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Effect of Locational Attributes on Residential Property Value in Birnin Kebbi Town, Kebbi State Nigeria

[1] Isyaku Ibrahim, [2] Usman Bello Sa'ad, [3] Hamza Umar Yaro, [4] Oluwale Oyekanmi Adebayo, [5] Wasiu Oyewale Shittu, [6] Shakirat Remilekun Abdulazeez

[1, 2, 3, 4, 5, 6] Department of Estate Management and Valuation, Waziri Umaru Federal Polytechnic Birnin Kebbi, PMB 1034, Kebbi State, Nigeria

Corresponding Author: **Isyaku Ibrahim**

Abstract

The research is based on effect of locational attributes on residential property value in Birnin Kebbi. Proximity to places of employment, shopping malls, markets, communal transport accessibility and sports facilities as part of residential locations characteristics are among the major factors that decide house prices. The study aimed is to examine the effect of locational attribute in determining residential property value in Birnin Kebbi town. The following objectives must be considered appropriately so as to achieved above aim. (1) Identifying the locational attributes that influence the property value in the study area, and (2) assessing an effect of locational attributes on residential property value in the study area. To follow the research goals aggressively and achieve the study objective, quantitative research design was adopted. The data was obtained by means of a survey method where out of 420 questionnaires administered to estate agent, estate surveyors and valuers and properties owners in four areas within

Birnin Kebbi only 390 were retrieved. Purposive, systematic and stratified random sampling were used as method of sampling. There were also direct findings to further support the questionnaire study. The locational attributes in the study include proximity to CBD, infrastructure/amenities provision, proximity to nuisance, transportation, proximity to market, proximity to workplace and population. Where the study revealed that Proximity to CBD has the highest effect on residential property value, then followed by infrastructure/amenities as second, while proximity to nuisance as third, proximity to market as fourth, transportation as fifth, proximity to workplace and population as sixth and seventh respectively. In order to attract more private investors to real estate and at same time diversify the economy of state, there is need for government to improve on some of the locational attributes highlighted in the study.

1. Study Background

Property location as it depreciates over time is considered the most significant factor in assessing the value of the property traditionally. The land underneath the physical structure is what increases in value, and hence the most popular slogan we generally hear from real estate practitioner's is' location, place and location'(Dziauddin & Idris, 2017) [7].

Features such as the central business district (CBD), parks, shopping centers, schools, mass transit systems, highways, etc. may make a positive contribution to the growth of residential property value, particularly in urban areas. It should be noted that the advantages of local attributes are realized predominantly in the form of externalities, hence they are shared collectively by a large number of citizens and houses (Kauko, 2003) [13]. Externalities can be both positive (beneficial) and negative (harmful).

Site and attributes are among the major factors to consider in assessing the residential property values, also the various housing characteristics are among the basis of house price determination. These factors have to be critically examined in determination of property market value. In terms of their situated environment, housing unit varied, the community structure where they are situated and their proximity to employment opportunities and marketplaces. Moreover, external factors such as population, employment, traffic congestion, proximity to work, access to public transport, proximity to higher institutions and environmental characteristics can have major impacts on rent (Oni *et al*., 2015) [14].

Location refers as a specific housing positioning that influences the option of housing. Growing occupant has needs that the

wider group needs to address. Education, transportation, worship, health care, shopping and recreation facilities are things to consider in making housing choices. The choice of place often varies from urban to suburban to rural. The character of the area represents a home that takes advantage of its environment. For homes their surroundings should always suit. Hence, location is a significant factor in designing and constructing a house. The location may influence the materials used to create a building, also the furnishings used to decorate the interior(Aloko, 2011) [4].

Many preceding researchers based their attention on several variables in the field of residential property value that shape the foundation of residential property value. Aliyu (2012) stated that the first historians who dwelt very much on this topic in the known past include Ricardo and Von Thunen. Throughout on this claim, Ricardo was of the view that the principal determinant of the worth of land and landed properties is the fertility or value of land. So, he argued that areas which are more fertile order worth higher than those which are less fertile. Via presenting transportation as the principal mover of land value, Von Thunen also supported this theory. Their theory was still in effect today but could not be implemented in some region.

Based on the above, the research aimed to cover the gaps in the existing knowledge by addressing two research questions which are (1) examining the locational attributes affecting property value in Birnin Kebbi and (2) assessing the effect of locational attributes on residential property value in the study area.

This study contributes to research in identifying and assessing locational attributes affecting the property value in the study area, first the study identify these attributes so as to help the property owners, estate surveyors and among others profession in the study area to know the difference locational attributes that have effect on property value in order to know how their property value being affected and to know which of these attributes has the highest effect on their property, and those with minor effect, so that they will be full aware on how the location attributes has either positive or negative impact in determine property value.

2. Review of the Related Literature
2.1 Concept of Value
The new eight editions of the Oxford Advanced Learners Dictionary define value as how much things can be exchanged for is worth in money or other goods, in the accounting profession, see value as a monetary worth of an asset, a corporate unit, the products vended, the service provided, or the responsibility or duty incurred by the accountant. To the Economist, they perceive value as the cost of all benefits and rights arising from ownership.

Value mostly is associated with land or property in real estate, and it has different meanings depends on the way it refers. Forced sales, open market value, rental and investment value, value in use are among the types/forms of value. Based on the above, value can be classified as open market value. USPAP (Uniform Standards of Professional Practices) (2010) sees market value as type of value opinion and presumes as the property transfer (ownership right such right bundles) under specific condition set out at a given date within a term definition identified by the appraiser.

Open market value is the price of specified property right expected to be sold in cash or term equal to cash in a specify date, or in precisely disclosed terms after appropriate

exposure in a competitive market under all conditions necessary for a fair sale, with each buyer and sellers acting prudently, knowingly, and for self-interest and not under undue duress (Real Estate Appraisal, 2008; Ibrahim *et al.*, 2022 [9]). According to IVSC (2003) [12] value is the expected exchanging property amount on the valuation date between the willing seller and buyer after proper marketing among them after each party behave prudently and knowingly and without compulsion.

2.2 Residential Property
Residential property is used as a dwelling, otherwise known as houses. These may be houses from rural, urban, suburban areas. In architecture, it also differs, for example, Bungalow, flat, tenement, maisonette, semi-detached, detached dwelling duplex, high-rise building, quarter boys or outhouse, etc. it is also known as property designated by a municipality for condos, single family, cooperatives, townhouses, or any place in which people are reside and it can be used not always as a mortgage and income often entitled to preferential tax care (Williams, and Dennis, 2007). Chika & Olusola (2009) [6] explains that for any residential property to have value, depend on the following:

1. Location; In common with all types of property, residential properties rely primarily on their proximity to locations supporting similar uses: employment areas, shopping facilities, schools, churches, entertainment places, recreational open spaces and others. Accessibility is accomplished either by good means of communication or by location.

2. Position; the most preferred residential areas are located in a nice natural environment.

3. Physical characteristics; as a codify, the distinguishing attribute of all real property is that they have a long physical existence. Among other fashions the template style to prevent obsolescence.

2.2.1 Residential Property Types
Residential property has been classified into bungalow, flat houses, maisonette, and tenement building (Chika and Olusola, 2008, Isyaku *et al.* 2021 [11]). Bungalow; Dwelling unit on a single-story/ground flow. A bungalow may be Semi-detached/duplex or Detached. Tenement buildings are multi-unit dwelling on each side of the house, and it contain more four to six rooms usually, and the rooms are facing each other, and it exist on 1, 2, and up to 5 floors, where occupant shares convenience which is usually lie at the back of the building.

In other hand, flat houses are buildings or houses that has 2, 3, or 4 flats, where each apartment occupies 1 whole floor of the house with common front staircase and often multiple floors and each of the two floors hold maisonette. Maisonettes are two story apartments with internal stairs, and it has a several floors with maisonette in every two floors.

2.3 Concept of Location
Akogun (2013) [2] reviewed, described the location as "the sum of all the topographical, transportation and other land-use variables that characterized a particular neighbourhood." According to Ibrahim (2009) [10] location is a proximity or nearness to transport, jobs, retail, leisure, cultural amenities, and the causes of any disturbance located at the city. This also contains all the demographic characteristics of the

residents existing in the neighbourhood. Based on this, convenience in terms of expense, movement of people from one place to another, environmental physical, technical, legal, or cultural variables favourable or unfavourable exposure are the basic elements in the definition of location.

2.3.1 Classification of location

Location is a significant determinant of the property value. Location may classify into tangible or intangible (Ibrahim, 2009) [10]. Accessibility, transportation, proximity to central district, building code, household choice, demand and supply, population growth, job proximity, service and amenities in neighbourhood, zoning laws, planning code building structure component, subdivision regulations are among the tangible location. While attributes that are intangible at nature, which include ethnicity, crime, security, religious inclination, ethnic background, natives, apartheid, violet prone areas are among the intangible location.

2.3.2 Location and Urban Land Value

The theory of highest and appropriate land use is considered to control urban land use patterns. What will emerge as the highest and strongest urban site use is the usage that places the highest premium on site accessibility and the dominant or traditional use vicinity complementarity (Akogun 2013) [2]. Subsequently, land users put diverse values on accessibility and complementarity in urban centres and this is through the competitive bidding procedure. By a competition method, in every region, large or small, activities seek out and segregate into areas where they will have the highest competitive advantage by virtue of what they are generally capable of performing from all other uses (Akogun 2013) [2]. The above statement is not always valid, however, as in the case of public land use where political factors and social concerns are involved in the verdict, public schools, worship places and so on may serve as accessibility concern independent. Among the factor affecting urban land users is urban development, it is not only affecting or change land values and land use pattern in an urban area, it also affect site usage rate. Accordingly, numerous changes by urban land market reaction causes most inhabitant to shift away to distance site from central site, which will give way to incoming superiors.

2.4 Review of Previous Locational Theories in Urban Centre

It has been known for theories generalizing the pattern of urban land-use systems. These theories are: concentrated zoning, axial growth, sector and multiple nuclear (Aluko, 2008).

i. Concentric Zone Theory

Ernest W. Burges proposed the concentration zone in 1925, and the theory is based on the idea that identical or functionally related activities ought to be located at the same distance from the centre of an urban area. But the idea is to help us more clearly understand the importance of land use.

Value and rent are influenced by the location of the land, as it comes farther away from the town center, according to Von-Thumen. He postulated that the continuous productivity of rural land around a central town takes
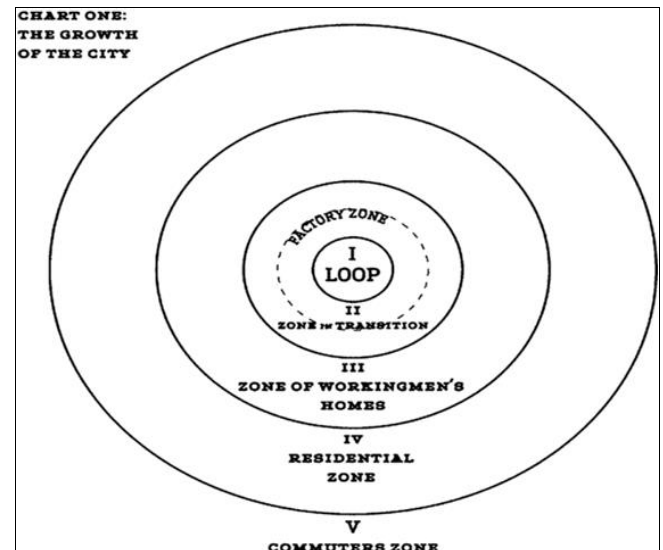
different types.

Fig 1: Showing the concentric theory zone

ii. Axial growth theory

The theory of axial growth reflects a logical progression of thought from the theory of concentric zone because accessibility to a single local point is still a basic premise. However, terms of accessibility as well as physical distance are considered, and it is recognized that transport facilities are scarce in any urban area.
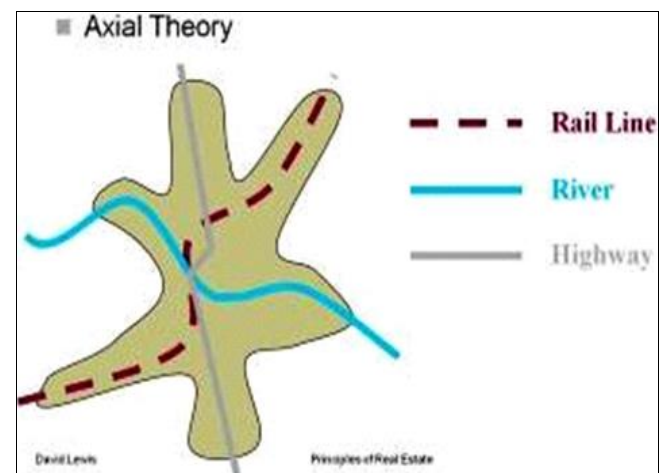

Fig 2: Showing axial growth theory

iii. Sector Theory

It was propounded by Homer Hoyt in 1938. He proposed that there should be a sector model instead of a centralized land structure. However, he is focused on arguing about residential location and residential distribution, Burgees did not establish a general definition of land uses in an urban center. His point was fundamental to the fact that rent can be used as a criterion for residential location determination. Hoyt argued that as opposed to being a concentrated zone, new housing construction and the highest rent paying houses are situated in sectors along main traffic routes.
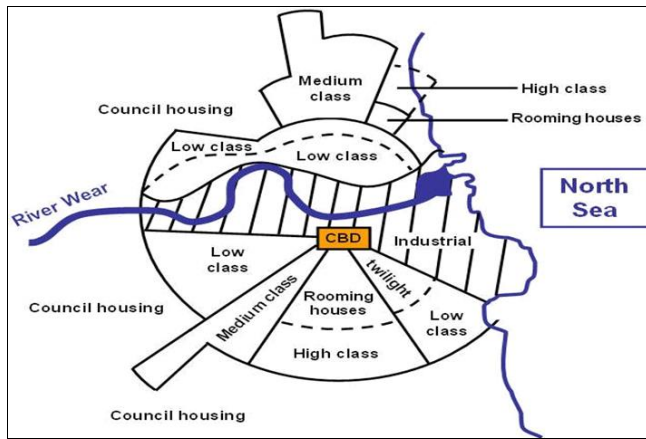
Fig 3: Showing Sector Theory

iv. Multiple nuclear theory

Harris and Uthman suggested this concept in 1984. The theory is quite different from the earlier theories about the city's internal structure. Harris and Uthman proposed that there could be more than one focal point in certain metropolitan areas and that each of the separate nuclear would affect the position of any land use. For instance, the growth of urban population in one region has reached a level that will help a suburban shopping centre or manufacturing firms finding a profit from being placed together in an industrial area as they rise in number.

The rationale for establishing more than one focal point is that it is focused on the assumption that urban development occurs around sexually distinct nuclear capacity, which will help to assess current use.
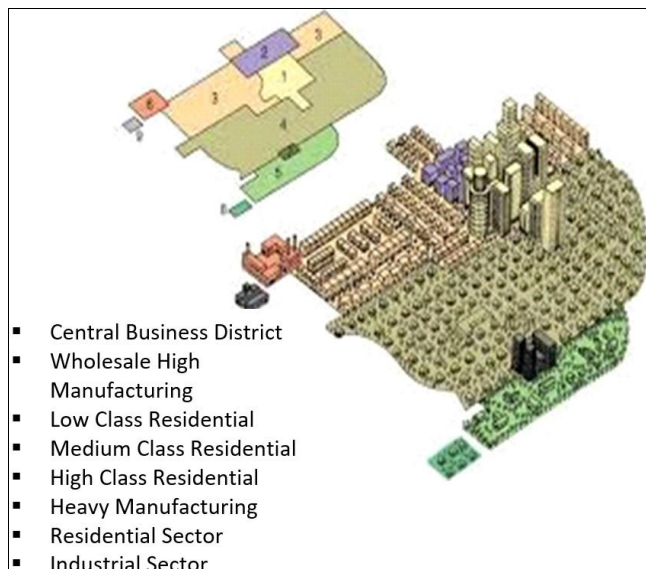

- Central Business District
- Wholesale High Manufacturing
- Low Class Residential
- Medium Class Residential
- High Class Residential
- Heavy Manufacturing
- Residential Sector
- Industrial Sector

Fig 4: Showing multiple nuclear theory

3. Research Methodology and Study Area
3.1 Methodology

In following the research goals aggressively and achieve the study objective, quantitative research design was adopted. The data was obtained by means of a survey method which according to Creswell (2003) is most suitable for quantitative research design. Purposive, Systematic and Stratified random sampling was adopted as methods of sampling in the administration of questionnaire. 390

questionnaire was retrieved out of 420 questionnaires administered to estate surveyors and valuers, estate agent and four selected area that include GRA, Bayan Oando, Badariya, and Gesse area within Birnin Kebbi town. There were also direct findings to further support the questionnaire study. Descriptive mean scores and analytical methods with Likert scale was used as data analysis techniques. One set of questionnaires was design and administered to the target population in the study area.

3.2 Study Area

The study area, which is Birnin Kebbi town, lies laterally 12.4539^0 latitude, 4.1975^0 longitude, it is the capital and administrative headquarters of Kebbi state Nigeria, it was carved out in august 1991 from Sokoto State during General Ibrahim Badamasi Babangida regime. It's surrounded by 3 major roads connected to Argungu in the north, Jega in the south and Kalgo, Bunza in the southwest. Sudan and Sahel Savannah and tropical region with temperature 32^0C average are the climatic condition of Birnin Kebbi. The town also is characterising by seasonal rainfall that is commence in April and last to October usually, extremely harmattan followed by dust and fog between December to February are occurred in the town.

4. Data Analysis and Data Presentation

Table 1: Locational Attributes in the Study Areas

S. No	Locational attributes	Frequency	Percentage (%)
1	Proximity to CBD	276	70
2	Proximity to Workplace	187	48
3	Transportation	120	31
4	Proximity to Market	139	36
5	Infrastructural/amenities provisions	123	32
6	Proximity to Nuisance	194	50
7	Population	99	25

Source: Authors field survey 2022

The table above based on the respondent opinion, it shows that among the locational attributes in the study areas are proximity to CBD, proximity to workplace, Transportation, proximity to Market, Infrastructural provisions, Proximity to Nuisance and Population. 276 respondents out of 390 questionnaires retrieved which represent 70% of the respondents are of the opinion that among their locational attribute is they have access to CBD, 48% of the respondents tare in the view of Proximity to Workplace, while 31% of them their locational attribute included Transportation, also among the locational attributes in the study area based on the respondents view is Proximity to Market with 36%, likewise Infrastructural Provisions in the study area as part of locational attributes in residential property values has 32% of the respondents opinion, and Proximity to Nuisance and Population has 50% and 25% respectively. The essence of this is to find out whether the selected locational attributes have a significance on residential property value and whether the respondent have aware of these attributes in the study area. Based on these opinions it shows that the respondent has the difference opinion to share their experience on how all these attributes has either positive or negative effect on residential property values in the study area.

Table 2: An Effects of locational attributes on residential property value

Locational Attributes	Respondent Opinion Scale						Mean	Ranking
	SA	A	UD	D	SD	$\sum$	$X=\dfrac{\sum FX}{\sum F}$	
Proximity to CBD	229	138	09	14	-	1743	4.47	1st
Proximity to Workplace	118	209	23	32	08	1567	4.01	6th
Transportation	151	172	22	17	28	1571	4.02	5th
Proximity to Market	184	141	16	32	17	1613	4.13	4th
Infrastructural/amenities provisions	211	134	18	27	06	1705	4.37	2nd
Proximity to Nuisance	236	101	04	12	37	1657	4.28	3rd
Population	143	156	14	56	21	1514	3.88	7th

Source: Author's survey, 2022
Note: SA (Strongly Agreed), A (Agreed), UD (Undecided), D (Disagree), SD (Strongly Disagree)

The table above is the assessment of the locational attributes in the study areas using Likert scale, based on the above, Proximity to CBD has the highest respondents with the mean score of 4.47, it shows that residential properties situated to CBD in the study areas has the highest influence on residential property value, it has positive effects, residential property that is closer to the CBD or situated to central business district can have highest value compared to those that have distance with CBD which are characterised with reduction value or price. Closely followed are the infrastructural facilities and social amenities provision with the mean score of 4.37 as second, area with good transportation route, good drainages schools, hospital, fire service security outpost, among others also has a positive influence on residential property value compared to those with little or non-availability of the infrastructural and social amenities which has less value in the study area based on the respondent opinion. Proximity to nuisance sits at third position with the mean score of 4.28, it shows that residential property that are closer to nuisance area that include event centres, clubs, high traffic among others has also have negative effect on residential property than those that have distance to the nuisance area, people are in need to have quite location for relaxation and free from most of the delinquency activities so as their family to be safe. Proximity to market enjoyed forth position with mean score of 4.13, proximity to transportation enjoyed 5th position with the mean score of 4.02, a location with public transportation that ease movement of people and their goods from one location to other also has an influence on residential property value. While proximity to workplace and population are in 6th and 7th position with mean score of 4.01 and 3.88 respectively. Most of the people are prepared to staid near to their workplace for easier access to the working place and a populated area has its own effect on residential property value.

5. Findings, Recommendations and Conclusion
This research examines the locational attributes affecting residential property value with special reference to Birnin Kebbi town in which various locational attributes that include proximity to CBD, proximity to workplace, Transportation, proximity to Market, Infrastructural provisions, Proximity to Nuisance and Population have been identified and their impacts as it directly or indirectly affects residential property values in the areas understudied. Among the study findings, Proximity to CBD has the highest effect on residential property value, then followed by infrastructure/amenities as second, while proximity to nuisance as third, proximity to market as fourth, transportation as fifth, proximity to workplace and population as sixth and seventh respectively. The study contributed in the identifying the locational attributes and how these attributes affecting the residential property values in the study area. The papers will serve as significance to the prospective property developers that want to make the development to know the locational attributes and how people in the town are seeing these attributes and their either negative or positive effect on residential property values, and to put them in consideration for feature development. To the estate surveyors and valuers in the town, also to make consideration of these factors in determining the residential property value. At the end, government should improve on some of the locational attributes highlighted above in order to attract more private investors to real estate and at same time diversify the economy of state.

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