

Scope and Opportunities of Real Estate Study and Business in Bangladesh

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Introduction

Real estate is the property, land, buildings, air rights above the land and underground rights below the land. The term real estate means real, or physical, property. There are four types of real estate such as residential real estate, commercial real estate, industrial real estate and land. Real Estate Business or Real Estate Development is a business activity concerned with land and construction that provides value-adding services by developing residential, commercial, institutional, industrial and integrated projects and related infrastructure. The demand for apartment housing remained high, and more and more developers came into business. Soon the need for a trade association was realized in order to strengthen the role of the real estate sector and to ensure ethical practice in construction. In 1991 the Real Estate and Housing Association of Bangladesh (REHAB) was formed with only 11 members. (Benson, 2012).

In recent year more than 2500 companies working in Dhaka City and the numbers of REHAB members is 1306. To strengthen the role of real estate sector "Real Estate & Housing Association of Bangladesh (REHAB)" was formed in 1991 with only 11 members. The objective of REHAB was to promote formal private sector Real Estate Development in Bangladesh. Dhaka, the capital city of Bangladesh is one of the world's fastest growing megacities with an annual growth rate of 4.4 percent. Dhaka's population of 15.4 million constitutes more than 40 percent of the country's total urban population. Currently, one tenth of the country's total population (160 million) lives in Dhaka. As a results Dhaka has experienced a drastic increase in land value since the early seventies. Dhaka the capital city with a very small area and in-migration alone its population is growing by 2.5 to 3 lacs every year. According to REHAB -the total demand of new housing units in Dhaka city is likely to exceed 5.5 million per year. The traditional

housing system cannot satisfy the need (Glink & Tamkin, 2014). There are needs for more housing finance for the progress of the traditional system. There are about 170 linkage industries directly and indirectly relate to the Real Estate Sector in Bangladesh. For example: steel, cement, tiles and sanitary ware, cable and electric ware, paint, glass and aluminum, brick, building materials, and consumer durables (Umberger, 2014). There is only one University Daffodil International University offered real estate education in Bangladesh. The Department of Real Estate of Daffodil International University aims to produce skilled manpower with quality education to face the challenges of 21st Century and onwards and to solve contemporary housing problems in Bangladesh. The primary objective of the Department of Real Estate is the protection of the public interest in regard to the offering of subdivided lands, and proper handling of real estate transactions by licensees. To accomplish this, a standard of knowledge, measured by written examination, is established for licensing real estate agents and a minimum criterion of affirmative disclosure is set for qualifying subdivided lands offerings. At the same time the Department protects the public interest and increases consumer awareness and collaterally assists the real estate industry in expanding its standards and the level of professional ethics and responsibilities (Bruke, 2009).

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