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Original Research Article

A Novel Perspective on the Housing Crisis in the Islamic Republic of Iran

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ABSTRACT

Valuable urban historic fabrics, particularly deteriorated ones, have in recent decades been predominantly understood and managed within a quantitative and positivist framework. Such an approach, by reducing these areas to "problematic" or "diseased" zones and focusing solely on physical and density-based indicators, fails to capture their place-based nature and inherent potentials.

This paper, adopting a theoretical-analytical approach, revisits the concept of place-based development in relation to vulnerable urban fabrics. It argues that shifting the focus from perceiving these areas as "problem-laden" to recognizing them as "capacity-rich" can provide a foundation for sustainable regeneration and improved quality of life for residents.

Through a critical review of urban planning and regeneration literature, and an analysis of the distinctive characteristics of historic and deteriorated fabrics such as historical-spatial identity, strong social and neighborhood ties, prevalence of walkable lifestyles, and the potential for activating heritage-based tourism and local economies—the study contends that a place-based approach unfolds in two stages: first, rejecting positivist and purely quantitative, rapid-response interventions; and second, organizing development interventions based on spatial capacities as "value-added assets" that transform challenges into opportunities for growth.

The theoretical findings indicate that adopting a place-based approach leads not only to improvements in physical and functional indicators but also to strengthened social cohesion, enhanced safety, improved urban health, and increased spiritual and economic values of place. This approach can thus serve as a foundation for policymaking and planning in the regeneration of vulnerable urban fabrics.

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Introduction

Housing transcends a mere material necessity; it serves as the foundational pillar for family formation and a catalyst for human social development. Parallel to human spiritual and cognitive evolution, this phenomenon has transitioned from basic shelter a primary response to physiological needs to the concept of a "home," which both shapes and reflects an individual's social identity. According to the Iranian Civil Code (1928), homeownership is classified as a fundamental civil right akin to the rights to employment and liberty rather than a mere financial asset. Furthermore, Article 31 of the Constitution of the Islamic Republic of Iran (1979) universally recognizes the right to housing for all citizens, explicitly mandating the government to facilitate its provision.

However, a review of governmental initiatives aimed at fulfilling this statutory obligation and creating conducive conditions for homeownership largely reveals a trajectory of policy failure. Beyond the implementation of two Comprehensive Housing Plans (2004 and 2014), various efforts have been embedded within downstream policies, including urban and rural development master plans, to address the housing deficit. Aside from the direct interventions of these sectoral programs, their underlying policy frameworks and approaches exert undeniable impacts on housing production and supply dynamics. Current investigations demonstrate a critical lack of policy integration: no meaningful alignment has been established between the government's Comprehensive Housing Plan and the related sectoral initiatives of other state agencies, particularly in instances where these external policies indirectly exacerbate the housing crisis.

An evaluation of urban development programs, particularly comprehensive master plans, reveals that their overarching housing policies are fundamentally disconnected from market economic cycles and their subsequent impacts on housing production and pricing. These initiatives predominantly target direct housing supply while simultaneously enforcing contractionary policies. Such restrictive measures often justified by vague and poorly defined parameters, including water resource limitations, base population thresholds, standard density metrics, and environmental carrying capacity have inadvertently created substantial barriers to housing development.

The preceding analysis underscores the existence of a profound housing crisis in Iran. This crisis is becoming increasingly severe for fixed-income households lacking accumulated capital or financial safety nets, exposing their livelihoods to escalating vulnerabilities. The socioeconomic ramifications of this crisis are acutely felt across broad segments of both urban and rural communities. Consequently, a critical question emerges: will the direct impacts of the housing crisis on the middle and lower socioeconomic strata, coupled with its compounding secondary effects specifically, economic stagnation and resultant inflation remain sustainable in the forthcoming years?

Problem Statement

Official statistics regarding the housing affordability index often operationalized as the waiting period for homeownership have not been updated since 2016. However, calculations based on the Ministry of Labor's statutory minimum wage for 2025 and the current average property prices in Tehran reveal a stark reality: if a household were to allocate its entire monthly minimum wage exclusively to savings, the waiting period to purchase a home would span 47 years. When applying the conventional metric of saving one-third of household income, this duration exponentially extends to 142 years (Waiting period for homeownership…, 2025; Housing purchase wait time…, 2024).

At the macroeconomic level, the Chairman of the Parliamentary Civil Commission has underscored a national deficit of four million housing units (Shortage of 4 million housing units…, 2018), while the 14th administration has recently escalated this estimate, indicating a staggering shortfall of eight million units nationwide (Investigating the reasons for housing production deficit…, 2024). Compounding this shortage, tenancy rates are exceptionally high; over half of Tehran's residents are currently renters (More than half of the country's population…, 2023). The financial burden of housing is immense, absorbing more than 50% of the household expenditure basket in Tehran (Increasing the deposit loan ceiling…, 2026), compared to a national average of 43.7% (The significant share of housing…, 2026; Statistical Center of Iran, 2025). According to the latest available data for 2025, the homeownership rate stands at approximately 66.3% nationally (Publicreceptionofthehousingplan…,2025)androughly 66% within Tehran (The great housing divide…, 2026). Demographically, nearly 70% of the country's population is concentrated in 11 major metropolitan areas (Global urban population…, 2016). Within these densely populated hubs, a substantial proportion of the housing stock lacks seismic resilience. In Tehran alone, structurally unstable buildings occupy 145

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square kilometers of the city's 270 square kilometers of residential zoning (Mokhles, 2025). This proportion of vulnerability is reportedly even higher in other urban centers. Consequently, over half of the urban and rural population is exposed to severe life-threatening risks due to the structural instability of their dwellings in the event of an earthquake.

The operational lifespan of buildings in Tehran despite boasting a higher construction quality than the national average is less than 303030 years (Speculation; the erosion of useful lifespan…, 2017). Substandard construction practices, coupled with the rampant inflation of recent decades, rapidly accelerate the structural obsolescence of the existing housing stock, prematurely rendering buildings as teardown properties slated for redevelopment. On the demand side, a burgeoning youth demographic and newly formed households continuously swell the ranks of housing applicants, joining long-term tenants who aspire to transition to homeownership after decades of renting. Furthermore, the country's severe macroeconomic constraints driven by international sanctions and widespread unemployment have forced a substantial demographic of young adults, particularly among the highly educated cohorts, into involuntary permanent singlehood. Concurrently, shifting social paradigms and escalating divorce rates have generated a surge in new demand for single-person residential units. The convergence of these multifaceted and escalating demand trajectories, within a nation whose population has more than tripled over the past four decades, has unequivocally transformed the Iranian housing sector into a profound crisis.

Despite its paramount importance, securing housing in the fifth decade since the establishment of the Islamic Republic has become exponentially more arduous. Numerous egalitarian initiatives and statutory frameworks have failed to recalibrate the Iranian housing market particularly in major metropolises to align with the purchasing power and needs of its citizens. Currently, nearly half of all households lack homeownership (43% of urban households lack…, 2021). Regarding empirical data on housing demand, the sole authoritative benchmark remains the 7 the Five-Year National Development Plan, which estimates a backlog of approximately 7.5 million housing units (Seventh Development Plan, 2024). As housing inflation vastly outpaces wage growth, these demographics face a mounting, year-over-year threat of spatial exclusion, being systematically displaced from urban cores to peripheral margins. Furthermore, newly formed young families, absent intergenerational financial support, are entirely precluded from securing adequate, dignified housing.

Consequently, the contemporary housing crisis has relegated the demand for spatial quality and its intrinsic socio-educational capacities in nurturing familial and societal structures to oblivion, reducing the discourse to the mere provision of bare-minimum shelter. While the widening supply-demand chasm progressively plunges the housing economy into deeper crises and exacerbates macroeconomic imbalances, policymakers remain largely oblivious to the catalytic potential of the housing production cycle in revitalizing the national economy. Instead, they persistently pursue housing remedies through isolated, sector-specific programs, failing to integrate them within broader macroeconomic policy frameworks.

A paradoxical situation persists: while both empirical evidence and theoretical frameworks underscore the critical need to fully activate the housing production cycle recognizing its clear role in stimulating economic growth and mitigating socio-economic disparities such policies remain largely unimplemented. What drives this policy paralysis? The root cause arguably lies in the deceptively straightforward nature of housing. As a universal commodity with which everyone interacts, it fosters a widespread, albeit superficial, familiarity. This ubiquity engenders a tendency toward oversimplification, obscuring the profound complexities and latent mechanisms of the housing sector. Consequently, this reductionist perspective yields simplistic policy interventions that inevitably falter when confronted with the multifaceted realities of the market.

Although 2 iterations of the Comprehensive Housing Plan, alongside decades of national development strategies and urban master plans, have attempted to resolve this issue, their cumulative outcome is the precarious status quo observed today. Given its pivotal role in the broader development trajectory and the legacy of successive policy failures, the Iranian housing crisis necessitates a fundamental paradigm shift a deconstruction and re-evaluation of both problem articulation and intervention strategies. Adopting this critical approach is the primary objective of this article.

Revolutionary Approaches to Housing

Excluding pre-revolutionary development programs, a total of 7 national development plans have been ratified under the Islamic Republic from 19891 to 2024, each dedicating specific sections to the housing dilemma.

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Prior to 1989 during the transitional decade between the 1979 revolution and the inception of the First National Development Plan the absence of a codified planning framework necessitated a range of ad hoc initiatives. These measures aimed to stimulate housing production and accommodate the pent-up demand generated by massive rural-to-urban migration, predominantly directed toward Tehran and other major metropolises.

The 1969 Tehran Comprehensive Plan established strict urban growth boundaries. This spatial delineation, coupled with the macroeconomic policies of the Second Pahlavi era characterized by agricultural stagnation and the disproportionate concentration of industrial development in central metropolitan hubs served as a catalyst for large-scale rural-to-urban migration. Consequently, this phenomenon triggered a rapid proliferation of informal settlements and slum-dwelling around Tehran. During the genesis of the Islamic Revolution and the ensuing struggle against the Pahlavi regime, the inhabitants of these marginalized zones were politically conceptualized as Goud-neshin (pit-dwellers) and Mostazaf (the dispossessed). Revolutionary art and literature particularly the intellectual cinema of the era were replete with references to the precarious living conditions of Tehran's slum-dwellers and marginalized populations (Fig. 1).

The contemporary municipality's aggressive crackdowns on unauthorized peripheral housing and the subsequent demolition of these structures emerged as a primary catalyst for public confrontation with the Pahlavi regime. The social friction generated by the spatial dichotomy of "inside versus outside the urban boundary" reached critical mass. In the final months of its administration, in a desperate bid to quell revolutionary fervor and mitigate perceptions of state-sponsored injustice, the regime hastily expanded Tehran's urban boundaries. This policy shift aimed to formally integrate peripheral residents, legally recognizing them as citizens with the right to reside (The Tale of Outside the Boundary…, 2009). Following the revolution's victory, Nikpey, the final pre-revolution mayor of Tehran, was sentenced to execution, specifically charged with authorizing violence against marginalized residents, demolishing their homes, and bearing culpability for civilian fatalities (The Tale of Outside the Boundary…, 2009).

This historical emphasis on the political capital of housing underscores that it transcends mere conventional infrastructure; it constitutes a profound socio-political asset. Both its provision and deprivation exert transformative impacts on individual well-being and societal stability. Constructively, secure housing elevates the quality of human life a fundamental prerequisite for social development. Conversely, its deprivation acts as a destructive force, capable of triggering severe social crises and catalyzing revolutionary upheaval.

Widespread housing shortages and substandard living conditions are recognized as defining characteristics of pre-revolutionary urbanization. Beyond the substantial evidence suggesting that the housing crisis catalyzed and accelerated the revolution, post-revolutionary events further underscore the societal primacy of housing and its corresponding prominence in the minds of the revolutionary leadership (Fig. 2). The establishment of "Imam's Account 100" in 1979 which subsequently evolved into the "Housing Foundation" was among the initial directives issued by the leader

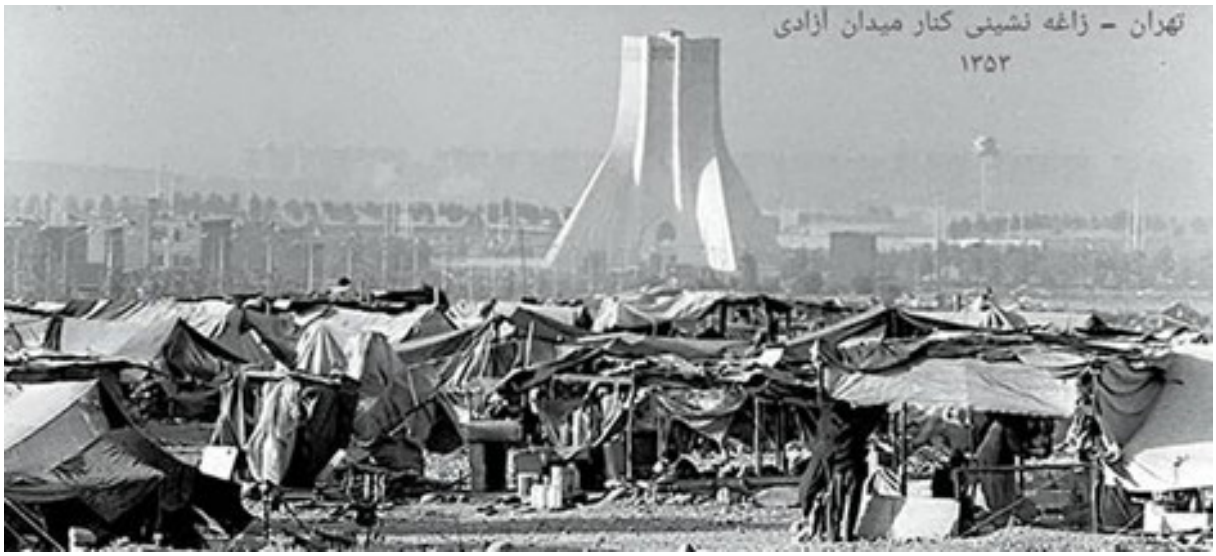


Fig. 1. Slum dwellings adjacent to Azadi Square, Tehran, 1974. Source: Archive of the Institute for Iranian Contemporary Historical Studies (IICHS). https://www.iichs.ir

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Fig. 2. Shantytowns on the periphery of Tehran, 1979. Source: Archive of the Institute for Iranian Contemporary Historical Studies (IICHS). https://www.iichs.ir

of the revolution. Notably, this initiative preceded the formation of other revolutionary institutions and the formal establishment of the post-revolutionary government (Opening of Imam's Account 100…, 2026). Subsequently, the movement to provide housing for the disenfranchised through land distribution and the establishment of housing cooperatives positioned the resolution of the housing crisis as the paramount policy priority of the revolutionary state for nearly 2 decades, even amidst the protracted Iran-Iraq War.

Further evidencing the prioritization of housing and land management within the revolutionary government's agenda during its first two decades was Ayatollah Khomeini's fatwa concerning the appropriation and reallocation of barren lands (Mawat). This directive, formalized as "Clause J" (Band-e Jim) of the Land Allocation Law, sparked significant jurisprudential debates between the Guardian Council and the revolutionary leadership (State Rules and Regulations on Land Allocation…, 2013). The revolutionary leadership's insistence on circumventing conventional jurisprudential norms was predicated on the specific spatio-temporal imperatives of the crisis, a consideration absent in preceding religious decrees. Consequently, the then-leader of the revolution decreed the permissibility of expropriating and redistributing these barren lands for residential and agricultural development. The absolute necessity of this measure for safeguarding public interest was deemed unequivocal a factor previously underappreciated as a determinative variable in jurisprudential verdicts.

Notably, two of the most profound contentions between traditional Islamic jurisprudence and the state-endorsed legal framework centered on the doctrine of the Guardianship of the Islamic Jurist (Velayat-e Faqih) and the issue of land (and housing) ownership. This ideological confrontation underscored the foundational significance of these two domains. Given its direct implications for political power, the modern interpretation of Velayat-e Faqih was undeniably the paramount subject of debate among clerics and intellectuals during the victory and subsequent consolidation of the new regime. Concurrently, the parallel emergence of property rights discourses specifically regarding land and housing highlighted the acute severity of this issue both within the broader society and among revolutionary policymakers. Following a decade of pragmatic revolutionary governance, during

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which housing production remained at the forefront of state agendas, the First National Development Plan was ratified by the parliament upon the government's proposal in 1989.

National Development Plans

• The First Plan (1989–1994)

Regarding housing, the First Plan primarily focused on various quantitative indicators across most of its sections. By quantifying diverse data sets under the rubric of "goals and policies," it addressed the economic, social, managerial, and physical dimensions of housing in a strictly sectoral manner. The document outlined over 30 specific objectives; however, these were not derived from overarching, higher-order strategic mandates. Interspersed among these objectives were frequent non-binding recommendations, aspirational statements, and technical advisories. Crucially, the Plan lacked a defined hierarchical framework linking concrete interventions to its stated goals, ultimately rendering the document a neutralized and non-binding policy text.

The most explicitly defined operational objective of the First Plan was the "initiative to reduce household density per residential unit, aiming to achieve a ratio of one after the implementation of four consecutive development plans."

The overarching approach of the First Development Plan was characterized as a "supply-side policy." This paradigm emphasized post-war reconstruction efforts, the procurement of construction materials at open-market rates, and the allocation of urban land at preferential, subsidized prices. Within this policy framework, land and capital remained the primary focal variables, which were subsequently managed in accordance with new pricing paradigms and macroeconomic structural adjustment policies (First Development Plan, 1989).

• The Second Plan (1994–1998)

By categorizing housing into free-market, subsidized, and social sectors, the Second Plan purported to address the complexities of housing demand and production with enhanced precision. However, much like the First Plan, it articulated a compilation of policies, desires, aspirations, and preferences across economic, social, physical, technical, and managerial dimensions without clearly elucidating the necessary quantitative metrics, financial and statutory resources, or their interrelationships. The policy interventions formulated by the Plan's architects included granting credit facilities to free-market developers, subsidizing the construction of low-cost housing, developing new residential units within the aforementioned three tiers, and sustaining the policy of allocating prepared land both contiguous and non-contiguous to private, cooperative, municipal, and state entities. The most significant theoretical achievement of the Second Plan can be identified as its emphasis on reducing housing unit sizes (downsizing), thereby challenging the prevailing cultural taboo associated with departing from spacious homes. Nevertheless, absent robust statutory backing and enforcement mechanisms, this proposition remained a mere non-binding recommendation.

A highly questionable methodological practice within these development plans is the recurrent assertion that a substantial portion of the preceding plans' objectives had been successfully realized. This perception of success is artificially manufactured: first, by deliberately scaling down the Plan's formal targets relative to the actual housing demands and expectations of society; and second, by evaluating the Plan's performance strictly against its own internal mandates, willfully ignoring the actual impact of these policies on the society's effective demand.

The Second Development Plan has historically been characterized as the era of "mass construction and downsizing." It attempted to fulfill its statutory obligation of facilitating homeownership for Iranians by delineating target demographic groups, allocating direct subsidies, and stimulating construction mechanisms within the open market. Evidently, the primary variable driving these macroeconomic policies remained capital. A notable conceptual shift in the Second Plan was the introduction of novel paradigms, such as defining specific target groups to contextualize planning efforts and focusing on market-driven construction mechanisms. While these represented the Plan's theoretical innovations in approaching the housing crisis, they failed to effectively materialize within its operational programs, ultimately remaining confined to theoretical studies and preliminary research (Second Development Plan, 1994).

• The Third Plan (2000–2004)

The Third Development Plan can be fundamentally characterized as a rhetorical reiteration of its predecessors. It conspicuously omitted a central, overarching objective, relying instead on a compilation of platitudes and self-evident statements presented under the guise of technical studies, alongside an abundance of inconsequential quantitative data. Crucially, the plan persistently lacked definitive implementation timelines and dedicated budgetary allocations; consequently, it

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served merely as a manifesto of its authors' aspirations rather than a functional policy document.

The degeneration of strategic planning within the Third Plan was so profound that it simply declared the provision of housing for low-income demographics and the eradication of homelessness and informal settlements as its primary social objectives seemingly operating under the naive assumption that the mere articulation of a desirable outcome would spontaneously catalyze its realization. Furthermore, the goals and policies, persistently categorized under the four thematic headings established in previous plans, remained entirely non-binding, imposing no statutory or operational obligations on executive authorities.

Operating under the banner of "regulating the housing market" and adopting the primacy of free-market economics as its core strategy, the Third Plan prioritized policy interventions such as financial deregulation, the expansion of credit facilities, land liberalization, and the incentivization of mass construction. As this theoretical framework suggests, the architects of the Third Plan continued to conceptualize the housing crisis almost exclusively as a function of land and capital management. Consequently, regardless of the practical feasibility of their economic perspectives, they systematically neglected other critical variables and systemic components essential to housing production (Third Development Plan, 2000).

• The Fourth Plan (2005–2010)

The Fourth Development Plan was drafted during a period when the national housing demand curve had reached its zenith, driven by the influx of the 1980s demographic boom entering the housing market. Acknowledging the systemic failures of preceding plans, the government was statutorily mandated to formulate a Comprehensive Housing Plan. Nevertheless, the housing-related discourse within the Fourth Plan mirrored the rhetorical and essayistic nature of its predecessors, fundamentally lacking the requisite characteristics of an actionable programmatic framework. Notably, Article 31 of the Fourth Plan mandated the development of a technical and executive system wherein 40% of projects would be executed via Design-Build and Construction Management delivery methods. This provision, however, appeared to cater predominantly to the commercial interests of professional contractors and institutional borrowers, rather than addressing the core mechanisms of the housing crisis.

As if fatigued by the reiteration of ineffectual rhetoric regarding the national housing crisis in previous plans, Clause C of Article 30 explicitly obligated the Ministry of Housing to prepare a Comprehensive Housing Plan. This mandate underscored two critical premises: first, housing is a highly specialized domain that cannot be effectively regulated merely as an ancillary component within the broader financial and economic clauses of development plans; and second, three decades of state interventions following the revolution had failed to adequately satisfy the escalating housing demand, thus necessitating a fundamental paradigm shift.

The aforementioned approaches for formulating the Comprehensive Housing Plan were delineated across five distinct thematic categories within the Fourth Plan. Clauses 2 (land management), 3 (secondary mortgage markets), 5 (capacity building for cooperatives), and 4 (mass construction) addressed mechanisms operating outside the traditional parameters of housing planning in Iran. However, because these mechanisms were perceived merely as executive administrative policies, they were never codified into binding legislation with dedicated budgetary allocations within the state's operational framework, ultimately rendering them incapable of generating any tangible impact (Fourth Development Plan, 2005).

• The Fifth Plan (2011–2015)

Following the precedent of its predecessors, the Fifth Plan reverted to neutral, rhetorical generalities. Without specifying quantitative targets, the plan mandated the government to provide housing for disabled veterans, freed prisoners of war, and the families of martyrs. A significant orientation of this plan was the mandate to renovate 10% of dilapidated urban fabrics annually by allocating 50% of housing credits to renovation efforts. However, both targets remained ultimately ineffective due to ambiguities in their prerequisites and their susceptibility to subjective interpretation (Fifth Development Plan, 201120112011).

• The Sixth Plan (2017–2021)

The Sixth Plan attempted, for the first time, to quantify renovation objectives, targeting the rehabilitation of 270 neighborhoods, the renovation of 200,000 rural housing units, and the provision of housing facilities for 150,000 low-income individuals. Nevertheless, due to a persistent disregard for legal mechanisms and the state's functional role in executing these tasks, the realization of the plan's ideals was relegated to mere executive "decrees." Furthermore, in response to the expansion of informal settlements on the peripheries of major cities a byproduct of the economic policies of preceding administrations the housing section of the Sixth Plan mandated the government to reduce the marginalized

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population by 10% annually through reverse migration. This was to be achieved by strengthening the housing sector in the migrants' areas of origin. Beyond highlighting deficiencies in planning methodology, this approach, which ignored the root causes of the issue, reflected a form of populist projection and an evasion of responsibility regarding the adverse consequences of previous economic policies (Sixth Development Plan, 2017).

• The Seventh Development Plan (2024–2028)

For the first time, the Seventh Plan explicitly established quantitative objectives for the housing sector, delineating specific numerical goals to be achieved by the end of the plan period across distinct categories: dilapidated fabrics, industrialized construction, and urban and rural housing. A highly notable aspect of the Seventh Plan is the comprehensive and detailed chapter dedicated to housing for the armed forces, which most closely resembles a programmatic framework that policymakers genuinely possess the resolve to execute (Seventh Development Plan, 2024).

Comprehensive Housing Plans

Following the victory of the Islamic Revolution and continuing until 2025 when sporadic reports emerged regarding the government's intention to formulate a new comprehensive housing plan efforts to address and resolve the housing crisis were primarily concentrated within two independent programmatic initiatives.

Beyond its fundamental role in securing the welfare of individuals and families as a primary and essential need, housing in Iranian society has, for specific historical reasons, functioned as the most critical capital asset and the ultimate economic safety net for households during times of hardship. This dynamic has ensured a perpetual societal demand for shelter while simultaneously generating a supplementary, speculative demand for housing as a commodified asset. The convergence of these dual demands constitutes the first side of the current housing crisis triangle.

Furthermore, the lack of expertise and operational capacity among policymakers and administrators regarding housing production has laid the groundwork for the second side of this crisis. The third side of the triangle is a direct byproduct of the country's specific geopolitical circumstances namely, the enduring legacy of war and international sanctions which have severely constrained the optimal utilization and expansion of available resources (Fig. 3).



Fig. 3. The housing crisis triangle in Iran. Source: Author, 2026.

• The 2007 Comprehensive Housing Plan

The inaugural program titled the "Comprehensive Housing Plan," which was in the drafting and approval phases from 2004 to 2007, provided a detailed report on baseline housing statistics and data. Concurrently, it sought to estimate housing needs based on homeownership rates, population growth, informal settlements, and dilapidated urban fabrics, while evaluating production capacity drawing upon the country's historical construction records. According to its authors, this plan was developed by building upon a decade of preceding studies conducted by the Office of Housing Planning and Economics, the Mass Construction Office, various bureaus of the National Land and Housing Organization, and the World Bank.

The formulation of the Comprehensive Plan was a statutory obligation under the Fourth National Development Plan, which had inherited the unsuccessful policies of its predecessors. Consequently, the 2007 Comprehensive Housing Plan of Iran can be characterized as a synthesis of prior policies from various programs. Its drafters asserted that it introduced innovations in the realms of taxation, energy efficiency, housing quality, informal settlement management, low-income housing, and social housing (Comprehensive Housing Plan, Analytical Document: Synthesis of Studies, 2007, 12).

Furthermore, the plan sought to solidify its philosophical and legal foundations by invoking the statutory obligations of the government. It specifically referenced Article 31* of the Constitution, which mandates the state to facilitate access to housing commensurate with the needs of every Iranian citizen. It also relied upon an interpretation of Article 43 of the Constitution, which categorizes housing among the fundamental human needs essential for personal development and the preservation of human liberty (Constitution of the Islamic Republic of Iran, 1979).

(Translator's Note: The original Persian text contains a

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typographical error, citing "Article 131." This has been corrected to "Article 31" in the English translation, as Article 31 of the Iranian Constitution pertains to the right to housing).

Despite the explicit focus of revolutionary leaders on the housing issue, coupled with revolutionary measures and the implementation of various urban and regional development plans, housing remained a critical national challenge after three decades. Consequently, the Comprehensive Housing Plan was commissioned as an integrated, scientific, and permanent solution (the preparation of the country's first Comprehensive Housing Plan commenced in 2003 and concluded in 2005; Comprehensive Housing Plan, 2014). Interventions during the first three post-revolutionary decades primarily relied on land management. This was executed through the expansion of urban boundaries, the confiscation of lands belonging to affiliates of the former regime, and the allocation of state-owned land to individual and collective applicants (cooperatives). Subsequently, these interventions transitioned towards the management of construction resources, encompassing the provision of loans and the distribution of building materials at subsidized, state-mandated prices. In the absence of a comprehensive problem articulation regarding housing and a systematic classification of its influencing parameters tailored to specific spatio-temporal contexts, these two approaches have perpetually dominated Iran's housing programs.

According to the plan's documentation, the first Comprehensive Housing Plan was drafted by individuals who had previously maintained continuous collaboration on housing issues within various departments of the Ministry of Housing and Urban Development or the Plan and Budget Organization, authoring and presenting numerous sectoral reports between 2000 and 2005. A four-page roster of these individuals, alongside 24 specific report titles, constituted the foundational basis for the comprehensive plan. The research was spearheaded by Dr. Minoo Rafiei, an economist (Comprehensive Housing Plan, Analytical Document: Synthesis of Studies, 2007).

The report comprises five chapters addressing the historical context of the housing issue, an evaluation of past policies, an examination of long-term perspectives, the identification of medium-term demand, and the objectives and strategies of the plan. The most critical section, which was anticipated to receive rigorous analytical attention, is the fifth chapter, delineated under the title "Objectives and Strategies" (Comprehensive Housing Plan, Analytical Document: Synthesis of Studies, 2007). However, both the table of contents (page 8 of the document) and the body of the report (pages 61-90) solely present sectoral strategies and policies such as the urban land financing system and taxation without articulating any clear, corresponding objectives. This paradigm of planning, devoid of explicitly defined objectives, is akin to a rhetorical address wherein the speaker merely categorizes and echoes the audience's demands, without actively seeking to formulate actionable solutions.

While the Comprehensive Housing Plan estimated a construction requirement of over 3 million units by 2009 (Comprehensive Housing Plan, Analytical Document: Synthesis of Studies, 2007, 54), this target is conspicuously absent from the plan's downstream strategies. Instead, the strategies, policies, and measures across various sectors remain merely advisory, consisting of universally applicable truisms. The fifth chapter outlines the plan's primary strategies, which include: augmenting resources and introducing flexible lending within the financial system; revising land supply policies and restructuring the urban land system; facilitating modern construction methods in production and material usage; enhancing construction quality within the building industry; consolidating housing subsidies under loan management; optimizing energy consumption and enforcing Chapter 191919 building codes; and reforming the insurance and social security frameworks for low-income housing (Comprehensive Housing Plan, Analytical Document: Synthesis of Studies, 2007).

Evidently, these aforementioned items, along with others detailed in the plan's sectoral strategy and policy matrices, lack any meaningful correlation with a defined programmatic objective. Rather, they function as perpetual recommendations for optimizing the routine operations of the Ministry of Housing or other executive agencies, applicable under any circumstances. Consequently, it can be argued that by omitting a definitive "objective," the 2007 Comprehensive Housing Plan created a conceptual vacuum, readily accommodating populist strategies and policies. By appending prior studies most of which had been previously conducted for the exact same client without the imperative to align them toward a central goal (which was fundamentally absent), the plan's architects produced a superficially impressive housing document that is ultimately devoid of any practical or directive value.

Even the emphatic claims made by the developers of the 2007 Comprehensive Housing Plan regarding the

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introduction of novel themes in the housing sector were ultimately reduced to generalizations and unfruitful narratives. For instance, under the heading of urban land evaluation, an entire chapter of the report was dedicated to a technical review of land-related events, without articulating any strategic approach or mandate to break the vicious cycle of the land issue.

In the section on housing taxation, the mere reiteration of technical literature replaced the analytical and policy-oriented perspective essential for a comprehensive housing plan (Comprehensive Housing Plan, Analytical Document: Summary of Studies, 2007, 68). Furthermore, contrary to the audience's expectation for innovative policies in the construction industry which could be integrated into the housing production cycle as a novel component the comprehensive plan's report merely extolled the virtues of industrialization and concluded the topic with moral exhortations (Comprehensive Housing Plan, Analytical Document: Summary of Studies, 2007, 72). Regarding building energy, a global concern that extended to Iran due to rising energy costs the report focused on passive, post-production issues that exert a contractionary effect on housing production policies. Consequently, the plan's effective policies remained confined to the two traditional categories of land and capital.

In categorizing the external factors influencing housing prices, the report cited liquidity, inflation, real production, exchange rates, stock prices, and the rate of return on other economic activities. In detailing internal factors, it highlighted land prices, construction costs, building materials, wages, supply shortages, and demand pressure, reporting an average annual growth of 25% in housing prices during the 1992–2002 decade (Comprehensive Housing Plan, Analytical Document: Summary of Studies, 2007, 27).

A closer examination of the nature of these factors reveals that, despite the diversity of their titles, they are fundamentally concentrated on two core components: capital and land. The report merely attempted to present these under the guise of a novel approach by utilizing terms such as construction, materials, wages, liquidity, inflation, exchange rates, stock prices, and rates of return.

Among the factors investigated in the 2007 Comprehensive Housing Plan, several critical elements remain conspicuously absent from housing production planning. These encompass the role of legal frameworks, construction methodologies, spatial planning programs, and macroeconomic policymaking concerning the commodification of housing. Furthermore, policies addressing housing typologies and quality, structural durability and longevity, the spatial configuration of residential complexes (such as neighborhood or linear layouts), and overall resident satisfaction are entirely overlooked.

• The 2014–2026 Comprehensive Housing Plan

The report for the second Comprehensive Housing Plan was published a decade following the ratification of the first plan and encountered severe criticism from experts from the outset. One group of critics scrutinized the plan's accounting framework. Highlighting errors in baseline statistics, flawed calculation methodologies, and significant omissions that impacted the final conclusions, they challenged the quantitative depiction of Iran's housing crisis and the subsequent assessment of actual and potential housing needs.

In its critique, the journal Payam-e Sakhteman discussed the incongruity between the objectives and the actual requirements of the second Comprehensive Plan, revealing a 30% discrepancy between the plan's estimates and official statistics. Furthermore, it analyzed changes in housing affordability indices alongside urban and rural housing typologies, implicitly arguing that the plan's methodological approach manipulated unobserved housing realities to justify preconceived outcomes. Similar to its predecessor, this document comprises a collection of micro-level, fragmented, and internally contradictory calculations. It effectively inundates the reader with baseline data, arriving at idealized conclusions in a highly ambiguous manner (Macro-policymaking…, 2016).

This bombardment of data within the text, characterized by the inclusion of numerous convoluted baseline statistics, precludes the reader from critically evaluating the study. By merely echoing latent societal aspirations in its summaries and conclusions, the report ultimately serves as a populist document tailored for its decision-makers and approvers. For instance, estimating the national population within the plan's horizon and determining the corresponding housing needs is presented as a fundamental pillar of the plan; the study attempts to establish this by citing disparate statistics across various sections. Paradoxically, the challenges section (Comprehensive Housing Plan 2014–2026, 8) explicitly acknowledges an escalating trend in informal settlements, a phenomenon that inevitably drives up migration rates to more developed and affluent urban centers.

The declared objective of the first plan was the comprehensive enhancement of the housing sector

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across all its dimensions (Comprehensive Housing Plan 2014–2026, 3). However, during the ninth and tenth government administrations, housing sector policies were effectively reduced to the transfer of land usufruct rights under the auspices of the Mehr Housing Project. The second Comprehensive Housing Plan proposed a precise assessment of urban land requirements nationwide (Comprehensive Housing Plan 2014–2026, 4), stipulating that the findings be integrated into subsequent iterations of the plan to serve as a foundational basis for future policymaking.

Consequently, the very foundation of the Comprehensive Housing Plan which relied upon population projections and the subsequent estimation of housing needs was fundamentally compromised. Subsequent events, notably the government's call for enrollment in the National Housing Action Plan and the stark disparity between the actual number of applicants and the projected figures, compelled policymakers to iteratively modify the eligibility criteria. This manipulation was aimed at aligning the empirical data of housing applicants with their previously formulated estimates, extending even to the point of incorporating young, unmarried individuals into the market demand calculations as prospective housing applicants.

The deficiency in the technical infrastructure required to generate accurate planning statistics, coupled with the flawed paradigm of the Comprehensive Housing Plan in attempting to forge a definitive blueprint for housing production and distribution even when incorporating the private sector or landowners ultimately forced the planners to resort to a methodology of "floating planning" (Comprehensive Housing Plan 2014–2026, 11). By doing so, they ostensibly offered corresponding solutions for various potential future scenarios. Ultimately, the Comprehensive Housing Plan's projections for the 2026 horizon estimated a total requirement of 12.^{3} million units; this aggregate figure encompassed 5.85.85.^{8} million newly formed households, 1.^{2} million existing households lacking independent dwellings, and the renovation of 53 million dilapidated residential units.

The structural weakness of the plan's internal logic has culminated in the designation of 555 strategic objectives, 11 programmatic goals (policies), and 7 operational axes. Theoretically, this section of the plan ought to articulate a hierarchical framework of interventions designed to achieve the overarching upstream objectives. However, a comparative analysis of the plan's 7 operational axes arguably the core of the housing program reveals that these axes are logically disparate, heterogeneous in nature, and lack a unified strategic trajectory.

The essence of the first axis housing provision for low-income households can effectively be generalized to encapsulate the overarching objective of the entire plan. Consequently, its essential components and prerequisites are dispersed across the remaining axes: informal settlements, urban planning reform, the construction industry, rural housing, and rental housing. Furthermore, financing is designated as a standalone component, despite its inherent cross-cutting relevance to all other axes. Therefore, from the perspective of formal logic and planning methodology, these 7 axes are more accurately characterized as influential thematic subheadings within the document, rather than as the structural foundation of the plan itself.

Within the policy tier of the second Comprehensive Housing Plan, there are components that neither translate into downstream interventions (the 7 operational axes) nor conceptually stem from or align with the upstream objectives (the 555 strategic goals). As a result, a meaningful and measurable correlation between the hierarchical levels of the plan is glaringly absent. This deficient approach to policy formulation renders the plan's outcomes and its resultant interventions so fragmented and disjointed that the arbitrary addition of any new measure, or the elimination of any existing axis, could be effortlessly justified.

The methodology utilized to operationalize the 7 operational axes of the comprehensive plan detailed under the chapters "Institution Building" and "Operational Programs" delineates a series of interventions suffering from extreme fragmentation and an absence of deductive (whole-to-part) reasoning. Consequently, discerning the systemic linkages between these actions is profoundly difficult; the specific contribution of each measure to the realization of its respective axis remains highly ambiguous; and the critical omission of other essential interventions is rendered undetectable due to the lack of a robust, rationally and technically sound prescriptive framework. This section, which constitutes the core body of the plan, resembles an unstructured brainstorming exercise; it arbitrarily aggregates an extensive array of demands and actions within a non-hierarchical framework entirely devoid of systemic interconnectivity.

From a micro-level oversight perspective akin to parliamentary monitoring of program implementation, it is possible to identify propositions across all sections of the Comprehensive Housing Plan that

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directly correspond to specific actions undertaken by the Ministry of Roads and Urban Development. However, a systemic evaluation of the issue, coupled with a logical analysis of the correlation between the program's premises and the outcomes of its actions, reveals a distinct failure to address the escalating housing demand at the national level.

Summary

Despite a decade of revolutionary measures, 7 National Development Plans (1989–2024), and two Comprehensive Housing Plans (1989 and 2015) all formulated post-Islamic Revolution under the aegis of egalitarian principles and the ensuing Constitution the proportion of housing demand has remained starkly stagnant. Specifically, housing demand stood at over 42% in 1979 (with a national population of 25 million) and remains at approximately the same level in 2025 (with a population of 91 million) (Housing Price Explosion…, 2025; The New Landscape of Housing Demand…, 2019). This stagnation persists despite the constitutional mandate obligating the government to provide adequate and suitable housing for all Iranian households.

By 2025, the national homeownership rate was approximately 66.3% (Public Reception of the Housing Plan…, 2025), while in Tehran, it hovered around 66% (The Great Housing Divide…, 2026). Notably, in all major metropolitan areas across the country, the homeownership rate falls below the national average. An assessment of these two datasets highlighting an absolute increase in demand alongside the government's futile efforts to resolve the housing crisis posits two primary hypotheses:

1. The substantive content of the formulated plans was fundamentally weak and unrealistic;
2. The executive management responsible for their implementation was highly ineffective.

A review of the content of national development programs and comprehensive housing plans reveals fundamental scientific errors in defining the housing problem and its underlying variables. Invariably, the proposed solutions have been reductively confined to land management or construction capital. Although all documents frequently reference other dimensions of the housing issue or even present token, formalized studies regarding them these aspects demonstrably fail to influence the programs' actual objectives or policies. Concurrently, the numerous methodological commonalities across various plans suggest that the underlying research is monopolized by specific expert paradigms and relies on relatively rigid, stagnant procedures during plan formulation.

A prime example is the estimation of housing needs, which serves as a recurring theme across all programs, yet is consistently presented without clear, explicit targets for fulfilling all or part of that demand. Furthermore, the absence of a standardized, transparent methodology for these estimations has resulted in highly disparate and contradictory figures across different official documents.

Despite shifts in household size, fluctuating socio-economic conditions, and rising housing production costs, housing typology has not been approached as a central policy issue; rather, it has only been addressed sporadically in certain plans. Moreover, the urban framework for housing supply whether through residential complexes or alternative settlement patterns has been entirely neglected in these planning documents. Finally, studies and programs related to the financing of mass construction have focused on dimensions of housing economics that more closely resemble financial accounting, rather than offering critical, evaluative analyses of the housing economy in dynamic interaction with its social dimensions.

The Housing Affordability Index (defined as the ratio of newly constructed housing prices to household income) was reported to be 8.[6] in 1384 and 12 in 1391; however, this metric had no discernible impact on the formulation of the Comprehensive Housing Plan (1393–1405). Given the socio-economic nature of this index, financial planning is expected to adopt a proportional approach, establishing distinct provisions for different income deciles. Conversely, the policy outputs of the program remained entirely indifferent to this indicator.

The weighting of factors influencing housing production and pricing fluctuates across different municipalities and under diverse policy frameworks variables that have been systematically overlooked in the majority of national programs and comprehensive housing plans. Utility connection fees and building permit levies, which have escalated in tandem with inflation, constitute a substantial portion of construction costs. By mimicking Tehran's density-selling (revenue-generating zoning) practices, these fees have evolved into a permanent revenue stream for the government and municipalities, ultimately acting in direct opposition to the stated objectives of housing production plans.

Furthermore, the exaction of these municipal levies at the very inception of a project exacerbates their detrimental impact, effectively stifling the initiation of the production cycle. Despite their direct bearing on

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housing affordability, policies addressing this inflated utility and permitting costs which represent mandatory statutory payments are conspicuously absent from national development programs and comprehensive plans.

Similarly, housing typology, residential complex models, and neighborhood-level spatial systems are critical domains that remain neglected within these policy frameworks. Beyond encompassing structural quality, a primary future demand of prospective buyers these elements are intrinsically linked to cultural preservation, civic identity, and the safeguarding of national capital. Finally, the industrialization of construction, along with its subsequent impacts on project speed, research expenditures, and technical standards, represents another vital dimension. Its role in achieving housing program targets has not been explicitly operationalized; rather, it remains marginalized within background studies, relegated to the status of ineffective recommendations.

National programs and comprehensive housing plans have systematically overlooked the role of urban development policies concerning building density. This is a critical omission, as density regulation is a highly influential determinant of construction costs, public participation, and the mobilization of private capital within the housing production cycle. By disregarding the potential for generating "virtual land" (via vertical development) within existing urban boundaries, and relying instead on the fallacy of urban population saturation, these housing programs have effectively driven urban expansion toward informal peripheral settlements and the proliferation of new satellite towns. Conversely, upstream housing policies could have capitalized on the opportunity to intelligently manage and steer intra-urban housing construction, contingent upon the strategic upgrading of baseline conditions and municipal infrastructure.

Furthermore, distressed urban areas (blighted neighborhoods) which present both simultaneous threats and opportunities within urban development processes are entirely absent from these housing frameworks. If infrastructural deficits, particularly the shortage of residential parking, were resolved, these areas could offer an unparalleled opportunity for housing production, specifically catering to the needs of the lowest-income deciles. The prevailing, superficial perception among policymakers treats distressed and underperforming urban fabrics merely as administrative burdens and managerial liabilities. Consequently, the latent potential of these areas which are frequently situated within prime, economically viable urban zones remains entirely untapped.

Conclusion

In the Constitution of Iran, housing is recognized as a fundamental natural right, analogous to the rights to health and life, and the state is explicitly mandated to provide adequate conditions for its realization for all citizens. The primacy of the family, as an Islamic doctrine, and the significance of the neighborhood, as an Islamic tradition of urbanism, constitute two foundational concepts in Iranian law and custom. These concepts directly influence the imperative of housing in sustaining family structures, fostering social relations derived from neighborhood life, and determining the spatial distribution of housing within the city. Consequently, within both the legal and customary frameworks of Iranian society, housing is an essential right, and its provision whether executed directly or indirectly remains a core responsibility of the government.

During the initial decade following the Islamic Revolution, housing provision was prioritized at the forefront of the state's developmental agenda. The prevailing mechanisms of that era included land allocation, the provision of subsidized construction materials, the disbursement of banking facilities, and the establishment of intermediary entities such as housing cooperatives. Macro-level policymaking during this period was fundamentally predicated on direct state intervention in land distribution and the supply of construction capital. In this paradigm, critical systemic dimensions such as the stratification of applicants, residential unit typologies, the urban housing system, production methodologies, municipal toll management, technical engineering standards, construction determinants, applicant prioritization criteria, the impact of policies on demographic migration, the alignment of financial facilities with regional agricultural and industrial output, and national spatial planning were conspicuously absent from government initiatives. This systemic oversight occurred because policy formulation was exclusively anchored in two isolated variables: land and construction capital.

By the conclusion of the first post-revolution decade, internal governmental assessments acknowledged the lack of success of prior housing provision policies. Consequently, an independent sector designated specifically as the "Housing Sector" was integrated into the National Development Plans. Furthermore, the Fourth National Development Plan legally obligated

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the government to institutionalize its constitutional duty of securing the natural right to housing for Iranians through the formulation of a formalized Comprehensive Housing Plan.

By the horizon of 2025 (1404 SH), 7 National Development Plans and 2 Comprehensive Housing Plans (2007 and 2014) had been formulated and executed. Nevertheless, the absolute volume of housing demand consistently escalated over these five decades of housing planning. According to recent statements and interviews with government officials and their policy consultants, the state currently intends to draft a Third Comprehensive Housing Plan aimed at identifying and rectifying the structural shortcomings of its predecessors. Preliminary indications suggest this new program will rely on modifications to baseline measurement indices, including redefining the standard residential unit or housing typology, promoting spatial downsizing (micro-housing), and similar adjustments.

Ultimately, the core objective of this study was to elucidate the ubiquitous structural and conceptual deficiencies within the housing sector across the 7 successive National Development Plans and the 2 Comprehensive Housing Plans through a rigorous, evaluative review of the aforementioned policy documents.

The findings of the evaluation can be synthesized into 333 primary categories, as detailed below:

1. Evasion of Explicit Objectives

All examined programs inherently lacked a coherent vision and explicit, legally binding objectives. The systematic failure across all documents to precisely and explicitly articulate programmatic goals comprising predefined timelines, quantitative targets, budgetary allocations, regulatory frameworks, and rigorous executive mechanisms not only strips the plans of their mandatory character but also creates perpetual loopholes for executing agencies to evade accountability. Strikingly, none of the plans stipulated the exact volume of housing the government was obligated to produce annually, nor did they delineate the corresponding operational mechanisms or the requisite financial appropriations.

2. Unscientific and One-Dimensional Methodology in Problem Formulation

The reduction of the housing crisis to its purely economic dimensions has resulted in a policy environment where solutions are pursued exclusively through fiscal and economic frameworks. Within the domain of housing economics, land and capital are treated as the sole primary components. Consequently, all national development programs and comprehensive plans have been predicated on direct state intervention through land management and the allocation of government capital. This occurs despite the fact that land production policies could be effectively, albeit indirectly, managed through national spatial planning or urban development programs (urban master plans). Furthermore, the reductionism toward the economic dimension, coupled with the bureaucratic imperative to produce voluminous, ostensibly comprehensive reports, compelled plan authors to rely on granular expansions of financial and economic studies often bordering on mere accounting exercises to satisfy the commissioning body's appetite for extensive documentation. Additionally, the inclusion of anticipated thematic headings, such as social issues, management, infrastructure, and industrial construction, served merely as a cosmetic enhancement to align the reports with the client's expected standards, without generating any effective operationalization within the actual housing programs. However, as detailed throughout this study, a rigorous content evaluation of all aforementioned documents reveals, first, the perpetuation of a static, inflexible methodology across all plans, and second, a profound superficiality and lack of scientific rigor characterized by the failure to accurately identify and proportionally weight the multifaceted determinants of the housing issue.

3. Static Composition of Expert Panels

Although the National Development Plans and the Comprehensive Housing Plans were institutionally drafted by two distinct entities the Plan and Budget Organization and the Ministry of Roads and Urban Development, respectively a review of the key contributors reveals a relatively fixed composition of personnel. An assessment of the roles and expertise of these individuals indicates an overwhelming prioritization of the economic dimensions of housing planning. Consequently, other critical dimensions were systematically neglected, primarily due to a deficit in technical and scientific understanding among the economically oriented administrators and practitioners involved.

• Foresight on the Unrecognized Dimensions of Housing in Iran

While a critical review of Iran's National Development Plans and Comprehensive Housing Plans can, in isolation, serve as a vital diagnostic phase in the reform trajectory of future planning, it is imperative to establish a clear methodological path and vision for the evolution

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of housing policy. To this end, the subsequent points are introduced as critical, yet historically omitted, thematic categories. Naturally, in any forthcoming program, the specific weight of each component and its mode of realization whether through direct state intervention and administration, budget allocation, regulatory enactment, policymaking, steering of the private sector, or alternative management frameworks must be individually and meticulously addressed. Simultaneously, it must be recognized that the absolute prerequisites for any document to legitimately be classified as a "program" are, first, the establishment of precise quantitative objectives, and second, the explicit delineation of timelines, budgetary requirements, regulatory frameworks, and executive mechanisms necessary for their realization.

1. National Spatial Planning

The impact of this program manifests in the development of urban and rural regions, as well as the macro-level management of demand driven by nationwide demographic shifts. Given that housing demand is heavily contingent upon migration to major metropolitan areas in addition to natural population growth this strategic document serves as a critical safeguard for managing housing demand in crisis-stricken urban centers.

2. Urban Development Program (Master Plan)

Maximizing the utilization of existing urban capacities and their historically developed infrastructure constitutes a pivotal policy in housing planning, primarily achievable through densification and the generation of "virtual land." Reconceptualizing urban carrying capacity as a relative construct, thereby dismantling dogmatic fallacies such as "exhausted capacity" or rigid "standard densities," represents the fundamental first step toward optimizing returns on past infrastructural investments and circumventing the financially exhaustive and unregulated horizontal expansion of cities (urban sprawl).

3. Housing Unit Typology

The escalation in land and construction costs, coupled with significant transformations in household composition and lifestyle, has exerted inevitable impacts on housing typologies, influencing both the architectural design and the physical size of residential units. In contexts where the majority of housing production components are facing crises, the policy of downsizing housing units emerges as an effective strategy to enhance the productivity of existing capacities. Furthermore, by accommodating a larger number of applicants within the limits of available resources, this policy aligns more closely with the principles of social equity.

4. Residential Complex Typology

The exorbitant costs associated with constructing single-family homes in major metropolitan areas currently experiencing housing crises have rendered the development of high-rise residential complexes inevitable. Constraints on land supply and the heavy financial burden of infrastructure development further propel the trend toward high-density housing production. Nevertheless, despite the prevalence of this housing typology as the dominant model of the current era, no architectural or socio-cultural policies beyond basic technical and functional regulations have been formulated for residential complexes to strengthen the social bonds necessitated by close-proximity living and maximally shared physical spaces. This qualitative dimension of housing needs constitutes an indispensable component of any comprehensive program, manifesting as a higher-order human requirement immediately following the settlement of residents in their allocated units. The experience of the Mehr Housing Project underscores the critical importance of this programmatic aspect in ensuring long-term residential satisfaction.

5. The Urban Housing System

Neighborhood-centric living, representing the traditional and historical paradigm of urban life in Iran and other Muslim societies, remains a persistent demand within the modern context of Iranian society. Neighborhood development and community-based management are pivotal approaches in organizing residential units to foster cohesive neighborhoods. These strategies play a critical role in enhancing urban vitality and resident satisfaction. Given the immense scale required to address accumulated effective demand, the national housing program constitutes the most critical determinant in shaping Iran's future urban morphology. A robust system and spatial organization grounded in the neighborhood development model must serve as the foundational module for housing planning. This is particularly crucial for greenfield developments on uncultivated lands, where forecasting and providing urban infrastructure are mandatory; thus, this neighborhood-centric approach demands meticulous integration into the comprehensive master plan.

6. Industrialization of Construction

Speed, cost efficiency, and quality constitute the three primary determinants of success and enhanced productivity in housing production. Historical

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experiences of prolonged construction timelines for residential complexes often extending to a decade or more coupled with the structural vulnerability of low-cost and cooperative-built housing to degradation and natural hazards, necessitate a fundamental paradigm shift. Such a revision is imperative to mitigate capital erosion and curb the inherent inefficiencies of traditional construction methods. The definitive solution to these systemic deficiencies is the industrialization of construction, the qualitative and quantitative dimensions of which must be explicitly articulated within the national housing plan. Beyond optimizing capital investments, this strategic shift can profoundly and qualitatively impact the architectural integrity of individual residential units, housing complexes, and entire urban neighborhoods.

7. Government Revenues and Housing Prices

The government and public institutions, including municipalities, levy various charges on residential units in exchange for services, encompassing taxes, tolls, utility connection fees, and operational permits. Over the past few decades, the progressive escalation of these charges has transformed them from a marginal expense into a decisive component of total construction costs. Furthermore, the timing of these collections typically at the inception of the housing production process severely depletes investor capital early in the project lifecycle. Consequently, this disrupts the production workflow and significantly prolongs construction timelines. Therefore, national housing production plans must establish explicit policies to address this parameter, aiming to systematically reduce costs and optimize the temporal distribution of these financial obligations.

8. Industrial Production of Construction Materials

The industrialization of construction inherently relies on access to standardized and industrially manufactured materials. The institutional decoupling of industrial management from the Ministry of Roads and Urban Development the primary custodian of the housing sector constitutes a major impediment to establishing a targeted and intelligent supply chain (spanning production to consumption) within the industrialized housing process. Empirical evidence demonstrates that mere administrative workarounds cannot effectively bridge the systemic gap between these two sectors. Consequently, the industrial sector continues to gravitate toward more lucrative markets, sidelining the housing needs of middle- and low-income demographics. The most critical intervention required to legally align these fragmented sectors toward a unified trajectory is the implementation of a comprehensive plan endowed with binding legal authority to foster inter-sectoral synergy. The national housing plan must effectively operationalize this mandate.

9. Data Fragmentation and Statistical Discrepancies

A perpetual challenge between policymakers and critics in evaluating housing sector performance is their reliance on divergent baseline data, which inevitably leads to conflicting conclusions and recommendations. The scarcity of robust statistical frameworks and reliable baseline data in Iran constitutes a ubiquitous systemic weakness, serving as the primary driver for programmatic inconsistencies and disjointed policy evaluations. While there exists an implicit consensus among administrators, experts, and the public regarding the state's obligation to ensure adequate housing provision, there are profound and fundamental disagreements concerning the diagnosis of state inefficiencies and the causes of programmatic failures within the housing sector.

The root cause of this dichotomy lies in each group's reliance on proprietary or isolated statistical datasets. For instance, even today, there is no comprehensive consensus among policymakers, decision-makers, the public, and experts regarding the precise quantitative housing demand in the country. Furthermore, a unified definition of fundamental concepts, such as "residential unit" or "household," has yet to be established among relevant stakeholders, including the Statistical Center, the Central Bank, municipalities, and welfare organizations. A robust comprehensive housing plan is obligated to proactively address and resolve this statistical fragmentation, which serves as the foundational data for any housing policy document.

10. Alignment with Upstream and Intersecting Policies

A comprehensive housing plan cannot operate in isolation or contradiction with upstream and associated policies that alter the determinants of regional housing demand. For example, national macroeconomic policies and the allocation of resources to specific industries directly influence migration patterns toward capital-attracting hubs, thereby amplifying local housing demand. Similarly, concerning sectoral development initiatives such as maritime-oriented development, free trade zone expansion, pilgrimage tourism, and agricultural production there is a critical need for a centralized, permanent monitoring mechanism to evaluate external interventions impacting housing supply and demand. The structural establishment,

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operational framework, and legal prerequisites for such a monitoring entity must be explicitly integrated into the comprehensive housing plan.

11. Vacant Dwellings, Second Homes, and Investment Properties

An unresolved challenge in housing planning, frequently invoked during critical discourses on the housing crisis, is the issue of vacant and second homes. This phenomenon is often cited by certain experts particularly urban development and housing administrators as a justification to deflect accountability and evade institutional responsibility. Conversely, counterarguments typically attribute 5% to 10% of vacant housing to frictional vacancy (necessary for residential mobility and renovations) or classify second homes as extra-urban recreational properties, thereby excluding them from core urban housing statistics. Furthermore, ‘‘investment properties’’ comprise high-end luxury estates that operate within an exclusive market sub-sector, functioning primarily as assets for capital preservation and appreciation. Neither the statistical evaluation of this housing cohort nor its implications for spatial planning have been adequately addressed in previous housing master plans. Nevertheless, these properties demonstrably impact the dynamics of demand generation and market response, necessitating comprehensive regulatory consideration in future housing policies.

12. Capacities of Distressed Urban Fabrics

Despite their intrinsic socio-structural challenges, distressed urban fabrics harbor immense potential for housing production through systematic urban regeneration and environmental quality enhancement. A national macro-level housing plan in Iran cannot be formulated in isolation from this substantial spatial capacity, which remains a universally applicable asset across all major Iranian metropolitan areas.

Conflict of Interest

The authors declare that there was no conflict for them in conducting this research.

Footnotes

1. Article 31 of the Constitution: Access to housing commensurate with need is the inherent right of every Iranian individual and family. The government is obligated to facilitate the implementation of this article with due prioritization, particularly for rural residents and laborers (Constitution of the Islamic Republic of Iran, 1979 [1358 SH]).

2. The determination of the “base population” in the preparation of master plans which Engineer Mashhoodi, the Secretary of the Iranian Society of Urban Planning Consultants, having contributed to dozens of master plans, identifies as a critical technical error and the primary cause for the failure of these plans to materialize has paradoxically served as the central guiding metric, often obscured behind a vast array of statistical data and urban planning documents (Mashhoodi, 2023 [1402 SH]). This pattern of retroactive rationalization for policies that directly compromise the housing sector is highly prevalent across sectoral planning documents (Mashhoodi, 2023 [1402 SH]).

3. Estimating the “base population” in a master plan is inherently imprecise, as it is continually impacted by the plan’s internal structure, migration patterns, and other dynamic variables. For instance, the Tehran Master Plan, promulgated in 2012 [1391 SH], experienced an unprojected increase of over 1,500,000 individuals in its population ceiling within a single year (2013 [1392 SH]). This occurred despite the plan being designed by a consortium of 29 consulting firms, utilizing the highest technical and professional capacities available in the country.

4. The population of Iran was approximately 35.2 million in 1978 and reached about 90.3 million in 2025. According to estimates based on official statistics, housing applicants were estimated at approximately 1.9 million units in 1978 and 6.4 million units in 2025. Comparing the total number of households (derived by dividing the population by the average household size) with the number of housing-seeking households reveals that housing applicants accounted for about 25% of the country’s households in 1978 and approximately 23% in 2025. The critical point is that, despite the population growth from 1978 to 2025, the stability of this ratio (roughly one-fourth) indicates a substantial increase in the absolute number of housing-seeking households and an intensification of their housing crisis (Statistical Center of Iran, 2025).

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