



AN INCREASE IN ACCOMMODATION RENTALS, A CAUSE FOR CONCERN

The housing backlog in Zimbabwe is currently estimated to be at 1.2 million units. As a result, most suburban residents do not own their own houses and reside in rented accommodation, where the landlords demand the rentals in Unites States Dollars (USD). In a snap survey conducted by the Poverty Reduction Forum Trust in high, middle and low-density suburbs in Harare, rental charges have increased astronomically between the period March and August 2021. Most residents' disposable incomes are fast diminishing as a result of the double burden of loss of livelihoods exacerbated by the COVID-19 pandemic and the current inflationary environment. The prices of goods and services continue to soar in USD terms pushing more and more people into vulnerability. The continued price increases of goods and services are in contrast to the government's claim that the auction system has stabilised prices of goods and services. In reality ordinary citizens are failing to access the USD at the interbank rate (currently at 1:85). The parallel market remains largely the most viable source where most people are accessing USDs, albeit, at exorbitant rates (currently trading at 1:150) to pay for local payments such as rentals. Over and above increase of black market rates, rentals and other services are also on the rise in USD terms. Most Zimbabwean citizens are financially burdened and failing to meet other social and economic needs. A quick look at the rentals in Harare shows that the rental fees have at least increased by 50% in low density suburbs and at most by 125% in high density areas as depicted by the table below;

Table 1: increase of rentals per room

Surburb Type	March 2021 Average USD	August 2021 Average USD	Increase in USD	Percentage Increase
High Density	20	45	25	125%
Medium	45	75	30	67%
Low Density	60	90	30	50%

Increase in Housing Demand

The research conducted by the PRFT established that the major driver in rental increase is the demand for accommodation in the capital city. The research also revealed that tenants are out bidding each other in order to secure the scarce accommodation. More so, property owners are taking advantage of the high demand to increase rentals creating a 'take-it or leave-it' situation. The scarcity of

accommodation has also created another challenge of Accommodation Agents who are duping unsuspecting accommodation seekers.

Accommodation Agents

There is a notable increase of self-acclaimed accommodation agents who are conning desperate accommodation seekers. These agents have created Facebook pages and WhatsApp platforms where they advertise 'available' accommodation to lure the desperate public. The agents are demanding viewing fees and service fees claimed after one has secured the accommodation. The study by PRFT identified three phenomena, 1) the accommodation agents' demand 15% of rentals as their fee; 2) demand a flat fee averaging 40USD whether one is looking for a room or full house and lastly 3) demand an average of 15USD per every room secured. In the last arrangement, the more the rooms one requires the more money one has to pay in agent fees. As a result, it is eventually costly to obtain accommodation in Harare. In most cases, these agents demand payment of agent fees upfront. These agents are fleecing a lot of people of their incomes riding on the level of desperation that accommodation seekers have.

Land Barons

The accommodation situation in the country has made frustrated and desperate home seekers fall prey to land barons. 'Due to the rampant illegal occupation on open spaces of land by land barons in Harare, the Harare City Council took illegal occupants of such land to court,'

One week after the demolitions in Budiro 5., Harare City Council secured more than 23 court rulings in their favour to demolish houses.

Recommendations

- Government must expedite its national housing delivery scheme as alluded to in the country's Vision 2030 Agenda.
- The newly appointed Rent Board must take to court the rampant accommodation agents who are fleecing poor accommodation seekers of their hard-earned incomes
- Citizens should undertake due diligence before they engage the services of accommodation agents and guard against being exploited by these agents.