

## **Baghdad Rents Go Through the Roof**

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Rents in the Iraqi capital are continuing to rise as foreign businesses and desperate refugees flood in.

Despite the deteriorating security situation in Baghdad, people are continuing to stream into the Iraqi capital, sustaining the recent boom in the property rental market with some houses in the city now being rented out for five or six times the normal market rate.

Rental prices rose sharply following the war as foreign companies entered the market, offering both higher rates for properties and better salaries for their Iraqi employees.

Additionally, many Iraqis who were barred from living in Baghdad under the former regime moved to the capital when the restrictions on their movement were lifted, while others were forced to leave neighbouring towns by the upsurge in violence.

Radhi Abdul Kadir, who owns the Sumer firm of estate agents in the Risala district of the city, said, "After the fall of the regime, the average Iraqi salary rose as foreign companies set up here and had more money to spend. This led directly to a 300 per cent increase in property rental prices.

"In Saddam's time, rental prices for a house in upmarket neighborhoods like al-Mansoor or al-Jadiriya were around 400 US dollars. Nowadays, the rental price for a normal house is 1,500 dollars," said Abdul Majeed, owner of the Shiraa estate agency. "As for the big villas in those areas which are being snapped up by companies and non-government organisations, prices have shot up from 2,500 a month to 10,000. The highest rents are still in al-Ameerat."

Saad al-Naili, who runs an estate agency in the poor district of al-Amel, says that even there, rental prices have gone through the roof. "A modest house used to go for around 35 dollars a month. Now it's going for as much as 200," he said.

The spiralling rents have forced some people out of the market altogether, with a growing number of poor people now squatting in abandoned government buildings and offices. Their main fear is being evicted by the authorities.

Ahlam Meethaq, a widow with three children, said, "We're squatting in an old government building because we just can't afford to live anywhere else. We were living in a mud hut but it was barely fit for animals. This was the only alternative."

Prices jumped again earlier this year, as thousands of people began to leave neighbouring cities such as Fallujah and Ramadi for the relative safety of the capital following air attacks by US-led forces. With their lives at risk, people were willing to pay any price for some guarantee of security.

In the past six weeks, another surge of refugees has flooded into the capital from cities in the Sunni triangle, pushing rents up to five times the normal market price. Houses in average middle-class areas are now being rented out for 600 dollars, up from 150 this time last year.

"I live in al-Qasr neighborhood, in the centre of the town of Yusifiya near Baghdad. The so-called mujahedin

made us leave our house because the area was about to become their centre of operations,” said painter and decorator Saif Waleed.

“The situation was becoming unbearable anyway. The Salafis [a fundamental Sunni group] were slaughtering the police, members of the National Guard and anyone they thought was working with the Americans. I’ve taken a three month lease on a house in Baghdad for 600 dollars a month until the situation improves and I can move back home.”

Some refugees complain that people are exploiting them because the situation has become so bad. “I know the house I rented isn’t worth what I’m paying for it,” said Naji Sameer al-Dulaimi, from Fallujah. “The landlord is taking advantage of our situation. He knows we have no choice but to agree.”

Even properties in outlying suburbs of the capital like the notorious Sadr City and al-Taji have become more expensive, renters say.

In the so-called Green Zone, however, residents remain unwilling to either rent or sell their properties, even for the millions of dollars they would be able fetch in the current climate.

Despite the inherent danger of living in the frequently-mortared area, residents say they prefer to stay in their own homes and take care of them themselves.

“We know this is a dangerous spot, but I don’t want to rent out my house in case the people who move in won’t leave when we want them to. And besides, why should we leave the house we own to go and rent someone else’s?” said long-time resident Hassan Moomen.

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