ANALYSIS OF THE IMPACT OF HOUSING SCARCITY ON RENTAL VALUES IN IFITE-AWKA ANAMBRA STATE, NIGERIA (2022-2024)

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ABSTRACT

Housing scarcity represents a global issue, affecting countries in various ways, but it is particularly pronounced in developing economies like Nigeria. In Anambra State, Ifite-Awka specifically, housing scarcity is a major challenge with over 70% of the population living in rented accommodation. One of the major problems is that housing market in Ifite,-Awka, Anambra State, Nigeria is currently facing a significant scarcity of adequate housing, which has led to pronounced fluctuations in rental values. This scarcity is driven by various factors, including rapid urbanization, population growth, and non-implementation of housing policies. The aim of this study is to analyze the impact of housing scarcity on rental values in Ifite-Awka, Anambra state, Nigeria from 2022 and 2024. The objectives are to determine the rental values on self-contained rooms between 2022 and 2024, identify the types and causes of housing scarcity, determine the impact of housing scarcity on rental values and recommend effective ways to solving housing scarcity. Using population projection formula [Pt=Po (1+r) ^t] the population of the study is calculated to be 464,616. The total population used for the study is four hundred (400). Data collected was analyzed using appropriate inferential statistics. The study discovered that housing scarcity has led to significant increases in rental price with a mean of 4.28 and increased demand of shared accommodation with a mean of 4.23. It is recommended that property owners and real estate developers should perform appropriate housing market analyses in order to recognize trends and patterns within the rental market, which will enable informed policy-making decisions.

Keywords: Housing, housing scarcity, housing supply, Ifite-Awka, Rental values

1.0 INTRODUCTION

Background of the Study

Housing is undoubtedly one of the most fundamental necessities of human life. Historically, it was considered second only to food in the hierarchy of human needs, but according to Ebie (2009), it has surpassed food as the most important right. Ebie emphasizes that housing is more than just shelter; it encompasses all the social services and utilities that make a community or neighborhood a livable environment, thereby making it the most critical aspect of human life (Ugonabo and Emoh, 2013). A deficiency in housing can profoundly affect the health, welfare and productivity of man. It is an indispensable necessity without which man's survival is impossible.

In recent years, Nigeria has experienced a significant surge in property investments, primarily driven by the growing demand for residential, commercial, an industrial spaces. This demand is fueled by the country's rising population, which requires shelter, businesses, and manufacturing facilities. The demand for residential properties, a fundamental necessity, is driven by the need for comfort, accessibility, modern amenities, and quality services. Consequently, properties lacking in these qualities are less desirable, leading to a significant decline in their rental value which can outstrip the availability of housing supply (Okoro, Nwosu and Chukwunonso, 2023).

Investments in rental houses around the tertiary institutions in Ifite Awka continue to thrive because of the inability of tertiary institutions to properly fulfill the housing needs of students. This is because the rapid growth in the student population in tertiary institutions has outpaced the availability of student housing, resulting in a significant shortage of accommodation. Only a small fraction of students is able to secure housing in facilities that provide a decent and reliable living environment, highlighting the need for improved infrastructure to support the growing student body (Chikwendu and Onyejiaka, 2023).

Additionally, rising research from around the world has advocated for the need of considering housing adequacy considerations in the building of affordable homes. Furthermore, according to research, affordable housing with an emphasis on sustainability starts when concerns regarding housing adequacy, also known as sustainability elements, are addressed. Research went on to say that if effective communities and housing for all people are to be imagined, both affordability and environmental challenges must be addressed together. Affordable homes are kind of dwelling that can address the housing needs of unprivileged households globally by incorporating the elements of affordability and sustainability (Ibem and Azuh, 2011). According to the research, the approach can result in an enhanced supply of infrastructure and facilities for countries and an 80% reduction in building energy use. Likewise, research has suggested that with sustainable affordable houses, some type of stability between human activity and nature may be reached without negatively affecting future generations' cultural, economic, and ecological system however it has been stated

that Nigeria as well as other African nations have not adopted the notion of sustainable affordable homes in the housing supply. According to many studies, development and studies focusing on the concept of sufficient sustainable affordable housing for people are minimal, and they are in early phases in some developing countries where they do exist (Adedeji, Deveci and Salman, 2023).

The performance of the housing sector is one of the yardsticks by which the health of a nation is measured. This indicates that housing serves as a key indicator for assessing the quality of life among the population and reflects broader economic and social development. A nation's overall well-being and economic progress cannot be realized without clear government policies aimed at ensuring adequate housing for its citizens. Thus, it is essential for the government to collaborate with the private sector and other relevant stakeholders to provide affordable housing options for the community (Moore, 2019). Housing scarcity represents a global issue, affecting countries in various ways, but it is particularly pronounced in developing economies like Nigeria. This challenge stems from several factors, including a significant shortage of homes to accommodate the growing global population, insufficient funding and investment in the housing sector from both government and private entities, escalating land acquisition costs, construction expenses, and a lack of clear governmental policy direction.

Studies have shown that housing scarcity has significant impact on rental values, leading to increased cost for tenants and potential decreases in quality of life. In Anambra State, Ifite, Awka South specifically, housing scarcity is a major challenge with over 70% of the population living in rented accommodation. In this study, the strategies for mitigating housing scarcity in Ifite, Awka South, Anambra State, will be explored and analyze under the social environmental economic technological and institutional frameworks to identify sustainable solution for addressing the housing shortage.

Statement of the Problem

The housing market in Ifite-Awka Anambra State, is currently facing a significant scarcity of adequate housing, which has led to pronounced fluctuations in rental values. This scarcity is driven by various factors, including rapid urbanization, population growth, and inadequate housing policies that fail to meet the needs of the growing population. As a result, many residents in Ifite are experiencing increased rental costs, which disproportionately affect low and middle income families. When landlords rent housing units, they consider recent inflation rates as well as expected inflation rates over the terms of rental contracts. In urban centers, "more than 90% of residents patronize privately owned properties, thereby heating up the demand side" (Chiwuzie, Dabara, Omotehinshe, Mbagwu and Aiyepada, 2021). They increase rents to meet their inflation expectations. For instance, in the year 2022, rental valued

houses in Ifite Awka cost between ₦120,000- ₦170,000 per self-contained building and presently, such buildings now cost between ₦200,000- ₦350,000.

Previous studies have examined the relationship between housing supply and rental values in different regions, there is a lack of focused research on how housing scarcity specifically impacts rental prices in Ifite-Awka. This knowledge gap hinders stakeholders including policymakers, real estate developers, and residents from making informed decisions regarding housing investments and policy formulation. Furthermore the ongoing housing crisis contributes to social issues such as overcrowding and the emergence of informal settlements, exacerbating living conditions for many residents. Therefore, this study aims to analyze the impact of housing scarcity on rental values in Ifite to provide insights that can inform effective housing policies and strategies aimed at alleviating the current crisis.

Research Hypothesis

H_0: There are no significant impacts of housing scarcity that affect rental values in Ifite Awka.

2.0 LITERATURE REVIEW

Housing Demand

Housing demand refers to the quantity of housing units that individuals or households are willing and able to purchase or rent at a given time, influenced by factors like income, interest rates, and population growth. A surge in housing demand typically leads to increased property values and rent prices, particularly in urban areas where space is limited. Understanding housing demand helps policymakers and developers plan for sustainable growth and address affordability issues efficiently. According to Ellen and McCabe's (2021), they effectively illustrates the complex interplay between economic factors, policy decisions, and demographic characteristics in shaping housing demand within urban environments. Their findings underscore the importance of addressing systemic inequalities in housing markets through thoughtful policy interventions aimed at improving affordability and accessibility for all demographic groups, they also highlight that racial minorities often encounter significant obstacles when trying to access affordable housing and these systemic barriers can take many forms, including discriminatory lending practices that deny or limit financial opportunities, and restricted access to information about available housing options, making it difficult for individuals to make informed decisions. This work serves as a crucial resource for understanding the multifaceted nature of the housing crisis and its implications for urban inequality. Urban migration is identified as a key driver of housing demand in major cities, as people seek employment opportunities, affordable housing demand surges, resulting in overcrowding and informal settlements (Jiboye, Adebayo and Obakin, 2020).

Factors Influencing Housing Demand

i. Income Levels: Higher income typically increases housing demand, as individuals can afford better housing options. Income

serves as a fundamental determinant of demand across various markets, including housing. This assertion is grounded in economic theory, which suggests that as individuals' incomes increase, their capacity to purchase goods and services, including housing, also rises. This relationship underscores the concept of demand elasticity in relation to changes in income, particularly within the housing sector. This highlight that housing demand is often income-elastic, meaning that when incomes rise, the increase in housing demand can outpace the percentage increase in income itself. They illustrate this idea by noting that households with higher incomes not only have the financial means to afford more expensive homes but also tend to pursue higher-quality housing options and more desirable locations (Mankiw and Taylor, 2014).

ii. Demographics: Demographic shifts, combined with income levels, significantly influence both quantity and quality of housing demand. Younger generations often prioritize modern amenities, energy efficiency, and access to public transportation, while older adults typically prefer quieter neighborhoods with nearby healthcare facilities. Recognizing these preferences is essential for developers and policymakers seeking to meet the changing needs of diverse populations (Kearney and Liu, 2021). Understanding demographic shifts is crucial for predicting changes in the housing market. As population dynamics change, they can cause notable variations in demand, affecting both housing prices and the kinds of properties that are desired (Chen and Miller, 2023).

iii. Economic Conditions: In the context of housing demand, economic factors such as employment rates and income levels significantly influence purchasing power. When employment rates rise, more individuals and families achieve financial stability, enabling them to consider buying homes or improving their living conditions. Typically, higher employment levels are associated with increased disposable income, which boosts people's capacity to save for down payments and fulfill mortgage responsibilities. This also highlights that strong economic conditions contribute to a more active housing market, whereas economic downturns can lead to substantial drops in demand, impacting prices and inventory levels (McDonald and Stokes, 2022). A comprehensive analysis of how economic variables shape housing demand highlight the interplay between interest rates, employment growth, and income levels. It demonstrates the direct correlation between economic conditions and housing demand, offering valuable insights for policymakers and industry stakeholders (Zentner, 2021).

iv. Interest Rate: Fluctuations in interest rates can directly influence housing demand by altering the financial landscape for prospective buyers. Lower rates not only reduce monthly mortgage payments but also enable buyers to qualify for larger loans, thereby expanding their purchasing options. As a result, when interest rates are low, the housing market typically experiences increased activity, leading to higher sales volumes and potentially rising home prices due to heightened competition among buyers (Williams, 2023).

v. Tax Incentives: This can promote housing development, especially in underserved areas. By easing the financial pressures on developers, these incentives foster the creation of affordable housing, but if not managed properly, they might unintentionally contribute to gentrification (Johnson, 2023).

vi. Supply Constraints: This highlight how limited housing inventory, often worsened by zoning regulations and construction delays, which can create heightened demand pressure in housing markets. This situation exemplifies a classic imbalance between supply and demand, where regulatory or logistical challenges restrict supply, leading to increased prices and worsening affordability issues (Lee and Zhao's, 2023).

vii. Consumers Preference: Consumer preferences play a crucial role in shaping housing demand, with the choice between urban and suburban living being a significant factor. As preferences shift, they substantially influence housing markets, leading to changes in demand patterns. For example, an increasing desire for urban living can drive up demand for city-center housing, while a preference for suburban lifestyles can lead to increased demand for homes in outlying areas. These trends have a ripple effect on property values, construction patterns, and regional development strategies, ultimately reshaping the housing landscape (Thompson, 2023).

viii. Cultural Factors: The impact of cultural factors on housing demand, particularly regarding societal attitudes toward homeownership versus renting. It highlights that in cultures where homeownership is regarded as a significant milestone of financial success and stability, there tends to be a higher demand for purchasing homes. In societies or demographic groups that view renting as a more flexible or financially sensible option, rental markets may experience increased demand (Patel, 2022).

Housing Supply

Housing supply refers to the total number of residential units available to meet the population's needs. This concept highlights not only the quantity of housing but also its suitability for the demographic it serves. Rising costs of building materials and labor have a direct effect on the affordability and availability of new homes. For example, price fluctuations in essential materials like cement can significantly increase overall construction costs. The responsiveness of housing supply to changes in demand differs significantly among various markets. Many areas show low supply elasticity, indicating that supply does not rise in line with increasing demand. This results in ongoing shortages and upward pressure on prices (Gyourko and Molloy, 2014). Economic and social factors that influence housing supply, highlight the significant impact that the quantity of available housing units has on affordability and accessibility for residents. It posits that a successful housing supply strategy must consider the unique conditions of local markets and the regulatory frameworks that oversee them. By grasping these dynamics, stakeholders can more effectively tackle the challenges related to housing availability (Eze and Umeokafor, 2023).

Factors Influencing Housing Supply

Housing supply is influenced by a variety of factors that can be broadly categorized into economic, regulatory, and demographic elements. Here's a detailed overview of these factors, along with their sources.

- **Economic Factors**

i. Cost of Production

The expenses tied to constructing new homes, including labor, materials, and land acquisition, have a significant impact on housing supply. Elevated construction costs discourage builders from starting new projects, worsening Nigeria's housing shortage. This points out that the rising costs of building materials and labor have driven up housing prices, making it harder for developers to offer affordable housing (Ojo and Olaniyan, 2023).

ii. Interest Rates

Changes in interest rates directly affect mortgage affordability. When interest rates rise, the purchasing power of potential homebuyers decreases, leading to a drop in housing demand and influencing builders' decisions on new developments. Studies show that Nigeria's high-interest rate environment has made mortgage financing less attainable, further limiting the housing supply (Adeyemi and Owoeye, 2022).

iii. Economic Growth

Economic growth is a key factor in shaping housing supply, especially in Nigeria's evolving market. As the economy grows, demand for housing typically rises, fueled by factors like increasing incomes, urbanization, and population growth. However, this relationship is intricate, as economic fluctuations can also introduce significant challenges to housing supply (Ezeani and Nwogbaga, 2023).

- **Regulatory Factors**

i. Zoning Regulations and Planning Restrictions

Local zoning laws and planning permissions significantly influence where and how new housing is developed. These regulations are vital for local governments to guide urban growth, preserve community character, and ensure public safety. However, stringent rules can restrict the availability of land for development, thereby limiting housing supply. The complexity of these regulations often causes delays in the construction process and poses challenges for initiating new housing projects (Oluwafemi and Alabi, 2022).

iii. Government Policies

Government taxation policies and subsidies are key factors in either promoting or hindering new construction projects. Higher taxes on property developers can slow down the pace of housing developments, affecting overall supply. The complexity of the tax system, including taxes like Value Added Tax (VAT), capital gains tax, and property taxes, greatly impacts the financial feasibility of housing projects (Uchegbu and Ezeani, 2023).

- **Demography Factors**

i. Population Growth and Migrations Pattern

Population growth and migration trends are vital factors affecting housing supply, especially in rapidly urbanizing nations like Nigeria. As the population grows, the demand for housing units rises, driven by both the need for shelter and the aspiration for better living conditions. This situation is further intensified by rural-to-urban migration, as individuals relocate to cities seeking improved economic opportunities, education, and healthcare. The interaction of these dynamics underscores the urgent need for sufficient housing solutions (Okeke and Ibeawuchi, 2023).

ii. Consumer Confidence

This is a significant factor influencing housing supply, particularly in Nigeria's evolving real estate market. It indicates how consumers feel about their financial stability and the economic landscape, which in turn affects their readiness to invest in real estate. This usually results in greater demand for housing, whereas low confidence can decrease it. This relationship is vital for comprehending the ups and downs of the housing market, as consumer sentiment often serves as an indicator of future housing demand and investment trends (Nwankwo and Nwosu, 2023)

Concept of Housing Scarcity

Housing scarcity is a pervasive and pressing global concern, affecting millions of individuals, communities and economies worldwide. It is also referred to as the number of uninhabitable shelters plus the units needed to house families currently living in overcrowded conditions (Aidelokhai *et al.,* 2022). Collins English Dictionary defines housing scarcity as a deficiency or lack in the number of houses needed to accommodate the population of an area. The far-reaching consequences of housing scarcity necessitate a comprehensive examination of its impact on various facets of society. Housing in Nigeria has been found to be inadequate, indecent, substandard and lacking of basic services and infrastructure both from the qualitative and quantitative standpoint, thereby impacting upon the socio-economic, cultural and health life of the citizens (Omole, 2010). The relationship between house prices and income is crucial for urban and regional development, as well as the overall economy, due to its impact on several key factors. Specifically, the income elasticity of house prices influences housing affordability, while regional variations in elasticity affect regional growth, with higher long-term elasticity of prices relative to income exerting a greater counterforce on regional growth. Furthermore, this relationship is expected to have far-reaching consequences, including effects on household consumption levels, consumption inequality, savings rates, and perceived financial well-being (Oikarinen *et al.,* 2023). Collins English Dictionary defines housing scarcity as a deficiency or lack in the number of houses needed to accommodate the population of an area. One basic principle of housing development is that if left unattended for a couple of years, it leads to housing deficit, and the more it is ignored

the more the situation worsens. Nigeria's growing population exacerbates the gap between available housing and demand. Housing scarcity follows economic principles: when supply falls short of demand, scarcity occur, government commitment to matching housing supply with population growth and addressing existing shortfalls is crucial.

2.2.1 Urban Sprawl

Urban sprawl refers to the uncontrolled expansion of urban areas into previously undeveloped land, characterized by low-density residential housing and a separation of residential, commercial, and industrial zones. It is also considered as a by-product of urbanization. Globally, cities are viewed as key drivers of economic development, benefiting not only the urban areas themselves but also the surrounding rural regions (UN-Habitat, 2004).

Population growth is the key factor driving urban sprawl. As cities continues to attract residents, the increasing demand for housing and services causes unregulated expansion into nearby areas. This uncontrolled growth harms biodiversity, leading to habitat destruction and ecological disruption, highlighting the significant environmental consequences of rapid urbanization (Aniekwe and Igu, 2019).

According to Okeke (2016), urban sprawl can also be referred to as "uncoordinated growth," where urban areas expand without adequate planning, frequently overlooking environmental consequences. The author highlights various problems stemming from rapid urbanization, such as the rise of slums and insufficient infrastructure, which worsen socio-economic and environmental challenges in Nigerian cities. To address these issues, she advocates for sustainable planning strategies that can manage and contain urban sprawl, with a focus on improving infrastructure, addressing slum development, and ensuring more coordinated urban growth.

Housing Crises

Housing crisis is a multifaceted issue that refers to acute problems in the provision and market for shelter, characterized by shortages, affordability challenges, and inadequate housing conditions. Ndukwe (2019), examines the shortcomings of Nigeria's housing policies and their impact on sustainable development. She argues that ineffective policy design and execution have worsened the housing crisis, significantly affecting the quality of life and hindering overall progress. Ndukwe points out that the failure to adequately address the housing needs of low-income populations has been a key factor in this issue, thereby impeding the achievement of Sustainable Development Goal 3, which focuses on promoting health and well-being for all. Akeju (2007), highlights economic factors as a major obstacle to affordable housing, citing rising construction costs, inflation, and limited access to financing as key contributors to the housing affordability crisis. He explains that the lack of affordable credit options makes it difficult for low and middle income families to obtain housing. This underscores the effects of rapid urbanization, which has increased demand for housing in urban areas. As cities expand and populations

grow, the existing housing supply becomes inadequate, leading to overcrowding and the spread of informal settlements or slums. And current housing policies, fails to meet the needs of low-income groups.

Adequate Housing

Adequate housing encompasses a safe, habitable, and conducive living environment that promotes physical and mental well-being, economic stability, social harmony, and cultural growth for individuals, households, and communities. According to Okeyinka (2015), adequate housing must provide sufficient space, protection from environmental elements, and ensure inhabitants' safety and security. The right to adequate housing is recognized as a fundamental human right by the 1948 Universal Declaration of Human Rights and the 1966 International Covenant on Economic, Social, and Cultural Rights, to which Nigeria is a signatory. This right encompasses protection from forced eviction, respect for home and privacy, and access to essential services and infrastructure. To meet minimum standards, adequate housing must satisfy seven conditions: Security of tenure, affordability**,** habitability, accessibility, suitable location, cultural adequacy, availability of services, materials, infrastructure, and facilities. Despite international and local recognition, millions of Nigerians lack adequate housing, living in overcrowded slums, informal settlements, or without shelter. To address this, increased government attention and budgetary allocation for affordable housing are crucial, supplemented by private sector investment and humanitarian efforts. Adequate housing is closely linked to socio-economic development by generating employment opportunities, fostering industrial growth, and creating pathways for lower-income groups to improve their career prospects and escape poverty (Gupta, 2022). Adequate housing has always been one of man's basic needs and a significant component for human survival which could serve as a useful barometer for gauging societal development. (Emiedafe, 2025).

Rent

The term "rent" generally denotes the payment a tenant makes to a landlord for the use of property, typically real estate. However, it can also have a broader economic connotation, referred to as "economic rent," which represents payments made to a factor of production that exceed the minimum required to maintain its current utilization. In other words, economic rent encompasses payments above the optimal amount needed to keep a resource in its present use. Economic rent defined as the surplus payment for the use of land or resources, can be harnessed to combat poverty in the country. By efficiently capturing and redistributing these economic rents from natural resources, the government can fund social programs designed to enhance the living conditions of the poor (Folorunsho, 2023).

Rental Values

Rental value is the fair market value of property while rented out in a lease. Land rent is a multifaceted concept with varying definitions across disciplines. In economics, it refers to the payment for land as a factor of production. In estate management and

property markets, rent is the periodic payment from tenant to landlord for land or land and building use, acknowledging the landlord's superior interest. The Appraisal Institute (2001) defines rent as periodic income from investment properties, accruing monthly, annually, or as agreed upon. The land market model highlight's location, accessibility, and transportation ease as key factors influencing land rent and use. Within cities, competing activities vie for land, willing to pay specific prices to occupy it (Chikwendu and Onyejiaka, 2023).

2.3.1 Factors Influencing Rental Values in Housing

The rental market is constantly changing due to several factors that affects the pricing of any rental property which and these factors includes;

- **Location:** This is the most important factor affecting rental rates for a house or an investment property and real estate in general. The location of a property will immediately establish a baseline rental rate, tenant expectation, overall demand and target market. The proximity of a property to amenities and commercial hubs significantly influences rental values, as properties located near desirable amenities, public transportation, and thriving commercial centers tend to command higher rents due to their convenience, accessibility, and quality of life.

- **Size of Home:** Large properties typically cost more. Rents will generally correlate with the number of bedrooms offered in each rental unit. What this means is – in most circumstances – a similar 1 bedroom will lease for less than a 2 bedroom in the same market or a 2 bedroom will rent for less than a 3 bedroom and so on. Within each market there is a range of typical rent amounts you can expect for each unit size. Having an extra bathroom, more square footage or other amenities that other units do not offer will normally increase the amount of rent you can expect to receive. For example, an extra bathroom can add ₦120,000-N350,000/year to the rental rates in most markets we serve.

- **Age and Condition of the Building:** New well-maintained properties, commands higher rent. An attractive property will attract more and better tenants. A property that looks run-down and neglected will have longer days on market and probably lease for less than a similar one that is well-maintained.

- **Appliances and Other Amenities:** Facilities like road accessibility, security, water supply, electricity, parking space, gym, pool etc. can affect rental price of housing property. Each rental market and submarket will have baseline tenant expectations for what is generally included with rent or what the tenant preferences are for the market. Two factors which tenants frequently ask about are water supply and electricity. The more amenities your property has the more you can expect in rent. However, some amenities are very

common in certain areas and if you don't have them, it can hurt your rental rates.

- **Furnishing and Floor Level:** Fully furnished apartments cost more than semi-furnished and unfinished ones. In terms of floor levels, higher floors often have higher rent due to better views and less noise.

- **Demand and Supply:** High demand and limited supply increases rental prices. The balance between available properties and prospective tenants affects rental prices; High Demand, Low Supply: in areas where the demand for rental properties outstrips supply, landlords can charge higher rents. Low Demand, High Supply: In areas where there's a glut of available properties and fewer renters, landlords might need to lower rents to attract tenants.

2.4 Overview of the Impact of Housing Scarcity on Rental Values in Ifite Awka, Anambra State

Housing scarcity has a profound impact on rental values, leading to increased demand, higher rents, reduced vacancies, and increased competition among tenants, ultimately resulting in higher rental values and a market imbalance that favors landlords and puts pressure on tenants, potentially pricing out low- and moderate-income renters. Various studies have been carried out on amenities that influence house value. For instance, findings from the empirical results indicates that average house price in various neighborhoods have significance differences and also revealed that impact of house characteristics on average house price varies between neighborhoods. Due to the high demand for housing and limited supply, many existing rental properties are in a state of disrepair. Landlords may lack the financial resources or incentive to maintain or upgrade their properties, leading to a prevalence of dilapidated housing. This situation is particularly evident in urban areas where the existing housing stock is often inadequate to meet the needs of the growing population (Ugonabo and Emoh, 2013).

Many residential layouts developed by the government or private entities in Anambra State especially in Ifite Awka South area suffer from inadequate infrastructure, such as poor access to roads, drainage systems, and essential services like electricity and water supply. This lack of basic amenities not only diminishes the quality of life for tenants but also affects the overall desirability of rental properties. As a result, potential renters may find themselves in substandard living conditions, which can lead to health and safety issues (Keke, Emoh and Ogunsina, 2016). The combination of high rents and poor-quality housing can lead to significant challenges for tenants, including increased stress and reduced overall well-being. Many residents in Anambra State, particularly those in lower-income brackets, struggle to find decent housing, which can lead to overcrowding and increased vulnerability to health issues. The lack of adequate housing options forces many to live in environments that do not

meet their basic needs (Madueke, 2023). As housing becomes scarcer, landlords often raise rents, even for properties that are poorly maintained. Tenants may have no choice but to accept these higher rents for substandard housing due to the lack of available alternatives. This dynamic creates a market where low-quality rental properties command high prices, further exacerbating the affordability crisis in the region (Okafor, 2016).

3.0 RESEARCH METHODOLOGY

Population of the Study

According to Wikipedia (2022), the population of Ifite Awka is 430,200. Using population projection formula [Pt=Po (1+r) ^t] the population of the study is calculated to be 464,616.

Sampling Size

A sample size of 400 was randomly selected from residential main district in Ifite Awka South. The sample size was determined using Taro Yamene formula: $n = \frac{N}{1+N(e)2}$

Where:
n = *Required Sample size*
N = Population of the Study
1 = Constant
e = Sampling error estimated at 0.08
Therefore: n= 464,616/ (1+464,616*0.05^2)
n= 464,616/(1+464,616*0.0025)
n= 464,616/1162.54
n= 400.
In the choice of the population for this study, simple random sampling technique was used. The technique provides each individual with an equal and independent chance of being selected or included in the sample.

4.0 DATA PRESENTATION AND ANALYSIS

This chapter presents data collected from the distributed questionnaires, which was analyzed to meet the study's objectives. The findings are displayed using frequency tables, pie chart, percentage and mean.

Discussion and Analysis of Result

The research questions were answered through the use of descriptive statistics to determine the frequencies and mean responses from the well–structured questionnaire. The Likert scale used in the research questions was structured as follows: strongly disagree (SD=1), disagree (D=2), undecided (UN=3), agree (A=4), and strongly agree (SA=5), from which a mean cutoff point was calculated as follows:

$$\bar{x} = \frac{1+2+3+4+5}{5} = \frac{15}{5} = 3.0$$

From the cutoff point, any issue whose mean response is 3.0 is regarded as agree while those with mean responses less than 3.0 are regarded as disagree.

Research Question One: Is there housing scarcity in Ifite Awka between 2022 and 2024?

Table 4: Housing scarcity in Ifite Awka from 2022 to 2024

S/N	Item	1	2	3	4	5	Mean	Remark
1	There are sufficient housing units available in Ifite Awka	42	93	84	114	27	2.97	Disagree
2	The demand for housing in Ifite Awka has increased significantly between 2022-2024	0	3	24	189	144	4.32	Agree
3	Housing in Ifite Awka is affordable for the average resident	66	153	39	96	6	2.51	Disagree
4	There are sufficient rental housing options available in Ifite Awka	24	141	51	117	27	2.95	Disagree
5	The growing population in Ifite Awka has contributed significantly to housing scarcity	0	15	27	198	120	4.18	Agree
6	Housing scarcity has significantly impacted the quality of life in Ifite Awka	3	36	48	207	66	3.83	Agree

From table 4, the following can be concluded:

According to the response from the respondent in table 4, they disagreed that there are sufficient housing unit available in Ifite Awka with a weighted mean of 2.97 which clearly means there are insufficient housing unit in Ifite Awka. From the response the respondent agreed with a mean of 4.32 being the most agreed, that there is sufficiently an increase demand of housing from 2022-2024. From the data gotten the respondent with a mean of 2.51 disagreed that there is affordable housing for average residents. From the data the respondent disagree with a mean of 2.95 that there are insufficient rental housing options available in Ifite Awka. From the response with a mean of 4.18 being the second highest the respondent agreed that the growing population in Ifite has contributed significantly to housing scarcity. From the data gotten from the respondent with a mean of 3.83 agreed that housing scarcity has significantly impacted the quality of life in Ifite Awka. So therefore this implies that there is housing scarcity in Ifite Awka from 2022 to 2024.

Research Question Two: What are the factors influencing housing scarcity in Ifite Awka?

Table 5: Factors influencing housing scarcity in Ifite Awka

S/N	Item	1	2	3	4	5	Mean	Remark
1	Population growth has contributed significantly to housing scarcity in Ifite Awka	0	9	15	225	111	4.22	Agree
2	Urbanization has led to an increase in demand for housing, resulting in scarcity	0	18	30	210	102	4.10	Agree
3	Inflation has increased the cost of housing construction and reduced the availability of affordable housing options in Ifite Awka	0	9	9	183	159	4.37	Agree
4	Infrastructure development has not kept pace with housing demand, contributing to scarcity	3	15	39	222	81	4.01	Agree
5	Environmental factors such as flooding, bad roads, pollution, soil erosion has impacted housing availability in Ifite Awka	12	45	51	138	114	3.83	Agree

Source: Field Survey, 2024

The respondents agree that the following are factors influencing housing scarcity in Ifite Awka:

a. **Population growth** has contributed significantly to housing scarcity in Ifite Awka
b. **Urbanization** has led to an increase in demand for housing, resulting in scarcity
c. **Inflation** has increased the cost of housing construction and reduced the availability of affordable housing options in Ifite Awka
d. **Infrastructure development** has not kept pace with housing demand, contributing to scarcity
e. **Environmental factors** such as flooding, bad roads, pollution, soil erosion has impacted housing availability in Ifite Awka

Research Question Three: How do the impacts of housing scarcity affect rental values?

Table 6: How the impacts of housing scarcity affect rental values

S/N	Item	1	2	3	4	5	Mean	Remark
1	Housing scarcity has led to increased rental price in Ifite Awka	3	9	15	189	144	4.28	Agree
2	Housing scarcity has led to longer duration as tenants are less likely	0	18	21	198	123	4.18	Agree

	to move							
3	Housing scarcity has reduced the availability of rental units in Ifite Awka	0	18	36	231	75	4.01	Agree
4	Housing scarcity has increased demand for shared accommodation in Ifite Awka	0	18	18	186	138	4.23	Agree
5	Housing scarcity has led to changes in the rental agreements such as shorter notice periods or stricter terms	3	18	57	192	90	3.97	Agree
6	Housing scarcity has disproportionally affected low income households, making it harder for them to find affordable rental options	3	9	24	213	111	4.17	Agree

Source: Field Survey, 2024

From table 6, the above shows that the impacts of housing scarcity affect rental values in the following ways:

a. increased rental price in Ifite Awka,
b. increased demand for shared accommodation in Ifite Awka,
c. longer duration as tenants are less likely to move,
d. disproportionally affected low income households, making it harder for them to find affordable rental options.
e. reduction in the availability of rental units in Ifite Awka, and
f. changes in the rental agreements such as shorter notice periods or stricter terms.

Research Question Four: What policy recommendations can be made to address housing scarcity and its impact on rental values?

Table 7: Policy recommendations that can be made to address housing scarcity and its impact on rental values.

S/N	Item	1	2	3	4	5	Mean	Remark
1	Implementing rent control measures would help mitigate the impact of housing scarcity on rental values	0	12	33	252	63	4.02	Agree
2	Encouraging private sector	0	12	63	195	90	4.01	Agree

	investment in housing development would help address scarcity							
3	Improving infrastructure and amenities would make Ifite Awka more attractive, increasing housing demand	0	6	27	219	108	4.19	Agree
4	Prioritizing housing development in area with proximity to amenities (e.g., Schools, workplace, healthcare, transportation) would increase demand	0	3	18	240	99	4.21	Agree
5	Addressing insecurity concerns (e.g. crime, safety) would make Ifite Awka more attractive for housing development	0	3	15	192	150	4.36	Agree

The policy recommendations suggested by the respondents that can be made to address housing scarcity and its impact on rental values in Ifite Awka are

a. **Implementing rent control measures** would help mitigate the impact of housing scarcity on rental values,
b. **Encouraging private sector investment** in housing development would help address scarcity,
c. **Improving infrastructure and amenities** would make Ifite Awka more attractive, increasing housing demand
d. **Prioritizing housing development** in area with proximity to amenities (e.g., Schools, workplace, healthcare, transportation) would increase demand, and
e. **Addressing insecurity concerns** (e.g. crime, safety) would make Ifite Awka more attractive for housing development.

Test of Hypothesis

Hypothesis: There are no significant impacts of housing scarcity that affect rental values in Ifite Awka.

Statistical Tool Used: One sample t–test.

Degree of freedom: 359

Reason for the choice of Tool: Set of observations was compared.

Decision Rule: Accept the null hypothesis if the p–value is greater than or equal to 0.05, otherwise reject it.

Table 8.1: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Impacts of housing scarcity that affect rental values in Ifite Awka	360	4.1403	.49463	.02607

Source: Researcher's Statistical Computation, 2024

Table 8.2: One-Sample Test

	Test Value = 3.0					
					95% Confidence Interval of the Difference	
	t	Df	Sig. (2-tailed)	Mean Difference	Lower	Upper
Impacts of housing scarcity that affect rental values in Ifite Awka	43.740	359	.000	1.14028	1.0890	1.1915

Source: Statistical Computation, 2024

From table 8b, it can be seen that the p–value is 0.000, which is less than 0.05. It thus implies that are significant impacts of housing scarcity that affect rental values in Ifite Awka. That is, the impacts identified using research question three are significant.

5.0 CONCLUSION

The analysis concludes that the housing scarcity in Ifite, Awka has no significant impacts on rental values by driving them up beyond the reach of many residents. From the observation of the data gotten from the respondent shows that housing scarcity has led to increase in rental price with a mean of 4.28 and has increased demand of shared accommodation with a mean of 4.23 gotten from the response of the respondents. This situation necessitates urgent intervention from government authorities and stakeholders to develop affordable housing solutions and implement policies aimed at increasing the availability of quality housing. Addressing these challenges is critical not only for improving living conditions but also for fostering economic stability and social cohesion of the people in Ifite.

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