



THE UNITED NATIONS UNIVERSITY



UNIVERSITÉ DES NATIONS UNIES

*Project on Technology Transfer,  
Transformation, and Development:  
The Japanese Experience*

*Projet sur l'expérience japonaise  
en matière de transfert, transformation  
et développement de la technologie*

---

Distribution: Limited

HSDP-JE Series

---

This working paper was prepared within the framework and as part of the Project on Technology Transfer, Transformation, and Development: The Japanese Experience (JE) of the United Nations University's Human and Social Development Programme. The views expressed in the paper are those of the author and not necessarily those of the United Nations University.

The JE project is co-ordinated by UNU Project Co-ordinator Dr. Takeshi Hayashi, with the support of the Institute of Developing Economies, Address: UNU Project on Technology Transfer, Transformation, and Development: The Japanese Experience, c/o Institute of Developing Economies, 42 Ichigaya-Honmuracho, Shinjuku-ku, Tokyo 162, Japan. Tel: (03) 353-7501. Cable: AJIKEN TOKYO.

The United Nations University: 29th Floor, Toho Seimei Building, 15-1, Shibuya 2-chome, Shibuya-ku, Tokyo 150, Japan. Tel.: (03) 499-2811; Telex: J25442; Cable: UNATUNIV TOKYO

© The United Nations University, 1983  
Printed in Japan

ISBN 92-808-0410-4  
ISSN 0379-5780

HSDRJE-57/UNUP-410

**URBANIZATION AND THE REAL-  
ESTATE BUSINESS**

**Isao Hatate**

Professor  
Department of Law and Economics  
Aichi University  
Aichi, Japan



## CONTENTS

|   |    |
|---|----|
| Introduction  | 1  |
| I. The Development of Industry and Transportation and Expansion of the Urban Area | 4  |
| II. The Development of the House Rental Business and the Apartment House Industry | 14 |
| III. The Emergence of Housing Problems and a Garden City Theory                   | 18 |
| IV. The Development of Suburban Private Railways and the Sale of Houses and Lots  | 24 |
| V. The Development of the Real-Estate Industry                                    | 30 |

**This publication is being circulated in a pre-publication form to elicit comments from readers and generate dialogue on the subject at this stage of the research.**

## INTRODUCTION

The formation and development of residential areas in modern Japanese society which were triggered as a result of "external pressures" mainly from the advanced capitalist nations in the West have the following characteristics:

First, such modern systems as industry, administration, culture, and others were introduced primarily on the basis of cities and towns which had been in existence from the Edo period. Thus, with regard to the residential structure, Japanese characteristics were also being formed in the process in which premodern vestiges and capitalistic reforms co-existed initially and then infiltrated mutually. The real-estate industry, which deals with the supply and circulation of land and structures, exhibited a dual structure having small businesses with predominantly premodern characteristics and large enterprises which germinated as a result of the activities of politically affiliated businessmen and landlords.

The second characteristic derives from the structure of Japanese houses. In general, Japanese dwellings were wooden bungalows which were simple and cheap, the "flammable houses" built mainly of wood. Thus, when a fire once broke out, it became a big fire because there were many densely built-up areas. Moreover, Japan is one of the most earthquake-prone countries in the world. Thus, cheap and short-term wooden houses were given priority as a measure against repeated fires and earthquakes. Solid structures built of stone, brick, or concrete after the Western fashion were initially not only beyond the reach of the masses, but also not necessarily in demand. As a result of the above, the concept of fixed immovable assets regarding houses in Japan did not immediately take root.

Third, in comparison to houses, the sense of the land ownership right itself was so strong that such utility rights as the land-lease right and the rights accruing from the lease on houses were subordinated. One basis for this can be attributed to the fact that due to an extremely high degree of land productivity (profits from agricultural production and housing land), a large population per acre (high population density) was able to be supported. As represented by Japanese rice yields, it has become possible for a family to be supported by a smaller acreage of agricultural land because of relatively high productivity. In addition, farm management becomes more intensive in order to feed a large number of people, and more manpower is used. Because most of the profits were taken first by the landlord, the income of the immediate producers was generally just enough to make ends meet. In comparison with the West, the added factor of low income in proportion to the smallness of farm management contributed to the dominance of small and inexpensive farm dwellings in Japan. Moreover, the habitable area in Japan, which is about 20 percent, is much lower than that found in various Western countries. The competitive price of land is increased due to the high productivity of the land, small farm management, and large population. These factors resulted in a tenacity of landownership and the superiority of ownership over the land-lease right.

In a feudal society based on agriculture, the urban structure is regulated by the rural structure. Many farmers migrated to the cities, and moreover, city industries were built on the basis of an exchange with agricultural products. It was possible to suppress the wages of the masses in the cities during the Edo period because a small area was densely populated and therefore contained excess population in a relative sense. Furthermore, fires and earthquakes had to be taken into consideration. It may have been inevitable for tightly packed cheap and inferior wooden houses to dominate.

The modernization of Japan progressed from the Meiji period onward on the premise of these feudal cities which developed during the Edo period. On the one hand, the housing structures of the Edo period continued to exist, and on the other hand, housing development based on the Western

model began to emerge. Together with the development of the industrial revolution, large-scale solid buildings built of stone, brick, and concrete became more prevalent especially where company, bank, and government buildings were constructed. Construction reflecting the notion of immovable assets became prevalent where hitherto flammable houses strongly characterized by movable assets had predominated. In due course, the land-lease right and rental houses right came to compete with landownership right.

At any rate, modernization in Japan progressed primarily in the premodern cities. As a result of the growing bureaucracy and industries, more people came to the cities, and supply and demand of land and houses increased in response to the increased population. The development of transportation and communication promote this tendency even further. New characteristics in residential structures were being compounded in the process of maintenance and improvement of the premodern forms and the blending of modern architecture.

# I. THE DEVELOPMENT OF INDUSTRY AND TRANSPORTATION AND EXPANSION OF THE URBAN AREA

## Industrialization and Expansion of the Urban Area

Although later than the advanced Western nations, Japan began to develop the light industrial sector around the time of the Sino-Japanese war (1894-1895), culminating in the industrial revolution when the heavy industrial sector was solidified after the Russo-Japanese war (1904-1905). As a result, there was a rapid increase in the population concentrated in urban areas, especially after the Sino-Japanese war. Furthermore, the formation of modern cities finally began to progress from around 1910. For example, the ratio of the urban population to the total population of the mainland (excluding Hokkaido and colonies) increased from 10.3 per cent in 1890 to 14.5 per cent in 1903, and it soared to 17.5 per cent in 1908. The aggregate population of major cities (over 100,000 people) exceeded 10 per cent of the total population in 1908.

### 1. Population Increase and the Urban Area in Tokyo

Among these cities, Tokyo, the capital, had a population of over 1 million at the height of the Edo period. However, in 1872 there was a decrease to 520,000 people. The population increased to 670,000 in 1878, and by 1887 it reached 1,060,000. Together with the development of a centralized system of administration and the industrial revolution, the population grew to 1,330,000 in 1897, 1,810,000 in 1903, and over 2,000,000 people in 1912. Industry provided the basis for this increase: There was an increase from 333 factories with 30,022 workers in 1897 to 768 factories with 55,944 workers in 1907. In 1919, immediately after World War I, the number of factories soared to 7233 and workers to 188,786.

Nevertheless, the urban area in Tokyo around 1912 had a radius of no more than 4 kilometers with Tokyo Station at the center. Within this area the construction of factories belonging to small- and medium-sized enterprises progressed along the Sumida River in the Kotō district. Land prices in this area were cheap due to bad conditions such as swampy land and the slow development of the area, and yet there was convenient land and sea transportation. Such areas became the basis for the industrial revolution in the Meiji period. At the same time, workers' living quarters were developed adjacent to factories, with extremely poor living conditions in the row houses along the back alleys.

On the other hand, in the western part of Tokyo the urban area extended 1 kilometer to 1.5 kilometers within Japan National Railways' Yamanote Loop Line. The urban area intersected the Yamanote Line only at Shinjuku and Shibuya, and the Yamanote Line at the time was used primarily for cargo transport. Furthermore, factory development was less pronounced than in the eastern part, and only a few factories were scattered about in the hilly areas south of Ebisu.

Toward the end of the Meiji period, the population within Tokyo City hit a saturation point. The densely built-up areas spread from downtown to uptown residential areas and to neighbouring industrial areas, and the excess population began to pour out into such adjacent towns and villages as Ebara County and Kita Toshima County in Tokyo-Fu. The Tokyo City Tram played a significant role in the concentration and expansion of population and houses.

## 2. Industrialization and Housing Demand in Osaka

The industrialization of the Osaka area began as a result of the establishment of government plants such as the Sakai Spinning Mill, Osaka Mint Bureau, and the Artillery Arsenal. With the textile industry as its core, industrialization in this area showed rapid progress between the Sino-Japanese war and the Russo-Japanese war. For example, the number of factories and workers increased by more than ten-fold from

4,512 workers (432 factories) in 1883 to 48,556 workers in 1895. By 1914 there were 175,045 workers (32,041 factories.) These factories were concentrated mainly in the four districts of Higashi, Nishi, Minami and Kita in the old city. The four districts occupied about 1,539 hectares (of which 842 hectares were housing land,) having the "three countries in Osaka," namely, Tenma, Minami, and Kita, at the center. The area gradually expanded to the adjoining areas of Higashinari and Nishinari counties and to the outskirts of Osaka-Fu such as Kawachi and Izumi.

Osaka City was first expanded in April 1897 when 4,075 hectares were incorporated into the city from Higashinari and Nishinari counties. A second expansion was carried out in February 1925, merging the remaining 12,700 hectares of these two counties. The total population of Osaka, which had declined to 290,000 in 1878 from its height of 500,000 in the Edo period, grew to 426,846 people in 1887. As a result of the city expansion, the population grew to 760,000 in 1897. It was 1,000,000 in 1904 and reached 1,510,000 in 1916.

Together with such expansion in industry and urban population, there was a corresponding demand for housing mainly from the working population. However, as described in Circumstances of Operatives (1903) by the Ministry of Agriculture and Commerce and The Lower Strata in Japan (1899) by Gennosuke Yokoyama, the living conditions were very inferior. For example, female textile workers who were called "caged birds" generally lived in dormitories and designated lodging houses. Furthermore, it is said that over 60 per cent of textile workers (predominantly females) throughout Japan were boarding operatives. In the case of spinning and machinery factories, row houses were newly built in the neighborhood of the factories so that they could be rented out as company housing. Initially, this "salaried housing" was limited to big factories as a measure to prevent the workers from being "picked out" by other companies when industry expanded. Consequently, the majority of the workers had to depend upon small and inferior "rear tenements" which were called "row houses in the back alley." These poor houses were constructed adjacent to factories in the lowland sector of the city where the land price was cheap for the increasing labour population, and thus inferior living conditions derived

from a "mixture of work and living" were being created.

In addition, toward the end of the Meiji period, some of the well-to-do began to move first into the east side of Uemachi Height in Osaka and then to Abeno Height in the vicinity of Tezukayama in order to escape from the bad environment. This trend from the end of the Meiji period to the Taisho period onwards gradually came to take the lead in the development of "suburban housing."

#### The Development of Urban Transportation and Housing Areas

The increase in the work population due to the development of industry immediately exceeded the increased supply of existing housing in the vicinity of the factories. It was inevitable, therefore, that the housing areas would become diffused into the outskirts as a result of the search for low land prices and low rental. Consequently, a transportation system from the newly developed housing centers to the factories became a prerequisite for the development of new housing areas. In particular, the development of the tramway in large cities was decisive in stimulating housing demand and supply, as well as the expansion of real estate transactions.

Thus, tramways in Japan developed after the Sino-Japanese war when the industrial revolution was well on its way. A tramway was first opened in Kyoto in January 1895 by Electric Railway Company. This was followed by the opening of tramways in Nagoya in May 1898; in Tokyo in August 1903, and in Osaka in September of the same year.

In addition, suburban private railways were developed both in the Tokyo and Yokohama areas and, particularly, in the Osaka and Kobe areas from about the time of the Russo-Japanese war. Furthermore, "government electric trains"(run by the Ministry of Railways before the war and by the national Government after World War II) were developed in the suburban Tokyo area. Correspondingly, the development of housing areas in the suburbs and in the outskirts of big cities evolved.

## 1. Urban Transportation and Housing Areas in Tokyo

After the establishment of a stage-coach line between Tokyo and Yokohama in 1870, Tokyo Horse Tramway Company was opened in June 1882, later developing into Tokyo Electric Train Railway Company. In August 1903, the tramway between Shimbashi and Shinagawa was first opened. Subsequently, Tokyo Street Railway Company began its operation between Shimbashi and Shinagawa in September of the same year and in December of the following year, 1904, the Tokyo Electric Railway Company began operating between Ochanomizu and Dobashi. Because of these three companies, the tramways were gradually extended, and thus mass passenger transportation became possible for the first time.

Then in September 1906, the three companies merged to form a much expanded Tokyo Railway Company, and it was bought by Tokyo City in August 1911. The so-called "city tram" (metropolitan tram) provided a major means of passenger transportation up until around 1970, and the population grew rapidly in the old 15 wards of Tokyo, as people could rely on the tram. For example, the number of passengers per year grew yearly from 158,220,000 people (average of 432,313 people per day) in 1907 to 225,490,000 people (617,795 per day) in 1912. Moreover, the tram was such an indispensable means of transportation as the "feet of Tokyo citizens" that, as of 1919, as much as 79 per cent of those who used intra-city transportation relied upon the tram.

Toward the end of the Meiji period, residential areas were extended to the vicinities of the Shinjuku and Aoyama tram terminals and then to the suburbs with the use of the Chūō Line and private railways. However, the separation of the workplace from the place of residence was not so pronounced at the time as it is now. The concentration of a daytime population in the heart of the metropolis was still relatively small. As a result of the expansion of the population and the extension of the urban area, the demand for passenger transportation gradually became greater. New means of transportation became necessary but suburban private railways initially connected small and medium cities on the outskirts of Tokyo rather than acting as an urban transportation network

which linked the heart of the metropolis to the residential areas. By about the end of the Meiji period, there were only such railways as Tobu Railway (1899), Keihin Electric Railway (1905), Tamagawa Electric Train (1907), Oji Electric Line (1911), and Keio Electric Line (1913) which finally began to connect new city areas and the suburban areas outside the Yamanote Loop Line.

This came about because the transportation policy in Tokyo at that time was such that the inner circle of the Yamanote Loop Line was totally taken care of by public organizations. Consequently, the state-run electric trains in Tokyo played the most important role as a transportation means to connect the heart of the metropolis with the residential areas in the outskirts. This is the primary cause which led to a marked difference in the transportation system in Tokyo and that of Osaka and other cities.

Thus, the distance between Iidabashi and Nakano on the nationally run Chūō Line was electrified in August 1904, and fulfilled its function as a "suburban national railway." The starting station of the same line was changed to Manseibashi from 1912 and to Tokyo from 1919. The distance from Ueno, Shinjuku, and Shinagawa to Shimbashi of the Yamanote line was also electrified in December 1909. Moreover, the line was extended to Tokyo in 1914, and in 1925 the entire loop was completed. The suburban sections of the key national railway lines came to bear significant importance in urban transportation. The number of national railway passengers in and out of the city of Tokyo increased from 16,380,000 passengers in 1908 (average of 44,889 passengers per day) to 22,550,000 passengers in 1910 (61,769 per day) and to 29,970,000 passengers in 1914 (82,101 per day). However, in comparison to the increased number of passengers using the city tram in the same year, the increase rate was no more than one-tenth to one-eighth.

Because the tram shortened the commuting time, it promoted the development of housing in the habitable boundary of the time, inside the old city and its outskirts where land prices were low and the rent was cheap. At the same time, the "suburban government electric trains" which mainly consisted

of the Chuo Line and Yamanote Line exerted great influence on the development of housing in the suburban areas of Tokyo at that time (these were incorporated into the new city area of Tokyo in 1932). Moreover, although the development of suburban private railways was slower in the Tokyo area than in the Kansai area, the private railways began to come into their own gradually from about the end of the Meiji period, and thus housing land was increased mainly in the southeastern region of suburban Tokyo.

The Niiroku Newspaper dated 2 and 3 September 1909 reported that as suburban development progressed, Oimachi Beach in Tokyo had turned into a high-class residential area; the Yodobashi district a lower than middle-class residential area and the Senju and Ōji district a rental housing area for factories and cheap rental. Apart from this, the areas such as Shinagawa, Shibuya, Okubo, Yodobashi, Sugamo, Minami Senju, Terashima, and Kameido which were located in the vicinity of the tram terminals saw the highest rate of population increase. For example, taking the population index of 1898 as 100, by 1908, in the short span of ten years, the index was 201. It was 344 and 517 in 1913 and 1918 respectively. The increase was so rapid that the population grew more than five times in a mere twenty-year period.

However, propertyless workers who mainly migrated from rural villages as capitalism progressed and low wage earners who consisted chiefly of daily wage earners such as craftsmen swept away by the surge of modernization as well as laborers, rickshawmen, and cart pullers found it difficult to live in the above-mentioned areas. Consequently, slums were formed not only in Fukagawa and Honjo, but also in Asakusa and Koishikawa. The slum inhabitants and the boarders at flophouses were representative examples of the indigent described by Gennosuke Yokoyama in his Lower Strata in Japan, and they had no choice but to suffer poor living conditions.

Thus, the gaps in areas and classes pertaining to housing later led to an extension of the difference in the forms of the real estate business.

## 2. Urban Transportation and Housing Areas in Osaka

On the other hand, despite the underdeveloped national electric trains in Osaka, there was marked progress in the tramway and especially in the suburban private railways. This is a reflection of Osaka's characteristic as an economically oriented city, the "town of merchants," which gave priority to the accumulation of local capital unlike Tokyo's which is strongly politically oriented.

The tramway was run by the city from the beginning. However, at that time there was hardly any road which had a width of more than about 8.2 meters, and the streets in Osaka were originally very narrow. In addition, unlike Tokyo there was little government-owned land confiscated from the warrior class. Thus, it was difficult for Osaka to pursue the project of "remodelling city blocks" and also to secure the necessary land for the city tram. The first section of the tram was opened in September 1906 between Hanazonobashi and Chikko where there was relatively little trouble in the purchase of land. However, there were so few passengers that this line was nicknamed the "fishing tram." Then the second sections, which covered both the east-west and north-south lines, were completed and opened in 1906-1909. As a result of the opening of the third section in 1909-1916, the conditions of transportation in Osaka city were greatly improved.

For example, the annual number of passengers using the Osaka city tram soared from 2,669,000 people in 1907 (average of 7,312 people per day) to 97,490,000 people in 1912 (266,369 per day) and reached 267,090,000 people in 1921 (731,499 per day). Moreover, the average number of rides per person per year in proportion to the total population in Osaka increased from 2.3 rides to 73.1 rides in the same years, and by 1921 it was 206.1 rides.

Incidentally, Osaka carried out a very unique and pragmatic city development project aimed at the widening of streets to improve the city blocks with the use of profits gained by the city tram operation. Consequently, as the city tramway was being installed, the narrow streets of Osaka also

began to have a new look. For example, together with the execution of the first section, road construction from Hanazonobashi in Kujo, Nishi Ward, to Chikko Reclaimed Land in Yawata-machi was started covering the distance of about 5.6 kilometers with a road width of about 11 to 29 meters. Henceforth, every time the tramway was installed, the city remodelling project was carried out simultaneously, and Osaka had a superior city improvement project which could not be found elsewhere.

Together with the development of the above-mentioned tramway and the widening of the streets, the city area of Osaka began to be improved gradually, and regional differentiation progressed. Government offices were mainly located in the area of Enokijima, Dojima, and Nakanoshima while banks and company offices began to be concentrated in the area of Tosabori, Nakanoshima, Dojima, Sakaisuji, and Kitasenba. At the same time, many of the wealthy old families were gathered in Senba and Shimanouchi, and the area of Kamimotocho was transformed into a residential area. Even before the introduction of private railways and the development of suburban housing, the entire area of 9-chome Kamimotocho and Dogashiba, Torigatsuji-cho, and the vicinity of Abeno prospered as resort areas with villas.

On the other hand, average workers still had to depend on back-street tenements. Although the vicinity of Nihonbashi-Nagamachi in Osaka used to be noted for its slums, this area was gradually improved as a result of road improvements and the execution of city planning. However, a new slum area emerged in the Amagasaki area.

As housing land became differentiated on the basis of class and area, a regional difference in the real-estate business also emerged in Osaka.

In addition, the development of the city tram, the population increase, industrial and commercial prosperity, and the remodelling of blocks all brought about an automatic rise in land prices. Consequently, large landowners were able to reap a bonanza because the price of land that they owned soared. It is even said that 99 per cent of the plutocrats in Osaka at that time made their wealth due to soaring land prices. Moreover,

when the suburban railways were extended and the city area was expanded, many farm landowners in the suburbs who could supply housing land came to be classified as affluent even though they might own medium-sized farms. In Osaka, therefore, the tendency toward land speculation became prevalent.

## II. THE DEVELOPMENT OF THE HOUSE RENTAL BUSINESS AND THE APARTMENT HOUSE INDUSTRY

The establishment of capitalism due to the development of industry and transportation at the end of the Meiji period caused the extension of city areas and the expansion of an urban population. Thus, the demand for land and structures to be used for living and business was drastically increased. The supply, however, could not keep pace with the demand, and this resulted in a rise in rent, ground rent, construction costs, and land prices.

Because of this trend, in one sense, the additional construction of rental houses became popular in order to seek rising business profits. For the same reason, back-street row houses and independent rental houses for salaried workers were increased. Furthermore, a new real-estate supply business called the ready-built house market emerged for men of property who managed rental houses. On the other hand, the tendency to build high-rises progressed as a measure against soaring land prices and to maximize the utility value of land. From the end of the Meiji period onward, the apartment house industry, which should be called collective high-rise rental houses appeared. Apartment houses were rented out on the same basis as the rental office industry run by Mitsubishi and the rental building industry which became prevalent from the Taisho period onward.

### The development of the House Rental Business and Ready-Built Houses for Rental

The housing demand in large cities grew rapidly due to an increased city population brought about by the industrial revolution, which occurred

from around the time of the Russo-Japanese war. The supply of independent rental houses was increased especially for salaried men and high-grade labourers who earned more income than average workers.

For example, it became a fashion among the well-to-do in Tokyo to build rental houses in 1905, and small-scale house rental businesses run by merchants, usurers, higher-ranking salary men, and suburban farm land-owners began to increase. Nevertheless, there were 23,460 empty houses within the 15 wards of old Tokyo alone in 1908, which was marked by the postwar recession because of a sudden decrease in the number of those in need of a rental house. The demand for rental houses is easily affected by economic booms and recessions. There was a temporary excess in the supply of rental houses because some tenants moved to cheaper rental houses or returned to their home towns as a result of the recession, which brought about decreased income and unemployment.

Corresponding to the rental house boom, ready-built houses to be used as rental houses appeared already at the end of the Meiji period in addition to the existing sales of ready-built houses to be lived in by the owners. For example, dealers called house builders appeared in Osaka. They bought land to build rows of similar rental houses and then built the next batch of rental houses with money borrowed using the first batch of rental houses as collateral. After making a profit, they sold these houses to those who were in the house rental business. At one time, there were approximately 2,000 house builders in various parts of Osaka. However, many of them were unsuccessful because they had small business capital and relied on loans with high interest rates. However, as a result of soaring land prices, five or six dealers accumulated a great profit of about 100,000 yen in only two or three years.

Then in the Taisho period, especially after World War I, the house rental business progressed due to the increased housing demand which was brought about by the concentration of population in the cities and by the development of suburbs. Consequently, there were even ready-built rental row houses constructed by "ready-built carpenters" in big cities and particularly in the suburbs of Osaka, which saw a marked development in private

railways. Thus, there was a strong demand not only for independent rental houses, but also for conventional back-street tenements.

Together with the progress made in the sales of ready-built houses for rental, the house rental business naturally expanded, and lease agents began to flourish. For example, according to a "Survey on House Agents" conducted by the Social Section of Osaka City (1921), while there were only 37 agents in Osaka-Fu, five years later, by 1923, the number had grown to 453. The increase was especially marked in the suburbs of Osaka.

#### Emergence of the Apartment House Industry

In view of the development of the house rental business and rising land prices, some of those who were in the supply business of rental houses attempted to build high-rises in order to gain an increased rent income. The natural transition was to move toward apartment houses which should be called collective high-rise rental houses to distinguish them from the conventional one-storey tenement houses.

A two-storey Western-style row house was already built in Shitaya, Tokyo, in 1908, and in the following year the first apartment house in Japan, the five-storey "Ueno Club," was opened by the Shinobazu Pond, Ueno Tokyo. (It burned down in June 1943.) Furthermore, an actress attached to Teikoku Theater named Sato built the three-storey "Sato Annex Building" in Sanbancho, Tokyo, in the same year. In succession, movie and stage theaters were converted into apartment houses by Mikasa House and Art Club, and these paved the way for the prosperity of the apartment house industry which was to come later in the Taisho period.

It is said that the chief occupants of these apartment houses were salary men and senior engineers who belonged to the upper class. This class of people who could earn a high income was growing as capitalism developed. At the same time, more people belonging to this class inhabited Tokyo where the head offices of big companies and schools were concentrated, and this also promoted the development of the apartment house industry.

Nevertheless, the majority of the labourers and workers had to live mainly in back-street tenement houses and slums, and the gap in the forms of dwelling became greater.

### III. THE EMERGENCE OF HOUSING PROBLEMS AND GARDEN CITY THEORY

#### Establishment of the Civil Code and Real-Estate Transactions

As the industrial revolution progressed in Japan, the population flowed into the cities, and this influx increased the demand for houses and office space. This called for land on a massive scale to be used for the construction of housing. However, the speed at which housing could be constructed was generally slower than the increased rate of population. Moreover, land development was not only limited to certain areas, but was also very particularistic. Unlike the production of other commodities, the development of housing land had many strong restrictive factors.

Consequently, it was inevitable that house rents, ground rents, construction costs, and land prices were to rise even further together with the expansion of industry, population, and cities. People who were seeking low house rents, ground rents, and land prices rushed to the peripheral areas where transportation, convenience of location, and conditions of living were inferior. Therefore, ground rents went down because of the amount of capital invested in such transportation means as roads, electric trains, and railways. At the same time, a trend toward high-rises progressed taking the form of either city development projects, capitalistic building management, or the apartment house business so that a higher utility value could be gained from land.

In this case, the ownership of land, which is the foundation of building construction, was already legally authorized by the title deed system from the Meiji period and the revision of the land tax system. Upon the execution of the Land Tax Act in 1884, the superiority of landowners was established so that they could receive the balance between the fixed

ground tax and the rising ground rents and land prices. There was an abolition of title deed and the revision of land tax cadastre in 1899, and the land ownership right came to be prescribed by registration in accordance with the Registration Act of 1886.

The land system was established finally by the promulgation of the New Civil Code in 1898. However, the New Civil Code clearly granted superiority to the ownership right in comparison to the Old Civil Code of 1890, which was based on a draft written by Boissonade and which recognized the independence of the leasehold. This law was originally based on the idea that the leasehold could be insisted upon especially on the basis of the leasehold registration in view of the fact that it had been customary during the Edo period for the leasehold to have a competitive right vis-à-vis the ownership right. In addition, in June 1899 the Real Estate Registration Act was newly enacted. However, when the New Civil Code was actually enforced, few registered the leasehold, and landowners, in particular, disliked it. In consequence, there were many ill effects with regard to the right of using housing land. Thus the right of usage was reinforced in order to overcome these problems with the establishment of the Act Regarding the Superficies in 1900. This revision, however, did not totally change the principles of the Civil Code, and it is regarded as a mere readjustment of an erroneous oversight on the part of the drafter of the civil Code.

At any rate, the root cause of the problems pertaining to the application of the code rested on the dominance of the landownership right. This trend in connection with the so-called "earthquake transaction" at the end of the Meiji period led to the enactment of the Building Protection Code.

## "The Earthquake Transaction" and the Building Protection Act

### 1. The Popularity of "The Earthquake Transaction"

Together with the economic growth after the Sino-Japanese war, many dis-

putes regarding the raise in ground rents emerged as a result of the great rise in land prices in the urban areas. The sentences given by the Grand Court concerning these disputes only recognized the right of requesting increased ground rents from those having housing leases in perpetuity, but this was not applicable to leases with a limited term. Consequently, many problems arose in the period when the economy was turning upward after the Russo-Japanese war (1904-1905) and a phenomenon called the "earthquake transaction" developed. The rise of ground rent rental was slow compared to the rise in urban land prices and general commodities. Thus, when a tenant did not agree to a raise in ground rent, the land was tentatively sold to another party. The new landlord then requested the tenant to vacate the house; in effect the tenant could be "shaken" off the land. This new strategy became extremely popular.

It had originally been customary from the Edo period onward for the leasehold to have a competitive right vis-à-vis the ownership right. According to the Old Civil Code which was promulgated in 1890 a leasehold was treated very similarly to a real right. With the New Civil Code, however, a lease right without registration lost the quality of a real right. Although some revision was made by the Act Regarding Superficies of 1900, the superiority of landownership right was immovable.

In order to counter this trend, an opposition movement was started mainly by those who were renting ground for dwellings and especially by those who leased ground for business and constructed structures for rental. For example, a business organization in Nihonbashi Ward, Tokyo, sent Masutaro Takagi, president of Horitsu Shinbunsha (the Legal Newspaper Company) to the Diet in order to aim at a legislative solution for the problems of the earthquake transactions. Takagi stood as a candidate for the House of Representatives in 1908 and described himself as "an urban representative who promises to carry out commercial and industrial development policies; a new candidate who is a native Edoite; an independent lawmaker who regards assistance given by the government authorities and the plutocrats to be unfair" (Horitsu Shinbun, 1908). Takagi was supported by many leaseholders and was elected with the

highest number of votes, becoming a key figure in the enactment of the Building Protection Act.

## 2. The Establishment of the Building Protection Act

When the Building Protection Act was promulgated in May 1909, the registration of a structure on leased land came to have the same effect as the registration of a lease. Consequently, the earthquake transaction by landowners was prohibited, and at least a structure belonging to a lessor was protected.

This act was said to be merely a supplementary measure that legalized the customary practices of the Edo period protecting buildings on leased land rather than totally changing the principles of the Civil Code. However, compared to the absolute superiority of land ownership which had existed thus far, this established a germinating point for the Lease Act which came later in the Taisho period. In particular, in view of the fact that this act had the legal effect of protecting tenants of leased ground who owned structures for business or dwellings, it recognized the superiority of capital invested in structures on leased land as fixed assets. The chief characteristic of this act was that it fulfilled the idea of the preservation of property. In other words, this clearly revealed a modern legalistic trend which was to reinforce the use right as well as the usufructuary right from the viewpoint of protecting and preserving invested capital. Thus, with the development of capitalism after the Russo-Japanese war (1904-1905), this act basically recognized the relative superiority of capital over landownership and protected the structures into which capital was invested. This act pioneered the path toward legislation protecting capital.

The same act was also important in the sense that it improved the environment of real estate finance, especially building finance in urban areas. A long-term industrial fund had already been supplied for real estate finance through the section in charge of real estate by such special banks as Japan Industrial Promotion Bank, started in 1897.

Agricultural and industrial banks opened in various prefectures starting from 1898, and Hokkaido Colonial Bank started in 1900. Furthermore, together with the increased collateral power given by structures on the basis of the Building Protection Act and the establishment of industrial capital, in 1911 a mortgage loan was authorized for urban collateral money and factory foundations. This not only brought about financial development regarding house collateral and house purchase, but also stimulated the subsequent development of the real-estate industry.

#### Housing Problems and Garden City Theory

Housing problems in Japan had already arisen toward the end of the Meiji period. However, this did not become a full-scale social problem until the Land Lease Act of 1921, which is regarded as having altered the basis of the Civil Code, was enacted and, in addition, until the movement to establish the building Lease Act began.

There was also an increased influx of workers into urban areas together with the development of Japanese capitalism, which centered around heavy industries from about the Russo-Japanese war (1904-1905) onwards. At the same time, middle- and high-class workers received higher wage incomes due to an economic boom, and thus their desire to move from a rented room to a rented house, and then to become house owners was escalated. Conversely, the supply of rental housing began to stagnate because of the rise in building costs and especially that of land and also because of increased investment opportunities in other more profitable businesses. Finally, an absolute housing shortage in terms of the available number of houses developed.

Salary men belonging to the middle class or above were able to live in suburban houses out of the old city region, which began to become overcrowded. Thus, "garden cities" were formed mainly in the Hanshin and Keihin regions, and houses and lots for sale in the suburbs became popular from the end of the Meiji period to the Taisho period when suburban private railways developed.

These trends were promoted by the "garden city theory." Ebenezer Howard (1850-1928), a committee member of the English Garden City Association, had already expressed a "garden city theory" in 1898. Then in 1902, he set up the First Garden City Company in Letchworth located 50 kilometers northwest of London and began the construction of a new city with an area of 3818 acres (about 1550 hectares). Although Howard and others subsequently promoted the movement, this was the first garden city project that attracted world-wide attention as a model for a new city development.

This garden city theory was systematically introduced to Japan for the first time in a book entitled Garden City edited by the "Volunteers of the Ministry of the Interior, Local Bureau," which was published in December 1907. The book primarily describes the English garden city movement promoted by Howard and others, incorporates abundant examples of housing policies and housing improvement movements from various countries, and also refers to farm improvement projects in Japan. This book is the first book to introduce the garden city theory even though the contents are diverse and do not directly relate to policies and development technology.

Incidentally, it is noteworthy that young bureaucrats of the Ministry of the Interior, Local Bureau, which was the core of civilian control published the first garden city theory in Japan. Japanese bureaucrats always tried to import and digest ideas and materials from the advanced Western nations and clearly exhibited a "characteristic based upon initiative." It can also be said that administrators sought measures to solve the problem of overcrowding using the experiences of foreign countries because housing problems had only just begun to emerge in Japan at that time.

At any rate, this garden city theory became a kind of fad among some people in politics, journalism, and the real-estate industry. Not much later the subdivision of suburban houses and lots became a reality due to the development of suburban private railways.

#### IV. THE DEVELOPMENT OF SUBURBAN PRIVATE RAILWAYS AND THE SALE OF HOUSES AND LOTS

##### Private Railways and Development Along the Railway Lines in the Kansai Area

###### 1. The Establishment of Kansai Private Railways

In April 1905, Hanshin Electric Railway Company Limited opened the first suburban private railway in Japan, which was called a "high-speed electric railway with exclusive tracks for passengers only." On a broad-gauge railway, the train ran a distance of 19 miles (31.2 kilometers) in one hour twenty minutes along the coast between Deiribashi in Osaka and Sannomiya in Kobe. The total number of passengers from Osaka City had reached 1,520,000 people by the following year (1906), and the train gained public favour. From around 1910, suburban electric trains around Osaka made remarkable progress. For example, Minoo Arima Electric Railway Company (present Kehanshi Express Railway) and Keihan Electric Railway Company were opened in 1910, and the Nankai Line run by Nankai Railway Company, which linked Osaka and Wakayama was completed in the following year, 1911. Osaka Electric Railroad Company (present Kinki Nippon Railway) began operations between Osaka and Nara in 1914.

However, at first these private railways which joined Osaka, a major city in Kansai, with Kobe, Kyoto, Nara, and Wakayama as well as with intermediate cities, towns, and villages were predominantly connection lines for business purposes as well as for leisure activities such as sight-seeing. They were not opened on the premise that there would be population diffusion from Osaka city to the suburbs or urbanization in the suburban towns and villages.

As the construction of railways preceded the urbanization of the areas along the railway, private railway companies realized that housing land development as well as the sale of divided lots with houses along the railway comprised the foundation of multiple management so that they could not only secure a demand for transportation, but also maintain the profits derived from transportation. Therefore, they began to play the role of a real-estate industry.

## 2. Development Along the Kansai Private Railways

Those who could afford a house in the suburbs from the end of Meiji to the early Taisho period (about 1907-1915) were limited to a handful of people belonging to the propertied class and the upper middle class. The most appropriate land belonged to two private railway companies, which thus became engaged in housing land development, the Hanshin Electric Railway Company and the Minoo Arima Electric Railway Company. Other companies such as Keihan Electric Railway Company and Nankai Railway Company at first were not successful.

Hanshin Electric Railway Company first started the development of suburban housing in Japan. As early as January 1908 the company made an appeal to urban dwellers with the publication of a PR booklet entitled "A Recommendation to Suburban Dwelling." As a result of providing various services such as the free brokerage of land and house, free transportation of household goods at the time of moving, and a great discount for the users of commuter passes, the number of those who moved to the suburbs gradually increased. However, there were only a small number of houses along the Hanshin Railway, and the rent was expensive. The company completed 30 units of rental row houses for the first time in front of Nishinomiya Station in September 1909 so that it could also impress upon the public that it provided model inexpensive and comfortable houses. Subsequently in September 1910, the company sold about 70 lots with modern houses along Eda River in Nishihatake, Naruo, which is located south-east of present Koshien. In the same year the company built about 20 high-class houses in Yamate, Mikage.

The Hanshin Electric Railway began to place emphasis on the land and housing business. Believing that the area along the Kita Osaka Line which was under construction from the spring of 1911 would develop, the company, first of all, bought up approximately 12 hectares in the Sagisu area for about 460,000 yen, and gradually extended its landownership. By the Taisho period, the extent of its ownership reached as far as the left bank of Yodo River. In the Meiji period, the company managed 139 houses and thus paved the way for full-scale development, which was to come later.

In addition, it was Minoo Arima Electric Railway Company (now called Hankyu) led by Ichizo Kobayashi that exerted great influence on other private railways due to an earnest effort to manage a large-scale housing business. This company was started in 1907 as a leisure line which connected Osaka with such scenic areas as Arima, Takarazuka, and Minoo. Moreover, the company bought up at extremely low cost the area along the line to be installed. Upon the opening of the Minoo Line between Umeda and Takarazuka in 1910, the company started to sell subdivided lots and houses at Takaracho in Ikeda and Sakurai in Minoo.

The total acreage of about 11 hectares in the Ikeda Housing Site was subdivided into lots with approximately 333 square meters each. The company constructed 200 houses (modern houses combining Western and Japanese styles of architecture) of two-storeys with five to six rooms (about 66-99 square meters) for the upper middle class. The standard price for a lot and house was 2,500 yen. These houses were sold out immediately because there was a convenient system of payment in which after the initial down payment of 50 yen, the remainder was covered by a monthly payment of 24 yen on the basis of a ten-year mortgage. Moreover, the Toyonaka housing site (about 17 hectares) was subdivided and sold in 1914 not only for private residence but also for company and bank dormitories. Consequently, the area managed by Hankyu in the Meiji period grew to 27.56 hectares, and the company continued to make remarkable progress. In the Taisho period (1912-1926), the area of land subdivided and sold by this company reached as much as 117 hectares.

Private railways represented by Hanshin Electric Railway Company and Minoo Arima Railway Company became active and powerful real-estate dealers in a period when general land and housing companies in the Kansai area had not yet developed sufficiently. Thus, the development of suburban housing gradually progressed along these private railways from the western and north-western areas of Osaka to the outskirts.

#### Suburban Development in Tokyo

On the other hand, the urban area in Tokyo at about the end of the Meiji period was primarily within a radius of 4 kilometers from Tokyo Station, and urban transportation consisted mainly of city trams and such national railway lines as Yamanote, Chūō, Jōban, and Sōbu. Compounded by the lack of suburban railways at that time, the sale of subdivided lots and houses in the suburbs of Tokyo did not materialize until after the Taisho period.

Therefore, the sale of lots and houses by Tokyo Trust Company, founded in 1906, is especially noteworthy. This company is said to have been the first trust management in Japan. In September 1903, Hajime Iwasaki, a chief clerk of the Land Section, Mitsui Bank, responded to the need for trust management expressed by the affluent and started a company with his private capital. As a result of the land boom after the Russo-Japanese war (1904-1905), this company was expanded into a shareholding company with a capital of 1,500,000 yen invested by influential members of the Mitsui family and other financial magnates.

At first, this company was in charge of maintaining land and buildings in Tokyo owned by the Mitsui family as well as real estate owned by good customers of the Mitsui Bank and the nobility, and then the company made profits through transactions and real-estate brokerage. Because the real estate maintained by this company extended throughout Tokyo especially after the Russo-Japanese war, the company established agencies at Koishikawa, Akasaka, Yodobashi, Fukagawa, Shiba, and Shitaya from September 1906 on. In addition, the increased finance from real estate collateral triggered the establishment of seven branch offices throughout

Japan and thus the company achieved exceptionally good results in the real-estate industry at that time. When Osaka Trust Company was in financial difficulty due to failure in land speculation, Tokyo Trust Company extended its sphere of influence into Osaka and restored its finances. Subsequently, Tokyo Trust Company with the co-operation of Masuda Building Brokerage Bank reorganized Osaka Trust in 1912, and established Kansai Trust Company (capital 2,000,000 yen), which had its base in the Osaka area.

In 1912, Tokyo Trust planned the construction of the first garden city in the Kanto area, and bought about 24 hectares ranging from Komazawa Village to Tamagawa Village in Ebara County, Tokyo-Fu, which fell on the southern side of Sakurashinmachi Station on the Tamagawa Electric Railway Line. The Shinmachi housing lots were first sold in Komazawa Village. The following year, about 17 hectares were subdivided into 147 lots of about 330 square meters to 1650 square meters each and sold.

#### Real Estate Companies and Suburban Development in Nagoya

Compared to the trend toward a megapolis in Tokyo and Osaka as a result of industrial and population expansion, Nagoya's accumulation power in the Meiji period was still low. Consequently, there was not as strong a housing demand in Nagoya, and real-estate companies did not exhibit as much development. Nevertheless, the population grew from about 115,000 people in 1878 to about 157,000 people in 1889. Nagoya was also influenced by the industrial revolution which occurred around the Russo-Japanese war, and the population exceeded 354,000 in 1907 and 435,000 in 1912.

Together with this trend, a demand and supply for rental houses increased and agents who took care of transactions and brokerage emerged. As early as June 1898, Hiromori Limited Partnership (capitalized at 24,000 yen with 10 shareholders) had begun operations in the land and house lease business at Hijie-Chō. Marusan Limited Partnership (capitalized at 30,000 yen with 4 shareholders) began operations in the land and house

lease and brokerage business as well as in money lending at Shumokucho. It can be assumed that small brokers also began to emerge at this time. In addition, Toyo Real Estate Company was founded in 1898 and Sekiya Family Corporation in 1909, both of which were primarily in charge of preserving properties for the propertied class. Furthermore, such full-scale real-estate companies as Nagoya Trust Company, established in 1912, and Yamada Company, established in 1913, finally began to develop in the Taisho period.

Suburban development due to the founding of Aichi Electric Railway Company (developed into Nagoya Railway Company in 1935) is noteworthy during this period. Upon the completion of the Tokoname Line by the same company between 1912 and 1913, a plan was made to construct country houses in the Chita peninsula. In July 1912, Shinmaiko Land Company with a capital of 1,000,000 yen was founded. It bought 7.5 hectares of imperial property along Ise Bay at Asahi-machi, Chita County, and began the sale of country house lots under the name Shinmaiko Modern Village. At the same time, this company also developed a hotel, a swimming beach, and an amusement park. This reflects the fact that together with the progress of the Industrial Revolution some of the propertied class in the Nagoya area became interested in acquiring a country house. At the same time, it can be seen that suburban housing developments had not yet progressed in Nagoya as in Osaka and Tokyo.

## V. THE DEVELOPMENT OF THE REAL-ESTATE INDUSTRY

### Various Forms of the Real-Estate Industry

The development of heavy industries from about the Russo-Japanese war onward acted as a promoting force for the further progress of capitalism in Japan. In due course, centering around big cities, there was an extension of industrial belts not only in the Keihin area and the Osaka area but also to a lesser degree in the Nagoya area. And the expansion of population which mainly consisted of workers, salaried workers, merchants, etc., led to an increased demand for houses. Moreover, an extension and concentration of houses was seen as a result of the development of city electric trains (tramways) in Tokyo and Osaka, the electrification of the national railways inside and on the outskirts of Tokyo, and the development of suburban railways in the Keihin, Hanshin, Chukyo, and especially in the Hanshin area.

These trends naturally increased the supply of housing land and buildings. Therefore, it can be said that it was about this time that there emerged realtors who later were to develop powerful businesses.

The initial business trend was toward the production, supply, and maintenance of rental houses. The undercurrent for this trend was based upon the landlord-tenant system seen in the back-street tenement houses which had existed since the Edo period. Corresponding to an increase in the wage-earner class, petty owners of housing land and houses tried to start lodging house and rental room businesses for the lower class. When the wage standard began to rise in general as a result of economic prosperity, workers who belonged to the middle and upper classes became anxious to move from back-street tenements, lodging houses, and rented

rooms to single-family rental houses. Compounded by the development of rental houses for salary workers from the middle of the Meiji period, it became popular for the well-to-do in Tokyo to build rental houses as in 1905. At the end of the Meiji period there emerged a new real-estate production and supply business of house builders who sold ready-built houses for rental in the Osaka area. In addition, there was a general tendency to move toward multi-storied structures in order to increase the utility value of the land due to soaring land prices. The apartment house business (collective rental business) emerged in Tokyo at the end of the Meiji period. Although initially the apartment houses were primarily aimed at the upper classes, they paved the way for a later development to be seen after the Taisho period.

Secondly, production, supply, and maintenance of buildings for business use developed. In addition to the system of renting out stores facing the front street, which had been in existence as a result of the move toward solid high-rises and an increasing amount of invested capital, greater emphasis began to be placed on the office rental business as represented by the construction of the Marunouchi area by Mitsubishi. Subsequently, during the Taisho period, when ferroconcrete buildings became prevalent, the building rental business started to develop primarily under the auspices of big capital such as zaibatsu capital.

The third trend was the emergence of the production and supply business which permitted prospective buyers to become petty owners through the sale of land and the construction of houses. For example, Tokyo Building Company attempted the sale of ready-built houses and the subdivision of lots. Together with the garden city boom, which started around 1907, the sale of ready-built houses along the railways began to develop mainly in the Hanshin area where suburban private railways were especially developed. In addition, there was also the sale of subdivided lots by Tokyo Trust Company in the Keihin area, and this paved the way for the sale of suburban houses in the Taisho period.

The fourth trend was the development of a full-scale real-estate industry. As a result of the improved conditions of the above-mentioned supply and

demand for land and buildings, the real-estate industry was engaged in the circulation sector such as transaction, brokerage, and financing. Within this industry the number of small-scale sales brokers who were closer to prospective buyers, operating in the conventional manner, increased at first. Then as the suppliers of land and buildings grew into large-scale concerns, gigantic full-scale realtors emerged in succession. At the same time, these realtors expanded their operation into the area of financial loans through real-estate collateral. Corresponding to a sudden increase in real-estate demand, this can also be said to be a major factor which in one respect promoted an increase in the supply, transaction, and brokerage of real estate.

#### The Development of Real-Estate Companies

Big companies that produced and supplied real estate also managed the circulation sector of real-estate transaction, brokerage, and finance, as in the case of the following: Mitsubishi Unlimited Partnership, Realty Section, Tokyo Building, Tokyo Trust, Hanshin Electric Railway, and Minoo Electric Railroad. However, there was an increasing number of conventional agents whose businesses grew into large-scale operations.

The first type grew out of trust companies which handled finance, stocks and bonds, and trust company bonds with collateral. Apart from trust operations, in reality they were also in charge of real-estate transactions and maintenance. Then they shifted the core of their business operations to transaction brokerage, mortgage loans, land speculation, etc., and then extended into such operations as real-estate evaluation, designing, and drafting. For example, the following large companies fall into this type: Tokyo Trust Company (capitalized at 1,500,000 yen), Osaka Trust founded in 1907 (later developed into Kansai Trust with a capital of 2,000,000 yen), Kobe Trust (capitalized at 1,000,000 yen), and Nagoya Trust founded in 1912.

The second type were businesses that expanded from full-scale real-estate agencies and brokers. The majority of realtors until around 1907

were medium and small companies with a capital of about 10,000-20,000 yen, the highest being capitalized at 100,000 yen. From about 1911, however, such big companies as Osaka Land and Building Company (capitalized at 3,000,000 yen as of 1921; all following figures are for the same year), Okamachi Housing Business Company (600,000 yen), Osaka Harbor Land Company (5,000,000 yen), Naniwa Land Company (2,420,000 yen), Settsu Land Company (3,500,000 yen), and Sennichi Land and Building Company (5,000,000 yen) emerged in succession in the Hanshin area. Moreover, the large company Tokyo Land Company (capitalized at 5,000,000 yen) founded in 1902 emerged also in the Keihin area.

These realtors were so easily influenced by economic fluctuation that their rise and fall was striking. By the end of the Meiji period, however, large full-scale realty companies had developed as a result of a sudden increase in housing demand as well as due to rising land prices.

Furthermore, from around the time of the Russo-Japanese war, various businesses related to the real-estate industry began to exchange information and advertise, and thus the publication of related books, magazines, and newspapers also started. For example, Tokyo City and the Ward Survey Committee started to publish a magazine entitled Tokyo Land Monthly Bulletin from 1912 which mainly contained changes in land transactions. Additionally, in August 1916 the Housing Improvement Association began the publication of a monthly magazine entitled "Housing" (continued until December 1943), and Land and Houses which had been published thus far was cancelled in the same year. Thus information pertaining to real estate was finally being improved.

As for newspapers, Kokumin Newspaper contained many articles pertaining to real estate, and there were articles revealing the situation regarding rental houses in Tokyo as early as March 1894 and August 1896. In the early Taisho period the Kokumin Newspaper Company invited its readers to vote for "An Ideal Location for a Villa." Based on the vote, Rikimatsu Watanabe, a city policy journalist of the same company, wrote an article in Kokumin Newspaper introducing such new residential areas as Fuchū, Ichikawa, Chōfu, Abiko, Hatogaya, as well as new villa sites such as

Shirakawa, Hoya, Hannō, Sengokubara, Ōmiya, Enzan, Aobori Village, Urawa, Shirako Village, Kutsukake, Kimitsu Village, Kamogawa Town, Usuda Village, Shakuji Village, and Numazu Village. It is presumed that there was a very strong demand for suburban houses and villa sites at that time. This article was revised and compiled into a book entitled Suburban Houses and New Villa Sites (Shiseido 1916) by Shōichi Nakagara.

In addition, Haruji Nishimoto organized a Topographical Study Group in Osaka about the end of Meiji and began the publication of Land Key Journal to be issued three times a month. He promoted this by saying that it was "the only bulletin in the realty circle in the country." Each issue contained not only the opinions of famous people in the land and building business as well as reference articles, but also it contained details of the registration pertaining to real-estate transactions in Osaka, Kyoto, and Kobe and it gave character sketches. Haruji Nishimoto wrote a book entitled Osaka and Real Estate (Topographical Study Group, 1913) with the use of these articles. On the basis of these, it is possible to discern the development and prosperity of the real-estate industry from the end of the Meiji period.