The Dilemma of Housing Demand in Taiwan 現行台灣住宅需求之困境

1. Introduction

2. Housing Market Dilemma in Taiwan 分析

3. Cause for the Dilemma 原因

4. The Impacts of the Dilemma on Housing Demand 影響

5. Possible Solutions to the Dilemma 解決方案/政策建議

Introduction

1. Three high features of housing market：
   - ① **high housing vacancy rate**
   - ② **high housing prices**
   - ③ **high home ownership**

2. explore the **motivation** and **preference** of housing purchase
3. propose suggestions for the government **policy making**

The Housing Market Dilemma   困境

① **high housing vacancy rate**
② high housing prices
③ high home ownership

Figure 4 The Changes of Housing Vacancy in the Main Cities in Taiwan

- The more housing vacancy is, the lower housing prices are.

- The low level of urban development in **rural areas in** Taiwan reveals the higher housing vacancy rate in rural areas. 郊區

- sluggish urban renewal （遲緩的都市更新）was the main factor for excessive housing supply（過多的房屋供給）

- housing vacancy keeps rising while the problems of poor quality old housing still cannot find the way to renew.

The Causes 原因

1. Causes for the High Housing Prices
   - expect to gain
   - 泡沫房價模型

2. Causes for the High Home Ownership Rate
   - traditional culture

3. Causes for the High Vacancy Rate
   - 貸款利率low
   - 不動產持有稅low
   - 租金對於房東來說微不足道

導致 → 不動產持有成本很低

Country/region	Rent Multiplier (Year)	Rental yields (%)
Taiwan	64	1.57
China	48	2.10
Hong Kong	38	2.62
Singapore	39	2.54
Malaysia	27	3.72
Japan	38	2.66
Thailand	19	5.13

Source: Global Property Guide

Table 4 GRM and Property Returns in Main Countries/Regions around the World

租金收益率
Rental yield=(Annual rental income)/(Property Value)

GRM：gross rent multiplier
GRM=房價(HP)/年租金(AR)
表示租多少年等於買了一棟房子

The Impacts 影響

1. **Life-Cycle Hypothesis** and Adjustment of Housing Demand

2. Impact of High Housing Prices on **Fertility Behaviors**

3. Impact of High Housing Prices on the Housing Arrangement for the **Elderly**

The Impacts 影響

1. **Life-Cycle Hypothesis and Adjustment of Housing Demand**

   - **Young stages** of family life cycle are less likely to move upward than those with school-age children；**Elderly**：small-space housing 、suburbs

   - However, high housing prices lead the population outflow from Taipei City, which makes Taipei City have the most elderly people among the six metropolitans.

The Impacts 影響

3. **Impact of High Housing Prices on Fertility Behaviors**

   - 高價→ Dare not having children after buying housing→買房的夫妻比沒買房的更久才生育

   - 房屋被視為生小孩的前提→No house no children

4. **Impact of High Housing Prices on the Housing Arrangement for the Elderly**

   - 傳統觀念三代同堂

   - 高價→many young married couples purchase or rent housing only big enough for their own family with **no spared space for their parents**. Thus, more and more elderly are **unable** to live with their adult children (Chang & Chang, 2010)

Solution

Possible Solutions 解決方案

1. The Fundamental Nature of Housing Should Be Consumption
   自然的住宅市場應該以消費性住宅為主

2. Decrease Demand of Housing Investment and De-Commodify Housing to Solve the Dilemma of Housing Demand
   減少投資性住宅、降低房地產的商品化

3. Improve the Mechanisms of the Housing Market, Use the Vacant Housing Efficiently and Promote the Transparency of Real Estate Information
   改善房地產的市場機制、提升空屋使用率、增加房地產資訊的透明化

4. Improve the Rental Market and Provide Multiple Subsidies for Disadvantaged Families
   改善租屋市場、補貼弱勢家庭(居住正義)

Possible Solutions 解決方案

1. **The Fundamental Nature of Housing Should Be Consumption**

   自然的住宅市場應該以消費性住宅為主

   - The government should construct a **tax system**

   - collecting taxes on the **profit gaining** from the transaction of land and housing, all of which could be used on the public facilities for the society 課徵房地產交易的資本利得稅…讓廠商的利潤減低(投資誘因變小)…並回饋社會或公共設施。

   - However, it has negative influence on the middle class and the disadvantaged people. Therefore, establishment of **relevant policies** would be required.然而這樣的作法會有負面影響，例如中產階級及不利人士(the disadvantaged people?)所以會需要相對應的政策。

Possible Solutions 解決方案

2. **Decrease Demand of Housing Investment and De-Commodify Housing to Solve the Dilemma of Housing Demand**

   減少投資性購屋、降低房地產的商品化

   - Expand **the gap of the mortgage rate** between **owner-occupancy and non-owner-occupancy** for protecting the demand of the owner-occupancy house buyers 增加自住與非自住貸款利率的差距，以保障消費性市場買家

   - **Collect high property taxes** on real estate from non-owner-occupancy, to collect higher income taxes on those who reap profit from price appreciation **from short-term transactions** 對短期投資得到的利潤(資本利得)課徵稅收

   - Provide **lower mortgage ratio** and **higher interest mortgage rate** on non-owner-occupancy demand   提供較低的貸款額度比例；較高的貸款利率給非自用性住宅的買家

it could widen the differences in transaction costs and holding costs between owner-occupancy and none-occupancy   擴大消費性與投資性(自住與非自住?)的持有成本、交易成本

Possible Solutions 解決方案

3. **Improve the Mechanisms of the Housing Market, Use the Vacant Housing Efficiently and Promote the Transparency of Real Estate Information**
   改善房地產的市場機制、提升空屋使用率、增加房地產資訊的透明化

   - Provide transparent and complete information of the housing market
   - Especially that of the vacant and for residential use. 特別是空屋作為住宅使用的部分

4. **Improve the Rental Market and Provide Multiple Subsidies for Disadvantaged Families**
   改善租屋市場、補貼弱勢家庭(居住正義)

   - Set out the rights and duties of the landlords and tenants 制定房東、房客的權利義務
   - Provide incentives of taxes and loans for housing repairing 在稅金與維修貸款上給予誘因
   - Prosecute illegal housing and poor rental housing to improve the rental market起訴不合法的住宅
   - **Low-income** and **economically disadvantaged people** are more likely to **be rejected** in the rental market許多房東不願意出租給弱勢家戶→ **rental housing subsidies & increase the quantity of social housing**

Conclusion

1. This study suggests the government adopt measures and propose policies **to de-commodify land and housing**.

2. served as valuable reference of **solving the problems** of high housing prices and high housing vacancy, which are applicable in any **cities with similar housing problems**.

心得

綜合性的整理、討論、羅列台灣目前住宅市場的困境(三高)

特殊：高空屋率

台灣房屋租金太低、房屋持有成本低

最終，我覺得回歸到本質上─這篇文章一直想傳達的觀念、理想：也就是
「**Housing is clearly defined as ownership instead of marketable commodity**.」這是
政府在制定任何住宅政策時，都應秉有的大方向(觀念)，才不會讓住宅市場淪為
不動產投資商品化的困境。