

Fiscal Year 2024
Trends Concerning Land

Fiscal Year 2025
Basic Measures Concerning Land

May 2025

Ministry of Land, Infrastructure, Transport and Tourism (MLIT)

Table of Contents

Part 1: Trends Concerning Land	
Trends Concerning Land in FY 2024	1
Section 1: Trends in Land Prices	1
Section 2: Trends in Land Transactions	7
Section 3: Trends in Land Use	11
Section 4: Trends in the Real Estate Market	19
Section 5: Trends in the Real Estate Investment Market	26
Section 6: Attitudes toward Ownership, Use and Management of Land and Real Estate	32
Section 7: Revitalization of Regions through Private Investment	36
Part 2: Basic Measures Concerning Land in FY 2024	48
Part 3: Basic Measures Concerning Land in FY 2025	48
Chapter 1: Measures to Ensure Appropriate Land Use and Management	48
Chapter 2: Measures for Land Transactions	63
Chapter 3: Measures for Implementing Surveys and Providing Information on Land	66
Chapter 4: Comprehensive Promotion of Land Related Policies	69
Chapter 5: Recovery and Reconstruction Measures Related Land Following the Great East Japan Earthquake	71

Trends Concerning Land in FY 2024 and Basic Measures Concerning Land in FY 2025 are created based on the provisions of Article 11, paragraphs (1) and (2), of the Basic Act for Land (Act No. 84 of 1989).

Trends Concerning Land in FY 2024

Part 1 discusses trends in land prices, land transactions, land use, the real estate market, and the real estate investment market, etc. in FY 2024.

Section 1: Trends in Land Prices

(Trends in land prices in 2024)

According to the Land Market Value Publication by Ministry of Land, Infrastructure, Transport and Tourism (hereinafter referred to as the “MLIT”), as of January 1, 2025, the average land prices for all uses, residential land and commercial land increased for the fourth consecutive year, while the rate of increasing expanded.

Concerning the land prices in three major metropolitan areas, the average volatility of all residential and commercial land rose for the fourth consecutive year, while the rate of increasing expanded in all three areas. This trend of expanding rate of increasing continued in the Tokyo and Osaka areas, while in the Nagoya area the rate of increasing was slightly reduced.

In regional areas, land prices for all uses, residential, and commercial land rose for the fourth consecutive year. Among regional cities, in the four major regional cities (Sapporo, Sendai, Hiroshima, and Fukuoka) the rate of increasing was slightly reduced, but in other regions generally continued the upward trend.

Nationwide, land prices continued to rise overall, reflecting a moderately recovering economy. Although regional and land-use-specific differences exist, land prices in the three major metropolitan areas showed an expanding rate of increasing, and the prices in regional areas also remained on an upward trend.

For residential land, due to continued low interest rates, housing demand remained firm, supporting a continued increase in prices. Particularly in central parts of Tokyo and Osaka areas, strong increases were observed. Areas with excellent transportation and living convenience, and high levels of inward migration, also saw relatively strong growth supported by steady housing demand. Additionally, resort and tourist areas, driven by the demand for vacation homes and condominiums from foreign nationals, and by the demand for housing from local people, also recorded strong increases at some sites.

For commercial land, in major cities, the demand for stores and hotels remained strong. Office space demand also contributed to continued land price increases due to the trend of declining vacancy rates and rising rents. In areas where there is competition with condominium demand, particularly around train stations, high price increases were observed. Additionally, some of the tourist areas where tourist numbers increased including foreigners, strong price increases continued. In areas where redevelopment projects are progressing, expectations for improved convenience and vibrancy supported continued land price growth.

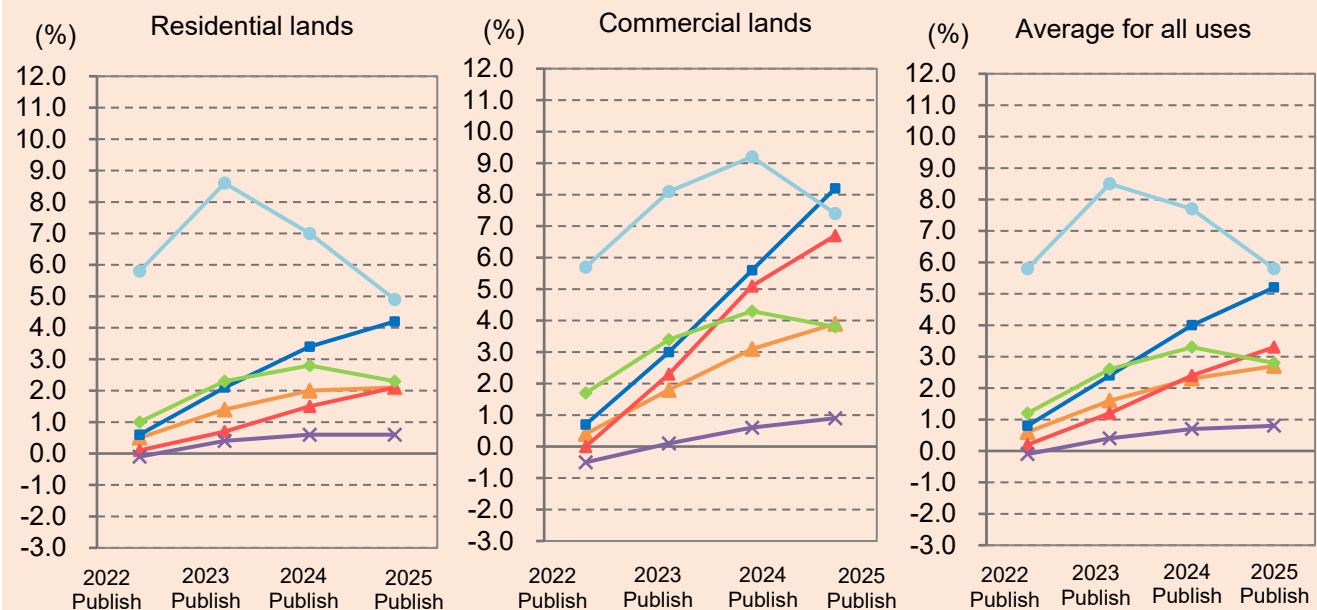
In the area where a major semiconductor manufacturer is expanding its factory, the demand for houses for its employees, including affiliated companies, and the demand for affiliated companies' factory sites, offices, hotels, stores are strong, and residential land, commercial land, and industrial land prices continued to rise high. On the background of the demand for land for large logistics facilities driven by a robust e-commerce market, in industrial zones with good access to expressways and available labor, especially in some areas, land prices continuously rose high. On the other hand, in areas severely affected by the 2024 Noto Peninsula Earthquake and other disasters, land prices saw significant declines (Figures 1-1-1, 1-1-2, 1-1-3).

Figures 1-1-1

Changes in land price volatility (annual)

	Residential lands				Commercial lands				Average for all uses			
	2022 Publish	2023 Publish	2024 Publish	2025 Publish	2022 Publish	2023 Publish	2024 Publish	2025 Publish	2022 Publish	2023 Publish	2024 Publish	2025 Publish
Nationwide	0.5	1.4	2.0	2.1	0.4	1.8	3.1	3.9	0.6	1.6	2.3	2.7
Three major met. areas	0.5	1.7	2.8	3.3	0.7	2.9	5.2	7.1	0.7	2.1	3.5	4.3
Tokyo area	0.6	2.1	3.4	4.2	0.7	3.0	5.6	8.2	0.8	2.4	4.0	5.2
Osaka area	0.1	0.7	1.5	2.1	0.0	2.3	5.1	6.7	0.2	1.2	2.4	3.3
Nagoya area	1.0	2.3	2.8	2.3	1.7	3.4	4.3	3.8	1.2	2.6	3.3	2.8
Regional areas	0.5	1.2	1.2	1.0	0.2	1.0	1.5	1.6	0.5	1.2	1.3	1.3
Sapporo, Sendai, Hiroshima, Fukuoka	5.8	8.6	7.0	4.9	5.7	8.1	9.2	7.4	5.8	8.5	7.7	5.8
Others	▲ 0.1	0.4	0.6	0.6	▲ 0.5	0.1	0.6	0.9	▲ 0.1	0.4	0.7	0.8

Nationwide Tokyo area Osaka area Nagoya area Sapporo, Sendai, Hiroshima, Fukuoka Regional areas Others



Source: MLIT "Land Market Value Publication"

Note 1: Region Classifications are as follows:

Three major metropolitan areas: Tokyo, Osaka, and Nagoya

Tokyo area: Cities including existing cities and suburb improvement zones based on Metropolitan Area Improvement Act

Osaka area: Cities including existing cities and suburb improvement zones based on Kinki Area Improvement Act

Nagoya area: Cities including urban improvement areas based on Chubu Area Development and Improvement Act

Regional area: Regions besides the three major metropolitan areas

Others: Cities besides Sapporo, Sendai, Hiroshima, and Fukuoka among regional area

Note 2: FY 2022 Publish: FY 2022 Land Market Value Publication (Jan. 1, 2021–Jan. 1, 2022)

FY 2023 Publish: FY 2023 Land Market Value Publication (Jan. 1, 2022–Jan. 1, 2023)

FY 2024 Publish: FY 2024 Land Market Value Publication (Jan. 1, 2023–Jan. 1, 2024)

FY 2025 Publish: FY 2025 Land Market Value Publication (Jan. 1, 2024–Jan. 1, 2025)

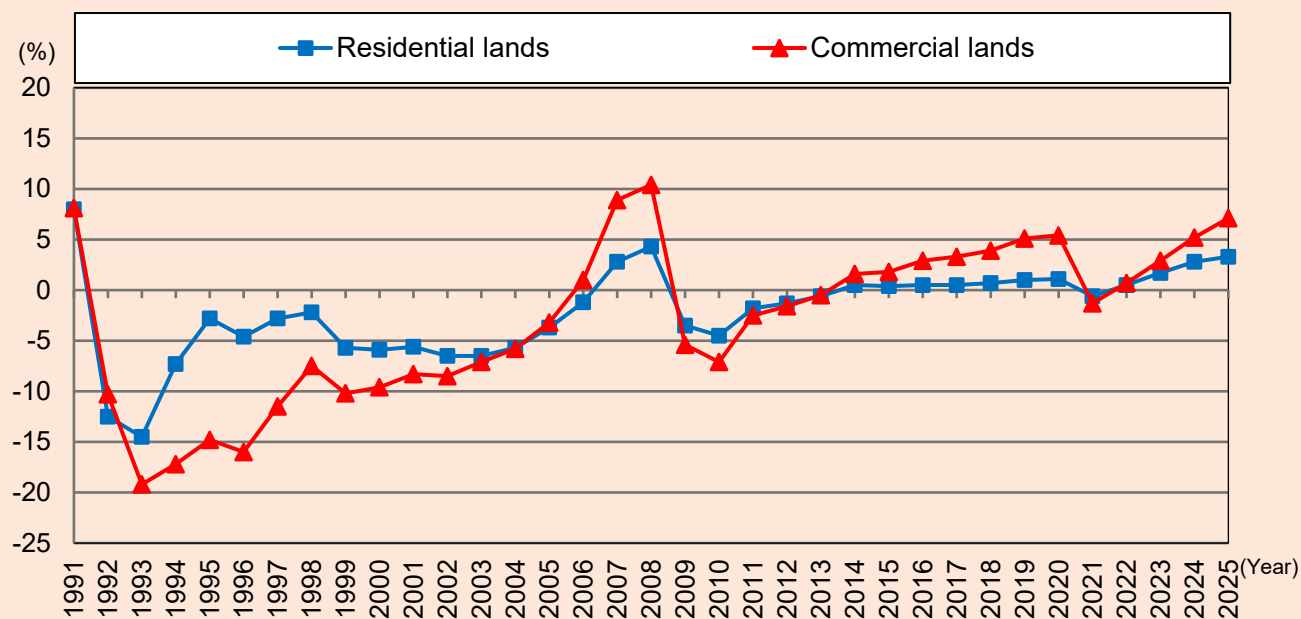
Note 3: The rate of decline was reduced and the rate of increasing expanded from the previous year.

 The rate of decline expanded and the rate of increasing was reduced from the previous year

 The volatility remained unchanged from the previous year

Figure 1-1-2

Changes in the average year-on-year land price volatility in the three major metropolitan areas



Source: MLIT "Land Market Value Publication"

Note: Three major metropolitan areas: Tokyo, Osaka, and Nagoya

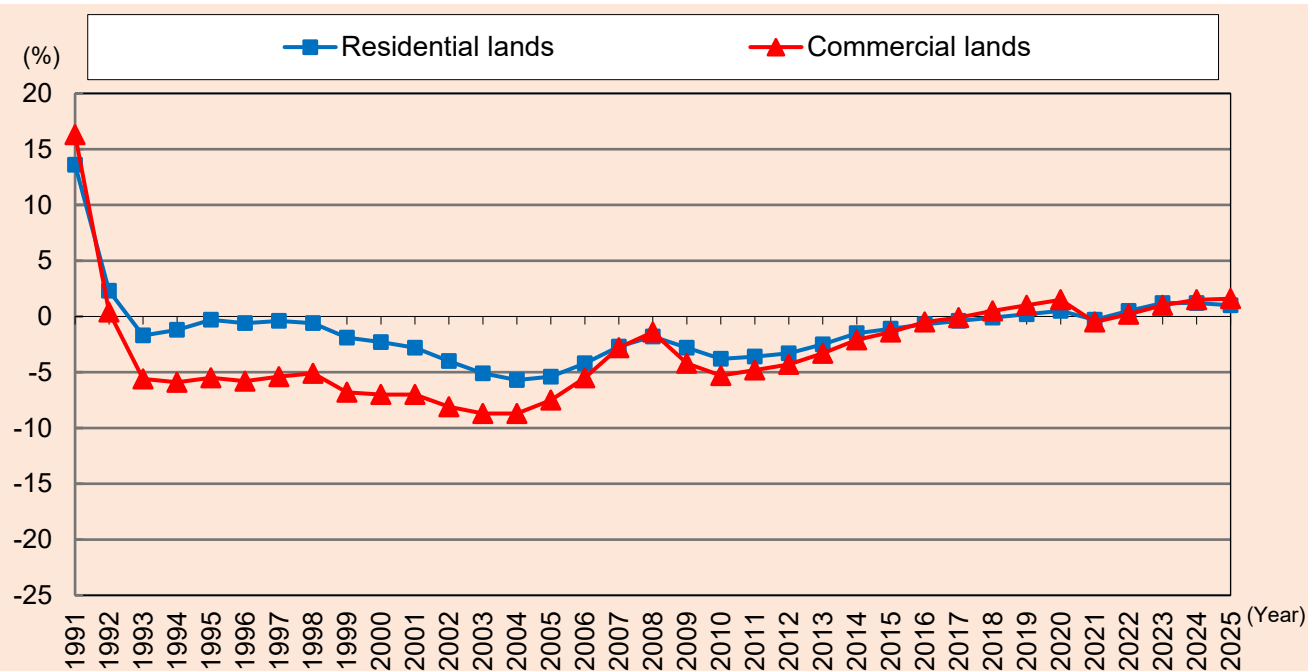
Tokyo area: Cities including existing cities and suburb improvement zones based on Metropolitan Area Improvement Act

Osaka area: Cities including existing cities and suburb improvement zones based on Kinki Area Improvement Act

Nagoya area: Cities including urban improvement areas based on Chubu Area Development and Improvement Act

Figure 1-1-3

Changes in the average year-on-year land price volatility in the regional areas



Source: MLIT "Land Market Value Publication"

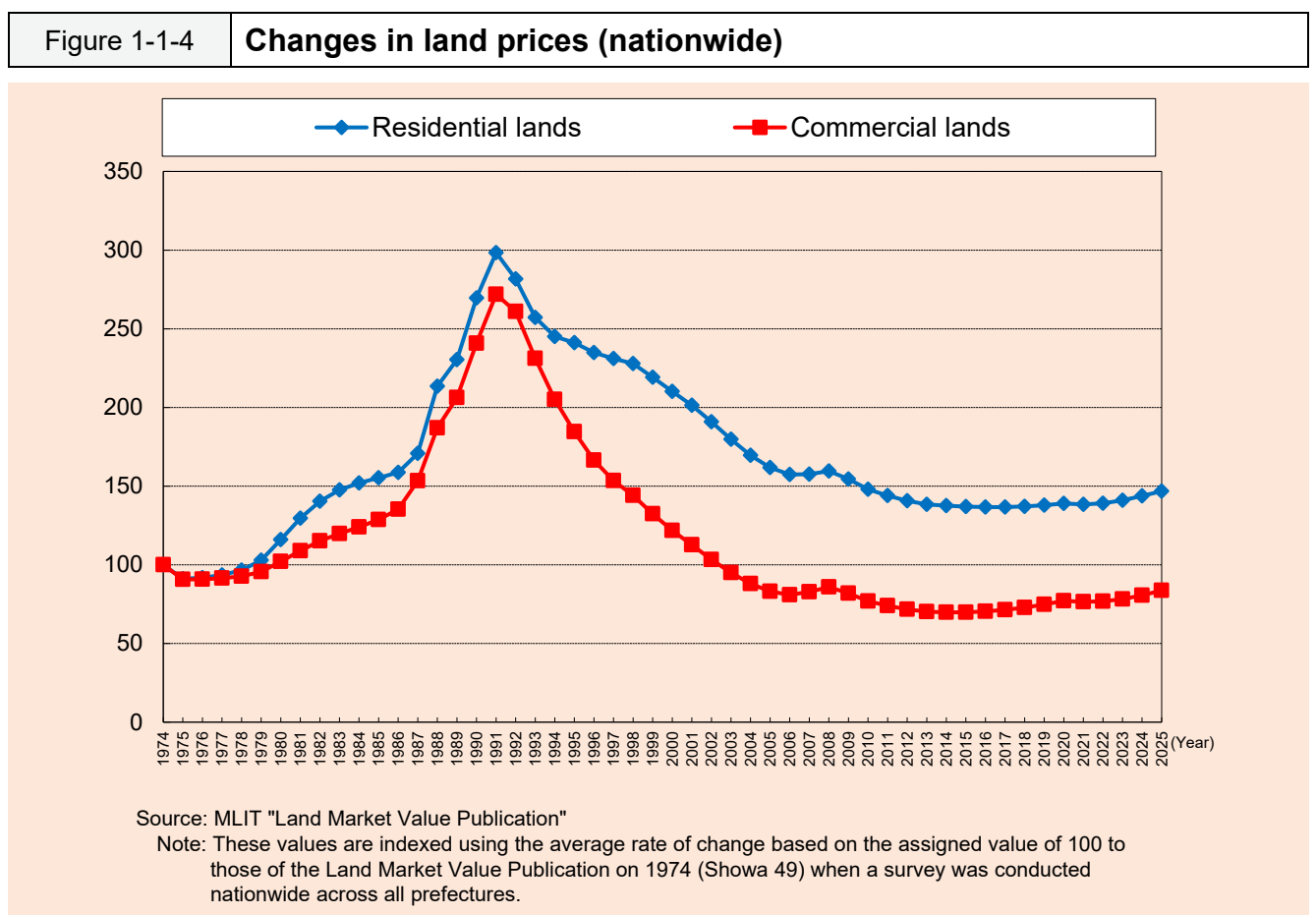
Note: Regional area: Regions besides the three major metropolitan areas

(Long Term Trends in Land Prices)

According to the Land Market Value Publication, since 1974 nationwide land prices both for residential and commercial areas rose significantly from around 1987 through 1991.

Thereafter, prices continued to decline, except for 2007 and 2008. However, supported by economic recovery and a low interest rate environment, residential land prices had risen from 2018, and commercial land prices from 2016.

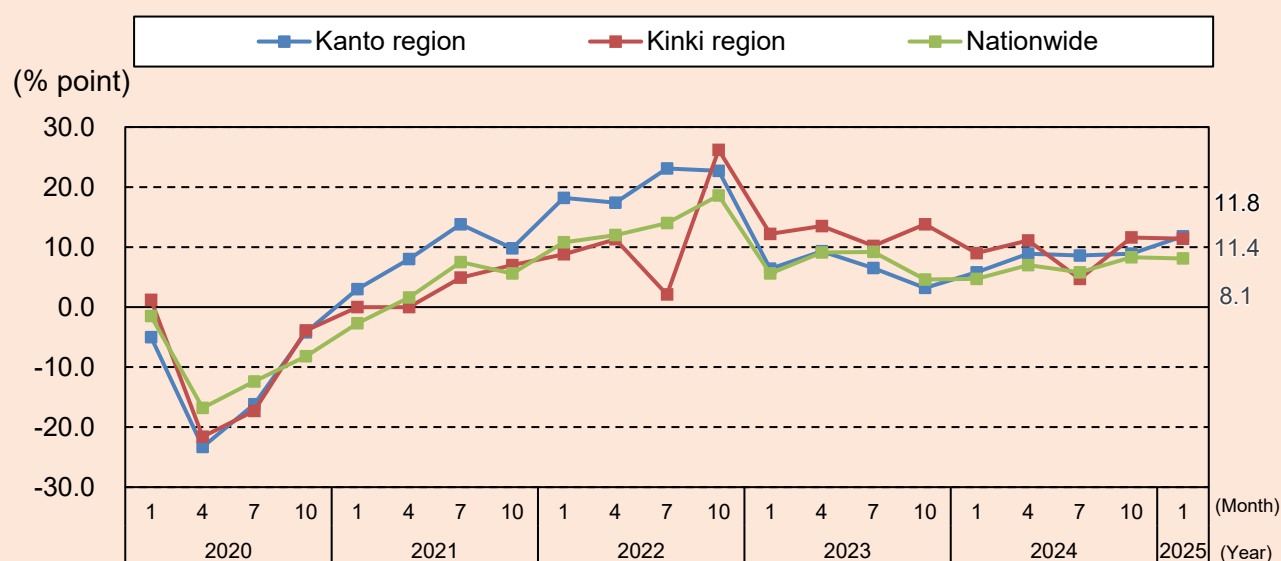
In 2021, due to the impact of the COVID-19 pandemic, residential land prices fell for the first time in five years since 2016, and commercial land prices fell for the first time in seven years since 2014. In 2022, however, both residential and commercial land prices rebounded due to improved business sentiment, and the upward trend has continued into 2025 (Figure 1-1-4).



(Attitudes toward land prices)

As for corporate attitudes toward land prices, according to the “DI Survey of Real Estate Market Conditions” conducted by Real Estate Institute, National Federation of Real Estate Transaction Associations, the diffusion index, DI¹, reflecting companies’ perception of current land price level (the index value for the land prices at the time of the survey compared to three months earlier, is calculated by subtracting the sum of [the percentage of companies that responded “Significantly decreased” and 1/2 of the percentage of companies that responded “Slightly decreased”], from the sum of [the percentage of companies that responded “Significantly increased” and 1/2 of the percentage of companies that responded “Slightly increased”], turned out to be, for all regions in January 2025, reaching 11.8 points in the Kanto region, 11.4 points in the Kinki region, and 8.1 points in the nation as a whole (Figure 1-1-5).

Figure 1-1-5 **DI reflecting the perception of current land price level**



Source: Prepared by MLIT on “DI Survey of Real Estate Market Conditions”, by Real Estate Institute, National Federation of Real Estate Transaction Associations.

Note 1: $DI = (\text{“Significantly increased”} \times 2 + \text{“Slightly increased”} - \text{“Slightly decreased”} - \text{“Significantly decreased”} \times 2) / 2$

Note 2: The values for “Significantly increased”, “Slightly increased”, “Slightly decreased”, “Significantly decreased” are the percentages of the companies that responded “Significantly increased”, “Slightly increased”, “Slightly decreased”, “Significantly decreased” relative to the number of valid responses.

Note 3: Target areas includes the following

Kanto region: Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, and Kanagawa Prefectures

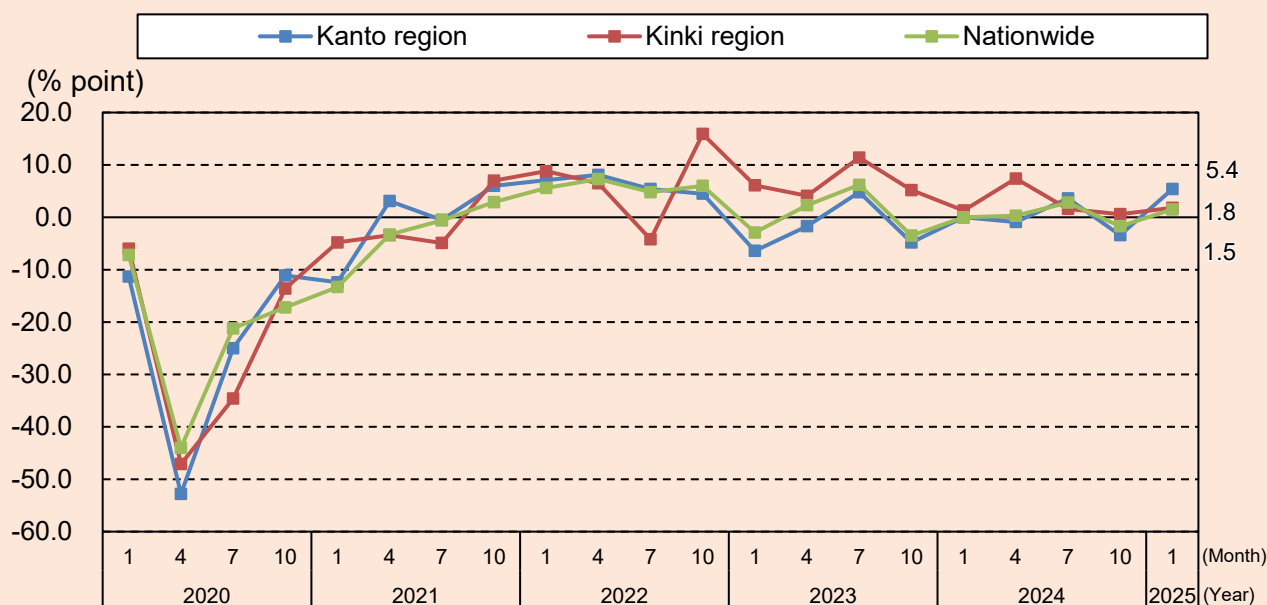
Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, Wakayama Prefectures

¹ Abbreviation of Diffusion Index. An index that quantifies companies’ perceptions on business conditions, equipment levels, and employment levels, etc.

The diffusion index, DI, reflecting companies' expectations regarding land price levels three months ahead (the index value for the expectations regarding land prices three months ahead, is calculated by subtracting the sum of [the percentage of companies that responded "Significantly decreased" and 1/2 of the percentage of companies that responded "Slightly decreased"], from the sum of [the percentage of companies that responded "Significantly increased" and 1/2 of the percentage of companies that responded "Slightly increased"]), turned out to be, in January 2025, 5.4 points in the Kanto region, 1.8 points in the Kinki region, and 1.5 points in the nation as a whole (Figure 1-1-6).

Figure 1-1-6

DI reflecting the expectations regarding land price levels three months ahead



Source: Prepared by MLIT on "DI Survey of Real Estate Market Conditions", by Real Estate Institute, National Federation of Real Estate Transaction Associations.

Note 1: $DI = ("Significantly\ increased" * 2 + "Slightly\ increased" - "Slightly\ decreased" - "Significantly\ decreased" * 2) / 2$

Note 2: The values for "Significantly increased", "Slightly increased", "Slightly decreased", "Significantly decreased" are the percentages of the companies that responded "Significantly increased", "Slightly increased", "Slightly decreased", "Significantly decreased" relative to the number of valid responses.

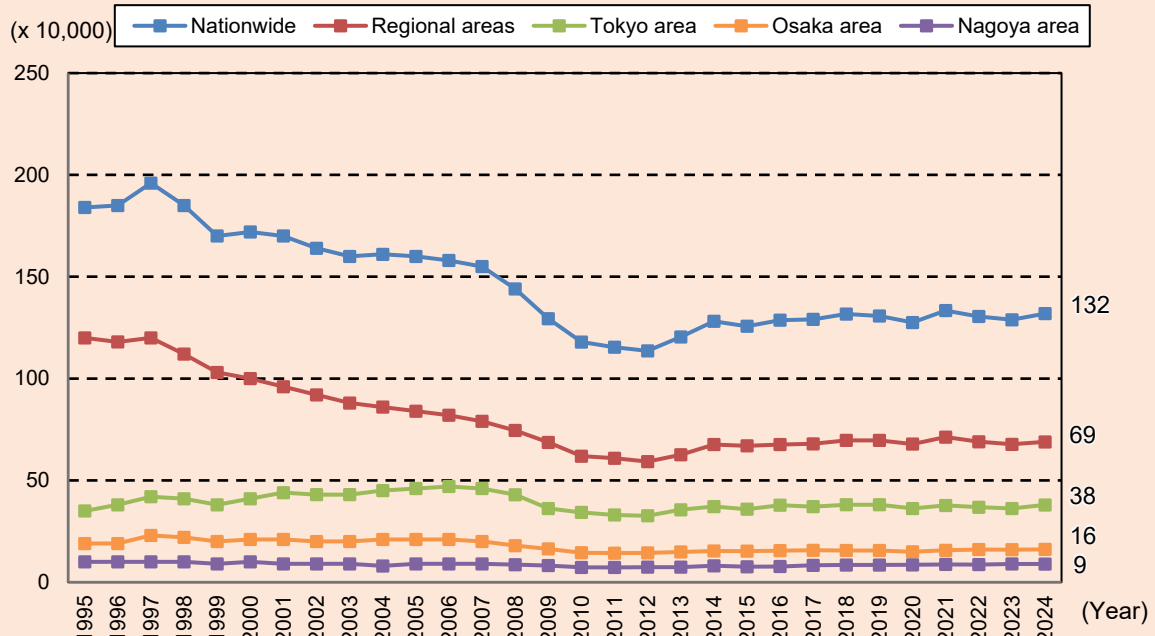
Note 3: Target areas are the same as in the Figure 1-1-5.

Section 2: Trends in Land Transactions

(Changes in the number of land transactions)

According to the “Monthly Report on Registration Statistics” by the Ministry of Justice, the number of transfers of ownership registered through the purchase and sale of land in 2024 was approximately 1.32 million nationwide, remaining almost unchanged (Figure 1-2-1).

Figure 1-2-1 **Changes in the number of land transactions of buying and selling**



Source: Prepared by MLIT based on “Monthly Report on Registration Statistics” by the Ministry of Justice

Note 1: Metropolitan area classifications are as follows:

Tokyo area: Saitama, Chiba, Tokyo, and Kanagawa Prefectures

Osaka area: Osaka, Kyoto, and Hyogo Prefectures

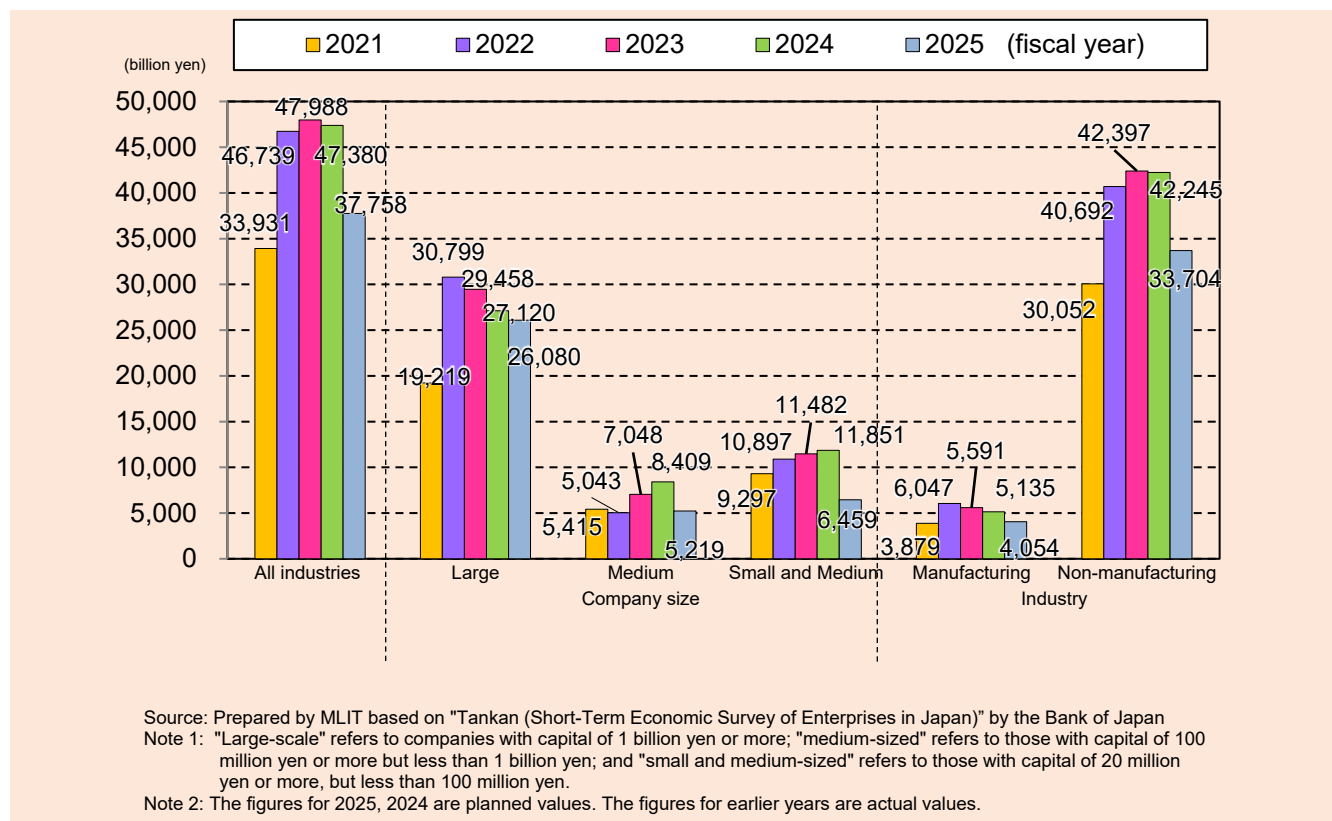
Nagoya area: Aichi and Mie Prefectures

Regional areas: Regions not coming under the above areas

Note 2: The figures are rounded to the nearest ten thousand. Due to rounding, the sum of the four areas may not equal the nationwide value.

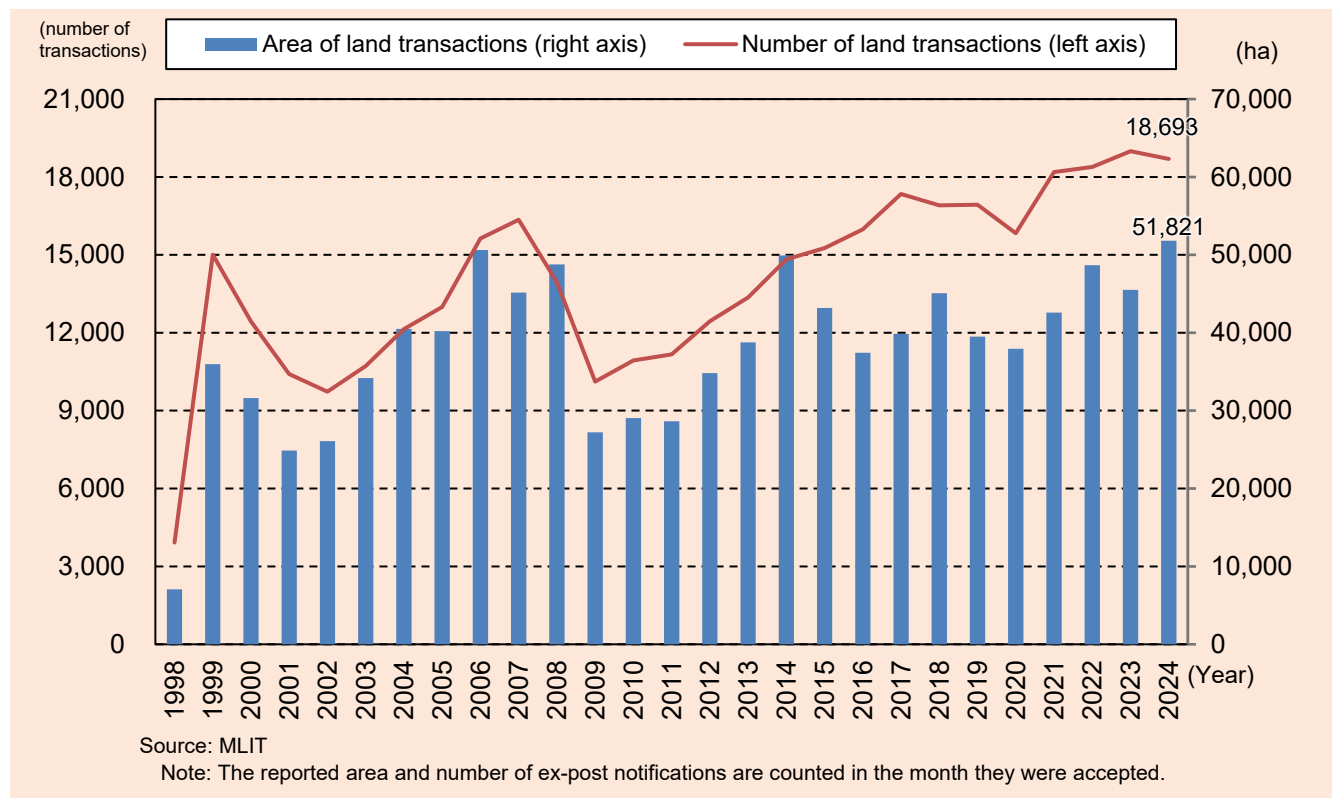
According to the Tankan (Short-Term Economic Survey of Enterprises in Japan) by the Bank of Japan, the planned amount of land investment by enterprises for fiscal year 2025 is 3,775.8 billion yen across all industries (a 20.3% decrease compared to the previous fiscal year), and is expected to decrease across all categories compared to the previous fiscal year (Figure 1-2-2).

Figure 1-2-2 Changes in the amount of enterprise land investment



In 2024, the number of post-reports submitted under Article 23, Paragraph 1 of the National Land Use Planning Act (Act No. 92 of 1974) was 18,693 cases, covering 51,821 hectares. While the number of cases decreased compared to the previous year, the total area increased (Figure 1-2-3).

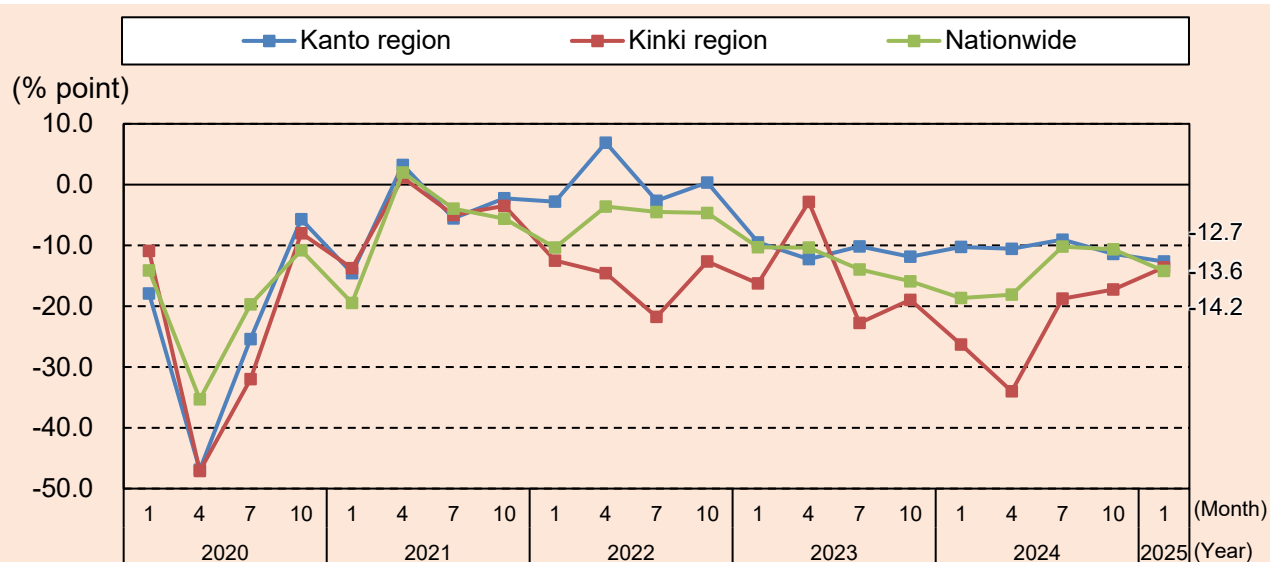
Figure 1-2-3 Changes in the number of post-reports submitted and the total area



(Attitudes toward land transactions by corporations)

As for corporate attitudes toward land transactions, according to the “DI Survey of Real Estate Market Conditions” conducted by the Real Estate Institute, National Federation of Real Estate Transaction Associations, the diffusion index, DI, for current land transactions (the index value regarding to companies’ perception of current number of land transactions at the time of the survey compared to three months earlier, is calculated by subtracting the sum of [the percentage of companies that responded “Significantly decreased” and 1/2 of the percentage of companies that responded “Slightly decreased”], from the sum of [the percentage of companies that responded “Significantly increased” and 1/2 of the percentage of companies that responded “Slightly increased”]), turned out to be, in January 2025, -12.7 points in the Kanto region, -13.6 points in the Kinki region, and -14.2 points in the nation as a whole (Figure 1-2-4).

Figure 1-2-4 **DI on perceived state of current land transactions**



Source: Prepared by MLIT on "DI Survey of Real Estate Market Conditions," by Real Estate Institute, National Federation of Real Estate Transaction Associations.

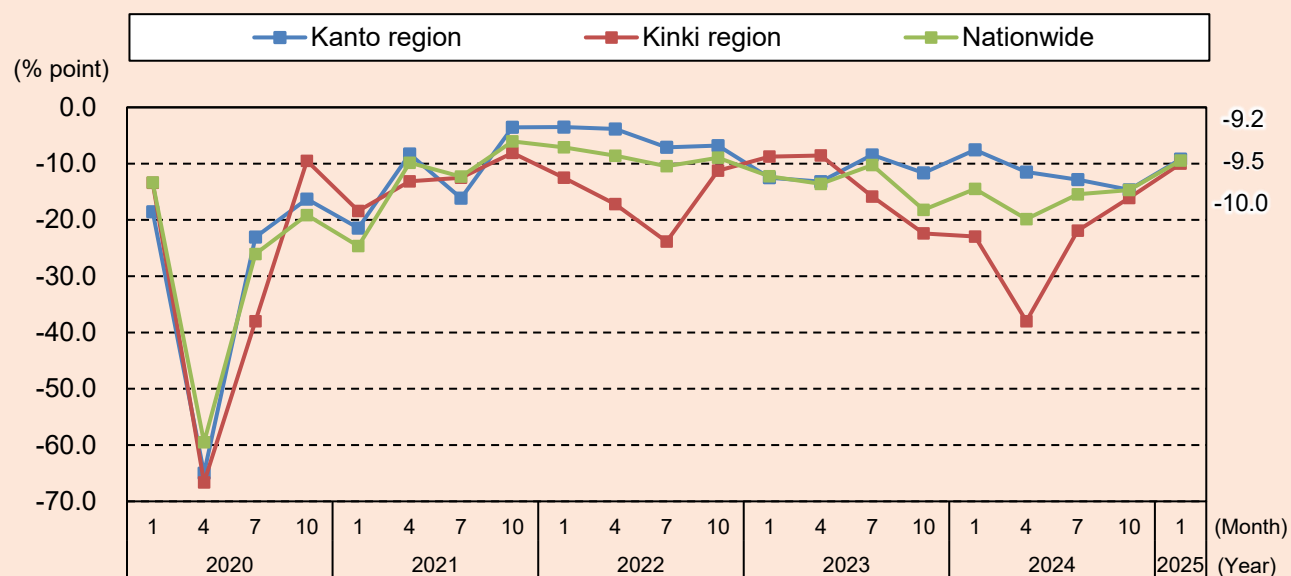
Note 1: $DI = ("Significantly\ increased" * 2 + "Slightly\ increased" - "Slightly\ decreased" - "Significantly\ decreased" * 2) / 2$

Note 2: Figures for "Significantly decreased", "Slightly decreased", "Slightly decreased", and "Significantly decreased" are percentages of valid responses for "Significantly increased", "Slightly increased", "Slightly decreased", and "Significantly decreased", respectively.

Note 3: Target areas are the same as in the Figure 1-1-5.

The diffusion index, DI, reflecting companies' expectations regarding land transactions three months ahead (the index value for the expectations regarding land transactions three months ahead, is calculated by subtracting the sum of [the percentage of companies that responded "Significantly decreased" and 1/2 of the percentage of companies that responded "Slightly decreased"], from the sum of [the percentage of companies that responded "Significantly increased" and 1/2 of the percentage of companies that responded "Slightly increased"]), turned out to be, in January 2025, -9.2 points in the Kanto region, -10.0 points in the Kinki region, and -9.5 points in the nation as a whole (Figure 1-2-5).

Figure 1-2-5 **DI on expected state of land transactions three months ahead**



Source: Prepared by MLIT on "DI Survey of Real Estate Market Conditions," by Real Estate Institute, National Federation of Real Estate Transaction Associations.

Note 1: $DI = ("Significantly\ increased" * 2 + "Slightly\ increased" - "Slightly\ decreased" - "Significantly\ decreased" * 2) / 2$

Note 2: Figures for "Significantly decreased", "Slightly decreased", "Slightly decreased", and "Significantly decreased" are percentages of valid responses for "Significantly increased", "Slightly increased", "Slightly decreased", and "Significantly decreased", respectively.

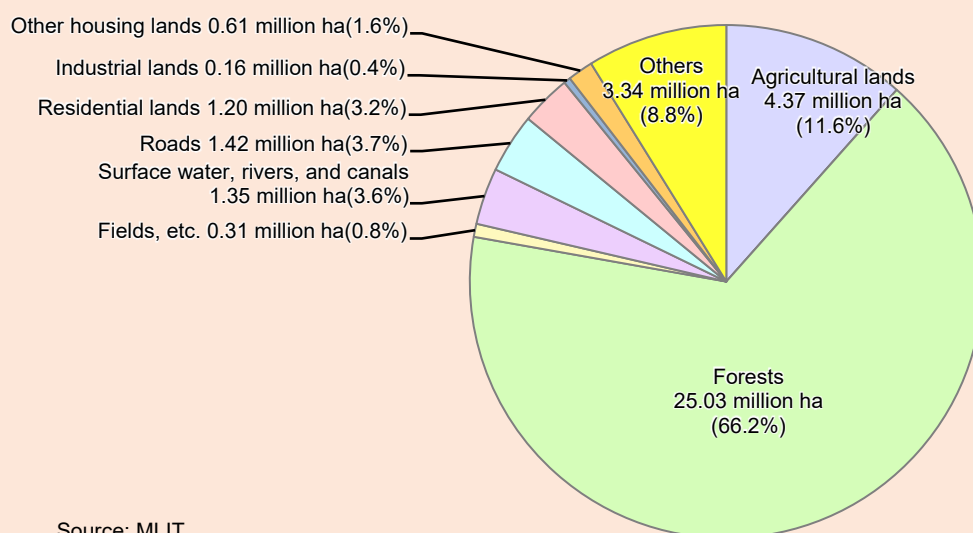
Note 3: Target areas are the same as in the Figure 1-1-5.

Section 3: Trends in Land Use

(Overview of land use, etc.)

As of 2020, the total area of Japan was approximately 37.80 million hectares. Forestland accounts for the largest portion (25.03 million hectares), followed by farmland (4.37 million hectares). When combined, forestland and farmland account for about 80% of the national land area. In addition, developed land, such as residential and industrial land, amounts to 1.97 million hectares, roads occupy 1.42 million hectares, surface water, rivers, and canals cover 1.35 million hectares, and fields total 0.31 million hectares (Figures 1-3-1, 1-3-2).

Figure 1-3-1 Overview of National Land Use



Source: MLIT

Note 1: Values in 2020

Note 2: Due to rounding, the sum of the breakdowns may not be equal to 100%.

Figure 1-3-2 Changes in National Land Use

(ten thousand ha, %)

Survey Year	1975 (Showa 50)			1985 (Showa 60)			1995 (Heisei 7)			2005 (Heisei 17)			2015 (Heisei 27)			2020 (Reiwa 2)		
Classification	Nationwide	Three major met. areas	Regional areas	Nationwide	Three major met. areas	Regional areas	Nationwide	Three major met. areas	Regional areas	Nationwide	Three major met. areas	Regional areas	Nationwide	Three major met. areas	Regional areas	Nationwide	Three major met. areas	Regional areas
Land Use Category																		
1. Agricultural lands	557 (14.8)	80 (15.0)	477 (14.7)	538 (14.2)	72 (13.5)	466 (14.4)	504 (13.3)	66 (12.2)	438 (13.5)	470 (12.4)	61 (11.4)	409 (12.6)	450 (11.9)	56 (10.5)	393 (12.1)	437 (11.6)	54 (10.1)	383 (11.8)
2. Forests	2,529 (67.0)	324 (60.7)	2,205 (68.0)	2,530 (67.0)	323 (60.3)	2,207 (68.1)	2,514 (66.5)	318 (59.3)	2,195 (67.7)	2,509 (66.4)	316 (58.8)	2,193 (67.7)	2,505 (66.3)	314 (58.5)	2,191 (67.6)	2,503 (66.2)	313 (58.3)	2,190 (67.5)
3. Fields, etc.	62 (1.6)	2 (0.4)	60 (1.9)	41 (1.1)	1 (0.2)	40 (1.2)	35 (0.9)	1 (0.2)	34 (1.1)	36 (1.0)	1 (0.2)	35 (1.1)	35 (0.9)	1 (0.2)	34 (1.0)	31 (0.8)	1 (0.2)	30 (0.9)
4. Surface water, rivers, and canals	128 (3.4)	18 (3.4)	110 (3.4)	130 (3.4)	18 (3.4)	112 (3.5)	132 (3.5)	19 (3.6)	113 (3.5)	134 (3.5)	19 (3.6)	115 (3.5)	134 (3.6)	19 (3.6)	115 (3.5)	135 (3.6)	19 (3.6)	116 (3.6)
5. Roads	89 (2.4)	19 (3.6)	70 (2.2)	107 (2.8)	23 (4.3)	84 (2.6)	121 (3.2)	25 (4.7)	95 (2.9)	132 (3.5)	27 (5.1)	105 (3.2)	139 (3.7)	28 (5.3)	110 (3.4)	142 (3.7)	29 (5.4)	113 (3.5)
6. Housing lands	124 (3.3)	43 (8.1)	81 (2.5)	150 (4.0)	51 (9.6)	99 (3.0)	170 (4.5)	57 (10.6)	113 (3.5)	185 (4.9)	61 (11.3)	124 (3.8)	193 (5.1)	63 (11.8)	130 (4.0)	197 (5.2)	65 (12.0)	133 (4.1)
Residential lands	79 (2.1)	26 (4.9)	53 (1.6)	92 (2.4)	31 (5.7)	61 (1.9)	102 (2.7)	34 (6.4)	68 (2.1)	112 (3.0)	37 (7.0)	74 (2.3)	118 (3.1)	40 (7.4)	78 (2.4)	120 (3.2)	41 (7.6)	80 (2.5)
Industrial lands	14 (0.4)	6 (1.1)	8 (0.2)	15 (0.4)	6 (1.1)	9 (0.3)	17 (0.5)	6 (1.1)	11 (0.3)	16 (0.4)	5 (1.0)	10 (0.3)	15 (0.4)	5 (1.0)	10 (0.3)	16 (0.4)	6 (1.0)	11 (0.3)
Other housing lands	31 (0.8)	11 (2.1)	20 (0.6)	44 (1.2)	15 (2.7)	29 (0.9)	51 (1.4)	17 (3.1)	35 (1.1)	57 (1.5)	18 (3.4)	39 (1.2)	60 (1.6)	18 (3.4)	41 (1.3)	61 (1.6)	18 (3.4)	43 (1.3)
7. Others	286 (7.6)	48 (9.0)	238 (7.3)	283 (7.5)	47 (8.8)	235 (7.3)	303 (8.0)	51 (9.4)	252 (7.8)	312 (8.3)	52 (9.6)	261 (8.0)	324 (8.6)	55 (10.2)	269 (8.3)	334 (8.8)	56 (10.4)	278 (8.6)
Total	3,775 (100.0)	534 (100.0)	3,241 (100.0)	3,778 (100.0)	536 (100.0)	3,242 (100.0)	3,778 (100.0)	537 (100.0)	3,242 (100.0)	3,779 (100.0)	537 (100.0)	3,242 (100.0)	3,780 (100.0)	537 (100.0)	3,243 (100.0)	3,780 (100.0)	537 (100.0)	3,242 (100.0)

Source: MLIT

Note 1: Roads include general roads, farm roads, and forest roads.

Note 2: Due to rounding, the sum of the breakdown may not be equal to the total.

Note 3: The figures in parentheses indicate the proportion of each item in the respective column relative to each total area of the following regions: nationwide, three major metropolitan areas, and regional areas.

Three major met. areas: Saitama, Chiba, Tokyo, Kanagawa, Gifu, Aichi, Mie, Kyoto, Osaka, Hyogo, and Nara Prefectures (1 metropolis, 2 urban prefectures, and 8 prefectures)

Regional area: Regions besides the three major met. areas

Note 4: From 2011 (Heisei 23), the land use classification was revised to combine the previous categories "pasture land" and "fields" into "fields, etc."

Note 5: From 2017 (Heisei 29), the classification criteria for industrial land was revised from "site area of establishments with 10 or more employees" to "site area of establishments with 4 or more employees."

The area of land use conversion in 2022 was approximately 18,300 hectares, a decrease from the previous year. Of this, the area converted from agricultural land, forestland, and reclaimed land to urban land use (such as residential land, industrial land, and public-use land) was approximately 12,600 hectares (a decrease of about 700 hectares from the previous year), and the area converted from agricultural land to forestland was approximately 3,800 hectares (an increase of about 300 hectares from the previous year) (Figure 1-3-3).

Figure 1-3-3 Overview of land use conversion

		(ha, %)															
Year / Source of conversion		2011				2012				2013				2014			
Use		Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total
(Urban land use)																	
Residential lands					(37.7)				(36.8)				(31.7)				(25.8)
Industrial lands		3,900	100	0	4,000	4,200	100	0	4,300	4,500	-100	0	4,400	4,100	0	0	4,100
Public lands		1,000	400	0	1,400	1,100	600	0	1,700	1,000	1,100	100	2,200	1,200	2,600	100	3,900
Lands for leisure facilities		1,300	900	100	2,300	1,300	800	200	2,300	1,500	1,100	100	2,700	1,600	700	0	2,300
(Other urban land use)		100	0	0	100	100	100	0	200	100	0	0	100	100	0	0	100
Of which, commercial lands (e.g., stores)		2,800	-	100	2,900	3,300	-	100	3,400	4,300	-	100	4,400	5,500	-	200	5,700
Subtotal		600	-	0	600	800	-	0	800	800	-	0	800	800	-	-	800
		9,000	1,300	300	10,600	9,800	1,600	300	11,700	11,500	2,100	300	13,900	12,400	3,200	300	15,900
(Agricultural and forestry land use)																	
Agricultural lands		-	300	-	(21.4)	-	300	-	(27.3)	-	100	-	(12.5)	-	200	-	(15.4)
Forest lands		1,100	-	-	(78.6)	800	-	-	(72.7)	700	-	-	(87.5)	1,100	-	-	(84.6)
Subtotal		1,100	300	0	(100)	800	300	0	(100)	700	100	0	(100)	1,100	200	0	(100)
Others		1,200	1,000	0	2,200	1,300	1,000	0	2,300	1,600	1,400	0	3,000	1,800	1,400	0	3,200
Total		11,300	2,600	300	14,200	12,000	2,900	300	15,200	13,800	3,700	300	17,800	15,200	4,800	300	20,300
Year / Source of conversion		2015				2016				2017				2018			
Use		Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total
(Urban land use)																	
Residential lands					(26.9)				(26.4)				(26.6)				(25.5)
Industrial lands		4,200	0	0	4,200	4,200	100	0	4,300	4,000	100	0	4,100	4,100	0	0	4,100
Public lands		1,000	2,600	0	3,600	1,100	3,000	100	4,200	1,100	2,700	100	3,900	1,100	2,700	0	3,800
Lands for leisure facilities		1,300	600	0	(12.2)	1,300	700	100	(12.9)	1,100	400	0	(9.7)	1,300	300	0	(9.9)
(Other urban land use)		100	0	-	(0.6)	100	0	0	(0.6)	100	0	0	(0.6)	100	0	0	(0.6)
Of which, commercial lands (e.g., stores)		5,500	-	100	(35.9)	5,500	-	100	(34.4)	5,800	-	100	(38.1)	6,400	-	100	(40.4)
Subtotal		700	-	0	(4.5)	700	-	0	(4.3)	700	-	0	(4.5)	700	600	0	(3.7)
		12,200	3,200	200	(100)	12,200	3,800	300	(100)	12,000	3,200	200	(100)	13,000	3,100	100	(100)
(Agricultural and forestry land use)																	
Agricultural lands		-	200	-	(7.1)	-	200	-	(5.7)	-	200	-	(4.1)	-	100	-	(2.9)
Forest lands		2,600	-	-	(92.9)	3,300	-	-	(94.3)	4,700	-	-	(95.9)	3,400	-	-	(97.1)
Subtotal		2,600	200	0	(100)	3,300	200	0	(100)	4,700	200	-	(100)	3,400	100	-	(100)
Others		1,600	1,200	0	2,800	1,000	1,300	0	2,300	800	1,000	0	1,800	900	1,100	-	2,000
Total		16,500	4,600	200	21,300	16,400	5,400	300	22,100	17,500	4,400	200	22,100	17,300	4,300	100	21,700
Year / Source of conversion		2019				2020				2021				2022			
Use		Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total	Agricultural lands	Forest lands	Reclaimed lands	Total
(Urban land use)																	
Residential lands					(23.1)				(25.4)				(29.3)				(30.2)
Industrial lands		3,900	100	0	4,000	3,400	0	0	3,400	3,700	200	0	3,900	3,700	100	0	3,800
Public lands		1,100	3,900	100	(29.5)	1,100	1,500	0	(19.4)	1,000	1,200	100	(17.3)	1,000	1,000	0	(15.9)
Lands for leisure facilities		1,100	400	0	(8.7)	1,100	400	0	(11.2)	1,500	1,000	500	(11.3)	900	400	0	(10.3)
(Other urban land use)		100	0	0	(0.6)	100	100	0	(1.5)	100	0	0	(0.8)	100	0	0	(0.8)
Of which, commercial lands (e.g., stores)		6,600	-	100	(38.7)	5,600	-	100	(42.5)	5,500	-	100	(42.1)	5,200	-	100	(42.1)
Subtotal		500	-	0	(2.9)	500	-	0	(3.7)	600	-	0	(4.5)	500	-	0	(4.0)
		12,800	4,300	200	(100)	11,300	2,000	100	(100)	11,300	1,800	200	(100)	10,900	1,500	200	(100)
(Agricultural and forestry land use)																	
Agricultural lands		-	200	-	(6.1)	-	200	-	(4.8)	-	100	-	(2.8)	-	100	-	(2.6)
Forest lands		3,100	-	-	(93.9)	4,000	-	-	(95.2)	3,500	-	-	(97.2)	3,800	-	-	(97.4)
Subtotal		3,100	200	-	(100)	4,000	200	-	(100)	3,500	100	-	(100)	3,800	100	-	(100)
Others		900	1,400	0	2,300	800	1,000	0	1,800	700	1,200	0	1,900	700	1,100	0	1,800
Total		16,800	5,800	200	22,800	16,100	3,300	100	19,500	15,600	3,200	200	19,000	15,400	2,700	200	18,300

Source: Estimated by the MLIT based on data from the Ministry of Agriculture, Forestry and Fisheries and MLIT.

Note 1: The area figures are based on land converted from farmland, forestland, and reclaimed land. The area converted from fields, etc., are not included.

Note 2: Converted area from agricultural land to public land includes some agricultural land use such as farm roads and irrigation channels.

Note 3: Areas less than 1 hectare are not included in conversions from forestland.

Note 4: In the case of conversion from forestland, if the area reduced by modification approvals exceeds the newly approved area in the relevant fiscal year, the value may be negative.

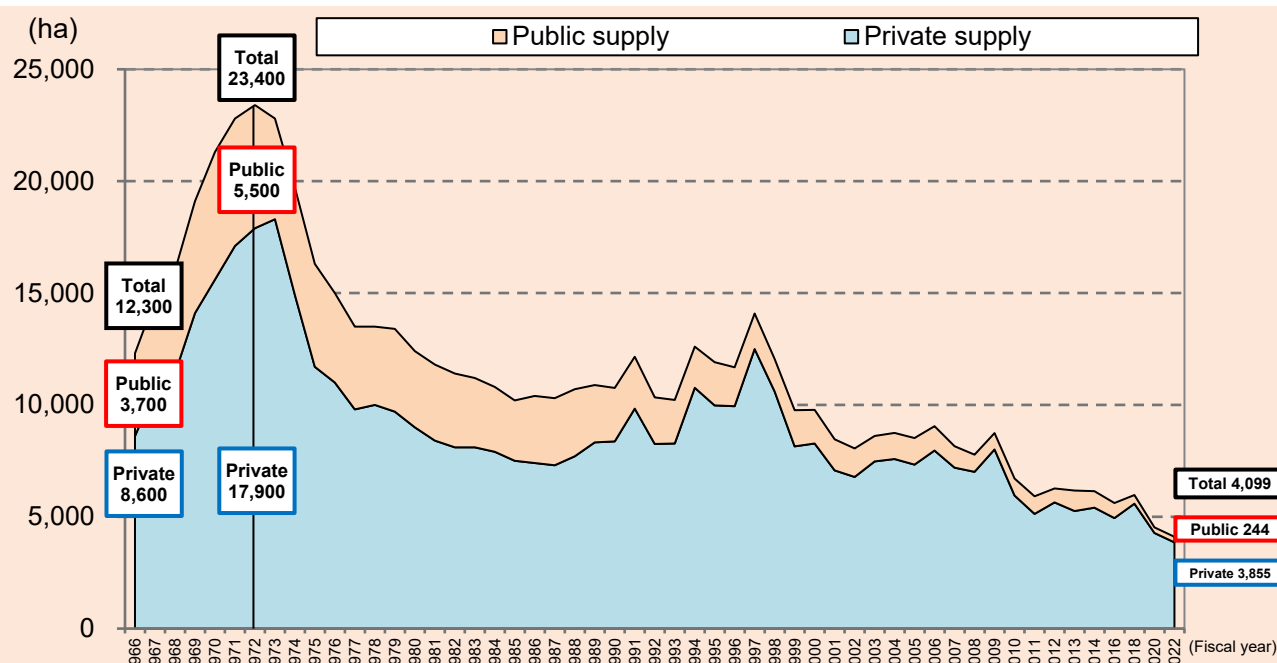
Note 5: The figures are rounded to the nearest hundred. Due to rounding, the sum of the breakdowns may not be equal to the subtotal or total.

Note 6: The figures in parentheses indicate the proportion of each item in the respective column relative to the subtotal area.

(Changes in land use)

The national supply of residential land in FY2022 was 4,099 hectares (a 9.4% decrease from FY2020). Of this, public supply was 244 hectares (a 2.0% decrease from FY2020), and private supply was 3,855 hectares (a 9.8% decrease from FY2020), showing declines in both sectors from FY2020 (Figure 1-3-4).

Figure 1-3-4 **Changes in residential land supply nationwide**



Source: MLIT, "Changes in Residential Land Supply Nationwide"

Note 1: From FY1966 to FY1988, estimates were based on M.G. (Medium Gross = includes narrow roads, play lots, etc. in residential site areas). From FY1989 onward, the estimation method was partially revised to include only land areas used for residential purposes.

Note 2: "Public supply" includes land supplied by public institutions such as the Urban Renaissance Agency (UR) and local governments, including through their land readjustment projects.

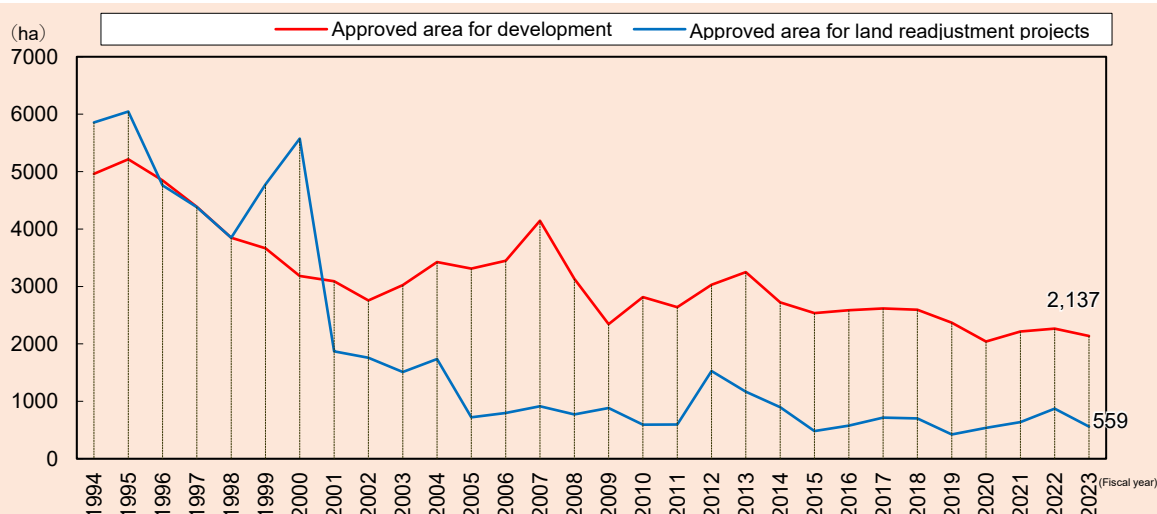
Note 3: "Private supply" includes land supplied by entities other than those mentioned above.

Note 4: In Iwate, Miyagi, and Fukushima prefectures, for FY2011 to FY2014, the supplied residential land includes areas converted from agricultural land and forest land.

Note 5: From FY2014 onward, data are aggregated biennially.

In FY 2023, the area with development permission was 2,137 hectares and the area with land readjustment projects approval was 559 hectares (Figure 1-3-5).

Figure 1-3-5 **Changes in the area under development permission and the area approved for land readjustment projects**



Source: MLIT

Note 1: "Development permission" refers to projects permitted under the City Planning Act for development activities, mainly for the purpose of residential construction.

Note 2: The approved areas for land readjustment projects are the sum of those carried out by individuals/joint corporations, associations, public bodies, administrative agencies, the Urban Renaissance Agency, and the Local Housing Corporation (LHC).

In 2023, the area of agricultural land within urbanized zones was 45,097 hectares, and the designated area of productive green zones was 11,710 hectares, both showing a declining trend (Figure 1-3-6).

Figure 1-3-6 Changes in agricultural land area within urbanized zones

		(Area: ha, agricultural ratio: %)								
Region	(Year)	1985	1995	2000	2005	2010	2015	2020	2022	2023
Agricultural land area within urbanized zones	Nationwide (A)	186,787	118,257	100,505	84,552	71,625	60,816	49,390	45,846	45,097
	Three major met. areas	85,775	48,217	40,062	33,457	30,771	25,475	20,600	18,914	19,090
	Tokyo area	40,779	23,468	20,094	16,457	13,446	10,717	8,687	7,980	8,105
	Tokyo	8,764	2,666	2,013	1,478	1,161	917	726	664	747
	Wards area	1,877	603	438	247	176	113	77	66	73
	Regional areas	101,012	70,130	60,443	51,094	40,854	35,341	28,790	26,933	26,007
Area designated as productive green zones	Nationwide		15,497	15,381	14,696	14,248	13,442	12,310	11,926	11,710
	Three major met. areas		15,494	15,378	14,690	14,193	13,361	12,212	11,820	11,598
	Tokyo area		8,695	8,794	8,487	8,157	7,735	7,075	6,882	6,762
	Tokyo		4,060	3,925	3,746	3,521	3,296	3,021	2,928	2,879
	Wards area		591	558	515	472	464	401	391	383
	Regional areas		2	3	6	55	81	98	106	112
Area of urbanized zones (B)		1,342,936	1,403,822 (4.5)	1,432,302 (2.0)	1,434,640 (0.2)	1,440,000 (0.4)	1,448,850 (0.6)	1,450,520 (0.1)	1,453,520 (0.2)	1,454,551 (0.0)
Agricultural land ratio A/B		13.9	8.4	7.0	5.9	5.0	4.2	3.4	3.2	3.1

Source: Prepared by the MLIT based on the "Overview Report on the Prices of Fixed Assets" by the Ministry of Internal Affairs and Communications and the "Urban Planning Status Survey" by the MLIT.

Note 1: Region Classifications are as follows:

Three major met. areas, Tokyo area, Chubu region, and Kinki region
Tokyo area: Ibaragi, Saitama, Chiba, Tokyo, and Kanagawa Prefectures
Chubu region: Gifu, Shizuoka, Aichi, and Mie Prefectures
Kinki region: Kyoto, Osaka, Hyogo, and Nara Prefectures
Regional area: Regions besides the three major met. areas

Note 2: For all the years, the area of agricultural lands within urbanized zones is based on the status as of January 1, and the designated area of productive green zones is as of March 31.

For the latest data, the area of agricultural lands within urbanized zones is from 2023, and the designated area of productive green zones is also from 2023.

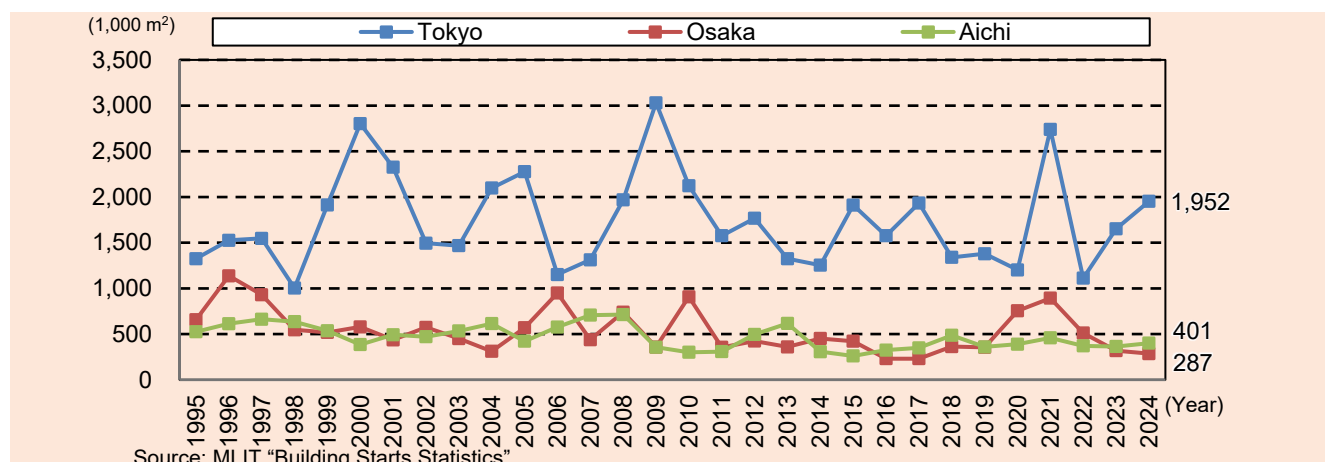
Note 3: The figures in parentheses represent the growth rate relative to the values shown in the column to the immediate left.

Note 4: The area of agricultural lands within urbanized zones does not include productive green zones, parks designated as urban planning facilities, nor agricultural land area located in green spaces.

(Changes in real estate availability, etc.)

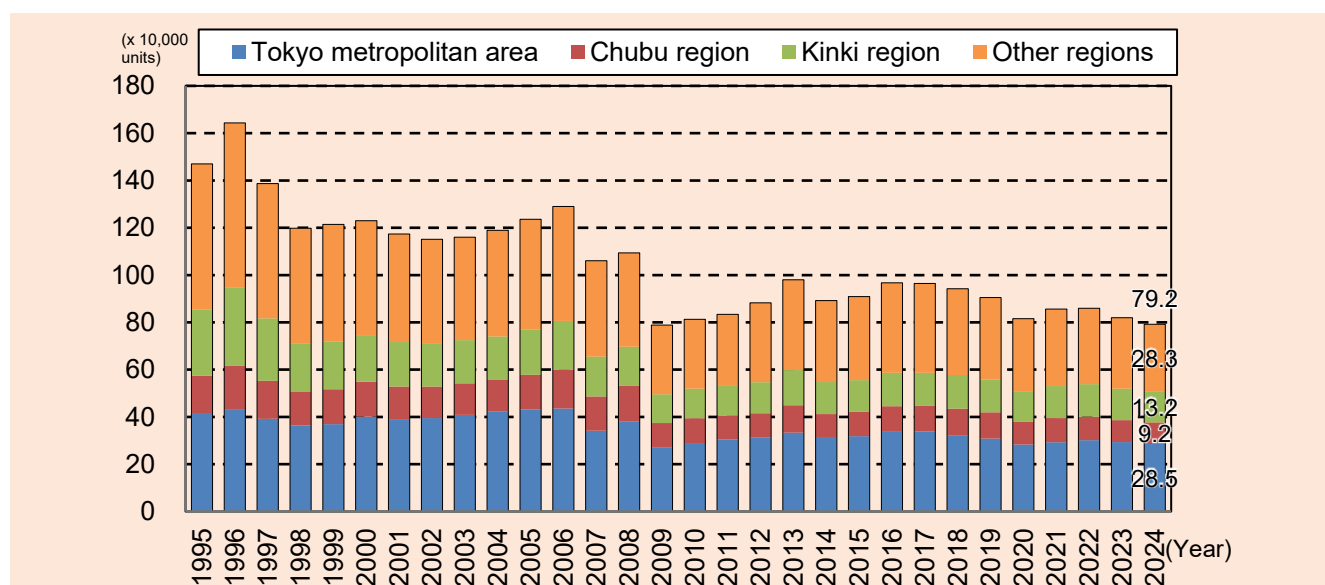
In terms of gross office floor areas of building starts by city in 2024, Tokyo had approximately 1,952,000 m² (up 18.2% y/y), Osaka approximately 287,000 m² (down 10.2% y/y), and Aichi approximately 401,000 m² (up 10.2% y/y), and areas increased in Tokyo and Aichi from the previous year but decreased in Osaka (Figure 1-3-7).

Figure 1-3-7 Changes in gross office floor area of building starts by city



The total number of new housing starts in 2024 was approximately 792,000 units, down 3.4% from the previous year. The numbers in all areas decreased from the previous year (Figure 1-3-8).

Figure 1-3-8 Changes in the total number of new housing starts by area



Source: MLIT "Building Starts Statistics"

Note1: Area divisions are as follows:

Tokyo metropolitan area: Saitama, Chiba, Tokyo, and Kanagawa Prefectures

Chubu region: Gifu, Shizuoka, Aichi, Mie Prefectures

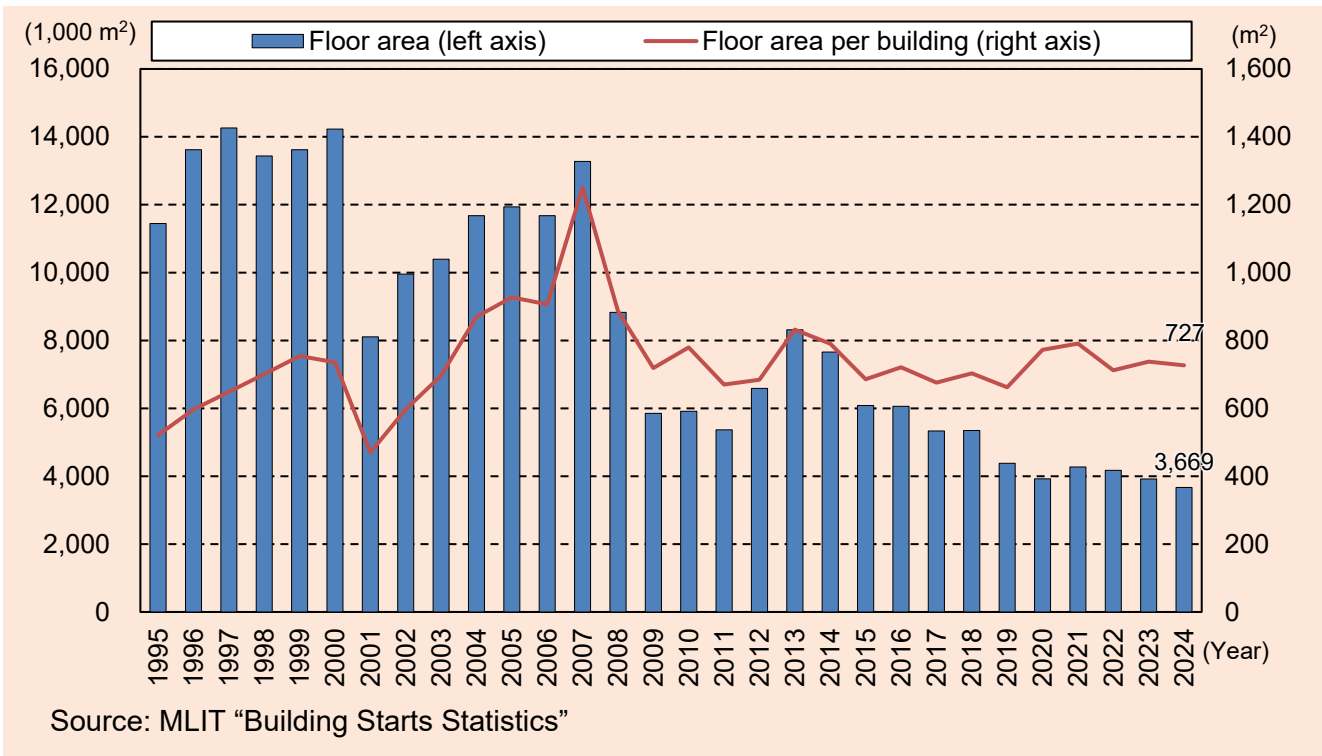
Kinki region: Shiga, Kyoto, Osaka, Hyogo, Nara, and Wakayama Prefectures

Other regions: Areas other than the above

Note 2: Totals may not match due to rounding.

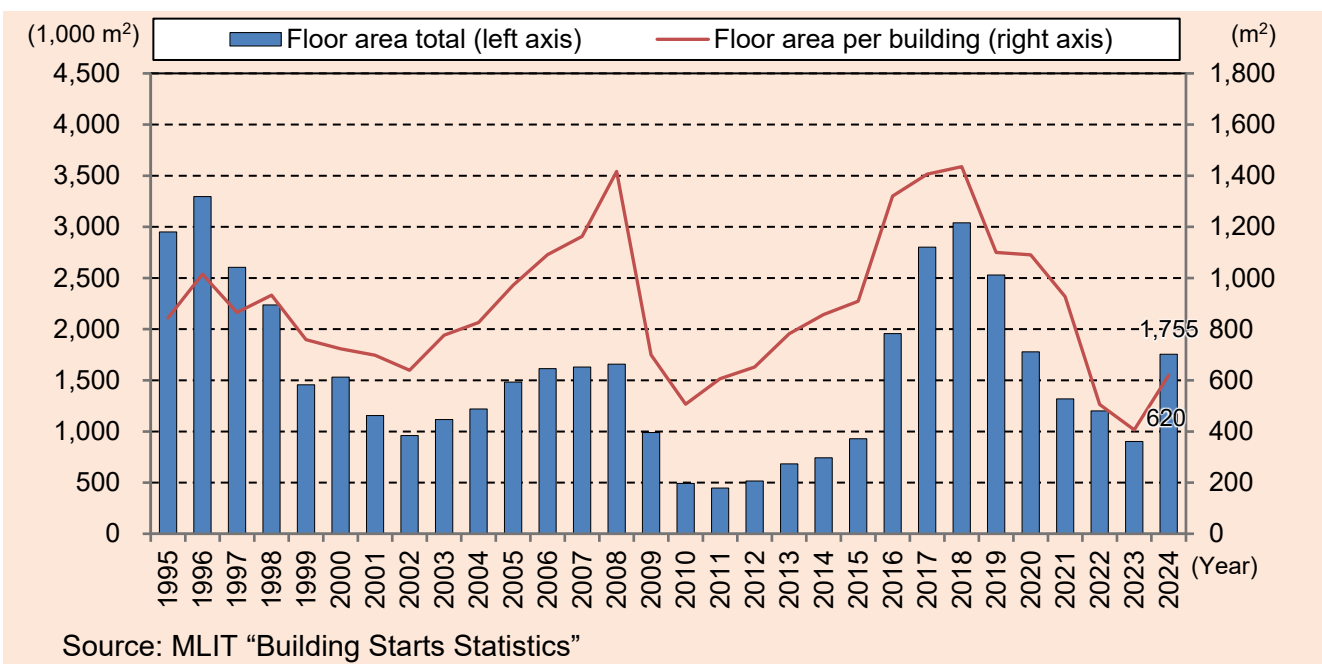
In 2024, the floor area of store starts was approximately 3,669,000 m² (down 6.4% y/y), and the floor area per building was 727 m² (down 1.5% y/y), both decreasing from the previous year (Figure 1-3-9).

Figure 1-3-9 **Changes in floor area of store starts**

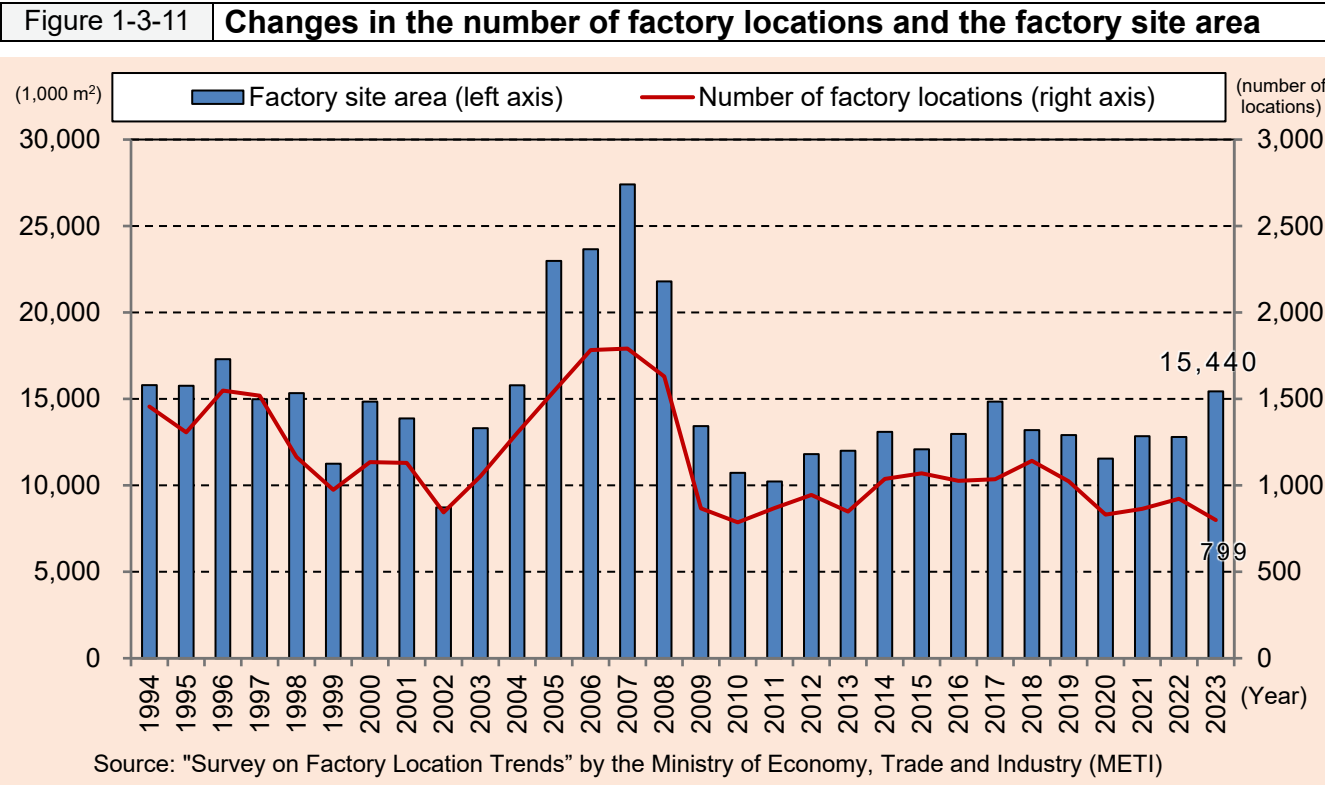


In 2024, the gross floor area of building starts for lodging was approximately 1,755,000 m² (up 94.4 % y/y), and the floor area per building was 620 m² (up 52.7% y/y), both increasing from the previous year (Figure 1-3-10).

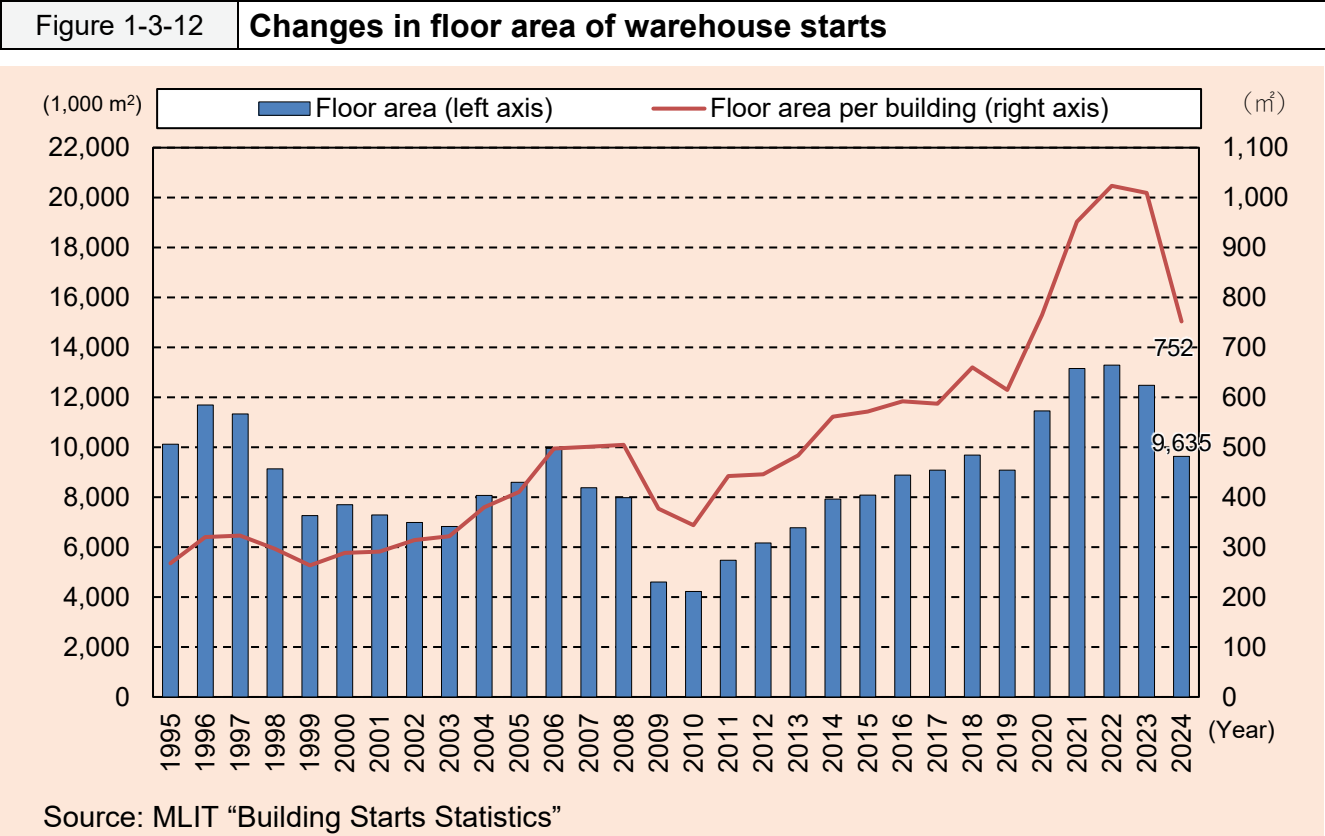
Figure 1-3-10 **Changes in floor area of building starts for lodging**



In 2023, the number of factory locations was 799 (down 13.3% y/y), the factory site area was 15,440,000 m² (up 20.6% y/y), and although the number of factory locations decreased from the previous year, the factory site area increased (Figure 1-3-11).

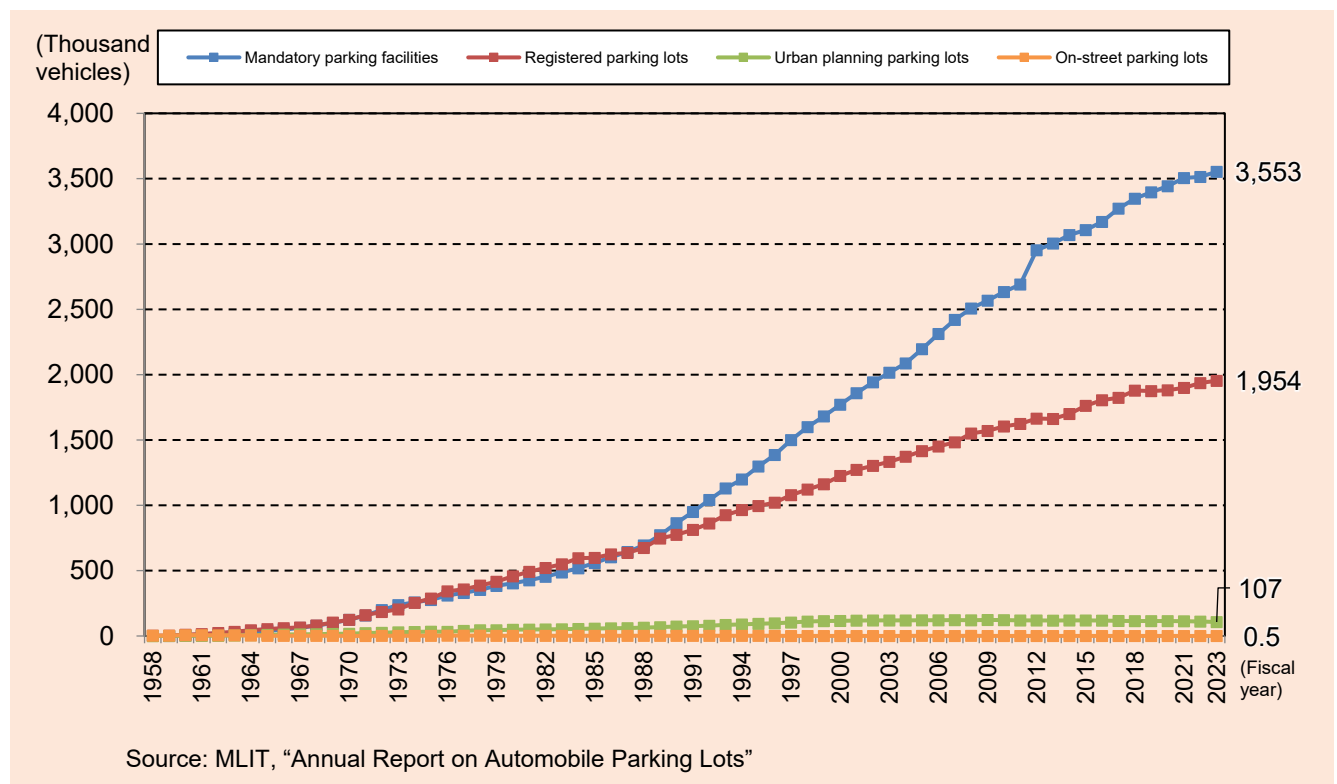


In 2024, the floor area of warehouse starts was approximately 9,635,000 m² (down 22.8% y/y), and the floor area per building was 752 m² (down 25.5% y/y), both decreasing from the previous year (Figure 1-3-12).



In FY2023, among the parking facilities developed, the mandatory parking facilities under the Parking Lot Act (Act No. 106 of 1957) accounted for the largest share, at approximately 3,553 thousand vehicles, continuing to increase since the beginning of the survey. The next largest share category was the registered parking lots at approximately 1,954 thousand vehicles. Urban planning parking lots (approximately 107 thousand vehicles) and on-street parking lots (approximately 0.5 thousand vehicles) remained almost unchanged (Figure 1-3-13).

Figure 1-3-13 Changes in parking facilities developed



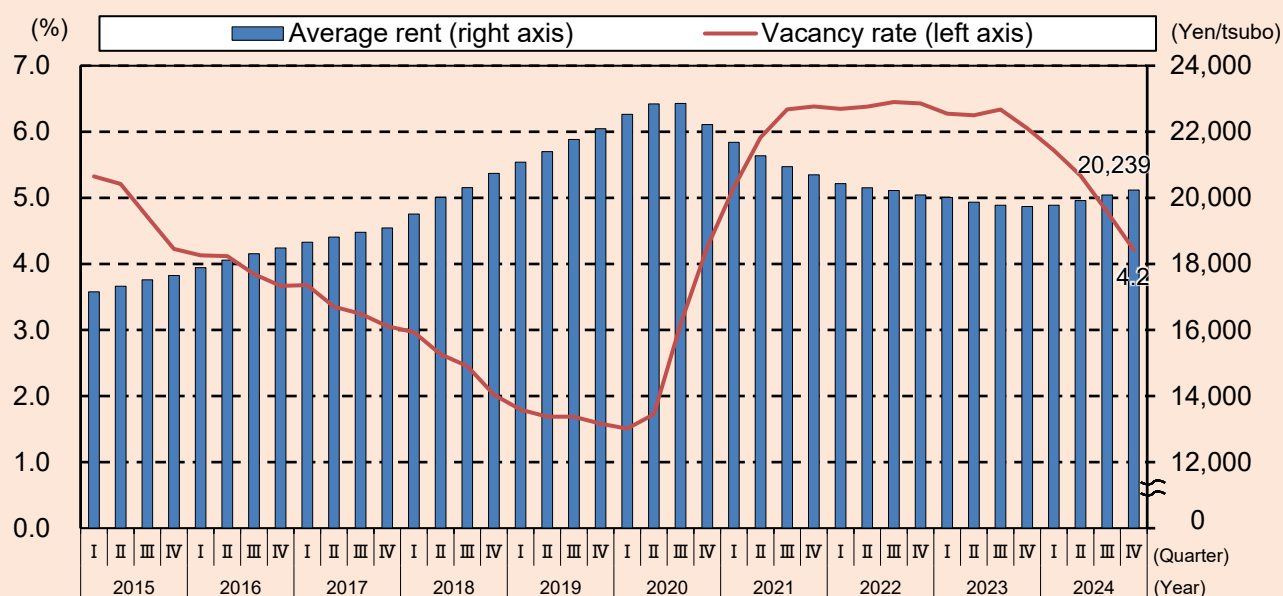
Section 4: Trends in the Real Estate Market

(Trends in the office market)

The gross office building vacancy rate in the five inner-city wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku, and Shibuya), which had remained almost flat since Quarter III (July to September) of 2021, has been falling since Quarter IV (October to December) of 2023, and was at 4.2% in Quarter IV (October to December) of 2024. The average asking rent for office buildings had been declining since its peak Quarter III (July to September) of 2020, but has been rising since the beginning of 2024 (Figure 1-4-1).

Figure 1-4-1

Changes in rental price of office rooms and vacancy rate (the five inner-city wards of Tokyo)



Source: Prepared by MLIT based on "MIKI OFFICE REPORT TOKYO" by Miki Shoji Co., Ltd.

Note 1: Values for quarters I through IV are values obtained by averaging values for the months within each quarter

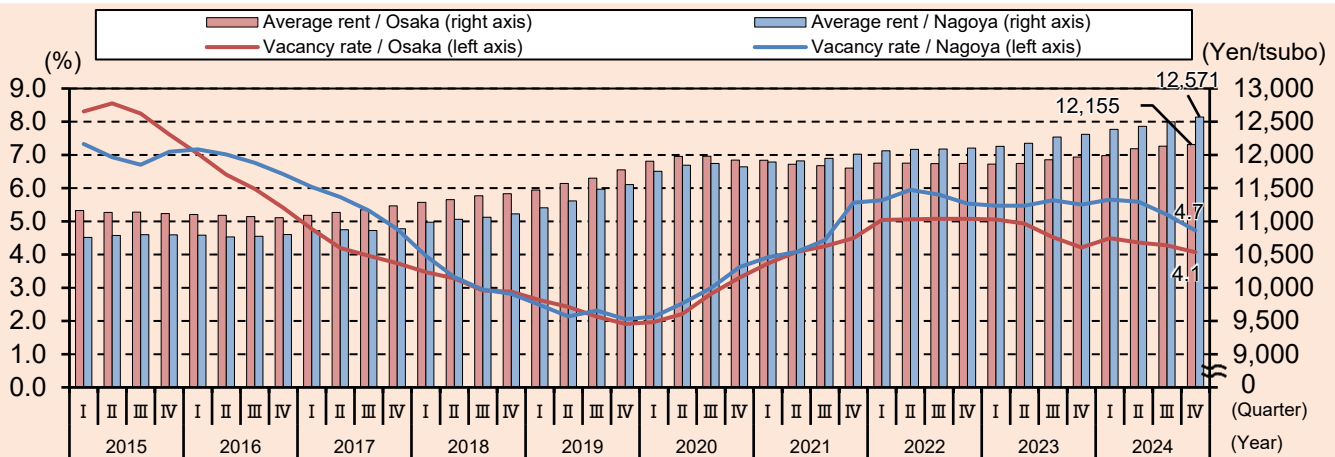
Note 2: Target areas include Chiyoda, Chuo, Minato, Shinjuku, and Shibuya Wards

Note 3: Target buildings include major rental office buildings with a standard floor area of 100 tsubo (330.579 m²) or more (Total sum of new buildings that are less than one year old and existing buildings that are more than one year old, including the month of the survey)

The gross office building vacancy rate in Osaka has been declining since Quarter II (April to June) of 2024. In Nagoya, after the vacancy rate had remained almost flat since Quarter IV (October to December) of 2022, it has declined since Quarter III (July to September) of 2024. Average asking rents for office buildings continued to remain almost flat in Osaka City, however they have been on an upward trend since Quarter II (April to June) of 2023. In Nagoya City, rents have been continuously rising since 2021 (Figure 1-4-2).

Figure 1-4-2

Changes in rental price of office rooms and vacancy rate (Osaka and Nagoya)



Source: Prepared by MLIT based on "MIKI OFFICE REPORT OSAKA" and "MIKI OFFICE REPORT NAGOYA" by Miki Shoji Co., Ltd.

Note 1: Values for quarters I through IV are values obtained by averaging values for the months within each quarter

Note 2: Target areas include the following:

Osaka: Umeda, Minamimorimachi, Yodoyabashi/Honmachi, Semba, Shinsaibashi/Namba, Shin-Osaka Districts

Nagoya: Meieki, Fushimi, Sakae, Marunouchi Districts

Note 3: Target buildings include the following:

Osaka: Major rental office buildings with a total floor area of 1,000 tsubo (3305.79 m²) or more

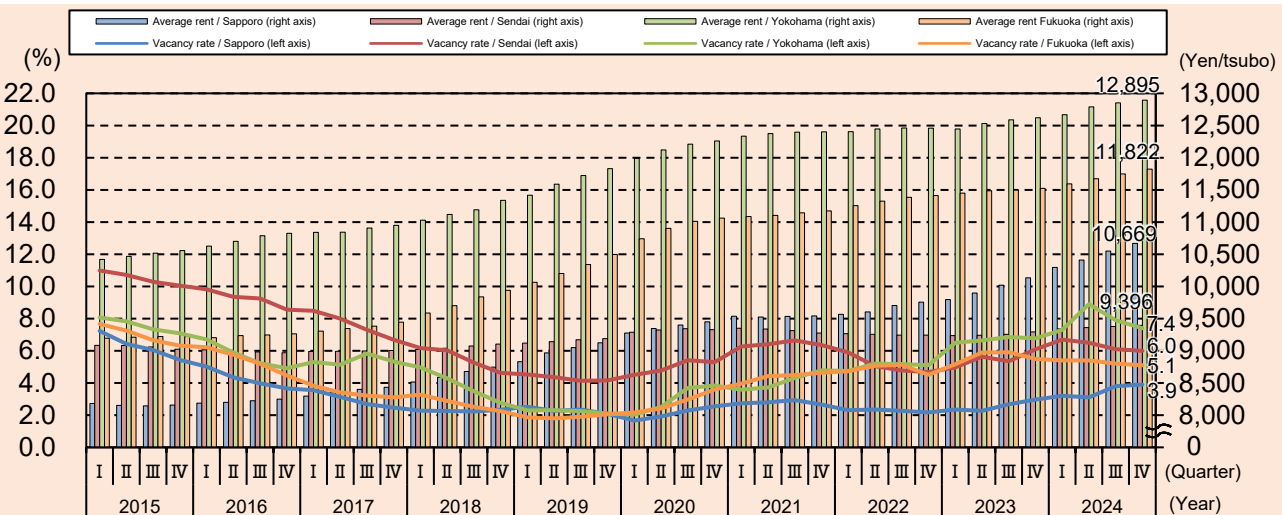
Nagoya: Major rental office buildings with a total floor area of 500 tsubo (1652.89 m²) or more

(Total sum of new buildings that are less than one year old and existing buildings that are more than one year old, including the month of the survey)

The gross office building vacancy rate in Sapporo had declined since Quarter IV (October to December) of 2021, but had been on an upward trend since 2023. The gross office building vacancy rate in Sendai had declined since Quarter II (April to June) of 2024, and in Yokohama, it also had declined since Quarter III (July to September) of 2024. The gross office building vacancy rate in Fukuoka had risen until Quarter II (April to June) of 2023, however, it declined in Quarter IV (October to December) and has remained almost flat thereafter. Average asking rents for office buildings showed an upward trend in all cities (Figure 1-4-3).

Figure 1-4-3

Changes in rental prices of office rooms and vacancy rate (Sapporo, Sendai, Yokohama and Fukuoka)



Source: Prepared by MLIT based on "MIKI OFFICE REPORT SAPPORO," "MIKI OFFICE REPORT SENDAI" and "MIKI OFFICE REPORT FUKUOKA" by Miki.com Co., Ltd.

Note 1: Values for quarters I through IV are values obtained by averaging values for the months within each quarter

Note 2: Target areas include the following:

Sapporo: Ekimae-Dori and Odori-Koen, Ekimae-Tozai, Minami 1-jo Inan, Soseigawa River Higashi / Nishi 11-chome, Kitaguchi Districts

Sendai: Ekimae, Ichibancho, Prefectural Government and City Hall, Eki-Higashi, Office Districts

Yokohama: Kannai, Yokohama Station, Shin-Yokohama, Minato Mirai 21 Districts

Fukuoka: Akasaka / Daimyo, Tenjin, Yakuin / Watanabe Dori, Gion / Gofukumachi, Hakata-Ekimae, Hakata Eki-Higashi/ Eki-Minami Districts

Note 3: Target buildings include the following:

Sapporo: Major rental office buildings with a total floor area of 100 tsubo (330.579 m²) or more

Sendai: Major rental office buildings with a total floor area of 300 tsubo (991.73 m²) or more

Yokohama: Major rental office buildings with a total floor area of 500 tsubo (1652.89 m²) or more

Fukuoka: Major rental office buildings with a total floor area of 100 tsubo (330.579 m²) or more

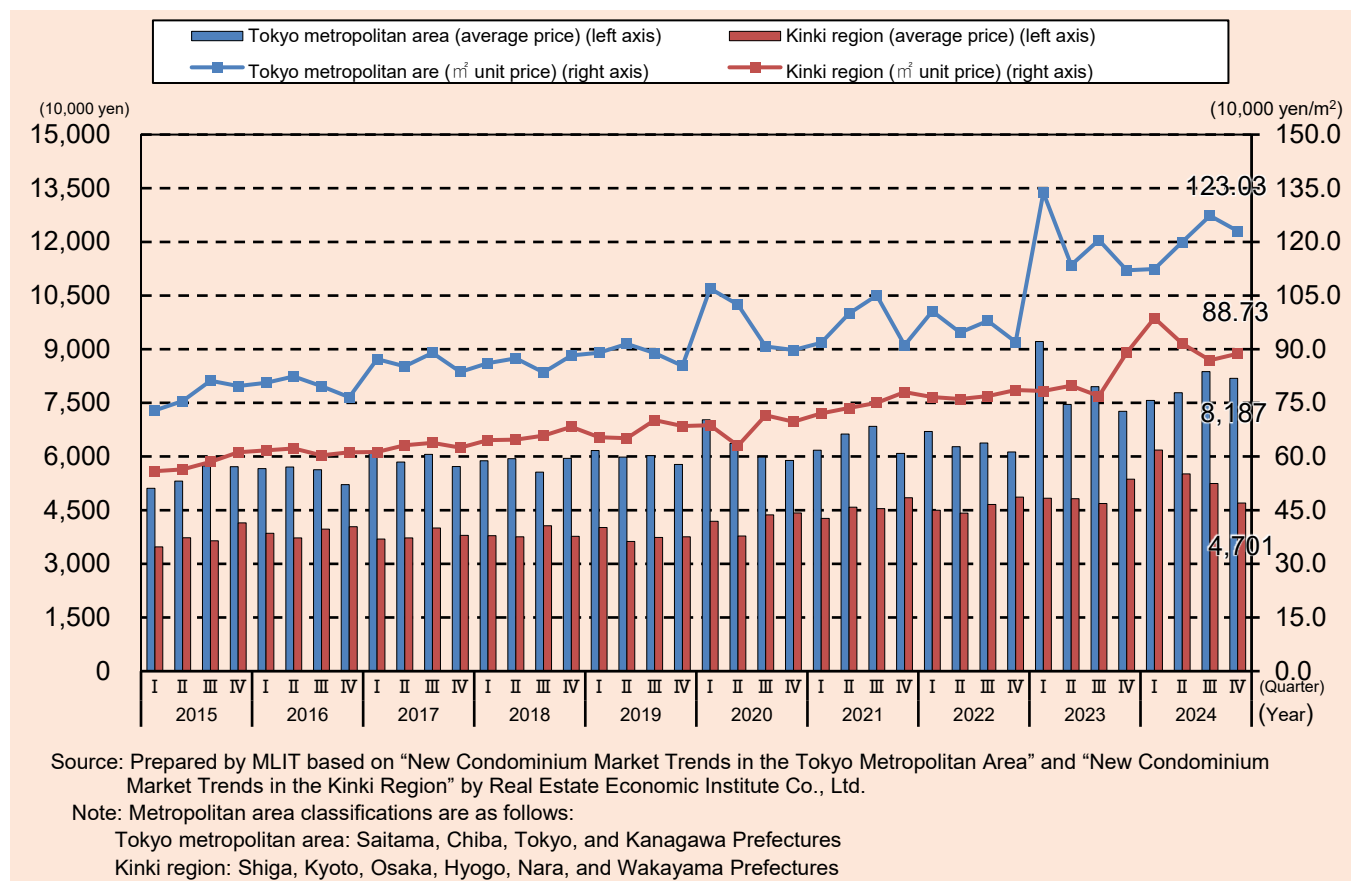
(Total sum of new buildings that are less than one year old and existing buildings that are more than one year old, including the month of the survey)

(Trends in the residential market)

The unit price per square meter of newly built condominiums in 2024 was 1.2 million yen level in the Tokyo metropolitan area in Quarter IV (October to December). In the Kinki region it was in the range of upper 800,000 yen in Quarter IV (October to December). As for the average price, both the Tokyo metropolitan area and the Kinki region have generally followed the same trend as that of the unit price per square meter (Figure 1-4-4).

Figure 1-4-4

Changes in newly built condominiums in the Tokyo metropolitan area and the Kinki region

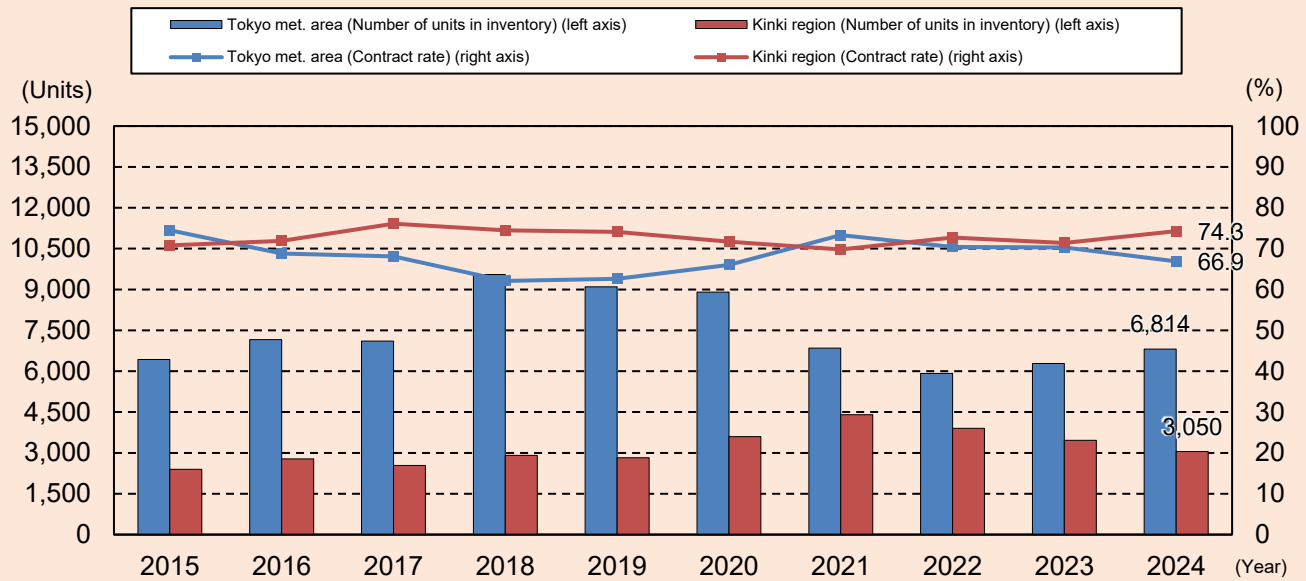


In 2024, the number of condominiums in inventory increased to 6,814 units in the Tokyo metropolitan area, while it decreased to 3,050 units in the Kinki region.

The contracts rate (among newly released condominiums, the proportion that were contracted within the month of release) declined in the Tokyo metropolitan area to 66.9%, but rose in the Kinki region to 74.3% (Figure 1-4-5).

Figure 1-4-5

Changes in condominium inventory and contracts rate in the Tokyo metropolitan area and the Kinki region



Source: Prepared by MLIT based on "New Condominium Market Trends in the Tokyo Metropolitan Area" and "New Condominium Market Trends in the Kinki Region" by Real Estate Economic Institute Co., Ltd.

Note 1: Metropolitan area classifications are the same as in the Figure 1-4-4.

Note 2: The number of units in inventory refers to the number of unsold condominium units, as of the end of the year, among those newly put on sale within the past five years including that year.

In 2024, the rent index for rental condominiums (with the Quarter I (January to March) of 2009 set as 100) continued to rise in both the 23 wards of Tokyo and Osaka City, reaching 124.71 in the 23 wards of Tokyo and 135.93 in Osaka City in Quarter IV (October to December) (Figure 1-4-6).

Figure 1-4-6

Changes in the rent index for rental condominiums in the 23 wards of Tokyo and Osaka City



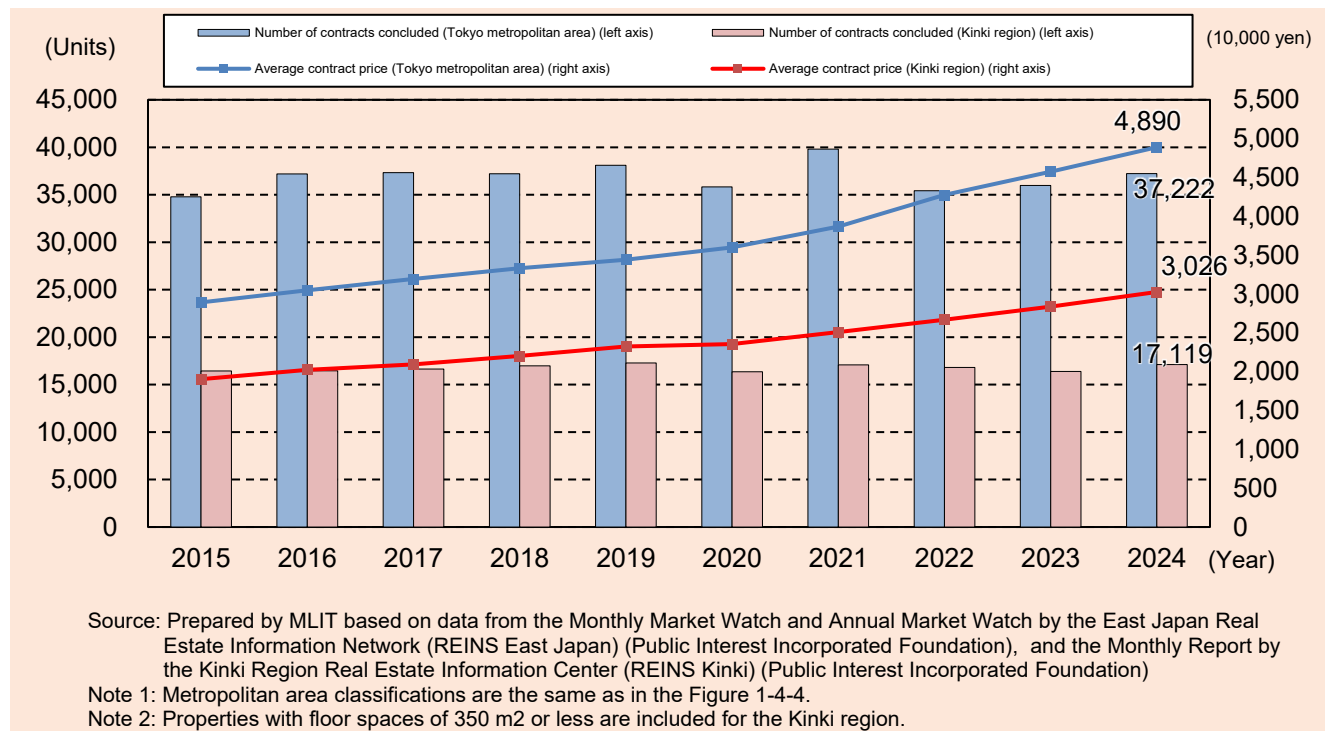
Source: Prepared by MLIT based on "Mansion Rent Index" (by At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.) (Room Type: Overall: 18 m² or more, and less than 100 m²; Area: Tokyo 23 wards and Osaka city)

Note: The index is based on the value of 100 for the first quarter of 2009 (Heisei 21).

The average price of contracts closed for preowned condominiums in 2024 showed an upward trend, with 48.90 million yen (up 6.9% y/y) in the Tokyo metropolitan area and 30.26 million yen (up 6.6% y/y) in the Kinki region. The number of contracts closed was 37,222 in the Tokyo metropolitan area (up 3.4% y/y) and 17,119 in the Kinki region (up 4.5% y/y), and they increased both in the Tokyo metropolitan area and in the Kinki region from the previous year (Figure 1-4-7).

Figure 1-4-7

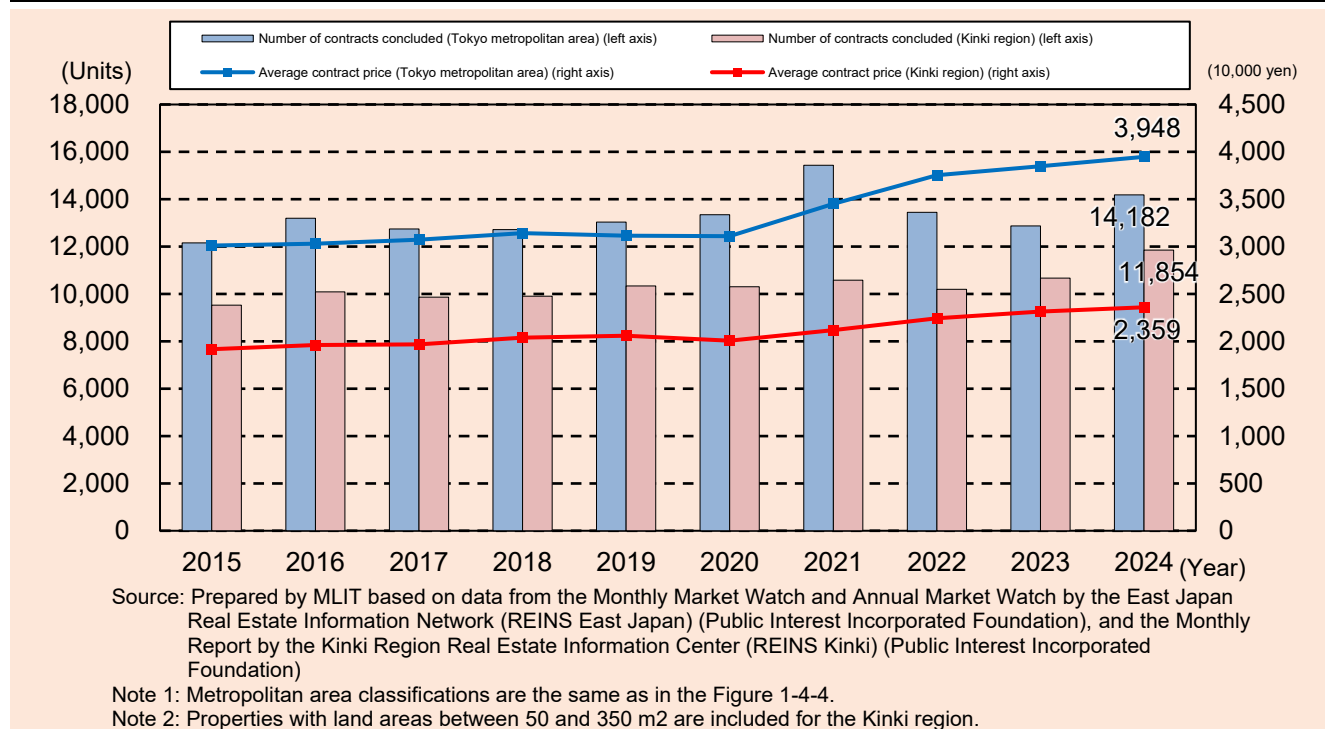
Changes in the number of contracts concluded and the average price of preowned condominiums in the Tokyo metropolitan area and the Kinki region



In 2024, the number of contracts concluded of preowned detached house was 14,182 (up 10.2% y/y) in the Tokyo metropolitan area and 11,854 (up 11.1% y/y) in the Kinki region. The average contract price was 39.48 million yen (up 2.6% y/y) in the Tokyo metropolitan area and 23.59 million yen (up 1.9% y/y) in the Kinki region, both showing increases (Figure 1-4-8).

Figure 1-4-8

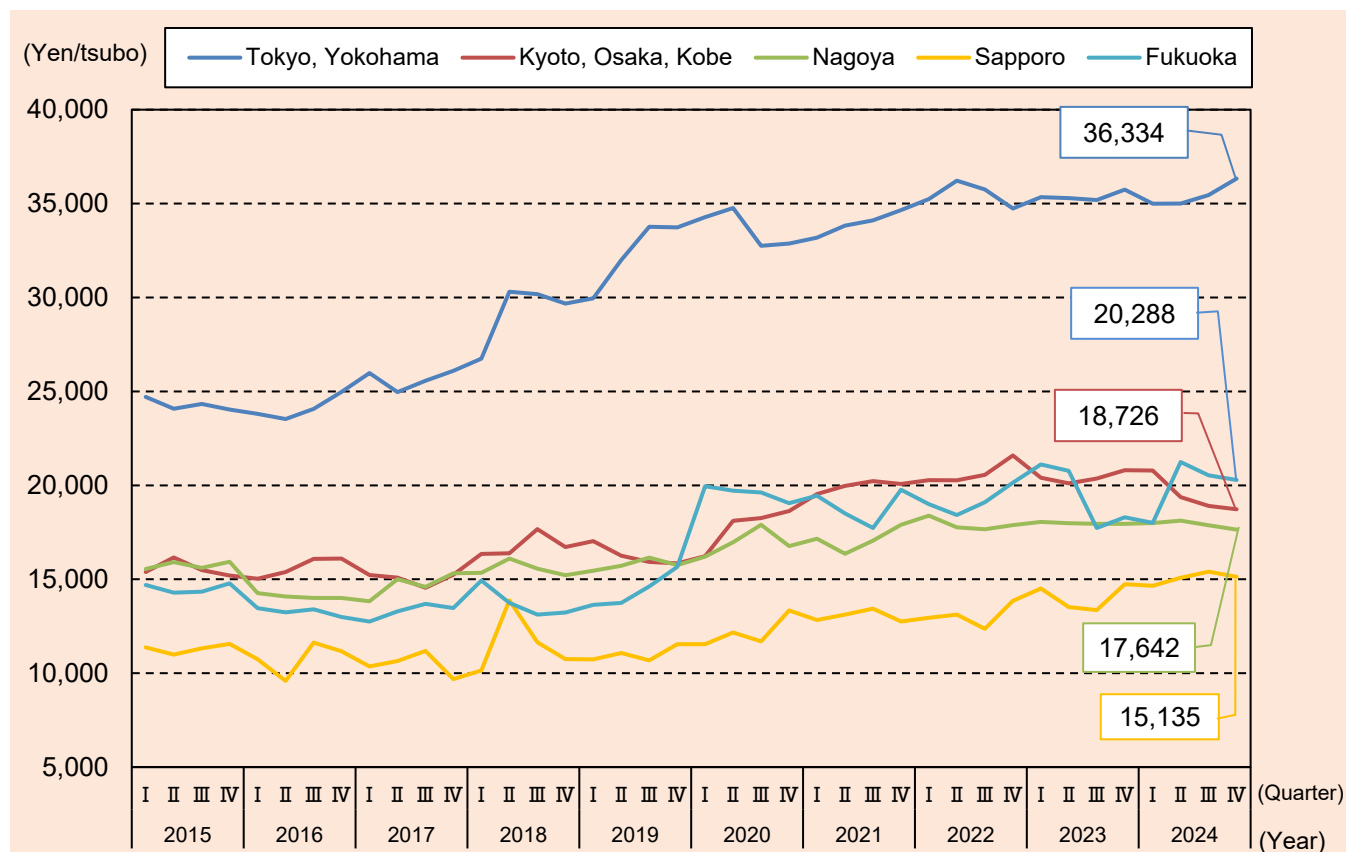
Changes in the number of contracts concluded and the average price of preowned detached houses in the Tokyo metropolitan area and the Kinki region



(Trends in the markets for stores, accommodations, and logistics facilities)

Store rents in major cities for Quarter IV (October to December) of 2024 were 36,334 yen per tsubo in Tokyo and Yokohama (up 1.6% y/y), 18,726 yen per tsubo in Kyoto, Osaka, and Kobe (down 10.0% y/y), 17,642 yen per tsubo in Nagoya (down 1.7% y/y), 15,135 yen per tsubo in Sapporo (up 2.7% y/y), and 20,288 yen per tsubo in Fukuoka (up 10.9% y/y). Rents increased in Tokyo/Yokohama, Sapporo, and Fukuoka (Figure 1-4-9).

Figure 1-4-9 Trends in store rents in major cities



Source: : Prepared by MLIT based on Japan Real Estate Institute (JREI), BAC Urban Project's "Store rents Trends" (data provided by Style Act Co., Ltd.)
(data provided by Style Act Co., Ltd.)

Note: Areas covered are:

Tokyo and Yokohama: Ginza, Shibuya, Shinjuku, Ikebukuro, Omotesando, Yokohama Areas

Kyoto, Osaka, Kobe: Shijo-Kawaramachi, Shinsaibashi, Sannomiya Areas

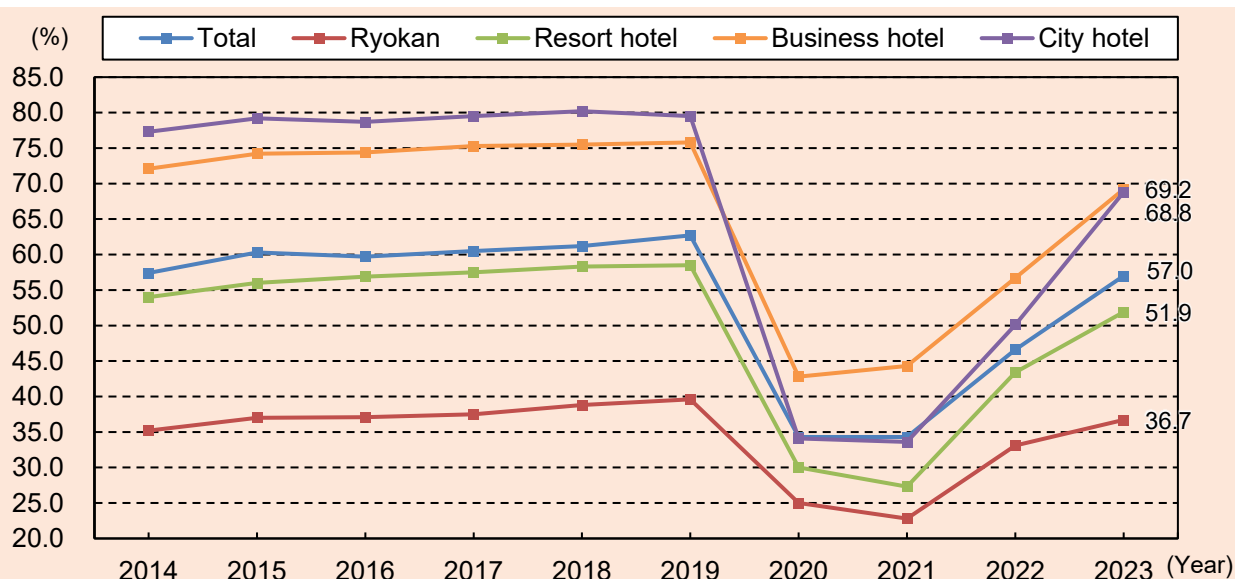
Nagoya: Sakae Area

Sapporo: Odori Area

Fukuoka: Tenjin Area

In 2023, the room occupancy rate of ryokans and hotels increased for all accommodation types compared to 2022, but has not yet returned to the levels in and before 2019 (Figure 1-4-10).

Figure 1-4-10 **Changes in the room occupancy rate of ryokans and hotels**

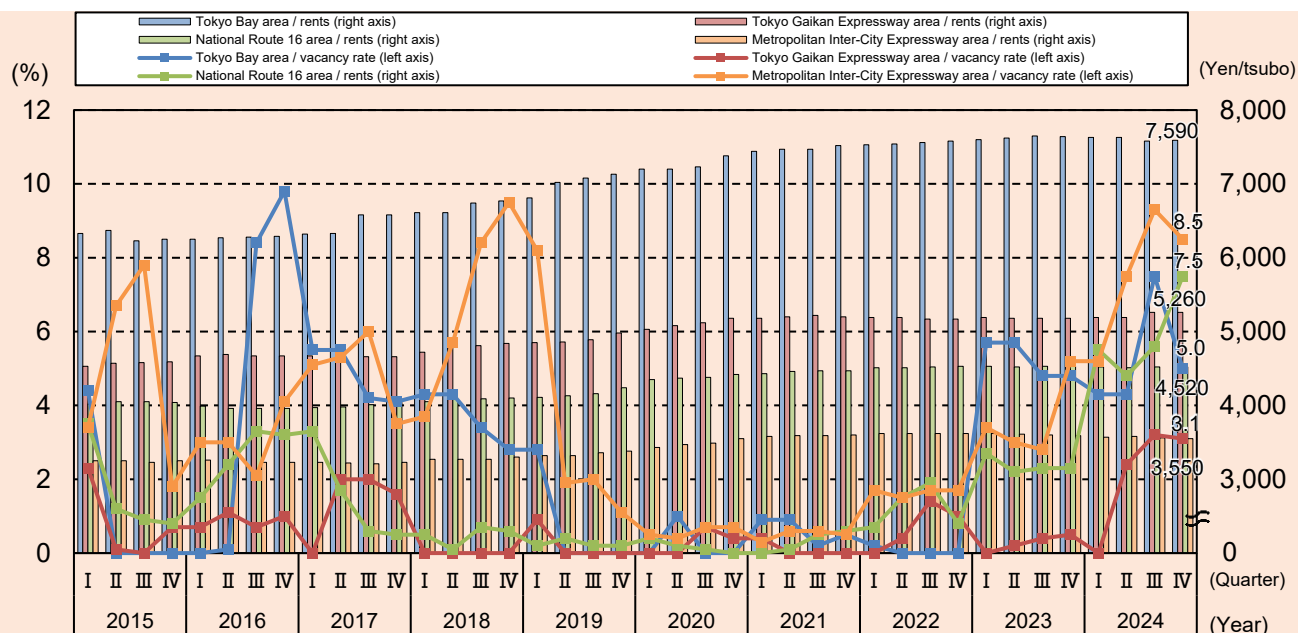


Source: MLIT "Travel Accommodation Statistics Survey"

Note: "Total" includes simple lodging facilities, company/organization lodgings, and facilities with unknown types.

In 2024, rents for logistics facilities in all areas remain unchanged. Regarding vacancy rates, in Quarter IV (October to December) of 2024, they increased in the National Route 16 area but decreased in the Tokyo Bay area, Tokyo Gaikan Expressway area, and the Metropolitan Inter-City Expressway area (Figure 1-4-11).

Figure 1-4-11 **Rents and vacancy rates of logistics facilities in the Tokyo metropolitan area**



Source: Prepared by MLIT based on data released by CBRE K.K.

Note 1: Vacancy rates are based on logistics facilities that have been completed more than one year.

Note 2: Tokyo Bay Area: Core area along the coast of Tokyo Bay.

Tokyo Gaikan Expressway area: Area surrounded by the Tokyo Outer Ring Road, excluding the Tokyo Bay Area.

National Route 16 area: Semi-donut-shaped area from outside the Tokyo Outer Ring Road to the area along the ring road and National Route 16.

Metropolitan Inter-City Expressway area: Area outside the National Route 16. (Metropolitan Inter-City Expressway, the ring road which runs through Tokyo, Saitama, Ibaraki, and Chiba Prefectures, is at the center of this area)

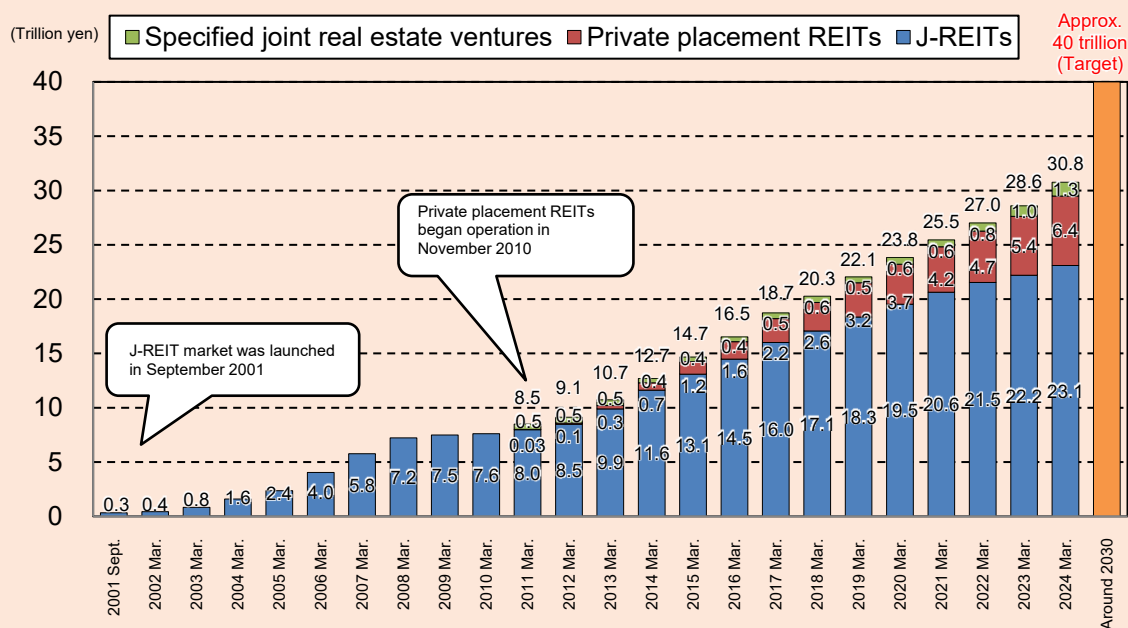
Section 5: Trends in the Real Estate Investment Market

(Trends in the real estate securitization market)

Real estate securitization mainly involves the following schemes: (1) Real Estate Investment Trusts (REITs) based on the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951), (2) Specified Joint Real Estate Ventures based on the Act on Specified Joint Real Estate Ventures (Act No. 77 of 1994), (3) Special Purpose Companies (TMKs) based on the Act on Securitization of Assets (Act No. 105 of 1998), (4) The GK–TK scheme, in which a limited liability company (GK=Godo Kaisha) serves as the asset-holding entity and raises funds through silent partnership investments (TK=Tokumei Kumiai) and other means.

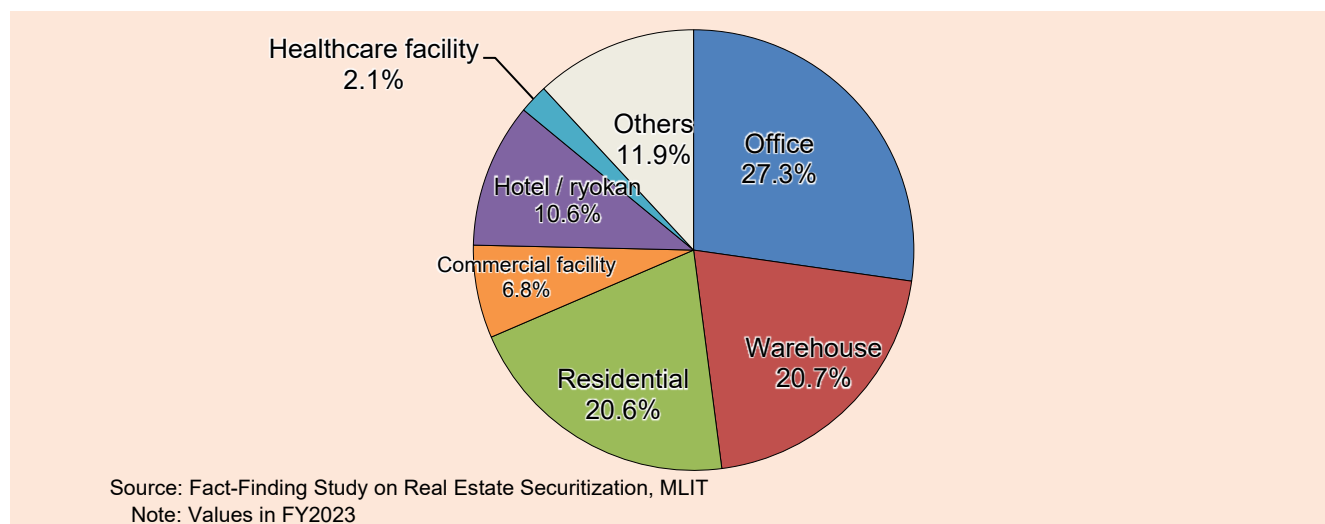
MLIT has set a target of increasing the total assets of REITs etc. (items (1) and (2) above) to approximately 40 trillion yen by around 2030. As of March 31, 2024, total assets were approximately 31 trillion yen in terms of acquisition value. The proportion of each major use in the total amount of asset acquisitions is as follows. Offices accounted for 27.3%, warehouses 20.7%, residences 20.6%, commercial facilities 6.8%, hotels and ryokans 10.6%, and healthcare facilities 2.1% (Figure 1-5-1, 1-5-2).

Figure 1-5-1 Changes in the total assets of REIT (Trends in the J-REIT market)



<Specified joint real estate ventures> Source: Fact-Finding Study on Real Estate Securitization, MLIT
 Note: No data up to fiscal year 2010 since this survey item had not been established prior to that point in time.
 <Private placement REITs> Source: Prepared by MLIT based on the Private Placement REITs Quarterly by the Association for Real Estate Securitization (end of March 2024)
 Note 1: Figures for 2011 and 2012 are estimated intermediate figures for the period between December of the preceding year and June of the current year.
 Note 2: Based on acquisition price.
 <J-REITs> Source: Prepared by MLIT based on "ARES J-REIT Databook", by the Association for Real Estate Securitization.
 Note 1: Figures for September 2001 and March 2002 are estimates provided by the Association for Real Estate Securitization.
 Note 2: Based on acquisition price.
 Note: Due to rounding, the sum of the breakdown may not equal the total.

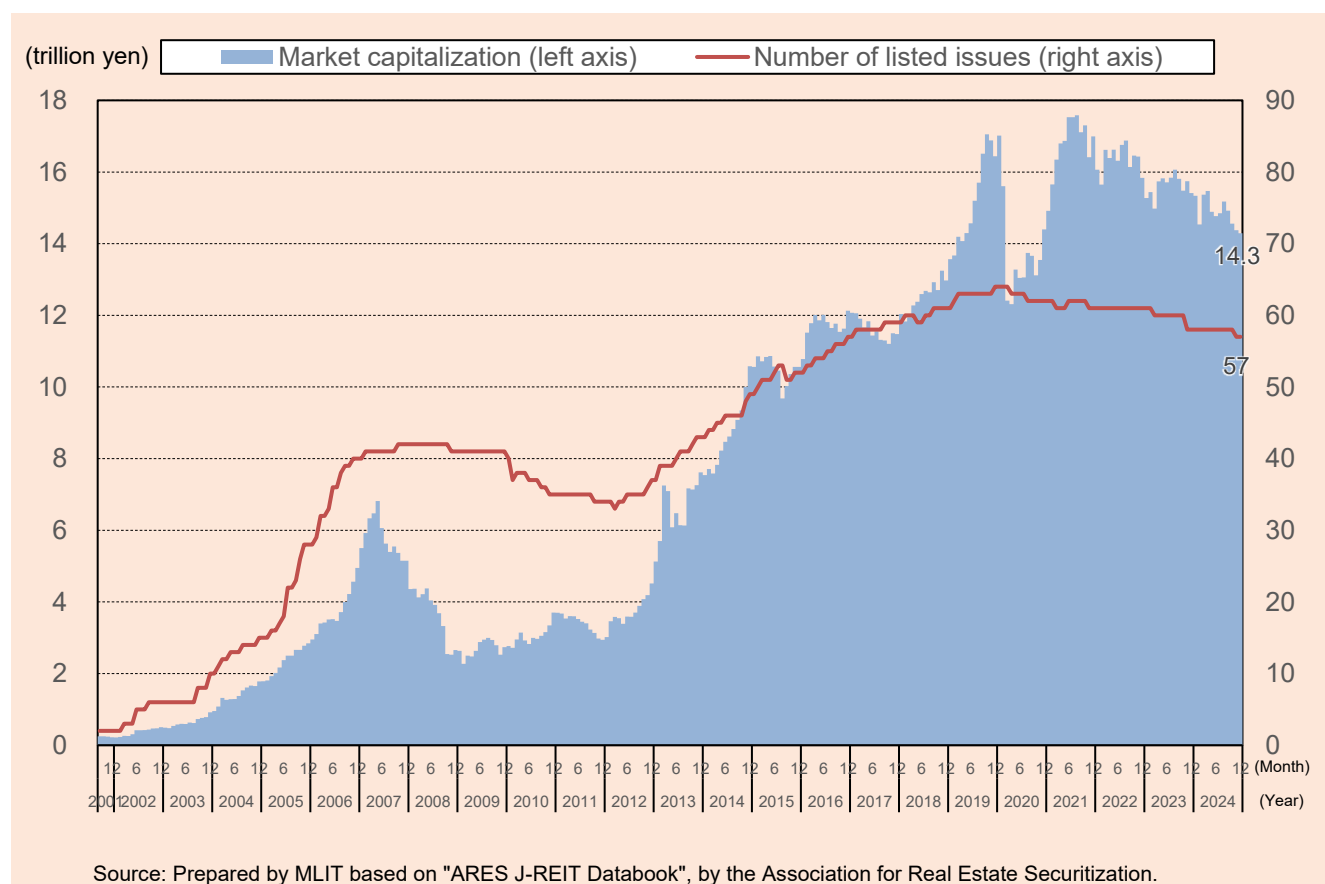
Figure 1-5-2 Proportions of asset acquisition amounts by use for REITs and others



(Trends in the J-REIT market)

As of the end of December 2024, there were 57 J-REITs (REITs listed on the Tokyo Stock Exchange), and the current aggregate market value of real estate investment trusts was about 14.3 trillion yen (Figure 1-5-3).

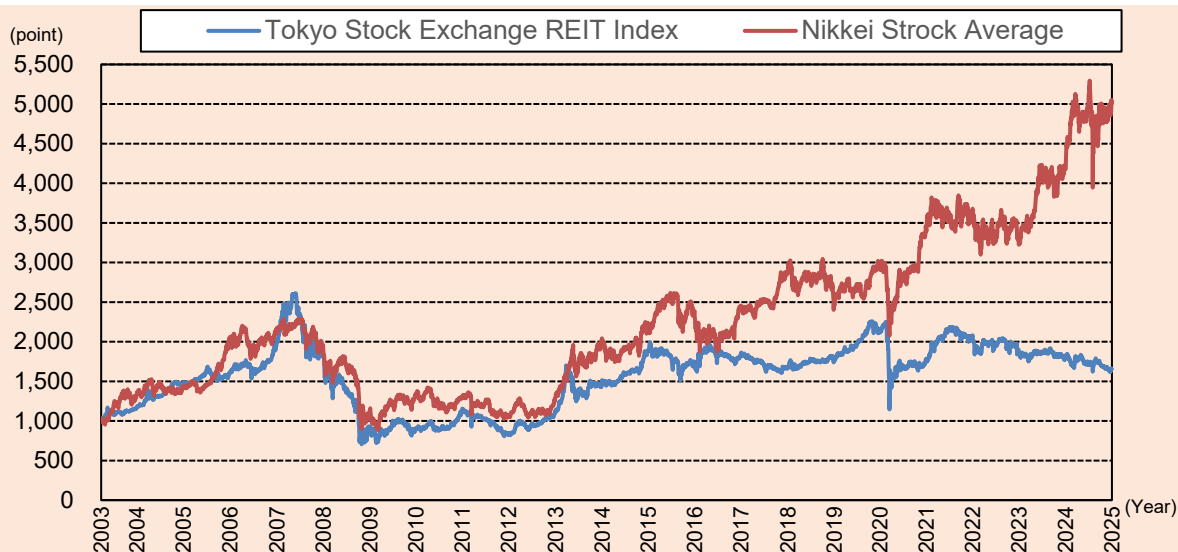
Figure 1-5-3 Changes in the number of J-REIT listed issues and market capitalization



The trend of the Tokyo Stock Exchange REIT² index that indicated the price movements of the entire J-REIT market is also affected by the trend of the entire investment market, and the index had fluctuated around 1,700 points in 2024 (Figure 1-5-4).

Figure 1-5-4

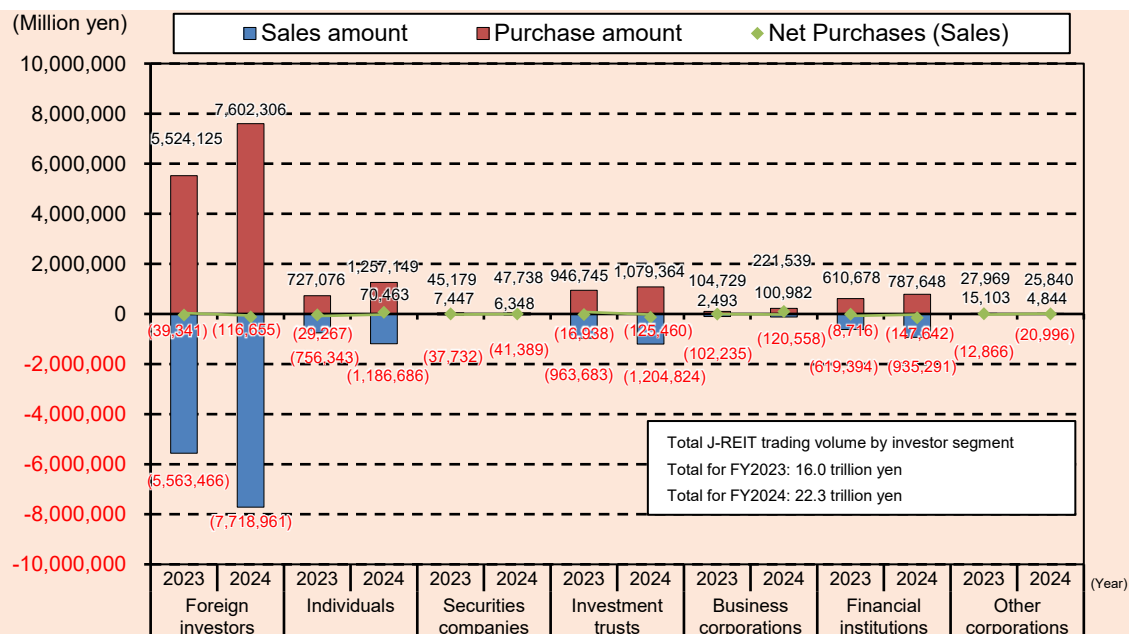
Changes in the Tokyo Stock Exchange REIT Index and the Nikkei Stock Average



Looking at the J-REIT trading trend, the proportions of each investor category in the total amount of J-REIT acquisitions in 2024 was as follows. Foreign investors: 69.0%, Investment trusts: 9.8%, Individual domestic investors: 11.4%, Financial institutions: 7.1%, Business corporations: 2.0%, Securities companies: 0.4%, other corporations, etc.: 0.2%. These figures indicate that foreign investors have a significant impact on the J-REIT market (Figure 1-5-5).

Figure 1-5-5

J-REIT trading trends by investor category



(Trends in the specified joint real estate ventures)

In FY2023, 701 new Specified Joint Real Estate Ventures were formed, and approximately 308.7 billion yen was newly invested, both representing increases from the previous fiscal year (Figure 1-5-6).

Of these, among the Specified Joint Real Estate Ventures utilizing electronic transactions (so called Real Estate Crowdfunding) established in fiscal 2017, 530 new cases were formed in FY2023, and approximately 100.8 billion yen was newly invested, both representing increases from the previous fiscal year (Figure 1-5-7).

Figure 1-5-6

Changes in the number of new Specified Joint Real Estate Ventures and their investment amounts

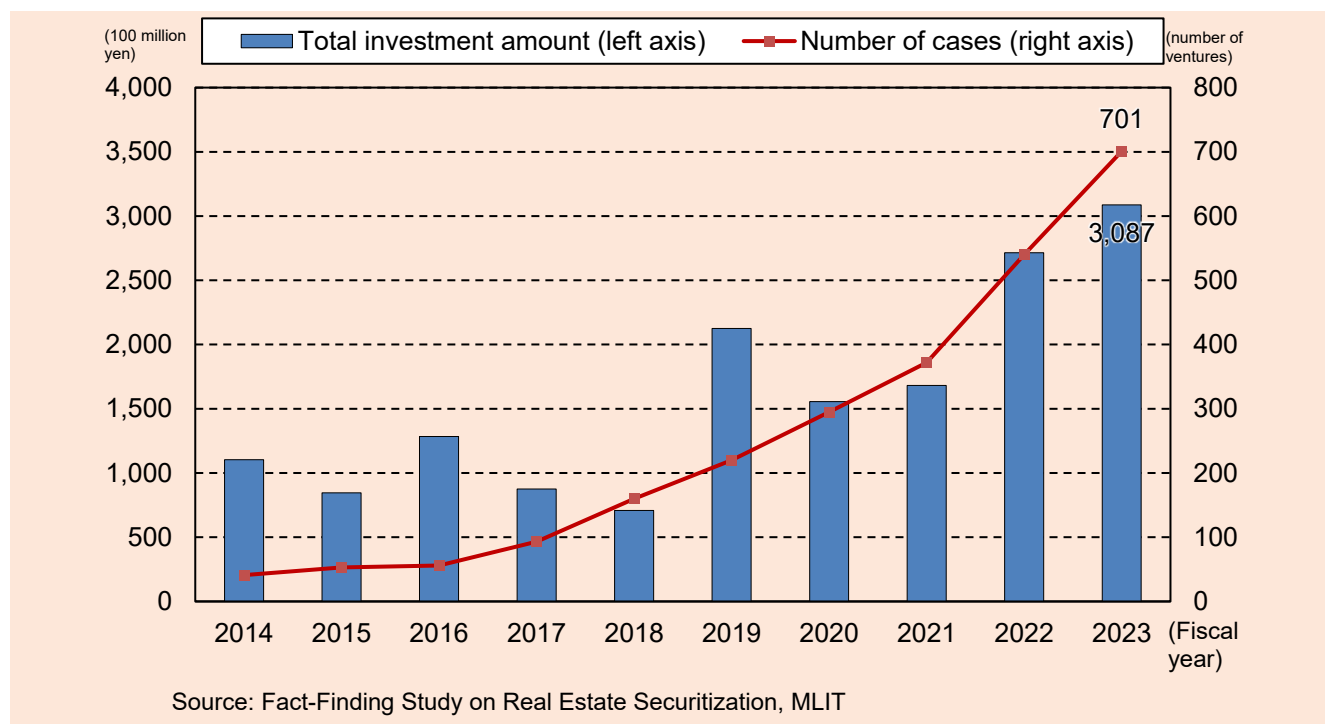
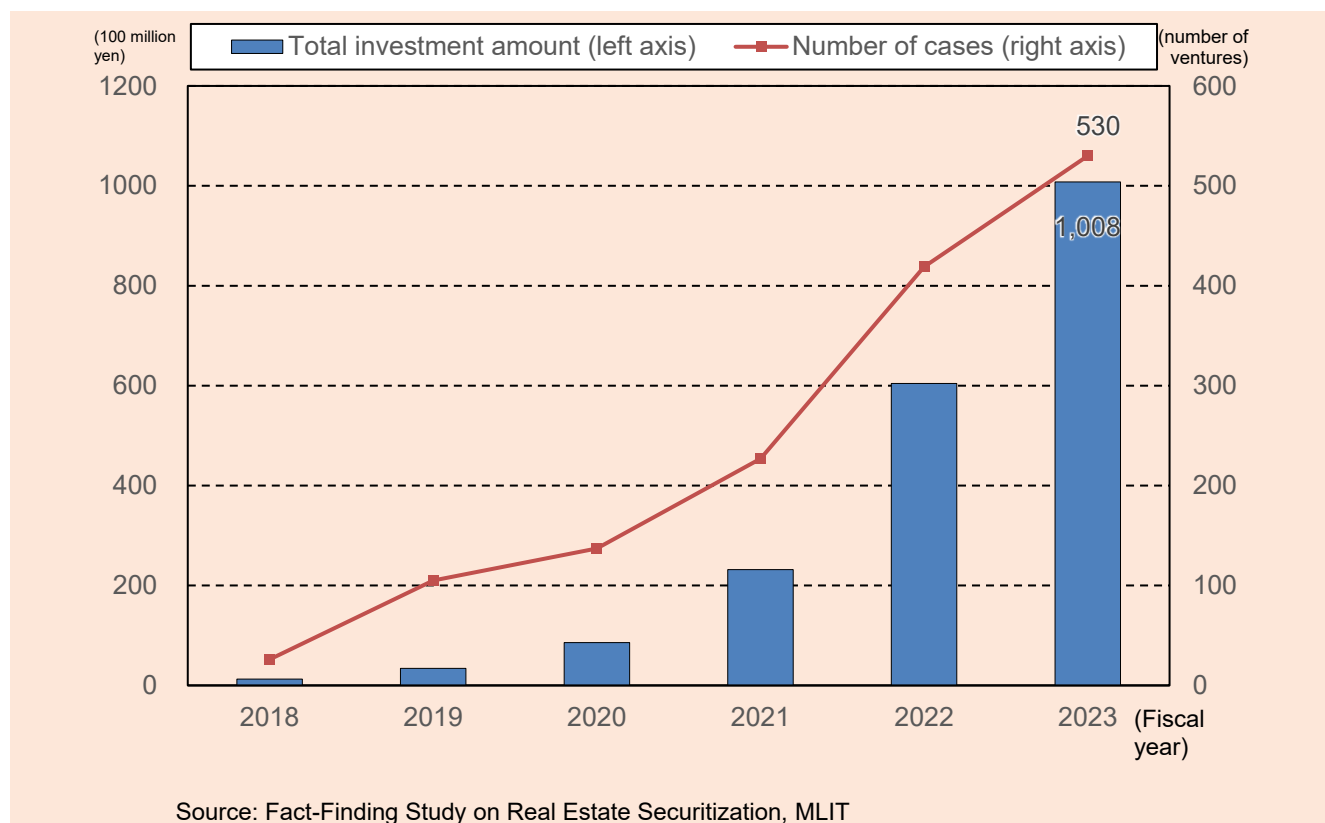


Figure 1-5-7

Changes in the number of new Specified Joint Real Estate Ventures (Real Estate Crowdfunding) and their investment amount

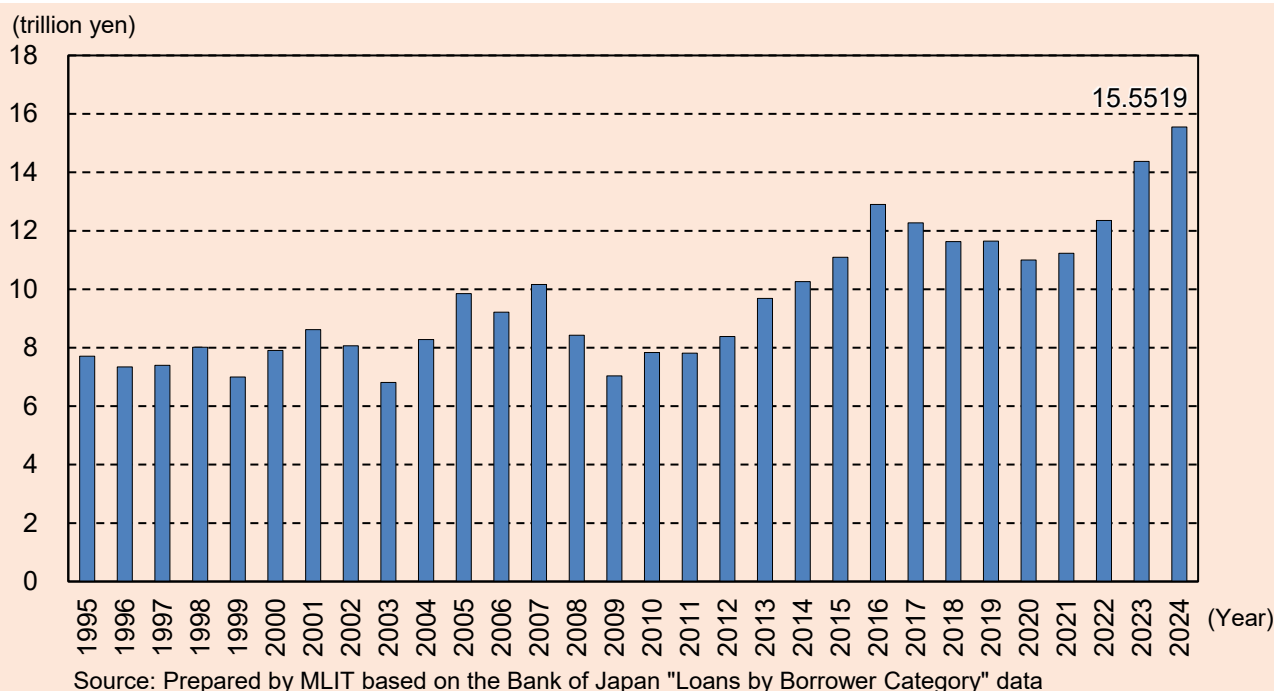


(Trends in the amounts outstanding of loans and bills discounted to the real estate industry)

According to the Loans and Bills Discounted by Sector compiled by the Bank of Japan, new loans from banks and similar institutions to the real estate industry increased in 2024 compared to the previous year, reaching 15.5519 trillion yen (Figure 1-5-8).

Figure 1-5-8

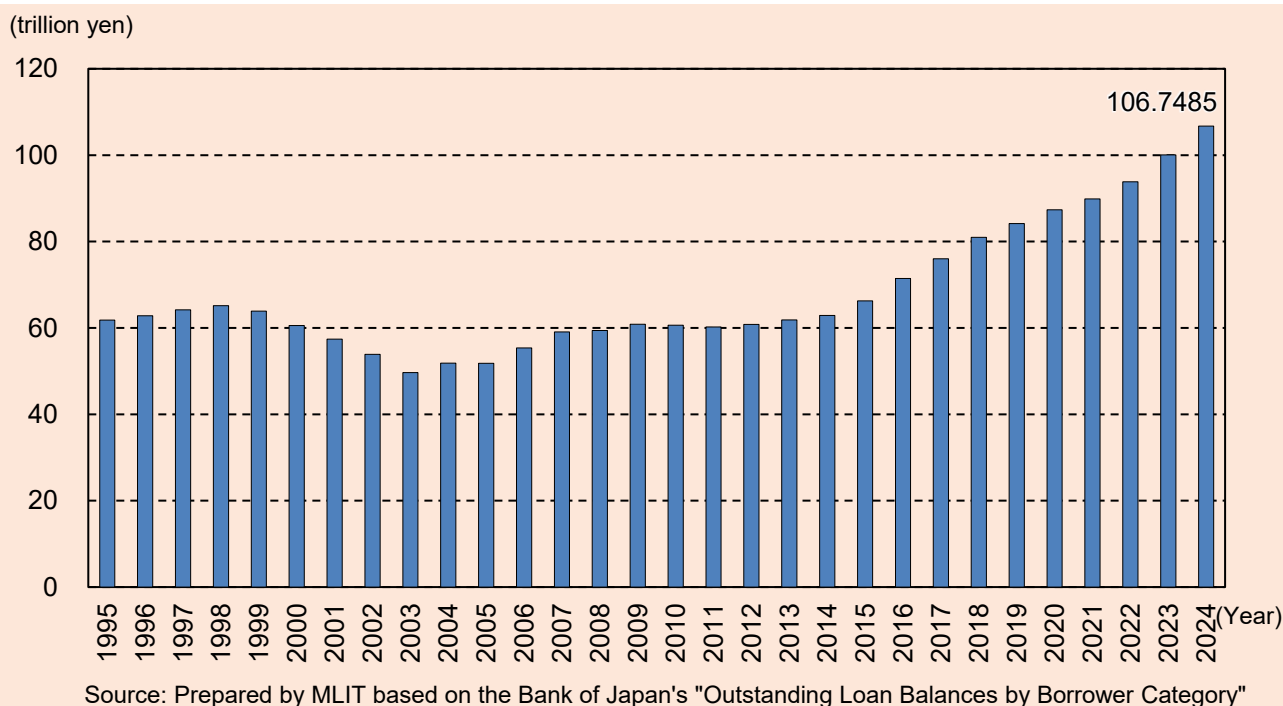
Changes in the amounts of new loans and bills discounted to the real estate industry



The amounts outstanding of loans and bills discounted from banks to the real estate industry, according to the Loans and Bills Discounted by Sector compiled by the Bank of Japan, continued to show a marked upward trend, reaching a record high of 106,748.5 billion yen in 2024 (Figure 1-5-9).

Figure 1-5-9

Changes in the amounts outstanding of loans and bills discounted to the real estate industry

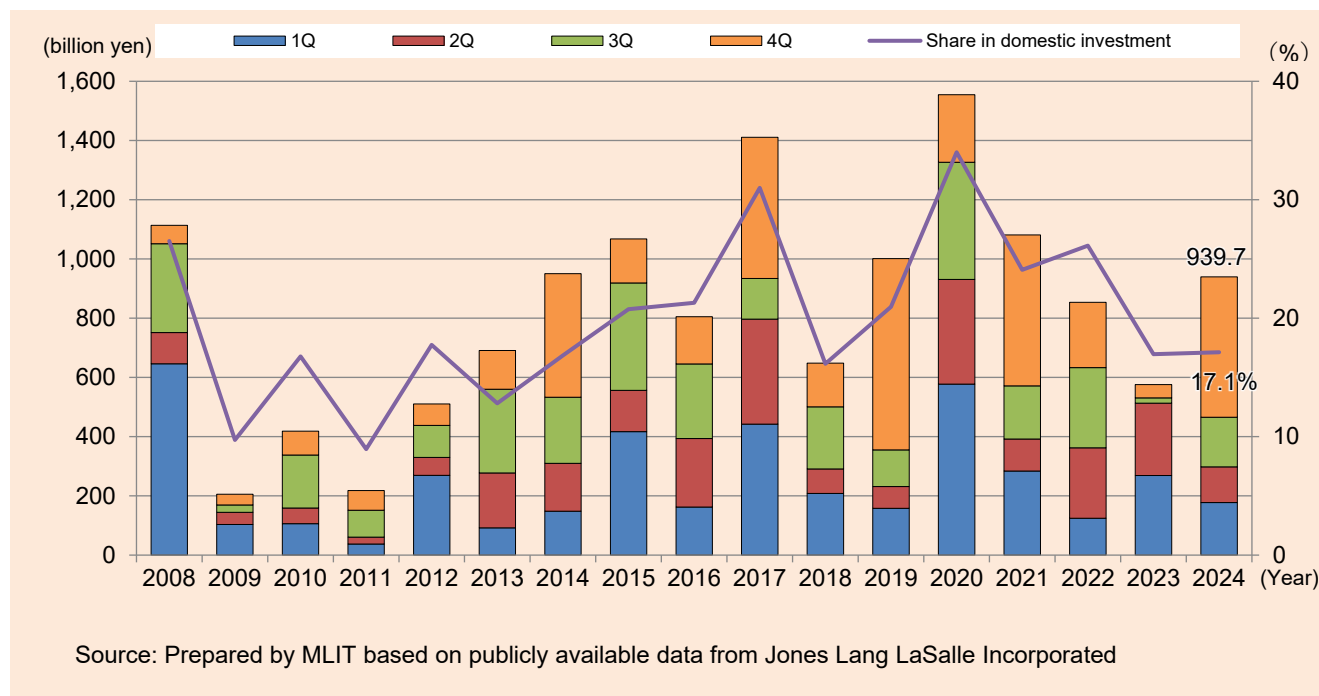


(Investment in domestic real estate by foreign investors)

The inbound investment amount, representing the value of real estate purchased by foreign investors, totaled 939.7 billion yen for the full year of 2024, an increase of approximately 63% compared to 575.8 billion yen in the previous year.

The share of inbound investment in total domestic real estate investment for the full year of 2024 was 17.1%, nearly the same as the 17.0% recorded for the full year of 2023 (Figure 1-5-10).

Figure 1-5-10 Changes in real estate investment amounts by foreign investors



Regarding the proportions of foreign investment by country in 2022, the United States had the highest share, accounting for 34% of total investment. However, its investment amount declined by 21% in year-on-year comparison. In contrast, certain countries and regions saw significant increases in investment amounts year-on-year as follows. Hong Kong +324%, United Kingdom +251%, France +241% etc. (Figure 1-5-11).

Figure 1-5-11 Major real estate investment amounts by country

Americas	United States			
Investment amount (USD 100 million)	33.6			
Share in total investment	34%			
Year-on-year comparison	- 21%			

Asia-Pacific region	Singapore	Hong Kong	South Korea	Australia
Investment amount (USD 100 million)	25.9	7.2	5.4	2.0
Share in total investment	26%	7%	5%	2%
Year-on-year comparison	51%	324%	22%	—

EMEA	United Kingdom		France
Investment amount (USD 100 million)	12.5		6.3
Share in total investment	13%		6%
Year-on-year comparison	251%		241%

Source: Prepared by MLIT based on data published by CBRE K.K.

Section 6: Attitudes toward Ownership, Use and Management of Land and Real Estate

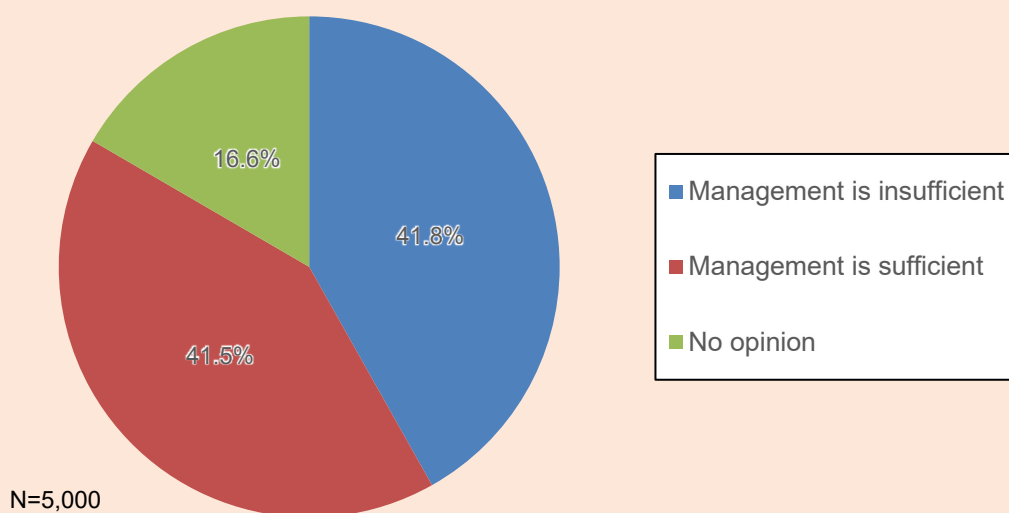
In Japan, issues related to underutilized real estate, such as vacant lots and unoccupied houses, as well as poorly managed land where appropriate use and management by the owner cannot be expected, have become apparent. These issues stem from factors such as a decreasing demand for land use, and a weakening sense of land ownership due to a declining population, a falling birthrate and an aging population.

To understand landowners' attitudes regarding land that is not used on a daily basis, the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) conducted a "Survey on Owned Land".³ This section presents the results of that survey.

(Landowners' attitudes regarding management of land not used on a daily basis)

When landowners (including their family members and those expected to inherit land in the future) were asked about the management status of land not used daily, 41.8% responded that "management is insufficient", 41.5% said "management is sufficient", and 16.6% answered "neither". Thus, the responses for "insufficient" and "sufficient" were almost equal (Figure 1-6-1).

Figure 1-6-1 Management status of land not used on a daily basis



Source: MLIT, "Survey on Owned Land" (FY2024)

When respondents who, when asked about their willingness to continue owning the land not used on a daily basis, answered "I would like to let go of the land if possible, though it is unlikely to be sold" were asked: "If you could give up ownership by paying a certain amount of management costs, how many years' worth of management costs would you be willing to bear?", 35.7% answered "1 to 5 years", 11.2% "6 to 10 years", 2.0% "11 to 15 years", 2.4% "16 to 20 years", and 48.8% "I would not want to give it up if it costs something". More than half indicated a willingness to pay a cost to give up ownership (Figure 1-6-2).

³"Survey on Owned Land"

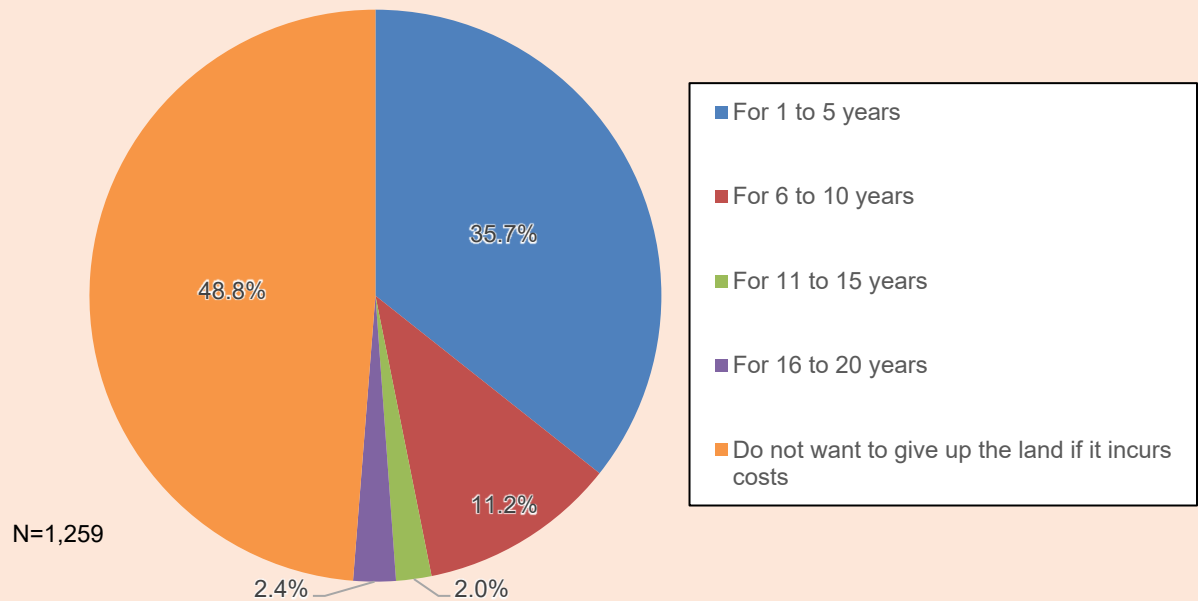
Survey Target: 5,000 individuals who either own land other than their residence (designated as residential land or miscellaneous land), live with the landowner, or are expected to inherit such land.

Definition of Land Not Used on a Daily Basis: Land not used regularly for purposes such as vacation homes or second houses, vegetable gardens or fields, forest or mountain land, material storage areas, parking lots, leased land, or storage sheds.

Survey Period: December 11 to 13, 2024

Figure 1-6-2

The amount of cost one can afford to pay when giving up land that is not used on a daily basis (equivalent in management costs)

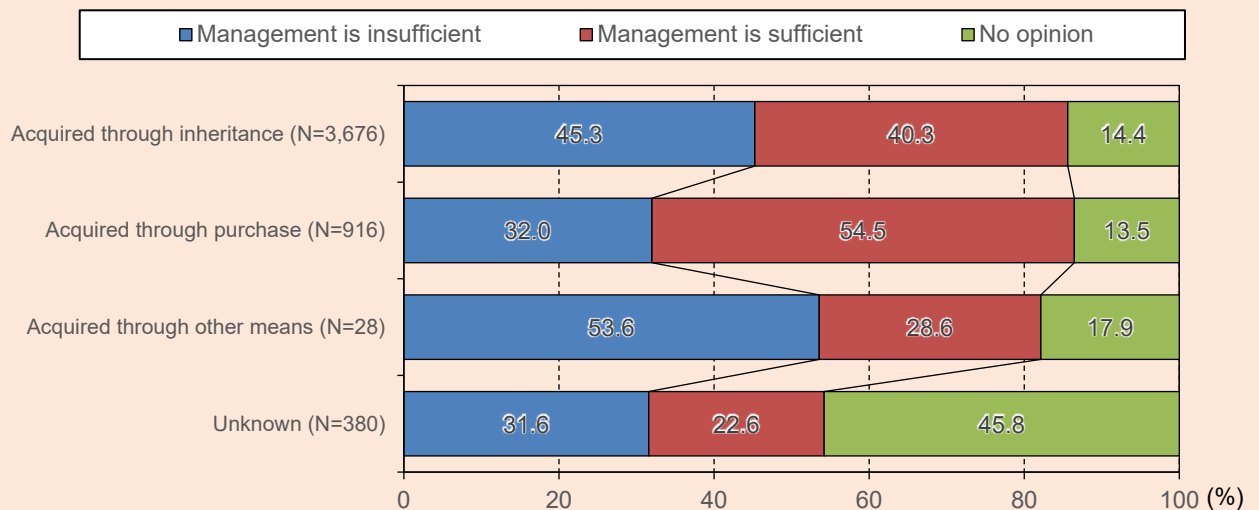


Source: MLIT, "Survey on Owned Land" (FY2024)

When management status was asked by how the land not used on a daily basis was acquired, among those who inherited the land, 45.3% answered "management is insufficient" and 40.3% "management is sufficient". Among those who purchased the land, 32.0% said "management is insufficient" and 54.5% "management is sufficient". The proportion of insufficient management was higher among those who inherited the land than those who purchased the land (Figure 1-6-3).

Figure 1-6-3

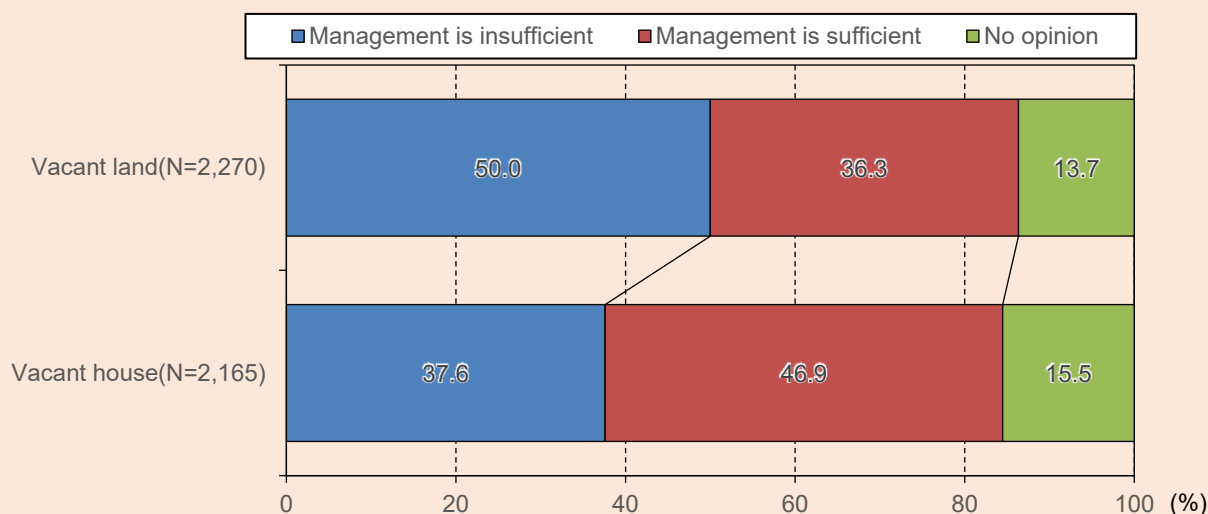
Management status of land not used on a daily basis (by how the land was acquired)



Source: MLIT, "Survey on Owned Land" (FY2024)

When management status of land not used on a daily basis was asked by use type, 50.0% of vacant lands were "insufficiently managed", and 36.3% were "sufficiently managed". For vacant houses, 37.6% were "insufficiently managed", and 46.9% were "sufficiently managed". The rate of insufficient management was higher for vacant lands than vacant houses (Figure 1-6-4).

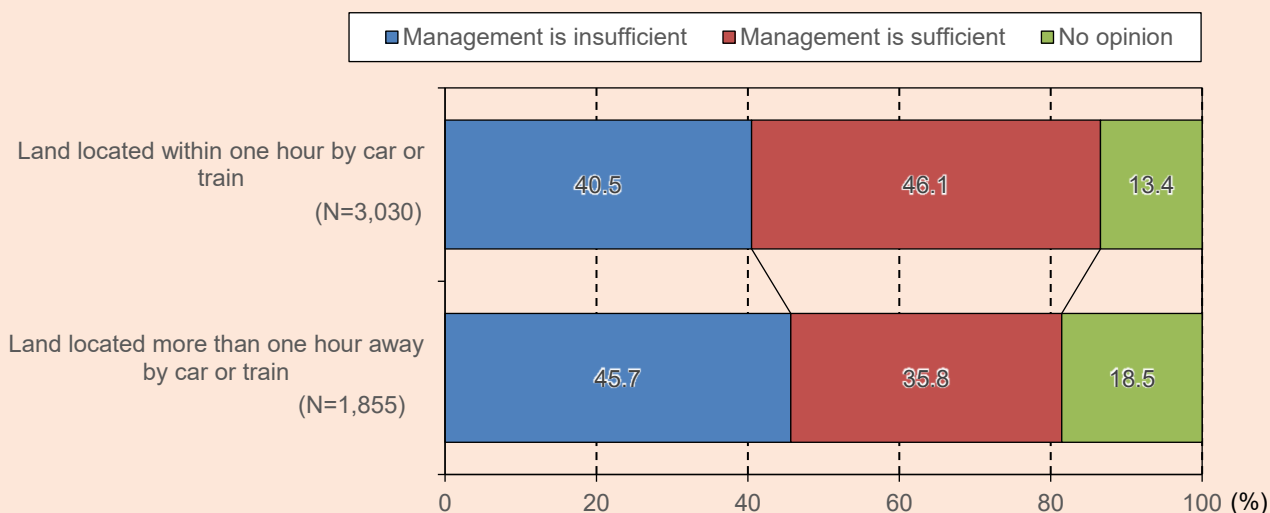
Figure 1-6-4 Management status of land not used on a daily basis (by use type)



Source: MLIT, "Survey on Owned Land" (FY2024)

When management status of land not used on a daily basis was asked by the time required to reach the land from the respondent's residence, among those with land located within one hour by car or train, 40.5% said "management is insufficient" and 46.1% "management is sufficient". For land located more than one hour away by car or train, 45.7% said "management is insufficient" and 35.8% "management is sufficient". Thus, the rate of insufficient management was higher for the land located more than one hour away by car or train than the land located within one hour by car or train (Figure 1-6-5).

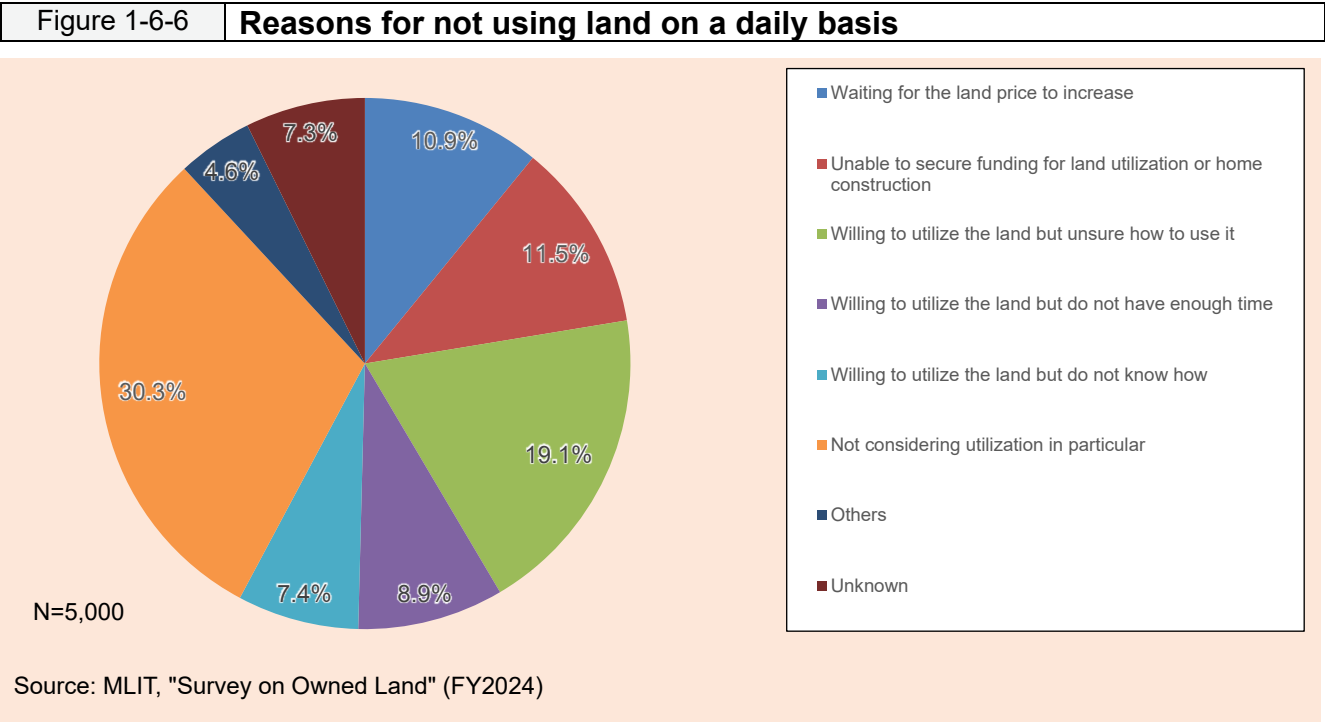
Figure 1-6-5 Management status of land not used on a daily basis (by time required to reach the land)



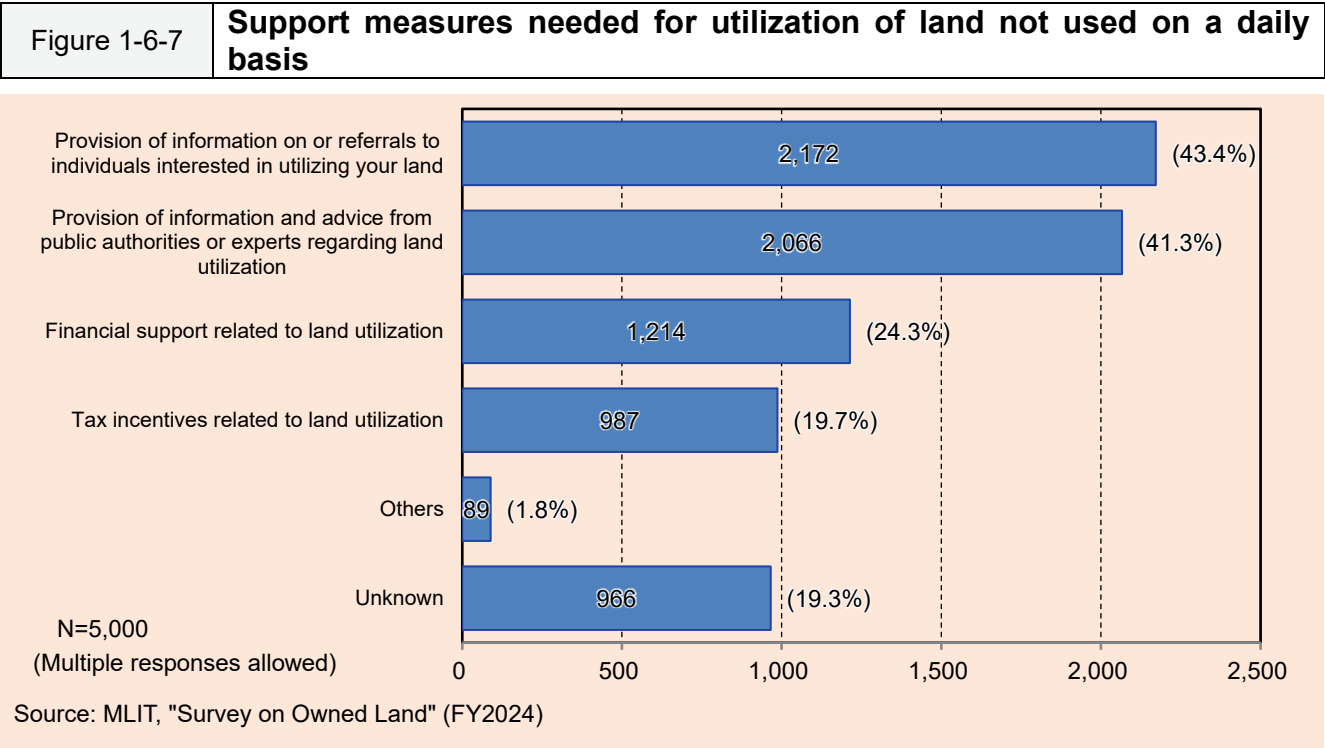
Source: MLIT, "Survey on Owned Land" (FY2024)

(Landowners' attitudes regarding use and utilization of land that is not used on a daily basis)

When asked why they were not using such land on a daily basis, 19.1% answered "Willing to utilize the land but unsure how to use it", 8.9% "Willing to utilize the land but do not have enough time", 7.4% "Willing to utilize the land but do not know how to do", and 30.3% "Not considering utilization in particular" (Figure 1-6-6).



When asked what support measures would be necessary to utilize such land not used on a daily basis (multiple responses allowed), 43.4% chose "Provision of information on or referrals to individuals interested in utilizing your land", and 41.3% chose "Provision of information and advice from public authorities or experts regarding land utilization" (Figure 1-6-7).



Section 7: Revitalization of Regions through Private Investment

The "Act on Overcoming Population Decline and Vitalizing Local Economy in Japan" (Act No. 136 of 2014) was enacted ten years ago, launching full-scale efforts for regional revitalization. In a situation where each region faces unique challenges, we have fundamentally supported each local authority's own creative initiatives. Policies aligned with the four pillars of regional revitalization (creating jobs locally, generating human movement, enabling marriage, childbirth, and child-rearing aspirations, and making regions attractive) have been implemented, incorporating digital strategies.

In the field of land policy, land serves as the foundation for all socio-economic activities. To promote the formation of regional societies capable of securing rich and secure lives, it is important not only to make effective use of land but also to advance land use that contributes to regional revitalization.

In particular, private companies and other entities are expected to conduct appropriate mid- to long-term management to address challenges of "people", "communities", and the "planet", thereby generate "social impact", contributing to value creation in society including global environmental conservation. Additionally, it's expected to enhance real estate value and corporate sustainable growth by promoting "Social Impact Real Estate".

The Ministry of Land, Infrastructure, Transport and Tourism, together with stakeholders, has developed the "Practical Guidance on 'Social Impact Real Estate'" (March 2023, Study Group on Promoting ESG Investment in Real Estate to Address Social Issues). Moreover, the Basic Land Policy (Cabinet decision June 11, 2024) states: "In order to expand investment leading to high quality stock formation in line with SDGs⁴ and ESG⁵, we will enhance information development supporting real estate ESG investment—starting with the provision of the 'Guidance for Disclosure of Climate related Sustainability Information in the Real Estate Sector'—thereby promoting expansion of ESG investment in real estate, including 'Social Impact Real Estate'".

The aforementioned "Practical Guidance on 'Social Impact Real Estate'" organizes the "basic concept" of Social Impact Real Estate, categorizes social issues and initiatives related to real estate, and summarizes key points for practical creation of social impact.

This section presents examples of land use that revitalizes regions through private investment and delivers "social impact". These include: (i) land use addressing community challenges, such as "land use that revitalizes regional economy and industry", "new land use utilizing local characteristics", and "land use prepared for natural disasters"; (ii) land use addressing challenges affecting "people", such as "land use that promotes community health and welfare"; and (iii) land use addressing challenges facing the "planet", such as "environmentally symbiotic land use that enhances local added value".

⁴ Abbreviation of Sustainable Development Goals

⁵ Investment, management, and business activities that take ESG (Environment, Social, Governance) into consideration

1 Land Use that Revitalizes Regional Economy and Industry

- Creation of a new interaction hub through public-private partnership (Tsuruga City, Fukui Prefecture)

TSURUGA POLT SQUARE “otta” is a mixed-use facility in the west district of Tsuruga Station, developed through public–private partnership in Tsuruga City, Fukui Prefecture. Tsuruga Station serves as a “gateway” for tourists to visit Kehi Shrine and Kanagasaki area, and as a “daily-use hub” for residents. The facility generates both interaction and everyday liveliness.

Under a policy emphasizing daily-use spaces, the facility—positioned to accommodate incoming Shinkansen travelers—features not only local food, long established retail, and dining, but also a publicly established, privately managed bookstore, café, and childcare support facility.

As for the background, the city-owned land on the west side of Tsuruga Station, which was created through a land readjustment project was intended to be developed into a vibrant hub for interaction befitting the gateway of the port town of Tsuruga. Following the consideration about land utilization since FY 2005, public and private sectors agreed to develop and manage the west area of the Tsuruga Station, launching a PPP (Public-Private Partnership) project in FY 2019 and opening in FY 2022.

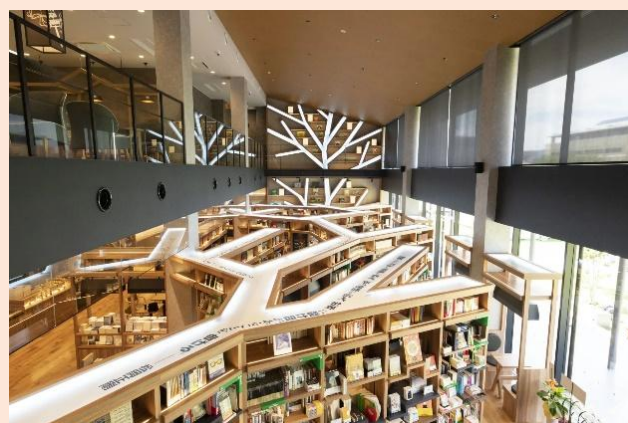
Utilizing the Specified joint real estate ventures, Tsuruga City (landowner), private-sector operators, and the designated manager for “Chienamiki” (an educational and enlightenment facility) meticulously designed the system from the public solicitation stage, enabling sustainable public real estate use through public-private collaboration.

The publicly established, privately managed bookstore “Chienamiki” was procured with integrated design and operation requests, differentiating layout and theme setting from ordinary bookstores to enhance visitor attraction and draw customers to other facilities. A central plaza, designed for spontaneous ideas of use, features low fees under ordinance, is utilized for various events.

In its first year after opening, otta as a whole welcomed approximately 700,000 visitors—far exceeding the city’s initial estimate of 400,000—achieving land use that leads to the revitalization of the regional economy and industry.

Figure

TSURUGA POLT SQUARE otta



Source: Tsuruga City

○ Expansion of rail corridor investment through LRT development and station front redevelopment (Utsunomiya City, Tochigi Prefecture)

Along the left bank of the Kinugawa River in eastern Utsunomiya City lie the Kiyohara, Haga, and Haga Takanezawa industrial parks. Over 30,000 employees primarily commute from the Utsunomiya city center on the right bank by private car, causing chronic congestion on the bridges being a long term major issue. The east side of Utsunomiya Station was aiming to promote urban development through large-block redevelopment and enhancement of transport hub functions by infrastructure development through a land readjustment project to promote effective use of large unused land, including former JNR Settlement Corporation land.

In FY 2012, the Basic Policy for Achieving East–West Core Public Transport designated plans to build a LRT⁶ system. The project was proceeded thereafter, and the priority section from JR Utsunomiya Station East Exit through Kiyohara Industrial Park to the Haga Takanezawa Industrial Park in Haga opened in August 2023. In addition, transit centers are being established at major stops to facilitate connections between the LRT and various modes of transportation, such as buses and bicycles, according to the characteristics of each location. The aim is to shift from an excessively car-dependent society to one in which public transportation and automobiles coexist.

In addition, in the Utsunomiya Station East Exit area, the application of a Special Floor Area Ratio District—allowing for the transfer of floor area ratios between plots—has enabled the development of various facilities centered around Miya Mirai Light Hill (community activity plaza) directly connected to the LRT station. These facilities include Light Cube Utsunomiya (a community activity hub facility) also used by companies from the industrial park, Utsunomiya Terrace (a commercial and hotel complex), and an advanced specialized hospital. Together, they are helping to create a vibrant atmosphere in the district. The East Exit area is directly connected to the station ticket gates via a pedestrian deck, and foot traffic on this deck has increased by approximately 25% compared to the period before the development.

Since the opening of the LRT, it has been widely adopted as a means of commuting to work and school, as well as for daily life. Within approximately one year of operation, cumulative ridership has reached 5 million. It is also estimated that weekday automobile usage has decreased by about 3,800 vehicles per day. Additionally, increased opportunities for outings and interpersonal interaction have been observed as notable benefits. Furthermore, as residential development progresses along the LRT corridor, the population along the line has increased by approximately 5,000 between FY2012 (when the basic policy was announced) and March of 2024. Private-sector investment in the industrial park has also gained momentum. Under these circumstances, the officially published land prices along the entire LRT corridor have continued to show an upward trend in recent years.

Figure	Utsunomiya station east exit area
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⁶Abbreviation of Light Rail Transit
38

2 New Land Use Initiatives that Leverage Regional Characteristics

○ Development of Accommodation Facilities that Capitalize on Rural Landscapes (Tsuruoka City, Yamagata Prefecture)

The hotel SUIDEN TERRASSE and the educational facility KIDS DOME SORAI are located in Tsuruoka City, part of the Shonai region in Yamagata Prefecture—one of Japan's leading rice-producing areas. Opened in 2018, these facilities include a hotel that allows guests to stay surrounded by rice paddies, and an indoor play and learning center. The facilities were planned and are operated by a venture company based in the Shonai region, which engages in cross-sectoral community development initiatives. All preparatory capital for the opening of these facilities was raised through investments from local companies, including regional banks.

Both the hotel and educational facility were developed in an unused section of the Tsuruoka Science Park—a site repurposed from agricultural land by the city as a biotechnology R&D hub. These facilities have been developed for and serve not only business visitors to the science park but also tourists visiting the Shonai Plain.

The hotel includes shared amenities such as cafés and restaurants, which are open as public spaces not only to guests but also to local residents, thereby fostering new forms of community engagement.

KIDS DOME SORAI was developed as an all-weather educational facility in response to the needs of and requests from families in the Shonai region, where children have limited options for physical activity during the winter months. The facility was created with the aim of enhancing the local environment for child-rearing. It features an indoor athletic play zone, a creative workshop space, and other areas. In collaboration with companies inside and outside the science park, the facility is aiming to build a community environment that supports child-rearing.

As a result of these initiatives, an agricultural area that was not originally considered a tourist destination now sees approximately 60,000 overnight guests annually. By recognizing the value in the rice paddies—ubiquitous features of the Shonai Plain—this land use model is revitalizing the local economy and industries in a way that makes the most of regional characteristics.

Figure

SUIDEN TERRASSE and KIDS DOME SORAI



Hotel: SUIDEN TERRASSE



Indoor Play and Learning Facility:
KIDS DOME SORAI

Source: SHONAI Inc.

○ Area-Wide Revitalization of a Hot Spring Town (Nagato City, Yamaguchi Prefecture)

Nagato Yumoto Onsen is located in Nagato City, Yamaguchi Prefecture, and is the oldest hot spring town in the prefecture, with a history dating back to the Muromachi period. However, in recent years, the number of overnight visitors has declined due to the town's slow response to changes in travel demand, especially among individual travelers. As a result, underutilized and vacant land increased in this region, and the vitality of the hot spring town as a whole had diminished. In response to these circumstances, Nagato City launched the "Nagato Yumoto Mirai Project" after having a sense of crisis, for example, when a long-established ryokan with a history of around 150 years since the Edo period closed in 2014. As part of the project, the city purchased the ryokan site with public funds and, through public-private collaboration, undertook a comprehensive, area-wide revitalization initiative encompassing the entire hot spring town, including the former ryokan site. The project team included local businesses, investors, and external experts from various fields. While leveraging regional characteristics such as the Otozure River, which runs through the center of the town, and Tachiyori-yu, the public hot spring baths, the overall layout of the town was reimagined—for instance, relocating a central parking lot to a more distant location—allowing for new uses of underutilized land, including the former ryokan site.

Following the formulation of the "Nagato Yumoto Onsen Tourism Town Development Plan" (Master Plan) in 2016 for revitalization of this hot spring town, organizations such as area management bodies were established. In addition, social experiments were conducted to verify the effectiveness of utilizing infrastructure such as rivers and roads. These efforts have enabled the hot spring town to be operated and maintained sustainably through private-sector initiatives, without relying on continued public-sector support. Furthermore, efforts are ongoing to attract private investment through a fund established by a regional bank and the Organization for Promoting Urban Development by the Private Sector (a general incorporated foundation). As a result, private-sector renovations and the participation of new business operators have increased throughout the surrounding area. This has promoted the use of vacant land and buildings and contributed to land use that revitalizes the regional economy and industries by leveraging the area's cultural and natural heritage.

Although Nagato Yumoto area (including Nagato Yumoto Onsen) is not easily accessible by public transportation alone, the increase in tourists has triggered a virtuous cycle of investment. Since 2022, a new express bus route has been operating directly between Fukuoka City in Fukuoka Prefecture and Nagato Yumoto.

Thanks to these initiatives, the number of tourists visiting Nagato City, including the Nagato Yumoto area, increased by 2.4% year-on-year, reaching approximately 2 million annually (from January to December 2023, based on the 2023 Nagato City Tourist Statistics Survey).

Figure	Revitalization of the hot spring town through the Nagato Yumoto Mirai Project
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General view of the area



Bamboo staircase (shown illuminated at night)



River terrace set up along the Otozure River

Source: Nagato City

- Enhancing Environmental Performance and Urban Disaster Resilience Across an Entire District (Chuo City, Tokyo)

The Nihonbashi Smart Energy Project is an initiative in the Nihonbashi district of Chuo City, Tokyo, led by a regional energy supply company established jointly by a real estate developer and a local gas company. As part of a redevelopment effort, the project involved the construction of an area energy plant in the basement of newly developed buildings, aiming to improve the area's urban disaster resilience and environmental performance by supplying electricity and heat to nearby buildings. The initiative extends energy supply not only to new buildings but also to existing ones across the neighborhood.

The area energy plant is equipped with a large-scale cogeneration system (CGS) powered by city gas, as well as a dedicated network of power and heat pipelines. These systems enable the continuous supply of energy to surrounding buildings both during normal times and emergencies. The energy supply network covers approximately 20 buildings, including designated Important Cultural Properties such as the Mitsui Main Building and the Nihonbashi Mitsukoshi Main Store. In total, the supply area spans around 1 million square meters of total floor space, and the system is not limited to newly constructed buildings. The energy plant and its associated piping and facilities have been designed to withstand major earthquakes. As such, energy supply is expected to continue even in the event of a disaster, ensuring that approximately 50% of peak electricity demand can be met during a power outage. This allows for the continued operation of critical building functions during emergencies.

Furthermore, the district has developed its own energy demand-supply balancing system—Nihonbashi Energy Management System (NEMS)—which uses information and communication technology (ICT) to predict electricity and heat loads across the supply area and to optimize CGS control and energy distribution accordingly. In individual buildings, excess waste heat from CGS operations often goes unused depending on the season. However, by distributing heat across a district-wide network, the project improves waste heat utilization, boosts equipment efficiency, and optimizes heat supply. Altogether, these efforts have resulted in an estimated 30% reduction in CO₂ emissions compared to a scenario without such an integrated energy system. This project realizes land use that both enhances disaster preparedness and improves environmental performance in urban areas.

○ Development of a Disaster Prevention Park in the Heart of the City (Toshima City, Tokyo)

Located in Toshima City, Tokyo, Toshima Midori no Bosai Koen—also known by its nickname IKE • SUNPARK—is a disaster prevention park established on part of the former Tokyo branch site of the Japan Mint covering approximately 3.2 hectares, which was previously used as a factory and museum for the production of coins and medals. The park opened in its entirety in December 2020 as the largest park in the ward, spanning about 1.7 hectares.

The area surrounding IKE • SUNPARK is a traditional wooden housing district with narrow roads and high density, which has long been considered vulnerable in the event of major earthquakes or large fires. Residents had voiced a strong desire for a disaster prevention park that could serve as an evacuation site. In response, Toshima City entered into an agreement with the Urban Renaissance Agency, a national urban redevelopment organization with expertise in disaster prevention park development and large-scale site reuse, to move the project forward.

As a disaster prevention park, the facility has been designed to accommodate up to approximately 9,000 people during emergencies such as disasters or mass transit shutdowns. It includes fire-resistant tree belts to prevent the spread of fires from surrounding wooden housing areas, toilets that remain usable even if the sewer system is damaged, wells, a central plaza that can double as a heliport for transporting supplies and the injured, storage warehouses for emergency goods, and backup power sources. In addition, to ensure the park remains lively and attractive even during normal times, Toshima City adopted a consortium-style public tender covering all aspects from design and construction to management and operation. As a result, the park features food stalls, retail outlets, and regularly hosts events, making it a community hub even outside of emergencies. According to a survey conducted by the private operator managing the park (from November 2020 to March 2022), the park receives approximately 1,100 visitors per day on weekday and around 1,900 per day on weekends. In a separate satisfaction survey of park users conducted by the same operator between October and December 2021, 95% of respondents reported being either “satisfied” or “mostly satisfied,” and about 57% were repeat visitors who had come more than once. Thus, land use that contributes to regional revitalization while preparing for natural disasters is realized.

Figure

IKE • SUNPARK



Source: Urban Renaissance Agency

4 Land Use that Promotes Community Health and Well-being

○ Promoting Community Interaction by Opening Privately-Owned Land to the Public (Setagaya City, Tokyo)

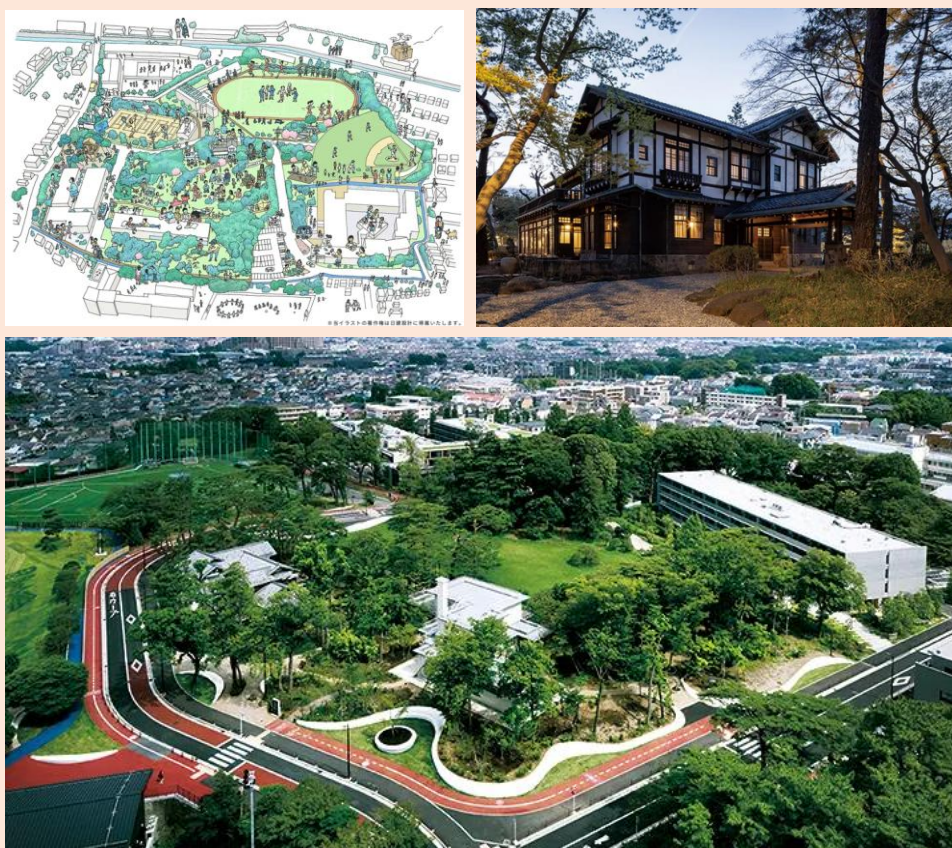
Next case study is a community development project SETAGAYA Qs-GARDEN opened in March 2023, in Setagaya City utilizing the former grounds of The Dai-ichi Life Insurance Company, Limited sports field, covering approximately 9 hectares. Based on the concept of “a town that enhances the well-being⁷ of its people—where residents of all generations can live healthily, safely, and in meaningful interaction”, the project preserves some existing trees while developing sports facilities, family-oriented condominiums, a medical clinic mall, student housing, senior housing with services, and local community spaces.

Although initial plans considered removing all existing trees and demolishing buildings, the development was revised to retain as much greenery as possible and to reuse viable structures and sports facilities. Today, the site’s lush greenery is open to the public, and historically significant buildings have been repurposed as hubs for intergenerational interaction. These historical heritages are open to and utilized by not only residents within the premises but also the broader local community.

As part of efforts to improve the QOL⁸ of local residents, a town management initiative titled SETAGAYA Qs-GARDEN Town Management organizes the Well-being FESTA, an annual event open to the surrounding neighborhoods. Other initiatives to foster everyday vibrancy include providing community spaces, offering workrooms and market booths, leasing vegetable gardens, and inviting food trucks. Through these efforts, land use practices that promote both community interaction and improvements in local health and well-being are achieved.

Figure

SETAGAYA Qs-GARDEN



Source: (Top left) Nikken Sekkei Ltd. / (Top right and bottom) SS Co., Ltd.

⁷ To be in a good state physically, mentally, and socially. A concept that encompasses not only short-term happiness but also sustainable happiness over the long term, including a sense of purpose in life and meaning in one's existence.

⁸ Abbreviation of Quality Of Life

○ Development of a Baseball Stadium and Surrounding Facilities on Public Land Led by the Private Sector (Kitahiroshima City, Hokkaido)

The Hokkaido Ballpark F Village (F Village) is a large-scale project developed integrally by private enterprises, centered around the new baseball stadium ES CON FIELD HOKKAIDO, which opened in March 2023 in Kitahiroshima City, Hokkaido. The project was led in an integrated manner by private developers and includes not only the stadium but also a range of associated facilities such as activity facilities (kids' areas, an athletics zone, a snow park, a dog park, agricultural learning spaces, etc.), health and welfare facilities (a clinic mall, senior housing, etc.) accommodation facilities, hot spring amenities, and commercial complexes.

F Village was developed as a ballpark on city-owned land that had originally been designated as the site for the planned Kitahiroshima Comprehensive Sports Park, located northwest of the city center. While the Kitahiroshima City undertook infrastructure improvements around F Village, it also implemented preferential measures for the operating company—such as exemptions from land usage fees and fixed asset taxes for a certain period.

Furthermore, in 2020, the Kitahiroshima City entered into a partnership agreement with Nippon Escon Co., Ltd., which has led various development initiatives in F Village. Under this agreement, the city is implementing an area revitalization project titled Kitahiro Hometown - BASE 2021–2029 to activate underutilized city-owned land near the west exit of Kitahiroshima Station. This revitalization project involves establishing a multi-functional interaction hub with commercial, lodging, and interaction facilities at the station front. It also includes development of residential areas, commercial stores, and pedestrian infrastructure around the station to enhance the living environment.

According to Mitsubishi UFJ Research and Consulting Co., Ltd., these public-private initiatives are estimated to generate an annual economic impact (direct effects) of approximately 50 billion yen in Kitahiroshima City, and about 110 billion yen annually in Hokkaido as a whole (including spillover effects). As such, land use centered on city-owned land is contributing to improvements in public health and welfare, as well as the revitalization of the regional economy and industry.

Since the decision to construct the F Village was made in 2019, land prices have risen not only in the area surrounding F Village but also in the city's traditional commercial and residential districts. Notably, there have been significant increases in land values between 2022 and 2024.

Figure	Changes in officially published land prices in and around Hokkaido Ballpark F Village
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Source: Kitahiroshima City

○ Creating a Medical Care Town That Offers Forest Bathing (Kashiwa City, Chiba Prefecture)

The Shinkashiwa Clinic in Kashiwa City, Chiba Prefecture, is a medical facility specializing in dialysis that was completed in 2016. Since dialysis patients typically spend long hours in the dialysis treatment room—about four hours per session, three times a week—undergoing treatment, the clinic was designed as a medical facility with an open and airy atmosphere that blends the rich natural environment of the region with wood-based spatial design based on the concept of a “clinic where patients can enjoy forest bathing”. This concept was developed from three perspectives: healing for patients, a place loved by staff, and a facility that enriches the local community.

A fitness garden named Meguri-no-Niwa (Garden of Circulation) is designed specifically for patients of Shinkashiwa Clinic to undergo exercise therapy. It is not merely a space for physical activity but a rehabilitative environment as a garden connected to the neighboring natural woodland. The garden includes stairs and slopes, providing a space where patients and their families can enjoy exercising together, thereby contributing to the maintenance and improvement of health. In addition, Meguri-no-Niwa is visible from the dialysis treatment room, allowing patients to undergo dialysis while relaxing with nature views.

According to the patient survey conducted in 2017, one year after the clinic opened, patients reported reduced feelings of tension and anxiety compared to the previous facility before reconstruction.

The garden is planted with both locally native species and a wide variety of plants and flowers that reflect the changing seasons. Benches are installed around the garden perimeter, enabling nearby residents to also enjoy the greenery. Previously, the surrounding area—facing railway tracks and waterworks bureau’s facilities—had little foot traffic even during the day. However, with the development of Meguri-no-Niwa, it is now used by local residents as a walking route. Moreover, the impact of the clinic's development has extended to neighboring facilities. Other nearby projects, including medical facilities and residential developments, follow the same model in adopting green, nature-oriented urban design. Through this ripple effect, land use that promotes public health and welfare is realized.

Figure	Shinkashiwa Clinic and “Meguri-no-Niwa”
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Source: Medical Corporation Nakago-kai Shin-Kashiwa Clinic, Takenaka Corporation, Jun Miyashita

5 Environmentally Symbiotic Land Use that Enhances Regional Added Value

○ Development of Facilities Aimed at Realizing a Lifestyle in Harmony with Nature (Chofu City, Tokyo)

"Jindaiji Garden", located in Chofu City, Tokyo, is a mixed-use complex developed on a 400-tsubo plot of land that was formerly designated as productive green space for a tree nursery. The complex was designed and developed around the themes of "connected living" and "coexistence with the surrounding environment", and consists of two rental housing buildings (three units total) and one restaurant building.

From the perspective of "connected living", the site and buildings are designed without fences or partitions, creating a semi-public space where visitors can freely come and go.

In addition, the restaurant on the premises is planned and operated by the same business operator that developed Jindaiji Garden. It inherits the facility's overall themes, using as much locally sourced food as possible, utilizing firewood—including wood from felled trees brought in from the surrounding area—for cooking and heating, and cultivating herbs and other ingredients in an on-site edible garden (a garden where visitors can harvest edible plants beyond just vegetables and herbs). These features contribute to its identity as a local-first and sustainable restaurant.

Other initiatives include the use of the edible garden as an urban-style farm to support community building. For example, workshops on food preservation were held using vegetables and herbs grown in the garden, with participation open to local residents.

From the perspective of "coexistence with the surrounding environment", approximately 70% of the site has been preserved as green space with exposed soil. Measures have also been taken to retain rainwater on the premises through the installation of a rain garden (a garden designed to temporarily hold rainwater and gradually infiltrate it into the ground) and a rainwater tank. Furthermore, planting was carried out with attention to the local native vegetation that existed before the facility was developed, contributing to the preservation of the regional environment. These efforts toward environmental symbiosis have been highly evaluated, earning both LEED for Homes⁹ and SITES¹⁰ platinum certification under two environmental performance assessment criteria administered by the U.S. GBCI (Green Business Certification Inc.), realizing land use practices that take the global environment into consideration.

Figure

Jindaiji Garden



Source: Green Wise Co., Ltd.

⁹ LEED (Leadership in Energy and Environmental Design) is an environmental performance assessment criteria for buildings and landscapes developed in 1996 by the U.S. Green Building Council, composed of representatives from various sectors of architecture. Specifically, LEED for Homes provides certification in four tiers—Certified, Silver, Gold, and Platinum—for detached houses and low-rise multifamily housing.

¹⁰ SITES evaluates ten categories: site context, pre-design assessment, water design, soil and vegetation design, materials selection design, human health and well-being design, construction, operations and maintenance, education and performance monitoring, and innovation and exemplary performance. It also offers four tiers of certification—Certified, Silver, Gold, and Platinum.

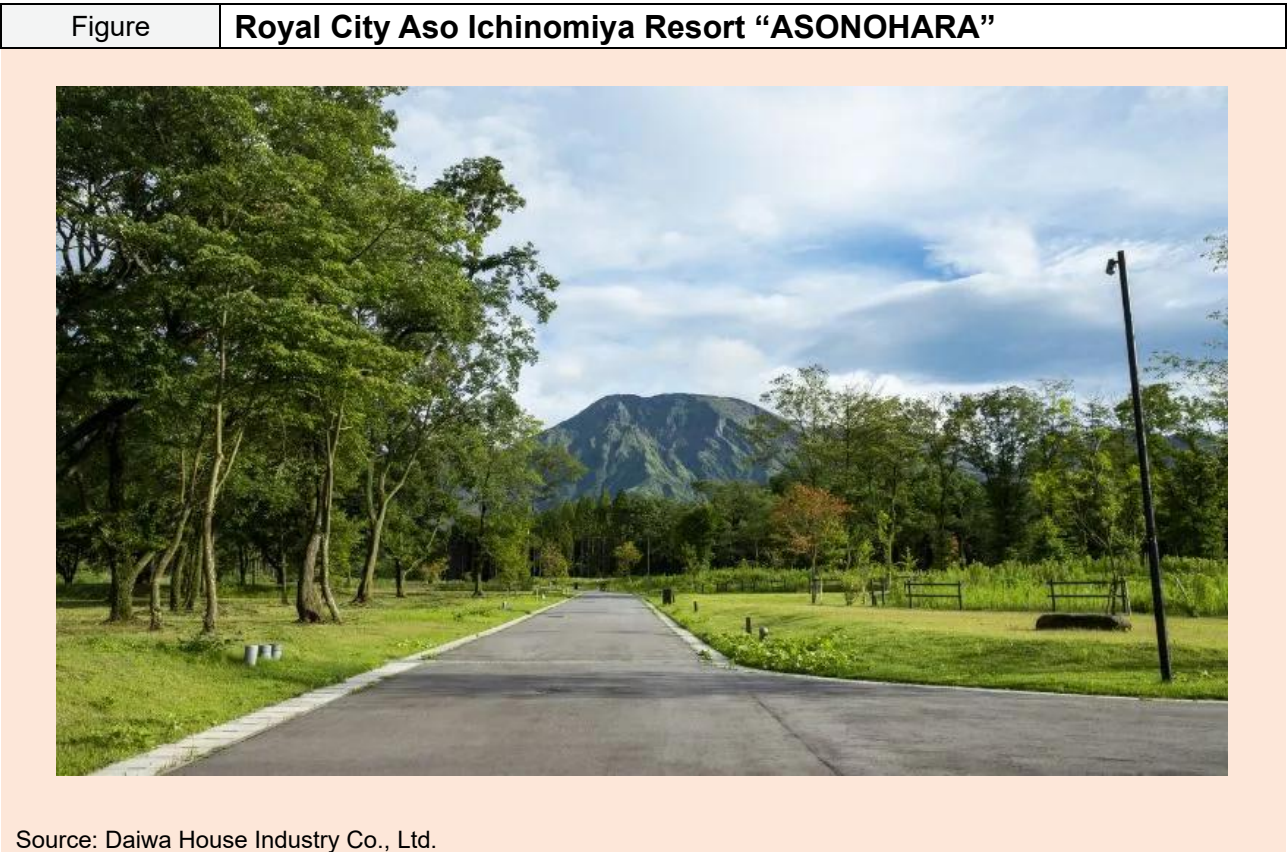
○ Development of Residential Areas That Support Biodiversity (Aso City, Kumamoto Prefecture)

Daiwa House Industry Co., Ltd. has been engaged in the development of the forest residential area “Royal City Aso Ichinomiya Resort ASONOHARA,” located within Aso-Kuju National Park. The project consists of 29 housing lots spread across approximately 36,000 m² of land. Alongside this, the company has launched the “ASONOHARA Grassland Restoration Project” to conserve the environment, including surrounding areas.

This project aims to protect the unique natural features, and flora and fauna of the Aso region. Based on findings from ecological monitoring surveys, the company is working in collaboration with local residents and experts to carry out activities such as pruning and planting, along with providing environmental education programs. These efforts, which contribute to biodiversity conservation, have been recognized with certification from the Association for Business Innovation in harmony with Nature and Community (ABINC).

Specifically, from a biodiversity perspective, areas previously reforested have been divided into forest zone and grassland zone, and activities such as thinning trees and planting herbaceous vegetation are being undertaken. In the forest areas, where coniferous trees predominated, 50% of the trees have been thinned to allow sunlight to reach the forest floor, fostering plant diversity. In the grassland zones, including areas around the residential lots, the land has been cleared and maintained to restore the traditional grasslands of Aso, with native species such as silvergrass (susuki) planted to recreate the local ecosystem of Aso.

Currently, maintenance activities such as mowing are carried out in the grassland areas based on results from monitoring surveys conducted once or twice a year by specialists and local residents. As a result of these initiatives, native grassland species such as *Corydalis raddeana*, *Vicia cracca*, and *Isodon inflexus* have been identified, indicating successful biodiversity conservation. Furthermore, local residents also participate in environmental education programs aimed at conserving and sustaining the Aso environment. These include environmental conservation activities such as workshops on native plant characteristics, building “Bee Hotels” to provide habitats for indigenous bees, and composting initiatives. Through such actions, land use practices considerate of the global environment are achieved.



Part 2: Basic Measures Concerning Land in FY 2024

(omitted)

Part 3: Basic Measures Concerning Land in FY 2025

Chapter 1: Measures to Ensure Appropriate Land Use and Management

Section 1: Promotion of Proper Use of Land under Land Planning

- (1) Based on the Third National Land Spatial Strategy (National Plan), which was decided by the Cabinet in July 2023, while being based on priority themes for national land renewal, such as the Formation of Regional Living Areas where Digital and Real Fuse Together, and National Land Use and Management under a Declining Population, the government will comprehensively put effort into the related initiatives through the mutual collaboration. In addition, discussions will continue toward the formulation of a new 'Wide-Area Regional Plan', with the aim of ensuring that the plan is both effective and grounded in the actual conditions of each region.
- (2) Promote the stable provision of the functionality of core networks and hubs by comprehensive development and utilization of domestic transportation infrastructure—such as roads, railways, ports, and airports—that interconnect wide-area regions.
- (3) Based on the Sixth National Land Use Plan (National Plan), which was decided by the Cabinet in July 2023, the necessary study of land use and national land management, as well as the plan, will be effectively promoted while utilizing various indices with Optimal National Land Use and Management to Realize the Interest in the Entire Community, Smart National Land Use and Management in Light of the Land's Original Disaster Risk, Securing of the Healthy Ecosystem Leading to National Land Use and Management, National Land Use and Management DX¹¹, and National Land Use and Management through the Participation of Diverse Actors and Public-Private Partnership being the basic policies.

In addition, the government will take necessary measures, such as surveys and provision of information, to modify prefectural and municipal plans based on the National Plan.

Moreover, based on the fact that the decline in the level of national land management under a declining population is positioned in the Sixth National Land Use Plan (National Plan) as a major issue to be addressed in the future, the government will promote efforts in municipalities and regions through seminars, simplification of the planning process by the use of digital transformation (DX), and conducting pilot surveys in regions facing serious concerns over population decline, such as peninsular areas. These measures are implemented in accordance with the National Land Management Concept (June 2021), which indicates how to appropriately manage national land under a declining population.

- (4) Promote proper and rational land use through the appropriate implementation of the Basic Land Use Plan. In addition, information on land use regulations in the form of map data is provided to the public through systems such as the Land Use Control back-up sYstem (LUCKY¹²).

Section 2: Promotion of Proper Use of Land under Urban Planning

- (1) It will continue to promote the appropriate use of the land use system, including the zoning system for urbanization zones and urbanization control zones; the regional district system, including use zones, special use zones, and specific use restricted zones, and zone planning system. In order to achieve

¹¹ Abbreviation of Digital Transformation (Through DX, companies create value and establish a competitive advantage by transforming the customer experience across both digital and physical domains through the use of the Third Platform (cloud, mobility, big data/analytics, and social technologies), while responding to dramatic changes in the external ecosystem (customers and markets) and simultaneously driving transformation within the internal ecosystem (organization, culture, and employees), leveraging new products, services, and business models.)

¹² Abbreviation of Land Use Control back-up sYstem

healthy and comfortable living for residents and sustainable urban management amidst a declining population and an aging society with fewer children, the government will also support municipalities in developing location optimization plans based on the Act on Special Measures concerning Urban Renaissance (Act No. 22 of 2002) to promote the Compact Plus Network initiative.

- (2) In accordance with the Act on Partial Revision of the Act on Special Measures concerning Urban Renaissance, etc. (Act No. 43 of 2020), to cope with natural disasters that are becoming more severe and more frequent, the government will promote appropriate land use in cooperation with disaster prevention measures by: (i) reducing the number of new locations in disaster-prone areas, (ii) promoting relocation from disaster-prone areas, and (iii) promoting disaster prevention measures in the Habitation Encouragement Zones of the Location Optimization Plan.
- (3) The government will formulate a regional public transportation plan in conjunction with the Location Optimization Plan, implement projects related to the plan, promote the formation of a regional public transportation network led by local governments, and encourage appropriate land use guidance in conjunction with the compact city development.
- (4) To promote land readjustment projects in response to challenges such as strengthening disaster prevention measures, revitalizing central urban areas, and promoting the effective and intensive use of land. In particular, efforts should be focused on promoting projects in core urban areas and other key locations to realize a compact urban structure".

Section 3: Promotion of Regional Revitalization and Urban Renewal

1 Promotion of Regional Revitalization

- (1) We will review our policy framework based on the five pillars compiled in the "Basic Concept of Regional Revitalization 2.0" (decided by the Headquarters for Creating New Regional Economies and Living Environments on December 24, 2024), and, in summer of 2025, formulate a Basic Concept for intensive efforts over the next ten years.
- (2) To advance regional revitalization through joint national and local efforts, we will promote comprehensive and effective implementation of diverse initiatives—such as National Strategic Special Zones, Structural Reform Special Zones, Comprehensive Special Zones, SDGs¹³ Future Cities, the "Eco-Future City" concept, Urban Regeneration, Regional Revitalization, and Revitalization of Central Urban Areas. In particular, National Strategic Special Zones—such as Super City, Digital Rural Health Special Zones, Kizuna Collaboration and Bonding Special Zones, and Financial and Asset Management Special Zones—will serve as model regions addressing local challenges by leveraging regulation and institutional reform and digital technologies across areas including mobility, logistics, urban development, health, and medical services, with the aim of expanding them to other regions.
- (3) To enhance regional value and promote proper land-use through area management, we will encourage utilization of the Area Management Charge System for Regional Revitalization. This includes consulting services using guidance that explain details and necessary procedures of this system.
- (4) Through the "Small Concession Platform"—involving diverse stakeholders from industry, government, academia, and finance—we will engage participants and disseminate information to foster nationwide adoption and awareness of small-scale concessions. We will also establish working groups within the platform to bring together volunteers interested in addressing shared challenges and conducting research among members, and implement necessary initiatives to further promote the dissemination of small-scale concessions.

To support local government efforts in forming small concessions, we will dispatch experts in early project phases to address issues ranging from visioning for areas including unused public facilities and clarifying the current state of the facilities, to defining needs for facility purpose, composition, operational policy, and business methodology.

- (5) Under the "Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional Economy Advancement Projects" (Act No. 40 of 2007) which aims to promote regional core business activities that leverage regional characteristics, create high added value, and generate significant economic benefits for local businesses, we will continue to support business initiatives that drive regional economies by leveraging regional characteristics, through measures such as tax incentives, financial support, and regulatory reforms.

¹³ Abbreviation of Sustainable Development Goals

2 Promotion of Urban Renewal

- (1) To promote urban regeneration in designated "Urban Renaissance Urgent Development Area", we will implement the following measures:
 - (i) For the Urban Reconstruction Emergency Development Areas designated (54 regions as of March 31, 2025) under the Act on Special Measures concerning Urban Renaissance, the government will promote the active utilization of various support measures in areas such as special provisions for urban planning, taxation for private urban development projects certified by the Minister of Land, Infrastructure, Transport and Tourism, as well as financial support by a general incorporated foundation Japan Organization for Private Urban Development (MACHIZUKURI Institute for a New Town-Oriented Society: MINTO organization).

In addition, the government establishes and publicizes candidate areas for Urban Reconstruction Emergency Development Area.
 - (ii) In the 15 zones designated as "Specific Urban Reconstruction Emergency Development Areas" (as of end of March 2025), in addition to the measures above for Urban Reconstruction Emergency Development Areas, we will support efforts by private developers—such as city promotion projects aimed at enhancing global competitiveness—and concentrate support for building urban-hub infrastructure through the International Competition Base City Development Project, thereby continuing urban reconstruction.
 - (iii) We will evaluate both "Specific Urban Reconstruction Emergency Development Areas" and "Urban Reconstruction Emergency Development Areas", review designations and Regional Development Policy, and promote implementation of Regional Development Policy.
- (2) To promote nationwide urban reconstruction, we will carry out the following measures:
 - (i) Through the Comprehensive Grant for Social Capital Development (Urban Renaissance Project under the Urban Renaissance Development Program), we will continue supporting inventive local initiatives for urban regeneration nationwide. In particular, initiatives implemented based on location optimization plans for the reorganization of sustainable and resilient urban structures are intensively supported through the Urban Structure Reorganization Intensive Support Project (Individual Support Scheme), which was launched in FY2020.
 - (ii) We will continue actively leveraging support measures for private urban development projects implemented in coordination with projects specified in the Urban Renaissance Development Program.
 - (iii) Under the Act on Special Measures concerning Urban Renaissance, we will continue supporting projects—through legislation, budgets, and tax incentives—that promote integrated use of public and private spaces (streets, parks, plazas, etc.) in central urban areas, creating attractive, walkable city centers.
- (3) To generate new business opportunities in urban regeneration and maximize private potential, and to establish enabling conditions to attract private developers, the Urban Renaissance Agency (UR) will coordinate the planning tasks and/or adjustment tasks of rights-related matter.
- (4) To promote improved urban functions and economic activity comprehensively and in an integrated manner, we will support the projects within areas certified under the Prime Minister's Central City Revitalization Basic Plan for city-center development, improvement of urban welfare facilities, urban housing promotion, and initiatives that enhance economic vitality.

3 Promotion of Utilization of the Know-How of Private Corporations

- (1) To achieve the goals set in the "The Action Plan for Promoting PPP¹⁴/PFI¹⁵ (Revised 2024 version)" (decided by the Council for the Promotion of Private Finance Initiatives (PFI Council), etc., June 3, 2024), we will implement the following to make PPP/PFI more accessible to local governments and private regional stakeholders:
 - (i) To enhance administrative spending efficiency, supplement municipal staff shortages, and promote private sector participation, we will promote the development of cross-sectoral PPP/PFI projects aimed at improving efficiency through the integration of similar facilities and common operations, as well as the formation of wide-area PPP/PFI projects that also contribute to the streamlining and supplementation of operations through cooperation among local governments —utilizing the

¹⁴ Abbreviation of Public Private Partnership (By collaborating with the private sector in the construction, maintenance, and operation of public facilities and other assets, we seek to leverage private-sector creativity and ingenuity to promote the efficient use of public funds and enhance administrative efficiency)

¹⁵ Abbreviation of Private Finance Initiative (A method based on the Act on Promotion of Private Finance Initiative (Act No. 117 of 1999), under which the construction, maintenance, and operation of public facilities and related services are carried out utilizing private-sector funds, management capabilities, and technical expertise.)

“Handbook for Introduction of Cross-Sector and Wide-Area PPP/PFI Projects” published in March 2025

- (ii) Toward the formation of a local platform to create a place for the collaboration of local stakeholders consisting of industry, academia, government, and finance, the government will put effort into individual dialogues with prefectures and local financial institutions with a view toward developing it to all prefectures by FY 2026. Also, the government will hold opinion-exchange meetings with mayors of municipalities, and support the leading initiatives, etc., to encourage the development of PPP/PFI projects in local governments, in addition to developing human resources and creating opportunities for public-private dialogue by dispatching experts and holding training and seminars for local government officials and local businesses. In order to formulate the rules for preferential studies, which are the mechanism to preferentially study the introduction of the PPP/PFI methods and establish their operation, the government will put effort into individual dialogues with local governments.
- (2) To harness private creativity and ambition while advancing quality urban development, we will continue providing financial support through the MINTO organization. Specifically, via urban redevelopment funds jointly established by MINTO with regional financial institutions and municipalities, we will finance renovations of community resources such as traditional homes and existing vacant assets—converting them into cultural and tourism hubs to enhance local appeal and stimulate economic vitality.

Section 4: Promotion of Disaster-Resilient City Development

1 Promotion of Earthquake Countermeasures and Tsunami Countermeasures

- (1) In order to promote the development of disaster-resilient cities, the following measures will be implemented:
 - (i) Promotion of measures based on the "Act on the Promotion of Development of Disaster-Resilient Urban Blocks in Densely Inhabited Areas" (Act No. 49 of 1997), while advancing infrastructure development such as roads through Comprehensive Disaster Prevention Project for Densely Inhabited Urban Areas and encouraging the reconstruction of deteriorated buildings to eliminate disaster-prone densely inhabited urban areas.
 - (ii) Promotion of land readjustment projects to further eliminate disaster-prone densely inhabited urban areas and develop urban infrastructure.
 - (iii) Comprehensive promotion of urban disaster countermeasures through the Comprehensive Urban Disaster Prevention Promotion Project, including support for earthquake and tsunami countermeasures such as for Japan Trench and Kuril Trench earthquakes and for post-disaster community development for reconstruction.
 - (iv) Promotion of safe and secure urban development through fireproofing and seismic retrofitting of buildings via Urban Redevelopment Projects, improvement of disaster safety in urban areas through the development of evacuation areas and routes, establishing disaster response bases, and implementation of emergency response measures.
 - (v) Promotion of seismic hazard prediction surveys and preventive measures through the Residential Land Seismic Reinforcement Promotion Project, to prevent sliding and liquefaction damage during major earthquakes.
 - (vi) Support for both soft and hard measures based on urban reconstruction safety assurance plans formulated by public-private councils to ensure the safety of people staying in areas around major stations in large cities where population and urban functions are concentrated, and to maintain urban functions during large-scale earthquakes.
 - (vii) Support for the development of area-wide energy networks to ensure business continuity during disasters through the Internationally Competitive Business Continuity Core Area Development Project, addressing urban disaster vulnerabilities.
 - (viii) Toward the town reconstruction development from the 2024 Noto Peninsula Earthquake, the government will provide support for development plans to be conducted by the affected local governments through the post-disaster damage situation surveys and community development for reconstruction.
- (2) To enhance disaster resilience through residential urban area development, the following measures will be implemented:
 - (i) Promotion of the Comprehensive Improvement Program for Residential Urban Areas and Comprehensive Disaster Prevention Project for Densely Inhabited Urban Areas to comprehensively

regenerate and develop residential urban areas, by forming safe and comfortable residential hubs and improving densely built-up urban areas vulnerable to disasters through fireproof building replacement to create firebreak zones in conjunction with road development and improving disaster-prone dense urban areas.

- (ii) Promotion of housing district improvement projects in areas with high disaster risk and concentrations of substandard housing to enhance disaster resilience by constructing quality housing for existing residents and developing community facilities and local roads.
- (3) Promotion of high-standard road development in uncompleted sections to secure alternatives for emergency transport routes to enable operational units to act promptly, measures to prevent the washout of bridges at river crossings and road structures adjacent to rivers, seismic retrofitting of bridges, disaster prevention for road slopes and embankments, and undergrounding of utility poles to prevent road blockages due to collapse. Facility development will also be promoted to use elevated road sections as emergency evacuation sites from tsunamis.
- (4) Along with hard measures such as coastal protection facilities, tsunami-resilient community development will be promoted through multi-layered defense combining hard and soft measures, including setting tsunami inundation assumptions, formulating promotion plans, designating tsunami disaster warning areas, designating evacuation facilities and the conclusion of management agreements for those facilities, based on the "Act on the Promotion of Tsunami-Resilient Community Development" (Act No. 123 of 2011).

2 Promotion of Measures for Water-Related Disasters

- (1) Considering the recent increase in the severity and frequency of water-related disasters, the following measures will be implemented based on the concept of "river basin management", in which all stakeholders in a basin work together to implement flood control measures in the entire basin.

- (i) Based on the Act on Partial Revision of the Act on Designated Urban Rivers Flood Damage Countermeasures, etc. (Act No. 31 of 2021), which came into full enforcement in 2021, the government will continue to strengthen river basin management plans and systems and promote measures to prevent flooding as much as possible, reduce the damage, and quickly restore and reconstruct the areas.

Also, enforce required works for actions that may increase runoff in designated urban river basins under the "Act on Special Measures concerning Urban River Inundation Damage Countermeasures" (Act No. 77 of 2003), and promote flood damage countermeasures based on the Watershed Flood Control Plan jointly formulated by river and sewerage authorities and municipalities.

- (ii) Promotion of pre-disaster measures such as levee maintenance, riverbed excavation, dam and retarding basin construction, and disaster recurrence prevention measures in severely affected or frequently flooded areas.
- (iii) In recent years, flooding caused by river overflow, inland water, and storm surges has occurred frequently. In order to enhance and strengthen evacuation systems to respond to such inundation damage, we promote the designation of inundation assumption areas for the maximum conceivable scale of floods, inland water, and storm surges based on the Flood Control Act (Act No. 193 of 1949), and promote designation of such areas and sewerage systems for water level notification and designated coastal areas for water level in cooperation with municipalities with three major bays or underground towns.

In addition, we promote the creation of "multi-stage inundation assumption maps" and "flood risk maps" to clarify likely inundation extent and depth under frequent rainfall conditions, aiming to promote basin-wide flood control efforts such as consideration of land use and living arrangements, as well as disaster-resilient town planning that takes flood risks into account.

- (iv) In view of the frequent occurrence of torrential rains and the progress in the use of underground space to reduce flood damage in urban areas, the government will promote comprehensive flood control measures on a priority basis, targeting areas with a history of inundation or areas that are at risk of inundation damage of a specified scale. These measures include hardware improvements such as sewer trunk lines and stormwater storage and infiltration facilities; publication of inland water hazard maps and real-time rainfall information; soft measures by providing information on disasters such as water levels in sewer trunk lines; installation of watertight panels at entrances to underground malls, and efforts by residents themselves using disaster information.

In addition, the government will promote the designation of flood damage prevention zones by local governments, as well as encourage the construction of stormwater storage and infiltration facilities by the private sector, and promote measures to control runoff.

Furthermore, even in the event of a large-scale earthquake, assurances should be given that

sewage systems perform their expected functions them during an earthquake (i.e., toilet functions at disaster prevention centers and disinfection functions at sewage treatment plants), to reduce the impact on the health of residents and social activities. Aiming for these, the government will promote comprehensive earthquake response measures that combine "disaster prevention," (which includes earthquake-resistant pipeline facilities and water treatment facilities connecting disaster prevention centers and sewage treatment plants) and "disaster mitigation" (which minimizes damages in the event of a disaster).

- (v) In response to increasingly severe and frequent sediment disasters, promote efficient and effective measures including pre-disaster measures through development and improvement of conventional sediment disaster prevention facilities, activity restrictions in designated sediment control areas, designation of sediment disaster warning zones, installation of warning signs, and dissemination of information regarding sediment disaster risks, flood/sediment countermeasures in coordination with relevant departments, driftwood control, and integration with disaster-resilient urban development plans.
- (2) To facilitate smooth implementation of the "Act on the Regulation of Residential Land Development and Specified Embankments" (Act No. 191 of 1961), which comprehensively regulates dangerous embankments based on nationwide uniform standards and regardless of land use or purpose, promote awareness of guidelines on basic surveys, safety measures, and countermeasures for improper embankments, and provide necessary advice and information to local governments. In addition, efforts will be made to prevent disasters caused by embankment and similar works by supporting activities such as basic surveys conducted by local governments for disaster prevention related to embankment and the like, safety assessment surveys for hazardous embankments and similar structures, and support for the implementation of safety measures.

3 Promotion of Cadastral Surveys Contributing to Prompt Recovery and Reconstruction

With regard to cadastral surveys conducted by municipalities and other relevant entities, based on the "Seventh National Land Survey Ten-Year Plan" (approved by the Cabinet on May 26, 2020), priority support shall be provided to those that contribute to prompt recovery and reconstruction after disasters, thereby aiming to enhance disaster response capabilities in local communities.

Section 5: Promotion of Use of Underused or Unused Land

- (1) By using special tax treatment measures for personal long-term capital gains when transferred underused or unused land, which was expanded by the tax system revision in FY 2023, the transfer of more underused or unused land to those who try to use it shall be promoted.
- (2) Through the utilization and promotion of specified joint real estate ventures, the development of an environment supporting crowdfunding, restoration of local idle real estate by using special tax treatment measures, for specified joint real estate ventures, the proper use and transactions of underused or unused land and real estate shall be promoted.
Also, through the utilization of voluntary funds that expect the development of specific areas and individual activities through crowdfunding, smooth financing shall be promoted for projects to restore local land and real estate.
- (3) Through the "Program for Promoting Measures against Vacant Houses by the Real Estate Industry", which was published to support the distribution and utilization of vacant houses and other properties by supporting the real estate industry, efforts will be made to enable real estate businesses—who possess expertise in property transactions—to create new value in collaboration with local communities. At the same time, the use of the "National Vacant House and Land Bank" will be promoted to facilitate transactions of underutilized land and real estate.
- (4) By utilizing materials such as the "Guidebook for Vacant Houses with Farmland", information will be disseminated regarding support measures and other relevant initiatives for the acquisition and utilization of vacant houses with farmland, in order to further promote the circulation and effective use of such properties.
- (5) To promote the effective use of underutilized land, PRE information published by local governments and other entities actively engaged in private-sector utilization is centrally aggregated and disclosed on the Public Real Estate (PRE¹⁶) Portal Site¹⁷.
- (6) Information on subdivision and other sites in coastal areas is provided through the Coastal Land

¹⁶ Abbreviation of Public Real Estate

¹⁷ https://www.mlit.go.jp/totikensangyo/totikensangyo_tk5_000102.html

Information¹⁸.

- (7) Along with the consolidation of underutilized land, promote land readjustment projects that guide the location of public facilities and housing contributing to urban core residence, as well as site-organization-type land readjustment projects focusing on the consolidation of lots. Additionally, utilize special land replotting systems such as Designated Area for the Development of Guided Facilities and voluntary application land replotting, and promote land readjustment projects (including Space Reorganization and Vibrancy Creation Project) that facilitate both the consolidation of underutilized land and the development of guided facilities such as medical and welfare facilities. In addition, in order to promote intensive land use, we promote land readjustment projects utilizing "High-Density Utilization Promotion Zones" and "Urban Redevelopment Project Zones", both of which are special land replotting systems, which shall be promoted.
- (8) The Urban Renaissance Agency will undertake consolidation and shaping of underutilized land and development of infrastructure to improve conditions for urban revitalization.
- (9) By utilizing the System for Agreements on the Promotion of the Use of Underutilized Land, promote initiatives in which municipalities and Urban Renaissance Promotion Corporations, etc., make effective and appropriate use of underutilized land and buildings on behalf of the owners. In order to address the "urban sponge phenomenon", in which underutilized lands such as vacant lots and vacant houses emerge randomly within urban areas, efforts will be made to promote the use of the system established in FY2018 to facilitate the consolidation, reorganization, and promotion of the use of such underutilized lands (including the Promotion Plan for the Establishment of Rights to Underutilized Lands and the Agreement for the Promotion of the Location of Induced Facilities).
- (10) In areas where there aren't enough parks, the use of systems such as the Certification System for Community Green Spaces, which allows private entities to develop and manage urban vacant land and other spaces as green spaces available to local residents (Community Green Space), and the Green Promotion Corporation System (corporations for green space conservation and greening promotion) will be promoted.

In addition, efforts by local governments and private businesses to utilize green infrastructure on underutilized lands will be supported through technical and financial assistance, thereby promoting the creation of sustainable and attractive cities and regions. To implement disaster prevention and mitigation utilizing ecosystems, the government will provide technical support to local governments for plan formulation, based on the Guidelines for the Preparation and Utilization of Ecosystem Conservation and Restoration Potential Maps¹⁹ and the nationwide base map.

Section 6: Utilization of Land Owned by the Public Sector

1 Promotion of Optimal Use of National and Public Property

- (1) With the reform time schedule for the Economic and Fiscal Revitalization Plan Reform Implementation Program 2024 (decided by the Council on Economic and Fiscal Policy in December 26, 2024) calling for promoting the optimal use of national and public properties, the government will optimize the use of national and public properties in cooperation with local governments by sharing information on national and public properties in certain areas and establishing coordination for the optimal use of such properties, such as proceeding with the discussions toward the formulation of the optimal use plan, while respecting the opinions of local governments.
- (2) Regarding unused national land, contribution to the national finances will be made through sales and other means, while promoting effective use that responds to regional and social needs. Specifically, while implementing land use considerate of town development, methods such as bidding will be utilized to reflect private-sector planning ability and expertise in specific land use. Additionally, for properties where ownership is retained to meet the needs of future generations, and properties used in fields contribute to people's security such as childcare and nursing care, leasing under fixed-term land lease rights will be conducted. Furthermore, in order to reduce management costs, initiatives such as actively disseminating information to search for buyers and interim use such as temporary leasing will be promoted.
- (3) In the event of disasters such as earthquakes and typhoons, upon requests from local governments, national government employee housing and unused national land will be provided free of charge as evacuation sites for disaster victims and debris storage sites. In response to the 2024 Noto Peninsula Earthquake, information on national property usable as debris storage sites and emergency housing

¹⁸ https://www.mlit.go.jp/kowan/kowan_tk4_000018.html

¹⁹ Ministry of Environment "Guidelines for Disaster Risk Reduction Utilizing Ecosystems for Sustainable Regional Development (Eco-DRR)"

has been provided to local governments, and based on ongoing requests from local governments, free leasing of such property will continue.

As efforts for disaster prevention and mitigation and national resilience, initiatives will continue based on government policies such as the "Five-year Accelerated Measures for Disaster Prevention, Mitigation, and National Resilience" (decided by the Cabinet on December 11, 2020), including promotion of the development of flood control basins and stormwater storage and infiltration facilities utilizing national land.

Moreover, as part of the efforts to effectively utilize administrative property, in view of addressing various policy issues such as achieving a decarbonized society and contributing to local communities, efforts will be made to promote permissions for use of national government office sites as locations for car-sharing, shared bicycles, parking lots equipped with electric vehicle charging facilities, and other such purposes.

2 Planned Acquisition of Public Land, etc.

To contribute to the smooth implementation of public investment and to support planned advance acquisition of public land by local governments, etc., the following measures will be implemented:

- (1) Secure necessary funds for public land advance acquisition project bonds.
- (2) Include expenses for acquiring forests, etc., deemed necessary for public ownership, as targets for local government bonds and apply local allocation tax measures to those expenses.
- (3) Continue to promote support such as providing information on land acquisition work for the acceleration and proper implementation of public land acquisition.
- (4) Continue providing loans for funds necessary for advance acquisition of land to achieve planned urban development in major cities through the use of urban development funds.

Section 7: Promotion of Housing Measures

- (1) The development of related public facilities, such as roads, parks, sewer systems, and rivers, which are necessary in conjunction with housing construction and residential land development, shall be comprehensively promoted through the Residential Urban Infrastructure Improvement Project.

In addition, in order to promote the supply of urban housing while improving disaster prevention, urban environment development, and rational land use, projects such as the Comprehensive Residential Urban Development Project shall be promoted.

- (2) To promote efforts by municipalities based on the Act for Partial Revision of the Act on Special Measures concerning Promotion of Measures against Vacant Houses (Amended Vacant Houses Act) (Act No. 50 of 2023), the government will support the comprehensive measures to mitigate vacant houses, which are implemented by municipalities based on the Plan for Measures against Vacant Houses, such as abolition, utilization of vacant houses, and surveys, studies, or repair work for utilization of vacant houses with a high model nature by specified nonprofit corporations and private businesses.
- (3) The "Bill for Partial Revision of the Act on Building Unit Ownership, etc., to Facilitate the Management and Regeneration of Deteriorating Condominium Buildings, etc." (Cabinet decision on March 4, 2025), which includes the review of the unit ownership legal system such as establishing a property management system specifically for condominium buildings and a mechanism to exclude unidentified unit owners from quorum calculations, was submitted to the ordinary session of the Diet in 2025.
- (4) The Land Readjustment Projects shall be supported through the provision of interest-free loans to land readjustment associations and similar bodies.
- (5) Under the "Act on the Promotion of the Construction of High-Quality Rural Housing" (Act No. 41 of 1998), the construction of high-quality housing in rural mountainous areas and suburban areas shall be promoted.

In addition, large-scale suburban residential areas (new towns), which were systematically developed during the period of high economic growth, are now facing issues such as declining community vitality due to rapid aging and population decrease. Since it is necessary to regenerate these areas into communities where everyone can live comfortably, efforts to maintain and regenerate the residential environment through public-private partnerships by utilizing existing housing stock shall be supported.

- (6) Regional Housing Complex Revitalization Project (substantial special measures such as procedural streamlining for relaxation of use regulations, one-stop authorization procedures for the introduction of community buses, and relaxation of height restrictions for promoting the use of closed schools). These efforts shall promote the prevention of low-utilization land generation and appropriate land use through the introduction of diverse building uses and improved convenience of local public

transportation. Furthermore, the hands-on support for housing complex regeneration that started in FY2020 shall continue, including accompaniment-style support for projects such as the Regional Housing Complex Regeneration Project.

Section 8: Promotion of Town Development for Coexistence of City, Greening, and Agriculture

- (1) While enhancing the activities of the "Green Infrastructure Public-Private Partnership Platform", the government will promote the implementation of green infrastructure through public-private partnerships and cross-sectoral cooperation, and encourage the appropriate use of land and real estate. To implement disaster prevention and mitigation utilizing ecosystems, the government will provide technical support to local governments for plan formulation, based on the Guidelines for the Preparation and Utilization of Ecosystem Conservation and Restoration Potential Maps and the nationwide base map.
- (2) To promote the smooth implementation of initiatives for creating rich and pleasant urban environments, the Certification System for Community Green Spaces, the Green Promotion Corporation System, and systems such as Productive Green Zones, Urban and Agricultural Residential Zone, and District Plan Farmland Conservation Ordinances shall be widely disseminated in cooperation with relevant organizations. At the same time, studies shall be conducted on challenges and policy directions related to the use of such systems. In addition, the system for facilitating the leasing of urban farmland shall continue to be publicized in cooperation with relevant organizations, and efforts shall be made to ensure its appropriate and smooth operation.
- (3) To promote decarbonized urban development toward the realization of mid- to long-term greenhouse gas emission reductions, efforts shall be made to support the formulation and implementation of Local Government Action Plans under the Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998), as well as the formulation and implementation of Low-Carbon City Development Plans under the Act on the Promotion of Low Carbonization of Urban Development (Act No. 84 of 2012) and Location Optimization Plans under the Act on Special Measures Concerning Urban Renaissance. Specifically, under the Act on Promotion of Global Warming Countermeasures, the following efforts shall be promoted: development of information infrastructure to support the formulation and implementation of Local Government Action Plans; promotion of the designation of promotion areas; transformation toward disaster-resilient, environmentally sustainable urban structures through the use of renewable energy and natural capital; initiatives for Compact Plus Network approaches toward decarbonized cities; facility development for efficient block-level energy use; and urban space greening initiatives.
- (4) In response to global and national-level challenges, such as (i) addressing climate change (e.g., CO₂ absorption, energy efficiency, and heat countermeasures), (ii) securing biodiversity (e.g., ensuring habitats and growth environments for living organisms), and (iii) improving well-being (e.g., promoting health and ensuring a favorable child-rearing environment), which has become a social demand in light of lifestyle changes triggered by the COVID-19 pandemic, efforts shall be made to promote GX in Urban Development. These include enhancing the multiple functions of urban greenery, promoting area-wide energy use in urban areas, and transforming urban structures to be more environmentally friendly. Specifically, based on the Basic Policy for Urban Green Space Conservation formulated in FY2024 (MLIT Notification No. 1367 of 2024), efforts shall be made to further enhance the formulation and content of Regional Green Master Plans by prefectural governments and Urban Green Space Master Plans by municipal governments. Steady implementation shall also be ensured for initiatives such as the Certification System for Quality Green Space Conservation Plans (TSUNAG) and the certification system for Decarbonized Urban Regeneration and Development Projects.

Section 9: Appropriate Farmland Conservation

- (1) To promote efforts for securing and effectively utilizing quality farmland, policies related to agricultural promotion shall be systematically advanced through the designation of Agricultural Promotion Areas and the formulation of Agricultural Promotion Area Development Plans pursuant to the Act on the Improvement of Agricultural Promotion Areas (Act No. 58 of 1969).
- (2) Based on the Act for Partial Revision of the Act on Reinforcement of the Agricultural Management Framework (Act No. 56 of 2022), local farmers work together and have discussions, formulate the local plan, and proceed with the consolidation of farmlands utilizing the cropland intermediary management institution toward the realization of the plan.
- (3) Land condition improvement shall be promoted through the Project for the Improvement of Agricultural

Infrastructure to Enhance Competitiveness, which includes the enlargement of farmland plots, drainage improvement, and development of agricultural water facilities, as well as through the Grants for the Development of Rural Areas Including Agricultural, Mountain and Fishing Villages, which support local governments' development of rural infrastructure in farming, mountain, and fishing villages.

- (4) To steadily promote efforts for maintaining and enhancing the multifunctional roles of agriculture, the following shall be implemented under the Act on the Promotion of Multifunctionality of Agriculture (Act No. 78 of 2014) through the Japanese-style direct payment scheme: support for joint activities to conserve and manage local resources that maintain and enhance multifunctionality; and support for agricultural production activities that contribute to conserving the natural environment, particularly in hilly and mountainous areas.
- (5) Efforts shall be made to secure quality farmland through appropriate operation of farmland conversion regulations and the Agricultural Promotion Area system. In doing so, taking into account the Act to Partially Amend the Act on the Improvement of Agricultural Promotion Areas, to Secure Farmland and Effectively Utilize That Land for a Stable Food Supply (Act No. 62 of 2024), enacted in June 2024, measures shall be strengthened by the national and prefectural governments to achieve targets for farmland area to be secured. Through close cooperation between the national and local governments, efforts shall be promoted to secure the overall quantity of farmland and ensure its proper use.
- (6) Farmland consolidation and aggregation to core farmers shall be promoted, centering on Farmland Intermediary Management Organizations, which have been established in all prefectures.
- (7) In addition to the above initiatives, based on the Act on the Promotion of Settlement and Inter-Regional Exchange for the Revitalization of Farming, Mountain, and Fishing Villages (Act No. 48 of 2007), efforts are promoted for the effective utilization of abandoned farmland, and for farmland use through low-cost fertilization and cultivation management (extensive use) via community-wide discussions involving farmers and others. Furthermore, by utilizing the series of procedures under the Agricultural Land Act (Act No. 229 of 1952), including utilization intention surveys conducted by Agricultural Committees and consultations and recommendations with the Farmland Intermediary Management Institution, efforts are made to advance the setting of usage rights of unused farmland to the Farmland Intermediary Management Institution, thereby striving to prevent and resolve the occurrence of unused and abandoned farmland.

Section 10: Ensuring Appropriate Conservation and Utilization of Forests

- (1) To ensure sufficient achievement of the multi-functionality of forests, the government will promote the implementation of appropriate afforestation, tree thinning by forest owners through the operation of the forest planning system based on the Forest Act (Act No. 249 of 1951) and promote public interest-oriented management and administration of state-owned forests, which account for approximately 30% of the total forest area in Japan.
- (2) Regarding the protection of forests, which are designated to ensure the public interest functions of forests such as water source recharge and conservation of the national land, appropriate management will be promoted through systematic development and measures such as logging and land conversion regulations. At the same time, conservation and management through erosion control measures will be advanced, including the restoration of degraded lands and the improvement of forests where water and soil conservation functions have declined.
- (3) To ensure the appropriate use of forest lands, necessary guidance and other support will be provided regarding administrative actions and coordination by prefectural governors under the forest land development permit system. Strict measures will also be implemented to address illegal development activities.
- (4) Under the Act on the Promotion of Forest Management (Act No. 35 of 2018), the Forest Management System will be promoted to consolidate and streamline the management of forests that are not being properly managed, into the hands of municipalities or forestry business operators.

Section 11: Promotion of Measures Concerning Environment Conservation

- (1) The Basic Environmental Plan provides the general outlines of comprehensive and long-term measures for environmental conservation based on the Basic Act on the Environment (Act No. 91 of 1993). The Sixth Basic Environment Plan (approved by the Cabinet on May 21, 2024) sets forth six priority cross-sectional strategies as the direction for the future development of environmental policy,

with specific measures providing integrated solutions to several different issues. For example, in Improvement of Value as the National Land Stock Based on Natural Capital; by maintaining, restoring, and enhancing natural capital, such as the use of national land to maintain, restore, and enhance natural capital; the promotion of the independent and distributed national land structure; the realization of cities and communities where well-being/high quality of livelihood can be actually felt; the development of the information structure that will contribute to the sustainable use, conservation, and improvement of the value of national land; and by integrally promoting measures toward the national land development to ensure sustainable utilization, a favorable relationship between people and nature shall be rebuilt and Green National Land where blessings of nature can be continuously enjoyed shall be created. In the Plan, as the place for practice and implementation of the integrated improvement of the environment, economy, and society, Regional Circular and Ecological Sphere shall be positioned.

In FY 2025, the government will promote land policies for environmental conservation through the formulation and implementation of various land policies and projects based on the Plan. In addition, the government will work with the Basic Environmental Plan on various plans related to land which stipulate matters concerning environmental preservation.

- (2) The following land-related measures will be implemented for the conservation of the natural environment:
 - (i) Promote the designation of and improved management of Natural Environment Conservation Areas, etc., under the Nature Conservation Act (Act No. 85 of 1972).
 - (ii) Promote the designation of and improved management of Natural Parks under the Natural Parks Act (Act No. 161 of 1957).
 - (iii) Promote the designation of and improved management of Habitat Protection Areas, etc., under the Act on Conservation of Endangered Species of Wild Fauna and Flora (Act No. 75 of 1992).
 - (iv) Promote the designation of and improved management of Wildlife Protection Areas, etc., under the Act on the Protection and Control of Wild Birds and Mammals and Hunting Management (Act No. 88 of 2002).
 - (v) Under the Urban Green Space Conservation Act (Act No. 72 of 1973), implement restrictions on activities and land purchases in Special Green Conservation Districts, etc.
 - (vi) Promote National Trust activities based on the Act on the Promotion of Conservation and Sustainable Use of Natural Environment in Regional Natural Asset Areas (Act No. 85 of 2014).
 - (vii) Promote the purchase of privately-owned land for nature conservation.
 - (viii) Based on the Act on the Promotion of Activities for Enhancing Biodiversity in Local Communities (Act No. 18 of 2024), which came into effect on April 1, 2025, promote the designation of Nature Symbiosis Sites, thereby further encouraging voluntary initiatives by private entities and advancing the designation of OECMs²⁰. Furthermore, appropriate areas managed under national systems, such as forests, rivers, ports, urban green spaces, and marine zones, will also be reviewed for inclusion as OECMs.
- (3) To ensure that factory siting is conducted appropriately while preserving the environment, surveys on factory siting and suitable factory locations will be conducted based on the Factory Location Act (Act No. 24 of 1959), and efforts will be made to optimize land use at individual factory sites.
- (4) To reduce traffic-related environmental pollution, the following land-related measures will be taken:
 - (i) To reduce traffic-related environmental pollution, improve intersections, enhance traffic control technologies, introduce traffic signal control systems responsive to real-time traffic conditions for smooth traffic flow, provide detailed traffic information to guide and disperse traffic flows, and promote various measures such as utilizing Public Transport Priority Systems to reduce private vehicle use and overall traffic volume, etc.
 - (ii) Under the Act on the Improvement of Roadside Areas along Trunk Roads (Act No. 34 of 1980), prevent severe road traffic noise pollution along major trunk roads and promote appropriate land use.
 - (iii) Under the Act on Prevention of Disturbance from Aircraft Noise around Public Airports (Act No. 110 of 1967) and related laws, promote relocation compensation, land acquisition, and greenbelt development around designated special airports.
 - (iv) Under the Act on Special Measures Concerning the Improvement of Living Environment in the Areas around Defense Facilities (Act No. 101 of 1974) and related legislation, promote compensation for relocation and development of greenbelts around facilities such as Self-Defense Force airfields.
 - (v) In accordance with the Outline of Measures Against Noise from Shinkansen Railways (Cabinet Agreement, March 5, 1976), promote harmonious land use between Shinkansen railways and

²⁰ Abbreviation of Other Effective area-based Conservation Measures

- surrounding areas.
- (5) In order to comprehensively conserve the water environment—including water quality and quantity—and to maintain or restore a sound water cycle, we will promote environmental conservation measures such as appropriate maintenance and management of forests and farmland, development of sewerage systems and improvement of combined sewer systems, conservation and creation of green spaces in urban areas, and purification of water in rivers and lakes.
 - (6) As soil environment conservation measures, the following initiatives will be implemented:
 - (i) To promote proper risk management concerning soil contamination, we will continue to appropriately and steadily implement the Soil Contamination Countermeasures Act (Act No. 53 of 2002).
 - (ii) Regarding soil contamination countermeasures for agricultural land, we will compile and publish the status of constant monitoring, designation of agricultural land soil contamination countermeasure areas, and implementation of agricultural land soil contamination countermeasure projects based on the Act on the Prevention of Soil Contamination of Agricultural Land (Act No. 139 of 1970).
 - (iii) With respect to countermeasures against soil contamination caused by dioxins, we will promote measures based on the Act on Special Measures Concerning Dioxins (Act No. 105 of 1999).
 - (7) Groundwater extraction will be regulated under the Industrial Water Act (Act No. 146 of 1956) and the Act on Regulation of Extraction of Groundwater for Use in Buildings (Act No. 100 of 1962). In the three regions of the Nōbi Plain, Chikugo–Saga Plain, and northern Kanto Plain, we will investigate and examine the status of subsidence prevention measures in collaboration with relevant organizations, investigate and examine the sharing of groundwater-related information, and implement comprehensive measures.
 - (8) Pursuant to the Environmental Impact Assessment Act (Act No. 81 of 1997), we will continue to ensure proper environmental consideration by conducting appropriate assessments for projects that may be large in scale and have a significant environmental impact.

Section 12: Promotion of Maintenance and Improvement of Historic Districts and Creation of Favorable Landscapes

- (1) To promote town development that makes the most of the historical atmosphere and sentiment of the region, based on the "Act on Maintenance and Improvement of Traditional Scenery in Certain Districts" (Act No. 40 of 2008), the government will promote the approval of plans for the maintenance and improvement of historic landscapes and support for initiatives based on those plans. In addition, the government will support the renovation of buildings that serve as scenic and historical resources, to promote the formation of a favorable landscape and the maintenance and improvement of historic districts.
- (2) We will continue to promote the formation of good landscapes by disseminating and raising awareness of the basic principles of the Landscape Act (Act No. 110 of 2004), promoting landscape education to encourage participation by diverse stakeholders, providing information on effective ways to utilize legal systems and on best practices, and supporting efforts such as the formulation of landscape plans.

Section 13: Promotion of Measures to Ensure Appropriate Land Management

1 Measures against Insufficiently Managed Land that Adversely Affects the Surrounding Area

- (1) The government will disseminate information to municipalities and encourage them to make use of the measures under the Amended Act on Special Measures Concerning Vacant Houses, such as guidance and recommendations for poorly managed vacant houses, and the emergency substitute execution system for specified vacant houses. In addition, the government will provide support for the initiatives, such as the disposal of vacant houses, to be implemented by municipalities based on the Vacant House Countermeasure Plan.
- (2) Based on the system enacted in 2021 that enables railway operators to cut down vegetation and other obstructions affecting railway facilities, we will promote proactive disaster prevention and early recovery from disasters originating outside of railway premises.

- (3) We will raise awareness of the system under the Act on Special Measures Concerning the Facilitation of Utilization of Land with Unknown Owners (Act No. 49 of 2018), which enables mayors of municipalities to issue recommendations, orders, and conduct substitute execution regarding poorly managed land with unknown owners²¹. In addition, we will support smooth operation of the system by municipalities through the dissemination of knowledge obtained from the use of Subsidy for Project Expenses for Measures against Land with Unknown Owners, etc. and from pilot projects.

2 Ensure Appropriate Land Management for Private Sector (Review of fundamental civil laws)

The Act Partially Amending the Civil Code and Related Acts (Act No. 24 of 2021) became effective on April 1, 2023, which includes the following: Establishment of the owner-unknown land management system, specializing in the management of owner-unknown land; establishment of management system for insufficiently managed land in order to cope with increasing insufficient management of land; and a review of fundamental civil laws, including review of the provisions on the relationship between adjacent lands for the smooth and proper use of adjacent lands, and the government will continue to ensure the dissemination of the details of the new system.

Section 14: Promotion of Measures for the Owner-Unknown Land

- (1) In light of the occurrences of owner-unknown land, the "Real Property Registration Act" (Act No. 123 of 2004) was partially amended by the "Act Partially Amending the Civil Code and Related Acts", creating a new system that makes inheritance registration obligatory and reduces the burden of registration procedures. The government will put effort into the proper and smooth operation of the new systems, such as the dissemination of the details of making inheritance registration obligatory, which came into effect on April 1, 2024, the certificate of the owned real estate record system, which has been decided to come into effect on February 2, 2026, making it obligatory to make address change registration, which has been decided to come into effect on April 1, 2026.
- (2) In accordance with the "Act on Vesting of Land Ownership Acquired through Inheritance or Bequest in the National Treasury" (Act No. 25 of 2021), the government will ensure the proper and smooth operation of a system whereby persons who have acquired land by inheritance or other means can give up ownership and vest the land to the state under certain conditions.
- (3) The Act Partially Amending the Civil Code and Related Acts came into effect on April 1, 2023, which includes a review of fundamental civil laws, such as a mechanism for the smooth and appropriate use of co-owners-unknown land, and a system that allows the use of other people's land for the installation of lifeline conduits, and the government will continue to ensure the dissemination of the details of the new system in conjunction with the dissemination of the Guidelines for Responding to Owner-Unknown Private Roads.
- (4) By utilizing the designation system for corporations promoting the smooth use of owner-unknown land, and by supporting pioneering efforts through subsidies for model projects, the government will promote the efforts of organizations that assume functions such as matching and coordinating for appropriate land use and management, and management on behalf of landowners, while planning to establish a local consultation system and share information on vacant land and houses in the community.
- (5) In order to facilitate the use and ensure the appropriate management of land with unknown owners, we will provide support for the activities of local stakeholders, including municipal governments, such as financial assistance for operations. In addition, through the activities of the Land Policy Promotion and Coordination Council, which consists of national and local governments and related professional organizations and is established in 10 regional blocks across the country, we will provide practical training and provision of know-how through consultations and further disseminate and raise awareness of relevant systems.
- (6) To promote the use of farmland with fully or partially unknown owners, we will continue promoting awareness of the system that allows the Farmland Intermediary Management Organizations to obtain use rights, following the exploration and public notification procedures by municipal agricultural committees, based on the Farmland Act or the Act on Promotion of the Farmland Intermediary Management Business (Act No. 101 of 2013).
- (7) To ensure the smooth operation of the Act on Forest Management and Forestry Promotion, which

²¹ Land whose owner is unknown, where no management is currently being conducted by the owner and it is reasonably expected that such management will not be conducted in the future.

provides special provisions allowing municipalities to obtain management rights over inadequately managed forests with fully or partially unknown owners, we will continue supporting local governments through the dissemination of materials such as the “Guidelines for Use of the Special Measures for Forests with Unknown Owners.” We will also endeavor to provide information on forests with unknown owners or co-owners, in accordance with the provisions of the said Act.

- (8) We will ensure the smooth implementation of the system established by the Act on the Proper Registration and Management of Land with Unrecorded Owners in the Title Section (Act No. 15 of 2019), which aims to resolve the issue of land whose owners are not properly recorded in the title section of the real property register book due to historical reasons.
- (9) Based on the Seventh National Land Survey Project Ten-Year Plan, which began in FY2020, we will work to streamline and accelerate cadastral surveys and clarify basic information on land, such as ownership and boundaries, thereby contributing to the prevention of the occurrence of land with unknown owners.

Section 15: Survey of Land Use and Regulation from the Perspective of National Security

Based on the Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands (Act No. 84 of 2021), the government will steadily conduct land use surveys in the monitored areas and the specified monitored areas. The government will also make thorough efforts to prevent activities that impede the functions of such facilities in close coordination with relevant ministries and agencies.

Chapter 2: Measures for Land Transactions

Section 1: Improvement of Real Estate Transaction Market

- (1) To comprehensively promote measures to develop and revitalize the real estate distribution market, the government will take the following measures:
 - (i) In addition to promoting the development of an environment for the digitalization of real estate transactions, including the provision of documents by electronic means enabled by the amendment to the Real Estate Brokerage Act (Act No. 176 of 1952) in 2022, efforts will be made to promote digital transformation (DX) in the real estate sector through further utilization of digital technologies and services in operations related to real estate transactions.
 - (ii) Toward the pilot launch of some functions of the Real Estate ID system by FY2027, issues and potential solutions will be identified and tested regarding the use of data held by Japan Post Co., Ltd. in building-related Real Estate IDs (Building IDs).
 - (iii) Through the "Program for Promoting Measures against Vacant Houses by the Real Estate Industry", which was published to support the distribution and utilization of vacant houses and other properties by supporting the real estate industry, efforts will be made to enable real estate businesses—who possess expertise in property transactions—to create new value in collaboration with local communities. At the same time, the use of the "National Vacant House and Land Bank" will be promoted to facilitate transactions of vacant houses.
 - (iv) The government will promote the distribution of existing houses by creating a market environment in which sellers and buyers can do business with confidence through the promotion of the utilization of building condition studies (inspections) and the Safe R-Housing System, which indicates that the house exists and its building condition has been studied.
- (2) By utilizing the designation system for corporations promoting the smooth use of owner-unknown land, and by supporting pioneering efforts through subsidies for model projects, the government will promote the efforts of organizations that assume functions such as matching and coordinating for appropriate land use and management, and management on behalf of landowners, while planning to establish a local consultation system and share information on vacant land and houses in the community. (Reposted)

Section 2: Improvement of Real Estate Investment Market

In light of the challenges posed by population decline and aging society with a declining birthrate, the effective utilization of domestic and foreign capital in Japan's real estate market—toward improving productivity in urban areas and promoting regional revitalization—is essential for achieving economic growth and enhancing the lives of the people. To address these challenges, the following measures will be implemented:

- (1) The government will disseminate the Handbook for the Promotion of Usage and Utilization of Specified Joint Real Estate Ventures (FTK), which outlines the significance of specified joint real estate ventures, advantages of utilization, good examples, and key points for success. It will also promote the development of human resources who are familiar with real estate securitization and the formation of high-quality real estate stock in local regions, by encouraging participation in the meetings attended by local stakeholders and others, as well as building a network of cooperation after selecting communities and holding seminars on real estate securitization.
- (2) In order to diversify and expand the types of properties in the real estate investment market, studies and evaluations will be conducted for the development of investment markets for asset types with high facility ratios, such as data centers and infrastructure facilities.
- (3) In order to further expand the REIT²² market, promote the revitalization of aging properties, and facilitate the effective use of public real estate (PRE) through the use of private funds and ideas, special tax measures will be implemented for registration license tax and real estate acquisition tax for properties acquired by REITs, Special Purpose Companies, and specified business entities.

²² Abbreviation of Real Estate Investment Trust

- (4) To promote the formation of high-quality properties such as environment-friendly real estate, appropriate supervision will be conducted for the “Project for the Promotion of Seismic- and Environment-Friendly Real Estate (Re-Seed)”. This will contribute to promote the formation of high-quality seismic- and environment-friendly real estate, and city development that supports regional revitalization and the promotion of climate change countermeasures.
- (5) Through awareness-raising efforts on guidance related to ESG²³ investment information in the real estate sector, efforts will be made to expand ESG investment in real estate. In addition, examples of renovations that enhance value by addressing social issues—especially for small and medium-sized buildings that need renovation—will be studied to accelerate and expand ESG renovation investment.
- (6) In order to timely and accurately understand trends in real estate prices and to improve the transparency of the real estate market, indices such as the Real Estate Price Index (for residential and commercial properties), the Existing Home Sales Volume Index, and the Corporate Transaction Volume Index will continue to be published.

Section 3: Land Tax Measures

Given the anticipated increasing demand for development of high quality offices and renewal or refurbishment of aging real estate, it is necessary to further expand real estate securitization and thereby strengthen the overall fundraising capacity of the entire real estate market. From this perspective, the FY 2025 tax reform implements the following measures:

The special measures for real estate acquired by Real Estate Investment Trusts (REITs) and special purpose companies—including reduced registration and license tax (special rate: 1.3 %, standard: 2 %) and a 3/5 deduction from the tax base for real estate acquisition tax—are extended by two years (until 31 March 2027).

In addition, the special measures for real estate acquired under the Act on Specified Joint Real Estate Ventures are extended by two years (until 31 March 2027) after expanding certain requirements, together with the extension of special measures related to community welfare promotion projects under the Act on Land with Unknown Owners for two years (until 31 March 2027).

Section 4: Support for Global Business Development in Real Estate Markets

- (1) Through training programs for government officials of Association of Southeast Asian Nations (ASEAN²⁴) member countries, the government will support the development and dissemination of systems that contribute to the improvement of the business environment in the countries where Japanese real estate companies operate. In addition, the business environment will be improved by utilizing bilateral frameworks and international negotiations to ensure legal stability and improve systems and operations for local business implementation.
- (2) Based on the trends of markets in which Japanese real estate companies may enter and the real estate-related policies of partner governments, the government will support the business expansion of Japanese real estate companies overseas by holding real estate seminars in cooperation with partner governments and by sharing information and identifying challenges through the assistance of J-NORE²⁵ (Joint Network for Overseas Real Estate Business).

Section 5: Proper Operation of Land Transaction System

In order to eliminate the adverse effects of speculative land transactions and soaring land prices on the lives of the people, and to ensure proper and reasonable land use, the government will continue to implement basic land transaction regulation surveys, to collect information on land transactions, and strive for the proper operation of the land transaction regulation system, based on the National Land Use Planning Act (Act No. 92 of 1974). Furthermore, under the “Ordinance to Partially Revise the Enforcement Regulations of the Land Use Planning Act” (MLIT Ordinance No.42 of 2025), we will streamline and rationalize notification items, reduce burdens on notifiers and recipients, and include the nationality of rights

²³ Investment, management, and business activities that take ESG (Environment, Social, Governance) into consideration

²⁴ Abbreviation of Association of Southeast Asian Nations

²⁵ Abbreviation of Joint Network for Overseas Real Estate Business

acquirers among notification items—thereby strengthening guidance and advice to ensure proper land use.

Chapter 3

Measures for Implementing Surveys and Providing Information on Land

Section 1: Promotion of National Land Surveys

- (1) Based on the Seventh Ten-Year Plan for the National Land Survey Project starting in FY 2020, as for cadastral surveys conducted by municipalities, the government will promote the introduction of procedures to facilitate smooth surveying (even in cases where the owner of the land is unknown), and efficient survey methodology according to the regional characteristics. Cadastral surveys will also be promoted by providing priority support for those surveys conducted in areas with high policy impact, such as areas where social infrastructure development is planned.

To proceed with the cadastral development particularly in urban areas where the cadastral survey progression rate is low, the government will also implement initiatives toward the establishment of the cadastral development model in urban areas, such as the methodology to combine the survey on the public-private borders and the private survey results, and promote the introduction of advanced and efficient methodologies for the utilization of remote sensing data, such as airborne laser surveys and the utilization of survey data by the MMS²⁶.

In addition, the government will support the utilization of survey results other than cadastral surveys prepared by private businesses and public works departments of local governments for cadastral development, assuming that the survey results are as accurate as or more accurate than cadastral surveys.

Furthermore, to promote smooth cadastral surveys, the government will disseminate the system and methods, and support to municipalities by dispatching experienced experts to provide them with advice on how to overcome survey-related challenges.

Furthermore, based on the mid-term revision of the aforementioned plan conducted in 2024, the government shall promote the use of survey procedures applicable in cases where there is no response to notifications concerning field surveys by owners and others.

- (2) Based on the Seventh Ten-Year National Land Survey Plan, the government shall implement land history surveys in densely inhabited districts and surrounding areas, to develop and provide information on the natural terrain, alteration history, and disaster history of the land. In addition, the government shall develop and update the National Groundwater Database—known as the National Groundwater Records Ledger—by collecting and organizing information on deep wells, as fundamental information regarding groundwater.
- (3) The Government shall compile and develop statistical data and collect and analyze administrative data and other relevant materials to clarify the actual conditions of land ownership, use, and transactions in Japan. In particular, in FY2025, the government plans to publish the Final Results (Kakuhō) of two key surveys: (1) the Basic Survey on Land and Buildings Owned by Corporations (a fundamental statistical survey conducted every five years, implemented in FY2023), and (2) the Household Land Statistics (a processed statistical survey aggregating results from the Housing and Land Survey conducted by the Ministry of Internal Affairs and Communications in FY2023).

Section 2: Promotion of Development of National Land Information

- (1) With respect to National Land Numerical Information, the government shall proceed with the development and updates in line with the Final Report of the Study Group on the Future of National Land Numerical Information Development (published in July 2024), and shall examine efficient development methods while promoting efforts to encourage broader utilization. The government will also improve, operate, and enhance the Digital National Land Information Download Website²⁷ in order for the developed data to be used more.
- (2) With the aim of realizing a society in which geospatial information—such as Basic Geospatial Information, the Fundamental Geospatial Data of the National Land, thematic maps, register information, aerial photographs, and high-precision elevation data—can be utilized in an advanced

²⁶ Abbreviation of Mobile Mapping System

²⁷ <https://nlftp.mlit.go.jp/ksj/>

manner, efforts will be made based on the Basic Plan for the Advancement of Utilization of Geospatial Information (Cabinet Decision of March 18, 2022), to enhance and upgrade geospatial information that serves as the foundation of society such as Basic Geospatial Information; to promote the distribution and utilization of geospatial information centering around the Geospatial Information Center; and to advance the G-Spatial Projects for the social implementation of technologies that utilize geospatial information. In addition, efforts will be made to promote the dissemination of knowledge and the development of human resources through initiatives such as business idea contests utilizing geospatial information (Ichi-Biz Awards) and the holding of the G-Spatial EXPO in collaboration with industry, academia, government, and the private sector. Furthermore, in response to the 2024 Noto Peninsula Earthquake, restoration surveys will be conducted and the development of geospatial information will be advanced to enable the early provision of location information necessary for recovery and reconstruction projects.

- (3) With regard to Project PLATEAU²⁸, in aiming to build an ecosystem for the development, utilization, and open data release of 3D urban models, efforts will be made to support local governments, develop use cases with a view toward social implementation, and promote collaboration among industry, academia, and government. In addition, a support system for new private businesses and other entities will be established to encourage service creation and social transformation.
- (4) In order to promote i-Urban Regeneration, an information platform that integrates various types of data related to urban information and urban activities to facilitate the analysis, examination, and resolution of urban issues, updates will be made to the draft technical specifications for i-UR²⁹, including enhancements to its functions.

Section 3: Development of the Land Registration System

- (1) The government will focus intensively on the Legal Affairs Bureau's mapping project for urban areas for which lot numbers are not adequately registered and other areas requiring urgent mapping across the nation (i.e., major cities and key areas of regional hub cities).
- (2) The system for determining land boundaries (Hikkai Tokutei Seido) will continue to be implemented appropriately and smoothly.
- (3) In accordance with the Act on Special Measures concerning Promotion of Utilization of Land with Unknown Owners, further promotion of inheritance registration will be pursued for land where registration has not been completed for a long period due to uncompleted inheritance procedures, through efforts such as searching for heirs of such land and simplifying the registration process.
- (4) We will ensure the smooth implementation of the system established by the Act on the Proper Registration and Management of Land with Unrecorded Owners in the Title Section, which aims to resolve the issue of land whose owners are not properly recorded in the title section of the real property register book due to historical reasons. (Reposted)
- (5) The "Real Property Registration Act" was partially amended by the "Act Partially Amending the Civil Code and Related Acts", creating a new system that makes inheritance registration obligatory and reduces the burden of registration procedures. The government will put effort into the proper and smooth operation of the new system, such as disseminating the details of making it obligatory to make address change registration to come into effect on April 1, 2026.
- (6) With a focus on the real estate registry, deliberations will be advanced with the aim of establishing a system that enables relevant administrative agencies to smoothly obtain information on landowners, by linking the registry with other official ledgers maintained by public institutions, while ensuring the proper handling of personal information.

Section 4: Promotion of Information on Real Estate Transactions

- (1) Since April 1, 2024, the "Real Estate Information Library" has been made available, which clearly displays on maps, according to user needs, open data related to real estate such as the Land Price Publication, Prefectural Land Price Surveys, real estate transaction price information, disaster prevention information, urban planning information, and information on surrounding facilities. Part of the published information is provided to private sector entities, etc., through API³⁰ linkage, contributing to the facilitation of real estate transactions. Going forward, in order to make this system beneficial for

²⁸ A project led by MLIT, in collaboration with various stakeholders, to promote the development, utilization, and open data release of 3D urban models.

²⁹ a data exchange format designed to enhance the interoperability of data necessary for i-Urban Regeneration

³⁰ Abbreviation of Application Programming Interface

revitalizing real estate transactions as well as disaster prevention and community development, the content will be enhanced and the system's foundational functions strengthened while taking user needs into account.

- (2) With the aim of contributing to the formation of appropriate land prices, the results of the 2026 Land Market Value Publication will be published as an analysis of trends in land prices, based on the results of 26,000 standard survey target lots throughout Japan. Also, the 2025 prefectural land price survey will be published based on the results of the analysis of land price trends conducted by each prefectural governor. For major cities (i.e., the three major metropolitan areas), which tend to indicate land price trends in advance, quarterly land price trends for 80 intensively used land areas will be published in the "Land Price LOOK Report".
- (3) The survey of real estate transaction prices, which started mainly in government ordinance designated cities of the three major metropolitan areas in fiscal 2005, is now being implemented nationwide. Information obtained from the survey is used to assist in determining the published prices of standard points and, with care to avoid easy identification of individual properties, quarterly summaries are published via the Real Estate Information Library by type of real estate (land, land and buildings, used condominiums, farmland, forest land) including location (to the level of large section or town name), transaction price, transaction period, area, building usage and structure, nearest station, and other information.
- (4) To timely and accurately grasp real estate price trends and improve transparency in the real estate market, the following initiatives will be undertaken:
 - (i) Continuous publication of real estate price indices (residential and commercial real estate), existing housing sales volume index, and corporate transaction volume index.
 - (ii) Regarding the real estate price index (commercial real estate), currently under trial operation, examinations will be conducted in consideration of the trends of international organizations such as the International Monetary Fund (IMF³¹).
- (5) To further improve the reliability of real estate appraisal, monitoring of appraisal evaluations including on-site inspections of real estate appraisers will continue. Moreover, to sustain the real estate appraisal system, measures to secure real estate appraisers as its practitioners will be examined, including the expansion of new work areas.
- (6) To contribute to the proper formation of land prices and appropriate taxation, the following measures will be implemented to publicly announce normal land prices and to ensure mutual balance and appropriateness of public land valuations:
 - (i) For land evaluation in fixed asset tax, efforts will be made to ensure mutual balance and appropriateness of evaluations aiming for approximately 70% of the Land Price Publication prices, while appropriately reflecting land price trends.
 - (ii) For land inheritance tax evaluation, the evaluation date will continue to be January 1, and the evaluation ratio will aim to ensure mutual balance and appropriateness at approximately 80% of the Land Price Publication price level in principle, while appropriately reflecting land price trends.

Section 5: Development and Provision of Hazard-related Data

In light of the intensification and increased frequency of disasters nationwide, hazard-related data such as inundation assumption zone data and disaster risk understanding data (land history data), which are indispensable digital infrastructure for disaster prevention and recovery, will be developed and provided.

³¹ Abbreviation of International Monetary Fund

Chapter 4

Comprehensive Promotion of Land-related Policies

Based on the revision of the "Basic Policy for Land" (approved by the Cabinet on June 11, 2024) pursuant to the "Basic Act for Land" (Act No. 84 of 1989), the government will comprehensively promote policies with the goal of achieving "sustainable land use and management", by advancing land use conversion and appropriate land management of the limited national territory, from a broad and long-term perspective.

Section 1: Collaboration and Cooperation between National and Local Governments

- (1) Toward the formation of the local platform to create a place for the collaboration of local stakeholders consisting of industry, academia, government, and finance, the government will put effort into individual dialogues with prefectures and local financial institutions, with a view toward developing it to all prefectures by FY 2026. Also, the government will hold opinion-exchange meetings with mayors of municipalities to encourage the development of PPP/PFI projects in local governments, in addition to developing human resources and creating opportunities for public-private dialogue by dispatching experts and holding training and seminars for local government officials and local businesses. In order to formulate the rules for preferential studies, which are the mechanism to preferentially study the introduction of the PPP/PFI methods and establish their operation, the government will put effort into individual dialogues with local governments. (Reposted)
- (2) In order to facilitate the use and ensure the appropriate management of land with unknown owners, we will provide support for the activities of local stakeholders, including municipal governments, such as financial assistance for operations. In addition, through the activities of the Land Policy Promotion and Coordination Council, which consists of national and local governments and related professional organizations, and is established in 10 regional blocks across the country, we will provide practical training and provision of know-how through consultations and further disseminate and raise awareness of relevant systems. (Reposted)

Section 2: Collaboration and Cooperation with Experts in Related Fields

- (1) The Urban Renaissance Agency will utilize its know-how and technology to provide technical assistance in the development of concepts and plans for town development projects.
- (2) Furthermore, to promote smooth cadastral surveys, the government will disseminate the system and methods, and support to municipalities by dispatching experienced experts to provide them with advice on how to overcome survey-related challenges. (Reposted)

Section 3: Dissemination of Basic Philosophy on Land

In addition to the publication of the White Paper on Land, a contest on the subject of land will be held to encourage people to think about the land around them and deepen their understanding of the land system. In addition, through the Land Month of October (October 1 is Land Day), in which educational booklets and other materials are distributed and lectures on land-related themes are held, the government, in cooperation with related organizations, will disseminate basic land-related principles and introduce various land-related policies and systems.

Section 4: Securing of Funds and Farmers

- (1) By utilizing the designation system for corporations promoting the smooth use of owner-unknown land, and by supporting pioneering efforts through subsidies for model projects, the government will promote the efforts of organizations that assume functions such as matching and coordinating for appropriate land use and management, and management on behalf of landowners, while planning to establish a local consultation system and share information on vacant land and houses in the community. (Reposted)
- (2) To harness private creativity and ambition while advancing quality urban development, we will continue

providing financial support through the MINTO organization. Specifically, via urban redevelopment funds jointly established by MINTO with regional financial institutions and municipalities, we will finance renovations of community resources such as traditional homes and existing vacant assets—converting them into cultural and tourism hubs to enhance local appeal and stimulate economic vitality. (Reposted)

- (3) To enhance regional value and promote proper land-use through area management, we will encourage utilization of the Area Management Charge System for Regional Revitalization. This includes consulting services using guidance that explain details and necessary procedures of this system. (Reposted)

Chapter 5

Recovery and Reconstruction Measures Related to Land Following the Great East Japan Earthquake

Section 1: Measures in Relation to Land Use

1 Measures concerning residential land

To promote countermeasures against tsunami disasters, support is provided for the formation of urban areas serving as hubs for recovery and reconstruction in municipalities affected by the nuclear disaster in Fukushima Prefecture through the Fukushima Reconstruction and Revitalization Base Development Project.

2 Measures concerning agricultural land

Based on the "Basic Guidelines for Reconstruction in Response to the Great East Japan Earthquake from the Second Reconstruction and Revitalization Period" (decided by the Cabinet on March 9, 2021, reviewed on March 19, 2024), the government will implement projects for disaster recovery of agricultural land and facilities and land readjustment in conjunction with these projects. In addition, the government will support the formulation of plans necessary for the development of agricultural infrastructure, based on the recovery policy of the region's agricultural infrastructure.

3 Efforts for realignment of land use

In accordance with the Reconstruction Improvement Plan System of the Act on Special Zones for Reconstruction in Response to the Great East Japan Earthquake (Act No. 122 of 2011), the government will promote the smooth and rapid implementation of various projects, including the development of urban areas and agricultural production infrastructures (which are necessary to promote town/regional development for reconstruction), by utilizing special provisions, such as one-stop processing of procedures related to licensing and zoning, and relaxation of standards for such licensing.

Section 2: Measures concerning housing

1 Support for public housing for disaster victims

- (1) Local governments provide public housing for disaster victims who are unable to reconstruct or acquire housing on their own, and will continue to implement special measures to support costs related to rent reduction and transfer.
- (2) In response to the accident at the Fukushima Daiichi Nuclear Power Station, local governments supply public housing for disaster recovery to evacuees and returnees who lived in designated evacuation zones. Continued support is provided for the development of such housing, rent reduction, and special measures regarding eligibility and transfer of ownership.

2 Support for reconstruction of individual residences

- (1) The government will continue to reduce interest rates and extend the principal deferment periods for housing loans for disaster reconstruction by Incorporated Administrative Agency Japan Housing Finance Agency (Japan Housing Finance Agency) in order to support the reconstruction of residences of disaster victims and also provide loans for building lots for disaster reconstruction in order to support cases where housing lots have been damaged.
- (2) For disaster victims who have received loans from the Japan Housing Finance Agency, continued support is provided through deferment of payments for up to five years, extension of repayment periods, and reduction of interest rates during the deferment period.
- (3) Regarding the Home Ownership Loans under the Workers' Property Accumulation Savings System, special measures are implemented such as interest rate reductions and grace periods for principal

repayment for workers affected by the disaster who newly apply for loans to acquire or repair homes. For those already repaying such loans, measures such as repayment deferment, interest reduction during the deferment period, and extension of repayment periods are implemented based on the extent of the disaster impact.

Section 3: Promotion of Land Utilization Efforts by Disaster-Affected Municipalities

The government will respond to individual local issues in detail through hands-on support, from the planning stage to the land utilization stage, for the utilization of developed residential land by land readjustment projects and other projects for promoting mass relocation for disaster prevention. While coordinating reconstruction measures with general measures and making comprehensive use of government-wide measures, it will also support the efforts of affected local governments.

Section 4: Measures in Relation to Land Information

1 Promotion of clarification of land boundaries

In order to contribute to the further promotion of recovery/reconstruction in the areas affected by the Great East Japan Earthquake and the Kumamoto Earthquake of 2016 (Iwate, Miyagi, Fukushima, and Kumamoto prefectures), the government will implement the Legal Affairs Bureau map creation project.

2 Provision of information on land transactions to ensure appropriate transactions

To ensure appropriate land transactions in the disaster-affected area, the government will provide, upon request from Miyagi Prefecture, Fukushima Prefecture and Sendai City, registration information on land transactions to Fukushima Prefecture and Sendai City, and transaction price information to Miyagi Prefecture, Fukushima Prefecture and Sendai City.

Section 5: Tax Measures

The government will continue the tax measures at each stage of land acquisition, holding, and transfer as they are necessary to promote the reduction of burdens on victims of the Great East Japan Earthquake, as well as efforts toward recovery and reconstruction.