

The Impact of Bank Loans on the Real Estate Sector in Iraq¹

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ABSTRACT

The real estate prices in the Iraqi market have witnessed a significant increase in the prices of residential units, including land plots and residential buildings, especially after the approval of the new exchange rate and the provision of financial loans to employees and citizens. Therefore, real estate loans are considered one of the financing tools in the housing sector, whether these loans are directed towards the construction of new housing or the rehabilitation of existing buildings for housing. The housing market is an important component of the economic and social system, as housing is a commodity that is influenced by supply, demand, and the trade of materials involved in housing unit production. The housing system is also linked to the political system of the state, as housing policy is part of the state's overall policy. This influence can be direct, such as increasing housing projects, or indirect, such as reducing or prohibiting imports of construction materials like cement and iron if domestic production is insufficient to meet the needs. Additionally, the social system has a significant and direct impact on the housing system. The social system in Iraqi society is influenced by the type of family system and changes in the type of family and the stability of new families in independent homes, after previously residing in multi-story or horizontally extended dwellings with separate parts for each family's privacy and shared areas for all residents. All of these factors have led to changes in the housing system in the country. The importance of research lies in the role of bank loans, including real estate loans, in revitalizing the housing sector and addressing the housing problem in Iraq, given the financing challenges and the need for funding infrastructure projects and residential complexes. Iraq faces major challenges and problems related to the housing sector and the scarcity of residential complexes due to population growth rates, as well as challenges in the field of financing and bank loans that can contribute to strengthening the housing sector. Banking loans, including real estate loans, play a role in the development of the housing sector in Iraq. The research aims to shed light on the features of the housing sector in Iraq and the contribution of banking loans in financing the housing sector, as well as the initiatives of the Central Bank of Iraq and real estate loans in promoting the housing sector.

Keywords : *Banking loans; housing sector; real estate loans; Central Bank of Iraq initiative.*

INTRODUCTION

The government's housing policy is linked to the economic system of the state and is influenced by it. The housing market is an important component within the economic and social system, as housing is a commodity that is affected by supply, demand, and trade of materials used in housing production. The housing system is also connected to the political system of the state, as housing policy is part of the state's overall policy. This influence can be direct, such as increasing housing projects, or indirect, such as reducing or prohibiting imports of construction materials like cement and iron if local production is insufficient to meet the demand. Additionally, the social system has a significant and direct impact on the housing system. The social system within a society is influenced by the type of family system and changes in the type of family, as well as the stability of new families in independent homes. Previously, families used to reside in single multi-story or horizontally extended dwellings with separate parts for each family's privacy and shared areas for all residents. All of these factors have led to changes in the housing system in the country. Technological advancements also have an impact on the housing sector, such as fast construction projects and the use of modern construction materials in interior and exterior building designs. Banking loans are considered important sources of financing for commercial banks to revitalize the housing sector, as they provide the main element that supplies the bank with financial returns. It is believed that credit or the services provided to customers and individuals,

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along with providing individuals and institutions with the necessary funds, ensures the establishment of necessary residential complexes and covers the housing deficit.

Importance of the Research

The importance of the research lies in examining the role of banking loans, particularly real estate loans, in activating the housing sector and addressing the housing problem in Iraq. This is crucial due to the financing challenges faced by Iraq, including funding infrastructure projects and residential complexes, in addition to the housing policy in the country.

Problem Statement

Iraq faces major challenges and problems related to the housing sector, including a shortage of residential complexes resulting from population growth rates. Moreover, there are challenges in the field of financing and banking loans, which can contribute to enhancing the housing sector.

Research Hypothesis

The research hypothesis states that banking loans, including real estate loans, play a role in the development of the housing sector in Iraq.

Research Objective

The research aims to:

1. Shed light on the characteristics of the housing sector in Iraq.
2. Examine the contribution of banking loans to financing the housing sector.
3. Analyze the role of initiatives by the Central Bank of Iraq and real estate loans in activating the housing sector.

Research Structure

The research is divided into three sections. The first section discusses the conceptual framework of banking loans and the housing sector. The second section focuses on real estate loans granted to activate the housing sector. The third section examines the initiatives of the Central Bank of Iraq in supporting liquidity in the housing sector.

TOPIC ONE: CONCEPTUAL FRAMEWORK OF BANKING LOANS AND THE HOUSING SECTOR

First : the concept of banking loans, their importance, and types

Banking loans are considered the most important source of financing for commercial banks, as they provide the main revenue for banks. The concept of a loan varies, but it is generally believed to be "credit or services provided to customers, granting individuals and institutions the necessary funds, with the debtor undertaking to repay the principal, interest, and costs of banking services in a single payment or in installments according to the contract. This process is supported by a set of guarantees that ensure the bank recovers its funds in case the customer defaults on payment. Economically, a loan means delivering money for investment in productive sectors. Granting by the bank signifies granting trust and giving the freedom to dispose of real money in exchange for the promise to repay that money or its equivalent".

The borrowing process depends on three elements: trust, meaning that the customer provides the bank with financial guarantees that exceed the value of the loan; the term, which is the period during which the borrower benefits from the loaned funds and is determined after signing the loan agreement; and finally, repayment, which means returning the borrowed amount plus interest.

Banking loans involve providing funds from a bank to another party with an agreement to repay the borrowed amount. Banking loans are provided with a specified interest rate, in addition to other financing charges. This means that borrowers pay a certain percentage of the loan amount as compensation for borrowing from the bank. The bank determines the loan maturity date, interest rate, and repayment method. The borrower is required to repay the outstanding amount before the agreed-upon maturity date. Typically, banks require sufficient collateral as loan security. The loan can be for a specific one-time amount or it can be available as an open credit limit up to a specified maximum set by the bank's management.

Banking loans are usually beneficial for businesses that require a boost in their activities and expansions in their investments. When there is an urgent desire for development but insufficient capital to do so, the importance of relying on banking loans arises. This necessitates the need for further expansions. However, if the business entity is ready to expand, the business owner requires a bank loan to finance those expansions. This can include purchasing a new location for the establishment, which contributes to meeting customer needs on a larger scale. It is important to take significant steps to measure the potential change in revenue, which helps cover the loan costs and ensures timely repayment of installments.

Obtaining short-term small loans and ensuring regular repayment of all payments on time contributes to building a good credit history with the bank for future business activities. This helps establish good relationships with the bank, giving the financial entity the opportunity to obtain larger loans for stronger investments in the future. Therefore, banking loans contribute to the purchase of fixed assets that are essential for the financial institution, such as machinery and equipment, which work towards business development and improving the services provided. Additionally, they serve as a guarantee for obtaining larger loans for further investments. Financial institutions need to purchase more inventory to meet customer needs in a timely manner, even in the future.

The Economic Importance of Bank Loans

Bank loans play a crucial role in project financing. They serve as a means of creating money and act as intermediaries for commercial exchange. They facilitate the utilization of funds in productive activities and enable transactions based on contracts and promises of repayment. Additionally, granting bank loans contributes to economic activity by creating employment opportunities and increasing purchasing power. This, in turn, helps expand the utilization of economic resources and improve living standards. Bank loans are also a suitable means of transferring capital from one party to another, thereby increasing capital productivity. Furthermore, they help preserve the value of the loaned capital for the bank and contribute to combating inflation by absorbing the increase in purchasing power for consumption. Banks can also benefit from interest by converting liquidity against deposited guarantees during the loan repayment period.

Given the importance of loans, banks are responsible for their capital in relation to depositors and savers. Loans provided by banks often carry higher interest rates than those available in financial markets. The use of these loans is typically the result of negotiation and serves as an appropriate means of transferring capital from one party to another. As such, bank loans act as a means of exchange and facilitate the utilization and distribution of funds in productive activities. They are instrumental in increasing capital productivity. Bank loans are a primary source of revenue for banks and represent a significant portion of their operations. Commercial banks, therefore, attach special importance to bank loans. An increase in the proportion of bank loans in the budgets of commercial banks leads to higher interest rates and commissions, which serve as a source of revenue for the banks. These revenues enable the payment of due interest to depositors while managing and organizing profits and retaining a portion of liquidity to meet customer withdrawal needs.

Moreover, loans play a vital role in financing the industrial, agricultural, trade, and service sectors. The funds provided through loans enable producers to purchase raw materials, increase employee wages, finance deferred sales, and acquire productive goods.

Functions of Bank Loans

There are several functions of bank loans, including :

1. **Production Financing:** The capital requirements for productive investments often exceed individual savings and private investments. Therefore, turning to banks and financial institutions to obtain loans has become a natural way to finance various production and investment operations. Producers can also obtain loans by issuing bonds and selling them to projects and individuals, facilitating and accelerating the increase in investment and production. Additionally, banks directly provide loans to investors from their available deposits.
2. **Consumption Financing:** The function of consumption financing refers to consumers acquiring consumer goods by paying for them on credit. Individuals may be unable to afford the desired amount of consumer goods with their current income, so they can obtain loans from various entities. The payment for these goods can be made in suitable future installments, allowing individuals to distribute their consumption expenditures. Consumer loans also stimulate the demand for consumer goods and services, thus contributing to market expansion and increased investment and production.

3. Settlement of Commercial Exchanges: The function of settling commercial exchanges highlights the importance of loans in the components of the money supply or the quantity of means of payment in society. In addition to the relative importance of deposit money in the total components of the money supply, loans are widely used to settle transactions between parties. This use and utilization of bank money can be observed in economically advanced societies. Commercial banks' creation of deposits and the use of other credit instruments greatly facilitate and expand the volume of exchange transactions.
4. The aforementioned primary functions of bank loans have a clear impact on overall economic activity and other key variables in the national economy, such as national income, investment, consumption, and savings.

Financial institutions often face crises at certain times or strive to enhance their investments to achieve further development and success. In these critical times for financial institutions, the importance of bank loans becomes significant as they help provide essential funding for development and overcoming crises.

Second : The Concept Of The Housing Sector And Its Importance

The housing sector means a study of the mechanisms of producing housing units, as well as a study of people's requirements for housing, and the challenges that people face in obtaining suitable housing. The quality of the housing that the family inhabits is affected by the surrounding environment. The family's resources, its decisions, and the surrounding regulations and laws that affect the family affect the quality of housing. There are many factors that affect housing-related decisions taken by the family, including available information related to social, economic and political systems, and money lenders such as banks and real estate companies, all of which affect the decisions of the family that chooses its dwelling, as it is a study that requires the application of sociology, economics, architecture, politics and law, and that it is the construction sector that shelters members of society, and this shelter includes all the requirements, equipment and tools that the individual needs or desires for social security. Housing is considered one of the requirements of life, and it is a requirement that most countries have not been able to reach solutions due to the increasing demand for housing, and when the urban planner is a balance between supply and demand. It is also a balance in the population with the place of work, which is a density that organizes the requirements of society in terms of public facilities and services, and the main element in city planning, demanding the community and its bodies to work to solve this problem by all means and various methods. As it is a commitment to regulations, systems and legislation, and for the social, it is a family, society, and the basis for social life, as it is the basis for living requirements. It is related to the local environment, and for the producer it is the production of a commodity, industry, marketing, and the construction of the largest number of housing units at the lowest possible cost and in the shortest possible period of time, just as it is for the administrative organization, management, operation and maintenance, and housing for the public is the first factor for stability. International and local organizations have specialized in the problem of housing And research centers working in all aspects that affect housing through statistics, research and publication, with the exchange of experiences, information and housing concepts in developed countries. Clear criteria, balanced movement, and integrated work. It is not a seasonal problem. As for housing in developing countries, it is different concepts, different standards, vague goals, and conflicting work. The planner does not reach a clear picture of the future, and the legislator does not reach a law. housing between all of them. The bodies directing the housing policy that set their programs are not at the scientific and technical level, which qualifies them to face this problem. They often resort to foreign companies. The inability of local companies and the government sector to cover the housing sector in the country.

As for the importance of the housing sector: housing is what fulfills the need for shelter. Shelter protects a person from any inappropriate conditions. Inappropriate housing may result in discomfort and diseases, and shelter may lead to the provision of some social and cultural needs. As housing affects people from a psychological and social point of view. The quality of the dwelling, the design, the amount of privacy, and the open spaces, all of this may affect the health trends, and the interrelationships, and therefore the building itself may have a spiritual impact on its occupants. It is difficult to separate the social effects and the number of dwellings is greatly influenced by the culture of the people who inhabit them. She knows the behavior of her group, which is indoctrinated through the process of social normalization. Codes of conduct are defined as cultural norms, and individuals who belong to a particular culture feel strongly about the need to conform to norms and make sacrifices to conform to that culture. The inability to conform to the standards results in negative reactions from society, for example feeling pressured or feeling inadequate in a particular aspect of one's life. Cultural norms include those regarding available and desirable housing. The housing standards describe the quality of the constructions, the type of ownership (ownership, rent.), the area of the place, and the cost. All these criteria are affected and vary according to the age of the family members and the composition of the family.

The dwelling is the real place where a person feels special and where he can show his true personality. The dwelling is the link between man and society. There are some needs and requirements that have a characteristic, and despite that, every family has its priorities in arranging its requirements, desires, and also its needs. The dwelling gives the individual a sense of belonging to the place, a sense of connection, and a sense of privacy. There is a lot of research on the existence of a relationship between the spread of health and social diseases and the existence of incorrect or inappropriate housing conditions. The dwelling plays an important role in satisfying social needs, as the dwelling is the center of family life, which is the main force in The social normalization of individuals, which is the least stressful place on the intertwined human relations, and the dwelling is the place that provides freedom of interrelated relations and develops social relations.

The urban planning of residential neighborhoods represents the cornerstone of housing facilitation, as many methods of facilitation fall under its two main parts, the first: related to the regulatory aspect in the field of land divisions and building regulations, and the second: related to the methodology of housing development. This axis is concerned with the organizational aspect of planning residential neighborhoods. The most prominent areas of facilitation in this axis are represented by raising the housing density, rationalizing the land area, and developing building systems. The method of increasing the housing density with good design and planning applications leads to reducing the cost of servicing residential neighborhoods with infrastructure, by distributing the cost of infrastructure and public utilities to a larger number of Housing units.

The process of reducing residential plots also contributes to facilitating the cost of housing by saving in the raw land price per unit, which usually constitutes a third of the total housing cost. Also, minimizing residential land does not necessarily mean that the family sacrifices its housing needs, as appropriate functional spaces can be provided in small residential plots. Reconsidering the provision of common services such as banquet halls, children's playgrounds, and swimming pools, and developing them in common areas outside (of the housing units) would be a key factor in making housing affordable. The use of the recurring model of the elements of the housing units does not necessarily imply absolute modularity in all housing units. It must allow room for the character of the independent character of each unit, flexibility in future expansion, and functional use according to the wishes of each family.

TOPIC TWO: REAL ESTATE LOANS GRANTED TO ACTIVATE THE HOUSING SECTOR

Real estate prices in the Iraqi market are witnessing a significant increase in the prices of housing units, including plots of land and residential homes, especially after approving the new dollar exchange rate and granting financial loans to employees and citizens. Therefore, real estate loans are considered one of the real estate financing tools in the housing sector, whether these loans are directed to the construction of new homes or to prepare existing buildings for housing. Loans are considered one of the most important aspects of investing the financial resources of banking institutions, as they represent the largest part of the assets, and the return resulting from them represents the revenues. Real estate loans are the financial services provided to customers, through which individuals and establishments are provided with the funds they need for the purpose of financing the housing sector. In return, the customer provides pledges and guarantees to pay the money he borrowed with due interest, and the payment is either in one payment or in installments. The mortgage loan consists of three basic elements: the interest rate, the term of the loan, and the type of collateral added. It should be noted that the guarantees provided by the customer to the bank are considered as measures that preserve the rights of banks and protect them from losses. Real estate loans, which are one of the types of loans, are a financial transaction with a bank or a financing institution that aims to give the borrower a property in exchange for paying the cost in sums of money in the form of installments commensurate with his rate of income.

Banks or financial institutions require a specific set of identification papers in order to grant a real estate loan, which varies according to the institution, but in general they agree on a bank account statement for a specific period of time determined by the bank and a salary letter. The other needed by the bank to conduct the work of granting the loan.

Types of real estate loans

1- There are many real estate loan systems used by banks and financial institutions, including: 1- Murabaha: It is one of the financing systems that are compatible with Islamic Sharia. Fully agreed cost.

2- Possessive lease: In this system, ownership or real estate remains in the name of the bank or financing institution, and the borrower leases it on a promise that its ownership will revert to him after a period agreed upon in advance.

3- Participation ending in ownership: In this system, the beneficiary and the institution participate in the purchase of real estate, and the institution initially bears all the value or enters with the largest share. The beneficiary then gradually buys the bank's share until he owns the entire property.

There is a need to clarify the meaning of the real estate loan and the meaning of the real estate, as it is explained that it is the ownership of money or something else, provided that the borrower returns the same in amount, type, and capacity to the lender at the end of the loan period, and that a person or a financial institution puts basic sums of money to own a real estate in exchange for a guarantee provided by the debtor. As for the housing unit, it is everything that is stable and fixed in its place, and it cannot be moved without damage or change in its form. A real estate loan helps individuals meet their need for housing by granting them a long-term cash credit that they repay in the form of monthly installments after providing guarantees on this loan. The ruling on a real estate loan before embarking on any action that the customer should undertake in what he intends to do, because the real estate loan is often supported by a specific party, and if it is from a bank without interest, then it is permissible, and it is possible to seek the help of Islamic banks to lend it a good loan, or it can borrow from an institution. The financial investment is a good loan whose actual dealings are based on the principles and rules of Sharia, and if this is not possible, given that leniency in accepting fatwas in such matters in particular may lead the customer from where he does not intend to fall into usury. Legitimate ways to own a home. There are several legitimate ways in which the borrower can own a suitable home away from interest-bearing loans. Likewise, the state should provide those wishing to own homes with loans intended for the construction of homes, and fulfill them in comfortable and interest-free installments, whether it is explicit interest or under the name (service fee). In exchange for loan operations, he must take into account that this is within the limits of actual expenses without an increase. And for the capable state to undertake the construction of housing and sell it to those wishing to own housing on credit and by installments within the appropriate administrative and legal controls that are suitable for the beneficiaries.

There are many types of residential units, including separate dwellings, connected dwellings, half-and-half dwellings, and free-assembly dwellings, in addition to low-rise buildings with multiple floors that may be high or attic in the form of towers and distributed in various forms and according to income levels.

THIRD TOPIC: INITIATIVES OF THE CENTRAL BANK OF IRAQ TO SUPPORT THE LIQUIDITY OF THE HOUSING SECTOR

In order to alleviate the crisis in the housing sector in Iraq, the Central Bank of Iraq decided to launch initiatives to support this sector, especially after the challenges that faced the Iraqi economy and security challenges after 2014 and the need to support the housing sector and the need to rebuild cities and housing units after the security events that the country witnessed through liquidity. The housing sector through the Housing Fund and the Real Estate Bank to lend to citizens and employees wishing to purchase housing units throughout Iraq.

The granted loans include housing fund loans, which amount to (75) million dinars for the construction of housing units with an area of not less than (100) square meters or for the addition of a building, or for the purchase of housing units in investment housing complexes that have previously obtained approval for financing from the fund, and loans in the amount of (60) million dinars in the districts of the capital, Baghdad, and (50) million dinars outside the centers of the rest of the provinces, and loans in the amount of (75) million dinars, and the loan will be a one-time administrative commission of (5%) of the loan value, meaning there is no interest on the loan. The loan has a repayment period not exceeding twenty years. As for the loans granted through the Real Estate Bank, in an amount of (100) million dinars, to purchase housing units outside the investment housing complexes, with an area of no less than (100) square meters, and these loans will be with a declining annual interest rate of (2%) of the loan value and with a repayment period not exceeding twenty years. And loans in the amount of (125) million dinars for the purchase of housing units in residential investment complexes, provided that a one-time administrative commission of (5%) is deducted from the value of the loan and with a repayment period not exceeding twenty years without annual interest.

The Central Bank of Iraq also contributed to another initiative by granting loans to employees whose salaries are endemic in (governmental and private banks) for an amount of (15) million dinars and a one-time lump-sum commission of 4% of the loan value and a five-year repayment period. (Central Bank of Iraq, Media Office, 2021).

The Central Bank of Iraq also announced that it will provide the necessary funding for its development initiatives and raise the sums of money related to it to reach 18 trillion dinars. This increase in the amounts of financial allocations comes in response to the need to continue the development initiatives launched by the Central Bank of Iraq in financing various private sector projects and housing loans. And the Central Bank of Iraq added that this increase will contribute to financing economic development projects, increasing domestic production, and reducing unemployment by

providing job opportunities, as well as contributing to supporting various government efforts to confront climate changes. And the challenges facing the Iraqi economy, whether in the industrial sector, the agricultural sector, or the service sector. It is worth noting that the development investment portfolio of the Central Bank of Iraq represents real support and a catalyst for economic growth and economic development². (Central Bank of Iraq, Media Office 2022).

For the purpose of overcoming the challenges facing the (1) trillion dinars initiative and to facilitate procedures for private banks in the process of granting loans for the residential sector, the Central Bank of Iraq has activated the residential sector. The Central Bank of Iraq has also made it possible to grant housing loans to banks that request this, provided that statements and lists are submitted In the names of the borrowers within a period not exceeding two months from the date of granting, otherwise, no future financing shall be granted until the Bank provides the Central Bank with the required statements and lists for granting the borrowers. With the imposition of a fine of (1%) and interest (5%)³.

It is worth noting that the Ministry of Construction, Housing, Municipalities and Public Works announced that the Ministry's Housing Fund Department has completed the detection of 2094 lending transactions for housing units in Baghdad and the provinces during the period, according to the initiative of the Central Bank of Iraq. The disclosure of housing units continues in Baghdad and all the governorates according to the initiative of the Central Bank of Iraq, as their numbers in Baghdad reached about 726 lending transactions, and in the governorates 1368 lending transactions, and thus the total number of transactions exposed during the past month is 2094 lending transactions. There is an easy mechanism The citizen was able to enter the website of the Iraqi Housing Fund to know the stages of the process of conducting his transaction, and he can submit his transaction and receive the loan through the branches spread in all governorates of Iraq and implement all procedures (Iraqi Housing Fund, Media Center, 2022).

The Board of Directors of the Central Bank of Iraq also decided to increase the housing initiative allocations for the Real Estate Bank and the Housing Fund by an amount of (2.6) trillion Iraqi dinars. The amounts have been distributed at the rate of (1.5) trillion dinars to the Real Estate Bank, and (1.1) trillion dinars to the Housing Fund. The initiative of the Central Bank of Iraq to support the housing sector contributed to solving an important aspect of the housing crisis in Iraq and brought about great economic development. Note that Iraq needs 3 million and 500 thousand housing units to address the housing crisis in the country. Iraq is suffering from a suffocating housing crisis due to the increasing number of Iraq's population and the limited housing complexes, in addition to the citizen's inability to build his own housing unit due to the high cost of land and construction materials. In early February 2021, the Central Bank of Iraq launched a new initiative to grant loans to employees worth 125 million dinars to purchase housing units in investment housing complexes. However, the criticisms directed at the initiative of the Central Bank of Iraq because of the administrative routine and the complex instructions of government banks and the profits and burdens placed by those banks make the borrower feel confused and unable to face these procedures and thus exacerbate the crisis.

Table (1) The number of banks participating in the initiative of the Central Bank of Iraq (1 (and) 5) trillion dinars, which financed the purchase of housing units within the two initiatives

No	Initiative (1) trillion dinars	No	Initiative (5) trillion dinars
1	Translate into English	1	Real estate Bank
2	Middle East	2	Iraqi Housing Fund
3	Al-Ahli (The National Bank)		
4	Elaf Islamic Bank		
5	Development		
6	Erbil		
7	National Islamic Bank		
8	Al-Mustashar Islamic Bank		
9	Zain Iraq Islamic Bank		
10	Al-Taif Islamic Bank		
11	Al-Rajhi Islamic Bank		
12	Abir Al-Iraq Bank		

² The instructions issued by the Fund, the borrowers should submit a recent land deed not more than 6 months old, a valid building permit not more than 3 years old, attested, a new boundary fixing map not more than 3 months old, and a certified building plan, in addition to submitting a guarantee official from a civil servant.

³ Based on the circulars of the Central Bank of Iraq No. (2553/5/6) on 12/29/2020 regarding the unified controls of the (1) trillion dinars initiative to finance large, medium and small projects. The financing term shall be within a maximum of (15) years, or according to the customer's desire, provided that it is not less than (5) years as a minimum.

13	Al-Wafaq Islamic Bank
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Source : Central Bank of Iraq, monthly bulletins, research and studies 2022.

Table No. (1) shows the number of banks participating in the initiative of the Central Bank of Iraq (1 (and) 5) trillion dinars, which financed the purchase of housing units within the two initiatives, as it turns out that the number of private banks according to the initiative (1) trillion is 13 banks, while the number of banks According to the (5) trillion initiative, there are two, the Real Estate Bank and the Iraqi Housing Fund.

CONCLUSIONS

- 1- The family as a social system is affected by external and internal environmental influences. The environment is defined as the whole surrounding the part, both externally and internally. There are different types of the natural environment, and that environment is concerned with the dwelling itself, its tools, facilities, and the services attached to it, as a place where the family lives and performs its activities.
- 2- The social environment is represented in the mutual relations between people through the family and society as a whole, where they exercise their roles through social, economic and political groups.
- 3- The needs for safety are related to the extent to which people feel about their lives and their environment and about the safe environment from any external threats. Housing or housing provides some necessary protection from factors or the outside world.
- 4- Satisfying the need for safety is through housing, as it provides protection from any external conditions and also provides a healthy environment free from environmental changes.
- 5- The number of banks participating in the initiative of the Central Bank of Iraq (1 (and) 5) trillion dinars, as it turns out that the number of private banks according to the initiative (1) trillion is 13 banks, while the number of banks according to the initiative (5) trillion is two: the Real Estate Bank and the Housing Fund Iraqi.
- 6- The initiatives of the Central Bank of Iraq did not contribute to limiting the aggravation of the housing crisis in Iraq, whether in city centers or provinces.
- 7- The rise in real estate prices due to the increase in loans granted by private banks or the Real Estate Bank and the Iraqi Housing Fund.

RECOMMENDATIONS

- 1- Reconsidering the administrative regulations of the bodies working in the field of housing, whether in planning, research, legislation, administrative organization, and the job descriptions of these departments and these jobs.
- 2- Working to reduce costs in order to be a means that helps specialists and professionals in the field of providing housing to discover the basic aspects affecting facilitation, and opens them up to creativity to provide appropriate solutions.
- 3- Employing the land area for the best appropriate limits, by exploiting the space available for the land, and directing the important tools between these elements.
- 4- Abandoning the method of building on land, especially in small residential lands, as it leads to optimal use of the remaining space, through a single courtyard that can be optimally used.
- 5- Providing real estate loans for the purposes of limiting the exacerbation of the housing crisis and as a mechanism that contributes to resolving the housing crisis in all governorates.
- 6- Finding a new mechanism, administrative regulations, and simplifying procedures for granting loans, whether by private banks or real estate banks.
- 7- Initiatives are activated by the Central Bank of Iraq in order to be effective in resolving the housing crisis and developing this sector through improving the level of economic growth.

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