

Development of Housing Warranty in Japan



Tetsuo Numaoi

Executive Director

Organization for Housing
Warranty (OHW)

History of Housing Warranty System

1980: Establishment of OHW

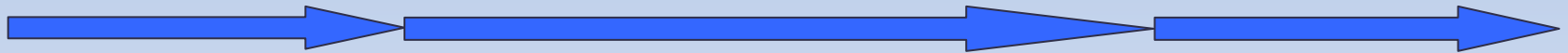
2000: Enforcement of Housing
Quality Assurance Act

- Builders are liable for major defects of a new house for 10 years
- Housing Performance Evaluation System

OHW Warranty Programs

Start of work

Handover



**Completion
Warranty
Program
for Houses**

Started
2000

**Warranty Program
For
New Houses**

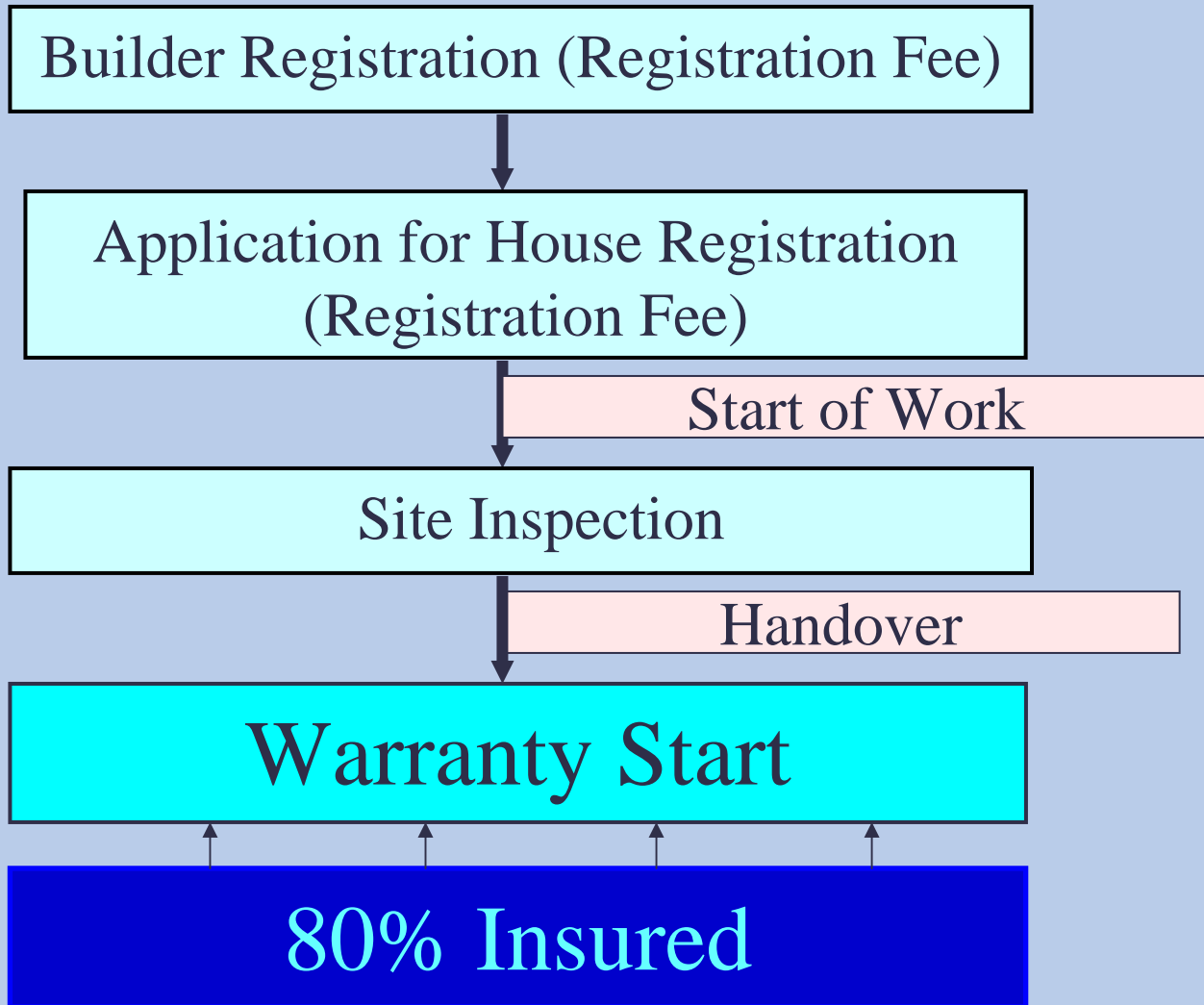
Started
1980

**Warranty Program
for Extension and Remodeling
of Used Houses
Started 2002**

**Warranty
Program
for
Existing
Houses**

Started
2001

Warranty Program for New Houses



REGISTRATION FEES

Builder Registration : **USD 2 9 0**

Housing Registration :

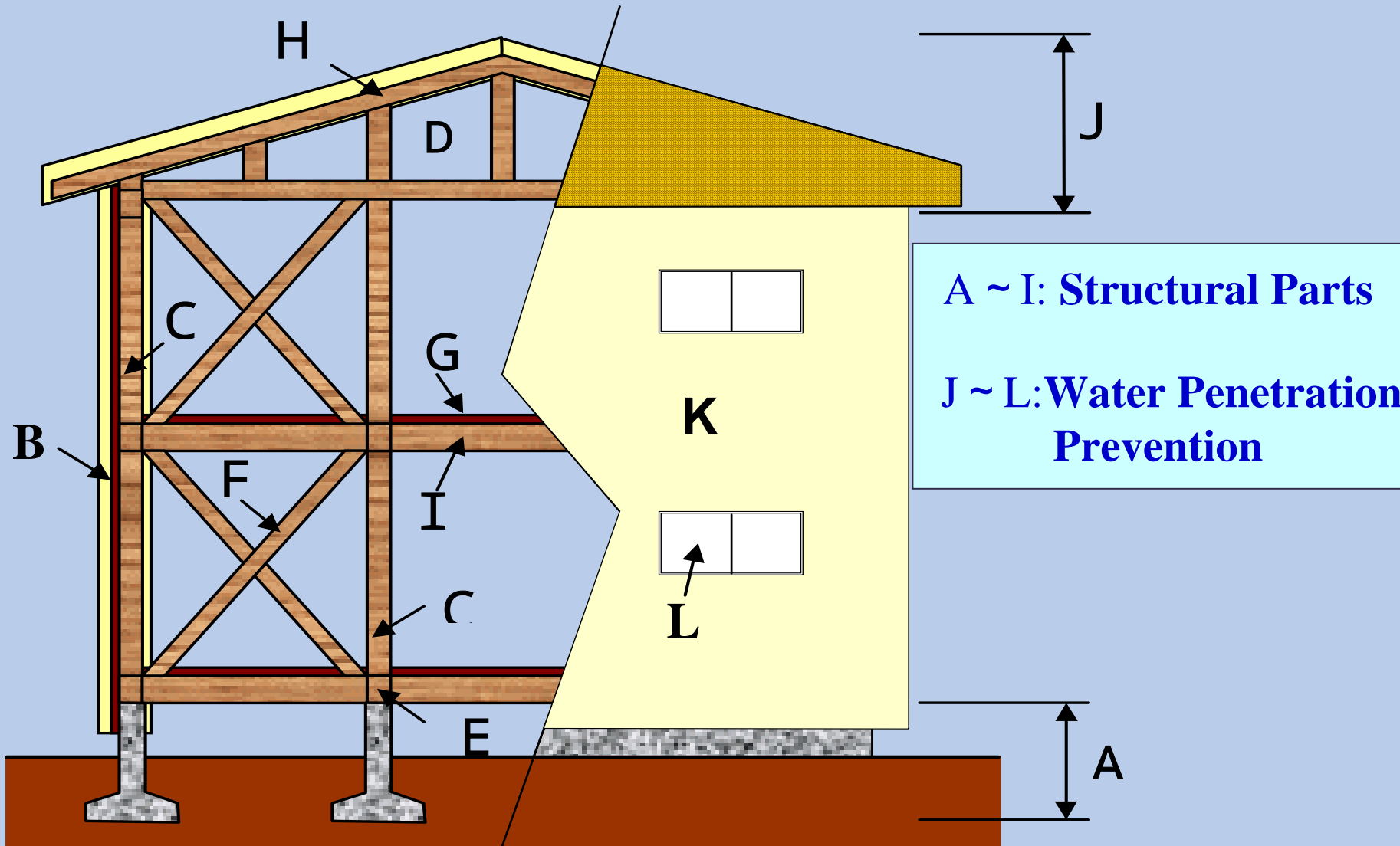
House Value \times 0.5189%

* For Small and Medium-sized Builders:

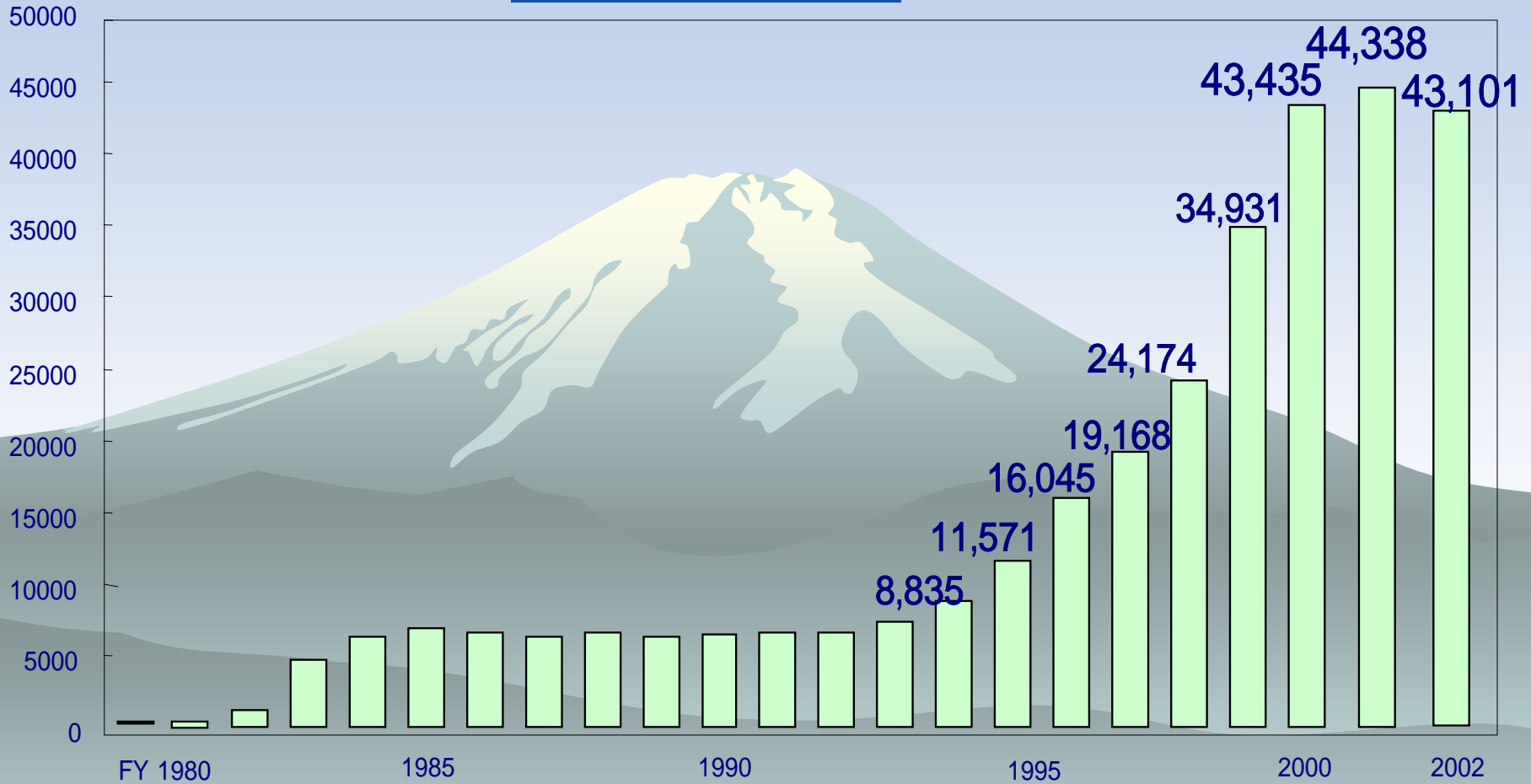
House Value \times 0.4384%

(**Average USD 6 0 0 as of FY2002**)

Parts to be Warranted

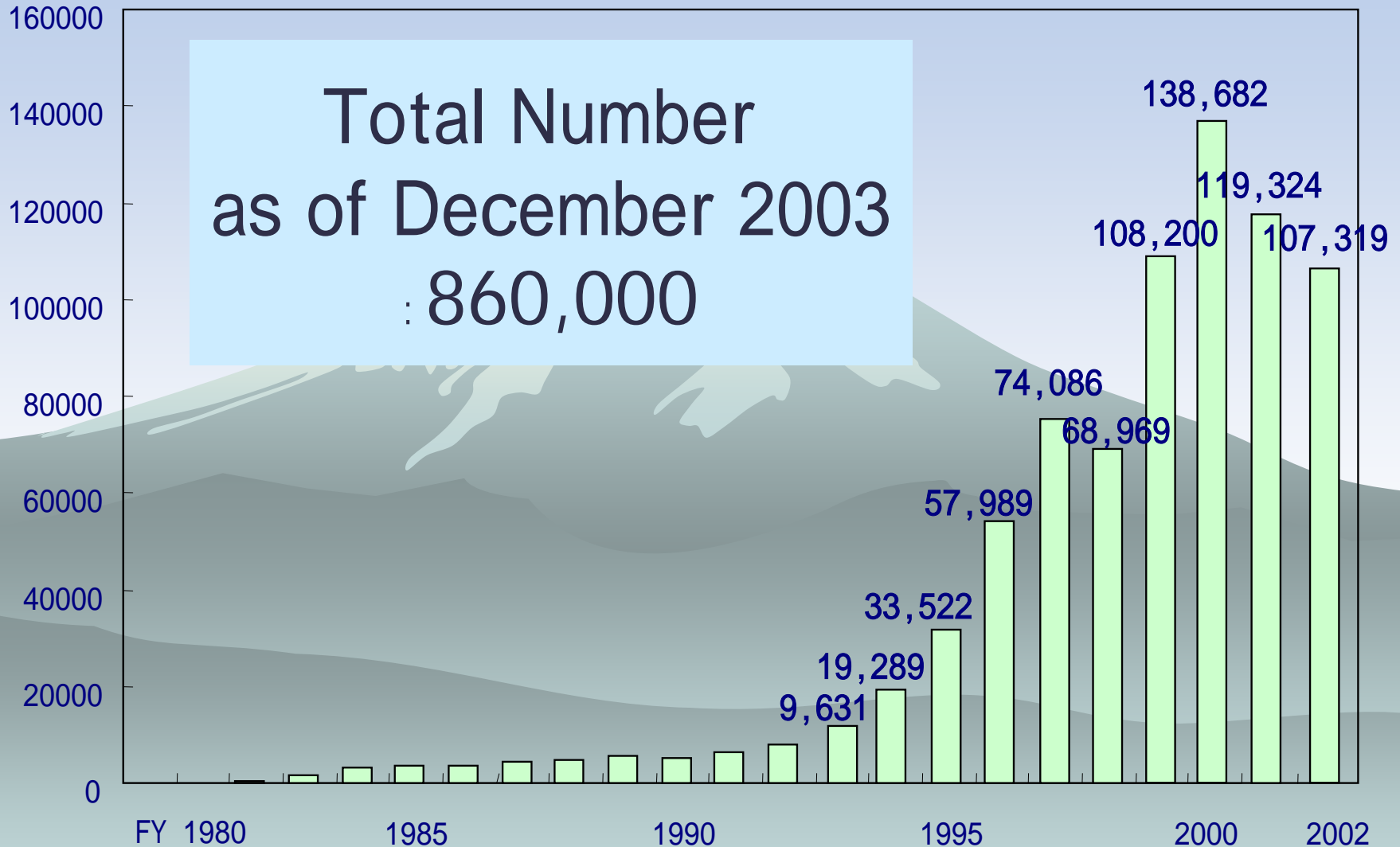


Number of Registered Builders



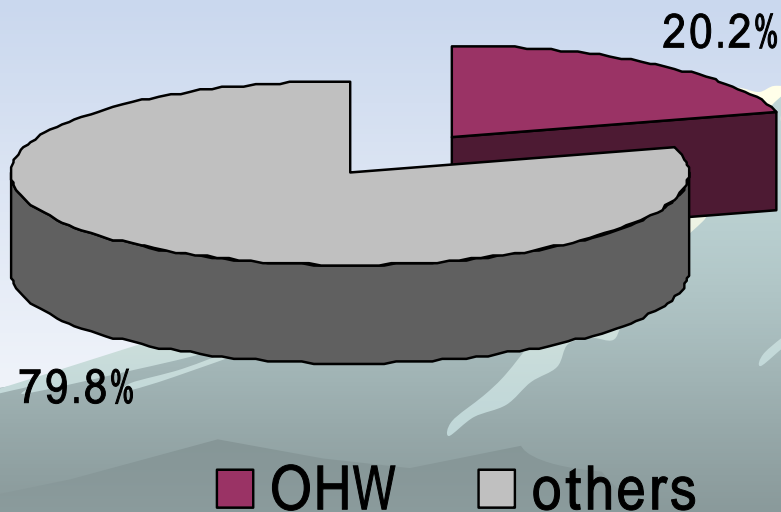
Houses under “Warranty Program for New Houses”

Housing Units

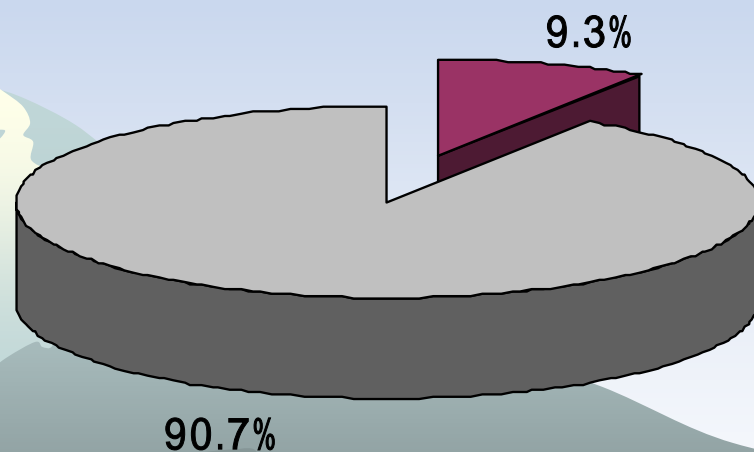


OHW Share out of Total Housing Starts (FY2002)

Detached Houses



Houses in Total



Applied to OHW: 98,462

Total Starts: 486,902

Applied to OHW: 106,782

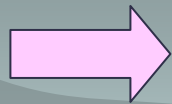
Total Starts: 1,145,553

Completion Warranty Program for Houses - Started 2000

EVEN IF THE WORK IS HALTED...

The advance payment will be warranted

Minimum extra expenditure



**Additional Credibility for Small and
Medium-sized Builders**

Warranty Program for Existing Houses

Started 2001

— — Objectives — —

To give assurance for the consumers

To activate the used housing market

Applicable Existing Houses

Traded house based on the sales contract

Detached house within 15-years old under certain conditions

House being inspected based on the authorized inspection when built

Clear the OHW inspection

*International
Housing &
Home
Warranty
Conference*



国際住宅建設・性能保証会議

Conference Website: <http://www.ihhwc.jp>

Past Conference Locations

- 1978 1st London, United Kingdom
- 1981 2nd Dallas, USA
- 1984 3rd Sydney, Australia
- 1987 4th Vancouver, Canada
- 1990 5th Dublin, Ireland
- 1993 6th Washington, DC, USA
- 1996 7th Melbourne, Australia
- 1999 8th Amsterdam, The Netherlands
- 2002 9th Banff, Canada
- 2005 10th Tokyo Japan** (First time in Asia)



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