

Cheaper mortgages for accessible homes

Addressing the need for accessible private housing is highly relevant to many countries that are experiencing an ageing society. Japan incentivises individuals and housing providers to build dwellings that respect requirements on accessibility and usability by offering them lower interest rates.

HOUSING MORTGAGE SCHEME FOR THE AGEING FUTURE

Year of existence:	1996 to 2007 (to present)
Country/region of origin:	Japan
Beneficiaries targeted:	All Japanese citizens
Responsible body:	Ministry of Construction; Ministry of Land, Infrastructure, Transport
Stakeholders:	Public and private sector

FACTS & FIGURES

- When the scheme was introduced, all the major housing providers changed their design standards to meet the new requirements.
- Housing mortgage usage related to design for ageing increased to over 60%.
- Among the whole housing stock, 5.4% include design for ageing features.

IN BRIEF

Japan's Housing Mortgage Scheme for the Ageing Future existed in its full extent from 1996 to 2007 and was subsidised by the Japanese government. It entitled dwellings meeting requirements on accessibility and usability to lower interest rates or larger mortgage sums. These requirements included a floor without unnecessary differences in level, support for handrail installation and specific widths. Because of the scheme, housing with design for ageing features increased considerably.

INNOVATIVE ASPECTS

Benefitting everyone

By revealing a clear and direct linkage between disability and ageing, the scheme shows how important accessibility is for all.

Incentivising the private sector

Through offering an incentive, the scheme nudged housing manufacturers to construct, and people to obtain, accessible private housing.

Enhancing community living

As an integral part of the Government's Action Plan for Persons with Disabilities, the scheme promoted in particular the goal of living in communities as ordinary citizens.

HISTORY

As a result of research in 1987, draft design guidelines on design for the ageing society were prepared, which guided local governments when they built rental housing. In 1995, the Ministry issued the finalised Design Guidelines of Dwellings for the Ageing Society, which, together with the Act on Accessible and Usable Buildings by the Aged and Physically Disabled Persons of 1994, marked a clear departure from age-specific housing schemes. In 1996, the Housing Loan Corporation introduced the Housing Mortgage Scheme for the Ageing Future, which offered reduced interest rates or larger sums of mortgages where design for ageing was respected in housing construction. The Housing Loan Corporation's transformation in 2007 had the negative effect of considerably reducing the funding available under the scheme. As a result, the number of clients reached has been modest and not sufficient to provide appropriate housing for seniors as required (it was only 10% in 2008 and 25% of dwellings by 2020).

«Japan's Housing Mortgage Scheme for the Ageing Future was well placed to provide appropriate housing for seniors. It should be re-launched, targeting clients from the younger generation.»
(Satoshi Kose, Shizuoka University of Art and Culture, Japan)



Experiments of simulated bathtub use with handrails in Japan (© Satoshi Kose)

KEY FEATURES

The Housing Mortgage Scheme for the Ageing Future was administered by the Housing Loan Corporation and subsidised by the Government. It entitled dwellings meeting the requirements on accessibility and usability to lower interest rates or larger mortgage amounts. These requirements were based on the Design Guidelines of Dwellings for the Ageing Society of 1995 (revised 2000 and 2001) and emphasised, as a starting point, a floor without unnecessary differences in level, support

for handrail installation and specific widths. Various types of building equipment and apparatus, coupled with these specific design features, would be effective in supporting the whole life of the residents. Even though not everybody can be accommodated, because some types and levels of disabilities require more extensive arrangements, for most people in most cases the three design requirements will suffice. In general, the interest rates of the Housing Loan Corporation were about 1% lower as compared to private bank loans. The scheme decreased this rate further by 0.1%. In addition, individuals and housing providers could receive larger mortgages (15,000 USD) and extra money (10,000 USD) was available for specific facilities.

IMPLEMENTATION

The Housing Loan Corporation was responsible for the implementation of the scheme. Under its routine inspection, it required planning-related documents and also inspected the building once completed. If the finished dwelling did not comply, the mortgage money was not given.

FUTURE DEVELOPMENT

Even though the original scheme was discontinued in 2007, accessible housing is still needed. A re-launch of the scheme would incentivise the provision of appropriate housing for seniors.

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SOURCES Satoshi Kose, How can the exploding senior population be accommodated? Japanese struggle towards inclusive design, Journal of Engineering Design, 21:2-3 (2010), 165-171.

The Building Center of Japan, A Quick Look at Housing in Japan, 2013: <http://bit.ly/1eqFwdN>

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