



# Housing Market Insights

Nigeria Mortgage Refinance Company (NMRC)

June 2026 Publication

# Content

3 Executive Summary

4 Introduction

6 Housing Demand

10 Awareness

14 Application Process

17 Affordability

17 Implications

# Significant opportunity for mortgage growth despite structural barriers



## STRONG POTENTIAL DEMAND

**61%**

currently renting

- 56% prefer mortgage finance
- Mid-career earners are the core target market



## LOW AWARENESS

**53%**

unfamiliar with process

- 51% unaware RSA can fund equity
- Young adults (18–30) show the widest knowledge gap



## AFFORDABILITY GAP

**44%**

cite low income as barrier

- 41% constrained by high interest rates
- 75% can only afford the lowest equity tier

**Implication: Expanding mortgage participation requires both affordability interventions and consumer education at scale.**

# Survey Scope: 211 Respondents Across Four Focus Areas



## Housing Demand

- Preferred housing types
- Current residential status
- Location preference
- Price range demand



## Mortgage Awareness

- Awareness level
- Knowledge gaps
- RSA equity contribution



## Mortgage Application

- Application rates
- Barriers to applying
- Application experience
- Preferred institutions



## Mortgage Affordability

- Monthly income distribution
- Housing budget
- Preferred mortgage tenure
- Equity contribution

# Target Market Profile: Educated, Employed, Mid-Career

62%

Male respondents  
(38% female)

55%

Married  
(45% single)

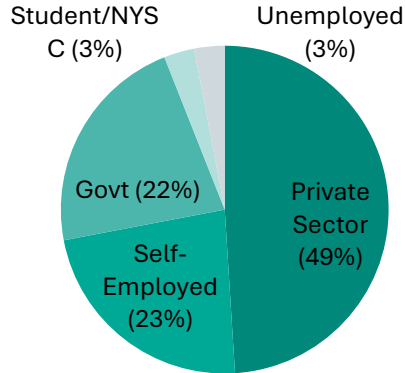
9 in 10

Employed or self-employed

90%

University education or higher

## Employment Status



## Age Distribution & Market Segment Priority

18–30 yrs  
(Secondary Target)

Future growth segment  
Lowest awareness  
First-time buyer pipeline

31–50 yrs  
(PRIMARY TARGET)

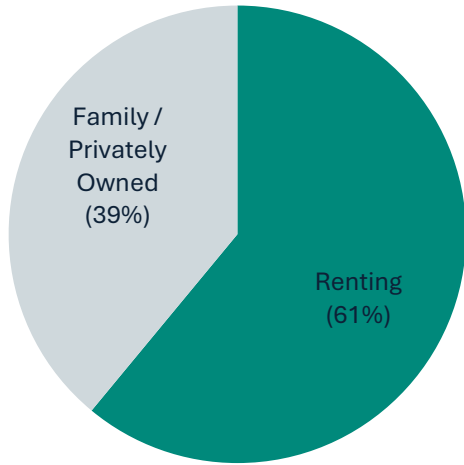
Highest readiness  
Strongest purchasing power  
Core mortgage market

51+ yrs  
(Specialised Target)

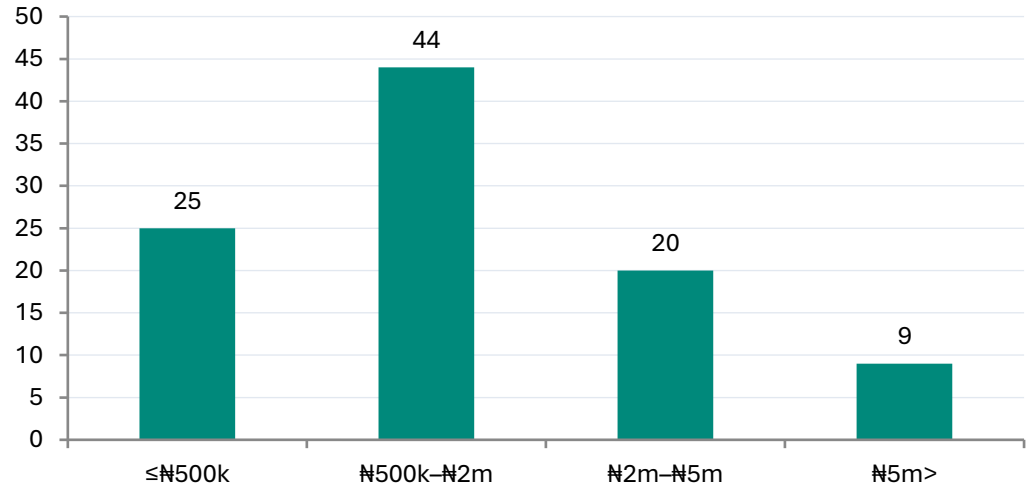
Niche segment  
Land/build financing needs  
Lifecycle-specific products

# A large renter base signals untapped homeownership demand

## Current Residential Status



## Annual Rent Distribution (%)

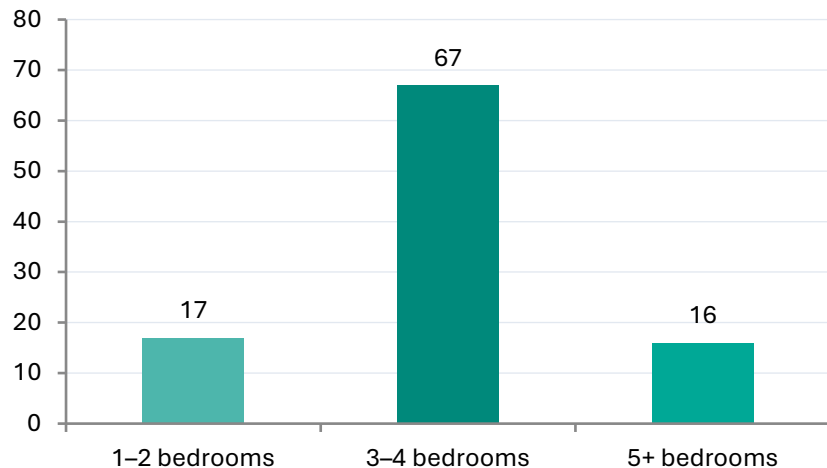


## Key Insights

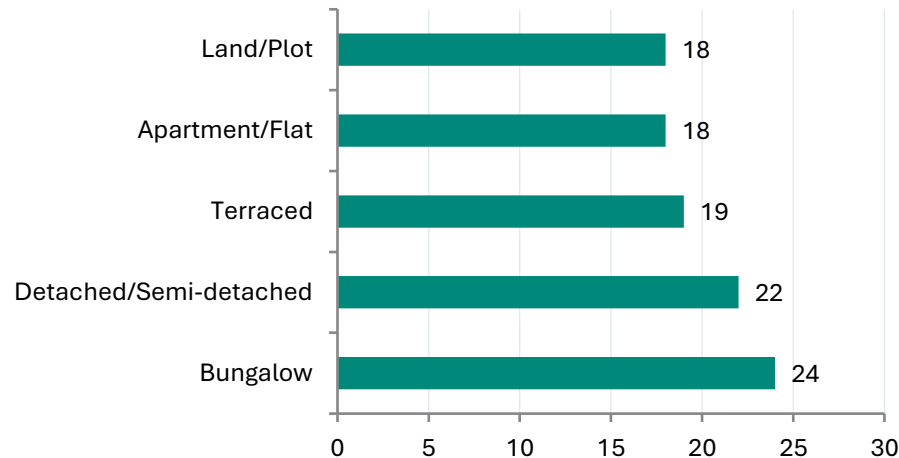
- 61% rent paying respondents represents a large pool of potential homebuyers.
- The market is concentrated in the N500k–N2m annual rent segment (44%), highlighting a **sizeable middle-income opportunity for affordable mortgage and housing solutions.**

# Housing demand centres on mid-sized family homes

Preferred Property Size (%)



Preferred Property Type (%)

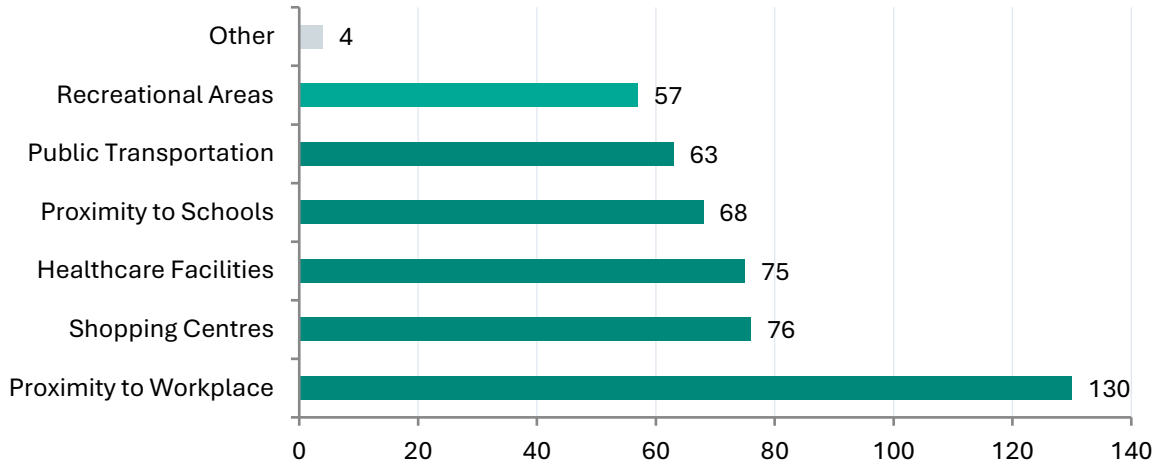


## Key Insights

- Demand is concentrated in 3–4 bedroom homes (67%), indicating a strong preference for family-sized housing.
- While property type preferences are more fragmented, marital status influences housing choices, suggesting that housing and mortgage products should be tailored to lifecycle needs rather than income alone.

# Housing demand follows employment hubs, not lifestyle amenities

Factors Influencing Property Location Selection (n=211)

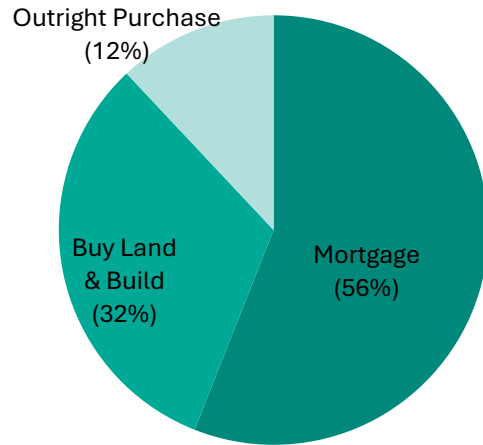


## Key Insights

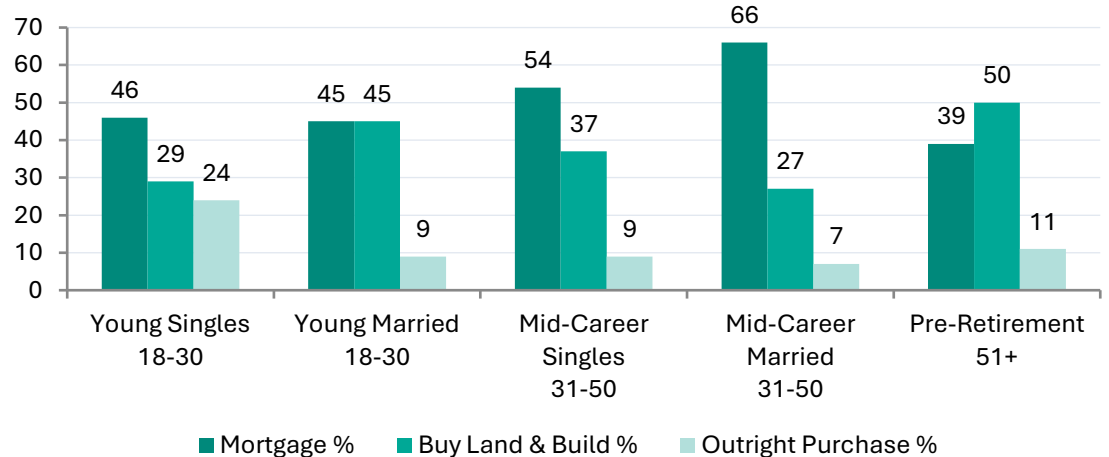
- Housing demand is concentrated around employment hubs and essential services.
- This highlights strong demand for well-connected, mixed-use communities given that accessibility is a stronger purchase driver than lifestyle amenities.

# Mortgage finance is the preferred homeownership path among mid-career consumers

### Preferred Homeownership Path (All)



### Homeownership Path by Lifecycle Segment (%)



### Key Insights

- Demand peaks among married mid-career adults (66%).
- Mortgage preference increases through early and mid-career stages before declining among pre-retirement consumers, who show a stronger preference for land acquisition and self-built housing.
- This suggests a dual strategy by prioritising mortgages for the core mid-career market while developing alternative housing finance solutions for older consumers (e.g., equity release, construction loans).

# Upper-middle renters exhibit an unexpected mortgage readiness gap

Annual Rent Level	Considered Mortgage	Aware of Interest Rate	RSA Account Holder	Readiness %
Low (≤₦500k)	32	21	24	57%
Medium (₦500k–₦2m)	61	35	42	58%
High (₦2m–₦5m)	26	12	19	53%
Very High (₦5m+)	11	8	11	67%

## Key Insights

- Mortgage readiness is lowest among ₦2m–₦5m renters (53%), trailing both medium-rent (58%) and very-high-rent households (67%).
- This suggests that upper-middle-income renters may face affordability pressures that affect mortgage readiness despite relatively high rental expenditures.
- Equity-bridging products and more flexible qualification criteria could help unlock this segment.

Note: Mortgage Readiness was calculated as a function of respondents who - Considered Mortgage (40%), own RSA (35%) and aware of Interest Rate (25%)

# Private sector employees offer the greatest near-term conversion opportunity

Employment Segment	Has RSA	> ₦100k Income	Not Considered Mortgage	Untapped %
Government	39	35	4	4%
Private Sector	52	83	31	12%
Self-Employed	16	32	18	4%

## Key Insights

- Private sector employees represent the largest untapped segment, combining RSA ownership and qualifying income with low mortgage consideration.
- In contrast, government workers are largely engaged, while self-employed respondents face structural barriers such as low RSA participation and income verification challenges.
- This suggests targeted, segment-specific acquisition strategies will outperform broad awareness campaigns.

# A persistent knowledge gap undermines mortgage uptake

44%

Aware of current mortgage interest rates

49%

Aware RSA (25%) can fund equity contribution

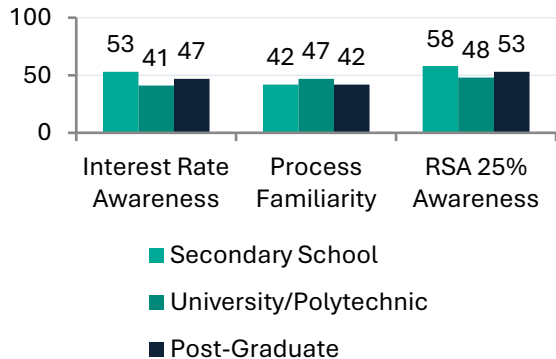
47%

Familiar with the mortgage application process

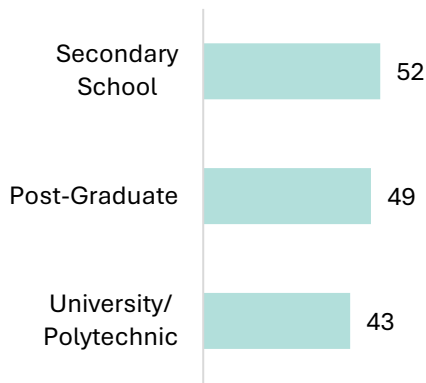
47%

Do not have a Retirement Savings Account (RSA)

Mortgage Knowledge by Education Level (%)



Mortgage Literacy Score (%)



## Key Insights

- Mortgage literacy and awareness of RSA equity funding remains below 50%, regardless of the level of education.
- Higher educational attainment does not necessarily translate into greater mortgage readiness, suggesting knowledge gaps are broad-based rather than concentrated among less-educated consumers.
- Mortgage education campaigns should therefore be broad-based, with a particular focus on RSA-funded equity contributions, mortgage costs, and the application process.

Note: Mortgage Literacy was calculated as a function of respondents who are aware of/familiar with – RSA 25% equity funding (40%), Interest Rate (35%) and Application Process (25%)

# RSA Ownership is a stronger conversion predictor than awareness alone

RSA Status	% of Respondents	Conversion Rate	Lost Opportunity
Has RSA, Aware of 25% Rule	34%	83%	17%
Has RSA, Not Aware of 25%	18%	81%	19%
Total RSA Householders	52%	82%	18%
No RSA	47%	63%	37%

## RSA as a Gateway to Mortgage Conversion

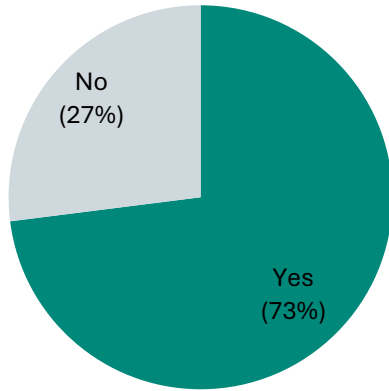
- RSA ownership is strongly associated with mortgage conversion, regardless of awareness of 25% equity funding.
- The quick win lies with RSA holders who have not applied despite considering a mortgage.
- This makes them prime target for conversion campaigns and activation.

## Closing the RSA Gap

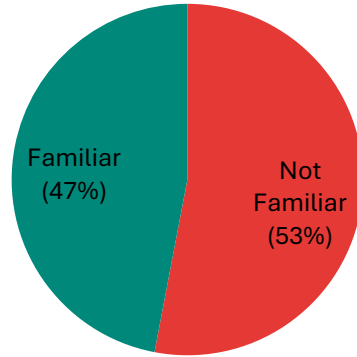
- 47% of respondents lack an RSA — nearly half are unprepared for both retirement and mortgage equity contribution.
- RSA enrollment could be integrated into mortgage awareness campaigns, especially for private sector employees (largest untapped segment at 12% untapped potential).
- Government workers appear to be more mortgage ready shifting the focus on this segment to product design and affordability (rate, tenure, NHF access).

# 73% majority have considered a mortgage, yet application process awareness remains low

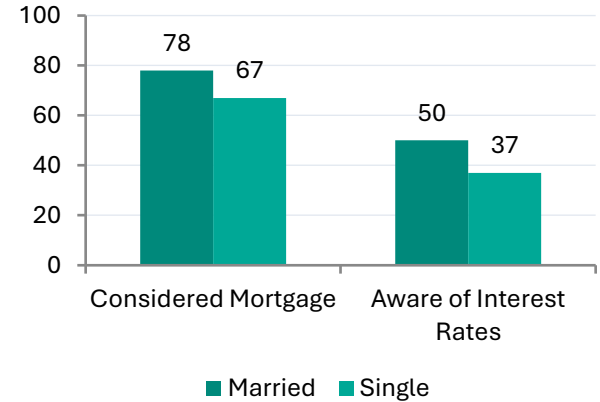
### Considered Applying for a Mortgage?



### Familiar with Mortgage Application Process?



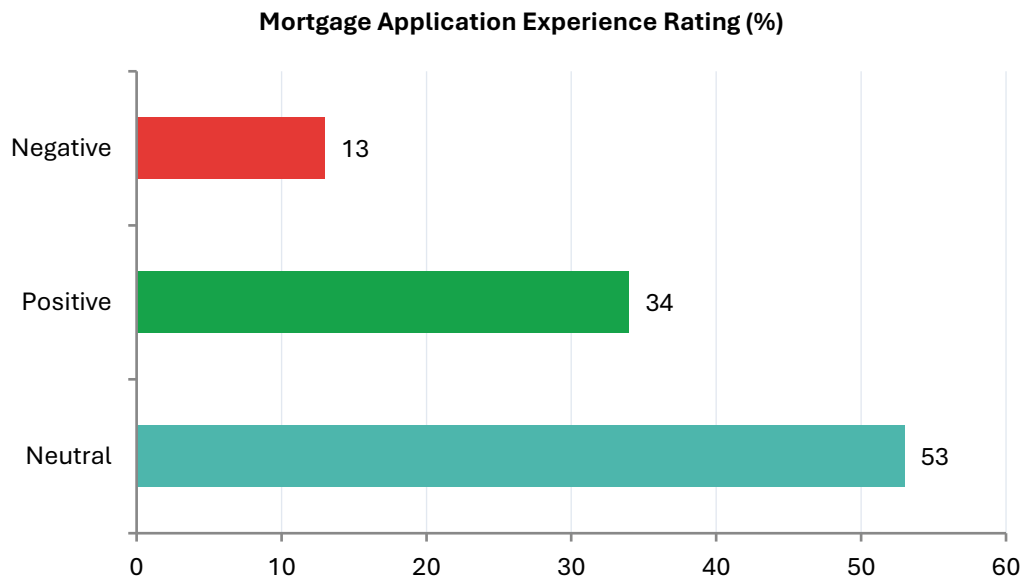
### Married vs Single: Awareness (%)



## Key Insights

- Strong mortgage demand is not translating into applications, with a 26-point gap between consideration (73%) and process familiarity (47%).
- Married respondents show higher engagement and awareness than singles, highlighting the need for simplified application journeys, digital onboarding, and targeted education.

# Perceptions are undeveloped rather than adverse



53%

Neutral experience

34%

Positive experience

13%

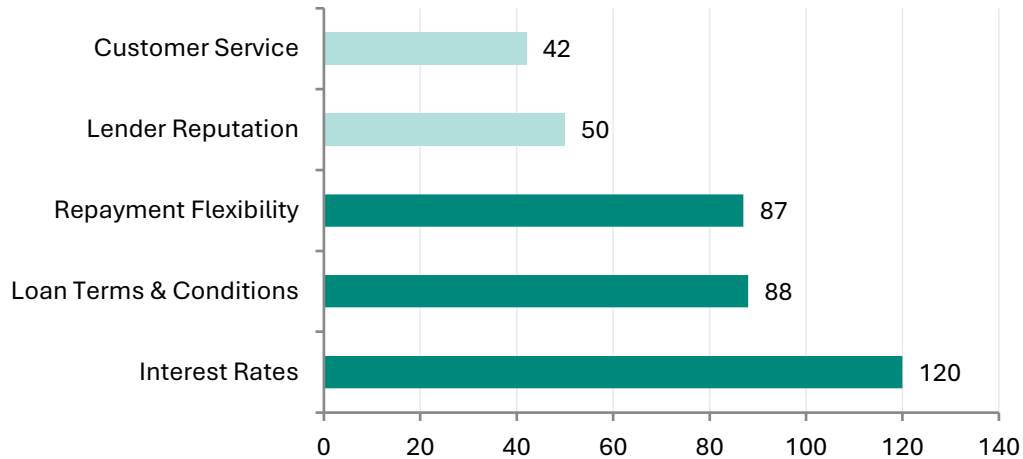
Negative experience

## Key Insights

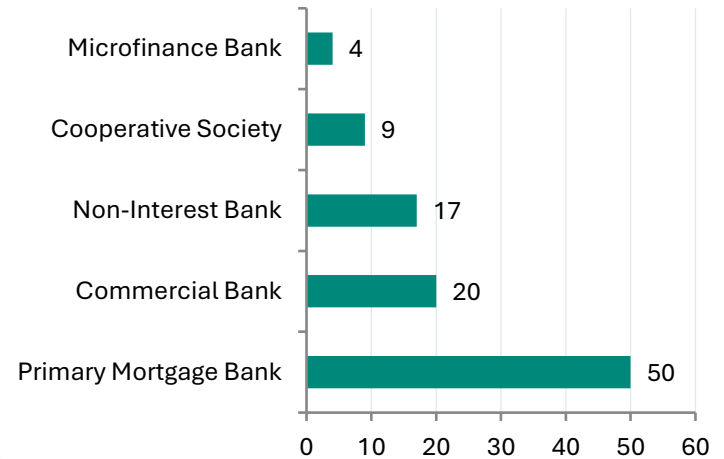
- Most respondents report neutral rather than negative mortgage experiences, suggesting limited familiarity rather than active distrust.
- With only 13% reporting negative experiences, education, testimonials, and guided onboarding could help shift neutral consumers toward positive engagement.

# Affordability and flexibility drive mortgage provider choice

## Factors Influencing Mortgage Provider Selection (n=211)



## Preferred Mortgage Institution (%)

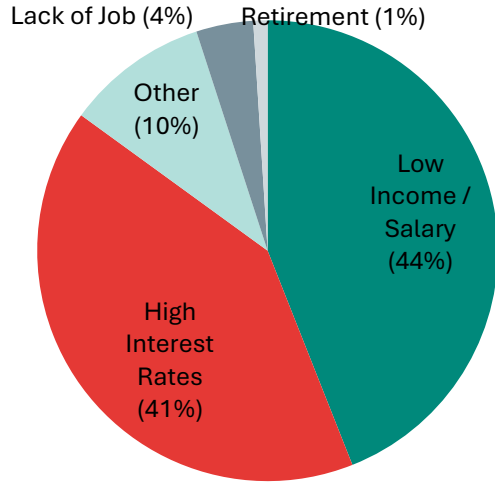


## Key Insights

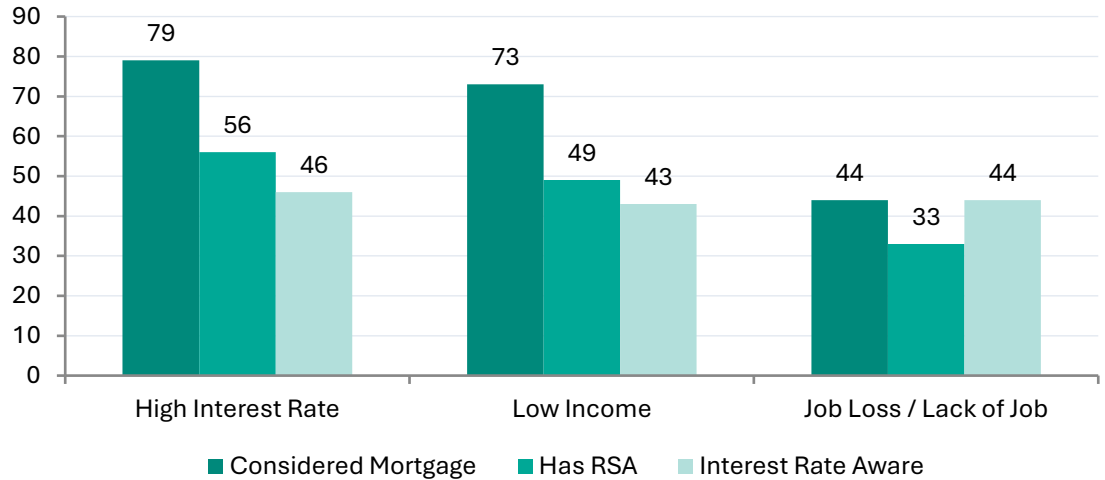
- Despite only 9% preference, people who prefer Cooperative Society exhibit the highest mortgage readiness score (63%) — tied with Primary Mortgage Banks — driven by high RSA ownership (72%).
- This positions Cooperatives as an effective distribution channels for expanding mortgage access through partnerships and co-branded products.

# The challenge is affordability, not demand

Primary Barrier to Mortgage Application



Mortgage Journey by Primary Barrier (%)

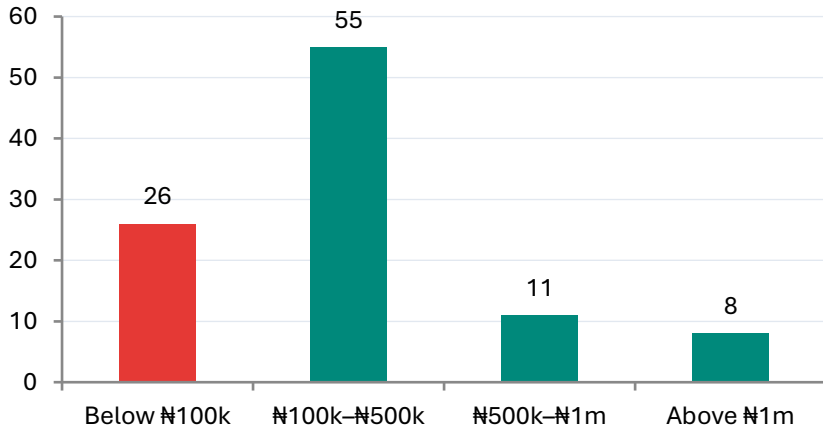


## Key Insights

- Excluded borrowers are largely "convinced but stuck" rather than uninterested.
- Those constrained by interest rates (79%) and low income (73%) have already considered a mortgage, indicating strong latent demand.
- This creates opportunities for rate-buffer products, flexible underwriting, alternative income verification and income-adaptive repayment structures.

# Housing aspiration significantly outpaces affordability - 'Educated but Income-Constrained' Paradox

Monthly Income Distribution (%)



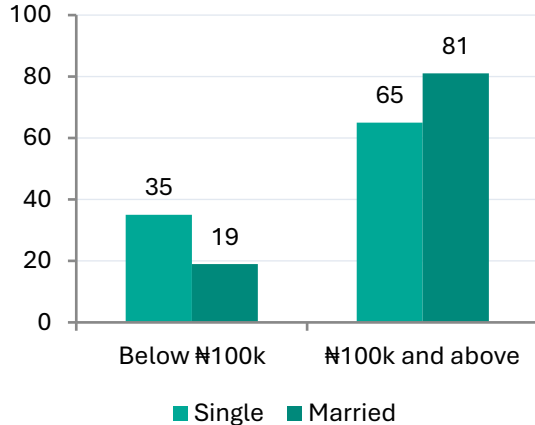
Housing Budget Aspiration	% Who Can Only Afford ₦1-5M Equity	Gap Classification
₦1-5m	89%	No Gap
₦5-20m (30% of demand)	85%	Severe Gap
₦20-50m (28% of demand)	70%	Severe Gap
₦50-200m	33%	Moderate Gap
₦200m>	14%	Aligned

## Key Insights

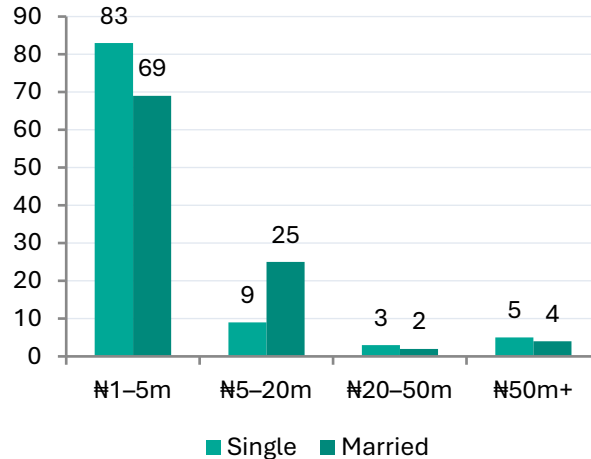
- Despite high educational attainment, most respondents remain income-constrained, with 81% earning below ₦500k/month.
- Most respondents aspire to ₦5m-₦50m homes, yet can only afford the ₦1-₦5m equity tier, highlighting a significant affordability gap.
- This underscores the need for more affordable mortgage solutions such as subsidized equity schemes, longer-tenure mortgages, and income-based repayment products.

# Married respondents exhibit greater equity capacity than singles

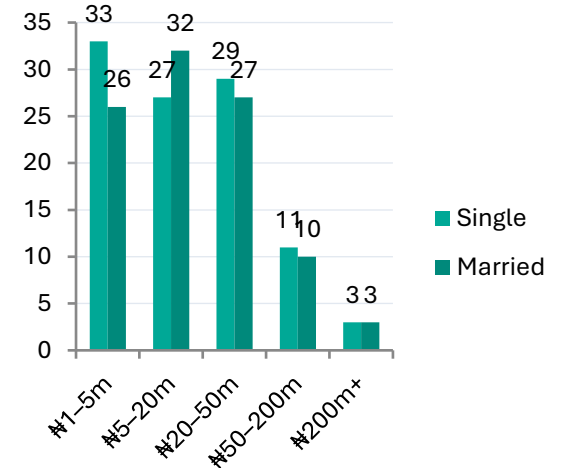
### Income Distribution by Marital Status (%)



### Equity Contribution Capacity (%)



### Property Budget Aspiration (%)

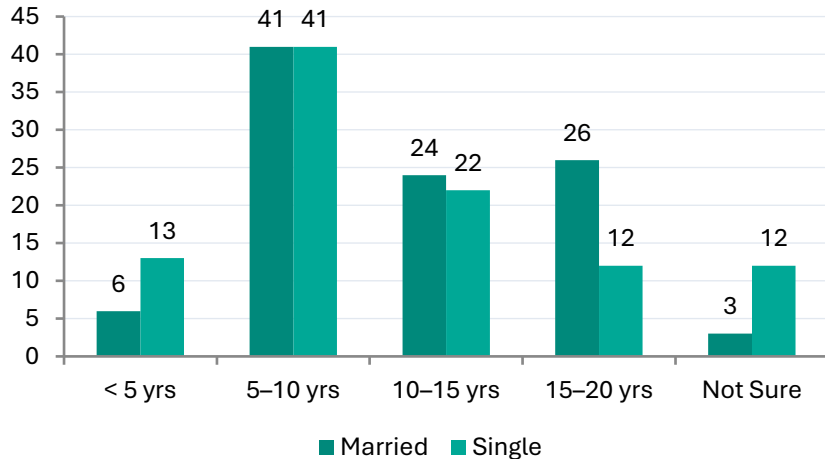


## Key Insights

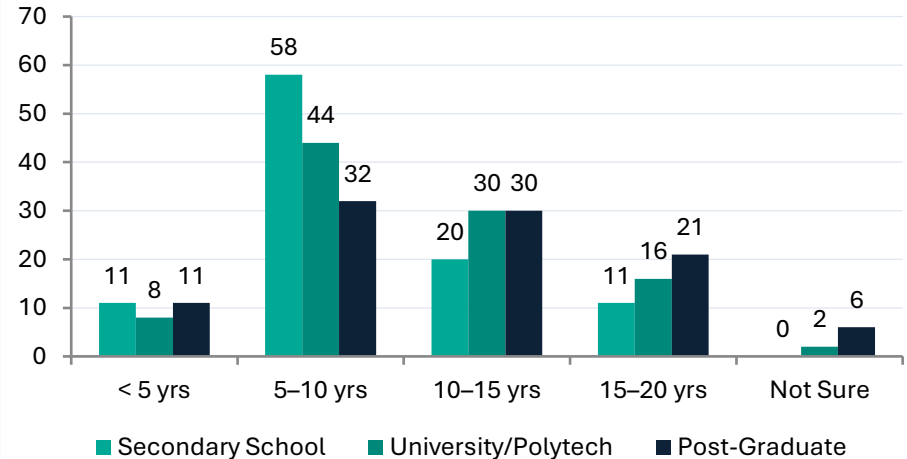
- Married respondents demonstrate significantly greater equity capacity, with 25% able to afford ₦5m–₦20m equity compared with 9% of singles.
- This is consistent with their higher income profile and translates into greater access to mid-market housing. Joint mortgage, co-applicant, and shared ownership products could help singles bridge the affordability gap.

# Preference for shorter mortgage tenures reflects risk aversion and affordability concerns

### Preferred Mortgage Tenure: Married vs Single (%)



### Preferred Mortgage Tenure by Education (%)



## Key Insights

- Borrowers overwhelmingly prefer 5-10 year mortgages, suggesting caution toward long-term debt commitments. This might reflect concerns about future repayment capacity, income uncertainty or limited familiarity with long-term mortgage.
- Singles exhibit greater uncertainty than married respondents, while higher educational attainment is associated with greater acceptance of longer tenures.
- This highlights an opportunity to educate consumers on how longer tenures can improve affordability.

# Four Levers to Deepen Nigeria's Mortgage Market

01

## Consumer Education and Activation

- Promote RSA 25% equity usage.
- Target mortgage-ready private sector workers.
- Run conversion campaigns for RSA holders who have considered but not applied.

02

## Affordability Products

- Interest-rate buffer products.
- Graduated repayment mortgages.
- Improve access to NHF-linked and shared-equity products.

03

## Alternative Channels

- Activate Cooperative Societies as mortgage distribution partners to create a ready pipeline.
- Expand and deepen employer-led channels.
- Develop digital-first application journeys through guided onboarding and simplified digital application tools.

04

## Market Development

- Expand affordable housing supply.
- Promote alternative underwriting for informal/self-employed workers.
- Drive mortgage uptake through lifecycle-specific products (e.g., land-and-build financing).

# Conclusion

1. Homeownership demand is strong, and mortgage finance remains the preferred path - market fundamentals are in place.
2. The primary barriers are affordability (income and interest rates) and mortgage literacy, not lack of demand.
3. RSA holders who have considered a mortgage represent the highest-potential conversion segment and should be the priority target for activation.
4. Cooperative Societies are an underutilised distribution channel, combining high mortgage readiness with strong RSA penetration.
5. Winning products will prioritise affordability and flexibility through graduated repayments, rate-relief mechanisms, and simplified application journeys.
6. Deepening Nigeria's mortgage market requires coordinated action across affordability, awareness, distribution, and housing supply.

© Nigeria Mortgage Refinance Company (NMRC) Plc 2026.

This document has been provided for general information only and must not be relied upon in any way.

Although high standards have been used in the preparation of the information, analysis, views, and projections presented in this document, NMRC does not owe a duty of care to any person in respect of the contents of this document and does not accept any responsibility or liability whatsoever for any loss or damage resultant from any use of, reliance on or reference to the contents of this document.

The content of this document does not necessarily represent the views of NMRC concerning any properties or projects.

This document must not be amended in any way, whether to change its content, to remove this notice or any NMRC insignia, or otherwise.

Reproduction of this document in whole or in part is not permitted without the prior written approval of NMRC to the form and content within which it appears.