



KRIHS Policy Brief

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Achievements of real estate policy in the past 40 years and future tasks identified by indicators

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1. Continued supply of houses and lots has resulted in significant improvement in dwelling both in quantity and quality in the past 40 years.

- On average, 28.1 km² of housing lots were supplied annually between 1982 and 2017, 1,011.8 km² in total. Notably 104.2 km² of housing lots were supplied in 1989 under the government's initiative to construct two million houses.

- House supplies were: 259 thousand per year in the 1980s → 558 thousand per year in the 1990s → 530 thousand per year in the 2000s and onwards.

- The total number of houses increased from 4,730 thousand in 1975 to 16,370 thousand in 2015. The number of houses per 1,000 populations increased from 214.5 in 1995 to 383 in 2015.

- The quality of dwelling has significantly improved in terms of housing space per capita, number of dwellers per room, and living space.

2. Consistent policies to stabilize the property market in response to excessive booms and depressions in the market have contributed to reducing price fluctuations.

- The nationwide house price fluctuation has been on the decline from 4.6% (1987-1997) to 3.9% (1998-2008) and 2.0% (2009-2017).

- The nationwide jeonse price fluctuation has slowed down from 7.5% (1987-1997) to 4.2% (1998-2008) and 4.3% (2009-2017).

- The land price fluctuation has been on the decline from 9.1% (1987-1997) to 2.0% (1998-2008) and 1.8% (2009-2017).



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Policy proposals

1. Develop inclusive and comprehensive housing support plans in response to socioeconomic changes.

- Housing support tailored to lifecycle stages and household income levels, house stock control (vacancies and reconstructions), support for people living in irregular dwellings, and inclusive housing support for single households and youths.

2. Ensure flexibility in policy in response to market situations and regional conditions to stabilize the property market.

- Flexible policies to vitalize local economies and meet local needs, thereby ensuring demand management and minimizing unsold houses.

3. Develop land use and construction plans in response to population declines and growth slowdown and strengthen public interest in land use.

- Develop and implement policies to ensure efficient use of idle land following population declines.

n areas. Now new urban policies are needed to respond to population declines and growth slowdown.