

Housing Matters

Market Snapshot
Asia Pacific & Middle East



Market Snapshot

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The Current Landscape

The global economic outlook is beginning to look positive this year, with several countries in Asia and the Middle East demonstrating signs of a recovery. Despite some countries having a protectionist stance favouring local labour, expatriate movements into this region appear to have picked up in the second quarter. Rental trends for properties suitable for expatriates continue to vary across different cities, but have generally remained in line with expectations.



Abu Dhabi

Market Snapshot



Rents continue to fall, especially for larger properties

Abu Dhabi saw further declines in its property market in Q2, with rents in its investments zones falling quarter-on-quarter across the board¹. Average rents for apartments dipped 1.1%, with villas and townhouses seeing 1.7% drops. These declines were even bigger than those seen in the previous quarter of 0.5% and 0.6% respectively.

Apartments on Al Reem Island were the worse hit, with average rents falling 1.9%, followed by Saadiyat Beach Residences. Mid-market villas at Al Reef performed worst amongst its villa counterparts, falling 2%.

Macroeconomic factors, high-profile mergers, and an overall job uncertainty in the UAE capital continue to negatively impact its residents. Home vacancies are aplenty across all property types and with a pessimistic outlook on job prospects, many residents are turning towards more affordable housing.

With this in mind, property developers continue to look toward providing affordable housing, with 4,000 residential units expected

to be released into the market by the end of the year on Reem Island, the Corniche, and Saraya². However, to protect further erosion of prices, supply is expected to be staggered, with the majority of units released in the final stages.

A 5% VAT is expected to be introduced at the start of 2018, and while current indications suggest that these will not impact rents directly, lower spending power is likely to impact accommodation choices.

Diversification away from oil continues across the Gulf, and the UAE is one of the forerunners in this shift. The International Monetary Fund (IMF) has projected³ non-oil GDP growth in the UAE to be 3.3% in 2017. The IMF added that it does not expect the planned VAT introduction in 2018 to have a significant adverse impact on economic growth.

As for the property market at least in the next couple of quarters, rents are expected to fall further, without any recovery in sight.

1 www.cavendishmaxwell.com

2 www.jll-mena.com

3 www.arabianbusiness.com

Abu Dhabi Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Old Corniche, Tourist Club, Muroor, Shams (Reem Island), Al Danat, Al Reef		Reem Island, Khalifa A, Marina Square (Reem Island), Umm al Nar, Mushrif		New Corniche, Khalifa Park, Khalidiya, Raha Beach, Sun & Sky		Premium Corniche, Saadiyat Island, Eastern Corniche, Officers Club, Royal Marina	
Property Profile		Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)
1 Bedroom	Typical Size	700 sqft	1400 sqft	750 sqft	1250 sqft	700 sqft	1200 sqft	1100 sqft	1450 sqft
	Q2 2017	6 250	8 750	6 400	9 400	9 000	11 000	10 000	12300
	Last Qr	6 300	9 000	6 400	9 600	9 600	11 500	10 200	12 500
	Last Yr	7 000	9 500	7 000	9 800	10 000	12 000	11 000	13 000
2 Bedroom	Typical Size	1200 sqft	1700 sqft	1200 sqft	1800 sqft	1300 sqft	1800 sqft	1300 sqft	2100 sqft
	Q2 2017	9 800	11 200	9 400	12 900	13 500	16 000	15 500	21 000
	Last Qr	10 000	11 600	9 600	13 300	14 000	16 500	16 000	21 900
	Last Yr	10 800	12 000	10 000	14 000	14 800	17 200	16 800	22 800
3 Bedroom	Typical Size	1750 sqft	2300 sqft	1750 sqft	2200 sqft	1750 sqft	2600 sqft	2100 sqft	5000 sqft
	Q2 2017	12 500	15 300	17 100	18 500	15 500	17 000	21 000	29 700
	Last Qr	13 000	15 800	17 600	19 000	16 000	17 700	21 900	30 700
	Last Yr	13 800	16 800	18 000	20 000	16 800	18 500	23 000	32 000
4 Bedroom	Typical Size	2100 sqft	3300 sqft	2500 sqft	3800 sqft	3000 sqft	4200 sqft	4000 sqft	9500 sqft
	Q2 2017	16 900	18 800	14 500	21 600	17 500	24 500	24 500	29 900
	Last Qr	17 300	19 200	14 500	21 800	18 000	25 500	24 500	29 900
	Last Yr	18 000	20 000	15 000	22 500	18 700	26 500	25 200	31 500
4/5 Bedroom	Typical Size	3000 sqft	5500 sqft	3500 sqft	6000 sqft	4500 sqft	8000 sqft	4500 sqft	14000 sqft
	Q2 2017	19 200	26 700	20 500	25 000	20 500	32 700	32 200	59 200
	Last Qr	19 600	27 000	20 500	25 000	20 500	32 900	33 300	59 600
	Last Yr	20 500	28 000	22 000	26 000	21 000	34 000	35 500	64 000

ABU DHABI RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	12 months

*Rentals are typically paid annually or bi-annually in advance.



Dubai

Market Snapshot



Property price stability in sight

After several years of sustained decline in the property market, some analysts are predicting that the market will finally bottom out before the end of this year¹. Despite this optimism, other experts in the sector point out that declines may still exist in the short term².

While the real estate sector's fortunes may improve come 2018, Q2 2017 rental figures did not favour landlords. On average, rents for apartments in Dubai fell 0.9% quarter-on-quarter³, with villas and townhouses falling 1.2%. These declines were greater than the dips in Q1 from its previous quarter, which were 0.5% and 0.7% respectively.

According to the report by Cavendish Maxwell, landlords are flexible in lease terms, with some allowing multiple payments, instead of the traditional lump sum annual pre-payment terms, and some going as far as to offer the first month's rent free.

Rental changes in Q2 were quite the opposite from the previous quarter, which saw rents for modest homes rising slightly and luxurious options declining significantly. In Q2, rents for four-bedroom or small units fell across the

board, while larger properties or those in more luxurious areas such as Burj Khalifa and Palm Jumeirah rose significantly.

Movements of expatriates remain status quo, with employment in oil and gas remaining somewhat stable. New arrivals are still being seen in retail, communication and insurance. Companies continue to pay for housing allowances as part of their total salary packages, and new leases and renewals are also signed under employees' names.

Dubai requires all tenancy contracts to be registered via the Ejari system, and from 1 July, utilities will only be activated after the Ejari formalities are in place⁴.

Following continued commitment towards diversification, shifting away from the long-standing reliance on oil, Dubai's economy is slated to grow by 4% in 2017, according to the International Monetary Fund⁵.

As far as the residential property market outlook goes, prices appear to be at their lowest levels and are expected to stabilize over the next few quarters.

1 www.emirates247.com

2 gulfnews.com

3 www.cavendishmaxwell.com

4 whatson.ae

5 www.khaleejtimes.com

Dubai

Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Discovery Gardens, TECOM, Al Barsha (apts) Bur Dubai, Victory Heights, The Villa, Mirdif		Dubai Marina, The Greens, JBR, JLT, Business Bay, Sheikh Zayed Rd., DSO, The Springs, Jumeirah (older units), Al Barsha (compound)		Dubai Marina, Downtown, DIFC, Jumeirah/ Umm Suqeim, The Meadows, Jumeirah Islands, Arabian Ranches.		Burj Khalifa, Palm Jumeirah, Emirates Hills, Al Barari	
Property Profile		Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)	Rent From (AED/Month)	Rent To (AED/Month)
1 Bedroom	Typical Size	700 sqft	1400 sqft	750 sqft	1250 sqft	700 sqft	1200 sqft	1100 sqft	1450 sqft
	Q2 2017	5 097	6 138	7 035	9 011	8 000	9 861	11 041	14 708
	Last Qr	5 950	6 145	7 000	8 928	8 888	10 833	11 250	10 416
	Last Yr	5 625	7 700	4 200	14 000	6 000	16 500	8 000	17 000
2 Bedroom	Typical Size	1200 sqft	1700 sqft	1200 sqft	1800 sqft	1300 sqft	1800 sqft	1300 sqft	2100 sqft
	Q2 2017	8 000	9 250	9 380	11 666	10 472	11 944	13 333	15 416
	Last Qr	7 560	9 166	9 843	12 197	12 291	12 916	16 250	17 708
	Last Yr	7 950	12 300	6 250	17 000	8 300	29 000	12 000	30 000
3 Bedroom	Typical Size	1750 sqft	2300 sqft	1750 sqft	2200 sqft	1750 sqft	2600 sqft	2100 sqft	5000 sqft
	Q2 2017	9 233	11 800	11 777	14 218	14 513	17 986	19 583	22 222
	Last Qr	11 416	12 638	12 708	14 625	15 208	18 571	14 166	20 833
	Last Yr	10 625	15 000	8 400	20 000	12 000	41 000	16 000	35 000
4 Bedroom	Typical Size	2100 sqft	3300 sqft	2500 sqft	3800 sqft	3000 sqft	4200 sqft	4000 sqft	9500 sqft
	Q2 2017	11 361	16 736	16 944	18 125	17 569	19 791	48 333	47 916
	Last Qr	13 750	15 138	17 916	19 270	20 208	22 916	22 500	41 666
	Last Yr	13 300	19 500	14 000	25 000	14 000	60 000	24 000	78 000
4/5 Bedroom	Typical Size	3000 sqft	5500 sqft	3500 sqft	6000 sqft	4500 sqft	8000 sqft	4500 sqft	14000 sqft
	Q2 2017	15 166	20 486	18 166	24 895	23 055	30 069	60 416	54 166
	Last Qr	17 361	21 700	18 333	21 250	23 583	28 854	24 583	47 916
	Last Yr	14 500	23 000	20 000	37 000	21 000	71 000	32 000	83 500

DUBAI RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	12 months

*Rentals are typically paid annually or bi-annually in advance.



Beijing

Market Snapshot



Stable rental market in Q2

Rents across various accommodation types in the Chinese capital were stable in Q2, with hardly any movement from the previous quarter.

The city continues to grapple with soaring property prices fuelled by years of speculative purchases, subsequently pushing domestic tenants and other potential home buyers towards the leasing market.

The local government has however reaffirmed its commitment towards cooling off the red hot market, with several measures¹. These include disallowing developers to presell properties at higher prices than 2016, when compared to similar properties or neighbouring ones. A de facto maximum price of RMB 80,000 per square metre has also been set for new homes, with developers not willing to push this boundary. More land has been earmarked for residential property development², providing up to 1.5 million homes by 2021.

In the near future however, Ascott Riverside Garden³ appears to be the only new serviced apartments to be launched this year, in Q3.

Pacific Century Place was originally planned to launch in the first half of the year, but such delays could suggest it may skip the leasing market in preference for strata-title.

With its proximity to offices and ample amenities, the CBD and Chaoyang Park is still popular amongst the expatriate crowd. The Sanlitun area is preferred by younger expatriates, either singles or couples without children, with easy access to shopping, dining, and entertainment facilities.

The trend of companies hiring expatriates on local packages continues. Foreign expatriates who are posted to Beijing also tend to come alone, instead of relocating with their family or spouse, due to a smaller relocation budget. As far as the economy goes, government officials expect the country's growth pace to be stronger in the first half of the year⁴, and eventually growing at 6.5%.

The overall property rental market is expected to remain stable in the next couple of quarters, without much significant movement in either direction.

1 www.scmp.com
2 www.scmp.com
3 www.the-ascott.com
4 www.chinadaily.com.cn

Beijing Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Shuang Jing, CBD, Sanlitun and Chaoyang Park are popular expatriate residential areas							
Description		Fair property management service		Comes with a lobby, may have a gym, 30% expatriates and good property management service		Comes with a lobby and receptionist, gym, swimming pool, 50% expatriates and excellent property management service		Comes with a lobby and receptionist, gym, swimming pool, 60% expatriates and excellent property management service	
Property Profile		Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)
1 Bedroom	Typical Size	500 sqft	850 sqft	500 sqft	850 sqft	500 sqft	850sqft	500 sqft	850 sqft
	Q2 2017	9 000	16 000	16 000	19 000	20 000	24 000	30 000	40 000
	Last Qr	9 000	16 000	16 000	19 000	20 000	24 000	30 000	40 000
	Last Yr	9 000	16 000	15 000	18 000	18 000	23 000	30 000	40 000
2 Bedroom	Typical Size	850 sqft	1200 sqft	850 sqft	1200 sqft	850 sqft	1600 sqft	850 sqft	1200 sqft
	Q2 2017	16 000	19 000	23 000	29 000	28 000	39 000	38 000	56 000
	Last Qr	16 000	19 000	23 000	29 000	28 000	39 000	38 000	56 000
	Last Yr	16 000	19 000	22 000	28 000	28 000	39 000	38 000	56 000
3 Bedroom	Typical Size	1400 sqft	2000 sqft	1400 sqft	2000 sqft	1400 sqft	2000 sqft	1400 sqft	2000 sqft
	Q2 2017	23 000	27 000	28 000	36 000	38 000	43 000	48 000	78 000
	Last Qr	23 000	17 000	28 000	36 000	38 000	43 000	48 000	78 000
	Last Yr	22 000	27 000	27 000	35 000	38 000	42 000	48 000	78 000
4 Bedroom	Typical Size	2000 sqft	3000 sqft	2000 sqft	3000 sqft	2000 sqft	3000 sqft	2000 sqft	3000 sqft
	Q2 2017	24 000	35 000	35 000	38 000	43 000	55 000	62 000	85 000
	Last Qr	24 000	35 000	35 000	38 000	43 000	55 000	62 000	85 000
	Last Yr	23 000	35 000	25 000	38 000	40 000	52 000	62 000	85 000
4/5 Bedroom	Typical Size	2500 sqft	4000 sqft	2500 sqft	4000 sqft	2500 sqft	4000 sqft	2500 sqft	4000 sqft
	Q2 2017	32 000	38 000	38 000	48 000	46 000	58 000	65 000	85 000
	Last Qr	32 000	38 000	38 000	48 000	46 000	58 000	65 000	85 000
	Last Yr	32 000	38 000	38 000	48 000	46 000	56 000	65 000	85 000

BEIJING RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	12 months
Notice period	2 months
Typical deposit	2 months



Shanghai

Market Snapshot



Moderate rises in rents across all property types in Q2

From modest one bedroom apartments to luxurious condominiums, and everything in between, rents across Shanghai rose in Q2, continuing with its upward momentum from the previous quarter. The hike was expected though, with Q2 being a traditionally peak season fuelled by higher demand by expatriates and affluent locals alike.

On average, rents rose 1.8% compared to Q1, with strata-title apartments gaining the most ground with a 3.3% hike¹. Rents for serviced apartments and villas lagged behind, growing 1.5% and 1% respectively. Overall occupancy rates appears to be stable with every 4 out of 5 units being taken.

As anticipated, Stanford Residences Xuhui² officially began operations in June adding 119 rooms in the heart of the popular Xuhui district. Another 55 serviced apartments were also added to the market, with the opening of St. Regis property at Jing'an³.

New properties set to enter the market in the next quarter include Stanford Jinqiao in September, with a mix of one to three-bedroom serviced apartments.

As far as the job market goes, companies continue

to favour expatriates on local packages or those on shorter-term assignments.

Work visa requirements for foreign graduates have also been eased⁴ from 1 July. Top international students with post-graduate qualifications from Chinese universities outside of Shanghai will be eligible for work in China, with a two-year work experience requirement being waived. Graduates from Shanghai universities will have it even easier, only requiring a bachelor's degree if they seek employment in the Free Trade Zone or the Zhangjiang area.

With such policy shifts, employers in Shanghai and its surrounding areas may seek alternative talent instead of importing experienced expatriates, especially for start-ups and companies focusing on innovation and technology.

In summary, cooling measures to regulate the speculative trade of properties are in place, with significantly less homes changing hands compared to 2016. More supply of property is also planned in the next five years⁵, with 1.7 million homes to be added by 2020. Over the next couple of quarters, rents are likely to remain stable.

1 www.shanghaidaily.com

2 www.stanford-residences.com

3 www.cityweekend.com.cn

4 www.shanghaidaily.com

5 www.shanghaidaily.com

Shanghai Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Jing'an, Liyang, Xin Tiandi, Qingpu, Gubei		Lu Jiazui, Jing'an, Xujiahui, Hongqiao, Former French Concession, Qingpu, Central Park		Jinqiao, Xin Tiandi, Former French Concession, Hongqiao, Central Park, Jinqiao		Lu Jiazui, Jinqiao, Xin Tiandi, Former French Concession, Nanjin Rd West	
Property Profile		Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)	Rent From (RMB/Month)	Rent To (RMB/Month)
1 Bedroom	Typical Size	700 sqft	850 sqft	700 sqft	850 sqft	700 sqft	850sqft	700 sqft	850 sqft
	Q2 2017	10 000	13 000	13 500	18 500	22 500	26 500	29 500	36 500
	Last Qr	9 500	12 500	13 000	18 000	22 000	26 000	29 000	36 000
	Last Yr	9 000	12 000	12 000	17 000	20 000	25 000	28 000	36 000
2 Bedroom	Typical Size	850 sqft	1200 sqft	850 sqft	1200 sqft	850 sqft	1200 sqft	850 sqft	1200 sqft
	Q2 2017	15 000	17 000	18 000	24 000	29 000	32 000	40 000	47 000
	Last Qr	14 000	16 000	17 000	23 000	28 000	31 000	39 000	46 000
	Last Yr	13 000	15 000	16 000	22 000	26 000	28 000	38 000	45 000
3 Bedroom	Typical Size	1300 sqft	1800 sqft	1300 sqft	1800 sqft	1300 sqft	1800 sqft	1300 sqft	1800 sqft
	Q2 2017	20 000	24 000	25 000	33 000	35 000	41 000	46 000	68 000
	Last Qr	19 000	23 000	23 000	32 000	34 000	40 000	46 000	68 000
	Last Yr	18 000	22 000	22 000	30 000	33 000	38 000	45 000	65 000
4 Bedroom	Typical Size	1800 sqft	3000 sqft	1800 sqft	3000 sqft	1800 sqft	3000 sqft	1800 sqft	3000 sqft
	Q2 2017	27 000	33 000	34 000	42 000	42 000	52 000	58 000	78 000
	Last Qr	26 000	32 000	32 000	40 000	40 000	50 000	56 000	76 000
	Last Yr	25 000	30 000	30 000	38 000	38 000	45 000	55 000	75 000
4/5 Bedroom	Typical Size	3000 sqft	5000 sqft	3000 sqft	5000 sqft	3000 sqft	5000 sqft	3000 sqft	5000 sqft
	Q2 2017	34 000	43 000	41 000	53 000	62 000	70 000	72 000	90 000
	Last Qr	33 000	42 000	40 000	52 000	60 000	68 000	72 000	90 000
	Last Yr	32 000	40 000	40 000	50 000	55 000	62 000	68 000	90 000

SHANGHAI RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	12 months
Notice period	2 months
Typical deposit	2 months



Hong Kong

Market Snapshot



Rents rise across the board in Q2

The red hot Hong Kong residential property market shows no signs of slowing down as it relentlessly charges upwards. From modest 400 square foot one-bedroom apartments to the most luxurious mansions at The Peak, and everything in between, rents soared quarter-on-quarter.

The most pronounced hikes were seen at the lower end of the market, as demand continues to rise in the relatively affordable zone of rents below HK\$40,000 per month. Being the traditional peak rental season, properties are being snapped up shortly after listing.

Despite several rounds of cooling measures¹ introduced in recent years, including new taxes and higher stamp duties to curb excessive speculation, the market has not relented. Even stricter loan restrictions² which came to effect in May 2017 proved largely ineffective.

Considering the current space and availability crunch, the release of more land³ with the potential of developing 1,350 residential units in the next quarter would be a welcome relief. It will come in the form of three parcels of land

spread across Lantau Island, Tai Po, and Cheung Sha Wan.

The Mid-levels and the south side of Hong Kong Island continue to be favoured by expatriates even with escalating rents. SOHO's preferred by younger singles or couples, and those with smaller family units. However, budget-conscious expatriates are eyeing moves away from the city centre to as far out as Tung Chung or Sai Kung exchanging proximity to the city with more space, while keeping within the same budgets.

Companies continue to keep a tight rein on housing budgets, and more expatriates are being offered local salary packages, including the responsibility to sign personal leases for their accommodation. However, as housing costs and availability restrict employers' ability to attract talented foreigners, some companies may respond to such pressure by moderately increasing salary and allowances.

With the current market outlook, rents are likely to rise for the rest of the year, even if they do so at a slower pace. As observed from previous trends, supply should increase after summer, allowing for more leeway in negotiations then.

1 www.globalpropertyguide.com

2 www.scmp.com

3 www.scmp.com

Hong Kong Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Tung Chung, Tsing Yi, Hong Kong East		Western District, Kowloon West, Eastern District New Territories, Discovery Bay		Shouson Hill, Stanley, Chung Hom Kok, Tai Tam Mid-Levels West, Pokfulam, Happy Valley		The Peak, Repulse Bay, Deepwater Bay, Mid-Levels Central, Stubbs Road	
Property Profile		Rent From (HKD/Month)	Rent To (HKD/Month)	Rent From (HKD/Month)	Rent To (HKD/Month)	Rent From (HKD/Month)	Rent To (HKD/Month)	Rent From (HKD/Month)	Rent To (HKD/Month)
1 Bedroom	Typical Size	400 sqft	500 sqft	400 sqft	500 sqft	400 sqft	500 sqft	400 sqft	500 sqft
	Q2 2017	16 800	21 000	21 000	26 000	27 500	30 000	29 500	38 000
	Last Qr	15 500	18 800	19 600	23 800	25 200	27 800	27 600	35 500
	Last Yr	14 900	18 300	19 300	23 100	24 100	28 200	28 000	35 800
2 Bedroom	Typical Size	550 sqft	700 sqft	550 sqft	700 sqft	550 sqft	700 sqft	550 sqft	700 sqft
	Q2 2017	18 700	28 500	26 900	42 000	33 200	48 000	38 500	49 000
	Last Qr	17 000	26 300	24 500	39 300	31 200	45 500	35 600	45 700
	Last Yr	16 400	25 400	24 000	38 000	31 800	47 200	36 000	46 800
3 Bedroom	Typical Size	700 sqft	1200 sqft	700 sqft	1200 sqft	700 sqft	1200 sqft	700 sqft	1200 sqft
	Q2 2017	28 800	42 900	36 000	51 000	39 400	61 500	50 800	81 000
	Last Qr	26 000	39 500	33 000	47 500	36 000	58 000	47 500	76 000
	Last Yr	25 400	38 400	32 400	46 600	36 200	57 000	46 300	74 500
4 Bedroom	Typical Size	1200 sqft	2000 sqft	1200 sqft	2000 sqft	1200 sqft	2000 sqft	1200 sqft	2000 sqft
	Q2 2017	47 300	59 000	46 800	115 000	75 500	142 000	93 000	137 200
	Last Qr	43 500	55 000	42 500	110 000	70 600	134 000	88 600	132 000
	Last Yr	43 600	57 000	44 000	117 000	72 800	138 000	92 000	138 000
4/5 Bedroom	Typical Size	3000 sqft	4000 sqft	3000 sqft	4000 sqft	3000 sqft	4000 sqft	3000 sqft	5000 sqft
	Q2 2017	73 500	86 000	112 000	200 800	137 000	190 300	181 000	364 000
	Last Qr	68 500	82 600	107 000	193 000	130 600	183 000	173 000	357 000
	Last Yr	71 000	85 000	113 000	212 000	135 000	190 000	183 000	378 000

HONG KONG RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	2 months

*The minimum commitment is a 12+2 break option (14 months) but the actual lease term is 24 months.



Kuala Lumpur

Market Snapshot

Relatively stable rents despite soft demand

The Malaysian economy is expected to continue its upward trend with a 5.6% GDP growth in Q1, and further improvements in Q2 are expected¹.

Even with a positive GDP outlook, inflation remains a significant concern with an eight-year peak of 5.1% in March, before easing to 3.9% in May².

The property market remain bleak, and is not expected to change much for the rest of the year. While the Malaysian Ringgit remains relatively weak, there is not much interest amongst investors, due to the illiquid nature of property investments.

It is estimated that the average family living in Kuala Lumpur would spend a fifth of their annual earnings on rent³, far less than their counterparts in neighbouring countries, making it an affordable city to live in, as far as rents are concerned.

Landlords with a more flexible attitude towards lease conditions have benefited from higher occupancy rates in some areas. Occupancies rates at new condominiums in Damansara Uptown, TTDI, Mutiara Damansara have also risen, along with rents.

However, average rents across the city did not move much when compared to Q1, especially in the Mont Kiara and Sri Hartamas areas, which are popular amongst expatriates.

The exodus of expatriates as a result of repatriations appear to have ceased, and new arrivals are seen in several industries including oil and gas. Other sectors such as consumer goods, pharmaceuticals, and information technology are also observed having new expatriates.

Despite a resurgence in expatriate hires, companies are keeping their budgets in check, seeking skilled employees from other parts of Asia. Lower allowances are the norm, and leases are being signed by employees.

The second phase of the Sungai Buloh - Kajang MRT line opened on 17 July⁴, and properties along this route are expected to benefit from it, but the full impact has not been observed yet. Overall, a weak outlook for the property market is likely for the next few quarters, with rents expected to either remain the same or fall moderately.

1 www.thestar.com.my

2 www.thestar.com.my

3 www.property-report.com

4 english.astroawani.com

Kuala Lumpur Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Damansara		Mount Kiara		Kenny Hills, Bangsar		Suria KLCC, Ampang District	
Property Profile		Rent From (MYR/Month)	Rent To (MYR/Month)	Rent From (MYR/Month)	Rent To (MYR/Month)	Rent From (MYR/Month)	Rent To (MYR/Month)	Rent From (MYR/Month)	Rent To (MYR/Month)
1 Bedroom	Typical Size	500 sqft	850 sqft	500 sqft	850 sqft	500 sqft	850 sqft	500 sqft	850 sqft
	Q2 2017	1 400	2 000	2 800	3 800	3 000	4 300	4 000	5 500
	Last Qr	1 400	2 000	2 800	3 800	3 000	4 300	4 000	5 500
	Last Yr	1 400	2 000	2 800	3 800	2 750	4 200	4 000	5 500
2 Bedroom	Typical Size	850 sqft	1200 sqft	850 sqft	1200 sqft	850 sqft	1200 sqft	850 sqft	1200 sqft
	Q2 2017	2 600	3 800	3 500	4 500	4 000	6 000	5 500	7 000
	Last Qr	2 600	3 800	3 500	4 500	4 000	6 000	5 500	7 000
	Last Yr	2 600	3 700	3 600	4 800	4 550	7 000	6 500	8 500
3 Bedroom	Typical Size	1000 sqft	1500 sqft	1000 sqft	1500 sqft	1000 sqft	1500 sqft	1000 sqft	1500 sqft
	Q2 2017	3 500	4 500	4 500	6 000	4 500	6 000	6 000	7 500
	Last Qr	3 500	4 500	4 500	6 000	4 500	6 000	6 000	7 500
	Last Yr	3 500	4 300	5 300	6 600	5 600	6 700	8 150	13 000
4 Bedroom	Typical Size	1500 sqft	3500 sqft	1500 sqft	3500 sqft	1500 sqft	3500 sqft	1500 sqft	3500 sqft
	Q2 2017	NA	8 500	NA	13 000	NA	14 000	NA	14 000
	Last Qr	NA	8 500	NA	13 000	NA	14 000	NA	14 000
	Last Yr	7 000	8 500	9 000	13 000	9 500	18 500	11 200	16 250
4/5 Bedroom	Typical Size	3000 sqft	6000 sqft	3000 sqft	6000 sqft	3000 sqft	6000 sqft	3000 sqft	6000 sqft
	Q2 2017	8 500	11 000	10 000	18 000	11 000	18 000	12 000	16 000
	Last Qr	8 200	11 000	9 500	18 000	10 000	18 000	12 000	16 000
	Last Yr	8 200	11 300	9 400	14 800	12 300	18 250	11 400	15 500

KUALA LUMPUR RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	2.5 months

*The minimum lease terms are 24 months but with an option to terminate with either a 10+2 or 12+2 break option.



Singapore

Market Snapshot

Weak property market outlook remains in Q2

The decline in Singapore's real estate market continues in Q2 with a fall of 0.3% in private residential property prices, albeit at a slightly slower rate of 0.4% in Q1, according to the flash estimates¹ released by the Urban Redevelopment Agency.

Non-landed home prices in the Core Central Region suffered the steepest decline of 0.9%, sharper than the fall in the previous quarter. Farther away from the city centre, prices in the Outside Central Region fell 0.4%, a reversal from the 0.1% increase in the previous quarter. Right in the fringes of the city centre, the Rest of Central Region bucked the trend and saw prices increase by 0.5%.

The government reaffirmed² its direction of maintaining property market cooling measures which were introduced since 2009, despite relaxing some of them in March³.

If luxury homes are to be used as a reference point, the 0.8% quarter-on-quarter rental decline⁴ according to figures released by JLL, does not bode well for other property types. For

the rest of the year, around 11,000 homes are expected to be released, adding more downward pressure on rents with landlords having vie for the same pool of tenants with their peers.

The demographic profile of expatriates in Singapore and salary packages from the previous quarter remain have remained somewhat similar. With such, the expatriate population will be mainly made up of singles or couples without accompanying children, with modest housing allowances. This in turn may lead to them seeking smaller apartments and having more flexibility in choices.

Economic growth⁵ continues to be in tune with the government's predictions of a 1% to 3% increase in 2017, with the final figure estimated to be above 2%.

Having a property rental market largely driven by expatriates, and having considered various trends and factors, the property rental market is likely to be soft in the next couple of quarters.

1 www.ura.gov.sg

2 www.asiaone.com

3 www.cnbc.com

4 www.ap.jll.com

5 www.channelnewsasia.com

Singapore Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Katong, Marine Parade, Bedok, Changi (New)		Toa Payoh, Ang Mo Kio, Bishan		Bukit Timah, Novena, Newton		Orchard, River Valley, Tanglin Road, Mount Faber, Sentosa Cove	
Property Profile		Rent From (SGD PCM)	Rent To (SGD PCM)	Rent From (SGD PCM)	Rent To (SGD PCM)	Rent From (SGD PCM)	Rent To (SGD PCM)	Rent From (SGD PCM)	Rent To (SGD PCM)
1 Bedroom	Typical Size	500 sqft	650 sqft	500 sqft	650 sqft	500 sqft	650 sqft	500 sqft	650 sqft
	Q1 2017	2 100	2 800	2 700	3 100	2 600	3 200	3 200	5 800
	Last Qr	2 100	2 800	2 700	3 100	2 600	3 200	3 200	5 800
	Last Yr	2 300	2 900	2 800	3 200	2 700	3 300	3 200	6 000
2 Bedroom	Typical Size	650 sqft	1000 sqft	650 sqft	1000 sqft	650 sqft	1000 sqft	650 sqft	1000 sqft
	Q2 2017	2 700	4 400	3 500	4 000	3 500	7 000	4 500	8 500
	Last Qr	2 700	4 400	3 500	4 000	3 500	7 000	4 500	8 500
	Last Yr	2 800	4 400	3 550	4 100	3 500	7 200	4 600	8 500
3 Bedroom	Typical Size	1000 sqft	1500 sqft	1000 sqft	1500 sqft	1000 sqft	1500 sqft	1000 sqft	1500 sqft
	Q2 2017	3 600	4 750	4 200	5 300	5 300	7 300	7 000	9 000
	Last Qr	3 800	5 000	4 400	5 500	5 500	7 500	7 300	9 300
	Last Yr	3 800	5 000	4 400	5 500	5 500	7 400	7 200	9 000
4 Bedroom	Typical Size	1500 sqft	3000 sqft	1500 sqft	3000 sqft	1500 sqft	3000 sqft	1500 sqft	3000 sqft
	Q2 2017	5 800	9 500	6 800	9 000	8 500	12 000	11 000	20 000
	Last Qr	5 800	9 500	6 800	9 000	8 500	12 000	11 000	23 000
	Last Yr	5 800	9 500	7 000	9 000	8 500	12 000	11 300	19 700
4/5 Bedroom	Typical Size	3000 sqft	5000 sqft	3000 sqft	5000 sqft	3000 sqft	5000 sqft	3000 sqft	5000 sqft
	Q2 2017	8 600	12 000	8 600	12 000	11 000	18 500	15 200	35 000
	Last Qr	9 000	12 000	9 000	12 000	11 500	19 000	15 500	35 000
	Last Yr	9 000	11 900	9 500	12 000	11 500	18 500	15 800	35 000

SINGAPORE RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	2 months



India

Market Snapshot



Rock solid rents across India in Q2

The rental market in India holds true to its traditional stability in the first half of the year, with hardly any noticeable movements in rents.

Delhi

Rents in the Indian capital were stable in Q2 2017, compared to the previous quarter, with no significant changes reported. However, on a year-on-year basis, they rose across the board, with more pronounced hikes in the two to three-bedroom segment. Pollution woes continue to affect the city and expatriate demand for housing.

Mumbai

Landlord still have the upper hand in Mumbai but prices remained stable in Q2. The year-on-year figures were mixed, with smaller, lower cost apartments seeing declines in rents from the year before. Bigger or more luxurious homes prices either rose moderately or remained constant.

Bengaluru

The northern part of this thriving city sees more residential properties opening up constantly, offering good expatriate-friendly accommodation. Supply appears to match demand, with no considerable movement from the previous quarter. Rents for three and four-bedroom apartments have fallen year-on-year.

Pune

This thriving city in the wealthy state of Maharashtra, is anticipated to grow rapidly and that should eventually lead to more expatriate arrivals. Housing options are springing up everywhere but the city centre continues to command high but stable prices. Rents across the city also remained unchanged from the previous quarter.

The Indian government continues to scrutinize expatriate arrivals, preferring to have a qualified Indian national fill a role instead of a foreigner. With cost of living gradually increasing, companies are also carefully considering relocation decisions before sending an assignee to India. Therefore, an expatriate arrival boom is not anticipated.

The Goods and Services Tax (GST) was implemented on 1 July across India, and rental income from residential properties leased to individuals¹ is GST-exempt. However, the cost of purchasing a property² may increase under the new tax regime and could impact rents. It may be too early to tell how the introduction of GST will impact the real estate sector, thus the property rental market should remain relatively stable in the short term.

1 timesofindia.indiatimes.com

2 economictimes.indiatimes.com

Mumbai

Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Category		Standard (Low)		Premium (Medium)		Luxury (High)	
Locations		Goregaon, Jogeshwari, Andheri		Juhu, Bandra, Khar, Santacruz		Peddar Road, Altamount Road, Breach Candy, Nariman Point, Walkeshwar, Carmicheal road, Malabar Hill, Neapeansea road, Cumballa Hill, Worli	
Property Profile		Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)
1 Bedroom	Typical Size	500 sqft	700 sqft	500 sqft	700 sqft	Not Applicable	
	Q2 2017	45 000	65 000	80 000	110 000		
	Last Qr	45 000	65 000	80 000	110 000		
	Last Yr	50 000	70 000	75 000	100 000		
2 Bedroom	Typical Size	900 sqft	1200 sqft	900 sqft	1200 sqft	900 sqft	1200 sqft
	Q2 2017	90 000	150 000	175 000	275 000	275 000	425 000
	Last Qr	90 000	150 000	175 000	275 000	275 000	425 000
	Last Yr	100 000	180 000	200 000	300 000	270 000	420 000
3 Bedroom	Typical Size	1200 sqft	3000 sqft	1200 sqft	3000 sqft	1200 sqft	3000 sqft
	Q2 2017	200 000	350 000	300 000	550 000	550 000	650 000
	Last Qr	200 000	350 000	300 000	550 000	550 000	650 000
	Last Yr	170 000	320 000	300 000	550 000	550 000	650 000
4 Bedroom	Typical Size	2000 sqft	4500 sqft	2000 sqft	4500 sqft	2000 sqft	4500 sqft
	Q2 2017	250 000	450 000	500 000	650 000	650 000	850 000
	Last Qr	250 000	450 000	500 000	650 000	650 000	850 000
	Last Yr	270 000	450 000	475 000	650 000	650 000	850 000
5 Bedroom	Typical Size	Not Applicable		>3500 sqft		>3500 sqft	
	Q2 2017			600 000	850 000	850 000 upwards	
	Last Qr			600 000	850 000	850 000 upwards	
	Last Yr			600 000	850 000	850 000 upwards	

MUMBAI RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	12 months
Notice period	2 months
Typical deposit	3-6 months

*All leases must be registered. The initial lease for 12 months in most cases has a full lease term as lock in.

Delhi Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Category		Standard (Low)		Premium (Medium)		Luxury (High)	
Locations		Green Park, Hauz Khas, SDA, Nizamuddin, Saket		Defence Colony, Hauz Khas, Safdurjung Enclave, Gulmohar Park, Panchsheel		Chanakyapuri, Vasant Vihar, Westend, Shanti Niketan, Anand Niketan	
Property Profile		Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)
1 Bedroom	Typical Size	Not Applicable		500 sqft	800 sqft	Not Available	
	Q2 2017	Not Applicable		35 000	50 000	Not Available	
	Last Qr	Not Applicable		35 000	55 000	Not Available	
	Last Yr	Not Applicable		35 000	50 000	Not Available	
2 Bedroom	Typical Size	900 sqft	1200 sqft	900 sqft	1200 sqft	900 sqft	1200 sqft
	Q2 2017	55 000	85 000	75 000	180 000	180 000	250 000
	Last Qr	55 000	85 000	75 000	180 000	180 000	250 000
	Last Yr	50 000	75 000	75 000	150 000	150 000	250 000
3 Bedroom	Typical Size	1500 sqft	2000 sqft	2000 sqft	3500 sqft	3500 sqft	4000 sqft
	Q2 2017	85 000	185 000	185 000	310 000	310 000	450 000
	Last Qr	85 000	185 000	185 000	310 000	310 000	450 000
	Last Yr	70 000	180 000	180 000	300 000	300 000	400 000
4 Bedroom	Typical Size	2000 sqft	3500 sqft	3500 sqft	4000 sqft	3500 sqft	4500 sqft
	Q2 2017	185 000	300 000	325 000	475 000	450 000 upwards	
	Last Qr	185 000	300 000	325 000	475 000	450 000 upwards	
	Last Yr	180 000	290 000	320 000	450 000	450 000 upwards	
5 Bedroom	Typical Size	Not Applicable		>3500 sqft		>4500 sqft	
	Q2 2017	Not Applicable		450 000	600 000	600 000 upwards	
	Last Qr	Not Applicable		450 000	550 000	600 000 upwards	
	Last Yr	Not Applicable		450 000	550 000	500 000 upwards	
4/5 Bedroom House	Typical Size	Not Applicable		>4500 sqft		>5500 sqft	
	Q2 2017	Not Applicable		400 000 upwards		750 000 upwards	
	Last Qr	Not Applicable		400,000 upwards		750 000 upwards	
	Last Yr	Not Applicable		500 000 upwards		700 000 upwards	

DELHI RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	11 months
Notice period	2 months
Typical deposit	3 months

*It is not compulsory to register the lease however, it is mandatory to print and sign the lease on a stamp paper with minimum value of INR 100.

Bengaluru Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Category		Standard (Low)		Premium (Medium)		Luxury (High)	
Locations		Waterville, Water Woods, Paradise Nest, Skylark Greens		Lake Vista, Pebble Bay (Apartments), Chaithanya Armdale, Ferns Paradise		Epsilon, Windmills of your Mind, Chaithanya Smaran, Palm Meadows	
Property Profile		Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)
1 Bedroom	Typical Size	Not Applicable		Not Applicable		Not Applicable	
	Q2 2017	Not Applicable		Not Applicable		Not Applicable	
	Last Qr	Not Applicable		Not Applicable		Not Applicable	
	Last Yr	Not Applicable		Not Applicable		Not Applicable	
2 Bedroom	Typical Size	1200 sqft	1500 sqft	1500 sqft	1700 sqft	1700 sqft	2000 sqft
	Q2 2017	50 000	70 000	125 000	160 000	NA	NA
	Last Qr	50 000	70 000	125 000	160 000	NA	NA
	Last Yr	50 000	70 000	125 000	155 000	100 000	230 000
3 Bedroom	Typical Size	1600 sqft	2000 sqft	2500 sqft	3500 sqft	3000 sqft	4800 sqft
	Q2 2017	75 000	95 000	100 000	150 000	100 000	350 000
	Last Qr	75 000	95 000	100 000	150 000	100 000	350 000
	Last Yr	80 000	100 000	110 000	160 000	110 000	360 000
4 Bedroom	Typical Size	3000 sqft	4000 sqft	4300 sqft	5000 sqft	5000 sqft	6500 sqft
	Q2 2017	90 000	220 000	225 000	280 000	340 000	500 000
	Last Qr	90 000	220 000	225 000	280 000	340 000	500 000
	Last Yr	90 000	225 000	230 000	280 000	350 000	510 000
5 Bedroom	Typical Size	Not Available		Not Available		3800 sqft	8000 sqft
	Q2 2017	Not Available		Not Available		300 000	560 000
	Last Qr	Not Available		Not Available		300 000	560 000
	Last Yr	Not Available		Not Available		300 000	560 000
4 Bedroom House	Typical Size	3800 sqft	4500 sqft	4500 sqft	5000 sqft	5000 sqft	8000 sqft
	Q2 2017	85 000	225 000	270 000	350 000	375 000	500 000 upwards
	Last Qr	85 000	225 000	270 000	350 000	375 000	500 000 upwards
	Last Yr	85 000	225 000	270 000	350 000	375 000	500 000 upwards

BENGALURU RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	11 months
Notice period	2 months
Typical deposit	3 months

*All leases with a tenure of more than 11 months must be registered.

Pune

Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Category		Standard (Low)		Premium (Medium)		Luxury (High)	
Locations		Vishrant Vadi, Tingre Nagar, Wagholi, Kharadi		Sophan Baug, Magarpatta, Hadapsar, Bhavdhan, Wakad		Koregoan Park, Kalyani nagar, Viman nagar, Aundh, Baner, Boat Club road	
Property Profile		Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)	Rent From (INR/Month)	Rent To (INR/Month)
1 Bedroom	Typical Size	500 sqft	800 sqft	Not Applicable		Not Applicable	
	Q2 2017	18 000	30 000				
	Last Qr	18 000	30 000				
	Last Yr	20 000	30 000				
2 Bedroom	Typical Size	900 sqft	1200 sqft	900 sqft	1200 sqft	Not Applicable	
	Q2 2017	30 000	60 000	60 000	100 000		
	Last Qr	30 000	60 000	60 000	100 000		
	Last Yr	30 000	60 000	60 000	100 000		
3 Bedroom	Typical Size	1400 sqft	2400 sqft	1400 sqft	2400 sqft	2400 sqft	2800 sqft
	Q2 2017	80 000	150 000	150 000	200 000	200 000	250 000
	Last Qr	80 000	150 000	150 000	200 000	200 000	250 000
	Last Yr	75 000	150 000	150 000	200 000	250 000	250 000
4 Bedroom	Typical Size	2500 sqft	3500 sqft	2500 sqft	4000 sqft	3500 sqft	6000 sqft
	Q2 2017	100 000	150 000	180 000	250 000	250 000	500 000
	Last Qr	100 000	150 000	180 000	250 000	250 000	500 000
	Last Yr	100 000	150 000	180 000	250 000	250 000	500 000
5 Bedroom	Typical Size	Not Applicable		>4500 sqft		>4500 sqft	
	Q2 2017			450 000	600 000	450 000	600 000
	Last Qr			450 000	600 000	450 000	600 000
	Last Yr			450 000	600 000	450 000	600 000

PUNE RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	12 months
Notice period	2 months
Typical deposit	6-10 months (negotiable)

*It is mandatory to register the L & L Agreement with the stamping authority. Stamp duty ranges from approximately INR 10,000 - INR 50,000 depending on the tenure of the L & L.



Tokyo

Market Snapshot

Extremely tight availability, especially in popular expatriate areas

Residential occupancy rates in land-scarce Tokyo continue to be extremely high, at more than 90% across the capital. Data from one such large developer, Mori Hills Reit Investment Co., shows its residential properties at a sustained occupancy rate¹ of more than 96% in the past 12 months.

Towards the end of Q2, there was a steady flow of expatriates visiting the city on preview trips. With limited viable housing options available at that time, they were quick to snap up available properties. Typical expatriate housing budgets stretch from JPY 900,000 to 1,200,000 per month, and properties within this range continue to be in low supply. While the asking rent prices remain steady, the ability to negotiate discounts has been eroded by the demand.

Many properties traditionally rented to expatriates are now seeing a larger share of local tenants. Landlords continue to be inflexible over rent negotiations, and as before, continue to require a guarantor company to facilitate personal lease applications by foreigners. More expatriates are being offered local contracts, and with that, come lower housing allowances.

In a recently observed trend, which is likely to continue beyond the summer months, landlords

of popular properties are now reviewing all prospective tenants at the end of the application window, instead of on a first-come-first-served basis. The applicant offering the highest rent and least number of requests would most likely be approved.

The Azabu, Roppongi, and Hiroo areas continue to be preferred choices for expatriate families, with easy access to foreigner-friendly amenities and international schools. As vacancies in these highly sought-after areas are tight, neighbouring Shirokane is increasingly becoming a popular alternative.

With the recent legalization² of Airbnb, some assignees on short term contracts are turning to these options. Landlords of such homes are allowed to rent their premises out for up to 180 days annually, although registration with local authorities and abidance with their rules are required.

In summary, housing will continue to be tight, with little change expected in the high occupancy levels, especially in popular expatriate-friendly neighbourhoods around Tokyo. Prices are forecast to remain as they are, although we expect the trend of little flexibility on negotiations to continue for the foreseeable future.

¹ www.mori-hills-reit.co.jp

² fortune.com

Tokyo

Market Table

SNAPSHOT OF TYPICAL ASKING RENTS (APPROX.)*

Standard		Local Plus		Standard		Premium		Luxury	
Locations		Bay Area, East Tokyo, Setagaya, Shinjuku, Meguro, Ota Wards		Azabu Juban, Ebisu, Roppongi, Akasaka, Daikanyama, Nakameguro, Shibuya, Shinjuku, Bay Area		Azabu, Daikanyama, Roppongi, Akasaka, Yoyogi Uehara, Hiroo, Omotesando, Shibuya		Azabu, Roppongi, Hiroo	
Property Profile		Rent From (JPY/Month)	Rent To (JPY/Month)	Rent From (JPY/Month)	Rent To (JPY/Month)	Rent From (JPY/Month)	Rent To (JPY/Month)	Rent From (JPY/Month)	Rent To (JPY/Month)
1 Bedroom	Typical Size	330 sqft	495 sqft	440 sqft	770 sqft	530 sqft	880 sqft	Not Applicable	
	Q2 2017	145 000	220 000	250 000	425 000	460 000	726 000		
	Last Qr	145 000	220 000	250 000	425 000	460 000	726 000		
	Last Yr	145 000	220 000	250 000	425 000	460 000	726 000		
2 Bedroom	Typical Size	440 sqft	660 sqft	550 sqft	880 sqft	880 sqft	1430 sqft	1100 sqft	1540 sqft
	Q2 2017	195 000	290 000	305 000	485 000	730 000	1 180 000	968 000	1 355 000
	Last Qr	195 000	290 000	305 000	485 000	730 000	1 180 000	968 000	1 355 000
	Last Yr	195 000	290 000	305 000	485 000	730 000	1 180 000	968 000	1 355 000
3 Bedroom	Typical Size	605 sqft	880 sqft	770 sqft	1100 sqft	1430 sqft	1980 sqft	1320 sqft	2200 sqft
	Q2 2017	270 000	390 000	430 000	605 000	1 200 000	1 650 000	1 200 000	1 950 000
	Last Qr	270 000	390 000	430 000	605 000	1 180 000	1 635 000	1 162 000	1 936 000
	Last Yr	270 000	390 000	430 000	605 000	1 180 000	1 635 000	1 162 000	1 936 000
4 Bedroom	Typical Size	Not Applicable		Not Applicable		1870 sqft	2530 sqft	1650 sqft	3300 sqft
	Q2 2017	Not Applicable		Not Applicable		1 550 000	2 100 000	1 550 000	2 904 000
	Last Qr	Not Applicable		Not Applicable		1 545 000	2 090 000	1 452 000	2 904 000
	Last Yr	Not Applicable		Not Applicable		1 545 000	2 090 000	1 452 000	2 904 000
4/5 Bedroom	Typical Size	Not Applicable		Not Applicable		Not Applicable		1980 sqft	3850 sqft
	Q2 2017	Not Applicable		Not Applicable		Not Applicable		1 742 000	3 388 000
	Last Qr	Not Applicable		Not Applicable		Not Applicable		1 742 000	3 388 000
	Last Yr	Not Applicable		Not Applicable		Not Applicable		1 742 000	3 388 000


TOKYO RESIDENTIAL RENTAL MARKET TRENDS

Typical length of tenancy	24 months
Notice period	2 months
Typical deposit	2 - 4 months

*A refundable payment known as "key money" of 1 to 2 months of rent may be required. This is most common in the Local Plus and Standard types of accommodation.

*If a contract is broken within the first year, one month rent will be payable as a penalty.

* Tenants are also required to take up a fire insurance policy that may cost between 20,000 to 30,000 JPY for a 2 year contract.



This report contains a general review and analysis based upon data and other information collected by SIRVA. It is intended to provide an overview of the rental market to help readers better understand the general trends in Asia and the Middle East. While SIRVA has endeavored to gather sufficient data to provide a comprehensive review, you should consult a rental expert in your particular market to assist with your particular transaction. The terms of your transaction should be specifically tailored to your market and unique circumstances and conditions. SIRVA is not responsible for the terms and results (including any loss or damages you may incur) of your specific transaction.

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