

The Avalon

POLICY REPORT

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**AFFORDABLE
HOUSING
FOR YOUNG
NIGERIANS.**

- HOW TECHNOLOGY IS IMPACTING THE HOUSING SECTOR.
- FUNDING HOME OWNERSHIP FOR YOUNG NIGERIANS.



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EDITOR'S NOTE

The Avalon Policy Report is a thoroughly researched and ideas-driven digital publication that echoes the thoughts of policy makers, industry leaders, practitioners, thought leaders, entrepreneurs, and academia across key sectors of Nigeria's economy.

The publishers believe that these thoughts can help shape Nigeria's present and future policies if the relevant authorities tap into them as a knowledge resource. Government policies that reflect the pressing economic realities of all stakeholders are those that result in innovation, growth, stability, and prosperity.



– SENATOR 'GBENGA B. ASHAFA

“HOME OWNERSHIP FOR YOUNG AND HARDWORKING NIGERIANS”

– SENATOR 'GBENGA B. ASHAFA

INTRODUCTION

The issue of home ownership is a big concern around the world, not just in Nigeria. Stakeholders are particularly concerned by the nosedive in economic fortunes which has made young people vulnerable to the shock that comes with adjusting to the reality that owning a home might just amount to a dream, if dwindling fortunes do not improve.

FUNDAMENTAL CONCEPTS

1. Whether for the young or old, the concept of home ownership is aspirational. However, modern realities have necessitated a shift that has had serious implications on the actualization of this aspiration.

2. Home ownership is also generally regarded as a safe haven and a source of investment and security. But, for those in the younger years of 25–40 who are gainfully employed, pledging a significant part of their lives to paying off a mortgage has become a go-to route towards home ownership, even if it threatens their long-term financial freedom and stability.

3. At the risk of sounding simplistic, the logic of housing availability follows the economic principles of supply and demand. The problem of rural-urban migration has led to over-population, a factor that continues to boost the home rental and sales market for landlords and real estate companies.

This should further serve as a motivation for developers to commit to the development of apartment blocks that can be sold in chunks and pieces to a generation of young Nigerians who desire a semblance of freedom from the stress of cyclical rent.

KEY ISSUES

Let us deconstruct affordability once and for all, since it is a hot-button issue that is always at the top of the list of factors preventing young people from

owning homes. Beyond the small number of people who will inherit homes from their parents or grandparents, a larger number of young people

will have to buy their own homes. This is the reality in a lot of places, I presume.

According to UN-HABITAT (2011), affordable housing is defined as “housing which is adequate in quality and location and does not cost so much that it prohibits its occupants from meeting other basic living costs or threatens their enjoyment of basic human rights.”

Let us take the plight of young people in commercial cities into consideration. In Lagos and Abuja, for instance, housing is comparable to quality of life. Will a young person living in the suburbs of Lagos and Abuja agree that housing is “affordable” if it is situated far from economic opportunities?

If the government or private developers make low-cost mass housing available in suburbs and far-flung areas for young people, would it be fair to say that the houses are affordable if these same young people are experiencing longer commute times to work? Would it be regarded as affordable housing if the distance between the house and the city centre is so far that a young person cannot take a job due to distance?

We need to reflect on these questions and what they mean to our current realities. We need to also consider these questions and how they will influence any proposed interventions and solutions. Do we need to commission a research before we can agree that those who live on the fringes of cities like Lagos and Abuja spend twice or thrice (in terms of commute time and living costs) as much as those who live centrally?

Simply put, if a house is cheap enough to buy and maintain, but situated far from livelihood opportunities or facilities such as offices, schools and leisure centres, we cannot in good conscience say that it is affordable. How can one quantify the cost of missed opportunities or forfeited choices?

KEY CONSIDERATIONS

1. Structural preferences for real estate have evolved. Years ago, the older generation owned homes with ample space and other preferences. Today, developers are building for a new demographic and their preference for 1, 2 or 3-bedroom units.

2. Rapid urbanization, increased cultural appropriation and over-population in commercial cities have made young people to opt for smaller family housing units and sole-occupier types. Developers have also taken note and are adjusting accordingly.

3. Cost of land and building materials have necessitated a pivot, both on the part of government and private developers. Are we open-minded enough and devoid of the cynicism that comes with using cheaper, yet safe building options? This is one area where the FHA is bullish. We are continuously ensuring that housing units provided under our mandate are delivered at cost-friendly prices in order for them to remain affordable to many Nigerians.

SOLUTIONS AND RECOMMENDATIONS

1. In recognizing the gift of choice and freedom to choose, young people must be given healthy options. Whilst not everyone may be interested in owning homes, we must do more to offer options to those who really need it and can afford it. As a quick win and low-hanging fruit, home ownership models such as rent-to-own and shared ownership are a good place to start.

2. Mortgage in Nigeria has to be radically popularized and made accessible. We need to de-emphasize one-off payments for real estate solutions. Young people should avail themselves of the options provided by the National Housing Fund through the Federal Mortgage Bank as well as Primary Mortgage Banks. The earlier they start participating in the scheme, the better their outcomes in view of their remaining working years that will be taken into consideration when a repayment plan is being designed.



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we need each other if any intervention or policy is to have significant impact in the real estate sector.

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3. Stakeholders in the financial services sector should develop new and better ways of helping young people to build their creditworthiness. This should then be integrated into a mortgage adoption framework that allows for more inclusion of people who are employed but earn lower salaries.

4. Employers should consider supporting their staff to meet housing costs through bonded loans, welfare subsidies or shared mortgage payments.

5. The federal government can commit to the provision of tax incentives, grants or waivers for private real estate developers to develop specific types of properties in selected areas which will be made available to credit-worthy young people.

CONCLUSION

There is no magic wand to solve the problems surrounding home ownership for young and hardworking Nigerians. However, they can be adequately tackled through a combination of sound policy, strong political will and the effective collaboration of all stakeholders.

Like I said at a housing-related event I attended in 2020, “we need each other if any intervention or policy is to have significant impact in the real estate sector.” We can talk as much as we want, but if proposed recommendations and solutions do not address both housing supply and demand challenges, we will fail.

– SENATOR 'GBENGA B. ASHAF, A





HIGH INTEREST RATE IS THE MAJOR BARRIER TO MORTGAGE APPLICATION

– KELECHI NWOKOCHA
C.E.O. BONGALO

IDEAS



– KELECHI NWOKOCHA

To start with, I'd like to state that for many years, there was no way for young Nigerians to apply for a mortgage in a way where you know whether or not you are getting the best offer or not. For an applicant to apply for a mortgage at "XYZ" bank, they wouldn't know "XYZ" bank has offered them the best rate unless they see an offer from other banks where they can compare. In my experience, this was a hurdle for many Nigerians who want to own homes. Today, with the introduction of Bongalo, young people can sit in the comfort of their homes and not only apply for a mortgage but also, can; get different offers from different banks, compare and also educate themselves as to how that mortgage process works. It is as convenient as it

gets for Bongalo and we think that convenience is a form of giving people more access to solutions. **Technology has its limitation and cannot solve all the problems the housing market face, but one thing technology provides is accessibility**—so, at Bongalo, we've improved the access to services and solutions that tackles some challenges young people face in the bid to own their own homes. ***Although to qualify for a mortgage and to buy a property worthwhile, you have to earn a certain monthly income. For some banks, it is three hundred thousand naira (300,000) in a month and for others, you have to earn five hundred thousand naira (500,000) and above in a month. Hence, young people must know that their income needs to be in the bracket of three hundred thousand naira (300,000) to five hundred thousand naira (500,000) to put themselves in a position to get a***

competitive loan offer from a bank. In essence, not being within that income bracket makes it quite challenging for a lot of young people who just graduated to get a loan because their income level has to hit that three hundred thousand naira (300,000) a month benchmark. Again, we cannot overemphasize that in homeownership and homeownership market, policies are instrumental for the business. There is a list of things the government needs to look at because the overall arching theme is the need to reduce the barriers to consumption. What is the advantage of owning a property in Nigeria? If a property owner is looking for a consumer loan for car, school fees, etc. instead of going to the high interest charge lenders to get loans, property owners can borrow from a mortgage bank against their home at attractive

IDEAS

interest rates. So, whilst unsecured consumer lending institutions will give loans at 40-50% interest rates per annum, mortgage banks are willing to give at 16-17% per annum. However, the property would be used as collateral. A lot of Nigerians are not aware that they can do that and a lot of Nigerians are not able to do that because many property owners in Nigeria have not yet registered and perfected the title of their property. Hence, they cannot borrow against their property. This is called "equity release". What is preventing people from consuming these types of solutions? Obviously, in the housing market, the interest rate is the highest barrier to consumption and this means that the higher the interest rate, the lower the loan value attainable. Another problem is, most mortgage banks would not release a loan that would require the borrower to pay more than 33% of their net income and this barrier is on the micro-level.

The other problem is the cost associated with consuming these solutions. For example, the mortgage banks that are financing that transaction will require the applicant to perfect their title after the mortgage has been given. Let me explain, most mortgage banks take 20-30% down payment (which I think reducing that rate will go a long way) and in addition to that, there is a closing cost (the combination of the perfection cost and the cost of registering the mortgage) which when calculated amounts to another 10% of the property value. This means that to buy a property in Lagos or Abuja for example, one would have to pay 30-40% of the property value and we know that Nigeria has a low savings rate and that in itself is a major problem. The cost does not take into consideration what the agent is going to charge and the fees the banks are going to charge just to give the facility.

The other factor is the risk associated with buying property in Nigeria. One of the biggest

risks is the time it takes in court to settle for example land disputes. When an investor thinks about the legal protection they have and how long it takes in court to settle cases, they may hit the brakes in their bid to own/finance housing projects. There are cases where a landlord is sued by a tenant and the case lasted about 5-10 years in court without recourse and the tenant does not pay for rent. All of these becomes a barrier for anyone that wants to own a property. The last factor that needs to be taken into consideration is how to enhance the administrative processes associated with homeownership. These processes are the fact that as a regular person living in Lagos, I cannot go online and look at the legal history of a property, who last owned it, if there is anything wrong with the property if there is a building permit approval associated with the property if the person selling the property is associated with the property. Instead, I have to go through loops and third parties which cost money. Another administrative question is can I pay/apply for a building permit approval online? I think there is a lot to do to reduce the barriers to consumption.

To summarize the points raised earlier; Cost associated with consumption, Risk associated with consumption and enhancing the administrative processes are key action areas the government needs to look at. Finally, from a policy perspective, **we need to remove barriers to consumption and we must realize that throwing money at a problem does not necessarily solve the problem.** The risk associated with transactions where there is no database regarding the history of the property which may likely have a lot of issues and not being able to gauge what the issues are because there is no access to such details. So, I do think that there are some fundamentals to be tackled from the policy perspective and hopefully we can start from there.

DEALING WITH THE HOUSING DEFICIT IN NIGERIA IDEAS

There is a dislocation between the prices of properties and the number of homeowners in the country and I'd easily say that one of the major problems is the housing deficit in the country. The housing deficit in Nigeria currently sits at 17 million units. The high rural-urban migration rate, coupled with low supply and very high demand for houses, are the major reasons for this deficit. The housing industry in Nigeria is majorly powered by the private sector, with about 85% of the housing stock is being provided by that sector.

The interesting thing is that, when the landlords build their houses, they want to recoup their funds in the shortest period. So, they set a very high price on the property and then place it out to agents/middlemen who then add about 20% commission, plus 10% caution fee, which results in about 30% bump in price, and to top it all off, the landlord then asks for 2 years rent in advance which means paying 60% in fees and double the rent in one go. It is even more interesting to know that the economic situation in the country doesn't reflect the economic activities of Nigerians, although, monies are earned monthly, where do we get the bulk money from? That's where Kwaba has carved a niche to be able to help people finance these bulk rents and help them split it into monthly installments where they can pay conveniently. Although, there are great policies in the areas of housing in Nigeria, what matters most is implementation. How much of these policies have been implemented? How much of this budgetary funding is available? amongst other things. The increasing high rate of rural-urban migration and high housing deficit is a big problem in the country.

So, there will still be a high demand for properties if there are not enough properties in the country. There is a lot the govt has to do in policy and policy implementation. The developed economies in Europe for instance have leveraged on govt incentives and schemes that helped to buy 0% mortgage. In April '21, the UK government backed people to get more homes with a 5% mortgage and that's sets the people to go to the next level. Therefore, the government has a lot to play concerning policy in terms of deliberately allocating lands to property developers at a very subsidized rate. Hence, access to finance is a very big thing and the cost of the finance so, how much fund does the mortgage institution get?

Although, there are great policies in the areas of housing in Nigeria, what matters most is implementation.

because that would massively determine how much interest they give out to people. Generally, it is all about the implementation of government policies—give a typical example, in 2014 affordable home ownership scheme was set up and the policy target was, for every local government, 500 homes would be built per annum, and for states, 3,000 homes per annum and the federal government about 5,000 homes per annum, which brings the housing stock to about 1.6 million homes per annum which if sustained for a period of 10 years, will give about 17 million over the housing stock. But now, where is the implementation of this towards



OBINNA MOLOKU
C.E.O. KWABA

■ DEALING WITH THE HOUSING DEFICIT IN NIGERIA

Continued....

IDEAS

creating affordable houses? In the 2021 budget, 17 billion naira was allocated towards housing projects at the cost of about 10million/house. That would give about 5,600 houses. When compared to the initial 1.6 million a year target, you will realize there is a huge gap that necessitates a public-private sector partnership and there's more to be done by the government to incentivize the private investors coming into the market. Also, the role played by the intending beneficiaries is equally important as people have to massively save towards getting mortgages. Most importantly, there should be a reduction in the interest rate, more funding for the mortgage banks and increased access to a mortgage which I think has to be democratized. Moreover, creditworthiness is the largest important factor to determine the success of people accessing mortgages at the end of the day. As it is known that there are a lot of loan apps that people download and can easily get loans from, but what they tend to forget is that credit histories are built along the way and the way the loans are repaid affects how the institution see you. You could easily take a quick loan of 10,000 naira and refuse to pay it back. That will put a dent on your credit report and no matter how well you

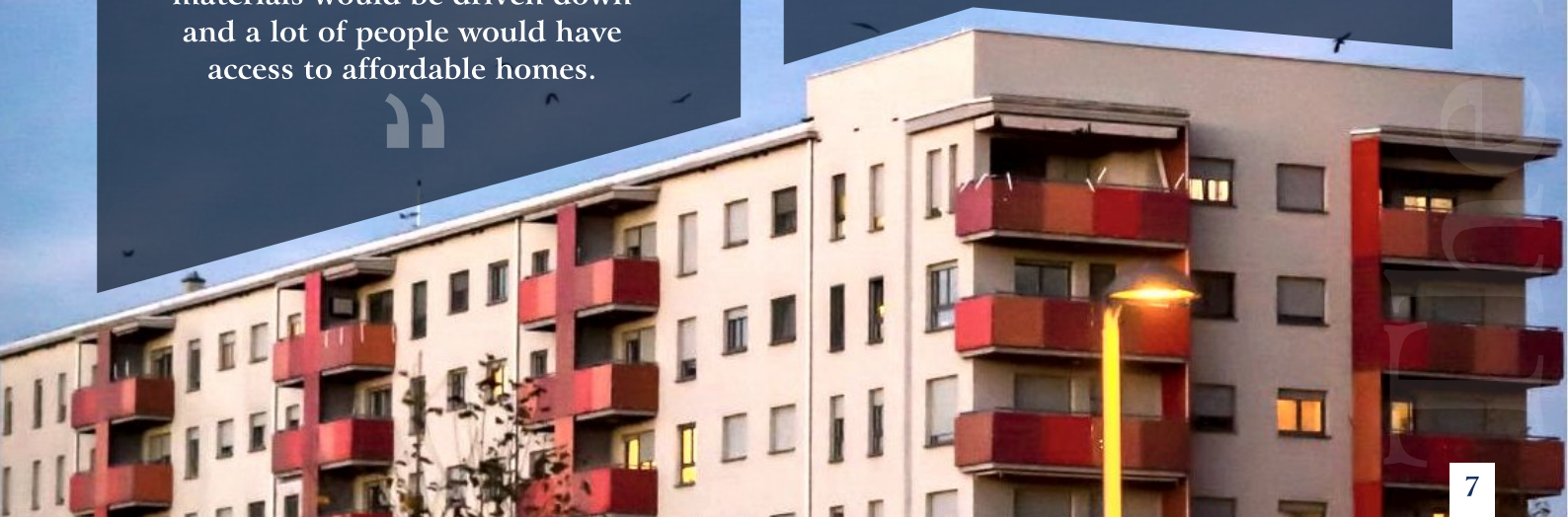
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Once the source of funds is cheaper, the cost of building materials would be driven down and a lot of people would have access to affordable homes.

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build yourself over the years, a bad credit history will limit access, when you get to that mortgage point even though there is access already. The institution will look at your credit history and get discouraged when they see a lot of bad debts written off in your name. At Kwaba, while we give out funds to people to finance their mortgages, we also embark on financial education, telling people the consequences of not paying back and I think policy-wise, one of the things that would help in this sector is people knowing or feeling the effect of the consequences of failing to pay back their loans in all honesty because accountability is very big in any successful economy whether in the US or UK. Once there is accountability and people are held responsible for their actions, there will be a positive behavioural change behave and once we have that in the credit/financing space in the country, things will start to have a good positive turn towards a good point.

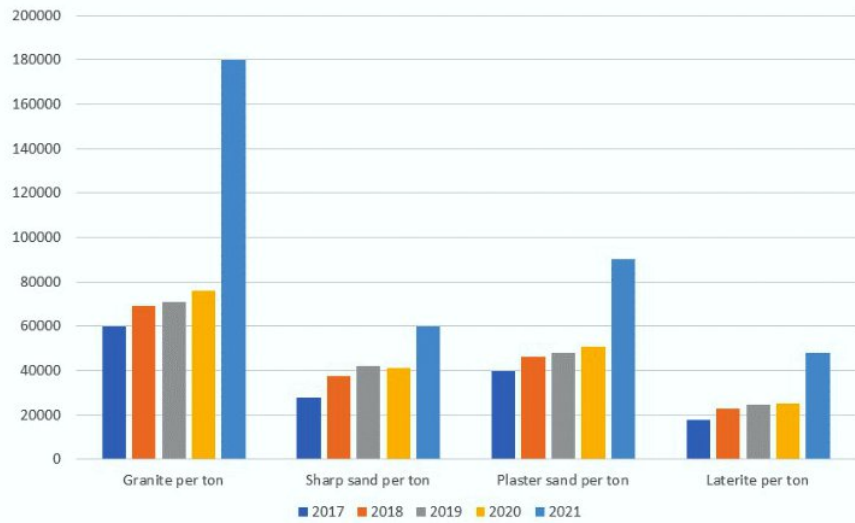
In summary, access to affordable finance (loans and mortgages) and also a huge amount of financial education towards building creditworthiness from people that are currently borrowing. Also, for people who want to get mortgages, now is the best time to start getting loans and start getting them responsibly. This increases the chances to get a mortgage. On the side of the government, implementation of policies is key as well as the source of funds. Once the source of funds is cheaper, the cost of building materials would be driven down and a lot of people would have access to affordable homes.



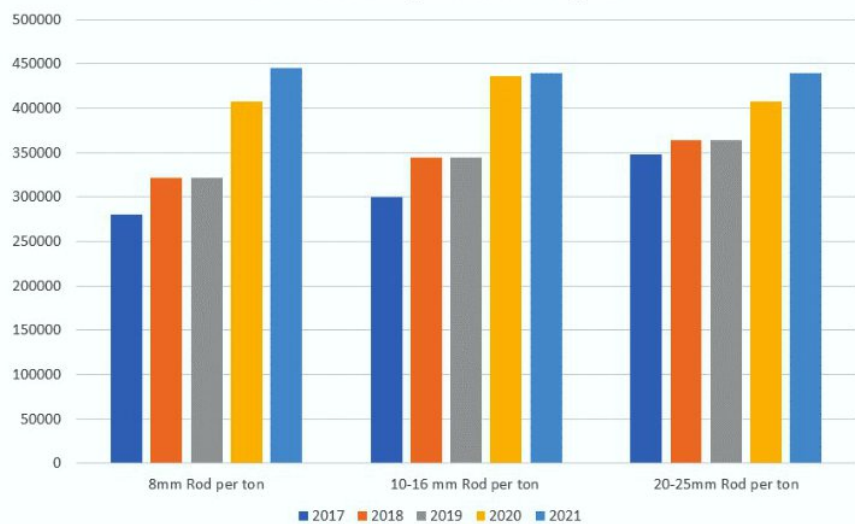


STATICS OF BUILDING MATERIAL PRICES IN NIGERIA

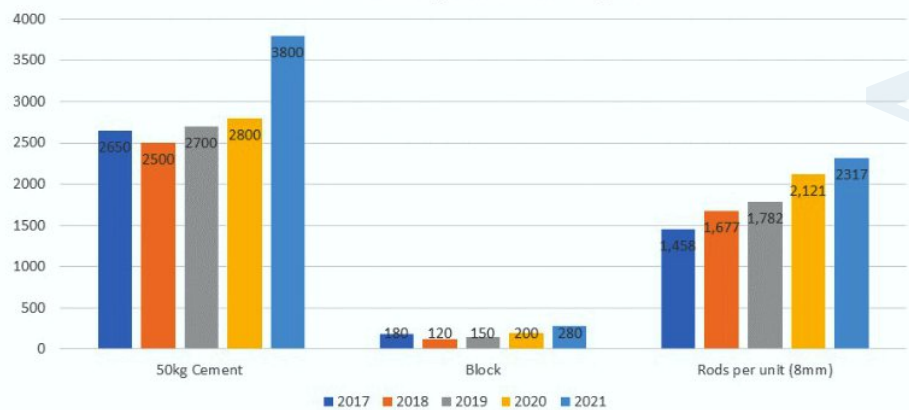
Price of Building materials in Nigeria



Price of Building Materials in Nigeria



Price of Building Materials in Nigeria



Funding Affordable Housing Schemes in Nigeria



Interview with Professor Timothy Gbenga Nubi

Q1. Why is it difficult for many Nigerians working and living in major cities to own their own homes?

Prof. Timothy: It is only in Nigeria that most people mainly build houses and do not buy. All over the world, people buy houses as a norm, rather than the exception. So, as long as we are focused on building houses, a huge number of people will not have houses. A young family in America, Canada, London or anywhere in the world would typically want to buy a house, but here in Nigeria, the focus would be on building one. This model is not sustainable. Until we change the narrative by normalizing buying houses, many people will never own houses.

Do you build your cars? We buy our cars. Same should happen with acquiring a house. A house is like a car. There is someone who manufactures the roof, there is a producer who puts all the various parts together as a unit and sells the car. So, as long as you have to go and look for a land, bricklayers, carpenters, etc. many Nigerians will never own houses. Until houses become a commodity that producers are producing in mass amounts, many people will never own houses of their own.

Q2. How would you describe a housing scheme that works for most Nigerians?

Prof. Timothy: We have to revisit the Jakande administration in Lagos state. A housing scheme that works is not rocket science. It has been done before, and effectively so. Jakande built houses and was selling to people. For instance, a fellow church member took a loan of N1.5m while he was working with the old National Electric Power Authority (NEPA) and he approached me with the plan to build a house. We decided to go to Ikorodu and considered a land that was selling for N500,000. By the time we calculated the cost of land documentation, building approval plans and everything else involved, we had arrived at almost N1.2m and this amount did not even include the cost of laying the foundation!

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At that time also, NNDPC was selling houses so we went to

look at two or three of their estates. We settled for Ijaiye Ogba and he paid about N1.3m. He moved into the house the following week and he used the N200,000 remaining from the loan to furnish the house. All over the world, people buy houses. We have to go back to that Jakande era when government and developers built affordable houses for those who could buy them at market rate.

Developers are busy building Lekki Road, government is busy building social houses. Government houses can be affordable because the government owns the land and it provides infrastructure which is almost 60% of the cost of houses. So, when such properties are brought to market, people can afford them. That's the way it is all over the world. Jakande was selling a three-bedroom flat at N4,000 at that time. It can still be possible now only that people won't buy them at such low prices. A government house priced at N2m now is something even most people can afford on their own or with any financing option available.

Q3. How beneficial are these schemes to the less privileged?

Prof. Timothy: All over the world, the less privileged rent houses,



Funding Affordable Housing Schemes in Nigeria

Continued...

they don't buy houses. It is those who are working that are disposed to spending 30% of their income to pay mortgage every month. Civil servants, government workers, social workers buy houses worth N5m or N10m and spread the payment over 15 to 25 years. When you are subscribed to such, you would be paying less than N50,000 every month and it becomes affordable. Affordability is not just set in the entire cost, but in your income and repayment plan. That is why most people in the UK choose mortgages and pay for 15 to 20 years and this affords them the opportunity to pay over a long period of time. Also, it is cheaper to pay mortgage than to service rent.

For instance, when Multi-Links fixed telephone was introduced

in Nigeria, the high cost of the device and the prepayment policy of the company prevented so many people from purchasing the phone. However, when the payment plan was spread over a period of 16 months, with an initial deposit of N50,000, a lot of people bought the device. In same manner, the affordability of houses should factor in a convenient payment plan in order to allow more people benefit from the scheme.

Mortgage is one viable way to help a lot of Nigerians own homes because, at the end of the day, when the payment is complete, the property becomes their own, unlike having to rent. When you consider that there are people who live in 3-bedroom rented apartment that costs about N1.5m per year, and you factor a lease span of 10 years, it amounts to paying about N18m for a property that they will never own. We must realize that not everyone can or will build a house.

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Q4. What roles can be played by financial institutions and the Federal government to ensure housing schemes are funded?

Prof. Timothy: The government needs to develop policies that will create an enabling environment for property developers to thrive. The financial institutions will also need to provide low-interest

loans to property developers. When government policies are investor friendly, the business climate will be free and conducive for developers to take a share of the market.

Q5. Proffer best solutions to support or fund housing affordability in the country.

Prof. Timothy: Once the market is good, funders are always looking for where to put their money. So, once the law is in place and there is an enabling environment, funding these schemes won't be a problem. The government has to create legal, institutional and policy frameworks which will suit these schemes. Funding goes to where there is security. The state of insecurity in the country is a big hindrance to investors.

There must also be a stable economy because nobody can invest in an unstable economy. We also need to have all the necessary laws in place to promote an efficient finance market. The truth is that the yield from housing is low because it is a long-term, yet very secure investment. Although, there are other competing sectors such as IT and aviation that would yield faster returns than housing. If a finance company decides to fund the purchase of an aircraft, their investment begins to yield returns the day the aircraft begins to fly, but the reverse is the case for housing. The yield is slow and low but it is for a long term. Summarily, once a business is profitable and secure, funds will flow into that business.

REVISITING NIGERIA'S HOUSING CRISIS AND THE VULNERABILITY OF ITS URBAN-POOR

- Precious Ohaegbulam



No one is surprised anymore that the issue of housing has become fodder for election campaigns. No one is surprised anymore that these issues remain undeserving and unworthy of executive attention once the task of governance commences after elections are done with. It is obscene. It is irksome. A Nigeria in which only a few can truly afford decent housing is surely not something we should be proud of.

Nigeria's housing crisis is something that every government knows about.

Unfortunately, Nigerian leaders have become reference points to the truism that knowing about a problem does not translate to having the capacity to solve the problem. Under successive governments in Nigeria, we have witnessed the worrying rise of a new category of poor people known as the “urban-poor” – a term which presupposes that, against the literal promise of opportunities supposedly abundant in urban areas, there are still people whose aspirations have been dealt fatal blows by avoidable systemic issues.

It is worrisome enough that those with seemingly steady jobs in urban areas are still unable to afford decent housing. No one understands the concept of “you can't have it all” more than the struggling Nigerian living and working in urban areas such as Lagos. Home owners and landlords are going in for the kill with high rental prices that are not reflective of the economic problem that we are all jointly witnessing. Real estate developers are now brazen with their ridiculous off-plan payments. The housing industry is one that is truly in chaos at the moment: lax regulators, shylock landlords, opportunistic developers masquerading as entrepreneurs, and a helpless public with no recourse.

To be clear, Nigeria's housing crisis is not only present in urban and commercial cities. With the attendant pressure that rural-urban migration puts on major cities, rural areas are presented with a different kind of housing problem: one that has to do with a shift in focus by service providers. Suddenly, power supply starts fluctuating and almost becomes non-existent. Roads are left unrepaired when they develop faults. On the other hand, the urban areas start to witness problems relating to quality, location, available amenities, etc. To illustrate this clearly, there is the joke in Lagos State that if a landlord shows a flat to a prospective tenant and the prospective tenant observes that the roofs are leaking and the house is in utter disrepair, the landlord will not flinch or volunteer to fix such issues. Rather, the prospective tenant would be met with a retort that if he or she does not end up taking such an apartment, another tenant would snap it up as soon as he or she leaves.

As for those who say they have cracked the urban

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housing code by choosing to live in far-flung fringes of commercial cities while commuting to work at the city centre on a daily basis, they have to pay in time, money and health. Little wonder why Peter Sanni (name changed), a resident artisan with a real estate company in Victoria Island, collapsed and died while commuting to and from Sango-Otta to Victoria Island each day.

So, what gives? The prognosis is dire: If this untenable situation continues unabated, we will continue to see more people sleeping under the bridges and more people resorting to deplorable living conditions – a situation which, inadvertently, breeds more criminal elements and racks up anti-development indices. Unfortunately, it is the Nigerian society that will bear the brunt when consequences start to manifest as rising crime and insecurity. After all, those who have been “left behind” must find a way to catch up.

Unfortunately, again, everyone cannot live in highly secure, gated communities. What then happens to the many who just want a safe and decent society to live and work in? Whether we like it or not, whether we choose to admit it or not, the root of many societal problems is traceable to how much people want to, and how far they will go to protect their dignity, or whatever is left of it after it must have been soiled. It is time for us to think clearly about these things. Majority of those earning between N100000 and N200000 struggle to ensure that they do not spend more than 40% of their monthly income on housing. Even essential public workers such as police officers are not spared of this indignity: the sorry state of their living barracks is a testament to this assertion.

The nature of decent housing as a basic human need ranks it as a necessity. It is a need that is critical to the protection of human dignity. No one, whether employed or unemployed, free or in jail, rich or poor, should have to live in deplorable conditions. This is where the government comes in. Now, facts considered, housing is a specialty commodity, as it takes time, money and skills to produce. Still, its status as a necessity places the responsibility of inclusion squarely on the

shoulders of government who should devise ways and means to ensure that no one gets left behind. To some, this means finding the balance between capitalism and socialism. To put it bluntly, as the only institution whose constitutional responsibility it is to ensure the security and welfare of its people, a government that fails to meet this critical need has failed to meet its constitutional responsibilities.

Where do we go from here? A recommended approach is to address the matter of income poverty and inequality, alongside addressing the systemic issues that can only be tackled by executive mandate and legislative policy. Analysts have argued that the demand for home ownership in Nigeria is limited by income poverty. You can't argue with this. Available GDP per capita data and the sad economic reality of most Nigerians are proof enough that most people may never be able to own a decent home in Nigeria.

So, if most Nigerians can't afford decent rented accommodation because of a low earning capacity comparative to the cost of their preferred accommodation, if even more Nigerians cannot afford to build or buy decent homes due to factors such as rising cost of building materials, if institutional bureaucracy still militates against schemes like the National Housing Fund, if mortgage lending rates are prohibitive even to the middle-class, if the average Nigerian household continues to grow faster than the Nigerian economy, and if the limited supply of housing persists amidst overwhelming demand, haven't things fallen apart already?

Author's Note: Some parts of this article were published in a differently-titled piece online in November 2020. However, in view of the current economic realities, it is only fitting that fresh insights be given, so as to reflect the baffling conundrum that the housing market in Nigeria has become. Thankyou.



LOCATION | ARCHITECTURE | LIFESTYLE



The Avalon

POLICY REPORT

**PROVIDING STABLE
AND AFFORDABLE
POWER TO DRIVE
INDUSTRIALIZATION**

SEPTEMBER EDITION

Watch out
September