

# Role of Tourism in Increasing of Price of Land and Housing in Iran (Case Study: Shahmirzad City)

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#### **ABSTRACT**

Tourism industry is considered as the greatest and most various industry in the world. Most of these countries know this dynamic industry as main source of income, occupation, growth of private sector and development of infrastructure. One of the old methods of investment in countries such as Iran have transitional economy, is buying land and house, sometimes is resulted to high profit and of course for this reason hustlers are very interested in this background. Nowadays buying and selling land in the areas with pleasant climate in our country is considered .Since, Shahmirzad is a city with fair and desired environmental attractions is located in the border of deserted cities, mainly has special climatic position and these conditions are resulted to attraction of passenger, tourist for passing their leisure hours from Semnan and other cities of the area and from other provinces in hot seasons and with regard to these suitable conditions in the city buying land and housing also have been considered by most of residents of Semnan and cities around Shahmirzad by now .The aim of present research is investigation the role of tourism in increasing price of land and housing in Shahmirzad city. By studying on price of land and housing especially in central area, that gardens of the city are located in this area, we have concluded that role of tourism have caused in price of land and housing specially these prices in central and old areas are more expensive than towns around the city.

#### 1. Introduction

Tourism as an altered economic activity in a single product economy can accelerate trend of development by making variation in national economy (Papoli Yazdi, Saghaei, "2006", p 82) specially developing countries, i.e., where another economic forms, such as production or excavation is not cost-effective or have not so important role in the field of trade and commerce, development of tourism industry is very considered (Soboti, Mohabat, "2008", p1). Countries such as Iran, main part of its foreign exchange resources are depended on oil and in one side have potentials and historical, cultural and social attractions, development of tourism industry could be very useful (Beik Mohammadi, Hossein, 2000, p 248). Growth and expanding of tourism is one of the most phenomena of the late 20<sup>th</sup> century which continues speedily in new century. Mountainous areas are the most important backgrounds which are utilized in the field of tourism and related activates severely and by continued evolution in the field of use of lands are counted to its consequences. (Rezvani, 2003, p 67) Tourism and making second house, especially, in the areas with pleasant climate there are houses are used provisionally and in a period of year for entertainment and leisure intensions (Davis and Farell, 1981, p 163). Second house tourism is one of the models and tourism development especially in mountain areas which are resulted from development of ownership of second house (country house, vacation, Vila) and lately are prevailed in mountain areas. (Williams, Hall, 2000, P 24) This trend also is expanding as reaction against crisis in tourism areas resulted of agricultural structure renovation (Diter, 2002, P 243).

Since, there is interaction between tourism and natural environment and economic-social activities; it might have positive and negative consequences.

In this article we try answer this basic question that what effects and consequences have had the development of tourism, in increasing of land and housing in the area. And for stable development of tourism in this city what strategies is necessary.

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#### 2. Effects of Tourism in Urban Areas

With regard to nature of tourism activity and its close relation and interaction with various economic, social and cultural activities, naturally its effect can be very various and expanded and especially have deep effects on local environment and host community.

Effects of tourism causes using of another ways for development of tourism; conceptions such as subordinate tourism, responsible tourism, flexible tourism, tourism fit to green tourism as planned as events for decreasing of negative effects of tourism. In 1990s because of increasing attention to environment, these events are more evolved in planning of tourism and acknowledged tourism development have encountered to expanded entertain.

Social-cultural effects of tourism could be positive or negative. In the areas where tourism is increasing, positive and important cultural-social effects of tourism in native communities are: self-efficiency and promotion of local economy, more regard to local community and their culture, further investment in tourism income in cultural resources, strengthening and continuation of cultural traditions, increasing of tolerance conception among cultures specially through playing music, representation of local arts, type of nation life, housing and other experience of life.

Negative effects of tourism on local community includes depriving of some welfare benefits for host community, pressure of demand for rare resources such as drinking water, more dependent of host areas to tourism, unfair behavior and lack of cultural sensibility of tourists (Irangardi and Jahangardi Organization, 2000, P. 126).

Another kind of tourism in fair areas of tourism is tourism of second house which the same as another models of tourism could have various effects on tourism areas. In some cases these effects are suitable. For example old houses in these area may be renewed or altered into new houses in addition of beautification of cities, provide provisional and permanent occupation field of people and increase local incomes and make another facilities.

Nevertheless, development of second house ownership could have negative effect on urban areas. In this relation Wall and Smith (1982, P. 136) believed that development of second house could damage to environment by removing visual beauty and destruction of plant covering. Really development of these houses decrease facility of making house for native people (Matison and Wall, 1982, P 29). This case is more obvious in the areas where limit housing planning policies.

Also increase in demanding buying house in these areas, decrease the price of houses to the extent that native people are not able to buy house; therefore youth for residential problems in local communities, immigrate to cities and therefore the order of social structure of these areas are disrupted (Rezvani, Safaei, "2005", P. 118).

#### 3. Geographical Position of Shahmirzad City

Shamirzad city is located on 24 km of north part of Semnan and surrounded by rural areas from north, east and West and Mehdishahr city is located in south of this city.

This city is located on 24 km of Semnan and geographically is located on 20-53 eastern longitude and northern latitude.

The area of Shahmirzad in "2006", 723.4 Hectares and its height of sea level is about 205 m.

Population of Shahmirzad in "2006" has been 7382 person. In hot season, summer vacations at the end of the week reach to 30000 person (Hamkaran Consultant Engineering, 2006, 35).

## 4. Recognition of Existent Recreation Centers and Tourism Attractions and Entertainment Capabilities in city and around it:

Shahmirzad in width of Semnan Province have important and fair potentials for attraction of tourism in the area and super-area. National varied, historical and cultural, etc. are unique specialties of



Shahmirzad that differences this city from the cities around itself. This attractions are: The biggest walnut gardens of the World, Sheikh Cheshmeh Sar Route, Bolbol Darreh, Sheikh Cheshmeh Sar, Decrease Route, Shirghaleh, walnut big garden which in this case have been known in this consideration as important pole of walnut of Iran on behalf of FAO (Cultural Heritage of Semnan Province, 2008, P. 2) and also locating this city with pleasant summer weather, mountain topography, pretty plant covering, clear springs, pretty and surprising caves in the heart of desert with limiting and threatening of manner of living specifications in it are the most important features of this city, following we will pay them.

Shahmirzad urban area with special climate (semimoisture and cold) and environmental sensible conditions (existing of preserved areas such as Parvar) near Semnan is located as a pole of tourism and passing leisure time in hot and hard climate conditions.

The most attractions of this city are:

- -Natural and climate attractions
- -Historical and Scale attractions
- -Social and Cultural attractions
- -Economic attractions

#### A. Investigation of Natural and Climate Attractions

Comparison of weather and geographical condition of Shahmirzad with area around it shows significant differences.

Shahmirzad climate weather feature which is affected of main elements and heat and present situation. In other word locating of Shahmirzad with god weather and pleasant landscape in the border of heated plain has give a special position to this city and has caused that this city receive rural residents and tourism from around and far and close cities.

Existence of heights with various plant covering is another important potential of Shahmirzad's tourism. These heights meanwhile has super-areal role in the case of attraction of tourism and passing leisure time, and in other word mountain climate in one side, plant covering fit to trees with needle leaf in these heights are useful and effective for breathing disease.

Also existence of rivers, springs, streams, which are flowing in alleys of this city are of other natural valuable Shahmirzad source to attract tourist. Water resources of this area also as the other areas are related to geographical, topographical, climate, direction of slope of land factors and conditions. Sheikh Cheshmehsar and Haft Cheshmeh (Seven springs) are the most famous springs of north west of Shahmirzad. The water of these springs in addition of providing drinking water of (Shahmirzad city and village around it), is flowed in the bed river and is used in agriculture.

Plant covering of Shahmirzad city also is under influence of climate and geographical various factors and provided unique natural landscapes for tourists. And also width leaf plant aspects such as: Acron, Rash, Toska, barberry, etc. and medicine plant such as Barijeh, thyme, needle leaves trees such as ..... there are in the area (Mozhda Consultant Engineering, 2006, P. 45).

Darband cave in 3km of south of Shahmirzad also is accounted as attractions of the city. This cave is located in the hearth of pretty stone mountain in the name of Lahard toward east. Darband pleasant area, very pleasant weather since the middle of spring, up to the first of autumn, landscape of big garden of walnut of Shahmirzad, existence of green area of valley and restaurants on valley and suitable connecting way are capabilities of Darband area.

In the case of space, this cave is one of the most pretty and watchable cave of Iran, effective in attraction of tourism. (Cultural Heritage Organization of Semnan Province, 2008, P. 19).



#### **B.** Historical Attractions

City of Shahmirzad, in addition of natural attractions, also has historical places. These historical buildings are constructed on slope of AlborzMountains. Shirghaleh, Ghaleh Sheikhi and Vahal Castle are the most important historical building of Shahmirzad. ShirghalehCastle is located in western part of Shamirzad upon impracticable rocks. According to history of Ghomes, Shirghaleh has been one of the shelters of Ismaeilieh period. Vahal castle or Shahmirzad stone castle is located over the mountain and beside fruit and walnut gardens which all is made of stone and grouy. Generally this castle is established of two circle tower as guard tower and its stone walls, where probably in past it had have 4 tower but they are ruined gradually. Vahal Castle also is of historical works, before Islam. These historical buildings can be effective in attraction tourism.

#### C. Investigation of Cultural-Religious Attraction

No more than 3 levels of headings should be used. All headings must be in 10pt font. Every word in a heading must be capitalized except for short minor words as listed in Section III-B.

Shahmirzad in addition of historical and natural attractions, has complex of religious and cultural buildings and has its special social and cultural behaviour, tourism during using natural attractive and pleasant environment can visit cultural-religious attractions. Cultural and religious places of Shahmirzad are: Jamea mosque, shrines, religious ceremonies and various customs (Mozhde consulting engineers, 2006, P. 58).

Jamea mosque is one of the cultural-religious attractions of Shahmirzad where is attractive for people who are interested in historical buildings. This historical-religious building is located in the center of the city. Foundation of this mosque is wooden and at first various wooden beams are installed on the ground and then various nails are installed on beams for restraint and lath of mud and stone.

Inside covering of ceiling of mosque, it is also inspired of nation and traditional environment and architecture. Oldness of this building on the basis of historical narrative reaches near the end of 18 A.H.

Shrines and religious places in Iran because of penetrate of heavy religious believes in people are very important. These places are of tourism and slightly attractions of each area. Shahmirzad in comparison with another religious citiesis lack of powerful and strong religious attractions. But shrines in this place is considered by people of this area. And in vacations, weekend and funeral ceremonies receipts a lot of tourisms.

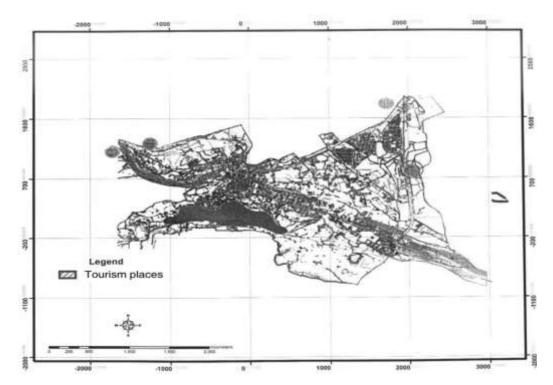
Abdollah, Yahia, Mohammad Shrine and Sheikh tomb are the most important shrines in Shahmirzad.

Sheikh Soosan tomb is one of the shrines in Shahmirzad, located in center of the city and near Ghaleh Sheikhi. Oldness of it reaches to Ilkhani period. This tomb is considered by resident of the area and season tourism and on funeral ceremonies, religious festivals and weekends, the number of visitors increase.

Holding funeral ceremonies in Shahmirzad has historical record. In first ten days of Moharram the people who visit these ceremonies are over 20,000 persons who come from around the city and area.

This issue in point of view of planning for development of tourism is very important and should be considered as one of the tourism attractions and opportunities of Shahmirzad (Hamkaran Consulting Engineers, "2006", P. 58).

In 2007, according to Semnan cultural heritage statistics, number of tourists has been 13617 persons that 80 persons of which were foreign tourist and 13537 persons were internal tourist that in fact this statistics is except residents of Semnan.



Map. 1 Tourism places in Shahmirzad city.

#### 5. Investigation and Studying Model of Price of Land and Building in Shahmirzad

#### A. Investigation of Natural and Climate Attractions

Change of land and housing price is most identical effects of tourism division on characteristics of using land of the city. This changes in two form of directly or indirectly is related to development of tourism.

*Indirect relation:* Since middle of 1980s to next, increasing number of tourists, has increased the rate of demand for goods and services. This issue caused promotion of commercial-services activities in the city and consequently the price of land and trade units especially across main streets of the city severely have increased.

Direct relation: Demand of tourist for structuring Vila or buying land is added the cost of land and Vila in the city. This issue has increased the price of land and Vila in some cities to 1000 times and another sections to 60,000 times. During years 1980 up to 2008, manner of change in price of land and housing in the city and around it is made in various areas at various stages. Forming the first Vilas and gradual expansion in the first years of 1980s began from southern and central divisions (Imam Street and Moharram Dasht district), then with high speed growth during expanding on mentioned districts extended to northwestern and southwestern divisions and limitedly to the west. The price of building in the city with regard to area of building is varied. In fact in towns of this city the price is cheaper than other areas and the price of house nearly in all places of city is similar.

#### B. Rent

The rent of house in comparison with transactional price is varied. Maximum rent in localities of Shahmirzad city is between 70 up to 150,000 Rls. with regard to area and location is varied.



Table 1: Price of Land, Housing and Rent in Localities of ShahmirzadCity (2010) Figures in 1000 Tomans

Place	Price of Land (per Sqm.)	Housing Price (mm²)	Rent of House
Moharram Dasht	350-400	100-250-400	60-70 and Gardens 200
Hammam Dasht	350-400	100-250-400	60-70 and Gardens 200
Veston	350-400	100-250-400	60-70 and Gardens 200
Koucheh Haftlang	350-400	100-250-400	60-70 and Gardens 200
Cheshmehsar (Ghaem Mosque	350-400	100-250-400	60-70 and Gardens 200
Chashmi Mahalleh	100-120	Old Plan 500	50-100
Sarcheshmeh	250	250	50-100-300
Chahar Koocheh (Bolbol Darreh)	350-400	100-250-400	60-70 and Gardens 200
Pelleh P	200-250	100-250	60-70 and Gardens 200
Louhor	100-150	50-60	60-70
Lazhar	100-150	50-60	60-70

Resource: Estate Agency of Mr. Mansouri and Ghasemi (2010.04.09)

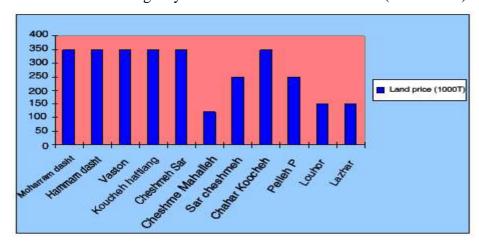
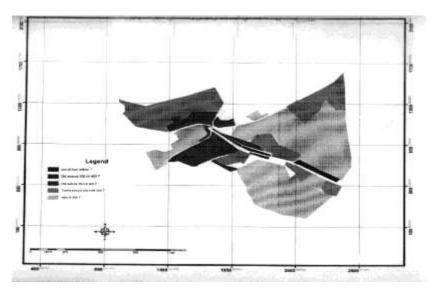


Chart 2: Price of Land and House in Shahmirzad City Localities in (2010)



Map 2: zoning of price of land and housing in shahmirzad city

#### C. Investigation of Fluctuations in Price of land and its Causes in Shahmirzad

Really, according to investigations made about price of land in Shahmirzad city in (2010), price of land in various areas is different .So that the price of land and house in various towns of Shahmirzad is cheaper than central areas of this city. Since in these areas non-native persons reside and most expensive area of city there are in Imam St. and around Imam square and Chahrbagh which the price is varied from 1,000,000 to 3,000,000. The reason for expensiveness of these areas is their commercial role; because these places have around Imam blvd. and Imam street.

Also the price of eroded and old areas of city with regard to its location is different. As Pishkafsh area (Mohrram Dasht, Hammam Dasht, Veston, Koucheh Haftlang) have the highest price in the area, where the price of Land between 350 to 450 thousand toman is higher and the lowest price is for lands in Chashmi Mahalleh, Louhor and Lezher because the most old texture and ruined houses is located in this places. Of course the eroded areas more are located in gardens and fields parts which the price of gardens is more expensive. It should be mentioned that these prices are the price of old houses of the city.

Of course with regard to policies is made in relation with house in country, the price of this areas has been cheaper. But with regard to tourism position of Shahmirzad city and selection of points of city for second house of individuals also has effected on stocking of land and increasing the price of it. In fact the areas have been investigated are located in the center of Shahmirzad City and the place are used as residential garden. And even suitable climate condition of this city sometimes in center of city has caused the change of using from garden to residential.

Therefore change of Shahmirzd city to sample city of international tourism have caused hard increase in price of houses in this city and also has developed spatial development as towns around the center of city.

#### 6. Conclusions

Toursim attractions in mountainous areas is an opportunity for providing increasing need and citizens to leisure spaces in one side and renewal of economic, social, cultural life of these areas in another side. Of course besides these opportunities, there are threats on behalf of tourism to these areas.

Tourism development in these areas had various economic consequences the most important of which are as follows:

Change of agriculture land use to residential use and instalments and equipment related to tourism.



In fact, in addition of decreasing of agricultural lands level, quality of lands also is declined; because in one side gardens and agricultural lands are converted to constructing and in another side a part of this decline and change in use of lands which are compensated with change of pasture land to agricultural lands, is resulted to unfairness of quality of earth of pasture lands and decreasing of quality of agricultural lands. In addition of above mentioned there are problems as bellow:

- -Change of fields and gardens to residential gardens which sometimes is as second house.
- -Increasing in price of land and housing and appearance of false prices and stocking of land that this situation has caused firstly, speeding in trend of changing gardens and fields to construction and secondly, has increased aggression to natural resources bounds (rivers and pastures) and thirdly, has made difficult to provide house for native people.
- -Change of agricultural activity from a economic generator activity to similar model of agricultural tourism through piecing gardens and bounding them around and finally entertainment utilization of them.

According to investigations of price of land during years (2005) and (2010) increasing in price of land is witnessed, especially in central and old places of city where most of houses are as residential garden.

Also what has achieved of information and map is that form example the price of house in Imam St. in (2005) is 300 to 500 tooman, whereas the price of this area in (2010) has been reached to 1,500 to 3 Million tooman. Because of existence of commercial places on the street and existence of tourists in this city price of house and land in this city shows 70% increase.

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