



Assessment of the Impact of Housing Affordability among the Low Income Residents in Ibadan North Local Government Area, Oyo State Nigeria

Taiwo Oluwafunmilayo Favour^{a*}

^a *Department of Urban and Regional Planning, Faculty of Environmental Design and Management, University of Ibadan, Ibadan, Nigeria.*

Author's contribution

The sole author designed, analysed, interpreted and prepared the manuscript.

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ABSTRACT

The study aims to assess the impact of housing affordability among the low income groups so as to provide a sustainable housing delivery in Ibadan North Local Government Area in Ibadan, Oyo state Nigeria. Affordability theory provided the theoretical anchor, while cross survey research design was adopted for the study. Both primary and secondary data were sourced. Using a purposive multi stage sampling technique, a structured questionnaire was administered to 186 respondents. Field observation with aid of checklist was used to complement the data. Variables that were addressed include, the determinants of disposable income of housing affordability, the influence of housing affordability on housing the low income earners, the effects of socio economic status on the resident's housing satisfaction. Both quantitative and qualitative analysis were used to analyse the

*Corresponding author: Email: taiwofavour64@gmail.com;

data $p < 0.05$. Field observation was utilized in carrying out this research. The findings also revealed the predominance (62.4%) of housing unaffordability and the inadequacy of the basic housing infrastructure in the study area. Affordability was difficult among the low income earners. The study therefore recommends the social housing provision by the government.

Keywords: Housing affordability; low-income earners; disposable income; social housing; Ibadan.

1. INTRODUCTION

"Housing is the largest fixed asset for households and plays a crucial part in the economic development of every nation, making up 10–20% of all economic activity in the nation" (European Commission, 2005). Abraham Maslow identified the following as the basic needs of humans: food, shelter, and clothing. Hence, shelter, the major attribute of housing is universally accepted as man's second most important need after food in man's hierarchy of needs. "The need for housing is not only one of the basic human needs but also an indicator of the living standard of the population. Today, it is a topical issue that housing has to be comfortable, economical, and reasonably maintainable, as well as architectonically expressive and compliant with the environment" (Henilane, 2015).

According to studies, housing supply in Nigeria is a highly divisive and political topic that concerns both administrators and academics as well as the general public (Sule & Van Kempen, 2001). In the last decades, "the influx of people into urban areas, the national population increase, and inadequate responses by the government have contributed to the appalling situation in the country, to the extent that economic development and the welfare of the citizens are adversely affected" (Federal Government of Nigeria (FGN), 1991; Akinmoladun & Oluwoye, 2007; Ademiluyi & Raji, 2008, NHPAU 2010).

Affordable housing is defined by various study groups as housing that is "...reasonably adequate in standard and location for lower- or middle-income households and does not cost so much that a household is unlikely to be able to meet other basic needs on a sustainable basis" in the majority of countries around the world. Affordable housing in the UK is defined as "social rented and intermediate housing, provided for specified eligible households, whose needs are not met by the market. Thus, the wide policy focus of the housing sector must include individuals who fall into the categories of

low income earners. As a result, social housing has unavoidably become a vital tool in the fight against homelessness based on the assumption that the government has failed to provide affordable housing for those in the low-income group. In order to do this, this research assesses the variables that determine how affordable housing is for people with low-incomes.

2. STATEMENT OF THE PROBLEM

Globally, the United Nations Human Settlements Programme (UN-Habitat) estimates that between 1.6 billion and 3 billion people lack adequate housing. Over 1.12 billion people lived in informal settlements and slums in 2022, 130 million more than in 2015. At least 330 million experience absolute homelessness, according to the Institute of Global Homelessness. Millions more face rising housing costs, unaffordable rents, evictions, energy poverty and unsafe living conditions, worsened by climate change. According to Nubi (2008), the problem of housing in developing nations worldwide has both a qualitative and quantity dimension, with Nigeria having the largest predominance. All 36 of Nigeria's states have some sort of housing issue, such as overcrowding, or poor housing quality, which made it difficult for residents to live comfortably Olayiwola, (2012).

Just like other cities, Ibadan has been experiencing very rapid urbanization. This is mostly attributed to urban growth that is accompanied by natural population growth, rural-urban movement that is fueled by quick socioeconomic change and development, and new urban innovations that are related to state government-led development. However, the simultaneous development of suitable housing infrastructure for all income categories has not kept pace with this growth. Housing affordability is one of the issues that have been of serious concern to housing experts and policymakers. This relates to the need to provide housing in such a way that households will be able to meet their housing obligations without jeopardizing their other needs. Some of these problems have risen from the interpretation of "decent housing".

The minimum standards of housing arrived at from this interpretation came from space standards and acceptable materials, and facilities are usually outside the reach of most households, especially poor households. So, the need to cater for the collective interest of all Nigerians' concerning housing has been a major concern to the government and other agencies or organizations on housing. To this end, the government has embarked on various types of housing schemes especially estates developments to solve the diverse and complex problem that its citizens, staff, employees, and congregation face in accessing decent and adequate housing. Nevertheless, there are certain neighborhood attributes or locational factors that even affect the accessibility or affordability of particular housing to an individual who wants or intends to rent that accommodation for their usage, all these need utmost attention. Literature abounds in the area of housing affordability. For instance, Ndubueze, (2009) examined urban housing affordability and housing policy dilemmas in Nigeria, emphasizing the financial constraints faced by low-income earners. Similarly, Bramley (2012) investigated the relationship between affordability, poverty, and housing need, providing a triangulated measure of affordability standards. Meanwhile, Jimoh & Abdullahi (2022) studied the financial burden of housing on low-income earners and highlighted the economic challenges affecting homeownership in Nigeria. In a related study, Gan & Hill, (2009) explored different affordability metrics, focusing on the ratio of median house prices to median income.

Despite these submissions, the aspect of housing affordability among the low-income group, particularly in Ibadan North Local Government, has not been adequately researched in the literature. The study, therefore, aims to assess the impact of housing affordability among the low income groups so as to provide a sustainable housing delivery in Ibadan North Local Government Area in Ibadan, Oyo state Nigeria.

3. STUDY AREA

The present Ibadan North Local Government was created by the Federal Military Government in September 27, 1991. It was carved out of the defunct Ibadan Municipal Government (IMG) along with four others, namely Ibadan North West, Ibadan South West, Ibadan South East

and Ibadan North East. The local government headquarter is located at Agodi Gate Area of Ibadan. The name Ibadan North was derived from the geographical location of the region (on the Ibadan-Ilorin axis). The local government is believed to fall within the developed area of the Ibadan municipal which is as a result of efficient road network. The area extent is about 163sq km. It extends from Beere Roundabout through Oke Are, Mokola, Oke Itunu, Ijokodo. Also, from Beere to Gate, Idi- Ape, Bashorun and Lagos-Ibadan Expressway, Sectariat, Bodija, University of Ibadan and Agbowo environs. It is bounded in the North by Akinyele, in the West by Ido, Ibadan South West and Ibadan South East and in the East by Ibadan North East and Lagelu Local Governments respectively. There are twelve wards and forty-one localities in Ibadan North Local Government (Oduwaye 1998).

Geographical Location of Ibadan North Local Government: Ibadan North Local Government in which Agodi falls is geographically located on longitude 3°53' and 3°56' East of Greenwich Meridian and latitude 7°23' and 7°29' North of Equator with a total land area of 145.58km². Ibadan-North is bounded in the North by Akinyele Local Government, in the East by Lagelu Local Government and Egbeda Local Government, in the West by Ibadan North-West Local Government and in the south by Ibadan North-East Local Government. It occupies a total landmass of 145.58 square kilometres (Federal Republic of Nigeria Official Gazette, 2007).

Ibadan North Local Government Area extends from Beere Roundabout through Oke Are-Mokola, Oke Itunu, Ijokodo. Also, from Beere to Gate, Idi-Ape, Bashorun and Lagos-Ibadan Expressway, Secretariat, Bodija, University of Ibadan and Agbowo environs.

4. LITERATURE REVIEW

In the recent two decades, the term "housing affordability" has gained popularity, taking the place of "housing need" as the primary discussion point about the provision of suitable housing for everybody. (Whitehead, 1991) This change, according to Fallis (1993), can be linked to the rising adoption of more market-oriented reforms within the housing sector in many nations. As a result, increased concerns about rising levels of "homelessness", "housing costs", "difficulties in accessing to credit", "mortgage defaults" have brought housing affordability to the center of housing policy discourse since the

early 1990s. (Swartz & Miller, 2002). The amount of research on affordable housing is substantial. According to Ndubueze (2009), housing affordability is simply the capacity to afford a place to live. Housing is considered to be affordable if "the housing cost is less than or equal to 30% of gross income", according to a relatively broad definition of the term in literature.

According to Stone (2006a), it might be challenging for households to balance their costs when their income is limited. Additionally, he describes housing as "an expression of the social and material experiences of people constituted as households." Affordability is defined by Gan & Hill, (2009) as "the ratio of the median house price to the median income". According to Milligan et al., (2004), cheap housing is typically created to "meet the needs of households whose incomes are not enough to let them access convenient housing in the market without assistance". Hancock (1993), who approaches the issue from a different perspective, states that a cheap rent is one that "leaves the consumer with socially acceptable standards of both housing and non-housing consumption after rent is paid." According to Bramley (1990), an affordable housing is one that "households should be able to occupy at a net rent that leaves them enough income to live on without falling below some poverty standard" given the nature and size of their household and well-established social sector norms of adequacy (Okupe 2002).

4.1 Overview of Nigerian Housing Policy

The Nigerian National Housing Policy (NNHP) of 2017 was developed as a revision of earlier housing policies to address the persistent challenges in housing delivery across the country. The policy's primary objective was to ensure that all Nigerians have access to decent, safe, and affordable housing in a secure and healthy environment (Federal Republic of Nigeria, 2017). It emphasized the roles of government, private sector, and communities in facilitating efficient housing production and delivery. Based on Olotuah (2001) submission, the NNHP (2017) factored in areas such as land availability, housing finance as well as building materials and construction technology, all aimed at enhancing affordable housing for the low and middle income earners. Another significant advancement in the 2017 policy was the promotion of public-private partnerships (PPPs) as a strategy to overcome the financing and

delivery gaps that had undermined previous housing efforts. Ezeanah (2021), further buttressed that the policy also sought to strengthen institutions like the Federal Mortgage Bank of Nigeria and the National Housing Fund to expand access to affordable credit facilities. However, Ukwai et al (2012), noted that despite these ambitious provisions, challenges remain, particularly in the areas of policy implementation, financial accessibility for low-income groups, and infrastructural deficits.

4.2 The Concept of Social Housing

According to Adema et al, (2020), "Social housing is defined as residential rental accommodation provided at sub-market prices that is targeted and allocated according to specific rules, such as identified need or waiting lists" (Salvi del Pero et al., 2016). It may be referred to as social or subsidised housing (Australia, Canada, Germany and the United Kingdom), public housing (Australia, United States), council housing (United Kingdom) or general housing (Denmark), among others. In some countries, social housing comes in multiple forms: in Austria, Latvia and Lithuania, social housing is provided alongside municipal housing (additionally, in Lithuania, municipalities are encouraged to rent housing in the private market and sublease it to households on the waiting list for social housing); across the United Kingdom, council housing coexists with social housing²; in the United States, public housing is provided by local housing authorities, alongside specific programmes targeting the elderly (Section 202) and disabled people (Section 811), as well as rental housing made available at sub-market rates by private-and non-profit developers through the Low-income Housing Tax Credit programme (LIHTC). In many countries, the definition of social housing has evolved over time, alongside changing policy approaches to shifting market conditions.

"Social housing is a housing provision that aims to provide affordable and adequate shelter for low-income and vulnerable groups in society. It can be delivered by various actors, including the government, non-governmental organizations, cooperatives, and private developers, with differing models of ownership, management, and financing. Social housing can also yield various social, economic, and environmental benefits, such as reducing poverty, enhancing health, fostering social cohesion, and promoting sustainable development" (UN-Habitat, 2016). A

research carried out by Durvier (2021), revealed that “before both World Wars, social housing did not exist. The market was made up of 90% private renters and 10% super rich homeowners. But this is where things get interesting from a social purpose perspective. Although there was no state-led housing provision for the poor (corporation housing was private), there were a few charities that strongly held a belief in their social purpose to help those in need. Peter Malpass, a prominent housing researcher, makes the argument that housing associations are wrongly viewed as a modern invention, created with the large scale voluntary transfer. However, those early charities operating in the 19th century were housing associations, with a strong social purpose. Their only goal was to provide housing for those in need. Fast forward to the years after the Second World War, there is still a small sector of housing associations, the same kinds of organizations that existed in the 19th century. The interesting point here is that they were not regulated by the State, their sole purpose was to provide housing for those in need. Some were specialist providers, providing housing for people with special needs, or care homes, or homes for veterans. In essence then, social purpose in social housing existed for a very long time in a pure form with small housing associations, especially in those who provided specialist housing”.

According to AHURI (2023), “Social housing provides housing for people who are very unlikely to afford private rental market rents in most areas or who will find it difficult to be accepted into private rental due to a need for medical, age-related or other forms of support. It provides people with homes where they can live with dignity and as comfortably as possible, and, as an added benefit for the wider society, helps reduce people’s use of expensive health and judicial services. For some people, social housing provides a place where they can rebuild their lives, acquire education skills and access employment opportunities. Rents for social housing are set with different considerations in mind, depending on whether the dwellings are public housing or community housing. Public housing rents are calculated at 25 to 30 per cent of the household’s income (depending on household income and composition). If, for larger households, the 25 to 30 per cent rent level exceeds the local market rent for that property, then the local market rent is applied”.

“The impact of affordable housing and social housing on society is multifaceted, influencing

economic stability, social integration, and the dynamics of society. Both types of housing have been identified as a crucial mechanism for alleviating poverty and improving access to opportunities for low-income families. Affordable housing initiatives are frequently employed as instruments to reduce concentrated poverty and promote social justice. This enables low-income families to access better educational and employment opportunities. The promotion of social advancement and economic stability is possible through the provision of these two forms of housing” (Steinhoff, 2024)

4.3 Housing Delivery and Finance

The Nigerian housing finance market is divided between formal and informal sectors. The two categories that make up the formal sub-division are the higher-income groups, whose businesses are concentrated in metropolitan areas, and the lower-income groups, who rely on the subsidized NHTF to acquire housing. According to Okonkwo, (1999) and Bichi, (1997), the informal sector includes credit cooperatives, individual and family savings, and rotating savings and loan associations. The environment for mortgage lending is challenging for a number of reasons, including the lack of distinct property and security rights, the requirement for governor assent, high interest rates, and insufficient long-term funding sources. In general, there are signs of declining activity in the housing finance sector. For example, the average GDP share invested in housing fell from 3.6% in the 1970s to less than 1.7% in the 1990s.

4.4 Housing Delivery Approach

The Federal Ministry of Housing and Urban Development was also established by the federal government in 2003, and a housing reform was also suggested in light of the dearth of affordable homes in Nigeria. There was a false impression that there were vacant homes. But the majority of them were expensive. Legislation must be significantly changed in order to align its provisions with the new housing regime. The goal of these reviews is to cut red tape and make sure that various laws are in line with the needs of a strong, free market economy (Mabogunje, 2004). During the years 2003 to 2004, a housing policy was implemented that put the private sector in the forefront of the nation's housing delivery. The main components of this policy are the following: the government is given the responsibility for building the essential

infrastructure for new estate development. It is a known fact that housing constitute an integral part of infrastructure development. Studies on infrastructure have been undertaken by Jimoh & Oparinde (2015), Jimoh & Wahab (2016), Jimoh (2022), Jimoh & Famewo (2022), Jimoh & Abdullahi (2022), Jimoh & Balogun (2022), Jimoh (2018), Jimoh (2021). In line with this infrastructural development, the Land Use Act is being reviewed for possible amendment; and the private sector is given a key role in the delivery of affordable homes on a sustainable basis. Others include the creation of a new mortgage regime under the NHF to enable more benevolent financing conditions and a five-year tax vacation for developers, the development of a secondary mortgage market involving the FMBN, and the construction of a new mortgage regime.

4.5 Affordable Housing Scheme

Numerous public-private partnership (PPP) programs that provide affordable housing are either wholly supported by the government or jointly funded by the government. In other situations, the government granted a concession to a particular developer in an effort to provide cheap housing, like in the Federal Capital Territory. The private finance initiative (PFI) was added to these efforts as a complement. Jubril (2009) argued further that 87% of the existing stocks are backlogs, which are stocks that do not meet the minimum quality requirement (Daramola, 2004), despite the fact that the quality of the existing stock is also being heavily scrutinized in terms of design and desired functions, including acceptable livable neighborhoods.

5. RESEARCH METHODOLOGY

A cross survey research design was adopted for the study. Both primary and secondary data were sourced. Using a purposive multi stage sampling technique, a structured questionnaire was administered to 186 respondents. Field observation with aid of checklist was used to complement the data. Variables that were addressed include, the determinants of disposable income of housing affordability, the influence of housing affordability on housing the low income earners, the effects of socio economic status on the resident's housing satisfaction. Both quantitative and qualitative analysis were used to analysed the data $p < 0.05$. field observation was utilized in carrying out this research.

6. RESULTS AND DISCUSSION

6.1 Socio-Economic Characteristics of Residents in Ibadan North

This section captures the socio-economic characteristics of sampled residents in the study area. The variables considered include, gender, religion, age range, educational status, occupation.

Investigation revealed that majority (57.5%) were female. On account of age, 4.8% of the respondents were below 25 years, 49.5% are within 26-40, 38.2% are within 41-60 and 7.5% are above 60 years. In terms of educational qualification, 11.3% only attended primary school, 51.1% have only high school certification, 34.9% attended tertiary institutions and 2.7% had no formal education. Just 18.3% of the respondents are single while 66.7% are married, 8.1% are divorced and 7% are widowed. Majority of the respondents are traders or business owners which are 28.5%, and then we have some respondents who are artisans 21.5%, students 18.8% (35), civil servants 12.4%, unemployed, 5.4%, Professionals, 4.3%, clerics 5.4% and the retirees, 3.8%. The implication of the result is that majority of the respondents are within the active age that were capable of been productive within the economy. Besides. It also show that virtually all of them are gainfully employed.

Income levels among respondents indicate a predominance of low-income earners, reflecting the financial constraints that impact their housing choices. Findings reveal that 29.6% of respondents had no source of income, while 18.3% earned below ₦30,000 per month, and 35.5% earned between ₦30,000 - ₦50,000 per month. Additionally, 14.0% of respondents earned between ₦50,000 - ₦100,000 per month, whereas only 2.7% earned between ₦100,000 - ₦150,000 per month. These figures demonstrate that a significant proportion of respondents fall within the low-income bracket, which directly influences their ability to afford adequate housing. Given that 100% of respondents reside in rented housing, the economic burden of rent payments is evident, as many households likely spend a substantial portion of their earnings on housing. This underscores the pressing need for affordable housing initiatives and financial interventions to improve access to decent living conditions for low-income earners in the study area.

6.2 Regular Source of Income

This section shows the number of respondents that have a regular source of income based on their occupation, it was shown that out of 186 respondents, 132 respondents accumulating to 71.0% of the population have a regular source of income while 54 of the respondents resulting into 29.0% of the respondents don't have a regular source of income.

6.3 Monthly Income Dedicated towards Housing Expenses

Furthermore, an investigation was conducted on the monthly income dedicated towards housing expenses in the study area. It was revealed that 3.2% (6) of the sampled respondents spend 10%

of their income on their housing expenses, 13.4% (25) of the sampled respondents spend 20% of their monthly income on housing expenses, 47.3% (88) of the sampled respondents spend 30% of their monthly income on their housing expenses while 34.4% (64) of the sampled respondents spend 40% of their monthly income on their housing expenses. The findings indicate that a significant proportion of respondents experience housing cost burdens, as 47.3% spend at least 30% of their income while 34.4% of the respondents spend at least 40% of their income on housing expenses, surpassing the affordability benchmark. This high expenditure on housing reduces their ability to meet other essential needs such as food, healthcare, and education, leading to financial strain and economic vulnerability. Additionally,

Table 1. Socio characteristics of respondents

		Percentage
Gender	Male	42.5
	Female	57.5
	Total	100
		Percentage
Age Range	below 25 years	4.8
	25-40	49.5
	41-60	38.2
	60 years and above	7.5
	Total	100
		Percentage
Educational status	Basic Primary	11.3
	High School	51.1
	Tertiary	34.9
	No Formal Education	2.7
		100
		Percentage
Marital status	Single	18.3
	Married	66.7
	Divorced	8.1
	Widow	7
		100
		Percentage
Occupation	Student	18.8
	Trading/Business	28.5
	Artisan	21.5
	Professional	4.3
	Civil Servant	12.4
	Cleric	5.4
	Retiree	3.8
		Percentage
Range of Income	Below 30,000	18.3
	30,000 – 50,000	35.5
	50,000-100,000	14.0
	100,000 – 150,000	2.7
	Total	100

Source: Field Work Analysis (2023)

Table 2. Gender and source of income of the respondents

		Gender				Total	
		Male		Female			
		N	%	N	%	N	%
Regular source of income	Yes	57	72.2%	75	70.1%	132	71.0%
	No	22	27.8%	32	29.9%	54	29.0%
Total		79	100.0%	107	100.0%	186	100.0%

Source: Field Work Analysis (2023)

households with limited disposable income may face housing insecurity, eviction risks, or be forced to live in substandard conditions. The lack of savings and investment opportunities further limits economic mobility, trapping many in a cycle of poverty. These findings underscore the urgent need for government intervention through affordable housing initiatives, rent control measures, and improved access to housing finance, ensuring that low-income earners can secure decent and financially sustainable accommodation.

Table 3. Monthly income spent on housing expenses

Income Range	Percent
10%	3.2%
20%	13.4%
30%	47.3%
40%	34.4%
Total	100.0

Source: Field Work Analysis (2023)

6.4 Effects of Income on the Housing Affordability

From the study, it was gathered that 28% (52) of the sampled respondents perceived their housing not to be affordable, 49.5% (92) of the sampled respondents perceived their housing to be slightly affordable, 16.1 (30) perceived their housing to be affordable while 6.5% (12) out of the sampled respondents perceived their housing to be very affordable.

Table 4. Respondent's perception of housing options in the study area

	Percent
Not affordable	28.0
Slightly Affordable	49.5
Affordable	16.1
Very Affordable	6.5
Total	100.0

Source: Field Work Analysis (2023)

6.5 Difficulty in Affording Housing Based on Income

The findings suggest that housing affordability is a major challenge for a significant proportion of respondents, as 62.4% struggle to afford suitable housing based on their income. This indicates that a large portion of the population may be living in inadequate housing conditions, facing financial distress, or at risk of eviction due to high housing costs. Additionally, 19.4% of those struggling with affordability rely on borrowing from relatives or friends, highlighting their financial instability and lack of formal support systems for housing expenses. This reliance on informal loans may lead to debt accumulation and financial dependency, further exacerbating economic hardship. The situation underscores the need for government intervention through affordable housing policies, rent control measures, and financial assistance programs to support low-income earners and reduce their housing burden. This imply that housing affordability remains a critical issue, with a majority of respondents struggling to secure suitable housing within their income levels. This financial strain forces some individuals to rely on borrowing, which may lead to a cycle of debt and economic instability. Additionally, limited access to affordable housing can contribute to overcrowding, poor living conditions, and increased homelessness risks. Without government intervention and structured financial support, these challenges could worsen social inequality, hinder economic mobility, and reduce overall quality of life for low-income earners in the study area.

Table 5. Respondents with difficulties in housing expenses

	Percent
Have difficulty in housing expenses	62.4
No difficulty in housing expenses	37.6
	100.0

Source: Field Work Analysis (2023)

Table 6. Number of respondents who borrow money to pay up housing rent

		Percent
Valid	Respondents who borrow money	19.4
	Respondents who do not borrow money	80.6
	Total	100.0

Source: Field Work Analysis (2023)

Table 7. Respondents with source of income and those with difficulty in assessing housing

			Affordability of housing options		Total
			Affordable Housing	Unaffordable Housing	
Source of income	Yes	Count	80	52	132
		% of Total	43.0%	28.0%	71.0%
	No	Count	36	18	54
		% of Total	19.4%	9.7%	29.0%
Total		Count	116	70	186
		% of Total	62.4%	37.6%	100.0%

Source: Field Work Analysis (2023)

Table 8. Model Summary

Model Summary				
Model	R		Adjusted R Square	Std. Error of the Estimate
1	.156a	.024	.019	.86312

6.6 Hypothesis Testing

Furthermore, hypothesis which states that income has no significant effect on housing affordability was tested. The descriptive statistics revealed that though majority of the residents in the study area have a source of income, which resulted into 71% (132) of the respondents, 43% (80) cannot afford suitable housing within the study area while 29% of the respondents which resulted into 54 of the sampled respondents do not have a source of income and 9.7% (18) cannot afford a suitable housing.

The one-way ANOVA results indicate $F(1, 184) = 4.568$, $p = 0.034$, which is not significant at $p \leq 0.05$. Thus, we accept the null hypothesis (H_0) and reject the alternative hypothesis (H_1), suggesting that the income of the respondents has a significant impact on housing affordability in the study area.

The regression model shows that housing affordability ($R = 0.156$) is weakly correlated with income levels, and only 24% of the variation in housing affordability ($R^2 = 0.024$) is explained by income. Using the regression equation: $\hat{Y} = 1.460 + 0.298(\text{Income})$. It is observed that a unit increase in income results in

only a 0.024 increase in housing affordability. Based on these findings, the study accepts the null hypothesis (H_0) that income does not significantly determine housing affordability in the study area.

7. CONCLUSION AND RECOMMENDATIONS

The study therefore, concludes that the income of the respondents has a significant impact on housing affordability. Findings reveal that a majority of respondents spend over 30% of their income on rent, exceeding the affordability threshold and indicating a severe housing cost burden. The predominance of rental tenure and the inadequacy of basic housing infrastructure further highlight the financial strain on low-income earners. The hypothesis testing confirms that income plays a crucial role in determining housing affordability, reinforcing the argument that economic constraints limit access to suitable housing. To address these challenges, government intervention is essential in implementing affordable housing programs, rental control measures, and accessible housing finance schemes. Additionally, strengthening public-private partnerships and community-driven housing initiatives can help bridge the

affordability gap. Without strategic policy actions, low-income earners will continue to face housing insecurity, financial strain, and worsening living conditions.

To improve housing affordability, a multi-pronged approach is essential. The government should implement rental control measures to prevent exploitation, particularly in low-income housing markets. Additionally, land regularization programs in informal settlements should be promoted to enhance tenure security and improve living conditions. A more affordable homeownership framework should be developed, making both new and existing housing financially accessible. Engaging stakeholders, community organizations, and private developers in coordinated efforts will be key to achieving sustainable and equitable housing solutions for low-income residents in Ibadan.

DISCLAIMER (ARTIFICIAL INTELLIGENCE)

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc) and text-to-image generators have been used during writing or editing of this manuscript.

COMPETING INTERESTS

Author has declared that no competing interests exist.

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