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NATIONAL HOUSING FUND SCHEME AND ECONOMIC GROWTH IN NIGERIA

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ABSTRACT

This study examined the effect of the National Housing Fund on the Nigerian economic growth from 1995to 2022. The study employed the ex post facto research design using Primary Mortgage institutions as the population of study. Sampling was considered unnecessary as aggregate statistical data were used. The National Housing Fund Scheme was assigned proxy of Loans and investments of Primary Mortgage Institutions. The Nigerian economic growth was measured using Gross Domestic Product (GDP). Data for the study were extracted from the 2019 CBN HDI. Specifically, the study found that the National Housing Fund Scheme significantly and positively affect Gross Domestic Product (GDP) of Nigeria. The study concludes therefore, that the NHF is a significant stimulator of the Nigerian economy in terms of productivity. The study recommended increased supervisory and funding support for the NHF scheme to ensure the goals are achieved.

1. INTRODUCTION

Housing refers to the end product of the construction work in terms of the structure, design, space, lighting, heating, sanitary facilities, as well as other conveniences. It also involves activities relating to construction, rehabilitation, maintenance and re-modeling, neighbourhood planning, urban and regional planning, as well as environmental management. It also includes construction (Ibimilua & Ibitoye, 2015). The housing sector is the bedrock of the economy of most developed nations and an important tool for stimulating growth (Kolawole, 2015). Its multiplier effect on the economy as a whole portrays its pivotal position in improving the prevalent standard of living. Its effects cut across employment, security and alleviation of poverty. It also affects economic development through forward linkages to the financial markets and backward linkages to land, building materials, tools, furniture and labour markets.

In developed nations of the world, the sector contributes between thirty to seventy percent of Gross Domestic Product (GDP). The National Association of Realtors (2003) found in a study that the housing sector contributes directly to overall production activities of the economy like job growth, tax revenue, wages, and the benefits of shelter and wealth accumulation for households in developed countries. Globally, investment in housing accounts for fifteen to thirty five percent of aggregate investment and approximately 10 percent of employment. These buttress the contribution of housing to a nation's economy. Sadly however, same cannot be said of Nigeria as the housing sector in Nigeria accounts for only about 7.5 percent of the country's GDP. The country also records a minute fraction of credits classified for mortgages [which are specialised long term credits for housing]. These have led different government administrations come out with different policies to improve this pivotal sector. Kabir (2004) posited that although the federal and some state government intervened by providing mass housing, only the rich and the privileged can afford it. He submitted that the intervention of government include the formation of federal housing authority, the establishment of the Federal Mortgage Bank of Nigeria, as well as the creation of the Ministry of Housing, Urban Development and Environment. The real estate and housing sector is regulated primarily by the Federal Ministry of Lands, Housing and Urban Development. The ministry has two implementing agencies, the Federal Mortgage Bank of Nigeria (FMBN), which is the apex mortgage institution, and the Federal Housing Authority (FHA), which is responsible for supplying low-income housing. While the FHA is regulated by the Federal Ministry of Lands, Housing & Urban Development, FMBN is regulated by the Central Bank of Nigeria (CBN).

A major action taken geared towards sustainable housing delivery is the National Housing Policy. Ibimilua and Ibitoye (2015) opined that the United Nations declaration of 'Housing for all by the year 2000' served as a catalyst for the birth of this scheme. The declaration gave a time-specific objective for housing. Thus, in 1991, the National Housing Policy was promulgated in order to propose possible solutions to housing problems in Nigeria. At the inception, the basic goal of the policy was to provide affordable housing to accommodate Nigerian households in livable environment. The National Housing Fund stemmed from this and started operations in 1992. Twenty five years down the lane, many Nigerians are still homeless while several others are living in indecent houses up to this time.

The National Housing Fund Act governs the operation of this scheme. The major thrust of this scheme is to make loans for housing available to all income-earners at low interest rates. The Federal Mortgage Bank of Nigeria (FMBN) is the apex administrator of the NHF and started operations in 1977, with a takeoff capital of N20 million from the federal government was later increased to 150 million in 1979 to meet up with the pressure of demand (Ayotamuno & Obinna, 2014). The key objectives of the Fund include: ensuring the provision of housing units is based on realistic standards that house owners can afford; giving priority to housing programmes designed to benefit the low-income group; and encouraging every household to own its house through the provision of credit or funding. The Federal Mortgage Bank of Nigeria collects and administers the NHF in accordance with the provisions of the NHF Act 2018 through Primary Mortgage Institutions (PMIs).

In terms of fund mobilization, the national housing scheme recorded modest achievements as contribution to the scheme increased to over N20,073 million by December 1997 (Sanusi, 2003; Ozurumba, 2011). As at end September 2000, FMBN mobilized a total of N5.8 billion from 1.8 million contributors to the NHF while it granted N375 million loans to 631 contributors through 20 PMIs for the construction of houses (Sanusi, 2003). However, the average share of GDP invested in housing declined from 3.6 percent in the 1970s to less than 1.7 percent in the 1990s. In addition, between 1992 and 2001, the volume of savings and time deposit with the banks and nonbank financial institutions grew by 604.94 percent from N54 billion to N 385.2 billion. However, the proportion held by the housing finance institutions declined from 1.4 percent to 0.22 per cent in 1998, indicating a fall in the flow of funds into the housing finance sector. The scheme has had little success because the amount raised through contributions is only sufficient to fund loans for a small proportion of those who qualify to apply and receive the loans (EfinA & Finmark Trust, 2017). The most recent policy by the government on improving housing was based on a newsletter released by the CBN in September, 2020 with a focus on providing the basis for Implementation of Family Homes Financing Initiative which recognizes the role of mass housing construction as among the key economic activities with potentials to create significant number of jobs rapidly. The policy is also intended to maximize locally manufactured inputs and thereby conserving foreign exchange. The estimate is to house up to 900,000 children and adults (at an average of 3 persons/home) on low income with direct impact on health, education and economic outcomes

(CBN, 2019). Overall, it becomes timely to examine the effect of the NHF scheme on the Nigerian economic growth.

1.1 Objective of the Study

The broad objective of this study was to determine the effect of the national housing fund on the Nigerian economic growth. Specifically, the study sought to:

1. Determine the effect of the National Housing Fund Scheme on Gross Domestic Product.

1.2 Hypothesis

H_{01}: The National Housing Fund Scheme has no significant effect on Gross Domestic Product of Nigeria.

2. LITERATURE REVIEW

2.1 Conceptual review

2.1.1 National Housing Fund Scheme

The National Housing Fund (NHF) is a Federal Government scheme which entitles all Nigerians above the age of 21 in paid employment to a low interest, government funded loan. Members of the scheme contribute 2.5% of their monthly salary to the fund through Federal Mortgage Bank of Nigeria. The maximum amount obtainable under the NHF used to be N5 million but has since been increased to N15 million. The borrowed capital is repayable over a maximum of 30 years at the rate of 6% interest. The Scheme was established subsequent to the promulgation of national Housing fund Decree No 3 of 1992 as a mandatory scheme to mobilize cheap and long term funds for housing credits. The fund represented the financial component of the National Housing Policy, which was adopted in 1991 (Adedokun et al, 2012).

The NHF scheme was established to: *(a)* facilitate the contribution of the Fund for the provision of houses for Nigerians at affordable prices; *(b)* ensure the constant supply of loans to Nigerians for the purpose of building, purchasing and improvement of residential houses; *(c)* provide incentives for the capital market to invest in property development; *(d)* encourage the development of specific programmes that would ensure effective financing of housing development, in particular low cost housing for low income workers; *(e)* provide proper policy control over the allocation of resources and funds between the housing sector and other

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sectors of the Nigerian economy; and (j) provide long-term loans to mortgage institutions for on-lending to contributions to the Fund.

According to the act, funds are sourced from: *(a)* contributions by Nigerians in both the public and private sectors constituting 2.5 per cent of his basic monthly salary as long as he earns an income of at least N3.000 at an interest rate of 4 per cent; *(b)* investment in the Fund by commercial and merchant banks of10 per cent of its loans and advances at an interest rate of 1 per cent above the interest rate payable on current accounts; *(c)* investment in the Fund by insurance companies registered under the Insurance Act of a a minimum of 20 per cent of its non- life funds and 40 per cent of its life funds in real property development of which not less than 50 per cent shall be paid into the Fund through the Federal Mortgage Bank of Nigeria (in this Act referred to as "the bank") at an interest rate not exceeding 4 per cent; *(d)* financial contributions by the Federal Government for long-term housing loans either in naira or foreign currency to the Fund as it may deem necessary.

The fund is managed and administered by the Federal Mortgage Bank of Nigeria. The bank ensures that the proceeds from the Fund are utilized to finance the housing sector of the economy through wholesale mortgage lending to primary mortgage institutions and the aims, objectives and functions of the Fund are effectively carried out by the bank and mortgage institutions. Mortgage institutions utilize the proceeds from the Fund to finance mortgage lending in accordance with the provisions of the Act and the Mortgage Institutions Act. Contributions by employees are usually remitted to the bank by employers within one month of the making of the deduction. Self-employed persons are not left out in remittance. For commercial and merchant banks, the Central Bank of Nigeria collects their contributions at the end of every year and not later than one month thereafter and remits same within two months to the Fund. All monies received by the bank under this Act shall be credited to the Fund immediately on receipt. A mortgage institution duly licensed under the Mortgage Institutions Act shall qualify for loans from the Fund, on such terms and conditions as the Minister may, from time to time, by regulations published in the *Gazette*. Any loan obtained by a mortgage institution under subsection (I) of this section shall be made available to contributors wishing to build, purchase or renovate houses. The Minister may by regulations published in the *Gazette* specify the manner in which and the conditions and terms of repayment of any loan obtained pursuant to subsection (2) of this section.

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Any loan obtained from a mortgage institution shall be secured by a first mortgage. Any loan granted by the bank to a mortgage institution shall be secured by a block of existing mortgages under cover of Sales and Administration Agreement to be executed between the bank and the mortgage institution. The Sales and Administration Agreement referred to in subsection (2) of this section shall be registerable in the Land Registry along with the Deed of Assignment of Mortgages to which the Agreement relates. The loans made by the bank are at interest rates slightly lower than the prevailing commercial rates in Nigeria. The interest rate for each loan is usually fixed for the duration of the loan. For contributors who have not obtained a housing loan from the bank and has attained the age of 60 years or retired from his employment and becomes incapable of continuing the contribution to the Fund as specified in this Act, a refund of his contribution within three months of the application at the rate of interest prescribed by the Minister shall be due him.

2.1.2 Economic Growth

Economic growth refers to the increase in the production of goods and services in an economy over a specific period (Nwoye, Udunwoke & Nworie, 2023). It signifies a positive change in the level of economic activity and is typically measured by the rise in a country's Gross Domestic Product (GDP) or Gross National Product (GNP). This growth reflects the economy's ability to produce more output and thereby improve the material well-being of its citizens. An expanding economy can generate higher incomes, create more jobs, and provide the resources necessary for improving infrastructure and public services (Oseni & Oyelade, 2023).

Economic growth is driven by several key factors. One of the primary drivers is an increase in capital stock, which includes investments in machinery, buildings, and infrastructure. Such investments enhance the productive capacity of an economy, allowing it to produce more goods and services. Technological advancements also play a crucial role by introducing new methods of production and innovations that increase efficiency and productivity. These advancements can lead to the creation of new industries and the transformation of existing ones, further boosting economic output (Batrancea, Rathnaswamy, Rus & Tulai, 2023). As the population increases and more individuals enter the workforce, the economy's ability to produce goods and services expands. Improvements in education and training can enhance the skills and productivity of the labor force, contributing to higher levels of economic output. Additionally, demographic factors, such as a younger population, can provide a dynamic and adaptable workforce that drives economic expansion. When productivity increases, it means that the economy can produce more goods and services with the same amount of resources (Nwoye, Udunwoke & Nworie, 2023). This can be achieved through better management practices, technological innovations, and increased specialization and trade. Higher productivity leads to lower production costs, higher profits for businesses, and lower prices for consumers, which in turn stimulates further economic activity.

2.1.2.1 Gross Domestic Product

GDP is an economic indicator which measures the welfare and economic performance of a country (Sule-Iko & Nwoye, 2023). The GDP of an economy is a key policy variable that has implications for government policies, economic planning, investment decisions and economic management. It is an important measure because: it is used to determine if an economy is growing more quickly or more slowly than the same quarter the year before; it is also used to compare the size of economies throughout the world; it is used in the comparison of relative growth rate of economies throughout the world; and it is a means by which investors adjust their assets location and to decide where the best opportunities lie (Abdulrasheed, 2008).

The sector was valued at N1.06 trillion ($7 billion) as at end of 2008 representing about 2% contribution to GDP. The average growth rate in the sector between 2000 and 2005 was 10.7%. Like other economies in the world, growth in Nigeria's GDP is directly linked to growth in real estate activity. For every unit of increase in GDP, 75% of that unit is directly linked to real estate/housing related expenditure. The construction and sale of new homes make direct contribution to GDP, based on the value of construction put in place. Purchases related to the transaction of existing homes are also included in the GDP. Payments for services rendered, such as real estate agent commissions, home inspection, attorney, and loan origination fees, are included. The transfer payments, such as transfer taxes, escrows, title and other insurance premiums, interest payments, and loan points are excluded.

2.2 Theoretical Review

2.2.1 Supply Leading Hypothesis Theory

The Supply Leading Hypothesis also called "finance-led growth" hypothesis was first developed by Goldsmith in 1969 who suggested that financial development has a positive impact on economic growth as it may boost the capital accumulation efficiency and or increase the level of saving and thus the level of investment as suggested by McKinnon (1973) and Shaw (1973). The hypothesis postulates that the existence of financial institutions and the supply of their financial assets, liabilities and related financial services in advance of demand for them would provide efficient allocation of resources from surplus units to deficit units, thereby leading the other economic sectors in their growth process (Chidi-Okeke & Nwanna, 2020). Based on this, affordable house is that which bestows a sense of dignity on the inhabitants because unattractive housing directly affects the self-respect of the occupants. In explaining this theory of life style on affordable housing. In summary, housing typology is crucial element in understanding the theory of lifestyle on affordable housing; also the roles of the financial institutions have both positive and negative implications to the acquisition of affordable housing.

2.3 Empirical Review

Anidiobu, Okolie and Ugwuanyi (2018) examined the effect of mortgage finance on housing delivery in Nigeria. One of the major goals of PMIs is to boost investments and engender increased housing growth among 36 States of Nigeria and the Federal Capital Territory using annualized data from 1992 to 2016. They employed the ordinary least square (OLS) estimation in analyzing a modified finance model. The Johansen co-integration test was also utilized. From the unit root test, evidence of long-run relationship was found to exist between mortgage finance and housing delivery over the period studied-both at the instances of the Trace statistic and the Max-Eigen test statistic. The results of the OLS found that mortgage deposit had a positive and significant impact on housing delivery in Nigeria, while mortgage loan exerted negative and non-significant influence on housing provision in Nigeria. The study concluded that while housing is an important sector that can drive the Nigeria economy, inadequate supply of mortgage finance to the sector stifles its growth and overall economic impact. It was recommended that the government and monetary authorities should make crucial policies to improve activities of PMIs for optimal performance; access to PMI mortgage loans should be made easier and at lower interest rate.

Ifediora et al (2015) evaluated the extent of incorporation of customers' specific affordability needs in the Nigeria National Housing Fund (NHF) scheme. The descriptive and exploratory research designs are adopted for the study. Different offices of the Federal Mortgage Bank of Nigeria, namely the implementers of the NHF scheme, in Abuja, Port Harcourt, Ibadan, Enugu, Lagos, as well as the 19 state/district offices in these zones are studied. The population of the study was 201 management staff and officers in these offices. Data for the study were collected through structured questionnaire. The formulated hypotheses were tested using Analysis of variance (ANOVA), at 5% level of significance. Results of the hypotheses tests showed that the consideration given to the specific affordability needs of the intended beneficiaries in the NHF affordability criteria is not adequate (Fcal = 73.064, P = 0.000 < 0.05).

Ayotamuno and Obinna (2014) evaluated the contribution of Nigerians to the national housing fund. Primary and Secondary sources of data from the National Bureau of Statistics and Federal Mortgage Bank of Nigeria were analysed. Only 28 out of the 36 states in Nigeria were found to be contributing to the NHF and the cumulative number of contributors is only 3,772,031 persons since the inception of the National Housing Fund in 1992. The cumulative beneficiaries since the inception of the NHF Scheme is 73,676 persons which is not encouraging enough for the masses to believe in the NHF meeting their housing needs. They recommended that the Federal Government get a data base of all Nigerians and the machinery to get these funds from all Nigerians, earning N3000 and above annually.

Nwankwo (2014) examined the effect of mortgage financing on housing for all in Nigeria by year 2020. The study adopted quantitative data and regression analysis for testing. It was revealed that mortgage credit, commercial bank credit and private sector investment has significant and positive effect on housing for all in Nigeria by the year 2020. It was recommended that the existing procedure for mortgage lending by commercial banks, mortgage banks and private investor be reviewed with the aim of making funds for property development accessible to prospective borrowers at cheaper rates; there should be new regime of mortgage finance policy aimed at bolstering public confidence in saving and investing in mortgage related instruments especially in the capital market. Mortgage finance houses should be more aggressive in mobilizing fund for the housing sector.

Maren (2014) empirically examined the operation of Nigeria’s subsidized mortgage system which is based on the assumption that workers would subscribe to a scheme National Housing Fund as a precondition for access to housing in Jos. A survey was conducted among workers in 24 randomly selected organizations. A total of 543 questionnaires were administered and 410 were retrieved. Analysis employing Pearson’s chi square indicated a low-level of participation and a lack of awareness about the NHF scheme. There are negative feelings about the arrangement, and for the entire sample, gender and employment characteristics were found to have statistically significant relationships with participation in the NHF scheme. However, access to subsidized mortgage is influenced only by gender and tier of government employment. It is concluded that participation in the NHF scheme is a necessary but not a sufficient condition for access to mortgages in Jos. These findings call for increased awareness about NHF and improved efficiency in its administration.

Chen, Gan, Hu and Cohen (2013) investigated whether a bubble existed in the Beijing housing market from 1998 to 2010, using economic fundamental variables such as interest rates, inflation, and cost of supply. Results of the analysis revealed that the Beijing house price index was significantly larger than the equilibrium value, based on the relative economic fundamental variables (income, inflation, interest rate and construction cost) during 2004 to 2007.

Okafor (2013) investigated the housing conditions of Nigerians over the last 10 years. The study revealed that the Federal Government launched a national housing policy in 1990, which supposedly require eight million new housing units by the year 2020 if all Nigerians were to have access to some decent accommodation at affordable cost. By that projection the country was expected to build 700,000 housing units annually from 1991 to the end of the century. But all these turned out to be a mirage. The actual number of houses built within the period added up to a small fraction of one million. Consequently the paper argues that the government policies portend further impoverishment and marginalization of the suffering masses, thereby consolidating the imperialist and capitalist hold over Nigeria's socio-political economy such the paper contends, has serious or dangerous implications to National Development.

Waziri and Roosli (2013) reviewed the implementation of housing policies and programmes in Nigeria. A detailed literature review on the existing housing policy and programmes in Nigeria was carried out in order to determine level of its implementation, adaptation and compliance based on the broad concept of the housing policy goals. The study found that no meaningful achievement has yet been recorded vis-à-vis the increasing housing requirement in the country. The authors opined that housing policies must not only be articulate in broad coverage but also sustainable in terms of inclusiveness and implementation, thus the paper recommends and highlighted on some silent areas which required adequate attention for attaining acceptable standard in housing delivery especially in the developing countries. The need for public participation and consultation in housing policy formation to accommodate issues of cultural and overall housing norms as it relates to Nigeria's demographic system is keenly recommended.

Ayodele, Obafemi and Akongwale (2013) focused mainly on exploring the options for making mortgage finance sustainable for the entire population. Using secondary data and well as undertaking a critical review of the existing housing finance framework in Nigeria, the paper identified the non-sustainability of mortgage finance in Nigeria as a problem on housing delivery. It also expound the causes of the non-sustainability of mortgage finance in Nigeria as well proffer possible options towards achieving sustainability in this sub sector. Key suggestions include the restructuring of the apex mortgage institution, insurance of mortgage loans, removal of the land use from the Constitution so ease its amendment to evolving needs, and encouragements of more states/agencies to contribute to the National Housing Fund.

Adedokun et al (2012) evaluated the contribution of national housing fund scheme towards housing delivery in Nigeria. Data for the work were obtained from the Federal Mortgage Bank of Nigeria (FMBN) which is the apex bank for mortgage institutions for the periods from 1992 to 2009. The period was chosen because information on the data relating to the study was accessible for the period under consideration from FMBN as at the time of conducting the study. Percentiles and t-test were used for analysis. Also Pearson product moment of correlation was used to examine the extent of relationship not only between the amount applied for and the amount subsequently approved to the mortgagors but also amount collected and amount disbursed by the scheme.. The study revealed that few mortgagors have benefitted from the scheme, funds are locked up without disbursing adequate amount to the contributors as there is wide gap between the amount that mortgagors actually applied for and the amount so approved for the provision of housing in Nigeria.

Jolaoso et al (2012) discussed the challenges of accessing NHTF credit facility, with a view to establishing or otherwise the workers' eligibility and affordability based on Federal Mortgage Bank of Nigeria's Repayment Plan and their income. Data were collected from literatures and complimented with reconnaissance survey on selected building types in Abeokuta, Ibadan and Jos metropolises and their relative cost of construction. The study is limited to workers in the civil/public services, using subsisting Consolidated Public Service Salary Structure in Nigeria as guide. The Average Basic Monthly Income- Repayment Plan was derived from prevailing FMBN affordability table (2008) on the National Housing Fund loan to ascertain workers' eligibility and affordability or otherwise. Information gathered was reviewed, discussed and descriptively presented. Findings are that NHTF is not easily accessible for low income housing delivery due to low income and savings; stiff pre-conditions for accessing land and credit facilities.

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3. MATERIAL AND METHOD

The research design adopted is the *ex post facto* research design. This research design involves the investigation of events that have occurred already without interference from the researcher. This design was adopted because the study made use of certified figures of performances in past periods contained in relevant reports. The population of this study comprises the Federal Mortgage Bank of Nigeria and the thirty four licensed primary mortgage institutions. Sampling procedures were not employed since the study covers the economy in aggregate terms and used aggregate data. For the purpose of this study, relevant data were sourced from the 2019 CBN statistical bulletins and the United Nations Development Project report. Data covered a period of twenty seven years from 1992 to 2019. These years were chosen because NHF commenced in 1992. The data on Human Development Index was sourced from the United Nations Development Project report 2020. Secondary data were employed for the study. The endogeneous and exogeneous variables were the National Housing Fund Scheme and the Nigerian Economy respectively. NHF was operationalised into loan and investment values of Primary Mortgage Institutions. Gross Domestic Product was used to measure the Nigerian Economic growth.

The model used is stated below:

$GDP = \alpha_0 + \alpha_1 LOAN_J + \alpha_2 INV_J + e_J$…………………eqn 1.

Where: GDP= Gross Domestic Product;

LOAN= Loan of PMIs;

INV= Investments of PMIs; and

e_J= error term

Data were analysed using regression technique, with the aid of E-view version 9. The Robust Regression Model was used in order to estimate the effect of NHF on Gross Domestic Product, while removing the effects of outliers from both exogeneous and endogeneous variables. The hypotheses were accepted or rejected using the probability values. Probability values that were greater than the level of significance used, 0.05 implied rejection of alternate hypotheses and acceptance of null ones and vice versa.

4. RESULT AND DISCUSSIONS

4.1 Data Analysis

4.1.1 Descriptive Statistics

Table 1 Descriptive Statistics of Study Variables

	Loan	Investment	GDP
Mean	89992549469	37309085497	42454782779126
Median	10227777578	31435692350	25466223302428
Maximum	208900000	611800000	909803314295
Minimum	589400000000	149094300000	144210490000000
Std. Dev.	141936789598	38324155681	43841419894075
Skewness	3.090241	0.839217	1.102527
Kurtosis	10.42996	2.285461	2.409633
Jarque-Bera	100.8860	3.466364	5.427913
Probability	0.000000	0.176721	0.066274
N	28	28	28

Source: E-Views 9 Descriptive Output, 2024

Table 1 presents the descriptive statistics of three key variables: Loan, Investment, and GDP. These variables represent significant components within the context of economic development and financial activities. The mean values provide an average measure of these variables across the sample or population studied. For instance, the mean Loan amount is approximately 89,992,549,469, which indicates the average value of loans extended within the study period. Similarly, the mean Investment amount stands at approximately 37,309,085,497, reflecting the average level of investments made over the same period. Finally, the mean GDP, at approximately 42,454,782,779,126, represents the average Gross Domestic Product, highlighting the overall economic output measured in monetary terms.

Examining the median values alongside the means offers additional insights into the distribution of these variables. The median represents the middle value in a dataset when arranged in ascending order, indicating that half of the observations fall below this value and half above. Comparing the median Loan amount of approximately 10,227,777,578 with the mean suggests that there may be some skewness or outliers in the distribution of loan values,

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potentially influencing the average. Similarly, the median Investment amount of approximately 31,435,692,350 is lower than the mean, indicating a distribution where some larger investment values might be pulling the mean upwards. The median GDP, at approximately 25,466,223,302,428, is significantly lower than the mean GDP, suggesting a skewed distribution towards higher GDP values.

The maximum and minimum values provide a range within which the observations of each variable vary. The maximum Loan value of 208,900,000 suggests that there are outliers or exceptionally high loan amounts within the dataset. Conversely, the minimum Loan value of 589,400,000,000 indicates the lowest observed loan amount. For Investment, the maximum value of 611,800,000 and minimum value of 149,094,300,000 suggest a wide range of investment amounts, with the smallest value being significantly larger than the maximum value of Loan. Finally, the maximum GDP value of 909,803,314,295 and minimum GDP value of 144,210,490,000,000 reflect the broad spectrum of economic output measured by GDP, spanning from smaller to exceptionally large national economic figures.

4.2 Test of Hypothesis

4.2.1 Hypotheses One

H_{o1}: The National Housing Fund Scheme has no significant effect on Gross Domestic Product of Nigeria.

Table 2: Regression Analysis for Hypothesis I

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	3.05E+12	1.30E+12	2.346907	0.0189
LOAN	112.2398	23.81796	4.712402	0.0000
INVESTMENT	515.7037	34.32646	15.02356	0.0000

	Robust Statistics		
R-squared	0.532384	Adjusted R-squared	0.482037
Rw-squared	0.962384	Adjust Rw-squared	0.921048
Akaike info criterion	49.38450	Schwarz criterion	56.45629
Deviance	1.16E+27	Scale	4.92E+12
Rn-squared statistic	751.5432	Prob(Rn-squared stat.)	0.000000

Source: E-Views 9

According to Table 2, the regression equation of this research model can be viewed as follow:
GDP = 3051349242120 + 112.23982759*loan + 515.7036953434*investment
The intercept value in the regression equation is 3051349242120, which is the value of GDP when the value of loan and investment of PMIs are 0 (zero). The first exogeneous variable, loan has a coefficient of 112 and a probability value of 0.0000, of which this value is less than the value of significance (α= 0.05). This indicates that loan has positive and significant influence on GDP. Investment also has a positive and significant influence on GDP ($p<.05$).
The value of adjusted R2 in this research model is equal to 04820, which indicates that as much as 48.2% variation in GDP can be explained by the variation in loan and investment of PMIs, and the remaining 52.8% variation can be explained by other variables that are not used in this study. The model has 48.2% explanatory power (Adjusted R2).
The value of significance for Probability (Rn-squared statistic) is 0.000000, which is less than the Alpha (0.05), concluding that loan and investment of PMIs simultaneously and significantly influence GDP.
4.2.1.1 Decision rule: Prob(Rn-squared statistic) < .05 ; Accept alternate hypothesis
Prob(Rn-squared statistic) > .05 ; Accept null hypothesis

Accept the alternate hypothesis. It is therefore accepted that the National Housing Fund Scheme has a significant positive effect on Gross Domestic Product of Nigeria. Similar to the findings of Chen and Zhu (2008) using data for China, there exists a positive association between housing investment and the growth of the economy in Pakistan context.

CONCLUSION AND RECOMMENDATION

The aim of this study is to examine the effect of the National Housing Fund Scheme on the economic growth of Nigeria. It examined the interaction between National Housing Fund and the Nigerian economy in terms of GDP. Results of the study provide evidence that the National Housing Fund Scheme significantly and positively affects Gross Domestic Product (GDP) of Nigeria. The study shows that the National Housing Fund has a strong short run effect on the economy. The study concludes therefore, that the NHF is a significant stimulator of the Nigerian economy in terms of productivity. On this basis, we recommend that government and international bodies should support the scheme by providing more funding and supervisory function that will ensure the funds are rightly utilized to increase the nation's Gross domestic productivity.

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