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### Young adult homeownership pathways and intergenerational support

*Homes, meanings and practices*

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## 5. Young adults' pathways into homeownership in Tokyo: shifting practices and meanings

*This chapter has been submitted for publication with an international peer reviewed journal.*

### Introduction

The experiment of single family, mortgaged homeownership in Japan crystallized in the 1950s and the ideology accompanying this project held tremendous power until the mid-1990s (Forrest and Hirayama 2014; Ronald 2004; Hirayama, 2007). The bursting of the economic bubble marked the beginning of a period of destabilization of the post-war social system, in which life-long employment, male breadwinner family units and a housing ladder culminating in ownership of a single family detached home, framed mainstream adult life-courses (Forrest & Hirayama 2009; Izuhara 2015; Honma, 1980). Indeed, in recent years, the hegemony of the post-war homeownership system seems to be increasingly challenged in practice. Surveys of young adults' housing preferences trace the declining aspirations toward homeownership among a generation that grew up and came of age in an era of stagnating house prices and depreciating land prices (MLIT, 2012). The decline in stated preferences arguably lies with the decreasing accessibility of homeownership for potential homebuyers (Hirayama, 2013). But it is also a sign that homeownership as it took material form under the post-war system, no longer fits the aspirations of contemporary Japanese young adults.

Research focusing on young people's housing trajectories in Japan remained geared toward the decreasing opportunities to pursue the single-family mortgaged homeownership pathway (Forrest and Hirayama, 2009; Hirayama, 2013, 2014). Though increasing attention has been given to alternative housing pathways (such as remaining in the parental home, or single renting) (Ronald & Hirayama 2009), less attention was given to how paths into homeownership are diversifying (but see Kubo & Yui 2011) and how the meanings of the tenure are changing. However, more than two decades after the bursting of the bubble economy, evidence suggests that contemporary young adults are practicing homeownership in different ways compared to their predecessors. Also, the meanings of the tenure are ostensibly shifting for a generation that primarily experienced the post-bubble period of economic stagnation and accelerated demographic aging.

The question then is how do young adults practice and (re)produce homeownership in the social and material context of contemporary Japan, and how do they challenge the post-war system. In order to address this question,

this article draws on the narratives of a group (28 households) of young adults (aged 25 to 39) living in Tokyo. It considers homeownership pathways in Japan's most dynamic housing market among post-bubble adults and the implications of changing everyday practices for Japan's housing and social systems.

The article addresses three pathways into homeownership: that of couples on the verge of parenthood, that of family successors<sup>1</sup>, and finally that of young single homeowners. It shows how homeownership pathways are bound with the efforts of individuals, couples, and young families to carve out meaningful spaces of home in specific housing markets in relation to individual aspirations and kinship roles. Since homeownership has historically been the 'superior tenure' in the Japanese housing system (Hirayama, 2007), owner-occupied homes typically offer young people better life quality (Daniels, 2010), the space to build a family or the ability to display one's individuality. However, the conditions in which homeownership clearly translates into asset accumulation are narrowing, undermining the role of homeownership (and in the case of Japan land ownership in particular) as a store of wealth. This means young adults today either enter homeownership with little expectation of wealth accumulation or make strategic decisions that take advantage of temporally and spatially bounded market hot spots. For some young adults, homeownership is also tied to duties, responsibilities and rights of family succession. For these, the financial merits of homeownership are often irrelevant. However, negotiating home space for a young couple/ family within the confines of extended family relations both challenges relationships between generations and shapes housing choices, for example renting for longer periods of time in expectation of moving in with parents.

The article aims to make two contributions. The first is to understandings of Japanese society and the changing meanings of housing and tenure in a mature homeowner society. By focusing on the everyday practices of becoming and being a young homeowner in Japan, the paper will identify the ways in which young adults adapt to, and challenge the tenets of the, arguably failing but still ideologically resilient, post-war housing system. The second is a contribution to the housing pathways literature (Clapham 2002; Clapham et al. 2014). By stressing the ways in which pathways are negotiated within material environments, the paper will argue for refocusing the concept

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<sup>1</sup> Though Japan has instituted a system of equal inheritance in the post-war period (Izuhara, 2002), both previous research, and the data collected in this study suggest that families continue to designate one child to take over family land and housing, while other children may or may not receive monetary inheritance. The housing pathways of young adults who do take over family fortunes differ markedly from those of their siblings.

from an emphasis on discourse and individual identity projects, to embodied practices.

The remainder of the paper is structured as follows. In the next section, we make the case for re-conceptualizing housing pathways with a focus on embodied practice. We then introduce the socio-material context of Japan's housing system and Tokyo's housing market that frame young adults' pathways into homeownership. The paper goes on to clarify the empirical ambitions as well as introduce the study design and methodological choices. Our analysis of the findings establishes each of the three pathways into homeownership and discusses how homeownership practices develop in relation to home making (and relations within the household), investment strategies, and intergenerational relations. Finally, our discussion reflects on the implications of these findings for understanding access into and through homeownership in contemporary Japan, but also for envisioning the future of Japan's homeownership project.

### **Housing pathways in practice**

This article emphasizes practice and is keenly sensitive to the material conditions, physical and financial aspects of home (Smith, 2008) that frame homeownership. In particular, the article stresses the decreasing salience of the post-war iteration of homeownership to the everyday home practices of Japanese young adults. Throughout this article, the concept of housing pathways will be used to describe the trajectories young adults follow (Clapham et. al, 2014). Though there are many different ways of conceptualizing housing trajectories, the pathways concept best captures the realities analyzed here due to its focus on diversification and non-linearity of housing trajectories as well as its emphasis on the practical consciousness of the individual under conditions of late modernity (Clapham, 2005). In Clapham's (2005) definition, housing pathways are thus 'patterns of interaction (practices) regarding house and home over time and space' (pp. 27).

Giddens' structuration theory and social constructivism (Giddens, 1984; Jacobs, Kemeny, and Manzi, 2004), have brought discourse, language and meaning center stage in defining what a pathway is. However, the conceptual focus on language that defines zones of meaning has also obscured the embodied material aspects (Clapham 2011) of housing trajectories. To bring the material back into housing trajectories we define housing pathways as successive interrelated acts of dwelling (McFarlane 2011) in a given environment. The dual meaning of dwelling, both the object (home) that

frames daily living and the action of living in a specific materially bound urban environment, captures the nature of housing trajectories as skillful, embodied processes.

By focusing on practice and performance instead of discourse and meaning, we can conceptualize housing pathways as socio-material phenomena (McFarlane 2015; Jacobs and Smith 2008). Hence, buying a house (or not buying a house) is not necessarily subsumed to a project of the self, underscored by discourses proclaiming the desirability of homeownership. Instead, it is practically negotiated in the urban housing environment in which the plans of municipalities, the workings of a housing market, mortgage practices, but also floor plans and amenities of homes, ideals of home life and intergenerational responsibilities assemble (Miller, 2005; Jacobs and Smith, 2008). Consequently, to understand housing pathways one must define the environment made up of historically dependent policies and planning practices, mortgage practices, building and design practices, but also minute practices of homemaking. The following section will attempt to sketch the history that produced Japan's contemporary housing stock and the social, as well as the material conditions of Tokyo's housing markets in which the young adults participating in this study operated.

## **The socio-material conditions of young adults' housing pathways in Japan and Tokyo**

### ***The homes of Japan's post-war housing system***

In post-war Japan, housing represented an ideal means by which to pursue both symbolic and material modernization, as it constituted a motor driving economic growth, in the form of housing construction, as well as a way of giving form to new (residential) life-style ideals (Ronald, 2007). Homeownership was actively promoted through state institutions starting from the 1950s since it promised to create a core mainstream, owner-occupier, self-reliant social class (Hirayama and Ronald, 2007). The system effectively incorporated Japan's baby boomer generation along a trajectory structured by a housing ladder that started with company rental accommodation in early life and quickly progressed to the ideal *ikkodate jutaku* (detached house) owned and occupied by a standard, male breadwinner nuclear family.

The demands of the reconstruction period prompted the government to heavily subsidize the construction sector (Oizumi, 2007). In time, national construction companies developed, dealing in ready-built houses. Though local builders continued to have a foothold in regional markets (Barlow and

Ozaki 2005; Daniels, 2010), prefabricated housing came to dominate the Japanese housing landscape. Building companies developed more and more sophisticated ways of providing diversity and customization while maintaining sameness (Yashiro 2014). Thus, by the early 2000s the eight largest home-building companies provided as many as 300 different models of houses (Barlow and Ozaki 2005). Today's urban Japanese houses, both stand-alone houses and condominiums, are iterations of standardized floor plans, constructed from factory built parts and subassemblies.

While the relationship between tenure and form is often obscure in some countries, owner-occupied houses are significantly different from rented homes in Japan. Building companies show remarkable openness toward innovation when providing homes for sale (Ronald, 2011). These homes are made of sturdier materials, have better insulation and more diverse amenities. Floor plans, particularly for custom-built houses and apartment buildings, are adapted to the needs of future inhabitants (Ozaki and Lewis 2006). That said, Japanese homes, both rented and owned continue to be treated as non-durable goods. The land a house sits on is considered significantly more valuable than the house that stands on it, and houses lose their marketable value almost entirely over a period of 40-45 years (Ronald and Hirayama 2006). Condominiums, also, begin losing value the moment they start being used. Though the market for condominium is large, particularly in urban areas, the market for used condominiums is less than 20 percent of the total (Ronald and Hirayama 2006; Kubo, 2013). In recent years, with the expansion of the condominium stock built of durable steel and concrete frames, renovation (*rifōmu*) has become more common (Barlow and Ozaki 2005; Yashiro 2014). However, the public taste for newly built homes has not abated.

### ***Social change and entering homeownership in contemporary Japan***

The bursting of the economic bubble and the subsequent implementation of neoliberal policies after 1990, impacted diverse aspects of young adult life-course transitions, prompting debates about a 'lost generation' (Brinton, 2010). The casualization of labour facilitated longer stays in the labour market among women (albeit in typically routine, insecure jobs), while decreasing the confidence of potential male breadwinners (Blind & Lottanti von Mandach 2015). Marriage age increased, and young people now spend longer living alone before forming partnerships or families. Some expect to never marry and either carve solo housing pathways or remain living with parents long into their adult life (Hirayama, 2013). Within couples, relationships between partners are also slowly changing, as women have adopted different roles in the household (Izuhara 2014). Furthermore, from an economic standpoint,

unstable employment means young adults are less eligible for mortgaged homeownership. Relying on two incomes to buy a home, or waiting on parental inheritance (sometimes in-vivo) have become common strategies among young couples and starter families (Hirayama, 2013).

There are two main practical means by which young households become homeowners in contemporary Japan. The first is by building a house on land purchased separately or as part of a subdivision. The second way is by purchasing an already built house or condominium (manshon), preferably newly built. Usually the construction of a house is conducted through a local branch of a large national construction conglomerate, and all elements of the house are decided with an architect before construction begins (Barlow and Ozaki, 2004; Daniels, 2010). In this sense some homebuyers in Japan directly contribute to making their home.

Mortgaged homeownership is the primary financial mechanism for accessing homeownership. In the post-war period, the Government Housing Loan Corporation (GHLC) was the primary issuer of mortgage loans (Hirayama, 2007). However, since its restructuring in 2007, the primary mortgage market has become more dependent on the private lending sector. Within couple and family households, both mortgage and property rights usually rest with the male partner (Hirayama and Izuhara, 2008; Tiwari et al, 2007). Dual ownership (of debts and assets) is, however, slowly becoming more common (Izuhara, 2015). The gender bias in mortgage practices customarily makes it difficult for single women to purchase homes, as opposed to their male counterparts (Hirayama and Izuhara, 2008; Ronald and Nakano, 2013). Yet, these constraints have also been relaxed more recently since single employed women have emerged as a salient urban market (Kubo and Yui, 2013).

The expansion of mortgaged homeownership in the post-war period has also masked more 'traditional' stem family based modes of (re)producing homeownership. However, evidence suggests that these practices have proven resilient (Ochiai, 2004). Given the pressures of an aging society and decreasing market opportunities, this form of homeownership, usually tied to intergenerational family duties and obligations, is arguably becoming more important (Hirayama, 2015).

### ***Tokyo's dwelling stock and housing market***

Tokyo represents a highly specific housing market context that makes the experiences of young adults navigating it less representative for Japan as a whole. At the same time, given the emphasis of government policies on making Tokyo the flagship city of Japan (Waley, 2013), Tokyo is a highly relevant context at the forefront of social change. The three prefectures constituting

Tokyo's metropolitan area are also a major hub for young adults, home to 29 percent of Japan's under 40 population.

The development of Tokyo's dwelling stock in the post-war period was tied to the intense suburbanization process that accompanied the era of economic expansion of the 1960s and 1970s (Kubo, 2013). As land prices in central locations became impractical, tracts of single-family housing, connected to the central city by train, were built further out into rural areas surrounding Tokyo. These expansive suburbs are currently trapping an elderly generation in remote, degrading and, ill-serviced locations. This has an impact on the younger generation that is both more dependent on parental homes per se (Hirayama, 2012) and on parental land and housing assets.

While vacancies in aging suburbs have increased at an alarming pace (Kubo and Yui, 2013), continuous new development in central city locations is producing an oversupply of housing. The burst of the economic bubble at the beginning of the 1990s marked a new era. Due to plummeting land values, and legislation that introduced new building standards in central city locations (Fujita, 2009; Sorensen and Okata, 2010), a condominium (manshon) boom ensued. Between 1988 and 2013 the percentage of high-rise condominiums increased from 13 percent to 29 percent of all Tokyo metropolitan prefecture housing. Overall, 70 percent of Tokyo housing stock consisted of apartment units in 2013, with approximately 51 percent of these were in private rental and 30 percent owner occupied condominiums (Housing and Land Survey, 2013). Smaller and, overall, cheaper apartments in central locations were better suited to the smaller budgets but also individualizing aspirations of the post-bubble generations (Ronald and Hirayama, 2009). This spurred a 'return to the city movement' particularly among young singles and couples without children who wanted to take advantage of popular new residential development and shorter commutes (Lützel, 2008). Meanwhile, local government efforts went into attracting younger families into affordable waterfront areas where larger condominiums were constructed (Lützel, 2008).

As a result, since the late 1990s, despite plummeting homeownership rates among young people in Japan as a whole, homeownership in Tokyo has slowly increased. For young adults under 25 years old, homeownership increased from 1,8 percent in 1998 to 4,2 percent in 2013. For those between 25 and 34, it increased from 11 percent to 14,2 percent over the same period (Housing and Land Survey, 2013). Extremely low interest rates on mortgage loans have facilitated the increase in homeownership (variable interest rates on 35-year mortgages fell below one percent in the period when this research was conducted). Furthermore, the attractiveness of mortgaged homeownership is tied to the rise of particularly popular neighbourhoods slotted for development.

The area around the Tokyo Bay (especially since the announcement of the 2020 Olympics) is one example. Nevertheless, in general, potential homeowners need to wrestle with the fact that homeownership today, while still potentially offering a place to feel ‘at home’ (Daniels, 2015) no longer provides the potential for asset accumulation it once did.

## Study design

This study explored young adult’s housing trajectories as they developed at the intersection of personal aspirations, market conditions, and relationships with kin. The fieldwork was conducted in Tokyo and its surroundings. It consisted of semi-structured qualitative interviews with young adults aged 25-39 as well as with family members important to their current housing situation. This paper will rely primarily on the interviews conducted with the former, although, since homeownership pathways are typically contingent on larger family considerations, interviews with parents and relatives inform the findings.

The study followed a respondent-driven sampling procedure. We approached young households (singles, couples, couples with children) mainly by following personal networks developed during the research period. We tried as much as possible to maximize points of entry and interview young adults from different backgrounds and at different stages in their housing pathways. Young households were selected to account for variation in household type and income, as well as housing situation. Overall, the sample was balanced between young adults in more precarious conditions, and young adults with more stable employment and incomes. Nevertheless, all young adults interviewed can be said to belong to the middle class, at least by aspiration if not by actual income or lifestyle. A preference was given to young households who had achieved some form of independent living arrangement, at present or in the past. We interviewed all the adult members of a household whenever possible. Young households were then asked to refer family members for follow-up interviews. Twenty-eight younger households and eight related households participated in the study. In total 50 persons were interviewed.

Interviews lasted on average one hour and were conducted, whenever possible, in the home of the respondent(s). They inquired into the current housing situation of the household, the paths they followed in their housing career to that point, and the relationships with parents and kin that underscored them. An important part of the interview was dedicated to discussing the

physical arrangement of the home and everyday life starting from a drawing of the 'madori' (house plan). A complete housing history was recorded for each household to highlight the relationships between life-course events and housing careers (Heath and Calvert, 2013; Izuhara and Forrest, 2013). Interview transcripts in the original language were coded and analysed using a content analysis framework (Ritchie and Lewis, 2003). For the purpose of this article all interviews have been anonymised.

### **Young adults' housing pathways: adapting and challenging homeownership ideals**

The pathways that lead to homeownership among the young adults interviewed illuminate both the path-dependent limitations that a homeownership-biased system imposes on young adults and the ways in which homeownership is being reshaped in practice. The following analysis considers three main pathways that lead to homeownership. The first was connected to the traditional post-war role of homeownership as 'home' for the nuclear family. Thus, couples on the brink of family formation typically sought mortgaged homeownership as a means of improving the quality of their home ahead of having a child. However, changing employment careers of mothers, as well as individualizing aspirations influenced proximity decision and homemaking practices. At times investment motives coupled with family considerations and led some young families to tie their futures to the temporally and spatially bound hot spots of Tokyo's market for owner occupation. However, more often, financial loss was a generally acknowledged feature of homeownership, one that was accepted for practical and emotional reasons.

The second pathway was that of family successors, either eldest sons or simply the child who assumed intergenerational care responsibilities and would inherit the parental house and land. The interview data suggests that these young adults needed to rely less on mortgaged homeownership, as substantial financial and material support was available to them through the stem family. However, changing expectations of gender roles and responsibilities within the young household were putting a strain on 'traditional' practices of intergenerational transmission, as well as on the housing pathways of these young adults. Prolonging private rental living represented one practical solution that allowed young couples and families to consolidate as a unit while anticipating taking over family responsibilities.

Finally, homeownership became an individual lifestyle choice for 'committed singles' – young adults who did not anticipate (ever) getting

married, even when they did not entirely discount the possibility. Young men of means dominated the pathway of single homeownership, though women may also join it later in life and for different reasons as previous research has shown (Kubo and Yui, 2011). The increase in quality of life, the possibilities of pursuing hobbies, or a social life in the space of one's home were prominent motivations for choosing homeownership among the young adults who participated in this study. Investment rationales also appeared, usually in connection with future landlord aspirations, more than speculative strategies. At the same time, these single owners clearly challenged the ideals of the owner-occupied home as the home for the family, spatially intruding into families dominated neighbourhoods.

### *Homeownership as prelude to parenting*

Among our interviewees, young couples with relatively stable employment that intended to form families, typically pursued homeownership as the 'proper thing to do', following from a decision to get married and have children. However, whereas their post-war and pre-bubble predecessors (Ronald, 2008b) are likely to have relied on one income following marriage, two (or at least one and a half) incomes were usually necessary for these young couples to enter homeownership in Tokyo (see also Hirayama, 2012). Confirming previous research, women's participation to the household budgets, despite being instrumental in sustaining mortgage payments, was usually disregarded both in the acquisition of the house and the mortgage (Hirayama and Izuhara, 2008; Izuhara, 2015). For most of the young couples we interviewed, husbands held title to the property and were the holders of the mortgage. However, signs of change were also evident in the pursuit of 'pea rōn' (pair loans)<sup>2</sup> by some couples who also shared the title to property they were purchasing. Financial support from parents, in the form of deposit money, at times, also facilitated entry to homeownership.

Opting for mortgaged homeownership was acknowledged to have financial risks. Though occasionally interviewees would slip into clichés, such as 'buying houses is what Japanese people do,' many seemed to have given significant thought to the decision of buying and not simply followed established routes. More than just maintaining, or increasing, the value of their property over the long haul, young families bought homes they expected to be able to sell in order to facilitate anticipated future moves. Buying land or homes in popular areas, near stations, or in particularly popular developments

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<sup>2</sup> Mortgage loans for which both partners of a couple hold responsibility. The value of the house is split into two and each of partners becomes individually responsible for that part. Also applicable to a parent-children 'pair.'

gave young people a modicum of peace of mind in this regard.

*A basic condition was that we would build something that would not lose value in the short run. We are not planning to live here for a very long time so if you consider moving, it was important that it be a house that can be sold. So as a condition, of course, being in a part of Tokyo that is popular, being close to a train station. And after that, if you plan on selling before too long you cannot make it a too expensive house because you limit the number of people that can buy it, instead we really aimed to build a house that even a run-of-the-mill salaryman can think of buying.*

*Suzuki (Male, 38, Marketing company employee)*

For some young adults homeownership as an investment, pursued consciously by tracking and targeting market hotspots, blended with the needs of their newly formed families. Normative elements (Gurney, 1999; Smith, 2015) that associate homeownership with saving, and renting with wasting money were clearly expressed by these young adults, confirming that, especially among those over 30 (Furuichi, 2014), homeownership still maintains its ideological pull (Ronald, 2008a). However, in practice, the value of homeownership as investment was acknowledged only under certain conditions – for example in areas where the ‘micro-climate’ of the market has been rigged by government intervention, such as the designated areas of investment for the Tokyo 2020 Olympics. Furthermore, long-term investment practices seemed to give way to short-term ones, in which subsequent moves were already anticipated at the moment of entry into homeownership.

*Well it's the kind of house where my children can be free until they are 3 or 4, and then [before the children go to school] when we want to move to a bigger place it's good to have this house as a the base amount of money needed to move. Of course, we could just rent [...] but then instead of saving properly the money would be wasted on rent. [...] We really thought a lot, and asked a lot of people, to buy an apartment that does not depreciate in a short time and can be sold for about the same or even a bit more than we bought. Unless there is a big earthquake of course; but bar that, with the Olympics happening in this area in 2020, it's enough of a short time span that I am fairly certain we can sell for about the same price that we bought.*

*Tanaka (Male, 30, Company employee)*

Homeownership was pursued for practical or emotional reasons even when financial loss was acknowledged in the long run. Proximity to helping grandparents (grandmothers), for example, was considered a requirement by many young couples with children, particularly when both parents were working. Indeed, the difficulties of finding nursery places (a phenomenon common in other urban contexts (Boterman and Karsten, 2014) but relatively new in Tokyo (Kumagai et. al., 2012) were a primary concern for young Tokyo parents, constraining and guiding housing choices.

*There were three conditions for choosing to build this house: to be in a place where, if we want to sell we can (financial reason); then to be close to the station (financial and practical reason), and to be close to my mother (practical and emotional reason).*

*Matsui (Female, 39, Secretary)*

Furthermore, young families seemed to prefer owner-occupied homes to rental units due also to their physical and material qualities, such as quality of build, amenities and layout, or the possibilities of customization. Still, the narratives attest to shifting practices of home making in which both a social family life and the possibility of expressing one's individuality in the home were valued (Daniels, 2015). It is not surprising that women in particular voiced these concerns since home as a place in which the family can be comfortable (*kokochiyoi*) and cared for continues to be an important preoccupation for them (Daniels, 2015). At the same time, it is women's individuality that has been historically denied within the confines of the male breadwinner family model (Vogel and Vogel, 2013).

*These manshon were very popular because they have this open kitchen in the middle of the house, so even if my husband is in the bedroom, and my son in the living room I can still talk and keep an eye on both of them while cooking, for example.*

*Nakano (Female, 36, Singer/ Voice trainer)*

*We had the house built. [...]. For this living room, for example, we wanted to have two 'places to be' (*ibasho*). Because it is a small living space we put the kitchen in the middle with the dining table in front of it, and then on both sides two places to be (*sit*). One is a sofa place. The other one is kind of this traditional Japanese raised floor *tatami* space. This way if my*

*husband has friends over he can drink on one side and I can spend time with my son watching TV on the other. We wanted to make a home where no one would have to make an effort to accommodate the others ('muri no shinai ie').*

*Matsui (Female, 39, Secretary)*

What these narratives, and the practices they describe point to are subtle changes in the way that even the most conforming of homeownership pathways, those of nuclear families, are shifting under the contemporary conditions of Tokyo's housing markets. Higher labour participation of women, increased risks of entering the housing market, and changing ideals of home life are primary drivers of these shifts. Meanwhile, on the surface it appears that the dominance of the homeownership model is hardly challenged, as young adults use the same material elements, houses and homes, financial debt and potential assets, and adapt them to changing needs and conditions.

#### ***Homeownership for family successors***

Though mortgaged homeownership is an invention of the 20th century, homeownership through house building on family land has much older roots in Japan (Hanley, 1998). Despite strong connections between home and family (ie) in a historical perspective (Koyano, 1996; Izuhara, 2002) the power of the stem family system has been assumed to have waned subsequent to decades of nuclear families proliferation. Recent studies however have challenged the nuclearization thesis (Kato, 2013), and intergenerational transfers through the family line have been shown to hold an important place in determining the housing trajectories of young adults (Hirayama, 2015)

The narratives of the young adults who participated in this study point to both continuity and change in the ways homeownership through family channels is (re)produced. On the one hand family succession (atotsugi) through the designation of one of the children to take over family homes (and land) seems to continue to be a common practice, especially in the case of families with strong local roots. The following story of a younger son called back to 'care for the family graves' is perhaps one of the more traditional ways in which homeownership through the family continues to be produced.

*About 6 or 7 years ago my father contacted me to say that my elder brother was moving away and wouldn't I consider moving back to take care of the family graves. You know how it is with these country families, in Japan it is really important to have someone to look after the family tomb. So I talked*

*to my wife, and more consulted, more coaxed her into moving here. [...] The house was part of the deal. That is if I came back my father had to build us a house.*

*Noguchi (Male, 36, Civil servant)*

In this case, as the eldest son (or better said his wife) refused the responsibilities of the family line, the youngest son took over. However, the difficulties in managing gender roles within the confines of close intergenerational arrangements were evident. Intergenerational proximity was experienced as a burden, particularly by the wife (daughter-in-law), and expressed as a lack of privacy in one's own home and a need for distance for the young household. Also, the in-laws' denial of childcare and expectation that the daughter-in-law give up her work to care for her children full time further exacerbated intergenerational tension in the home.

*Well, living close to parents [...] there was a lot of opposition [from my wife]... when coming here... so I guess some amount of distance is necessary [...] it's really best to have some distance... it's not necessarily a pressure living close to my parents... but I think there are times when she feels watched. For me, it's alright to be next to my parents, but for her, I am not so sure. I keep looking back at that decision to move here, and still cannot say whether it was right or not.*

*Noguchi (Male, 36, Civil servant)*

Other practices for continuing family lines were more in tune with the young adults' need for distance while maintaining the intergenerational bond of property (Ronald, 2008b). Using longitudinal data over several decades, Kato (2013) identified a trend among post-war generations (the parents of today's young adults) of people moving closer to parents the longer they were married. Consistent with this trend were three-generational practices of leaving the parental (middle generation) owned home to newlywed adult children (young generation) and purchasing a different home closer to elderly parents (old generation). The home and land were either left together, with the understanding that the young family would use the home until it no longer suited them. Or the home was torn down and a new one built, in which case the cost of rebuilding fell on the younger generation.

The refusal of daughters-in-law to care for their parents in law (see Long et al., 2009; Tsutsui et al, 2014), combined with the tendency of unmarried daughters to stay longer in their parental home (Hirayama, 2012). It brought

about yet other changes in intergenerational practices since by virtue of time passing daughters assumed caring duties and by association took over family property. Even when (if) they later married, these women were more likely to continue living with their families, in the parental home, or in a new home built nearby on family land, as family successors. This points to shifting generational contracts (Izuhara, 2002), despite 'tradition' or the continued emphasis on familial responsibilities in political discourse (Ochiai, 2014).

The need for distance and space to coagulate a new family unit meant some young adults, who expected to assume family duties and the property that came with them, pursued longer careers as private renters. Rental homes facilitated the process for two young individuals who lived independently for a long time to learn to be a couple. In a context in which cohabitation is not yet an accepted way for young people to form partnerships (though it is growing in importance) (Raymo et al, 2009), marriage tends to happen before young adults have had a chance to live together. The abrupt loss of independence was daunting particularly for young women, especially when the impending demands of family succession meant both work and home independence were lost. Sometimes the need to express individuality took form in temporary homemaking practices that preserved some of the lost autonomy, like decorating a room in the rented house for personal use only.

The changing aspirations of women (daughters and daughters-in-law) seem to drive change in the practices of homeownership through family succession. However, young men anticipating taking over family duties also manifested a desire of building an autonomous family unit away from the scrutinizing eyes of parents. For these young men the parental home was already a suitable property, so buying a house was seen as unnecessary. In other words, in the context of an aging society, the expectation of inheritance or in-vivo transfer seems to preclude some young adults from pursuing a career as mortgaged homeowners.

*I am not really thinking about buying a house at the moment. Well, that's because there is already my family home and thinking about the future, and I mean really the future, we are starting to think about living together [with the parents]. At the moment, though, we really want to be just the three of us living together. But yeah... if there was not my parental home I would think about buying.*

*Takahashi (Male, 30, Social worker)*

### ***Homeownership as individual lifestyle choice***

The meaning of homeownership as middle-class family mainstream housing has also been challenged in the last decades by the growth in single living. Nowadays, the practice of singles buying homes has become more common. Previous research has shown that especially men but also women saw the smaller, cheaper and centrally located condominiums as good investments in a secure shelter (Kubo and Yui, 2011) (particularly given the discrimination against older singles on the rental market).

In our study, singles buying homes at an early age (before 35) were well-employed, if not wealthy, young adults. For them, homeownership was a lifestyle choice challenging the norms associating the tenure with nuclear family formation. At the same time, it set them apart from their peers being an indication of status and ‘cool’, but also constituted an investment of sorts (considering a potential landlord role in case of future marriage). Furthermore, it was the chance to cultivate an individual identity through the pursuit of personal interests as well as a social life within the space of the home.

*I bought this house [had it built] because I thought it would be quite cool. It would surprise all my friends and family. My dad actually did say that I am doing things backwards first getting a house and then a wife. I didn't tell anyone before I got it, and had it built to specifications. Like you see this cupboard that is like a wine cellar – I ordered that. And downstairs there is a study – where I keep all my manga magazines and books. I really wanted to have a study.*

*Hosono (Male, 33, Insurance company employee)*

Either because it was not financially feasible or because it seemed impractical to tie all one's financial resources in a devaluating asset, homeownership for many ‘middle class’ young singles in their 30s remains a rare practice. The possibility of mobility, career wise and marriage wise, provided by rental housing, as well as the possibility of accumulating liquid financial resources by keeping housing costs low made (private) rental a better choice.

*I spend less than 20 percent of my income on this [rental] apartment. And really at 33, anything could happen in my life. I could up and go to Dubai for all I know. So I thought it's much better to have the money in my bank account [...], and let the whole buying a house thing rest for a bit. And in any case, who would give me a loan with my freelance job? I earn quite well, especially recently, but unless I have some substantial amount saved*

*I don't see how I can buy a house. Even if I am told I should, all I can say is I can't.*

*Misaki (Female, 33, TV program coordinator)*

Rental housing, however, rarely provided a suitable home, in which both personal and social needs could be accommodated. Though living in rental housing for considerable periods of time throughout their 20s and early 30s, the young adults we interviewed inevitably saw their rental experience as temporary. Despite the growth in single living, especially in urban areas like Tokyo, meaningful home spaces for single dwellers in the rental sector are few. The majority of young renters we interviewed lived in units that were little more than places to deposit one's belongings and one's body at the end of the day. The single dweller as a household type did not seem to deserve a comfortable place to live. Single rental housing still seems to fit the post-war single dweller, as someone who is not yet married, whose life revolves around work and building up relationships around the workplace that would allow him/her to form a partnership and a family.

## **Discussion and conclusions**

This article has set out to explore the socio-material dimensions of early adult homeownership pathways in the context of Tokyo's housing markets. It focused on owner occupation in a mature homeownership society (Hirayama, 2013), in order to identify the changing practices of the tenure among contemporary young Japanese. This generation cannot necessarily be considered a 'lost-generation' but an adapting one, and our analysis illustrated different ways in which this is happening. Firstly, despite narrowing opportunities, mortgaged homeownership in contemporary Tokyo remains an eminent choice among young families. The superior material qualities of owner-occupied homes, as well as practical and emotional factors shape home purchase decisions, despite the increasing struggle to maintain the asset value of homes (and land). By pursuing spatially and temporally bound market hot spots, or strategies that emphasize short-term housing investments over long terms ones, young adults practically negotiate Tokyo's markets for owner occupation.

Second, homeownership that is partly or completely dependent on family resources and family succession is an important path, especially in Japan's aging society. It assumes less reliance on mortgage finance and less of a need to consider the financial feasibility of homeownership. Still, the need to

assume (or (re)negotiate) intergenerational responsibilities puts strains on young adults' couple relationships and the ideals of home as private space for the family unit. Balancing these different practical, financial and emotional aspects of homeownership leads some young couples to pursue longer rental pathways, in anticipation of taking over family responsibilities.

Finally, homeownership seems to be a distinct marker of the single identity project, pursued by young adults with sufficient financial means as a way to distinguish themselves, but also as an investment in secure shelter for the future. The need for a meaningful home space for singles also makes homeownership a desirable choice, especially since the rental homes for singles remain utilitarian spaces, lacking privacy and character.

By focusing on the practical aspects of young adults' housing pathways, the article has sought to empirically illuminate the ways in which pathways are essentially cumulative processes by which young adults carve out meaningful spaces of home within specific housing markets. Far from being cognitive processes of choice, this article has shown that pathways (into homeownership) are practical ways of being-in-the-world (Obrador-Pong, 2003) and navigating the material environment (Jacobs and Smith, 2008). The focus on micro-level of everyday practices exposed the incremental reshaping of home(ownership) in practice, that is slowly modifying the homeownership ideal at the basis of the post-war housing system in Japan. The bounded nature of home practices identified above may make them less generalizable compared to macro-level systemic narratives. However, they open the possibility to discuss new roles for homeownership in a system in which the dominant position of mortgaged homeownership for the male breadwinner family is no longer tenable, despite considerable inertia.

Envisioning new ways of producing homeownership in a context like that of Japan means acknowledging three key drivers of social change: changing gender roles and individualizing aspirations of young people (Suzuki et al, 2010), the demands of a rapidly aging society, and a stagnating economy. Reinforcing family norms (Ochiai, 2014) and the normative role of homeownership will neither bring back post-war stability nor resolve the growing caring needs of elderly generations. Instead finding ways of shielding home acquisition from the vagaries of market ups and downs and high exposure to mortgage markets, as well as rescuing rental markets from their residual position are important avenues to consider for policy makers.

The case of Japan's mature homeownership system offers lessons to other homeownership-biased systems in which the impossibility of sustain homeownership access for the young generation has prompted debates about the future of the tenure. Though the conditions of sustained house

price stagnation that Japan has experienced are arguably unique, exposure to financialized mortgage markets is a feature of all these systems. The findings of this research point to the locally contingent qualities of homeownership that make it a desirable choice, no necessarily in ideological terms but in everyday, practical ways. Ideals of autonomous house buying households without ties across generations have been at the base of 'western' liberal systems in similar ways to Japan. The current situation of increased intergenerational dependence poses serious questions about the meanings of solidarity and the levels at which this solidarity should manifest. As this research has shown, conflict and constant negotiation are integral parts of solidarity within families, and they take form in everyday home practices, both ones that bring generations closer and others that try to maintain distance.

In concluding, this article has illustrated the different skillful ways in which young adults in Tokyo follow homeownership pathways, adapting to the tenets of Japan homeownership system while slowly pushing its boundaries. It has shown the usefulness of considering pathways as an analytical tool that is sensitive both to the non-linearity of contemporary housing trajectories and to embodied practices. At the same time, it has connected the findings from a particular mature homeownership society to larger debates about the future of homeownership systems in general.