

THE RESIDENTIAL HOUSING PROBLEM IN ANAMBRA STATE (A CASE STUDY OF ONITSHA METROPOLIS)

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ABSTRACT: *The research which is captioned "Residential Housing Problems in Anambra State (A Case Study of Onitsha Metropolis) was targeted at portraying the causes of housing deficit alongside its attendant effects on the populace with regards to habitable housing (Residential Properties). The roles of the public sector in housing development through its Ministries, Department and Agencies (MDA) were also highlighted in cognizance to the Federal Mortgage Bank of Nigeria. Owing to the fact that housing problems are overwhelming, ranging from over-crowding, shortage of housing supply etc. The researcher adopted both the primary and secondary methods of data collection. I found that the low income earners were the one's mostly affected by housing problems and Onitsha being the commercial hub of Anambra State, it is pertinent that government should have synergy with the private developers and re-direct their motives towards arresting these housing problems that are highly prevalent within the area of study. The findings of the study shows that lack of or inadequate housing financial assistance, high cost of building materials, high interest rate and lack of interest by financial institutions to facilitate loans to investors, uncoordinated policies by the government, etc are responsible for the residential housing problems inherent in most of our urban areas. The study recommends that there should be an improvement on loan facilities for building projects and a downward review of interest rates by mortgage banks on loans to property developers.*

KEYWORDS: Housing Problem, Loan, Building, Property Developer, Nigeria

INTRODUCTION

Background of the Study

Housing all over the world has remained an interdependent

phenomenon that affects every facets of mankind and it represents one of the most basic human needs which no doubt has a profound impact on the health, welfare and productivity of every individual irrespective of socio-economic status, colour or creed. In spite of the importance of housing to mankind, there is however, a universal shortage of needed dwelling units especially in developing countries including Nigeria where population growth and urbanization are rapidly on the increase and where the gap between the housing supply and housing demand is so wide. Housing shortage in Nigeria is reported to be estimated at about 14 to 16 million housing units with an esteemed whooping sum of N4.7 trillions required to meet the deficit.

To meet this deficit, there is need to provide at least 500,000 housing units per annum for the next 40 years. A world Bank report was quoted as saying that only 10% of housing units in Nigeria are habitable while analysis estimated that 56% to 79% of Nigerians are without adequate shelter. Residential house ownership in Nigeria was said to be less than 25%

compared with 76% international standards while average urban dwellers were said to be spending more than 60% of their income on substandard housing. The supply of the income on substandard housing the supply of the new housing. The new housing units are far below the demand. The Results of these shortages are manifested in over crowding in homes and development of sums especially in major cities.

Nigeria as a nation has rolled out various development programmes to address the housing debacles with varying time frames all with the aim of fashioning out a robust development profit towards sustainable pattern of housing growth. Such efforts include the creation of the then Nigerian Building Society in 1956, the establishment of the National Council on Housing, the establishment of Federal Housing Authority, the creation of Federal Mortgage Bank of Nigeria (FMBN) and the National Housing Fund (NHF) other institutions include the establishment of Primary Mortgage Institutions, the Odili committee on Urban Development and Housing, Mabogunje Technical Committee on Housing; Urban Development, the creation of the new Federal Ministry of Housing and Urban development as well as the new National Housing Policy (2002).

The common feature of all these policies was the deliberate attempt to address shortages of housing units with theoretical strategy of facilitating low cost housing. It is unfortunate however that the accelerated housing development that would favourable satisfy and meet the housing needs of the populace has not been achieved till date.

Statement of the Problem

Housing need, one of the three basic human needs is considered in this project as a social problem. Like many other major social problems such as poverty, crime, population growth in relation to natural resources and housing problem has five major characteristics, namely; social causation, evaluation as a problem, citizen concern, people affected, that is the sufferer and actions taken so far to alleviate or reduce housing problem. Social policy may be define as the guidelines, decision, programme or plans and positions of government and public authorities intended to resolve or reduce the problem of housing. Social policy precedes social action which is largely interpreted through the social service. Social service depends upon financial and other resources. Besides looking at social policy on housing, an attempt will be made to examine actions taken by government to influence housing situation. In any area of social policy a major problem is the definition and interpretation of need. This is more difficult in the area of housing because of the wide range of objective and factors that must be taken into account by those responsible for the formulation, and implementing policy as well as the varied needs of the sufferer of housing problem and professionals in the housing industry. It is however useful to make a distinction between housing need and effective demands.

Housing need for government officials and planners is essentially the extent to which existing housing accommodation fails to meet in standard. This is regardless of the ability to pay or any peculiar preferences. In the Marxian term, housing need is determined by the absolute requirement

RESEARCH DESIGN AND METHODOLOGY

Data for this work was sourced from both primary and secondary sources. While the primary data was gotten through questionnaire which was drafted and distributed to relevant housing

investors, individuals and government parastatals in Nigeria and observations by the researcher. The secondary sources of data were related written materials such as journals, conference papers, textbooks etc.

Population

The population for this project work comprises of housing investors, individual and government parastatals in some parts of the country.

Sampling Size

For the purpose of this project work, the simple random sampling approach was used. Thus the sample size of the study is 120 respondents, sixty (60) housing investors, fifty (50) individuals and ten (10) government parastatals. Since it is not easy to distribute questionnaire to everybody concerned, the chose percentage of research population is believed to be a true percentage.

DATA PRESENTATION AND ANALYSIS

Problems and Challenges of Housing

The challenges of housing are multi-lateral in nature and they are basically rooted in policy and economic mis-direction. With the policy shift from the public sector dependency to liberalization policy of private sector driven, the ineffective housing policy implementation has continued to create great challenges to housing. Basically, the major problems of housing are rooted in:

- I. Lack in integration of policies between the three tiers of government.
- II. Inadequacy of finance
- III. High cost of building materials and
- IV. High infrastructural development cost.

Any assessment of the challenges of housing development must generally be viewed from these four perspectives. At present, what seems to be the only source of affordable housing finance is the Estate Development Loan (EDL) from the Federal Mortgage Bank of Nigeria (FMBN). The loan is granted for only two years of 10% interest rate and the loan does not finance infrastructural facilities. An exit point for the recoupment of loan after construction is provided in the National Housing Fund (NHF) also being managed by the FMBN. From this, loan is granted to NHF contributor to purchase houses constructed and financed by the EDL. As laudable as this initiative is, it has failed to achieve desired results that directly address the challenge of investment in housing to solve the housing problems, especially low-income earners that genuinely require housing. Although the NHF fund which serves as backbone of the EDL has been saddled with myriad of problems over the years, the new housing reform has however addressed some of those issues that affect its efficiency in time past. The fund can now boast of constant remittance from most organizations who hitherto were not remitting deducted NHF contributions from their employees to FMBN. Also state governments that withdrew from the fund in the thick of the Nigerian Labour Congress criticism of the fund have

re-registered. The reforms also involved the restructuring and repositioning of the FMBN for better performance especially in creating high net worth mortgages in the capital market for the development of the mortgage market.

Despite all these laudable reforms, investing in housing development is still characterized with challenges of exit point for the disposal of the completed housing units after construction which prevents property developers from recycling their finances to provide more houses for the people. The available funds from the FMBN are not enough to service the NHF contributors that apply for loans and private developers that require EDL. For instance the NHF had as at September 2005 an outstanding commitment of over N15 billion as undisbursed approved loans on both facilities granted from it against a net collection of less than N7 billion. This is besides the outstanding applications valued at N44 billion. This unarguably does not encourage investment. People are not adequately empowered to access the NHF loans and this affect the demand for completed housing units resulting into housing glut in many major cities in Nigeria: Onitsha being an evidence of this. There is high profile of affordability question among intending and prospective buyers of completed housing units arising principally from poor remuneration of most workers unable to afford the selling prices of houses developed by the developers.

This scenario was as a result of the cash based economy system that we operate in Nigeria where houses are sold on cash and carry basis as a result of various factors, which include the high cost of housing production, high costs of funds arising principally from prevailing high lending rates, high cost of infrastructural development with little or no assistance from the government, high cost of building materials arising from uncontrollable inflationary rates and inadequate mortgage facilities. This is apart from lack of mortgage default insurance scheme that would have provided a safe landing for the investors in case of any eventuality. The mortgage system that would have enhanced the development of the sector has refused to grow and our primary Mortgage Institutions (PMIs) have failed to develop beyond relying on funds from the NHF rather than creating and originating loan/mortgages on their own. The FMBN on the other hand has not been able to concretize its arrangement to raise bonds from the capital market because it is engaging in direct lending by packaging loan for civil servants to buy properties thus performing the roles of the PMIs of creating mortgages. This scenario is hampering the development of the secondary mortgage market hence unattractive to investors. Every investor is always concerned and bothered about the returns on his investment. The risk associated with investment in housing development in Nigeria is considered to be very high by investors as there are not stable policies to safeguard investment with returns. Investors are saddled with insecure legal framework on property rights, titles, tenure and uncertain foreclosure.

The housing sector lacks an enforceable legal, regulatory and organizational devices or mechanism that define and lay down legally binding rules and regulations that govern the sector. This therefore exposes investment in the sector in grave danger and discourages investors from investing in real estate development. There are no adequate incentives, security and confidence in the financial transactions in real estate development hence investors especially financial institutions are always skeptical of committing their investment into the sector except where there are strong memorandum of understanding.

According to the Human Development, Nigeria in 1982, the unprecedented growth of urban population is largely responsible for housing problem in Nigeria. The states with the largest proportions of urban dwellers, far in excess of the national average are Lagos (94 percent), Oyo

(69 percent), Anambra (62 percent), Osun (56 percent), Edo 45 percent), Ogun (45 percent) and Kwara (43 percent). The inevitable outcome of this explosion is the aggravation of urban blight and squalor resulting in the majority of urban dwellers living under sub human conditions in slums and squatter settlements without employment and any visible means of livelihood. Upon the creation of Delta State in 1991 and consequent upon the influx of people from Edo State and else where into Asaba. Other towns, such as Warri, Sapele, Agbor, Ughelli, Ibusa and Ogwashi-uku, to a lesser degree experienced population explosion relative to the available accommodation. In a series of household studies and housing and building surveys of then Bendel State Local Government Headquarters 4, carried out by the Ministry of Finance and Economic planning, Department of Statistics. Benin City in 1972, 1975, 1980, it was found that average household size was 6 and, in most cases, a household lived in a one room apartment. In effect, the occupancy rate is 6 persons pr room. In a number of cases, one room housing 6 persons also serves as sitting room, bedroom, dining room, kitchen and store. Thus, the cases of overcrowding and living subhuman life like rats in a hole are established. Compare the Nigerian situation with the English housing condition in the 1930s, according to part IV of the Housing Act, 1936 overcrowding is defined in section 58 and the fifth schedule to the Act by reference to either the number of persons sleeping in the same room or the number of persons in relation to the number and floor area of the rooms. The numbers of persons permitted in relation to a dwelling room are as follows:

TABLE 1

Where a house consist of:

(a) One room	2
(b) Two rooms	3
(c) Three rooms	5
(d) Four rooms	7
(e) Five rooms or more	10

TABLE II

Where the floor area of a room is:

a) 110 sq.ft or more	2
b) 90 Sq. ft or more but less than 110 sq. fit	$\frac{1}{2}$
c) 70 sq.ft or more but less than 90 sq. ft	1
d) 50 sq. ft or more but less than 70 sq ft	$\frac{1}{2}$
e) Under 50 sq. ft	Nil

Continuing, the section provided for offences in relation to overcrowding. For example, "if the occupier or landlord cause or permits a house to be overcrowded, he shall be guilty of an offence".

Furthermore, the 2 persons permitted per room should not be of opposite sexes except both are husband and wife or one of the persons is below the age of one year. By implication, if we want to achieve the concept of housing for all, we must reduce our rate of 6 persons per room to 2 persons per room. This means stepping up our investment in new housing by upwards of 300 percent. It could be a high as 60 percent if we realize that most houses funded by private effort take 2 to 6 years to complete. In terms of quality, the human development Repot, Nigeria 1986 stated at page 24 that with respect to access to toilet facilities the households nationwide are distributed as follows:

a) Uncovered Pit toilet	3%
b) No facilities	46%
c) Sewage	1%
d) Septic Tank	2%
e) VIP	8%
f) Covered pit	27%
g) Others	13%

The Housing and Building Survey on Asaba (1980) at Table 4.5 found houses with amenities as below:

a) Tap water in the compound	42.4%
b) No tap water in the compound	57.6%
c) With Electricity	58.6%
d) With Telephone	2.5%
e) Water Cistern Toilet	41%
f) Pit Latrine	55.9%
g) Bucket Latrine	1.0%
h) No Toilet	1.00%
i) Unspecified	0.3%

Despite the efforts of the various housing in authorities, over 90 percent of the housing in Onitsha, Anambra State is still provided by the private sector and individual effort. Housing has been widely seen as a secure and lucrative investment, which enhances the owner's status in the community. Whereas access to privately owned land through customary channels or

purchase has made it possible for a relatively large stock of owner-occupied housing to be built, opportunities for those excluded from these means of access to land have been limited to areas in public ownership. As a result, squatting is limited and over 60 percent of residents are tenants, some in tenements constructed by absentee landlords of modest means.

During the 1970s it was usual for a man earning the average salary or above to build his own house, while as profits and speculation increased, interest in providing lettable rooms for the poor declined. In recent years, declining real wages and high inflation, particularly rapid increases in the prices of building materials, have resulted in workers living so close to subsistence level that they have nothing left for investment. Today only the very rich construct new housing units. In response to the slower rate of new house construction, tenancy has increased and rents have increased more than fivefold. High densities, overcrowding, and multi-family and student occupancy of dwelling have long characterized Onitsha and have intensified in recent years. Residential district range from low-density areas that have been able to retain their characteristics, through medium-density districts such as Odokpo, Osuma and substandard settlements that lack basic amenities. Many low income areas were villages or peripheral settlements that have been engulfed as the city has grown. In addition, in response to astronomical rent increase, the rapidly increasing cost of living, and the increasing insecurity of lives and property, a drift of population to villages and towns in adjacent areas have been defected, increasing pressure on commuter transport links from these towns to the city. Crucial influences on the ability of the private sector to supply sufficient housing to meet demand are access to land and the delivery of services. Hitherto, land for urban development could be obtained from any of the following: the land use and allocation committee based in the Governor's office, the metropolitan development agency, or indigenous land owning families and individuals. Although the land use Act of 1978 vested the ownership of all undeveloped land in the state, attempts to regulate the ownership of land and transfer of rights have never been effective. Interested parties, including professionals, tend to connive to backdate transactions to make them appear to have preceded the Act.

Currently, no more distributable land is available within Lagos metropolis through the land use and allocation committee. Today, land for development is obtained primarily through the private sector. Large land owners may in some cases lease land for construction of temporary housing while they wait for its value to increase. Although there are examples of squatting and illegal subdivision, such cases are limited. Land rights in Onitsha have historically been a route to political power and a source of wealth and conflict. Conflicts over rights of ownership between the state and private individuals or village or family groups, or between members of families, which arise in part out of the lack of a comprehensive land register, sometimes lead to sale of the same plot to more than one buyer or to the demolition of structures by the state. For example, more than 100 well built houses were demolished by the military state government at Ala village, about 20 kilometers east of Victoria Island, in August 1995, despite a court order, that attempted to restrain the government. Land acquired by the state in this way may benefit powerful and well-connected individuals, rather than ordinary residents. Land scarcity has become a constraint on the ability of both the public and private sectors to respond to demand for housing. It has been claimed that, unless more vigorous actions are taken now by the relevant authorities, in concert with the inhabitants, to combat the appalling living conditions in many localities, similar to those that produced epidemics before the 1930s, Onitsha may face outbreaks of disease more devastating than ever before.

In a nutshell, the prevailing challenges to housing provision and development today especially for low cost housing scheme despite the new housing reforms include but limited to the following:

- 1) Inaccessibility to low and cheap housing finance for construction to developers.
- 2) Poor remuneration and low purchasing power of the general public especially low-income earners.
- 3) Slow processing of National Housing Fund loans to potential contributors seeking loans for purchase of completed housing units, which are unattractive to private property developers.
- 4) Unavailability of adequate and alternative mortgage loans without at low interest rates to support purchasing poor or low-income earners.
- 5) The high cost of dwellings which unnecessarily increases the cost prices of these completed housing units.
- 6) Slow pace of disposal of completed housing units as a result of the inadequate empowerment of the end users which makes developers/investors to be cautious in investing in mass housing.
- 7) Absence of a secondary mortgage market
- 8) Lack of mortgage insurance scheme

Data Presentation and Analysis

In this chapter, emphasis is on the orderly presentation and analysis of the data collected from the field work especially through the administration of questionnaire.

To arrive at meaningful presentation and analysis of data collected, the use of descriptive statistical means was adopted.

Analysis of Questionnaire Responses

The questionnaire is targeted at finding out the problems associated with housing in Onitsha, Anambra State. Here, the responses from the questionnaire are presented in a tabular form using frequencies, percentages, bar chart where necessary.

The questionnaire were administered in a selective manner, they were distributed to some relevant housing investors, individuals and government parastatals. A total of one hundred and twenty questionnaires were given out, sixty (60) questionnaires were given to housing investors, fifty (50) to individuals and ten (10) government parastatals. Out of all these, eighty (80) questionnaires were returned, representing 70% success. The various questions as they were outlined in the questionnaire have formed the following sub headings. These sub-headings are as follows;

- (a) What are the problems and challenges of housing in Onitsha?
- (b) What are the roles of the public sector (Government)?

- (c) Who suffers from housing problems?
- (d) The causes of housing problem in different states of Nigeria?
- (e) What are the solutions to these housing problems?

Thus, to ensure meaningful and accurate presentation and analysis of collected data, answers to the questions have been assessed using statistical means which include frequency and percentages in tabular form.

The calculation of percentages has been done based on the responses from the eighty (80) properly completed and returned questionnaire. Percentage response is calculated using the following formula:

$$\frac{\text{Frequency of each opinion type}}{\text{Total number of respondents}} \times 100$$

TABLE 1: CATEGORY OF RESPONDENT, NUMBER OF QUESTIONNAIRE AND NUMBER RETURNED

Option	No. of Questionnaire administered	No. returned	Percentages
Housing Investors	60	43	53%
Individuals	50	30	37%
Government parastatals	10	7	8%
Total	120	80	98%

Source: Field Survey, 2014

Table 1 above shows the category of respondents that were administered the questionnaires. A total of one hundred and twenty (120) were distributed; sixty (60) to housing investors, but forty three (43) were returned making 53% success, fifty (50) to individuals, thirty (30) returned making 47% success and ten (10) were given to Government parastatals, seven (7) were returned making 8% success. Actually, 98% success was achieved through properly completed and returned questionnaire.

What are the problems and challenges of housing in onitsha

This question was for everybody Housing investors, individuals and Government parastatals. Respondents were asked "what are the problems and challenges of housing in Onitsha? They answered thus: lack of integration of policies between the three tiers of government, inadequacy of finance, high cost of building materials, high infrastructural development cost, poor remuneration and low purchasing power of the general public especially low income

earners, slow processing of NHF loans to potential contributors seeking loans for purchase of completed housing units, which are unattractive to private property developers, absence of a secondary mortgage market, lack of mortgage insurance scheme, slow pace of disposal of completed housing units as a result of the inadequate empowerment of- the end users which makes investors/developers to be cautions of investing in mass housing and inaccessibility to low and cheap housing finance for construction to developers. The aim of this question is to determine the actual problems and challenges facing housing in Onitsha. The respondents were categorized under very high, high, average and low. The trend of responses is shown in the table below:

TABLE 2: WHAT ARE THE PROBLEMS AND CHALLENGES OF HOUSING IN ONITSHA?

Response	Frequency	Percentages (%)
Very High	20	35%
High	30	45%
Average	18	12%
Low	12	8%
Total	80	100%

Source: Field Survey, 2014

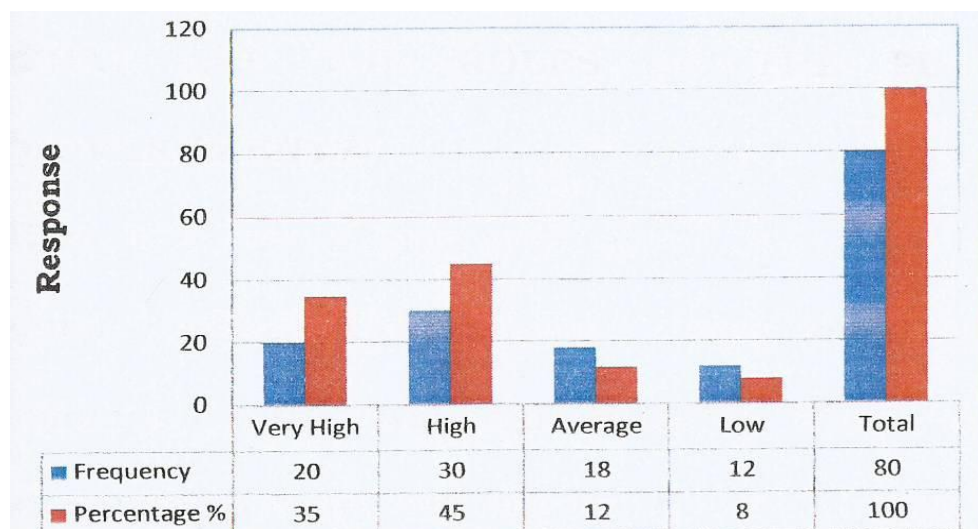


Fig. 1: Bar chart showing the problems and challenges of housing in Onitsha

From table 2 and fig 1 above, it was found that 35% of respondents say very high, 45% say high while 12% say average and 8% say low. From the analysis, it becomes obvious that the problems and challenges of housing in Onitsha are high.

What are the roles of the public sector (government?)

Here, the respondents were asked "what are the roles of the public sector (Government)? Government must be fully committed, the National Housing Fund urgently requires adequate constant funding that would be able to go round to meet both the needs of the developers and the mortgage seekers, long term housing finance suitable for construction of affordable housing, provide means to dispose the completed housing units to encourage property developers, infrastructural provision and development, provide adequate security for property right, titles, tenures, etc there is an urgent need for the elimination of administrative and procedural delay in the loans facilitation by the FMBN

TABLE 3: WHAT ARE THE ROLES OF THE PUBLIC SECTOR (GOVERNMENT)?

Response	Frequency	Percentages (%)
Very High	50	50%
High	14	25%
Average	10	15%
Low	6	10%
Total	80	100%

Source: Field Survey, 2014

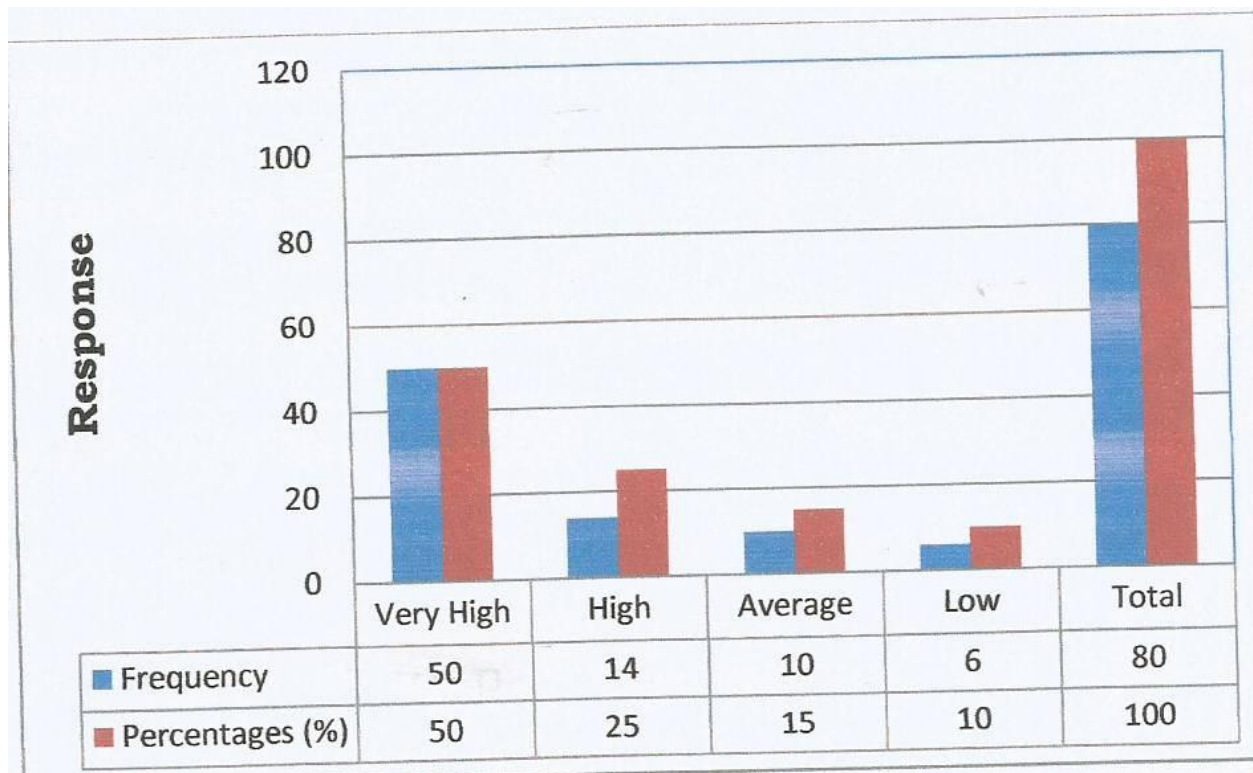


Fig. 2: Bar chart showing the roles of the public sector (Government)

Table 3 and fig 2 above show that 50% of the respondents say it is very high, 14% high while 10% average and 6% low. Therefore, public sector has tremendous roles to play in the investment in the housing development in Nigeria.

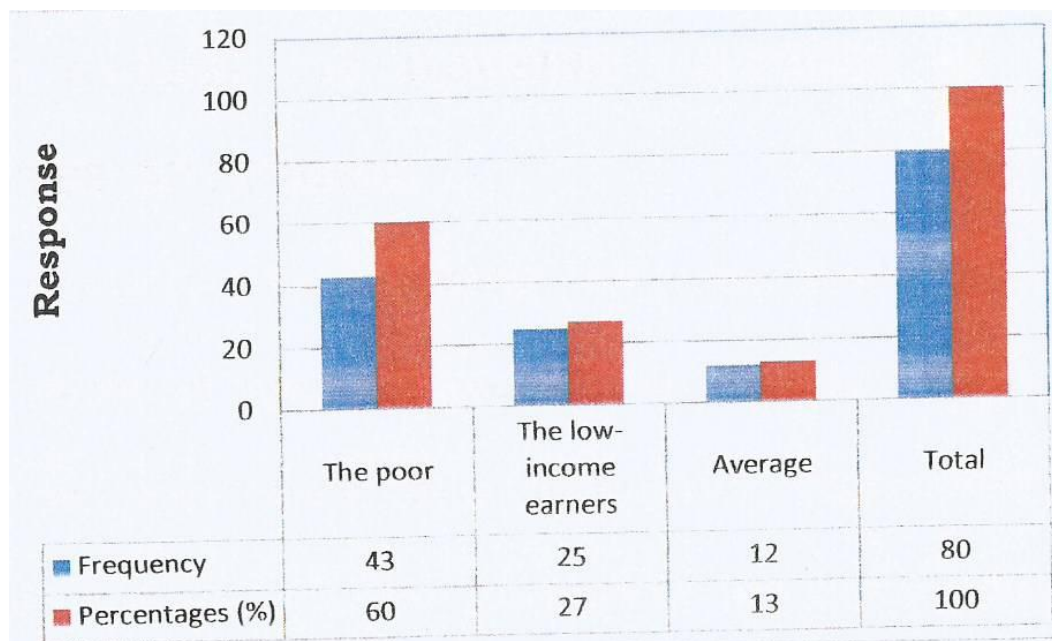
Who suffers from housing problems?

The respondents reacted aggressively to this question. They were asked "who suffers from housing problem in Nigeria. They responded thus, the poor and the middle income group are the immediate sufferers of the housing problem. About 7% of the Nigerian population, the very poor are either homeless or live in shanties and batchers. Some 40% of the population spend about 36% of their income on rent. Worst still, he tenants are required to pay minimum of one year rent in advance. It is not only the income group and middle class that are suffering from housing problem. The suppliers, traders, transport operators, cement and steel manufacturers, timber and woodworkers are suffering from housing problem. The Nigerian economy is even suffering as a result of this problem. The response were categorized under; the trend of low income earners and petty traders. The trend of response is shown in the table below:

TABLE 4: (WHO SUFFERS FROM HOUSING PROBLEMS?)

Response	Frequency	Percentages (%)
The poor	43	60%
The low-income earners	25	27%
The petty traders	12	13%
Total	80	100%

Source: Field Survey, 2014

**Fig. 3: Bar chart showing the sufferers of housing problems**

From table 4 and figure 3 above, it was found that the poor suffer 60% of housing problems in Nigeria, the low income earners 27% and the petty traders 13%.

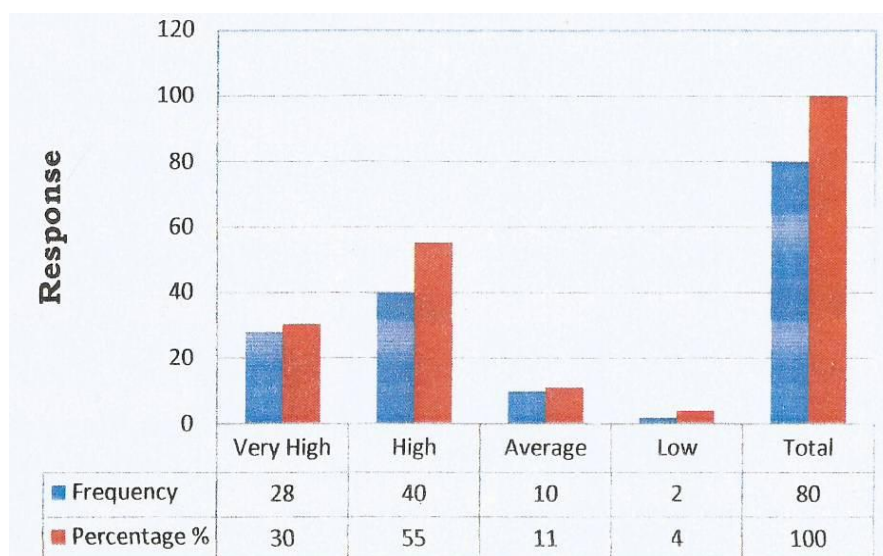
The causes of housing problem in different states of Nigeria

The question was thrown to the respondents thus, "what are the cause of housing problem in different state of Nigeria"? they answered high cause of housing, high cause of imported building materials, the collapse of the naira against the hard currencies from which over 40% of the building materials are imported has given a great blow to the housing industry, investment returns on housing are very low compared to the alternative investments available, building society/mortgage institutions term are not generally acceptable to landlords, there is inconsistency or instability in expenditure on housing, Federal residential houses are more for staff occupation while in office and may not meet individual need for permanent quality, location and security of tenure and corruption which is common language in Nigeria. The aim of this question is to know those factor that are responsible for housing problem in Nigeria. The responses were categorized as very high, high, average and low. The trend of response is shown in the table below.

TABLE 5: (CAUSES OF HOUSING PROBLEMS IN DIFFERENT STATE OF NIGERIA)

Response	Frequency	Percentages (%)
Very high	28	30%
High	40	55%
Average	10	11%
Low	2	4%
Total	80	100%

Source: Field Survey, 2014



Bar chart showing the causes of housing problem in different state of Nigeria

Table 5 and fig. 4 above is of the opinion that 30% of respondents indicate very high, 55% high while 11% average and 40% say low. From the analysis, it is fully sure that the causes of housing problem in Nigeria are high and something should be done to prevent it.

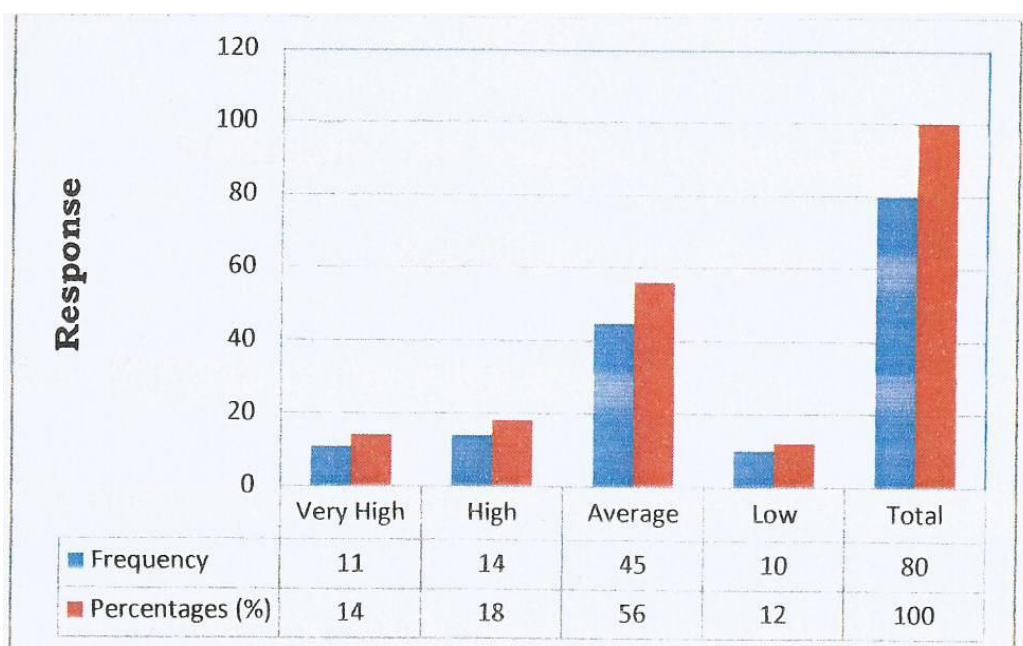
What are the solutions to these housing problems?

The question allows the respondent to air their views in the solution to these housing problems in this country. They reacted in this manner, reduction of urban congestion by means of slum clearance, the imposition of destiny standard, the control of building plots and street layouts, government direct provision of houses and involvement in the private housing market, government creating the enabling environment through laws, regulations, grants, loans, subsidies, tax relief, rent and price control, government agencies such as the national housing fund, Federal Mortgage bank of Nigeria, primary Mortgage houses, etc should work in accordance with lay-down policy which is to assist the sufferers of housing problem and introduction of home equity mortgage, insurance loans and pension funds. The trend of response is shown in the table below:

TABLE 6: (WHAT ARE THE SOLUTIONS TO THESE HOUSING PROBLEMS?).

Response	Frequency	Percentage(%)
Very high	11	14%
High	14	18%
Average	45	56%
Low	10	12%
Total	80	100%

Source: Field Survey, 2014



Source: Field survey 2014

Fig. 5: Bar chart showing the solutions to the housing problems

From table 6 and fig 5, it is clear that 14% of respondents say very high, 18% high while 56% average and 12% low. The researcher is of the opinion that the solution to housing problem in this country requires massive effort from the

public and private sector.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of Findings

The researcher has come up with the following findings:

1. There are inadequate housing units in Onitsha which require at least 10,000 housing units per annum to meet this deficit.
2. Some housing units are not habitable which manifested in overcrowding in homes and development of slums.
3. The most needed thing in the housing development is finance, insufficient of its affects housing development.
4. Government has not created enabling environment for private developers to play important roles in the housing sector.
5. Due to high interest rate and no access to long term mortgage facility, many investors overlook real estate investment.
6. As a result of high cost of building materials and high cost of infrastructural development, middle and low income earners cannot afford the selling price of developed houses therefore, investors cannot recoup their investment.
7. The housing sector lack an enforceable legal, regulatory and mechanism that define and lay down legally binding rules and regulations that governs the sector, thereby expenses investment in the sector in grave danger and discourage investors from investing in real estate development
8. Over population in the major cities contributes a lot in the housing problem in Nigeria
9. Lack of integration of policies between the three tiers of government which shows that government is not participating fully in housing sector.

Conclusion

Housing is a joint responsibility of both the private sector and the public sector. A default by one will no doubt have effect on the commitment of the other. It is therefore important for both private and public sectors to carefully integrate ideas in line with the housing reforms to

stimulate and generate sustainable development of the housing sector. It is in the interest of the people and the economy to make housing affordable and available for the people at all times.

Recommendation

1. Government should intensify its involvement in private housing market by creating favourable macro-economic environment. In particular; government should shore up the naira against further depreciation, reduce rates of interest and keeps inflation below double digits, more subsidies in the form of tax relief, grants, loans at low interest rate should be made available to the mortgage finance institutions, which should pass on these incentives to housing loans borrowers.
2. Less emphasis should be placed on direct provision of housing, in fact, the provision of housing accommodation to government functionaries, as recommended by the Revenue Generation and Allocation commission should be monetized to stem mis-investment of government funds and reduce social and political injustice.
3. Private individual households and employees should focus on self-generated savings and the National Housing Fund Scheme as sources of housing finance. The National Housing Fund appears to be more reliable than any other source because its terms are borrowers friendly. The requirements of 2.5% contributions is the lowest all over the world and the rate of interest charged, 9% is also these lowest in Nigeria. The assurances of the refund of contribution, probably with interest upon retirement with benefit from the loan scheme are attractive.
4. In order to reduce mistrust between the managers of the NHF, the Federal Mortgage Bank of Nigeria and the contributors, the FMBN should empower the contributors through information sharing training coalition building and synergy. The FMHN should create appropriate forum for meeting with the workers, Unions, contributors and mortgage institutions to dialogue eliminate mistrusts and misunderstandings.
5. Arrangement should be put in place, whereby retiring contributors who did benefit from the loan scheme, should be paid their contribution with interest along with their gratuities. This will reduce anxiety over the refund of the contributions. The FMBN should review its lending conditionality and ensure that not less than 76% of the fund is loaned out. This will give encouragement and hope to the contributors.
6. However the most viable option for meeting housing need as a social problem is mortgage financing on long term basis. By implication, the individual householder cannot meaningfully avoid in mandatory savings if he or she is to own a house. Housing problem occurs in the forms of shortage in quantity and low quality or standard. While the developed world enjoys 2 persons per room. Nigeria suffers 6 persons per room. Worse still against the United Nations norm of 20% on rent. Shortage of housing due to the increasing cost of building material over 40% of which are imported from hard currency countries, the collapse of the naira; price more attractive returns on non-housing investments and declining propensity to save. Housing problem affects mainly the low and medium income group who spend over 36% of their income on rent. About 7% of Nigerians are either homeless or live in shanties and slums. Business men and organizations in the building industry have stagnated. Nigerians who live in or pass through the slums, ghettos and shanties are victims of crimes and violence associates

with the counter culture in these areas. The whole Nigerian economy is adversely impacted in the form of almost trendless contribution of housing to the gross domestic product.

7. The individuals, government and business organization have shown concern for housing as a social problem. Individual funding had been greatest in the past. This is now retrogressing due to the weight of naira depreciation, price inflation of public authorities and business organization are less than 11%.
8. Government direct provision for housing has led to inefficiency and social injustice. Only government involvement through the housing market has a future and is more capable of impacting housing need. Mortgage finance institutions seem to be the most viable option in reducing housing need. Government should provide the enabling environment to enable the private housing market flourish. The prospective house owners should realize early enough that the easiest and surest way to own a house is through contribution of the NHF on long-term basis. Any other approach may appear to be described as quick fix and this is never the most feasible and optimal solution.

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