

A Study of Private Rental Housing Market in Kaduna Metropolis, Nigeria

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Abstract

Rental housing is an expanding and lucrative investment sector that has garnered a lot of investors both in the developed and developing countries of the world. The high rate of rental default in urban centres of Nigeria tends to discourage massive investment in rental housing by the prospective investors. The study examines the nature of private rental housing market and the influencing factors in Kaduna Metropolis from the view of both tenants and property managers (Estate Surveyors and Valuers). To accomplish the aim, questionnaires were administered on practicing Estate Surveyors and Valuers (statutorily recognized property managers) and selected tenants through proxy questionnaires from the sampled firms. Data were analyzed using descriptive statistics. Findings show that there are different forms of rental payment patterns and tenant selection criteria adopted. The study assessed tenants' (rental housing consumers') behaviour and ranked breach of tenancy agreement and harsh landlord's policy as the main causes of rental default. It recommends the needs for effective regulation and tenancy legislation review as a way forward to ensure refinement in the residential property management practice in Kaduna Metropolis.

Keywords: housing, rental housing, tenancy, rental default, affordability

1. Introduction

Housing represents one of the most basic human needs. As a unit of environment, it has a profound influence on the health, efficiency, social behaviour, satisfaction and general welfare of the community (Onibokun 1998). To most groups, housing means shelter but to others, it means more as it serves as one of the best indicators of a person's standard of living and his or her place in the society (Nubi 2008). It is a priority for the attainment of living standard and it is important to both rural and urban areas. These attributes make demand for housing to know no bounds as population grows. As urbanization increases rapidly, the gap between housing need and supply become widened. Cultural factors such as preferences, values, social status, taste, financial resources, and family demography influence home physical characteristics. In Nigeria, poor housing delivery has been attributed to inadequate mechanisms and systems for land allocation, funding, mortgage institutions and infrastructure (Aluko & Amidu 2006; Oladapo 2001; Aluko & Olawumi 2002; Ogunsami et al. 2001).

Despite the significance of housing, adequate supply has remained a challenge in Nigeria. The situation is very particular to most developing countries where population grows at an exponential rate and discrepancy in housing need is high. Various authorities have proffered solutions to solving housing delivery problems in Nigeria. While Fasakin (1998) suggested the cooperative housing model, Danmole (2004) advocated for simple land allocation system and Omole (2001) suggested affordable housing model. The proportion of the Nigerian population living in urban centres has increased phenomenally over the years. While only 7% of Nigerians lived in urban centres in the 1930s, and 10% in 1950s, by 1970, 1980 and 1990, 20%, 27% and 35% lived in the cities respectively (Okupe 2002). Over 40% of Nigerians now live in urban centers of varying sizes. The problem of population growth has created severe housing problems, resulting in overcrowding, inadequate dwellings and a situation which 60% of Nigerians can be said to be homeless persons (FGN 2004). The scenario is perceived manifesting in the thick populated areas of northern Nigeria.

The necessity of housing and low potential power to out rightly acquire properties necessitates the idea of rental housing for every citizen. Residential rental properties can be of various classes. Lawal (2000), classified residential houses based on flats, rooming apartments, etc. The demand for each category is determined by the ability to pay the chargeable rent. According to the United Nations Global report on Human Settlements, capital cost of a complete rental dwelling could be 2.5 to 6 times the average annual salary (Okpala et al. 2006). Housing affordability uniquely establishes the relationship between people and housing in monetary terms and at a deeper level expresses the link between social and economic systems and the quest for satisfaction of basic human needs that is not merely monetary (Stone 1993). Private rental housing in Nigeria appears to be failing in

aspect of rent, quality, quantity and thus the need for government intervention for improvement. Against this backdrop, this study examines the pace and issues in rental housing in Kaduna, Nigeria.

2. Literature Review

Aside the concerns which propelled rental housing affordability into the limelight, international housing policy debates are in fact more pressing in the developing countries (Hofer and Gurstein 2009). As a result, the overwhelming proportion of relevant academic research and policy materials around rental housing and affordability are concentrated in the developed countries.

The operation of rental property market varies from regions to regions and nations to nations. Investing in rental housing is affected by both systematic and specific risk factors. Systematic risks comprise, for example, general economic conditions, finance rates, level of taxation and legislative changes. Normally of greater significance are the specific risk factors such as tenant, location, prospects for rental growth, building condition, obsolescence, letting risk and lease arrangements (Hutchinson et al. 2009). Some of the specific risk factors relate to the physical characteristics of the building, others are affected by the covenant strength of the tenant who is contractually obliged to pay the rent. Hutchinson et al (2009) has pointed out that the risk of default differs between sectors and that on average, the probability of financial distress increases for smaller and younger companies. That is important for those who are involved in the pricing of property interests and are aware of the differences. In rental housing market, risk of default has been a major challenge. Crosby and Murdoch (2000) opine that the risk of default is often largely ignored in a buoyant market and mispricing hence occurs. However, this is usually adjusted as the market enters the down phase of the property cycle, which would be too late for many investors with their income return adversely affected by increasing levels of default.

Hutchinson et al (2009) researched that in certain instances where there is high demand for a particular property, perhaps because of planning restrictions, a lump sum payment may be made by the tenant to service the lease. This is often referred to as “key money” and in the developed countries is non-refundable at the end of the lease, providing the landlord with a bonus capital sum prior to lease commencement. Lee et al (2002) opine that landlords and tenants focus their energies on negotiating the key heads of terms of the lease. The content of the lease document depends upon their respective bargaining positions. According to the author, rent and lease length are clearly crucial but where landlords are bargaining with the weaker covenant, there is less advantage in granting a longer lease, as to have any value, a longer lease requires a strong covenant to support it.

McAllister and Tarbert (1999) analyzed rental negotiation process prior to lease expiry. They tested the findings from earlier research that tenants may use the threat of lease termination at rental negotiations in order to obtain concessions in the rent or other incentives. According to the authors, the bargaining process often caused deviation from what they termed as equilibrium solution. The analysis revealed that concession level of landlord would be a function of four variables comprising the expected landlord’s cost of void, probability of tenant relocation, landlord’s risk preference and the effects of the bargaining process.

Crosby and Murdoch (2000) examined the difference between rent reviews/lease renewals and open market letting. The authors posited that in both rent reviews and lease renewals the rental negotiations were usually on a one-to-one basis which contrasts with open market lettings where a full marketing process normally occurs.

In Korean lease, Ambrose and Kin (2003) attributed the popularity of the lease system to the concept of rental deposit. Studies revealed that rental deposit provides some advantages (Hutchinson et al 2010; Kim and Yang 2006). Extensive search for recent relevant rental housing or related literature in Nigeria revealed only a handful of studies. Most of the existing works that examined various aspects of Nigerian housing and housing policy orientation especially in the 1980s and 1990s were largely influenced by housing need considerations, not rental market. Daramola (2004); Nubi (2001); Elili (2002); Federal Mortgage Bank of Nigeria (2002); Sanusi (2003) and Vuyisani (2003) fall into the category of related recent works with underlying housing affordability and credit accessibility. While Nubi (2001) examined the reasons behind the passive response of the Nigerian housing finance system in the effort towards adequate housing delivery in the country, Elili (2002) discussed the role of primary mortgage institutions in accessing the National Housing Fund (NHF) in Nigeria. Vuyisani (2003) carried out a comparative analysis of Nigerian housing finance system with three other African countries - South Africa, Ghana and Tanzania. Sanusi (2003) elaborated on the issues and challenges of mortgage financing in Nigeria. These studies however dwelt much on housing development and financing instruments. Another related study by Ojo (2005) examined borrowers’ perception of the degree of cumbersomeness of lenders’ requirements in housing finance in south-western Nigeria. He found that borrowers identified three factors as the most prominent determinants, namely: collateral/title deed, affordability criteria and the repayment schedule criteria.

Okewole and Aribigbola (2008) and Aribigbola (2011) offered a critique of the current National Housing policy with respect to making rental housing affordability. Using the evidence gathered from Akure, Ondo State, the authors recommended the need for policy initiatives and interventions to assist low income households if the issue of affordability in rental housing is to be properly and adequately addressed in cities of developing countries.

Agbola (1990) was largely concerned with the debilitating effect of ineffective cost recovery on the sustainability of public housing projects using Lagos, Ogun and Oyo states as reference points. His study indicated that there is no significant relationship between rental housing affordability and level of default rates and weak cost recovery mechanism within the public housing framework. He used income as surrogate for rental housing affordability in his analysis. Oruwari (1994) dealt with the issue of the increasing housing affordability problems facing low income households in Port Harcourt. The author provided a comparative analysis of housing cost and housing standards by comparing rent levels for different forms of accommodation as well as construction costs and reasonable rates of return between 1980 and 1992. The analysis showed that it was more economically attractive for private sector developers to provide apartment buildings (i.e. blocks of flats) which are beyond the affordability of low income households than single room tenement housing that overwhelmingly constitute the bulk of low income housing. The author found out that whilst the demand for lower income housing was on the increase, the actual low income housing supply within the formal housing market was on the decrease. Consequently, the resultant escalating pressure on low income housing increased occupancy ratio per room, encouraged overcrowding and exacerbated housing affordability problems within low income housing.

Okewole and Aribigbola (2008) used the city of Akure to examine the growing problem of affordability and the negative impact it has on developing sustainable built environment. The study indicated that a significant proportion of households are faced with housing affordability problems especially with regards to provision of adequate quality of rental housing. While applying the expenditure to income ratio with 30 per cent rule of thumb, he estimated that about 57 percent of the residents of the city had rental housing affordability problem. The study argued for policy initiatives and interventions to assist the low income earners.

Onyike (2007) focused on assessing the rental housing affordability of basic occupier housing by public servants in Owerri, against the backdrop of the monetization of fringe benefits policy for public servants in Nigeria. In this study, the author analyzed the new allowances and salary structure of public servants in Owerri against the market value survey of 66 bungalows and houses in the city, along with their corresponding estimated annual mortgage premiums at 6% and 8% respectively over 25-year period. He showed that as at January 2007, within the existing 17-point scale salary structure, only public servants on level 13 and above in the federal civil service and those on 16 and above in the state civil service could afford the cheapest bungalow at 6% rate in Owerri. He concluded that the average civil servant in the city could not afford adequate rental housing without substantial assistance.

3. Research Setting

The research relates to the urban rental housing in terms of affordability/default and tenancy in Kaduna metropolis. Kaduna city is the capital of Kaduna State which is an old town representing an important part of Northern Nigeria due to its strategic location and accessibility. Established in 1912 by Lord Frederick Lugard, first as a garrison town and then as the regional capital of the then Northern Protectorate, Kaduna soon attracted people of all races, religions and cultures. The population comprises artisans from other West African British colonies and clerks from the Southern Protectorate as well as labourers and traders from Hausa, Nupe, Kanuri, Fulani and other tribes in the Northern Protectorate. Kaduna has served as the political capital of the North which developed into a pre-eminent centre of media (Broadcasting Company of Northern Nigeria, New Nigerian and the defunct Today, Hotline, Democrat, Citizen and Reporter) and of commerce and industry in the region and in Nigeria. Kaduna's history reflects that of the North in particular. Kaduna State shares boundaries with Zamfara, Katsina and Kano states. Bauchi and Plateau State in the east of the state, Niger state at the west of it and the Federal Capital Territory, Abuja and Nassarawa State at the south of the state. Kaduna State is located within latitude $10^{\circ}, 30^{\circ}$ north and longitude $7^{\circ} 30^{\circ}$ east with an estimated total land area of about 69,993 square km.

The property market in Kaduna is fairly stable. However, the demand upturns the supply of housing stock. The upsurge of people and explosive population growth, the emerging industrialization, political status of the city which requires politicians and government workers to settle for civic duties, the cost of erecting individual personal house within the pace of short period of stay in the city have triggered the need for rental housing.

4. Research Methodology and Empirical Analysis

In this study, questionnaires were administered on 20 practising Estate Surveyor and Valuers Firms (statutorily recognized property managers) in Kaduna metropolis out of 23 identified registered Estate Surveyors and Valuers practising in the metropolis (NIESV Directory 2009). Three tenants were purposively sampled from each firm. Out of 20 questionnaires administered on the practitioners, 13(65%) were returned valid and useful. On the tenants' questionnaires, 44 (73%) were recovered useful. This study also examines issues bordering around rental payment and affordability/default rate using 5-point Likert scale. In this study attempt was made to confirm the socio-economic characteristics of the respondent Estate Surveyors and Valuers and Tenants in order to establish the validity of the study. Table 1 presents the features.

Table 1: Characteristics of the Respondent Estate Surveyors and Valuers.

Parameter	Sub-Division	Frequency	Percentage
Professional status	Graduate/Probationer	1	7.7
	Associate	11	84.6
	Fellow	1	7.7
Years of experience	1-5	3	23.1
	6-10	7	58.8
	11-15	3	23.1
Total		13	100.0

Field Survey, 2014

Table 1 indicates that the respondent property managers are full-fletch professionals with 92.3% as qualified property managers in the metropolis. The implication is that only very few of the respondents are still under professional tutelage in the practice of estate surveying and valuation. Table 1 also presents the years of professional experience of the respondents in property management. The result of table 1 indicates that majority of the respondent estate surveyors and valuers possess adequate experience in property management. This further confirms the validity of the data supplied. With an average professional experience of 5 years in property management, the respondents are believed to be well familiar with the nitty-gritties of the profession and thus have reliable practical experience on issues bordering on the rental housing market.

In examining the characteristics of the respondent tenants, table 2 presents the result.

Table 2: Socio-Economic Characteristics of Respondent Tenants

Parameter	Sub-Division	Frequency	Percentage
Sex	Male	25	56.8
	Female	9	43.2
Marital status	Single	16	36.4
	Divorced	5	11.4
	Married	22	50.0
	Widowed	1	2.3
Occupation	Civil servant	14	31.8
	Self-employed	9	20.5
	Corporate organization staff	12	27.3
	Artisan	3	6.8
Religion	Law enforcement agent	6	13.6
	Christianity	26	59.1
	Islam	17	38.6
Family size	Others	1	2.3
	1-2	15	34.1
	3-4	19	43.2
	5-6	6	13.6
	7-8	2	4.5
Income level	Above 8	2	4.5
	N50,000 – N100,000	8	18.2
	N100,000 – N150,000	10	22.7
Total	Above N150,000	26	59.1
		44	100.0

Field Survey, 2014

On the sex of the respondents, the result shows that over half (56.8%) of the respondents are males while 43.2% are females which in essence means that more males patronize urban rental housing than females and this makes the data more revealing and dependable as far as the subject matter is concerned. Looking at table 2, it is also seen that more married people patronize urban rental housing with 50% followed by single tenants with 36.4%; 2.3% for widows and 11.4% for divorced respondents. In the aspect of occupations of the respondents as indicated in table 2, it shows that civil servants are more dominant in urban rental housing with 31.8%, followed by the self-employed with 20.5%, corporate organization staff, law enforcement agents and artisans with 27.3%, 13.6% and 6.8% respectively. The religious beliefs of the respondents as shown in table 2 reveals that there are more Christians than Muslims followed by other religions with 59.1%, 38.6% and 2.3% respectively. Table 2 also reveals that family sizes range between 1-2, 3-4, 5-6, 7-8 and above having percentages of 34.1%, 43.2%, 13.6%, 4.5% and 4.5% respectively.

On income levels, the largest percentage of the respondents earn above N150,000 (59.1%), next are earnings between N100,000 – N150,000 and N50,000 – N100,000 with 22.7% and 18.2% respectively. Table 3 presents the terms of rent payment in the area.

Table 3: Terms of Rent Payment

Variables	Frequency	Percentage (%)
In advance	33	75.0
In arrears	1	2.3
Terminal basis	4	9.1
Part payment	6	13.6
Total	44	100

Field Survey, 2014

It can be observed from Table 3 that most respondents pay their rents in advance 33 (75.0%), 6 (13.6%) part payment, 4 (9.1%) terminal basis. However, further investigations aside the submission of the respondents revealed that most tenants of urban rental housing adopt all these forms of rent payment depending on the prevailing economic situation in the country. Effort was made to assess the rent payment pattern from the tenants' view. Table 4 presents the result.

Table 4: Assessment of Tenants' Rent Payment Pattern (Tenants' Viewpoint)

Factors	Strongly agree (5) (%)	Agree (4) (%)	Neutral (1) (%)	Disagree (3) (%)	Strongly Disagree (2) (%)	Mean
Paying my rent annually is more convenient	6(13.6%)	7(15.9%)	4(9.1%)	15(34.1%)	12(27.3%)	2.98
Paying my rent half yearly is more convenient	5(11.4%)	10(22.7%)	17(38.6%)	7(15.9%)	5(11.4%)	2.57
Paying my rent quarterly is more convenient	2(4.5%)	7(15.9%)	20(45.5%)	8(18.2%)	7(15.9%)	2.18
Paying my rent biennially is more convenient	2(4.5%)	8(18.2%)	18(40.9%)	4(9.1%)	12(27.3%)	2.18
Paying my rent monthly is more convenient	6(13.6%)	8(18.2%)	9(20.5%)	9(20.5%)	12(27.3%)	2.77
Paying my rent in arrears is more preferable	5(11.34%)	2(4.5%)	14(31.8%)	11(25.0%)	12(27.3%)	2.36
Paying my rent in advance is more preferable	21(47.7%)	9(20.5%)	6(13.6%)	4(9.1%)	4(9.1%)	3.80
Paying my rent on terminal basis is not convenient	5(11.4%)	4(9.1%)	17(38.6%)	13(29.5%)	5(11.4%)	2.43
Paying my rent instalmentally is not convenient	8(18.2%)	9(20.5%)	8(18.2%)	18(40.9%)	1(2.3%)	3.18
Paying my rent in full affects other housing needs	6(13.6)	5(11.4%)	12(27.3%)	15(34.1%)	6(13.6%)	2.70

Field Survey, 2014

The results imply that a larger percentage of the respondents prefer to pay their rents in advance (30%) which is the highest percentage on the table. Very few (5%) of the respondents prefer paying their rents half-yearly, while 18% of the respondents are indifferent to paying their rent biennially. Another inference of importance

from the table is how the payment of rent in full by respondents affects other housing needs. More than half of the respondents (21%) confessed that paying their rent in full does not really affect other housing needs (clothing, nutrition, healthcare, entertainment, education) which implies that most respondents in the study area are not experiencing housing stress when they pay their rents in advance. In order to assess the conduct of tenants in rental housing, table 5 addresses the issues.

Table 5: Assessment of Tenants' Conduct in Rental Housing

Factors	Strongly agree (5) (%)	Agree (4) (%)	Neutral (3) (%)	Disagree (2) (%)	Strongly Disagree (1) (%)
Avoiding difficult tenants in urban rental housing is achievable	8(61.5%)	3(23.1%)	—	1(7.7)	1(7.7)
Tenants are being recalcitrant when their rents are due for payment	6(46.2)	6(46)	1(7.7)	—	—
Rental default in residential rental housing is prevalent than other property class	3(23.1)	4(30.8)	5(38.5)	1(7.7)	—
Tenants in residential rental housing owe rents more than tenants of other property class	2(15.4)	3(23.1)	3(23.1)	5(38.5)	—
In urban rental housing, it is somewhat easy to meet the expectation of rent payment	3(23.1)	4(30.8)	5(38.5)	1(7.7)	—
Urban rental housing tenants usually owe rent in arrears	—	5(38.5)	2(15.4)	5(38.5)	1(7.7)

Source: Field Survey, 2014

Inferring from Table 5, the response of the estate surveyors and valuers revealed that avoiding difficult tenants in urban rental housing is achievable. The result shows that more than half (61.5%) of the respondents strongly agree that difficult tenants can be avoided in urban rental housing, 23.1% agree that difficult tenants can be avoided, 7.7% strongly disagree and 7.7% disagreed. This implies that most of the tenants of urban rental housings prove to be difficult at a point in time or the other in the course of their tenancy.

It also revealed that only 7.7% of the estate surveyors and valuers feel indifferent to the question of tenants in urban rental housing being recalcitrant when their rent is due for payment while 46.2% and 46.2% strongly agreed and agreed respectively. This implies that almost all the tenants of urban rental housing become difficult when it is time to pay their rent.

It also revealed that only 7.7% of the respondents disagreed that rental default is most prevailing in residential rental housing, 38.5% are indifferent while 30.8% and 23.1% agreed and strongly agreed respectively. This means that 53.9% of the respondents were of the opinion that rental default is most common in residential rental housing than other class of properties.

It is also observed that 38.5% of the respondents disagreed with the notion that tenants of urban rental housing owe rents more than tenants of other property types, 23.1% are indifferent, 23.1% agreed while 15.4% strongly agreed. This means that 38.5% believe that residential rental housing tenants are vulnerable to owing rent than other tenants of other property type while 38.5% disagreed, which implies that half of residential rental housing tenants in Kaduna metropolis owe rents more than other occupiers other property types. 53.9% of the respondents when asked if tenants in urban rental housing somewhat find it hard to meet up with the expectation of rent payment believe that residential rental housing tenants find it hard to meet up with the expectation of rent payment, 7.7% disagreed and 38.5% are indifferent. This implies that there is problem of affordability of rent on the part of tenants. The table further shows that only 7.7% of the respondents strongly disagreed, 38.5% disagreed, 15.4% are neutral and 38.5% agreed to tenants' owing rent in arrears in urban rental housing. The implication of this result is that 46.2% of the respondents do not believe that owing rent in arrears is always part of residential rental housing tenants. However, the method of tenant selection is further examined in Table 6.

Table 6: Property Managers' Methods of Tenants' Selection

Method/process	Always (5) (%)	Frequently (4) (%)	Occasionally (3)(%)	Rarely (2) (%)	Never (1)(%)
Inquiry into prospective tenants' income	7(53.8)	3(23.1)	3(23.1)	-	-
Inquiry into prospective tenants' occupation	11(84.6)	1(7.7)	1(7.7)	-	-
Guarantorship from the place of work	5(38.5)	4(30.8)	4(30.8)	-	-
Inquiry into the record of tenants' past tenancy	2(15.4)	-	-	8(61.5)	3(23.1)
Police report	-	-	1(7.7)	2(15.4)	10 (76.9)
Highest bidding in terms of rent charged	3(23.1)	1(7.7)	2(15.4)	4(30.8)	3(23.1)
Family size	5(38.5)	4(30.8)	3(23.1)	1(7.7)	-
Ethnicity preference	2(15.4)	6(46.2)	-	3(23.1)	2(15.4)
Religious preference	2(15.4)	4(30.8)	1(7.7)	4(30.8)	2(15.4)
Marital status	4(30.8)	4(30.8)	3(23.1)	5(38.5)	2(15.4)
Gender preference	-	3(23.1)	3(23.1)	5(38.5)	2(15.4)
Landlords' instruction and preference	-	3(23.1)	5(38.5)	3(23.1)	2(15.4)

Field Survey, 2014

It is evidenced in Table 6 that, more than half of the respondents (53.8%) confirmed that tenants are usually selected through inquiries into their income before granting the lease, 23.1% frequently do this while 23.1% occasionally do this. The result implies that almost all the respondents do inquire into their prospective tenants' income before giving them accommodation which is in line with the ethics of practice of the Nigerian Institution of Estate Surveyors and Valuers in property letting. Almost all the respondents (84.6%) always inquire into their prospective tenants' occupation before giving them accommodation, 7.7% frequently and occasionally do this. The result implies that all the respondents do inquire into their prospective tenants' occupation before giving them accommodation in order to ensure prompt rent payment as at when due. Table 6 also reveals that 38.5% of the respondents always request for guarantorship from workplaces of prospective tenants, 30.8% frequently request for such and 30.8% also occasionally request for it. Few of the respondent estate surveyors and valuers (15.4%) always inquire into a prospective tenant's record of previous tenancy, 23.1% never do it and 61.6% rarely do it. This means that most of the respondents almost never make inquiry into a prospective tenant's previous tenancy. On the aspect of police report, the result shows that most of the respondents (76.9%) do not

adopt this approach at all. The study again confirmed that 7.7% of the respondents frequently select their prospective tenants based on highest bidding in terms of rent charged, 23.1% always adopt this method, 15.4% occasionally uses it and 30.8% rarely use it and 23.1% do not use it at all. The implication of this is that this approach is not a usual approach to select tenants in the study area.

Considering family size of prospective tenants, Table 6 above shows that 38.5% of property managers in Kaduna metropolis always inquire into prospective tenants' family size before granting them accommodation while 30.8% frequently do such and 23.1% occasionally do it while 7.7% rarely do it. This implies that most of the respondents normally take the family size of a prospective tenant into account before giving them accommodation. It further shows that 15.4% of the respondents are always critical of a prospective tenant's ethnic/tribe before granting the accommodation, 46.2% of property managers of residential rental housings frequently consider this, 23.1% and 15.4% rarely and not at all respectively. This means that larger percentage of the respondents do consider the tribe of a prospective tenant before granting the accommodation. Furthermore, the result shows that property managers frequently (30.8%) and rarely (30.8%) consider the religion of prospective tenant(s) in selecting tenant(s). The implication of 15.4% low response rate confirmed that the religion of tenants is not considered as tenants selection criteria. Marital status is always (30.8%) and frequently (30.8%) considered. Gender is rarely (38.5%) considered. Finally, often (38.5%) landlord's instruction determines tenant selection. The measuring approach is similar to the pattern adopted in measuring risks by Boothroyd and Emmett (1996), and Baker et al (1999). Table 7 presents the result on the causes of default in rental housing in Kaduna Metropolis.

Table 7: Causes of Rental Default in Kaduna Metropolis.

Factors	5	4	1	3	2	X	R
Tenants' unstable income	5(38.7)	3(23.1)	1(7.7)	2(15.4)	2(15.4)	3.69	2
Deficient tenancy management	2(15.4)	2(15.4)	1(7.7)	5(38.7)	3(23.1)	3.08	4
Harshness or lack of flexibility in Landlords' instruction and policy on rent collection	4(30.8)	4(30.8)	-	2(15.4)	3(23.1)	3.69	2
Breach of tenancy agreement in term of landlord not implementing repair covenant	4(30.8)	5(38.7)	-	3(23.1)	1(7.7)	3.92	1
Lack of effective tenancy legislation	5(38.7)	5(38.7)	2(15.4)	1(7.7)	-	3.46	3

Field Survey, 2014

Note: =5; Agreed=4; Neutral=1; Disagreed=2; Strongly Disagreed=3; X= Mean; R=Rank

Table 8 indicates that breach of tenancy agreement in respect of landlords' repair covenant (mean, $x = 3.92$) is confirmed to be the major cause of rental default. It is followed by harsh landlords' policy (mean, $x = 3.69$) and unstable income of the consumers (mean, $x = 3.69$). Lack of effective tenancy legislation (Mean, $x = 3.46$) also constitutes the bulk of rental default in the metropolis. Deficient tenancy management (Mean, $x = 3.08$) ranks least which implies that professional managerial expertise does not in any way contribute to rental default in the area.

5. Summary of Findings

The growing problems of rental affordability and effective tenancy management in Nigeria over the years have brought into focus the need for housing researchers and decision makers to develop a better understanding of the structure, operation and dynamics of urban rental housing. This paper has delved into rental housing with reference to affordability/default and tenants' selection factors in Kaduna Metropolis.

This study revealed that advance payment (75%) has been the commonest form of rental payment in the metropolis. It is revealed in this study that paying rent in advance is more preferable (68.2%) for tenants among all the identified methods and that paying rent in full does not affect other housing needs (47.7%).

The study also confirmed that tenants are being recalcitrant when their rents are due for payment (92.2%) and avoiding difficult tenants in urban rental housing is achievable (84.6%). In the aspect of tenants selection, it is confirmed in this study that inquiry into tenants occupation (92.3%) and into tenants income (76.9%) are the basic methods of determining rent affordability of prospective tenants in the study area.

Finally, this study established that the causes of tenants' default in the area are ranked in the following orders. Breach of tenancy agreement (mean = 3.92), harsh landlords' policy (mean= 3.69), unstable income of the consumers (mean = 3.69), lack of effective tenancy legislation (mean = 3.46) and deficient tenancy management (mean = 3.08).

6. Recommendations and Conclusion

Whilst this study has attempted to give insight into urban rental housing vis-a-vis factors determining choice of tenant selection in Kaduna Metropolis, the findings however bring about the following recommendations in order to ensure effectiveness in property management practice and robust rental housing market in Kaduna Metropolis.

Property managers should endeavor to develop a property data bank for their firms so that they can easily access data on their own from the transactions they have carried out in the past for future references. The determination of rental values by property managers should be based mainly on available market data and not any uncertified rule of thumb basis. Property managers should uphold the tenets of the institution by protecting the interests of the landlords and tenants. The tenants selection process by property managers should be based strictly on merit. Property managers should endeavor to give tenants concession on the terms of rent collection.

Moreover, it is high time estate surveyors and valuers started supervising residential rental housing projects for their clients in order to meet the expectations of prospective tenants in terms of features and needed facilities in such properties. Property managers should give their clients professional advice as to the appropriate rent to be fixed for a particular property using their professional experience and exposure. Property managers should endeavour to advise at the instance of clients on the need to carry out feasibility and viability studies to be able to determine housing needs and what to fix as rent eventually.

Government should formulate favourable housing policy that will guarantee easy access to urban rental housing either through subsidized rent or rent control.

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