

# Record net absorption in Greater Tokyo's Ken-o-do area and in Greater Osaka

▼ **-0.5pp** Q-o-Q  
Greater Tokyo  
LMT\* Vacancy Rate in Q3

▼ **-0.6pp** Q-o-Q  
Greater Osaka  
LMT\* Vacancy Rate in Q3

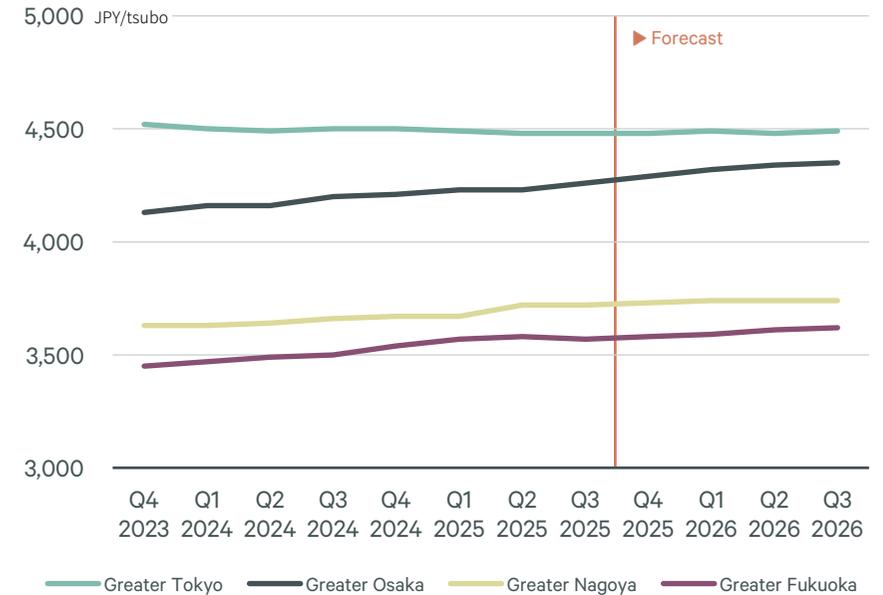
▲ **+0.7pp** Q-o-Q  
Greater Nagoya  
LMT\* Vacancy Rate in Q3

▲ **+5.3pp** Q-o-Q  
Greater Fukuoka  
LMT\* Vacancy Rate in Q3

\* Large Multi-Tenant logistics facilities

- The vacancy rate for large multi-tenant (LMT) logistics facilities in **Greater Tokyo** in Q3 fell by 0.5 pp. q-o-q to 10.4%. Two of the three new properties completed during the quarter commenced operations at high occupancy rates, with strong demand from the consumer goods sector. Effective rents remained unchanged q-o-q at JPY 4,480, although they rose in the Tokyo Bay, Gaikando, and Ken-o-do areas, where vacancy rates dropped.
- The LMT vacancy rate in **Greater Osaka** stood at 5.0% in Q3, a drop of 0.6 pp. from the previous quarter. New supply topped 100,000 tsubo for the third straight quarter, reaching 113,000 tsubo across four new properties. Net absorption for the quarter reached a record high of 122,000 tsubo. In addition to expansions and the opening of new logistics bases, relocation to superior locations and consolidations were also observed. Effective rents rose by 0.7% q-o-q to JPY 4,260. Rents rose in the central area, where two new properties came on stream at high occupancy rates.
- The LMT vacancy rate in **Greater Nagoya** rose by 0.7 pp. q-o-q to reach 16.6%. With no new supply during the quarter, some vacancies were filled in recently completed properties, but several existing properties in suburban areas saw new vacancies emerge. Effective rents remained unchanged from the previous quarter at JPY 3,720.
- The LMT vacancy rate in **Greater Fukuoka** surged by 5.3 pp. q-o-q to reach 8.3%. New supply for the quarter consisted of three properties in Ogori City in Fukuoka Prefecture, both of which entered the market with significant vacancies. Effective rents fell by 0.3% q-o-q to JPY 3,570.

Figure 1: Effective rent index (4 Major Metropolitan Areas)



Source: CBRE, Q3 2025

## Greater Tokyo

### Record net absorption in the Ken-o-do area ensures the Greater Tokyo vacancy rate falls slightly

The Q3 vacancy rate for large multi-tenant (LMT) logistics facilities in Greater Tokyo fell by 0.5 pp. q-o-q to 10.4%. The quarter saw new supply of 118,000 tsubo across three properties, which came on stream at an average occupancy rate of just under 50%. While some new vacancies emerged in existing properties, other major vacancies were absorbed, pushing net absorption for the quarter to 145,000 tsubo, well above the quarterly average over the past five years of 126,000. Handlers of consumer goods such as foodstuffs and apparel signed major leases. While future supply is set to increase in the Gaikando area, it should decrease in the Ken-o-do area, leading to a projected moderate decline in the overall vacancy rate moving forward.

Effective rents remained unchanged q-o-q at JPY 4,480, although they rose in the Tokyo Bay, Gaikando, and Ken-o-do areas, where vacancy rates dropped.

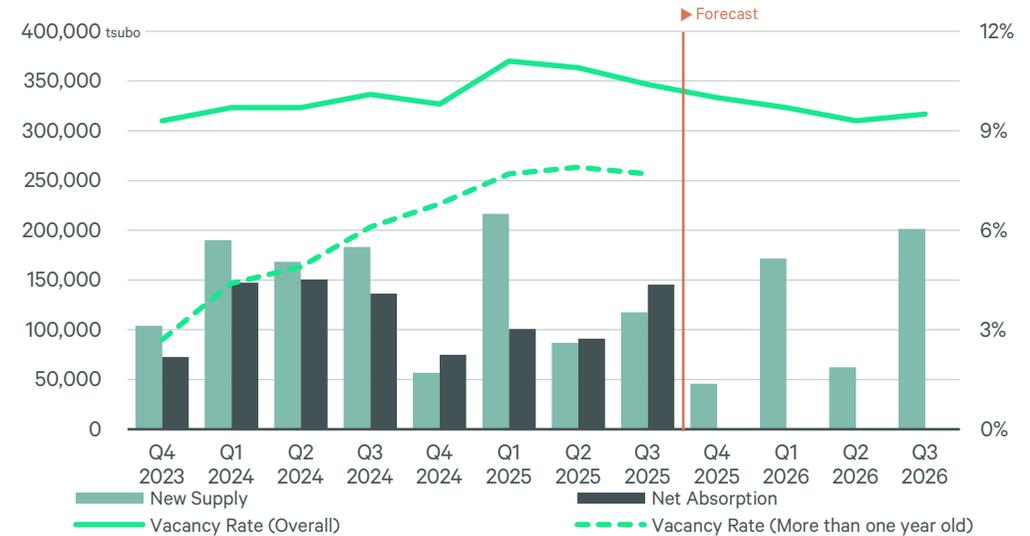
The **Tokyo Bay area** vacancy rate fell for a fourth consecutive quarter, by 0.8 pp. q-o-q to 5.0%. This quarter saw tenants confirmed for small units in existing properties. Effective rents rose by 0.3% q-o-q to JPY 7,690.

The vacancy rate in the **Gaikando area** fell by 1.2 pp. from the previous quarter to 4.9%. The one new property completed this quarter, in Misato City, Saitama Prefecture, entered the market at a high occupancy rate, while vacancies were also absorbed in existing properties. In addition to the new property in Q3, there are a number of other ramp-type warehouses due to be completed in the area by the end of next year. As completion approaches, each of these properties is attracting concrete interest from potential tenants, particularly logistics firms. Effective rents rose by 0.4% q-o-q to JPY 5,340.

The vacancy rate in the **Route 16 area** remained unchanged at 9.3%. The one new property in Chiba Prefecture commenced operations with significant vacancy. In Kanagawa Prefecture, while vacancies were filled with several contracts signed in recently completed properties, new vacancies also emerged in several existing properties. As a result, net absorption for the quarter only totaled 23,000 tsubo, well below the quarterly average over the last five years of 70,000. Effective rents remained unchanged q-o-q at JPY 4,550. Rents were steady in Kanagawa and Saitama, but did tick upward in Chiba, where vacancies are scarce and properties with rampways saw their rents rise.

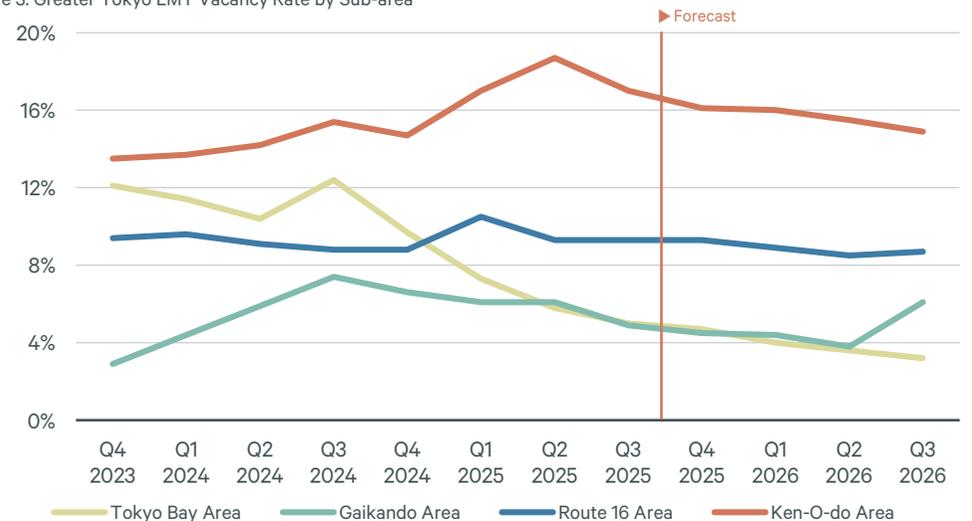
The vacancy rate in the **Ken-o-do area** slid by 1.7 pp. q-o-q to 17.0%. The one new completion in Chiba Prefecture opened with high occupancy, while apparel companies and other tenants also filled vacancies in a broad swath of Saitama, Ibaraki, and Chiba Prefectures. Net absorption for the quarter reached 94,000 tsubo, beating the all-time quarterly high mark of 88,000 tsubo recorded in Q4 2018. Effective rents rose by 0.3% q-o-q to JPY 3,480, with signs that rents in Ibaraki Prefecture may have bottomed out.

Figure 2: Greater Tokyo LMT Supply/Demand Balance



\* The Q2 2025 vacancy rate (more than one year old) for Greater Tokyo has been revised from 8.0% to 7.9%.  
Source: CBRE, Q3 2025

Figure 3: Greater Tokyo LMT Vacancy Rate by Sub-area



\* The Q4 2024 vacancy rate for the Ken-O-do area has been revised from 14.8% to 14.7%.  
Source: CBRE, Q3 2025

## Greater Osaka

### Net absorption sets new quarterly record of 122,000 tsubo

The LMT vacancy rate in Greater Osaka stood at 5.0% in Q3, a drop of 0.6 pp. from the previous quarter. New supply topped 100,000 tsubo for the third straight quarter. Supply for Q3 consisted of 113,000 tsubo across four new properties, which achieved a total occupancy rate of over 80%. There was significant diversity of tenants and freight type, from foodstuffs and daily necessities, to apparel and e-commerce, underscoring the robust demand. Vacancies were also absorbed in several existing properties, driving net absorption for the quarter to a record high of 122,000 tsubo. In addition to expansions and the opening of new logistics bases, relocation to superior locations and consolidations were also observed. Pre-leasing activity is healthy for facilities due for completion in Q4 2025 and the first half of 2026, with very few likely to generate vacancies in existing properties. As new supply over the next year is slated to decline to an average of around 54,000 tsubo per quarter, the vacancy rate is projected to fall below 4%.

Effective rents rose by 0.7% q-o-q to JPY 4,260. The two new properties completed in the central area along the Meishin Expressway came on stream at high occupancy rates, further reducing options for tenants and pushing up rent levels. Rents also increased in suburban areas for facilities featuring rampways in districts where vacancies are scarce.

## Greater Nagoya

### Leasing progress varies by location

The LMT vacancy rate in Greater Nagoya rose by 0.7 pp. q-o-q to reach 16.6%. With no new supply during the quarter, some vacancies were filled in newly completed properties, but several existing properties in suburban areas saw new vacancies emerge. Tenant activity has been particularly sluggish in the waterfront areas of Aichi and Mie Prefectures, meaning that vacancies are likely to take considerably more time to fill. At the same time, however, pre-leasing is proceeding smoothly for all three of the properties slated for completion in Q4 in the cities of Nagoya and Obu. Location, in other words, appears to be the major determinant of tenant interest.

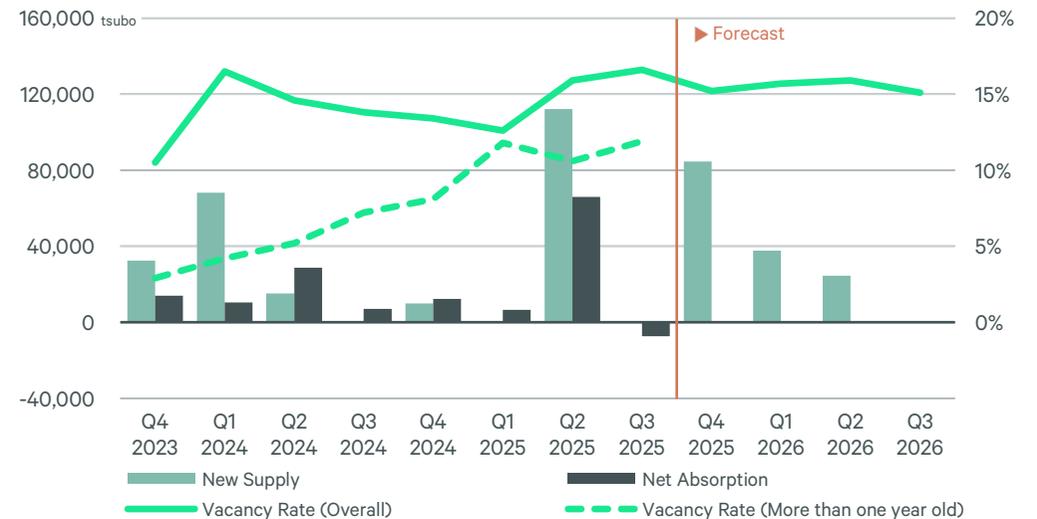
While effective rents remained unchanged from the previous quarter at JPY 3,720, disparities in demand have led to an increasing gap in rent levels between different submarkets.

Figure 4: Greater Osaka LMT Supply/Demand Balance



Source: CBRE, Q3 2025

Figure 5: Greater Nagoya LMT Supply/Demand Balance



Source: CBRE, Q3 2025

## Greater Fukuoka

### Competition for tenants intensifies in the Tosu-Ogori region

The LMT vacancy rate for Q3 in Greater Fukuoka surged by 5.3 pp. q-o-q to reach 8.3%. New supply for the quarter consisted of two properties in Ogori City in Fukuoka Prefecture, both of which entered the market with significant vacancies. While vacancies in the Tosu region are scarce, this quarter's two properties are due to be joined by four more within the next year, significantly expanding the options available to tenants. As a result, tenant interest in properties in the area tends to vary greatly depending on other factors such as unit size and distance from the Tosu Junction. Additionally, as tenants are placing increased focus on distribution and warehouse operational efficiency, facilities with rampways, which allow superior access to the entire unit, are increasingly favored.

Effective rents fell by 0.3% q-o-q to JPY 3,570. While the completion of three new properties in a relatively low-rent area served to depress the average figure, no significant changes were observed in existing properties.

## Other Areas

### Rents rise in regional cities

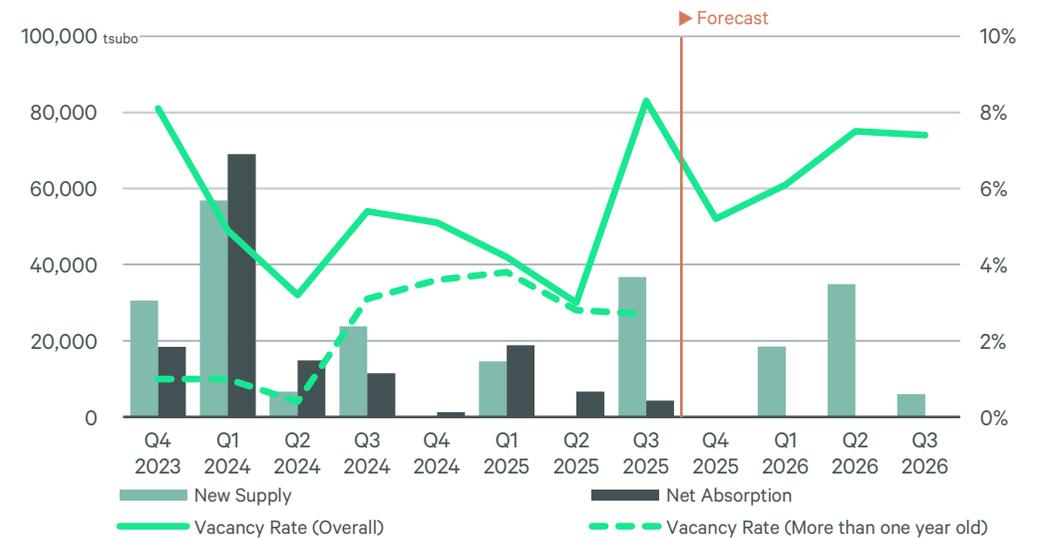
Net absorption of several thousand tsubo of floor space was observed in each of the major regional cities in Q3. As no new supply came on stream in Greater Sapporo this quarter, vacancies were instead filled in existing properties by tenants from the retail sector. Interest was also seen from a consumer goods wholesaler looking to consolidate its logistics bases.

New supply in Greater Sendai consisted of one new property, one unit of which was secured by a logistics operator. Among existing properties, one property in Iwate Prefecture reached full occupancy. Both new tenants appear to be using these bases to handle consumer goods.

Greater Okayama did see one new property completed during the quarter, but it began operations at full capacity, meaning that there continues to be no vacancies in the area. There are likewise no vacancies in Greater Hiroshima, where there was no new supply this quarter. Future supply in these two areas is also very limited, with only one more property due for completion in Greater Okayama this year, and one in Greater Hiroshima in 2028.

Rents rose this quarter in the areas around Sapporo, Okayama, and Hiroshima. New supply in low-rent areas ensured average rents remained unchanged in Greater Sendai, even as rents rose in existing properties.

Figure 6: Greater Fukuoka LMT Supply/Demand Balance



Source: CBRE, Q3 2025

Figure 7: Large Multi-Tenant Submarket Summary

			Vacancy Rate					Effective Rent Index (JPY/tsubo/month)					
			Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q-o-Q
<b>Greater Tokyo</b>	Greater Tokyo	Overall	10.1%	9.8%	11.1%	10.9%	10.4%	4,500	4,500	4,490	4,480	4,480	±0.0%
		More than one year old	6.1%	6.8%	7.7%	7.9%	7.7%						
	Tokyo Bay Area	Overall	12.4%	9.7%	7.3%	5.8%	5.0%	7,580	7,590	7,620	7,670	7,690	+0.3%
		More than one year old	7.5%	5.0%	3.0%	3.3%	5.0%						
	Gaikando Area	Overall	7.4%	6.6%	6.1%	6.1%	4.9%	5,260	5,260	5,300	5,320	5,340	+0.4%
		More than one year old	3.2%	3.1%	5.0%	5.9%	4.3%						
	Route 16 Area	Overall	8.8%	8.8%	10.5%	9.3%	9.3%	4,520	4,520	4,540	4,550	4,550	±0.0%
		More than one year old	5.6%	7.5%	8.2%	7.0%	7.1%						
	Ken-O-do Area	Overall	15.4%	14.7%	17.0%	18.7%	17.0%	3,560	3,550	3,510	3,470	3,480	+0.3%
		More than one year old	9.3%	8.5%	10.0%	12.9%	12.1%						
<b>Greater Osaka</b>	Overall	4.0%	3.7%	3.8%	5.6%	5.0%	4,200	4,210	4,230	4,230	4,260	+0.7%	
	More than one year old	2.1%	3.1%	2.5%	2.2%	2.2%							
<b>Greater Nagoya</b>	Overall	13.8%	13.4%	12.6%	15.9%	16.6%	3,660	3,670	3,670	3,720	3,720	±0.0%	
	More than one year old	7.2%	8.1%	11.8%	10.6%	11.9%							
<b>Greater Fukuoka</b>	Overall	5.4%	5.1%	4.2%	3.0%	8.3%	3,500	3,540	3,570	3,580	3,570	-0.3%	
	More than one year old	3.1%	3.6%	3.8%	2.8%	2.7%							

\* The Q2 2025 vacancy rate (more than one year old) for Greater Tokyo has been revised from 8.0% to 7.9%.

\* The Q4 2024 vacancy rate (overall) for the Ken-O-do area has been revised from 14.8% to 14.7%.

\* The Q2 2025 vacancy rate (more than one year old) for the Ken-O-do area has been revised from 13.0% to 12.9%.

Source : CBRE, Q3 2025

## Definitions

<b>Properties Surveyed</b>	Logistics property for lease which is planned and developed for multi-tenant use.	
<b>Large Multi-Tenant Properties (LMT)</b>	<b>With gross floor area (GFA):</b>	More than 10,000 tsubo in the Greater Tokyo Area (307 properties) and Greater Osaka Area (101 properties) More than 5,000 tsubo in Greater Nagoya Area (55 properties) and Greater Fukuoka Area (48 properties)
	<b>Vacancy:</b>	Spaces that are ready to receive tenants at time of survey (newly built facilities are those on which construction is complete)
	<b>Effective Rent Index:</b>	Rental index based on achievable rents with CAM for new leases during the survey period. Length of lease and free rent period are taken into account.
<b>Space Measurement</b>	Floor space is usually measured in tsubo or in square meters. 1 tsubo = 3.3058 square meters = 35.58 square feet	

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