TRAVEL & LEISURE

Japan demand draws entry of home-exchange service for wealthy owners

ThirdHome targets Niseko, Hakuba and other resorts with eye on 600 properties

Wade Shealy, chairman and CEO at ThirdHome, a luxury home-exchange club, says that his company needs to secure properties in Japan to meet increasing demand from the wealthy owners. (Nikkei montage/Source photos by Suzu Takahashi and Third Home)

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TOKYO -- ThirdHome, a luxury home-exchange club based in the U.S., has announced its entry into Japan, attracted by strong demand from its U.S. members and the country's sizable market of affluent people.

The company sees an opportunity to capture demand from Japan's wealthy segment for its service as the number of inbound tourists visiting the country remains high.

"In the last two to three years, we've just really seen a lot of interest in Americans coming to Japan," Wade Shealy, Chairman and CEO of ThirdHome said in an interview with Nikkei Asia in Tokyo last week. "More so than I've ever seen in the last 40 years I've been in the industry. As we've grown throughout the world, we now need to get properties here in Japan" to meet the demand.

The company has formed a partnership with List Sotheby's International Realty, a real estate brokerage firm in Japan, as a first step to entering the market. List Sotheby's will introduce its clients to ThirdHome when they buy List Sotheby's properties.

"We're here in Japan to not only work with List Sotheby's, but also to work with the branded residences that are being built throughout Asia," Shealy said. The company is also looking to collaborate with developers, arguing that services such as ThirdHome can add value to residences and help developers drive sales.

ThirdHome was founded in 2010 by Shealy, who has experience founding a real estate company in the U.S. and working as an executive at a mountain resort company, where he was involved in sales and marketing. ThirdHome offers access to more than 30,000 member-listed properties across over 100 countries including in North America, Europe and Southeast Asia. The company, which has facilitated nearly 100,000 bookings to date, does not disclose financial results.

The service platform provided by ThirdHome connects high-net-worth individuals who own super-luxury properties and helps them make effective use of their holdings.

To become a member, applicants are required to own a property valued at $500,000 or more. The average property in the network is worth around $2.4 million, and all homes are vetted before being added. Properties range from second homes and branded residences to resort club residences and yachts.

Members earn credits, known as "keys," by listing unused weeks at their homes on the platform. The number of keys awarded depends on the property's value, location, and seasonality, and members can redeem the credits for a stay at other properties.

The club charges an annual membership fee of roughly $295 after the first year, in addition to transaction fees of $495 to $1,995 per stay. The arrangement can also offer tax advantages, as no money changes hands when members exchange stays, according to Shealy.

Even before the company's announcement on Sept. 29 in collaboration with List Sotheby's, its users had already listed 11 properties in Japan on the company's platform. These include those located in ski resorts such as Niseko in Hokkaido, Hakuba in Nagano prefecture, and Hakone, a tourist destination known for its hot springs and views of Mount Fuji.

ThirdHome already offers properties in Japanese ski destinations such as Hakuba, pictured, and Niseko and plans to expand its portfolio to Tokyo, Osaka, Kyoto and Okinawa. (ThirdHome)

"A lot of the owners here in Japan are not necessarily from Japan ... we have a lot of Hong Kong and other markets ... [they] live somewhere else [and] own a second home here in Japan," Shealy said.

"We have [accumulated] about 600 properties in Australia in [the past] two years, so that would be a good target for us here [in Japan] as well," he added. He said he will also look to expand in major cities and locations such as Tokyo, Osaka, Kyoto, and Japan's southern island prefecture of Okinawa.

According to Japan National Tourism Organization data, the number of international visitors to the country over the eight months from January to August this year was 27.6 million, down 2.7% from the same period last year. The number remained relatively steady from the previous year despite China urging its citizens last year to avoid travel to Japan after Japanese Prime Minister Sanae Takaichi's remark about a potential Taiwan contingency, which angered Beijing. Visitor numbers for various countries, such as the U.S., South Korea, Indonesia, India, France and Italy, reached record highs in August.

Global hospitality brands are increasingly betting on Japan's luxury residential market. Among projects in the pipeline is Four Seasons Resort and Private Residences Okinawa, a branded development targeting affluent buyers. Japanese startup Nota, formerly known as Not A Hotel meanwhile, seeks to attract overseas customers with its shared second homes.

According to Shealy, property values for homes on the platform in Japan are broadly comparable to those in other markets, ranging from $1 million to $70 million.

Japan's sizable market of affluent people could also help drive the company's growth. According to UBS's report Japan had around 2.9 million millionaires in 2025, the third-largest population globally after the United States and China.

ThirdHome says that the market for home exchange has grown to $5.1 billion in 2024. It entered the Asia-Pacific market in 2024, drawn by increasing demand and growing numbers of wealthy in the region. "We've got a number of properties within Thailand and Vietnam, but we feel as though we've only just scratched the surface there," Shealy said.

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