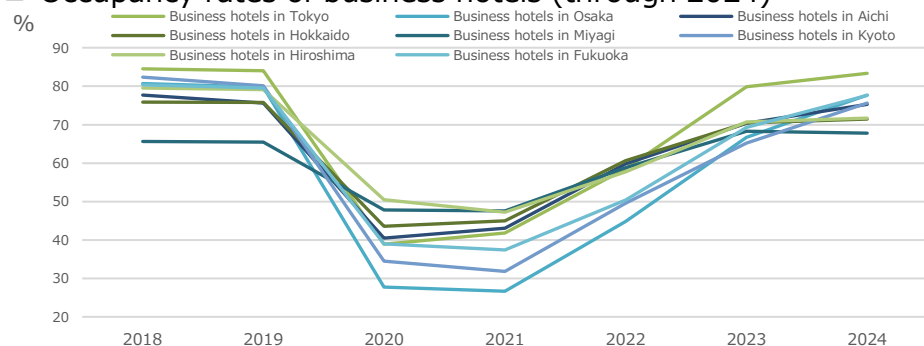
Note: In Aichi area only, data on logistics facilities which have a gross floor area of more than 5,000 tsubo and suppose more than one tenant.



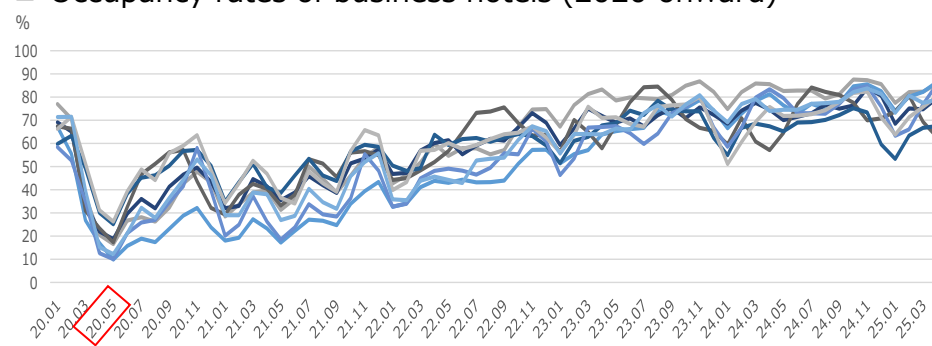
7-1 Hotel Trends (Occupancy Rates)

- The occupancy rates of hotels reached a low point in May 2020 in each of the cities surveyed and for each hotel type.
- The occupancy rates of business hotels in April 2025 were **85.7%** (82.3% in March) **in Tokyo**, 86.5% (82.2% in March) in Osaka, 79.6% (74.7% in March) in Aichi, 62.7% (69.3% in March) in Hokkaido, 67.5% (66.7% in March) in Miyagi, 85.6% (76.9% in March) in Kyoto, 80.3% (75.7% in March) in Hiroshima, and 78.9% (77.5% in March) in Fukuoka.
- The occupancy rates of city hotels in April 2025 were **82.1%** (78.1% in March) **in Tokyo**, 83.6% (73.7% in March) in Osaka, 76.7% (69.3% in March) in Aichi, 56.7% (67.1% in March) in Hokkaido, 70.0% (64.3% in March) in Miyagi, 89.2% (77.2% in March) in Kyoto, 72.9% (76.1% in March) in Hiroshima, and 77.2% (76.2% in March) in Fukuoka.

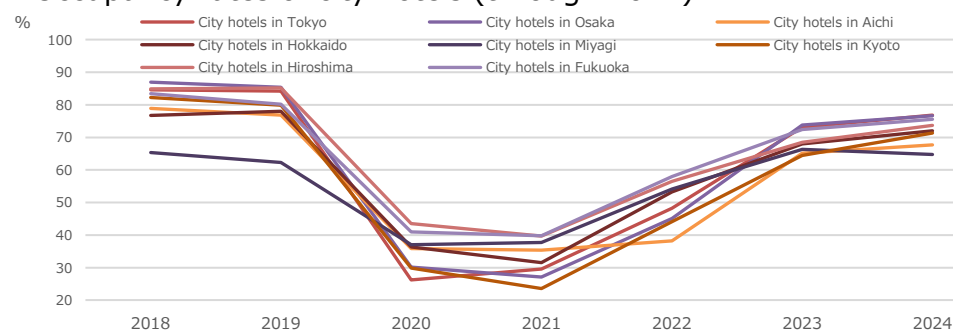
■ Occupancy rates of business hotels (through 2024)



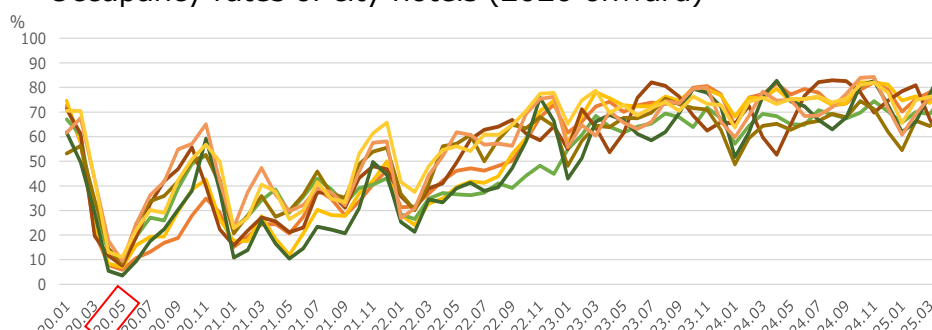
■ Occupancy rates of business hotels (2020 onward)



■ Occupancy rates of city hotels (through 2024)



■ Occupancy rates of city hotels (2020 onward)



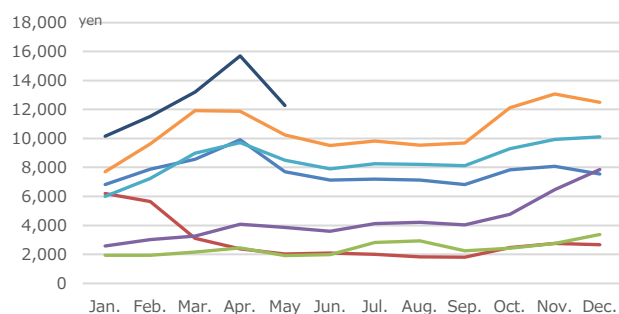
Source: MLIT Japan Tourism Agency "Overnight Travel Statistics Survey" (compiled by Nomura Real Estate Solutions)

7-2 Hotel Trends (RevPAR)

- The number of foreign visitors to Japan from January to May 2025 exceeded 18 million, a 23% increase YoY, indicating continued high tourism demand following last year's trend. While the hotel market remains strong, there are concerns about a shortage of hotels on top of the shortage of labor that has been experienced since the COVID-19 pandemic.
- Domestic accommodation demand also remained steady, resulting in **RevPAR in areas other than Kyoto exceeding the previous year's level in every month of 2025**. RevPAR continues to trend at a high level, **even doubling on the previous year in some areas** depending on the month.

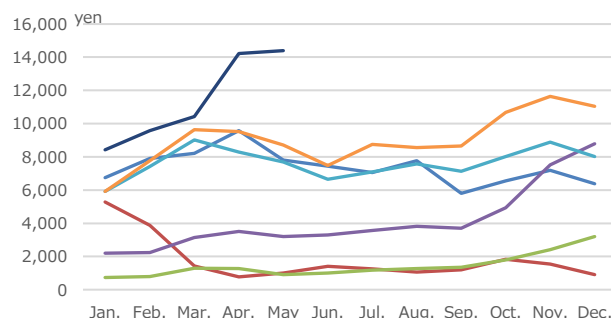
■ RevPAR of business hotels (2019 onward)

Tokyo

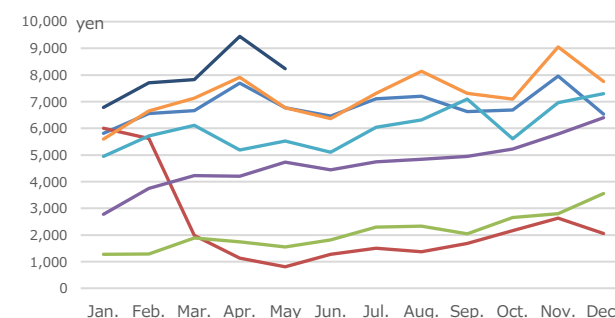


— 2019 — 2020 — 2021 — 2022 — 2023 — 2024 — 2025

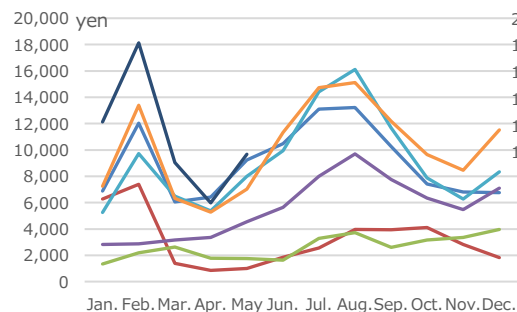
Osaka



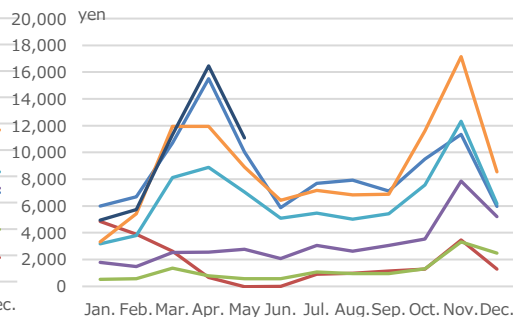
Aichi



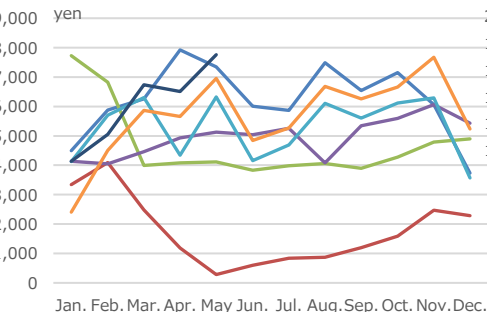
Hokkaido



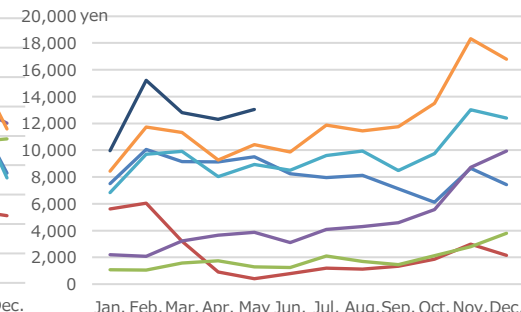
Kyoto



Hiroshima



Fukuoka



Source: Prepared by Nomura Real Estate Solutions based on press releases from Invincible Investment Corporation and Ichigo Hotel REIT Investment Corporation, etc.



Reference:
Trend of Land Prices in High-level Use
Districts of Major Cities
Rental Trends in Major International Cities



Reference: Trend of Land Prices in High-level Use Districts of Major Cities




- As same as the previous report, there were upward changes in all 80 areas, and no areas of little change and downward changes. Demand for residential in areas with excellent convenience and living environments was strong, and demand for stores and hotels also remained strong, resulting in increases in all residential and commercial areas for the fifth consecutive quarter (12th consecutive quarter for residential areas and fifth consecutive quarter for commercial areas).
- By change category (increase, unchanged, or decrease), 5 areas saw an increase of more than 3% and less than 6%, and 75 areas saw a less than 3% increase.




City	Area	23.4.1 ~ 23.7.1	23.7.1 ~ 23.10.1	23.10.1 ~ 24.1.1	24.1.1 ~ 24.4.1	24.4.1 ~ 24.7.1	24.7.1 ~ 24.10.1	24.10.1 ~ 25.1.1	25.1.1 ~ 25.4.1
23 wards of Tokyo	Marunouchi								
	Ginza, Chuo								
	Yaesu								
	Toranomon								
	Shinjuku 3-chome								
	Shibuya								
Yokohama	W Exit Yokohama Sta.								
Saitama	W Exit Omiya Sta.								
Chiba	Chiba Sta. front								
Sapporo	Ekimae-dori								

City	Area	23.4.1 ~ 23.7.1	23.7.1 ~ 23.10.1	23.10.1 ~ 24.1.1	24.1.1 ~ 24.4.1	24.4.1 ~ 24.7.1	24.7.1 ~ 24.10.1	24.10.1 ~ 25.1.1	25.1.1 ~ 25.4.1
Sendai	Chuo 1-chome								
Osaka	Shinsaibashi								
Nagoya	Nagoya Sta. front								
Kyoto	Kawara-machi								
Hiroshima	Kamiyacho								
Fukuoka	Around Hakata Sta.								

Legend

 : Increase (≥ 6%)
  : Increase (≥3%, <6%)
  : Increase (>0, <3%)

 : Unchanged (0%)
  : Decrease (≥0%, <3%)
  : Decrease (≥3%, <6%)

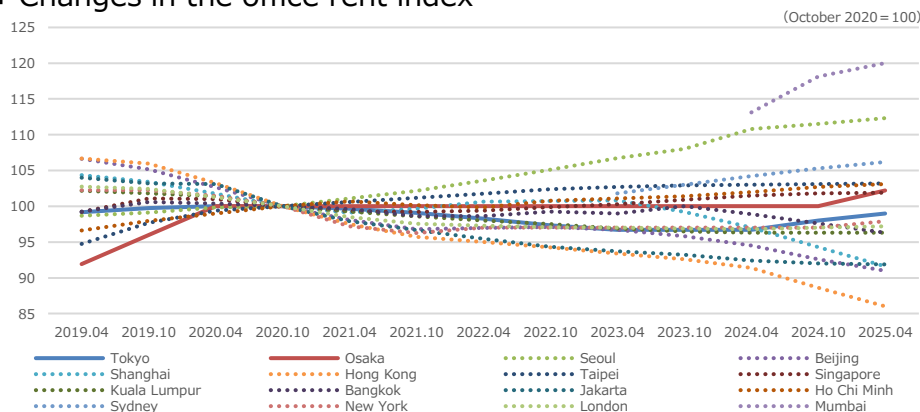
 : Decrease (≥6%, <9%)
  : Decrease (≥9%, <12%)
  : Decrease (≥12%)

Source: "Land value LOOK report" by the Ministry of Land, Infrastructure, Transport and Tourism (compiled by Nomura Real Estate Solutions)

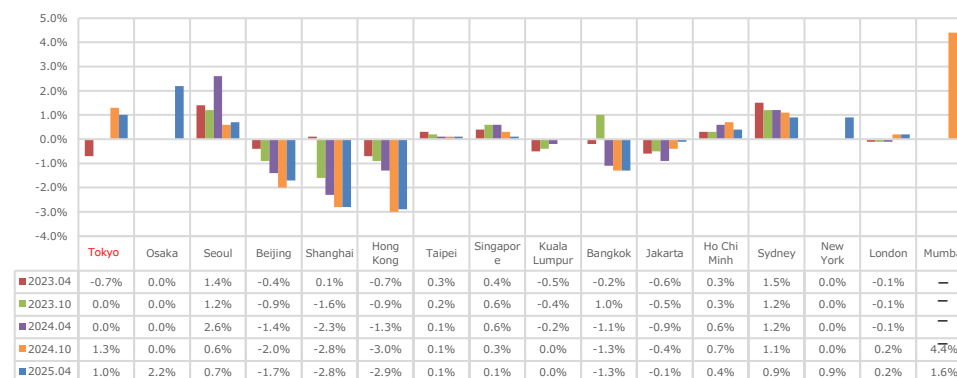
Reference: Rental Trends in Major International Cities

- **The rate of change in office rents was +1.0% in Tokyo.** The highest rate of change compared to the previous results was in Osaka. In Singapore, the rise in rents for high-spec properties, driven by a “flight to quality,” has run its course, and landlords have shifted to a more flexible stance regarding rent negotiations. In Bangkok too, while the demand for relocation to high-grade buildings is strong, a rent adjustment phase continues due to considerable supply about to become available.
- Residential rents rose the most in Sydney at +3.7%, followed by Mumbai at +3.4%. In Hong Kong, the rental market has improved due to a shift in demand from purchasing to leasing. However, the pace of rent increases has slowed. In Kuala Lumpur, rents are beginning to stabilize, supported by a recovery in demand from expatriates.

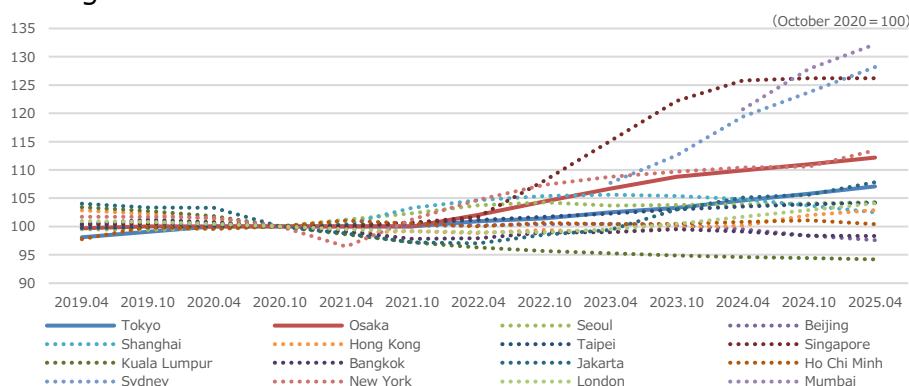
■ Changes in the office rent index



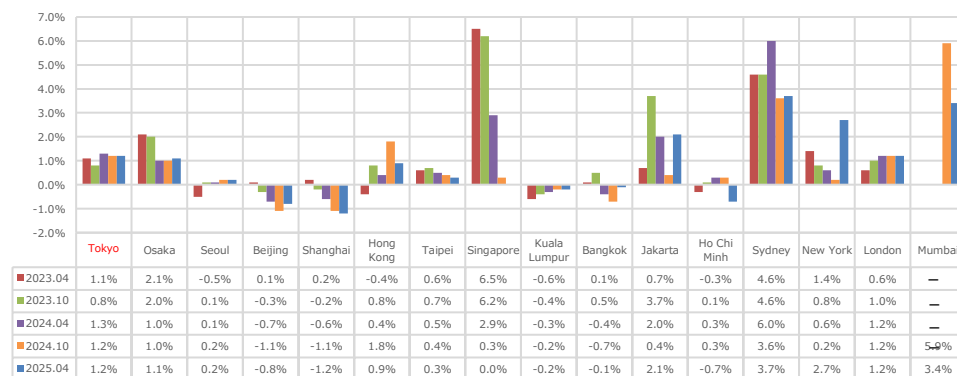
■ Volatilities of the office rent index compared to the previous results



■ Changes in the residential rent index



■ Volatilities of the residential rent index compared to the previous results



Source: Prepared by Nomura Real Estate Solutions based on “The Indices of International Real Estate Prices and Rents” by Japan Real Estate Institute