

News Release

Japan’s Existing Home Sales to Increase to 340,000 in 2030

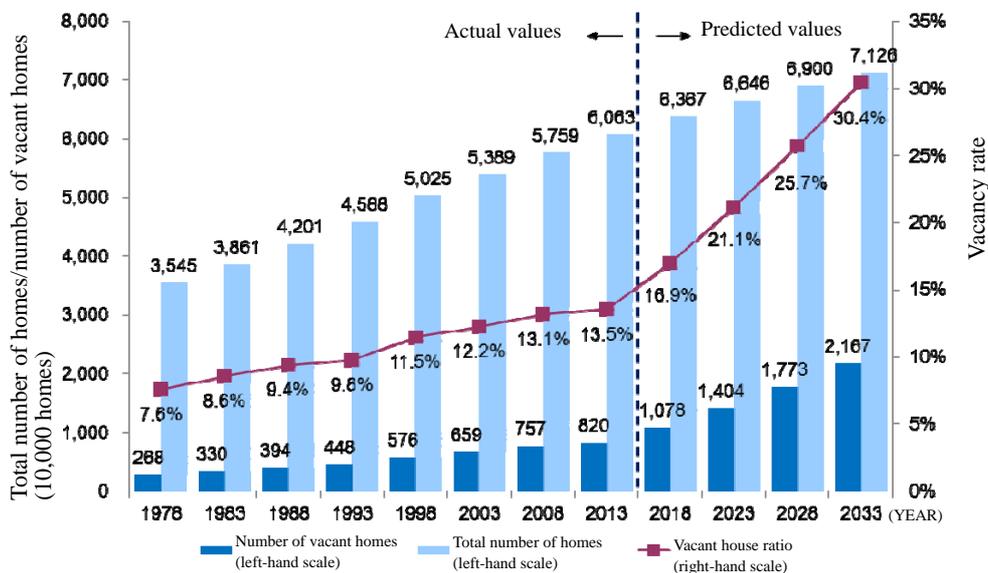
~ Vacant Homes Will Double to Over 20 Million in 2033 ~

Tokyo, August 1, 2016 – Nomura Research Institute, Ltd. (NRI), a leading provider of consulting services and system solutions, has announced its predictions on the number of Japan’s vacant homes and vacancy rate (ratio of vacant homes in the total number of homes) from 2018 to 2033, as well as Japan’s existing home sales (homes other than newly built homes) from 2015 to 2030.

■ Number of vacant homes and vacancy rate

NRI predicts that, if existing homes are not demolished or effectively used for non-residential purposes, the total number of homes will expand to roughly 71.3 million in 2033, the number of vacant homes will reach roughly 21.7 million, and the vacancy rate will reach 30.4%, all of which are increases.

Figure 1: Actual and predicted values for the total number of homes, number of vacant homes, and vacancy rate in Japan



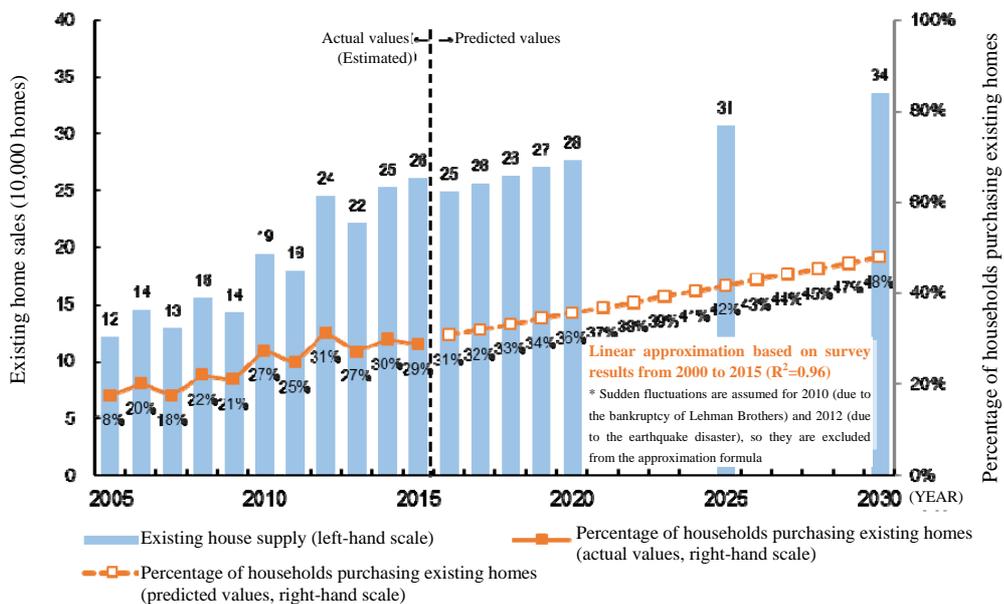
Source) Actual values are from the statistical survey on housing and land by the Ministry of Internal Affairs and Communications.

Predicted values are by NRI.

## ■ Existing home sales

NRI conducted a survey of homebuyers (9,204 men and women age 25 to 59 across Japan) each year from 2000 to 2015. According to these results, the percentage of households that purchased existing homes increased from 18% in 2005 to 29% in 2015. Assuming that this trend will continue beyond 2016, NRI predicts that existing home sales will increase to 310,000 in 2025 and to 340,000 in 2030.

**Figure 2: Actual and predicted values for existing home sales and percentage of households purchasing existing homes in Japan**



Source) Population Census, Population Projection by the Ministry of Internal Affairs and Communications, Projections on the Future Number of Households in Japan by the National Institute of Population and Social Security Research, Statistical Survey on Housing and Land by the Ministry of Internal Affairs and Communications, projections and predictions by NRI based on its surveys of homebuyers.

## ■ A mobile population is the key to invigorating existing home sales

An increase in the mobile population (moving, switching residences, replacement purchasing, etc.) is essential for further invigorating existing home sales in an era with a declining population and number of households. To that end, initiatives such as the following are necessary.

- Establishing valuation systems for existing homes and enhancing loans for existing homes and renovations
- Creating an environment that facilitates trial moving, residences in multiple

regions, etc.

- New business creation by private business operators (businesses to support moving, switching residences, replacement purchasing, etc.)

NRI believes that an increase in the mobile population in an ageing society will have effects such as creating an environment in which people can choose optimum housing depending on their life stage, as well as the qualitative improvement of residential environments for consumers.

For more information see “[The 2030 Housing Market](#)”

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## ABOUT NRI

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NRI is a leading global provider of system solutions and consulting services, including management consulting, system integration, and IT management and solutions for financial, manufacturing and service industries. Clients partner with NRI to expand businesses, design corporate structures and create new business strategies. NRI has 10,000 employees in 35 offices globally and reports annual sales above \$3.7 billion. For more information, visit <https://www.nri.com/global/>

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