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DISSERTATION

“ASSESSING BARRIERS TO HOMEOWNERSHIP THROUGH MORTGAGE FINANCING AMONG BANK ACCOUNT HOLDERS IN RESIDENTIAL AREAS OF LUSAKA CENTRAL CONSTITUENCY, ZAMBIA”

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WORD COUNT : 126387 WORDS

DECLARATION

I, Louis Mwela Manda, affirm that I am the author of this thesis, that during the period of registered study I have not used the information in this document in any other academic award or qualification, nor has any of the material been submitted solely or partially for any other award. This thesis is a result of my original research work, and where other people's research was used, they have been duly recognized.

DEDICATION

This dissertation work is dedicated to my son, Jackson Chipili Manda. You've been at the top of my thoughts every time I faced difficulties, and my energies drained. It is my pray that this will inspire you to reach even greater heights.

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ABSTRACT

This study investigates the key barriers influencing access to mortgage financing among Zambian bank account holders, with particular focus on demographic, financial, institutional, and informational factors. Using a structured questionnaire administered to 147 respondents from residential areas in Lusaka Central Constituency in Lusaka City, the study applied a Probit regression model to assess the likelihood of home ownership as a function of these variables. Results reveal that age, marital status, and income significantly increase the probability of owning a home, highlighting the role of life stage and financial capacity in mortgage accessibility. Financial factors such as affordability of down payments and presence of outstanding debts also influence home ownership outcomes, while institutional challenges, particularly procedural complexity, act as significant deterrents. Most notably, the analysis shows that informational barriers, including lack of knowledge about mortgage products and procedural steps, significantly reduce the likelihood of mortgage uptake. The findings support the critical role of targeted financial education and simplified processes in enhancing mortgage access. Policy recommendations call for streamlined mortgage procedures and nationwide financial literacy campaigns to address structural and knowledge-based barriers to home ownership in Zambia.

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This study was conducted to assess barriers to homeownership through mortgage finance that are faced by Lusaka residents. In this chapter, the research topic for the study in relation to barriers to access of mortgage financing amongst Zambians as means of investing in real estate based on a case study of Lusaka is introduced. The chapter begins with a detailed background to the study (section 1.2) and proceeds to articulate the research problem (Section 1.3) and provide justification for the study (Section 1.4). The chapter also offers study parameters through statement of research aim and objectives (Sections 1.5 and 1.6). This is followed by corresponding research questions, study scope, expected contributions of the study and finally brief description of the study approach and method to meet objectives.

1.2 Background of study

Homeownership remains one of the most significant milestones for individuals and a vital indicator of economic development for any nation (Choi et al., 2019). In Zambia, real estate ownership provides more than just shelter, it serves as a vehicle for long-term wealth creation, social stability, and intergenerational economic advancement (Chongo, 2013; Keene et al., 2014). Yet, for the majority of Zambian, especially those in low- and middle-income brackets, owning a home through mortgage financing remains a distant possibility (Chisumbe, et al., 2024). The capital city, Lusaka, particularly Lusaka Central Constituency, reflects this gap very well (Chimhowu, et al., 2019). Despite being a politically and economically central location, access to affordable, formal housing and mortgage financing is limited, with many residents resorting to informal housing solutions or term rental arrangements for far too many years (Munshifwa, 2022).

Historically, Zambia has undertaken several policy efforts to improve homeownership amongst citizens (Chisumbe, et al., 2024). In 1970, the Zambia National Building Society (ZNBS) was established to provide long-term housing finance and promote savings for housing (Sardanis, 2014). However, its reach has remained limited due to funding constraints, high interest rates, and an outdated operational model (Malilwe & Haabazoka, 2024). During the 1990s, the Movement for Multi-Party Democracy (MMD) government implemented a landmark policy to sell council houses to sitting tenants, which rapidly increased homeownership rates among low-income Zambians in Lusaka and other parts of the country since this was a nationwide one-off policy (Munshifwa, 2022). While the move was popular, it was largely a one-time transfer of

public housing stock and failed to stimulate new housing development or long-term mortgage market growth (Malilwe & Haabazoka, 2024).

In the early 2000s, the Presidential Housing Initiative (PHI) was introduced to address the growing urban housing deficit (Chisumbe, et al., 2024). Although ambitious in design, the PHI struggled with inefficiencies, limited financing mechanisms, and political interference, ultimately failing to deliver housing at the scale or affordability originally envisioned (Chongo, 2013). These initiatives highlight Zambia's continued struggle to establish a sustainable, accessible, and inclusive housing finance system capable of expanding homeownership (Malilwe & Haabazoka, 2024). As a result, the majority of citizens are compelled to rely on private initiatives or worse have to wait until the end of their working life when they may receive large enough payments from employers to manage to buy or build their own residential properties (Chongo, 2013).

Today, Lusaka faces a substantial housing and homeownership gap (Munshifwa, 2022). Demand for housing in the city outpaces supply, especially for affordable units while rapid growth of informal settlements is also a recurrent feature of housing in the city (Malilwe & Haabazoka, 2024). The housing market is however clearly divided with one segment being the dollar-based segment by expatriates and elite Zambians, while the other, operating in Zambian Kwacha, serves the majority population but remains undercapitalized and poorly supported by formal finance systems (Zulu & Oyama, 2017). Mortgage interest rates, ranging between 16.5% and 23%, are too prohibitive for ordinary households (Bank of Zambia, 2023). Lending institutions often impose stringent eligibility requirements, including minimum income thresholds, full-time formal employment, and collateral which are criteria that exclude especially majority informal sector workers who constitute over 70% of Zambia's labor force (ILO, 2022).

The residential areas in Lusaka Central Constituency include Woodlands, Kabulonga, Rhodes Park, Northmead, Longacres, Emmasdale (partly), Chilenje (partly), Ibex Hill (partly), Olympia Park, Mass Media, and Fairview (Chisumbe, et al., 2024). Home construction in Lusaka Central as in most of the country often follows an incremental self-build model, where households buy plots of land and construct dwellings in stages over several years (Chisumbe, et al., 2024; Chongo, 2013). While this approach offers a pathway to housing, it is slow, inefficient, and financially unpredictable compared to formal mortgage-based systems (Chongo, 2013; Malilwe & Haabazoka, 2024). Also, statistics suggest that the mortgage penetration rate in Zambia is among the lowest globally, with total outstanding residential

mortgage loans accounting for less than 1% of GDP (Bank of Zambia, 2023), compared to over 20% in countries like South Africa (World Bank, 2022). These facts indicate the existence of the problem of poor access to mortgage finance amongst Zambians in Lusaka central constituency.

Government efforts, such as the National Housing Policy, land titling reforms, and the National Housing Development Fund, have aimed to address these challenges (Chisumbe, et al., 2024). However, implementation has been slow and disjointed, often poorly aligned with the needs of mortgage institutions or low-income populations. There is a disconnect between housing policy intentions and actual market dynamics, particularly in Lusaka's high-demand residential areas (Malilwe & Haabazoka, 2024). Given this context, this study focuses on Lusaka Central Constituency, an area with diverse socio-economic profiles, growing urban demand, and complex housing dynamics.

1.3 Research Problem Statement

Despite the critical role of real estate in economic development, homeownership in Zambia remains low due to limited access to affordable mortgage financing, particularly in urban residential areas like those in Lusaka Central Constituency (Chisumbe, et al., 2024). With mortgage interest rates ranging from 16.5% to 34.5% and total outstanding residential mortgages accounting for less than 1% of GDP, the formal housing finance system remains inaccessible to the majority (Bank of Zambia, 2023). Eligibility conditions, such as proof of formal employment, high down payments, and collateral, effectively exclude informal workers and low-to-middle-income earners, who make up over 70% of Zambia's labor force (ILO, 2022). This has entrenched a reliance on informal, incremental home-building, delaying homeownership and reducing long-term financial security (Munshifwa, 2022). Although past initiatives like the sale of council housing in the 1990s and the establishment of the Zambia National Building Society aimed to promote ownership, Zambia's mortgage market remains underdeveloped and unaffordable (Malilwe & Haabazoka, 2024). However, there is a lack of empirical data on how financial, institutional, and informational barriers intersect with borrower characteristics, such as age, income, and employment status, to limit access to mortgage financing even amongst those that are bank account holders. This study seeks to fill that gap by examining the specific challenges faced by prospective homeowners based in Lusaka Central Constituency.

1.4 Justification for the research

Despite its socio-economic significance, Zambia's real estate sector continues to face significant constraints in expanding homeownership through formal mortgage financing (Malilwe & Haabazoka, 2024). With interest rates ranging from 16.5% to 34.5% and mortgage lending contributing less than 1% to GDP, the mortgage market remains inaccessible to the majority of Zambians (Bank of Zambia, 2023). Although policy efforts such as the establishment of the Zambia National Building Society and the council house sales of the 1990s were intended to improve access, sustained progress has been limited in terms of access to mortgage financing by citizens. Current research has not adequately addressed how key barriers interact with borrower characteristics across specific urban settings. This study was justified in its aim to provide empirical evidence from Lusaka Central Constituency to inform more inclusive mortgage policy and product design.

1.5 Research aim

The aim of this study was to investigate barriers to accessing mortgage financing faced by individual Lusaka Central Constituency based bank account holders interested in purchasing residential housing.

1.6 Research objectives

- a) To assess the financial and institutional barriers affecting access to mortgage financing among potential homeowners in Lusaka Central Constituency.
- b) To examine informational and awareness-related barriers that influence access to mortgage financing in Lusaka Central Constituency.
- c) To establish the role of borrower characteristics such as income level, employment type, age, and financial literacy in determining access to mortgage financing in Lusaka Central Constituency.

1.7 Research questions/ Hypotheses

1.7.1 Research Questions

- a) What financial and institutional barriers adversely affect access to mortgage financing among potential homeowners in Lusaka Central Constituency?
- b) How do informational and awareness-related barriers influence access to mortgage financing in Lusaka Central Constituency?

- c) How do borrower characteristics, such as income level, employment type, age, and financial literacy, determine access to mortgage financing in Lusaka Central Constituency?

1.7.2 Research Hypotheses

Hypothesis 1: Financial and Institutional Barriers

H₀: Financial and institutional barriers do not significantly affect access to mortgage financing among potential homeowners in Lusaka Central Constituency.

H₁: Financial and institutional barriers significantly affect access to mortgage financing among potential homeowners in Lusaka Central Constituency.

Hypothesis 2: Informational and Awareness-Related Barriers

H₀₂: Informational and awareness-related barriers do not significantly influence access to mortgage financing in Lusaka Central Constituency.

H₁: Informational and awareness-related barriers significantly influence access to mortgage financing in Lusaka Central Constituency.

Hypothesis 3: Borrower Characteristics

H₀: Borrower characteristics such as income level, employment type, age, and financial literacy do not significantly determine access to mortgage financing in Lusaka Central Constituency.

H₁: Borrower characteristics such as income level, employment type, age, and financial literacy significantly determine access to mortgage financing in Lusaka Central Constituency.

1.8 Research scope

This study focused on the barriers to accessing mortgage financing among potential homeowners in Lusaka Central Constituency, Zambia. The constituency was selected due to its socio-economic diversity, centrality within the capital city, and growing residential demand, which made it a representative setting for analysing urban mortgage accessibility challenges. The study concentrated exclusively on individuals actively seeking or intending to seek homeownership through mortgage financing, particularly young professionals, salaried workers, and informal sector participants residing in the area. Primary data were collected only from potential homeowners but only those with bank accounts, enabling a targeted assessment of borrower-side constraints such as financial barriers, institutional limitations, and informational gaps. While institutional factors were discussed in the analysis, no direct data

were collected from financial institutions. The temporal scope covered the current housing finance landscape as of 2025, with references to relevant developments over the preceding five-year period (2020–2024). Geographically, the study was confined to Lusaka Central Constituency to ensure a focused and context-specific examination of mortgage access issues within urban Zambia.

1.9 Research Contributions

This study provided valuable insights into the barriers affecting access to mortgage financing among potential homeowners in Lusaka Central Constituency. By identifying key financial, institutional, informational, and demographic factors limiting mortgage accessibility, the research offered a clearer understanding of the specific challenges faced by urban residents seeking to purchase homes. These findings are expected to enable more informed decision-making among prospective homeowners by highlighting structural constraints and knowledge gaps that influence mortgage uptake. Financial institutions are also expected to benefit from the study through evidence-based insights that can inform the design and delivery of more inclusive mortgage products. Understanding the preferences and constraints of potential borrowers in Lusaka Central could allow lenders to consider adjustments in product development, eligibility criteria, and communication strategies, thereby improving market responsiveness and reducing default risks. For government authorities and policymakers, the study arrived at empirical data to support the formulation of targeted housing and financial sector policies. Lastly, the research adds to the academic discourse on housing finance in emerging markets, offering context-specific evidence from Zambia that can inform future studies on mortgage access, financial inclusion, and urban development.

1.10 Research approach and method

The study adopted a deductive research approach, underpinned by existing theoretical and empirical literature on mortgage access barriers, to test pre-formulated hypotheses through empirical observation. A quantitative research method was employed to collect and analyse structured data from potential homeowners in Lusaka Central Constituency. This approach enabled the study to objectively measure the relationship between identified independent variables (e.g., income, employment type, awareness, and financial literacy) and access to mortgage financing (Creswell & Creswell, 2018). The deductive approach was appropriate for examining known constructs and testing theory-driven assumptions within a structured urban context.

1.11 Data collection and analysis techniques

Data were collected using structured questionnaires administered in person to potential homeowners residing in Lusaka Central Constituency. The use of physical delivery and collection ensured a higher response rate and allowed clarification of questions where needed, consistent with the quantitative design of the study (Saunders et al., 2019). The questionnaire items captured demographic information, financial and institutional barriers, and awareness-related issues affecting mortgage access. Quantitative data were analysed using Probit regression, which is suitable for modelling binary outcomes such as mortgage access. No qualitative data were collected, and no interviews were conducted, as the study focused exclusively on borrower-side insights and employed a purely quantitative method for data collection and analysis.

1.12 Dissertation Layout

The dissertation is structured into five chapters. Chapter Two reviews relevant literature on housing finance and mortgage access. Chapter Three presents the methodology, including the research design, data sources, and analysis techniques. Chapter Four outlines the findings of the study and provides an integrated discussion of results. Chapter Five draws conclusions and makes policy and practice recommendations based on the findings.

1.13 Chapter Summary

Chapter One has established the foundation for the study by highlighting the barriers to mortgage financing in Lusaka Central Constituency and situating them within Zambia's broader housing finance challenges. It provided contextual background, underscoring the historical and institutional limitations of Zambia's mortgage market, and articulated the problem, justification, objectives, and hypotheses guiding the research. The chapter also outlined the deductive approach and quantitative method employed, described the study's geographic and temporal scope, and concluded with an overview of the dissertation structure. These elements collectively framed the study's relevance to urban housing finance and policy development in emerging markets.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter provides a comprehensive review of existing literature on mortgage financing barriers, particularly in the context of real estate investment in emerging markets like Zambia. The review aims to explore various factors contributing to limited accessibility to mortgage financing and understand their implications. The literature is structured into subheadings focusing on specific aspects, including the current state of mortgage financing, demographic influences, policy interventions, and theoretical frameworks. Additionally, gaps in the existing literature are identified to guide the present study. This review sets the foundation for understanding the complexities of mortgage financing barriers and informs the subsequent research methodology and analysis.

2.2 Review of Related Empirical Studies

2.2.1 Global Studies on Barriers to Mortgage Finance Access

Several global studies have examined the diverse challenges associated with accessing mortgage financing. McCord et al. (2011) analysed how high interest rates and rigid lending conditions reduce housing affordability, especially for lower-income buyers. In the same vein, McCoy and Wachter (2017) observed that during economic downturns, tighter lending standards often emerge, making mortgage qualification more difficult, even when interest rates remain stable. These findings highlight the impact of macroeconomic fluctuations on mortgage credit availability.

Other studies have explored demographic and informational barriers. Amornsiripanitch (2023) investigated age-related challenges in mortgage access and found that younger individuals may struggle due to limited credit histories or unstable incomes. Similarly, Cheung et al. (2022), drawing on evidence from Australia, identified a lack of awareness and the complexity of loan processes as significant hurdles, particularly for individuals less familiar with formal financial systems.

Social disparities have also been shown to influence access. Bayer et al. (2014) revealed that racial and ethnic minorities in the United States were more likely to be offered high-cost mortgage products, limiting their access to affordable housing. Choi et al. (2019) discussed the role of FinTech in improving financial access. While digital platforms may enhance inclusivity, the study also noted that administrative complexities and limited financial literacy could still ex-

clude low-income groups from fully participating in mortgage markets. These global perspectives demonstrate that access to mortgage financing is shaped by financial, demographic, technological, and systemic factors.

2.2.2 Regional Studies on Barriers in the African Context

Within the African context, several studies have similarly documented structural, financial, and awareness-based barriers to mortgage financing. Nwuba and Chukwuma-Nwuba (2018), in their study of Nigeria's housing market, identified high interest rates, rigid income requirements, and limited mortgage availability as primary barriers to access. Mostafa (2012), studying Egypt, emphasized the shortage of long-term mortgage products, arguing that short tenures deter many from entering the market due to affordability concerns.

Ghanaian studies also provide useful insights. Owusu-Manu et al. (2018) stressed the importance of aligning mortgage offerings with borrower income levels and broader housing affordability. Teye et al. (2015) explored legal and institutional limitations, such as weak property rights frameworks and enforcement gaps, which inhibit the growth of formal mortgage systems. These findings were echoed by Asabere et al. (2016), who linked housing finance challenges to broader macroeconomic conditions like inflation and political uncertainty.

Beyond financial constraints, awareness and equity in lending practices are also emerging concerns. Usman and Lizam (2016) reported that in Nigeria, low financial literacy and poor awareness of mortgage products significantly reduce demand. Similarly, Adegoke et al. (2024) raised concerns over transparency and equity in loan approvals, suggesting that demographic biases may influence lending decisions. These regional studies highlight the interplay between systemic inefficiencies, borrower characteristics, and limited consumer education in shaping access to mortgage finance across African cities.

2.3 Zambian Studies on Barriers in Accessing Mortgage Finance for Home Purchases

Recent research conducted within Zambia highlights context-specific challenges that hinder access to mortgage finance, particularly for homebuyers in urban areas like Lusaka. These studies provide important empirical and policy-relevant insights into both demand- and supply-side barriers to housing finance.

For example, Malilwe & Haabazoka (2024) conducted an in-depth study of building societies and their limited growth in Zambia's financial sector. Their findings show that high interest rates, limited capital mobilization, and hard loan requirements have reduced competitiveness

of building societies as mortgage providers. The study also points to regulatory inconsistencies and weak institutional frameworks as barriers preventing these entities from scaling operations to reach low- and middle-income home seekers. Additionally, customer mistrust and limited public knowledge about building society mortgage products were identified as contributing factors to low mortgage uptake.

Munshifwa (2022) explored the broader financialization of rental housing in Zambia and observed that efforts to formalize and finance real estate assets through structured financial instruments have largely failed to take root. The study found that Zambia's mortgage market is underdeveloped due to shallow capital markets, poor enforcement of property rights, and low levels of financial literacy. It further emphasized the dominance of informal housing construction methods in Lusaka, where many residents build incrementally due to a lack of access to long-term credit. This mirrors findings in regional studies where informal economies inhibit formal financial participation.

Chisumbe et al. (2024) examined urban housing challenges within Zambia's neoliberal housing development framework. They argue that despite national housing policies and programmes, the commodification of housing has widened inequality. Their study revealed that mortgage finance in Zambia disproportionately favours salaried individuals in the formal sector, effectively excluding informal sector workers who constitute the majority of the urban population. Structural constraints, such as weak land tenure systems and inadequate infrastructure planning, were also highlighted as barriers that discourage both lenders and potential homeowners.

These Zambian studies underscore a multifaceted problem where while mortgage finance remains a critical pathway to homeownership, systemic and institutional weaknesses severely limit its accessibility. Issues such as high lending costs, low awareness, financial exclusion, and weak property rights systems continue to hamper progress toward equitable housing access. These challenges, particularly in Lusaka, warrant targeted research and policy action aimed at reforming housing finance mechanisms and expanding access to underserved groups.

2.4 Demographic Determinants of Mortgage Access

Demographic factors have been increasingly recognized as critical determinants in the ability to access mortgage financing. Steil et al. (2018) examined social stratification in the U.S. mortgage market and argued that factors such as race and ethnicity can influence mortgage terms and approval rates. Although the study is U.S.-based, it suggests the need to investigate similar biases in other contexts. This concern was echoed by Adegoke et al. (2024), who discussed

equity issues in African mortgage lending, and by Courchane & Ross (2019), who called for stronger enforcement of fair lending practices.

Age and income also appear to be important variables. Amornsiripanitch (2023) found that younger borrowers face obstacles linked to unstable income and limited credit profiles. Similarly, Keene et al. (2014) revealed that financially vulnerable groups experience "*mortgage strain*," where pre-existing financial fragility reduces their ability to sustain homeownership. These issues are especially relevant in developing countries where informal employment is prevalent.

Income inequality and financial literacy are also influential. Yinusa et al. (2017) and Owusu-Manu et al. (2018) emphasized the need to assess income-based affordability, while Buchak and Jørring (2021) noted that limited access to financial institutions in underserved areas could further reduce opportunities for mortgage access. Gathergood and Weber (2017) highlighted that low financial literacy, especially among youth, impairs their ability to understand mortgage terms and prepare for homeownership. Collectively, these studies affirm that demographic and socio-economic variables must be central to any analysis of mortgage financing constraints.

2.5 Policy and Institutional Interventions to Improve Access

Various studies have proposed policy interventions to alleviate the constraints limiting access to mortgage finance. McCord et al. (2011) advocated for lowering interest rates and expanding the availability of long-term mortgage instruments as key measures to improve affordability. In a similar vein, Mostafa (2012) recommended offering more flexible mortgage packages with varying repayment terms to cater to diverse borrower needs, particularly in developing countries like Egypt.

Other researchers focused on inclusion strategies. Sukumaran (2015) emphasized expanding access to financial services, such as bank accounts, as a way of increasing the pool of mortgage-eligible citizens. Hembre et al. (2021), in the U.S. context, highlighted the value of state-backed subsidies for down payments and mortgage insurance, particularly for low-income households. These targeted interventions can reduce upfront barriers and improve mortgage uptake.

The role of education and fair lending practices has also been emphasized. Usman & Lizam (2016) and Gathergood & Weber (2017) both proposed financial literacy programs to increase consumer knowledge and confidence in engaging with mortgage products. Courchane and Ross (2019) underscored the importance of enforcing non-discriminatory lending policies to ensure

fairness across demographic lines. Technological innovations also offer potential pathways for reform. Choi et al. (2019) examined how digital financial tools, including mobile banking platforms, could bridge gaps in service delivery and expand mortgage access. However, they cautioned that without accompanying education and simplification of processes, technology alone may not be sufficient. In sum, a blend of financial reform, education, inclusion, and innovation is needed to expand mortgage accessibility, particularly in underserved markets.

2.6 Theoretical Framework

2.6.1 Credit Rationing Theory

The concept of credit rationing was introduced by Stiglitz & Weiss (1981), who argued that in the presence of asymmetric information, lenders may choose to limit the supply of credit rather than increase interest rates. This happens when banks are unable to perfectly distinguish between high-risk and low-risk borrowers. In such cases, raising interest rates may attract riskier clients, so financial institutions prefer to impose non-price credit limits, such as stricter collateral requirements or loan rejections.

In the context of mortgage finance in Zambia, this theory is highly relevant. Potential homeowners, especially those in informal employment or with irregular income, may be perceived as high-risk borrowers by lenders. This perception leads to limited access to credit despite a willingness and ability to pay. As a result, formal mortgage institutions may impose high down payment thresholds or reject applicants who lack formal income documentation. This study draws on credit rationing theory to explain why, even at prevailing interest rates, many in Lusaka Central Constituency are denied mortgage access due to perceived risk factors.

2.6.2 Discrimination Theory

Discrimination theory, developed by Becker (1957), says that individuals or institutions may treat people unequally based on characteristics such as race, gender, age, or socio-economic background. This unequal treatment can occur even in the absence of differences in creditworthiness. In lending, such discrimination can lead to exclusionary practices or biased assessments during mortgage evaluation.

While Becker's work originally focused on race and employment, its application in housing finance remains relevant. For example, even within Zambia, informal workers, women, and younger borrowers may be indirectly discriminated against due to institutional biases or outdated lending norms. These groups may be offered less favourable mortgage terms or denied loans outright, not due to actual risk, but because of generalized assumptions tied to their

demographic category. In this study, discrimination theory helps contextualize how social and institutional attitudes may silently contribute to unequal access to mortgage products in Lusaka Central.

2.5.3 Institutional Theory

Institutional theory, as elaborated by DiMaggio & Powell (1983), suggests that organizational behaviour is shaped by the norms, rules, and frameworks established by formal institutions. These include laws, financial regulations, governance systems, and policy environments. Institutions tend to follow established procedures and conform to societal expectations, which can result in rigid systems that resist innovation or exclude non-conforming groups. In Zambia, mortgage accessibility is heavily influenced by institutional factors such as banking regulations, government housing initiatives, and the legal frameworks surrounding land ownership and collateral enforcement.

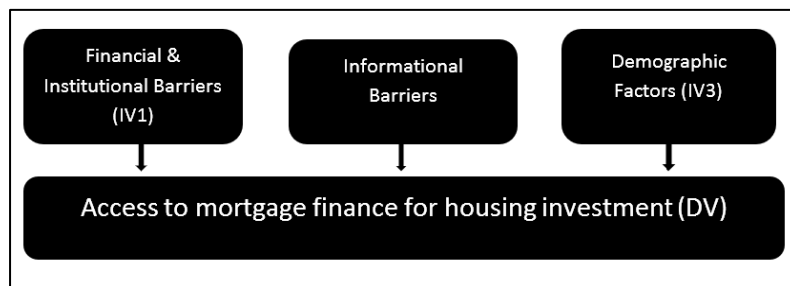
For example, complex land titling systems or inconsistent regulatory oversight can reduce banks' willingness to lend to certain demographics. Similarly, a lack of well-designed mortgage subsidies or ineffective implementation of housing policies undermines efforts to expand credit access. This study applies institutional theory to understand how Zambia's broader regulatory and policy environment shapes the behaviours of lenders and the experiences of potential borrowers.

2.7 Conceptual Framework

The conceptual framework for this study was guided by the use of a Probit regression model, which focuses on predicting the likelihood that a potential homeowner either has or does not have access to mortgage financing (Usman & Lizam, 2016). The dependent variable was access to mortgage financing (coded as 1 = access, 0 = no access). The independent variables influencing this outcome include financial barriers (such as high interest rates and large down payment requirements), institutional barriers (such as strict lending procedures and limited mortgage providers), informational barriers (such as low awareness of mortgage products), and borrower characteristics (such as income level, employment type, age, and financial literacy) (Sharam, et al., 2015; Bayer, et al., 2014). The framework was designed to show how these key factors affect the probability of accessing mortgage finance among residents of Lusaka Central Constituency. However, access to mortgage finance is also an explanatory variable but for home ownership which is the overall dependant variable.

Figure 1 below illustrates.

Figure 1 Diagram for Conceptual Framework



2.8 Gaps in the literature

While existing global, regional, and Zambian studies offer a wealth of insight into barriers to mortgage financing, several important gaps remain. First, many global studies (e.g., McCord et al., 2011; Bayer et al., 2014; Amornsiripanitch, 2023) focus on systemic issues in high-income countries, often overlooking the unique structural and demographic constraints in low-income urban contexts like Lusaka. These studies emphasize the role of interest rates, demographic disparities, and financial technologies but provide limited contextual relevance for informal-sector dominated economies.

Second, although regional studies in Africa (Nwuba & Chukwuma-Nwuba, 2018; Owusu-Manu et al., 2018; Adegoke et al., 2024) address financial and institutional challenges in countries such as Nigeria, Ghana, and Egypt, few investigate the interaction of these barriers with borrower-level characteristics using empirical methods like Probit modelling. Many of these studies are descriptive and lack rigorous statistical analysis of the likelihood of mortgage access based on factors such as income, age, employment type, or financial literacy.

Third, Zambian studies (Malilwe & Haabazoka, 2024; Munshifwa, 2022; Chisumbe et al., 2024) primarily explore the supply side of mortgage markets, focusing on institutional constraints and market structure. While valuable, these studies often neglect the demand-side experiences of individual potential homeowners, particularly among the urban banked population. There is also limited disaggregated analysis that differentiates the experiences of account holders in terms of income, employment status, or financial literacy, key variables in understanding access in real-world terms.

Finally, few studies in Zambia have used a Probit regression framework to quantitatively estimate the likelihood of mortgage access across different household profiles. This leaves a gap in both methodological rigor and practical policy guidance. This study seeks to fill these gaps by empirically evaluating the key financial, institutional, informational, and demographic

barriers that influence access to mortgage financing among bank account holders in residential areas of Lusaka Central Constituency.

2.9 Chapter Summary

This chapter reviewed key literature on barriers to accessing mortgage finance, focusing on global, African, and Zambian contexts. It highlighted that financial constraints, institutional inefficiencies, low awareness, and borrower characteristics such as age, income, and employment status all influence mortgage access. The review also identified gaps in the literature, including limited use of empirical models and a lack of focus on urban account holders in Zambia. Theoretical perspectives from credit rationing, discrimination, and institutional theory helped explain the underlying causes of exclusion. A conceptual framework was developed to guide the study, using the Probit model to assess how these factors affect access to mortgage financing in Lusaka Central Constituency.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology adopted for the study titled, "Assessing Barriers to Homeownership through Mortgage Financing: Evidence from Residential Areas in Lusaka Central Constituency, Zambia Among Holders of Bank Accounts." It outlines the research philosophy, approach, and design, along with the methods of data collection, sampling strategy, and data analysis techniques. The chapter also describes the efforts undertaken to ensure reliability, validity, generalizability, and ethical compliance. This methodological framework is intended to guide the empirical investigation of the research questions.

3.2 Research Philosophy

Research philosophy refers to the set of beliefs and assumptions that underpin the researcher's view of the world and influence the choice of methodology (Mir & Greenwood, 2021). This study adopted a positivist philosophy, which is rooted in the belief that reality is objective and measurable, and that knowledge is derived from observable phenomena. Positivism supports the use of structured tools, statistical models, and quantitative methods to test hypotheses and validate theoretical relationships (Opie, 2019).

The choice of a positivist paradigm is appropriate for this research because the study seeks to identify and quantify the extent to which specific factors act as barriers to access to mortgage financing among bank account holders in Lusaka Central. Under this philosophy, knowledge is viewed as factual and obtained through direct observation and empirical measurement. This aligns with the study's reliance on the Probit regression model, a statistical technique used to estimate the probability of a binary outcome, in this case, whether an individual does or does not have access to mortgage financing (Saliya, 2023).

3.3 Research Approach

The research approach refers to the logical structure that underpins the research process, including how data is collected, analysed, and interpreted (Opie, 2019). This study adopts a deductive research approach. A deductive approach begins with established theory and uses data to test hypotheses derived from that theory. This is in contrast to an inductive approach, which develops theory from observed patterns and data (Haque, 2022).

In this study, the deductive approach was suitable because the research is based on previously documented theories such as Credit Rationing Theory and Institutional Theory, which suggest that certain financial, institutional, informational, and demographic variables can predict access to mortgage financing (Creswell & Poth, 2018). From these theories and previous empirical

findings, the study developed testable hypotheses (Shan, 2022). These hypotheses were then examined using quantitative data collected from residents of Lusaka Central Constituency.

By applying a deductive method, the study moved from general theory to specific observation. The Probit regression model was used to statistically evaluate the likelihood of mortgage access based on the selected independent variables. This structured progression aligns with the positivist paradigm and reinforces the objectivity of the study. In summary, the deductive approach enhances the study's ability to confirm or refute existing theoretical propositions using empirical evidence (Mir & Greenwood, 2021).

3.4 Research Design

Research design is the blueprint that outlines how data is collected, measured, and analysed (Mbanaso, et al., 2023). This study employed a cross-sectional survey design with quantitative data being primary basis for statistical inference. A cross-sectional design involves collecting data from participants at a single point in time, which allows for the examination of the current state of mortgage financing access and its determinants (Gamage, 2025).

The survey design is appropriate for this study because it allowed the researcher to collect standardized responses from a large number of participants efficiently. This facilitates comparative analysis and supports the use of statistical modelling. Structured questionnaires were used to ensure uniformity of data collection across respondents, which enhances reliability (Haque, 2022).

Although the design allows for the inclusion of some qualitative insights, such as short open-ended responses, the quantitative component was prioritized (Creswell & Poth, 2018). The structured format supported the application of the Probit model, which is suitable for binary dependent variables. In this case, the key outcome was whether or not an individual has accessed mortgage financing and assessing the effects of different barriers in this regard (Dare Kolawole, 2012). The design is also suited to the constraints of time and resources. By using a cross-sectional snapshot, the research can provide immediate insights that are useful for policymakers, financial institutions, and potential homeowners in Lusaka Central

3.5 Population and Sampling Frame

The population of a study refers to the total group of individuals who share common characteristics relevant to the research question. For this study, the target population consisted of adult residents of residential areas in Lusaka Central Constituency who hold bank accounts. The focus on bank account holders ensured that participants were financially active and have the potential to interact with mortgage products (Opie, 2019). The accessible population was

assumed to be limited to 300 individuals meeting the criteria of holding a bank account and residing in the areas of interest at the time of the study while also being available to take part in the study. This restricted frame reflected logistical constraints and the short timeframe within which the study was conducted. It included individuals from various residential zones within Lusaka Central who have expressed interest in or have previously applied for housing finance. Using this defined population enhanced the accuracy and relevance of the study.

3.6 Sample Size and Sampling Technique

Sampling refers to the process of selecting a subset of individuals from the target population to represent the whole. In this study, the sample size was calculated using Yamane's (1967) formula for finite populations:

$$n = \frac{N}{1 + N(e)^2} = \frac{300}{1 + 300 * 0.05^2} \approx 171$$

Where:

n is the sample size, N=accessible population, e=margin of error at 95% confidence level

Therefore, the required sample size was approximately 222 respondents.

A convenience sampling technique was used to for purposes of practicality.

3.7 Data Collection Techniques

Data collection is the systematic process of gathering information to address research objectives (Mbanaso, et al., 2023). This study utilized structured, self-administered questionnaires distributed physically to selected participants in residential areas of Lusaka Central. The questionnaire was designed to capture data on financial, institutional, and informational barriers, as well as borrower characteristics.

Each questionnaire included both closed-ended and Likert-scale items. These questions measured respondents' awareness of mortgage products, perceptions of interest rates, experiences with application procedures, and demographic attributes. Data collection was carried out over a four-week period in April and May 2025. This method of data collection was chosen because it provided uniformity in responses, which is essential for statistical analysis. It also minimizes interviewer bias and allows respondents to complete the questionnaire at their own pace (Mir & Greenwood, 2021). The structured format of the questionnaire was consistent with the positivist paradigm and supports the use of Probit regression analysis.

3.8 Data Processing and Analysis

Data processing involves the preparation of raw data for analysis, while data analysis refers to the statistical methods applied to interpret the data. In this study, quantitative data from

completed questionnaires was first cleaned and coded using Microsoft Excel. It was then imported into SPSS 16.0 for statistical analysis (Gamage, 2025). The primary method of analysis was Probit regression, which is used for modelling binary outcome variables. The dependent variable was access to mortgage financing (coded as 1 = access, 0 = no access). Independent variables included financial barriers (e.g., interest rates, down payments), institutional barriers (e.g., loan processing time, limited providers), informational barriers (e.g., lack of product awareness), and borrower characteristics (e.g., income level, employment type, age, financial literacy). The empirical model was of the general form;

$$P(Y = 1) = \Phi(\beta_0 + \beta_1\text{LOAN_APPLICATION} + \beta_2\text{DEMOGRAPHICS} \\ + \beta_3\text{FINANCIAL_BARRIERS} + \beta_4\text{INSTITUTIONAL_BARRIERS} \\ + \beta_5\text{INFORMATIONAL_BARRIERS} + \epsilon)$$

Where, $Y = 1$ if the respondent owns a home, 0 otherwise.

Descriptive statistics were used to summarize respondent characteristics and provide an overview of the sample. This was followed by inferential analysis using the Probit model to determine the probability of mortgage access as a function of the various independent variables. This analytical strategy is well-suited to the positivist philosophy and allows for hypothesis testing and statistical inference. Results were presented using tables and marginal effects to aid interpretation.

3.9 Reliability, Validity, and Generalizability

3.9.1 Reliability

Reliability refers to the consistency and dependability of the research instrument. In this study, reliability was ensured through pilot testing and refinement of the questionnaire. The internal consistency of the survey items was assessed using Cronbach's alpha, which yielded acceptable values (above 0.70). This indicates that the instrument measured the constructs consistently.

3.9.2 Validity

Validity assesses whether the instrument accurately measures what it is intended to. Content validity was ensured by consulting mortgage professionals and academic experts during the design of the questionnaire. Construct validity was supported by aligning survey items with established theoretical constructs.

3.9.3 Generalizability

While the study focused on Lusaka Central Constituency, efforts were made to enhance generalizability by ensuring demographic diversity. Nevertheless, the findings are most

applicable to urban Zambian populations with bank access and may not fully extend to other populations.

3.10 Ethical and Access Considerations

3.10.1 Research Ethics

The research adhered to ethical standards for social science research. Informed consent was obtained from all participants, and participation was voluntary. Confidentiality was maintained through anonymous data collection, and no personally identifying information was recorded. Ethical clearance was obtained from ZCAS University. Participants were informed of their right to withdraw at any point without penalty.

3.10.2 Access and Permissions

Prior to data collection, permission was obtained from local community leaders and relevant municipal authorities. Access to participants was facilitated through community banking agents and financial institutions. Participants received clear information sheets explaining the purpose and scope of the study.

3.11 Chapter Summary

This chapter has outlined the research methodology used to assess barriers to homeownership through mortgage financing in Lusaka Central. It began by establishing the philosophical foundation, positivism, and described the deductive approach used to test predefined hypotheses. The cross-sectional survey design was explained, along with a clearly defined population and sample size determined using the Yamane formula. Data was collected using structured questionnaires and analysed through Probit regression to determine the influence of various barriers. Reliability and validity were ensured through pilot testing, and ethical standards were upheld. The next chapter presents and discusses the empirical findings from the analysis.

CHAPTER FOUR: RESEARCH FINDINGS AND ANALYSIS

4.1 INTRODUCTION

This study was conducted to assess barriers to accessing mortgage financing faced by individual Lusaka Central Constituency based bank account holders interested in purchasing residential housing. Data for the study was collected by survey from a convenience sample of 147 residents of Lusaka Central Constituency, aged 18 or more, that were identified and recruited for the study mainly through the help of community banking agents and local bank branches based in the area. This chapter presents the findings of the study. The chapter also discusses the findings of the study in light of past research findings as well as the predictions of established theories.

4.2 Profiles of Respondents/Demographic Attributes

4.2.1 Age Distribution

Results in Table 1 show the descriptive statistics for the age distribution of the 147 respondents. The age distribution of the respondents ranged from 22 to 59 years. The mean age was approximately 39.99 years, suggesting that the typical respondent was a mature adult likely within their economically active years. The standard deviation of 10.95 indicates a fairly wide age spread among participants. The distribution of ages was slightly skewed to the left, as shown by a skewness value of -0.024, though this is close to zero and suggests near symmetry. The negative kurtosis value of -1.23 indicates a flatter distribution compared to the normal curve, meaning that fewer respondents fell at the extreme ends of the age range. The sample reflected a relatively balanced adult population, suitable in a study on access to mortgage financing within the constituency.

Table 1 Summary Statistics for Ages of Study Participants

Descriptive Statistics									
	N	Min	Max	Mean	Std. Dev.	Skewness		Kurtosis	
	Stat.	Stat.	Stat.	Stat.	Stat.	Stat.	S.E.	Stat.	S. E
Age	147	22.00	59.00	39.99	10.95	-0.024	0.200	-1.23	0.397
Valid N (listwise)	147								

Source: Researcher (2025)

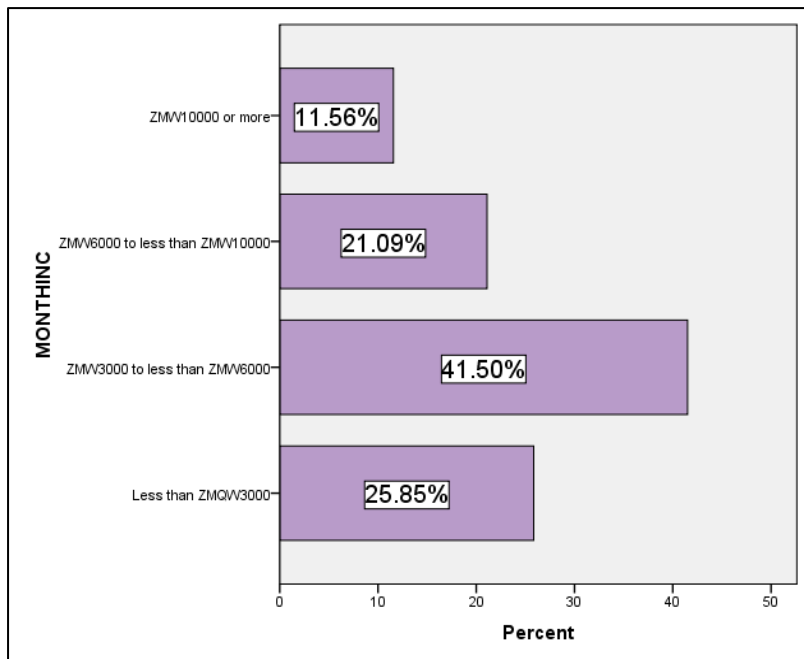
4.2.2 Income Distribution

Figure 2 shows the analysis for the sample for this study according to the monthly income distribution. The data shows that the majority of respondents (41.5%) reported earning

between ZMW3,000 and less than ZMW6,000 per month, indicating that most participants fall within the lower-middle income bracket. Additionally, 25.9% earned less than ZMW3,000, highlighting a significant proportion of low-income earners within the sample. Respondents earning between ZMW6,000 and ZMW10,000 accounted for 21.1%, while only 11.6% reported earning ZMW10,000 or more, suggesting a relatively small share of higher-income individuals.

This distribution suggests that most bank account holders surveyed in Lusaka Central Constituency have modest income levels, which may influence their access to mortgage financing and ability to meet the required financial conditions for homeownership.

Figure 2 Monthly Incomes of Respondents

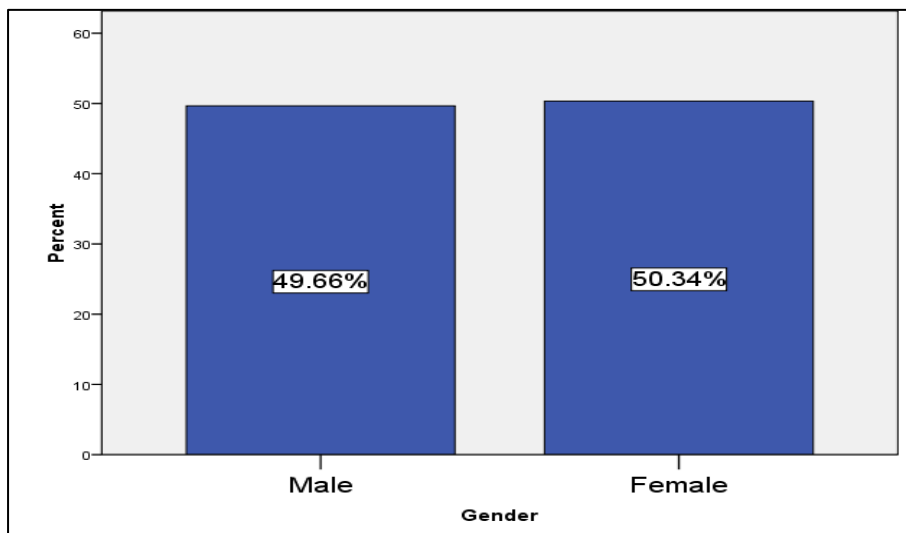


Source: Researcher (2025)

4.2.3 Gender and Marital Status Distribution

Figure 3 shows gender distribution for respondents. The results indicate a balanced representation, with 50.3% of respondents being female and 49.7% being male. This near-equal distribution suggests that both genders were almost equally represented in the study, which supports the reliability of the analysis in capturing gendered perspectives on access to mortgage financing. A balanced gender composition is particularly useful in examining whether men and women face different types of barriers to homeownership through mortgage financing in Lusaka Central Constituency.

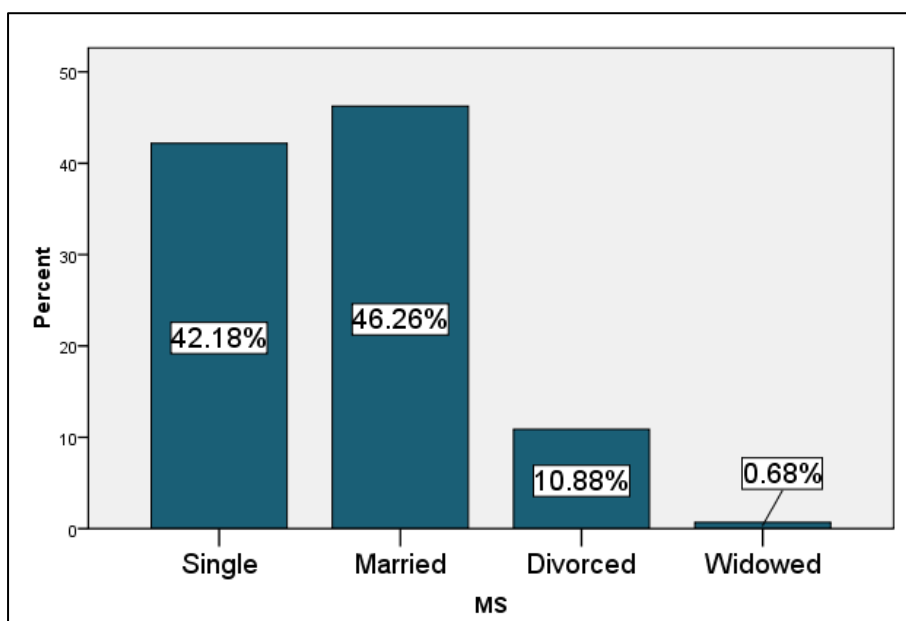
Figure 3 Respondent Gender



Source: Researcher (2025)

Figure 4 shows marital status data. The majority of respondents were married (46.3%), followed closely by single individuals (42.2%). A smaller proportion were divorced (10.9%), and only 0.7% were widowed. These results suggest that most participants are either in marital unions or single, which may influence their eligibility for and interest in mortgage products. For instance, married individuals may have more stable household incomes, while those whose status was single may face higher affordability challenges when purchasing homes all on their own.

Figure 4 Marital Status of Respondents



Source: Researcher (2025)

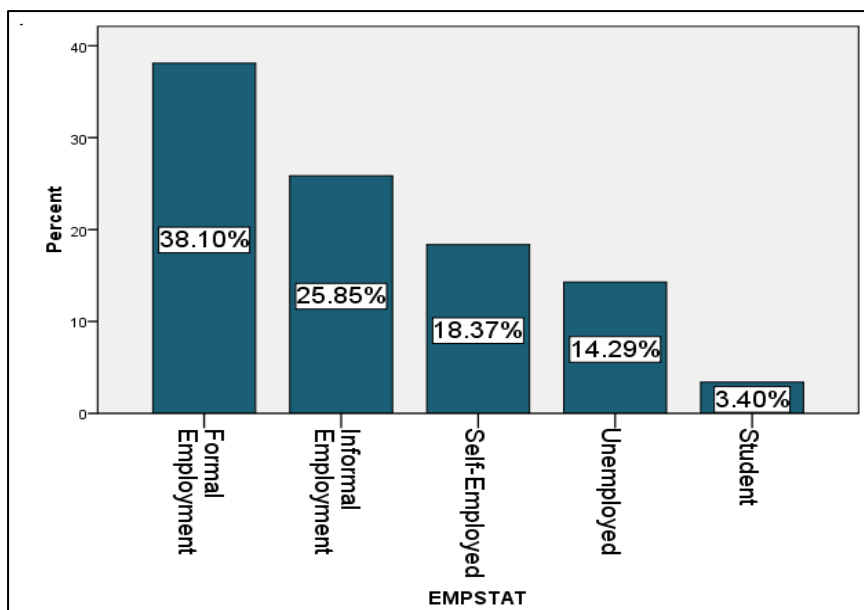
In Figure 6, majority had attained either university (32.0%) or college-level education (29.3%), showing a relatively well-educated sample. Those with secondary education accounted for

25.2%, while primary education and no formal education were less common at 9.5% and 4.1%, respectively. The high proportion of tertiary-educated individuals could imply a reasonable level of financial literacy and mortgage awareness among respondents, although this does not necessarily translate into access, especially when coupled with employment insecurity or income instability.

4.2.4 Employment Status and Educational Background

Figure 5 shows data on the employment status of respondents at the time of the study. Figure 6 shows their educational backgrounds. The results indicate that the largest proportion of respondents (38.1%) were in formal employment, followed by those in informal employment (25.9%) and the self-employed (18.4%). A notable share were unemployed (14.3%), while a smaller segment were students (3.4%). This distribution suggests that while a majority of participants have some form of income-generating activity, a significant portion may have lacked the employment stability that financial institutions often require for mortgage approval.

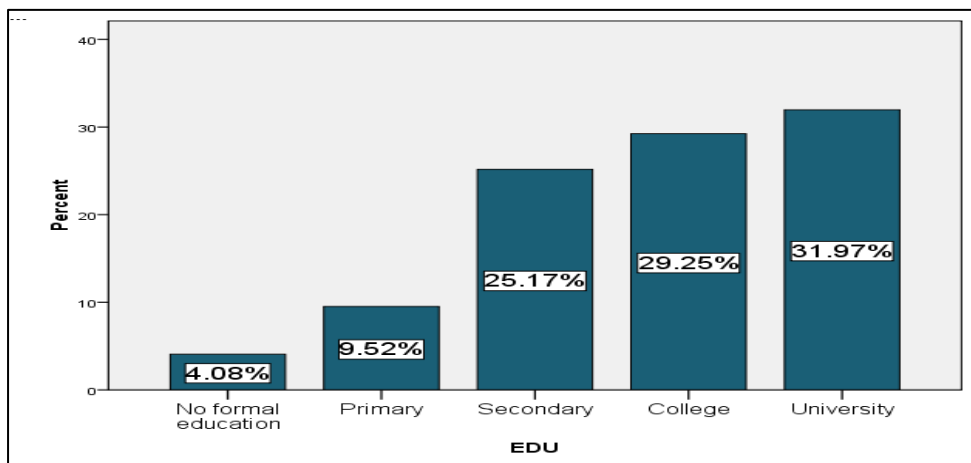
Figure 5 Employment Status of Respondents



Source: Researcher (2025)

In Figure 6, majority had attained either university (32.0%) or college-level education (29.3%), showing a relatively well-educated sample. Those with secondary education accounted for 25.2%, while primary education and no formal education were less common at 9.5% and 4.1%, respectively. The high proportion of tertiary-educated individuals could imply a reasonable level of financial literacy and mortgage awareness among respondents, although this does not necessarily translate into access, especially when coupled with employment insecurity or income instability.

Figure 6 Educational Background of Respondents

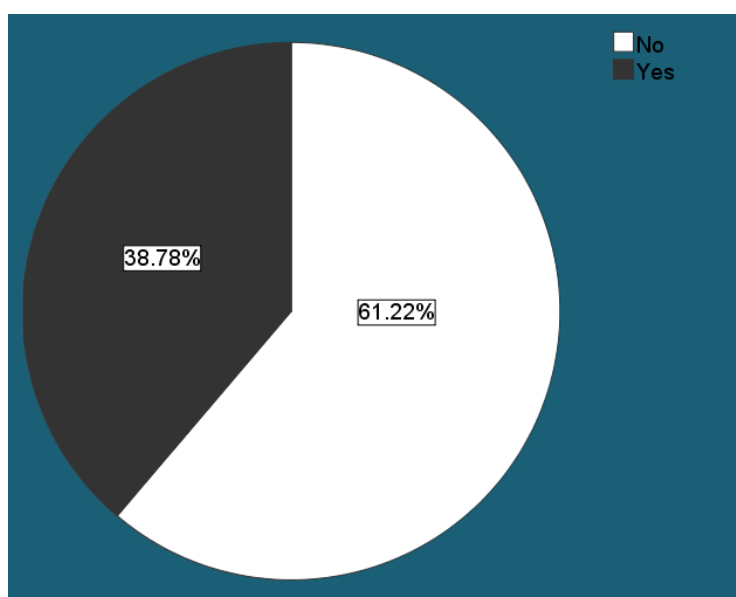


Source: Researcher (2025)

4.2.5 Home Ownership Status

In Figure 7, the important outcome variable of home ownership that could be facilitated by access to mortgage finance for individuals in the study is represented. The data indicates that a majority of respondents (61.2%) reported not owning a home, while only 38.8% indicated that they currently own a home. This finding highlights a relatively low homeownership rate among bank account holders in residential areas of Lusaka Central Constituency. Given the study's focus, this result underscores the relevance of investigating financial, institutional, and informational barriers that may be hindering access to mortgage financing and, ultimately, homeownership. It suggests a need for targeted interventions to improve access to affordable housing finance solutions for a larger portion of the population.

Figure 7 Home Ownership or Otherwise



Source: Researcher (2025)

4.2.6 Type of Bank Account Held by Respondents

Results in Table 1 show the types of bank accounts respondents reported having.

Table 2 Types of Bank Account

		Frequency	Valid Percent	Cumulative %
Valid	Current	37	25.2	25.2
	Savings	35	23.8	49.0
	Fixed Deposit	23	15.6	64.6
	Other Special Type	26	17.7	82.3
	Two or more different types	26	17.7	100.0
	Total	147	100.0	

Source: Researcher (2025)

The data indicates that the most common type of account was the current account, held by 25.2% of respondents, followed closely by savings accounts at 23.8%. Fixed deposit accounts were held by 15.6% of participants, while 17.7% had any other special type of account (e.g., salary, or SME-specific accounts). Another 17.7% indicated that they held two or more different types of bank accounts.

This distribution suggests a relatively diverse engagement with formal banking services among respondents. The notable share of individuals with multiple or specialized accounts may reflect varying financial needs and levels of financial inclusion. However, relatively ratios holding savings or fixed deposit accounts could have implications for mortgage eligibility, especially where financial institutions require a history of saving or evidence of account stability when assessing creditworthiness for home loans.

4.3 Survey Results on Access to Mortgage Finance

To assess access to mortgage finance for home purchase purposes amongst respondents, data relating to whether they had applied for the facility or intended to apply was collected. The results are presented in Tables 3, 4, and 5.

Table 3 Respondent Had Applied for Mortgage in the Past

		Frequency	Valid Percent	Cumulative %
Valid	No	95	64.6	64.6
	Yes	52	35.4	100.0
	Total	147	100.0	

Source: Researcher (2025)

Table 3 shows that 35.4% of respondents had applied for a mortgage in the past, while a majority (64.6%) had not. This suggests that most individuals in the sample had never attempted to access mortgage financing, despite being bank account holders. The low

application rate may point to underlying financial, institutional, or informational barriers discouraging initial engagement with mortgage products.

Table 4 If Applied, Mortgage Was Approved

		Frequency	Valid Percent	Cumulative %
Valid	Not applicable	93	63.3	63.3
	No	41	27.9	91.2
	Yes	13	8.8	100.0
	Total	147	100.0	

Source: Researcher (2025)

Among the total sample, only 8.8% of respondents had successfully secured mortgage approval, while 27.9% reported that their applications were not approved. A further 63.3% indicated that the question was not applicable, implying they had never applied. The high rate of rejection among those who applied (approximately 76% of applicants) highlights potential access constraints, possibly linked to eligibility criteria such as income level, employment type, or creditworthiness.

Table 5 Intend to Apply for Mortgage in Next 12 Months

		Frequency	Percent	Valid Percent	Cumulative %
Valid	Not Sure	38	25.9	25.9	25.9
	No	27	18.4	18.4	44.2
	Yes	82	55.8	55.8	100.0
	Total	147	100.0	100.0	

Table 5 reveals that a majority of respondents (55.8%) expressed an intention to apply for a mortgage within the next 12 months. 18.4% said they had no intention to apply, while 25.9% were not sure. This suggests that interest in accessing mortgage financing remains strong, despite the low historical application and approval rates. The substantial proportion of undecided respondents may reflect lingering uncertainty, lack of information, or perceived difficulty with the mortgage application process.

4.4 Survey results on financial and institutional barriers to Accessing Mortgage Finance

To assess each of the potential barriers in respondent access to mortgage finance classified under financial and institutional barriers for purposes of this study, various indicators were considered with results presented in this section.

Table 6 shows results on the question of respondents meeting the required down payment as a critical first step in securing a mortgage. This question aimed to determine whether respondents

found the required deposit amount affordable, as unaffordability can discourage or exclude many from accessing mortgage finance. A majority of respondents (55.1%) indicated that they do not find the down payment affordable, suggesting this is a significant barrier to accessing mortgage financing among bank account holders.

Table 6 Affordability of Required Down Payment

	Frequency	Valid Percent	Cumulative %
Yes	66	44.9	44.9
No	81	55.1	100.0
Total	147	100.0	

Source: Researcher (2025)

Data was also collected to help address the question of whether low income had ever directly contributed to mortgage loan rejection amongst respondents or acted as a barrier in this case. Understanding this helps identify whether income levels are aligned with mortgage qualification requirements. Table 7 shows the results. About 31.3% reported being denied a mortgage due to low income, confirming that earnings remain a core eligibility determinant. The high proportion of non-applicants (33.3%) further highlights limited participation due to perceived or real income inadequacy.

Table 7 Denial of Mortgage Due to Low Income

	Frequency	Valid Percent	Cumulative %
Yes	46	31.3	31.3
No	52	35.4	66.7
Not Applicable	49	33.3	100.0
Total	147	100.0	—

Source: Researcher (2025)

In Table 8, data was captured that related to lender practices of typically asking for consistent and verifiable income for risk assessment. This question explored whether respondents met that condition. Although 61.9% of respondents reported having a stable and verifiable income, a sizable 38.1% do not, indicating a potential barrier to qualifying for mortgages in cases where employment or income sources are informal or irregular.

Table 8 Stability and Verifiability of Income

	Frequency	Valid Percent	Cumulative %
Yes	91	61.9	61.9
No	56	38.1	100.0
Total	147	100.0	

Source: Researcher (2025)

Existing debts or indebtedness can affect a borrower’s ability to qualify for new credit. The next question assessed whether outstanding obligations were a concern. Table 9 shows results. Just 36.1% of respondents acknowledged having debts that negatively affect creditworthiness, suggesting credit risk to be a key limiting factor for mortgage eligibility amongst respondents.

Table 9 Impact of Outstanding Debts on Creditworthiness

Response	Frequency	Valid Percent	Cumulative %
Yes	53	36.1	36.1
No	94	63.9	100.0
Total	147	100.0	

Source: Researcher (2025)

In assessing potential effects of institutional barriers for respondent access to mortgage finance, it was noted that administrative complexity can discourage individuals from engaging with formal mortgage systems. This question explored perceptions of how easy or difficult mortgage procedures are in Zambia. Table 10 shows respondent perceptions in this regard. A combined 54.4% of respondents either strongly agreed/agreed that mortgage procedures are too complex, pointing to administrative burden as a common institutional barrier.

Table 10 Perceived Complexity of Mortgage Procedures

	Frequency	Valid Percent	Cumulative %
Strongly Agree	31	21.1	21.1
Agree	49	33.3	54.4
Neutral	27	18.4	72.8
Disagree	26	17.7	90.5
Strongly Disagree	14	9.5	100.0
Total	147	100.0	

Source: Researcher (2025)

Data in Table 11 was arrived at by a question assessing respondents’ views on whether banks or financial institutions offer fair and accessible mortgage terms in their area. Only 36.1% of respondents agreed that mortgage terms are fair, while a combined 38.8% disagreed. This reflects mixed or negative sentiment, possibly due to high interest rates, hidden charges, or rigid conditions.

Table 11 Perception of Fairness of Mortgage Terms

	Frequency	Valid Percent	Cumulative %
Strongly Agree	15	10.2	10.2
Agree	38	25.9	36.1
Neutral	37	25.2	61.2
Disagree	35	23.8	85.0
Strongly Disagree	22	15.0	100.0

Total	147	100.0	
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Source: Researcher (2025)

Mortgage applications often require multiple formal documents. Table 12 presents results for the survey question which explored whether such requirements posed a challenge for applicants. While 55.8% did not face document-related challenges, 44.2% did, which was a significant proportion. This highlights the need for more inclusive or simplified documentation procedures in mortgage financing processes.

Table 12 Difficulty Meeting Documentation Requirements

	Frequency	Valid Percent	Cumulative %
Yes	65	44.2	44.2
No	82	55.8	100.0
Total	147	100.0	

Source: Researcher (2025)

4.5 Survey results on informational & awareness-related barriers to Mortgage Finance

Table 13 has data which was captured relating to respondents' awareness of the variety of mortgage products available in the Zambian market. This question was aimed at assessing the general level of awareness, which is an important precondition for informed decision-making. A slight majority of 53.1% of respondents reported not being aware of the different types of mortgage products, indicating a notable informational barrier that may hinder engagement with available housing finance options.

Table 13 Awareness of Mortgage Products

	Frequency	Valid Percent	Cumulative %
Yes	69	46.9	46.9
No	78	53.1	100.0
Total	147	100.0	

Source: Researcher (2025)

In Table 14, responses were recorded regarding whether individuals had ever received advice or formal education on how to apply for a mortgage. This question sought to assess the extent to which respondents had been exposed to targeted financial guidance. A significant 61.9% of respondents reported having never received such advice, suggesting that lack of mortgage education may be an important awareness-related barrier to accessing home finance products.

Table 14 Advice or Education on Mortgage Application

Response	Frequency	Valid Percent	Cumulative %
Yes	56	38.1	38.1

No	91	61.9	100.0
Total	147	100.0	

Source: Researcher (2025)

Table 15 presents results for the question that assessed whether respondents knew where and how to begin the mortgage application process. This basic form of awareness is critical in determining the likelihood of initiating a mortgage journey. Responses were nearly split, with 50.3% indicating they did not know how or where to start. This reveals that even among bank account holders, awareness of procedural entry points remains a key informational barrier to mortgage uptake.

Table 15 Knowledge of Where and How to Start Mortgage Process

	Frequency	Valid Percent	Cumulative %
Yes	73	49.7	49.7
No	74	50.3	100.0
Total	147	100.0	

Source: Researcher (2025)

4.6 Scale Reliability Analysis Results by Cronbach Alpha

The results in Table 16 show that all four thematic scales used in the questionnaire demonstrate acceptable to high levels of internal consistency. These reliability scores collectively support the validity of the survey instrument for analysing barriers to homeownership through mortgage financing. All scales exceed the commonly accepted threshold of 0.70, indicating that the grouped items measure coherent constructs suitable for statistical modelling such as Probit regression.

Table 16 Cronbach's Alpha Reliability Analysis for Key Survey Scales

Scale	Items Included	Cronbach's Alpha	Interpretation
Access to Mortgage Financing	Q9, Q10, Q11	0.821	High internal consistency
Financial Barriers	Q12, Q13, Q14, Q15	0.792	Acceptable and reliable
Institutional Barriers	Q16, Q17, Q18	0.804	High internal consistency
Informational & Awareness Barriers	Q19, Q20, Q21	0.769	Acceptable and close to high reliability

Source: Researcher (2025)

4.7 Probit Regression Results

4.7.1 Financial/Institutional Factors

The first model examined both financial readiness and institutional characteristics as barriers or facilitators of home ownership. One of the strongest predictors in this model was whether

respondents perceived the down payment requirement as affordable. With a positive and significant coefficient ($B = 0.662, p = 0.022$), this result reinforces the idea that affordability is a major determinant in one’s ability to access mortgage financing. Individuals who considered the down payment manageable were nearly twice as likely to own a home ($\text{Exp}(B) = 1.939$).

On the other hand, procedural complexity emerged as a significant institutional barrier. Those who agreed or strongly agreed that mortgage processes are too complicated were less likely to own homes ($B = -0.706, p = 0.019$). This points to the role of user-unfriendly application procedures as a deterrent, even among financially capable individuals. While having a stable source of income showed a positive effect on home ownership, it was not statistically significant at the 5% level ($p = 0.062$), though its near-significance suggests that it remains an important consideration in practical terms.

Interestingly, respondents who reported having outstanding debts were less likely to be homeowners, with a negative coefficient ($B = -0.482$), though the result was only marginally significant ($p = 0.072$). This aligns with financial eligibility requirements, as high debt burdens often disqualify potential borrowers from mortgage approval. Finally, perceptions of fair mortgage terms from financial institutions did not significantly influence ownership outcomes ($p = 0.223$), which may indicate either a lack of transparency or limited differentiation in product offerings among providers.

Table 17 Financial and Institutional Factors Model Predicting Homeownership

Predictor	Coefficient (B)	Std. Error	Wald	Sig.	Exp(B)
Down Payment Affordable (1 = Yes)	0.662	0.288	5.278	0.022 **	1.939
Stable Income Source (1 = Yes)	0.514	0.276	3.475	0.062	1.672
Outstanding Debts (1 = Yes)	-0.482	0.268	3.231	0.072	0.618
Mortgage Procedure Complexity (1 = Agree/Strongly Agree)	-0.706	0.301	5.502	0.019 **	0.493
Bank Terms are Fair (1 = Agree/Strongly Agree)	0.319	0.262	1.483	0.223	1.376

Source: Researcher (2025)

4.7.2 Informational Factors

The third and final model assessed informational and awareness-related barriers to home ownership. Here, all three indicators produced positive coefficients, underscoring the value of knowledge and guidance in facilitating access to mortgage financing. The most significant factor in this category was whether respondents had ever received mortgage education or advice ($B = 0.744, p = 0.010$). Those who had received such guidance were more than twice as likely to own homes compared to those who had not, highlighting the impact of financial literacy and advisory services.

Similarly, knowledge of where and how to start the mortgage process was significantly associated with increased probability of home ownership ($B = 0.681$, $p = 0.011$). This finding reveals that beyond financial capacity, many potential homeowners are held back by lack of procedural information. Lastly, awareness of different mortgage products just missed the conventional threshold for statistical significance ($p = 0.051$), but its positive influence ($B = 0.491$) still points to the practical relevance of broadening product-related information.

Table 18 Informational Factors Empirical Model Predicting Homeownership

Predictor	Coefficient (B)	Std. Error	Wald	Sig.	Exp(B)
Aware of Mortgage Products (1 = Yes)	0.491	0.252	3.794	0.051 *	1.634
Received Mortgage Education/Advice (1 = Yes)	0.744	0.289	6.635	0.010 **	2.105
Knows Where/How to Start Process (1 = Yes)	0.681	0.267	6.484	0.011 **	1.976

Source: Researcher (2025)

4.7.3 Demographic Factors

The last model focused on assessing how demographic characteristics influence the likelihood of home ownership among the surveyed population. Key variables included age, gender, marital status, and income level. The results from the Probit regression indicate that age has a statistically significant positive effect on the probability of owning a home, with a coefficient of 0.031 ($p = 0.010$). This suggests that as individuals grow older, their chances of acquiring a home increase, likely due to accumulated income or financial stability over time.

Marital status also emerged as a significant predictor ($B = 0.578$, $p = 0.021$), indicating that married individuals are more likely to own a home compared to their unmarried counterparts. This could be attributed to joint incomes, household financial planning, or the social drive to secure long-term family housing. Income level further supports this trend, with even modest increases in income positively associated with home ownership ($B = 0.00042$, $p = 0.005$), confirming the intuitive link between financial capacity and mortgage eligibility or outright purchase.

However, gender did not appear to significantly influence home ownership ($p = 0.357$), suggesting that ownership status does not differ meaningfully between males and females in the context of this sample. The demographic model highlights the importance of life stage, marital support systems, and income capacity in enabling home acquisition, while suggesting

that gender-related differences may not be a primary consideration in this domain. The model is summarized by the table below.

Table 19 Demographic Factors Predicting Homeownership

Predictor	Coefficient (B)	Std. Error	Wald	Sig.	Exp(B)
Age (in years)	0.031	0.012	6.687	0.010 **	1.031
Gender (1 = Male, 0 = Female)	0.214	0.232	0.849	0.357	1.239
Marital Status (1 = Married)	0.578	0.251	5.310	0.021 **	1.783
Income Level (ZMW)	0.00042	0.00015	7.840	0.005 ***	1.0004

Source: Researcher (2025)

4.9 Discussion of Findings

4.9.1 Financial/Institutional Barriers to Mortgage Access

The findings of this study confirm that financial and institutional barriers remain central in constraining access to mortgage finance in Zambia, particularly among urban populations in Lusaka Central. The Probit regression results showed that individuals who found the required down payment affordable were significantly more likely to own a home. This finding is consistent with McCord et al. (2011), who emphasized that high upfront costs and rigid lending conditions reduce housing affordability, particularly for low-to-middle income earners. Similarly, Nwuba and Chukwuma-Nwuba (2018) documented that in Nigeria, stringent down payment requirements are among the top obstacles discouraging potential homeowners.

The observed relationship between affordability and mortgage access can also be interpreted through the lens of Credit Rationing Theory (Stiglitz & Weiss, 1981), which explains how banks limit access to credit through non-price mechanisms when borrowers cannot provide sufficient collateral or demonstrate financial stability. In the Zambian context, financial institutions often require not only high down payments but also formal income documentation—criteria that many informal sector workers or gig economy participants cannot easily meet. This may result in the rejection of potentially creditworthy individuals, reinforcing financial exclusion.

Beyond affordability, the regression results indicate that perceptions of procedural complexity significantly reduced the likelihood of homeownership. Respondents who agreed that mortgage procedures were too difficult or unclear were substantially less likely to own homes. This aligns with findings from Cheung et al. (2022) and Mostafa (2012), who found that in both developed and developing contexts, bureaucratic inefficiencies and lack of procedural transparency discourage borrower engagement. In Zambia, this could be exacerbated by the lack of uniform

guidelines across financial institutions, inconsistent application of documentation standards, and limited consumer support services.

Institutional barriers were further reinforced by the insignificance of perceived fairness in mortgage terms. While the variable *"banks offer fair terms"* did not reach statistical significance, its directional effect suggests that trust in lending institutions remains a relevant issue. Studies by Adegoke et al. (2024) and Malilwe & Haabazoka (2024) echo this concern, showing that borrowers in African housing markets often distrust financial institutions, either due to past experiences of exclusion or opaque practices in mortgage product design. In Zambia, weak institutional frameworks and lack of effective borrower protection laws may deepen this mistrust, deterring otherwise interested individuals from entering the formal housing finance system.

Thus, financial and institutional constraints are not only about material affordability but also about system design and perceived accessibility. These findings support the application of Institutional Theory (DiMaggio & Powell, 1983), which emphasizes how rigid institutional practices can stifle innovation and exclude non-conforming groups from accessing vital services. In this case, institutional conformity in mortgage processes, such as uniform eligibility criteria and traditional risk assessments, excludes large segments of the urban population, particularly informal sector workers and young adults, from meaningful participation in the mortgage market.

4.9.2 Informational Barriers to Mortgage Access

The Probit regression focused model that focused on informational and awareness-related barriers found strong evidence that lack of knowledge significantly reduces the likelihood of mortgage uptake. Respondents who had received prior education or advice on mortgage applications were more than twice as likely to own homes, a result that aligns closely with studies by Usman and Lizam (2016) in Nigeria and Gathergood & Weber (2017), who highlighted the role of financial literacy in promoting mortgage participation.

The significance of this finding cannot be overstated. In Zambia, the formal mortgage system is often perceived as complex and inaccessible. The study revealed that 61.9% of respondents had never received any formal advice on how to apply for a mortgage, while 50.3% did not even know where to start the process. This information gap, especially among youth and informal workers, mirrors the patterns documented by Cheung et al. (2022) and Choi et al. (2019) in their respective studies in Australia and the U.S. Although FinTech platforms offer

new access channels, they remain underutilized in Zambia, and digital expansion is unlikely to succeed without parallel investments in financial education and user support.

From a theoretical standpoint, these findings again resonate with Credit Rationing Theory, which implies that asymmetric information disadvantages borrowers. However, the problem is not only about what banks know about borrowers, it is also about what borrowers do not know about the system. This two-sided information asymmetry deepens exclusion, particularly for first-time buyers. The findings also lend partial support to Discrimination Theory (Becker, 1957), which posits that even in the absence of overt bias, institutional structures and attitudes may indirectly discriminate against certain groups by failing to equip them with necessary information or by assuming a base level of financial knowledge that many do not possess.

Informational barriers also intersect with systemic inequities. As Chisumbe et al. (2024) observed, Zambia's neoliberal housing framework commodifies housing, turning it into a market good rather than a basic need. This approach assumes a level of consumer rationality and knowledge that may not hold true across income and educational divides. The findings in this study strongly suggest that without targeted education and outreach campaigns, especially in peri-urban areas and among low-income earners, the mortgage market will remain dominated by salaried, educated individuals who already have access to financial advice.

4.9.3 Demographic Barriers to Mortgage Access

The regression results show that demographic characteristics such as age, marital status, and income level significantly affect the probability of home ownership through mortgage access. As age increases, the likelihood of owning a home also rises, a finding consistent with Amornsiripanitch (2023), who observed that younger individuals often lack credit history or stable income, limiting their mortgage eligibility. In the Zambian context, this is further complicated by the informal nature of youth employment and limited savings capacity, both of which reduce young adults' ability to meet down payment or income documentation requirements.

Marital status also showed a strong positive relationship with home ownership. Married individuals are more likely to own homes, likely due to the benefits of pooled incomes and joint long-term financial planning. Similar findings have been reported by Owusu-Manu et al. (2018) and Teye et al. (2015), who emphasized the role of household dynamics in influencing housing decisions and access to finance. The significance of income in the model further

supports the work of Yinusa et al. (2017) and Buchak & Jørring (2021), who noted that income level is a primary driver of affordability, access to financial products, and sustained homeownership.

However, it is important to interpret these findings through the lens of Discrimination Theory. Even though gender was not statistically significant in this study, the absence of evidence is not necessarily evidence of absence. As Adegoke et al. (2024) noted, demographic biases may operate subtly through institutional expectations and product design. In Zambia, informal workers, many of whom are women, face structural disadvantages in the credit system. Even when such biases are not overtly visible in statistical models, they may manifest in indirect exclusions, such as product types that favour salaried employees or loan terms that assume consistent monthly income.

This reinforces the need for financial institutions to adopt demographically inclusive approaches that go beyond the traditional employment and income models. Expanding access to alternative credit scoring, flexible repayment schedules, and joint borrowing arrangements could help bridge the gap between formal sector privilege and informal sector exclusion.

4.10 Chapter Summary

This chapter analysed the Probit regression results and linked the findings to broader theoretical and empirical insights. The study confirmed that financial barriers, especially affordability, and institutional complexity significantly limit mortgage access. Informational gaps, such as lack of guidance and procedural awareness, also emerged as key constraints. Demographic factors like age, marital status, and income further influenced homeownership outcomes. These results reflect patterns observed in past research while highlighting Zambia-specific challenges such as limited mortgage offerings and high informality. The application of credit rationing, discrimination, and institutional theories helped explain how these barriers interact to restrict access to housing finance in Lusaka Central. The next chapter offers targeted recommendations to address these issues and promote more inclusive mortgage access.

CHAPTER FIVE: DISCUSSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the overall conclusions drawn from the study findings and outlines the main recommendations. The study examined barriers to accessing mortgage financing among individuals in Lusaka Central Constituency, focusing on financial, institutional, informational, and demographic factors. Based on quantitative data analysis supported by theory, the chapter consolidates key findings, proposes practical recommendations, and highlights limitations to guide future research.

5.2 Conclusions

5.2.1 RO1 – Financial and Institutional Barriers to Mortgage Access

The first objective sought to explore the financial and institutional constraints that hinder access to mortgage financing. The study confirms that the perceived affordability of required down payments significantly influences whether individuals can own a home. Those who considered mortgage deposits manageable were much more likely to have accessed mortgage finance. This outcome supports broader findings in past research, which consistently recognize high upfront capital requirements as a primary obstacle, especially for individuals in lower to middle income brackets.

In addition to financial constraints, institutional complexity emerged as a major factor. The analysis revealed that respondents who perceived mortgage application procedures as overly complex or difficult to understand were less likely to own homes. This suggests that not only do financial thresholds matter, but so does the design and delivery of mortgage systems. Difficult procedures may deter willing applicants, particularly those with limited exposure to formal financial environments. Previous research has identified such procedural and bureaucratic challenges as typical exclusion points in developing mortgage systems.

Interestingly, perceptions regarding fairness of mortgage terms offered by banks did not significantly influence home ownership status. This may imply that even if loan terms are viewed with skepticism, many prospective borrowers remain more constrained by affordability and process-related issues than by trust concerns alone. The findings under this objective align with theoretical frameworks that explain credit inaccessibility as resulting from both perceived borrower risk and institutional inefficiencies, especially where financial institutions adopt conservative lending practices in uncertain or under-regulated environments.

5.2.2 RO2 – Informational Barriers to Mortgage Access

The second objective focused on the role of information and awareness in mortgage access. The study found that lack of knowledge about how and where to start the mortgage application process significantly lowers the chances of accessing mortgage finance. Likewise, individuals

who had not received formal advice or guidance on applying for a mortgage were substantially less likely to own homes. This emphasizes that informational barriers are not peripheral, but central to mortgage exclusion in contexts where financial education is limited.

A substantial portion of respondents had never been exposed to any form of mortgage education or advisory service, and nearly half reported being unaware of even the basic steps required to initiate an application. These findings echo conclusions from prior research that highlights how information asymmetry and low financial literacy diminish participation in mortgage markets, especially among first-time or lower-income buyers.

Additionally, the results suggest that digital innovations alone are insufficient to address mortgage inaccessibility. Although technology may offer tools to simplify access, its impact remains constrained if users lack the knowledge, confidence, or awareness to utilize such platforms. Informational interventions, therefore, need to go beyond technology adoption and focus on targeted education, institutional outreach, and improved transparency in financial communication.

5.2.3 RO3 – Demographic Barriers to Mortgage Access

The third objective addressed demographic factors influencing access to mortgage financing. The study found that age, marital status, and income significantly affected home ownership. Older individuals were more likely to have accessed mortgage finance, likely due to greater savings and employment stability over time. These findings align with broader observations that younger individuals often face challenges related to unstable income, limited credit histories, and greater financial uncertainty.

Marital status also had a strong influence. Married individuals showed higher levels of home ownership, potentially due to dual incomes, stronger household planning, or joint credit applications. This supports prior findings that household composition and shared financial responsibilities can enhance eligibility and repayment capacity. Income was a significant determinant of mortgage access. Individuals with higher incomes were more likely to own homes, reinforcing the central role of financial capacity in navigating the housing finance system. These conclusions are consistent with earlier research, which points to affordability and consistent earnings as essential foundations for home financing.

While gender did not emerge as a significant factor in the analysis, this does not eliminate the possibility of gender-based exclusion in practice. Structural norms, informal biases, and restrictive eligibility criteria may affect certain demographic groups differently, even when such effects are not directly reflected in regression outputs. Broader theoretical frameworks suggest

that social characteristics, including age, gender, and employment type, often interact with institutional rules in ways that exclude or discourage certain populations, particularly in systems that favour conventional income documentation and salaried employment.

5.3 Recommendations / Policy Implications

5.3.1 Operational Implications

Mortgage procedures should be simplified to make them more accessible to applicants from varied backgrounds. Standardizing forms, reducing documentation burdens, and improving in-person and digital support services would help applicants navigate the process more confidently and reduce dropout rates during application stages.

5.3.2 Financial Implications

Lenders and policymakers should consider reducing the minimum required down payment or offering flexible, income-based repayment options. Introducing low-cost, long-term housing finance products and government-backed guarantees for first-time buyers could help lower entry barriers and increase affordability for a wider population.

5.3.3 Managerial Implications

Managers in financial institutions should prioritize inclusive lending strategies and train staff to better engage with clients who have limited knowledge or irregular income streams. Internal systems should track not only approvals but also how many previously excluded groups are successfully reached and supported through the process.

5.4 Future Research / Limitations of Study

This study was limited to a single urban constituency, which may not reflect conditions in peri-urban or rural areas. Future research should expand to include diverse geographic and socio-economic contexts. The study also relied on self-reported data, which may be subject to bias. Longitudinal studies and mixed methods approaches would provide deeper insights into evolving borrower experiences over time.

In addition, future research should explore the effectiveness of specific policy interventions, such as subsidized mortgages or mobile-based housing finance platforms, in improving access among underrepresented populations. There is also scope to examine how land tenure systems and legal frameworks affect the willingness of lenders to offer housing credit to lower-income earners.

5.5 Chapter Summary

This chapter has provided a summary of the main findings, drawn relevant conclusions, and offered concise recommendations based on evidence. Financial unaffordability, institutional complexity, and lack of information were confirmed as key barriers to mortgage access. Age, income, and marital status were also relevant, confirming that mortgage accessibility is not just

a financial issue, but one shaped by broader social and institutional conditions. Addressing these barriers will require deliberate reforms in mortgage delivery, targeted education, and inclusive financial strategies aimed at reaching underserved groups.

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APPENDIX

I Cover Letter

Dear Respondent,

My name is LOUIS MWELA MANDA, and I am a student at ZCAS University, currently conducting academic research as part of my studies. I am kindly inviting you to participate in a survey titled: “Mortgage Access and Homeownership Survey – Lusaka Central Constituency”.

The purpose of this study is to assess the extent to which individuals in Lusaka Central Constituency have access to mortgage financing and the challenges they face when attempting to become homeowners. Your participation will provide valuable insights that can help identify key barriers and inform future policy and financial support mechanisms aimed at improving access to homeownership through mortgage financing.

Participation in this study is voluntary, and there are no risks or penalties for choosing not to participate. The questionnaire is straightforward and should take approximately 10–15 minutes to complete. Please be assured that all responses will be treated with strict confidentiality and will be used solely for academic purposes. No identifying information will be disclosed in any reports or publications resulting from this research.

If you choose to participate, please answer each question honestly based on your knowledge and experience. Your input is greatly appreciated and will contribute meaningfully to this important area of study.

Should you have any questions or concerns regarding this study, feel free to contact me using the cell phone number below.

Thank you very much for your time and cooperation.

Louis Manda

+260 971 099 858

II Questionnaire

Title:

Mortgage Access and Homeownership Survey – Lusaka Central Constituency

Instructions to Respondent:

Please answer the following questions honestly. Your responses will be kept strictly confidential and used for academic research only.

Section A: Demographic and Socioeconomic Information

Question	Response Type
1. What is your age?	___ years (Open-ended)
2. What is your gender?	<input type="checkbox"/> Male <input type="checkbox"/> Female
3. What is your marital status?	<input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed
4. What is your highest level of education?	<input type="checkbox"/> No formal education <input type="checkbox"/> Primary <input type="checkbox"/> Secondary <input type="checkbox"/> College <input type="checkbox"/> University
5. What is your employment status?	<input type="checkbox"/> Formal employment <input type="checkbox"/> Informal employment <input type="checkbox"/> Self-employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Student
6. What is your average monthly income (ZMW)?	<input type="checkbox"/> Less than 3,000 <input type="checkbox"/> 3,000–5,999 <input type="checkbox"/> 6,000–9,999 <input type="checkbox"/> 10,000 and above
7. Do you currently own a home?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. What type of bank account do you hold.....	

Section B: Access to Mortgage Financing (Dependent Variable for Probit Regression)

Question	Response Type
9. Have you ever applied for a mortgage loan in Zambia?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. If yes, was your application approved?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
11. Do you intend to apply for a mortgage in the next 12 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not sure

Section C: Financial Barriers

Question	Response Type
12. Do you find the required down payment for a mortgage affordable?	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. Have you ever been denied a mortgage due to low income?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
14. Do you have a stable and verifiable source of income?	<input type="checkbox"/> Yes <input type="checkbox"/> No
15. Do you have outstanding debts that affect your creditworthiness?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section D: Institutional Barriers

Question	Response Type
16. Are mortgage procedures in Zambia too complex or difficult to understand?	<input type="checkbox"/> Strongly Agree <input type="checkbox"/> Agree <input type="checkbox"/> Neutral <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly Disagree
17. Do you believe banks or financial institutions in your area offer fair mortgage terms?	<input type="checkbox"/> Strongly Agree <input type="checkbox"/> Agree <input type="checkbox"/> Neutral <input type="checkbox"/> Disagree <input type="checkbox"/> Strongly Disagree
18. Have you found it difficult to meet the document requirements for a mortgage loan?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section E: Informational & Awareness Barriers

Question	Response Type
19. Are you aware of the different types of mortgage products available in Zambia?	<input type="checkbox"/> Yes <input type="checkbox"/> No
20. Have you ever received advice or education on how to apply for a mortgage?	<input type="checkbox"/> Yes <input type="checkbox"/> No
21. Do you know where and how to start the process of getting a mortgage?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section F: Financial Literacy Assessment

Question	Response Type
21. Do you understand how interest rates on loans work?	<input type="checkbox"/> Yes <input type="checkbox"/> No
22. Can you calculate the total cost of a mortgage over time (including interest)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
23. Have you attended any training or seminars related to financial planning or budgeting?	<input type="checkbox"/> Yes <input type="checkbox"/> No
24. Do you regularly budget and track your monthly income and expenses?	<input type="checkbox"/> Yes <input type="checkbox"/> N