

**Assessment of non-banking institutions role in facilitating housing finance in Tanzania:**

**The case of NHC and NSSF**

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Tanzania government has been making efforts to solve housing problem since pre independence era. However, till now there is no formal system of housing finance in the country. Only few banks have mortgage finance products. This study was assessing the role of non banking institutions in facilitating housing finance in Tanzania. The main objective was to study the practices of non banking institutions in facilitating housing finance and identifying their potentials and challenges. Being a case study research two case studies NHC and NSSF have been selected. The study was exploratory one and therefore used quantitative and qualitative approaches in analysing primary data which were supplemented by secondary data to come out with a number of findings. It was revealed from the study that investment in residential property was viable; NHC and NSSF facilitated housing finance through, establishing housing schemes, making house loan arrangements, residential property development fund mobilization and collateralization of longterm leases. NSSF and NHC have failed to satisfy low income earners. The study also determine the potentials and challenges the institutions faced. It was concluded that Non banking institutions are very potential in facilitating housing finance, the potential which are yet to be fully utilized. There is therefore a need for all stakeholders in housing finance in Tanzania to be involved in ensuring housing finance is successful in the country. The study recommended on a need for utilization of potentials the institutions possesses and creation of better environment for banking and non banking institutions to work better. Lastly areas for further research have been provided in this study.