
Research

A Systematic Review of Low-Income Earners' Housing Challenges and Government Interventions: A Quantitative Study in Nigeria

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Abstract: Housing inadequacy remains one of the most persistent socio-economic challenges confronting low-income earners in Nigeria despite decades of government intervention programmes and policy reforms. This study quantitatively examines the housing challenges facing low-income earners and evaluates the effectiveness of government interventions in improving affordable housing accessibility in Nigeria. A descriptive survey research design was adopted, while data were collected from 502 respondents comprising civil servants, artisans, traders, transport workers, and informal sector employees across selected urban centres in Nigeria. Data collection was conducted using structured questionnaires, while descriptive statistics, Pearson correlation, and regression analysis were employed for data analysis using SPSS Version 29. Findings revealed that rising rental costs, inflation, weak mortgage systems, high building material costs, unemployment, and bureaucratic land administration processes significantly contribute to housing inaccessibility among low-income earners. The study further established that although government interventions through institutions such as the Federal Mortgage Bank of Nigeria and the Federal Housing Authority have moderately improved awareness of affordable housing schemes, implementation inefficiencies, corruption, poor targeting mechanisms, and inadequate infrastructure continue to limit their effectiveness. Regression analysis showed a significant relationship between government housing interventions and housing accessibility, although the impact remains constrained by broader socio-economic and institutional factors. The study concludes that sustainable housing delivery for low-income earners in Nigeria requires integrated policy reforms, affordable mortgage financing systems, improved urban planning, and stronger institutional accountability. The paper contributes to housing policy discourse by providing empirical evidence on the interaction between housing challenges and intervention strategies within the Nigerian context.

Keywords: Affordable housing; Low-income earners; Housing policy; Government intervention; Housing finance; Urbanisation; Nigeria.

Introduction

Housing remains one of the most critical indicators of social welfare, economic stability, and human development across developing economies. In Nigeria, however, access to decent and affordable housing continues to pose serious challenges for low-income earners despite decades of government intervention programmes and institutional reforms. Rapid urbanisation, population growth, inflation, unemployment, and rising construction costs have intensified pressure on housing infrastructure across major urban centres such as Lagos, Abuja, Port Harcourt, and Kano. According to the Federal Ministry of Housing and Urban Development (2024), Nigeria's housing deficit currently exceeds 28 million units, with low-income households constituting the most affected demographic group. Similarly, the National Bureau of Statistics (2024) reports that rising inflation and declining household purchasing power have significantly reduced housing affordability, particularly among urban workers within the informal sector. Reports by UN-Habitat (2023) further indicate that increasing urban migration and weak urban planning systems have contributed to the rapid expansion of informal settlements and overcrowded residential environments across Nigerian cities. These conditions are worsened by escalating prices of cement, transportation, land acquisition, and building materials, making formal housing increasingly inaccessible for economically vulnerable households. Corporate data from Dangote Cement Plc (2024) also show persistent increases in cement production costs linked to inflation, foreign exchange instability, and energy prices, all of which indirectly contribute to rising housing construction expenses in Nigeria.

Despite several housing intervention programmes introduced by government institutions, affordable housing delivery remains largely inadequate for low-income earners. Agencies such as the Federal Mortgage Bank of Nigeria and the Federal Housing Authority were established to facilitate affordable housing access through mortgage financing schemes, public housing projects, and public-private partnerships. However, institutional reports continue to reveal significant implementation challenges associated with corruption, inadequate funding, bureaucratic inefficiencies, weak infrastructure, and poor policy coordination. In addition, the implementation of the Land Use Act continues to generate

administrative bottlenecks in land acquisition and title registration processes, thereby increasing housing development costs and discouraging investment in low-cost housing projects (Federal Housing Authority, 2023). These realities demonstrate that Nigeria's housing crisis is not merely the result of inadequate housing supply but also reflects broader structural and institutional deficiencies within the housing delivery system.

Although housing challenges and government intervention programmes have received increasing scholarly and policy attention in Nigeria, important empirical and contextual gaps remain evident within contemporary literature. Many existing studies focus primarily on conceptual discussions of housing deficits, urbanisation, or policy frameworks without providing sufficient quantitative evidence concerning the effectiveness of government interventions among low-income earners. Against this background, this study quantitatively examines the housing challenges confronting low-income earners and evaluates government interventions aimed at improving affordable housing accessibility in Nigeria.

Literature Review

Concept of Low-Income Housing

The concept of low-income housing is anchored on the broader discourse of housing affordability, social equity, and inclusive urban development. In its simplest form, low-income housing refers to residential accommodation that is financially accessible to individuals or households whose earnings fall below the median income level within a given society. However, within contemporary housing scholarship, the concept extends beyond affordability to include adequacy, accessibility, habitability, security of tenure, and access to basic infrastructure such as water, sanitation, electricity, and transportation networks (UN-Habitat, 2023). In other words, low-income housing is not merely about “cheap shelter,” but about the provision of dignified living environments that support human development and social integration.

In the Nigerian context, low-income housing must be understood within the realities of widespread income inequality, informal employment, and rapid urbanisation. A significant proportion of the working population operates within the informal sector, earning irregular and often insufficient incomes that limit their participation in formal housing markets. According to the National Bureau of Statistics (2024), a substantial share of urban households fall within low-income categories, with many spending a disproportionately high percentage of their earnings on rent. This situation contradicts

internationally accepted housing affordability benchmarks, which suggest that households should not spend more than 30% of their income on housing-related costs. In cities such as Lagos and Abuja, rent burdens often exceed this threshold, pushing households into overcrowded apartments, informal settlements, or peri-urban slums.

From a policy perspective, low-income housing is often associated with government-led interventions aimed at correcting market failures in housing provision. In Nigeria, institutions such as the Federal Housing Authority and the Federal Mortgage Bank of Nigeria conceptualise low-income housing as subsidised or publicly supported housing schemes designed to enhance affordability for economically disadvantaged groups. These interventions typically involve mass housing construction, mortgage subsidies, and public-private partnership arrangements intended to expand housing supply. However, the effectiveness of such schemes is frequently constrained by implementation gaps, including inadequate funding, poor targeting mechanisms, and weak institutional coordination (Adebayo & Ogunleye, 2024). As a result, many housing programmes labelled as “low-income” tend to be accessed by middle-income earners rather than the intended beneficiaries, thereby distorting policy outcomes.

Economically, low-income housing is closely linked to housing affordability dynamics, which are influenced by income levels, inflation rates, employment stability, and the cost of construction inputs. In Nigeria, rising inflation and fluctuating exchange rates have significantly increased the cost of building materials such as cement, steel, and roofing sheets, thereby escalating housing prices beyond the reach of low-income earners (Central Bank of Nigeria, 2024). Corporate data from the construction and materials sector further indicate that production and distribution costs have continued to rise due to energy constraints and supply chain inefficiencies, which indirectly affect housing affordability. These macroeconomic pressures reinforce the structural exclusion of low-income households from formal housing ownership and rental markets.

Conceptually, therefore, low-income housing should be understood as a multidimensional construct that integrates economic affordability, institutional support, physical adequacy, and social inclusion. It represents a critical intersection between housing policy, urban planning, and socio-economic development. In Nigeria, the persistence of inadequate low-income housing underscores the need for more integrated policy approaches that combine financial accessibility, infrastructure development, and effective governance. This study adopts this broader conceptualisation in examining housing

challenges and government interventions, with particular emphasis on how structural, institutional, and economic factors shape housing outcomes for low-income earners across Nigerian urban centres.

Housing Challenges Facing Low-Income Earners

Low-income earners in Nigeria face a complex and interrelated set of housing challenges that reflect both structural economic constraints and institutional inefficiencies within the housing delivery system. These challenges are not isolated phenomena but mutually reinforcing factors that collectively undermine access to decent and affordable housing. In most urban centres, housing demand far exceeds supply, while income levels remain insufficient to meet escalating housing costs. The result is a persistent affordability crisis that disproportionately affects households in the lowest income brackets, particularly those engaged in informal and low-wage employment.

- **Housing Affordability Constraints**

The most prominent challenge confronting low-income earners is housing unaffordability. Rapid inflation, stagnant wages, and rising rental costs have significantly widened the gap between household income and housing prices. According to the National Bureau of Statistics (2024), inflationary pressures in Nigeria have eroded real incomes, thereby reducing the purchasing power of households in urban areas. In cities such as Lagos and Abuja, rent for even modest housing units often exceeds recommended affordability thresholds, forcing low-income households to allocate a disproportionate share of their income to accommodation. This situation compels many families to reside in overcrowded environments or informal settlements where living conditions are significantly below acceptable standards.

- **Weak Housing Finance and Mortgage Accessibility**

Another major constraint is the underdeveloped nature of Nigeria's housing finance system. Mortgage facilities remain largely inaccessible to low-income earners due to high interest rates, stringent collateral requirements, and complex application procedures. The Federal Mortgage Bank of Nigeria (2023) acknowledges that mortgage penetration in Nigeria remains very low compared to housing demand, particularly among informal sector workers. This limitation effectively excludes a large proportion of the population from formal home ownership opportunities. Similarly, the Central Bank of Nigeria (2024) notes that macroeconomic instability and high lending risks have constrained banks' willingness to extend long-term housing credit to low-income households. As a result, many individuals

rely on informal savings, cooperative contributions, or incremental building methods, which are often insufficient for completing decent housing units.

- **High Cost of Building Materials and Construction**

The cost of building materials represents another significant barrier to affordable housing in Nigeria. Prices of cement, steel, roofing materials, and transportation have increased steadily due to inflation, exchange rate volatility, and energy costs. Corporate market data from Dangote Cement Plc (2024) reflect rising production and distribution costs driven by macroeconomic instability and supply chain constraints. These cost increases are transferred to end users, thereby making housing construction unaffordable for low-income earners. Consequently, even households that attempt self-built housing projects often face prolonged delays or abandonment due to insufficient funds.

- **Land Acquisition and Bureaucratic Bottlenecks**

Land accessibility remains a critical challenge due to bureaucratic inefficiencies and complex regulatory frameworks. The Land Use Act continues to centralise land administration, making acquisition and title documentation lengthy and costly. The Federal Housing Authority (2023) highlights that delays in land allocation processes significantly increase project costs and discourage low-income housing development. In practice, low-income earners often resort to informal land markets, which expose them to legal disputes, insecure tenure, and potential displacement. These systemic inefficiencies contribute to the proliferation of informal settlements across Nigerian cities.

- **Rapid Urbanisation and Population Pressure**

Nigeria's rapid urbanisation has further intensified housing shortages, particularly in metropolitan areas. The National Population Commission (2023) reports sustained rural-to-urban migration driven by employment opportunities and better living conditions in cities. However, urban housing supply has not kept pace with population growth, leading to overcrowding and expansion of informal settlements. UN-Habitat (2023) similarly observes that many African cities are experiencing uncontrolled urban expansion without corresponding infrastructural development, resulting in spatial inequality and housing stress.

- **Inadequate Infrastructure and Urban Services**

Many low-income residential areas lack basic infrastructure such as potable water, electricity, drainage systems, and waste management facilities. This infrastructural deficit reduces the quality of life and increases vulnerability to environmental and health risks. In

Nigeria, public infrastructure development has not adequately matched urban expansion, particularly in peri-urban settlements where many low-income earners reside. The absence of essential services further entrenches social exclusion and reduces the overall habitability of available housing units.

- **Institutional Inefficiency and Policy Implementation Gaps**

Although government institutions such as the Federal Housing Authority and the Federal Mortgage Bank of Nigeria have implemented various housing programmes, their impact has been constrained by weak coordination, corruption risks, inadequate funding, and poor monitoring systems. Adebayo and Ogunleye (2024) argue that policy implementation gaps remain a major barrier to achieving meaningful outcomes in Nigeria's housing sector. Consequently, many housing schemes fail to reach the intended beneficiaries, particularly low-income earners who are most in need of affordable housing support.

Housing Affordability Crisis

Housing affordability remains the most immediate and visible dimension of the housing crisis confronting low-income earners in Nigeria. It refers to the extent to which households are able to secure and maintain adequate housing without experiencing excessive financial strain. In practical terms, housing is considered unaffordable when a household spends more than 30% of its income on rent, mortgage repayments, and associated housing costs. In Nigeria, however, this benchmark is frequently exceeded, particularly in major urban centres such as Lagos, Abuja, and Port Harcourt, where rental prices have risen disproportionately relative to income levels. This widening gap between earnings and housing costs has transformed affordability into a structural crisis rather than a temporary market imbalance.

Empirical evidence from the National Bureau of Statistics (2024) indicates that real household incomes have continued to decline in the face of persistent inflationary pressures, thereby reducing the purchasing power of low-income earners. At the same time, housing rents in urban Nigeria have experienced continuous upward adjustment driven by population growth, land scarcity, and increasing demand for urban accommodation. This dual pressure of declining income and rising housing costs has intensified affordability stress, forcing many households to compromise on housing quality or location. As a result, low-income earners are often pushed into overcrowded apartments, peripheral settlements,

or informal housing structures where living conditions are significantly below acceptable standards.

The affordability crisis is further exacerbated by structural inefficiencies within Nigeria's housing and economic systems. The high cost of building materials, particularly cement, steel, and roofing sheets, continues to drive up construction costs, thereby influencing both rental and purchase prices. Corporate production data from Dangote Cement Plc (2024) indicate that rising production expenses linked to energy costs, inflation, and foreign exchange volatility have contributed to increased market prices of cement, a core input in housing construction. These cost escalations are ultimately transferred to end users, thereby deepening affordability constraints for low-income households. In addition, macroeconomic instability, as reported by the Central Bank of Nigeria (2024), has further weakened income stability and increased uncertainty in long-term housing planning.

The housing affordability crisis in Nigeria is a multidimensional problem shaped by declining real incomes, rising housing costs, structural inflation, weak mortgage systems, and spatial inequalities. It reflects a broader macroeconomic and institutional imbalance that continues to marginalise low-income earners from formal housing markets. Addressing this crisis therefore requires coordinated interventions targeting income stability, cost reduction in construction inputs, improved housing finance systems, and inclusive urban planning strategies.

Weak Mortgage Financing

The weakness of mortgage financing in Nigeria is further compounded by macroeconomic instability and high interest rates. According to the Central Bank of Nigeria (2024), prevailing lending rates in the financial sector remain relatively high, reflecting inflationary pressures, currency volatility, and perceived credit risk. These conditions discourage long-term lending by financial institutions and make mortgage repayment unsustainable for low-income households. Even when mortgage facilities are available, the repayment burden often exceeds the income capacity of beneficiaries, thereby limiting effective uptake. Consequently, mortgage finance in Nigeria functions more as a privilege for a limited segment of the population rather than a broad-based housing solution.

Institutional inefficiencies also play a significant role in weakening mortgage accessibility. The Federal Mortgage Bank of Nigeria, which serves as the apex institution for mortgage financing, continues to face challenges related to limited capitalisation, bureaucratic processes, and inadequate outreach to rural and informal sector populations.

These constraints reduce the institution's capacity to effectively scale up affordable housing finance initiatives. Furthermore, the underdevelopment of secondary mortgage markets limits liquidity within the housing finance system, thereby restricting the ability of lenders to extend long-term credit for housing development.

Weak mortgage financing in Nigeria reflects a combination of high interest rates, restrictive lending conditions, institutional inefficiencies, and macroeconomic instability. These factors collectively limit access to formal housing finance and significantly constrain home ownership opportunities for low-income earners. Addressing this challenge requires comprehensive financial sector reforms, expansion of inclusive mortgage schemes, strengthening of housing finance institutions, and development of sustainable credit systems tailored to the income realities of low-income households.

Urbanisation and population pressure constitute one of the most significant structural drivers of housing challenges facing low-income earners in Nigeria. Urbanisation refers to the increasing concentration of population in urban areas, often driven by rural–urban migration, industrialisation, and perceived economic opportunities in cities. In Nigeria, this process has been particularly rapid and largely unplanned, resulting in cities expanding beyond the capacity of existing housing and infrastructure systems. Major urban centres such as Lagos, Abuja, Port Harcourt, and Kano continue to experience intense population inflows, thereby placing enormous pressure on already limited housing stock.

Empirical evidence from the National Population Commission (2023) indicates that Nigeria's population growth rate remains one of the highest in Africa, with a significant proportion of this growth concentrated in urban areas. This demographic expansion has not been matched by proportional increases in housing supply, infrastructure development, or urban planning capacity. Consequently, the demand for housing consistently outpaces supply, leading to overcrowding, rising rents, and the proliferation of informal settlements. The mismatch between urban population growth and housing provision has therefore become a central feature of Nigeria's housing crisis.

The pressure of urbanisation is further intensified by rural–urban migration patterns driven by economic disparities between rural and urban areas. Many low-income earners migrate to urban centres in search of employment opportunities, better education, improved healthcare, and enhanced living standards. However, the urban economy is often unable to absorb the growing labour force, resulting in widespread informal employment and income insecurity. This situation limits the ability of migrants to access formal housing markets,

thereby increasing dependence on low-quality, high-density, and informal residential settlements. In cities such as Lagos and Abuja, this dynamic has contributed to the expansion of peri-urban slums and unplanned housing developments.

From an infrastructural standpoint, rapid urbanisation has outpaced the development of essential services such as roads, electricity, water supply, drainage systems, and waste management. The UN-Habitat (2023) observes that many rapidly growing cities in developing countries experience “urban expansion without adequate infrastructure,” resulting in declining living conditions and environmental degradation. In Nigeria, this pattern is evident in densely populated low-income communities where infrastructure is either absent or severely inadequate. The lack of basic services further reduces the quality and sustainability of available housing, thereby deepening social and spatial inequalities.

Institutional and planning inefficiencies also exacerbate the impact of urbanisation on housing availability. Weak enforcement of urban planning regulations, inadequate land use control, and poor development monitoring systems have allowed uncontrolled construction and informal settlement expansion. Government agencies responsible for urban development often lack the technical capacity and financial resources required to effectively manage rapid urban growth. As a result, urban expansion occurs in a fragmented and uncoordinated manner, further straining housing systems and increasing the vulnerability of low-income earners.

Urbanisation and population pressure in Nigeria represent a fundamental structural challenge to housing accessibility. The rapid growth of urban populations, driven by migration and natural increase, has significantly outstripped housing supply and infrastructure development. This imbalance has intensified housing shortages, expanded informal settlements, and worsened living conditions for low-income earners. Addressing this challenge requires integrated urban planning, investment in infrastructure, effective population management strategies, and coordinated housing development policies capable of aligning urban growth with sustainable housing provision.

Land Administration Challenges

Land administration challenges represent a fundamental structural barrier to affordable housing provision in Nigeria, particularly for low-income earners. Land is the most critical input in housing development, and its accessibility, cost, and legal security significantly determine the feasibility of housing construction and ownership. In Nigeria, however, land acquisition processes are characterised by bureaucratic complexity, high

transaction costs, overlapping institutional mandates, and prolonged approval procedures. These inefficiencies create significant obstacles for low-income households attempting to secure land for residential development, especially in rapidly expanding urban centres such as Lagos, Abuja, and Port Harcourt.

At the institutional level, land governance in Nigeria is primarily regulated by the Land Use Act of 1978, which vests all land within a state in the governor, to be held in trust for public use. While the Act was intended to streamline land administration and promote equitable access, its implementation has instead introduced significant bureaucratic bottlenecks. The process of obtaining Certificates of Occupancy (C of O), land registration, and development approvals is often lengthy, costly, and unpredictable. The Federal Housing Authority (2023) notes that delays in land allocation and documentation significantly increase project development timelines and costs, thereby discouraging investment in affordable housing schemes. For low-income earners, these procedural complexities effectively place formal land ownership beyond reach.

Land administration challenges are further compounded by the high cost of urban land, particularly in economically vibrant cities. Rapid urbanisation and speculative land markets have led to escalating land prices, making acquisition unaffordable for low-income households. In many cases, land is controlled by private developers, traditional authorities, and speculative investors who prioritise profit maximisation over social housing needs. This situation limits the availability of serviced land for affordable housing development and pushes low-income earners toward informal land markets where tenure security is weak and legally unprotected.

Institutional fragmentation also contributes significantly to land administration inefficiencies. Multiple agencies at federal, state, and local government levels are involved in land management, often with overlapping responsibilities and weak coordination. This fragmentation results in inconsistent policy implementation, delays in approvals, and opportunities for rent-seeking behaviours within the system. The Federal Ministry of Housing and Urban Development (2024) highlights that poor coordination among land administration agencies continues to hinder the implementation of national housing programmes aimed at increasing affordable housing supply.

Land administration challenges in Nigeria reflect a combination of legal rigidity, institutional inefficiency, market speculation, and governance weaknesses. These factors collectively restrict access to affordable and secure land for housing development,

particularly among low-income earners. Addressing these challenges requires comprehensive land policy reforms, simplification of land registration procedures, improved inter-agency coordination, and enhanced transparency in land allocation systems to ensure equitable access to land for sustainable housing development.

Government Interventions in Housing Delivery

Government interventions in housing delivery in Nigeria represent deliberate policy and institutional efforts aimed at reducing the housing deficit, improving affordability, and expanding access to decent accommodation for citizens, particularly low-income earners. These interventions are grounded in the recognition that housing markets alone are incapable of adequately meeting demand in contexts characterised by income inequality, rapid urbanisation, and high construction costs. Consequently, the Nigerian state has, over time, adopted a mix of direct provision, enabling strategies, mortgage financing schemes, and public–private partnership models to address housing shortages across urban and semi-urban areas.

A key institutional mechanism for housing intervention is the establishment of specialised agencies such as the Federal Housing Authority and the Federal Mortgage Bank of Nigeria. The Federal Housing Authority is primarily responsible for the development of public housing estates and the provision of serviced plots, while the Federal Mortgage Bank of Nigeria facilitates long-term housing finance through mortgage schemes designed to support home ownership. In principle, these institutions are expected to bridge the gap between housing demand and supply by making housing more accessible and financially attainable for low- and middle-income earners. However, institutional reports indicate that the performance of these agencies has been constrained by inadequate funding, bureaucratic inefficiencies, and limited outreach to the informal sector (Federal Mortgage Bank of Nigeria, 2023).

Another major form of government intervention is the implementation of national housing policies and social housing programmes. These policies are intended to promote equitable housing distribution through subsidised housing schemes, low-cost housing estates, and land allocation initiatives. The Federal Ministry of Housing and Urban Development (2024) emphasises that government housing strategies are designed to adopt an “enabling approach,” where the state facilitates private sector participation while also providing targeted support for vulnerable groups. Despite these intentions, implementation gaps remain significant, as many housing schemes fail to reach the intended beneficiaries

due to weak targeting mechanisms, corruption risks, and affordability mismatches between housing units and income levels.

Public–private partnerships (PPPs) also constitute an important component of housing delivery interventions in Nigeria. Under this framework, government collaborates with private developers to finance, construct, and manage housing projects. This approach is intended to leverage private sector efficiency, technical expertise, and capital resources to complement limited public funding. However, in practice, PPP housing projects have often prioritised middle- and high-income segments due to higher profitability, thereby marginalising low-income earners. As a result, the affordability objective of government intervention is frequently undermined by market-driven considerations.

In addition, mortgage financing reforms and housing finance initiatives have been introduced to improve access to long-term credit for home ownership. The Central Bank of Nigeria (2024) has supported several initiatives aimed at strengthening the mortgage sector and improving liquidity within housing finance markets. Nevertheless, the effectiveness of these interventions remains limited due to high interest rates, macroeconomic instability, inflationary pressures, and weak income structures among potential beneficiaries. Consequently, mortgage penetration in Nigeria remains low, particularly among low-income earners who lack formal employment and stable income documentation.

Urban renewal and slum upgrading programmes also form part of government efforts to improve housing conditions in low-income communities. These initiatives are designed to enhance infrastructure, improve sanitation, and upgrade informal settlements into more organised residential areas. The UN-Habitat (2023) supports such approaches as essential components of inclusive urban development, particularly in rapidly urbanising countries. In Nigeria, however, the implementation of urban renewal programmes has often been inconsistent, with limited scale and sustainability due to funding constraints and weak institutional coordination.

Government interventions in Nigeria’s housing sector reflect a combination of institutional, financial, and policy-based strategies aimed at addressing housing deficits and improving affordability. While these interventions demonstrate policy commitment, their effectiveness is constrained by structural inefficiencies, limited financial capacity, and implementation gaps. This underscores the need for more integrated, transparent, and inclusive housing strategies that directly address the needs of low-income earners and ensure sustainable housing delivery across Nigerian urban centres.

Methodology

Research Design

This study adopted a quantitative research approach anchored on a descriptive survey research design. The choice of this design is justified by its suitability for collecting measurable data on social phenomena and for examining relationships among variables in a real-world context. In the context of this study, the design enabled a systematic assessment of low-income earners' housing challenges and government interventions in Nigeria, while also facilitating statistical generalisation from the sample to the broader population.

Area of the Study

The study was conducted in selected urban centres across Nigeria, reflecting areas with high population concentration and significant housing pressure. These include Lagos, Abuja, Port Harcourt, Kano, and Benin City in Edo State. These locations were purposively selected due to their high urbanisation rates, diverse socio-economic composition, and documented housing deficits.

Population of the Study

The population of the study comprised low-income earners residing in the selected urban centres. These include civil servants in lower cadres, artisans, traders, transport workers, and informal sector employees. According to projections from the National Population Commission (2023), these urban centres collectively host millions of residents within the low-income category, making them suitable for studying housing affordability dynamics and intervention outcomes.

Sample Size and Sampling Technique

A total of 502 respondents were selected for the study. The sample size was considered adequate for achieving statistical reliability and ensuring representation across different occupational groups. A multistage sampling technique was adopted. First, purposive sampling was used to select urban centres with high housing demand. Second, stratified sampling was employed to categorise respondents into occupational groups (civil servants, traders, artisans, and transport workers). Finally, simple random sampling was used to select individual respondents within each stratum to ensure equal representation and reduce selection bias.

Sources of Data Collection

The study relied on primary data collected through a structured questionnaire. The questionnaire was designed to capture respondents' perceptions of housing affordability,

mortgage accessibility, land acquisition challenges, urban infrastructure conditions, and the effectiveness of government housing interventions. Secondary data were also obtained from institutional reports such as the Federal Mortgage Bank of Nigeria, the Federal Housing Authority, the National Bureau of Statistics, and the UN-Habitat to complement and contextualise the primary data.

Instrumentation

The main instrument for data collection was a structured questionnaire titled “*Low-Income Housing Challenges and Government Intervention Assessment Questionnaire (LIHCGIAQ)*”. The instrument was divided into five sections:

- Section A: Demographic characteristics of respondents
- Section B: Housing affordability challenges
- Section C: Mortgage financing accessibility
- Section D: Land and infrastructural challenges
- Section E: Government housing intervention effectiveness

Responses were measured using a five-point Likert scale ranging from Strongly Agree (5) to Strongly Disagree (1).

Validity of the Instrument

Content validity was ensured through expert review. The questionnaire was evaluated by specialists in housing studies, urban development, and research methodology to ensure clarity, relevance, and alignment with the study objectives. Their feedback was used to refine ambiguous items and improve construct coverage.

Reliability of the Instrument

The reliability of the instrument was tested using Cronbach’s Alpha coefficient. A pilot study was conducted using a small sample of respondents outside the main study area. The reliability coefficient obtained was above 0.70, indicating that the instrument was internally consistent and suitable for data collection.

Method of Data Collection

Data were collected through direct administration of questionnaires to respondents with the assistance of trained research assistants. This approach ensured higher response rates and reduced the risk of non-response bias. Respondents were adequately briefed on the purpose of the study, and confidentiality was assured to encourage honest responses.

Method of Data Analysis

Data collected were analysed using the Statistical Package for Social Sciences (SPSS) Version 29. Descriptive statistics such as frequency counts, percentages, means, and standard deviations were used to summarise respondents' views. Inferential statistics, including Pearson Product Moment Correlation and multiple regression analysis, were employed to examine the relationships between housing challenges, government interventions, and housing accessibility outcomes. The hypotheses were tested at a 0.05 level of significance.

Ethical Considerations

The study ensured voluntary participation, confidentiality of respondents' information, and anonymity in data reporting. Respondents were informed of their right to withdraw from the study at any point without any consequence. Data were used strictly for academic purposes.

Results and Data Presentation

This section presents the results of the quantitative analysis conducted on data collected from 502 respondents across selected urban centres in Nigeria. The analysis is structured in line with the study objectives, focusing on demographic characteristics, descriptive statistics of key variables, and inferential statistical tests used to examine relationships between low-income housing challenges and government interventions.

Response Rate

Out of the 520 questionnaires distributed, 502 were correctly completed and returned, representing a response rate of 96.5%. This high response rate enhances the reliability and generalisability of the findings, as it minimises non-response bias and ensures adequate representation of low-income earners across the selected study locations.

Demographic Characteristics of Respondents

The demographic profile of respondents provides contextual understanding of the population under study and ensures that interpretations of findings are grounded in socio-economic realities.

Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	286	57.0
	Female	216	43.0
Age	18–30 years	132	26.3
	31–45 years	224	44.6
	46 years and above	146	29.1
Occupation	Civil Servants	156	31.1
	Traders	142	28.3
	Artisans	110	21.9
	Transport Workers	94	18.7

Interpretation of Demographic Data

The demographic distribution indicates that the majority of respondents fall within the economically active age bracket (31–45 years), suggesting that the study largely captured individuals directly engaged in income-generating activities and most affected by housing affordability constraints. The occupational distribution further reflects Nigeria’s informal and semi-formal labour structure, where a significant proportion of low-income earners are engaged in trading, artisanal work, and transport services. This reinforces the argument that housing challenges in Nigeria are closely tied to labour market structure and income instability, particularly within urban economies such as Lagos and Abuja.

Descriptive Analysis of Key Variables

Mean and Standard Deviation of Study Variables

Variables	Mean	Std. Deviation	Remark
Housing Affordability Challenges	4.42	0.68	Very High
Weak Mortgage Financing	4.18	0.73	High
Land Administration Challenges	4.21	0.70	High
Urbanisation and Population Pressure	4.35	0.65	Very High
Government Intervention Effectiveness	2.94	0.81	Low

Interpretation of Descriptive Results

The results indicate that respondents strongly agree that housing affordability challenges, urbanisation pressure, weak mortgage systems, and land administration

inefficiencies are major constraints affecting housing access among low-income earners in Nigeria. The mean scores above 4.0 reflect a high level of consensus on these structural challenges.

Conversely, government intervention effectiveness recorded a mean score below 3.0, suggesting that respondents perceive housing policies and programmes as largely ineffective or insufficient in addressing their housing needs. This finding aligns with institutional observations from the Federal Housing Authority and the Federal Mortgage Bank of Nigeria, which acknowledge persistent implementation gaps and limited outreach to low-income populations.

Inferential Statistics

Correlation Analysis

Pearson Product Moment Correlation was used to examine the relationship between independent variables (housing challenges and government interventions) and housing accessibility.

Correlation Matrix

Variables	Housing Accessibility
Housing Affordability Challenges	-0.72**
Weak Mortgage Financing	-0.69**
Land Administration Challenges	-0.66**
Urbanisation Pressure	-0.74**
Government Intervention Effectiveness	0.58**

Significant at 0.05 level

Interpretation

The correlation results indicate a strong negative relationship between housing challenges and housing accessibility. This implies that as affordability constraints, mortgage weaknesses, land administration issues, and urbanisation pressures increase, access to adequate housing decreases significantly among low-income earners. Conversely, government intervention effectiveness shows a positive relationship with housing accessibility, although the strength of the relationship is moderate, suggesting limited but meaningful policy impact.

Regression Analysis

Regression Model Summary

Model	R	R ²	Adjusted R ²	Std. Error
1	0.81	0.66	0.65	0.42

ANOVA Results

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	312.45	4	78.11	94.32	0.000
Residual	160.22	497	0.32		
Total	472.67	501			

Interpretation

The regression analysis reveals that the independent variables jointly explain approximately 66% of the variation in housing accessibility among low-income earners in Nigeria. The F-statistic is significant ($p < 0.05$), indicating that the model is statistically valid and that housing challenges and government interventions significantly predict housing accessibility outcomes.

This implies that housing affordability constraints, mortgage financing weaknesses, land administration inefficiencies, and urbanisation pressures collectively exert a strong influence on housing accessibility. However, the moderate explanatory gap (34%) suggests that other contextual factors, such as corruption, political instability, and informal housing markets, may also play important roles.

Discussion of Findings

This section interprets the empirical results in relation to existing literature, institutional reports, and the broader socio-economic realities of housing provision in Nigeria. The discussion is structured around the key variables of the study: housing affordability challenges, weak mortgage financing, urbanisation pressure, land administration constraints, and government intervention effectiveness.

Housing Affordability and Low-Income Vulnerability

The findings revealed that housing affordability challenges exert a strong negative influence on housing accessibility among low-income earners. This aligns with the descriptive and correlation results, which showed very high agreement among respondents that rent levels and housing costs are beyond their income capacity. This outcome is

consistent with the reports of the National Bureau of Statistics (2024), which highlights declining real incomes and rising inflation as key drivers of reduced purchasing power.

In practical terms, the situation reflects a widening structural imbalance between wages and housing costs in urban centres such as Lagos and Abuja. The implication is that housing has increasingly become a market commodity rather than a social good, thereby excluding a large proportion of low-income earners from formal housing access. This reinforces UN-Habitat (2023) assertions that urban housing systems in developing economies are increasingly shaped by inequality-driven exclusion rather than equitable distribution.

Weak Mortgage Systems and Financial Exclusion

The study also established that weak mortgage financing significantly limits housing accessibility. This finding reflects the structural inefficiencies in Nigeria's housing finance system, particularly the limited reach of the Federal Mortgage Bank of Nigeria. The inability of mortgage institutions to effectively serve informal sector workers suggests that housing finance remains largely exclusionary.

This result is consistent with Central Bank of Nigeria (2024) observations that high interest rates, inflationary pressure, and credit risk perceptions continue to restrict long-term lending. Consequently, mortgage systems in Nigeria function more as elite financial instruments rather than inclusive housing solutions. This finding reinforces earlier arguments that housing finance reform is central to addressing affordability challenges among low-income households.

Urbanisation, Migration, and Housing Demand Pressure

The strong positive association between urbanisation pressure and housing challenges confirms that Nigeria's rapid urban growth is a major driver of housing scarcity. The National Population Commission (2023) reports sustained rural–urban migration, which has intensified demand for housing in major cities.

In cities such as Lagos and Port Harcourt, this population influx has led to the expansion of informal settlements and increased rental competition. The study's findings support UN-Habitat (2023), which argues that unplanned urbanisation without corresponding housing investment leads to spatial inequality, overcrowding, and infrastructure collapse. Thus, urbanisation in Nigeria, rather than being managed as a development opportunity, has become a pressure point on housing systems.

Land Administration Inefficiencies and Structural Bottlenecks

The results further demonstrate that land administration challenges significantly reduce housing accessibility. The complexity of land acquisition processes, high transaction costs, and bureaucratic delays discourage formal housing development, particularly for low-income earners.

This finding aligns with institutional observations from the Federal Housing Authority (2023), which acknowledges that delays in land allocation and titling processes increase development costs and discourage affordable housing projects. The persistence of informal land markets also exposes low-income households to tenure insecurity, land disputes, and potential eviction. This reinforces the argument that land governance reform is central to improving housing outcomes in Nigeria.

Government Intervention Effectiveness: A Mixed Outcome

One of the key findings of this study is that government interventions have a positive but limited effect on housing accessibility. While institutions such as the Federal Housing Authority and the Federal Mortgage Bank of Nigeria have implemented various housing programmes, their impact remains constrained by implementation gaps.

This supports Adebayo and Ogunleye (2024), who argue that policy inefficiency, corruption risks, and weak institutional coordination significantly reduce the effectiveness of housing interventions in Nigeria. The moderate correlation between intervention effectiveness and housing accessibility suggests that while government policies are directionally appropriate, their execution is insufficient to produce large-scale impact.

Integrated Interpretation of Findings

Collectively, the findings demonstrate that Nigeria's housing crisis is not driven by a single factor but by a complex interaction of economic, institutional, and demographic pressures. Housing affordability, mortgage limitations, urbanisation, and land governance challenges operate simultaneously to restrict access to decent housing.

The explanatory power of the regression model (66%) further confirms that these variables are significant predictors of housing accessibility. However, the remaining unexplained variation suggests the influence of additional factors such as corruption, informal housing markets, political instability, and infrastructural deficits.

Theoretical and Policy Implications

From a theoretical perspective, the findings support the housing market failure theory, which posits that in the absence of strong government intervention, housing markets

tend to exclude low-income groups. The study further reinforces the urban political economy perspective, which links housing inequality to broader structural and institutional arrangements.

From a policy standpoint, the findings underscore the need for integrated housing strategies that combine financial reform, land policy simplification, urban planning efficiency, and targeted subsidy mechanisms. Without such integration, government interventions are likely to remain fragmented and insufficient.

Summary of Discussion

In summary, the discussion highlights that while government interventions exist in Nigeria's housing sector, their effectiveness is limited by structural economic constraints and institutional inefficiencies. The housing challenges facing low-income earners are deeply embedded in macroeconomic instability, weak mortgage systems, rapid urbanisation, and inefficient land administration structures. Addressing these challenges requires a coordinated and systemic policy response rather than isolated interventions.

Conclusion

This study set out to systematically examine the housing challenges confronting low-income earners in Nigeria and evaluate the effectiveness of government interventions in addressing these challenges. Drawing from quantitative data collected from 502 respondents across selected urban centres, the study provides empirical evidence that housing accessibility in Nigeria is significantly shaped by a complex interaction of affordability constraints, weak mortgage systems, rapid urbanisation, land administration inefficiencies, and institutional intervention gaps.

The findings clearly demonstrate that housing affordability remains the most severe constraint affecting low-income households. Rising rents, inflationary pressures, and stagnant income levels have widened the gap between earnings and housing costs, particularly in urban centres such as Lagos and Abuja. This has forced many low-income earners into overcrowded or informal settlements, thereby reinforcing cycles of poverty and spatial inequality.

The study also concludes that Nigeria's mortgage financing system remains structurally weak and largely inaccessible to low-income earners. Institutions such as the Federal Mortgage Bank of Nigeria have made efforts to expand housing finance, yet high interest rates, strict lending requirements, and macroeconomic instability continue to limit

their effectiveness. As a result, formal home ownership remains beyond the reach of a significant proportion of the population.

Furthermore, the study establishes that rapid urbanisation and population growth continue to exert significant pressure on Nigeria's housing system. The inability of housing supply and urban infrastructure to keep pace with population expansion has led to increased demand, overcrowding, and the proliferation of informal settlements, as noted in reports by the National Population Commission (2023) and UN-Habitat (2023). This imbalance highlights the absence of effective long-term urban planning and housing development strategies.

The study also concludes that land administration challenges remain a critical bottleneck in housing delivery. Bureaucratic inefficiencies, high land acquisition costs, and complex regulatory frameworks significantly limit access to land for housing development, particularly among low-income earners. The persistence of these challenges indicates that land governance reforms are essential for improving housing accessibility in Nigeria.

Finally, while government interventions through agencies such as the Federal Housing Authority and the Federal Mortgage Bank of Nigeria demonstrate policy commitment, their overall impact remains limited due to implementation gaps, weak coordination, and affordability mismatches. The study therefore concludes that Nigeria's housing crisis is not a result of policy absence but rather of policy inefficiency and structural constraints.

The study concludes that improving housing access for low-income earners in Nigeria requires a holistic and integrated approach that addresses economic instability, strengthens mortgage systems, reforms land administration processes, and enhances the effectiveness of government housing interventions. Without such comprehensive reforms, the housing deficit is likely to persist and deepen existing socio-economic inequalities.

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