

House Rent and Its Socioeconomic Impact on Middle-Income Households: A Case Study of Adabar Thana, Dhaka

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Abstract

This study examines the impact of rising house rents on middle-income families in Adabar Thana, a residential area in Dhaka, Bangladesh. As the city's population grows and land prices continue to rise, rental housing has become too expensive for many city residents. Based on a survey of 30 residential buildings along Roads 1–14 in Adabar, this research examines current rent levels, the frequency of rent increases, affordability issues, and how tenants address these situations. The results show that most tenants spend over 30% of their monthly income on rent, exceeding the standard affordability limit. Rents are often raised without a formal agreement, and many tenants are unaware of existing government regulations. As a result, families face significant financial pressure, leading to cutbacks in food, education, and savings. The study highlights the pressing need for policy changes to enforce rent control, promote written lease agreements, and ensure access to affordable housing for Dhaka's expanding middle-income population.

Keywords: Adabar Area, Affordability, House Rent, Impact on Users, Middle-Class Individuals, Urban Housing.

Introduction

Housing affordability is one of the most pressing urban challenges in rapidly growing cities of the Global South, and Dhaka—the capital of Bangladesh—serves as a critical case study where these challenges converge. The city faces extreme urbanization, a persistent shortage of serviced land, and unaffordable rental housing, particularly for middle-income families. An influx of rural-to-urban migrants, rising land and construction costs, and limited enforcement of existing rent control laws have put a strain on Dhaka's residential rental market. As a result, most urban households—especially those in the middle-income bracket—struggle to secure affordable and secure housing. This study explores this challenge through a micro-level analysis of Adabar Thana, an urban middle-income residential zone, to understand the real-world consequences of rising rental costs.

In Adabar Thana (Wards 43 and 46), particularly along Roads 1–14, rental housing has historically been a preferred option for middle-class families due to its relatively lower cost compared to high-income areas such as Gulshan, Banani, or Bashundhara (Figure 1). However, anecdotal and field evidence suggest that

rents in this area are increasing rapidly, causing financial strain on residents (Figure 2). A 2023 field survey of 30 buildings revealed that most tenants now spend more than 30% of their monthly income on rent, surpassing the internationally accepted affordability threshold of 30% (Herbert, Hermann, & McCue, 2018). Despite being a legally protected group under the Premises Rent Control Act of 1991, most tenants in Dhaka remain unaware of or unable to benefit from rent control mechanisms due to informal lease agreements and poor enforcement (Jahan et al., 2012; Zaman, 2023).



Figure 1. Urban Residential Landscape of Adabar Thana, Dhaka, Illustrating Mid-Rise Buildings and Increasing Housing Density Characteristic of Middle-Income Neighborhoods.

Source: Field Photo by Author, Adabar Thana, 2023.



Figure 2. A Family Relocates Due to Rising House Rent in Dhaka, Highlighting the economic pressure on Middle-Income Tenants and the Frequency of Forced Moves in urban neighborhoods.

Source: The Daily Star, 2023.

This research contributes to the growing discourse on housing affordability by providing localized insights from Adabar Thana, an area often overlooked in formal urban studies. Although several studies have

explored the affordability crisis in Dhaka at a macro level, few have examined how this problem plays out in middle-income neighborhoods with moderate but accelerating rental prices. Moreover, the spatial and socio-economic dimensions of rent-induced lifestyle changes have remained underexplored in existing literature.

To address this gap, the present study employs a mixed-method approach, combining quantitative data from field surveys with qualitative interviews of tenants and caretakers in 30 randomly selected residential buildings in Adabar Thana. The data were used to investigate current rent levels, rent increment cycles, affordability burdens, and the impact of rent hikes on household expenditures and lifestyle choices.

One of the key findings is that over 85% of the buildings surveyed were constructed in the last two decades, which implies that the newer housing supply alone has not mitigated the problem of rent inflation. This is illustrated in Table 1, which summarizes the age of surveyed buildings:

Table 1. Age of Surveyed Residential Buildings in Adabar (N=30)

Building Age (years)	Number of Buildings	Percentage
1–10	11	36.7%
11–20	15	50.0%
20–30	4	13.3%
Total	30	100%

Source: Field Survey of 30 Buildings in Adabar, 2023.

Despite the relatively young building stock, rents continue to climb steadily, indicating that the affordability problem is rooted more in market dynamics and regulatory failure than in physical infrastructure shortages alone.

This study aims to assess the real-life impact of rising house rents on middle-income residents of Adabar Thana and to evaluate their coping mechanisms and affordability thresholds. The following central question guides the research: How do rising house rents in Adabar Thana affect the affordability, socioeconomic behavior, and lifestyle of middle-income households?

The primary objective of this study is to investigate the real-life impact of rising house rents on middle-income households residing in Adabar Thana, Dhaka. Specifically, the research aims to examine the impact of escalating rents on household expenditures and overall economic well-being. It aims to identify the key drivers behind rent increases in the study area, including market trends, regulatory gaps, and landlord practices. The study further examines the current state of housing affordability in relation to middle-income earnings, exploring how families adjust their lifestyle and consumption patterns, such as food, education, and healthcare, in response to rising rental costs. Another essential objective is to evaluate the level of awareness and perceived effectiveness of existing rent control laws, particularly the Premises Rent Control Act of 1991, among tenants. Ultimately, the research aims to propose evidence-based policy recommendations that promote rent regulation, tenant protection, and enhanced access to affordable rental housing for Dhaka's expanding middle-income population.

By addressing these objectives, the study aims to provide empirical insights into the lived experiences of middle-income tenants in Dhaka's evolving rental landscape. The findings will contribute to informed policy discourse on urban housing affordability, help identify gaps in rent regulation enforcement, and provide practical recommendations for ensuring more equitable access to rental housing in rapidly urbanizing contexts, such as Adabar Thana.

Literature Review

Urban Growth and Housing Pressure in Dhaka

As one of the world's fastest-growing megacities, Dhaka's population reached nearly 23 million by 2023 and continues to grow, placing significant pressure on housing. According to a researcher, Dhaka's rapid expansion is putting a strain on land resources and driving up rents. Since the private sector supplies most of Dhaka's housing, land costs have skyrocketed, prompting developers to raise rents or prices to cover expenses. Many studies on Dhaka's housing market have found that supply is far behind demand. In Dhaka, the middle-income group comprises 40% of the middle class and accounts for 20% of the city's total population (Islam and Zahur, 2016). According to the BRAC Institute of Governance and Development (BIGD) and Rahim (2017), 57% of the middle class in Dhaka is unable to afford a house. In fact, research by Kamruzzaman and Ogura (2008) indicates that middle-income groups occupy 65% of residential land in Dhaka, but only 20% of these individuals own homes, leaving 80% as renters. As a result, middle-income families dominate the rental market, often out of necessity rather than choice, and when rents rise, they are disproportionately affected.

Housing Affordability and Middle-Income Burden

Typically, housing affordability is measured by the percentage of income spent on housing costs. A widely accepted standard is that housing costs (rent or mortgage plus utilities) should not exceed 30% of gross income (Amin & Islam, 2023); if they do, a household is considered cost-burdened. When rents rise faster than incomes, middle-income households often surpass this threshold. In Dhaka, many reports show that rent growth has outpaced income growth for many families. For example, in Dhaka's broader market, rents nearly doubled (a 249.6% increase) over 17 years ending in the late 2000s (Consumers Association of Bangladesh study, cited in The Financial Express, 2023). Another analysis found a 35% increase from 1990 to 2012 (CAB survey). Meanwhile, incomes did not rise as steeply, meaning a larger share of the salary goes to rent. Surveys indicate that renters in Dhaka spend 30–40% of their income on housing, which exceeds the 30% affordability guideline.

The result is severe financial stress. Chowdhury (2018) describes this as a "housing affordability problem" for Dhaka's middle class. Although middle-income earners play a crucial role in the city's economy, they often encounter inadequate and unaffordable housing. Gurran and Whitehead (2011) note that spending more than 30–35% of income on housing usually means households must sacrifice other basic needs. In Dhaka, where half the population now resides in urban areas and housing demand is high, middle-income families frequently face such trade-offs. Without significant intervention, these pressures can undermine both household welfare and the broader objective of inclusive urban development.

Rent Control and Regulation in Bangladesh

Despite having laws in place to regulate rent increases, such as the Premises Rent Control Act of 1991 (Government of Bangladesh, 1991), Bangladesh's enforcement has been lacking. This law establishes guidelines for calculating "standard rent" and requires government-appointed controllers to monitor rents. However, tenant advocates claim that the law's goal of limiting rent increases is not being enforced in practice. Many landlords and renters disregard the Rent Control Act, and a field study revealed that many are unaware of or uninterested in the rules. As a result, rents are often determined by market forces rather than by law. In reality, this lack of regulation allows landlords to increase rents at their discretion, especially when demand is high or costs are rising. Tenants have limited options, beyond negotiating or moving out.

The Adabar Area: Local Insights

There is limited research on Adabar's rental market, but the area is a prime example of many middle-class neighborhoods in Dhaka. Adabar Thana encompasses wards 43 and 46 on the western side of central Dhaka, featuring a mix of small apartment buildings and single-family homes along Roads 1–14. Most of Adabar's modern apartments were built in the 1990s and 2000s, which explains why many of the buildings are relatively new (Table 1). Rents in Adabar have traditionally been more affordable than in upscale suburbs. However, people we spoke with suggest that rents have gone up significantly in recent years. The fact that tenants are moving in and out quickly, with "For Rent" signs appearing often, suggests that landlords may be trying to attract higher-paying tenants. To gain a deeper understanding of these trends, we conducted a field survey to collect data.

However, the literature review suggests that Dhaka's housing supply is under strain, with middle-income households making up the majority of renters. Rents are rising faster than income growth. Worldwide, spending over 30% of income on housing is unsustainable, and many renters in Dhaka exceed that threshold. Locally, Adabar residents are likely experiencing these national trends on a smaller scale. This study contributes to the conversation by providing up-to-date, neighborhood-level data and analysis and by situating the Adabar case within the broader context of research on Dhaka's housing challenges.

Methodology

Study Area and Sample



Figure 3. (A) Administrative Map of Adabar Thana with Wards 43 And 46; (B) Google Map-Based Street Layout Highlighting Roads 1–14, The Core Study Area for The Field Survey.

The study focused on Adabar Thana, specifically Wards 43 and 46, which encompass Roads 1–14. This area is primarily residential, with a mix of multi-story apartments and older single-family homes. Using available records and local maps, we pinpointed around 100 buildings in this zone. We randomly chose 30 of these buildings for a more detailed survey. The sample included a variety of building types, such as brick flats, reinforced concrete apartments, and a few older masonry houses, and spanned different age groups (Table 1). Our goal was to get a representative snapshot of Adabar's housing stock.

Data Collection

Field Survey: For each selected building, an interview was conducted with either the head of the household (the tenant), the property caretaker, or the owner, depending on their accessibility. A structured

questionnaire were used to gather information on: (a) basic building characteristics like age, size, and number of floors; (b) the current rent amount for the unit; (c) any history of rent increases, including timing and amount; (d) lease or contract terms, such as whether they were written or verbal and if they complied with any rent control laws; and (e) the respondent's opinions on rent affordability and reasons for any rent changes. The interviews took place in 2023 and lasted 15–20 minutes each collected data from 30 respondents, one from each building, including both quantitative and qualitative information.

Secondary Data: The study combined field data with secondary sources, Dhaka's population growth rates and income estimates (the city's population is close to 23 million, with about 45% of residents having middle incomes), relevant laws (such as the Rent Control Act 1991), and published reports on national rent inflation (Bangladesh Bureau of Statistics (BBS) et al., 2023). The study also reviewed academic and policy literature to provide context for findings.

Data Analysis

Quantitative survey responses were tabulated to produce the tables in this paper (Tables 1–6). These include counts and percentages of: building ages (Table 1), current rent versus unit size (Table 2), frequency of rent increases (Table 3), contract status (Table 4), awareness of rent control guidelines (Table 5), and perceptions of tenant affordability (Table 6). Qualitative comments from tenants and owners were used to interpret the quantitative patterns (e.g., “owners said they had to pay higher taxes” as a reason for raising rent). This study did not apply inferential statistics due to the small sample size; findings are descriptive, but they are intended to highlight trends and issues in Adabar.

Reliability and Limitations

Given our small sample size ($N = 30$), the results may not be generalizable beyond Adabar or fully account for all micro-variations. However, Adabar's social and physical environment is similar to many residential neighborhoods in Dhaka, so the findings have broader relevance for middle-class renters. This study also cross-checked some responses, such as current rents, by comparing them with online listings and local agent reports, and found general consistency. Still, this study is mainly exploratory and anecdotal, identifying patterns and plausible causes, but should be interpreted with context in mind. Where possible, the study has triangulated field data with secondary sources, like BBS statistics and published studies, to enhance validity.

Results

Field survey and follow-up analysis yielded several key insights into Adabar's rental market and tenant experiences. The findings are summarized below, including tables and explanatory text.

Current Rent Levels (Table 2)

Table 2 presents the current rent and flat size for the 30 surveyed units. Rents ranged from about TK 14,000 per month for a small (600–700 sq ft) flat up to TK 29,000 for a larger (1,600 sq ft) unit. Specifically, most flats ranged between 800 and 1,300 sq ft, with rents between TK 15,000 and TK 26,000. The average rent across all flats was TK 20,833. Notably, 50% of households paid between TK 20,000 and TK 26,000 for flats measuring 1,000–1,300 sq ft. Only 6.7% of units (2 flats) were under 700 sq ft, with rents ranging from TK 14,000 to TK 16,000, typically consisting of 1–2-bedroom units. A few larger units (over 1,200 sq ft) commanded rents of TK 25,000 to TK 29,000 per month. This indicates that even modestly sized Adabar flats now rent for what would be considered middle-class wages.

Table 2. Present Monthly Rent vs. Flat Size in Adabar (N=30).

Flat Size (sq ft)	Rent Range (TK)	Number of Flats	Percentage (%)
600–700	14,000–16,000	2	6.67
800–900	15,000–19,000	3	10.00
1,000	20,000	5	16.67
1,100	20,000–22,000	1	3.33
1,200	23,000–24,000	3	10.00
1,300	25,000–26,000	4	13.33
1,600	29,000	1	3.33
Total		30	100.00

Source: Field Survey (2023). Rent Reflects The Current Asking Price; Multiple-Bedroom Apartments Are The Most Prevalent.

These rents are substantial by middle-income standards. For context, the median household income in urban Bangladesh around 2020 was estimated at roughly Tk 45,000–50,000 per month (Bangladesh Bureau of Statistics data). If a household spends TK 20,000 on rent, that alone accounts for 40–45% of the income, exceeding the 30% norm (Amin & Islam, 2023). Thus, data suggest that half of Adabar tenants allocate significantly more than the standard affordability threshold for housing, aligning with broader studies indicating that renters in Dhaka spend 30–40% of their income on housing.

Frequency of Rent Increases

One striking finding is the frequency of rent increases. Table 3 shows when the current tenants reported their rent was last increased. The survey indicates that:

- 50% of tenants reported a rent hike within the last 24 months (i.e., every 2 years).
- 26.67% reported increases within the last 36 months (i.e., up to 3-year gaps).
- 6.66% had increases within the last 12 months (annual raises).
- 16.67% said rent increases were irregular or “not fixed” (some indicated 2–4 year gaps).

In other words, only one in six tenants enjoys stable rent for more than three years. Half face biennial hikes, while a few experience annual increases. Even “not fixed” still implies that an increase occurred at some point, often arbitrarily. This confirms that “house rent is increasing day by day without any consideration,” as respondents phrased it. Many commented that landlords raised rent whenever they could, frequently citing cost pressures or competitor rents in the neighborhood.

Table 3. Timing of Recent Rent Increases (N=30)

Time Since Last Increase	Number of Households	Percentage (%)
Within 12 Months	2	6.66
Within 24 Months	15	50.00
Within 36 Months	8	26.67
Not Fixed (2–4 Years)	5	16.67
Total	30	100.00

Source: Field Survey (2023). “Not Fixed” Indicates Landlords Increase Rent at Irregular Intervals Without Any Formal Schedule.

These patterns align with national observations. For example, house rent inflation in Bangladesh has been running at 5–6% annually (BBS data), and many renters face annual or biennial increases (Zaman, 2024). Surveyed tenants reported common complaints: rents are often raised under various excuses (such as maintenance, taxes, or market trends) at short notice. The data in Table 3 quantify this instability: 76.67% of tenants experienced a rent increase at least once every three years, while 26.67% faced increases every two years or less.

Lease Agreements and Rent Control

Tenants were asked about the nature of their rental agreements, especially regarding rent increases. Table 4 summarizes whether rent rise terms were written or verbal, or if any formal agreement was used at all. Alarming, only 10% had a written contract specifying rent terms. Most (63.33%) relied on purely verbal agreements, and 26.67% had no agreement (i.e., they paid whatever the owner demanded, with no pre-set terms).

Table 4. Agreement Type for Rent Terms (N=30).

Type of Agreement	Number	Percentage (%)
Written agreement	3	10.00
Verbal agreement only	19	63.33
No agreement	8	26.67
Total	30	100.00

Source: Field survey (2023). “No agreement” means tenants pay rent on demand without any stipulated term.

The lack of formal contracts is a critical issue. Under the Premises Rent Control Act 1991, a written lease specifying rent and periodicity is supposed to protect tenants. Instead, most Adabar tenants had only oral understandings. In practice, this leaves them vulnerable: when landlords want to raise the rent, they can inform tenants of the new amount and evict anyone who refuses to pay. About 63.33% of respondents reported that when they moved in, no clear written terms regarding future rent hikes were established. This matches the national pattern noted above: rent control laws exist on paper, but without enforcement, written leases are rare, and landlords largely ignore guidelines (Abu Shofiun, 2016).

Several tenants said, “We trust each other, so we did not sign any papers,” even though trust proves elusive when money is at stake. Many owners admitted in private that they prefer no contract, as it gives them flexibility. One landlord said, “I do not sign because if costs go up, I want to raise rent without being tied down.” This lax contractual practice exacerbates the issue of rent increases.

Compliance with Government Guidelines

Tenants or landlords were asked if they followed any government-recommended rent guidelines. As shown in Table 5, only 6.67% of respondents said the rent was set according to the government’s suggested rent schedule. A large majority (76.66%) did not follow the guidelines at all. The remaining 16.67% had never even heard of such rules.

Table 5. Awareness of Government Rent Guidelines (N=30).

Response	Number	Percentage (%)
Followed The Government Rent Guideline/Chart	2	6.67
Did Not Follow The Guideline	23	76.66
Unaware Of Any Guideline/Chart	5	16.67
Total	30	100.00

Source: Field survey (2023). The “rent chart” refers to the government-prescribed schedule for calculating allowable rent.

The Premises Rent Control Act envisions a “controller” who fixes standard rent, but in reality, neither tenants nor most owners consult that process. One tenant remarked, “I have no idea what the government says – my landlord just charges what he wants.” A leader of a tenants’ association in Dhaka observed the same broader trend: “Although Bangladesh has the Premises Rent Control Act, 1991, there is no implementation of the law” (Zaman, 2023). Survey revealed that government guidelines are not followed practically in determining rent in the maximum area of Adabar.

Tenant Perceptions of Affordability

Finally, tenants were asked directly whether the current rent is affordable for them. The results are stark (Table 6); a commanding 76.66% of tenants (23 out of 30) stated that the rent is not affordable compared to their income. Only 10% said it was “affordable,” while 13.33% felt it was affordable relative to other areas (i.e., “affordable compared to living in [more expensive] Dhanmondi or Banani,” they noted). In summary, over three-quarters of respondents are currently struggling with rent burdens.

Table 6. Tenant Views on Rent Affordability (N=30).

Affordability View	Number	Percentage (%)
Rent is affordable	3	10.00
Rent is not affordable	23	76.66
Affordable compared to other areas	4	13.33
Total	30	100.00

Source: Field survey (2023). “Affordable compared to other areas” refers to tenants who find Adabar rent high but still less than the rent in posher parts of Dhaka.

This overwhelming sense of burden matches the complex numbers. Those tenants who said “not affordable” often elaborated that the rent (e.g., TK 20k+) leaves little for other needs. Several families reported that they cut back on food, health, or educational expenses. One teacher sighed, “I have to give almost 50% of my salary to rent; I am saving nothing.” Even the tenants who said rent was currently affordable added caveats: “It is okay now, but with any increase next year, I will not be able to pay.” No one reported feeling “comfortable” with their rent.

We can interpret these results in conjunction with the affordability literature: middle-income renters in Dhaka typically spend well above the 30% guideline (Amin & Islam, 2023). Our survey confirms that this

holds true in practice in Adabar. Even if Adabar's rents are slightly lower than those in upscale areas, they are still a significant expense for its residents. If national studies find that Dhaka renters spend 30–40% of their income on housing, our sample suggests that Adabar tenants are experiencing the same pressure.

Other Notable Observations

“To-Let” Vacancy Rate: Although the tables do not provide a formal quantification, a high number of empty apartments are being advertised for rent in Adabar. This suggests a high turnover rate. One owner mentioned that with strong demand, he is willing to put his apartment up for rent quickly (“To-let”). As a result, tenants may have to pay more (or risk the apartment being vacant) to find a place to live.

Reasons for Increases: Many owners pointed to increasing costs, such as taxes, maintenance, and material expenses, as reasons for rent hikes. Tenants generally acknowledged that utility costs have risen, but they often attributed this to greedy landlords. The root causes—whether due to inflation or market forces—need more in-depth economic analysis.

Social Impact: Some tenants shared non-economic concerns. Higher rent puts a strain on family life, with some saying their spouse had to take on extra work. Others were anxious about the possibility of eviction if rents became too high. One middle-aged tenant, who has lived here for 10 years, said, “I worry that if rent keeps going up, I will have to move far from my job and kids.” Research has shown that housing stress among middle-income residents in Dhaka can lead to feelings of fear and anxiety, affecting daily life (Jahan et al., 2012). Although the study focused on the impacts of COVID, the general stressors are similar.

Discussion

This research reveals a stark reality: rapid rent increases in Adabar are putting a significant strain on middle-income tenants who make up the majority of the population. This aligns with and builds on the findings of national and global studies. Dhaka's middle-income families are already shouldering a heavy housing cost burden, as pointed out by Jahan and Kalam (2012). In Adabar, a staggering three-quarters of renters report that their housing is already unaffordable (Table 6). They cannot rely on occasional handouts from landlords; instead, structural issues are continually squeezing their finances.

Why is Adabar experiencing such pressure? Data and context suggest several interacting causes:

Citywide Supply-Demand Imbalance: Home demand in Dhaka significantly exceeds supply. Millions of new workers and migrants, including middle-income professionals, move to the city each year. As a developed area with available apartments, Adabar attracts many of these households. High demand and limited space drive up rents citywide. Consequently, despite stagnant incomes, competition for housing benefits landlords.

Land and Construction Costs: Rising land prices in Dhaka increase capital costs for Adabar flat owners and developers. Many owners pass these costs to tenants by raising rents or implementing quicker rent hikes. Some owners stated they raised rents due to higher municipal taxes or maintenance bills. This trend is common in Dhaka, where rising land and input costs frequently lead to increased rents, even if not formally legalized.

Market Momentum: When rent levels rise in an area, landlords tend to follow suit. For instance, if a building rents a flat for TK 20,000, neighboring owners feel pressured to match or exceed that amount. Adabar's high rental turnover leads to each vacancy resetting rents at higher levels. Interviews indicate that owners closely monitor neighboring unit rents.

Weak Regulation and Contractual Norms: Tables 4 and 5 show that most rent agreements in Adabar are informal. The Premises Rent Control Act is largely unenforced (thedailystar.net), and few landlords use written leases with fixed terms. This situation, noted in other Bangladeshi cities (bv-f.org), leaves tenants without legal protection. Owners can raise rents unilaterally, knowing tenants have limited recourse. The lack of adherence to government charts (Table 5) supports this free-market outcome. While formal rents are controlled in some countries, in Adabar, they are determined solely by market forces.

Middle-Income Vulnerability: Adabar's residents earn above the very poor but lack wealth. Incomes barely cover basic expenses, while high fixed costs, such as rent, put pressure on them. This study revealed that middle-income groups in Dhaka occupy a significant amount of residential land yet remain rent-dependent. Thus, any rent change is felt quickly. Notably, 76.66% of respondents find current rents unaffordable, indicating that families exceed their housing budget limits.

Comparison with Other Studies

The results reflect patterns seen in Dhaka. Jahan and Kalam's (2012) finding that high population growth and land scarcity make housing "impossible for the middle-income group to afford" is confirmed by Adabar tenants today. The literature's 30% rule for affordability (Amin & Islam, 2023) is violated here, as most families pay significantly more than this threshold for rent. Similar surveys in other neighborhoods found that around 70–80% of middle-income tenants view rents as burdensome and face frequent hikes (Chowdhury, 2018; Siddiqua, 2018). This study quantifies the frequency and magnitude of rent increases in this area.

Some owners and tenants noted that compared to upscale areas like Gulshan or Dhanmondi, Adabar remains affordable; only 13.3% of our sample said rent is "affordable compared to other areas" (Table 6). As Adabar's rents rise, areas like Banani or Baridhara have rents 20–50% higher, leading Dhaka's middle-income population to choose Adabar, possibly due to limited alternatives near their jobs. Still, the absolute costs remain unsustainable.

Implications for Middle-Income Households

Spiraling rents affect households by reducing disposable income for essentials like food and healthcare. Tenants often cut expenses or rely on savings to cover rent, which can harm living standards and investment in human capital. Moreover, uncertainty over rent hikes causes anxiety. Respondents reported stress on family life, with one noting that half her salary goes to rent, leaving little for emergencies. This financial strain on urban families can lead to psychological stress and domestic conflict (Jahan & Kalam, 2012).

Third, high rents can influence household decisions, such as delaying marriage or having children. If a middle-class couple finds rent unmanageable, they may postpone starting a family or squeeze multiple people into one flat. Over time, persistent rent pressure could impact demographic trends in Adabar and similar neighborhoods.

Fourth, some households may need to leave Adabar or Dhaka. If incomes do not match rents, families might move to cheaper areas, such as Gazipur or Narayanganj, which entails longer commutes and higher transportation costs. A few tenants noted that they would consider relocating if rents were to increase again. This potential middle-class "flight" could destabilize neighborhoods and promote urban sprawl.

Policy and Market Context

The findings indicate market dynamics: landlords have little incentive to keep rents affordable due to high

demand and weak enforcement. There is no automatic protection for tenants. Mobility acts as a mitigating factor; if Adabar rents rise too high, some tenants may move to more affordable areas of Dhaka. However, with the city-wide housing shortage, this is not a proper solution as it only shifts rents in the market. The ineffectiveness of rent-control regulations is apparent. Although a law exists, the state has not effectively regulated private rents for decades, as reported for the entire country of Bangladesh (Zaman, 2023). Relying on rent control now seems impractical without significant improvements in enforcement. Additionally, the government and city authorities have few tools to intervene in private rental markets. Historically, Bangladesh's housing policy has prioritized ownership housing over the rental sector. However, studies suggest that the rental sector, where 80% of middle-income residents in Dhaka live (Amin & Islam, 2023), cannot be ignored. Policy measures to consider include:

Strengthening Rental Law Enforcement: The government could revitalize the Rent Control Act by empowering rent controllers, raising tenant awareness, and penalizing illegal rent hikes. This is noted in law but remains dormant (Zaman, 2023). However, it would need strong political will and resources to implement.

Promoting Tenant-Owner Agreements: Encouraging 2-3 year written contracts can benefit both sides with stability. Local housing authorities or NGOs may offer standard lease templates and educational resources. If tenants request contracts, landlords will be less free to raise rents abruptly.

Subsidies or Credits for Middle-Income Housing: Instead of direct rent control, the government should expand programs that aid middle-income earners in accessing affordable housing through loans or subsidies. The World Bank has indicated that mortgage markets for this group are underdeveloped (Khare, 2016). If more middle-income residents in Dhaka secure affordable mortgages to buy apartments, it may reduce rental demand.

Managed Housing Supply: Municipal planning should reserve plots for mass housing targeting middle-income buyers/renters. Public-Private Partnership (PPP) projects could build units with capped rents. The goal is to increase the supply of affordable apartments, ensuring renters aren't solely at the mercy of private landlords.

Information Campaigns: Renters often lack awareness of their rights. NGOs and government agencies, like the Consumer Association of Bangladesh, could inform tenants about the Rent Control Act and how to file complaints, pressuring landlords to moderate hikes.

While these policies are beyond the immediate scope of our field survey, the consequences of rising rents (as shown here) highlight their urgency. Without intervention, middle-income households may experience a chronic housing squeeze, threatening Dhaka's social urban fabric.

Conclusion

This study highlights the increasingly severe rent burden faced by middle-income residents in the Adabar Thana area of Dhaka. The field survey of 30 households across Roads 1–14 indicates that current rents consume a significant portion of tenant incomes, with property owners frequently increasing rents every 1 to 2 years. The majority of tenants lack written leases, and many fail to adhere to government rent guidelines. Consequently, over three-quarters of renters in Adabar report that their rent is currently unaffordable. These micro-level findings align with broader research on housing in Dhaka, which identifies a substantial middle-income renter demographic confronting high price-to-income ratios. In Adabar, as elsewhere in the city, demand outstrips supply, and regulatory mechanisms have fallen short of protecting tenants. The outcome is financial strain and insecurity for many families. Our study empha

sizes the urgency of addressing rental affordability, extending beyond the mere construction of new housing. Recommendations include enforcing existing rent-control laws, encouraging stable lease agreements, expanding housing finance options for middle-income earners, and increasing the supply of affordable rentals. While the housing crisis in Dhaka is multifaceted, the experiences of Adabar residents demonstrate that middle-class families are already grappling with relentless rent inflation. Any sustainable urban housing strategy for Dhaka must consider these perspectives.

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