Trends in Rent in Off- Campus Student Accommodation In Federal Public Universities In Southern Nigeria

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ABSTRACT:- Residential accommodation in major cities in Nigeria is limited and often very expensive to rent. The value of residential accommodation however varies from one location to the other. This study attempted to study the spatial trends in the value of student accommodation in southern Nigerian universities. The study adopted the cross sectional research design and to this end used both primary and secondary data. The study relied on Taro Yamane formula and the proportional allocation method to determine the sample size and to distribute the sampled respondents across the various selected universities respectively. In all, 798 respondents were interviewed using the structured and semi structured questionnaire but 762 copies of the questionnaire were retrieved.Simple random sampling technique was deployed in administering the copies of the questionnaire. The data from the field were analyzed using a combination of descriptive and inferential statistics. The study found that there is significant variation in the rental pattern of student accommodation across the selected universities. Moreover, within the same geopolitical zone in the southern, variation in rent also exists. Arising from the findings, the study therefore recommended that government should build massive student housing so that there will be uniformity in rental value.

Key words: *Student accommodation; Rent*

I.   INTRODUCTION

Nigerian universities are currently experiencing exponential increase in student enrollment(Osunade and Ogundele,2012). Student enrollment in public universities in Southern Nigeria has risen by over 35% between 1970 and 2014 (NUC, 2015). Currently, there are over 1.2 million students across the 17 public universities in southern Nigeria. The increase is consequent upon the increase in the population growth of Nigeria and the quest for paper qualification (UNESCO, 2012; Ubhenin, 2010 and NPC, 2006). It will be significant to note that one third of the populations (55.3 million) are youthful populace of 10 and 24 years old. The consequence is that Nigeria has a very large proportion of the Nigerian population who are of school going age (UNFPA, 2011). With increasing student population therefore, Nigerian universities require massive investment in housing to accommodate her students. In the last couple of years, there have been serious attempts at increasing housing delivery in Nigerian universities via the private sector. Earlier approaches which advocated the central role of government in housing delivery are now silenced hence giving way to market-based system where the private sector dictates (Edukugbo, 2006; World Bank, 2013).

Notwithstanding the interventions in student housing supply on the campuses, the total available bed spaces stand at 174563 (Mbee, 2016). The deficit in student accommodation on campus coupled with the poor sanitary condition of the existing ones have forced students to scramble for off-campus accommodation where the housing situation is not any different or better (Needs Assessment Report,2012). The National Housing Policy (2012) estimated the urban housing deficit to be approximately 5 million housing units while the rural accommodation scarcity stood at 3.2 million. Hence, it was predicted that about 700,000 housing units had to be constructed annually to deal with these deficits by the year 2000. Lately, a United Nations study situated the total housing deficiency at 17 million units while National Bureau of Statistics (2013) projection is between 12 and 14 million housing units. Clearly, a high young population, increasing urbanization and changes in household characteristics are exerting a significant influence on the overall demand for housing.

Housing generally provides satisfaction to households' members and students alike. Its location and the facilities it offers are additional comfort derived from it (UN Habitat, 2012). The amount a student pay as rent is therefore a function of the satisfaction he will derive from the house and the prevailing economic rent in the area. Student accommodation rent in public federal universities has undergone various changes over time (NUC, 2012 and Esenwa, 2012). Yet, it is not often clear whether accommodation value increases or decreases consistently in real terms over time. More often than not students protest the outrageous amount being paid on rent. Students in Nigerian universities have also asserted that student accommodation rent is 'too high'; 'increasing rapidly';

'rising'; and 'unaffordable to certain groups of students' an 'skyrocketing' (Needs Assessment Report,2012 and Ekwowusi,2012). Arising from the above, this study aims at determining the rental trend of off-campus student accommodation in federal public universities and the duration for rent review.

II. METHODOLOGY

The study adopted a cross sectional study and the study population were students in federal public universities in southern Nigeria. Primary and secondary data were relied upon. Primary data was collected using the questionnaire. Seven universities were randomly selected from the 17 existing federal universities. To determine the sample size of students, the Taro Yamane formula was applied on the total sample frame of 253,881 and 399 was derived. It is expressed thus: $n = \frac{N}{1+N\ (e)^2}$…………………………….. (equation 1)

Where:
N=total population size (253,881)
1 = is a constant
e^2=level of significance (0.05)

In view of relative small size of the number got, the number was multiplied by two. Therefore, the sample size of the study was 798 and to this sampled population copies of questionnaire were systematically administered out of which 762 representing 95.5% of the distributed copies of questionnaire were correctly filled and retrieved. Analysis was based on the 762 copies retrieved. Simple percentage and the Analysis of Variance (ANOVA) were used in data analysis. Analysis of Variance (ANOVA). It is expressed as:

$$K = (N-1)\frac{\sum_{i=1}^{g} n_i(\bar{r}_{i.} - \bar{r})^2}{\sum_{i=1}^{g}\sum_{j=1}^{n_i}(r_{ij} - \bar{r})^2},$$

where:
o n_i is the number of observations in group i
o r_{ij} is the rank (among all observations) of observation j from group i
o N is the total number of observations across all group

Although for speed and accuracy the SPSS 12.0 was used.

Study Area

Southern Nigeria is located between latitude 3° and 14° East and between longitude 4° and 14° North. Nigeria shares borders with the republic of Benin to the west, Niger to the north and Chad and Cameroun to the east. The Atlantic Ocean's Gulf of Guinea is to the south of the country. Nigeria is administered as a Federal Republic, having gained independence from the British colonial masters October 1st 1960 (World Bank,2013). The country is divided into six political zones with 36 states as well as the Federal Capital Territory, Abuja.
Southern Nigeria was a British protectorate in the coastal areas of modern-day Nigeria, formed in 1900 from union of the Niger Coast Protectorate with territories chartered by the Royal Niger Company below Lokoja on the Niger River. The Lagos colony was added in 1906, and the territory was officially renamed the Colony and Protectorate of Southern Nigeria. In 1914, Southern Nigeria was joined with Northern Nigeria Protectorate to form the single colony of Nigeria. The unification was done for economic reasons rather than political.
There are 17 states scattered in the three geopolitical zones that make up southern Nigeria. United Nations Statistics Division (UNSD, 2010) puts the South-West zone population with six states at 27, 266,257; the six states in the South-South zone at 21,014,655; the five states in the South -East zone at 16,381,729. The southern Nigerian population comprises two major tribes: the Igbo in south east and Yoruba in the South. In the south south there is the Ijaw, Efik, Ibibio, Ogoni and Benis among others (Osuide, 1988).The economy of southern Nigeria is driven by oil and gas, maritime and commerce. Southern Nigeria has significant renewable and non-renewable resources, some of which have not been fully exploited. Its most profitable minerals include crude petroleum, natural gas, cocoa and coal. 122 Nigeria's oil reserves now comprise 80% of federal government revenue and 90%. Major agricultural products in Nigeria include: cocoa, cassava (tapioca) yams, and rubber. Livestock and other products in Nigeria include: sheep, goats, cattle, pigs, fish, and timber of exports (FGN, 2010). There are 17 federal universities and 17 state owned universities in southern Nigeria (NUC, 2012).There also exists numerous research institutions established by different levels of government. However, World Bank (2012) reports that poverty has steadily increased, with approximately 70% of the population below the poverty line in 2007.

Figure 1showing map of the study area
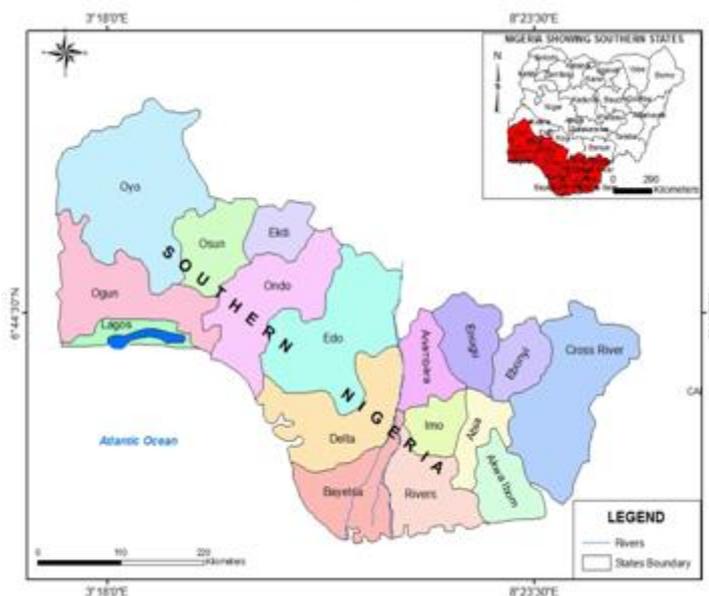
III. RESULTS AND DISCUSSIONS

The pattern of rental value of student housing in southern Nigeria is demonstrated in the table 1. It is shown that out of the 762 sampled students 35.9% of the students pay below ₦25,000 as rent per annum while 20.2% pay between ₦25,000 and ₦50,000 as rent per annum. On the average, over half 56% of the sampled students pay between ₦25,001 and ₦50,000 on rent per annum. (See table 1). The table shows that among the universities sampled, students who pay below ₦25,000 are most in UI and fewest in NAU. 35.9% of them pay below twenty five thousand naira on rent. However, 60% of the respondents in UI pay below ₦25, 000. In UNIBEN 55.5% of the respondents sampled also pay below ₦25, 000. As reported in the table, 45.1% of respondents in FUTO expend same amount. Additionally, 36.1% and 27.2% of respondents in FUTA and UNILAG pay ₦25, 000 on rent per annum. The percentage of respondents who pay ₦25000 on accommodation differ in UNIPORT and NAU. Precisely 13.3% and 5.1% of the respondents in the both Universities correspondingly pay below ₦25, 000 on accommodation. In spite of the fact that over a third of the sampled students pay below 25,000 per annum, 20.2% of the total students in the study area pay between ₦25, 000 and N50,000. Among the universities, students in FUTA pay the highest amount of rent per annum. The scenario is different in NAU and in other institutions sampled. Exactly, 29.6% of respondents in NAU pay between ₦25, 000 and ₦50, 000 on accommodation per annum while 28% of respondents in FUTO are those that pay the amount on rent in a year. Aside this, 20.4% of the respondents in UNILAG and 16.5% of students in UNIBEN expend between ₦25, 000 and ₦50, 000 also on rent yearly. Although in UI only 14.9% of the respondents are those that commit this same amount on rent while only 5.1% of the respondents in UNIPORT pay this amount. (See table 1).

Table 1: Pattern of Rental Value of Students Housing Per annum in Southern Nigerian Universities

Rental value	FUTA		FUTO		NAU		UNIBEN		UI		UNILAG		UNIPORT		TOTAL	
	NO	%	NO	%	N0	%	N0	%	NO	%	NO	%	NO	%	NO	%
Below 25,000	26	36.1	37	45.1	5	5.1	91	55.5	61	60.4	40	27.2	13	13.3	273	35.9
25,001-50,000	25	34.7	23	28.0	29	29.6	27	16.5	15	14.9	30	20.4	5	5.1	254	20.2
50,001-75,000	11	15.3	17	20.7	25	25.5	28	17.1	13	12.9	19	12.9	18	13.4	131	17.2
75,001-100,000	9	12.5	2	2.4	30	30.6	5	3.0	7	6.9	14	9.5	9	9.2	76	10.0
Above100,000	1	1.4	3	3.7	9	9.2	13	7.9	5	4.9	44	30	53	54.0	127	16.7
TOTAL	72		82		98		164		101		147		98		762	100

Source: Researcher's fieldwork, 2014

Also, UNIPORT has the smallest number of students who pay between ₦25,000 - ₦50,000 per annum on rent. The kind of accommodation occupied by UNIPORT students may have relationship with what they pay. Moreover, 17.2% of them expend between fifty thousand and one naira and seventy five thousand naira on rent per annum. However, 25.5% of the sampled students who pay this amount are in NAU. Thus NAU is on top of other universities in terms of number of students that pay between N50, 000 and ₦75,000 naira per annum. Interestingly, 20.7% of respondents in FUTO also pay this amount. But in UNIBEN, it is 17.1% of the students

that pay this amount while in FUTA, it is 15.3% of the students. Additionally, 13.4% of the respondents in UNIPORT pay between fifty thousand and one naira and seventy five naira. This is also the case with 12.9% of students in UI and UNILAG correspondingly. (See table 4.10). Both universities incidentally are with the number of students who pay between ₦75,000 and ₦100,000 per annum. However, it is observed that 16.7% of the total sampled students in the study area pay above one hundred thousand naira yearly on rent. (See table 4.10). Furthermore, a cursory look at the table further shows that exactly, 54% of the students which is over half of the proportion of the students who pay N100,000 on rent are from UNIPORT. It is worthy to note that based on the result presented in the table under reference that it is only in UNIPORT that about half of the students pay above one hundred thousand naira on rent per annum on rent. It is pertinent to note that UNIPORT is located in a major city in Nigeria. Port Harcourt is the home of many multinational corporations. This has pushed up the population size of the city. According to NBS (2014), Port Harcourt has acute housing shortage thus existing accommodation are overpriced. This in part seems to explain why more respondents in UNIPORT pay more on off campus accommodation than other schools.

Nonetheless, in the other universities sampled, 9.2% of all the students in NAU pay above ₦100,000 while 7.9% of them in UNIBEN also pay this amount. Likewise, 4.9% and 3.7% of the students sampled in UI and FUTO FUTA pay above ₦100,000 are in UI and FUTO respectively. Besides, 1.4% of the students in FUTA also pay above ₦100,000 are in FUTA. (See table 4.10). A situation whereby only 1.4% of the students in FUTA pay above ₦100,000 suggests that the it has the lowest proportion of the sampled students who pay above N100,000 per annum on rent. It also suggests the nature of the property market and the economy in Akure, the city where the university is located. Akure, the capital of Ondo State largely depends on the federal government handout (NBS, 2014). The property market in Akure is generally characterized by insufficient credit (Oloyede,2013).

Conversely, out of all the students sampled in the study area only 10% of them pay between seventy five thousand and one naira and one hundred thousand naira only on accommodation per annum. Yet, precisely 30.6% of the students in NAU pay such amount on rent while in FUTA it is 12% of the students pay the same amount as well. As indicated also in the table 1, NAU has the highest number of students who pay between seventy five thousand and one naira and one hundred thousand naira on rent while FUTO owns the lowest ratio of students in this bracket. Also evident in the table is that 9.5% of the respondents in UNILAG and 9.2% respondents in UNIPORT pay between seventy five thousand one naira and one hundred thousand on rent per annum. On the other hand 6.9% of respondents in UNIBEN pay the same amount whereas 2.4% of respondents in FUTO are those paying between seventy five thousand and one naira and one hundred thousand naira only.

Figure 1: The pattern of rental value of student housing in southern Nigeria.
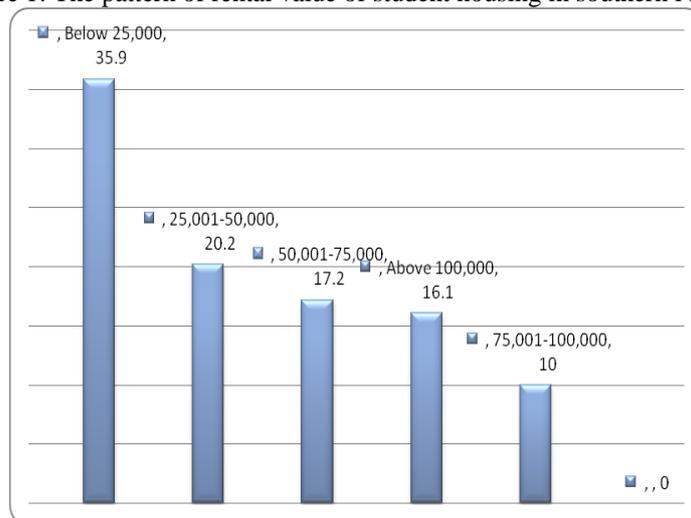
The graph shows that most students pay below N25.000 per annum as students.

Rent review

The study found that rent of student accommodation is reviewed yearly, after two years and also after more than two years. The table 2 below shows the frequency students experience rent review.

Table 2: Frequency of Increase in Rental Value

Rent Review	Frequency	Percentage %
Annually	165	21.6

Biannually	315	41.4
More than 2 years	282	37
Total	**762**	**100**

Source: Researcher's Field Work 2016

As shown by the table 2, it is evident that majority of students experience an upward review of rent after two years. Students in this category represent 41.4% of the entire sample size. On the other hand, 37% of them experience increase in rent after more than two years. The table 2 also shows that less than one third of the students sampled experience upward review in rent annually. Students in this category constitute only 21.6% of the entire respondents sampled in the study. It can therefore be inferred that rent view in Nigeria is usually at the discretion of the landlords and this they do arbitrarily. This brings to the fore the efficacy of the Nigerian rent edict of 1984 where in government on the pretext of protecting the urban dwellers from being pushed off the open market in the course of securing accommodations by putting a ceiling on the maximum rent payable on all classes of residential properties.

Hypothesis One

H_0:   There is no statistically significant variation in the rental value of student housing in   Southern Nigerian universities.

H_1:   There is.

This hypothesis was analyzed using the single factor Analysis of Variance.
The analysis of Variance (ANOVA) statistic as presented in the table below 3 shows that the F statistics (0.597714) is less than the F critical (2.3239). This implies that there is no significant variation in the rental value of student housing in the Universities in Southern Nigeria. Furthermore, the P-Value of 0.729 confirms the non-existence of a significant variation in the rental value of student housing in Southern Nigerian universities. We therefore accept the null hypothesis which says that there is no significant variation in the rental pattern of student housing in Southern Nigerian universities.

Table 3 Summary of the One-Way ANOVA For Rental Value of Students in Southern Nigerian universities

S/N	Groups	Sum of Squares(SS)	DF	Mean Square (MS)	F-Calculated	P-Value	F-Critical
1	Between Groups	1385.485714	6	230.9142857	0.597714	0.729	2.445
2	Within Groups	10817.2	28	386.3285714			
	TOTAL	12202.68571	34				

Source: Researcher's computation , 2016.

Table 4 indicates that F statistics value is 0.501 and the F critical is 3.885. Clearly, from the table, the F calculated is less than the F critical. This therefore suggests that there is no significant variation in the rent values of student housing in the different geopolitical zones within Southern Nigerian Universities. Additionally, the table notes that the P-value of 0.611 is greater than 0.05 level of significance. Accordingly, we accept the null hypothesis which says that there is no statistically significant variation in the rent values of student housing in the universities in the three regions that make up Southern Nigeria.

Table 4 Summary of the One-Way ANOVA For Rental Value of Student Housing Among Regions in Southern Nigerian universities

S/N	Groups	Sum of Squares(SS)	DF	Mean Square (MS)	F-Calculated	P-Value	F-Critical
1	Between Groups	173.937	2	86.968	0.501	0.611	3.885
2	Within Groups	2081.222	12	173.435			
	TOTAL	2255.159	14				

Source: Researcher's computation , 2016

IV.   CONCLUSION

As shown by the study the rent for student housing varies across the seven sampled universities in Southern Nigeria. This experience may be situated within the prevailing social economic condition of the cities where the universities are located. In a generic sense, Nigeria has housing deficit of over 8 million housing stocks. UNHABITAT (2012) underscored this by its report that over 500,000 persons live in informal settlements. In some cities, housing shortage is more severe than the other. According to NBS (2013), Port Harcourt has acute housing shortage thus existing accommodation are overpriced. This in part seems to explain why among the sample institutions students in UNIPORT pay the highest amount on rent. On the contrary, FUTA has the lowest proportion of students who pay the least on student accommodation. This may not be unconnected with the property market and the general economic situation in Akure, the city where the university is located. Akure, the capital of Ondo State largely depends on the federal government handout (NBS, 2013). The property market in Akure is generally characterized by insufficient credit (Yussuff, 2010).

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