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Government Assisted Housing Productions and Unresolved Residential Housing Affordability Issues in Ethiopia

Gebrechristos Nuriye (Ph.D)
Department of Urban and Regional Planning, Institute of Technology, Ethiopia
Corresponding Author: Gebrechristos Nuriye (Ph.D)

Abstract: Notwithstanding housing affordability related problems for many in Ethiopia, the problem is acute for low income earners because they do not have many options to rent or buy an affordable house in any part of the city. Issues related to affordable housing problem is due to lack of agreed and sustainable housing development. Poor planning and implementation exacerbated housing affordability problem which partly is a manifestation of rapid urban population growth related to fast urbanization. This article examines the targeting of government supplied residential housing and their level of affordability in Ethiopia. Following gathering of primary and secondary data through appropriate data collection instruments, descriptive and inferential statistics were employed for data analysis. Study results are presented and interpreted accordingly. The study findings have shown that despite of efforts exerted by government to produce low cost housing for low income people, residential housing found to be unaffordable for majority of economically poor. Land management problems, construction management inefficiencies, apparent low income of residents, expensive construction materials, high building standard and lack of housing finance are responsible for unaffordability of residential housing in Ethiopia.

Key Words /Phrases: Residential housing, low income, affordability

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I. INTRODUCTION

Affordable housing is defined differently by different countries. United States Department of Housing and Urban Development defined affordable housing as the housing costs (rental, installment for ownership including utilities and management costs) that consume less than 30% of a household's budget which indicates that 70% of household budget is allocated for other needs (food, education, clothing, health, etc) of the family. When the monthly housing related expenses are more than 30% of monthly income for the family, the housing is considered as unaffordable.

Provision of affordable residential housing in Ethiopia has been approached differently under different government regimes. During feudalism, both land and housing were owned by land lords and capitalists. Extra houses were constructed by land owners to commercialize them through rental system. Militarist Dergue governance (1975-1991) nationalized urban land and extra houses through proclamation numbered 47/1975. Thus, nationalized houses were given to Kebele Administration as part of low-cost rental housing. On the top of this the regime initiated and promoted self-help housing and establishment of housing cooperatives by facilitating free land and housing credits with small interest rates via mortgage banks. Interested individuals were given land to build private housing. Following forced down fall of Dergue regime in 1991, government attempted different scenarios. Current government (1991 and then after)has adopted different strategies for housing supply. Among which land supply for private developers and real estate owners are facilitated through lease system. Besides government promotes development of residential houses by housing cooperatives. Government itself builds condominium houses which originally meant for people who earn low and middle income. This article evaluates the contribution of these efforts in providing affordable houses for urban residents along with contribution factors.

II. CONCEPTUALIZING RESIDENTIAL HOUSING AFFORDABILITY

Global experiences show that urban residential housing affordability is examined by comparing either price of the residential house to income ratio, or rent of residential house to income ratio, or examining housing related expenditure as the percentage of income separately or in combined. According to United Nations Habitat (2011), affordable land and housing was to be directly provided by governments through large-scale, capital intensive directprovision of housing. In light of the failures of direct housing provision and the apparent abilities of the poor to housing themselves, in the 1970sglobal housing policy and theory moved towards a

'redistribution with growth/basic needs' approach. This was related with the notion of the self-help housing particularly in cities of the developing countries as the solution to the housing challenge. Due to lack of housing affordability many low income group are forced to be deprived from housing program. The poor can be deprived from housing by two ways. The first one is because of poor conditions of housing which is associated to lack or poor condition of services and utilities that leads to dissatisfaction. The second one is due to high cost of the housing in which case the urban poor neither can afford to buy or to have a rental house within the reasonable range of housing conditions, Thomas etal (2002: 30)

III. MEASURE OF HOUSING AFFORDABILITY

UN Habitat suggested three common measures of housing affordability, which are attached to two components of housing namely housing costs and household income. Housing costs relate to finding out house price-to-income ratio by dividing the median house price by the median household income. Comparably house rent-to income ratio is also valid which is found by dividing the median annual rent by the median annual renter household income. The third measure of housing affordability is the residual income assessment. It is represented as a percentage of household income spent on housing-related expenses and demonstrates a household's ability to financially service housing without compromising on necessary non-housing expenditure (UN Habitat 2011: 55-56). While interpreting the results, housing is generally deemed affordable when a household spends less than 30 per cent of their income on housing related expenses, such as mortgage repayments (for owner-occupiers), rent payments (for tenants), and direct operational expenses as taxes, insurance and service payments. In summary:

Price-to-Income Ratio: Median house price divided by median household income.
Rent-to-Income Ratio: Median annual rent divided by median annual renter household income.
Housing-related expenditure as a percentage of income: Annual median household income divided by annual median housing expenditure (mortgage payments, rent, services, taxes, insurance, etc).

IV. GLOBAL EXPERIENCES IN AFFORDABLE HOUSING

Experiences of Britain (Paul Knox and Steven Pinch (2006:127) have shown that houses were initially built by local authorities and later non-profit making voluntary sector has played the dominant role through the work of housing associations. Comparably, in the Netherlands, Denmark and Sweden much public housing is supplied by way of cooperatives. Experiences from the United States of America (Rachel G. Bratt:116-120) show that:

1. Leased housing program authorized local housing authorities to enter into long-term leases with private owners of apartments (during 1965).
2. Turnkey public housing alternative in which case upon completion of a project, the developer sold it and "turned the key" (during 1965).
3. Housing subsidy programs that operated through the private sector (1959-1974).

American experience is extended to accommodate (Deborah L. Myerson, 2005:1)non-profit developer's approach (to provide housing for those whom the market does not serve adequately), land banking for low cost housing, supporting construction materials and finance, building mixed income housing, etc. The new housing policy of South Africa has encouraged the use of a wide range of targeted subsidies, for which all households with incomes below certain minimum levels qualify to have the residential houses.

V. LOW COST CONDOMINIUM HOUSING NEXUS HOUSING AFFORDABILITY FOR THE URBAN LOW INCOME EARNING PEOPLE IN ETHIOPIA

Ethiopian Government has initiated construction oflow-costhouses to transfer to the urban poor. The Ministry of Urban Development and Housing has planned to construct 400, 000 condominium housing units during five years planning period. However, the target was not met due to low level of performance. On the other hand, the urban sector Millennium Development Goal for 2015, based on the need assessment predictions estimated a requirement of total of 2,250, 831 housing units which equates to a considerable 225 000 houses per annum.Limited access and the high cost of land is the most important constraints to increase production of affordable houses for the urban poor (UN Habitat, 2011) in Ethiopia.Housing affordability problem in Ethiopia is increasing owing to the rising cost of the construction materials, poor project management, wastages in the process and lack of modern technology.Measure of affordability includes capital variables (house purchase costs) and occupation variables (costs associated with keeping the house).

VI. RESEARCH METHODS AND APPROACHES

Sample size determination and sampling techniques were per as scientific research provisions. Validity and reliability of the method including data collection instruments were checked and confirmed. Information gathered from primary and secondary sources using appropriate tools are presented and discussed following standard research methods. Addis Ababa which is characterized by its primacy is purposively selected due to its unique characteristics. Hawassa which is capital of Southern Nations, Nationalities and Peoples Regional State is also considering to represent rapidly growing secondary cities. Sample size determined by formula for infinite population is divided among the two study areas. The return from sample size determination formula is 384 households and information taken from them is used as a unit of analysis. Concurrent mixed methods were employed following qualitative and quantitative research approaches. Descriptive and inferential statistics are in use to communicate the results. Information gathered through focus group discussions and key informant interview were triangulated, compared checked for their consistency. Though the study touches different options of supply side, this study discusses focusing on government supplied condominium housing which initially proposed for low and middle income people.

VII. RESULTS AND DISCUSSIONS

7.1. Existing Situations of the Condominium Housing

A total of 384 structured questionnaires for household survey and 4 key informant semi-structured interviews were designed for the two cities under consideration. Of the total 192 questionnaires distributed to each equally 171 (89%) and 174 (91%) were returned from Hawassa and Addis Ababa respectively. The study result has shown that most of respondents from the two cities were aware of presence of condominium housing option and made informed decisions. Accordingly,164 out of 171 (96%) in Hawassa and 162 out of 174 (94.5%) or 326 out of the total returned questionnaires reported that they were fully aware about presence of condominium housing option.Source of information for the majority of respondents was found to be government mass media (Table 1).

Table 1. Source of Information for the Sample Respondents' Awareness Regarding Condominium Housing Option in Hawassa and Addis Ababa, 2015

Source of Awareness	Hawassa		Addis Ababa		Total	
	Number	%	Number	%	Number	%
Mass Media	106	62.0	134	77.0	240	70.0
Relative	10	5.8	13	7.5	23	6.7
Friend	14	8.2	2	1.1	16	4.6
Office	21	12.3	8	4.6	29	8.4
Notice Board	8	4.7	8	4.6	16	4.6
Mix of the Above	5	2.9	0	0.0	0	0.0
Sub Total	164	95.9	165	94.8	329	95.4
Not Applicable	7	4.1	9	5.2	16	4.6
Total	171	100.0	174	100.0	345	100.0

Source: Field Survey Results, 2015

Respondents were asked about their former housing before they come to current condominium housing unity. The results demonstrate that 142 out of 171 (83%) respondentsin Hawassa and 91 out of 174 (52.3%) respondents in Addis Ababa were living in individual rental units. Only about 4% of respondents in Hawassa were living in kebele rental house where as about 37% of Addis Ababa respondents were living in kebele rental housing units. This is mainly because of presence of opportunities of kebele housing alternative in Addis Ababa than in Hawassa (Table 2). The fact that most of participants did not have alternatives, they were highly encouraged to have government built condominium houses.

Table2. Sample Respondents'Former Residence before They Reside in the CurrentCondominium Housing inHawassa and Addis Ababa, 2015

Former Residence of Respondents	Hawassa		Addis Ababa		Total	
	Number	%				
Own House	6	3.5	4	2.3	10	2.9
Rented from Kebele	7	4.1	65	37.4	72	20.9
Rented from Rental Administration	11	6.4	13	7.5	24	7.0

Rented from individual	142	83.0	91	52.3	233	67.5
Homeless	5	2.9	1	0.6	6	1.7
Total	171	100.0	174	100.0	345	100.0

Source: Field Survey Results, 2015

7.2. Evaluation of the Condominium Housing Affordability

Results for Hawassa show that about 53% of low income group with less than 1500 monthly income are living in studio type units followed by housing units with only 1 bed room (27%) both comprising 80% of research participants (Table 3a). Number of rooms were highly influenced by income of potential receipt during registration. Secondary data result for 11 years in Addis Ababa (Table 4a) has revealed that majority of the stocks produced were with 1 bed room indicating that majority of condominium housing beneficiaries come from low income group.

Table3a. Comparison between Respondents Family Income in Birr Per Month and Number of Rooms in Hawassa, 2015

Number of Rooms	Family Income in Birr Per Month								Total	
	<1500		1501-3000		3001-4500		>4500			
	Number	%	Number	%	Number	%	Number	%	Number	%
Studio	8	53.3	9	22.0	9	16.4	7	11.9	33	19.4
1	4	26.7	12	29.3	10	18.2	21	35.6	47	27.6
2	3	20.0	17	41.5	21	38.2	16	27.1	57	33.5
3	0	.0	3	7.3	15	27.3	15	25.4	33	19.4
Total	15	100.0	41	100.0	55	100.0	59	100.0	170	100.0

Source: Field Survey, 2015

Statistical tests are applied to see the relationship between family income and number of bed rooms owned by respondents. Test results are shown in Tables 3b and c respectively. The results from Pearson Correlation for Hawassa has shown that direction of the relation is is positive even if it is so weak. This result is consistent with Chi-Square test results indicating the presence of associations between these two variables. Weak relationship tells us that income alone is not so important, hencethere are other explaining factors to define the number of rooms. There are other factors that influence forced occupation of more rooms. These factors reportedly include large family size, lack of availability of stocks and so on. The weak relation shows that respondents were forced to rent units with more rooms even if they do not have sufficient income.

Table 3b. Pearson Correlation between Respondents Family Income and Number of Rooms in Hawassa, 2015

Correlation between Number of Rooms and Family Income		Number of rooms	Family icome
Number of Rooms	Pearson Correlation	1	.248**
	Sig. (2-tailed)		.001
	N	171	170
Family Income	Pearson Correlation	.248**	1
	Sig. (2-tailed)	.001	
	N	170	170

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Computed from Field Survey Results, 2015

Table 3c Pearson Chi-Square Tests to See the Association between Respondents FamilyIncome and Number of Rooms in Hawassa, 2015

Chi-Square Tests	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.714[a]	9	.002
Likelihood Ratio	26.952	9	.001
Linear-by-Linear Association	10.415	1	.001
N of Valid Cases	170		

a. 3 cells (18.8%) have expected count less than 5. The minimum expected count is 2.91.

Source: Computed from Field Survey Results, 2015

Table 4a. Number of Condominium Housing Units Produced between 1996 and 2006 E.C. (2003/4-2007/8) with Their Type and Number of Bed Rooms in Addis Ababa, 2015

Year		**Shop**	**Number of Bed Rooms**				**Total**
			Studio	**1**	**2**	**3**	**Number**
1996 to 1998	**No.**	1727	5928	11144	11637	1770	32206
	%	5.4	18.4	34.6	36.1	5.5	100.0
1999 to 2000	**No.**	2468	4844	11195	7067	2132	27706
	%	8.9	17.5	40.4	25.5	7.7	100.0
2001 to 2002	**No.**	1430	2202	9108	4430	3184	20354
	%	7.0	10.8	44.7	21.8	15.6	99.9
2003	**No.**	665	2074	7768	4876	1804	17187
	%	3.9	12.1	45.2	28.4	10.5	100.0
2004	**No.**	3517	6507	17629	10392	6831	44876
	%	7.8	14.5	39.3	23.2	15.2	100.0
2005	**No.**	958	25418	4015	1990	1345	33726
	%	2.8	75.4	11.9	5.9	4.0	100.0
2006	**No.**	2585	3128	23829	13402	12394	55338
	%	4.7	5.7	43.1	24.2	22.4	100.0
Total	**No.**	13350	50101	84688	53794	29460	231393
	%	5.8	21.7	36.6	23.2	12.7	100.0

Source: Housing Development and Construction Enterprise, Addis Ababa, 2015

Out of 174respondents, 70 (40%) of them are living in 1 bed room stocks whereas 52 out of 174 (about 30%) are living in studio type units revealing about 70% of respondents are living either in 1 bed room or studio type units (Table 4b) in Addis Ababa for reasons mentioned in the case of Hawassa City.

Table 4b. Comparison between Respondents Family Income in Birr Per Month and Number of Rooms in Addis Ababa, 2015

Number of Rooms	Family Icome in Birr Per Month				
	<1500	1501-3000	3001-4500	>4500	Total
0	9	12	18	13	52
1	15	11	25	19	70
2	6	10	16	8	40
3	3	3	3	3	12
Total	33	36	62	43	174

Source: Computed from Field Survey Results, 2015

Statistical tests are applied for Addis Ababa as well. Pearson Correlation Test and Chi-Square test results (Tables 4c and d)have shown that there is no statistically significant relationship between family income and number of bed rooms which tells us that residents in Addis Ababa are compelled to have rental house with any cost irrespective of their family income due to other factors like large family size, shortage of housing units, and so on.

Table 4c. Pearson Correlation between Respondents Family Income and Number of Rooms in Addis Ababa, 2015

Correlation between Number of Rooms and Family Income		Number of rooms	Family icome
Number of Rooms	Pearson Correlation	1	-.030
	Sig. (2-tailed)		.692
	N	174	174
Family Income	Pearson Correlation	-.030	1
	Sig. (2-tailed)	.692	
	N	174	174

Source: Computed from Field Survey Results, 2015

Table 4d. Pearson Chi-Square Tests to See the Association between Respondents Family Income and Number of Rooms in Hawassa, 2015

Chi-Square Tests	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.448[a]	9	.944
Likelihood Ratio	3.545	9	.939
Linear-by-Linear Association	.158	1	.691
N of Valid Cases	174		

a. 4 cells (25.0%) have expected count less than 5. The minimum expected count is 2.28.

Source: Computed from Field Survey Results, 2015

The following table compares respondents' family income and their residential housing related expenditure in Hawassa and Addis Ababa. Main residential housing related expense for renters is monthly rent whereas expenses for owners includemonthly mortgage (when their residence is attached to Bank), payments to security personnel, repair of malfunctioning facilities as electricity, water, parking and tax related expenses. About 56% of 1501-3000 Birr income group spend 1000-2000 Birr a month for residential housing related matters. Monthly residential housing related expenditure is moderately distributed for income category between 3001-4500 Birr a month. Housing related expenses are higher for income group with more than 4500 Birr income. Thus about 48 % of them pay more than 2000 Birr a month for housing related matters.The results for Addis Ababa are different from that of Hawassa. About 61% of respondents from income group of 1501-3000 Birr are spending less than 1000 Birr per month. Only about 28% of this income group is entered to expenditure category of 1001-2000 Birr. When overall situations are examined more than half of respondents (54%) are spending less than 1000 Birr a month which is less than Hawassa. From the total, only about 26% of respondents have entered expenditure category of more than 2000 Birr in relation to residential housing.

Along with median income and median residential housing related expenditure are calculated for the two cities to investigate housing affordability in both study areas. According to calculated values median income for Hawassa and Addis Ababa is 3750 Birr per month showing that there is no significant income difference between respondents of the two cities. However, both cities vary with their residential housing related median expenditure. Residential housing related median expenditure is 1500 and less than 1000 Birr for Hawassa and Addis Ababa respectively. Mean and standard deviation has also been calculated based on the mean ranks of the two citiesand for the two variables (Tables 5a and 5b). Mean family income for Hawassa falls in the category of a little less than 3000 Birr (2.93 mean rank value out of 4) and mean family income for Addis Ababa falls in the category of less than 3000 Birr (2.66 mean rank value out of 4). The results show that mean family income of Hawassa is somehow more than mean family income of Addis Ababa. The same holds true for mean housing related expenditure for the two cities. The mean housing expenditure for Hawassa is more than 1000 (2.01 mean rank value out of 3) Birr and for Addis Ababa is less than 1000 Birr (1.72 mean rank value out of 3) confirming with median results. Again, the result shows that housing related expenditure is higher for Hawassa than Addis Ababa respondents. Notwithstanding these results, standard deviation for family income rank is lower (0.97) for Hawassa than Addis Ababa (1.051) indicating higher income disparity in Addis Ababa than Hawassa. Standard deviation for residential housing related expenditure rank also shows similar results for Hawassa (0.79) and Addis Ababa (0.85) giving the same meaning that expenditure gap is higher for Addis Ababa than Hawassa respondents.

Table 5a. Mean Rank and Standard Deviation for Family Income and Residential Housing Related Expenditure in Hawassa, 2015

Variables	N	Mean Rank	Std. Deviation
Family Income	170	2.93	0.970
Residential Housing Related Expenditure	171	2.01	0.797
Valid N (listwise)	170		

Source: Computed from Field Survey Results, 2015

Table 5b. Mean and Standard Deviation for Family Income and Residential Housing Related Expenditure in Hawassa, 2015

Variables	N	Mean Rank	Std. Deviation
Family Income	174	2.66	1.051
Residential Housing Related Expenditure	174	1.72	0.851
Valid N (listwise)	174		

Source: Computed from Field Survey Results, 2015

Based on the results (Table5a and b and Table 6), the model is applied to examine affordability of the residential house. When relationship between median expenditure and median family income is compared, 40% and 27% of the respondents' income goes to residential housing related expenditure in Hawassa and Addis Ababa respectively. But the result is reversed for median housing rent to the median income ratio. Absolute median rent expense in Hawassa is 1500 Birr (40% of the family income) and in Addis Ababa is 2500 Birr (66.67% of the family income) indicating rental housing units of condominium are not affordable in both cities but highly unlikely in the case of Addis Ababa.

Table 6. Comparison between Family Income and Residential Housing RelatedExpenditure in Birr Per Month in Addis Ababa, 2015

Monthly Rent in Birr Per Month	Hawassa		Addis ababa	
	Number	%	Number	%
<1000	9	5.3	10	5.7
1000-2000	57	33.3	9	5.2
>2000	25	14.6	38	21.8
Sub Total	91	53.2	57	32.8
Not applicable	80	46.8	117	67.2
Grand Total	171	100.0	174	100.0

Source: Field Survey Results, 2015

Though arguable, higher housing related expenditure is observed for Hawassa than Addis Ababa likely because (Figure 1), majority of respondents in Hawassa are renters but majority of respondents in Addis Ababa are owners in which case obviously housing cost is higher for renters than owners.Besides, the effective demand in Addis Ababa is higher than in Hawassa. This means the poor may have been applied and registered but in actual term economically better income group may own and the poor would be dispelled.

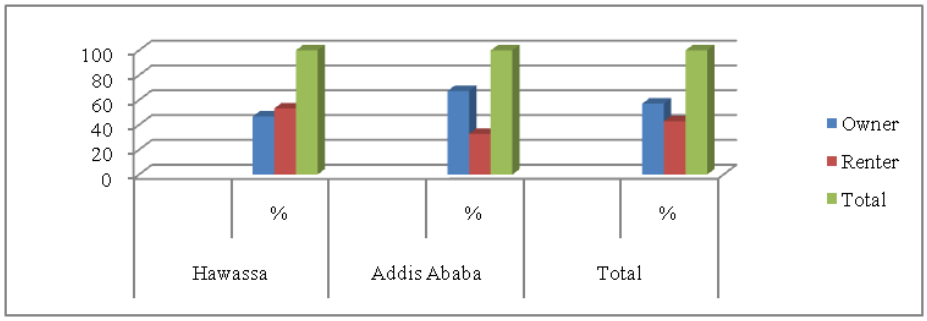

Figure 1. Residential Housing Ownership in Hawassa and Addis Ababa, 2015

Source: Computed from Field Survey Results, 2015

When the expenses of owners and renters are compared for residential housing in Hawassa, the result revealed that about 62% of owners fall in the lowest income category which is less than 1000 Birr and more than 65% of renters belong to the highest expenditure category. In case of Addis Ababa higher percentage (7.43%) of owner respondents falls in similar lower income category. However, proportion of housing ownership is higher in Addis Ababa than Hawassa.

Table 7. Comparison between Residential Housing Related Expenditure and Housing Ownership in Hawassa and Addis Ababa, 2015

Housing Ownership (Hawassa)	Residential Housing Related Expenditure						Total	
	<1000		1001-2000		>2000			
	Number	%	Number	%	Number	%	Number	%
Owner	33	62.3	28	44.4	19	34.5	80	46.8
Renter	20	37.7	35	55.6	36	65.5	91	53.2
Total	53	100.0	63	100.0	55	100.0	171	100.0
Housing Ownership (Addis Ababa)	Residential Housing Related Expenditure						Total	
	<1000		1001-2000		>2000			
	Number	%	Number	%	Number	%	Number	%
Owner	69	73.4	21	60.0	27	60.0	117	67.2
Renter	25	26.6	14	40.0	18	40.0	57	32.8
Total	94	100.0	35	100.0	45	100.0	174	100.0

Source: Field Survey Results, 2015

From the total 171 respondents 138 (about 81%) of them reported that the units were not affordable. But the result is different for Addis Ababa in which case 100 out of 174 (about 58%) told that the units are affordable. Major factors for the affordability are scanned for those who reported condominium housing option as not affordable.In Hawassa, majority of respondents (138 out of 171) have already reported that the units were unaffordable. As indicated in Table 8 about 28% and 27.5% of respondents reported affordability impairing factors as high building standards and high cost of construction materials. Majority of Addis Ababa respondents indicated high cost of construction materials are major factors compared to high building standards.

Table 14. Respondents Opinion about Major Factors Impairing the Affordability of Condominium Houses in Hawassa and Addis Ababa, 2015

Factors Affecting Affordability of Condominium House	Hawassa		Addis ababa		Total	
	Number	%	Number	%	Number	%
High Building Standard	48	28.1	23	13.2	71	20.6
High cost of Construction Materials	47	27.5	27	15.5	74	21.4
High cost of Infrastructure	17	9.9	17	9.8	34	9.9
High Cost of Labor	3	1.8	3	1.7	6	1.7
Mix of the Above	23	13.5	4	2.3	28	8.1
Not Applicable (Responded as Affordable)	33	19.3	100	57.5	132	38.3
Total	171	100.0	174	100.0	345	100.0

Source: Field Survey Results, 2015

7.3. Interpretation of Study Results

Condominium option of housing is major policy direction to provide housing for urban poor and middle-income class. Owners of condominium housing have also confirmed the option as the preferred solution to other alternatives. No statistically significant relationship between number of bed rooms and family income was maintained showing that individuals in both cities were forced to have units irrespective of their income. Due to multiple factors discussed in this article, residential housing in Ethiopia is found unaffordable.

VIII. CONCLUSIONS AND RECOMMENDATIONS

8.1. Conclusions

Government initiated condominium housing option is taken as a fundamental policy direction to provide housing for the urban poor. The program was started under the umbrella of the strategy named Integrated Housing Development Program. The program benefited citizens from different perspectives though eventually houses were found to be unaffordable for the poor.There exists huge gap between demand and supply mainly because demand side is growing in faster rate than supply side, presence of backlog and poor management of contracts. The study result has revealed that problem of access to land, high cost of construction materials and lack of effective demand are negatively influencing housing affordability by constraining supply side efforts. The comparison between residential housing related expenditure ratio to median income ratio and median rent to median income ratio all have proved that condominium option of housing in Ethiopia is not affordable for low income people in Ethiopia.

8.2. Recommendations

8.2.1. Recommendations for Action

Governments of both tiers should look into diverse approaches for housing supply to curb rapidly growing gap between supply and demand to improve problems related residential housing affordability. For this end government is recommended to introduce diverse poor oriented housing programs. Among various suggestive opinions, involving charity organizations to supply units for the needy, allocation of special fund to subsidize the poor, introducing extended period for the down payment or eliminating down payment from requirements for low income people when money is borrowed from the public banks are some remedial suggestions to recommend. Since the units proved to be unaffordable, different measures to improve affordability should be taken. Measures to improve problem of housing affordability need to consider availing improved construction technology, efficient contract administration, participating beneficiaries while developing housing units, and efficiency in residential housing transfer processes are recommended as well to relieve problems related to residential housing.

8.2.2. Recommendation for Further Study

This article was initiated to assess affordability of government assisted housing for urban poor in Ethiopia focusing on condominium housing option. Affordability of residential housing was evaluated from the view point of financial affordability for installed housing ownership and rental houses. Since affordability of housing comprise affordability in terms of accessibility, quality, housing conditions, and so on, further research is recommended to take care of these searchable components.

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