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Pakistan Real Estate Reform Could Unlock Billions

August 6, 2025

— Categories: Real Estate



Pakistan's real estate sector holds the potential to unlock billions in investment if long-overdue legal reforms are implemented, according to experts in property law and economic policy. A modern, transparent framework could not only bolster investor confidence but also play a key role in stabilizing the country's struggling economy.

"Pakistan's property market is deeply fragmented due to outdated laws, unclear land ownership, and weak regulatory enforcement," said **Dr. Shahid Mehmood**, Senior Research

Fellow at the Institute of Policy Studies (IPS). “If we modernize these frameworks, we can open the door for institutional and overseas investment.”

A central issue is **land titling**. Many properties remain unregistered or face ownership disputes, creating legal risks for developers and buyers. **Sana Iqbal**, a property lawyer based in Islamabad, emphasized, “Without clear titles, no serious investor is going to risk capital in a market where property rights are uncertain.”

To address this, government-led digitization programs are already underway. Punjab’s **Land Record Management and Information System (LRMIS)** is one such effort, designed to modernize and digitize land ownership records across the province. Similarly, the **Capital Development Authority (CDA)** has launched a digitization drive in Islamabad to streamline property records and improve public access.

“These are important first steps,” said Iqbal, “but we need more than isolated projects. A nationwide legal overhaul and uniform implementation is necessary.”

Experts have identified three core reform areas:

- **Clear Land Titles:** Eliminate ambiguity through digitization and registration reforms.
- **Transparent Procedures:** Reduce bureaucratic red tape and corruption in the land approval process.
- **Legal Protection:** Strengthen the judiciary’s capacity to handle property disputes fairly and efficiently.

Improving the legal and administrative climate around real estate could also help formalize the largely unregulated sector. Formalization would increase public trust, enhance housing availability, and expand the tax base, without raising rates, by capturing revenue from currently informal transactions.

According to IPS research, the real estate sector already contributes about **2.5% to Pakistan’s GDP**, yet it remains underdeveloped compared to its regional counterparts. Better regulation and legal certainty could double this contribution by encouraging long-term, large-scale investment.

International institutions like the **International Monetary Fund (IMF)** have also pressed Pakistan to improve its investment climate as a condition for further financial support. A transparent property market is widely viewed as a foundational step toward that goal.

With real estate demand rising and housing shortages mounting, legal modernization could serve as both an economic stimulus and a structural reform. As Mehmood concluded, “The government doesn’t need to pump in money, it just needs to create the legal clarity and transparency that investors expect.”