

## Effect of Micro Economic Factors on Residential Property Value in Birnin Kebbi, Kebbi State, Nigeria

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### Abstract

The research aims to assess the microeconomic factors affecting residential property values in Birnin Kebbi. Property serves as an asset for any individual, as real estate is one of life's primary goals. Besides the need to eat and drink, property also plays a crucial role in daily life. Property values are influenced by various factors, which can be either microeconomic or macroeconomic in nature, or both. Many microeconomic variables are related to property attributes and buyer demographic profiles. To achieve this aim, two objectives were formulated: (i) to examine the types of property and microeconomic factors affecting property values in the study area, and (ii) to assess the effect of microeconomic factors on residential property values. Both primary and secondary sources of data were used for data collection. Out of 377 questionnaires administered, 321 were retrieved. Simple random sampling and stratified random sampling methods were employed. Quantitative methods were used for data analysis, and all data gathered were analysed using descriptive statistics and the Likert scale. The study found that physical characteristics of residential properties, such as types of materials used, building design, room sizes, parking spaces, building age, and landscape, significantly influence property values. Additionally, the types of finishes (roofs, walls, ceilings, and floors), infrastructural facilities, and social amenities (number of toilets, electricity fittings, waste disposal and sewage, potable water supply, and various sanitation facilities) also play a role. The effects of microeconomic variables on property values in the study area include insecurity, increased traffic, property price changes, nuisances, environmental quality, property demand, and time consumption. The study recommends that prospective property developers ensure the use of standard building finishes to maximize returns on their investment in property value. Additionally, the government should introduce policies to ease difficulties in importing housing materials and promote the manufacture of local ones.

*Keywords:* Property value, Residential, Effect, Micro economy

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### 1.0 BACKGROUND OF THE STUDY

Real estate is an important part of the country's economic potential, accounting for a large portion of national wealth, and its role in the economy influences many spheres of activity related to the development of the country's economy (Cyttonn, 2016). Property is served as an asset for any individual, this is because real estate is one of life's goals (Ibrahim et al., 2021). Apart from the need to eat and drink, property also plays an important role in daily life (Nurul Nabila, 2019). Brueggeman and Fisher (2005) as cited by Isyaku et al., (2022) stated that real estate refers to property that includes land, minerals, buildings, water, and natural resources. However, the amount of capital needed to develop real estate investments is extensive and not always available, especially for most investors in developing nations. Profit maximization in the shortest amount of time is the main objective of any investor in the real estate development industry (Muthama, 2012).

The structural and physical characteristics of homes, including their age, level of construction quality, size and number of rooms, number of bathrooms, and toilets, as well as the quality of the building materials used and the design of the home, can have a positive or negative impact on home prices (Ibrahim et al., 2022). In a similar vein, qualities of residential areas like closeness to workplaces, markets, retail centres, accessibility to public transportation, and sports facilities are among the key determinants of home pricing (Usman & Zahari 2015).

The process of developing real estate goes through several stages, from the initial planning stage through evaluation, design, and costing, to the disposition or management stage. But for the development process to be successful, rigorous adherence to the availability of land is essential (Cadman and Topping, 1996; Madichie Okechukwu, 2016). The product in the real estate market, in contrast to other markets, entails "change of land use" or "alteration to an existing building," together with other production inputs including labour and financing. In an economy, the real estate sector is significant. It has been suggested that the technology, construction, and real estate

sectors of developing nations, including Nigeria, have supported the global economy during recent financial crises (IMF, 2014). Nigeria is a bright emerging market with significant real estate potential. Nigeria is becoming more and more appealing to investors due to its competitiveness in the global real estate market. In reality, real estate made up 8.7% of Nigeria's GDP in 2014, above the average GDP growth rate of 7.4% for the same year (CBN, 2016).

According to Isyaku et al., (2024), neighbourhood characteristics and accessibility features have an impact on property values. Environmental aspects including location, amenities, parks, and degrees of neighbourhood security can also have a favourable or negative impact on property growth. Amatete (2016) calculated a location's accessibility from major transportations (distance and type of roads), availability of social amenities (water, electricity, police station or police post, churches, and schools), physical neighbourhood location (adjacent buildings and infrastructure), and income level of the local populace. The topology of the location where the building is located is one of the site's characteristics. Building characteristics include the outer features, exterior walls and other amenities like power source (generator), solar heaters, and water means (bore holes).

According to Sprague (2016), macroeconomic conditions, location, building attributes, and infrastructure all influence property values in real estate. Valentine (2009) discovered that structure, economic and demographic characteristics, major issues (macro factors), and property location all had an impact on the real estate market.

Romkaew (2014) found that variety of factors, including location and building physical attributes, the presence of recreational amenities and neighbourhood attributes, likewise the presence and proximity of social facilities like hospitals, schools, community centres, and parks, affected home prices. According to Sprague (2016), the physical characteristics of the property, location factors, and macro variables all have a substantial impact on the price of real estate.

Numerous studies are conducted in the field of macro and micro economic factors on real estate prices and analysing the relationship between real estate markets and other economic sectors. There are different points of view regarding factors that determine apartment prices, and some factors are highlighted as the most important. Each paper focuses on some main factors chosen for analysis. A variety of approaches are made for analyses of the development of the real estate price; each has pros and cons. The complexity of real estate analysis stems from the unique characteristics of the market. Since real estate is not a portable good, it has specific features that must be taken into consideration. The characteristics of the property are so different that comparison is difficult. But in Birnin Kebbi most of these research are on the factors affecting real estate without differentiating between the macro and micro factors.

In Birnin Kebbi town like any other urban areas, residential properties make up the majority of the land usage. The development of the capital market, employment, and residential real estate all benefit greatly from these factors. The residential real estate sector, according to Svets (2010), is a stable retail market because it offers huge, long-term institutional investors like pension funds and insurance firms good returns for the risk taken. High long-term return is offered by these kinds of properties in comparison to low volatility. Additionally, he discovered that during a 20-year period, various property kinds fared differently and that home values changed in response to numerous factors affecting investors' returns. An investment manager needs a solid grasp of the factors that influence home prices, rental rates, capital values, and property returns in order to manage a property portfolio effectively. Therefore, it is equally important for investors to understand the factors that affect real estate values and how those factors affect asset returns.

Property values is influenced by a variety of factors, which can be either micro or macroeconomic in nature, or both. Many micro variables are related to property attributes and buyer demographic profiles (Hamid, 2002). Micro variables are elements relating to the property's qualities, surrounding development, and economic activities, such as building location, building condition, accessibility, and so on. In Birnin Kebbi like any urban areas in Nigeria, variety of factors affecting residential properties development that includes the building's location and physical characteristics, the presence of recreation facilities and neighbourhood characteristics, and the presence and proximity of social facilities such as health clinics, schools, community services, and parks. It is at this background this study seeks to assess the effect of micro economic factor on property value in Birnin Kebbi with emphasis in three (3) selected area that include Badariya, Bayan Kara ana Gesse Phase II.

## 1.2 Objectives of the Study

- a. To examine the types of property and micro economic factors affecting residential property value in the study area
- b. To assess the effect of micro economic factors on residential property value in the study area.

## 2.0 LITERATURE REVIEW

### 2.1 Property, and Residential Property

Property as an interest in external objects or things that can be acquired. The items themselves are not property in the traditional sense, but they do create its purpose and substance, and the concept of property emerges from these linkages; properties are objects or interests that can be held or had (Ibrahim et al., 2022). In general, any interest in land is considered real property. Commercial properties, industrial properties, agricultural properties, residential properties, recreational properties, educational/institutional properties, religious properties, special purpose properties, accommodation land undeveloped properties, and so on are examples of real property.

Residential is a general phrase for places where people can stay or find refuge. According to a core definition developed by the United Nations, housing is not just a shelter or housing facility; it also includes a variety of facilities, services, and utilities that connect the individual and family to the community in which he or she develops and improves. (Chika, 2006, Ibrahim et al., 2021). Houses, also referred to as residential property, are utilized as housing accommodations. Housing could be in a rural, urban, or suburban area.

Additionally, the design varies, including bungalow, flat, tenement, mansion, mansonnette, detached home, semi-detached duplex, high-rise building, boys' quarters, or outhouse, etc.

## **2.2 Micro Economic Factors Affecting Property Value**

Every structure possesses a distinct personality. The more accurate this identification, the higher the estimated price for the property. Regarding the calibre of the materials used and the calibre of the construction, each structure is completely distinct from the others. The costs of two separate homes with the same features, or even two homes in completely different places, are not likely to always be the same. According to Isyaku et al., (2024), neighbourhood characteristics and accessible features have an impact on home prices. Environmental aspects including location, amenities, parks, and degrees of neighbourhood security can also have a favourable or negative impact on property development. Neha, Sabihuddin, & Mahatme, (2020) explain the below as factors affecting property development.

### **2.2.1 Physical Characteristics**

Every property has distinct physical qualities that set it apart from others. The size of the land, location, and type of property are a few examples of these variations in terms of floor area. According to Faith and Hamadi (2005), a lot's capacity may have an impact on the property's value. As a result, there is a correlation between price and lot size that is positive. The floor area of a house can also have an impact on the cost because a larger floor area increases a home's worth. A home's placement in a row of residences—in the middle, on the outskirts, or at the end—will have an impact on the cost of real estate. Compared to residential property found in the middle and on the outskirts, end lots often have a larger area of land and a higher value. Filiz, Taner, and Muhammet (2018) explained below as the physical elements that influence characteristics.

**a. Material types utilized in building construction:**

A building material is any material used for construction, such as supplies for house construction. The most frequent building materials used in construction include wood, cement, aggregates, metals, bricks, concrete, and clay. These were chosen based on their cost-effectiveness in constructing projects.

**b. Building design:**

Building design is crucial for protecting the structure and inside of a house from outside weather elements while keeping a comfortable atmosphere inside in an energy-efficient manner. Weather-resistive barriers (WRBs), which include house wraps, building envelopes, and barrier films, are used to protect a building against water and air incursion by constructing a protective envelope around it.

**c. Room sizes in the building:**

Minimum room heights and sizes ensure enough ventilation, lighting, and a suitable living environment. Room height and size guidelines differ from country to country and are primarily based on client preferences to satisfy their desire.

**d. Parking:**

In many apartment complexes, there is a severe lack of parking space. So, make sure your car has a designated parking area.

**e. Building Age:**

The value of housing is inversely correlated with a building's age.

**f. Landscape:**

The most crucial consideration for some consumers may be the landscape. Therefore, the landscape has a significant impact on a location's worth.

### **2.2.2 Protection against Noise in the Building**

Environmental noise pollution must be taken into account early on in the project planning process together with all other acoustical requirements. Governments have established restrictions to reduce the negative effects that external noise may have. What can you do, then? In an increasingly crowded environment, you can design spaces that provide occupant comfort by taking into account the numerous sources of noise and the potential pathways for sound to enter a building, and then choosing the proper design, construction components, and materials to reduce that noise.

### **2.2.3 Natural lighting quality in bedrooms**

Scientific studies have shown that people subconsciously seek out sunny areas and like spending time in natural light. There are also real benefits to spending time in areas with lots of natural light, according to research. Natural illumination has several advantages that can improve a person's health, the environment, and energy consumption.

### **2.2.4 Locational and Accessibility Factors**

The location is where the properties are located. Accessibility will be directly impacted by these elements. The number of opportunities that are available to all locations and activities within a specific time travel refers to accessibility. As a result, this accessibility can be explained by a person's ability to travel to and engage in activities at various locations within a setting (Therriault et al., 2004). The hypothesis holds that property values will decline when real estate moves farther out from the city centre, according to Faith

and Hamidi (2005). Due to the high demand for real estate in urban regions, this is the case. Buyers typically pick a location that is close to their place of employment or the city centre.

### **2.2.5 Infrastructure and Services Factor**

Infrastructure and public facilities offered in a region have the potential to affect the property market. Economists and policymakers believe that infrastructure is a critical component in a country's growth and development (Chartterjee and Morshed, 2011). Infrastructure includes roads, power, water and sewage, drainage, transit, and communication, and it is provided by the government or through privatization. Transport infrastructure, according to Kovacs and Spens (2006), has a significant impact on economic growth. Road, rail, sea transport (maritime), and air transport (plane) infrastructure are all examples of transportation infrastructure. While public amenities may include hospitals, educational institutions, leisure locations, shopping malls, and so on. Public facility provision is also seen to be related to neighbourhood, location, and accessibility issues. This is due to the fact that public amenities in a place may have an impact on the property's location as well as the neighbourhood as a whole.

Water is another essential amenity, so your builder must provide proper water supply. A provision to be met is the provision of water. Public utilities, private businesses, non-profit groups working in communities, or even individuals can provide consumers with water that is the right quality, quantity, and pressure, typically through a network of pipes and pumps. The distribution pipelines shouldn't allow the quality of the water to deteriorate. The distribution pipelines shouldn't allow the quality of the water to deteriorate. It should be able to provide water with enough pressure head to all planned locations. It should be able to provide the necessary quantity of water for extinguishing fires. No user should experience a water supply interruption while any part of the system is being repaired, according to the design. Preferably, all distribution pipes should be installed a meter away from or above sewer lines. In order to minimize losses from leaks, it should be watertight.

### **2.3 Review of the previous research on factors affecting residential property value**

Natia and Shota (2024) wrote a paper on factors affecting the real estate market from a macro and micro perspective, and they discovered that micro and some external factors, such as government policies, interest rates, and macroeconomic conditions, can also influence the relationship between the standard of living and real estate prices. For example, low borrowing rates can make homes more affordable, especially in high-income communities. Overall, the relationship between standard of life and real estate prices is intricate and varied. Higher living standards can contribute to increasing demand and, as a result, higher real estate prices, although this link can be influenced by a variety of factors such as local economic conditions, supply and demand dynamics, and broader macroeconomic trends.

Research on economic factors influencing real estate development was carried out by Emilia, Rusne, and Valentinas (2019). The study shows that a wide range of factors, both objective and subjective in nature, influence real estate market prices. These factors can be classified as macroeconomic or microeconomic based on their impact. The investigation has shown that real estate markets are extremely dynamic and that shifts in the market's circumstances are typically reflected in the housing real estate (dwelling) segment. This type of property item transaction is the most common, which presents prospects for analysing the trends in the real estate market's development.

Olatunji (2017) also conducted research on the impact of micro and macroeconomic factors on residential property returns in Abuja, concluding that the impact of macroeconomic variables on the Abuja residential property market revealed that real GDP, exchange rate, inflation, interest rate, and employment rate all have a significant influence on property returns across the nine markets. This finding implies that if positive macroeconomic policy is implemented to secure the economy, property investors experience an increase in property returns. This could be by boosting the GDP base, increasing the exchange rate to promote local demand, increasing employment rates and purchasing power in the housing market, rising interest and inflation rates, and increasing housing rents and prices, all of which favourably influence the investor's return.

Mersela Thanasi's (2016) research demonstrates that the price of an apartment is determined by a variety of elements, including the number of rooms, furniture, parking availability, view, and square meters of living area. According to the research, the quantity of living space in an apartment affects the marginal effect of the number of rooms on its worth. Similarly, because the relationship between these parameters is nonlinear and is primarily determined by the number of rooms, the influence of living square meters on value is proportional to square meters.

## **3.0 RESEARCH METHODOLOGY AND SAMPLING**

For this research, both primary and secondary source of data was employed as method of data collection. Primary data was obtained through the administration of closed ended questionnaire to Estate Surveyors and Valuer, Estate Agent and property developers or property owners in the study area. Birnin kebbi town was stratified in to three, where one area was selected in each stratified group (Badariya, Bayan Kara, and Gesse Phase II). Two (2) numbers of Estate Surveyors and Valuers firm within the selected area and 11 (eleven) Estate agents were all sampled, 8976, 4623, and 6890 property developers/property owners in Badaraiya, Bayan Kara, and Gesse Phase II which bring the sample frame of 20,489. A sample size of 364 was determined using Dillman (2000, 2007), Salant and Dillman (1994) table 50/50 spilt at 95% confidence level with a  $\pm 5\%$  sampling error. The total number of respondents in this study is 377. Different relevant journals, textbooks and other relevant materials were reviewed in related literature review as secondary source of data. Where Simple random sampling and stratified random sampling was used as method of sampling, where each member of the population has equal chance of being selected. For each 10 property owners 1 has been selected and administered questionnaire.

### 3.1 Method of Data Analysis

Statistical tools such as frequency distribution and percentages, means rating known as quantitative method was used as method of data analysis with assisted of SPSS application. The research answers two research question.

- a. What are the types of residential properties and micro economic factors affecting the property development in the study area?
- b. What are the effects of micro economic factors on residential property development?

### 4.0 RESULTS AND DISCUSSION

As explained in methodology, 2 (two) questionnaires were administered to Estate Surveyors and Valuers in the study area, 11 (eleven) questionnaires to Estate Agents and 364 to property owners/property developers. All the two (2) questionnaires administered to Estate Surveyors and Valuer were retrieved representing 100%, however, 9 out of 11 questionnaires administered to Estate agent were retrieved which represent 82%. Also, out of 364 questionnaires administered to property owners/developers, a total of 310 (three hundred and ten) which represent 85% were retrieved and found useful (see table 1). It shows that the respondents were ready to provide the needful and useful information on the effect of micro economic factors on property value.

**Table 1** Distribution and retrieved of questionnaire in the study areas

Study Population	Questionnaire Distributed	No of Questionnaire Retrieved	Percentage %
Estate Surveyors and valuers	2	2	100
Estate Agent	11	09	82
Property owners in Badariya area	124	111	90
Property owners in Gesse Phase II area	120	104	87
Property owners in Bayan Kara area	120	93	78
<b>Total</b>	<b>377</b>	<b>321</b>	<b>85</b>

**Table 2** Demographic information of Respondents

S/N	Variables	Options	Respondent	Percentage (%)	Total
1	Gender	Male	231	72	321 (100)
		Female	90	28	
2	Education	SSCE	58	18	321 (100)
		ND & Graduates	106	33	
		Postgraduate	154	48	
		Others	3	1	

The above table 2 revealed that 72% of total respondents in the study areas are male while 28% are female. For academic qualification of the respondents: 18% of the respondent possessed SSCE certificates, 33% of them hold National Diploma/ High National diploma and Degree certificate, while 48% are postgraduate certificate holders that comprise PGD, MSc, and PhD. While 1% of the respondent possessed others certificate. The above entails that most of the respondents were educated enough and possess the intellectual capacity to understand the questions in the questionnaire and to respond appropriately.

#### 4.1 Types of residential property in the study area

**Table 3** The Types of residential properties in the study area

AREA	Types of Property							%
	Bungalow	Mansion	Semi Detach	Flat	Tenement	Detached	Total	
Badariya	19	0	7	28	49	15	118	37
Gesse Phase II	14	0	17	43	24	6	104	33
Bayan Kara	15	0	6	22	38	12	93	30
<b>Total</b>	<b>48</b>	<b>0</b>	<b>30</b>	<b>93</b>	<b>111</b>	<b>33</b>	<b>315</b>	<b>100</b>

Table 3 above shows the various types of Property in Badariya area, Gesse Phase II and Bayan Kara. Based on the respondent opinion 16% of them dwelled in the bungalow in Badariya Area, 6% in Semi-Detach, 24% in flat, 41% in Tenement while 13% in Detached. In Gesse Phase II 13% of the respondent dwelled in Bungalow, 16% in Semi-Detach, 41% in flat, 23% in Tenement while 6% in Detached. While in Bayan Kara Area 16% of the respondent resided in Bungalow, 6% in Semi-Detach, 24% in flat, 41% in Tenement while 13% in Detached. From the table, it can be concluded that most of the respondent in Bayan Kara Area are resided in tenement Buildings, in Badariya Area they are dwelled in tenement Buildings, while most of the respondent dwelled in flat houses in Gesse Phase II.

#### 4.2 Microeconomic variables that affects the property value in the study area

**Table 4** Physical Characteristics of the Building

Physical characteristics	Frequency	Percentage %
Types of Material Used	74	23
Building Design	83	26
Room Sizes	42	13
Parking Spaces	32	10
Building age	75	23
Landscape	15	5
Others	0	0
<b>Total</b>	<b>321</b>	<b>100</b>

Table 4 above, explained the physical characteristics affecting property value in the study area, these physical characteristics can affect property value either positively or negatively. Using SPSS descriptive frequency analysis based on the respondent's opinion, the respondents are with the opinion that building design with 83 respondents representing 26% has the major effect on property values in the study area, it shows that people are more considering the building design in selecting property, poor design can affect the building negatively, while a good design will affect the property development positively. Then followed by building age with 75 respondents representing 23%, followed by material used in the construction with 74 respondents representing 23%, followed by room size with 42 respondents representing 13%, followed by parking spaces with 32 respondents representing 10%, while landscape design has 15 respondents representing 5%. It is good to the potential property developers to study all these physical characteristics on their future development in the study area to come up with development that will suit the taste of the occupant which will help the developers to achieve their goals.

**Table 5** Types of Finishes

Types of Finishes	Frequency	Percentage %
<b>Wall</b>		
Plastering & Painting	73	23
Tiling	213	66
Skirting	23	7
Others	12	4
<b>Total</b>	<b>321</b>	<b>100</b>
<b>Ceiling</b>		
Wooden	75	23
PVC Cladding	86	27

Plaster of Paris (POP)	157	49
Others	3	1
<b>Total</b>	<b>321</b>	<b>100</b>
<b>Roofs</b>		
Corrugated Aluminium	127	40
Corrugated metal Sheets	95	30
Corrugated Steel	78	23
Others	21	7
<b>Total</b>	<b>321</b>	<b>100</b>
<b>Floors</b>		
Tiling	142	44
Terrazzo	123	39
Concrete Floor Covering	42	13
Others	14	4
<b>Total</b>	<b>321</b>	<b>100</b>

From table 5 above, Wall, Ceiling, Roofs, and Floor are among the types of finishes asked the respondents whether they are among the micro economic factors affecting property value in the study area. Using SPSS frequency analysis based on the respondent's opinion, Wall with tiling with 213 respondents representing 66% has a significant effect on property value in the study area, followed by wall with plastering and painting with 73 respondents representing 23%, followed skirting with 23 respondents representing 7%, followed by others with 12 respondents representing 4%. For ceiling as types of finishes, POP with 157 respondents representing 49% have the highest effect on property value, then followed by PVC cladding with 86 respondents representing 27%, followed by wooden ceiling with 75 respondents representing 23%, while buildings used with other types of ceiling has 3 respondents representing 1%. In roofing finishes, property developed with corrugated aluminium sheets with 127 respondents representing 40% has the highest effect on property value, followed by corrugated metal sheets with 95 respondents representing 30%, followed by corrugated steel with 78 respondents representing 23%, followed by property developed with other types of roofing sheet material with 21 respondents representing 7%. It is good for the developer to choose the types of roofing materials to be use in property development, as it has both the positive and negative effect, the types of roofing sheets used in the development can determined the types of effect on your property, whether it affect your property positively or negatively. In case of floors, property developed with tiles with 142 respondents representing 44% as floor finishes has a significant positive effect on property value, followed by terrazzo with 123 respondents representing 39%, followed by properties with concrete floor covering with 42 respondents representing 13%, followed by properties developed with other types of finishes with 14 respondents representing 4%. It is advisable to the developers in the study area to investigate these types of finishes in carrying out their development as they have effect on the property either positively or negatively.

**Table 6** Infrastructure Facilities and social Amenities Factor

<b>Infrastructure and Facilities Factor</b>	<b>Frequency</b>	<b>Percentage (%)</b>
No. of Toilets	35	11
Electricity Fittings	67	21
Waste disposal and Sewage	45	14
Portable Water Supply	83	26
Sanitation facilities	61	19
Others	29	9
<b>Total</b>	<b>321</b>	<b>100</b>

From table 6 above, it can be seen that among the Infrastructural Facilities and social amenities factors affecting property value in the study area based on the respondents view, using frequency table to analysed, Portable Water Supply with 83 respondents representing 26% has a significant effect on property value, property with good portable water supply will increase the property value and vice versa, then followed by Electricity fittings installed within the properties with 67 respondents representing 21%, followed by Sanitations Facilities installed in the properties with 61 respondents representing 19%, Waste Disposal and Sewage has 45 respondents representing 15%, number of toilets and others facilities provided in the properties has 35 and 29 respondents representing 11% and 9% respectively in the study area.

### 4.3 The effects of microeconomic variables on property value in the study area

Below explained the effect of microeconomic variables on property value in the study area, various variables were used to find out the how the microeconomic factors affecting property value and it represent in the table using Likert scale.

**Table 7** The effects of microeconomic variables on property value in Badariya

Effects of Microeconomic Variables on Property value	OPINION SCALE						Mean	Ranking
	SA	A	UD	D	SD	$\Sigma$		
	5	4	3	2	1		$X = \frac{\Sigma FX}{\Sigma F}$	
Security and increase in traffic	66	30	8	7	7	118	<b>4.19</b>	<b>1<sup>st</sup></b>
	330	120	24	14	7	495		
Effect on property price	40	29	8	6	35	118	<b>3.27</b>	<b>5<sup>th</sup></b>
	200	116	24	12	35	387		
Nuisance	51	31	19	8	9	118	<b>3.90</b>	<b>3<sup>rd</sup></b>
	255	124	57	16	9	461		
Environmental Quality	62	29	6	5	16	118	<b>3.98</b>	<b>2<sup>nd</sup></b>
	310	116	18	10	16	470		
Effect on property demand	44	26	7	8	33	118	<b>3.33</b>	<b>4<sup>th</sup></b>
	220	104	21	16	33	394		
Time consuming	32	28	10	16	40	118	<b>3.03</b>	<b>6<sup>th</sup></b>
	160	112	30	16	40	358		

Note: SA (Strongly agreed), A: (Agreed), UD (Undecided), D (Disagreed), SD (Strongly Disagreed).

The table 7 above revealed that security and increase in traffic with highest weighted means score of 4.19 ranked 1<sup>st</sup> among the effects of microeconomic variables on property value in Badariya Area, lack of insecurities and high traffic congestions in the area can affect the residential property value negatively, while a vice versa can affect it positively. Then followed by “Environmental Quality” with score 3.98 score ranked 2<sup>nd</sup> “Nuisance” with 3.27 ranked 3<sup>rd</sup>, Effect on property demand is ranked 4<sup>th</sup> with a score of 3.33, “Effect on property price” with score of 3.27 ranked 5<sup>th</sup> while “Time consuming” is ranked 6<sup>th</sup> with score of 3.03. This shows that among all the effects of microeconomic variables on property development in Badariya Area, Security and increase in traffic and Environmental Quality are variables with more effect in Badariya Area.

**Table 8** The effects of microeconomic variables on property value in Gesse Phase II

Effects of Microeconomic Variables on Property value	OPINION SCALE						Mean	Ranking
	SA	A	UD	D	SD	$\Sigma$		
	5	4	3	2	1		$X = \frac{\Sigma FX}{\Sigma F}$	
Security and increase in traffic	55	31	8	5	5	104	<b>4.21</b>	<b>1<sup>st</sup></b>
	275	124	24	10	5	438		
Effect on property price	22	12	15	10	45	104	<b>2.57</b>	<b>5<sup>th</sup></b>
	110	48	45	20	45	268		
Nuisance	23	24	7	20	40	104	<b>3.00</b>	<b>4<sup>th</sup></b>
	115	96	21	40	40	312		



Environmental Quality	53	23	8	16	4	104	<b>4.00</b>	<b>2<sup>nd</sup></b>
	265	92	24	32	4	417		
Effect on property demand	48	18	7	21	10	104	<b>3.70</b>	<b>3<sup>rd</sup></b>
	240	72	21	42	10	385		
Time consuming	13	10	12	29	40	104	<b>2.29</b>	<b>6<sup>th</sup></b>
	65	40	36	58	40	239		

Note: SA (Strongly agreed), A: (Agreed), UD (Undecided), D (Disagreed), SD (Strongly Disagreed).

Table 8 above revealed that security and increase in traffic with weighted means score of 4.21 ranked 1<sup>st</sup> among the effects of microeconomic variables on property value in Gesse Phase II Area. Followed by “Environmental Quality” with score 4.00 score ranked 2<sup>nd</sup> “Effect on property demand” with 3.70 ranked 3<sup>rd</sup>, Nuisance is ranked 4<sup>th</sup> with a score of 3.00, “Effect on property price” with score of 2.57 ranked 5<sup>th</sup> while “Time consuming” is ranked 6<sup>th</sup> with score of 2.29. This shows that among all the effects of microeconomic variables on property development in Gesse Phase II Area, Security and increase in traffic and Environmental Quality are also variables with more effect in Gesse Phase II.

**Table 9** The effects of microeconomic variables on property value in Bayan Kara Area

Effects of Microeconomic Variables on Property value	OPINION SCALE						Mean	Ranking
	SA	A	UD	D	SD	$\Sigma$	$X = \frac{\Sigma FX}{\Sigma F}$	
	5	4	3	2	1			
Security and increase in traffic	20	13	5	20	35	93	<b>2.60</b>	<b>5<sup>th</sup></b>
	100	52	15	40	35	242		
Effect on property price	45	17	13	10	8	93	<b>3.87</b>	<b>2<sup>nd</sup></b>
	225	68	39	20	8	360		
Nuisance	51	29	4	4	5	93	<b>4.25</b>	<b>1<sup>st</sup></b>
	255	116	12	8	5	396		
Environmental Quality	40	22	10	10	11	93	<b>3.75</b>	<b>3<sup>rd</sup></b>
	200	88	30	20	11	349		
Effect on property demand	35	15	5	10	28	93	<b>3.20</b>	<b>4<sup>th</sup></b>
	175	60	15	20	28	298		
Time consuming	17	15	6	15	40	93	<b>2.50</b>	<b>6<sup>th</sup></b>
	85	60	18	30	40	233		

Note: SA (Strongly agreed), A: (Agreed), UD (Undecided), D (Disagreed), SD (Strongly Disagreed).

The table 9 above revealed that Nuisance with highest weighted means score of 4.25 ranked 1<sup>st</sup> among the effects of microeconomic variables on property value in Bayan Kara Area. Followed by “Effect on property price” with score 3.87 score ranked 2<sup>nd</sup> “Environmental Quality” with 3.75 ranked 3<sup>rd</sup>, Effect on property demand is ranked 4<sup>th</sup> with a score of 3.20, “Security and increase in traffic” with score of 2.60 ranked 5<sup>th</sup> while “Time consuming” is ranked 6<sup>th</sup> with score of 2.50. This shows that among all the effects of microeconomic variables on property value in Bayan Kara Area, Nuisance and Effect on property price are also variables with more effect in Bayan Kara Area.

#### 4.3.1 Summary of the effects of microeconomic variables on property value in the selected areas

Effort was made to compare the effects of microeconomic variables on property value in the selected areas; detail is presented in table 10.

**Table 10** Summary of the effects of microeconomic variables on property value in the selected areas

Study Area	Microeconomic Variables on Property Value							
	S&IT	EPP	N	EQ	EPD	TC	Total	Mean
Badariya	4.19	3.27	3.90	3.98	3.33	3.03	<b>21.7</b>	<b>3.61</b>
Gesse Phase II	4.21	2.57	3.00	4.00	3.70	2.29	<b>19.77</b>	<b>3.29</b>
Bayan Kara	2.60	3.87	4.25	3.75	3.20	2.50	<b>20.17</b>	<b>3.36</b>

Note: S&IT (Security and Increase in Traffic), EPP (Effect on Property Price), N (Nuisance), EQ (Environmental Quality), EPD (Effect on Property Demand), TC (Time Consuming).

#### 4.3.2 Ranking of Microeconomic Variables on Property Value

Table 11 presents a ranking of Microeconomic Variables at the three selected areas. From the table, Badariya area with 3.61 index recorded average effect, Gesse Phase II with 3.29 index recorded average effect while Bayan Kara area with 3.36 recorded lower effected indexes.

**Table 11** Ranking of Microeconomic Variables

Study Area	Effectuated Index	Rank	Effect
Badariya	3.61	1 <sup>st</sup>	Average
Gesse Phase II	3.29	2 <sup>nd</sup>	Average
Bayan Kara	3.36	3 <sup>rd</sup>	Average

The result of this analysis can be attributed to microeconomic variables control on property value which has contributed significantly to wellbeing of property value in the three areas. Based on the table the micro economic factors are significantly has directed effect on property value, when they are all in good condition the property value will appreciated and when they are not provided, or they are not properly maintained they will affect property value negatively.

#### 5.0 CONCLUSION

From the information gathered on this research, it was revealed that the types of property developed in the study area are Bungalow, Semi-detach, Flat and Tenement Building. It was found that the microeconomic variables affecting property value in the study area includes Physical characteristics of the residential properties which includes Types of Material Used, Building Design, Room Sizes, Parking Spaces, Building age and Landscape. Types of Finishes that include roofs, walls, ceiling, and floors, Infrastructural Facilities and social amenities Factors that include No. of Toilets in the property, Electricity Fittings installed, Waste disposal and Sewage, Portable Water Supply and different types of Sanitation facilities provided in the properties. The effects of microeconomic variables on property value in the study area are Insecurity and Increase in Traffic, Effect on Property Price, Nuisance, Environmental Quality, Effect on Property Demand and Time Consuming. It also finds out that based on the presents a ranking of Microeconomic Variables at the three selected areas, Badariya area with 3.61 index recorded average effect, Gesse Phase II with 3.29 index recorded average effect while Bayan Kara area with 3.36 recorded lower effected indexes.

From the findings of this study, its recommendations that public enlightenment by way of educating people on micro-economic matters should be priority to the State Government, so that property owners will be made to understand the quality implication of microeconomic factors on their properties. Prospective property developers should ensure the use of standard building finishes so as receiving maximum return on their investment in property development. Government should be encouraged to introduce policies that will ease the difficulties in importing housing materials and promote the manufacture of local ones. It is also recommended to the Estate Surveyors and Valuer to study this micro economic factors in the study area well in determining the property value, as property will be in the same location with the same designed but different in terms of micro economic factors so as to help the property developers/investors in deriving yield in their property, and also helping property buyers/tenant in getting the property that will serve their teste.

The study investigates on the effect of micro-economic variables on property value in the study areas; it is safe to conclude that microeconomic variables at the three selected areas has a significant effect on property value. These micro economic can be used to determine the property values. A good care or consideration need to be given to these micro economic factors for both Estate Surveyors and Valuers and the Property owners/investors which will hep the property owners to derive profit in their residential properties as tenant and property buyers are considering the factors before acquiring or occupying the property.

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