

Analysis of Investment Performance of Residential Property in Government Housing Estates in Akure, Nigeria

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Abstract

Residential property is one of the basic human needs; hence real estate investments are consistently faced with the types of property and the place to invest because property values are not uniformly distributed in cities. This paper focuses on the diachronic development of spatial morphologies of property values within the same neighbourhood in Akure – a medium sized city in south western Nigeria. The thrust of the paper is to compare the investment performance of residential properties in both Ijapo and Alagbaka Housing Estates which are Government Residential Areas (G.R.A) in Akure Nigeria. Part of the objectives of this study is to identify the types of residential properties, examine the growth in rental values and identify the kind of trends residential property values follow in these two neighbourhoods. To achieve this, a survey was conducted on practicing estate surveying and valuation firms in Akure to get information on rental values of residential properties available in these areas. A time frame of ten years (2005-2014) was adopted in order to a Dghg Skm. determine how residential property values have changed over this period under review. Simple descriptive statistical models were used in the analysis and presentation of the data while the Levene's Test for Equality of Variances and the Independent Samples tests were used to test the variability of the investment performance in the two locations. The study shows that residential property values experienced a continuous increase during the period under study. However, the result revealed that the rate of investment in Alagbaka is higher as compared to its counterpart as the result for the different categories of residential properties confirmed that Alagbaka has higher mean rental values as against Ijapo. However, the Levene's Test for Equality of Variances indicates that the variability in the two locations is not significantly different; the significant value for all the properties are greater than .05. (i.e .977) The Independent Samples Test also reveals that there is no statistically significant difference between the two locations. Based on the findings of this study, recommendations were made for improved investment performance. The findings of this paper will be useful for an understanding of the property market in Nigerian cities and other parts of the developing country. The result of which will also be beneficial to investors and policy-makers in their decision-making processes.

Keywords: estate surveyors and valuers, investment performance, rental values, residential property

INTRODUCTION

Rapid urban growth, especially in the last two decades, has put enormous pressure on land in Nigerian cities. The consequences especially for urban development are many. Residential property, a sub-sector of real estate, has been described as the second most important need of man after food. In Nigeria, a substantial proportion of all investments are in real estate. Rough estimate put the value of dormant investment in real estate at about N8.5 trillion (Hayford, 2006). Barlowe (1974) confirmed that two – thirds of the investment in United States of America is made up of real estate. Ibbotson, Lawrence and Kathryn (1985) also observed that the largest share of world's (37%) and U.S (40%) wealth in the context of the totality of real estate, equities, bonds, cash, and commodities. According to Ajayi (1998) and International Valuation Standard (2007) so much of a

nation's wealth lies in its real estate assets that the valuer has a duty to contribute his expertise to efficiency in the use of scarce resources. Given the significant role that housing wealth appears to play in the overall economy, the income flow is of importance to a property investor and also for the economic policy makers

Due largely to rising demand and higher yield on property investment, activities in the residential segment of the real estate sector has gone up considerably. Residential properties are common and increasingly popular form of investment in Nigeria and all over the world. Residential property is man's second most basic need after food. It protects man against the harsh effects of weather.

The performance of the property investment has greatly increased in popularity over recent years and property itself has long fascinated investors. Unlike many other investments, such as shares bonds, property is a tangible asset. Property investment otherwise also called the real estate is also a medium where bundle of rights in landed properties are being exchanged. It is an avenue where transaction in land and property owners, building users, estate agents and lawyers is created. The property market is the sum total of all the smaller and larger markets operating in different types of interest in land (Ajayi 2006).

Nigerians prefer to invest in real estate than any other investment media. Yet real estate especially residential property remains inadequate and the value kept increasing. With the slow growth in real estate investment and the fact that about 50% of the Nigerian population is not yet over 25 years of age, strong demand for real estate is expected to persist in all urban areas. The situation is further compounded with the perceived notion among Nigerian property investors that commercial property performs better than residential property investment. However, the investors can no longer base their decision on intuitive grasp of the market which Ajayi and Fabiyi (1984) considered inadequate for success in property ventures.

According to Ajayi (1998), investors in property often times are uncertain about the outcomes of their actions. Future events are difficult to forecast in precise term and over time such forecast becomes unreliable. The study stated further that risk is the level of probability that required return measured in terms of capital value and income would be achieved. Uncertainty implies that neither alternative outcomes nor their probabilities could be identified. In Nigeria, a lot of risks and uncertainties affect real estate development and there is lack of information or model to predict property values to reduce the effect of such risks and uncertainties.

These fluctuations property values are of great importance to the estate surveyors and valuers since they provide vital information about the rental and capital value of such properties. It is equally important to determine the trends in the values of residential properties in order to predict future levels which help to show realizable income from real property investments. These level of income from real property investment are useful in which could be threatened by uncontrolled and unstable fluctuations in property values. This study therefore analyses the spatial distribution of property values within two locations in Akure, Nigeria with a view to determining their investment performances.

JUSTIFICATION FOR THE STUDY

Rapid urban growth, especially in the last two decades, has put enormous pressure on land in Nigerian cities. The consequences especially for urban development are many. One of these is the increase in value of real estate commodities. The urban explosion has in most developing countries produced violent increases in urban land and housing prices and has overwhelmed the capacity of the market to provide adequate housing and of the government at all levels to provide either adequate physical urban infrastructure or adequate urban services. The statistics compiled by United Nations illustrate some aspects of these deficiencies (HABITAT, 1976). Land and housing prices in major cities of the Third World rose during the decade of the 1960s by 10 to 20 percent more than consumer price indexes. In peripheral areas of some cities, the rise in prices was even higher. Poor families, for whom the cost of land can represent 50 percent of the housing expenditure – unless they become squatters illegally occupying the land they build on – are forced to settle further and further out from town centres. Even so, housing conditions for the poor are abysmal. Living space per person is restricted, often to ten persons per room and several families sharing a dwelling (HABITAT, 1976). These factors posed a challenge to policy that the developing countries and the international community will have to face. The response may be more rational if the underlying realities are more widely under listed. However, investors in real estate will continue to take advantage of this type of property market to realize a reasonable level of income from real estate investment.

Therefore, an understanding of the metropolitan spatial distribution structure in property - value distribution is essential for real estate decision making yet knowledge accumulated in this area is limited because of data and methodology constraints. The paper extends knowledge of the area by analyzing distribution pattern of housing prices in two selected public housing estates in the study area. Again, property values are not uniformly distributed in cities. They differ from one place to another even within the same neighbourhood (Akhtar, 2004). An understanding of the spatial analysis of these values will assist a rational investor in taking a decision where to invest and what type of property to invest on and what is the flow of income realizable from the investment.

Urban planners and administrative bodies require reliable information to assess the consequences of urbanization, to ensure a sustainable functioning of cities and to minimize negative impacts of rapid

urbanization. Information on housing prices will add to data required for urban planning and development.

RESEARCH LOCALE

Akure, the study area, was chosen on the pragmatic basis that it offers access to richer data on residential properties than most towns in Ondo state because of its dual role as a state capital and as the headquarters of Akure South local government council. This makes Akure the seat of most federal establishments in the state. The increased relative political influence of Akure as a state capital is responsible for its vast expansion from an area of about 16km² in 1980 to about 30 km² in 2000. This has created greater opportunities especially for government residential housing estates, hence justifying the choice of Akure where samples of different classifications of housing estates could be drawn for investigation purposes. Four estates were identified in this category out of which 2 were chosen for the research. The residential density neighbourhoods include - Ijapo Housing Estate, Alagbaka quarters, Ala quarters and Federal Low Cost Housing Scheme (Shagari Estate)

Ijapo Housing Estate and Alagbaka Government Reserved Area which are the two sampled government estates are high class residential areas. Both estates were developed after 1976. Alagbaka estate which is located at the eastern periphery was built by the Ondo State government for senior and the medium government workers. Ijapo housing estate which is located in north of the city were started by the old western state housing corporation. Some developments in the area have also taken off since Akure became the state capital. The estate houses the senior staff of the state housing corporation. As times goes by individuals who have the means buy plots and build either for their use or for rent, the standard however, have to comply with the corporation's regulation. These estates have been classified as low density residential neighbourhood (Fasakin, 2002, Okoko, 2004 and Ogunleye, 2011)

Owing to the increased demand for sites in the city centre, it can either grow laterally or vertically. The lateral expansion enables users that are unable to compete for the high land/rental values at the centre find suitable and cheaper locations outside the city centre. This, no doubt, shows that residential uses are unable to compete effectively with commercial users and have been found to locate in the periphery of the urban area. They eventually form a cluster together and confer the benefits of accessibility and complementarities on such locations. This action unknowingly creates a high demand for land in such sites and a consequent rise in land/rental values to a point where it becomes the

position of highest land/rental values. This is the the type of scenario that has been created Ijapo and Alagbaka housing estates which are the focus of this study.

REVIEW OF RELEVANT LITERATURE

Real estate or immovable property is a legal term encompasses land with anything permanently affixed to it. Real estate (immovable property) is synonymous with real property called realty, in contrast with personal property (also sometimes called chattel). There are many types of property available for an investor and a variety of interests in such properties. Millington (1982) identified them as freeholds, short or long term leaseholds, ground rents, offices, shops, factories, warehouses and each of these interests or rights or types of property will have different features which make them more or less attractive to investor depending upon circumstance and the requirements of the particular interests. Property is thus seen as subject of ownership which concerns the right of individual, persons, sovereign power and the exercise of such rights of ownership are use and the nature of such rights are subject to influence human activities. The property types include industrial, agricultural, commercial and residential. A residential property which is the focus of this study is a multidimensional good differentiated into a bundle of attributes that vary in both quantity and quality (Can 1990)

The word "value" could command different meaning to different people depending on the context within which it is used. But value in real estate is the present worth of anticipated future benefit from ownership. It is the capacity of an economic good to command other goods in exchange. It also represents that price at which demand and supply coincide in the open market. Value then is determined by the intersection of demand and supply and for an object to have value, it must possess four elements or ingredients of value which are scarcity, utility, demand and transferability.

Extrinsic value constituted of objective value as molded by the market forces of supply and demand. By contrast, intrinsic value is a measure of objects inherent utility to render services or satisfaction in use. Other concepts of value include that of Ricardo (1817) and Mill (1848). The nature of value include market value, mortgage value, insurance value, compensation value, rental value, going concern value, liquidation or forced sale value, e.t.c. The concept of value for the purpose of this study has been taken as the amount of money which the property will bring to the owner if let or leased and this can be expressed as the rental value of such building determine at the lowest point of profitable production

cost whereas market price may be higher because of temporary or disturbed market situations.

Rental housing in developing countries in general and Nigeria in particular has been badly neglected both by government and in the housing literature. Olaore (1991) examined the nature of the factors that are responsible for high rental values of shelter. The study identified among other things infrastructural index, distance from the Central Business District (CBD) and residential accessibility. Population density was also observed to be of great influence, it however has a depressing effect on rental level. Olusola (1997) concluded that the rental housing market has become the seller's market where the highest bidder gets the jewel.

Adeniyi (1985) pointed out that the magnitude of the housing problem varies from country to country and from city to city, but without deliberate under estimation of the infrequently inadequate housing conditions. Housing problem in the developing countries is basically an urban one. Acquaye (1985) while examining the housing problem revealed an inadequacy both qualitatively and quantitatively in most developing nations. The study attributed this to increase in population growth, urbanization, industrialization and improvement in general prosperity.

Okpala (1981) attributed the acute housing situation to rapid migration to the urban areas, the costly land prices in the cities and the financial inability of many traditional land owners to build bigger and better houses and in many cases even build at all. The study of Vagale (1985) opined that one of the main reasons for the anti-social rents for residential accommodation is this continually widening gap between supply of and the demand for houses, at rents, which the economically weaker sections of the community can afford.

Onibokun (1985) identified high cost of problems and went further to show the varying degree of escalation in the period between 1974 and 1979 experiencing gradual increases. The study attributed this trend to the unabated inflation pressure on most building materials. Ogunleye (2012) examined the trends in residential land values in Akure, Nigeria for a time frame of five years (1996 – 2000) using the statistical averages and time series analysis. The result showed that land values experienced an upward increase in different areas but the increase is more pronounced in the low density areas.

Urban neighbourhood is a grouping of homes and their environment- political, social, economic and physical. Neither its centre nor its boundaries can be easily or clearly delimited. In its widest sense, it can be said to

include the people and other things, natural, man-made, perceptible and imperceptible, accessible and inaccessible that are outside the dwelling unit. It includes not only the physical but also the social and psychological variables which are external to the dwelling unit. The neighbourhood can thus be said to be a functional area in which the local residents identify in terms of attitude, lifestyles and local institutions. In the present context, the term neighborhood would be seen as the immediate vicinity or near situation of the household abode in terms of physical structures and the general layout of that environment. It is the minimum planning unit desirable for the development of residential areas.

METHODS

The research focuses on the distribution pattern of residential property values in Akure. The scope of this research therefore, requires a comprehensive data set containing variables on types of residential properties, the practitioners' characteristics, rental values among others. There are different actors that shape the dynamism of urban property markets. These include investors, original land owners, estate agents, households and even government. The research identified two aggregations or study group for investigation; these are residential properties and estate surveyors and valuers in the study area. This type of property was selected to ensure homogeneity which is an essential requirement for this study as property also falls into different categories such as residential, industrial and commercial uses. The research is based on primary and secondary sources of data. There is no comprehensive data on housing population of Akure. However fragmentary data which are available with Ondo State Ministry of Lands, and Housing and Ondo State Development and Property Corporation were obtained and used for this study.

The primary data was collected from interviews, personal observations and responses to questionnaires administered on practicing estate surveyors and valuers. Secondary data were obtained from Ondo State Development and Property Corporation. In addition, data were sourced from published sources including government publications such as Ondo State land and housing policy.

The second categories involve a survey of estate surveyors and valuers. These are practitioners that are members of the Nigerian Institution of Estate Surveyors and Valuers (NIESV), registered with Estate Surveyors and Valuers Registration Board of Nigeria (ESVARBON) and are recognized by the Estate Surveyors and Valuers' Registration Act, popularly

referred to as Decree No. 24 of 1975 with the responsibility among other things to carry out the sales, letting and management of all classes of properties; and determine the value of all descriptions of property and of the various interest therein. Therefore, the list of all estate surveyors and valuers who are consultants in private practice obtained at the secretariat of the Nigerian Institution of Estate Surveyors and Valuers, Ondo State branch constituted the population of the estate surveyors and valuers that was studied. Their total is 20 and since the population is within a manageable size and they can easily be reached, all the practicing estate surveyors and valuers within the sample frame were taken for the study. They were asked variety of questions, one of which covered the rental values of residential properties. This was done with a view to establishing opinions on rental values in the past 10 years. This was accomplished by examining the rental value of residential property over a period of 10 years (2005 – 2014). The data obtained were analysed using

the measure of central tendency while The Levene's Test for Equality of Variance and the Independent Sample Test were also used to confirm if there are significant variability in the rental values within the two locations.

DISCUSSIONS

The survey identified three different categories of residential properties within the two locations, These are the single family bungalows and the bungalows comprising blocks of two flats (semi – detached bungalows). They both have self-contained facilities and low density accommodation. They are very modern in nature. The duplexes are storey buildings that are of double or twofold nature. They are either detached or semi – detached. They are also very modern in nature. These estates were developed by government agencies in high compliance with development control ethics hence the houses have uniform high building standards.

Table 1: Analysis of Rental Value in Ijapo Government Residential Estate

Accommodation Type	2005 #	2006 #	2007 #	2008 #	2009 #	2010 #	2011 #	2012 #	2013 #	2014 #
Detached building	100,000	125,000	175,000	175,000	200,000	275,000	350,000	450,000	510,000	510,000
Duplex	125,000	125,000	225,000	225,000	300,000	390,000	410,000	515,000	620,000	635,000
Semi detached	100,000	100,000	150,000	125,000	150,000	250,000	300,000	325,000	425,000	450,000

Source: Field survey, 2014

The above table shows the average value of various properties over a ten/s year period in Ijapo Government Residential Estate, Akure. From Table 1, it could be

deduced that there have been persistent rises in residential property rental value over the period under study.

Table 2: Analysis of Rental Value in Alagbaka Government Residential Estate

Accommodation Type	2005 #	2006 #	2007 #	2008 #	2009 #	2010 #	2011 #	2012 #	2013 #	2014 #
Detached building	100,000	155,000	185,000	185,000	250,000	275,000	350,000	450,000	520,000	520,000
Duplex	120,000	125,000	200,000	225,000	350,000	400,000	450,000	525,000	550,000	650,000
Semi detached	80,000	100,000	125,000	160,000	200,000	225,000	300,000	350,000	450,000	500,000

Source: Field survey, 2014

Table 2 above shows the rental value of the various properties over a period of time in Alagbaka G.R.A in

Akure. The data also revealed that there have also been upward increase in residential property rental value over the periods under review.

Table 3: Analysis of Rental Value in Ijapo Government Residential Estate

Year	Detached building	Growth (%)	Duplex	Growth (%)	Semi detached	Growth (%)
2005	100000		120000		80000	
2006	155000	35	125000	4	100000	20
2007	185000	16	200000	38	125000	20
2008	185000	0	225000	11	160000	22
2009	250000	26	350000	36	200000	20
2010	275000	9	400000	13	225000	11
2011	350000	21	450000	11	300000	25
2012	450000	22	525000	14	350000	14
2013	520000	13	550000	5	450000	22
2014	520000	0	650000	15	500000	10

Source: Computed from field survey, 2014

Table 4: Analysis of Rental Value in Ijapo Government Residential Estate

Year	Detached building	Growth (%)	Duplex	Growth (%)	Semi detached	Growth (%)
2005	100000		125000		100000	
2006	125000	20	125000	0	100000	0
2007	175000	29	225000	44	150000	33
2008	175000	0	225000	0	125000	-20
2009	200000	13	300000	25	150000	17
2010	275000	27	390000	23	250000	40
2011	350000	21	410000	5	300000	17
2012	450000	22	515000	20	325000	8
2013	510000	12	620000	17	425000	24
2014	510000	0	635000	2	450000	6

Source: Computed from field survey, 2014

Tables 3 and 4 shows the growth rate (%) in the rental values of residential property within the two estates.

The table shows varied growth rate for the period under study as between 4% - 38%.

Table 5: Group Statistics of Mean Rental Value of Detached Bungalow

	Location	N	Mean	Std. Deviation	Std. Error Mean
Rental Values	dimension1	1	299000.00	153619.299	48578.688
	2	10	287000.00	157765.649	49889.879

Source: Computed from field survey, 2014

Table 6: Levene's Test of Mean Rental Value of Detached Bungalow

		Levene's Test for Equality of Variances		t-test for Equality of Means						
Rental Values	Equal variances assumed	F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
	Equal variances not assumed									
		.031	.861	.172	18	.865	12000.000	69633.964	-134295.529	158295.529
				.172	17.987	.865	12000.000	69633.964	-134302.964	158302.964

Source: Computed from field survey, 2014

The study went further to analyse the mean rental value for the different categories of residential properties in the study areas. The Levene's Test for Equality of Variance was also used to confirm if there is significant variability in the rental values within the two locations. Table 5 shows the analysis of the mean rental value for detached building within the two locations. The result revealed that Alagbaka has higher mean rental value of N299, 000 as against N287, 000 at Ijapo. However, the

Levene's Test for Equality of Variances in Table 6 indicates that the variability in the two locations is not significantly different; the significant value is greater than .05. (i.e .861) The Independent Samples Test reveals that there is no statistically significant difference between the two locations. It can therefore be concluded that the differences between rental Means are likely due to chance. The significant (2-tailed) value is greater than 0 i.e .865.

Table 7: Group Statistics of Mean Rental value of Duplex House

	Location	N	Mean	Std. Deviation	Std. Error Mean
Rental Values	1	10	359500.00	186747.750	59054.824
	2	10	357000.00	188873.856	59727.157

Source: Computed from field survey, 2014

Table 8: Independent Samples Test of Mean Rental Value of Duplex House

		Levene's Test for Equality of Variances		t-test for Equality of Means						95% Confidence Interval of the Difference	
Rental Values	Equal variances assumed	F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference		Lower	Upper
		.001	.971	.030	18	.977	2500.000	83992.890		-173962.514	178962.514
	Equal variances not assumed			.030	17.998	.977	2500.000	83992.890		-173964.135	178964.135

Source: Computed from field survey, 2014

Table 7 shows the analysis of the mean rental value for duplex houses in the two locations. The result also confirmed that Alagbaka has higher rental value with a mean rental value of N359, 500 as against N357, 000 at Ijapo. The Levene's Test for Equality of Variances in Table 8 indicates that the variability in the two locations

is not significantly different; the significant value is greater than .05. (i.e. .971) The Independent Samples Test reveals that there is no statistically significant difference between the two locations. It can therefore be concluded that the differences between rental Means are likely due to chance. The significant (2-tailed) value is greater than 05 i.e.977.

Table 9: Group Statistics of Mean Rental Value of Semi-detached Bungalow

	Location	N	Mean	Std. Deviation	Std. Error Mean
Rental Values	1	10	249000.00	146530.240	46336.930
	2	10	237500.00	132418.738	41874.482

Source: Computed from field survey, 2014

Table 10: Independent Samples Test for Mean Rental Value of Semi-detached Bungalow

Source: Computed from field survey, 2014

		Levene's Test for Equality of Variances		t-test for Equality of Means						95% Confidence Interval of the Difference	
Rental Values	Equal variances assumed	F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference		Lower	Upper
		.079	.782	.184	18	.856	11500.000	62454.650		-119712.351	142712.351
	Equal variances not assumed			.184	17.819	.856	11500.000	62454.650		-119808.204	142808.204

Note: 1Dollar = 198 Naira

Location 1 = Alagbaka Housing Estate

Location 2 = Ijapo Housing Estate

The analysis of the mean rental value for semi - detached building in the two locations were also analysed. The result as revealed in Table 9 shows that Alagbaka has higher mean rental value of N249, 000 as against N237, 500 at Ijapo. The variability in the two locations as shown by the Levene's Test for Equality of

Variances in Table 10 is not significantly different; the Sig. value is greater than .05. (i.e .782) The Independent Samples Test reveals that there is no statistically significant difference between the two locations. It can therefore be concluded that the differences between rental Means are likely due to chance. The significant (2-tailed) value is greater than 05 i.e .856.

Generally, the rental values of residential properties within the study area witnessed an upward increase

during the period under study. Annual rental growth rates varied significantly from 7.6% to 50% . The upward trend maintained by the rent agrees with the various observation of Oruwari (1989), Asaju and Olawumi (2002) and Ogunleye (2011 and 2012) and Nigeria's urban rent have been rising. The strong positive relationship between time and rents could imply that rent grows significantly with time. These differences were attributed to the level of inflation being experienced in the various years coupled with the rate of urbanization occasioned by the movement of individuals, corporate bodies and government parastatals to Akure, the capital of Ondo State. This led to high demand for accommodation which did not match its supply. The mean rental values for the properties revealed that Alagbaka has higher mean rental value than Ijapo Estate. However, there are no significant differences in the investment performance within the two locations.

This is a green light for investors who are interested in real estate business in any of the two locations for investment decision making. The study has also revealed an idea of income realizable from such investment. Investment decision should however, be based on pre – development investment appraisal.

CONCLUSION AND RECOMMENDATIONS

This study carried out a comparative analysis of investment performance of residential properties in two government housing estates of Ijapo and Alagbaka in Akure and showed that rental value for all the categories of properties maintain an upward increase during the period under study. However, the mean rental value for the different categories of properties found within the study area is higher in Alagbaka than Ijapo estate. However, there is no significant difference in the variability of the investment returns.

Non availability of good housing and related infrastructure constitutes a major source of population deprivation. It has been argued that the public, as against the private sector in the production process, has led to almost a total neglect of housing provision. Effective policies to make housing and basic infrastructure available would have significant improvement on rental values. It is therefore necessary that infrastructural facilities like electricity, pipe borne water, motorable roads, e.t.c. are provided to enhance the quality of the neighbourhood. Since the state government is in charge of the housing estates, there is the need for effective implementation of government policy on planning and zoning regulations. This will help in providing high quality neighbourhood which will enhance property value.

There should be a revolving housing loans scheme to be made available through most of the commercial banks. Financial institutions should therefore be encouraged by the government to give priority attention to residential property developers by advancing loans at a lower rate. By this, the developers will be motivated invest in real estate. Government could introduce some incentives to make loans competitive among banks. This is likely to reduce the banks' slow administrative bureaucracy and other bottle – necks which normally prevent access to loans.

Much has been written on the inadequate implementation of the Land Use Act as it hampers development (Omotola, 1982, Olanrewaju, 1989, Ogunleye, 2000). There is the need to improve the implementation procedure for construction, In spite of the management problems of sites, services and housing programmes, it offers the best way of making land available for real estate development.

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