

## Firework and Residential Property

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I live in the eastern side of Tokyo Sumida-ku, where it is defined as “down town”, near “Asakusa” to give you a better idea.

Development of condominiums are increasing in this area targeting the local residents, since population outside of the area is less likely to come in, which is usually the case in the relatively up scale “Yamanote area”. This increase in the development may also indicate that the price of residential development is dropping to be able to target these local people.

The main selling point of this area is the “view”. A river called “Sumida” runs by this area and beautiful firework of the Sumida River is one of the famous event in Japan, which people in Tokyo look forward to every summer. Our foreign readers also may be familiar as it is widely broadcasted on TV. And the top selling point of the condos is that you can watch this firework from your own home.

Since Sumida-ku is industrial area with many small-medium companies, it is not an ideal residential environment with beautiful sceneries. Therefore, weather you can see the firework once a year from your home becomes crucial point when buying condos.

There are various different standards according to the area (like firework in Sumida-ku) when selecting residential properties, and this standard varies substantially within Japan. The popular layout in Tokyo is sometimes total failure when applied in regional cities. How would this vary between different counties? How is it different between, say Japan and the US, and Japan and France?

This regional difference, I believe is the difficulties underlying in the residential investments. Residential investment is said to be fairly stable compare to the other sectors, such as office and hotel, however, it would be fatal if you misjudge the standard of the country you are investing in. Standard of the western countries cannot be too different, however, it is crucial to examine the trend and custom of each country and region beforehand.

If you feel something “different” or “strange” about the residential properties in Japan, compare to that of your home country, please let me know. Your subtle remarks may give us a crucial finding, which may influence our investment strategy!