

Japan - May 2020

Q  
**SPOTLIGHT**  
Savills Research

# Tokyo Periphery and Rail Transit



# Investment opportunities may emerge beyond central Tokyo

## Summary

- Land prices at many station-side areas on the Tokyo periphery have already surpassed 2008 levels and, in many cases, have seen stronger growth than key hubs in the central five wards.
- Population growth in Greater Tokyo has outperformed forecasts based on the 2015 census, with population estimates for most wards and cities already exceeding the levels forecasted for October 2020.
- Annual surveys of Greater Tokyo residents demonstrate a strong interest in peripheral railway hubs, with the Yokohama, Kichijoji, Ikebukuro, and Omiya station areas consistently ranking among the most desirable locations to live.
- Office and residential investment volumes in Greater Tokyo outside of the C5W amounted to JPY874 billion in 2019, growing 34% YoY, and stands even higher than that of the C5W in 2020.
- Preferences for locations to live and work are likely to change once the COVID-19 pandemic comes under control, as companies may look to open satellite offices in railway hubs outside of central Tokyo whilst residents may seek more spacious accommodations as more time is spent at home.
- A portion of land in Western Tokyo that was once designated exclusively for agricultural use may be opened up for non-agricultural development, potentially leading to a glut of land entering the market.

## THE WORLD'S MOST RELIABLE RAIL NETWORK

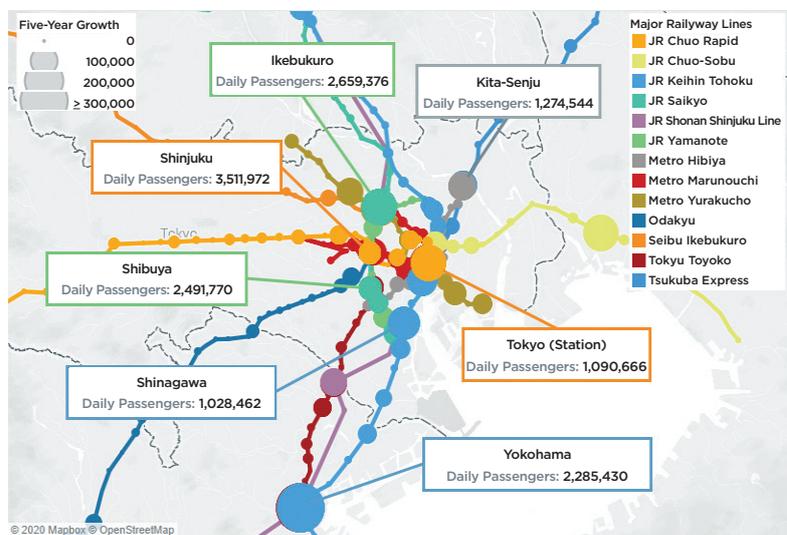
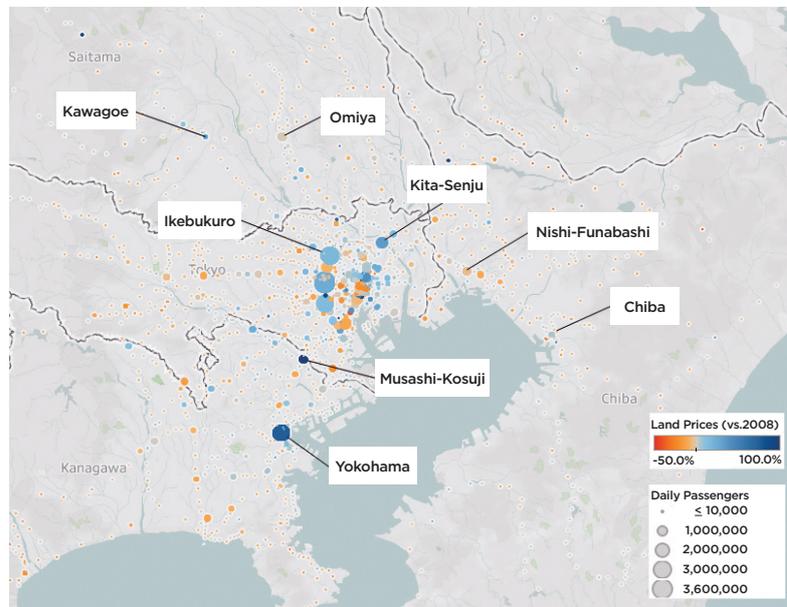
While real estate value is unsurprisingly concentrated in Tokyo's central business district, namely the central five wards of Chiyoda, Chuo, Minato, Shinjuku, and Shibuya, Greater Tokyo's comprehensive rail system grants great accessibility to outlying areas. The key advantage of Tokyo's rail network is its density and globally-renowned punctuality. Although delays certainly occur and carriages become overcrowded during rush hour, commuters can largely count on trains arriving on time and at a high frequency. Looking at

global comparisons, Tokyo is often ranked as having the most efficient and punctual railway system, especially considering its vast transport capacity.

These factors are a key driver of real estate value in Tokyo's periphery, making outlying areas appealing for residents, businesses, and investors alike. That being said, popularity and perceptions undoubtedly vary by area. Certain areas have stood out during the current cycle, in some cases posting stronger growth than the top areas in central Tokyo (Map 1).

The COVID-19 pandemic and resulting mitigation steps will undoubtedly curb

Map 1: Greater Tokyo Railway Lines And Daily Passengers Per Station



**Source** Ministry of Land, Infrastructure, Transport and Tourism (MLIT), Savills Research & Consultancy  
 Note: Lines represent segments connecting stations and are not fully representative of actual railway routes. The points listed above represent the average of land prices for properties of all use types in the vicinity of the respective stations, as designated by MLIT in the Chika Koji survey. The Chika Koji survey has added additional land reference points over time. Passenger data is not available for certain stations, though they have been included in the above map to maintain consistency.

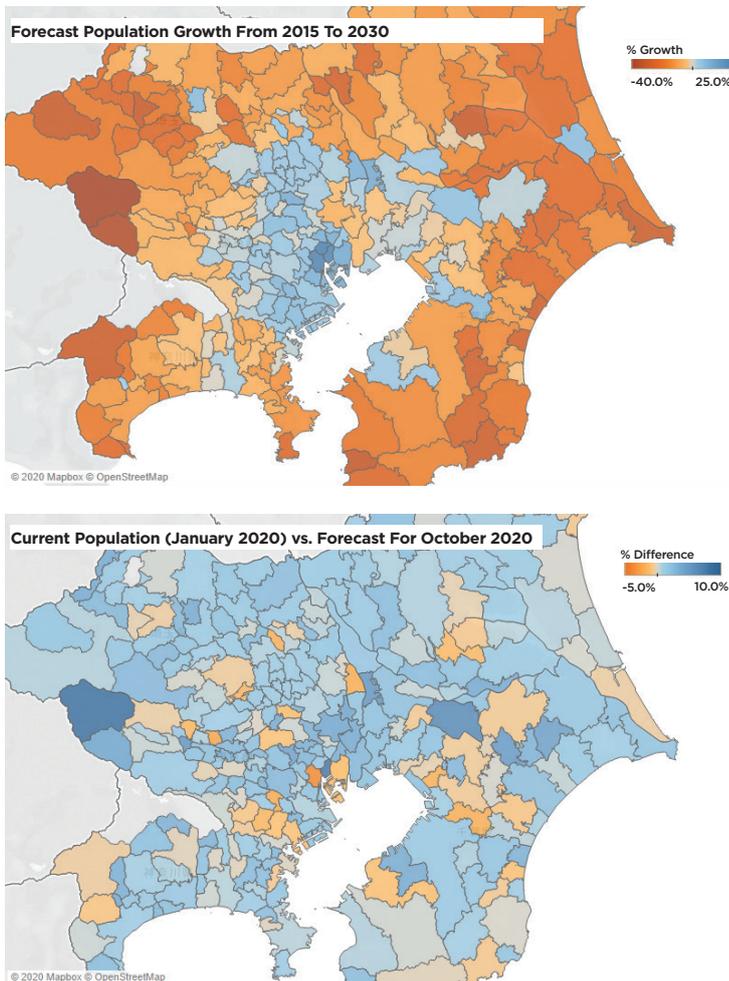
railway use in the short-term, however. At present, it is near impossible to predict how life and work will change post-pandemic, though some increase in the number of people working from home and dispersion of personnel should be expected. Perhaps more helpfully, flexible work schedules may make the rush hour train more bearable for commuters. Given these known unknowns, this report will focus more on the trends and shifts that have been seen during the latest upswing, whilst providing some speculation on how the dynamic could change after the pandemic comes under some degree of control.

**GREATER TOKYO DEMOGRAPHICS**

Demographic shifts are also favouring the region at large. Indeed, while Japan is forecasted to see its total population continue to decline over the coming decades, the prospects for Greater Tokyo are more encouraging, with the population of central Tokyo and Yokohama expected to grow to 2030 and beyond. In fact, forecasts produced based on the 2015 national census appear

**Even as COVID-19 has disrupted Japan’s bullish market, opportunities to purchase core-type assets in Tokyo’s CBD remain limited, as most owners choose to hold on to prime property. Given the capital region’s comprehensive railway infrastructure, investors may be able to look beyond central Tokyo for buying opportunities, potentially capitalising off of shifting demand trends – especially those that may emerge during/after the pandemic.**

**Map 2: Demographic Shifts By Municipality In Greater Tokyo**



**Source** National Institute of Population and Social Security Research, Prefectural Governments, Savills Research & Consultancy

to have underestimated actual population growth in the region, as most municipalities of Greater Tokyo have, as of January 2020, already exceeded the population levels forecasted for October of this year.

Counterintuitively, some central wards of Tokyo appear to have undershot estimates. For example, Minato Ward’s population has underperformed its 2020 forecast by 3.8%, while Chuo Ward has outperformed its forecast by 7.7%. Rising housing costs and new large-scale developments may be driving this shift. Although the Ginza area of Chuo Ward sees prices comparable to that of Minato, there has been ample supply of more affordable residential units on the artificial islands of the ward, namely Tsukishima, Kachidoki, and Harumi, over the past five years.

Further, the national government’s forecasts typically do not account for immigration. Shinjuku Ward and Toshima Ward appear to be outperforming for this reason, having drawn in a significant number of foreign residents over the past decade. Ordinances affecting housing supply also appear to have impacted initial estimates in Koto Ward, with restrictions on the development of family-type residences implemented in March 2018 likely weighing on migration to the ward, causing it to underperform previous forecasts.

**RESIDENTS LOOK OUTSIDE OF THE C5W, BUT NOT VERY FAR**

Annual surveys of residents in Greater Tokyo have consistently revealed a similar set of stations and train lines that rank as the most desirable areas to live. While many of the locations that top the list are centrally

Table 1: Most Desirable Train Lines To Live Near In The Kanto Region

SUUMO RANK	LINE	MAJOR STATIONS	RUSH HOUR CAPACITY (# OF TRAINS/HOUR X TRAIN CAPACITY)	PASSENGER TRAFFIC GROWTH (YOY)
1	JR Yamanote	Shibuya, Shinjuku, Ikebukuro, Ueno, Tokyo, Shinagawa	37,000	0.9%
2	Tokyu Toyoko	Shibuya, Nakameguro, Jiyugaoka, Musashi Kosugi, Kikuna, Yokohama	32,000	0.7%
3	JR Keihin Tohoku	Omiya, Urawa, Ueno, Tokyo, Shinagawa, Kawasaki, Yokohama	38,000	-
4	JR Chuo	Tokyo, Yotsuya, Shinjuku, Nakano, Kichijoji, Tachikawa, Hachioji	44,000	0.5%
5	Tokyu Denentoshi	Shibuya, Sangenjaya, Futako Tamagawa, Mizunokuchi, Choorinkan	40,000	0.4%
6	Tokyo Metro Marunouchi	Ogikubo, Shinjuku, Yotsuya, Ginza, Tokyo, Ikebukuro	23,000	1.9%
7	Tokyo Metro Ginza	Shibuya, Omotesando, Akasaka-mitsuke, Ginza, Ueno, Asakusa	18,000	0.9%
8	JR Jouban Line	Nippori, Minami-Senju, Kita-Senju, Matsudo, Kashiwa, Toride	39,000	-0.8%
9	Tokyo Metro Hibiya	Nakameguro, Ebisu, Roppongi, Ginza, Ueno, Kitasenju	27,000	2.4%
10	Odakyu	Shinjuku, Shimokitazawa, Seijogakuen-mae, Shin-Yurigaoka, Machida, Fujisawa	48,000	2.2%

Source Suumo, MLIT, Savills Research & Consultancy

located, some outlying areas consistently rank high. Yokohama Station, for example, has been voted as the top location for three consecutive years in an annual survey conducted by Suumo, whilst Omiya (Saitama) has steadily climbed in the rankings. Kichijoji, located along the Chuo Line in Musashino City also consistently ranks towards the top of the list.

#### JR Yamanote Line (Suumo Rank 1)

Major Stations:	Shibuya, Shinjuku, Ikebukuro, Ueno, Tokyo, Shinagawa
Average Daily Ridership:	4,099,000 (FY2015)

Founded in 1885 and originally connecting Shinagawa and Akabane, the Yamanote Line has come to serve as the anchor of Greater Tokyo's rail network. All major train and subway lines connect to a station along the Yamanote Line and the line itself passes through most of central Tokyo's major stations and business centres. Not surprisingly, the line has the highest average daily ridership in all of Japan, with around 4 million daily passengers.

In terms of price, stations on the northern side of the Yamanote Line, such as Ikebukuro, generally offer a discount over stations in the south such as Shibuya and Ebisu (Table 2). However, land price data reveals some shift in the balance of value along the line, with the western section of the line showing stronger growth since 2008. Average commercial land prices around Harajuku Station, for example, have increased by over 180% since January 2008, while those of Tamachi still remain 37% below previous peak levels. Other stations

on the northern side, such as Ikebukuro and Akihabara, have seen increases of around 26% and 48%, respectively.

#### Tokyu Toyoko Line (Suumo Rank 2)

Major Stations:	Shibuya, Nakameguro, Jiyugaoka, Musashi Kosugi, Kikuna, Yokohama
Average Daily Ridership:	1,166,000 (FY2015)

Connecting Shibuya to Yokohama Station, this line is an important spoke in Tokyo's railway network and is not surprisingly a desirable area to live among residents. Notable areas include Jiyugaoka (Table 2), a cosy neighbourhood that has been referred to as Tokyo's "Little Europe" and is known for its stylish boutiques and bakeries. Surveys indicate that the area is especially popular among women.

#### Keihin Tohoku Line (Suumo Rank 3)

Major Stations:	Omiya, Urawa, Ueno, Tokyo, Shinagawa, Kawasaki, Yokohama
Average Daily Ridership:	2,975,000 (FY2015)

The Keihin Tohoku Line is a major artery connecting Saitama, Tokyo, and Yokohama. The line runs parallel to the Yamanote Line in central Tokyo between Tabata and Shinagawa, and is therefore highly accessible for transfers. Some trains on the Keihin-Tohoku Line operate as rapid trains, which stop only at Ueno, Akihabara, Kanda and Tokyo between Tabata and Hamamatsucho.

#### JR Chuo (Main) Line (Suumo Rank 4)

Major Stations:	Tokyo, Yotsuya, Shinjuku, Nakano, Kichijoji, Mitaka, Tachikawa, Hachioji
Average Daily Ridership:	2,260,000 (FY2015)

Stations along the Chuo Line have long been popular as residential hubs, with easy access to central Tokyo. Indeed, it is a vitally important line that connects Shinjuku, as well as Tokyo Station, to Western Tokyo Prefecture (Tama Region). The line was founded in 1889, though became more prominent after large migrations to Western Tokyo after 1923. During the post-war period, further developments proceeded in areas such as Mitaka City. Nearby Kichijoji in Musashino City became a popular centre of subculture, gaining renown for its jazz cafes and live music houses. While retaining this vintage character, the area has become a lively commercial and entertainment centre, and also offers a large green space through Inokashira Park.

#### STATION SPOTLIGHT

##### Yokohama - Suumo Ranking 1 (1)<sup>1</sup>

Yokohama City has been popular not only as the commercial centre of Kanagawa Prefecture, but also as a residential hub for Tokyo commuters since the post-war economic boom. The city has recently been undergoing a transformation into a business hub, propelled by the massive Minato Mirai 21 Development Project. Yokohama Station itself is a major transit hub and offers convenient access to central Tokyo and has plenty of local amenities, all while offering a substantial discount over most of the Tokyo 23W.

<sup>1</sup> Indicates Suumo's 2020 and 2019 rankings, respectively.

Table 2: Most Desirable Train Lines To Live Near In The Kanto Region

SUUMO RANK	STATION (LINE)	AVERAGE DAILY PASSENGERS	AREA TYPE	CITY, PREFECTURE	AVG. INCOME (CITY) JPY THOUSAND	AVG. RENT FOR ONE BEDROOM APARTMENT	AVERAGE LAND PRICES (ALL PROPERTY TYPES)		
							CURRENT (JPY/TSUBO)	VS. 2013	VS. 2008
1	Yokohama (Tokaido Main)	2,250,318	Commercial / Business Centre	Yokohama, Kanagawa	4,036	97,200	2,132,000	42.0%	76.1%
2	Ebisu (JR Yamanote)	395,490	Residential / Entertainment	Shibuya, Tokyo	8,011	226,500	2,384,714	38.3%	2.0%
3	Kichijoji (JR Chuo)	428,072	Residential / Entertainment	Musashino, Tokyo	5,246	100,000	1,299,563	24.2%	-0.1%
4	Shinagawa (JR Yamanote)	1,002,150	Commercial / Business Centre	Minato, Tokyo	11,151	211,500	4,494,000	54.6%	-11.2%
5	Meguro (JR Yamanote)	475,708	Residential	Meguro, Tokyo	6,020	196,500	1,556,600	46.1%	9.6%
6	Shinjuku (JR Yamanote)	3,453,212	Commercial / Business Centre / Entertainment	Shinjuku, Tokyo	5,186	166,100	11,006,364	64.8%	25.0%
7	Musashi Kosugi (Tokyu Toyoko)	465,749	Residential	Kawasaki, Kanagawa	3,958	104,800	992,333	24.4%	139.7%
8	Omiya (JR Keihin Tohoku)	682,594	Commercial / Business Centre	Saitama, Saitama	3,879	72,300	563,035	26.3%	-0.6%
9	Ikebukuro (JR Yamanote)	2,635,423	Commercial / Business Centre / Entertainment	Toshima, Tokyo	4,290	130,900	3,055,824	50.2%	16.6%
10	Nakameguro (Tokyu Toyoko)	191,065	Residential	Meguro, Tokyo	6,020	177,200	1,544,833	37.7%	-9.8%
11	Urawa (JR Keihin Tohoku)	175,300	Residential / Government Centre	Saitama, Saitama	3,879	73,800	452,619	29.8%	19.6%
12	Shibuya (JR Yamanote)	2,456,342	Commercial / Business Centre / Entertainment	Shibuya, Tokyo	8,011	213,100	7,427,059	67.3%	14.0%
13	Kamakura (Enoshima Dentetsu)	113,364	Residential	Kamakura, Kanagawa	4,567	94,200	263,882	2.6%	-9.1%
14	Tokyo (JR Yamanote)	1,073,553	Commercial / Business Centre	Chiyoda, Tokyo	9,445	179,800	26,380,000	35.8%	-3.6%
15	Jiyugaoka (Tokyu Toyoko)	152,396	Residential	Meguro, Tokyo	6,020	130,000	2,252,000	41.7%	10.6%
16	Nakano (JR Chuo Line)	289,832	Commercial / Residential	Nakano, Tokyo	4,130	116,900	1,158,333	49.2%	16.3%
17	Futako Tamagawa (Tokyu Den-en-toshi)	152,565	Commercial / Residential	Setagaya, Tokyo	5,450	112,400	636,250	27.9%	-7.4%
18	Kitasenju (Tokyo Metro Hibiya)	1,254,598	Residential / Entertainment	Adachi, Tokyo	3,390	90,000	823,455	32.8%	33.5%
19	Tachikawa (JR Chuo)	327,806	Commercial / Residential	Tachikawa, Tokyo	3,672	75,800	711,632	16.5%	-5.2%
20	Omotesando (Tokyo Metro Ginza)	177,078	Commercial / Residential	Minato, Tokyo	11,151	257,400	2,081,667	35.0%	-10.0%

**Source** Suumo, At Home, MLIT, Ministry of Internal Affairs, Savills Research & Consultancy  
 Note: Ranking based on total votes cast in Suumo's 2017, 2018, and 2019 surveys. Train lines are presented for each station as listed by Suumo, though other train lines connect to the above stations in most instances. Average daily passengers based on statistics published by MLIT for 2017.

### Ikebukuro (Toshima) - Suumo Ranking 8 (11)

Along with Shinjuku and Shibuya, Toshima is known as one of the "Fukutoshin" (subcentres) of the Tokyo 23W. The ward is home to Ikebukuro Station, which hosts eight train lines and on average sees roughly 2.6 – 2.7 million passengers pass through every day, making it the second busiest station in the world, with passenger traffic being surpassed only by Shinjuku. The area serves as a hub for those coming to central Tokyo from Western Tokyo and Saitama, and provides convenient access, to Shinjuku, Shibuya, and Yokohama via the Fukutoshin Line and Shonan Shinjuku Line. While Toshima may not be as prominent as its Fukutoshin compatriots, Ikebukuro is undergoing large development that is changing the area's character (Map 3).

### Musashi-Kosugi (Kawasaki) - Suumo Ranking 20 (9)

The area around Musashi-Kosugi Station, located in Kawasaki City just across the river from the Ota Ward, is arguably the most prominent gem to emerge along the Tokyu Toyoko Line in the current cycle. Once a prominent industrial district, the area re-emerged after facility closures and relocations in the early 2000s, with factories being replaced by a spate of tower condominiums. As a result, average land prices around Musashi-Kosugi Station have increased 158% since January 2008. This growth has been fuelled by a rush of tower apartment completions and shopping centres, including Mitsui Fudosan's LaLa Terrace, Tokyu Square, and Grand Tree Musashi Kosugi, a large-scale retail facility owned by Ito Yokado.

The station allows for access to both Tokyo

and Yokohama stations in under 20 minutes via the JR Lines, and Shibuya Station in 15 minutes via the Tokyu Toyoko Line. According to Toyo Keizai Inc. and used-condominium marketplace Kawlu, the average sales price for 70 sq m second-hand condominiums in the Musashi-Kosugi Station area as of late 2018 was around JPY60 – 70 million, while the average sale price of such condominiums was JPY51.5 million upon completion in 2008. Despite these recent successes, the area's reputation took a hit in October 2019, as Typhoon Hagibis led to extensive flooding around JR Musashi-Kosugi Station, damaging residential properties including two condominium towers.

### Kita-Senju (Adachi) - Suumo Ranking 22 (20)

An area that perhaps offers some more value compared to its C5W peers is Kitasenju, in

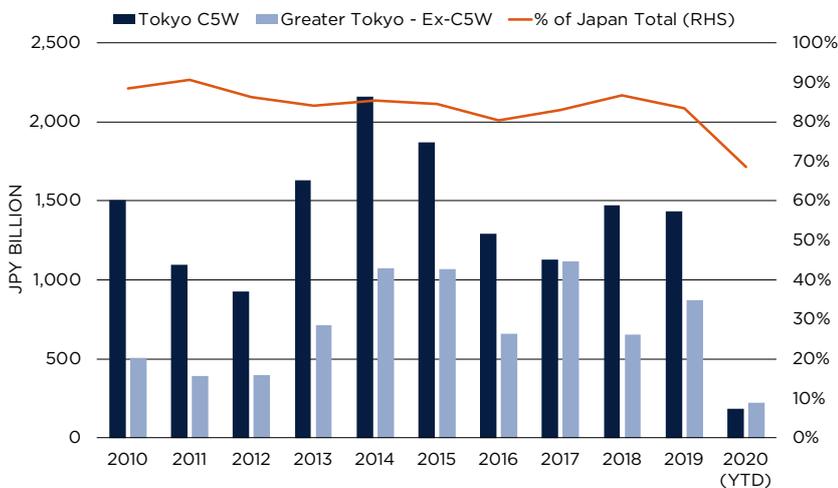
MAP 3: Ikebukuro Station Area Overview



LANDMARKS		EST.	DEVELOPMENTS		COMP.	RETAIL HOTSPOTS	
A	Rikkyo University	1874	1	Q Plaza	2019	i	Animate
B	Sunshine City	1978	2	Hareza Project	2020	ii	Marui
C	Metropolitan Plaza Building	1994	3	East-West Deck	TBD	iii	Otome Road
D	Minami Ikebukuro Park	2016	4	Ikebukuro West Gate Project	Ongoing	iv	Sunshine 60 Street
E	Daiya Gate Ikebukuro	2019	5	Ikebukuro International Campus	2023	v	Yamada Denki

Source Public disclosures, Savills Research & Consultancy

Graph 1: Greater Tokyo Office And Residential Investment Volumes, 2010 to 2020\*



Source Real Capital Analytics, Savills Research & Consultancy  
\*As of 14 April 2020

Adachi Ward. Not only is it home to one of the busiest train stations in Tokyo, it also scores fairly high in Suumo’s “Most desirable places to live in Kanto” survey. Despite this, rents are 35% cheaper compared to Ebisu, which came second in the survey. With a 25 minute commute to central Tokyo, it represents a well-located area for those seeking value.

**GREATER TOKYO INVESTMENT**

According to transaction data from Real Capital Analytics, office and residential investment volumes in Greater Tokyo outside of the C5W amounted to JPY874 billion in 2019, growing 34% YoY. Investment volumes in the periphery have been consistently high, with the ratio of periphery investment vs. central Tokyo investment pushing higher in 2019. This is unsurprising considering that cap rates have become tight in the C5W, leading investors to look outside of Japan’s top CBD in order to meet yield targets. Early 2020 also saw a major ex-C5W transaction, with Goldman Sachs acquiring the Minato Mirai Centre Building in Yokohama from Gaw Capital Partners in January 2020 for JPY98 billion.

With the onset of COVID-19, however, property investment has largely ground to a halt across the board. Even so, there remains

significant dry powder allocated to Asia-Pacific real estate, and Japan should remain a key component of regional strategies. Moving forward, investors will need to carefully deploy capital on a case-by-case basis, seeking out attractive deals.

**POTENTIAL SHIFTS IN SUPPLY AND DEMAND**

**Demand shifts resulting from COVID-19**

Looking ahead, investors may want to pursue assets in areas that could see new drivers of demand going forward. For example, satellite

offices closer to residential areas, such as Omiya, could become attractive. In fact, the area has already seen some degree of office investment from J-REITs (Map 4). Work and lifestyle changes resulting from COVID-19 will likely facilitate this transition. (Please refer to our Spotlight Report “COVID-19 and Japan Property” for further analysis on this subject)

Japanese firms have been relatively slow to implement teleworking initiatives and, even among those that have implemented such measures, employees have rarely

taken advantage of the option to do so. A survey of workers conducted by the Tokyo Metropolitan Government in July 2019 (Graph 2) shows that only 12.1% of respondents had any experience working from home over a one-year period, while only 3.4% had experience working from a satellite office. That said, utilisation has been higher amongst larger companies: 30.9% and 10.7% of respondents at firms with 300 or more employees reported having had experience teleworking from home and from a satellite office, respectively.

This is set to change drastically in the short-term. According to Google’s mobility report as of 17 April, visits and length of stay at workplaces are down 23% in Tokyo versus the baseline period in January. The same data shows a 14% uptick in time spent at residences – even more striking when considering that the baseline period was the middle of winter.

Residential unit preferences may change if a meaningful number of companies continue some form of remote work and/or flexible working hours after the pandemic subsides. Having impetus to spend more time at home may prompt residents to prioritise larger spaces with better amenities as opposed to proximity to train stations, which has recently been a key selling point for properties outside of the central five wards.

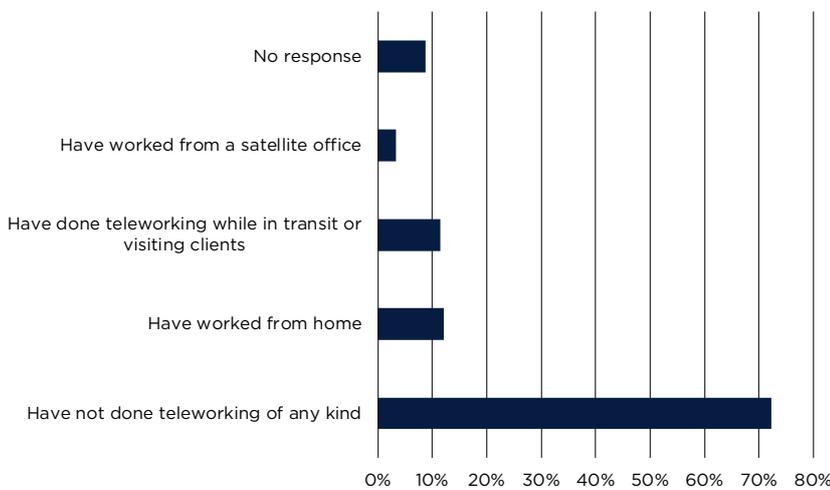
**Potential development of agricultural land “Seisan Ryokuchi”**

In a bid to protect the environment and preserve green land in areas surrounding large cities, the government granted very generous tax breaks to owners of specially-designated agricultural land in the nineties if they commit to long-term agricultural use. Known as “seisan ryokuchi”, these tracts of land, designated exclusively for agriculture, were strictly regulated and, as a result, private property development has been disincentivised.

To be entitled to these generous benefits, among other requirements, it was necessary for the plot of land to exceed 500 sq m as well as 30 year commitment for agricultural use. Once all requirements were satisfied, the landowner was granted the benefits for a 30-year period (in most cases to 2022), after which they would have to decide whether or not to retain the land’s special status. If retaining the seisan ryokuchi status, the owner would then be entitled to the benefits on a 10-year rolling basis, as long as the initial requirements were still satisfied. Otherwise, these tax benefits would be lost – though the land could then be disposed of or used for non-agricultural developments.

In Tokyo, these pieces of protected land are mainly located in the Western wards of the 23W and the Tama Region (Map 5). It is worth noting, however, that within these areas, properties located near stations have largely been developed already and are in

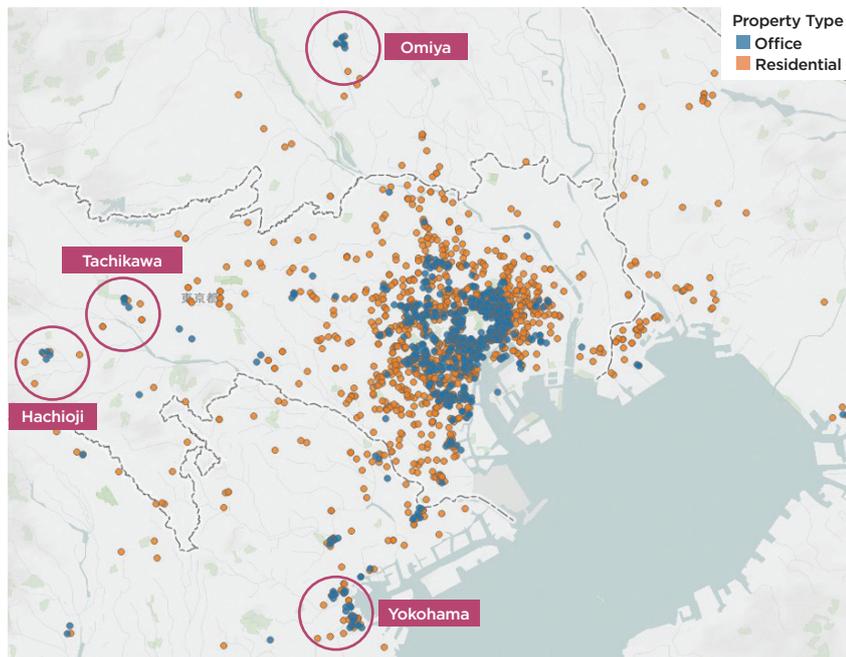
**Graph 2: Teleworking Experience Over the Past One-Year (As of July 2019)**



Source Tokyo Metropolitan Government, Savills Research & Consultancy

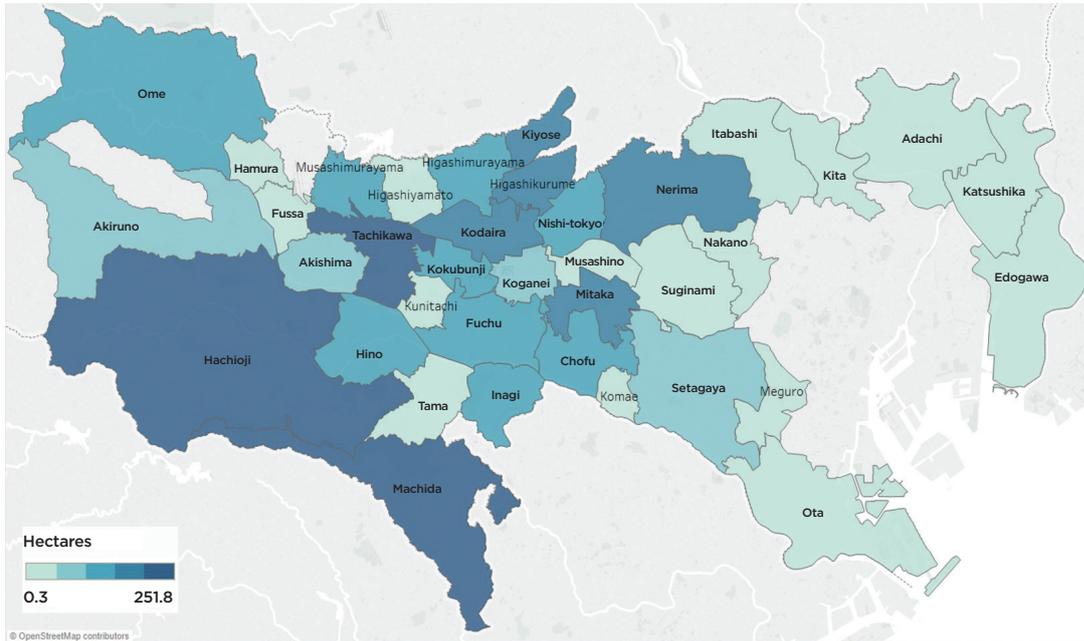
Note: Survey conducted by the Tokyo Metropolitan Government by randomly selecting 10,000 firms in Tokyo Prefecture with at least 30 full-time employees, and randomly selecting two employees from each firm (20,000 total). Of these, 3,798 people submitted responses.

**Map 4: J-REIT Acquisitions In Greater Tokyo Since January 2008**



Source REITDB, Savills Research & Consultancy

Map 5: Seisan Ryokuchi by City And Ward In Tokyo Prefecture



Source MLIT, Savills Research & Consultancy

high demand. Therefore, favourable locations are relatively insulated from the potential glut of emerging land, highlighting the need for prospective investors to be selective.

**OUTLOOK**

As redevelopment proceeds across Tokyo, areas of preference for living and working will undoubtedly shift; the COVID-19 pandemic may very well accelerate or reverse some of these trends. Central Tokyo will continue to host the top business hubs and should thus remain attractive for residents and businesses who can afford higher premiums. However, some degree of dispersion beyond the Tokyo C5W is likely.

In the short-term, given the economic slowdown resulting from the pandemic,

cheaper locations on the periphery – which would ideally still have strong access to central Tokyo – should look more attractive to both residents and businesses who are facing a financial squeeze. In the medium-to-long term, the further implementation of flexible work styles including teleworking and revised business continuity planning among corporates may accelerate a dispersion of life and work outside of central Tokyo. This new workstyle will prompt Japan Inc. to further digitise and thereby increase productivity, possibly leading to more significant wage increases, which have thus far been lacklustre.

Residents spending more time at home may want more spacious accommodations – a luxury all but a few can afford in the central wards. More flexible work arrangements

may allow more people to avoid overcrowded rush-hour trains, arguably the greatest pain point for those commuting from the periphery. Businesses may find it necessary to disperse office locations somewhat to avoid the now apparent risks of overcrowding in the CBD. Such dispersion is likely to occur along key railway hubs and new peripheral sub-centres may emerge as a result.

Looking further ahead, despite the demographic outlook appearing somewhat more positive than initially forecasted, a number of municipalities in Greater Tokyo will see populations decline over the coming decade. Station-front areas should, however, continue to see migration and new hubs will likely crop up outside of central Tokyo as development proceeds throughout the region.



For more information about this report, please contact us

**Savills Japan**

**Christian Mancini**  
CEO, Asia Pacific  
(Ex. Greater China)  
+81 3 6777 5150  
cmancini@savills.co.jp

**Savills Research**

**Tetsuya Kaneko**  
Director, Head of Research  
& Consultancy, Japan  
+81 3 6777 5192  
tkaneko@savills.co.jp

**Matthew D’Elia**  
Manager, Research &  
Consultancy, Japan  
+81 3 6777 5179  
mdelia@savills.co.jp

**Simon Smith**  
Senior Director  
Asia Pacific  
+852 2842 4573  
ssmith@savills.com.hk