

## CRITICAL FACTORS CONTRIBUTING TO RENT ARREARS IN RESIDENTIAL PROPERTIES IN MINNA, NIGERIA

### KRİTİK FAKTÖRLERİN ÖDENMEMİŞ KONUT KİRA BEDELLERİNE KATKISI, MINNA, NİJERYA

*Olurotimi Adebawale KEMIKI*  
Federal University of Technology  
Minna, Nigeria  
kemiki@futminna.edu.ng  
ORCID ID: 0000-0002-8134-941X

*Adeyosoye Babatunde AYOOLA*  
Federal University of Technology  
Minna, Nigeria  
ORCID ID: 0000-0002-8860-1518

*Ismail OJETUNDE*  
Federal University of Technology  
Minna, Nigeria  
ORCID ID: 0000-0003-3736-250X

*Rukayat Adeola OGUNBAJO*  
Federal University of Technology  
Minna, Nigeria  
ORCID ID: 0000-0002-7528-5846

*Shien Stephen KUMA*  
Estate Management and Valuation  
Federal University of Technology  
Minna, Nigeria  
ORCID ID: 0000-0003-4721-6908

Received 14 June 2018 - Accepted 25 October 2018  
Gönderim 14 Haziran 2018 - Kabul 25 Ekim 2018

**Abstract:** *Optimum return appears to be a tangible motive of investors of real estate investments. This motive over the years has been bedevilled by rent defaults by renters of properties in the property sector. This situation, to Property Managers and their Principals is worrisome. It is on this basis that this study attempts to assess the factors influencing rent arrears in Minna residential property market. The study employs data on various aggregate factors such as management subsystem, economic factors, tenancy arrangement, dwelling unit features and external household attributes influencing rent payments. Cluster random sampling was used to administer questionnaire to renters of residential properties in Minna while simple random and purposive sampling techniques were used to administer questionnaires to property managers. Kendall Coefficient of Concordance and Chi-Square were statistical tools used. The result revealed that  $W = 0.601$  which indicated a statistical evidence of a fair association in the ranking of the factors responsible for rent in arrears, while the average rank correlation of factors between all possible pairs of the towns  $r_s = 0.521$  indicating a weak agreement to the identified factors. There was evidence of variation among the factors responsible for rent arrears across the areas and the study also found there is no relationship between income level of renters and type of residential accommodation occupied. The implication of the study is that renters develop practical habit that discipline their finances and prioritize the scale of preference to live below their income level.*

**Keywords:** *Landlords, property managers, rent arrears, residential properties, tenants*

**Öz:** Gayrimenkul getirisinin, gayrimenkul yatırımcıları için somut bir motivasyon olduğu görülmektedir. Bu durum emlaklarını kiraya verenler ve kira borçlarını ödeyemeyenler açısından karşı endişe verici olmuştur. Bu doğrultuda çalışma, Minna'daki konut piyasasında kira borçlarını etkileyen faktörleri değerlendirmeyi amaçlamaktadır. Bu çalışma, yönetim alt sistemi, ekonomik faktörleri, kiracılık düzenlemesi, konut birimi özellikleri ve kira ödemelerini etkileyen harici hane nitelikleri gibi çeşitli toplam faktörlere ilişkin verileri kullanmaktadır. Rastgele örneklem yöntemi ile Minna'da konut kiracılarına anket dağıtılmıştır. Kolayda örneklem yöntemi ise anketleri mülk sahip/yöneticilerine vermek için kullanılmıştır. Kendall Concordance ve Chi-Square Katsayısı, istatistiksel araçlar olarak kullanıldı. Sonuç ise, borçların rantından sorumlu olan faktörlerin sıralamasında adil bir derneğin istatistiki kanıtını gösteren  $W = 0.601$  olduğunu ortaya koydu. Bunun yanında, kasabaların tüm olası çiftleri arasındaki faktörlerin ortalama sıralama korelasyonu  $r_s = 0.521$  olup zayıf bir ilişki tespit edilmiştir. Bu çalışma alanlardaki kira borçlarından sorumlu faktörler arasında varyasyon kanıtı bulmuş ve ayrıca kiracıların gelir düzeyi ile işgal edilen konutta konaklama tipi arasında bir ilişki bulunmadığı ortaya konmuştur. Bu çalışma, kiracıların pratik alışkanlıklarını geliştirip mali durumlarını disipline etmelerini ve tercihlerini, gelir düzeylerine göre şekillendirmeleri gerektiğinin ortaya koymaktadır.

**Anahtar Kelimeler:** Konut sahipleri, emlak yöneticileri, kira bedeli, kira mülkleri

## INTRODUCTION

Residential properties are known to have physical and economic significance, as well as social implications which affect the quality of lives and dignity of the occupants (Jinadu, 2007). It is estimated that roughly 40% of the world's population lives in rental housing, hence, the increasing demand for residential property in urban centres would continue to attract the investment interests of real estate developers (Olujimi & Bello, 2009). However, a very important motive of residential real estate investors is to secure optimum returns on their investment which commonly takes the form of rental values. While rent payment remains an obligation of tenants to their landlords, rent arrears/defaults by tenants over the years have become a major concern to investors. As observed by Ogutu (2013), about 72% of tenants in parts of Nairobi admitted falling into rent arrears at certain times. These rent arrears were attributed to unstable economic situations as well as low and inconsistent income.

In Nigeria, rent default is a major challenge facing private rental housing providers (Gbadegesin & Oletubo, 2013; Sani & Gbadegesin, 2015). In a survey of 120 Estate Surveyors in Lagos Metropolis, 90% of the respondents had the experience of rent default for more than seven months (Oni, 2010). Generally, it is common among tenants that have taken possession of accommodations in urban areas, paid initial advance rent payment of one to three years and had met the terms, conditions and requirements stipulated in the tenancy agreement to suddenly become recalcitrant; making collection of subsequent rents to be difficult (Oni, 2010). Such situation is worrisome to stakeholders in real estate investments particularly landlords and or their agents. Rental market in Minna, a major town in North Central Nigeria with proximity to the federal capital is not an exemption. Having substantially established cases of rent arrears in Nigeria, it is therefore necessary to study the factors responsible for acute rent arrears in Nigeria. It is against this background that this study seeks to examine the critical factors influencing rent arrears in residential properties in Minna, Niger State.

Other sections of this work cover literature review, study area, methodology, results and discussion.

## 1. LITERATURE REVIEW

When a tenant does not pay his/her rent as at the due date, such tenant is said to be in default/arrears. As observed by Moss (2003), issues of affordability and lack of end user information are the main reasons for tenants defaulting on the payment of their rent instalments in five selected districts of South Africa. The study however suggested that tenants, who default due to affordability, should reduce other expenses so as to meet their rental obligations. On the contrary, Topham (2012) describes some tenants as stubborn and difficult and intentionally refuse to pay rent. Sani & Gbadegesin (2015) concentrate on breach of tenancy agreement in respect of landlords' repair covenant, harsh landlords' policy, unstable income of the consumers, lack of effective tenancy legislation and deficient tenancy management to assess the major causes of rental default in Kaduna Metropolis, Nigeria. The study employed weighted mean and results revealed that breach of tenancy agreement and harsh landlord's policy were the main causes of rental default in the Metropolis.

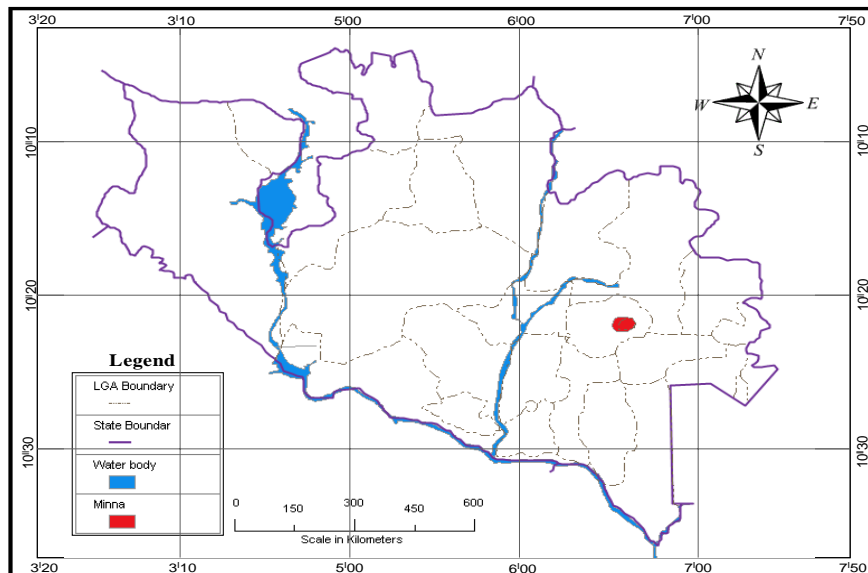
Daniel *et al.*, (2017) in their study over rent default factors on residential properties in Nigeria noted that the most critical factor influencing rent default is employment and retrenchment which might not be unconnected to the recent economic recession being experienced in Nigeria. Similarly, Pater (2001) study the way of minimizing rent default and risk as well as recommending viable options, stated that landlord and tenant relationship in order to be successful, there is a need for mutual understanding. According to Julie and Carole (2013) it is easy to believe that certain type of property or tenant are more probable to lead to rent defaults, but the best way to allay the risk of rent defaults in future is to project the possible cost of your planning as early as possible so as to prevent rent default. To avoid unpaid rents, landlords are advised to issue tenants with a call for rent payment a few days before the rent is due and then follow up within a few days if it is not received promptly. If the landlord is well-organized, the tenant is more likely to pay on time. The landlord should act the very first time the rent is late by contacting the tenant immediately to try to agree on an amicable solution. Kaine (2017) opined that in Nigeria rent default problems arise because tenants most of a time refuse to or cannot pay the rent due for their occupation.

In order to avoid rent arrears, property management experts recommend that care should be taken when selecting tenants. Studies have shown that tenant selection is a major determinant of successful property management (Oni, 2010; Daniel *et al.*, 2012). In tenants' selection, Moss (2003) notes that it is paramount that renters have a stable source of income if rent payment is to be consistent. The key attributes that should be assessed about a prospective tenant to minimize default in rent payment include: sources of income and employment, regularity and prospects of employment, physical appearance and social status (Oni, 2010). According to Oni (2010), owners may also specify attributes such as religion, marital status, age, maximum number and ages of children, maximum number of cars, and tribe. This could suggest why despite the increasing demand for residential accommodation across urban areas, dwelling units have been experiencing high rate of rent default

(Ogunbajo *et al.*, 2018). In report by LODGIS (2015), particular attention should be paid to the solvency of prospective tenants, and where a tenant's financial status appears unsatisfactory; a guarantor should be provided who undertakes to pay the rent in case of default by the tenant.

## 2. THE STUDY AREA

Minna is the capital city of Niger state. It lies on latitude  $9^{\circ} 37''$  N and longitude  $6^{\circ} 33''$  E, and occupies an area of about 884 hectares. The 1991 population census put the population of Minna metropolis at 190,750, and it further rose to 201,429, according to the 2006 population census. There are numerous residential housing units scattered all over Minna. These houses are of various types, designs and sizes. Though, a larger proportion of them were built by private individuals, there are also a number of public residential estates built by the Government and sold to individuals. These housing units are in varied states of repair as a result of varied management styles and maintenance approaches adopted. The three Hydro-electric power stations in Nigeria (Kainji, Jebba and Shiroro) are situated in Niger state. However, the power sector can best be described as being in a very deplorable state and has posed a great challenge to government. Residents do not enjoy regular power supply and transformers serving many neighbourhoods are bad. Thus, residents have resulted to the use of generators and inverters. Government at all levels have always made efforts to provide infrastructure such as roads, electricity, water and communication facilities among others to pave way for interested investors. Facilities such as drainages, electricity and water supply from the public mains, and other facilities such as airport, railway lines, Hydro – Electricity Power Stations, stadium, hotels, and primary, secondary and tertiary Institutions are available in Minna.



**Figure 1: Map of Niger State showing Minna**

Source: Dept of Urban and Regional Planning, F.U.T. Minna (2013)

### 3. METHODOLOGY

The analysis of this study draws only from primary data sourced from Minna Urban. By adopting cluster random sampling, the study area (consisting of 6 neighbourhoods) for the questionnaire administration was drawn from the twenty-five (25) neighbourhoods in Minna Urban. The selected six (6) neighbourhoods comprise: Minna Central, Bosso Town, Bosso Estate, Tunga Low-cost, GRA and F-layout. A survey based technique involving a designed 22 item structured questionnaire adapted after Ogutu (2013) and Moss (2003), were employed to obtain primary data on factors contributing to rent arrears from household heads (respondents) who are renters in the study area.

Minna neighbourhoods' household size data of 2003 for the selected residential locations were gotten from Sanusi (2006). Projection for 2016 was at an annual growth rate of 3.80% (NPC, 2006) and was subsequently made for the 13 year time lag, covering 2003 to 2016. The projection was formulated as,  $Pr = Po (1+r/100)^n$ , where  $Pr$  = Required population,  $Po$  = Initial population,  $r$  = population growth rate and  $n$  = Time interval. Thereafter, the sample size was determined by using Kothari (2004) formula stated below;

$$n = \frac{Z^2 * N * \sigma^2}{(N-1) e^2 + Z^2 \sigma^2}$$

Where  $n$  is the sample size,  $Z$  is the standardized normal value and for this study, it is taken as 1.96 for a 95% confidence interval,  $\sigma$  is the standard of deviation which was put at 0.5 depicting a safe decision enhancing large enough samples,  $N$  is the household population and  $e$  is the margin of error put at +/- 5%.

**Table 1: Questionnaire distribution to household heads in the study area**

S/No	Neighbourhoods	Household size (2016)	Sample size	Proportion representing renters	Questionnaire retrieved
1	Minna Central	6769	364	73	65
2	Bosso Town	10,116	370	74	62
3	Bosso Estate	461	210	42	42
4	Tunga Low Cost	1,093	285	57	43
5	GRA	875	267	54	48
6	F-layout	1,242	294	59	52
	Total	20,556	1,790	359	312

Adapted from Sanusi (2006)

20% of the sample size was taken as proportion representing renters. Though globally, 40% of households are renters (Olujimi & Bello, 2009), Nigeria and other African cities present a rich family ties where most citizens lives in their family house/compound. This translates to reduced renter proportion; hence, the 20% of the sample size representing renters is justified.

The Cronbach's alpha reliability test was employed to check the level of internal consistency among respondents across the sampled neighbourhoods. The study

employed Kendall Coefficient of Concordance to test the level of agreement among the ranked factors across the neighbourhoods. The model is summarised as follows:

$$W = \frac{[12\sum T_1^2 - 3K^2n(n+1)^2]}{[k^2n(n-1)]}$$

Where  $T_1^2$  is the squared sum of ranks for each of the factors, while  $n$  is the number of factors being ranked; and  $k$  is the number of towns from which the ranking of the factors were taken. The coefficient ranges from **0** (perfect disassociation) to **1** (perfect association).

The factors are:

DDUF= Deteriorating Dwelling Unit Features

DPEH= Deteriorating and Poor External Household attributes

PMMS= Poor Management and Maintenance Services

DTA= Difficult Tenancy Arrangement

BEC= Bad Economic Condition

FRR= Frequent Rent Review

RCO= Rent Collectible Only in office

AS= Apartment Sharing

LPB= Lack of Proper Budget

The study seeks to establish if there were variations in the factors responsible for rent arrears across the selected neighborhoods, thus the following hypothesis was tested:

$H_0$  = There is no statistically significant difference in the factors contributing to rent arrears across the neighborhoods

The chi-square statistic was further used to test for a significant difference in the level of renters' income (independent variable) and the amount paid on residential units by these renters (dependent variable) across the study area. The chi-square model is expressed as follows;

$$X^2 = \frac{\sum(O-E)^2}{E} \quad \text{Where } O \text{ is the observed values and } E \text{ is the expected value.}$$

## **4. RESULTS AND DISCUSSION**

### **4.1 Factors responsible for rent arrears in the study area**

Quite a number of factors were identified to be responsible for rent arrears in the study area. These were analysed for each of the sampled neighbourhoods as follows:

#### **4.1.1. Minna Central**

Table 2 shows the mean responses of factors responsible for rent arrears among renters in Minna central. Frequent rent review ranks first as the most important factor

contributing to rent arrears in the study area. It has the highest mean response of 4.44. This was followed closely by bad economic condition of renters and deteriorating nature of external housing attributes which rank second and third respectively, with mean responses of 4.37 and 4.36 respectively. This reflects the findings of Ogutu (2013). Rent is not regulated in Nigeria and so Property owners usually consider increasing the rent of their properties, using the proceeds to attend to their emerging pressing domestic needs.

**Table 2: Descriptive analysis of factors responsible for rent arrears in Minna Central**

Factors	N	Sum	Mean	Rank
Deteriorating Dwelling Unit Features	65	264	4.07	6
Deteriorating and Poor External Household attributes	65	284	4.36	3
Poor management and maintenance services	65	245	3.77	9
Difficult tenancy arrangement	65	274	4.23	4
Bad economic condition	65	284	4.37	2
Frequent rent review	65	152	4.44	1
Rent collectible only in office (non-flexibility)	65	287	4.10	7
Apartment sharing	65	262	4.03	8
Lack of proper budget	65	275	4.22	5

Source: Data analysis, 2018

#### 4.1.2. Bosso Town

Table 3 shows the mean responses of factor responsible for rent in arrears among renters in Bosso town. Important factors responsible for rent arrears in Bosso town are: frequent rent review which ranks first; it is the most important factor contributing to rent arrears among the renters. It had the highest mean response of 4.72. This is followed by bad economic condition and deteriorating dwelling unit features which rank second and third with mean responses of 4.32 and 4.36 respectively. This confirms the findings of Ogutu (2013) and Daniel *et al.*, (2017). This trend is similar to that of Minna central.

**Table 3: Descriptive analysis of factors responsible for rent arrears in Bosso Town**

Factors	N	Sum	Mean	Rank
Deteriorating dwelling unit features	62	258	4.16	3
Deteriorating and poor external house attributes	62	246	3.96	7
Poor management and maintenance services	62	233	3.76	8
Difficult tenancy arrangement	62	211	3.40	9
Bad economic condition	62	268	4.32	2
Frequent rent review	62	293	4.72	1
Rent collectible only in office (non-flexibility)	62	255	4.12	4
Apartment sharing	62	250	4.04	5
Lack of proper budget	62	249	4.02	6

Source: Data analysis, 2018

#### 4.1.3. GRA

Table 4 shows the mean responses of factor responsible for rent in arrears among renters in GRA. Three most important factors responsible for rent arrears in GRA are identified as follows: bad economic condition which ranks first with highest mean responses of 4.28. This is followed by lack of proper budgeting and frequent rent review which rank second and third. These two factors have mean responses of 4.08 and 4.00 respectively. There is a contrast in the trend compared to Minna central and Bosso Town. While Frequent rent review was ranked first among the factors responsible for rent arrears in Minna central and Bosso Town, bad economic condition ranks first in GRA. GRA parades property of high value belonging to the rich. The high rent may not be easy to increase frequently when compared to moderate or low rent. This trend agrees with the findings of Daniel *et al.*, (2017).

**Table 4: Descriptive analysis of factors responsible for rent arrears in GRA**

Factors	N	Sum	Mean	Rank
Deteriorating dwelling unit features	48	150	3.12	7
Deteriorating and poor external household attributes	48	109	2.28	9
Poor management and maintenance services	48	127	2.64	8
Difficult tenancy arrangement	48	184	3.84	4
Bad economic condition	48	205	4.28	1
Frequent rent review	48	192	4.00	3
Rent collectible only in office (non-flexibility)	48	184	3.83	5
Apartment sharing	48	159	3.32	6
Lack of proper budget	48	196	4.08	2

Source: Data analysis, 2018



#### 4.1.4. F-Layout

Table 5 shows the mean responses for factors responsible for rent arrears among renters in F-layout. Bad economic condition, Deteriorating dwelling unit features and frequent rent review are the most influencing factors. These rank first, second and third and have mean responses of 4.55, 4.52 and 4.48 respectively. F-layout is the adjoining settlement to GRA, it is not a surprise that it shares similar trend with GRA.

**Table 5: Descriptive analysis of factors responsible for rent arrears in F-Layout**

Factors	N	Sum	Mean	Rank
Deteriorating dwelling unit features	52	235	4.52	2
Deteriorating and poor external household attributes	52	200	3.84	5
Poor management and maintenance services	52	156	3.00	9
Difficult tenancy arrangement	52	189	3.64	7
Bad economic condition	52	237	4.55	1
Frequent rent review	52	233	4.48	3
Rent collectible only in office (non-flexibility)	52	202	3.88	4
Apartment sharing	52	196	3.76	6
Lack of proper budget	52	173	3.32	8

Source: Data analysis, 2018

#### 4.1.5. Tunga Lowcost

Table 6 shows the mean responses of factors responsible for rent arrears among renters in Tunga Low Cost. Deteriorating dwelling unit features, frequent rent review and bad economic condition are identified as the most important factors responsible for rent arrears among the renters within the neighbourhood. These three factors have mean responses of 4.50, 4.33 and 4.30 respectively. This settlement was developed by the government many years ago. Common features of this settlement include dilapidated structure which is responsible for the most critical factor responsible for rent arrears in this area.

**Table 6: Descriptive analysis of factors responsible for rent arrears in Tunga Low Cost**

Factors	N	Sum	Mean	Rank
Deteriorating dwelling unit features	43	194	4.50	1
Deteriorating and poor external household attributes	43	154	3.57	6
Poor management and maintenance services	43	128	2.97	8
Difficult tenancy arrangement	43	123	2.87	9
Bad economic condition	43	185	4.30	3
Frequent rent review	43	186	4.33	2
Rent collectible only in office (non-flexibility)	43	160	3.73	4
Apartment sharing	43	159	3.70	5
Lack of proper budget	43	129	3.00	7

Source: Data analysis, 2018

#### 4.1.6 Bosso Estate

Table 7 shows the mean responses of factor responsible for rent arrears among renters in Bosso Estate. Of all the itemized factors, bad economic condition is the most important factor responsible for rent arrears among renters in Bosso estate. It ranks first and has the highest mean response of 4.85. This is followed by deteriorating dwelling unit features and lack of proper budgeting which rank second and third. These two factors have mean responses of 4.80 and 4.50 respectively. This trend is a product of the fact that there are old and new buildings in this area.

**Table 7: Descriptive analysis of factors responsible for rent arrears in Bosso Estate**

Factors	N	Sum	Mean	Rank
Deteriorating dwelling unit features	42	96	4.80	2
Deteriorating and poor external household attributes	42	87	4.35	4
Poor management and maintenance services	42	103	4.15	5
Difficult tenancy arrangement	42	102	4.11	6
Bad economic condition	42	145	4.85	1
Frequent rent review	42	102	4.10	7
Rent collectible only in office (non-flexibility)	42	98	3.90	8
Apartment sharing	42	74	3.70	9
Lack of proper budget	42	98	4.50	3

Source: Data analysis, 2018

#### 4.2. The Relationship Between the Factors Responsible for Rent Arrears Across Neighbourhoods

Result of the Kendall's Coefficient of Concordance ( $W$ ) is presented in table 8. It simply tested for a significant relationship between the factors responsible for rent arrears across neighbourhoods in the study area. The result reveals that  $W = 0.601$ , thus indicates a fair association in the ranking of the factors responsible for rent in arrears across neighbourhoods. The average rank correlation of factors between all possible pairs of the neighbourhoods  $r_s = 0.521$  indicating a fair agreement to the identified factors. This result suggests that, though each neighborhood has its own peculiar factor responsible for the rent in arrears, these factors are relatively similar. Therefore, the overall ranking of these factors across the study area are fairly associated. The order of ranking of most important factors are:  $BEC_{1\Rightarrow}$   $FRR_{2\Rightarrow}$   $DDUF_{3\Rightarrow}$   $LBP_{4\Rightarrow}$ ,  $RCO_{5\Rightarrow}$   $DPEH_{6\Rightarrow}$   $AS_{7\Rightarrow}$   $DTA_{8\Rightarrow}$   $PMMS_9$ . The economic situation in the country with 1\$ trading for N360 and 2 digits inflation, there is no doubt that many residents will be finding it difficult paying their bills especially rent. This confirms the findings of Moss (2003), Ogutu (2013) and Daniel *et al.*, (2017).

**Table 8: Kendall's Coefficient of Concordance for the relationship between the factors responsible for rent arrears across neighborhoods**

	DDUF	DPEH	PMMS	DTA	BEC	FRR	RCO	AS	LBP
Minna Central	6	3	9	4	2	1	7	8	5
Bosso Town	3	7	8	9	2	1	4	5	6
Bosso Estate	2	4	5	6	1	7	8	9	3
Tunga Low Cost	1	6	8	9	3	2	4	5	7
GRA	7	9	8	4	1	3	5	6	2
F-layout	2	5	9	7	1	3	4	6	8
$T_1$	21	34	47	39	10	17	32	39	31
$\sum T_1^2$	441	1156	2209	1521	100	289	1024	1521	961
$W$	0.60								
$r_s$	0.52								

Source: Data analysis, 2018

#### 4.3. The Relationship Between Income Level and Amount Paid for Residential Units

This study also seeks to examine the relationship between the income level of renters and the amount paid for residential units by these renters. This was analyzed using the chi-square test, and results presented in table 10. Adopting a 0.05 level of significance, result shows that the calculated chi-square statistics (139.2) is greater than tabulated chi-square statistic. It therefore suggests that there is no significant relationship between the income level of renters and the amount paid for accommodation units occupied by these renters. This is a true reflection of an

average Nigerian who will go for accommodation that is far above his/her income capacity. They intend to admire and pursue better and large accommodation even when their income dictates contrary.

**Table 10: Chi square test for the relationship between Income Level and Amount Paid for Residential Units**

Rent paid	level of income						
	less than N20,000	20000-50000	51000-80000	81000-12000	12100-15000	151000-above	Total
30,000 – 50,000	54(20.3))	10(10.3)	15(13.3)	12(17.6)	9( 19.9)	4(22.59)	104
60,000 – 80,000	7(19.1)	9(9.7)	13(12.5)	15(16.6)	23(18.8)	31(21.3)	98
90,000 -120,000	0(16.9)	12(8.6)	12(11.1)	20(14.73)	20(16.7)	23(18.9)	87
150,000 – 200,000	0(4.7)	0(2.4)	0(3.1)	6(4.1)	8(4.6)	10(5.2)	24
Total	61	31	40	53	60	68	313
	55.9	0.01	0.19	2.6	13.2	15.3	
	7.7	0.05	0.02	2.56	0.8	4.4	
	16.9	0.96	0.1	1.4	0.5	0.9	
	4.7	2.4	3.1	0.6	1.4	4.4	
<i>X<sup>2</sup>-calculated</i>	139.2						
<i>Degree of freedom</i>	15						
<i>X<sup>2</sup>-tabulated</i>	24.99						

## CONCLUSION

The study highlighted bad economic condition, frequent rent review, deteriorating dwelling unit features and lack of proper budget as most important factors responsible for rent in arrears across neighborhoods in the study area. The study further discovered a fair evidence of relationship among the factors responsible for rent arrears. There is evidence of variation among the factors responsible for rent arrears across the areas and the study also found that there is no relationship between income level of renters and amount paid as rent / type of residential accommodation occupied. Also, frequent renovation and maintenance of residential units have been observed to serve as motivation to renters to pay rent regularly, otherwise rent in arrears may result. Furthermore, prioritizing household needs is essential in order to avoid rent arrears. Lastly, it is recommended that property managers make adequate insurance provision as hedge against rent default.

## REFERNCES

- Daniel, D. I., Ojo, O., & Augustina, O. (2012), "An Examination of the Tenancy Agreement as a Shield in Property Management in Nigeria", *International Journal of Business Administration*, 3(4): 54-66.
- Daniel, I. O., Anthony, I. A., Joseph, O. & Agidic, O. (2017), "Rent Default Factors in Residential Properties in Osogbo Metropolis Osun State, Nigeria", *International Journal of Business and Management Studies*, 6(1): 61-68.
- Gbadegesin, J. T., & Oletubo, O. A. (2013), "Analysis of Tenant Selection Criteria in an Emerging Rental Market", *Global Journal of Management and Business Research Interdisciplinary*, 13(7): 1-12.
- Jinadu, A. M. (2007), *Understanding the Basis of Housing*, King James Publishers, Minna.
- Julie, R. & Carole D.S (2013), "As a Landlord, What Can You Do to Protect Yourself Against Rent Default?", <https://www.lodgis.com/en/lodgis-agency/press-room/press-releases/landlord-protect-yourself-against-rent-default/>, Retrieved: 10.07.2018.
- Kaine, A. (2017), "When your Tenant Refuses to Pay Rent", *Punch Newspaper*, <https://puncgng.com/where-yourtenantrefuses-to-pay-rent-1>, Retrieved: 04.06.2018.
- Kothari, C. R. (2004), *Research Methodology: Methods and Techniques* (Second Revised Edition), New Age International Publishers, New Delhi.
- LODGIS (2015), "As a Landlord What Can you do to protect yourself against Rent Default?", [www.lodgis.com/en/lodgis-agency/press-room/press-release/landlord-protect-yourself-against-rent-default/](http://www.lodgis.com/en/lodgis-agency/press-room/press-release/landlord-protect-yourself-against-rent-default/), Retrieved: 04.05.18.
- Moss, V. (2003), "Understanding the Reasons to the Causes of Defaults in the Social Housing Sector of South Africa", [www.researchgate.net/publication/228968111\\_understanding\\_the\\_reasons\\_to\\_the\\_causes\\_of\\_defaults\\_in\\_the\\_social\\_housing\\_sector\\_of\\_south\\_Africa](http://www.researchgate.net/publication/228968111_understanding_the_reasons_to_the_causes_of_defaults_in_the_social_housing_sector_of_south_Africa), Retrieved: 08.05.18.
- NPC (2006), "National Population Commission", *Population and Development Review*, 39(1): 206-210.
- Ogunbajo, R. A., Adewusi, A. O., Usman, B. S., & Ayoola, A. B. (2018), The Contributory Effect of Externalities to the Void Periods for Residential Buildings in Minna, Nigeria. In A. M. Junaid, O. F. Adedayo, R. A. Jimoh, & L. A. Oyewobi (Eds.), *Contemporary Issues and Sustainable Practices in the Built Environment*. Paper presented at the School of Environmental Conference, Federal University of Technology, Minna, Niger State, Nigeria, 10-12 April, 226-232.
- Ogotu, T. O. (2013), *An Evaluation of the Impact of Tenant Satisfaction on Rent Arrears in Public Housing: A Case of Kibera Decanting Site*. A PGD Research Project in Housing Administration, Department of Real Estate and Construction Management, University of Nairobi, <http://erepository.uonbi.ac.ke>, Retrieved: 14.06.18.
- Olujimi, J.A.B., & Bello, M. O. (2009), "Effects of Infrastructural Facilities on the Rental Values of Residential Property", *Journal of Social Sciences*, 5(4): 332-341.

Oni, A. O. (2010), *Harnessing Real Estate Investment through Decision Process for Selecting Tenants in Nigeria*. Paper presented at the 10<sup>th</sup>African Real Estate Society Conference Organized by the African Real Estate Society held at Naivasha, Kenya.

Pater, N. T (2001), “Rent Default: Minimizing the risk and making effective use of the remedies available”, *An International Journal*, 1(2): 155-161.

Sani, K.S., & Gbadegesin, J.T. (2015), “A Study of Private Rental Housing Market in Kaduna Metropolis”, *Journal of Resources Development and Management*, 11(3): 1-11.

Sanusi, Y. A. (2006), *An Assessment of the Spatial Relationship between Poverty and Environmental Quality in Minna Metropolis, Niger State, Nigeria*. A Dissertation Submitted to the Post Graduate School, Federal University of Technology, Minna.

Topham, A. F. (2012), “Termination of a Lease, In Real Property, An Introductory Explanation of the Law Relating to Land”, <http://www.chestofbooks.com/real-property-law/section-III-termination-of-a-lease.html>, Retrieved: 18.04.18

*Kemiki Olurotimi Adebawale is an Associate Professor of Estate Management and Valuation at Federal University of Technology, Minna, Nigeria. He is a fellow of Nigerian Institution of Estate Surveyors and Valuers. His research interest covers property management, urban infrastructure and housing.*

*Doç. Dr. Kemiki Olurotimi Adebawale, Federal Teknoloji Üniversitesi, Minna Nijerya’da Gayrimenkul Yönetimi ve Değerleme Fakültesinde Öğretim Üyesi olarak görev almaktadır. Nijeryalı Emlak Sörveyörleri ve Değerleyici Enstitüsü’nün bir üyesidir. Çalışma alanları arasında mülk yönetimi, kentsel altyapı ve konut konularını kapsamaktadır.*