

Census and Initial Estimate (Cont.)

Monthly Real Estate Overview

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(Translated by Yoshie)

Thank you very much for various comments concerning the previous Topics.

I would like to add few points to the previous “Census and Initial Estimate”.

In the Topics of January 11, 2001, we looked at the “Correlation Chart” by replacing the natural population increase with the “potential capability”, and social increase as the “centripetal force”. Also, I have divided 47 prefectures into five groups from group A to E (please refer to the following chart).

Today, I would like to divide these areas again using actual population figure, as percentage increases according to the size of population per prefecture. As the result, the regional differences became more apparent in this sluggish economy of Japan. i.e. polarization of potential capability and centripetal force per region became clear.

There are following three types of areas (see the table below):

- Type I ... Area with both high potential capability and centripetal force.
- Type II ... Area with low centripetal force and high potential capability.
- Type III ... Area with serious underpopulation and old age.

Type I area has a strong centripetal force to attract people, economy, and distribution, and can grow continuously even when the economy is bad. I guess you can call these regions as “winners” with Type II regions trailing right behind them.

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《Area types based on the population change correlation》

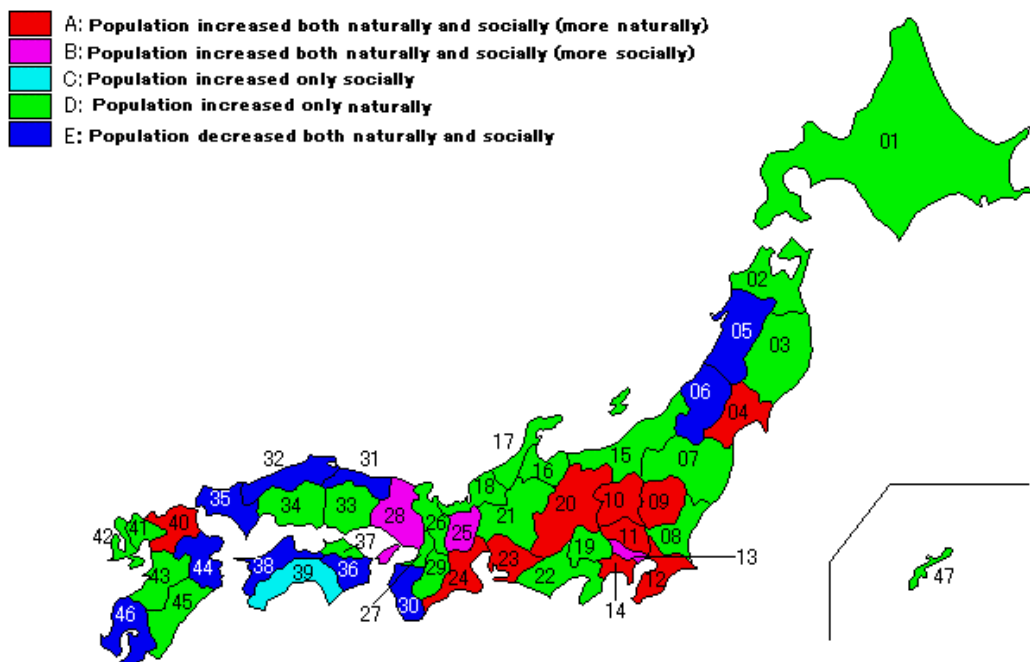
Type		Number of changes (unit: persons)	Name	Remarks
Rate	Number			
A	I	30,001~	04 Miyagi, 11 Saitama, 12 Chiba, 14 Kanagawa, 23 Aichi, 40 Fukuoka	Tokyo metropolitan area and Nagoya area Prefectures with large cities
	II	~30,000	09 Tochigi, 10 Gunma, 20 Nagano, 24 Mie	Prefectures around Tokyo and Nagoya area.
B	I'	30,001~	13 Tokyo, 25 Shiga, 28 Hyogo	Prefectures and cities which increased due to special reasons
D	II'	5,001~	08 Ibaragi, 19 Yamanashi, 22 Shizuoka, 26 Kyoto, 29 Nara, 47 Okinawa	Prefectures around Tokyo and Osaka area. Okinawa
	III	~50,000	Other Type D prefectures	Prefectures in Northern Japan and by Sea of Japan (except Miyagi)
C · E	III	~0	Other than above	Prefectures in Western Japan (except Fukuoka and Okinawa)

Even though, I may not have been too in dept in this classification, the result came out very close to the general idea of how the prefectures and cities are divided.

As I have mentioned earlier, more detailed data and analysis are required to make more accurate investment decisions.

However, I feel that some investment guidelines are hidden in these data if you want to find an investment opportunities per prefecture.

《Japanese map divided per population change》



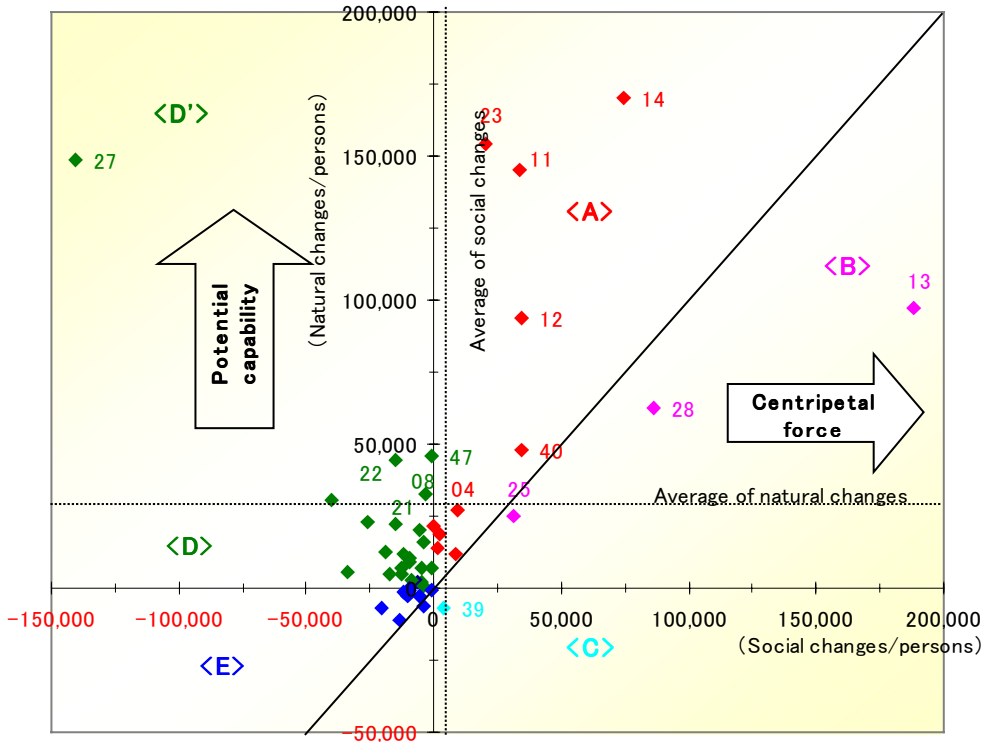
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Note:

Natural increase and decrease: Difference between birthrate and death rate

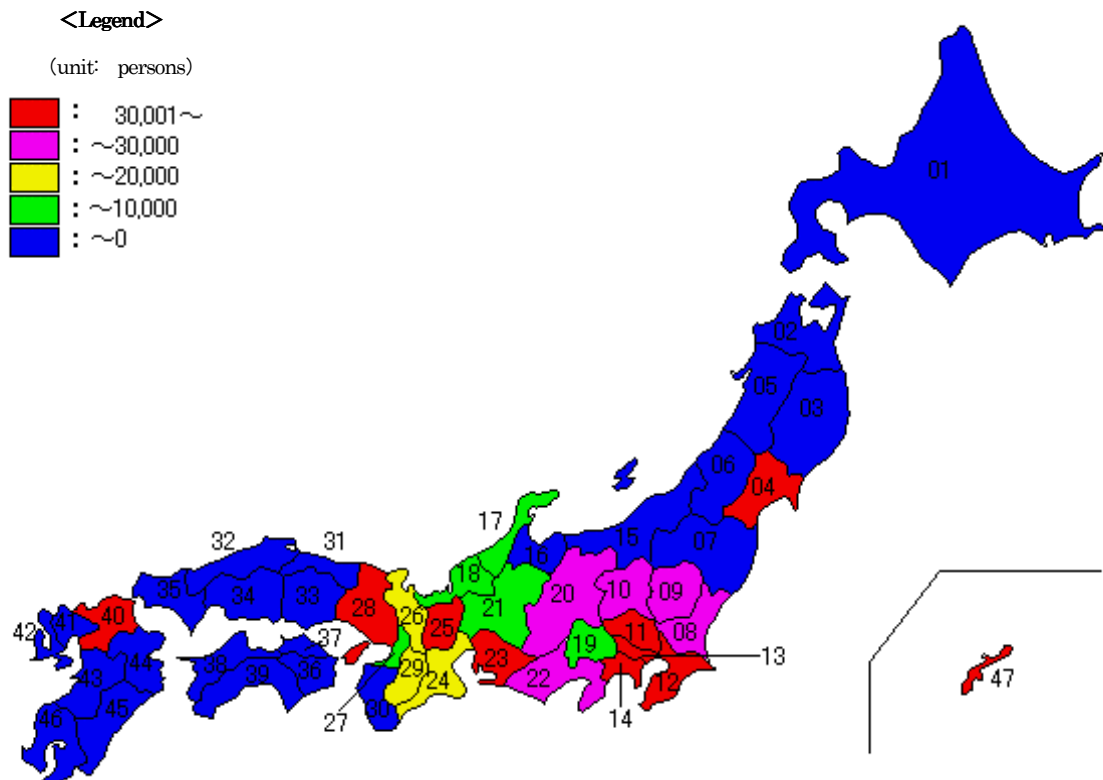
Social increase and decrease: Changes due to the population drift

Correlation Chart of Population Change (Actual Number)



Note: Broken line indicate the average of increase rate of population

Population Increase Per Prefecture



Note: Numbers on the map corresponds to the table on page 1