Chapter 6. Conclusion

A purpose of this study is analysis of residential movements of Bundang new town residents, located in Seoul metropolitan area from the viewpoint of property formation. In particular I paid attention to relation with the property formation action and residential area development in Seoul metropolitan area.

Bundang new town was built systematically, and moving into progressed short terms. Composition of sample households which consists of about 40 years old couple and their one or two children characterizes family in Bundang new town. These households which intends to rise social status have experience about three times migrations on average since marriage.

Sample households were classified into the lease income type and the non-lease income type. The former secured residences for lease besides residence to live and rented it with cheonse or cheonwolse and got lease income. Lease residence is distributed in Seoul and the outskirts of Bundang new town. The lease income type is divided in the parent dependence type and the independence type by financial supplies. The non-lease income type repeated migration to cheonse
residences. They accumulated fund by repeating cheonse. They attempts to sell residence which they purchased, in order to accumulate more properties. Experience to gain high margin profit by sale of residence divides households into the high margin acquisition type and the property gradual increase type. The high margin acquisition type has experience to gain margin profit by sale of residence for a price of two times or more in the purchase. The property gradual increase type repeated movements to the cheonse residences, and purchased the first residence in Bundang new town.

Short distance migrations within Gangnam district, migrate within the Gangnam three wards especially in 1980's, characterize the residential movements of the parent dependence type. Active developments of residential area were carried out in Gangnam district and vicinity area of Seoul in 1980's. The concentration of residential movements of the parent dependence type on the Gangnam three wards owes much to rise of property value by development. In 1990's, a lot of residential movements generated from Gangnam and the former built-up area of Seongnam city to Bundang new town. Residential scale expanded from middle to large size in the parent dependence type, and price of residential properties reached to the highest level among the four types. The parent dependence type households utilized the fund for residence in support from their parents, money by sale of residence which they
former lived, and the *cheonse* deposit. In marriage, a lot of households which lived
together with a parent in Seoul city were able to save the housing expenses, too. In
other words the house purchase fund receives support of a parent and possesses a
base of several house purchase from an early stage and is rich economically.

The independence type experienced residential movements of long distance in
1980's. In 1990's, residential movements occurred intensively from a metropolitan
area to Bundang new town. It is also characteristic of the type to move already
within Bundang new town. Bundang new town came to completion in 1990's. The
development of urban infrastructure activated residential dealing. Residential scale of
the type rapidly expanded from small to large size. The numbers of residents who
live in the large size residence are the most among the four types. A change of
amount of residential property of independence type does remarkable rise. The
residential purchase fund utilizes *cheonse* guaranty money and savings in mainly. A
rise rate of amount of residential property of independence type that does not depend
on a parent compares residential fund with parent dependence type and is slow.

The property gradual increase type household, there is many long distance
residential movements in 1980's. There is a lot of residential movements to
Gangnam and Seongnam city. When 1990's begins, movements within Bundang
new town and movements from Seongnam city to Bundang new town were found
frequently. And there are a lot of movement too within Seongnam city. Because term of a contract cheonse is two years, movement within the equal district is done frequently. Residential area increases by degrees, but an area of a residence lived in currently is the most small during four types. From a change of amount of residential property, they live in the most cheap residence during four types.

In 1980's, the high margin acquisition type made a lot of movement within Seongnam city same as property gradual increase type. And frequent movement too area to contact with Seoul city. There are much movement from Seongnam city to Bundang new town and from metropolitan area to Bundang new town and within Seongnam city, in 1990's, and movements within Bundang new town of household which arrived at Bundang new town already holds many, too. These migrations synchronized the expansion of the Seoul metropolitan area in 1980's and the development of urban infrastructure of Bundang new town in 1990's. Their residential area increases from small and medium size to medium and large size. The amount of residential properties is lower than parent dependence type and independence type, too. As for the residential purchase fund, money of sale of residence living before was important in addition to cheonse guaranty money. A method of residential fund supply resembles independence type.

The lease income type, especially the parent dependence type is the most
efficient for the property formation behavior, however, the property gradual increase type which purchased the first residence after repeats of the cheonse made property slowest. The cheonse as the unique residential lease system acts as efficient fund supply. The cheonse supports property formation of poor economic class.

Furthermore, the most residential movements of Bundang new town residents in 1980's were observed in Gangnam district and vicinity area of Seoul including Seongnam city. Therefore the sample households of Bundang new town traced the outward expansion of residential area in the Seoul metropolitan area. And they arrived at Bundang new town by Bundang new town development in 1990's. But, the movement to Bundang new town was not last arrival point by a lot of households. Most of residents in Bundang new town make frequent movements within Bundang new town for the sake of more property formation. The fact suggests the spatial restructuring of the Seoul metropolitan area.

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