



3<sup>rd</sup> Stage/ Spring Semester/ Housing

## Housing Problems- Programs-Policies- Economics

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### **Housing problem**

In General, every country or city in the world has a housing problem, the most important manifestations confined to the following:

1- The problem of housing may be a **shortage in number of demanded units as compared to the supplied units .in other word, the problem is a numerical problem** as relation between no. of units and household. In any case, the problem is temporary and ceases to meet the shortfall in housing units.

2- The housing problem may not be a numerical problem, but the problem in the **quality of the units** that are not suitable for the residents.

3- The housing problem may be in the **distribution of units**. Where the problem in distribution of housing units in the non-work areas. In some countries the availability of adequate housing does not provide adequate employment.

### **FACTORS**

#### **Factors that can affect the housing problem:**

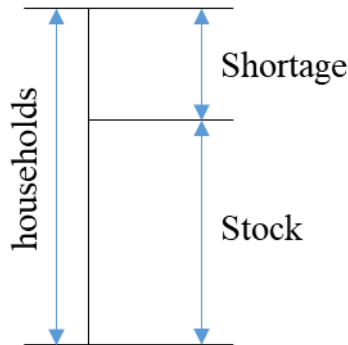
- 1- The Lack of **basic plans** for housing and reconstruction. This is not to build many units but to **know the suitable type** of housing for the residents and study the social and economic structure of the residents.
- 2- The lack of **housing investments** and the wrong distribution of these investments according to the social and economic structure of the population.
- 3- The lack of **residential areas** within the master plan of the city.
- 4- increasing the percentage of **old buildings** that have been eroded.
- 5- The virtual **average life** of the houses has increased.

#### **\*The most important terms that use in the study of housing problem:**

**1- Housing stock:** refers to the total housing units available in the country. For example, if we say that the housing stock in Iraq is (800 000) units, then it represents the housing capital in the **Gross Domestic Product (GDP)**.

**2- Housing needs:** The housing stock is less than the needs of the country's households for dwelling units.

**3- Housing shortage:** a condition of the housing market in which the supply of livable dwelling units is insufficient to meet demand or need. in other words, the housing shortage represents the difference between housing need and housing stock.



**4- Housing demand:** It's a housing activity that contains the desire of a person to obtain a house, it is an **economic demand**.

We have two factors:

- **Economical level.**
- **Personal desire to obtain a dwelling unit.**

**5- Effective demand:** It means that the family has the **economical ability** to obtain a dwelling unit.

**6- Housing market:** the situation of the housing market determines the demand for housing (**Demand & Supply**).

*In other words: (Economical Analysis of the Housing)*

- **More** (Supply) dwelling units available means **LESS** (Demand).
- **Less** (Supply) dwelling units available means **increasing** of the Demand, and at the same time, increasing in the price of the dwelling unit.

## **Housing Economics**

Divided into two types:

**1- Micro Economics of housing:** الاقتصادية المحلية للإسكان

Includes Construction, Buying, Renting, Maintenance, Repair.

**2- Macro Economics of housing:** الاقتصادية القومية للإسكان

The relationship between the housing sector and the financial allocations for housing, that is, the government allocates a certain percentage of the national income to the housing sector to meet the needs of housing units.

## **Factors that determine the Price of Housing**

### **1. Demographic shifts: includes**

- The declining number of people per dwelling.
- Population growth and rapid urbanization.
- Culture, Safety, and Crime rate in the zone.

### **2. Supply and Demand: includes**

- Housing shortage (the shortfall in the number of dwellings to the number of households).
- The strong psychological desire for homeownership.

### **3. Shifts in economic policies: includes**

- Reduced profitability of other forms of investment.
- Availability of housing finance.

### **4. Public policy: includes**

- Regulations.
- Land use zoning and Liveability of the zone.
- Significant taxes and fees by the government on new housing.

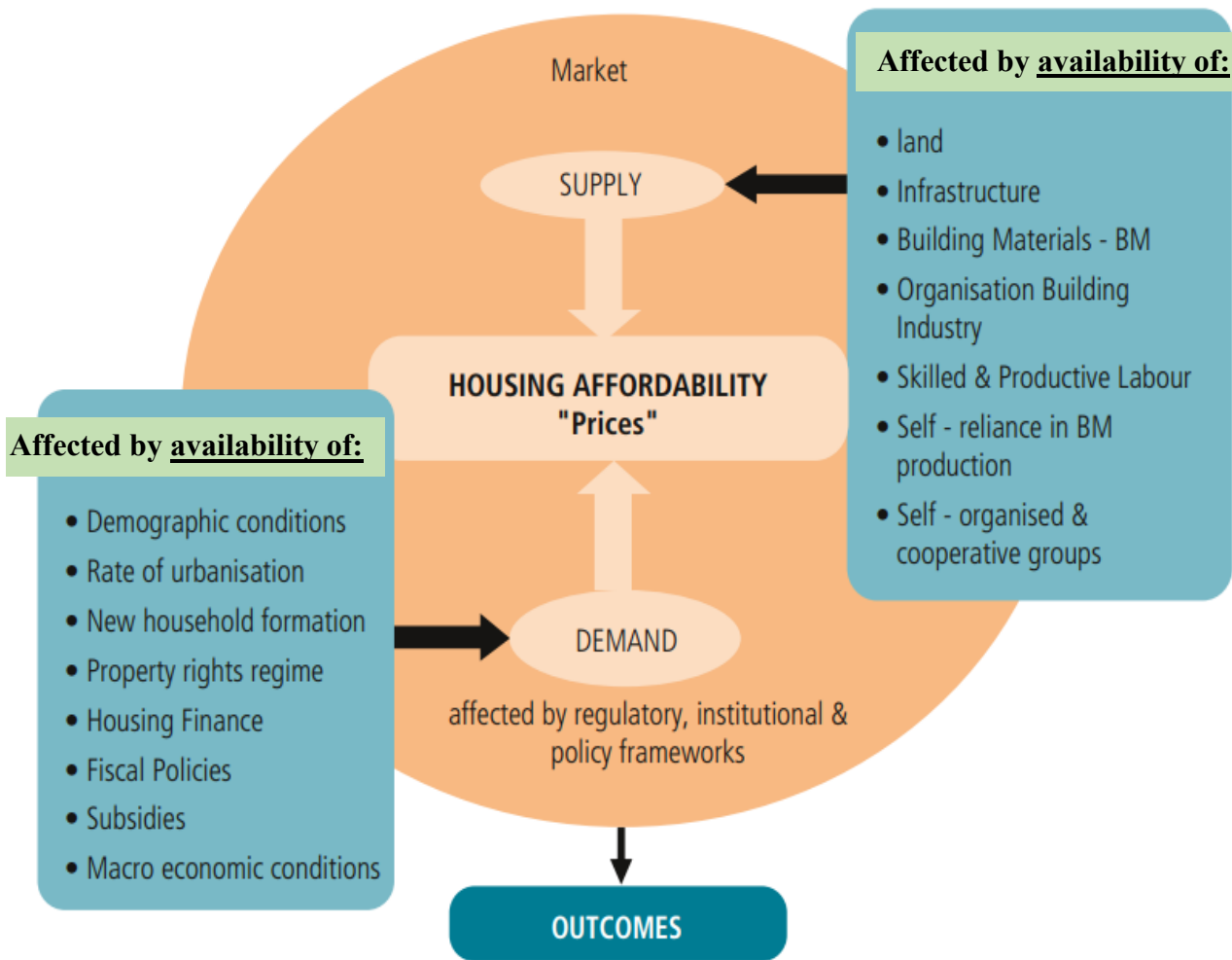
### **\* Factors that affect Supply and Demand of housing stock**

1. Demographic factors.
2. Migration (to cities and potential employment).
3. Building codes and planning laws.
5. Great desire for people to live alone.
6. Young adults delaying forming their own household.

### **\* Factors that affect Tenure choices\* (Owned or Rented):**

1. Employment rates: rising unemployment rates increase demand for market rentals.
2. Household income: household income has not kept up with rising housing prices.
3. Affordability of rents.
4. Availability of mortgages.
5. Low confidence in the housing market decreases demand for tenure choices.

\* **housing tenure** الحيازة: the conditions under which land or buildings are held or occupied.



## \*Housing Programs

Housing programs include all programs to develop the housing sector. which vary from one country to another. For example, in socialist countries are directed to put the programs of housing development, that so-called rational expenditure of resources, so that the distribution of resources in a fair and this must be in the States with limited resources and a large demand for resources.

Iraqi Housing program, began in 1956 by the Greek Doxiadis, it's an institution came to Iraq to survey the housing in Iraq. In 1965, Polservice worked the master plan for Baghdad and in 1982 worked for the Iraqi housing standard.

- In **Capitalist countries**, the housing sector is managed by private businesses.
- People are allowed to strive and obtain a higher standard of wealth than others in capitalism.

- In **Socialist countries**, the housing sector is managed by the government.
- Everyone is economically equal. (everyone gets the same resources).

## \* Basic Programs

1- **Housing Renewal** إعادة التجديد: is a process of \*physical change, \*change of function, and the process of \*changing the intensity of land uses and buildings as an effort to improve the quality of social economy of the city.

The housing renewal aims at supporting and improving urban life and positive behavior, and to improve the quality of life of the people through a reform of the social, economic, and environmental order of the city.



Tajeel, Erbil city/ <https://www.flickr.com/photos/tjblackwell/6976226944>

Housing Renewal includes the following programs:

**1-1: Housing Rehabilitation** إعادة التاهيل (Local level): housing rehabilitation is the repair or replacement of a house's components or systems required for safe occupancy and operation of the house, such as the breakdown of the sewerage system, plastering, or moisture management in the building. It can also be something that has become progressively worse like a leaking pipe or roof.



Simple damages



Minor damages to walls, doors and windows

✚ **Housing rehabilitation is the process to bring life back to the houses.**



Major damages but structurally not compromised



Completely destroyed/ Rehabilitation is not feasible

**1-2: Housing Redevelopment** اعادة التطوير (Global level): redevelopment is any new construction on a site that has pre-existing uses. It represents the process of land development used to revitalize the physical, economic, and social fabric of urban spaces.



Urban Development Process

**1-3: Conservation الحفظ** : the process by which the physical, historical, and design integrity of any immovable cultural property are prolonged through carefully planned interventions. (Heritage)



Old City of Mosul

**2- Housing construction:** build new residential units to fill the housing shortage.



### **\*Housing Policies**

Housing policy relies on the public policy of the state which in general as follow:

- 1- Housing subsidy (real estate loans).
- 2- Allocation of land without loans.
- 3- The allocation of apartments.
- 4- The allocation of government houses (Standard Style).
- 5- Adoption of the principle of economic housing.
- 6- Supporting the materials that used in the construction of housing units by the State.

7- Determine the price of house unit rental, based on a set of criteria such as the number of rooms in the unit and the area of housing unit and others.



Government houses (standard style: Domiz's zone/ Kirkuk)