

# **Bridging the Gap between Housing Demand and Housing Supply in Nigerian Urban Centres: A Review of Government Intervention So Far**

***Akinyode Babatunde Femi***

*Faculty of Built Environment, Universiti Teknologi Malaysia, Johor Bahru, Malaysia.*

[femladakinyode@yahoo.co.uk](mailto:femladakinyode@yahoo.co.uk), Tel. No: - +60163530832

***Tareef Hayat Khan***

*Faculty of Built Environment, Universiti Teknologi Malaysia, Johor Bahru, Malaysia.*

[tareef@utm.my](mailto:tareef@utm.my), Tel. No: - +60106669717

## **Abstract:**

Among the three basic necessities of man, housing plays an important role. It has an implication on the mental, psychological and social wellbeing of man. Review of many scholars work on housing revealed that both the public and private sectors have contributed in various ways for the purpose of meeting ever increasing housing demand in Nigerian urban cities. However, upon the involvement of these sectors, the problems of housing provision in meeting the housing demand remains the same. This calls for urgent attention and viable strategies. This study aims at exploring review and appraisal of extensive literatures through which the challenges associated with housing provision and demand as well as solutions proffered so far would be identified. This will therefore serve as the basis for further study on housing research for the purpose of bridging the gap in between the housing demand and housing provision in Nigeria urban cities.

**Keywords:** Housing Demand, Housing Supply, Urban cities, Migration, Urbanisation

**1. Introduction:** Housing is one of the basic necessities of man and has no doubt a profound impact on the health, welfare and productivity of the individual (Akintunde, 2008; Agbola and Kassim. 2007; World Bank, 1990; Abram, 1966). Others are clothing and food. Housing must not be considered purely as shelter but against lifestyle which encompasses with economic, social and educational needs (Ademiluyi, 2010; Beever, 1999) which must be able to meet the need and aspiration of the residents as well as contribute to the physical, mental, social wellbeing of the people and provide maximum quiet environment, living and outdoor space, privacy, cleanliness, safety and aesthetic satisfaction (Okechukwu, 2009; Israel and Bashiru, 2008; Agbola and Kassim. 2007; Aero, 2006; Olayiwola et al, 2005; Alison, 2004).

Migration of people from rural areas to urban centres has been increasing at an alarming rate. The consequences of this migration decision have resulted in the increase in housing demand in most of our urban centres in Nigeria. The rate of urbanisation in Nigeria is remarkably increasing especially during the oil boom period which has consequently led to an unprecedented increase in population and resulting in high demand in housing (Onu and Onu, 2012). Both government and individuals are being so concerned in the provision of both quantitative and qualitative housing to meet the demand of the ever increasing population in Nigerian urban cities (Onibokun, 1990). The efforts of the government at all levels (Federal, State and Local) and individuals in making provision for an adequate housing unit for Nigeria populace are yet to be fruitful (Israel and Basiru, 2008). According to Israel and Basiru (2008), the problems of the inadequacy of the building materials, indigenous landowners, inaccessibility to funds and so on are the major constraints that led to price increases of the housing construction which has consequently made it impossible for people of low income or middle income to acquire their personal house.

**2. Methodology:** This paper essentially employs an extensive literature review and applies techniques which are common in content analysis. A thorough literature reviews was conducted to identify housing demand and various efforts that have being made so far by the government in housing provision in Nigeria. The broad based, thorough and extensive reviews process aims at examining, synthesizing and recording all issues discussed by various authors in books, journals and other scholarly works. In this paper, relevant literatures were reviewed in order to identify various efforts made by the government on housing provision in three stages. The failure of government efforts on housing provision becomes the focus of this paper. The process was considered crucial in identifying the omission or gaps in the existing literatures and act as the foundation which links the previous researches which were discrete in nature, into a single interwoven framework for the purpose of suggesting the research focus aimed in this paper.

**3. Housing Demand and Its Challenges:** - Housing demand in urban centre is a manifestation and reflection of different household desires to live in an urban centre (Todd, 2007, Akinyode and Tareef, 2013). The desire of people to live in an urban centre is increasing at an alarming rate. Various reasons have been attributed to an increasing taste for urban living and these reasons include employment opportunity, urban amenities and utilities consumption opportunities. This situation has consequently led to housing shortage and most people are also found living in non-decent building apartment (Olayiwola et al, 2005) due to their socio-economic background which cannot cope with ever increasing price of decent house.

Housing demand can be explained as the willingness and ability of housing consumer to pay for a particular dwelling depending upon such consumer's incomes, house type, location preferences and local prices (Welsh, 2002). Demand is the quantity of good or service that consumers are willing and able to buy at a given price at a particular given time period. Demand for housing at certain price refers to the value that is placed on a house linked

with the satisfaction derived in such house. In economics, this is termed as utility. Housing need relates to social housing while housing demand is related to private housing (Alison, 2004). Effective housing demand is different from Desire housing demand. Effective housing demand can be explained as a desire to buy a house that is backed up with an ability to pay for it. On the other hand, Desire housing demand can be termed to be willingness to buy the house with the consumer's lack of the purchasing power to be able to buy the house. Until there is purchasing power in terms of money to buy the housing unit, such housing demand has not become effective housing demand. Maclennan et al (1998) suggest housing consumer demand for owner occupation, low cost home ownership options and housing affordability as ways of analysing the whole local housing market system for communities in Scotland. This does not include the consumer preferences for housing types or neighbourhood. In the case of high income earners, the low cost home ownership options that may be available may not be suitable for the consumer preferences for either the housing types or choice of the neighbourhood. The main determinant of the housing demand is household composition while other factors such as income, price of housing, cost and availability of credit, consumer preferences, investor preferences, prices of the substitutes and price of the complement also play a role (Bourne and Hitchcock (1978). Housing supply is produced using land, labour and various inputs such as electricity and building materials. The quantity of the new supply is determined by the cost of these inputs, the price of the existing stock of houses and the technology of production. House prices and the growth rate of house price are the two measures identified by Todd (2007) of the intensity of urban housing demand. According to him, housing is in inelastic supply in some cities either through little or no open land, restriction of local regulations on development that make it prohibitively expensive or slow.

The materials cost of building, unbearable conditions on getting loan from the mortgage banks and government policies have been factors militating against the achievement of the effort of public developers and private developers that is the government and individuals in bridging the gap in housing supply and demand (Israel and Basiru, 2008). They therefore suggest the use of indigenous building materials and technology, provision of habitable houses at subsidize rate and amendment of some parts in 1978 land use act in order to assist in increasing housing delivery. Among the factors that affect the supply of housing to meet the demand is the time of housing process. The complexity and time duration in housing supply is one of the major problems which contribute to the shortage of housing supply to different socio-economic status of housing consumer. The time of housing process could not allow the housing supply to meet the housing demand as a result of increase in urban population compared with the time period it would take for housing delivery to be taken place into the housing market for the consumption (Lansley, 1979 and Okechukwu, 2009). Housing takes long time to construct and cannot easily be made ready for consumption if there are changes in demand. Okechukwu (2009) is of opinion that, there is need for proper understanding of the nature and complexity of housing production for the purpose of solving these problems. He supported the view of UNCHS, 1996 and Tipple, 2001 by attaching the slow rate of housing production to the bulky nature of building materials and high cost of its transportation to the site, high and diversity labour component, initial cost of housing production such as interest rates and inflation.

There is a wide gap between housing demand and supply. This is due largely to slow response of supply to demand. The housing market often suffers from lags in supply adjustments. That is, even if households with inadequate housing were willing and able to pay for better housing, the response on the supply side might be long in coming (Rothenberg and Edell, 1972). This is due to the long time it takes to build new houses in response to new demand. The rate of housing construction, while it has increased and is still increasing, is not nearer meeting existing demand, much less the extra demand created by the continuing urban

population growth (Okpala, 1981). The housing supply is fixed on the short run and the increase in housing demand increases the equilibrium price on the long run (Agbola and Adegoke, 2007). This invariably makes the suppliers to respond to the increase in the market price by increasing the quantity of housing supplied. Housing supply naturally responds slowly to new demand, the minimum time for such a response being the time needed to mobilise all necessary resources to start and complete new buildings.

Okpala (1981) supports this view and concludes that the rate of housing construction, while it has increased and is still increasing, is not nearer meeting existing demand, much less the extra demands created by the continuing urban population growth. The failure of the private sector housing to accommodate the larger percentage of the populace most especially the poor, necessitated the direct public housing delivery option. Housing supply does not only reflect the ability to build; it also represents the historical stock of the past construction. Some cities such as St. Louis, Detroit and Philadelphia, have an abundant supply of homes because they once were more desirable than they are today (Edward, 2010). In these places, housing prices can often be lower than the cost of new construction, because of the abundant supply.

The commercialisation of residential housing in urban China in late 1980s led to rapid increase of house price at annual growth rate of 11.3% (Gregory et al, 2009). This housing speculation necessitates the intervention of the government to regulate the housing market. However, the government regulation could not be effective in controlling the price of housing due to upward shift in housing demand resulted from rapid increase in disposable income and upward shift in the supply curve as result of rapid increase in construction cost (Gregory et al, 2009). It can therefore be deduced that the forces of demand and supply are more powerful than government intervention in urban China in controlling the housing price. Demand theory applies to the behaviour of a respective housing consumer while socio-economic status of individual housing consumer is not taken into the consideration.

Many attempts have being made both by individual and government through various programs in solving housing problem in Nigerian urban centres (Onibokun, 1990). However, the problems of housing supply in meeting the ever increasing housing demand remains one of the most pressing problems facing Nigerian urban centres (Israel and Basiru, 2008).

**4. Government Efforts in Housing Provision:** Governments all over the world are directly and indirectly involved in matters relating to housing in terms of its housing provision, regulation and control, development and administration (Arimah, 1997). In Nigeria, the involvement of government in housing dates back to the colonial era and has since continued thereafter. Adekoyejo (2001) examines the government's role in the development of housing in Nigeria according to three different periods: The colonial period; the post-independence period and the period of the civilian Administration between 1979 and 1983.

**i. Colonial/Pre-Independence Period:** - Nigerian government's involvement in housing during the colonial/pre-independence period was when activities were chiefly on construction and provision of official quarters to the expatriate staff and selected indigenous public service employees, mainly in the areas designated as Government Reserved Area (G.R.As). This is the separation of reserved areas from the traditional core areas of particularly the regional (later state) capitals. Credited to have spurred the colonial government's interest in public housing program was due to the outbreak of the Bubonic Plague in Lagos between 1925 and 1928 which in turn led to the establishment of Lagos Executive Development Board (LEDB) in 1928 (Adekoyejo, 2001). The establishment of the board was primarily with the responsibility of clearing Lagos of slums and constructing housing units. The workers' strike of 1945 also contributed to government's participation in housing programs. There was also creation of a residential zone in the Surulere outskirts of

Lagos. These and other similar programs and projects were done autocratically without inputs of civil society and relevant stakeholders (Agunbiade, 2001). There was no painstaking management of the estates so created and consequently led to the failure of the programs. Within the context of this program, government did not make effort to build houses either for sale or rent to the general public. Little was done to order and monitor the growth of settlements outside the government quarters.

During the colonial period and prior to the independence, housing corporations were established by the regional governments to provide housing units for the general public; which formed the modern housing estate in Nigeria (Adekoyejo, 2001). This marked the commencement of what could be described as the National housing development plans. The housing estates were in the form of staff housing schemes. The organisations like Lagos Executive Development Board (LEDB) and the Nigerian Building Society (NBS) were charged with responsibility of providing housing for the members of the public. At this period, Lagos had started to experience an increasing wave of urbanisation and attendant problems of overcrowding and unsanitary conditions and consequently induced the first urban development project in the country. The established Lagos Executive development Board (LEDB) in 1945 attempted to solve the problem of public housing in Lagos Metropolis (Adekoyejo, 2001). This resulted to implementation of workers Housing and Re-Housing Estates in Surulere, Apapa, Ikoyi, Ilupeju and Isolo. Unfortunately, these institutions served the middle and high income groups only because of lack of adequate finance, technical personnel as well as inappropriate and relevant building/construction technology. In 1956, the Western and Eastern Regions attained self-government; the Northern Region followed suit in 1959. Thus, various Housing corporations were established by the regional governments to provide housing for the general public.

**ii. Post-Independence Period:** - The civil war between 1967 and 1970 and state creations aggravated the problem of housing shortage and subsequently contributed to the government's involvement in housing programs during post-independence period. The period of post-independence coincided with the implementation of the national development plans. The formation of the National Council of Housing in 1971 is seen as a practical attempt by the federal government at tackling the national housing problem in Nigeria. The federal government intended to construct about 59,000 housing units nationwide with 15,000 in Lagos and 4,000 in each of the other eleven state capitals (Adekoyejo, 2001). This plan period covers first and second national development plans of 1962 and 1970/74. The federal and state governments decided to withdraw from direct involvement in the construction of dwelling/housing units for workers, preferring the expansion of credit facilities to building societies, housing corporations and the numerous staff housing schemes. This period also recorded phenomenal growth in the building industry because of the federal government's indirect participation in promoting housing delivery through the provision of land and building materials such as cement, iron-rods, and roofing sheets. Despite the liberation of the importation of these items, the efforts during this period did not make impact on the housing need of the medium and low-income groups.

In 1975, a modification of the strategy adopted was effected through the Third National Development Plan of between 1975 and 1980. Government undertook a comprehensive and active intervention in the housing sector. In view of this, government involved itself in the "direct" and "active" participation in the provision of housing, instead of shifting the responsibility to the private sector. During this plan period, the government renamed the Nigerian Building Society as the Federal Mortgage Bank of Nigeria (1976) providing a capital grant of #150 million (Arayela, 1996). During the plan period, the sum of about #1.83 billion was used as capital investment in the housing sector between the federal and state governments. A noticeable effect of investments by the government was the increase

in domestic production of cement and burnt bricks. This perhaps was to enable the national housing program in third national development plan meet its goal of providing about 60,000 residential units in five years. In 1977 the program was reviewed upwards with the envisaged housing stock up to

8,000 units to be erected in each of the then nineteen (19) states capitals with the exception of Kaduna and Festac Town and Ipaja, Lagos, which were allocated 4,000 and 46,000 additional units respectively. A total of about ₦2.6 billion was budgeted for this project. However, by the end of third plan period, the Federal Housing Authority only managed to complete 9,464 housing units in Lagos and 17,486 units in the rest of the country at a staggering cost of about ₦430 million (Adekoyejo, 2001). Assessing through this figure, less than 15% (about 13.3%) target was met by January 1980. Mostly excluded from benefiting from the scheme were medium and low-income earners. Among many reasons adduced for the failure of this scheme includes the following according to Adekoyejo (2001):

- i. Problems of site acquisition.
- ii. Expensive contractual procedures and its attendant inflation in labour cost.
- iii. Budget cut backs and improper phasing of infrastructure and housing construction.
- iv. Slow rate of construction arising from inadequate capacity of the construction industry.
- v. Inadequate building/construction technology and material choice.

As a result of the failure of the housing scheme planned during the third and fourth national development plans whose outcome was manifested in increased deficit in urban houses and deterioration of rural housing. An elaborate national housing program based on the concept of affordability and citizens' participation was embarked upon in 1980 during the 2nd Republic of the civilian Administration. The targeted group was the low-income households whose annual income is not more than ₦5,000 to be provided with one bedroom core houses, while two-bedroom core houses were planned for the medium-income groups, whose annual income was not more than ₦8,000.

**iii. Civilian Administration Period:** - During the civilian Administration period, provision of housing became a major political issue as the government at the centre made shelter one of its core political programs. Unfortunately, the governments housing policy was based on faulty strategy became errors and/or mistake of the previous housing policies were either ignored or improperly considered with the attendant outcome that the program failed before it was started. The lofty objective of the program was to provide about 400,000 housing units throughout the federation. About 160,000 of this number were intended to be constructed during the first phase of the program with about 8,000 housing units being provided, in each state and the federal capital territory. Divided into one bedroom and three-bedroom housing unit, the houses targeted specifically the low and middle-income earners.

These housing units were to be sold on owner-occupier basis at a cost of ₦6, 000.00 and ₦15, 000.00 respectively. These setting prices represented a subsidized cost by the government. At the end of the fourth National Development plan, the target was not met as only about 32,227 housing units out of the 400,000 units promised could be provided. The scheme's failure could be attributed to the faulty conceptualisation and hasty nature of execution, inappropriate building and construction technology and material wastages arising from material choice, site choice and inadequate financial resources (Adekoyejo, 2001).

It was obvious between 1983 and 1988 that the government's performance towards increasing housing stock was generally low when compared with previous housing programs and efforts. This was resulted from the inconsistent role of the government because every

successive government tended to initiate a housing policy and/or program, which it would want to execute during its life span. In 1989, the federal government adopted some strategies. This includes restructuring of the Federal Mortgage Bank of Nigeria to serve as the nation's apex housing finance institution. Savings were to be mobilised through the National Housing Fund (NHF), whereby government would ensure continuous flow of funds to Federal Mortgage Bank for lending to other primary Mortgage institutions. There were indications already about lack of success of this initiative, such as the inaccessibility to this loan by lending majority in the low and middle-income groups. Slow rate of savings within the shortest time to beat escalation in the prices of building materials and labour, and the process of acquiring the said loan from the fund amongst others. The ineffectiveness of the previous housing policy leads to the provision of the 2002 third National Housing Policy with government's intention to make housing adequate for the citizens through the involvement of private sector. The main and essential features of this policy are to ensure that majority of Nigerians becomes home owners through mortgage finance. The policy aims at making houses available at affordable prices to both low and middle income households. The policy also set up the Federal Ministry of Housing and Urban Development for the purpose of promoting, supervising, monitoring and regulating private sector-driven housing delivery. There is no doubt to conclude that the housing need of Nigeria is yet to be met assessing by the high housing demand and the limited housing supply. Various Nigerian governments at various times have used various means to tackle the problems, efforts been made include the provision of loans through mortgage institutions, sponsoring of owner-occupier housing schemes, rent edicts (Rent control) and low-cost housing to mention but a few. None of these have significantly reduced the problem of homelessness among Nigerians, especially among the low income households because socio-economic backgrounds of the people in relation to their housing demand have not being considered.

Basically, both the urban and semi-urban centres of Nigeria have witnessed the situation where housing demand is more than housing supply consequently leading to prevalence of shanties and slums in our towns and cities. An urgent attention is therefore needed to arrest the ugly situation as pertain to housing problem in Nigeria. Nigeria needs to provide her citizens of different socio-economic status with decent and affordable houses. Housing constitutes an essential need to complement other social assets if human beings are to live a productive life.

The Federal Government adopted the national sites and services program in 1986 as strategies to be adopted for housing delivery by increasing supply of serviced plots at affordable cost (Onu and Onu, 2012). This was mainly to create easy access to land, which had been hindrances to home ownership. The goals of the program were to provide serviced land for housing development and commercial activities in a well decent and planned environment. This is to eliminate obstacles to the supply of housing and provide solutions to private and public sector as well as individual in housing delivery system. However, only about 20, 000 plots have been allocated in about 20 states of the federation since the commencement of the program in 1986 (Ajanlekoko, 2001 and Onu and Onu, 2012). Land acquisition through transfer for agreed amount is rarely smooth, costly and it may involve fraudulent practices through which the same land can be sold to two or more different people (Agbola, 1988 and Udo, 1985). The promulgation of the 1978 land use decree was meant to solve this problem through which the entire land within a state is invested into the hands of state governor to hold in trust for the people in the state. It is expected of prospective home owners to apply for the use of the land at a reasonable price. However, the implementation of this decree was faulty and has not achieved its aim (Arimah, 1997). This is also contributing to the inadequate and unaffordable housing in most of our urban centres (Agbola, 1987).

**5. Identifying Relevant Research Focus:** - There are several gaps that could be identified under this study despite the numbers of solution that have been proposed by various scholars in meeting the housing demand in Nigerian urban centres. Many efforts have been made by both the government and private developers in solving Nigerian urban housing problems in Nigerian urban centres through many housing programs and strategies. With all these efforts, much fruit have not yielded on housing provision for all categories of households. This often results from inadequate understanding of better strategic way of bridging the gap in between the housing supply and housing demand. This is a huge gap in existence in Nigerian urban centre. It can therefore be concluded with this respect that, unless better solution is taken into consideration, it is likely that no policy made on solving housing problem would achieve a great result. It is observed that many of the various examined scholars' research and their findings focused on planning regulations and government policy on housing provision.

Despite the presence of the solutions, much of these contributions had only addressed on government involvement in making provision for housing to the public and government policy on housing provision with little attention been paid to housing consumer's capability in getting decent housing either as a prospective owner or as a tenant. Figure 1 below shows a graphical representation of the research gap and an overlooked aspect within the previous research with an attempt to provide a conclusive solution in bridging the gap between the housing demand and supply. Therefore, in order to bridge this gap, this paper is suggesting that attention has to be given to prospective housing consumers with the key objective to enhance housing provision sustainability. This is considered a timely research area given the lack of previous works which address on this aspect housing.

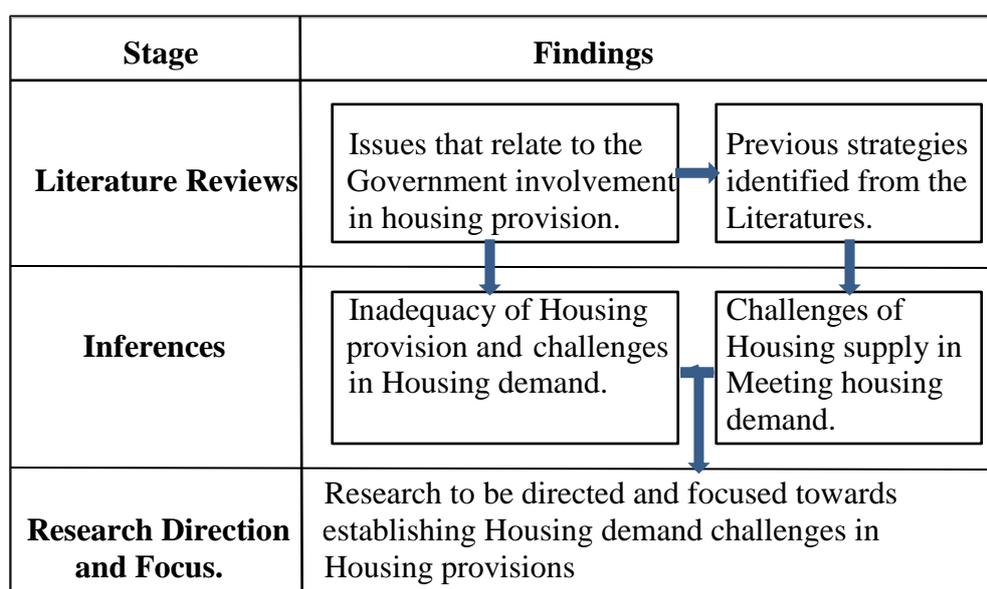


Figure 1: Graphical representation of the identified Research Gap.

Pertinent questions need to be asked for the purpose of bridging the identified gap in the past researches which should centre on the challenges in housing demand and housing provision. The questions that could be asked concerning the gap include what are the challenges in housing demand by housing consumers, what are the involvement of government so far in meeting the housing demand, to what extent as the solutions given by the government solved the problem of housing demand and What are the better ways of solving the housing problems in Nigerian urban centres in order to bridge the gap between the housing demand and supply. Answering these critical questions will provide indications as to

the reasons why there is inadequate housing supply in meeting different socio-economic status of the housing consumers and offer critical input towards the basis of bridging the gap between housing demand and supply.

To answer the questions that will ultimately satisfy the focus of bridging the gap between the housing demand and supply, this paper is suggesting the following approach:

1. To critically examine who are the housing consumers and their socio-economic status.
2. To identify the problems faced by the housing consumers in meeting their housing need.
3. To investigate the impact of the problems of meeting the housing demand on the housing industry in the society.
4. To identify the requirements of meeting the housing demand of various housing consumers towards housing supply sustainability in order to reduce the impacts of the problems on the housing industry in the society.

By satisfying this step, the research could focus on identifying the requirements of meeting the housing demand of various housing consumers towards housing supply sustainability. The outcome of this study would contribute to urban management policies and housing provision in Nigerian urban centre. This aims at sustaining and maintaining the provision of decent housing for different categories of the residents within Nigerian urban centre.

**6. The Contribution of the Proposed Research:** - Urban populations were growing at an alarming rate while rural populations continuing to be reducing. Many countries in the developed and developing world face significant problems in meeting the housing demand resulting from continuing inflow of population to the urban centres. Growing population will further increase the demand for housing. Nigerian urban centres have become “consumer cities”, they attract highly enlightened households through attractive cultural amenities and infrastructural facilities such as university, museums, restaurant, electricity, portable water, sewerage and so on. This has consequently led to increase in housing demand. The intensity of housing demand in Nigerian urban centres has resulted to the increase in house rents and increase in the rate of growth in house rents. Demand for house and suitable location leads to increase in the price of land for the purpose of equilibrating housing demand with the available supply which has always being a major problem to the majority of housing consumers within the urban centres due to their socio-economic status.

Housing type and willingness to pay for housing in urban areas depend highly on household income. To make adequate provision for housing for different categories of people on the basis of their socio-economic status in an urban area necessitates implementation of proper demand management strategies. Pertinent information on the housing demand of different households is necessary to properly assess the factors that determine the different consumer decision making on housing. This study will contribute in many ways. The relevance and importance of this study relates to the housing provision to meet different socio-economic status in housing demand. It would be very useful for the government and private housing developers as well as housing policy makers, housing practitioners and researchers. It would become an information base for policy and design formulations in making provision for housing that merge different housing consumers of different socio-economic status. There are several factors that affect the demand for housing of the households. Some of these factors are income of the households, price of the house, household size, household taste, household age and sex composition of the family members. It is hoped that this study will contribute to the process of developing better housing policies

and strategies in meeting the housing demand of Nigerian populace in accordance to their socio-economic status.

Determining the various factors that are taken into consideration by different socio-economic households in their housing demand, the study will attempt to bring together all the various socio-economic indicators that could determine housing topology of housing demand with a view of developing a more realistic way of determining the housing demand of different households in accordance with their socio-economic status. This study and the findings will therefore be useful to both government and private developers in determining the various determinants of housing topology to the housing consumers that will not fail in its purpose but will manifest in various forms from household to another depends on their socio-economic status. Households must decide where to live as well as how much to spend on housing. These decisions are related, so failure to consider neighbourhood choice but giving consideration to only ability and willingness of the consumer to pay might bias estimates of housing demand within the study area. This is because households compete for entry into desirable neighbourhood quality. In view of this, households simultaneously select housing price and neighbourhood quality.

The study aspires to improve on the suitability of housing policies that meet the housing demand of different housing consumers within Nigeria. It is hoped that the study will contribute significantly towards understanding the factors that need to put into consideration in housing provision for different socio-economic status of housing consumers. This will hopefully contributes towards appreciating individual household socio-economic background and improve housing provision strategies that are effective in enhancing household social, mental and psychological wellbeing and productivity of different socio-economic housing consumers. Moreover, demand analysis is a precondition of designing a policy if the objectives of housing policy are to ensure efficient housing demand, because it defines the optimum socio-economic housing demand and respective housing price.

In Nigeria, the quality of datasets on Housing consumption often poses a problem for the demand estimation. Referring specifically to the housing situation in Nigerian urban centres, little is known about household's behaviour regarding the factors driving their housing demand. As a result of this, policy decisions are often not very well informed and could not meet different socio-economic status in Nigerian urban centres. A more detailed knowledge of the structure of housing demand in relation to the housing topology in Nigeria can help to better understand consumer behaviour. In order to realise effective housing supply in Nigeria urban centre, it is therefore necessary to have an in-depth understanding of the factors which influence housing demand and consumer decision making in an urban centres.

This study is also significant in attempting to determine various socio-economic factors which influence different socio-economic status household in housing consumption will hope to guide both the private and public sector in meeting the housing need of different socio-economic status. It will also contribute to the process of developing better housing policy by the government in meeting the housing need of different socio-economic status. This study is also hope to contribute towards a better understanding of the influence of various factors that affect decision making of housing consumption by different households which will thereafter improve the housing delivery strategies that would be implemented by the government throughout the federation. The issue of targeting one segment among the populace and neglecting others would be eradicated.

Many housing programs and strategies in solving Nigerian urban housing problems have failed. This often results from inadequate understanding of the socio-economic background of the population during planning and implementation stages of the programs. The Nigerian housing policy makers and other developing countries can find a clue that will

be relevant and applicable in their housing situation through which the housing provision strategies will be improved.

**7. Conclusion:** - The proposed research focus has been substantiated with analysis of the past researches in order to identify the gap left by the previous researchers. Based on the analysis conducted on the past researchers' work, there is inadequacy in solution proffered so far in bridging the gap between the housing demand and supply in Nigerian urban centres which has been considered as the primary concern and research gap that need to be filled and focused. In view of this, it is proposed that a study to examine the socio-economic factors in consumer decision making in housing demand in Nigerian urban centres is highly important and currently needed. The findings from such research will form a framework which could act as the basis in formulating strategy to bridge the gap between the housing demand and supply. The findings from such research will offers benefit, not only to the immediate need of the housing consumers, but also for the sustainability of housing supply in Nigerian urban centres with the aim of bridging the gap between the housing demand and supply.

#### **Acknowledgement**

The authors sincerely acknowledge Research Management Center (RMC) of Universiti Teknologi Malaysia (UTM), and the Ministry of Higher Education (MOHE) of the Government of Malaysia for the funding of the research through research grant number 4L063, 4S104, and 07H37.

## References

- Abram, C. (1966). "Mens struggle for shelter in urbanising world". Housing in the modern world. Faber and Faber Ltd, London.
- Adekoyejo, B.J. (2001). "Housing and Indigenous Building Technology: An Introduction". Desi-
- GGA publications, Abeokuta in association with Shcon publications, Ota, Ogun state, Nigeria.
- Ademiluyi, A.I. (2010). Public Housing Delivery Strategies in Nigeria: A Historical Perspective of Policies and Programmes. *Journal of Sustainable Development in Africa*, 12(6), 153-161, Clarion University of Pennsylvania, Clarion, Pennsylvania.
- Aero, T. (2006). Residential Choice from a life style Perspective. *Housing, Theory and Society*, 23(2), 109-130.
- Agbola, T. (1987). Institutional Constraints on Housing development. *Habitat International*, 11, 113-120.
- Agbola, T. (1988). The Housing construction process in Nigeria: Implications for urban growth and development. *Cities*, 5, 184-192.
- Agbola, T. & Kassim, F. (2007). Conceptual and theoretical issues in Housing. In Tunde Agbola, Layi Egunjobi & C.O. Olatubara (eds.), *Housing Development and Management. A book of readings* (PP.15-69), Department of Urban and Regional Planning, Faculty of Social sciences, University of Ibadan, Nigeria.
- Agbola, T & Adegoke, S.A.(2007). Economics in Housing. In Tunde Agbola, Layi Egunjobi & C.O. Olatubara (eds.), *Housing Development and Management. A book of readings* (pp.), Department of Urban and Regional Planning, Faculty of Social sciences, University of Ibadan, Nigeria.
- Agunbiade, B. (2007). Housing Administration and Management in Nigeria. In Tunde Agbola, Layi Egunjobi and C.O. Olatubara (eds.), *Housing Development and Management: A book of Readings*, Department of Urban and Regional Planning, Faculty of Social sciences, University of Ibadan, Nigeria.
- Ajanlekoko, J.S. (2001). Sustainable Housing Development in Nigeria: The Financial and Infrastructural Implication. International Conference on Spatial Information for Sustainable Development at Nairobi, Kenya, October 2-5.
- Akintunde, K. O. (2008). Housing Needs and Land Administration in Nigeria: Problems and Prospects. Social Research Network. In Smith, I.O. (Ed.). *Land and Real Property Rights in Nigeria*.
- Akinyode, B. F & Tareef H.K. (2013). Evaluation of Housing Provision during the last two decades in the context of Nigeria: A case study in Ogbomoso. *International Journal of Humanities and Social Science* 3(15), 204 - 215.
- Alison, W. (2004). *Understanding Local Housing Markets? The Need for a Complementary Institutional Approach*. Centre for Housing Policy, University of York, Heslington, York, February.

- Arayela, T. (1996). The Politics of Housing the masses in Nigeria- A Retrospective Introspection. *A Journal of the Association of Architectural Educators in Nigeria*. 1(3), 29-33.
- Arimah, B.C. (1997). The determinants of housing tenure choice in Ibadan, Nigeria. *Urban Studies*, 34(1), 105-124, downloaded from [usj.sagepub.com](http://usj.sagepub.com) at university of Teknologi, Malaysia on July 2, 2013.
- Beever, R. (1999). *The Challenge of Challenging Housing Markets: A New Approach*. Leeds, Northern Housing Consortium and Housing Corporation.
- Bourne, L.S, & Hitchcock, J.R. eds., (1978). *Urban Housing markets: Recent directions in research and policy*. University of Toronto press, Toronto, 1978.
- Edward, L. G.(2010). *The Death and Life of Cities*. Harvard University and Nber.
- Gregory, C. C. & Linlin N. W. (2009). *Demand and Supply for Residential Housing in Urban China*. Unpublished monograph, Princeton University and Xiamen University, August.
- Israel, A. A. & Bashiru, A. R. (2008). Public and Private Developers as Agents in Urban Housing Delivery in Sub-Saharan Africa: the Situation in Lagos state. *Humanity and Social Sciences Journal*, 3(2), 143-150.
- Lansley, S. (1979). *Housing & Public Policy*. London: Croom Helm.
- MacLennan, D., More, A., O'Sullivan, T. & Young, G. (1998). *Local Housing Systems Analysis: Best Practice Guide*. Edinburgh, Scottish Homes.
- Okechukwu, J. N. (2009). *Urban Housing Affordability and Housing Dilemmas in Nigeria*. (PhD Thesis). University of Birmingham, Centre for Urban and Regional Studies, School of Public policy, The University of Birmingham, January.
- Okpala, D.C. (1981). Rent Control reconsidered: The Nigerian situation. *Habitat International*, 5(5 & 6).
- Olayiwola, L.M, Adeleye, O., & Ogunshakin, L.(2005). Public Housing Delivery in Nigeria: Problems and Challenges. *World Congress on Housing Transforming Housing Environments Through the design*, September 27-30, Pretoria South Africa, Vol. XXXIII IAHS.
- Onibukun, P. (1990). *Urban Housing in Nigeria*. Nigerian Institute of Social and Economic Research (NISER), Ibadan,
- Onu, V & Onu, A.J.C. (2012). Urban Residential Housing and Low-income Earners: A study of Makurdi Metropolis, Benue state, Nigeria. *European Scientific Journal*. December Edition, 8(28), 231-246.
- Rothenberg, J. & Edel, M. (1972). *Readings in Urban Land Economics*. Macmillan Publishing Co, London.
- Tipple, G. (2001). The Impact of Regulations on the livelihoods of people living in poverty, [www.Itdg.Org/docs/shelter/g%20tipple%20case%20study.Doc](http://www.Itdg.Org/docs/shelter/g%20tipple%20case%20study.Doc).
- Todd, S. (2007). *Urban Housing Demand*, prepared for the new Palgrave Dictionary of Economics. University of Pennsylvania (Wharton) and NBER, Edited version, March 8.

- Udo, R.K. (1985). Land acquisition and allocation constraints on development before and after Landuse decree, 1978. In G.O. Olaore (Ed.) *Land use and National Development in Nigeria* (pp. 30-129), NISER, Ibadan.
- United Nations. (1996). *An Urbanizing World: Global Report on Human Settlement 1996*. Oxford: Oxford University Press.
- Welsh, A. (2002). *Local Housing Market Analysis: An advice note to Welsh Local Authorities from the Welsh Assembly Government*. Cardiff: Housing Strategy Branch, Welsh Assembly.
- World Bank. (1990). *World Bank Report*, pp.30-31.