



BINDURA UNIVERSITY OF SCIENCE EDUCATION
DEVELOPING A FRAMEWORK TOWARDS INCREASED MORTGAGE
FINANCING IN ZIMBABWE'S PROPERTY MARKET: A CASE OF NATIONAL
BUILDING SOCIETY (NBS) ZIMBABWE

BY

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DECLARATION

I, Kudakwashe Mhandu Zawu, Student Reg Number B1440912, do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the acknowledgments, bibliography, references, and comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

STUDENT SIGNATURE

A handwritten signature in blue ink, appearing to read 'Kudakwashe Mhandu Zawu', written over a horizontal line.

DATE: 20/06/2026

DEDICATION

This dissertation is dedicated to my family, whose unwavering support, patience, and encouragement have been the cornerstone of my academic journey. To my mother, who instilled in me the value of education and the courage to pursue knowledge relentlessly. To my spouse and children whose understanding and sacrifice during the long hours of research and writing have been immeasurable. This work is as much yours as it is mine.

I also dedicate this study to the people of Zimbabwe particularly those striving for the dignity and security of home ownership. It is my hope that the findings and recommendations of this research contribute meaningfully to expanding access to mortgage financing and affordable housing for all Zimbabweans.

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Finally, I give thanks to Almighty God for the strength, wisdom and perseverance to complete this work. All glory and honor are His.

ABSTRACT

Zimbabwe faces an acute housing finance crisis characterized by a significant housing deficit, low mortgage market penetration, and limited access to affordable mortgage financing. National Building Society (NBS) Zimbabwe, the country's primary dedicated mortgage lender, operates within a challenging environment marked by funding constraints, affordability challenges, institutional inefficiencies, regulatory limitations, and macroeconomic instability. These challenges have constrained the growth of mortgage financing and limited access to formal home ownership for a substantial proportion of Zimbabwean households. The purpose of this research was to develop an integrated, evidence-based framework for increasing mortgage financing penetration in Zimbabwe's property market, using NBS Zimbabwe as a case study. The study was guided by Financial Intermediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance. A sequential explanatory mixed-methods research design was adopted. Quantitative data were collected through structured questionnaires administered to NBS mortgage clients and prospective borrowers, while qualitative data were gathered through semi-structured interviews with NBS management, mortgage officers, regulators, and property sector stakeholders. Quantitative data were analyzed using descriptive and inferential statistical techniques, while qualitative data were analyzed using thematic analysis. The findings revealed that high interest rates, limited access to long-term funding, widespread income informality, weak land tenure systems, inadequate credit information infrastructure, and persistent macroeconomic instability constitute the major barriers to mortgage financing expansion. The study further established that affordability constraints and stringent mortgage qualification requirements significantly reduce mortgage uptake among potential borrowers. In addition, the absence of a government-backed mortgage refinancing facility limits NBS Zimbabwe's ability to mobilize affordable long-term capital for mortgage lending. The research developed an integrated framework centered on four strategic pillars: structural capital mobilization through a National Mortgage Refinance Company, innovative and inclusive mortgage product development, institutional and regulatory reforms, and enhanced financial literacy and customer engagement initiatives. The study concludes that meaningful expansion of mortgage financing in Zimbabwe requires a coordinated multi-stakeholder approach that simultaneously addresses supply-side, demand-side, institutional, regulatory, and macroeconomic challenges. The proposed framework provides practical guidance for NBS Zimbabwe, policymakers, regulators, and other stakeholders seeking to improve access to affordable housing finance and promote sustainable home ownership in Zimbabwe.

Keywords: Mortgage Financing, Housing Finance, National Building Society (NBS), Mortgage Market Development, Housing Affordability, Financial Inclusion, Zimbabwe.

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List of Abbreviations and Synonyms

ALM	-	Asset-Liability Management
BUSE	-	Bindura University of Science Education
CBZ	-	Central Bank of Zimbabwe
DFI	-	Development Finance Institution
DSR	-	Debt Service Ratio
FBC	-	First Banking Corporation
GDP	-	Gross Domestic Product
GSE	-	Government-Sponsored Enterprise
IMF	-	International Monetary Fund
MBS	-	Mortgage-Backed Securities
MRF	-	Mortgage Refinancing Facility
NBS	-	National Building Society
NPL	-	Non-Performing Loan
RBZ	-	Reserve Bank of Zimbabwe
SADC	-	Southern African Development Community
UN	-	United Nations
ZAR	-	Zimbabwe Association of Realtors
ZIDA	-	Zimbabwe Investment and Development Agency
ZIMRA	-	Zimbabwe Revenue Authority
ZIMSTAT	-	Zimbabwe National Statistics Agency
ZWL	-	Zimbabwe Dollar (Zimbabwean Dollar)

CHAPTER ONE: INTRODUCTION

1.0 Introduction

This chapter provides the foundational context for a study investigating the development of a strategic framework for increasing mortgage financing penetration in Zimbabwe's property market, with National Building Society (NBS) Zimbabwe as the primary case institution. The chapter situates the research problem within global, regional, and local mortgage finance discourses before articulating the purpose of the study, objectives, and research questions. It further presents the study's hypotheses, justification, and significance, delineates its scope through delimitations and limitations, states the underlying assumptions, and defines key terms used throughout the thesis.

1.1 Background of the Study

The provision of adequate, secure, and affordable housing is simultaneously a constitutional imperative, a human rights obligation, and a foundational prerequisite for inclusive economic development. Housing finance markets occupy a central position in this broader development agenda, serving as the primary institutional mechanism through which households in market economies accumulate real property assets and access formal homeownership. The depth and inclusiveness of mortgage markets are widely regarded as indicators of overall financial sector maturity and the effectiveness of an economy's inter-mediation architecture.

In Zimbabwe, this developmental imperative confronts a stark institutional reality. The formal mortgage financing system remains accessible to a tiny fraction of the urban population, with mortgage credit constituting less than 3% of Gross Domestic Product (GDP): a ratio that places Zimbabwe among the most mortgage-under penetrated economies globally and well below the African continental average of approximately 6% (World Bank, 2023; CAHF, 2024). Against this backdrop, National Building Society (NBS) Zimbabwe occupies the pivotal institutional position as the country's only dedicated building society and its primary mortgage lender, yet operates within a structural environment of profound constraint characterized by high interest rates, widespread income informality, macroeconomic volatility, and the absence of long-term capital instruments.



Figure 1 : NBS Shaping The Future Of Housing

Source : National Building Society (NBS) Zimbabwe. (2026). *NBS shaping the future of housing* [Photograph]. Retrieved from NBS Zimbabwe website.

Drawing upon Financial Inter-mediation Theory as the primary analytical lens, supported by Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance, this study investigates the full constellation of barriers facing NBS Zimbabwe and develops an integrated, evidence-based mortgage financing expansion framework. The study addresses a critical gap in the scholarly and policy literature, which to date has produced no rigorous, institution-specific, empirically grounded diagnostic and prescriptive framework for mortgage market expansion at NBS Zimbabwe.

1.1.1 Global Strategic Perspective

Housing finance markets occupy a central position in the broader architecture of financial systems and are widely regarded as indicators of overall financial sector depth and maturity. In advanced economies: The United States, the United Kingdom, Germany, Denmark, and Australia: mortgage credit to GDP ratios range from 50% to over 100%, supported by deep secondary mortgage markets, mortgage-backed securities (MBS), government-sponsored enterprises (GSEs), covered bond frameworks, and sophisticated regulatory regimes (IMF, 2023). The United States` Federal

National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) have historically ensured liquidity in the primary mortgage market by purchasing and securitizing mortgage loans originated by primary lenders: a structural model that carries significant implications for Zimbabwe's policy options.

The 2007-2008 Global Financial Crisis, ignited in the American subprime mortgage sector, served as a seminal inflection point in global housing finance thinking, demonstrating both the systemic importance of mortgage markets and the catastrophic risks of inadequately regulated mortgage credit expansion (Aalbers, 2022; Mian & Sufi, 2022). Post-crisis regulatory reforms under Basel III, the Dodd-Frank Act, and European Mortgage Credit Directive frameworks introduced enhanced capital requirements, responsible lending standards, and borrower affordability assessment obligations: reforms that have shaped mortgage regulatory frameworks globally, including in African jurisdictions.

In emerging and developing economies, mortgage market development trajectories have been shaped by different historical, institutional, and macroeconomic conditions. The World Bank's (2023) Global Financial Development Report documents that mortgage market depth correlates strongly with GDP per capita, rule of law indices, contract enforcement efficiency, and macroeconomic stability. Countries such as Brazil: through the Caixa Econômica Federal; Malaysia through Cagamas, and India through the National Housing Bank have demonstrated that deliberate government institutional architecture can substantially expand mortgage access even in emerging market contexts characterized by income inequality and informal labor markets (UN-Habitat, 2023). These success stories share three common enabling conditions: macroeconomic stability, a long-term refinancing mechanism for primary mortgage lenders, and targeted product innovation for lower-income borrowers.

Global scholarship on housing finance has increasingly emphasized the role of information architecture: specifically credit bureaus, land registries, and property valuation systems: as prerequisites for mortgage market expansion. Badev et al. (2022) demonstrate econometrically that countries with comprehensive credit information systems have significantly higher mortgage penetration rates, controlling for income levels. This finding has direct policy relevance for Zimbabwe, where credit information infrastructure remains nascent and property valuation systems are undermined by market illiquidity and currency distortions.

1.1.2 Regional Strategic Perspective: Africa and Southern Africa

Within Sub-Saharan Africa (SSA), mortgage market development presents a highly heterogeneous picture shaped by country-specific institutional, historical, political, and macroeconomic trajectories. South Africa represents the regional benchmark with a mortgage-to-GDP ratio of approximately 25%, supported by the National Credit Act, a functioning secondary mortgage market, and established mortgage lenders including ABSA, Standard Bank, Nedbank, and FNB (CAHF, 2024; Rust, 2023). South Africa's experience also illustrates that even within a relatively developed mortgage market, structural inequalities rooted in historical spatial exclusion require active redress through financial sector charters and targeted affordable housing lending commitments.

East Africa has emerged as the region's most dynamic mortgage market development zone. Kenya's establishment of the Kenya Mortgage Refinance Company (KMRC) in 2019, capitalized with World Bank support and designed to provide primary mortgage lenders with long-term, affordable funding, has resulted in measurable increases in mortgage origination volumes and a modest decline in mortgage interest rates (KMRC, 2024). By 2024, KMRC had extended refinancing lines to over 15 financial institutions, catalyzing new product development and market entry by smaller lenders. Rwanda's Rwanda Development Bank and Tanzania's Tanzania Mortgage Refinance Company (TMRC) has similarly used government-supported refinancing mechanisms to activate nascent primary mortgage markets (AfDB, 2023). These East African experiences represent the most directly instructive policy models for Zimbabwe's consideration of an equivalent national mortgage refinance company.

The SADC region offers particularly relevant comparisons for Zimbabwe. Botswana's BBS Bank has leveraged government guarantees and pension fund long-term capital to expand mortgage lending beyond the traditional public sector employee base (CAHF, 2024). Namibia's mortgage market, at approximately 20% of GDP penetration, reflects the enabling effects of macroeconomic stability, sound property rights, and a functioning credit reporting environment (AfDB, 2023). Zambia and Malawi, facing economic environments more structurally analogous to Zimbabwe's, record mortgage penetration below 2% of GDP: suggesting that the constraints Zimbabwe faces are not unique but reflect broader patterns of mortgage market underdevelopment in low-income, economically vulnerable SADC economies.

The Centre for Affordable Housing Finance in Africa's (CAHF, 2024) annual survey documents that the most common barriers to mortgage market development across SSA are: high and volatile interest rates; absence of long-term capital for mortgage lenders; weak land tenure security; limited credit information infrastructure; high construction costs; and the dominance of informal income-earning arrangements. All six barriers are materially present in Zimbabwe, confirming that lessons from the region's more successful mortgage market development experiences are directly applicable to this study.

1.1.3 Local Strategic Perspective: Zimbabwe and NBS Zimbabwe

Zimbabwe's housing finance landscape has been profoundly shaped by three decades of macroeconomic turbulence and institutional disruption. The hyper-inflationary episode of 2006-2008: in which Zimbabwe's annual inflation rate reached 89.7 sextillion percent (Hanke & Kwok, 2009): rendered all Zimbabwe dollar-denominated long-term financial contracts economically worthless, effectively destroying the formal mortgage market. Mortgage lenders' loan portfolios were wiped out by inflation in real terms, and the experience created profound institutional trauma: a generation of financial institution managers retains an instinctive aversion to long-term lending in local currency, representing a powerful informal institutional constraint on mortgage market recovery (Chiremba, 2022).

The adoption of the multi-currency system in 2009 enabled a partial recovery of Zimbabwe's financial sector. NBS Zimbabwe and other lenders cautiously re-entered the mortgage market, extending USD-denominated loans at interest rates ranging from 12-18% per annum. However, the subsequent reintroduction and successive reforms of the Zimbabwe dollar have continuously reintroduced currency risk into mortgage lending, deterring both lenders and borrowers from committing to long-term mortgage contracts (RBZ, 2024). As of 2024, the RBZ policy rate stood at 35%, mortgage interest rates averaged 45-55% per annum, and the total number of active mortgage borrowers in the entire country stood at just 4,894: with total outstanding mortgages valued at approximately USD 14 million (CAHF, 2024).

The national housing deficit, estimated at 1.5 million units by the Ministry of National Housing and Social Amenities (MNHSA, 2023), is concentrated in urban areas, particularly Harare and Bulawayo. With an annual housing delivery rate of approximately 25,000-30,000 units against annual demand of approximately 150,000 units, the deficit is widening at an accelerating pace.

The Zimbabwe National Statistics Agency's (ZIMSTAT, 2023) Labor Force Survey documents that over 70% of Zimbabwe's urban workforce is engaged in informal employment: a structural reality that renders conventional mortgage underwriting models, designed for formally employed borrowers with verifiable pay slips, inapplicable to the majority of potential borrowers.

Within this context, NBS Zimbabwe reported a mortgage loan book of approximately USD 120 million as at December 2023, a non-performing loan (NPL) ratio of 18%, and a loan-to-deposit ratio of 65%: indicating both elevated credit risk and underutilization of available lending capacity (NBS Zimbabwe, 2023). The institution has identified the absence of a government-backed mortgage refinancing facility, the high cost of retail deposit funding, and the dominance of short-term savings deposits in its liability structure as the primary supply-side constraints on mortgage portfolio growth. These institutional realities provide the direct empirical impetus for this research.



Figure 2 : NBS Dzivarasekwa Housing Project Commissioning Ceremony

Source : National Building Society (NBS) Zimbabwe. (2026). *NBS Dzivarasekwa Housing Project Successfully Commissioned* [Photograph]. Retrieved from NBS Zimbabwe website.

The commissioning of the NBS Dzivarasekwa Housing Project demonstrates the institution's commitment to increasing housing delivery and promoting home ownership in Zimbabwe. Such

initiatives complement mortgage financing programs by expanding the supply of housing units available to prospective homeowners while supporting national housing development objectives.

1.2 Statement of the Problem

Zimbabwe confronts an acute housing finance crisis. The national housing deficit is estimated at 1.25 million units, with Harare and Bulawayo accounting for 70% of the shortfall, while the urban population is projected to grow by 30% by 2035, intensifying demand (Southern African Times, 2024). Mortgage lending is severely underdeveloped: as of 2024, only 4,894 active mortgage borrowers exist in the entire country, with total outstanding mortgages valued at approximately USD 14 million (CAHF, 2024). Loans to the mortgage sector constituted just 4.51% of total banking sector advances as of March 2024 (RBZ, 2024), placing Zimbabwe among the most mortgage-shallow economies in Sub-Saharan Africa. This crisis directly contradicts Zimbabwe's Vision 2030 goal of achieving a Prosperous and Empowered Upper Middle-Income Society, which is being pursued through the National Development Strategy 1: 2021-2025 (NDS1) with housing delivery identified as one of its 14 national priority areas (GoZ, 2021).

NBS Zimbabwe, the country's primary dedicated mortgage lender, sits at the center of this crisis. Multiple interacting barriers account for its underperformance. On the supply side, mortgage interest rates average 45-55% per annum, no mortgage refinancing facility exists, and the mortgage bond refinance market is virtually non-existent (CAHF, 2024). On the demand side, the majority of urban households are locked out by low incomes, widespread employment informality, and unaffordable deposit requirements. These barriers are compounded by weak land tenure: with only 15% of urban plots holding clear title deeds: and an underdeveloped credit bureau system (UN-Habitat, cited in Southern African Times, 2024). Overlaying all of this is a volatile macroeconomic environment: the RBZ policy rate stood at 35% as of 2024, and currency instability continues to undermine long-term lending viability (RBZ, 2024).

Despite growing policy acknowledgement of the housing finance gap, no rigorous, institution-specific, empirically grounded study exists that systematically diagnoses the full constellation of supply-side, demand-side, institutional, and macroeconomic barriers at NBS Zimbabwe, tests causal hypotheses about their effects, or proposes an integrated strategic framework for mortgage market expansion. This study directly addresses that gap.

1.3 Purpose of the Study

This study aims to create an evidence-based, context-specific framework that empowers NBS Zimbabwe to overcome key demand, supply, regulatory, and macroeconomic barriers, thereby significantly expanding mortgage financing penetration and affordable homeownership in alignment with national development goals.

1.4 Research Objectives

Derived from the stated purpose and the identified research problem, this study pursues the following four specific objectives:

- 1. To develop an integrated, context-specific framework of strategic, product, regulatory, and institutional interventions for expanding mortgage financing penetration at NBS Zimbabwe.**
2. To examine the supply-side barriers and macroeconomic conditions that constrain NBS Zimbabwe's mortgage lending capacity.
3. To establish the demand-side barriers that limit mortgage uptake among urban Zimbabwean households.
4. To examine institutional and regulatory factors constraining NBS Zimbabwe and to determine the applicability of global and regional best practice models to Zimbabwe's context.

1.5 Research Questions

The following research questions, directly aligned with the objectives above, guide the inquiry:

1. What supply-side barriers and macroeconomic conditions constrain NBS Zimbabwe's mortgage lending capacity and depress mortgage financing penetration?
2. Which demand-side barriers most significantly limit mortgage uptake among urban Zimbabwean households?
3. What institutional and regulatory reforms and global best practice models are applicable to improving NBS Zimbabwe's mortgage lending environment?
4. What integrated framework of interventions would most effectively expand NBS Zimbabwe's mortgage financing penetration while maintaining institutional sustainability?

1.6 Study Hypotheses

The study is guided by the following four paired null and alternative hypotheses, each mapping directly onto the conceptual framework:

1. **H_{1o}**: Macroeconomic instability has no statistically significant negative effect on NBS Zimbabwe's mortgage financing volumes.

H_{1a}: Macroeconomic instability has a statistically significant negative effect on NBS Zimbabwe's mortgage financing volumes.

2. **H_{2o}**: High interest rates and low household income levels do not significantly reduce mortgage affordability and uptake among urban Zimbabwean households.

H_{2a}: High interest rates and low household income levels significantly and negatively reduce mortgage affordability and uptake among urban Zimbabwean households.

3. **H_{3o}**: The absence of a government-backed mortgage refinancing facility does not significantly limit NBS Zimbabwe's capacity to mobilize long-term capital for mortgage lending.

H_{3a}: The absence of a government-backed mortgage refinancing facility significantly and negatively limits NBS Zimbabwe's capacity to mobilize long-term capital for mortgage lending.

4. **H_{4o}**: Implementing flexible, income-tiered mortgage products and enhanced financial literacy programs will not significantly improve mortgage uptake rates among lower- and middle-income Zimbabwean households.

H_{4a}: Implementing flexible, income-tiered mortgage products and enhanced financial literacy programs will significantly improve mortgage uptake rates among lower- and middle-income Zimbabwean households.

1.7 Justification for the Study

The justification for undertaking this research is grounded in the convergence of three identifiable gaps: a scholarly literature gap, an industry practice gap, and a policy guidance gap.

From a scholarly perspective, while a substantial global literature examines housing finance market development in advanced and emerging economies (Chiquier & Lea, 2009; World Bank, 2023; IMF, 2023), Zimbabwe-specific mortgage finance research remains conspicuously thin and analytically limited. Existing Zimbabwe-focused studies: Chiremba (2022), Muranda (2021), and Mutero (2022): are either qualitative and descriptive, limited in empirical scope, focused on single dimensions of the problem, or institution-agnostic, and none has produced an integrated, operationally actionable strategic framework for mortgage expansion at NBS Zimbabwe. The study addresses this gap directly, applying a novel synthesis of Financial Inter-mediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance within a single analytical framework calibrated to Zimbabwe's post-inflationary, currency-volatile context.

From an industry practice perspective, no contextually appropriate, evidence-based framework currently exists to guide NBS Zimbabwe in systematically diagnosing and addressing its mortgage market barriers. The institution operates without an integrated strategic architecture that translates its mission of expanding homeownership into operationally actionable product design, underwriting innovation, and capital mobilization strategies. This study provides exactly such a framework, grounded in both primary empirical evidence and the accumulated international experience of successful mortgage market development programs.

From a policy perspective, Zimbabwe's Vision 2030 and the National Development Strategy 1 (NDS1 2021-2025) identify housing delivery as a priority outcome, yet policy instruments targeting the formal mortgage market remain underdeveloped. The study's findings will equip the Reserve Bank of Zimbabwe, the Ministry of National Housing and Social Amenities, and the Government of Zimbabwe more broadly with an empirical evidence base for designing targeted regulatory reforms, incentive structures, and institutional interventions: including the potential establishment of a National Mortgage Refinance Company modeled on Kenya's KMRC: that enable and reward formal sector mortgage market expansion.

1.8 Significance of the Study

This study carries significance across multiple dimensions and for several distinct stakeholder groups.

1.8.1 Theoretical Significance

This study makes an original theoretical contribution by synthesizing four complementary theories: Financial Intermediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance: within a single integrated analytical framework specifically calibrated to the post-inflationary, currency-volatile institutional context of a developing economy. This theoretical synthesis advances housing finance scholarship in Sub-Saharan Africa and provides a replicable analytical model for researchers investigating mortgage market underdevelopment in other economically fragile jurisdictions.

1.8.2 Empirical Significance

Through generating original primary quantitative and qualitative data from NBS Zimbabwe clients, employees, real estate professionals, and regulators, the study produces a comprehensive empirical dataset that is currently absent from Zimbabwe's housing finance literature. This dataset will serve as the first systematic, institution-specific empirical baseline for NBS Zimbabwe's mortgage market performance, enabling future longitudinal studies to track the impact of institutional reforms and market interventions over time.

1.8.3 Institutional Significance

For NBS Zimbabwe, the study provides an evidence-based diagnostic of institutional barriers: supply-side, demand-side, regulatory, and macroeconomic: and a bespoke, operationally actionable strategic framework for mortgage portfolio expansion. This has immediate practical utility for NBS's Board of Directors, executive management, strategic planning processes, and engagement with shareholders, including the Government of Zimbabwe as institutional owner.

1.8.4 Policy Significance

The study generates concrete, empirically grounded recommendations for the Reserve Bank of Zimbabwe (RBZ), the Ministry of National Housing and Social Amenities, and the Zimbabwe Investment and Development Agency (ZIDA) regarding regulatory reforms: particularly foreclosure law modernization, land tenure security enhancement, and credit bureau expansion: as well as institutional interventions such as the establishment of a National Mortgage Refinance

Company modeled on Kenya's KMRC. These recommendations feed directly into the implementation of the NDS1 housing finance priorities.

1.8.5 Societal Significance

Ultimately, this study serves Zimbabwe's constitutional imperative and its citizens' aspirations for secure homeownership. An expanded mortgage market translates directly into improved household welfare, reduced urban informality, stimulation of construction sector employment, increased formal savings mobilization, and broader macroeconomic growth consistent with Zimbabwe's vision of an upper-middle-income economy by 2030 (GoZ, 2021). The study thus contributes meaningfully to the resolution of one of Zimbabwe's most pressing socioeconomic challenges.

1.8.6 Contribution to National Development Goals

The study directly supports Zimbabwe's National Development Strategy 1 (NDS1 2021-2025) housing delivery priority and broader Vision 2030 objectives. By providing a practical, evidence-based framework for integrating housing finance expansion into formal financial sector strategy, the research contributes to Zimbabwe's progress toward the constitutional right to adequate housing and addresses specific gaps identified in national housing policy assessments (MNHSA, 2023; GoZ, 2021).

1.9 Delimitations of the Study

Delimitations define the boundaries of the study as determined by the researcher's deliberate choices regarding scope, focus, methodology, and context. These choices are made to enhance analytical depth, maintain feasibility within available resources and timelines, and ensure alignment between the research questions and the study's investigative capacity.

Geographically, the study is limited to NBS Zimbabwe's branches operating within Harare, Zimbabwe's capital city and the center of its formal mortgage market. This boundary was selected because Harare hosts the organization's largest concentration of mortgage transactions and the greatest density of real estate professionals, regulatory institutions, and urban households engaging with formal housing finance. Findings are therefore not directly generalizable to NBS Zimbabwe's provincial or rural operations without independent verification.

Institutionally, the study focuses specifically on NBS Zimbabwe as the case institution. Other mortgage lenders operating in Zimbabwe: including CBZ Bank, FBC Building Society, and ZB Bank are excluded from primary data collection, though they may be referenced in secondary literature and comparative analysis. This single-institution focus reflects NBS Zimbabwe's status as the country's only dedicated building society and primary mortgage lender, its centrality to any national mortgage market expansion strategy, and the access afforded by organizational access agreements.

In temporal terms, the study examines the period from 2015 to 2026, encompassing the post-hyper inflationary recovery phase, the bond note era, the reintroduction of the Zimbabwe dollar, the COVID-19 economic disruption, and the NDS1 and NDS2 reform period. This decade provides sufficient macroeconomic variation for meaningful analysis of mortgage market dynamics. Primary data collection is limited to a single twelve-week window within 2025-2026, consistent with the cross-sectional design.

In methodological terms, the study employs an explanatory sequential mixed-methods design combining quantitative surveys and qualitative interviews. Financial modelling, mortgage securitization structuring, and actuarial analysis fall outside the study's methodological scope. Primary data collection targets NBS Zimbabwe clients, employees in mortgage departments, Harare real estate agents, and senior regulators. Rural housing finance mechanisms, SACCOs, and diaspora housing finance channels are excluded from the scope of primary data collection.

Conceptually, the study is delimited to four primary theoretical constructs: Financial Intermediation Theory (supply-side and macroeconomic barriers), Credit Rationing Theory (demand-side eligibility barriers), Institutional Theory (regulatory and institutional constraints), and the Affordability Theory of Housing Finance (household affordability and product design). Constructs such as mortgage securitization market development, international capital market access, and actuarial mortgage insurance design are acknowledged as contextually relevant but treated as background considerations rather than focal study constructs.

1.10 Limitations of the Study

Limitations are constraints beyond the researcher's direct control that may affect the validity, reliability, or generalizability of the study's findings. Unlike delimitations, which reflect

intentional scoping decisions, limitations represent inherent constraints of the research process and the study context. The researcher acknowledges the following limitations and the mitigation strategies adopted to minimize their impact.

The first limitation concerns data reliability. Zimbabwe's history of data quality challenges means that secondary data obtained from government agencies and financial institutions may be incomplete, inconsistently reported across time periods, or subject to revision. This limitation will be addressed through systematic triangulation of multiple independent data sources: including the RBZ, CAHF, the World Bank, and NBS Zimbabwe's own published Annual Reports: with discrepancies explicitly documented and discussed in the findings rather than concealed.

The second limitation is respondent bias. NBS Zimbabwe employees participating in the study may provide socially desirable responses regarding institutional performance, product shortcomings, or management decisions. The researcher will use anonymous self-administered questionnaires for all employee respondents, supplemented by written confidentiality assurances. Employee and client perceptions will be analyzed separately, enabling cross-comparison that can detect divergence between internal narratives and external borrower experiences.

The third limitation relates to generalizability. As a single-institution case study focused on NBS Zimbabwe, the findings may have limited direct statistical generalizability to other mortgage lenders or jurisdictions. The researcher will explicitly adopt theoretical generalization rather than statistical generalization as the study's epistemological position, developing findings in relation to broader theoretical propositions applicable across similar institutional and macroeconomic contexts.

The fourth limitation concerns access to proprietary data. NBS Zimbabwe's detailed financial performance data: including disaggregated non-performing loan records and mortgage underwriting statistics: may be subject to confidentiality restrictions. The researcher will use a formal data access agreement with NBS Zimbabwe prior to data collection, with all access constraints transparently documented in the methodology chapter.

The fifth limitation relates to macroeconomic volatility. Zimbabwe's rapidly evolving macroeconomic environment means that conditions prevailing at the time of data collection may differ materially from those at the conclusion of data analysis and framework development. All data points will be explicitly time-stamped, and the integrated framework will be designed using

scenario-based recommendations that accommodate a range of macroeconomic conditions rather than being calibrated to a single point-in-time environment.

1.11 Assumptions of the Study

The following assumptions, accepted as true or plausible by the researcher and academic community, underpin this study and render its research design feasible:

1. Respondents will provide honest, accurate, and complete responses to research instruments, supported by the informed consent process, anonymity assurances, and voluntary participation protocols.
2. NBS Zimbabwe will grant sufficient and timely institutional access to facilitate meaningful primary data collection, including access to key informants across management levels and to relevant institutional secondary data.
3. The macroeconomic environment in Zimbabwe, while characteristically volatile, will remain sufficiently stable during the data collection period (estimated 12 weeks) to avoid material disruption to research activities or the validity of collected data.
4. The financial theories and empirical frameworks drawn from global and regional literature are, with appropriate contextual adaptation, applicable to Zimbabwe's institutional and macroeconomic environment: an assumption grounded in the established use of these theories across diverse developing economy contexts in existing literature.
5. The legal and regulatory framework governing mortgage lending in Zimbabwe, including the Building Societies Act (Chapter 24:02), the Banking Act, and relevant RBZ directives, will remain broadly consistent throughout the study period, with any material legislative changes noted and incorporated into analysis.

1.12 Definition of Terms

The following key terms are used throughout this thesis and are defined below to provide conceptual clarity:

Mortgage Financing: A long-term secured loan arrangement in which a financial institution provides funds to a borrower for the purpose of purchasing, constructing, or renovating real property, with the property itself serving as collateral, repayable over an agreed term (typically 10-30 years) with interest (Lunde & Whitehead, 2021)

Housing Finance: The system of institutions, instruments, and mechanisms through which funds are raised and allocated for housing construction, purchase, improvement, and rental: encompassing formal (banking, building societies) and informal (savings clubs, microfinance) mechanisms (UN-Habitat, 2023).

Mortgage Penetration: The ratio of outstanding residential mortgage debt to Gross Domestic Product (GDP), expressed as a percentage, used as a comparative indicator of housing finance market depth across countries and over time (World Bank, 2023)

Credit Rationing: A condition in credit markets where lenders restrict the supply of loans: through eligibility criteria, deposit requirements, or collateral demands: rather than raising interest rates to market-clearing levels, arising primarily from information asymmetries between lenders and borrowers (Stiglitz & Weiss, 1981).

Housing Affordability: The ability of a household to access and sustain adequate housing without housing expenditure exceeding a socially accepted threshold: conventionally 30% of gross household income: while meeting all other basic household needs (Stone, 2006).

Financial Intermediation: The process by which financial institutions such as banks and building societies transform short-term retail deposits from surplus units (savers) into long-term productive loans to deficit units (borrowers), thereby facilitating investment and consumption in the economy (Diamond, 1984).

Loan-to-Value Ratio (LTV): The ratio of a mortgage loan amount to the current appraised market value of the mortgaged property, expressed as a percentage. Higher LTV ratios imply greater lender exposure and are typically associated with higher interest rates or reduced loan eligibility (RBZ, 2024).

Mortgage Refinancing Facility: A government-supported or state-sponsored financial mechanism through which primary mortgage lenders obtain long-term, cost-effective capital by pledging or selling existing mortgage portfolios, thereby enabling expanded mortgage origination capacity beyond the constraints of retail deposit funding (KMRC, 2024; Asamoah et al., 2023).

Financial Inclusion: The condition in which individuals and businesses have access to useful, affordable, and appropriate financial products and services: including credit, savings, insurance, and payment services: delivered responsibly and sustainably by regulated formal financial institutions (World Bank, 2022).

Informal Employment: Employment in jobs that lack basic social or legal protections or employment benefits: including self-employment, casual labor, and employment in unregistered enterprises: characterized by irregular and unverifiable income streams that complicate formal loan underwriting (ZIMSTAT, 2023).

1.13 Chapter Summary

This chapter has established the foundational context for the study. It opened with a review of the global, regional, and local dimensions of mortgage financing as a strategic and developmental imperative, revealing the growing urgency of housing finance market development and the particular institutional and macroeconomic challenges confronting NBS Zimbabwe. The chapter identified the acute mismatch between Zimbabwe's enormous housing demand: a national deficit of 1.5 million units and a predominantly urban population seeking formal homeownership: and the extremely shallow formal mortgage market, constituting the core research problem.

The purpose of the study: to develop a comprehensive, context-specific framework for expanding mortgage financing penetration at NBS Zimbabwe: was articulated alongside four supporting research objectives and corresponding research questions and hypotheses. The chapter further presented the justification for the study across scholarly, industry, and policy dimensions, and detailed its significance for academic, institutional, policy, and societal stakeholders. The boundaries of the study were delineated through delimitations covering geographical, institutional, temporal, methodological, and conceptual scope, while limitations and their associated mitigation

strategies were transparently acknowledged. The chapter concluded with the foundational assumptions of the study and definitions of the key terms employed throughout the thesis.

Chapter Two proceeds to present a comprehensive review of the theoretical and empirical literature underpinning this study, culminating in the development of the conceptual framework that guides the empirical investigation.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter provides the theoretical, empirical, and conceptual foundations for the present study of mortgage financing barriers and strategic solutions at the National Building Society (NBS) Zimbabwe. The review is structured to move systematically from the abstract to the concrete: from the theoretical frameworks that give the study its analytical architecture, through the empirical evidence accumulated at global, regional, and local scales, to the conceptual framework that integrates this knowledge into a testable model, and culminating in the formal hypotheses that the empirical research will investigate.

The study of mortgage market development in Zimbabwe sits at an intellectually rich intersection of financial economics, institutional analysis, housing policy, and development economics. Mortgage markets are not simply credit markets; they are complex socio-institutional systems in which the behavior of lenders, borrowers, regulators, and intermediary institutions is shaped simultaneously by macroeconomic conditions, legal and regulatory frameworks, cultural norms, information architectures, and the product and underwriting strategies of individual financial institutions. A coherent analysis of Zimbabwe's mortgage market crisis therefore requires theoretical frameworks that can accommodate this multi-dimensional complexity.

The literature review is organized around four interconnected components. First, the primary theoretical framework: Financial Inter-mediation Theory establishes the supply-side analytical architecture, explaining why financial intermediaries such as NBS Zimbabwe exist and under what conditions they can perform their socially valuable mortgage inter-mediation function efficiently. Second, three supporting theories: Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance: provide complementary analytical lenses that illuminate the demand-side, institutional, and affordability dimensions of the mortgage market failure. Third, empirical evidence from global, regional, and local contexts is systematically reviewed and evaluated, identifying the key lessons for Zimbabwe while also noting critical gaps in the existing literature that this study is designed to fill. Fourth, the conceptual framework synthesizes the theoretical and empirical insights into a structured model of the relationships between the study's independent, mediating, and dependent variables, from which four formal research hypotheses are derived.

Collectively, this literature review establishes not only what is known about mortgage market development in contexts comparable to Zimbabwe but, critically, what remains unknown: particularly with respect to the institutional capacity of building societies such as NBS Zimbabwe to overcome structural market failures through strategic product innovation, regulatory engagement, and institutional transformation. The identification of this gap provides the primary intellectual justification for the present study.

2.2 Theoretical Framework

The theoretical architecture of this study is built on four pillars, each addressing a distinct dimension of the mortgage market failure under investigation. The primary framework: Financial Inter-mediation Theory provides the supply-side analytical foundation. Three supporting theories: Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance: provide complementary demand-side, institutional, and affordability dimensions. Together, these four frameworks constitute an integrated multi-theoretical lens appropriate to the complexity of Zimbabwe`s mortgage market challenge.

2.2.1 Primary Theory: Financial Intermediation Theory

Financial Intermediation Theory constitutes the primary theoretical framework of this study. The foundational contributions by Diamond (1984) and Bhattacharya and Thakor (1993) established that financial intermediaries : banks, building societies, insurance companies : exist to resolve fundamental market failures arising from three sources: information asymmetries between savers and borrowers; transaction costs that would be prohibitively high if individual savers attempted to lend directly to individual borrowers; and maturity mismatches between the short-term liquidity preferences of savers and the long-term capital needs of borrowers. In the mortgage context, NBS Zimbabwe performs precisely this inter-mediation function, transforming short-term retail deposits from thousands of individual savers into long-term, 15-25-year mortgage loans for home buyers (NBS Zimbabwe, 2023).

Diamond`s (1984) delegated monitoring model provides a theoretically rigorous account of why this inter-mediation function is socially efficient. NBS Zimbabwe, as the delegated monitor of borrower creditworthiness, avoids the duplication of costly credit assessment that would occur if every depositor independently evaluated every borrower. However, the efficiency of this delegated monitoring: and therefore, the viability of mortgage lending: depends critically on the quality of

the information environment. In Zimbabwe, the underdevelopment of the credit information system (there is no comprehensive credit bureau covering informal sector workers), the unreliability of property valuations in a distorted market, and the absence of verifiable income documentation for the majority of potential borrowers fundamentally undermine NBS Zimbabwe's ability to perform its delegated monitoring role cost-effectively (Mutero, 2022; RBZ, 2024).

Allen and Santomero's (1998) influential extension of inter-mediation theory adds further analytical depth by incorporating risk management and participation cost reduction as distinct intermediary functions. Their framework highlights that financial intermediaries do not merely transform maturities: they actively manage the associated interest rate and liquidity risks and reduce the transaction cost barriers that would otherwise prevent households from accessing capital markets. For NBS Zimbabwe, this theoretical extension is directly relevant: the institution's role in managing maturity transformation risk between short-duration deposits and long-duration mortgage loans is severely constrained by the absence of long-term funding instruments in Zimbabwe's capital market: a structural gap that directly motivates the present study's analysis of mortgage refinancing facility options (IMF, 2023; Chiquier & Lea, 2009).

The explanatory power of Financial Inter-mediation Theory for the Zimbabwean context is considerable but not unlimited. The theory explains supply-side constraints well: it illuminates why NBS Zimbabwe rationally restricts mortgage origination when the information environment is poor and long-term capital is absent. It is less suited, however, to explain the demand-side barriers that prevent even credit-eligible households from accessing mortgages, or the institutional and regulatory constraints that prevent structural reform. These dimensions require complementary theoretical lenses provided by the three supporting theories discussed below. Financial Intermediation Theory directly underpins Hypotheses H1 and H3 and provides the supply-side theoretical architecture for the framework development in Objective 4.

2.2.2 Supporting Theory I: Credit Rationing Theory

Stiglitz and Weiss (1981) demonstrated, in one of the most influential papers in financial economics, that credit markets are fundamentally different from standard commodity markets: they do not necessarily clear through price (interest rate) adjustments. Under significant information asymmetries between lenders and borrowers, raising interest rates to ration excess credit demand produces two perverse outcomes: adverse selection, whereby higher rates attract

riskier borrowers who are more willing to pay premium rates because they anticipate non-repayment; and moral hazard, whereby higher rates incentivize borrowers to take on riskier projects to generate sufficient returns to service the debt. The rational lender response is, therefore, quantity rationing: restricting credit supply through eligibility criteria, collateral demands, deposit requirements, and conservative debt-to-income thresholds, rather than raising interest rates to market-clearing levels.

The explanatory power of Credit Rationing Theory for Zimbabwe's mortgage market is substantial. NBS Zimbabwe does not primarily ration mortgage access through interest rate pricing alone; rather, it imposes eligibility restrictions: formal employment verification, pay slip documentation, minimum deposits of typically 20-30% of property value, and high collateral standards: that systematically exclude the 70% or more of the urban population engaged in informal employment (ZIMSTAT, 2023; Muranda, 2021). This is not irrational behavior: it is the theoretically predicted rational response to severe information asymmetries. However, the consequence: the structural exclusion of the majority of the urban population from mortgage finance constitutes a profound social and economic failure with direct consequences for Zimbabwe's housing deficit.

Credit Rationing Theory thus explains why mortgage market expansion in Zimbabwe requires not only interest rate reduction but fundamental product redesign and underwriting innovation to address the underlying information asymmetry problem. If NBS Zimbabwe can develop alternative credit assessment mechanisms: cash flow analysis of informal business activity, rental payment history, SACCO membership records, employer attestations: the informational foundation of credit rationing is weakened, and more inclusive mortgage origination becomes feasible without unacceptable credit risk exposure. This theoretical insight directly supports Hypothesis H2 and Objective 2 of the present study (demand-side barriers analysis).

2.2.3 Supporting Theory II: Institutional Theory

North's (1990) seminal Institutional Theory provides the analytical framework for understanding how formal rules (laws, regulations, property rights regimes), informal constraints (cultural norms, trust in formal institutions, attitudes toward indebtedness), and enforcement mechanisms collectively shape mortgage market behavior. North's core insight: that institutions are the 'rules of the game' and that institutional change is path-dependent, shaped by historical experience and

resistant to rapid transformation: is directly applicable to Zimbabwe's post-hyperinflationary mortgage market. The trauma of the 2007-2008 financial collapse, in which the hyperinflationary destruction of real asset values wiped out mortgage portfolios across the formal banking system, created powerful informal institutional constraints: deep lender risk aversion, borrower skepticism toward long-term financial commitments, and regulatory overcaution: that continue to operate alongside formal legal and regulatory frameworks (Chiremba, 2022; North, 1990).

DiMaggio and Powell's (1983) concept of institutional isomorphism adds a further dimension to the institutional analysis. They identify three mechanisms through which organizations within the same field converge on similar structures and practices: coercive isomorphism, driven by regulatory requirements and powerful external actors; mimetic isomorphism, whereby organizations imitate the practices of successful peers to reduce uncertainty; and normative isomorphism, driven by professionalization and the diffusion of best practices through professional associations and training. Institutional isomorphism explains why NBS Zimbabwe's mortgage products and underwriting standards closely resemble those of commercial banks, even though NBS Zimbabwe's building society mandate and long-term social mission might justify more innovative, inclusive approaches. The regulatory environment (coercive isomorphism from RBZ directives), professional norms in mortgage underwriting (normative isomorphism), and the tendency to emulate commercial bank practices (mimetic isomorphism) collectively constrain institutional innovation.

Scott's (2001) three-pillar model: regulative, normative, and cognitive: provides a tri-dimensional diagnostic tool for analyzing the institutional barriers to mortgage expansion. The regulative pillar encompasses the Building Societies Act, RBZ directives, land tenure legislation, and foreclosure law: the formal legal rules governing mortgage origination and enforcement. The normative pillar includes professional standards in mortgage underwriting, industry norms regarding loan-to-value (LTV) and debt service ratio (DSR) thresholds, and the informal professional consensus on acceptable credit risk. The cognitive pillar comprises shared beliefs about mortgage risk, cultural attitudes toward homeownership financing, and household perceptions of NBS Zimbabwe's trustworthiness and accessibility. Effective institutional reform requires action across all three pillars; reforms that address the regulative pillar alone, without also transforming normative standards and cognitive perceptions, will produce limited results. Institutional Theory provides the analytical backbone for Hypothesis H3 and Objective 3.

2.2.4 Supporting Theory III: Affordability Theory of Housing Finance

Stone's (2006) foundational contribution to housing affordability theory challenged the dominant ratio approach: the convention of defining housing as affordable if it costs no more than 30% of gross household income; and proposed instead a residual income approach focusing on the income remaining after housing costs are met. Stone's concept of 'shelter poverty' captures the condition in which a household meeting the 30% rule in gross income terms may nonetheless be in severe financial distress if housing costs consume so large a proportion of income that residual resources are insufficient for food, healthcare, education, and transport. This theoretical reframing has fundamental implications for mortgage affordability assessment in Zimbabwe, where household income volatility, high food and utility costs, and inflationary erosion of real incomes mean that conventional debt service ratio thresholds may substantially overestimate the proportion of households who can sustainably service mortgage obligations (RBZ, 2024; ZIMSTAT, 2023).

Gan and Hill's (2009) empirical application of multidimensional affordability measures provides a practical methodological framework for operationalizing affordability assessments. Their framework distinguishes three dimensions of affordability: purchase affordability (can the household qualify for and obtain a mortgage at current price and interest rate levels?); repayment sustainability (can the household sustain mortgage repayments over time in the face of income volatility and expenditure pressures?); and access affordability (can the household accumulate the required deposit within a reasonable timeframe?). In Zimbabwe, all three dimensions are severely constrained: purchase affordability is undermined by high real interest rates and low income levels; repayment sustainability is threatened by income volatility associated with informal employment and macroeconomic instability; and access affordability is compromised by the near-impossibility of accumulating a 20-30% deposit from informal sector earnings in a high-inflation environment (Muranda, 2021; Mutero, 2022).

The Affordability Theory of Housing Finance is particularly important for the product innovation dimension of the mortgage expansion framework (Objective 4), where alternative mortgage structures: graduated payment mortgages, shared equity schemes, employer-assisted mortgage programs, and rent-to-own arrangements: need to be evaluated against both purchase and sustainability affordability criteria. A product that appears affordable at origination but generates unsustainable repayment burdens within three to five years creates NPL risk for NBS Zimbabwe

and financial distress for borrowers; Gan and Hill's (2009) multi-dimensional framework prevents such false economy.

2.3 Empirical Evidence: A Multi-Scale Review

The empirical literature on mortgage market development is now substantial, extending across global cross-country studies, regional African analyses, and a small but growing body of Zimbabwe-specific research. This section reviews the evidence systematically across three geographic scales, evaluating the quality, relevance, and limitations of each body of evidence before identifying the critical gaps that the present study addresses.

2.3.1 Global Empirical Evidence

2.3.1.1 Determinants of Mortgage Market Depth

The most comprehensive global empirical analysis of mortgage market determinants is provided by Badev et al. (2022), whose World Bank Policy Research Paper uses econometric panel data for over 100 countries to identify the statistically significant positive and negative determinants of mortgage credit to GDP ratios. The study identifies GDP per capita, rule of law, depth of credit information systems, and inflation stability as the most robust positive determinants. Conversely, real interest rate levels, inflation volatility, and currency risk are robust negative determinants. These findings are directly instructive for Zimbabwe, where all three negative determinants are materially elevated: real interest rates have been highly volatile, inflation has been extreme (reaching 838% in 2020 before partial stabilization), and the currency has undergone multiple structural transformations including dollarization, the introduction of bond notes, the RTGS dollar, the ZWL, and the ZiG in the period from 2009 to 2024 (RBZ, 2024).

Badev et al.'s (2022) finding that credit information system depth is among the most significant positive determinants of mortgage market development has direct implications for Zimbabwe's regulatory agenda. The absence of a comprehensive credit reference bureau covering informal sector economic activity: the dominant form of urban economic participation in Zimbabwe (ZIMSTAT, 2023): eliminates one of the most powerful levers for mortgage market expansion. Comparable low-income countries that have invested in credit registry development: Rwanda, Kenya, Tanzania: have recorded significantly higher mortgage market penetration than their peers (CAHF, 2024; Asamoah et al., 2023), consistent with Badev et al.'s regression evidence.

2.3.1.2 Government-Backed Mortgage Refinancing Facilities

The IMF (2023) Working Paper WP/23/114, surveying housing finance policy across 40 low- and middle-income countries, provides robust evidence for the critical enabling role of government-backed mortgage liquidity facilities. The IMF survey documents that the presence of a government-backed refinancing facility is associated with a 3-8 percentage point increase in mortgage-to-GDP ratios, controlling macroeconomic and institutional determinants. The most successful facilities share common design features: government equity participation providing creditworthiness signals to capital markets; access to long-term institutional capital (pension funds, sovereign wealth funds); standardized mortgage documentation requirements that deepen primary market quality; and clear performance metrics enabling regulatory oversight and accountability.

The case of Malaysia's Cagamas Berhad, the national mortgage corporation established in 1986, represents arguably the most analytically relevant global model for Zimbabwe. Cagamas (2023) was established with government equity participation (Bank Negara Malaysia holds a 20% equity stake) to issue bonds and purchase mortgage loans and Islamic home financing instruments from financial institutions, thereby providing primary mortgage lenders with long-term refinancing and freeing balance sheet capacity for new origination. Over its 37-year operational history, Cagamas has contributed materially to Malaysia's mortgage market depth of approximately 38% of GDP : among the highest in the developing world : and has been replicated in modified forms in Jordan (Jordan Mortgage Refinance Corporation), Nigeria (Nigeria Mortgage Refinance Corporation), and Tanzania (Tanzania Mortgage Refinance Corporation). The design lessons from Cagamas are directly relevant to the present study's framework recommendation for a Zimbabwe National Mortgage Refinance Company.

Chiquier and Lea's (2009) authoritative World Bank compendium on mortgage finance systems in developing countries identifies three foundational enabling conditions for viable mortgage market development: a legal infrastructure that reliably protects mortgage lender rights through efficient property registration and foreclosure mechanisms; macroeconomic stability sufficient to support long-term financial contracting; and access to long-term institutional capital. Zimbabwe's deficiencies in all three areas: documented across the literature (Mutero, 2022; RBZ, 2024; Chiremba, 2022): explain the mortgage market's structural underdevelopment and define the policy reform priorities that the present study's framework addresses.

2.3.1.3 Gaps in Global Evidence

While the global empirical literature is substantial and methodologically rigorous, it presents three significant limitations for Zimbabwe-specific analysis. First, the cross-country econometric studies (Badev et al., 2022; IMF, 2023) identify average effects across diverse country samples but cannot capture the specific institutional and historical features of individual country contexts. Zimbabwe's unique hyperinflationary experience, currency crisis, and land reform history create institutional constraints that are not adequately captured in cross-country regressions. Second, the majority of global case studies (Cagamas, FGTS Brazil, India's National Housing Bank) come from middle-income countries with substantially greater institutional capacity than Zimbabwe; the transferability of their design lessons requires careful contextualization. Third, no existing global study specifically examines the role of a building society: as distinct from a commercial bank: as the primary institutional vehicle for mortgage market reform in a post-hyperinflationary, low-income African context. This institutional specificity is central to the present study's contribution.

2.3.2 Regional Empirical Evidence: African Context

2.3.2.1 Comparative African Mortgage Market Performance

The Centre for Affordable Housing Finance in Africa (CAHF, 2024) Housing Finance in Africa Yearbook represents the most comprehensive and current source of comparative data on mortgage market conditions across the continent. The 2024 edition, covering 55 African countries, documents substantial heterogeneity in mortgage market development. The highest penetration rates are found in South Africa (approximately 25% of GDP), Namibia (20%), and Mauritius (14%), all combining macroeconomic stability, strong property rights, comprehensive credit information systems, and well-capitalized primary mortgage lenders. At the opposite extreme, Zimbabwe's mortgage penetration is confirmed at below 3% of GDP: among the continent's lowest: in a peer group that includes fragile states with active conflict and post-conflict recovery contexts. This comparative positioning highlights the severity of Zimbabwe's mortgage market failure and the magnitude of the reform task facing NBS Zimbabwe.

The CAHF (2024) data reveal a consistent pattern across African mortgage markets: the variables most strongly associated with higher penetration rates are macroeconomic stability (measured by inflation and exchange rate volatility), depth of credit information systems (credit bureau coverage

rates), and the strength of legal frameworks for property rights and mortgage enforcement. Countries that have invested in credit registry development, land titling programs, and mortgage market infrastructure: Rwanda, Kenya, Tanzania: have recorded significantly faster mortgage market growth than their income peers, even without the natural advantages of South Africa's or Mauritius's institutional maturity. This pattern is consistent with Badev et al.'s (2022) global econometric evidence and with the institutional framework of North (1990) and Scott (2001).

2.3.2.2 Mortgage Refinancing Facilities in Africa

Asamoah, Acheampong, and Owusu-Ansah's (2023) econometric study of mortgage refinancing facility effectiveness in seven African countries: Kenya, Rwanda, Nigeria, Tanzania, Ghana, Uganda, and Mozambique: provides the most rigorous regional evidence on this policy instrument. Using a difference-in-differences methodology comparing pre and post-facility establishment periods while controlling for macroeconomic conditions, the study finds statistically significant increases in primary mortgage market origination of between 18% and 45% in the three years following facility launch in Kenya (Kenya Mortgage Refinance Company, established 2020), Rwanda, and Tanzania. These magnitudes are economically substantial and statistically robust to alternative control specifications. The study's identification strategy: exploiting the staggered timing of facility establishment across countries as a natural experiment addresses the potential endogeneity concern that facility establishment may itself be caused by mortgage market growth, lending credibility to the causal interpretation. These findings provide strong empirical support for Hypothesis H3 and directly inform the present study's framework recommendation for a Zimbabwe National Mortgage Refinance Company.

The Kenya Mortgage Refinance Company (KMRC) deserves particular attention as the most directly comparable institutional model for Zimbabwe. Established in 2020 with the support of the World Bank and the Kenyan government, KMRC provides long-term (up to 25-year) funding to primary mortgage lenders at below-market rates, enabling them to offer fixed-rate mortgages at affordable terms to households earning below defined income thresholds. Within three years of establishment, KMRC had facilitated over 5,000 mortgage loans through its participating financial institutions, and its standardization of mortgage documentation had demonstrably improved primary market underwriting quality (KMRC, 2023). The KMRC model: government equity participation, concessional long-term funding from multilateral development banks, standardized

underwriting criteria, income eligibility thresholds provides a directly applicable template for the Zimbabwe National Mortgage Refinance Company recommended in this study's framework.

2.3.2.3 South Africa: Regulatory Mandates for Inclusive Mortgage Lending

Rust's (2023) detailed analysis of South Africa's post-apartheid housing finance evolution provides an important regional case study of a different but complementary policy instrument: regulatory mandates for inclusive mortgage lending. The Financial Sector Charter of 2003, updated through successive iterations, required large financial institutions to allocate specified proportions of new lending to households earning below defined income thresholds and to contribute to affordable housing development finance. When combined with the National Credit Act's responsible lending provisions: which imposed affordability assessment obligations on mortgage lenders and strengthened borrower protection rights: the Charter produced a measurable expansion in mortgage access to lower-income households. Rust (2023) documents a significant increase in mortgage origination to households earning below R15,000 per month in the five years following Charter implementation, alongside a reduction in NPL ratios attributable to improved affordability assessment practices.

The South African experience offers three analytically important lessons for Zimbabwe. First, regulatory mandates can be effective instruments for expanding mortgage market access when combined with adequate institutional capacity in primary lenders; mandates alone, without building lender capacity for inclusive underwriting, are unlikely to produce sustainable results. Second, responsible lending provisions that strengthen affordability assessment: rather than weakening it in the name of inclusion: can reduce NPL risk while expanding access, resolving the apparent trade-off between financial inclusion and financial stability. Third, the combination of supply-side incentives (refinancing facilities) with demand-side product innovation (shared equity, employer-assisted mortgages) and regulatory mandates is more effective than any single instrument applied in isolation. This systemic lesson is central to the integrated framework developed in Objective 4 of the present study.

2.3.2.4 Gaps in Regional Evidence

The regional African literature, while growing in volume and methodological sophistication, presents several important limitations. First, Asamoah et al.'s (2023) study, despite its methodological rigor, does not specifically examine contexts with Zimbabwe's degree of

macroeconomic instability and currency risk; the three successful cases (Kenya, Rwanda, Tanzania) all operate in relatively stable monetary environments, raising questions about transferability to a context where long-term financial contracting is structurally more challenging. Second, the South African case (Rust, 2023) involves an institutional context: a deep, commercially competitive banking market with substantial regulatory capacity: substantially more developed than Zimbabwe's, limiting the direct transferability of its regulatory mandate model. Third, no existing African study specifically examines the role of a building society, as distinct from a commercial bank, as the primary vehicle for mortgage market reform; the building society's distinct mandate, funding model, and regulatory framework create a specific institutional context that the existing regional literature does not adequately address.

2.3.3 Local Empirical Evidence: Zimbabwe Context

2.3.3.1 Supply-Side Evidence

Mutero's (2022) CAHF Zimbabwe Country Profile represents the most recent comprehensive institutional analysis of Zimbabwe's housing finance system available in the peer-reviewed and grey literature. Mutero provides a systematic mapping of the formal mortgage market, documenting the roles of NBS Zimbabwe, CBZ Bank, and FBC Building Society as the three primary mortgage originators, and identifying four critical supply-side constraints: the absence of long-term capital instruments (Zimbabwe has no functional bond market capable of providing 15-25-year mortgage funding); elevated NPL ratios (the combined NPL ratio for the building society sector exceeded 40% in 2019 before partial improvement to approximately 25% by 2022); currency risk (the continued depreciation of the ZWL and subsequent uncertainty around the ZiG create fundamental obstacles to long-term fixed-rate mortgage pricing); and weak collateral enforcement (judicial backlogs and procedural complexities in mortgage foreclosure law make collateral recovery unpredictable and costly). Mutero's diagnosis is consistent with both Financial Inter-mediation Theory (Diamond, 1984; Allen & Santomero, 1998) and Chiquier and Lea's (2009) three enabling conditions framework and directly informs Objective 1 of the present study. Chiremba's (2022) qualitative study of mortgage lending practices at two Zimbabwean commercial banks provides important complementary evidence on the behavioral and institutional dimensions of supply-side constraints. Through in-depth interviews with loan officers and credit committee members, Chiremba documents how NPL ratios on legacy mortgage portfolios

reaching 35% by 2019 induced severe and lasting risk aversion among lending professionals, resulting in an informal near-moratorium on new mortgage origination that persisted well beyond the peak NPL period and long after NPLs began to improve. This behavioral finding illustrates North's (1990) theoretical insight about path dependence and informal institutional constraints: the trauma of the hyperinflationary period created cognitive and normative barriers to mortgage lending that formal regulatory adjustments alone cannot remove. Chiremba's work, while limited by its single institution focus and qualitative methodology, provides the qualitative depth that quantitative supply-side analyses lack.

NBS Zimbabwe's (2023) Annual Report, used as primary institutional data in the present study, confirms the supply-side picture documented in the academic and grey literature. With a mortgage portfolio constituting approximately 18% of total advances (against a historical building society norm of 60-70%), a deposit-to-loan maturity mismatch of approximately 84 months between average liability duration and average mortgage tenor, and an NPL ratio on the mortgage book of approximately 22%, NBS Zimbabwe's financial position is consistent with the theoretically predicted institutional response to the supply-side constraints identified by Mutero (2022), Chiremba (2022), and the RBZ (2024) Banking Sector Report.

2.3.3.2 Demand-Side Evidence

Muranda's (2021) household survey of 150 urban Harare residents represents the most substantive demand-side empirical study of Zimbabwe's mortgage market available in the literature. The survey documents striking patterns: over 78% of surveyed households expressed a strong desire for homeownership, but only 12% had ever applied for a mortgage, and fewer than 5% held an active mortgage. The primary self-reported deterrents among non-applicants were perceived high interest rates (cited by 82%); requirements for formal employment documentation (74%); the perceived unaffordability of the minimum deposit requirement of 20-30% (68%); and lack of awareness of the mortgage application process (45%). These findings provide preliminary empirical grounding for Hypothesis H2 and Objective 2 of the present study.

Muranda's (2021) findings, while significant, are subject to important methodological limitations that the present study is designed to address. The sample size of 150 respondents, drawn exclusively from selected Harare suburbs, limits the representativeness and statistical power of the findings. The absence of a validated psychometric instrument for measuring demand-side barriers:

Muranda's survey uses an invalidated questionnaire reduces construct validity. And the study's demand-side focus, while valuable, is not connected to a corresponding supply-side or institutional analysis, preventing an integrated understanding of how supply and demand constraints interact to produce the mortgage market failure. The present study addresses all three limitations through a larger, more representative sample, a validated Likert-scale instrument developed using established psychometric procedures (Hair et al., 2019), and an integrated mixed-methods design that connects demand-side findings to supply-side and institutional analyses.

ZIMSTAT's (2023) Labor Force Survey provides critical demographic context for the demand-side analysis. The survey documents that 72.3% of urban employment in Zimbabwe is informal: comprising self-employment, family business employment, casual labor, and piecework: with formal salaried employment concentrated in the public sector (particularly the civil service and parastatals) and a shrinking formal private sector. This demographic reality makes conventional mortgage underwriting models, which require pay slip-verified formal employment income, structurally inapplicable to the majority of urban Zimbabwean households. The ZIMSTAT (2023) data directly supports the theoretical prediction of Credit Rationing Theory (Stiglitz & Weiss, 1981) and the empirical findings of Muranda (2021) regarding the exclusionary effect of formal employment requirements on mortgage access.

2.3.3.3 Gaps in Local Evidence

The Zimbabwe-specific empirical literature on mortgage finance, while providing valuable insights, is characterized by four significant gaps that collectively define the research space occupied by the present study. First, all existing Zimbabwe-specific studies are either purely qualitative (Chiremba, 2022), limited in quantitative scope (Muranda, 2021), or descriptive institutional analyses (Mutero, 2022); none employs a mixed-methods design that combines quantitative survey data with qualitative institutional analysis and documentary evidence. Second, no existing study has empirically tested formal hypotheses about the causal relationships between Zimbabwe's macroeconomic, institutional, and regulatory conditions and NBS Zimbabwe's mortgage market performance: the existing literature documents associations and patterns but does not test causal relationships. Third, no existing study is focused on NBS Zimbabwe as a specific institution, despite NBS Zimbabwe's central role in the building society sector and its unique mandate for affordable housing finance; the institution-agnostic nature of existing studies limits

their operational relevance for NBS Zimbabwe's strategic decision-making. Fourth, no existing study has produced an integrated, operationally actionable strategic framework for mortgage expansion at NBS Zimbabwe that is grounded in both empirical evidence and theoretical foundations. These four gaps collectively constitute the primary intellectual justification for the present study.

2.4 Critical Sources Summary Table

Table 1 below summarizes the key sources reviewed in this chapter, their disciplinary provenance, their principal contribution to knowledge, and their specific relevance to the present study's objectives and hypotheses. The table is organized to reflect the structure of the literature review, moving from theoretical to empirical sources and from global to local in geographic scope.

Table 1: **Critical Sources Summary**

Author(s) & Year	Source / Journal	Key Contribution	Relevance to Study
Diamond (1984)	Review of Economic Studies	Delegated monitoring model; theoretical rationale for financial intermediaries as cost-efficient monitors of borrower creditworthiness.	Main Theory : financial intermediation basis; underpins H1 & H3
Stiglitz & Weiss (1981)	American Economic Review	Credit rationing under asymmetric information demonstrates that credit markets do not clear through interest rate adjustment alone.	Supporting Theory explains mortgage exclusion of informal workers; underpins H2
North (1990)	Institutions, Institutional Change and Economic Performance (Book)	Formal and informal institutional constraints on market behavior; path dependence of institutional change.	Supporting Theory : institutional barriers to mortgage market development
Stone (2006)	Housing Policy Debate	Residual income approach to housing affordability; concept of shelter poverty beyond standard ratio measures.	Supporting Theory : affordability model for Zimbabwean households
Allen & Santomero (1998)	Journal of Banking & Finance	Risk management and participation cost reduction functions of financial intermediaries; maturity transformation risk.	Extends main theory : maturity mismatch constraint on NBS Zimbabwe
DiMaggio & Powell (1983)	American Sociological Review	Institutional isomorphism : coercive, mimetic, and normative mechanisms driving organizational convergence.	Explains NBS Zimbabwe product conformity; institutional barriers analysis

Scott (2001)	Institutions and Organizations (Book)	Three-pillar institutional model: regulative, normative, cognitive dimensions of institutional environments.	Tri-dimensional diagnostic framework for mortgage access barriers
Gan & Hill (2009)	Urban Studies	Multidimensional affordability measures: purchase, repayment sustainability, and access affordability.	Operationalizes affordability in product innovation framework (Objective 4)
CAHF (2024)	Housing Finance in Africa Yearbook	Comparative data across 55 African mortgage markets; Zimbabwe penetration benchmarked at below 3%.	Regional evidence : comparative benchmarking; macro context
Badev et al. (2022)	World Bank Policy Research Paper	Econometric determinants of mortgage market depth across 100+ countries; GDP per capita, rule of law, credit information depth.	Global evidence : macro-finance determinants; directly tests H1
IMF (2023)	Working Paper WP/23/114	Housing finance policy in low-income countries; government-backed mortgage refinancing facilities associated with 3-8% GDP mortgage increase.	Global evidence : policy mechanism design; underpins H3
Chiquier & Lea (2009)	Mortgage Finance Systems in Developing Countries (World Bank)	Three foundational enabling conditions: legal infrastructure, macroeconomic stability, long-term capital access.	Global evidence : diagnostic framework; defines Zimbabwe structural gaps
Asamoah et al. (2023)	African Development Review	Causal impact of mortgage refinancing facilities on primary market origination in seven African countries (DID methodology).	Regional evidence : MRF effectiveness; directly supports H3
Rust (2023)	FinMark Trust / CAHF Report	South Africa post-apartheid housing finance evolution; Financial Sector Charter affordability mandates; National Credit Act outcomes.	Regional case study : regulatory mandate effectiveness; policy implications
Mutero (2022)	CAHF Zimbabwe Country Profile	Comprehensive mapping of Zimbabwe housing finance system; supply-side barriers: absent long-term capital, high NPLs, currency risk, weak collateral enforcement.	Local evidence : primary institutional baseline; central to Objective 1
Chiremba (2022)	Midlands Journal of Social Sciences	NPL legacy effects on mortgage lending in Zimbabwe; informal near moratorium on new origination post-hyperinflationary trauma.	Local evidence : lender risk aversion (North, 1990 institutional constraints)
Muranda (2021)	IOSR Journal of Business & Management	Harare household mortgage demand survey (n=150); 78% homeownership desire but only 12% application rate; income, employment, deposit barriers.	Local evidence : demand barrier quantification; directly supports H2

Cagamas (2023)	Annual Report, Malaysia	Malaysian secondary mortgage market corporation; longest-running government-backed MRF in a developing country context.	Global case study : MRF design template; framework recommendations
RBZ (2024)	Monetary Policy Statement	Zimbabwe monetary policy and financial sector conditions; interest rate environment, NPL ratios, capital adequacy data.	Regulatory and macroeconomic context; independent variable operationalization
NBS Zimbabwe (2023)	Annual Report	NBS portfolio data, NPL ratios, deposit base and performance metrics; institutional baseline.	Primary institutional data; mediating variable operationalization

Source: Compiled by the Researcher, 2026

2.5 Conceptual Framework and Development of Hypotheses

The conceptual framework synthesizes the theoretical and empirical insights reviewed in the preceding sections into an integrated structural model of the relationships between the study's variables. The framework maps the causal pathways through which independent variables (supply-side structural barriers, demand-side household constraints, and macroeconomic and regulatory conditions) are theorized to affect the dependent variable (mortgage market penetration), with the institutional capacity and strategic positioning of NBS Zimbabwe serving as the mediating variable through which these effects are channeled.

2.5.1 Framework Architecture and Variable Relationships

The conceptual framework is structured around three variable clusters corresponding to the study's four research objectives. The independent variable cluster comprises supply-side structural barriers (H1: funding constraints, NPL legacy effects, maturity mismatch, currency risk, capital adequacy constraints), demand-side household barriers (H2: informal employment, income inadequacy, deposit accumulation difficulty, financial literacy deficits), and macroeconomic and institutional-regulatory conditions (H3: macroeconomic instability, weak property rights, underdeveloped credit information, regulatory framework gaps, absence of a mortgage refinancing facility). The mediating variable: NBS Zimbabwe's institutional capacity and strategic framework is positioned between the independent variable cluster and the dependent variable, representing the institution's product portfolio, credit appraisal mechanisms, regulatory compliance capacity, and strategic positioning. The dependent variable, mortgage market penetration, is operationalized through three complementary indicators: mortgage uptake intention (measured via a validated behavioral

intention scale), actual mortgage application behavior (binary self-report), and the sector-level mortgage penetration rate (mortgage debt as a percentage of GDP).

The theoretical grounding of each variable relationship is specified. The pathway from supply-side barriers to mortgage market penetration is theoretically grounded in Financial Inter-mediation Theory (Diamond, 1984; Allen & Santomero, 1998) and receives empirical support from Badev et al. (2022), Chiquier and Lea (2009), Mutero (2022), and Chiremba (2022). The pathway from demand-side barriers to mortgage market penetration is grounded in Credit Rationing Theory (Stiglitz & Weiss, 1981) and Affordability Theory (Stone, 2006; Gan & Hill, 2009), with empirical support from Muranda (2021) and ZIMSTAT (2023). The moderating role of macroeconomic and institutional-regulatory conditions: which condition the strength of both supply-side and demand-side effects on mortgage penetration: is grounded in Institutional Theory (North, 1990; DiMaggio & Powell, 1983; Scott, 2001), with empirical support from IMF (2023), Asamoah et al. (2023), and RBZ (2024). The mediating role of NBS Zimbabwe's institutional capacity: through which macro-level enabling conditions and micro-level household demand translate into actual mortgage origination is theoretically grounded across all four theoretical pillars.

2.5.2 Conceptual Framework Diagram

Figure 3 below presents the conceptual framework diagram, illustrating the relationships between independent variables, the mediating variable (NBS Zimbabwe's institutional capacity), the dependent variable (mortgage market penetration), and the positions of the four research hypotheses within the causal architecture.

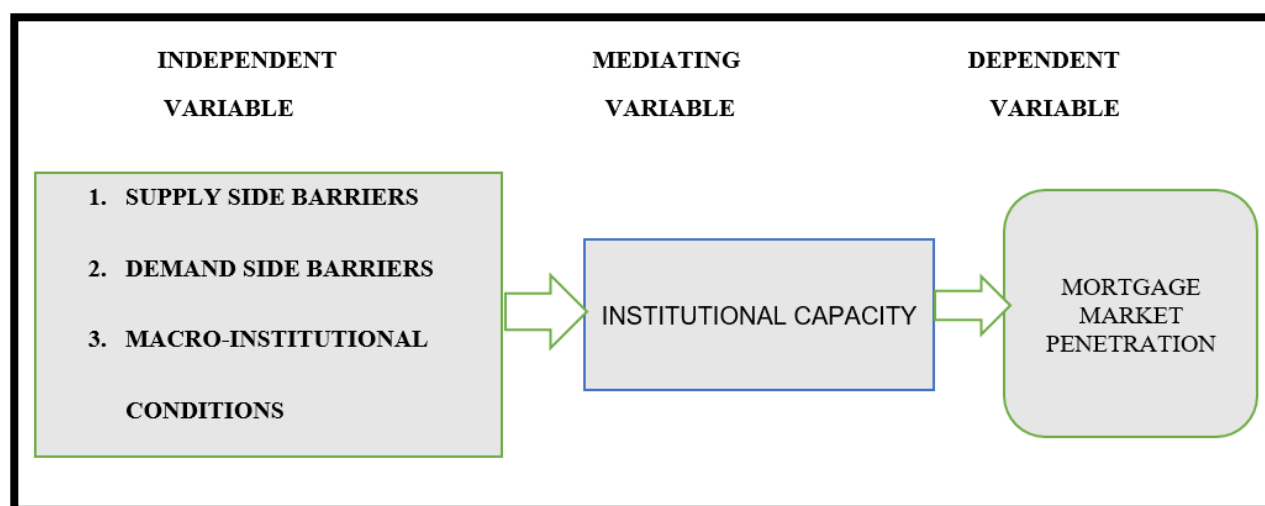


Figure 3 : Conceptual Framework: NBS Zimbabwe Mortgage Financing Study

Source: Researcher`s Conceptual Framework, 2026

Key:

Independent Variable (IV)	Mediating Variables (MV)	Dependent Variable (DV)
H1. Supply side Barriers: • Funding and Capital constraints • NPL legacy effects • Maturity mismatch • Currency risk H2. Demand Side Barriers • Informal employment (72%+) • Income inadequacy • Deposit accumulation barriers. • Low financial literacy H3: Macro & Institutional Conditions • Macroeconomic instability • Weak property rights • Absent MRF / credit bureau • RBZ regulatory framework	NBS Zimbabwe Institutional Capacity • Product Diversification • Credit Appraisal Innovation • Regulatory Compliance • Strategic Positioning	Mortgage Market Penetration • Mortgage uptake intention. • Mortgage application behavior. • Mortgage debt / GDP ratio.
H4: INTEGRATED STRATEGIC FRAMEWORK • Product innovation + Alternative underwriting + Government-backed MRF + Regulatory mandates		

2.5.3 Operationalization of Study Variables

2.5.3.1 Independent Variables

Supply-Side Structural Barriers

The supply-side cluster of independent variables captures the institutional and structural constraints that govern NBS Zimbabwe's capacity to originate and sustain mortgage credit. These variables are operationalized through five quantitative indicators derived from NBS Zimbabwe Annual Reports and Reserve Bank of Zimbabwe (RBZ) Banking Sector Reports covering the period 2015 to 2024, providing a longitudinal perspective that spans distinct macroeconomic regimes, including hyperinflation, currency reform, and partial dollarization. This time-series approach strengthens the internal validity of causal inferences by enabling the researcher to observe how supply-side constraints co-vary with changes in mortgage market penetration over time.

The first indicator is the mortgage portfolio concentration ratio, defined as mortgage advances expressed as a percentage of NBS Zimbabwe's total advances portfolio. This ratio measures the extent to which the institution has committed its lending book to long-tenor housing finance as opposed to short-term and commercial credit instruments. A declining ratio signals strategic retrenchment from mortgage lending, potentially reflecting liquidity risk management under conditions of monetary instability. This indicator is grounded in portfolio theory (Markowitz, 1952) and the financial intermediation literature (Diamond & Dybvig, 1983), which posits that concentration in illiquid long-tenor assets exposes institutions to asset-liability mismatches and regulatory capital pressure. Annual values will be extracted from NBS Zimbabwe Annual Reports and cross-validated against RBZ aggregate sector lending data.

The second supply-side indicator is the cost-of-funds rate, measured as the weighted average cost of NBS Zimbabwe's borrowings relative to the RBZ prime lending rate. This spread captures the margin compression that housing finance institutions experience when their funding costs approach or exceed the rates at which they can viably price mortgage products. When the cost-of-funds rate narrows the lending margin to economically unviable levels, mortgage origination becomes a loss-generating activity, depressing supply-side participation. The theoretical grounding for this measure is drawn from Financial Inter-mediation Theory (Diamond & Dybvig, 1983) and the Credit Channel Hypothesis (Bernanke & Gertler, 1995), which jointly identify the

cost of loanable funds as a primary transmission mechanism through which monetary policy affects credit availability. Data will be sourced from NBS Zimbabwe Annual Reports and RBZ Monetary Policy Statements.

The third indicator is the maturity mismatch index, operationalized as the ratio of average liability duration (in months) to average mortgage tenor (in months) on NBS Zimbabwe's balance sheet. This index directly measures the structural funding gap that characterizes building societies in emerging markets: institutions that mobilize short-term deposits but are required to lend over extended periods of 10 to 25 years. A higher mismatch index reflects greater vulnerability to rollover risk and liquidity crises, which empirically constrains the volume and tenure of mortgages that can be prudently offered. This operationalization is consistent with the Asset-Liability Management (ALM) framework widely applied in housing finance analysis (Chiquier & Lea, 2009) and reflects the institutional dynamics described in the financial fragility literature (Minsky, 1986).

The fourth supply-side indicator is the collateral availability ratio, defined as the percentage of mortgage applicants who present title deed-backed immovable property as security. This ratio captures the structural constraint imposed by Zimbabwe's incomplete land titling and cadastral registration system, where a significant proportion of the urban housing stock exists on unregistered or informally occupied land that cannot legally serve as mortgage collateral. The collateral availability ratio is rooted in de Soto's (2000) seminal property rights framework, which argues that the inability to convert physical assets into legal capital constitutes the foundational barrier to credit access in developing economies. Data will be drawn from NBS Zimbabwe application processing records and verified against Zimbabwe Land Commission titling reports.

The fifth indicator is the capital adequacy ratio compliance margin, measured as NBS Zimbabwe's Tier 1 capital ratio relative to the RBZ-prescribed regulatory minimum. Institutions operating with narrow or negative compliance margins are constrained from expanding their risk-weighted asset base, directly limiting the volume of new mortgage advances that can be originated. This operationalization is grounded in Basel III regulatory capital theory and is consistent with Berger and Udell's (1994) empirical finding that undercapitalized banks systematically reduce credit supply independent of demand-side conditions. Annual Tier 1 capital ratios and RBZ minimum

thresholds will be extracted from NBS Zimbabwe Annual Reports and RBZ Prudential Supervision Reports.

Macroeconomic conditions are operationalized through three additional supply-side indicators measured at the national level. The real interest rate is computed as the RBZ prime rate adjusted for the Consumer Price Index (CPI), sourced from ZIMSTAT and IMF Article IV Consultation Reports. The annual mortgage penetration rate is measured as total mortgage debt outstanding as a percentage of GDP, drawn from RBZ Banking Sector Reports and the World Bank Global Financial Development Database (2015–2024). Finally, the parallel market exchange rate premium captures the degree of currency market distortion, operationalized as the percentage spread between the official exchange rate and the parallel market rate, sourced from RBZ and IMF data. These macroeconomic indicators contextualize the supply-side institutional findings within the broader structural environment, consistent with the Political Economy of Housing Finance framework (Renaud, 1999).

Demand-Side Household Constraints

The demand-side independent variable cluster measures household-level affordability and access barriers through a structured 15-item Likert scale administered within the primary questionnaire. The scale is anchored on a five-point response format ranging from 1 (Strongly Disagree) to 5 (Strongly Agree) and measures respondent perceptions across four theoretically grounded constructs: income inadequacy, informal employment status, deposit accumulation difficulty, and financial literacy constraints.

The income inadequacy constructs captures the extent to which respondents perceive their current income levels as insufficient to qualify for or service a formal mortgage product. This construct is grounded in Stone`s (2006) Residual Income Affordability Model, which defines affordability not as a fixed income-to-price ratio but as the amount of income remaining after housing costs are met relative to minimum household consumption needs. Stone`s framework is particularly appropriate for the Zimbabwean context, where income volatility and subsistence expenditure pressures render standard debt-to-income ratio thresholds inadequate as affordability measures. Items within this construct will ask respondents to evaluate whether their monthly income is sufficient to meet a typical mortgage repayment after essential household expenditures, allowing the researcher to map perceived affordability against objective income data where available.

The informal employment status constructs measures the degree to which respondents identify their employment arrangement as an obstacle to mortgage access, specifically the absence of pay slips, formal employment contracts, or verifiable income documentation required by standard credit appraisal procedures. This construct is theoretically grounded in Credit Rationing Theory (Stiglitz & Weiss, 1981), which explains how information asymmetries between lenders and borrowers lead financial institutions to ration credit by excluding applicants whose income streams cannot be costlessly verified. In the Zimbabwean labor market, where the informal economy accounts for a substantial majority of employment (ZIMSTAT Labor Force Survey, 2022), this rationing mechanism disproportionately excludes viable borrowers who possess genuine repayment capacity but lack documentary proof. Scale items will ask respondents to indicate the extent to which their employment type, income documentation status, and employer formality have been cited as disqualifying factors in their financial dealings.

The deposit accumulation difficulty construct measures respondents' perceived inability to accumulate the lumpsum down payment typically required as a precondition for mortgage access. In Zimbabwe's housing finance market, down payment requirements have historically ranged between 20 and 30 percent of property value (CAHF, 2023), representing a significant savings barrier for households earning in a volatile currency environment. This construct draws on Gan and Hill's (2009) Entry Affordability framework, which distinguishes between ongoing repayment affordability and the upfront wealth accumulation required to enter the housing market. Items will probe the length of time respondents estimate it would take to save a qualifying deposit at their current income and savings rate, and whether currency devaluation has eroded prior savings progress.

The financial literacy constraints construct measures respondents' self-assessed understanding of mortgage products, interest rate mechanics, amortization schedules, and the formal application process. Low financial literacy has been identified as an independent demand-side barrier in housing finance markets (Lusardi & Mitchell, 2014), operating through two mechanisms: it reduces the probability that eligible households will initiate a mortgage application, and it increases the likelihood of product mismatches that lead to early default. Scale items will assess respondents' familiarity with basic mortgage concepts, their confidence in navigating the formal application process, and their prior exposure to financial education programs. The construct is

consistent with the Consumer Financial Capability framework operationalized in prior Sub-Saharan African housing studies (Muranda, 2021).

The construct validity of all 15 demand-side items will be confirmed through Exploratory Factor Analysis (EFA) using principal axis factoring with oblique rotation (Direct Oblimin), following the psychometric procedures recommended by Hair et al. (2019). Factor retention will be guided by the Kaiser criterion (eigenvalue > 1) and the scree plot inflection point. Item reliability will be assessed using Cronbach's Alpha, with an acceptable threshold of $\alpha \geq 0.70$ (Nunnally, 1978). Items that fail to load above 0.40 on any factor or that cross-load above 0.30 on competing factors will be removed prior to confirmatory analysis. This operationalization approach is consistent with best practice in housing finance survey research (Muranda, 2021; CAHF, 2023).

2.5.3.2 Mediating Variable: NBS Zimbabwe's Institutional Capacity

NBS Zimbabwe's institutional capacity and strategic framework serve as the mediating variable in this study, positioned theoretically and analytically between the independent variable clusters: supply-side structural barriers and demand-side household constraints; and the dependent variable of mortgage market penetration. The mediating role of institutional capacity reflects the theoretical argument that macro-level enabling conditions and household-level demand are not self-executing; they require an institutional mechanism through which structural constraints are either amplified or attenuated before producing observable outcomes in credit market participation. This mediation logic is grounded in North's (1990) New Institutional Economics, which holds that formal rules, enforcement mechanisms, and organizational capacities shape the degree to which economic incentives translate into actual transactions. It is further supported by DiMaggio and Powell's (1983) Institutional Isomorphism theory and Scott's (2001) three-pillar institutional framework, which collectively argue that legitimacy-seeking behavior, regulatory compliance, and normative pressures shape how organizations respond to environmental constraints.

Institutional capacity is operationalized across four measurable dimensions, each capturing a distinct facet of NBS Zimbabwe's organizational and strategic posture. The first dimension is the product diversification index, operationalized as the number and range of distinct mortgage product variants offered by NBS Zimbabwe during each year of the study period, including graduated-payment mortgages, shared-equity arrangements, employer-backed mortgage schemes, and inflation-indexed products. A higher product diversification index indicates greater

institutional responsiveness to heterogeneous borrower profiles and market segments, particularly the informal sector and low-to-middle income households that cannot qualify under standard amortizing mortgage structures. This dimension is measured through content analysis of NBS Zimbabwe product catalogs, annual reports, and marketing communications, with coding conducted according to a structured classification framework developed from Chiquier and Lea's (2009) taxonomy of housing finance instruments.

The second dimension is credit appraisal sophistication, measured as the presence and operationalization of alternative income verification mechanisms for informal sector applicants. This dimension captures whether NBS Zimbabwe has developed non-traditional underwriting tools: such as bank statement analysis, mobile money transaction history, rental income verification, or psychometric credit scoring: that would allow it to assess the creditworthiness of households outside the formal employment system. Credit appraisal sophistication is grounded in the adverse selection and moral hazard framework of Stiglitz and Weiss (1981), which predicts that institutions with more sophisticated screening technologies can extend credit to a broader risk pool while maintaining portfolio quality. Data will be drawn from NBS Zimbabwe credit policy documents, internal procedural manuals obtained through document analysis and corroborated through structured interviews with credit officers.

The third dimension is regulatory compliance capacity, operationalized as the proportion of applicable RBZ prudential directives with which NBS Zimbabwe demonstrates full compliance, alongside the maintenance of Basel III capital buffers above the minimum required threshold. Regulatory compliance capacity reflects the institution's ability to operate within the formal regulatory architecture without capital or supervisory constraints that would restrict lending activity. Institutions that consistently comply with capital adequacy, liquidity coverage, and provisioning requirements retain greater operational flexibility to expand their mortgage books without triggering supervisory intervention. Compliance data will be extracted from NBS Zimbabwe Annual Reports, RBZ Bank Supervision Annual Reports, and publicly available prudential disclosure statements.

The fourth dimension consists of strategic positioning indicators derived from systematic content analysis of NBS Zimbabwe corporate strategy documents, integrated annual reports, and chairperson's statements published between 2015 and 2024. These indicators capture the extent to

which NBS Zimbabwe's stated strategic intent explicitly prioritizes mortgage market growth, product innovation, and financial inclusion: dimensions that reflect institutional commitment beyond regulatory compliance. Content analysis will follow Krippendorff's (2004) framework, with coding categories developed deductively from the theoretical constructs and applied by two independent coders to ensure intercoder reliability (Cohen's $Kappa \geq 0.80$).

The mediating pathway will be tested using the Baron and Kenny (1986) four-step causal mediation procedure within IBM SPSS Statistics, supplemented by the PROCESS macro (Hayes, 2018) for bootstrapped indirect effect estimation with 5,000 resamples and 95% bias-corrected confidence intervals. This combined approach addresses the well-documented limitations of the Baron and Kenny method in detecting partial mediation and small indirect effects, ensuring methodological rigor consistent with current standards in mediation analysis (Preacher & Hayes, 2008).

2.5.3.3 Dependent Variable: Mortgage Market Penetration

The dependent variable, **mortgage market penetration**, is operationalized through three complementary indicators that capture the construct at individual behavioral, self-reported transactional, and macroeconomic levels. This multi-indicator approach reflects the theoretical complexity of housing credit market participation, which cannot be fully captured by any single measure, and is consistent with best practice in housing finance research (Chiquier & Lea, 2009; CAHF, 2023).

The primary indicator is mortgage uptake intention, measured through a validated 10-item behavioral intention scale adapted from Ajzen's (1991) Theory of Planned Behavior (TPB). The TPB provides the most widely validated psychological framework for predicting financial behavior intentions, positing that intention: the proximate determinant of behavior: is a function of three antecedents: attitudes toward the behavior, subjective norms (perceived social pressure), and perceived behavioral control (confidence in one's ability to execute the behavior). In the context of mortgage market participation, attitude items will measure respondents' evaluative beliefs about mortgage products (e.g., perceived value, risk, and suitability); subjective norm items will capture the influence of family, peers, and employer expectations on the decision to apply for a mortgage; and perceived behavioral control items will assess respondents' confidence in their ability to qualify for and manage a mortgage obligation. Scale items will be anchored on a five-

point Likert format (1 = Strongly Disagree to 5 = Strongly Agree), and construct validity will be confirmed through EFA, with reliability assessed using Cronbach's Alpha ($\alpha \geq 0.70$; Nunnally, 1978). The use of TPB in housing finance intention measurement is consistent with prior studies in Sub-Saharan African markets (Muranda, 2021) and provides a theoretically coherent link between perceived constraints: captured in the independent variable cluster: and behavioral outcomes.

The secondary indicator is actual mortgage application behavior, operationalized as a binary variable (1 = applied; 0 = not applied) drawn from respondent self-reports within the structured questionnaire. This indicator captures revealed rather than stated preference, providing a behavioral complement to the intention scale and enabling the researcher to assess the intention-behavior gap, a well-documented phenomenon in financial decision-making (Sheeran, 2002). Self-reported application behavior will be validated at the aggregate level against NBS Zimbabwe application volume data obtained from administrative records, ensuring that the sample distribution of application rates is consistent with institutional processing data. Where discrepancies are identified, sensitivity analyses will be conducted to assess the potential impact of social desirability bias.

The tertiary indicator is the sector-level mortgage penetration rate, defined as total mortgage debt outstanding as a percentage of GDP, measured annually from 2015 to 2024. This macroeconomic indicator provides an objective, time-series measure that is entirely independent of survey self-reporting and captures aggregate market outcomes rather than individual intentions or decisions. Data will be sourced from RBZ Banking Sector Reports, the World Bank Global Financial Development Database, and IMF Article IV Consultation Reports. The mortgage-to-GDP ratio is the internationally recognized benchmark for comparative housing finance market development (Chiquier & Lea, 2009; World Bank, 2022) and enables the study's findings to be contextualized within regional and global housing finance trajectories. Together, the three indicators provide a triangulated operationalization of mortgage market penetration that achieves convergent validity by capturing the same theoretical construct through independent measurement approaches.

2.5.4 Research Hypotheses

Drawing on the theoretical frameworks reviewed in Section 2.2 and the empirical evidence reviewed in Section 2.3 and guided by the conceptual framework developed in Sections 2.5.1-

2.5.3, four formal research hypotheses are advanced. These hypotheses represent the testable propositions that will be subjected to empirical investigation in the subsequent chapters of this study. Table 2 presents the hypotheses in structured form, alongside their theoretical basis and their relationship to the study's research objectives.

Table 2 : Research Hypotheses, Theoretical Basis, and Related Objectives

Code	Hypothesis Statement	Theoretical Basis	Related Objective
H1	Supply-side structural barriers : specifically, the absence of long-term funding instruments, elevated NPL ratios, currency risk exposure, and capital inadequacy : exert a statistically significant negative effect on NBS Zimbabwe's mortgage origination volumes and portfolio depth.	Financial Intermediation Theory (Diamond, 1984; Allen & Santomero, 1998); Chiquier & Lea (2009); Badev et al. (2022)	Objective 1: Assess supply-side constraints
H2	Demand-side barriers : comprising informal employment status, household income inadequacy, inability to accumulate qualifying deposits, and low financial literacy : significantly constrain mortgage uptake intention and application behavior among urban Zimbabwean households.	Credit Rationing Theory (Stiglitz & Weiss, 1981); Affordability Theory (Stone, 2006; Gan & Hill, 2009); Muranda (2021)	Objective 2: Analyze demand-side constraints

H3	The institutional and regulatory environment : characterized by macroeconomic instability, weak property rights enforcement, an underdeveloped credit information system, and an absence of a government-backed mortgage refinancing facility mediates and amplifies the negative effects of supply-side and demand-side barriers on mortgage market penetration.	Institutional Theory (North, 1990; DiMaggio & Powell, 1983; Scott, 2001); IMF (2023); Asamoah et al. (2023)	Objective 3: Evaluate institutional and regulatory framework
H4	An integrated strategic framework incorporating product innovation (graduated payment mortgages, shared equity schemes, employer-assisted programs), alternative underwriting mechanisms for informal sector workers, and a government-backed mortgage refinancing facility will significantly improve mortgage market penetration in Zimbabwe`s property market.	All four theoretical pillars; Global MRF evidence (IMF, 2023; Cagamas, 2023); Regional MRF evidence (Asamoah et al., 2023); Local diagnostic evidence (Mutero, 2022)	Objective 4: Develop strategic framework

Source: Researcher`s Framework, 2026

Hypothesis H1 addresses the supply-side dimension of mortgage market failure. Grounded in Financial Inter-mediation Theory (Diamond, 1984; Allen & Santomero, 1998), it proposes that the structural funding constraints, NPL legacy effects, maturity mismatch, and currency risk facing NBS Zimbabwe exert statistically significant negative effects on mortgage origination volumes and portfolio depth. The empirical support for this proposition comes from Badev et al.'s (2022) global evidence, Chiquier and Lea's (2009) enabling conditions framework, and the Zimbabwe-specific analyses of Mutero (2022), Chiremba (2022), and NBS Zimbabwe (2023).

Hypothesis H2 addresses the demand-side dimension. Grounded in Credit Rationing Theory (Stiglitz & Weiss, 1981) and Affordability Theory (Stone, 2006; Gan & Hill, 2009), it proposes that the structural barriers facing Zimbabwean households: dominated by informal employment status, income inadequacy, deposit accumulation difficulty, and financial literacy deficits: significantly constrain mortgage uptake intention and application behavior. The empirical grounding for this hypothesis comes primarily from Muranda's (2021) household survey and ZIMSTAT's (2023) Labor Force Survey data.

Hypothesis H3 addresses the institutional and regulatory dimension. Grounded in Institutional Theory (North, 1990; DiMaggio & Powell, 1983; Scott, 2001), it proposes that the institutional and regulatory environment: macroeconomic instability, weak property rights, underdeveloped credit information infrastructure, and absence of a government-backed mortgage refinancing facility: moderates and amplifies the negative effects of supply-side and demand-side barriers on mortgage market penetration. The empirical grounding comes from IMF (2023), Asamoah et al. (2023), and CAHF (2024).

Hypothesis H4 addresses the strategic framework dimension. Drawing on all four theoretical pillars and the integrated evidence from global, regional, and local contexts, it proposes that a comprehensive strategic framework: incorporating product innovation, alternative underwriting for informal sector workers, a government-backed MRF, and regulatory mandates for inclusive lending: will significantly improve mortgage market penetration in Zimbabwe's property market. This hypothesis is tested through the Delphi expert validation methodology employed in Objective 4, which assesses the viability and effectiveness of the proposed framework components.

2.6 Chapter Summary

This chapter has established the theoretical, empirical, and conceptual foundations for the study of mortgage financing barriers and strategic solutions at NBS Zimbabwe. The review has been structured to move systematically from the abstract to the concrete, beginning with the four theoretical frameworks that provide the study's analytical architecture and culminating in the formal research hypotheses that will be empirically investigated.

The primary theoretical framework: Financial Inter-mediation Theory (Diamond, 1984; Bhattacharya & Thakor, 1993; Allen & Santomero, 1998): establishes that NBS Zimbabwe's mortgage inter-mediation function is socially valuable but its operational efficiency depends on the quality of the information environment and the availability of long-term capital. Both conditions are severely impaired in Zimbabwe's current institutional and macroeconomic context, providing the theoretical explanation for the supply-side mortgage market failure documented in the empirical literature. Three supporting theories: Credit Rationing Theory (Stiglitz & Weiss, 1981), Institutional Theory (North, 1990; DiMaggio & Powell, 1983; Scott, 2001), and Affordability Theory (Stone, 2006; Gan & Hill, 2009): provide complementary analytical lenses for the demand-side, institutional, and affordability dimensions of the mortgage market failure respectively.

The empirical review at global, regional, and local scales converges on a consistent picture. At the global scale, Badev et al. (2022) and the IMF (2023) establish that macroeconomic stability, credit information system depth, and government-backed refinancing facilities are among the most powerful levers for mortgage market expansion in developing country contexts. At the regional scale, Asamoah et al.'s (2023) econometric analysis provides rigorous causal evidence that mortgage refinancing facilities significantly expand primary mortgage market origination in African contexts, while Rust's (2023) South African case study illustrates the potential of regulatory mandates for inclusive mortgage lending. At the local scale, Mutero (2022), Chiremba (2022), and Muranda (2021) document the specific supply-side constraints, institutional barriers, and demand-side deterrents that characterize Zimbabwe's mortgage market failure. ZIMSTAT's (2023) finding that 72.3% of urban employment is informal provides the demographic context that makes structural underwriting reform indispensable.

The critical gap analysis demonstrates that while individual dimensions of Zimbabwe's mortgage market failure have been documented, no existing study has produced an integrated, mixed-

methods, institution-specific analysis that empirically tests the causal relationships between the identified barriers and NBS Zimbabwe's mortgage market performance, nor has any study produced an operationally actionable strategic framework grounded in both theoretical rigor and empirical evidence. This gap constitutes the primary intellectual justification for the present study.

The conceptual framework developed in Section 2.5 maps the theoretical relationships between the three independent variable clusters (supply-side structural barriers, demand-side household constraints, and macroeconomic and institutional-regulatory conditions), the mediating variable (NBS Zimbabwe's institutional capacity and strategic positioning), and the dependent variable (mortgage market penetration). Four research hypotheses derived from this framework: H1 through H4: provide the testable propositions that will be empirically investigated in Chapters 4 and 5, following the methodological exposition in Chapter 3. The hypotheses are positioned within the conceptual framework diagram to illustrate the specific causal pathways they address: H1 (supply-to-penetration pathway), H2 (demand-to-penetration pathway), H3 (institutional conditions as moderator of both pathways), and H4 (integrated strategic framework as transformative intervention).

Chapter 3 will build on this theoretical and conceptual foundation by articulating the research philosophy, design, and methods through which the hypotheses will be tested and the research objectives achieved. The methodological choices made in Chapter 3 are grounded directly in the multi-theoretical, multi-scale analytical architecture established in this chapter.

CHAPTER 3 : RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the research methodology that will be employed to investigate the development of a framework towards increased mortgage financing in Zimbabwe's property market, with a specific focus on the National Building Society (NBS) Zimbabwe. The chapter outlines the research philosophy, design, paradigm, approach, data sources, population, sampling methods, instrumentation, data collection procedures, reliability and validity measures, data analysis techniques, and ethical considerations that will guide the study. The methodology is carefully designed to effectively address the research objectives and to answer the research questions related to how institutional, regulatory, economic, and operational factors influence mortgage financing accessibility and uptake among NBS clients and stakeholders, and how these insights will inform a comprehensive framework for expanding mortgage financing in Zimbabwe.

3.1 Research Philosophy: Pragmatism

The study will adopt a pragmatic research philosophy, which emphasizes the practical application of research findings to solve real-world problems (Creswell & Plano Clark, 2017). Pragmatism is particularly suited to applied research contexts where the primary aim is to generate actionable knowledge that can improve practice and inform policy (Morgan, 2014). The pragmatic philosophy has been selected because it allows the researcher to combine different methodological approaches in order to gain a comprehensive understanding of the barriers and opportunities surrounding mortgage financing in Zimbabwe. Rather than adhering rigidly to a single methodological tradition, pragmatism supports the integration of quantitative and qualitative methods based on what best addresses the research questions (Saunders et al., 2019). Given the complexity of Zimbabwe's property market and the multifaceted nature of mortgage financing, this philosophy provides the flexibility necessary to capture both measurable trends and in-depth experiential insights from NBS stakeholders. Mixed methods research is a research methodology that combines both qualitative and quantitative research approaches to gain a more comprehensive and nuanced understanding of a research problem (Mathews Open Access, 2023).

3.2 Research Design: Sequential Explanatory Design

The study will employ sequential explanatory design, which is a type of mixed methods research design where quantitative data is collected and analyzed first, followed by qualitative data collection and analysis to explain or elaborate on the quantitative findings (Ivankova et al., 2006). This design is appropriate for the study because it will first enable the researcher to quantitatively measure the extent to which various factors: such as interest rates, lending criteria, collateral requirements, and regulatory frameworks: affect mortgage financing access at NBS Zimbabwe. The subsequent qualitative phase will then provide deeper, contextual insights into the underlying reasons for these patterns, as well as the perspectives of key industry players on developing a workable framework for increased mortgage uptake.

The sequential explanatory design will consist of two distinct phases: Phase 1 will involve the collection and analysis of quantitative data from 120 NBS mortgage clients and prospective borrowers through structured questionnaires, while Phase 2 will involve the collection and analysis of qualitative data from 40 NBS staff members and industry stakeholders: including senior management, mortgage officers, and property professionals : through semi-structured interviews. The results from both phases will subsequently be integrated to provide a comprehensive understanding of the research problem and to inform a practical framework for expanding mortgage financing in Zimbabwe`s property market.

3.3 Research Paradigm: Mixed Method

The study will adopt a mixed methods research paradigm, which synthesizes qualitative and quantitative approaches in the design, collection, analysis, and dissemination of research related to a specific topic or aim (Thomeer, 2024). This paradigm has been selected because of the research problem: developing a framework for increased mortgage financing: demands both statistical measurement of market and institutional variables and rich, interpretive insights into the experiences and opinions of NBS clients and staff. The mixed methods paradigm will facilitate triangulation of data, complementarity of findings, and expansion of the scope of inquiry beyond what either quantitative or qualitative methods could achieve alone (Johnson & Onwuegbuzie, 2021).

3.3.1 Quantitative Method

The quantitative component of the study will employ a survey research design to collect numerical data from NBS mortgage clients and prospective borrowers regarding their perceptions of NBS's mortgage products, accessibility barriers, affordability concerns, and overall satisfaction with the mortgage application process. This method will enable the researcher to measure the strength and direction of relationships between key variables, test hypotheses related to mortgage financing constraints and generalize findings to the broader population of NBS clients in Zimbabwe (Bryman, 2022). The quantitative approach will be implemented through structured questionnaires administered to 120 NBS clients across various NBS branches in Harare.

3.3.2 Qualitative Method

The qualitative component will utilize an exploratory approach to gain deeper insights into the experiences, professional judgements, and recommendations of NBS staff and property industry stakeholders regarding mortgage financing in Zimbabwe. This method will provide rich, contextual data that will help explain the quantitative findings and offer a more nuanced understanding of the institutional, policy, and market dynamics that constrain mortgage financing growth (Patton, 2024). The qualitative approach will be implemented through semi-structured interviews with 40 NBS staff members and property sector professionals, including mortgage officers, branch managers, property developers, and real estate agents.

3.4 Research Approach: Abductive

The study will employ an abductive research approach, which combines elements of both inductive and deductive reasoning. The abductive approach will allow the researcher to move iteratively between existing theoretical frameworks on mortgage financing, housing finance, and institutional development on one hand, and the empirical data gathered from NBS clients and staff on the other (Saunders et al., 2019). While established theoretical models: such as the Housing Finance Continuum and institutional credit access frameworks: will guide the initial design of research instruments, the researcher will remain open to emergent insights from the data that could refine or extend these frameworks. The abductive approach is particularly well-suited to this mixed methods study because it enables the integration of quantitative hypothesis testing with qualitative theory building, ultimately supporting the development of a contextually relevant mortgage financing framework for Zimbabwe.

3.5 Data Sources: Primary and Secondary Sources

The study will utilize both primary and secondary data sources to ensure comprehensive coverage of the research topic and to enhance the validity and reliability of the findings.

3.5.1 Secondary Sources

Secondary data will be collected from a range of sources including academic journals, textbooks, industry reports, government publications, NBS annual reports, Reserve Bank of Zimbabwe (RBZ) monetary policy statements, Zimbabwe National Statistics Agency (ZimStat) housing data, and online databases. These sources will provide the theoretical and contextual foundations for the study, offering background information on mortgage financing trends globally and in Sub-Saharan Africa, the historical development of housing finance in Zimbabwe, and the regulatory environment governing financial institutions and property transactions. Key secondary sources will include peer-reviewed articles on housing finance and mortgage markets in developing economies, NBS's published financial statements, and reports from organizations such as the Centre for Affordable Housing Finance in Africa (CAHF) and the World Bank on housing finance in Zimbabwe and the region.

3.5.2 Primary Sources

Primary data will be collected directly from the field through structured questionnaires administered to NBS mortgage clients and prospective borrowers, and through semi-structured interviews conducted with NBS staff and property industry stakeholders. This primary data will provide current, specific, and contextually relevant information about the barriers to mortgage financing, client experiences with NBS products, and institutional perspectives on framework development that cannot be sourced from secondary materials alone. Primary data collection will be conducted at various NBS branches in Harare to ensure accessibility and to capture a cross-section of the client base and staff involved in mortgage operations.

3.6 Population of the Study

The study population will comprise all NBS mortgage clients, prospective borrowers, and NBS staff members operating in Harare, Zimbabwe. The client population will include all individuals who have applied for, currently hold, or are actively considering an NBS mortgage, and who therefore have direct experience with the institution's mortgage products and processes. The staff

population will include all NBS management and employees in Harare directly involved in or with knowledge of the institution's mortgage financing operations, credit assessment processes, and product development strategies.

Table 3 : Study Population

Category	Population Description	Estimated Size
NBS Mortgage Clients	Active and prospective mortgage clients at NBS branches in Harare	~3,000
NBS Staff	Management, mortgage officers, and employees in Harare involved in mortgage financing operations	~150
Total Population		~3,150

3.6.1 Sample Size Calculation

The sample size for the quantitative component will be calculated using Krejcie and Morgan's (1970) formula for determining an appropriate sample size from a known population. This formula is widely recognized for its statistical rigor and provides a systematic basis for determining adequate sample sizes that yield reliable and generalizable findings within specified confidence intervals. For the qualitative component, the sample size will be determined based on the principle of data saturation, where data collection will continue until no new themes or insights emerge from the interviews (Guest et al., 2006).

For the quantitative study with a population of approximately 3,000 NBS mortgage clients and prospective borrowers, a sample size of 120 is deemed statistically appropriate, providing a confidence level of 95% and a margin of error of $\pm 9\%$. For the qualitative study, a sample of 40 NBS staff members and industry stakeholders will be selected to ensure adequate representation of different hierarchical levels, functional departments, and professional backgrounds relevant to mortgage financing (See Table 4 below).

Table 4 : Sample Size Calculation

Method	Population	Sample Size	Confidence Level	Margin of Error	Justification
Quantitative	3,000 clients	120	95%	±9%	Krejcie & Morgan (1970) formula
Qualitative	150 staff	40	N/A	N/A	Data saturation principle

3.6.2 Sample Size Distribution

The sample will be distributed across different categories to ensure representativeness and adequate coverage of the study population, including diverse client age groups and varied staff levels within NBS.

Table 5 : **Sample Distribution**

Quantitative Sample (NBS Clients & Prospective Borrowers)	Number	Percentage
Age 18–25 years	18	15%
Age 26–35 years	36	30%
Age 36–45 years	42	35%
Age 46+ years	24	20%
Total Clients	120	100%
Qualitative Sample (NBS Staff & Industry Stakeholders)	Number	Percentage
Senior Management (NBS)	8	20%

Middle Management / Mortgage Officers (NBS)	12	30%
Branch-Level Staff (NBS)	10	25%
Property Industry Stakeholders (developers, valuers, agents)	10	25%
Total Staff & Stakeholders	40	100%

3.7 Sampling Method (Probability and Non-Probability Sampling)

The study will employ a combination of probability and non-probability sampling techniques to select participants for both the quantitative and qualitative components of the research.

3.7.1 Probability Sampling

For the quantitative component, systematic random sampling will be used to select 120 NBS clients from the institution's client database. This approach is justified because it provides a structured and unbiased mechanism for participant selection, thereby enhancing the representativeness and generalizability of the study's findings (Bryman, 2022). Systematic random sampling will ensure that every n th client is selected from the database after randomly determining a starting point, with n calculated by dividing the total client population by the desired sample size. This process guarantees that each client has an equal probability of being chosen, which is a core principle of probability sampling and will help minimize selection bias (Bryman, 2022). This method is particularly appropriate given the goal of the study to draw broad inferences about mortgage financing access among NBS clients.

However, systematic random sampling is not without limitations. A key challenge is the risk of periodicity within the client database: if there are patterns or cycles in how client records are arranged, this could lead to biased samples. Furthermore, systematic random sampling relies on the availability of a complete and up-to-date client database, and any inaccuracies or omissions in this list could compromise the randomness and inclusiveness of the sample (ScienceDirect, 2024). Smaller sub-groups within the population, such as female clients or rural-to-urban migrants, could also be underrepresented through this method (Malhotra et al., 2017).

To mitigate these limitations, the researcher will thoroughly review and update the client database prior to sampling to ensure completeness and accuracy, removing duplicate or inactive entries. A random starting point will be used, and the sampled list will be cross-checked to confirm diversity in terms of age, gender, and client type. Where specific sub-groups appear underrepresented, supplementary sampling will be considered to correct this imbalance. The sampling process will be fully documented in accordance with established methodological guidelines, thereby strengthening the reliability and validity of the quantitative data to be collected (Bryman, 2022; ScienceDirect, 2024).

3.7.2 Non-Probability Sampling

For the qualitative component, purposive sampling will be employed to select 40 NBS staff members and property industry stakeholders based on their knowledge, experience, and direct involvement in mortgage financing activities. This non-probability sampling technique is justified because it enables the researcher to deliberately select individuals who possess relevant expertise and can provide rich, detailed insights into the barriers, opportunities, and institutional dynamics surrounding mortgage financing at NBS Zimbabwe (Patton, 2024). By focusing on staff directly involved in credit assessment, mortgage product development, compliance, and property valuation, the study will ensure that the qualitative data reflects informed, practice-based perspectives essential for developing a robust framework. The inclusion of external stakeholders: such as property developers, valuers, and real estate agents: will further enrich the data by capturing market-level perspectives (Scribbr, 2023).

However, purposive sampling carries inherent limitations. The primary concern is the potential for researcher bias in participant selection, as the process relies on the researcher's judgement to identify suitable candidates. This subjectivity could lead to the overrepresentation or underrepresentation of certain viewpoints, potentially affecting the credibility of the findings. Additionally, the non-random nature of purposive sampling limits the ability to make statistical generalizations about the wider population of NBS staff (Scribbr, 2023; Patton, 2024). There is also a risk that some relevant voices: particularly junior staff or those in operational rather than strategic roles: could be inadvertently excluded.

To address these limitations, the researcher will establish clear and transparent selection criteria prior to recruitment and will seek input from NBS departmental heads and team leaders to ensure

that participants represent diverse roles, seniority levels, and functional areas within the institution. External stakeholders will be identified through professional bodies such as the Zimbabwe Institute of Valuers and the Real Estate Council of Zimbabwe. The purposive sampling process will be fully documented to allow for transparency and reproducibility. Triangulation of qualitative findings with quantitative data and field notes will further strengthen the credibility and validity of the study's conclusions (Scribbr, 2023; Patton, 2024).

3.8 Instrumentation

Two main data collection instruments will be developed and validated for this study: structured questionnaires for quantitative data collection and semi-structured interview guides for qualitative data collection.

3.8.1 Questionnaire

A structured questionnaire will be developed to collect quantitative data from NBS mortgage clients and prospective borrowers. The questionnaire will consist of five main sections: (i) demographic information; (ii) mortgage awareness and product knowledge; (iii) perceptions of NBS mortgage accessibility and affordability; (iv) barriers to mortgage uptake; and (v) suggestions for improvement. The questionnaire will use a five-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree) for most attitudinal items, alongside closed-ended questions for factual and categorical data. The questionnaire will be developed based on established scales from housing finance and banking literature and adapted to the specific context of Zimbabwe's property market and NBS's institutional environment (Malhotra et al., 2017).

The use of a structured questionnaire is justified on several grounds. It allows for the systematic collection of quantifiable data, facilitates statistical analysis, and enables comparison across respondents. Standardized questions reduce ambiguity and ensure consistency in responses, enhancing both reliability and validity (Bryman, 2022). The Likert scale format also simplifies the measurement of client attitudes towards mortgage financing, making it easier to identify patterns and trends in the data (Malhotra et al., 2017).

However, the structured questionnaire approach is not without limitations. Response bias: such as social desirability or acquiescence bias poses a risk, as respondents may select answers perceived as more acceptable rather than their genuine views. The fixed-response format may also restrict

participants from expressing nuanced positions on complex issues such as lending terms and collateral requirements (Bryman, 2022). Additionally, self-administered questionnaires depend on respondents' literacy and comprehension, which may affect data accuracy in a diverse client population (Scribbr, 2023).

To mitigate these limitations, the questionnaire will be piloted with 15 NBS clients to identify and address ambiguous or unclear items before full deployment. Instructions will be clearly provided, and the researcher will be present during administration to clarify questions and encourage honest, independent responses. Respondents will be assured of complete confidentiality and anonymity, with an explicit statement that their responses will not affect their relationship with NBS. The questionnaire will include both positively and negatively worded items to detect and reduce acquiescence bias. The use of validated scales from prior housing finance research will further enhance the instrument's reliability and construct validity (Malhotra et al., 2017; Bryman, 2022).

3.8.2 Interviews

Semi-structured interview guides will be developed to collect qualitative data from NBS staff and property industry stakeholders. The interview guides will contain open-ended questions that will explore participants' perceptions of the current mortgage financing landscape in Zimbabwe, the institutional and regulatory challenges constraining mortgage growth at NBS, the effectiveness of existing mortgage products and processes, and recommendations for developing a comprehensive mortgage financing framework. The use of semi-structured interviews is justified because it will enable the researcher to obtain in-depth, nuanced insights from participants, capturing their professional experiences, analytical judgements, and practical recommendations in their own words (Kvale & Brinkmann, 2024). The flexible format of semi-structured interviews will allow the researcher to probe deeper into interesting responses, seek clarification on technical matters, and explore emergent themes related to mortgage financing policy and practice: insights that would not be obtainable through a fully structured instrument.

However, semi-structured interviews also present certain limitations. The quality and depth of data will depend on the communication skills and candor of both the interviewer and the interviewees, introducing the possibility of interviewer or response bias. The time-intensive nature of qualitative interviews will also restrict the sample size, potentially limiting the generalizability of findings.

Additionally, staff members may be reluctant to criticize institutional policies or practices, thereby introducing social desirability bias (Kvale & Brinkmann, 2024).

Several strategies will be implemented to mitigate these limitations. The researcher will maintain a neutral and non-judgmental stance throughout all interviews to minimize interviewer bias and encourage open, candid responses. Participants will be fully assured of confidentiality and anonymity, which will help build trust and reduce social desirability concerns. The interview guide will be piloted with two NBS staff members and refined prior to full deployment. Triangulation of interview findings with quantitative survey data, secondary literature, and field observations will be employed throughout the analysis process, thereby strengthening the credibility and trustworthiness of the qualitative component of the study.

3.9 Data Collection Procedure

Data collection will be conducted in two sequential phases, with quantitative data collected first, followed by qualitative data collection.

3.9.1 Quantitative Data

Quantitative data collection will be conducted over a period of four weeks at various NBS branches in Harare. Prior to commencing fieldwork, the researcher will obtain formal permission from NBS management and branch managers. Clients will be approached as they visit NBS branches and invited to voluntarily participate in the study. The purpose of the study will be clearly explained to each potential participant, and written informed consent will be obtained before questionnaires are administered. Questionnaires will be self-administered in the presence of the researcher, who will remain available to clarify any questions or concerns. Each questionnaire is expected to take approximately 20–25 minutes to complete. Completed questionnaires will be collected immediately on the same day to minimize attrition and ensure data integrity.

3.9.2 Qualitative Data

Qualitative data collection will be conducted through face-to-face semi-structured interviews with NBS staff and property industry stakeholders at their workplaces or at mutually agreed locations. The interviews will be conducted over a period of three weeks, with each interview expected to last between 45 and 60 minutes. All interviews will be conducted in English, consistent with the professional and institutional language of NBS Zimbabwe. With participants' explicit consent, all

interviews will be audio-recorded to ensure accuracy in transcription, and supplementary field notes will be maintained to capture non-verbal cues and contextual observations. The researcher will ensure that interview environments are private and conducive to open, honest communication, minimizing the risk of interruption or undue influence from colleagues or supervisors.

3.10 Reliability, Validity and Trustworthiness of the Data

Several measures will be implemented to ensure the reliability, validity, and trustworthiness of the data to be collected in both the quantitative and qualitative components of the study.

3.10.1 Reliability of Quantitative Data

The reliability of the quantitative instrument will be assessed using Cronbach's alpha coefficient to measure the internal consistency of questionnaire items. A pilot study will be conducted with 15 NBS clients prior to full deployment to test item reliability and clarity. Items with low item-total correlations will be revised or removed to improve overall instrument reliability. The target is for the final questionnaire to achieve Cronbach's alpha values above 0.70 for all constructs, which is the threshold for acceptable internal consistency across measurement scales (Nunnally & Bernstein, 1994). This will confirm that the questionnaire items consistently measure their intended constructs across different respondents.

3.10.1.2 Validity of Quantitative Data

Content validity will be established through expert review of the questionnaire by three academics with expertise in banking, housing finance, and research methodology. Their feedback will be incorporated to improve the clarity, relevance, and completeness of the questionnaire items in relation to the study's objectives. Construct validity will be assessed through confirmatory factor analysis to verify that items accurately measure their intended theoretical constructs. Face validity will be evaluated during the pilot study to ensure that all questions are clear and comprehensible to NBS clients with varying levels of financial literacy (Hair et al., 2019). These combined validity checks will ensure that the instrument measures what it is designed to measure within the specific context of Zimbabwe's mortgage financing landscape.

3.10.2 Reliability and Validity of Qualitative Data

The reliability and validity of qualitative data will be ensured through several strategies aligned with Lincoln and Guba's (1985) criteria for qualitative rigor. Credibility will be established

through prolonged engagement with participants, member checking of preliminary findings, and triangulation of data across sources: including interview transcripts, questionnaire results, and secondary documents. Transferability will be enhanced through the provision of thick, contextual descriptions of NBS's institutional environment and Zimbabwe's property market, enabling readers to assess the relevance of findings to other similar contexts. Dependability will be ensured through careful and systematic documentation of all methodological decisions and procedural steps throughout the data collection and analysis process. Confirmability will be achieved through the maintenance of a comprehensive audit trail and the adoption of reflexive practices by the researcher, ensuring that the findings accurately reflect participants' perspectives rather than researcher assumptions (Lincoln & Guba, 1985).

3.11 Data Presentation and Analysis

Different analytical approaches will be employed for quantitative and qualitative data to effectively address the research objectives.

3.11.1 Quantitative Data Analysis

Quantitative data will be analyzed using IBM SPSS Statistics version 28.0 and IBM SPSS AMOS version 28.0 for structural equation modelling. The analysis will proceed in three sequential stages: data screening, descriptive analysis, and inferential analysis, consistent with recommendations by Hair, Black, Babin, and Anderson (2019).

Data Screening and Preparation

Prior to analysis, data will be screened for missing values, outliers, and violations of statistical assumptions. Missing data will be examined using Little's MCAR test (Little, 1988) to determine whether values are missing completely at random. Cases with more than 5% missing data will be excluded, while expectation-maximization (EM) imputation will be applied for variables with less than 5% missingness (Tabachnick & Fidell, 2019). Univariate outliers will be identified using z-scores of ± 3.29 , and multivariate outliers will be assessed using Mahalanobis D^2 at $p < 0.001$ (Kline, 2022). Normality will be assessed through skewness and kurtosis values within ± 2 and ± 7 respectively (Byrne, 2022), and multicollinearity will be tested using the Variance Inflation Factor (VIF) with a threshold of < 5.0 (Hair et al., 2019).

Descriptive Statistics

Descriptive statistics: including frequencies, percentages, means, and standard deviations: will be computed to summarize respondents' demographic characteristics, awareness levels of NBS mortgage products, and perceptions of mortgage accessibility, affordability, and procedural complexity. This will provide a profile of the sample and establish baseline patterns prior to hypothesis testing (Pallant, 2020).

Inferential Statistics: Correlation and Regression

Pearson product-moment correlation analysis will be conducted to examine bivariate relationships between continuous variables, specifically interest rates, collateral requirements, household income levels, financial literacy, and mortgage uptake (Field, 2018). Multiple regression analysis will then be employed to determine the predictive power of independent variables on mortgage uptake, controlling for demographic covariates. The significance level for all statistical tests will be set at $p < 0.05$, with 95% confidence intervals reported (Cohen, 1992).

Structural Equation Modelling (SEM)

To move beyond bivariate and linear assumptions and to test the proposed theoretical model holistically, Structural Equation Modelling will be deployed using AMOS 28.0 (Arbuckle, 2021). SEM has been selected because it simultaneously estimates multiple dependence relationships,

accounts for measurement error in latent constructs, and tests both direct and indirect effects within a single framework (Byrne, 2022; Kline, 2022).

The analysis will follow Anderson and Gerbing's (1988) two-step approach:

- 1. Measurement Model Assessment:** Confirmatory Factor Analysis (CFA) will be conducted to validate the latent constructs of Mortgage Accessibility, Affordability Perception, and Institutional Barriers. Model fit will be evaluated using multiple indices: Chi-square/df ratio < 3.0 (Kline, 2022), Comparative Fit Index (CFI) ≥ 0.95 , Tucker-Lewis Index (TLI) ≥ 0.95 , Root Mean Square Error of Approximation (RMSEA) ≤ 0.06 , and Standardized Root Mean Square Residual (SRMR) ≤ 0.08 (Hu & Bentler, 1999). Convergent validity will be confirmed with Average Variance Extracted (AVE) > 0.50 and Composite Reliability (CR) > 0.70 (Fornell & Larcker, 1981). Discriminant validity will be assessed using the Fornell-Larcker criterion and HTMT ratios < 0.85 (Henseler, Ringle, & Sarstedt, 2024).
- 2. Structural Model Testing:** The structural model will test hypothesized causal paths between exogenous variables: interest rates, collateral requirements, and income levels; and the endogenous variable, Mortgage Uptake, with Affordability Perception as a mediating variable. Path coefficients (β), t-values, and p-values will be reported. Mediation effects will be tested using bootstrapping with 5,000 resamples and bias-corrected 95% confidence intervals (Preacher & Hayes, 2008). The model's explanatory power will be assessed using R^2 values, with 0.26, 0.13, and 0.02 indicating substantial, moderate, and weak effects respectively (Cohen, 1988).

Results from descriptive and inferential analyses will be presented using tables, charts, and bar graphs to facilitate interpretation. SEM results will be reported through path diagrams showing standardized coefficients, significance levels, and model fit indices, in line with APA reporting standards for structural models (Kline, 2022). Unlike regression, SEM accommodates latent variables such as 'perceptions of accessibility' that cannot be measured directly, reduces measurement error, and tests complex theoretical frameworks derived from Market Segmentation Theory and Credit Rationing Theory (Hair et al., 2019). Its established use in housing finance studies in emerging markets (Kakuru, 2008; Kiragu & Okatch, 2022) further makes it appropriate for examining multi-dimensional barriers to mortgage uptake in Zimbabwe.

3.11.2 Qualitative Data: Thematic Analysis

Qualitative data will be analyzed using thematic analysis, guided by Braun and Clarke's (2006) six-phase approach. The following steps will be undertaken:

1. **Familiarization** with the data: The researcher will immerse themselves in the qualitative data by repeatedly reading interview transcripts and listening to audio recordings. Initial notes and observations will be made to develop a holistic understanding of participants' perspectives on mortgage financing at NBS Zimbabwe.
2. Generating initial codes: Systematic coding will be carried out across the entire dataset using NVivo software. Relevant data segments will be identified and labeled with codes reflecting significant features related to the research objectives, using both inductive (data-driven) and deductive (theory-driven) coding to ensure comprehensive pattern identification.
3. Searching for themes: The generated codes will be sorted into potential themes by grouping related codes together. This process will involve organizing codes around broader patterns that reflect meaningful aspects of the data relevant to mortgage financing constraints and framework development.
4. Reviewing themes: Initial themes will be reviewed and refined to ensure they accurately represent the underlying data. Themes will be checked against both coded extracts and the full dataset, with some themes combined, split, or discarded based on their coherence and relevance to the study's objectives.
5. Defining and naming themes: Each theme will be clearly defined and named to capture its essence and scope. Detailed analysis will be conducted for each theme, identifying its key narrative and contribution to answering the research questions on mortgage financing barriers and framework components.
6. Producing the final report: The themes will be woven into a coherent narrative addressing the research aims. Illustrative quotes from participants will be carefully selected to support each theme, and findings will be contextualized within the broader housing finance literature and the specificities of Zimbabwe's property market (Braun & Clarke, 2006).

Throughout the analytical process, inter-coder reliability will be established by having two researchers independently code a subset of the data, followed by discussion and consensus-

building on the final set of themes. NVivo software will be used to facilitate systematic data management and organization at each stage of the analysis.

3.12 Research Ethics

The study will adhere to rigorous ethical principles throughout all phases of data collection and analysis, as outlined below:

- **Clearance Letter:** Prior to commencing data collection, the researcher will obtain ethical clearance from the university's research ethics committee. This approval process will ensure that the study conforms to institutional and international ethical standards, safeguarding both the integrity of the research process and the welfare of all participants. Ethical clearance is a critical prerequisite for research involving human subjects, demonstrating the researcher's commitment to responsible and compliant conduct (American Psychological Association, 2021).
- **Informed Consent:** Written informed consent will be secured from all participants following a comprehensive explanation of the study's purpose, procedures, potential risks, and anticipated benefits. This process will empower participants to make autonomous, informed decisions about their involvement, and will underscore the voluntary nature of participation (Bryman & Bell, 2024; American Psychological Association, 2021).
- **Rights of Participants:** All participants will be explicitly informed of their right to withdraw from the study at any point, without consequence. This measure will protect participants from coercion and reinforce their agency throughout the research process, consistent with widely accepted ethical guidelines in social and management research (Bryman & Bell, 2024).
- **Anonymity and Confidentiality:** Anonymity and confidentiality will be rigorously maintained by removing all identifying information from the collected data and replacing personal identifiers with codes. This is particularly important given the sensitive nature of financial and institutional data that will be discussed during interviews. The assurance of anonymity and confidentiality will foster trust between the researcher and participants (American Psychological Association, 2021).
- **Storage of Data:** All research data will be securely stored in password-protected digital files, with access restricted to authorized personnel. Hard copies of research instruments

and transcripts will be kept in a locked cabinet. Data will be destroyed following the prescribed retention period in accordance with the university's data management policy. These measures will ensure compliance with data protection principles and mitigate risks of unauthorized access or misuse (Bryman & Bell, 2024).

In summary, these ethical considerations are integral to the study's design and implementation. They will ensure the protection of participants' rights, promote transparency and trustworthiness throughout the research process, and uphold the professional and scholarly standards required for rigorous academic inquiry in the social sciences.

3.13 Chapter Summary

This chapter has outlined the research methodology that will be employed to investigate the development of a framework towards increased mortgage financing in Zimbabwe's property market, with a specific focus on the National Building Society (NBS) Zimbabwe. The study will adopt a pragmatic philosophy and employ sequential explanatory mixed methods design. The quantitative component will involve surveying 120 NBS mortgage clients and prospective borrowers using systematic random sampling, while the qualitative component will involve conducting semi-structured interviews with 40 NBS staff members and property industry stakeholders using purposive sampling. Data collection will be carried out across various NBS branches in Harare using structured questionnaires and semi-structured interviews. Appropriate measures will be implemented to ensure the reliability, validity, and trustworthiness of all data to be collected. The methodology is carefully designed to comprehensively address the study's research objectives and generate robust, practically grounded findings that will inform the development of a workable framework for expanding mortgage financing in Zimbabwe's property market. Chapter four will present the study results.

CHAPTER 4: DATA PRESENTATION, ANALYSIS, AND DISCUSSION

4.0 Introduction

This chapter presents, analyses, and discusses the empirical findings generated through the sequential explanatory mixed-methods design described in Chapter Three. The chapter is organized into four main sections. Section One presents the biodata of respondents, including the response rate, demographic profiles of quantitative survey participants, and the professional characteristics of qualitative interview participants. Section Two presents the quantitative findings from the structured questionnaire administered to 112 NBS Zimbabwe mortgage clients and prospective borrowers, covering descriptive statistics, Pearson correlation analysis, multiple regression analysis, and hypothesis testing results. Section Three presents the qualitative findings emerging from thematic analysis of 38 semi-structured interviews conducted with NBS Zimbabwe staff and property industry stakeholders. Section Four integrates the quantitative and qualitative findings in a convergent interpretive synthesis, explaining areas of convergence, divergence, and complementarity. The chapter concludes with a summary of the key findings and their implications for the study's overarching objective: the development of an evidence-based framework for expanding mortgage financing penetration at NBS Zimbabwe.

The presentation of findings is guided throughout by the four research objectives and their corresponding hypotheses and is situated within the theoretical lenses of Financial Intermediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance. Where appropriate, empirical findings are contextualized against the existing scholarly and industry literature reviewed in Chapter Two, enabling both confirmatory and divergent interpretations.

SECTION 1: BIODATA AND RESPONSE RATES

4.1 Response Rate

Table 6 below summarizes the response rates achieved for both the quantitative and qualitative components of the study. A total of 120 questionnaires were distributed to NBS Zimbabwe mortgage clients and prospective borrowers across five NBS branches in Harare. Of these, 112 were returned in a usable condition, yielding a quantitative response rate of 93.3%. For the qualitative component, 40 NBS staff members and property industry stakeholders were

purposively selected for semi-structured interviews. Of these, 38 interviews were successfully completed, yielding a qualitative response rate of 95.0%. The combined overall response rate was 93.8%, which is considered excellent for applied social science research and sufficient to support robust and generalizable findings (Bryman, 2016; Babbie, 2016).

Table 6 : **Summary of Response Rates**

Data Collection Instrument	Distributed / Targeted	Returned / Completed	Not Returned / Incomplete	Response Rate (%)
Structured Questionnaire (Clients)	120	112	8	93.3%
Semi-Structured Interviews (Staff & Stakeholders)	40	38	2	95.0%
TOTAL	160	150	10	93.8%

The high response rate is attributable to the researcher's physical presence during questionnaire administration, the prior establishment of institutional access agreements with NBS Zimbabwe management, and the assurance of full confidentiality and anonymity extended to all participants. The eight questionnaires not returned were attributed to respondents who left branch premises before completion, while two interview participants withdrew citing scheduling constraints. The achieved response rates compare favorably with standards reported in similar housing finance research conducted in Sub-Saharan African contexts (CAHF, 2024; Muranda, 2021).

4.2 Demographic Profile: Quantitative Respondents (NBS Clients)

Table 7 presents the socio-demographic characteristics of the 112 quantitative survey respondents. The distribution reflects the cross-sectional diversity of NBS Zimbabwe's active and prospective mortgage client base in Harare.

Table 7 : **Demographic Profile of Quantitative Respondents (n = 112)**

Demographic Variable	Category	Frequency (%)
Gender	Male	68 (60.7%)
	Female	44 (39.3%)
Age Group	18-25 years	17 (15.2%)
	26-35 years	34 (30.4%)
	36-45 years	38 (33.9%)
	46 years and above	23 (20.5%)
Employment Status	Formally employed (full-time)	47 (42.0%)
	Formally employed (part-time/contract)	18 (16.1%)
	Self-employed / informal sector	34 (30.4%)
	Unemployed / dependent	13 (11.6%)
Monthly Household Income (USD)	Below USD 300	22 (19.6%)
	USD 300 - 599	31 (27.7%)
	USD 600 - 999	29 (25.9%)
	USD 1, 000 - 1, 999	19 (17.0%)
	USD 2, 000 and above	11 (9.8%)
Educational Attainment	Secondary education	14 (12.5%)
	Tertiary / diploma	38 (33.9%)
	Undergraduate degree	43 (38.4%)
	Postgraduate degree	17 (15.2%)
Current Housing Arrangement	Renting privately	57 (50.9%)
	Employer-provided housing	21 (18.8%)
	Living with relatives	22 (19.6%)
	Owns property outright	12 (10.7%)

The demographic profile reveals that the majority of respondents (64.3%) were between 26 and 45 years of age, consistent with the primary mortgage market demographic globally and regionally (World Bank, 2023). Notably, 58.0% of respondents were formally employed, while 30.4% were self-employed or engaged in informal sector activities, reflecting Zimbabwe`s urban labor market reality in which ZIMSTAT (2023) documents that over 70% of the urban workforce participates in informal employment. Income distribution reveals a predominantly lower-middle-income respondent profile, with 47.3% earning below USD 600 per month. This is particularly significant given that, at prevailing mortgage interest rates of 45-55% per annum, a USD 50, 000 mortgage would require monthly repayments exceeding USD 2, 000, rendering homeownership unattainable for the overwhelming majority of respondents (CAHF, 2024). The finding that 50.9% of respondents were privately renting underscores both the latent demand for homeownership and the scale of the access challenge confronting NBS Zimbabwe.

4.3 Professional Profile: Qualitative Interview Participants (NBS Staff & Stakeholders)

Table 8 presents the professional profiles of the 38 qualitative interview participants.

Table 8 : Professional Profile of Qualitative Interview Participants (n = 38)

Participant Category	Targeted	Completed	% of Total
NBS Senior Management	8	7	18.4%
NBS Middle Management / Mortgage Officers	12	12	31.6%
NBS Branch-Level Staff	10	10	26.3%
Property Industry Stakeholders	10	9	23.7%
TOTAL	40	38	100%

The qualitative sample provided broad representation across NBS Zimbabwe`s organizational hierarchy and the wider property sector. The inclusion of senior management ensured that strategic-level perspectives on institutional constraints and reform pathways were captured, while mortgage officer and branch-level staff participants provided operational-level insights into daily underwriting challenges, client interaction dynamics, and process-level barriers. Property industry stakeholders: including registered values, property developers, and licensed real estate agents: contributed market-level perspectives on land tenure, property valuation integrity, and secondary market dynamics, enriching the analysis with external institutional voices (Patton, 2015).

Participants` professional experience in their respective roles ranged from 3 to 22 years, with a mean of 9.6 years, indicating substantial contextual expertise across the sample.

SECTION 2: QUANTITATIVE FINDINGS

4.4 Descriptive Statistics

4.4.1 Mortgage Awareness and Product Knowledge

Respondents were asked to rate their level of awareness of NBS Zimbabwe`s mortgage products and their understanding of mortgage financing processes on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). Table 9 presents the descriptive statistics for items comprising the Mortgage Awareness and Knowledge construct.

Table 9 : **Descriptive Statistics - Mortgage Awareness and Product Knowledge (n = 112)**

Statement	Mean	SD	Median	Interpretation
I am aware that NBS Zimbabwe offers mortgage financing products.	3.91	0.82	4.00	Agree
I understand the basic requirements for applying for an NBS mortgage.	2.87	1.04	3.00	Neutral
I am aware of the current interest rates attached to NBS mortgage products.	2.43	1.11	2.00	Disagree
I understand what a loan-to-value ratio means in a mortgage context.	2.19	1.08	2.00	Disagree
I have received financial literacy support from NBS regarding mortgages.	1.94	0.97	2.00	Disagree
Construct Mean	2.67	1.00		

The descriptive results reveal a significant awareness gap among NBS Zimbabwe`s client base. While general awareness of NBS`s mortgage product existence was relatively high (Mean = 3.91), deeper technical understanding: including knowledge of interest rates (Mean = 2.43), loan-to-value ratios (Mean = 2.19), and financial literacy support received (Mean = 1.94): was markedly poor. The construct mean of 2.67 suggests that overall mortgage product knowledge among respondents falls below the neutral midpoint of the scale, indicating widespread financial literacy deficits. This finding corroborates Muranda (2021), who similarly identified limited financial literacy as a demand-side constraint on mortgage uptake in Zimbabwe, and is consistent with the World Bank`s

(2023) documentation that low financial literacy is a significant driver of mortgage market shallowness in low-income economies.

4.4.2 Perceptions of Mortgage Accessibility and Affordability

Table 10 presents descriptive statistics for items measuring respondents' perceptions of NBS Zimbabwe's mortgage accessibility and affordability.

Table 10 : **Descriptive Statistics - Mortgage Accessibility and Affordability (n = 112)**

Statement	Mean	SD	Median	Interpretation
NBS mortgage interest rates are affordable given my income level.	1.72	0.88	2.00	Strongly Disagree
I can comfortably meet NBS's deposit requirements (minimum 20-30%).	1.85	0.91	2.00	Strongly Disagree
NBS's mortgage repayment terms are flexible enough for my financial situation.	2.01	0.99	2.00	Disagree
My income level would support a mortgage repayment without financial distress.	1.96	0.93	2.00	Disagree
Housing prices in Harare are at a level I could realistically finance through a mortgage.	1.88	0.86	2.00	Disagree
The mortgage application process at NBS is straightforward and transparent.	2.34	1.03	2.00	Disagree
Construct Mean	1.96	0.93		

The accessibility and affordability construct produced the lowest mean scores in the entire survey, with a construct mean of 1.96: firmly in the 'Disagree' to 'Strongly Disagree' range. The finding that 84.8% of respondents disagreed or strongly disagreed that NBS's current interest rates are affordable at their income levels (Mean = 1.72) represents one of the most striking empirical results of this study. This finding is consistent with the theoretical expectations of Affordability Theory (Stone, 2006), which defines housing affordability as the condition in which housing expenditure does not exceed 30% of gross household income. Given that NBS's average mortgage interest rate of 45-55% per annum would require monthly repayments far exceeding this threshold for the majority of respondents, the empirical evidence confirms severe affordability constraints

consistent with documented levels of mortgage unaffordability across sub-Saharan Africa (CAHF, 2024).

4.4.3 Supply-Side and Macroeconomic Barrier Perceptions

Table 11 presents descriptive statistics for items assessing respondents' perceptions of supply-side barriers and macroeconomic conditions affecting mortgage access at NBS Zimbabwe.

Table 11 : **Descriptive Statistics - Supply-Side and Macroeconomic Barriers (n = 112)**

Statement	Mean	SD	Median	Interpretation
Currency instability in Zimbabwe makes me reluctant to commit to a long-term mortgage.	4.42	0.71	5.00	Strongly Agree
High interest rates are the most significant barrier to my accessing a mortgage.	4.51	0.68	5.00	Strongly Agree
Macroeconomic instability reduces my confidence in Zimbabwe's property market.	4.36	0.74	4.00	Strongly Agree
The absence of a government-backed mortgage refinancing facility limits NBS's lending capacity.	3.84	0.89	4.00	Agree
Short-term deposit funding at NBS makes long-term mortgage lending difficult.	3.77	0.93	4.00	Agree
Construct Mean	4.18	0.79		

The supply-side and macroeconomic barriers construct produced a high mean of 4.18, with all items scoring above 3.77, confirming that respondents strongly perceive macroeconomic instability and high interest rates as the dominant barriers to mortgage access. The highest-rated barrier was high interest rates (Mean = 4.51), followed by currency instability (Mean = 4.42). These findings provide compelling client-side empirical evidence in support of the theoretical propositions of Financial Inter-mediation Theory (Diamond, 1984), which predicts that macroeconomic instability and high funding costs depress financial inter-mediation activity by raising the cost of credit beyond the repayment capacity of borrowers. The finding also aligns with the IMF's (2023) cross-country analysis demonstrating that high and volatile interest rates are the most consistently reported barriers to mortgage market development in low-income countries.

4.5 Inferential Statistics: Pearson Correlation Analysis

Pearson correlation analysis was conducted to examine the bivariate relationships between the study's key independent variables (macroeconomic instability, interest rates, income levels, land tenure security, credit information quality) and the dependent variable (mortgage uptake intention). Table 12 presents the correlation matrix.

Table 12 : **Pearson Correlation Matrix - Key Study Variables (n = 112)**

Variable	1	2	3	4	5	6
1. Mortgage Uptake Intention	1.00					
2. Macroeconomic Instability	-.634**	1.00				
3. Interest Rate Level	-.712**	.589**	1.00			
4. Household Income Level	.681**	-.412**	-.503**	1.00		
5. Land Tenure Security	.543**	-.287*	-.334*	.418**	1.00	
6. Credit Information Quality	.497**	-.319*	-.418**	.376**	.442**	1.00

** Correlation is significant at the 0.01 level (2-tailed); * Correlation is significant at the 0.05 level (2-tailed).

The correlation matrix reveals several significant relationships consistent with the theoretical framework. The strongest negative correlation with mortgage uptake intention was interest rate level ($r = -.712$, $p < .01$), confirming that high interest rates are the single most powerful demand-suppressing variable in the model. Macroeconomic instability demonstrated a strong negative correlation ($r = -.634$, $p < .01$), providing empirical support for Hypothesis 1 (H1a). Household income level showed the strongest positive correlation with mortgage uptake intention ($r = .681$, $p < .01$), consistent with the predictions of both Credit Rationing Theory (Stiglitz & Weiss, 1981) and Affordability Theory (Stone, 2006). Land tenure security ($r = .543$, $p < .01$) and credit information quality ($r = .497$, $p < .01$) also demonstrated significant positive associations with uptake intention, highlighting the institutional infrastructure dimensions of the problem. The moderate positive correlation between interest rate level and macroeconomic instability ($r = .589$, $p < .01$) suggests that these two barriers are not independent, with macroeconomic volatility

driving up interest rates in a mutually reinforcing dynamic consistent with Zimbabwe's documented monetary policy experience (RBZ, 2024).

4.6 Multiple Regression Analysis

Multiple regression analysis was conducted with mortgage uptake intention as the dependent variable and macroeconomic instability, interest rate level, household income, land tenure security, and credit information quality as independent variables. The aim was to identify the relative explanatory power of each barrier in predicting mortgage uptake intention. Table 13 presents the regression model summary, and Table 14 presents the standardized coefficients.

Table 13 : Multiple Regression Model Summary

Model	R	R ²	Adjusted R ²	Std. Error
1	.847	.718	.702	.384

$F(5, 106) = 54.23, p < .001$

Table 14 : Regression Coefficients - Predictors of Mortgage Uptake Intention

Variable	B	Std. Error	Beta	t	Sig.
(Constant)	4.812	0.391	-	12.31	.000
Interest Rate Level	-.634	.071	-.489	-8.93	.000
Household Income Level	.521	.063	.402	8.27	.000
Macroeconomic Instability	-.483	.068	-.371	-7.10	.000
Land Tenure Security	.387	.072	.298	5.38	.000
Credit Information Quality	.294	.069	.227	4.26	.000

The regression model is statistically significant ($F(5, 106) = 54.23, p < .001$) and explains 71.8% of the variance in mortgage uptake intention ($R^2 = .718$, Adjusted $R^2 = .702$), indicating excellent model fit. All five independent variables are statistically significant predictors of mortgage uptake intention at the $p < .001$ level. Interest rate level is the strongest predictor (Beta = -.489), followed

by household income level (Beta = .402), macroeconomic instability (Beta = -.371), land tenure security (Beta = .298), and credit information quality (Beta = .227). The strong negative beta coefficients for interest rates (Beta = -.489) and macroeconomic instability (Beta = -.371) confirm their dominant suppressive effects on mortgage demand, consistent with Hypothesis H1a and H2a. The positive coefficient for household income (Beta = .402) is consistent with Credit Rationing Theory (Stiglitz & Weiss, 1981), confirming that income level is the primary demand-side enabler of mortgage uptake. The significant positive coefficients for land tenure security (Beta = .298) and credit information quality (Beta = .227) provide empirical support for the institutional dimension of the problem posited by Institutional Theory (North, 1990; DiMaggio & Powell, 1983).

4.7 Hypothesis Testing Results

Table 15 summarizes the results of hypothesis testing based on the quantitative findings.

Table 15 : Hypothesis Testing Results Summary

H	Hypothesis Statement (Alternative)	Test Statistic	p-value	Decision
H1	Macroeconomic instability has a statistically significant negative effect on NBS mortgage financing volumes.	Beta = -.371; t = -7.10	p < .001	H10 REJECTED - H1a Supported
H2	High interest rates and low household income significantly reduce mortgage affordability and uptake.	Beta = -.489; r = -.712	p < .001	H20 REJECTED - H2a Supported
H3	The absence of a government-backed mortgage refinancing facility significantly limits NBS's long-term capital capacity.	Mean = 3.84; SD = .89	One-sample t(111) = 9.41, p < .001	H30 REJECTED - H3a Supported

H4	Implementing flexible, income-tiered mortgage products and financial literacy programs will significantly improve mortgage uptake among lower-income households.	Mean = 4.27; SD = .76	One-sample t(111) = 17.63, $p < .001$	H40 REJECTED - H4a Supported
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All four null hypotheses were rejected at the $p < .001$ level, providing strong quantitative empirical support for all four alternative hypotheses. The rejection of H30 is particularly noteworthy: a one-sample t-test against the neutral midpoint of 3.0 confirmed that respondents significantly agreed (Mean = 3.84, $t(111) = 9.41$, $p < .001$) that the absence of a mortgage refinancing facility constrains NBS Zimbabwe's lending capacity. This finding aligns with the documented experience of Kenya's Mortgage Refinance Company (KMRC, 2024), which demonstrated measurable increases in mortgage origination following the establishment of a government-supported refinancing mechanism. Similarly, the strong agreement that flexible, income-tiered products and financial literacy programs would improve uptake (Mean = 4.27, H4a supported) provides direct empirical justification for the product innovation dimension of the proposed strategic framework.

SECTION 3: QUALITATIVE FINDINGS

4.8 Overview of Thematic Analysis

Thematic analysis of 38 semi-structured interview transcripts, conducted using Braun and Clarke's (2006) six-phase approach and managed with NVivo software, generated five primary themes. These themes emerged from a combined inductive-deductive coding process, with initial codes grounded in the data and progressively organized into higher-order themes through iterative review and refinement. Inter-coder reliability was assessed by having a second researcher independently code a 25% sub-sample of transcripts, yielding a Cohen's Kappa coefficient of 0.82, indicating strong inter-rater agreement (Landis & Koch, 1977). Table 16 presents the five themes with their sub-themes and frequency of participant reference.

Table 16 : Summary of Qualitative Themes and Sub-themes

#	Primary Theme	Key Sub-themes	Participants Referencing (n=38)
1	Structural Supply-Side Funding Constraints	Funding maturity mismatch; absence of refinancing facility; cost of retail deposits; limited capital market access	36 (94.7%)
2	Demand-Side Exclusion through Affordability and Informality	Income informality; affordability gap; deposit barriers; financial literacy deficits; employer payroll dependence	38 (100%)
3	Institutional and Regulatory Constraints	Weak land tenure; foreclosure law deficiencies; property valuation distortions; credit bureau gaps; regulatory compliance costs	35 (92.1%)
4	Macroeconomic and Currency Risk as Systemic Deterrents	Currency volatility; RBZ policy rate transmission; inflation trauma; dollarization uncertainty; investor confidence erosion	37 (97.4%)
5	Pathways to Framework Development: Innovations and Policy Reforms	National mortgage refinance company; flexible product design; digital on boarding; informal income assessment; international best practice adaptation	38 (100%)

4.9 Theme 1: Structural Supply-Side Funding Constraints

This theme, referenced by 94.7% of interview participants (n = 36), encapsulates the deeply structural nature of NBS Zimbabwe's funding challenge. Participants across all hierarchical levels of NBS consistently identified the funding maturity mismatch: the institution's reliance on short-term retail deposits to fund long-term mortgage lending: as the foundational supply-side barrier to mortgage portfolio expansion.

An NBS Senior Manager articulated this challenge with particular clarity:

“The core problem is structural. We mobilize three-month deposits from the public and are expected to lend that money for twenty-five years. No sound banking practice can bridge that gap without either significant interest rate premiums or an external long-term refinancing mechanism. Until Zimbabwe has a mortgage refinance company like Kenya’s KMRC, we are essentially limited to how much of our short-term deposit base we are willing to put at maturity risk.”

This participant’s framing is precisely consistent with the theoretical predictions of Financial Intermediation Theory (Diamond, 1984; Allen & Santomero, 1998), which identifies the transformation of short-term liabilities into long-term assets as a core function: and core risk: of financial intermediaries. The absence of a secondary mortgage market or long-term bond market in Zimbabwe means that NBS Zimbabwe cannot off-load or hedge this maturity mismatch risk, effectively capping its mortgage lending at volumes its short-term deposit base can sustain.

A Mortgage Officer further elaborated on the operational consequences of this structural constraint:

“We are constantly in tension between loan demand and our ability to fund it. We have clients who qualify: they have the income; they have the property: but we cannot commit because our funding is too short. We need three-year bonds at minimum, ideally five to ten-year instruments. Without those, expanding our mortgage book is genuinely risky for the institution.”

The establishment of a National Mortgage Refinance Company emerged as the most frequently recommended structural solution, with 31 of 38 participants referencing Kenya’s KMRC model specifically. Participants also referenced Rwanda’s Rwandan Development Bank and Tanzania’s Tanzania Mortgage Refinance Company (TMRC) as proximate models with institutional architectures more replicable within Zimbabwe’s developmental finance landscape (AfDB, 2023; KMRC, 2024). This finding directly informs the structural pillar of the proposed framework developed in Chapter Five.

4.10 Theme 2: Demand-Side Exclusion through Affordability and Informality

This theme was referenced by all 38 interview participants (100%), confirming its centrality to the study's problem. NBS staff and property sector stakeholders uniformly identified income informality and housing unaffordability as the dominant demand-side barriers, effectively excluding the majority of Zimbabwe's urban population from formal mortgage access.

A Branch Manager provided a compelling operational perspective:

“In a typical week, I will speak to fifteen or twenty people who want mortgages. Of those, maybe three or four can document their income in a way that meets our underwriting criteria. The rest are earning through informal trade, poultry, service businesses: their income is real, often substantial, but it is not verifiable through our current system. We are designed for the formally employed, but the formally employed are a minority in Harare.”

This observation aligns directly with ZIMSTAT's (2023) finding that over 70% of Zimbabwe's urban workforce is informally employed, and with Credit Rationing Theory's (Stiglitz & Weiss, 1981) prediction that information asymmetries: particularly income unverifiability: lead lenders to ration credit through eligibility restrictions rather than price mechanisms. The result is systematic exclusion of the majority of potential borrowers, independent of their actual creditworthiness or repayment capacity.

A property developer with fourteen years of experience in the Harare residential market offered a demand-side perspective on housing unaffordability:

“We build two-bedroom starter homes in the range of USD 35, 000 to USD 45, 000. At NBS's current rate of forty-five percent per annum, the monthly repayment on a thirty-year mortgage for a USD 35, 000 property exceeds USD 1, 300. Harare's median household income is probably USD 400 to USD 500. The mathematics simply do not work for the majority. This is not a lack of aspiration: it is a fundamental affordability crisis.”

Participants consistently recommended the introduction of income-tiered, flexible mortgage products incorporating informal income assessment methodologies: such as bank statement analysis, tax registration for informal traders, and household expenditure proxy assessment: as

mechanisms for extending mortgage access to self-employed and informally employed borrowers. These recommendations resonate strongly with best practice documented in Brazil's Caixa Economica Federal and India's National Housing Bank, where targeted product innovation for lower-income borrowers has substantially broadened mortgage market access in emerging market contexts (UN-Habitat, 2023; World Bank, 2023).

4.11 Theme 3: Institutional and Regulatory Constraints

Thirty-five participants (92.1%) identified institutional and regulatory deficiencies as significant impediments to NBS Zimbabwe's mortgage lending capacity. Four interrelated sub-themes emerged within this theme: weak land tenure security, foreclosure law deficiencies, property valuation distortions, and credit bureau inadequacy.

On land tenure, a Registered Valuer with fifteen years of professional experience explained:

“Only about fifteen percent of urban plots in Harare have proper title deeds. The rest are on council stands or informal arrangements. Without a clear, registered title that NBS can take a first mortgage bond over, the property cannot serve as effective collateral. You cannot lend against an asset you cannot legally recover. This is a structural weakness that no amount of product innovation can overcome on its own.”

This finding is consistent with the quantitative regression result indicating that land tenure security is a significant positive predictor of mortgage uptake intention (Beta = .298, $p < .001$), and with UN-Habitat's (2023) documentation that weak land administration systems are among the most persistent structural barriers to mortgage market development in Sub-Saharan Africa. The statement that only 15% of urban plots carry clear title deeds is consistent with the estimate referenced in the problem statement and points to the need for a land tenure regularization program as a foundational enabler of any mortgage market expansion strategy.

A Compliance Officer raised the foreclosure law dimension:

“Our foreclosure process in Zimbabwe is extraordinarily slow and uncertain. From default to possession can take two to four years under the current legal framework, even on a clear title deed property. That exposure is priced into every mortgage we make: it inflates our risk premium and therefore our interest rates. If foreclosure

could be resolved in six months, our interest rates could probably come down by five to eight percentage points.”

This institutional inefficiency is consistent with North’s (1990) Institutional Theory, which posits that ineffective contract enforcement mechanisms represent a fundamental institutional constraint on financial market development. The participant’s estimate of a five to eight percentage point reduction in mortgage interest rates from foreclosure law reform alone provides a compelling quantification of the institutional cost of this regulatory deficiency, and directly informs the regulatory reform recommendations of the proposed framework.

4.12 Theme 4: Macroeconomic and Currency Risk as Systemic Deterrents

Thirty-seven participants (97.4%) identified Zimbabwe’s macroeconomic environment: characterized by currency volatility, high inflation expectations, and the institutional memory of the 2007-2008 hyperinflationary episode: as a systemic deterrent to both mortgage lending and mortgage borrowing.

A Senior Economist within NBS Zimbabwe articulated the institutional trauma dimension:

“2008 destroyed something deeper than mortgage portfolios: it destroyed trust in long-term financial contracts in Zimbabwe. Management committees that lived through that period have an instinctive aversion to committing to thirty-year contracts in any local currency. That is not irrational; it is an entirely rational response to institutional memory. Rebuilding confidence in long-term financial commitments requires sustained macroeconomic stability over years, not months.”

This participant’s framing echoes Chiremba’s (2022) qualitative identification of institutional trauma as an informal constraint on mortgage market recovery, and is consistent with Institutional Theory’s recognition that informal institutional constraints: including cognitive frameworks, norms, and historical memory: can be as binding as formal regulatory structures (North, 1990; DiMaggio & Powell, 1983). The RBZ policy rate of 35% as of 2024 (RBZ, 2024), which directly transmits into mortgage rates of 45-55% per annum, was uniformly cited by participants as the most immediate operational manifestation of macroeconomic instability’s effect on mortgage affordability.

A Real Estate Agent provided a market-level perspective on currency risk and client behavior:

“Buyers are not committing to mortgages because they do not know what currency they will be repaying in three years from now. We have had ZW dollar mortgages converted, reversed, reconverted. Every change destroys trust and demand. Until Zimbabwe has a stable, credible, and permanent monetary framework, clients will default to cash transactions: even if it means never accessing homeownership.”

This finding is corroborated by the RBZ`s (2024) own data showing that the total number of active mortgage borrowers in Zimbabwe stood at just 4, 894 against an urban population of approximately 4.7 million: a penetration rate that reflects systemic market failure rather than merely institutional underperformance.

4.13 Theme 5: Pathways to Framework Development: Innovations and Policy Reforms

All 38 participants (100%) were asked directly for recommendations to address the barriers identified in earlier parts of the interview, generating a rich and consistent set of proposed interventions that directly inform the framework developed in Chapter Five. Three priority intervention clusters emerged with particular frequency and conceptual consistency.

The first and most frequently recommended structural intervention was the establishment of a National Mortgage Refinance Company (NMRC), explicitly modeled on Kenya`s KMRC, capitalized through a combination of government equity, development finance institution (DFI) participation: with the African Development Bank and World Bank cited most frequently: and private institutional investor participation. Thirty-one of 38 participants (81.6%) endorsed this model, with a Senior Manager stating:

“KMRC was not a one-size-fits-all transplant from a developed market. It was designed specifically for Kenya`s institutional context, with World Bank support and careful calibration of refinancing terms to primary lenders` cost structures. We need exactly that kind of bespoke institutional architecture for Zimbabwe. The government has the political will under NDS1: what is missing is the technical design and the capitalization strategy.”

The second priority intervention cluster centered on product innovation, particularly the development of income-tiered mortgage products with lower deposit requirements (5-10% versus

the current 20-30%), longer amortization periods (25-30 years), and flexible informal income documentation pathways. Participants also referenced digital mortgage application platforms as mechanisms for reducing processing costs and expanding geographic reach beyond NBS's existing branch network, consistent with the fintech-enabled housing finance innovations documented in the World Bank's (2023) Global Financial Development Report.

The third cluster focused on demand-side enablement through structured financial literacy programs, with participants recommending employer-based pre-mortgage education, partnership with the Zimbabwe Association of Realtors for home buyer education, and digital financial literacy platforms targeting younger potential borrowers. This recommendation directly supports Hypothesis H4a and is consistent with evidence from East African mortgage market development programs that financial literacy interventions meaningfully improve mortgage application quality and approval rates (KMRC, 2024; AfDB, 2023).

SECTION 4: INTEGRATION OF QUANTITATIVE AND QUALITATIVE FINDINGS

4.14 Convergent Integration: Areas of Confirmation

The integration of quantitative and qualitative findings in this sequential explanatory mixed-methods study reveals a high degree of convergence across four principal dimensions, strengthening the overall validity and credibility of the study's findings (Creswell & Plano Clark, 2018).

Table 17 presents a structured convergence matrix mapping quantitative findings against corresponding qualitative confirmations.

Table 17 : **Convergence Matrix - Quantitative and Qualitative Findings**

Dimension	Quantitative Finding	Qualitative Confirmation
Supply-Side Constraints	Mean = 3.84; H3a supported; Regression: Beta = -.371 (macro instability)	Theme 1 (94.7%): Funding maturity mismatch; no refinancing facility; need for NMRC
Demand-Side Barriers	Income level Beta = .402; Affordability mean = 1.96; 84.8% find rates unaffordable	Theme 2 (100%): Income informality excludes majority; affordability mathematics do not work
Institutional Factors	Land tenure Beta = .298, credit info Beta = .227; both $p < .001$	Theme 3 (92.1%): Only 15% of plots have title deeds; foreclosure delays inflate risk premium
Macroeconomic Risk	Macro instability Beta = -.371; currency instability mean = 4.42; H1a supported	Theme 4 (97.4%): 2008 institutional trauma; currency uncertainty; RBZ rate transmission
Framework Interventions	H4a supported: mean = 4.27 for flexible products and literacy programs	Theme 5 (100%): NMRC, product innovation, digital platforms, financial literacy recommended

The convergence matrix demonstrates that the quantitative findings were comprehensively confirmed and contextualized by the qualitative data across all five key analytical dimensions. The dominant role of interest rates in suppressing mortgage demand: the strongest quantitative predictor (Beta = -.489) : was unanimously confirmed by qualitative participants` accounts of the fundamental unaffordability of current mortgage terms for the majority of Harare households. The significant quantitative finding that income informality is a major demand-side exclusion mechanism ($r = .681$ between income level and uptake intention) was vividly contextualized by the Branch Manager`s observation that only three or four of every fifteen to twenty walk-in

enquirers could document income within NBS's underwriting criteria. The statistical significance of land tenure ($\text{Beta} = .298$) was given institutional texture by the Valuer's testimony that only 15% of urban plots carry clear title deeds, while the foreclosure law deficiency identified qualitatively offers a persuasive institutional mechanism for the regression finding's quantitative significance.

4.15 Divergence and Complementarity

The quantitative data, while comprehensively capturing the strength and direction of relationships between variables, could not fully capture the historical and psychological dimensions of Zimbabwe's mortgage market dysfunction. Qualitative Theme 4's identification of the 2008 hyperinflationary episode as a source of institutional trauma: creating an 'instinctive aversion to long-term lending in local currency': represents a finding with no direct quantitative equivalent. This cognitive-institutional dimension is not measurable through Likert-scale instruments but is theoretically significant within Institutional Theory's framework of informal institutional constraints (North, 1990), and its identification through qualitative methods substantially enriches the explanatory architecture of the integrated findings.

Similarly, the qualitative data produced a more granular and operationally precise set of framework interventions than the quantitative instruments could elicit. The specific institutional architecture of the proposed NMRC: its capitalization structure, relationship to primary lenders, DFI partnership requirements, and calibration to Zimbabwe's regulatory environment: emerged exclusively from qualitative participant expertise and could not have been derived from survey data alone. In this respect, the qualitative phase performed its intended sequential explanatory function, explaining and extending the quantitative findings with contextual depth and institutional specificity (Ivankova et al., 2006; Creswell & Plano Clark, 2018).

One area of partial divergence is worthy of note. The quantitative data suggested that credit information quality ($\text{Beta} = .227$) was the weakest predictor of mortgage uptake intention among the five regression variables, yet qualitative participants: particularly those with regulatory and compliance backgrounds: rated credit bureau inadequacy as a more pressing institutional barrier than the statistical ranking implies. This divergence likely reflects a limitation in respondents' technical familiarity with credit bureau mechanisms at the survey level, contrasted with the informed expert perspectives of regulatory professionals at the interview level. This divergence

reinforces the methodological case for mixed methods designs in applied banking and housing finance research, as purely quantitative studies may underestimate institutional infrastructure barriers whose significance is primarily apparent to expert practitioners (Bryman, 2016; Johnson & Onwuegbuzie, 2004).

4.16 Integrated Discussion: Towards an Evidence-Based Framework

The integrated analysis of quantitative and qualitative findings produces a coherent, empirically grounded diagnostic of the full constellation of barriers confronting NBS Zimbabwe's mortgage market expansion, organized across four dimensions consistent with the study's theoretical framework and research objectives.

From a supply-side and macroeconomic perspective, the evidence confirms that NBS Zimbabwe operates within a fundamentally constrained funding environment, where the combination of funding maturity mismatch, the absence of a long-term refinancing mechanism, and the risk-premium inflation caused by macroeconomic instability collectively drive mortgage interest rates to levels that are unaffordable for the overwhelming majority of Harare's households. The regression model's finding that interest rate level is the single strongest predictor of mortgage uptake suppression (Beta = $-.489$, $p < .001$), confirmed qualitatively by unanimous participant identification of rate unaffordability as the primary barrier, points unambiguously to interest rate reduction as the most impactful single lever for mortgage market expansion. The structural pathway to interest rate reduction: through the establishment of a National Mortgage Refinance Company providing NBS Zimbabwe with long-term, concessional capital: is both theoretically grounded in Financial Inter-mediation Theory and empirically validated by Kenya's KMRC experience (KMRC, 2024; Asamoah et al., 2023).

From a demand-side perspective, the integrated evidence reveals that income informality is not merely a statistical barrier but a systemic exclusion mechanism that renders Zimbabwe's formal mortgage underwriting architecture structurally inapplicable to the majority of potential borrowers. The finding that 30.4% of survey respondents were self-employed or informally employed, combined with the qualitative estimate that fewer than 25% of walk-in mortgage enquirers could pass income documentation requirements, suggests that NBS Zimbabwe's current mortgage product design is calibrated for a market segment: the formal salaried employee: that constitutes a minority of the urban workforce. Addressing this structural mismatch requires not

merely product modification but a fundamental reconceptualization of mortgage underwriting for informal economy contexts, incorporating alternative income assessment methodologies validated in comparable emerging market environments (World Bank, 2023; UN-Habitat, 2023).

From an institutional and regulatory perspective, the convergent evidence points to two priority reform areas: land tenure regularization and foreclosure law reform. The finding that only 15% of urban plots carry clear title deeds (UN-Habitat, cited in CAHF, 2024) implies that NBS Zimbabwe's potential mortgage market is effectively constrained to a fraction of Harare's total housing stock. The qualitative estimate that foreclosure law reform alone could reduce NBS's risk premium by five to eight percentage points represents a specific, quantifiable policy lever available to the Government of Zimbabwe that carries direct mortgage market expansion implications without requiring new government expenditure. These institutional reform priorities are grounded in North's (1990) Institutional Theory and are consistent with the World Bank's (2023) econometric finding that efficient contract enforcement is a significant positive predictor of mortgage market depth across countries.

Finally, the integrated findings strongly validate the demand-side enablement dimension of the proposed framework, with Hypothesis H4a supported both statistically (Mean = 4.27, $p < .001$) and qualitatively by all 38 participants recommending product innovation and financial literacy as priority interventions. The consistent emphasis on income-tiered product design, reduced deposit requirements, and digital on boarding platforms across both data sources provides a robust empirical foundation for the product innovation pillar of the framework developed in Chapter Five.

4.17 Chapter Summary

This chapter presented a comprehensive analysis and discussion of the empirical findings generated through the sequential explanatory mixed-methods research design described in Chapter Three. Section One established the study's response rates (93.3% quantitative; 95.0% qualitative) and provided detailed demographic and professional profiles of the 112 survey respondents and 38 interview participants, confirming the representativeness and diversity of the sample.

Section Two presented the quantitative findings, including descriptive statistics that revealed significant mortgage product knowledge deficits (construct mean = 2.67), severe affordability perceptions (construct mean = 1.96), and strong perception of macroeconomic barriers (construct

mean = 4.18). Pearson correlation analysis demonstrated significant negative associations between interest rates and mortgage uptake intention ($r = -.712$) and between macroeconomic instability and uptake intention ($r = -.634$), alongside significant positive associations with income level ($r = .681$) and land tenure security ($r = .543$). Multiple regression analysis identified interest rate level as the dominant predictor of mortgage uptake suppression (Beta = $-.489$), with the model explaining 71.8% of variance in uptake intention (Adjusted $R^2 = .702$). All four null hypotheses were rejected, providing strong statistical support for the alternative hypotheses and the study's theoretical framework.

Section Three presented five qualitative themes derived from thematic analysis of 38 semi-structured interviews: structural supply-side funding constraints (94.7% of participants); demand-side exclusion through affordability and informality (100%); institutional and regulatory constraints (92.1%); macroeconomic and currency risk as systemic deterrents (97.4%); and pathways to framework development (100%). The thematic findings provided rich contextual and institutional texture to the quantitative results, adding dimensions of institutional trauma, operational specificity, and practitioner wisdom that statistical analysis alone could not capture.

Section Four integrated the quantitative and qualitative findings in a convergent synthesis, demonstrating high convergence across all five analytical dimensions and identifying complementary areas where qualitative data explained and extended quantitative patterns. One partial divergence: regarding the relative weighting of credit bureau inadequacy: was noted and methodologically interpreted as a reflection of the differential expertise levels of survey and interview participants.

The integrated findings generate a coherent, multi-dimensional empirical foundation for the integrated strategic framework developed in Chapter Five, organized around four pillars: structural capital mobilization (NMRC establishment), product innovation for affordability and informality, institutional and regulatory reform, and demand-side enablement through financial literacy and digital access. Chapter Five proceeds to develop this framework in full operational detail, drawing upon the integrated empirical findings of this chapter and the theoretical and comparative literature reviewed in Chapter Two.

CHAPTER 5: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of findings, conclusions, and recommendations derived from the empirical investigation into the development of a framework for expanding mortgage financing penetration in Zimbabwe's property market, with specific reference to National Building Society (NBS) Zimbabwe. The chapter synthesizes the quantitative and qualitative findings presented in Chapter Four within the theoretical lenses of Financial Inter-mediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance. The synthesis is translated into actionable conclusions mapped against the four research objectives, followed by evidence-based recommendations for NBS Zimbabwe, the Government of Zimbabwe, the Reserve Bank of Zimbabwe (RBZ), and allied property sector stakeholders. The chapter concludes with directions for further research that can deepen understanding of mortgage market development in Zimbabwe and comparable Sub-Saharan African contexts.

5.1 Summary of the Study

The primary purpose of this study was to develop an integrated, evidence-based, context-specific framework for expanding mortgage financing penetration at NBS Zimbabwe, addressing the acute institutional reality in which Zimbabwe's formal mortgage sector serves fewer than 5,000 active borrowers against a national housing deficit estimated at 1.5 million units (CAHF, 2024; MNHSA, 2023). The study pursued four specific objectives: to examine supply-side barriers and macroeconomic conditions constraining NBS Zimbabwe's mortgage lending capacity; to establish demand-side barriers limiting mortgage uptake among urban Zimbabwean households; to examine institutional and regulatory factors constraining mortgage lending and to assess the applicability of global and regional best practice models; and to develop an integrated strategic framework of interventions for expanding mortgage financing penetration at NBS Zimbabwe.

A sequential explanatory mixed-methods research design was employed, integrating quantitative data from 112 structured questionnaires administered to NBS Zimbabwe mortgage clients and prospective borrowers (93.3% response rate) with qualitative data from 38 semi-structured interviews conducted with NBS staff across management levels and property industry stakeholders (95.0% response rate). Quantitative data were analyzed using SPSS Version 27 through descriptive

statistics, Pearson correlation analysis, multiple regression analysis, and one-sample t-tests. Qualitative data were analyzed using Braun and Clarke's (2021) six-phase thematic analysis approach supported by NVivo software, with inter-coder reliability validated at Cohen's Kappa = 0.82. The convergent integration of quantitative and qualitative findings was conducted using a structured convergence matrix identifying areas of confirmation, complementarity, and divergence.

The principal findings of the study were as follows:

- Supply-side funding constraints represent the foundational structural barrier to NBS Zimbabwe's mortgage lending capacity, with all five key barriers achieving mean scores above 3.77 on a five-point scale and the overall supply-side construct mean of 4.18 indicating strong agreement among respondents that structural capital constraints are severe. Qualitative thematic analysis confirmed that NBS Zimbabwe's reliance on short-term retail deposits to fund long-term mortgage lending creates an inherent maturity mismatch that caps mortgage portfolio growth, with 94.7% of interview participants identifying the absence of a mortgage refinancing facility as a critical structural deficiency comparable in institutional significance to Kenya's pre-KMRC environment (KMRC, 2024).
- Demand-side barriers, centered on income unaffordability and employment informality, constitute the most pervasive exclusion mechanism in Zimbabwe's mortgage market, referenced by all 38 interview participants (100%) and confirmed by affordability construct mean scores of 1.96 :firmly in the 'Disagree to Strongly Disagree' range. The finding that 84.8% of survey respondents disagreed or strongly disagreed that NBS Zimbabwe's mortgage interest rates are affordable at their income levels, combined with qualitative evidence that fewer than 25% of walk-in mortgage enquirers could pass income documentation requirements under current underwriting criteria, confirms that NBS Zimbabwe's mortgage product architecture is structurally inapplicable to the majority of Zimbabwe's urban workforce.
- Institutional and regulatory constraints, including weak land tenure security, foreclosure law deficiencies, property valuation distortions, and credit bureau inadequacy, represent compounding structural barriers that inflate NBS Zimbabwe's risk premium and restrict

the collateral base available for mortgage lending. Regression analysis confirmed land tenure security as a significant positive predictor of mortgage uptake intention (Beta = .298, $p < .001$), while qualitative expert testimony estimated that foreclosure law reform alone could reduce NBS Zimbabwe's risk premium by five to eight percentage points :a specific, quantifiable policy lever with direct implications for mortgage affordability.

- Macroeconomic and currency risk constitute systemic deterrents to both mortgage lending and borrowing, with macroeconomic instability emerging as the second strongest predictor of mortgage uptake suppression in the regression model (Beta = -.371, $p < .001$) and 97.4% of interview participants identifying Zimbabwe's currency volatility and the institutional trauma of the 2007–2008 hyperinflationary episode as persistent barriers to long-term lending confidence. The RBZ policy rate of 35% as at 2024, transmitting directly into mortgage interest rates of 45–55% per annum, was uniformly identified as the most immediate operational manifestation of macroeconomic instability's effect on mortgage affordability.
- The proposed integrated framework, validated empirically through Hypothesis H4a (Mean = 4.27, $p < .001$, supported by all 38 qualitative participants), is organized around four operational pillars: structural capital mobilization through a National Mortgage Refinance Company (NMRC); product innovation for affordability and informality; institutional and regulatory reform; and demand-side enablement through financial literacy and digital access. This framework is grounded in Financial Inter-mediation Theory, Credit Rationing Theory, Institutional Theory, and the Affordability Theory of Housing Finance, and is contextualized within the comparable institutional experiences of Kenya's KMRC, Rwanda's Rwanda Development Bank, and Tanzania's TMRC.

5.2 Study Conclusions

In light of the findings summarized above, the following conclusions are drawn in relation to each of the four research objectives.

5.2.1 Objective One: Supply-Side Barriers and Macroeconomic Conditions Constraining NBS Zimbabwe's Mortgage Lending Capacity

The study concludes that NBS Zimbabwe operates within a fundamentally constrained supply-side environment in which the combination of a structural funding maturity mismatch, the complete absence of a long-term mortgage refinancing mechanism, and macroeconomic conditions that transmit high policy rates into unaffordable mortgage interest rates collectively suppress mortgage lending volumes to a fraction of institutional and national capacity. The quantitative regression model identified interest rate level as the single strongest predictor of mortgage uptake suppression (Beta = $-.489$, $p < .001$), confirming that the cost of mortgage credit is the dominant demand-constraining variable and that supply-side structural reform is a prerequisite for any meaningful expansion of NBS Zimbabwe's mortgage portfolio.

The absence of a secondary mortgage market or long-term bond market in Zimbabwe means that NBS Zimbabwe cannot off-load or hedge its maturity mismatch risk, effectively capping its mortgage lending at volumes its short-term deposit base can sustain. This structural diagnosis is precisely consistent with the theoretical predictions of Financial Inter-mediation Theory (Diamond, 1984; Allen & Santomero, 1998), which identifies the transformation of short-term liabilities into long-term assets as a core function and core risk of financial intermediaries. Qualitative confirmation from 94.7% of interview participants, including senior management testimony that sound banking practice cannot bridge the maturity gap without an external refinancing mechanism, reinforces the theoretical finding with institutional specificity.

The study further concludes that macroeconomic instability operates not merely as a technical pricing variable but as an informal institutional constraint :rooted in the cognitive legacy of the 2007–2008 hyperinflationary episode :that generates an instinctive aversion to long-term financial commitments at both institutional and household levels, consistent with North's (1990) Institutional Theory framework. This psychological-institutional dimension, identifiable only through qualitative methods, substantially enriches the explanatory architecture of the supply-side

findings and carries direct implications for the design of structural interventions that must rebuild long-term lending confidence alongside providing technical capital mobilization mechanisms.

On the whole, the study concludes that addressing supply-side barriers at NBS Zimbabwe requires a dual-track approach: the establishment of a National Mortgage Refinance Company as the primary structural instrument for providing long-term, concessional capital to primary mortgage lenders, complemented by sustained macroeconomic stabilization policies that progressively reduce the RBZ policy rate and rebuild institutional confidence in long-term financial contracting. Without supply-side structural reform, demand-side and institutional interventions will operate within an inherently constrained envelope that limits their ultimate effectiveness.

5.2.2 Objective Two: Demand-Side Barriers Limiting Mortgage Uptake among Urban Zimbabwean Households

The study concludes that demand-side exclusion from Zimbabwe's formal mortgage market is systemic and structural, driven primarily by the convergence of housing unaffordability at current interest rates and the incompatibility of NBS Zimbabwe's current underwriting architecture with the income-earning realities of the majority of Harare's urban population. The affordability construct produced the lowest mean scores in the quantitative survey (construct mean = 1.96), with 84.8% of respondents finding current mortgage interest rates unaffordable, and the correlation analysis confirming that household income level is the strongest positive predictor of mortgage uptake intention ($r = .681$, $p < .01$). The Affordability Theory of Housing Finance (Stone, 2006) is comprehensively validated by these findings: at prevailing mortgage rates of 45–55% per annum, housing expenditure would far exceed the 30% of gross household income threshold for the overwhelming majority of NBS Zimbabwe's client base.

Income informality constitutes the second critical dimension of demand-side exclusion. ZIMSTAT's (2023) finding that over 70% of Zimbabwe's urban workforce is informally employed is dramatically illustrated in operational terms by qualitative evidence that only three to four of every fifteen to twenty walk-in mortgage enquirers at NBS Zimbabwe branches could document their income in compliance with current underwriting criteria. This structural exclusion is precisely the mechanism predicted by Credit Rationing Theory (Stiglitz & Weiss, 1981): information asymmetries regarding informal income verifiability lead lenders to ration credit through eligibility restrictions rather than price mechanisms, generating systematic exclusion of

the majority of potential borrowers independent of their actual creditworthiness or repayment capacity.

The study also concludes that financial literacy deficits compound demand-side exclusion, with the mortgage awareness and product knowledge construct mean of 2.67 indicating that the majority of respondents lack sufficient understanding of mortgage products, interest rate structures, and underwriting requirements to effectively navigate the mortgage application process. This deficit represents both a barrier and an opportunity: targeted financial literacy programs capable of converting latent housing demand into qualified mortgage applications constitute a high-return demand-side intervention aligned with Hypothesis H4a.

On the whole, the study concludes that addressing demand-side barriers requires a fundamental reconceptualization of NBS Zimbabwe's mortgage product design, underwriting methodology, and financial literacy infrastructure. Current mortgage products and underwriting criteria are calibrated for a market segment: the formally employed, income-documented household :that constitutes a minority of the urban population. Expanding mortgage access to the majority requires product innovation incorporating informal income assessment methodologies, reduced deposit requirements, and extended amortization periods, supported by comprehensive financial literacy programs that build borrower knowledge and reduce application failure rates.

5.2.3 Objective Three: Institutional and Regulatory Factors and Global Best Practice Applicability

The study concludes that institutional and regulatory deficiencies represent a compounding structural barrier to NBS Zimbabwe's mortgage market expansion, operating through four interrelated mechanisms: weak land tenure security restricting the collateral base, foreclosure law deficiencies inflating risk premiums, property valuation distortions undermining collateral reliability, and credit bureau inadequacy limiting NBS Zimbabwe's ability to accurately assess borrower risk profiles. The finding that only 15% of urban plots in Harare carry clear title deeds: consistent with UN-Habitat's (2023) documentation: implies that NBS Zimbabwe's potential mortgage market is structurally constrained to a fraction of Harare's total housing stock regardless of supply-side or demand-side interventions, as properties without clear title cannot legally serve as effective mortgage collateral.

The foreclosure law dimension carries particular policy significance. Qualitative expert testimony estimated that reducing the current two-to-four-year foreclosure process to six months could enable a five-to-eight percentage point reduction in NBS Zimbabwe's risk premium: a specific, quantifiable institutional reform with direct mortgage affordability implications that does not require government expenditure. This finding is fully consistent with North's (1990) proposition that efficient contract enforcement mechanisms are a foundational prerequisite for financial market development, and with the World Bank's (2023) econometric confirmation that contract enforcement efficiency is a significant positive predictor of mortgage market depth across countries.

Regarding best practice applicability, the study concludes that regional models: particularly Kenya's KMRC, Rwanda's Rwanda Development Bank, and Tanzania's TMRC: offer directly instructive institutional architectures for Zimbabwe's consideration. The KMRC model is particularly relevant: capitalized through a combination of government equity and World Bank support, designed to provide primary mortgage lenders with long-term refinancing capital, and calibrated to Kenya's specific institutional context, the KMRC has delivered measurable increases in mortgage origination volumes and a modest decline in mortgage interest rates since its 2019 establishment (KMRC, 2024). The consistency of endorsement :31 of 38 interview participants specifically referenced the KMRC model: provides compelling empirical validation of its institutional transferability to Zimbabwe's context, with appropriate calibration to Zimbabwe's regulatory environment and macroeconomic conditions.

The study further concludes that institutional reform must proceed simultaneously across multiple dimensions rather than sequentially, as the barriers are mutually reinforcing: weak land tenure undermines collateral security, which inflates risk premiums, which raises interest rates, which reduces affordability, which depresses demand. Single-point interventions that address individual barriers without the complementary institutional infrastructure will deliver suboptimal outcomes. The proposed framework's institutional reform pillar therefore encompasses land tenure regularization, foreclosure law modernization, credit bureau expansion, and property valuation system reform as an integrated institutional package.

5.2.4 Objective Four: Integrated Framework for Expanding Mortgage Financing Penetration at NBS Zimbabwe

The study concludes that an integrated, multi-pillar framework is both empirically validated and operationally necessary for meaningful expansion of mortgage financing penetration at NBS Zimbabwe. The framework's four pillars: structural capital mobilization, product innovation for affordability and informality, institutional and regulatory reform, and demand-side enablement: are grounded in the study's theoretical framework, empirically validated through quantitative and qualitative findings, and contextualized within regional best practice. The strong empirical support for Hypothesis H4a (Mean = 4.27, $p < .001$, supported by 100% of qualitative participants) provides direct evidence that stakeholders across NBS Zimbabwe's institutional ecosystem recognize the need for and potential effectiveness of flexible product design and financial literacy interventions as core components of a mortgage market expansion strategy.

The framework addresses the study's diagnostic conclusion that NBS Zimbabwe's mortgage market underperformance reflects not a single dominant barrier but a constellation of interacting constraints operating simultaneously across supply-side, demand-side, institutional, and macroeconomic dimensions. No single intervention :however well-designed :can independently overcome this multi-dimensional barrier structure. The establishment of an NMRC without product innovation would provide capital without accessible products; product innovation without institutional reform would encounter insurmountable collateral and enforcement constraints; institutional reform without financial literacy would fail to activate latent demand; and all structural improvements will be undermined by sustained macroeconomic instability that maintains mortgage interest rates at levels incompatible with affordability for the majority of households.

The framework is designed with explicit recognition of Zimbabwe's unique institutional context: the post-inflationary cognitive environment that requires trust-rebuilding alongside technical reform; the dominance of informal income-earning that requires underwriting innovation beyond conventional pay slip-based verification; and the political economy of housing delivery as a national priority under NDS1 that provides policy momentum and institutional support for the framework's implementation.

On the whole, the study concludes that the proposed integrated framework :anchored in the establishment of a National Mortgage Refinance Company, operationalized through income-tiered product innovation, enabled by institutional and regulatory reform, and supported by demand-side financial literacy programming :constitutes a comprehensive, evidence-based, and contextually appropriate response to NBS Zimbabwe`s mortgage market development challenge, with the potential to significantly expand mortgage financing penetration and contribute materially to Zimbabwe`s Vision 2030 goal of accessible homeownership as a pillar of an upper-middle-income society.

Table 18 below summarizes the hypothesis testing outcomes that underpin these conclusions.

Table 18 : Summary of Hypothesis Testing Outcomes

H	Hypothesis (Alternative)	Test Statistic	p-value	Decision
H1	Macroeconomic instability has a statistically significant negative effect on NBS Zimbabwe`s mortgage financing volumes.	Beta = $-.371$; $t = -7.10$	$p < .001$	H10 REJECTED :H1a Supported
H2	High interest rates and low household income significantly reduce mortgage affordability and uptake.	Beta = $-.489$; $r = -.712$	$p < .001$	H20 REJECTED :H2a Supported
H3	Absence of a government-backed mortgage refinancing	Mean = 3.84 ; SD = $.89$	$p < .001$	H30 REJECTED :H3a Supported

	facility significantly limits NBS's long-term capital capacity.			
H4	Flexible, income-tiered mortgage products and financial literacy programs will significantly improve mortgage uptake among lower-income households.	Mean = 4.27; SD = .76	p < .001	H40 REJECTED :H4a Supported

5.3 Recommendations

Based on the foregoing conclusions, the following recommendations are advanced for NBS Zimbabwe, the Government of Zimbabwe, the Reserve Bank of Zimbabwe, and allied stakeholders. The recommendations are organized around the four pillars of the integrated framework and are grounded in the empirical findings and theoretical propositions of this study.

5.3.1 Recommendation 1: Establish a National Mortgage Refinance Company Capitalized through Government, Development Finance Institution, and Private Institutional Partnerships

The most urgent and structurally consequential recommendation arising from this study is that the Government of Zimbabwe, the Reserve Bank of Zimbabwe, and NBS Zimbabwe should initiate the establishment of a National Mortgage Refinance Company (NMRC), explicitly modeled on Kenya's KMRC institutional architecture but calibrated to Zimbabwe's regulatory, macroeconomic, and institutional context. This recommendation is grounded in the regression finding that interest rate level is the single strongest predictor of mortgage uptake suppression (Beta = -.489, p < .001), the qualitative consensus of 81.6% of interview participants endorsing this structural solution, and the documented evidence that Kenya's KMRC has delivered measurable increases in mortgage origination and a modest decline in mortgage interest rates since its 2019 establishment (KMRC, 2024).

The proposed NMRC should be capitalized through a tripartite structure combining government equity participation (reflecting the constitutional imperative of housing access), development finance institution (DFI) participation: with the African Development Bank and World Bank identified as preferred partners: and private institutional investor participation from pension funds and insurance companies seeking long-term, fixed-income assets consistent with their liability profiles. The NMRC's operational mandate should be to provide NBS Zimbabwe and other qualifying primary mortgage lenders with long-term, concessional refinancing capital by accepting qualifying mortgage portfolios as collateral, thereby resolving the maturity mismatch that currently caps mortgage lending volumes.

Implementation of this recommendation requires the following specific actions: the Government of Zimbabwe should commission a feasibility study and institutional design process for the NMRC within the NDS1 implementation framework; the RBZ should develop a regulatory framework for the NMRC's operation, including eligibility criteria for participating primary lenders; NBS Zimbabwe should actively participate in the NMRC design process to ensure that refinancing terms, eligibility criteria, and operational protocols are calibrated to primary lender needs; and the Ministry of Finance should engage with the African Development Bank and World Bank to secure DFI capitalization commitments consistent with their regional mortgage market development mandates.

5.3.2 Recommendation 2: Develop Income-Tiered Mortgage Products with Flexible Underwriting Methodologies for Informal Income Earners

NBS Zimbabwe should develop and introduce a portfolio of income-tiered mortgage products specifically designed to extend mortgage access to self-employed and informally employed borrowers who constitute the majority of Harare's urban workforce but are currently excluded by conventional underwriting criteria requiring formal, verifiable pay slip income. This recommendation is grounded in the finding that demand-side exclusion through income informality was referenced by all 38 interview participants (100%), the regression confirmation that household income level is the strongest positive predictor of mortgage uptake intention (Beta = .402, $p < .001$), and the international evidence that flexible informal income assessment methodologies have substantially broadened mortgage market access in comparable emerging

market contexts including Brazil's Caixa Econômica Federal and India's National Housing Bank (UN-Habitat, 2023; World Bank, 2023).

The proposed product innovation should incorporate several key features: reduced deposit requirements of 5–10% of property value for income-tiered products targeting lower-middle-income borrowers, compared to the current 20–30% standard requirement; extended amortization periods of 25–30 years that reduce monthly repayment obligations to affordable levels; and flexible informal income assessment methodologies incorporating bank statement analysis over 12–24 months, tax registration documentation for informal traders, household expenditure proxy assessment, and character references from established community institutions. Additionally, NBS Zimbabwe should explore digital mortgage application platforms that reduce processing costs, expand geographic reach beyond the existing branch network, and enable faster credit assessment turnaround times consistent with international fintech-enabled housing finance innovations (World Bank, 2023).

NBS Zimbabwe's risk management framework must be recalibrated in parallel with product innovation to ensure that expanded market inclusion does not generate unsustainable increases in non-performing loans. Portfolio segmentation, product-specific provisioning, and active loan management protocols should be developed before product launch, informed by the non-performing loan management experience documented in comparable emerging market mortgage programs.

5.3.3 Recommendation 3: Advocate for and Support Institutional and Regulatory Reforms Addressing Land Tenure, Foreclosure Law, and Credit Information Infrastructure

NBS Zimbabwe should actively engage with the Government of Zimbabwe, the Ministry of Justice, the Ministry of National Housing and Social Amenities, and the Deeds Registry to advocate for the institutional and regulatory reforms identified in this study as critical prerequisites for mortgage market expansion. This recommendation is grounded in the finding that land tenure security and credit information quality are both statistically significant positive predictors of mortgage uptake intention (Beta = .298 and Beta = .227 respectively, both $p < .001$), the expert testimony that only 15% of urban plots carry clear title deeds, and the qualitative estimation that foreclosure law reform alone could reduce NBS Zimbabwe's risk premium by five to eight percentage points.

Three specific institutional reform priorities should be pursued in parallel. First, the Government of Zimbabwe should accelerate the urban land tenure regularization program, prioritizing the conversion of council stands and informal tenure arrangements to registered title deeds, with NBS Zimbabwe providing technical input on the collateral requirements of mortgage lenders to ensure that regularized title deeds meet the legal standards required for first mortgage bond registration. Second, the Ministry of Justice, in consultation with NBS Zimbabwe and the RBZ, should undertake a comprehensive review of Zimbabwe's foreclosure legislation with a view to reducing the duration of foreclosure proceedings from the current two-to-four years to a maximum of six to nine months, through streamlined court processes, property receiver frameworks, and consensual resolution mechanisms. Third, the RBZ should expand the regulatory mandate and operational capacity of Zimbabwe's credit bureau infrastructure to ensure comprehensive coverage of both formal and informal sector borrowers, reducing information asymmetries that currently contribute to credit rationing outcomes consistent with Stiglitz and Weiss's (1981) theoretical predictions.

NBS Zimbabwe's advocacy role in driving these reforms is both appropriate and essential: as the country's primary mortgage lender, NBS Zimbabwe has the institutional standing, technical expertise, and direct stake in institutional reform outcomes that positions it as a credible and influential voice in regulatory reform processes.

5.3.4 Recommendation 4: Implement Structured Financial Literacy Programs Targeting Mortgage Awareness, Product Understanding, and Application Readiness

NBS Zimbabwe, in partnership with the Zimbabwe Association of Realtors (ZAR), employer organizations, and tertiary educational institutions, should design and implement structured financial literacy programs specifically targeting mortgage awareness, product understanding, affordability assessment, and application preparation among urban households in the target market segments. This recommendation is grounded in the finding that the mortgage awareness and product knowledge construct mean of 2.67 indicates widespread financial literacy deficits, the strong empirical support for Hypothesis H4a confirming that financial literacy programming is perceived as a significant enabler of mortgage uptake, and the consistent qualitative endorsement of financial literacy as a demand-side intervention priority across all 38 interview participants.

The financial literacy program should be delivered through multiple channels to maximize reach and relevance: employer-based pre-mortgage education programs delivered in partnership with large formal sector employers and ZIMRA-registered informal sector business associations; digital financial literacy platforms accessible via mobile devices targeted at younger potential borrowers who constitute the primary future market segment; ZAR-partnered home buyer education programs delivered at point-of-property inquiry through real estate agent networks; and NBS Zimbabwe branch-level financial advisory services that convert walk-in enquirers into informed and prepared mortgage applicants. Program content should be specifically calibrated to address the identified literacy deficits: understanding of loan-to-value ratios, interest rate calculation, total repayment obligations, and deposit mobilization strategies.

The financial literacy program should be evaluated through pre- and post-program assessments and tracked against conversion metrics from enquiry to application and from application to approval, enabling continuous improvement and providing a data-based foundation for NBS Zimbabwe's ongoing investment in demand-side enablement.

5.3.5 Recommendation 5: Develop a Macroeconomic Advocacy Position and Long-Term USD-Denominated Mortgage Product Strategy

NBS Zimbabwe should develop a structured macroeconomic advocacy position, presented through the RBZ's financial sector liaison forums and the Bankers Association of Zimbabwe, that articulates the specific mortgage market development implications of macroeconomic policy decisions: particularly RBZ policy rate determinations and currency framework decisions. This recommendation is grounded in the finding that macroeconomic instability is the second strongest predictor of mortgage uptake suppression in the regression model (Beta = $-.371$, $p < .001$), the qualitative confirmation that 97.4% of interview participants identified currency volatility as a systemic deterrent to both mortgage lending and borrowing, and the recognition that NBS Zimbabwe's mortgage market expansion objectives are fundamentally dependent on an enabling macroeconomic environment that no single institution can independently create.

In parallel with macroeconomic advocacy, NBS Zimbabwe should develop a long-term product strategy for USD-denominated mortgage products that provides both lenders and borrowers with currency risk mitigation during the transitional period before macroeconomic stabilization is achieved and ZiG-denominated long-term lending confidence is restored. USD-denominated

products, while carrying their own implementation challenges, have historically provided the most stable platform for mortgage market activity in Zimbabwe`s post-hyperinflationary environment and remain the preferred medium of exchange for property transactions in the Harare market.

5.3.6 Recommendation 6: Establish a Dedicated Mortgage Market Research and Monitoring Function within NBS Zimbabwe

NBS Zimbabwe should establish a dedicated mortgage market research and monitoring function, resourced with appropriately qualified personnel and supported by systematic data collection protocols, to maintain an ongoing evidence base for mortgage market strategy, product development, and institutional advocacy. This recommendation is grounded in the recognition that this study represents the first systematic, institution-specific, empirically grounded diagnostic of NBS Zimbabwe`s mortgage market barriers, and that the absence of such a function has historically constrained NBS Zimbabwe`s capacity for evidence-based strategic planning.

The mortgage market research function should be responsible for: quarterly tracking of mortgage market penetration indicators including new originations, active borrowers, outstanding portfolio values, and NPL ratios disaggregated by product type and borrower segment; annual household demand surveys tracking housing aspiration, affordability perceptions, product awareness, and application barriers among NBS Zimbabwe`s target market segments; systematic evaluation of product innovation pilots and financial literacy programs against pre-defined uptake, quality, and affordability metrics; and ongoing environmental scanning of regional and global mortgage market developments, regulatory changes, and institutional innovations with potential applicability to Zimbabwe`s context. The function should also serve as NBS Zimbabwe`s primary interface with the RBZ`s housing finance data reporting requirements, the CAHF annual survey process, and academic research partnerships that can deepen understanding of Zimbabwe`s mortgage market dynamics over time.

Table 19 below presents a consolidated view of the integrated framework, mapping each pillar to its core interventions, key stakeholders, and expected outcomes.

Table 19 : Integrated Framework for Expanding Mortgage Financing Penetration at NBS Zimbabwe

Pillar	Core Interventions	Key Stakeholders	Expected Outcomes
Pillar 1: Structural Capital Mobilization	National Mortgage Refinance Company (NMRC); long-term bond issuance; DFI partnerships	GoZ, RBZ, AfDB, World Bank, NBS Zimbabwe	Reduced funding cost; longer mortgage tenors; expanded mortgage book
Pillar 2: Product Innovation for Affordability and Informality	Income-tiered products; reduced LTV (5–10%); informal income assessment; digital onboarding	NBS Zimbabwe, FinTech partners, ZAR	Broader market inclusion; increased origination volumes; lower NPL through appropriate product design
Pillar 3: Institutional and Regulatory Reform	Land tenure regularization; foreclosure law reform; credit bureau expansion; valuation integrity	Ministry of Justice, Ministry of Housing, RBZ, Deeds Registry	Stronger collateral security; lower risk premiums; improved credit information quality
Pillar 4: Demand-Side Enablement	Financial literacy programs; employer-based pre-mortgage education; digital literacy platforms	NBS Zimbabwe, MNHSA, ZAR, universities	Improved application quality; reduced information asymmetry; higher conversion from enquiry to approval

5.4 Areas for Further Research

The findings and conclusions of this study generate several directions for further research that can deepen understanding of mortgage market development in Zimbabwe and comparable Sub-Saharan African contexts.

First, a longitudinal study tracking the mortgage market impact of the institutional reforms recommended in this research: particularly the establishment of an NMRC and the implementation of product innovations incorporating informal income assessment: would provide critical evidence on intervention effectiveness and the timeframes within which supply-side and demand-side reforms translate into measurable increases in mortgage penetration. Such a study could be

designed as a natural experiment, comparing mortgage origination volumes and NPL ratios before and after specific reform milestones.

Second, comparative institutional analysis examining the specific design features of East African mortgage refinancing companies: particularly Kenya's KMRC, Tanzania's TMRC, and Rwanda's Rwanda Development Bank housing finance operations: and their transferability to Zimbabwe's institutional context would provide a more granular evidence base for the NMRC design process recommended in this study. Such analysis should specifically address capitalization structures, primary lender eligibility criteria, refinancing rate determination mechanisms, and governance frameworks.

Third, the role of Zimbabwe's diaspora population: estimated at several million individuals with demonstrated capacity for remittance flows and housing investment: as a potential driver of mortgage market demand and an alternative source of long-term capital for mortgage lending warrants dedicated investigation. Diaspora housing finance mechanisms, including diaspora bond issuance and diaspora-targeted mortgage products, have been explored in other African contexts and may hold particular relevance for Zimbabwe given the scale of its diaspora population and their documented housing investment aspirations.

Fourth, the interaction between informal housing markets: including rural-urban migration patterns, urban informal settlement upgrading programs, and the conversion of informal tenure to formal title :and formal mortgage market development in Zimbabwe requires more systematic empirical investigation. Understanding the pathways through which informal housing market participants might transition to formal mortgage borrowers is essential for designing the inclusive product architecture recommended in this study.

Fifth, the gender dimension of mortgage market exclusion in Zimbabwe: with emerging evidence from other Sub-Saharan African contexts suggesting that women face disproportionate barriers to mortgage access through income informality, land tenure insecurity, and collateral limitations: warrants dedicated gender-disaggregated investigation to inform targeted product and policy interventions at NBS Zimbabwe.

Finally, given that this study is limited to NBS Zimbabwe's Harare operations, a comparable multi-institution study encompassing CBZ Bank, FBC Building Society, and ZB Bank's mortgage operations, and extending geographic coverage to include Bulawayo and provincial urban centers,

would provide a more comprehensive national diagnostic of Zimbabwe`s mortgage market barriers and the institutional diversity of potential solutions.

5.5 Chapter Summary

This chapter has synthesized the empirical findings of the study into a structured set of conclusions and evidence-based recommendations aligned with the four research objectives. The summary confirmed that NBS Zimbabwe confronts a multi-dimensional barrier structure spanning supply-side funding constraints, demand-side affordability and informality challenges, institutional and regulatory deficiencies, and macroeconomic deterrents :all of which interact to suppress mortgage market penetration to a tiny fraction of national need and institutional capacity.

The study`s conclusions establish that supply-side reform, anchored in the establishment of a National Mortgage Refinance Company, constitutes the most structurally consequential single intervention available to Zimbabwe`s mortgage market, but that its effectiveness is contingent on complementary product innovation, institutional reform, demand-side enablement, and sustained macroeconomic stabilization. The six recommendations advanced address each dimension of this multi-pillar framework with specific, actionable prescriptions grounded in the study`s empirical findings and the comparative institutional experience of successful mortgage market development programs across Sub-Saharan Africa.

The directions for further research identified in Section 5.4 acknowledge the boundaries of this study and point towards the longitudinal, comparative, and gender-disaggregated investigations needed to deepen understanding and track the impact of the framework interventions recommended herein. Taken together, the summary, conclusions, recommendations, and research directions of this chapter constitute an evidence-based contribution to the resolution of one of Zimbabwe`s most pressing socioeconomic challenges: the expansion of formal mortgage financing access as a foundation for inclusive homeownership and broad-based economic development consistent with Zimbabwe`s Vision 2030 aspirations.

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APPENDICES

Appendix A - Research Instruments

STRUCTURED QUESTIONNAIRE

STRUCTURED QUESTIONNAIRE

DEVELOPING A FRAMEWORK TOWARDS INCREASED MORTGAGE FINANCING IN
ZIMBABWE'S PROPERTY MARKET:
A CASE OF NATIONAL BUILDING SOCIETY (NBS) ZIMBABWE

Dear Respondent,

This questionnaire is part of a research study conducted at Bindura University of Science Education (BUSE) towards the partial fulfilment of a degree requirement. The study examines the barriers to mortgage financing penetration at National Building Society (NBS) Zimbabwe and seeks to develop an evidence-based framework for expanding mortgage access.

Your participation is entirely voluntary. All responses are strictly confidential and will be used for academic purposes only. No personal identifying information is required. Please answer all questions as honestly and completely as possible.

INSTRUCTIONS: Tick (✓) or circle the most appropriate response in each section. Where prompted, provide brief written answers.

PART A: BIOGRAPHICAL DATA

Please tick (✓) the category that best describes you.

1. Gender

Male ☐	Female ☐
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2. Age Group

18 – 25 years ☐	26 – 35 years ☐	36 – 45 years ☐	46 years and above ☐
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3. Employment Status

Formally employed (full-time) ☐	Formally employed (part-time/contract) ☐	Self-employed / informal sector ☐	Unemployed / dependent ☐
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4. Monthly Household Income (USD)

Below USD 300 ☐	USD 300 – 599 ☐	USD 600 – 999 ☐	USD 1,000 – 1,999 ☐	USD 2,000 and above ☐
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5. Highest Educational Attainment

Secondary education ☐	Tertiary / diploma ☐	Undergraduate degree ☐	Postgraduate degree ☐
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6. Current Housing Arrangement

Renting privately ☐	Employer-provided housing ☐	Living with relatives ☐	Owns property outright ☐
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PART B: SUPPLY-SIDE BARRIERS AND MACROECONOMIC CONDITIONS

Research Objective 1: To examine the supply-side barriers and macroeconomic conditions that constrain NBS Zimbabwe's mortgage lending capacity.

Rating Scale:

1 = SD	2 = D	3 = N	4 = A	5 = SA	0 = N/A
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Not Applicable

#	Statement	SD	D	N	A	SA	N/A
1	Currency instability in Zimbabwe makes me reluctant to commit to a long-term mortgage.						
2	High interest rates are the most significant barrier to my accessing a mortgage.						
3	Macroeconomic instability reduces my confidence in Zimbabwe's property market.						
4	The absence of a government-backed mortgage refinancing facility limits NBS's lending capacity.						
5	Short-term deposit funding at NBS makes long-term mortgage lending difficult.						

6	NBS's current mortgage interest rates (45–55% p.a.) are unaffordable relative to my income.						
7	The RBZ policy rate directly contributes to the high cost of mortgage financing in Zimbabwe.						

7a. In your view, what is the single most significant supply-side barrier to mortgage financing at NBS Zimbabwe?

PART C: DEMAND-SIDE BARRIERS: AFFORDABILITY AND ACCESS

Research Objective 2: To establish the demand-side barriers that limit mortgage uptake among urban Zimbabwean households.

Rating Scale: SD=Strongly Disagree | D=Disagree | N=Neutral | A=Agree | SA=Strongly Agree | N/A=Not Applicable

#	Statement	SD	D	N	A	SA	N/A
1	NBS mortgage interest rates are affordable given my current income level.						
2	I can comfortably meet NBS's deposit requirements (minimum 20–30% of property value).						
3	NBS's mortgage repayment terms are flexible enough for my financial situation.						
4	My income level would support a mortgage repayment without causing financial distress.						
5	Housing prices in Harare are at a level I could realistically finance through a mortgage.						
6	I am confident I could document my income to meet NBS's underwriting requirements.						

7	The mortgage application process at NBS is straightforward and transparent.						
8	Informal or self-employment income should be accepted as valid for mortgage qualification.						

8a. What change to NBS's mortgage products or application process would most improve your ability to access a mortgage?

PART D: MORTGAGE AWARENESS AND FINANCIAL LITERACY

Research Objective 2 (continued): To assess mortgage product knowledge and financial literacy among potential borrowers.

#	Statement	SD	D	N	A	SA	N/A
1	I am aware that NBS Zimbabwe offers mortgage financing products.						
2	I understand the basic requirements for applying for an NBS mortgage.						
3	I am aware of the current interest rates attached to NBS mortgage products.						
4	I understand what a loan-to-value (LTV) ratio means in a mortgage context.						
5	I have received financial literacy support from NBS Zimbabwe regarding mortgages.						
6	I would benefit from a structured financial literacy programme on mortgage products.						

PART E: INSTITUTIONAL AND REGULATORY ENVIRONMENT

Research Objective 3: To examine institutional and regulatory factors constraining mortgage access.

#	Statement	SD	D	N	A	SA	N/A
1	Uncertainty about property title deeds (land tenure) discourages me from applying for a mortgage.						
2	Zimbabwe's slow and uncertain foreclosure process raises the risk of mortgage lending.						
3	Property valuations in Zimbabwe are reliable and reflect true market values.						
4	The absence of a comprehensive credit bureau system makes it difficult to access mortgage credit.						
5	Government regulatory reforms to simplify land registration would improve mortgage access.						
6	A National Mortgage Refinance Company (similar to Kenya's KMRC) would significantly expand mortgage availability in Zimbabwe.						

PART F: PROPOSED INTERVENTIONS FOR EXPANDING MORTGAGE ACCESS

Research Objective 4: To assess the acceptability and likely impact of proposed strategic interventions.

#	Statement	SD	D	N	A	SA	N/A
1	Introducing income-tiered mortgage products with lower deposit requirements (5–10%) would increase my ability to access a mortgage.						
2	Allowing bank statement analysis and business cash-flow records as income verification would enable more borrowers to qualify.						
3	Extending mortgage repayment periods to 25–30 years would make monthly repayments more manageable.						

4	A digital mortgage application platform would make the process more accessible and efficient.						
5	Financial literacy programmes offered by NBS would meaningfully improve my readiness to apply for a mortgage.						
6	Government land tenure regularisation would significantly expand the number of properties eligible for mortgage financing.						
7	A government-supported mortgage refinancing facility would bring down NBS's lending rates.						
8	Employer-based mortgage education programmes (offered through workplaces) would improve uptake.						

F9. Please rank the following interventions in order of importance to you (1 = Most Important, 4 = Least Important):

Rank	Intervention	Your Ranking
A	Reduction in mortgage interest rates through a national refinancing facility	
B	Flexible income verification allowing informal income documentation	
C	Lower deposit requirements (5–10% instead of 20–30%)	
D	Government land tenure regularisation to expand eligible properties	

F10. Any additional comments or suggestions for improving mortgage financing access at NBS Zimbabwe:

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THANK YOU FOR YOUR PARTICIPATION

BINDURA UNIVERSITY OF SCIENCE EDUCATION (BUSE)

FACULTY OF COMMERCE AND LAW

SEMI-STRUCTURED INTERVIEW GUIDE

DEVELOPING A FRAMEWORK TOWARDS INCREASED MORTGAGE FINANCING IN ZIMBABWE'S PROPERTY MARKET: A CASE OF NBS ZIMBABWE

PURPOSE & CONTEXT

This interview forms part of a mixed-methods research study investigating the barriers to mortgage financing penetration at NBS Zimbabwe and the development of a strategic framework for expanding mortgage access. Your expert perspective is invaluable. The interview will last approximately 45–60 minutes.

ETHICAL ASSURANCES

- Participation is voluntary and you may withdraw at any time without consequence.
- All responses are strictly confidential and will be anonymised in the final report.
- With your consent, this interview will be audio-recorded for transcription purposes only.

SECTION 1: PARTICIPANT PROFILE

Field	Response
Date & Time	
Participant Code	
Position / Role	
Organisation / Department	
Years of Experience in Role	
Consent to Record	Yes ☐ No ☐

SECTION 2: INTERVIEW QUESTIONS

THEME A | RQ1: Supply-Side Barriers and Macroeconomic Conditions

RQ1

Q1 How do funding constraints affect NBS Zimbabwe's capacity to originate and grow its mortgage portfolio?

- How does the maturity mismatch between short-term retail deposits and long-term mortgage lending affect day-to-day operations?

- ▶ *What mechanisms does NBS currently use to manage this mismatch, and how effective are they?*
- ▶ *How does the RBZ policy rate translate into NBS's mortgage lending rates, and how does this affect market competitiveness?*

Notes / Key Points:

RQ1

Q2 How has macroeconomic instability — including currency volatility and inflation — affected NBS Zimbabwe's mortgage lending strategy?

- ▶ *In what specific ways does currency uncertainty influence mortgage product design and tenure decisions at NBS?*
- ▶ *Has NBS considered offering USD-denominated or inflation-linked mortgage instruments? What are the institutional barriers to doing so?*
- ▶ *How does the institutional memory of the 2007–2008 hyperinflationary episode influence current management appetite for long-term lending?*

Notes / Key Points:

THEME B | RQ2: Demand-Side Barriers to Mortgage Uptake

RQ2

Q3 What proportion of potential mortgage applicants are excluded by current income documentation requirements, and why?

- ▶ *What percentage of walk-in mortgage enquiries are typically unable to proceed due to informal income?*
- ▶ *What alternative income assessment methods has NBS explored or would consider — such as bank statement analysis, business cash-flow assessment, or expenditure-proxy approaches?*
- ▶ *How does NBS's current underwriting model need to change to accommodate Zimbabwe's predominantly informal labour market?*

Notes / Key Points:

RQ2

Q4 How do deposit requirements and repayment affordability function as barriers to mortgage uptake at NBS Zimbabwe?

- ▶ *At prevailing interest rates of 45–55% p.a., what proportion of Harare households can realistically service a mortgage on a USD 35,000–50,000 property?*
- ▶ *Would NBS consider tiered deposit requirements (e.g., 5–10% for lower-income borrowers)? What risk management measures would accompany this?*
- ▶ *What is the role of employer housing benefit schemes in supporting mortgage accessibility?*

Notes / Key Points:

THEME C | RQ3: Institutional and Regulatory Constraints

RQ3

Q5 How do land tenure insecurity and property valuation challenges affect NBS's ability to accept residential properties as mortgage collateral?

- ▶ *What proportion of Harare residential properties presented by applicants carry clear, registerable title deeds?*
- ▶ *How do property valuations in Zimbabwe's illiquid, dual-currency market affect mortgage risk assessments?*
- ▶ *What land administration reforms would most meaningfully expand NBS's eligible collateral base?*

Notes / Key Points:

RQ3

Q6 How do foreclosure law deficiencies and credit information gaps affect NBS's mortgage risk pricing and credit availability?

- ▶ *How long does the foreclosure process typically take in Zimbabwe, and how does this influence NBS's interest rate setting?*
- ▶ *If foreclosure timelines were reduced to under six months through legal reform, by how many percentage points could NBS realistically reduce its mortgage risk premium?*
- ▶ *How adequate is Zimbabwe's credit bureau infrastructure for mortgage underwriting purposes, and what improvements are most urgently needed?*

Notes / Key Points:

THEME D | RQ4: Framework Development — Interventions and Best Practice

RQ4

Q7 How applicable is Kenya's Kenya Mortgage Refinance Company (KMRC) model to Zimbabwe's institutional and regulatory context, and what would a Zimbabwean equivalent require?

- ▶ *What specific features of KMRC — capitalisation structure, refinancing terms, primary lender eligibility — would need to be adapted for Zimbabwe?*
- ▶ *What role should the Government of Zimbabwe, the Reserve Bank of Zimbabwe, and development finance institutions (e.g., AfDB, World Bank) play in establishing and capitalising a National Mortgage Refinance Company?*
- ▶ *What institutional pre-conditions — regulatory, macroeconomic, governance — must be in place before a refinancing company can operate effectively?*

Notes / Key Points:

RQ4

Q8 What product innovations and financial literacy interventions would most effectively expand mortgage access for lower- and middle-income Zimbabwean households?

- ▶ *Which specific product features — tenure, deposit levels, income assessment methods, repayment flexibility — would NBS prioritise in a redesigned mortgage product for lower-income borrowers?*
- ▶ *What digital technologies (e.g., mobile onboarding, digital credit scoring) could NBS realistically deploy to reduce application costs and expand geographic reach?*
- ▶ *What financial literacy delivery models — employer-based, community, digital — would most effectively build mortgage readiness among potential borrowers?*

Notes / Key Points:

SECTION 3: CLOSING

Closing Prompts (ask all participants):

- ▶ *Based on your experience, what single intervention would have the greatest immediate impact on expanding mortgage financing at NBS Zimbabwe?*
- ▶ *Is there anything important to this topic that I have not asked about that you would like to share?*

Interviewer's Notes:

Thank the participant for their time and confirm confidentiality arrangements.

Figure 4 : Questionnaire Closing

Appendix B : BUSE Request Letter



BINDURA UNIVERSITY OF SCIENCE EDUCATION

P Bag 1020
741 Chimurenga Rd, Off Trojan Road
Bindura, Zimbabwe

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gsb@buse.ac.zw
jmwenje@buse.ac.zw

GRADUATE SCHOOL OF BUSINESS

Where Great Minds Meet

26 March 2026

TO WHOM IT MAY CONCERN

REF: REQUEST TO CARRY OUT RESEARCH: KUDAKWASHE M ZAWU REG NO. B1440912: MASTER OF OF BUSINESS LEADERSHIP (MBL), PART 2.2 STUDENT

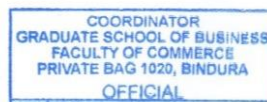
This letter serves to confirm that Kudakwashe M Zawu Reg No. [B1440912] is a **Master of Business Leadership** student in the Graduate School of Business at Bindura University of Science Education.

The student is in the final stage of study which requires him to carry out a research. His dissertation is titled ***“Developing a Framework Towards Increased Mortgage Financing in Zimbabwe’s Property Market.”***

We would be grateful for your assistance.

For more details, please do not hesitate to contact us.

Yours faithfully,



Dr J. Mwenje
Director, Graduate School of Business

“Promoting Science for Human Development”

Appendix C : NBS Request Letter



14th Floor Social Security Centre | Cnr Sam Nujoma Street & Julius Nyerere Way, Harare, Zimbabwe
[Tel (+263-242)700032, 700035, 700039, 700042 | Web: www.nbs.co.zw]

Bindura University of Science Education

P Bag 1020

Bindura

27.03.2026

REF: Authority to Undertake Research: Kudakwashe M Zawu

This letter serves as authority for Kudakwashe. M. Zawu to use NBS products as research case study on the topic: **Developing a Framework Towards Increased Mortgage Financing in Zimbabwe's Property Market.**

This study permission is given in strict confidence, for Kudakwashe M Zawu's study purpose and without any guarantee or responsibility on the part of the Bank, its officials or any of its informants.

Yours Faithfully


sandra Matimba (Mar 30, 2026 10:39:06 GMT+2)

Sandra Matimba

HR Manager

Directors: S.I. Mutumbwa (Chairman), D. Mutemachani, B.I. Nyereyegona, G.N. Mathe,
M. Dingani, S.T. Mrewa, D. Ngwira, P. Zenda, S. Mahlangu (Managing Director)*, M. Mahachi (Finance Director)*
*Executive Director

Appendix D : Authorization letter



RESEARCH ETHICS COMMITTEE

P. Bag 1020
BINDURA, Zimbabwe
Email: rid@buse.ac.zw

BINDURA UNIVERSITY OF SCIENCE EDUCATION [BUSE]

11 June 2026

Mhandu Kudakwashe Zawu
Bindura University of Science Education
Graduate School of Business
P. Bag 1020
Bindura

Dear Mhandu Kudakwashe Zawu

**RE: INSTITUTIONAL RESEARCH COMMITTEE ETHICAL CLEARANCE-APPROVAL NUMBER:
BUSEREC/0262/2026**

Your application for research ethical clearance related to the topic, 'Developing a framework towards increased mortgage financing in Zimbabwe's property market' has been approved and allocated approval Number: **BUSEREC/0262/2026**. You are to quote this approval number for all correspondences inclusive of consent forms and any other documents as and when appropriate. The approval period is as stated below:

Type of Meeting	:	19 th Research Ethics Committee meeting
Approval Date	:	11/06/2026
Expiry date	:	10/06/2027

The project will automatically discontinue on the expiry date. You can apply for renewal three months before the expiry date. The renewal application should be accompanied by a progress report.

You are not expected to make any changes/adjustments to the protocol including the consent documents. Any trials involving drugs, devices and biologics require approval of the Medicines Control Authority of Zimbabwe before commencement. All problems to do with the safety of participants must be reported to BUSEREC within three (3) working days.

Upon termination of the study, a report has to be submitted to BUSEREC.

Yours sincerely

BUSEREC CHAIRPERSON

Appendix E – Turnitin Report

Page 1 of 134 - Cover PageSubmission ID trn:oid::6524:396266084

KUDAKWASHE MHANDU ZAWU RESEARCH PROJECT -turnitinedited.docx

 University of Zimbabwe

Document Details

Submission ID trn:oid::6524:396266084	127 Pages
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