

Supply of New Office Space 2024

TOKYO 23 WARDS, OSAKA CITY

January 17, 2024

Xymax Real Estate Institute

1. TOKYO 23 WARDS | Supply of New Office Space 2024

- Supply in 2024 is expected to be **118,000 tsubo**, **below the 10-year average of 170,000 tsubo**. 2025 is expected to see the largest supply in the next four years from 2024 to 2027.
- Supply between 2024 and 2027 is expected to average **131,000 tsubo** per year, **below the 10-year average of 170,000 tsubo**.
- **85%** of the supply between 2024 and 2027 is concentrated in the 5 central wards of Chiyoda, Chuo, Minato, Shinjuku, and Shibuya.
- Supply between 2024 and 2027 is expected to amount to **525,000 tsubo**, with the percentage of supply to the office stock at the end of 2023 (13.11 million tsubo) (new supply rate) expected to be approximately **4.0% (an average of 1.0% per year)**.

2. OSAKA CITY | Supply of New Office Space 2024

- Supply in 2024 is expected to be **99,000 tsubo**, the largest in the past ten years.
- Supply between 2024 and 2027 is expected to average **38,000 tsubo** per year, exceeding the **10-year average of 14,000 tsubo**.
- The annual average supply between 2024 and 2027 of **38,000 tsubo** is **29%** of that of Tokyo 23 Wards, which is 131,000 tsubo.
- Supply between 2024 and 2027 is expected to amount to **150,000 tsubo**, with the percentage of supply to the office stock at the end of 2023 (2.86 million tsubo) (new supply rate) expected to be approximately **5.2% (an average of 1.3% per year)**.

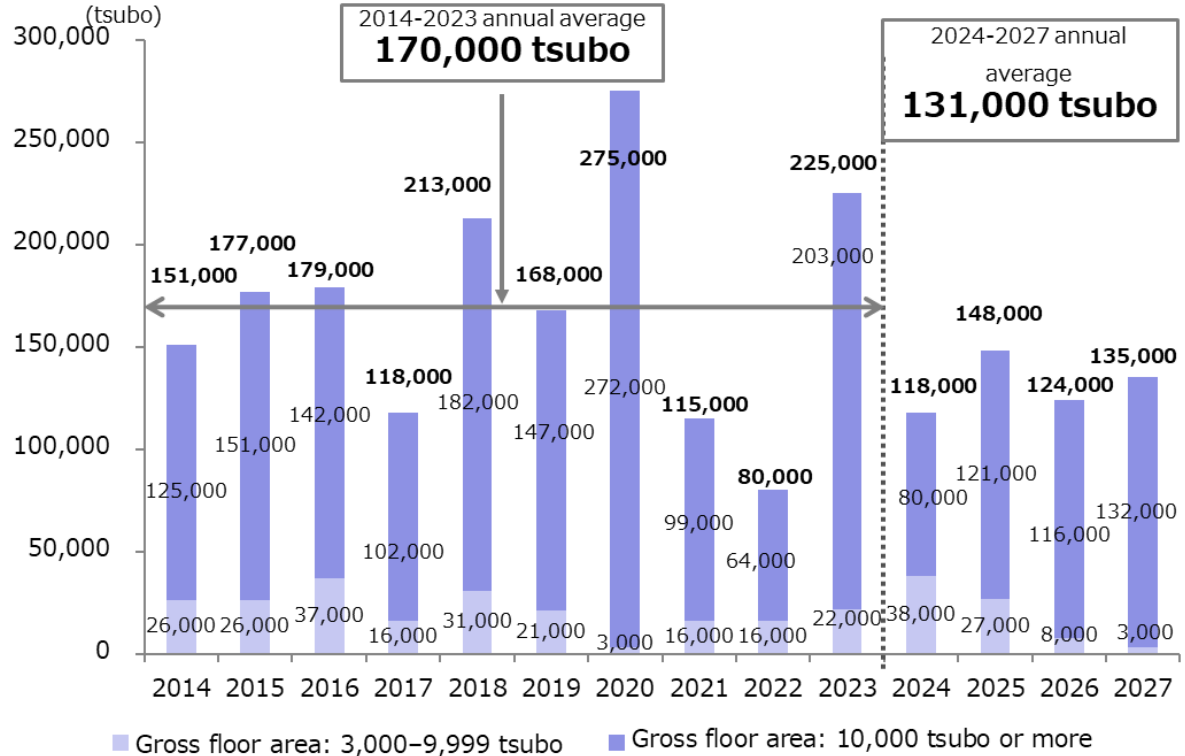
1. TOKYO 23 WARDS

Supply of New Office Space 2024

118,000 tsubo of new office space to be supplied in 2024

- New supply in 2024 is expected to be **118,000 tsubo**, below the 10-year average of 170,000 tsubo.
- Supply between 2024 and 2027 is expected to total **525,000 tsubo** and average **131,000 tsubo** per year, below the 10-year average (170,000 tsubo).
- The annual average supply of medium-sized buildings with a GFA between 3,000 and 10,000 tsubo is expected to be **19,000 tsubo** between 2024 and 2027, below the 10-year average (21,000 tsubo).
- The annual average supply of large buildings with a GFA of 10,000 tsubo or more is expected to be **112,000 tsubo** between 2024 and 2027, below the 10-year average (149,000 tsubo).
- The new supply rate, which is the percentage of new supply (between 2024 and 2027) to the office stock at the end of 2023 (13.11 million tsubo), is expected to be around **4.0% (an average of 1.0% per year)**.

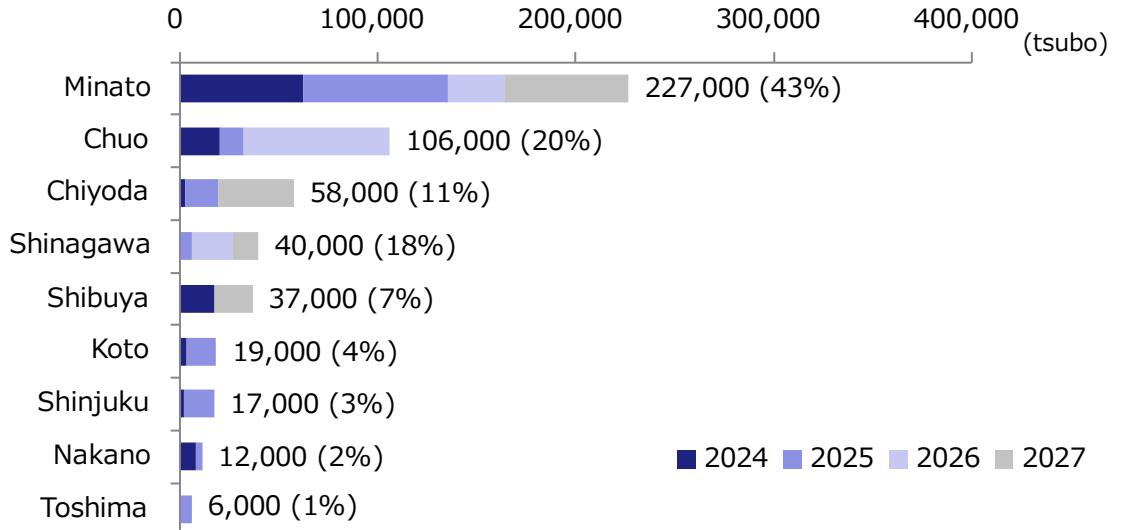
Figure 1: Supply in Tokyo 23 Wards (Net Rentable Area)



43% of 2024–2027 new supply to be in Minato Ward, 20% in Chuo Ward, 11% in Chiyoda Ward

- In terms of supply between 2024 and 2027 by ward, **74%** of the total is expected to be in the 3 central wards (Chiyoda, Chuo, Minato).
- When we expand the coverage to the 5 central wards (the 3 central wards plus Shinjuku and Shibuya), **85%** of the total supply is expected to be in these areas.

Figure 2: Supply by Ward (2024–2027)



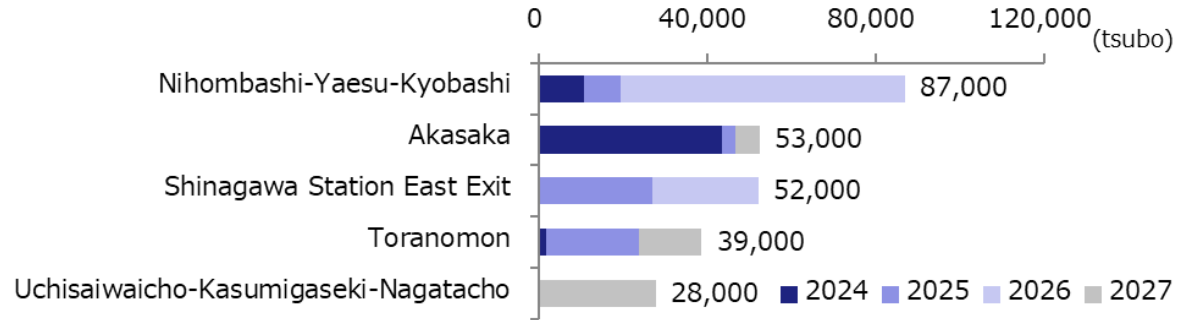
(Excerpt of main areas)

(Figures in brackets represent the percentage of supply in 2024–2027.)

Main areas of supply: Nihombashi-Yaesu-Kyobashi, Akasaka, Shinagawa Station East Exit, Toranomom, Uchisaiwaicho-Kasumigaseki-Nagatacho

- In Nihombashi-Yaesu-Kyobashi, a large supply is scheduled in 2026 from the Tokyo Ekimae Yaesu 1-chome B district and from the Nihombashi 1-chome Central District Urban Redevelopment Project district C.
- In Akasaka, a large supply is scheduled in 2024 from the Akasaka Trust Tower.
- At Shinagawa Station East Exit, a large supply is scheduled in 2025 and 2026 from TAKANAWA GATEWAY CITY Complex I and II.
- In Toranomom, a large supply is scheduled in 2025 from the T-2 Project business building.
- In Uchisaiwaicho-Kasumigaseki-Nagatacho, a large supply is scheduled in 2027 from TOKYO CROSS PARK.

Figure 3: Supply in Major Areas of Tokyo 23 Wards (2024–2027)



(Excerpt of main areas)

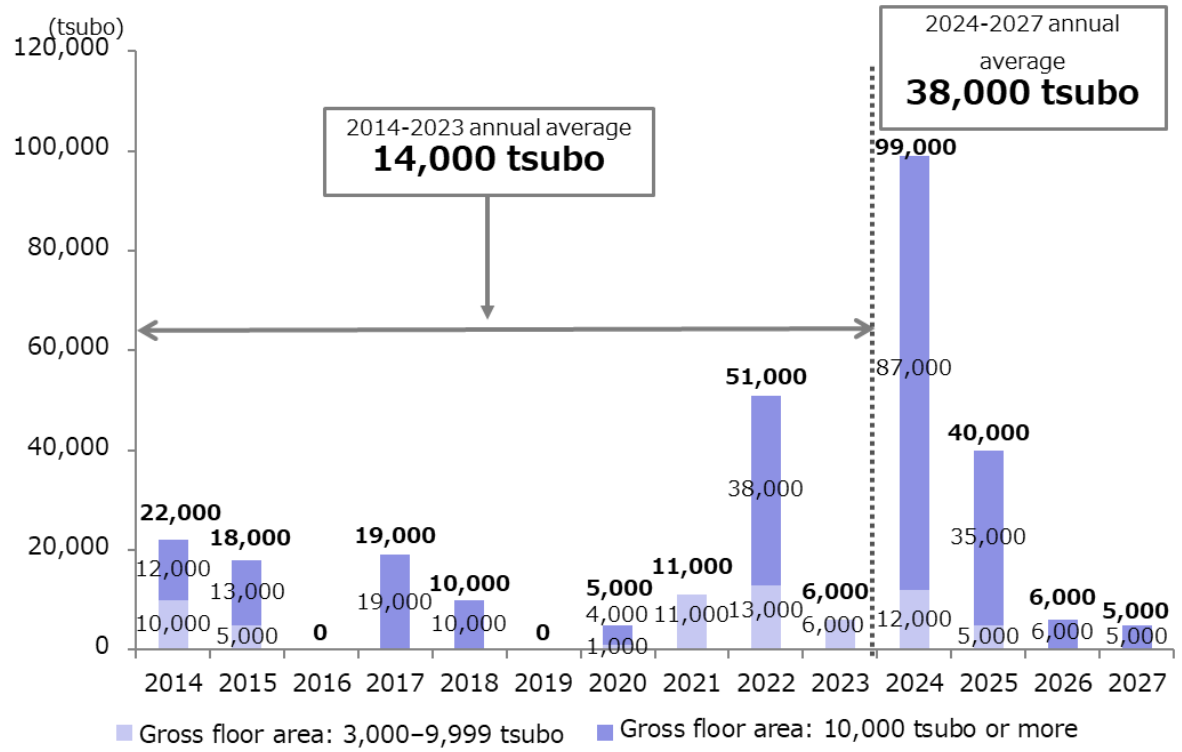
2. OSAKA CITY

Supply of New Office Space 2024

99,000 tsubo of new office space to be supplied in 2024

- New office space of **99,000 tsubo** will be supplied in 2024.
- Supply between 2024 and 2027 is expected to total **150,000 tsubo** and average **38,000 tsubo** per year, **significantly above the 10-year average (14,000 tsubo)**, accounting for **29%** of the annual average of 158,000 tsubo in the Tokyo 23 Wards between 2024 and 2027.
- The new supply rate, which is the percentage of new supply (between 2024 and 2027) to the office stock at the end of 2023 (2.86 million tsubo), is expected to be around **5.2% (an average of 1.3% per year)**, **higher than the new supply rate for the Tokyo 23 Wards.**

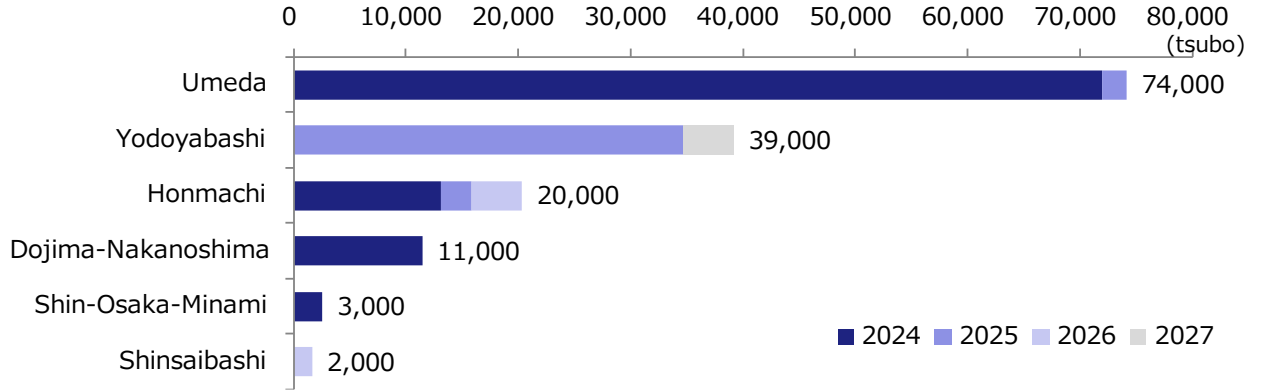
Figure 4: Supply in Osaka City (Net Rentable Area)



Main areas of supply: Umeda, Yodoyabashi, Honmachi

- In Umeda, a large supply is scheduled in 2024 from Grand Green Osaka Park Tower and JP Tower Osaka.
- In Yodoyabashi, a large supply is scheduled in 2025 from the Yodoyabashi Station West District Urban Redevelopment Project Type I.

Figure 5: Supply in Major Areas of Osaka (2024–2027)



(Excerpt of main areas)

Survey Overview

Survey period	December 2023
Coverage	23 wards of Tokyo, city of Osaka
Target properties	Properties with a gross floor area of 3,000 tsubo or more that are used mainly as office space (excludes owner-occupied buildings)
Target data	Net rentable area for offices (tsubo)
Survey method	Mostly based on publicly available information such as newspaper articles, with some field surveys and interviews with business operators
Remarks	<ul style="list-style-type: none"> ● This survey targets the areas of buildings to be newly supplied. Note that this is not a complete survey. ● Published rentable areas are used in the study, if available. If not, the study uses the area estimated by a statistical method from gross floor area. ● The amount of new supply in this survey is an estimate at the time of the survey. The figure of new supply fluctuates as information is added and updated on a daily basis. ● The sum figures may not match due to rounding.

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