Flexible Office Market Survey 2025

The reality of flexible offices in major cities across Japan

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Xymax Real Estate Institute

Survey Overview

In recent years, companies have been rethinking their employees' work styles and workplaces due to work style reforms and the spread of teleworking as a result of the COVID-19 pandemic. These developments have focused attention on workplaces that can be used flexibly in terms of time and location as needed ("flexible offices"), leading to rapid growth in their market.

To quantify the flexible office market, every year since 2020, Xymax Real Estate Institute ("Xymax REI") has collected and analyzed quantitative data on flexible offices in the 23 wards of Tokyo (hereinafter, "Tokyo 23 Wards"), such as the number of offices and floor area. This report, which covers the 6th survey, presents the results of data collected up to December 2024.

<Related surveys>

・*Flexible Office Market Survey 2024*, released on March 12, 2024
https://www.xymax.co.jp/english/assets/pdf/news_research/20240312.pdf

・*Classification of Flexible Offices by Type*, released on May 2, 2023
https://www.xymax.co.jp/english/assets/pdf/news_research/20230502.pdf

Period	December 2024
Target	Workplace services provided by operators primarily to corporations and self-employed individuals under various forms of contract, including service contracts and fixed-term building leases, rather than a general office lease. * Excludes teleworking arrangements by karaoke stores, hotels, eating and drinking establishments, etc. * Rental meeting rooms have been added since this survey. * Includes one-person private booths. *Totals may not add up due to rounding. * The figures in this report are aggregates at the time of the survey. Data are added and updated on a daily basis.
Coverage	Tokyo 23 Wards and ordinance-designated cities with a population of more than 1 million (Yokohama, Osaka, Nagoya, Sapporo, Fukuoka, Kawasaki, Kobe, Kyoto, Saitama, Hiroshima, Sendai)
Method	Online survey, inquiries and interviews with service operators

Target Flexible Office Overview

Flexible offices encompass a diverse and segmented range of services and are referred to by a variety of names depending on the operator, such as rental offices, shared offices, serviced offices, satellite offices, and co-working offices. In this report, we use the term “flexible office,” which is the subject of the survey, as a generic term for workplaces provided by operators primarily to corporations and self-employed individuals under various forms of contract, including service contracts and fixed-term building leases, rather than a general office lease.

In this survey, we have also categorized flexible offices by office format into “multi-location,” which refers to a brand of flexible office that operates in multiple locations, and “single-location,” which refers to offices that operate independently, as shown in the following chart. “Multi-location” is further subdivided into the “normal office type,” “one-person private booth type,” and the “rental meeting room type (a survey target since this survey).”

Office format		Outline
Multi-location		・Mainly operated by large operators, such as real estate companies (developers and service providers), and railway companies. ・Offices are operated in multiple locations under the operator's brand. ・Facilities and services have been standardized for each brand. ・There is a large network of offices spanning central business districts and the suburbs (regional areas).
	Normal office type	These tend to be a wide variety of facilities, including private booths and coworking spaces, and are used for everyday tasks such as individual work and team meetings. Some are used as exclusive company offices, while others are used by workers based on their location and equipment needs.
	One-person private booth type	Workspace booths packaged with the necessary equipment for solo work or web conferencing. They are primarily installed in easily accessible locations, such as major train stations, large office buildings, and common areas of retail facilities, and are expected to be used as touch-down points for short-term personal work before or after traveling to a different place.
	Rental meeting room type	Services that provide meeting rooms that are available by the hour. These are relatively large spaces used primarily for one-time occasions such as training, seminars, and events. They tend to provide extensive equipment and support services necessary for meetings.
Single-location		・Mainly operated by small operators and individual building owners. ・Each office is operated independently.

Capturing the Market from the Number of Flexible Offices in Major Cities Across Japan

The number of flexible offices in Greater Tokyo is 2,137, about 6.0 times the number in the Kansai area (Figure 1).

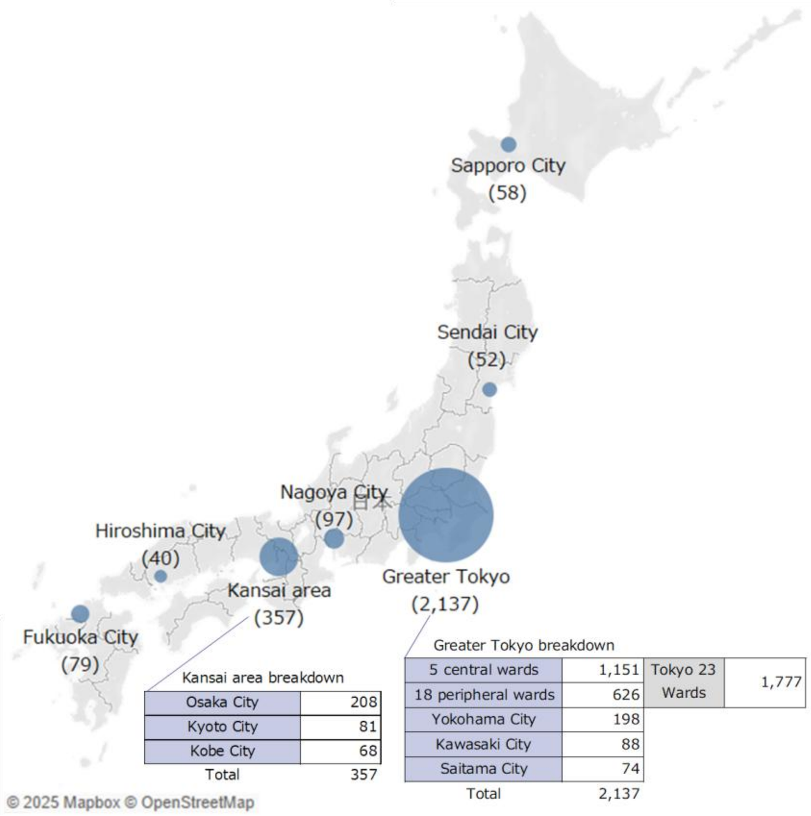
Within Greater Tokyo, the number of flexible offices in the Tokyo 23 Wards is 1,777, about 8.5 times the number in Osaka City. Of these, 1,151 are located in the 5 central wards, indicating that the main supply is in central Tokyo, where offices are concentrated.

Meanwhile, we have also identified more than several dozen flexible offices in each major city outside of Greater Tokyo, which shows the spread of flexible office supply across Japan.

The total floor area (including estimates) of flexible offices in the Tokyo 23 Wards (1,777 offices) is about 308,000 tsubo (1 tsubo = approx. 3.33 sqm), accounting for about 2.3% of the office stock (13.14 million tsubo).*1

*1 *Office Stock Pyramid 2025*, released on January 15, 2025

Figure 1: Number of Flexible Offices in Major Cities Across Japan



Kansai area breakdown

Osaka City	208
Kyoto City	81
Kobe City	68
Total	357

Greater Tokyo breakdown

5 central wards	1,151	Tokyo 23 Wards	1,777
18 peripheral wards	626		
Yokohama City	198		
Kawasaki City	88		
Saitama City	74		
Total	2,137		

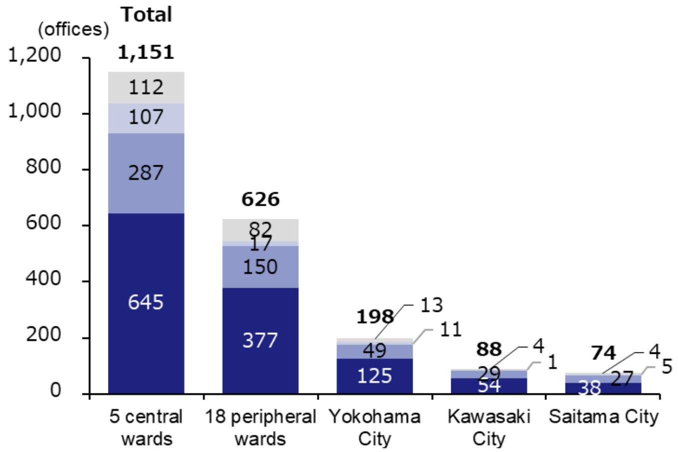
Flexible Offices by Office Format in Different Areas of Greater Tokyo

In Greater Tokyo, the proportion of “multi-location” is high in all areas, with the sum of the three types accounting for about 90% (Figure 2). In particular, the multi-location “normal office type” accounts for more than 50% of the total.

The 5 central wards have the highest percentage of the “rental meeting room type” (9.3%). We assume that convenience of location is valued for gatherings of large numbers of people, and that there is a high demand in the 5 central wards, where offices are concentrated, to supplement large spaces that cannot be provided within companies’ own offices.

In Kawasaki and Saitama, the proportion of the one-person private booth type is relatively higher.

Figure 2: Number of Flexible Offices – Greater Tokyo, By Office Format



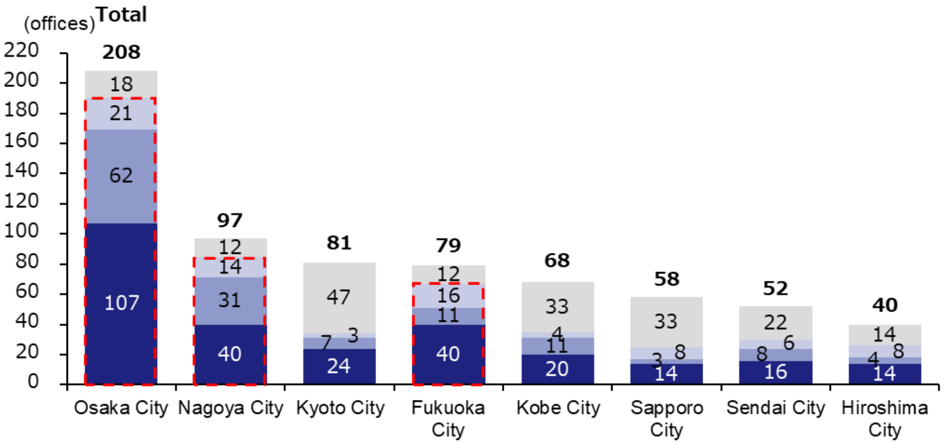
		5 central wards	18 peripheral wards	Yokohama City	Kawasaki City	Saitama City
Single-location		**9.7%**	**13.1%**	**6.6%**	**4.5%**	**5.4%**
Multi-location	Rental meeting room type	9.3%	2.7%	5.6%	1.1%	6.8%
	Booth type	24.9%	24.0%	24.7%	33.0%	36.5%
	Office type	56.0%	60.2%	63.1%	61.4%	51.4%
	(Total)	**90.3%**	**86.9%**	**93.4%**	**95.5%**	**94.6%**

Flexible Offices by Office Format in (Regional) Areas Outside Greater Tokyo

Among the eight cities outside of Greater Tokyo, the cities with a relatively large office market, namely Osaka, Nagoya, and Fukuoka, have a higher proportion of "multi-location" than other cities, a similar trend to Greater Tokyo shown in Figure 2 (Figure 3). On the other hand, the proportion of "single-location" is relatively high in other cities.

The proportion of the "rental meeting room type" tends to be higher outside Greater Tokyo than in Greater Tokyo (less than 10% in each city). A likely reason for this is that while the "normal office type" and the "one-person private booth type" are mainly provided in Greater Tokyo, where teleworking is more widespread, there is a certain level of demand for the "rental meeting room type" outside Greater Tokyo as a venue for large training sessions and events that require overnight stays.

Figure 3: Number of Flexible Offices – Outside Greater Tokyo, By Office Format



		Osaka City	Nagoya City	Kyoto City	Fukuoka City	Kobe City	Sapporo City	Sendai City	Hiroshima City
Single-location		**8.7%**	**12.4%**	**58.0%**	**15.2%**	**48.5%**	**56.9%**	**42.3%**	**35.0%**
Multi-location	Rental meeting room type	10.1%	14.4%	3.7%	20.3%	5.9%	13.8%	11.5%	20.0%
	Booth type	29.8%	32.0%	8.6%	13.9%	16.2%	5.2%	15.4%	10.0%
	Office type	51.4%	41.2%	29.6%	50.6%	29.4%	24.1%	30.8%	35.0%
	(Total)	**91.3%**	**87.6%**	**42.0%**	**84.8%**	**51.5%**	**43.1%**	**57.7%**	**65.0%**