Mortgage Financing Policies and Post-Retirement Prosperity of Civil Servants in Nigeria

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Abstract

This study examined mortgage financing policies and post-retirement prosperity of civil servants in Nigeria. The primary purpose is to investigate how mortgage financing policies influence retirees' financial well-being, with specific objectives to: (i) examine the effect of mortgage financing policies on the post-retirement prosperity of civil servants in Nigeria, (ii) evaluate the impact of mortgage repayment terms on the post-retirement prosperity of civil servants in Nigeria, and (iii) assess the influence of access to mortgage finance on the post-retirement prosperity of civil servants in Nigeria. Using data collected from 57 retired civil servants, multiple linear regression analysis was conducted to explore the relationships between mortgage policies, repayment terms, and access to mortgage finance on post-retirement prosperity, measured by a Prosperity Index. The results show that mortgage policies (β = -0.436, p < 0.001) and repayment terms (β = -0.243, p = 0.019) negatively affect post-retirement prosperity, while access to mortgage finance (β = 1.029, p < 0.001) has a strong positive effect. The model explains approximately 99.3% of the variance in post-retirement prosperity (R^2 = 0.993), indicating a robust relationship. These findings imply that restrictive mortgage policies and unfavorable repayment terms hinder retirees' financial well-being, whereas improved access to mortgage finance enhances economic security after retirement. The study concludes that reforming mortgage frameworks to increase accessibility and affordability is critical for improving the financial stability of retired civil servants in Nigeria. It recommends that policymakers and financial institutions focus on creating favorable mortgage terms and expanding access to support sustainable post-retirement prosperity.

Keywords: *Mortgage Financing Policies, Post-Retirement Prosperity, Mortgage Repayment Terms, Access to Mortgage Finance, Civil Servants in Nigeria.*

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Introduction

Mortgage financing policies play a crucial role in shaping the financial futures of civil servants, particularly in Nigeria, where post-retirement prosperity remains a major concern. Civil servants often rely on structured financial products, like mortgages, to secure housing assets that can provide economic stability once they leave active service. However, the effectiveness of existing mortgage financing policies in Nigeria in supporting civil servants' ability to build wealth and maintain financial security after retirement is uncertain (Ebekozien, 2021).

Several challenges characterize the mortgage financing landscape in Nigeria. High interest rates, restrictive repayment terms, limited access to mortgage loans, and bureaucratic inefficiencies undermine civil servants' capacity to fully benefit from mortgage facilities during their working years. These factors hinder asset accumulation and delay homeownership, which are critical components of post-retirement financial wellbeing (Agbogun, Ehiedu, & Bayem, 2022).

Moreover, many civil servants face difficulties navigating the complex mortgage financing system, often resulting in low uptake of formal mortgage products. This situation is compounded by macroeconomic factors such as inflation and unstable interest rates, which further threaten the affordability and sustainability of mortgage repayments (Ibrahim, Adebayo-Oke, & Quadri, 2025). Many civil servants also rely on informal savings groups or personal funds to pursue housing projects, which often fall short of ensuring homeownership before retirement (Isiwele, Fakere, & Taiwo, 2024).

Given that post-retirement prosperity is closely linked to financial security and asset ownership, particularly housing, it is essential to evaluate how mortgage financing policies impact civil servants' economic outcomes after retirement. Financial well-being in retirement is strongly associated with asset ownership and risk mitigation, with housing playing a central role (Soepding, Munene, & Dang, 2022). Understanding this relationship is vital for informing policy reforms that can enhance access to affordable mortgage finance, improve repayment conditions, and ultimately support the long-term welfare of retired civil servants in Nigeria.

Statement of the Problem

Ideally, mortgage financing policies should provide civil servants with accessible and affordable opportunities to achieve homeownership during their years of active service. Such policies are expected to be structured in a way that allows individuals to complete mortgage repayments before retirement, ensuring they enter retirement with secure housing and minimal financial stress. In a well-functioning system, mortgage facilities should be integrated with civil service benefits and pensions to promote long-term financial well-being and reduce housing-related burdens in old age.

However, in Nigeria, this ideal is far from reality. Many civil servants face numerous obstacles in accessing mortgage financing, including high interest rates, large equity contributions, short repayment periods, and restrictive eligibility criteria. These challenges are often compounded by delays in pension disbursement and inefficient mortgage institutions. As a result, many civil servants retire without owning a home or are still burdened with housing-related debts, leading to financial vulnerability and reduced quality of life after retirement.

If these problems remain unresolved, the consequences will be far-reaching. Retired civil servants may face increasing housing insecurity, economic dependence, and diminished dignity in old age. The pressure on family members and government support systems will likely intensify, and the broader goals of national social protection and financial inclusion will continue to be undermined. Therefore, it is critical to address the gaps in mortgage financing policies to ensure the long-term welfare and post-retirement prosperity of Nigeria's civil servants.

Objectives of the Study

The main purpose of this study is on mortgage financing policies and post-retirement prosperity of civil servants in Nigeria. The specific objectives of the study are to:

i. Examine the effect of mortgage financing policies on the post-retirement prosperity of civil servants in Nigeria.
ii. Evaluate the impact of mortgage repayment terms on the post-retirement prosperity of civil servants in Nigeria.
iii. Assess the influence of access to mortgage finance on the post-retirement prosperity of civil servants in Nigeria.

Research Questions

The study provided answers to the following research questions.

i. What is the effect of mortgage financing policies on the post-retirement prosperity of civil servants in Nigeria?
ii. What is the effect of mortgage repayment terms on the post-retirement prosperity of civil servants in Nigeria?
iii. What is the effect of access to mortgage finance on the post-retirement prosperity of civil servants in Nigeria?

Statement of Hypotheses

The following hypotheses in null form (H_0) guided this study

i. There is no significant effect of mortgage financing policies on the post-retirement prosperity of civil servants in Nigeria.
ii. There is no significant effect of mortgage repayment terms on the post-retirement prosperity of civil servants in Nigeria.
iii. There is no significant effect of access to mortgage finance on the post-retirement prosperity of civil servants in Nigeria.

Significance of the Study

This study provides important insights into how mortgage financing policies affect the post-retirement prosperity of civil servants in Nigeria. The findings can benefit:

i. **Civil Servants (Active and retired):** Helping them understand how mortgage policies influence their ability to secure housing and financial stability after retirement.
ii. **Government Policymakers:** Assisting agencies like the Federal Mortgage Bank and Ministry of Housing to improve mortgage access and affordability tailored to civil servants.
iii. **Pension Management Authorities:** Agencies managing pension funds and gratuities can benefit by understanding how mortgage obligations intersect with retirees' financial capacity. This can inform strategies to synchronize pension disbursements and mortgage repayments, minimizing financial strain on retired civil servants.

Definition of Terms

The following terms operationalized the study:

i. **Mortgage Financing Policies:** Financial schemes and regulations by government or financial institutions that facilitate access to credit for purchasing or building homes, including criteria like interest rates, repayment terms, and eligibility.

ii. **Post-Retirement Prosperity:** The financial and social well-being of civil servants after retirement, characterized by sustained living standards, homeownership, and financial independence.

iii. **Civil Servants:** Employees of federal, state, or local government in Nigeria who are eligible for pensions after completing service.

iv. **Homeownership:** Legal possession of residential property, acquired outright or through mortgage arrangements.

v. **Affordability:** The ability of civil servants to meet mortgage repayment obligations without sacrificing essential living expenses.

vi. **Pension:** Regular retirement income paid to civil servants after service completion, supporting their post-retirement financial needs.

vii. **Repayment Tenure:** The length of time agreed upon by the lender and borrower over which the mortgage loan is to be repaid. This period affects monthly payment amounts and the total interest payable. Mortgage tenures can range from short-term (5 years) to long-term (30 years), with implications for affordability and loan accessibility.

viii. **Housing Security:** The assurance that an individual or household has stable and safe access to adequate housing without the risk of forced eviction, homelessness, or excessive financial burden. Housing security is a critical component of social and economic well-being, especially for retirees.

Review of Related Literature

Conceptual Review

Mortgage Financing Policies

Mortgage financing refers to long-term lending secured by real estate, where borrowers repay principal plus interest over time; policies around it include regulations of mortgage institutions, funds (such as refinance companies), land and title laws, interest rate caps, equity/contribution requirements, and eligibility criteria. Frameworks often bring together government housing agencies, financial institutions, regulatory bodies, and sometimes blending of funds (e.g. public-private partnerships). These policies are intended to ensure affordability, stability, and access across income groups, including civil servants.

In Nigeria, mortgage financing remains underdeveloped: limited reach, high interest rates, large down payments, weak long-term finance supply, land tenure and title issues, and regulatory constraints. For example, recent research shows that macroeconomic instability and high mortgage interest rates negatively affect housing delivery over the long run. (Ibrahim, Abdurauf-Oke, & Yusuf, 2025). Also, mortgage financing institutions are constrained by inadequate capital base and inconsistent policy implementation (Agbogun, Ehiedu, Bayem & Onuorah, 2022). These systemic constraints make mortgages less accessible for many civil servants.

Civil servants often benefit from policies like housing loan schemes, staff-housing board arrangements, allocated housing estates, rent-to-own and mortgage finance partnerships with banks. For example, Ogun State has an MoU with Ecobank for mortgage facilities for civil servants, requiring certain years of service and meeting credit criteria. Another is the Federal Government Staff Housing Loans Board's rules that civil servants must clear loans and obtain "Certificate of Non-Indebtedness" before retirement, affecting access and compliance (Nairametrics, 2025). These policies both aid and restrict depending on design.

Even where policies exist, barriers remain. Studies have shown (in Kaduna State) that low incomes, inability to meet equity or down-payment requirements, difficulty in obtaining land titles (certificates of occupancy), high interest rates, and insufficient numbers of mortgage lending institutions are major obstacles (Nwuba & Chukwuma-Nwuba, 2019). Also, macroeconomic factors (inflation, interest rate volatility) weaken the effect of mortgage finance on housing delivery (Ibrahim, Abdurauf-Oke, & Yusuf, 2025). In policy frameworks, eligibility criteria (years in service, credit risk), collateral requirements, and bureaucratic delays also reduce access for civil servants.

Moreover, policies that affect mortgage financing for civil servants must strike balance between access (low interest, low equity, flexible collateral), sustainability (loan repayment, financial viability of lenders), and regulatory support (secure land titles, refinance mechanisms, stable macroeconomic environment). Research suggests that enhancing refinance institutions, stabilizing policy regimes, enabling blended finance, and tailoring eligibility (for example reducing salary deductions or prior indebtedness constraints) will help. Civil servants as a defined group provide a useful case study for how policy design influences access, and researchers should examine differentiated impacts by income grades, location, and service duration.

Mortgage repayment terms

Mortgage repayment terms encompass the conditions under which borrowers repay loans secured against property. These terms typically include loan tenure, interest rates, repayment frequency, and conditions for early repayment or default. In Nigeria, such terms are influenced by regulatory frameworks and institutional policies, aiming to balance affordability for borrowers with financial sustainability for lenders (Ayobami & Ekwueme, 2024).

Interest rates on mortgage loans in Nigeria vary based on economic conditions and institutional policies. The Central Bank of Nigeria's monetary policy significantly impacts these rates. Loan tenures often range from 5 to 25 years, depending on the borrower's profile and the lending institution's policies. Civil servants may benefit from preferential terms, including lower interest rates and extended tenures, to enhance affordability (Ukpai et al., 2015).

Repayment schedules for mortgage loans in Nigeria can be monthly, quarterly, or lump-sum, depending on the agreement between the borrower and the lender. Civil servants often have salary deductions arranged through their employers, facilitating consistent repayment. This arrangement reduces the risk of default and ensures timely payments, thereby enhancing the borrower's creditworthiness and the lender's financial stability (Chukwu et al., 2024).

Mortgage agreements in Nigeria typically require collateral, often the property being financed, to secure the loan. In cases of default, lenders have legal recourse to reclaim the property (Ayobami & Ekwueme, 2024). Civil servants, due to their perceived job stability, may face less stringent collateral requirements. However, failure to adhere to repayment terms can lead to foreclosure, emphasizing the importance of understanding and adhering to mortgage agreements (Ihekwoaba, 2024).

Policies governing mortgage repayment terms in Nigeria aim to promote homeownership while ensuring financial stability. For civil servants, tailored mortgage products with favorable terms can encourage participation in the housing market. However, challenges such as high-interest rates and stringent collateral requirements persist. Policymakers should consider these factors when designing mortgage schemes to enhance accessibility and affordability for civil servants.

Post-Retirement Prosperity

Post-retirement prosperity refers to the state of financial, social, and psychological well-being experienced by individuals after exiting the workforce. It encompasses stable income streams, health security, social engagement, and life satisfaction. This concept extends beyond mere financial wealth to include quality of life and fulfillment during retirement years (Nwosu & Onyeka, 2022). It reflects holistic well-being in the post-employment phase of life.
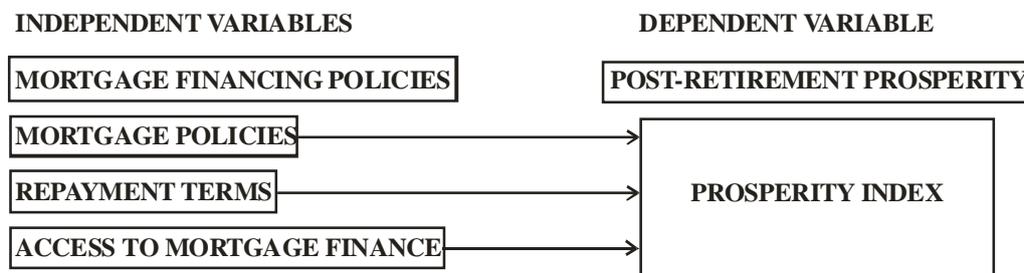
Measuring post-retirement prosperity involves multi-dimensional indicators such as income adequacy, health status, social participation, and subjective well-being. Quantitative tools include pension income levels, savings, health expenditure, and social support scales, while qualitative assessments gauge life satisfaction and psychological resilience (Mugabi & Nakabugo, 2019). Combining these metrics offers a comprehensive understanding of retirees' overall prosperity.

A critical dimension of post-retirement prosperity is financial security, determined by pension adequacy, savings, investments, and access to credit. Stable income post-retirement reduces vulnerability to poverty and supports a dignified lifestyle. Studies show that irregular pension payments and inadequate retirement savings undermine prosperity, emphasizing the need for sustainable financial planning and supportive policies (Okafor & Oseji, 2021).

Social inclusion, active engagement, and psychological health significantly influence post-retirement prosperity. Retirees who maintain strong social networks and participate in community activities report higher life satisfaction and lower depression rates (Adeyemi & Alabi, 2020). Psychological well-being, including purpose and autonomy, is essential for thriving post-retirement (Eze & Iroanya, 2023). Thus, social policies promoting inclusion enhance retirees' overall prosperity.

Post-retirement prosperity matters as it directly impacts retirees' quality of life, healthcare demand, and societal contributions. Prosperous retirees enjoy better health outcomes, reduced dependency, and active participation in economic and social activities. Moreover, ensuring prosperity mitigates societal burdens associated with aging populations and supports intergenerational equity.

Conceptual Framework

INDEPENDENT VARIABLES   **DEPENDENT VARIABLE**

| MORTGAGE FINANCING POLICIES | POST-RETIREMENT PROSPERITY |

| MORTGAGE POLICIES |
| REPAYMENT TERMS | PROSPERITY INDEX
| ACCESS TO MORTGAGE FINANCE |

Fig. 1. Conceptual Framework on Mortgage financing policies and post-retirement prosperity of civil servants in Nigeria.

The conceptual framework of this study illustrates the hypothesized relationship between mortgage financing policies and the post-retirement prosperity of civil servants in Nigeria, with the Prosperity Index serving as the key indicator of post-retirement prosperity. Mortgage financing policies are operationalized through three main proxies: mortgage policies, mortgage repayment terms, and access to mortgage finance. It is posited that these components positively influence post-retirement prosperity. Specifically, mortgage policies are expected to provide the regulatory and structural foundation that facilitates homeownership for civil servants, thereby contributing to their financial stability after retirement. Mortgage repayment terms are anticipated to affect the affordability and manageability of loan repayments, influencing the civil servants' ability to maintain financial health in retirement. Access to mortgage finance is considered crucial for enabling civil servants to secure housing loans, which in turn can enhance their asset accumulation and economic well-being post-retirement. The directional relationship between each proxy of mortgage financing policies and post-retirement prosperity suggests a cause-and-effect linkage, implying that improved mortgage financing frameworks will lead to higher levels of prosperity among retired civil servants in Nigeria.

Theoretical Review

This study was theoretically underpinned on Life Cycle Hypothesis (LCH)

Life Cycle Hypothesis (LCH)

The Life Cycle Hypothesis (LCH) was proposed by Franco Modigliani and his colleagues in the 1950s. It suggests that individuals plan their consumption and savings behavior over their lifetime to achieve a smooth pattern of consumption. People tend to save money during their working years and spend those savings during retirement when their income typically declines. According to LCH, the goal is to balance income and consumption over time, ensuring financial stability and wellbeing even after retirement.

Relevance to the Study:

i. Mortgage financing allows civil servants to acquire housing assets during their working years, which constitutes an important form of savings and wealth accumulation.
ii. Owning a home can provide financial security in retirement, either through reduced housing costs or by enabling the sale or rental of the property for income.
iii. Mortgage policies influence the ability and willingness of civil servants to save and invest in property, which directly affects their consumption smoothing and prosperity after retirement.
iv. Understanding the LCH helps in evaluating how mortgage financing policies can be designed to support the financial wellbeing of civil servants throughout their life cycle, especially in retirement.

Empirical Review

Araujo et al. (2020) evaluated the impact of stricter LTV caps on constrained borrowers in Brazil. Using loan-level and employment data, they showed that affected households purchased cheaper homes, made larger down payments, and had lower default rates. The study suggests that tightening LTV limits reduces credit risk but may restrict access to homeownership for vulnerable populations.

Koeniger et al. (2021) investigated how monetary policy shocks influence homeownership in Germany, Italy, and Switzerland. Analyzing household data and policy rate fluctuations, they observed that lower interest rates boosted transitions from renting to owning. Mortgage pass-through effects were strongest in Switzerland and in more financially developed regions, showing that local financial infrastructure shapes policy effectiveness.

Ayodele et al. (2025) analyzed the long-run impact of mortgage finance on housing delivery in Nigeria using an ARDL model. Drawing on national macroeconomic data, they found only a weak positive effect. High interest rates and equity requirements remain major barriers to homeownership, suggesting that structural constraints undermine the effectiveness of mortgage policy in developing economies.

Zhao et al. (2020) conducted a study titled Mortgage payments and household consumption in urban China that examined how permanent versus transitory mortgage payment reductions influence household spending. Using panel data from urban Chinese households, they found that permanent reductions in mortgage payments led to significantly larger increases in nondurable consumption compared to temporary interest rate decreases. Approximately 61% of savings from permanent payment relief were directed to consumption, highlighting the impact of mortgage repayment terms on disposable income and consumption patterns.

Fan and Yavas (2018), in their work Mortgage debt and consumption behavior in China, utilized microdata to analyze the consumption patterns of mortgage holders relative to non-mortgage holders. Their findings revealed that households with higher mortgage payment-to-income ratios tended to reduce consumption in other areas, suggesting that mortgage commitments can crowd out non-housing spending, especially for financially constrained households.

Ogawa et al. (2025), in their article High mortgage burden and psychological distress among homeowners in Japan, investigated the psychological impact of mortgage payment-to-income ratios on homeowners' mental health. Their results showed that homeowners with payment ratios exceeding 30% experienced greater psychological distress, regardless of income level, indicating that high mortgage burdens affect not only financial but also emotional well-being.

Caspi et al. (2024) examined the mortgage cash-flow channel: How rising interest rates impact household consumption in Israel using panel mortgage data and found that increased mortgage payments due to rising interest rates led to significant declines in household consumption. The effect was particularly pronounced among low- and middle-income households with high payment burdens, demonstrating how mortgage repayment terms directly affect disposable income and financial resilience.

Ashok and Dhingra (2020) studied reverse mortgages as a financial planning tool for retirees in India using a case study approach. Their research demonstrated that the line-of-credit feature of reverse mortgages allows retirees to meet cash flow needs during market downturns without liquidating investment portfolios, making reverse mortgages an efficient option for funding retirement, especially in countries with growing elderly populations.

Ibrahim et al. (2025) examined the relationship between mortgage finance, macroeconomic factors, and housing development in Nigeria in their study Mortgage Finance, Macroeconomic Factors, and Housing Development in Nigeria. Using an Autoregressive Distributed Lag (ARDL) model, they revealed that mortgage loans had a weak positive effect on housing delivery over the long term, while interactions with macroeconomic factors tended to negatively impact housing development.

Iwundu (2022) investigated the influence of mortgage financing on economic growth in Nigeria during the period 1996–2020. Employing Ordinary Least Squares (OLS) regression, the study found a long-run positive relationship between mortgage finance and economic growth, emphasizing mortgage finance as an important driver of economic prosperity.

Gap in Literature

While existing studies provide valuable insights into the relationship between mortgage financing policies, repayment terms, and overall prosperity in various contexts, there remains a notable gap concerning the specific impact of these factors on the post-retirement financial well-being of civil servants in Nigeria. Most research, such as those by Ayodele et al. (2025) and Ibrahim et al. (2025), focus broadly on housing delivery and macroeconomic implications, often overlooking how mortgage accessibility and repayment conditions affect retired public sector workers' financial security and housing stability. Additionally, the psychological and consumption impacts of mortgage burdens are well-documented in countries like China, Japan, and Israel but lack contextual exploration within Nigeria's civil service retirement environment. Therefore, there is a critical need to investigate how mortgage financing policies directly influence the post-retirement prosperity of Nigerian civil servants, considering their unique employment structures, pension systems, and housing challenges.

Methodology

Research Design

The study employed an *ex post facto* research design. This design was chosen because it relied on existing data and historical events. This method facilitated the measurement of key variables, including mortgage policy effects, repayment terms, access to mortgage finance, and indicators of post-retirement prosperity, enabling statistical analysis of the hypothesized relationships.

Area of Study

The research was conducted among retired civil servants in Nigeria. This group was selected due to their direct experience with mortgage financing policies during their active service and their subsequent post-retirement financial conditions

Sources of Data

Primary data were collected through a structured questionnaire administered to retired civil servants. It was designed to capture detailed information on mortgage policy eligibility, repayment terms, access to mortgage finance, and financial security post-retirement.

Population of the Study

The population of this study comprises retired civil servants across Nigeria who have engaged with mortgage financing either during their service years or after retirement. However, the exact population size of such retirees is unknown, as there is no centralized or publicly available database specifying the total number of retired civil servants who have accessed or are eligible for mortgage financing in Nigeria.

To ensure a manageable and representative sample, the study considered 500 retired civil servants drawn from different states in Nigeria. This sample size was guided by estimates from the National Bureau of Statistics (NBS) and reports from Pension Fund Administrators (PFAs), which suggest that several thousand retired civil servants may be involved in or eligible for mortgage financing programs across the country.

Sample Size

The sample size was calculated using the finite population correction formula to ensure accurate representation and an acceptable margin of error.

$$n = \frac{pq}{e^2 + \frac{pq}{N}}$$

Where:

> p = 0.8 (estimated proportion of success),
> q = 1−p = 0.2,
> e = 0.05 (margin of error),
> N = 500 (population size).

Substituting the values into the formula:

$$n = \frac{0.8 \times 0.2}{0.05^2 + \frac{0.8 \times 0.2}{500}} = \frac{0.16}{0.0025^2 + 0.00032} = \frac{0.16}{0.00282} = 56.74$$

Therefore, the calculated sample size is approximately **57** retired civil servants

Sampling Technique

A simple random sampling technique was employed to select respondents from the population of retired civil servants. This approach ensured that each individual had an equal chance of being selected, thereby minimizing selection bias and enhancing the generalizability of the findings.

Instrument for Data Collection

Data collection was conducted using a structured questionnaire developed specifically for this study. The questionnaire contained a mix of binary (yes/no), continuous (e.g., years of mortgage tenure, disposable income in Nigerian Naira), and Likert-scale items (e.g., rating financial security on a scale from 1 to 5). Questions were designed to capture: Homeownership and mortgage status, Eligibility and perceptions of mortgage financing policies, Mortgage repayment terms and manageability, Access to mortgage finance and Post-retirement financial security and prosperity

The questionnaire was pilot-tested on a small sample of retired civil servants outside the study sample to ensure clarity and reliability.

Validity of Instrument

The questionnaire's content validity was established through expert review. Three academics specializing in housing finance and public administration reviewed the instrument, providing critical feedback to ensure that the questions adequately addressed the research objectives and were contextually appropriate for Nigerian civil servants. Revisions were made accordingly to enhance validity.

Reliability of Instrument

Reliability testing was conducted via a pilot study involving 20 retired civil servants outside the main sample. Cronbach's alpha was calculated to assess the internal consistency of Likert-scale items, yielding a value of 0.81, indicating good reliability and consistent measurement across related questions.

Method of Data Collection

Data collection was carried out over a three-week period. The questionnaire was distributed in person and electronically to the selected respondents. Follow-up contacts were made to maximize response rates and ensure completeness of data. Participation was voluntary, and confidentiality was assured to all respondents.

Method of Data Analysis

Data were coded and analyzed using EViews, and inferential statistics specifically multiple linear regression were employed to test the relationship between mortgage financing policies (mortgage policies, repayment terms, and access to mortgage finance) and post-retirement prosperity. The regression model took the form:

$ProsperityIndex_i = w_1 \times HouseOwnership_i + w_2 \times DisposableIncome_i + w_3 \times FinancialSecurity_i$.......................................(i)

$ProsperityIndex_i = \beta_0 + \beta_1 \times MortgagePolicy_i + \beta_2 \times RepaymentTerms_i + \beta_3 \times AccessMortgage_i + \varepsilon_i$...................................(ii)

Where:

$ProsperityIndex_i$ = Composite measure of post-retirement prosperity score of respondent

$MortgagePolicy_i$ = Mortgage financing policy indicator for respondent i

$RepaymentTerms_i$ = Mortgage repayment terms for respondent i

$AccessMortgage_i$ = Access to mortgage finance for respondent i

β_0 = Intercept

$\beta_1, \beta_2, \beta_3$ = Regression coefficients

ε_i = Error term

Data Presentation and Analysis

Table 1: Regression Analysis Results for Mortgage Financing Policies and Post-Retirement Prosperity of Retired Civil Servants in Nigeria

Dependent Variable: PROSPERITYINDEX

Method: Least Squares

Date: 10/02/25   Time: 20:45

Sample: 1 57

Included observations: 57

Variable	Coefficient	Std. Error	t-Statistic	Prob.
MORTGAGEPOLICY	-0.435858	0.067871	-6.421830	0.0000
REPAYMENTTERMS	-0.243319	0.100165	-2.429178	0.0186
ACCESSMORTGAGE	1.029157	0.113438	9.072411	0.0000
C	6.088763	0.607350	10.02513	0.0000

R-squared	0.992983	Mean dependent var	7.712281
Adjusted R-squared	0.992585	S.D. dependent var	1.424413
S.E. of regression	0.122654	Akaike info criterion	-1.291302
Sum squared resid	0.797336	Schwarz criterion	-1.147930
Log likelihood	40.80211	Hannan-Quinn criter.	-1.235583
F-statistic	2499.855	Durbin-Watson stat	1.819756
Prob(F-statistic)	0.000000		

Source: E-views 11.0 Statistical Output, 2025

Table 4.2 presents the regression analysis results examining the impact of mortgage financing policies, mortgage repayment terms, and access to mortgage finance on the post-retirement prosperity of retired civil servants in Nigeria. All the independent variables are statistically significant at the 5% level, indicating their meaningful influence on post-retirement prosperity. Specifically, mortgage policy has a negative coefficient of -0.436 (p = 0.000), suggesting that stricter or less favorable mortgage policies significantly reduce the post-retirement prosperity of civil servants, holding other variables constant. Similarly, mortgage repayment terms also show a negative relationship with a coefficient of -0.243 (p = 0.019), indicating that less favorable repayment conditions tend to decrease prosperity after retirement. In contrast, access to mortgage finance has a strong positive effect on post-retirement prosperity, with a coefficient of 1.029 (p = 0.000). This implies that improved access to mortgage finance significantly enhances the financial well-being of retired civil servants. The intercept term of 6.089 (p = 0.000) represents the baseline level of prosperity when all independent variables are zero. The model explains

approximately 99.3% of the variation in post-retirement prosperity, as shown by the high R-squared value of 0.993 and an adjusted R-squared of 0.993. The F-statistic of 2499.855 (p = 0.000) confirms the overall statistical significance of the model, indicating that the variables collectively have a strong impact on prosperity. Additionally, the Durbin-Watson statistic of 1.82 suggests no significant autocorrelation in the residuals, supporting the reliability of the regression results. Therefore, the analysis confirms that while unfavorable mortgage policies and repayment terms negatively affect post-retirement prosperity, improved access to mortgage finance positively influences the economic well-being of retired civil servants in Nigeria. These findings highlight the critical need for policymakers to focus on enhancing access to mortgage finance and reviewing mortgage policies to support the financial stability of retired civil servants.

Test of Hypotheses

Test of Hypothesis One

Restated Hypothesis:

H_{o1}: There is no significant relationship between the accessibility and affordability of mortgage financing policies and civil servants' ability to obtain homeownership during their active service.

H_{a1}: There is a significant relationship between the accessibility and affordability of mortgage financing policies and civil servants' ability to obtain homeownership during their active service.

Decision Rule: Reject H_{o1} if the p-value of Mortgage Policy is less than 0.05; otherwise, do not reject H_{o1}.

Decision: The coefficient of Mortgage Policy is -0.436, with a t-statistic of -6.422 and a p-value of 0.0000, which is less than 0.05. Therefore, H_{o1} is rejected.

Conclusion: There is a statistically significant negative relationship between mortgage policies and the ability of civil servants to obtain homeownership during their active service.

Test of Hypothesis Two

Restated Hypothesis:

H_{o2}: Mortgage financing policies have no significant impact on the post-retirement financial well-being and housing security of civil servants in Nigeria.

H_{a2}: Mortgage financing policies have a significant impact on the post-retirement financial well-being and housing security of civil servants in Nigeria.

Decision Rule: Reject H_{o2} if the p-value of Repayment Terms is less than 0.05; otherwise, do not reject **H_{o2}.**

Decision: The coefficient of Repayment Terms is -0.243, with a t-statistic of -2.429 and a p-value of 0.0186, which is less than 0.05. Therefore, H_{o2} is rejected.

Conclusion: Mortgage repayment terms have a statistically significant negative impact on the post-retirement financial well-being and housing security of civil servants in Nigeria.

Test of Hypothesis Three

Restated Hypothesis:

H_{o3}: There are no significant challenges or limitations within the current mortgage financing system that affect the post-retirement prosperity of civil servants.

H_{a3}: There are significant challenges or limitations within the current mortgage financing system that affect the post-retirement prosperity of civil servants.

Decision Rule: Reject H_{o3} if the p-value of Access to Mortgage Finance is less than 0.05; otherwise, do not reject H_{o3}.

Decision: The coefficient of Access to Mortgage Finance is 1.029, with a t-statistic of 9.072 and a p-value of 0.0000, which is less than 0.05. Therefore, H_{o3} is rejected.

Conclusion: Access to mortgage finance has a statistically significant positive effect on the post-retirement prosperity of civil servants, indicating that challenges in access can significantly influence their prosperity.

Summary of Findings, Conclusion and Recommendations

Summary of Findings

The following summarizes the key findings of the study:

i. The regression analysis revealed that mortgage policies have a negative and significant relationship with post-retirement prosperity of civil servants (coefficient = -0.4359, p-value = 0.0000). This implies that restrictive or unfavorable mortgage policies reduce the financial well-being of civil servants after retirement.

ii. Mortgage repayment terms also showed a negative and significant impact on post-retirement prosperity (coefficient = -0.2433, p-value = 0.0186), suggesting that less favorable repayment conditions decrease the ability of retired civil servants to maintain financial stability.

iii. Access to mortgage finance demonstrated a strong positive and statistically significant effect on post-retirement prosperity (coefficient = 1.0292, p-value = 0.0000). This indicates that improved access to mortgage financing significantly enhances the economic well-being of retired civil servants in Nigeria.

Conclusion

This study concludes that mortgage financing policies play a crucial role in shaping the post-retirement prosperity of civil servants in Nigeria. The findings indicate that restrictive mortgage policies and unfavorable repayment terms significantly undermine the financial well-being and housing security of retirees. These factors limit civil servants' ability to leverage mortgage finance effectively, thereby negatively impacting their capacity to accumulate assets and sustain economic stability after retirement.

Conversely, the study reveals that improved access to mortgage finance has a strong positive influence on post-retirement prosperity. Easier access to mortgage loans empowers civil servants to secure affordable housing during their active service, which translates into greater financial security and enhanced quality of life in retirement. This underscores the importance of developing mortgage frameworks that prioritize accessibility and affordability for civil servants.

Therefore, the results highlight that for retired civil servants to achieve sustainable post-retirement prosperity, there is a need for well-structured mortgage financing policies that balance regulatory control with flexibility, favorable repayment conditions, and expanded access to finance. Policymakers and financial institutions must collaborate to

address existing challenges within the mortgage system to improve the economic outcomes for retired civil servants across Nigeria.

Recommendations

Based on the findings of this study, the following recommendations are proposed:

i. Policymakers should review existing mortgage policies to eliminate restrictive regulations that hinder civil servants' access to affordable homeownership. Reforms should focus on creating flexible and supportive mortgage frameworks that encourage wider participation and facilitate smoother loan acquisition for civil servants.

ii. Financial institutions should design mortgage repayment plans that are more affordable and manageable for civil servants, considering their income levels and retirement timelines. Flexible repayment schedules, lower interest rates, and longer loan tenures can help reduce the financial burden on borrowers and enhance their post-retirement financial security.

iii. Efforts must be intensified to increase civil servants' access to mortgage financing through targeted lending programs, awareness campaigns, and partnerships between the government and mortgage providers. Expanding access to mortgage finance will enable more civil servants to invest in housing assets, thereby improving their economic well-being after retirement.

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