

**Shenzhen, China**Rooms 1203-06, 12/F.  
Di Wang Commercial Centre  
5002 Shennan Road East  
Luohu District, Shenzhen  
T: +86 755 8268 4480**Shanghai, China**Room 603, 6/F., Tower B  
Guangqi Culture Plaza  
2899A Xietu Road  
Xuhui District, Shanghai  
T: +86 21 6439 4114**Beijing, China**Room 303, 3/F.  
Interchina Commercial Bldg.  
33 Dengshikou Street  
Dongcheng District, Beijing  
T: +86 10 6210 1890**Taipei, Taiwan**Room 303, 3/F.  
142 Section 4  
Chung Hsiao East Road  
Daan District, Taipei  
T: +886 2 2711 1324**Singapore**138 Cecil Street  
#13-02 Cecil Court  
Singapore 069538  
T: +65 6438 0116**New York, USA**202 Canal Street  
Suite 303, 3/F.  
New York  
NY 10013, USA  
T: +1 646 850 5888

## A brief introduction to the process and cost of renting houses in Japan

Japan's housing rental market has a good market pricing standard and a sound system to protect the rights and interests of renters, but in the process of housing rental, its complex and cumbersome procedures, uneven intermediary services and a variety of charges make countless renters feel anxious and uneasy. For this purpose, Qiyuan will summarize and sort out the procedures and costs related to Japanese house leasing and provide them to the existing and potential customers of Qiyuan for reference. We can provide assistance in renting houses in Japan. If necessary, please contact our professional consultants.

### I. preparation

Before renting a house, renters should clarify their own requirements on the internal structure of the house, the area of the house, the location of the house, the rent cost, the time limit of occupancy and other conditions. Kai Yuan advises renters to make a list of essential and non-essential conditions in order to find a property and negotiate with real estate agents.

### II. Housing search

When looking for housing, renters should combine online and offline methods. In short, renters should first use the Internet to filter information to find a satisfactory house, and then contact the real estate agency near the place where the house is located to confirm the accurate information and see the house.

#### 1) Online to find room

There are many large rental websites (or mobile apps) in Japan, where renters can pre-select 5 to 8 rooms according to their own needs. The monthly rent of the selected housing should be less than one third of the monthly income of the renter. If the monthly rent exceeds one third of the monthly income, it is difficult to pass the follow-up audit. Most of the rental websites are indicated with contact information, after the completion of the pre-election can directly contact the website customer service, confirm the housing information, but the housing information published on the rental website may not be timely, only through the online information to decide the risk of renting the house is greater.

According to the survey of Japanese local media, the following Japanese rental websites with high utilization rate and favorable rating are as follows: (in no particular order, including but not limited to)

- (1) SUUMO (<https://suumo.jp/>)
- (2) LIFULL HOME 'S (<https://www.homes.co.jp/satei/kani/>)
- (3) At home (<https://www.athome.co.jp/chintai/>)

- (4) 39 room (<http://39room.com/>)
- (5) スマテイ (<https://sumaity.com/chintai/>)
- (6) Door Lease (<https://door.ac/>)
- (7) CHINTAI (<https://www.chintai.net/>)
- (8) Goodroom (<https://www.goodrooms.jp/>)
- (9) Goo Housing · Real Estate (<https://house.goo.ne.jp/>)
- (10) Yahoo! Real estate (<https://realestate.yahoo.co.jp/>)

In addition, when visiting rental websites to look up house information, Japanese describe the construction of a house in terms of 1R, 1DK and 1LDK, where 1R refers to a room where the kitchen and bedroom are integrated, namely one room, D refers to dining room, K refers to kitchen, and L refers to living room.

## 2) Offline confirmation

The renter should contact the real estate agent near the location of the preselected house to confirm the status of the house for sale and consult the latest information of the house. According to the latest information, the preselected house can be screened and the remaining 3~4 rooms are enough. Since real estate agencies in Japan do not have exclusive ownership of housing, renters should contact multiple real estate agencies for consultation. On the one hand, different agencies have different evaluation standards for housing, so they can obtain more objective and comprehensive information. On the other hand, different intermediary fees and service quality are different, so renters can choose a more appropriate intermediary according to their own needs.

Foreigner renters should ask the real estate agency to contact the lessor or its authorized leasing management company ("Lending Management Society" in Japanese) to confirm whether the house is open to foreigners and make an appointment to see the house after confirming the acceptance. In the above case, if the real estate agent withhold the request or do not contact personally, the housing source or the intermediary can be judged not creditworthy.

It is worth noting that the Japanese real estate market has "accident objects" ("accident objects" in Japanese). Accident object refers to the real property of land, building, house, etc. used for commodity trading, which causes the former user of the object to die unnaturally for some reason in its own area, public part area or surrounding area, and causes subsequent users to have certain psychological defects. Although the Japanese law has clearly stipulated that the real estate agent and the real estate intermediary have the obligation to inform the accident objects in advance, but the obligation is only limited to the first purchaser or lessee of the real estate after the death event, the subsequent purchaser or lessee shall consult or confirm separately. Therefore, if renters find that the house has most of the excellent conditions, but the rent and related costs are significantly lower than the market price, they should confirm whether the house is an accident item as soon as possible.

After determining the house source, renters should make an appointment to the real estate agency about 1 week in advance to see the date and time of the house, the house should pay attention to the direction of the house, light, ventilation, sound insulation, necessary equipment, floor material, old and new degree, surrounding facilities.

## 3) Property parameters

According to the data of Japan National Leasing Management Association in October 2020, the average rent amount of houses in Japan is shown in the table below for reference.

The serial number	city	Amount (yen/month)
1	The Tokyo metropolitan	73335
2	Kanagawa prefecture	67152
3	Osaka prefecture	61045
4	saitama	60496
5	Chiba prefecture	57214
6	Kyoto	57127
7	Hyogo prefecture	56898
8	Aichi prefecture,	55363
9	Hiroshima	53753
10	Nara county	53307
11	Okinawa	52074
12	Niigata county	49876
13	Fukuoka county	49027
14	Hokkaido	47908
15	jp	42977

Note: The national average rent in October 2020 is 55,074 yen, an increase of about 1.3% year on year.

### III. Audit

In Japan, the lessor will usually commissioned rental management company for the real estate leasing, therefore, in determining houses to rent, the lessee needs about 3 ~ 7 days after the lease management company audit (such as the lessor to lease behavior, is checking by the lessor), sometimes even renters shall cover the lessor himself, leasing management, the three parties and guarantee companies audit, audit of which either party cannot rental housing, not through specific standards to the lessor, leasing management, and guarantee companies shall prevail. During the audit process, the lessee shall provide certificate of identity, proof of income and other required materials.

### IV. Sign contracts and pay fees

After passing the audit, the real estate agency will explain the important matters with the renters. When explaining important matters, renters should focus on confirming the matters of deposit return and house use prohibition, so as to avoid future charges disputes. After the explanation, if the renter agrees, the two parties shall sign the lease contract. When signing the lease contract, the lessee shall provide the resident ticket, personal seal, income certificate, etc., and pay the initial fee. Initial costs usually consist of the following items:

#### 1) First month rent

Before calculating the rent of the first month, the lessee should confirm with the real estate agency the rent date (the interest date when calculating the rent). The

rent amount of the first month is generally the rent cost on the last day of the month when the rent is rented.

2) The amounts

Gift money ("gift money" in Japanese) is a customary one-time fee charged to the lessee by the Japanese tenant to avoid frequent replacement and encourage the lessee to lease for a long time. The amount of gift money is usually 1 to 2 months' rent, which can be negotiated with the intermediary, but it is not refundable after the house is terminated. As the number of real estate agents in some big cities in Japan increases, the competition in the rental market increases, which gradually increases the number of houses with 0 gift money.

3) The deposit

Deposit ("deposit" in Japanese) is a fee that a tenant is charged by a tenant to ensure that the property is in good condition or restored to its original condition when the tenant cancels the lease. The deposit amount is generally 1 to 2 months of rent costs, there is also 0 deposit of the house. At the time of the Lessee's termination, the Lessor or its authorized management company will inspect the premises and determine the amount of deposit to be returned according to the relevant description in the Important Notes.

4) Agency fees

Agency fee (Japanese for "broker material") is the service fee paid by the lessee to the real estate agent, including the house source guide, negotiation with the lessor, important matters, contract signing, etc., the amount is generally 0.5 to 1 month of rental fee (plus 10% consumption tax). If the renter does not sign the lease contract with the real estate agency, he does not have to pay the fee.

5) They guarantee

In order to prevent the lessee from defaulting on the rent or unilaterally terminating the contract in advance, the Japanese lessee will require a third party to guarantee for the lessee. If the lessee fails to pay the rent according to the contract for some reason, the third party guarantor shall pay the rent in advance for the lessee. Japanese residents can directly take their family members as the joint guarantor, and foreign students can directly take their university as the joint guarantor. However, people who live and work in Japan generally need to choose a guarantor company as their guarantor, and pay the guarantor premium to the guarantor company ("guarantee material" in Japanese).

6) Management fee and public expenses

Management fees ("management fee" in Japanese) and common expenses ("common benefit fee" in Japanese) are generally used for the overall cleaning, management, maintenance, security, etc of real estate. Management fee and public burden fee are different items, but because there is no clear definition in Japanese law, at present, most real estate agencies put them in the same category or include them in the rent for collection.

7) Fire insurance premium

Fire insurance premium (Japanese for "fire protection 険 material") for fire, flood, theft, improper use and other types of disasters, the Japanese government and insurance companies to launch the residential insurance, is a must pay a cost.

8) Door lock replacement cost

In Japan, in order to prevent the former tenant from making a spare key privately and causing personal and property damage to the subsequent tenant, the door lock must be changed before each house is rented. Door lock replacement cost about 10,000 ~ 20,000 yen. Door lock replacement is only a Japanese security awareness, not a legal regulation, so there are some rental houses do not replace the door lock, that is, there is no door lock replacement cost.

9) 24h security fee

The 24h security fee is the service fee for the maintenance of the house equipment. The tenant who pays the fee can enjoy the maintenance service of the house equipment (replacing fans, water pipes, wires, etc.) on call 24 hours a day. This fee is not a necessary charge, the lessee can choose to pay according to their own needs.

10) Cleaning fee

It is used for cleaning and maintenance of the house before and after the tenant enters and terminates the contract.

## V. To move in

1) The old house termination

The lessee shall inform the previous lessor or the lease management company in advance that the lessor or the lease management company will not continue to live in the house in accordance with the requirements of the contract, and make an appointment for the house inspection date. After the inspection, the deposit shall be returned to the lessor according to the lease contract. The lessee shall submit to the downtown area of origin of the official government out of declaration (applies to move between the respective management, Japanese for "planning the annual") or relocate declaration (applicable to the same autonomous bodies move, Japanese for "planning in the annual"), submit out declaration that the lessee will receive urban nobutaka out certificate issued by the government, the certificate shall be submitted to ingoing ground nobutaka city government. This procedure must be completed within 14 days after moving day.

2) Moving company

Lessee according to the moving date, the number of luggage, mobile distance and so on their own choice of moving way, will generally entrust the moving company to carry luggage and pay for moving services. When choosing a moving company, you should view the quotation of a number of moving companies, and then make a decision according to the number of employees, the number of cartons, the quality of service and so on. After deciding the moving company, make an appointment with the moving company to move the date and time. In principle,

Japanese moving companies charge less on weekdays than on weekends, and lessees can choose to avoid peak periods to save costs.

In Japan, the following are the large moving companies with high utilization rates and favorable reviews :(in no particular order, including but not limited to)

- (1) Sakai moving center (サカイ)
- (2) Japan Express (Nippon Express)
- (3) Heart moving center (ハート)
- (4) Chek Mo Pine Village Transport (Chek Mo)
- (5) ART moving center (アート)
- (6) Yamato House Moving Company (ヤマトホームコンビニエンス)

### 3) Baggage handling

After the tenant and the moving company to make an appointment to move date and time, usually the staff of the moving company will come to provide cartons, tape and other packing tools, and estimate the actual number, weight and volume of luggage, planning handling routes, the service regulations, and sign a moving agreement with the tenant. The lessee should pack the luggage according to his own needs. Valuables such as cash and certificates should be carried with him instead of packing. If you need to throw large appliances, should contact the local government in advance to confirm the date and cost of large garbage recycling, part of the moving company can provide large garbage disposal services.

### 4) To stay in

Before moving in, you can contact the corresponding government departments or companies to open water, electricity, gas and network. Within 14 days after the move, submit the moving-in proposal (this plan is applicable to the relocation of organizations) and the moving-out certificate to the local municipal government. In addition, the tenant should check whether there are stains, mildew, scratches and other bad places in the house, and take photos and videos to save evidence, so as not to terminate the contract when the dispute over charges; If it is found that the water pipes, gas and other equipment are in bad use or malfunction, it shall inform the real estate agency immediately and wait for the processing result.

#### References:

[1. Introduction of real estate taxes and fees in Japan](#)

**KAIZEN Group** is equipped with experienced and highly qualified professional consultants and is therefore well positioned to provide professional advices and services in respect of the formation and registration of company, application for various business licences and permits, company compliance, tax planning, audit and accounting in China. Please call and talk to our professional consultants for details.

#### DISCLAIMER

The contents and views contained in this Article are only for general information sharing. They do not constitute any professional advice. Kaizen shall not be liable for any responsibilities arising from or in reliance upon the contents of this Article.

If you need assistance or wish to obtain more information, please visit our official website at [www.kaizencpa.com](http://www.kaizencpa.com) or contact us through the following methods:

**E:** info@kaizencpa.com **T:** +852 2341 1444

**M:** +852 5616 4140, +86 1521 9434 614

**WhatsApp/Line/WeChat:** +852 5616 4140

**Skype:** kaizencpa

## SERVICES SCOPE



## CONTACT US



### KAIZEN CPA LIMITED

Rooms 2101-05, 21/F., Futura Plaza  
111 How Ming Street, Kwun Tong, Hong Kong  
T: +852 2341 1444  
E: info@kaizencpa.com

### SHENZHEN, CHINA

Rooms 1203-06, 12/F  
Di Wang Commercial Centre  
5002 Shennan Road East  
Luohu District, Shenzhen  
T: +86 755 8268 4480

### SHANGHAI, CHINA

Room 603, 6/F., Tower B  
Guangqi Culture Plaza  
2899A Xietu Road  
Xuhui District, Shanghai  
T: +86 21 6439 4114

### BEIJING, CHINA

Room 303, 3/F, Interchina  
Commercial Building  
33 Dengshikou Street,  
Dongcheng District, Beijing  
T: +86 10 6210 1890

### TAIPEI, TAIWAN

Room 303, 3/F  
142 Section 4, Chung Hsiao  
East Road, Daan District  
Taipei, Taiwan 10688  
T: +886 2 2711 1324

### SINGAPORE

138 Cecil Street, #13-02 Cecil  
Court, Singapore 069538  
T: +65 6438 0116

### NEW YORK, USA

202 Canal Street Suite 303, 3/F  
New York  
NY 10013, USA  
T: +1 646 850 5888

### LONDON, UK

Unit 2, 2/F, 39-41 High Street,  
New Malden, Surrey  
KT3 4BY, UK  
T: +44 20 8144 6466