Chapter 8: Home Ownership Challenges in Zimbabwe: Experiences of Households, Banks and Local Authorities

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8.1 Chapter Summary

Home ownership is the keystone of wealth and social security. A society's success is measured by its ability to provide housing to its poorest members. This study analyses the extent to which Zimbabweans are adequately housed using existing funding and housing finance facilities. The primary objective of the study was to explore the extent to which the urban poor are facilitated in acquiring adequate housing by the Government of Zimbabwe. The research design used was triangulation. Questionnaires and key interview guides were the research instruments used. Key findings of the research revealed that the Government of Zimbabwe does not assist its citizens in ensuring adequate housing and that more than 90% of first-time homeowners use developer and savings to acquire land or housing. The research also discovered that 70% of the population could afford to purchase only vacant land and not complete structures. The study recommends use of community-based self-help mechanisms by home-seekers and for the authorities to update policies on the housing value chain to improve on housing delivery.

8.2 INTRODUCTION

The 21st century has revolutionised in all aspects of life. Technology has changed the way we live our lives, and what to expect out of it. Medical care and treatment have drastically improved, and we find ourselves in an era where infant mortality is at its best, or worst, life expectancy has improved and everybody, at least the economically active, wants to live in the city. As we celebrate these successes, there are social challenges that continue to manifest in our societies, and one of those is the provision of affordable and adequate housing to all urbanites of the earth.

Adequate housing is a fundamental human right. Noted world organisations such as the United Nations (UN) and the World Bank are collectively challenging social ills to influence provision of affordable and adequate housing to member states. The UN crafted two development goals that aim at changing the current housing crisis, with the Millennium Development Goal 7 (MDG-7) aiming at environmental sustainability and, Sustainable Development Goal 11 (SDG-11), which seeks to achieve sustainable cities and communities around the globe. This is a more short-term goal, well defined and impactful measure that could be used to influence affordable housing.

For most Zimbabweans, the 'dream home' is a brick walled house supporting roofing sheets comprising at least two bedrooms, sitting room, kitchen and bathroom, a boundary

walled with a small garden, sitting on a 200m^2 plot. Though it may sound as humble as a starter home, to most, a third of urban dwellers, it is mere fantasy. Owing to the economic and political environment of Zimbabwe, the ever-increasing costs of home acquisition or development in comparison to average income, the dream continues to be elusive.

Researchers at the UN-Habitat, Shelter Afrique and the AfDB (African Development Bank), among others, believe that we are *'at the dawn of a new era'* where an estimated 66% of the world population will be living urban towns and cities by the year 2030. We are, therefore, existing at the age of "unprecedented, rapid, irreversible urbanisation" (UN-Habitat, 2020). The fasted growing cities are in developing countries and their rapid growing neighbourhoods are slums. The total population of slum dwellers is estimated to have hit the one billion mark, about 13% of the world's population (World Bank, 2019). And this is a ticking time bomb. Rapid urbanisation and relatively slow economic growth, or decline in other economies, has led to high urban poverty rates, overcrowding, rapid growth of slums and substandard housing existing in precincts with no roads, sewer, water or electrical infrastructure. Housing provision and housing finance encompass challenging policy matters. Welfare, political and economic interests overlap and collude (Pischke and Kohn, 2011). Results of non-existent and poor government policies can have great influence, impacting

the housing market at both national and international level, as seen in the subprime mortgage bubble that originated in the USA that triggered the Global Financial Crisis (GFC).

Understanding housing as a fundamental need is quite simple. Adequate housing is among the most essential human physiological needs as portrayed by the Maslow's hierarchy of needs, everybody needs shelter. Contrary to other physiological needs such as air, water, reproduction and sleep, acquiring adequate housing and housing amenities requires significant financial sacrifice which is beyond the reach of the urban poor. Added to housing being a visible dimension of affluence and poverty, the World Bank substantiates housing as representing most of the wealth available for distribution among the poor in developing countries, accounting for an estimated 80% wealth among the socio-economic group in subject. "Housing finance brings together complex and multi-sector issues that are driven by constantly changing local features, such as a country's legal environment or culture, economic makeup, regulatory environment, or political system" (Chiquier and Lea, 2009).

Boleat (1985) describes the purpose of housing finance systems as the means through which home buyers are funded. Funding housing is noble, but its impact is limited, particularly in a low-income country such as Zimbabwe. Nevertheless, the rudimentary simplicity, in countries such as South Africa and

United Kingdom, due to government action, complex housing finance systems have been established to accommodate the growing demand for housing. Financial systems have been developed to channel investor funds to those seeking to acquire homes (*ibid.*). The demand for housing, measured by local governments' waiting lists, particularly in developing countries, is live and growing, but its effectiveness will be achieved only by the economic systems ability to convert investor funds into mortgage products at low risk and acceptable profits.

At present, Africa is the least urbanised continent accommodating only 11.3% of the urban world's population, but with the anticipated revolution, the UN-Habitat (2014) projected a 58% urbanisation rate in Africa in the next 20 years. By the year 2030, researchers at the World Bank, the UN-Habitat and the International Monetary Fund (IMF) institutions, among others, estimate that three billion people will need new housing in cities worldwide. This substantiates the need for Zimbabwe and other developing countries to develop strategies inclusive of the urban poor to cater for the projected future demand of housing as well as to reduce the population of slum dwellers in urban areas. The concept of housing finance is fundamental to Zimbabwean cities combating the challenges they currently face as illustrated in Figure 8.1 showing an increase in slum dwellers over the past 30 years.
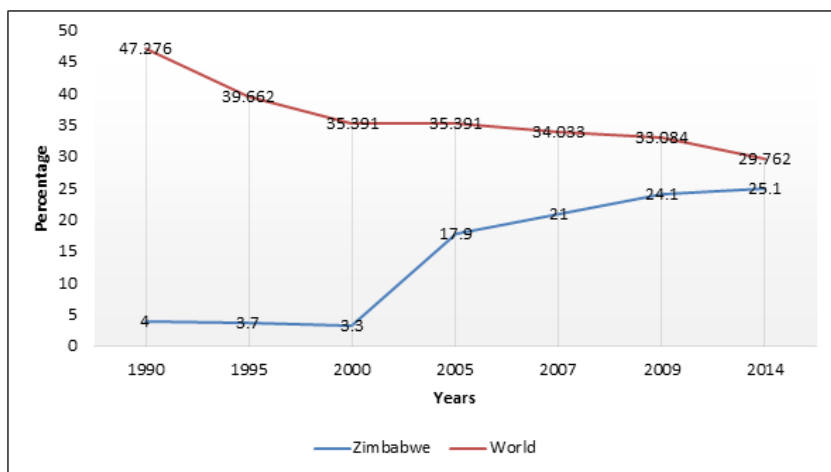
Figure 8.1: *Percentage of Population living in Slums* (World Bank, 2014)

As indicated in Figure 8.1, urban cities in Zimbabwe have proved to lack adequate housing, demonstrated by substantially large and an increasing number of people living in slums, overcrowding and informal housing conditions as well as the growing demand for affordable housing represented by local government's housing waiting lists in all major cities. In 2019, Zimbabwe had a population of approximately 14 million people, with a 32.21% urban population (ZimSTAT, 2020). In the year 2014, an estimated 25% of the urban population lived in slums which is an exponential increase from 4% in 1990 as shown in Figure 8.1 and will likely increase within the coming years if no corrective and proactive measures are taken by the government to minimise slum population and increase the affordable housing stock. Such an increase indicates inadequacy and maladministration in major, if not all, aspects along the housing

value chain. This is regression in an era where the world average is gradually falling. This requires a paradigm shift in the way Zimbabwe policies manage housing needs for its urban dwellers.

ZIMBABWE STATISTICAL HIGHLIGHTS

GEOGRAPHIC COORDINATES	- 20 00 S, 30 00 E
TOTAL AREA	- 390,580 SQ KM, LAND 386,670 AND WATER 3,910 SQ KM
POPULATION	- 14 MILLION (2019 EST)
GDP	- US$19.2BLN (2018 EST)
GDP PER CAPITA	- US$1510.80
FISCAL YEAR	- CALENDAR YEAR
MAIN ECONOMIC ACTIVITIES	- MINING, AGRICULTURE AND TOURISM
UNEMPLOYMENT RATE	- 80%
POPULATION BELOW POVERTY LINE	- 68%

MAJOR CITIES - HARARE (CAPITAL CITY), BULAWAYO, GWERU, KWEKWE, MASVINGO AND MUTARE

Figure 8.2: Zimbabwe Country Profile (Author's Compilation)

8.3 BACKGROUND OF THE STUDY

The housing situation in Zimbabwe has been deteriorating since independence in 1980, as shown by Figure 8.1. In the year 1990, 4% of Zimbabwean urbanites lived in slums which was acceptable given the worlds average was at 47%. The graph illustrates the number of slum dwellers is worsening, showing an increase to 25% in 2014, whereas the rest of the world is improving to an average of 27%. This entails that for every four urban dwellers, one person lives in poor living conditions/slums and, on the other hand, the aggregate percentage of urban dwellers living in slums has been significantly reducing.

Economic and political mismanagement in urban cities has significantly contributed to the upsurge in slum dwellers. Economic challenges in Zimbabwe span inflation, unstable currency to inconsistent policy changes that reduce investor confidence and, by extension, affecting formal employment. Political challenges are mainly in the form of violence and constant policy changes. These conditions have resulted in Zimbabwe having a peculiar economic and political climate that may not be favourable to conventional housing finance solutions as provided in regular functioning economies. In normal economies, most people access finance for their first homes through bank mortgage financing, building societies and other lending institutions. However, in Zimbabwe, low salaries, informal businesses and high unemployment rates have rendered it impossible for most people to open bank accounts, let alone get mortgages, as financial institutions regard them high risk. With these circumstances, the study will explore strategies used by the urban poor in Zimbabwe to finance their homes.

Low-income housing finance is a widely debated scholarly subject, debated by Warnock, Calza and Ludvigson among many other notable scholars. While many low-income housing solutions have been proffered, socio-economic backgrounds make it difficult for countries like Zimbabwe to find the recommended solutions applicable. There is paucity in nuanced data regarding strategies to overcome low-income housing

provision in a totally volatile environment like Zimbabwe. A specific prescription addressing the present plethora of challenges is desired to help Zimbabweans in achieving sustainable housing. This study stems from an intellectual curiosity to develop a guide that can help in recommending solutions for housing finance in highly volatile environments. The study aims to investigate the structures for provision of safe and affordable housing for the urban poor in Zimbabwe. The research objectives include probing how the government, through its housing policies, has enabled and assisted building societies/banking institutions and non-profit sector to provide funds to address the housing shortages and measure the impact of regulatory bodies and how they shape the housing finance sector; analysing the architecture of housing loans by banks and building societies; exploring changes that have taken place in the housing supply over the 10-year period 2009 to 2019; and investigating the possibility of increasing accessibility of funding for low-to-middle income housing developments sustainably.

Universally, urban centres influence economic growth, and the standard of housing has long-term impact on inclusive growth (World Bank, 2015). For most people, buying or constructing a home is the single and largest expenditure they will ever incur. The home is also typically their most important asset and investment that can appreciate over time, which can be used as collateral for borrowing and is an imperative element of

intergenerational wealth transfer through inheritance (*ibid.*). Owing to the rapid urbanisation, Africa will be a leader in the world's urban population growth in the next decades. Africa is presently the least-urbanised continent, only accounting for 11.3% of the world's urban population, with the Sub-Saharan region being the continents least urbanised. The cities are, however, expanding rapidly and by 2050, the urban population is projected to reach 1.2 billion, with an urbanisation rate of 58% (UN-HABITAT 2014).

With the previously discussed predicted increase in demand for housing, pressure continues to be put on housing delivery systems and, if the status quo does not change, the urban poor will not afford formal housing, specifically if inclusive housing finance solutions are unavailable. This puts the topic of housing finance at the forefront of the global development agenda (World Bank, 2019). Locally, investigations by the Ministry of Local Government, Public Works and National Housing (MoLGPWNH) and National Social Security Authority (NSSA) in May 2019 resulted in an estimate of national housing backlog of 1,4million housing units. Subsequently, this write-up focuses on housing finance as a tool for effective housing supply and demand, its nature in Zimbabwe, as well as alternative solutions to make the dream of sustainable housing come alive. The research is circumscribed to the investigation of housing experiences and housing finance solutions for the low-income urban poor in Zimbabwe. The study focuses on Harare and Bulawayo, the two major cities. These have been chosen for the

research as they are the ones facing major housing supply challenges and have the highest numbers of slum dwellers.

8.4 THEORETICAL FRAMEWORK: HOUSING ECONOMICS AND CHALLENGES

While real estate, in general, may be comparatively easy to theorise, housing faces complexities, it being a basic commodity but unaffordable to most. O'Sullivan and Gibb (2012) define housing as "an inherently complex commodity, with spatial fixity as a defining characteristic, and asset, investment and consumption dimensions to account for". The political economy of housing remains a challenge to those that advocate equity and potency enhancements for society to this current day. Housing contributes as one of the largest investments in an economy, one of the biggest parts of household budgets and key indicators to social welfare (Pischke and Kohn, 2011). Chiquier and Lea (2009) estimates housing to be at least 80% of the wealth amassed by the urban poor during their lifetimes. Housing is often an individual's biggest asset (UN, 2005). The availability, accessibility and adequacy of housing finance is, therefore, key in overall economic advancement as well as for individual household's welfare and its quality of life.

Housing is a multi-dimensional discipline involving various stakeholders and experts, including home-seekers, bankers, investors, mutual fund managers, urban planners, engineers, quantity surveyors, architects, real estate bodies, social

strategists, non-governmental organisations, government and policy-makers. These various disciplines interconnect and each influence the final supply and price of housing, hence its difficulty and complexity to create effective demand and responsive supply. Housing shortages is typically common in developing countries, as it is a commodity of supreme need but also expensive.

Nevertheless, the demand will be effective only if the supply side is affordable, and financing is available (Ballesteros, 2002). Demand for 'housing' in the real world necessarily embodies demand for place, for access to public and private services, and reflects the fact that housing is, in part, at least a 'positional good' (Hirsch, 2009). The United Nations (2005) acknowledges that housing plays an important role in a country's economy, accounting for 10 to 20% of total economic activity.

Housing challenges bring along circumstances that make the housing market complex. These include low, unregulated and informal incomes, poorly functioning land markets, weak land regulation, lack of formal property rights, obsolete building by-laws, lack of housing products, limited access to finance and difficulties in obtaining credit for housing finance (Pischke and Kohn, 2011). Most scholars concur that housing demand will always exist, and in developing countries it is growing. The major challenge arises with effective demand, the people being able to afford the houses, which would subsequently make

business sense to developers to develop houses or stands for sale. One can observe that housing solutions require team effort and are not provided in isolation as there are and overspill of obligations by the market, public sector and private stakeholders.

Reviewing Housing Affordability and Affordable Housing

Hawtrey (2009) expresses housing affordability as a connotation of "*housing stress*" where when people exceed 30% of their net income in payments towards rentals or mortgages are under 'housing stress'. Hawtrey (*ibid.*) continues to emphasise housing stress as a financial technicality rather than a psychological state, as it relates to "connectivity between monetary hardship and shelter, from a predominantly budgetary point of view". Housing affordability and the level of housing exclusion are complex phenomena that reflect a myriad of factors influencing housing affordability, i.e. financial perspectives, urban planning and policy; economic performance and government policy (*ibid/*). It is an economic indicator which, in the demand-supply economic theory, influences demand (effective) aspects which, among other production aspects, influences the price of residential stands and houses.

Housing affordability is a normative economic principle where there is objectivity and desirable outcomes from economic policies, where it would be desirable for all not to be subjected to housing stress. However, low incomes and poor economic

performance are Zimbabwe's and, most developing countries, greatest challenges in achieving housing affordability for all. On the other hand, affordable housing is a positive economic principle carrying a "connotation of physical standard." These are technical aspects of housing such as design and building materials which influence the final cost of housing. While housing affordability pertains more to finance, affordable housing is more inclined towards technical aspects of housing which are settlements and structure of the physical dwelling.

Affordable housing is a three-dimensional concept, a triangulation that inquires, *'affordable to whom?'; 'on what standard is affordability?' and 'for how long?'* (Hawtrey, 2009). The questions seek to address the socio-economic demographics in a country as a proportion of those able to access secure decent housing. Stone (2006) contends the "affordable" in affordable housing as a deliberate term which is not a physical characteristic of housing in essence but rather a "relationship between housing and people." Affordability in housing is relative, which cannot be expressed in absolute terms, an expression of the social and material experiences of people and households, in relation to their housing situations. Affordability expresses the challenge each household faces in balancing the cost of its actual or potential housing, on the one hand, and its non-housing expenditures, on the other, within the constraints of its income (Stone, 2006). Particularly in developing countries, such circumstances create an excluding

and marginalising land distribution system which, consequently, results in typical urban challenges such as overcrowding, informal structures and substandard housing (Davis, 1997; Datta & Jones, 1999).

Reviewing Housing Finance

Housing finance is what allows for the production and consumption of housing (King, 2009). It refers to funds used in constructing and maintaining the country's housing stock. Housing finance can also be in the form of rentals, mortgage loans and repayments used in meeting contractual obligations in leasehold tenures and servicing mortgages to acquire full freehold rights. To be able to fulfil its purpose, there is need for efficient and sustainable financial systems (Hawtrey, 2009). Housing finance has moved to the top of the international urban policy and research agendas (Datta & Jones, 1999). Housing finance markets are essential organisations in any developed and developing economy. They play a central role in promoting economic development by facilitating the channelling savings into mortgages and investment capital for real estate development (Gerlach and Peng, 2005). Formal finance houses have formally recorded under-performance in terms of delivering financial innovative products and pro-poor policies in both the public and private sectors. Products available tend to exclude informal traders, low-income earners and untitled property. Such home-seekers tend to gravitate towards

unsecured short-term finance loans which are regarded as the "unbankable" by Pischke & Kohn (2011).

There is recognition of other common forms of housing finance, apart from residential mortgage finance used by home-seekers such as developer finance, rental finance or microfinance for housing. Developer finance is often financed by the land or real estate developer, coming in the form of unregulated advance payments for land or houses by buyers, and developers sometimes provide long-term finance to buyers through instalments sales when mortgages markets are not accessible as witnessed in the case of Zimbabwe, which has an immature mortgage market. Microfinance for housing is typically used for home improvement or incremental home construction. Loans are typically granted without collateral security (Chiquier and Lea, 2009). Although the overall impact of microfinance in housing remains limited, it can represent an important source of funding for those regarded unbankable.

The house price/income ratio is credited as a proxy for the level of dysfunction in the housing market – a high ratio indicates restrictions to supply, and a low ratio indicates insecurity of tenure or poor-quality accommodation (Datta & Jones, 1999). The ratio also indicates whether better housing finance delivery will improve housing conditions: if the relative cost of housing to income is high, more resources will make little impact upon housing conditions unless institutions are willing to lend many times over conventional income-value ratios (*ibid.*).

Self help Finance Mechanisms

Self-help housing finance literature presents a symbiotic relationship between finance and housing consolidation, where housing consolidation highlights the challenges in finance provision (*ibid.*). Home-seekers resort to non-institutional forms of finance which are more often community-based with trusted members. Self-help is a means of providing adequate shelter to low-income households relational to the development of capitalism and abrogation of state responsibility with implications for gender relations and household formation (*ibid/*). One of the key observations made of self-help housing is that it allows households to build in stages to 'synchronise investment in buildings and community facilities with the rhythm of social and economic change' (Turner, 1967). Self-help, therefore, was regarded as housing that was affordable, relative to the size and stability of existing income over the short term and the household life-cycle. (Datta & Jones, 1999). On the other hand, primary mortgage markets require access to long-term finance. Efforts that could help develop housing finance, include creative housing microfinance, mobile banking and remittance-based products (Pischke and Kohn, 2011).

Informal Finance: Rotating Savings and Credit Associations

Rotating Savings and Credit Associations (ROSCAs) are the "poor-mans-bank" that operate through informal savings and loan associations. This is an incremental building process that allows members to alternate borrowing flexible loans and

revolving loans through an appointed leader. These are common to both developed and developing countries and are known by a variety of names such as *chilimba* in Zambia; *gamaiyah* in Egypt; *susu* in Ghana; *stockvel* in South Africa and *mukando* in Zimbabwe. ROSCAs are widely used in buying furniture and groceries. However, they have been identified by many scholars as having an immense potential to provide for housing finance in low-income urban communities, helping alleviate housing challenges. Their impact is, however, limited due to the number in participants and amounts that can be contributed, most having 12 people or less, that would be rotating receiving loans.

Where ROSCAs hold substantial capital sums (estimates vary up to one-third of all savings) and external support is available from government agencies or NGOs, special investment instruments have been established to raise additional capital on the formal financial markets (Jones and Mitlin, UNCHS, 1991; Datta & Jones, 1999). There is also the possibility of 'loan ratcheting', a promise of larger loans as an incentive to complete initial smaller ones (Merrett and Russell 1994; Datta & Jones, 1999).

Lessons Learnt on Sources of Housing Finance

Households in developing countries face a series of problems in attempting to access finance with which to resolve their housing needs. Despite enormous absolute housing deficits and the

need to improve the existing stock, housing finance often represents less than 10%of all financial transactions (Datta & Jones, 1999). To make matters worse, many housing finance institutions post losses amounting to many times the value of their capital reserves, have been prone to invest in highly speculative ventures with consequent boom-bust swings in their portfolio and have a track record of delivering funds only when government subsidies are available and only then to the better-off 10-20%of households (Boleat, 1987). Not surprisingly, most estimates of housing investment, as a proportion of GDP in developing countries, provide figures substantially below those of developed countries (Buckley, 1996).

The bulk infrastructure is normally developed by government ministries, local municipalities and private real estate land developers, these works include road construction, electricity connection, water supply, drainage and sewerage networks. This is shared infrastructure that give amenities to households and raise the price of land. Private infrastructure may be financed by building societies, pension funds, commercial banks, insurance companies, personal savings and loans as well as NGOs such as the World Bank and USAID, UN-Habitat, Shelter Afrique and the African Development Bank may contribute in providing low-income households with long-term loans or grants to make housing affordable. The supply and gap between housing demand and supply investment as a

proportion of GDP in developing countries provide figures substantially below those of developed countries (Buckley, 1996) hence the participation of NGOs to contain prices to affordable levels.

Due to marginalisation by formal finance institutions, low-income groups make use of savings in the acquisition of housing. Low-income households are not too poor to save, but in an unstable environment of land and services, price increases, rising taxes, low and insecure incomes and the rising prices for building materials, it seems unlikely that these low-income earners would amass sufficient savings on a consistent basis to acquire or build housing (Datta & Jones, 1999).

A Synthesis of Housing Finance and Financial Inclusion

While the mortgage market has been growing in many developing countries since the beginning of the 21st century, its reach has been limited in developing countries: at most, a third of households in typical middle-income countries has access to mortgages. This proportion is much lower in low-income countries (Pischke and Kohn, 2011) such as Zimbabwe. While housing microfinance is increasingly being hailed as a vital solution for those whom mortgages are out of reach, its scale remains limited in most places. In practice, poor people finance their houses using mainly savings (*ibid.*).

However, the share of housing investment financed through formal financial intermediaries is very little in all developing countries, and housing finance accounts for a small share of financial assets (Buckely, 1996). Due to the inaccessibility, most households use savings and developers finance which, at most times, has steep and short repayments periods for providing housing solutions for themselves. The degree of access to long-term financing to pay for a house over time is especially important, (Pischke and Kohn, 2011) as it allows households to qualify for higher amounts and, therefore, better housing. Mortgages create a secondary market as it enables acquisition of complete units (*ibid.*) that cannot be accessed through personal savings.

Measure of Mortgage Completeness (MOC)

This measure involves solving the product and channel attributes of a national mortgage market against a hypothetical full list of desired attributes in categories such as risk tolerance; product range, distribution and availability (*ibid.*). The MOC Measure allows government and research bodies to measure the impact financial institutions have on housing acquisition.

Access Frontier Approach

Beck & de la Torre (2006) provide rigorous micro economic foundation to develop an "access possibilities frontier" for

financial services. The current and potential markets are categorised into several zones: current market zone; market development zone; market enablement zone; and supra-market zone (Pischke and Kohn, 2011). It analyses how low-income households can turn potential income into housing. The current market zone refers to houses or residential land currently available on the market and technically how long it would take a home-seeker to find suitable budget-fitting accommodation; the market development zone is the new stock that is currently under production; the market enablement zone refers to the potential stock that can be developed from virgin land. This can be estimated as to what the town planning zones allow. The supra market zone is the secondary market created by sellers of housing.

Reviewing Housing Policy

Housing finance in developing countries as missing, fragmented and unstable where a large paradigm shift would be required to improve housing. Strategic housing and housing finance policies are effective instruments in poverty alleviation. Policy influence, then, must start from an understanding of the institutional, administrative and legal contexts from which policies emerge. Ethical positions on policy issues are acceptable, indeed unavoidable, but should be explicit and honest. Value judgement should not be dressed up as a technical issue and ignorance on empirical matters of importance must be

acknowledged and must constitute the soil to be tilled by the applied researcher. This view of the policy role demands, above all else, honesty and, for this reason, it is brutally demanding in application. (O'Sullivan and Gibb, 2003).

The most frequent rationale for housing finance projects is sectoral policy concerns. These concerns arise because of the inability of most housing production delivery-mechanisms to accommodate the large and growing demand for housing (Buckely, 1996). Several authors agree that weaknesses in the delivery of housing, the lack of affordable land and an inefficient urban administration are as many causes as possible of the poor financial condition of the urban sector (Rakodi 1995, Renaud 1987).

**Government's Role in Housing Finance**

Governments play a key role in increasing housing stock through direct provision of houses, legislation and land distribution (Rampasard, 2016). They also address legal and structural issues that may influence expansion in the housing finance sector (Pischke and Kohn, 2011) by putting in place policies that support financial institutions and help make business sense. Many governments in developing and transition economies, therefore, face a fourfold challenge in improving the housing finance system. They must facilitate: improvements in institutions and regulatory environments to allow down market

expansion of real estate markets; reforms of subsidised state housing finance institutions as a prerequisite for creating a more competitive and efficient housing finance system; provision of institutional incentives (mostly regulatory but also through subsidies) to strengthen the private housing finance sector and stimulate efficient lending without exposing the state to excessive risk or moral hazard; and reform of household subsidies to improve their targeting to specific household groups and well-defined housing problems. (*ibid.*).

Government can enable the housing sector to function well by focusing on six operational instruments. Three must be to stimulate housing demand that is: developing property rights, developing mortgage finance, rationalising subsidies. The other three are to facilitate housing supply: providing infrastructure for residential land development, regulating land and housing development, and organising the building industry. Finally, one is to create an overall institutional framework for managing the housing sector and ensuring adequate access to housing for the poor (Buckely, 1996). The future development of spatial models of the housing market will need to incorporate adjustment and disequilibrium on both sides of the market, information imperfections, reflect the importance of real time and process in market evolution, and capture the key role of housing market institutions in a way that can be sensibly operationalised. (O'Sullivan and Gibb, 2003).

Comparing Developed, Transitional and Developing Countries
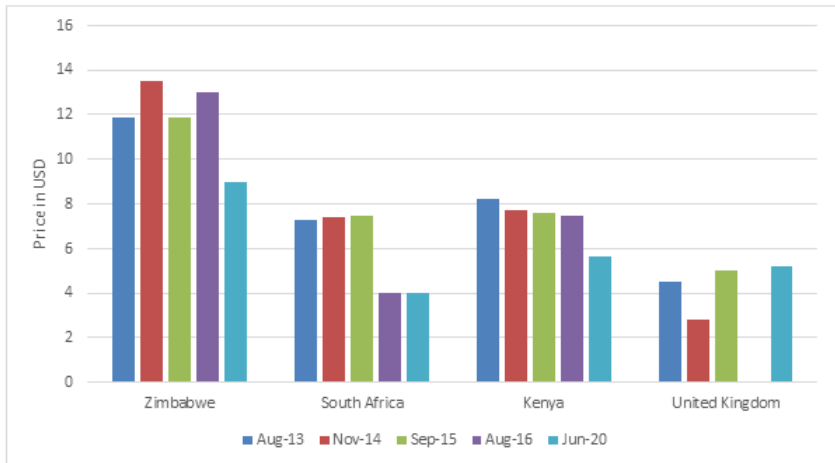
Figure 8.3: *Price of bag of cement (CAHF, 2016; www.cashbuildonline.co.za; www.constructionreviewonline.com; www.wickes.co.uk; www.halsteds.co.zw ; www.statista.com)*

Figure 8.3 shows a comparison of price movements of cement over time from August 2013 to June 2020. From the analysis, though Zimbabwean cement prices seem to be reducing over time, they are still high compared to the other three countries, with the most recent price per bag of US$9.00 being 125% higher than its regional neighbour, South Africa which has an average cost of US$4.01 per bag. Cement is a crucial element in construction and its price heavily influences and contributes towards the final costs of housing. Cement-related costs are

mirrored in the construction of foundation or substructure and superstructure, which comprise 16% and 46% of the total building cost, respectively (Foo, 2022), therefore affecting prices of new and upcoming housing stock.

Affordable Housing in United Kingdom

In the year 1800 London had a population of 840 000, occupying 4 000sm^2 with a population density of 211 persons per hectare; in 2009, it now supported a 10-million population spanning across 1 855km with a population density of 54 persons per hectare (Cox & Pavletich, 2009). This is a population increase of 1 090% over the past two centuries and an improvement in population density which reduced by a significant 290%. UK managed to alleviate housing shortages through council housing which is predominantly the public housing form in UK with local, semi-independent, not-for-profit organisations known as "Registered Social Landlords" (RSLs) social housing grants (Hawtrey, 2009). The programme supports low-income earners through social renting.

Housing policy was first initiated in the UK to 1915, motivated by social and environmental ills brought about by population growth because of migration into central London and industrial towns. During the Victorian era, apart from the traditional 'state

and market' players, the voluntary sector also played a major role where investors accepted returns below market rates for housing working-class tenants. These schemes described as 'philanthropy. In subsequent years, the UK financial mortgage was the largest in the European Union (former) in accordance with the European Mortgage Federation (2007), with Scanlon *et al.* (2004) reporting 71% of residential properties being owner-occupied, 20% socially rented from councils and 10% being privately rented. Because UK is a high-income state with a GNI per capita of $41 730.00 as at 2018 (www.macrotrends.net), there are predominantly more households being able to afford at least a basic starter home with amenities.

Affordable Housing in South Africa

Despite South Africa being one of the largest and growing economies in Africa, it continues to face the highest inequality in income/wealth distribution in the world with a Gini index of 63.0 out of 100 as of 2014 (World Bank. 2014). As early as 1994, before rapid urbanisation became an urban dilemma, South Africa had an estimated housing backlog of three million units. This led to the government establishing the Reconstruction and Development Programme (RDP) which developed housing for households earning less than $246 per month, an estimated 86% of the population during that time

(Rampasard, 2016). Households meeting the criteria benefited from the programme entirely for free. As of February 2018, the programme had successfully constructed and handed out over three million housing units (Msindo, 2018).

Despite South Africa having proactive housing policies and an excellent banking and credit facility system with an active mortgage market, it still faces a housing backlog of over two million units which is mainly due to the 'low-to-middle' income gap who earn more than what qualifies one for the RDP housing allocation but earn less to for a mortgage; as well as the nature of housing backlog which is a moving target. The South African government has, however, managed to reduce the percentage population of slum dwellers from 46.2% in 1990 to 23% in 2014 (World Bank, 2020). Government subsidy and housing policies in South Africa have resulted in affordable houses. It is regarded as one of the countries with the most affordable housing in Sub Saharan region. An estimated 58% (at the end of 2017) of the residential property market comprising homes valued less than US41 695, with 33% of the total residential market, are suspected to have been subsidised by the government (www.housingfinanceafrica.org).

Affordable Housing in Kenya

Kenya currently faces a housing backlog of 1.85 million affordable units for urban dwellers. Prior 2016, prices of housing in Kenya inclined on the high side where the Centre for Affordable Housing Finance in Africa (CAHF) mentioned that over 99% of Kenyans could not afford. Has Consult reported that, on average, one to three-bedroomed houses recorded an average selling price of Ksh14.1 million (US$138 820), which is technically beyond what a middle-class Kenyan could afford (Rampsard, 2016). Housing affordability has now been the future of policy planning by the Kenyan Government which has seen more and more developers focusing on affordable housing being undertaken by Urbanis Africa and Karibu Homes-Parktel in partnership with Shelter Afrique strategising in targeting developing affordable housing which led to a downward price of US$25 000.

In Kenya, the Ministry of Land, Housing and Urban Development and the National Land Commission (NLC) are the two main institutions responsible for land administration. The ministry is part of the executive arm of the national government, while the NLC is an independent body created by the 2010 Constitution. Noting the existence of many land laws, the ministry realised that some of the laws were incompatible

and resulted in a complex land management and administration system, fragmentation and breakdown in land administration, disparities in land ownership and poverty. To address these problems, from 2010, the ministry embarked on the formulation of several land laws in line with the Constitution that had just been promulgated in 2010. The resultant new laws include the National Land Commission Act of 2012, the Land Registration Act of 2012 and the Land Act of 2012. The new laws have repealed the Indian Transfer of Property Act, the Government Lands Act, the Registration of Titles Act, the Land Titles Act, the Registered Land Act, the Wayleaves Act and the Land Acquisition Act. The Land Control Act, the Landlord and Tenant (Hotels, Shops and Catering Establishments) Act, the Sectional Properties Act and the Distress for Rent Act were maintained.

Affordable Housing in Zimbabwe

Zimbabwe exists in regime uncertainty which has heavily affected the economy since the early 2000s. The economic cycles are noticeably short which deters long-term investors from financing housing in the country, as with the nature of mortgages which normally mature in 15 to 20 years. Zimbabwe exists in a five to ten-year cycle which cannot contain 'patient-impact' investors required for housing finance injections. As of 2016, the national housing waiting list was at 1.25 million housing units (Rampasard, 2016). Zimbabwe is currently

bedevilled by a macroeconomic imbalance, one that has seriously affected housing finance. The imbalance has been caused by a range of issues such as hyperinflation, a deep recession, a chronic shortage of energy and a lack of basic goods and services (Mutekede, 2009).

The formation of formal housing for the urban poor in Zimbabwe dates to the pre-independence era where there were separatist policies by the British colonial government, with policies explicated using the Land Apportionment Act No. 30 of 1930 and the Land Tenure Act of 1969. In these policies, Black Africans were taken to temporarily reside in urban areas to provide labour and move back to their permanent residency in rural areas. Therefore, the type of accommodation to be provided for Africans was to suit their migrant nature. The housing provided by the then government was limited to mostly single accommodation hostels in Mbare in Harare and Mpopoma in Bulawayo which was ultimately rental accommodation. Thus, the African majority faced housing seclusion through racial policies and secluded ownership. With time, similar migrant labourer towns were developed in modern day Tafara and Dzivarasekwa in Harare, using the same separatist and secluding policies, though catering for married couples. In the early 1970s, rapid rural-urban migration resulted from the 2nd Chimurenga which led to the creation of shantytowns in the areas of Epworth and Chitungwiza in Harare and Umguza and Tangwena in Bulawayo (Mutekede, 2009).

In the post-independence era, 1980 going forward, the government is said to have been blinded by the liberation movement, resulting in minimal attention towards initiatives to correct existing housing inequalities as well as the then expected growth in urban housing demand. An effort was, however, made to review the existing type and standard of housing compared to the ideal, land tenure systems as well as the available housing finance systems. In 1982, the government introduced policies to redress the disparities in home ownership where local authorities were instructed to convert rented accommodation to home ownership with houses sold to sitting tenants. In the mid-80s, affordable housing was enabled through the central government and funding by the World Bank and USAID which provided a total of 250 000 housing units in the areas of Warren Park, Kuwadzana, Hatcliffe and Budiriro (*ibid.*).

After the 1980s, donor funds ceased and thus major challenges in providing affordable housing began. According to the 2012 National Census, over 60% of urban dwellers lived in either overcrowded units or slums (ZIMSTAT, 2012). With the lack of government and NGO funds and intervention after the 1980, the challenges in accessing affordable housing worsened as the price of land went up (exorbitant land prices) because private developers must do their own bulk infrastructure, previously the

responsibility of central government and municipalities. This has also led to the rise in land barons who take advantage of land- and home seekers, of note being the Chitungwiza and the Southlea Park dispute between residents and businessman Philip Chiyangwa. With short-cycles nature of the Zimbabwean economy, the market needs short-cycle loans of small amounts, short-maturity period, flexible payments and availability of follow-up funds. The formal system may offer money for completed dwellings only when what is needed is money for the initial stages of self-help or improvement of the self-help house once it is constructed (Datta and Jones, 1999).

Banking Sector Activities: Review of Mortgages in Zimbabwe

While rising incomes make improved housing possible, the incidence of substandard accommodation remains significant in Asia and elsewhere. The prevalence of slums, characterised by nondurable construction materials, insecure tenure, overcrowding and the lack of safe water and sanitation, remains high. Over one-third of the urban population in the developing world lives in slums. In Asia, the incidence ranges from 42% of the urban population in South Asia to 37% in East Asia, and 24% West Asia. Asia has a higher share of urban residents living in slums than North Africa, Latin America and the Caribbean, but lower than Sub-Saharan Africa (62%) (Doling *et al.,* 2013).

8.5 RESEARCH APPROACH AND METHODOLOGY

The research was based on triangulation, using logical positivism (quantitative) and phenomenological (qualitative) research techniques. Data was collected using the evaluation research design defined by Walliman & Walliman (2010) as

> "a descriptive type of research specifically designed to deal with complex, social issues aiming to go beyond 'just getting facts' but make sense of the myriad human, political, social, cultural and contextual elements involved; with a purpose of examining levels of awareness, cost and benefits, cost-effectiveness, attainment of objectives and quality assurance".

The research will produce solutions that will be implemented to improve and develop the housing status quo through a collective and holistic approach. In this study, the targeted population were those who, at one time, sought to purchase a home for the first time or currently actively seeking to purchase or construct homes for the first time. Participants were reached using online platforms such as Facebook groups and estate agents' databases, where people are actively seeking to acquire homes, and from leaders of targeted institutions. The random sampling technique was used to gather the home-seeking participants, while snowball sampling was used to select participants from institutions that impact home delivery and effective demand. A sample size of 2% was used in collecting the data. The data was collected using primary data sources in

the form of questionnaires and key informants in in-depth interviews.

Table 8.1: *Research Matrix*

Targeted Respondents	Research tools	Respondents Characterisation	Sampling	Selection Justification	Target Data
The urban poor home-seekers	Structured questionnaires	Urban poor currently seeking accommodation living in slums or overcrowded conditions	Random sampling	This is the population currently subjected to housing stress	Housing funds versus income and pricing of land and construction
Banking Institutions	Key informant interviews (semi-structured)	Principals of the bodies	Snowball sampling	Issuers of mortgages	Qualifying and selection criteria of applicants
Government and Municipalities	Key informant interviews	Principals of the bodies		Policy inclusion	Programmes in place to make housing affordable
Real Estate Developers	Key informant interviews	Project managers of developments for low-income as the target market		Housing supply and housing affordability	Challenges faced in developing for the target market.

8.6 RESULTS OF THE STUDY

Table 8.2 shows responses from the key informant interviews. There was an overall 87.5% response rate on interviews with a 100% response rate from all corporate organisations and 50%

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from government bodies. All targeted bank representatives and developers were interviewed while only 50% of government representatives responded and agreed to an interview.

Table 8.2: *Summary of Responses Received* (Fieldwork, 2020)

Targeted Population	Number of Interviews Proposed	Number of interviews held	Response Rate
Three Banking institutions	3	3	100%
Three Land and Property Developers	3	3	100%
Two (local) Government Bodies	2	1	50%

Land accessibility

Due to the unavailability of mortgages and the costs of funding the purchase of houses, most Zimbabweans have resorted to buying vacant residential stands and develop their homes themselves. This is the cheaper option accessible by most home-seekers. This has led to developers and local authorities focusing mainly on providing stands only, with no developments. This way, home-seekers can spread payments over long periods of time and stretch what they can afford. Though this faces cases of double home payments of rent and construction costs, it is the option available to most. In some instances, home-seekers opt to construct a temporary structure

to live in while they raise funds to construct as shown in the Figure 8.4.

Figure 8. 4: *Temporary Housing Structure* (Dura World Zimbabwe)

Due to the high residential stands demand in big cities, such as Harare and Bulawayo, the industry has attracted white collar crime with majority of the respondents acknowledging the challenges of accessing genuine registered and titled land for sale. Registered and titled land is comparatively expensive while land with developer and local government cessions is cheaper but tends to be very risky with home-seekers risking losing their money during transactions through double sales or sale scams where 'sellers' forge cession documents and pose as the actual owners to unsuspecting home-seekers. This had led to many home-seekers losing their savings and further aggravating the

challenges in housing supply and finance in Zimbabwe. The form of land and property ownership in Zimbabwe is mainly in the form of title deeds, cession agreement and, on rare occasions, 99-year leases.

Key Takings from the Banks

Banks play a crucial role in financing the built environment. Most banks in Zimbabwe currently do not have any products specifically formulated to serve the urban poor, with 100% of all interviewed banks confirming this. Though some banks are willing to give mortgages in the ever-inconsistent local currency in the local currency (ZWL), the challenge is that the market is not willing to accept purchase of property in ZWL. Most properties are being sold in foreign currency, mainly the US dollar, which is not accessible to the ordinary citizenry, let alone the urban poor.

Banks are faced with challenges of formulating products in such a high-cost environment with low income as discussed in the literature review section. The CABS Project issue that developed 2-roomed core houses in Budiriro in Harare, faced similar challenges whereby the target market of the low-income group did not qualify for the mortgages and the middle-income group was not interested in the product. The project found itself having a terribly slow uptake and, therefore, forcing project managers to review down prices at some point. Even if the low-income group hand shown interest, they could not qualify, or

they would be forced to come up with extremely high deposits to be able to make acceptable payment plans towards the repayments of the properties. Zimbabwean incomes are generally not matched with the indexed costs of developments, hence the product being unaffordable to most.

Mortgages are offered starting from mainly middle-income groups earning US$800 and above. This is regarded as sustainable and low risk for the bank. However, the reality on the ground is that the numbers who earn that is small. Basic professionals and technicians like nurses, doctors and teachers struggle to afford that in Zimbabwe. The inconsistent prices and changes continue to affect the process of making long-term decisions like mortgages. Banks have also suffered huge losses before in the past as illustrated by Table 8.3, where at one point or the other mortgage debts have been erased, devalued, and lost value due to hyperinflation. The urban poor also face challenges of accessing banking facilities as they are unable to meet the basic requirements to open bank accounts. Low-income groups are excluded as they cannot demonstrate their capacity to repay as most are informally employed or run unregistered small businesses such as street vending and touting. The traditional mortgage structures technically exclude such groups, in addition to lack of affordability.

Banks are now considering customers already with access to land and they extend loan-to-build mortgage loans. There is also exclusion of those who cannot afford land with title deeds

which many at times is more expensive than that with cession. The loans are limited only to the value of the land, which may not be enough to complete construction. Furthermore, banks face challenges with inconsistent policy changes which affect currency and consequently the mortgage value. Table 8.3 shows the different directives and their impact to the mortgage market. This has made the mortgage market unfeasible in Zimbabwe as they are long-term business decisions.

Table 8.3: Statutory Changes affecting Mortgages in Zimbabwe

Date of declaration	Document	Summary of SI	Impact on the mortgage market
24 July 2020	SI 185 of 2020	Allowing dual pricing and displaying, quoting and offering of prices for goods and services in both ZWL and US$ for domestic transactions	Re-introducing US$-based mortgages for the diaspora community
23 March 2020	SI 96 of 2020 and SI 97 of 2020	Rentals and mortgage payments deferred for three months due to COVID-19 pandemic	Deferring mortgages repayments further affecting the ability of banks and other lending institutions to give more loans as currency continues to lose value

29 March 2020	SI 85 of 2020	Amendment of exclusive use of Zimbabwe Dollar for domestic transactions allowing payment for good/services charged in Zimbabwe Dollar in foreign currency	Restricting banks and other lenders from crafting US$ based loans
27 September 2019	SI 212 of 2019	Exclusive use of Zimbabwean Dollar for all local transactions	All mortgages previously paying US$ Installments now paying ZWL RTGS which as at 25/08/2020 has lost more than 8 000% in value
13 February 2009	Constitution of Zimbabwe – Amendment Number 19	Dollarisation Adoption of multicurrency (mainly US$) regime and abandonment of Zimbabwean Dollar	Adoption of multicurrency making all ZWL mortgages revalued to values less than US$10 making mortgagees get properties for almost nothing
31 August 2008	SI 109 of 2008	Currency revaluation and issue of new currency. Slashing the 10 'zeros' from the old currency	Affected the value of mortgages

Experiences of Land and Property Developers

Land developers mainly face the dilemma of product price versus the targeted market, since Zimbabwe is mainly a low-income state but with high living costs. The developers who previously developed two to four-roomed core houses faced difficulties in off-loading their stocks due to the pricing mismatch. While the demand for housing is naturally high, it is ineffective due to the unaffordability and lack of funding predominantly in the market. The product targeted the low-income socio-economic group, but the prices could only be afforded by the middle-income group. The CABS project sold their newly developed four-roomed core houses at US$31 262.75 with a 90% mortgage facility. The criteria required an applicant to be earning a gross monthly salary of US$1 050 which is the middle-income range, according to Zimbabwean standards. The pricing excluded a larger group of potential applicants. In neighbouring countries such as South Africa, this could have been affordable for civil servants such as teachers and nurses. At the time of this research, civil servants in Zimbabwe earned a gross income equivalent to US$70 which automatically disqualifies them.

Land developers have also been affected by inconsistent policies, hyperinflation and currency changes that have affected

their returns on long-term investments. This has resulted in developers shying away from products that require mortgage facilities. All (100%) of the interviewed land development companies have adopted US$-based and inflation-adjusted contracts to mitigate the effects of hyperinflation and currency changes. Generally, all developers asserted developments of residential stands having a greater uptake as pricing can be controlled and is affordable to most. With such strategy, developer finance is used and payments are spread over a period, in most cases not exceeding 36 months.

Land developers have managed to offer residential stands at low cost by forming joint ventures with city councils, for instance, Old Mutual Properties which partnered with Bulawayo City Council to develop Phumula South residential stands. This has resulted in the production of an additional 213 residential stands, reducing the housing waiting list, with the lowest $200m^2$ being priced at $4 500 requiring a deposit of 25%, and the balance paid over 18 months. The scheme received better uptake, especially with the low-income target market consisting of vendors, unregistered small-medium enterprises, which is normally un-bankable and therefore making it difficult to craft products for them as they do not qualify for mortgages.

The Zimbabwean Building By-laws were last reviewed in 1979, therefore they do not cater for new technology in construction that offers cheaper methods and diverse materials that can be adopted to help reduce costs of construction. Reviewing and revising the model building by-laws will give the community a variety of options that can ultimately increase chances for people to own houses. When compared with South Africa and Botswana, there is a high mismatch regional of housing construction costs. In Botswana, average construction costs per square metre range from US$335 to US$650 as reported by the Institute of Botswana Quantity Surveyors and South Africa ranging from US$225 to US$500 according to the South African Association of Quantity Surveyors while in Zimbabwe they range between US$450 to $800 per square metre, according to TN Zunzanyika Quantity Surveyors (2019), making Zimbabwe highest in the region. This is due to high built-up costs caused by lack of local industry as most construction products must be imported. Additionally, Zimbabwe suffers from high customs duty tariffs, whose tariffs are generally 300% higher compared with neighbouring countries such as South Africa and Botswana.

Experience Postured by Local Government
The only interviewed local authority attested that the council maintains a local housing waiting list for aspiring first time

homeowners. All citizens of the city or town can register their interests without prejudice of incomes. No assisted direct financial products are given by the council but, rather, they go into joint ventures with land developers by offering land at extremely prices below market value so that residential stands can be developed and sold at low prices. The respondent highlighted that "since Zimbabwe is generally a low-income state with currently more than 85% of the citizens earning below the poverty datum line, there has been no specific requirements for any socio-economic group but, rather, the only qualifying means was that one should not own a house prior to benefiting from these programmes.

The local government depends mainly on the central government for policy changes and wide impact developments and in the last two decades, there has been no new policy formulations to assist housing for the urban poor, hence there has been no significant changes on the housing waiting list. The respondent from the Bulawayo City Council reported that the housing waiting list for the city has increased ten-fold in the last two and half decades and continues to grow if no major action is taken to increase new affordable housing stock. Apart from funding, the urban poor are reported to also face information barriers on new developments and insufficient documentation

during the application process, automatically disqualifying them. The barrier was linked to low levels of education by the respondent.

In summary, lack of funding was the major factor barricading the urban poor to adequate housing as there are no government subsidies to ease the financial pressure on this economic group. Developers are ready to increase the housing stock but face an uptake challenge as prices of land are difficult to match the current incomes of people. The Zimbabwean housing crisis is exacerbated by the unstable political and economic environment and, for meaningful change to take place, these two underlying factors should be resolved first.

8.7 SUMMARY AND RECOMMENDATIONS DRAWN FROM THE STUDY

The major challenge in the housing market is the ability by developers to craft price appropriate products for the low-income earners, hyperinflation and inconsistent currencies, outdated model building by laws, unsupportive housing policies. Table 8.4 shows the status quo and suggested measures that can be taken to mitigate adverse effects and help improve housing demand and supply in Zimbabwe.

Table 8.4: Synthesis of findings and recommendations.

Stakeholder	Current Status	Recommendations
Central government	The building by-laws were last reviewed in 1979 thereby rendering them obsolete in today's environment and technology. The value chain of housing is formed by policies instituted by the government, the main elements of an effective value chain being, but not limited to: 1. Titles and tenures 2. House construction 3. Land Assembly 4. Bulk infrastructure 5. Finance and housing finance 6. Sale and transfer 7. Social and economic 8. Land management. These elements should continuously be reviewed to mirror society and environment. There are 18 policies that govern the housing value chain in Zimbabwe with the most recent being drafted in 1992 (CAHF, 2016; 2019) This reflects a gap in technological, societal and environmental changes.	The government should update all policies that affect the housing value chain to ensure Zimbabwe is in tandem with the international community and recent technologies in the built environment

	As reported in the research results, there are no subsidies provided by the government to help housing for the poor.	The government should initiate programmes that assist the urban poor and the un-bankable group of society as a means of easing the pressures and stress that come with seeking housing
Land and property developers	The bulk infrastructure is currently being constructed and financed by private developers using private funds and the costs are passed on to the buyer	Ideally, bulk infrastructure should be constructed by the local government using borrowed funds or investor funds from municipal bonds, and costs are recovered from buyers over long periods of time through property rates and taxes. This will drastically reduce the price of land and make it affordable for many. Private developers should lobby for the responsible council to provide finance for bulk infrastructure
Banks	Mortgages from banks and other formal financial institutions are only accessible to the top 15% of the income distribution. Banks finance only the purchase of titled houses and land. Housing affordability for households in the lower 50% of the income distribution is a challenge. These households cannot afford a modern, completed house, what is regarded the cheapest, and hence are restricted to	Offer micro-finance and home improvement staged salary-based loans to those who are too poor to get a mortgage

	informal or semi-formal, incremental housing	
	The constant currency and policy changes environment in Zimbabwe have made mortgages very difficult to price and risky to the mortgagee	Rent to buy (Build operate transfer) low cost houses targeted for the low income through Public Private Partnerships with property developers and banks. These will protect the bank from currency changes and as rentals will be charged based on market rates
Households	20% of adults in Zimbabwe do not earn an income, while another third earns less than US$50 a month. Nearly half of urban households (49%) have one income earner and in 28% of households, there are two income earners, while in 15% there are three or more income earners. Approximately 8% of urban households and 13% of rural households have no income earners (ZIMSTAT, 2017)	Households could adopt alternative society-based finance schemes such as ROSCAs and ISLES (Internal Saving and Lending Schemes). These schemes encourage savings at community level and if applied earnestly, could be used to finance housing incrementally, one household at a time

Synthesis of Research Objectives and Outcome

Table 8. 5: Research objectives and outcomes from the study

	Research Objective	Outcome from the study
1	To probe how the government, through its housing policies, has enabled and assisted building societies/banking institutions and non-profit sector to provide funds to address the housing shortages and measure the impact of regulatory bodies and how they shape the housing finance sector	There is currently no reported direct or indirect assistance by the government in the form of subsidy or policy enactments to assist home-seekers, banking institutions and the non-governmental sector alleviating challenges in home ownership.
2	To analyse the architecture of housing loans by banks and building societies	Financial institutions in Zimbabwe have barriers that exclude the urban poor from accessing banking and subsequently mortgage loan facilities as they cannot meet the know your customer (KYC) requirements and unable to afford available bank products.
3	To explore changes that have taken place in the housing supply over the 10-year period 2009 to 2019.	Housing affordability has been severely affected by currency changes that have left most of Zimbabweans earning below the poverty datum line, hence the increase in urban slum dwellers from 24.1% in 2009 to approximately 28% in 2019 as reported by the World Bank (2020).
4	To investigate the possibility of increasing accessibility of funding for low-income housing developments sustainably.	There is need for government involvement at all stages in the value chain to fund bulk infrastructure as well as enacting policies that support housing provision to the urban poor as seen being experienced in South Africa.

8.8 CONCLUSION

While Zimbabwe has appropriately functioning land markets and strong formal property rights, it suffers from low, unregulated and informal incomes, weak land regulation, obsolete building by-laws, lack of housing products, limited access to finance and difficulties in obtaining credit for housing finance, thereby negatively affecting the provision of adequate housing to all. Moreover, the Zimbabwean government needs to take up the housing provision to be one of its major urban value drivers and influence the private sector and households into behaviour that does not result in increase of slum dwellers as presently experienced. The value chain of housing could be a starting point to rewrite policies and acts that reflect current social ills and challenges. Such policies and acts will help in ensuring inclusive solutions for all. Furthermore, households, particularly the urban poor need to engage in self-help community-based programmes such as ROSCAs and ISLES that will help in housing provision together with developer finance and micro-finance. Such measures will incrementally assist households in owning their own homes someday.