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Constraints to private property development in Kano Metropolis

Dankani Ibrahim Mustapha

Department of Geography
Usmanu Danfodiyo University, Sokoto
imdankani@udusok.edu.ng imdankani@yahoo.com
Tel: 08035051925-08098681925

Abstract:

This study examines the constraints private property developers encounter in Kano metropolitan area. Private property developers are key actors in urban growth processes and they provide the bulk of the built up structures in Nigeria. A total of 72 questionnaire were administered to 66 private individuals and 6 corporate developers. The respondents were selected via a combination of purposive and snowballing techniques. The study discovers that developers experience a lot of challenges in the course of their activities and almost every step of the development process (land acquisition, finance sourcing and development) is bedeviled by many constraints. The Respondents stated that high cost of land (16%), difficult access to land allocation from the state (16%) and exploitation by land dealers are the major constraints they faced in land development. Similarly, 27% of the respondents cited high interest rate as one of the major financial constraint they encountered. The study concludes by recommending ways to do away with such constraints so as to invigorate the property development industry in Nigeria.

Keywords: Constraints, Private, Property, Development, Kano, Metropolis

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Introduction:

It is commonly acknowledged that private land developers are key actors in urban growth processes. This is largely attributed to the fact that, they make initial decisions to acquire land for development either for sale, letting, or as owner - occupier (Mamman, 1996). The development process begins when a parcel of land is considered suitable for a different or more intensive use and is completed when the necessary changes have taken place and the land occupied (for details see for example, Lichfield, 1956; Bourne, 1967; Drewett, 1973; Weiss, et. al, 1966).

It is essential to recognise that the development of land cannot proceed unless agreement is reached between a variety of actors, and that agreement may only be reached after considerable negotiations. The actors, involved according to Lichfield, (1967) include:

> ***"the original land owner or any subsequent purchaser of land, the developer who undertake the process; the building industry including the profession connected with it; the legal profession, the public authorities, the person lending money; the ultimate consumer who may be a tenant, or owner of the finished developed property" (p.4).***

The developer is usually regarded as playing a key role in both the English and American development processes (Craven and Pahl, 1967; Clawson, 1971; Lichfield and Darin - Drabkin, 1980; McNamara 1983). Craven and Pahl (1969) attributed the key role to developer because he is responsible for carrying out the development scheme and may persuade owners to sell land by approaching them directly. In the American case, Clawson regards the developer as the innovator, the one who starts the change.

The developer and those who loan him money are the risk takers in the development process; thus three types of projects may be distinguished;

1. Development for sale, example is dwellings for owner-occupation.
2. Development for letting such as housing and shops, offices and industrial buildings for the occupation of tenants,
3. Operator's own development, i.e development for occupation by the developer himself.

These activities are all carried out both in the private and public sectors. A private sector developer is primarily seeking profit from a scheme; although prestige obtained from carrying out a particular development may be a subsidiary consideration. A private sector developer attempts to complete task as quickly as possible, unhampered by such consultation unless imposed by public bodies (Cadman and Austin Crowe, 1983). The developer's key area of activity is widely regarded to be his decision to purchase land (Drewett, 1973) and in the English context, this decision has been widely studied; (see for example Craven, 1969; Harloe, et al 1974; Bather, 1976).

The developer needs to acquire land regularly to maintain a production flow of dwellings and other properties and to retain the full employment of his labour force and other factors of production. This land needs to be suitable for the types of dwellings or properties that the developer specialises in building, and this must be purchased in excess of a price that allows the developer to make profit having regard to anticipated building cost and the sale price of the finished products. Lastly, the site must either have a planning permission already or the developer must anticipate that planning consent will be granted before he decides to commence development.

In the process of assembling all the factors of production needed for efficient property development, the developer is confronted with myriads of problems which seriously hamper his production function. Given the fact that property developers play a very vital role in the expansion of city fringes, a great deal of information needs to be known about their activities as challenges they encounter in the development industry and this will provide a sound basis for effective understanding of the challenges and problems the developers faced. In a process as complex and costly as property development, where private participation is necessary, public policy based on partial or lack of knowledge will not only fail to produce necessary reforms, but create new problems with unintended side effects (Martin, 1976). Despite the numerous studies on property developers and their behaviours, there is little or no study that attempts to investigate the constraints and challenges confronting the industry and how best to tackle them. Property industry according to Chamberlain (cited in Rudin, 1978: p 129),

> *'Differ from one another, not just in size or scope, but in their norms or constraint, their decision making procedures, and their whole corporate personality'*

On the basis of the above, there is a need for a study to examine the problems and challenges facing private property developers in Kano metropolis so as to identify the uniqueness or generality of the constraints. It is important to note here that developer's activity involves dealing with several actors in property development (Landowner, Planner. Financier and Land dealer) and problems are likely to emerge at every stage of developers dealings with these agents. Emphasis would be placed on the how the developer acquires land, how he goes about dealing with the planner, how he tackles the issue of financing the development and how government policies influence his activity. It is against this background that this study seeks to examine the constraints to private property development in metropolitan

Kano as part of its contribution to knowledge.

The aim of the study is to examine the challenges property developers' experiences in the process of providing property in Kano Metropolis. The above stated aim would be achieved through the following specific objectives.

- To identify the major private property developers in metropolitan Kano;
- To examine developers' activities with regards to property development with the sole aim of understanding their unique mode of operation;
- To assess the extent to which the constraints affect Developer's activities;
- To identify ways and avenues through which Private-Public Partnership can help overcome the challenges and problems developers faced; and
- To suggest ways to enhance the role of private property developers based on the findings of the study.

Justification of the study:

Most empirical studies pertaining to property developers were focused on North America or the United Kingdom and quite a bit of them are now relatively dated. Empirical studies about developers especially those underpinned by behavioural methods are still relatively uncommon. Despite the fact that there is some theoretical recognition of the constraints in the industry, very little empirical research whether behavioural or otherwise had dealt with such constraints particularly in Kano metropolis. Infact there is little or no study(s) that attempt to investigates the challenges in the industry. It is noteworthy to add here that private property developers provide the bulk of the properties in the country. Planners do not build town and city as such there is a need for a study that would shed more light on the intricacies of the private property development industry. There is the need to find out the modalities, methods, problems, and eventual solutions to the challenges facing property development industry in the study area.

Study Area

Kano state lies between latitude 10^{o} 31' 41.14'N to 12^{o} 34' 10.57'N and between longitude 7^{0} 41'26.40'E to 9^{0} 23' 17.50'E. Kano metropolitan area lies between latitude 11^{0} 55' 23.93'N to 12^{0} 3' 53.10'N and longitude 8^{0}

27’ 42.26’E to 8^0 36’ 41.62’E and is 1549 feet above sea level. The estimated area of Kano metropolis increased from 122.7 square kilometers in 1962 to 154.6 square kilometers in 1981, an increase of about 25% based on the average expansion rate of two square kilometers per annum (Na’Abba, 2002 and see figures 1 and 2).

For many centuries, Kano has been the largest and most influential commercial town in the Sudan zone. The settlement is probably over one thousand years old and was first situated on the vicinity of Dala Hill, the source of iron, which the inhabitants smelted and fabricated (Urquhart. 1977). The Kano chronicle records the first king of Kano as Bagauda whose ascension was stated to be in the year 999 AD. The 19.2 square kilometer of the city walls were completed by the twelfth century. See Fig. 2

The establishment of a British military administration in 1903 introduced a new focus outside and to the east of the walled city. This had very little immediate effect upon the trend of physical development, but no doubt acted as a catalyst for development by non- Hausa people in the later years. However, up to 1904, the trading community exclusively resided within the city walls, with the market as the single strong positive focus.

The continued influence of the colonial administration and the eventual attainment of Nigeria’s political independence in 1960, which led to series of administrative decentralization in the country further established Kano as a political and commercial centre in the country. This phenomenon resulted into the tremendous growth and expansion of metropolitan Kano in both population and spatial terms

According to Marafa, 1991 cited in Na’abba, 2002,

> ‘*By the time colonial masters came in early 20th century, what constitute Kano and virtually encompassed by the wall was contained within 17.5sq kilometres. Today metropolitan Kano (made up of the declared urban area in accordance with the Land Use and Allocation Committee) is contained within 60 sq.km., while the built-up metropolitan Kano is contained within 40 sq. km*’.

Morphologically, Kano has ceased to be confined to its wall. The original city became a unit by itself and Fagge, Nasarawa, Sabon Gari, Gwagwarwa, Tudun Wada, Tarauni, Na’ibawa, Hausawa, Gyadi-Gyadi and Kurnar Asabe all grew in to distinct morphological unit.

This phenomenal growth (both real and anticipated) is the influence of the preparation of the Trevallion plan in 1963 with a view to setting a statutory framework that could guide, influence and control the development of metropolitan Kano. However, the desired goal could not be achieved due to lack of proper and effective implementation of the plan.

Presently, there is a lot of infilling going on as well as outward expansion into adjoining villages. Metropolitan Kano has been redefined vide Edict No. 15 of 1990. By the edict, Kano metropolitan area consists of all land within the radius of 32 km from Kurmi market. Thus, the metropolitan area includes;

- The Dala, Municipal, Nasarawa, Fagge, Tarauni, Gwale, Kumbotso and Ungogo Local Government Areas.
- Parts of Dawakin Tofa, Gezawa, Kura and Rimin Gado Local Government Areas.

The edict further classifies all land within a radius of 16 kilometres from each Local Government headquarters outside Kano metropolis as urban land.

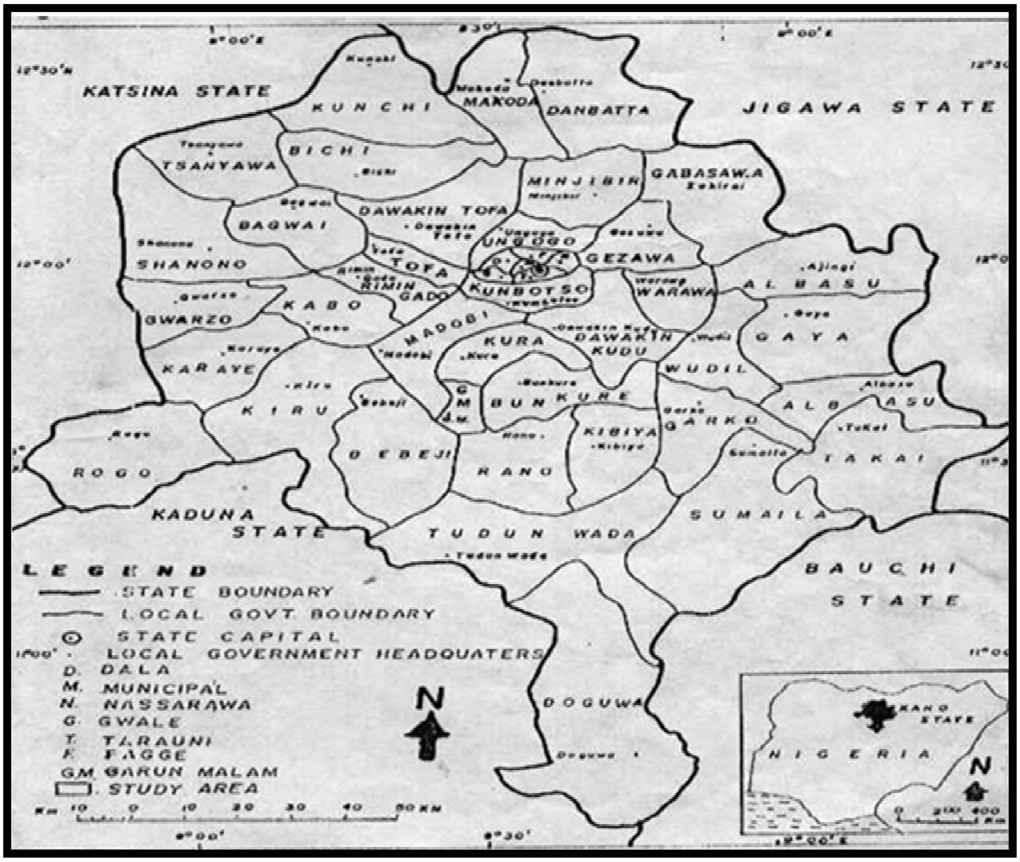

Fig. 1 Kano State

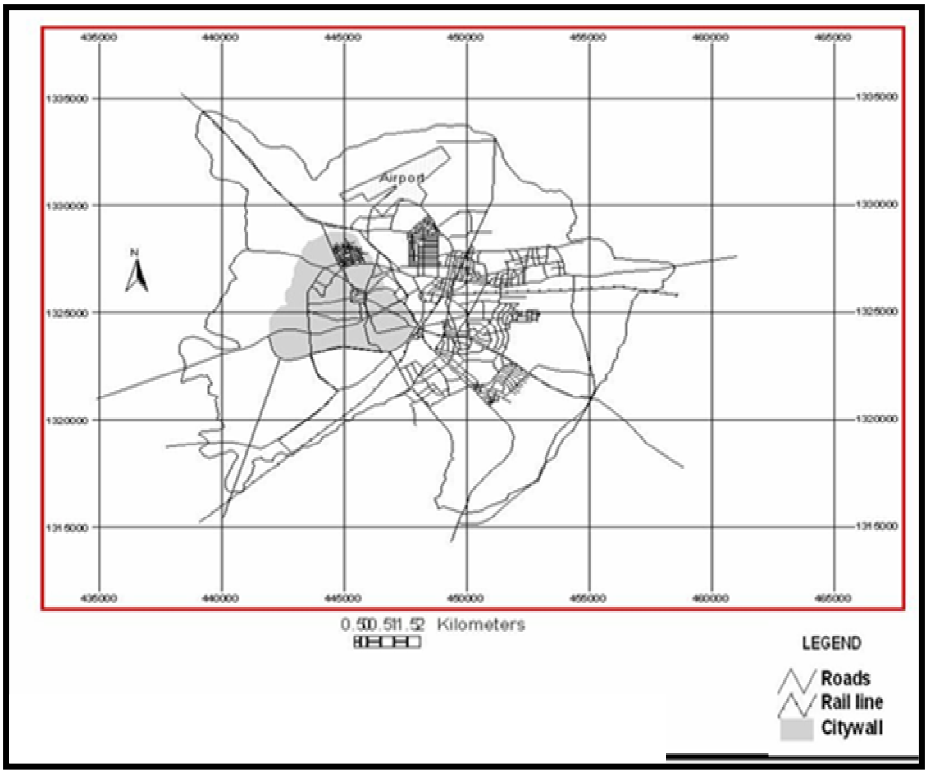

Fig. 2 Kano Metropolitant area showing the study area

Methodology:

Data Collection: In the conduct of this study data were sought through two major sources. Primary data were obtained through the administration of questionnaire to corporate and individual private property developers in Kano metropolis. The questionnaire were designed to elicit responses on a range of issues including:-

(a) The socio economic characteristic of developers.

(b) The nature of their production function

(c) Constraints and challenges they encountered.

Secondary data were sourced from published materials, such as journals, textbooks, internet and other relevant published materials.

Sampling Technique

Respondents for this study were selected using a combination of purposive sampling and snowball sampling techniques. Names of developers were collected from Kano State Urban Planning and Development Agency (KNUPDA) on the basis of their previous development in Kano. Such names of 28 developers collected from KNUPDA served as the sampling frame and subsequent developers were selected using the ‘snowballing’ technique. A total of 66 individuals and 6 corporate respondents were selected through the methods discussed above. The ‘Snowball’ technique entails asking the first interviewee to name other developer(s) known to him who could be included in the sample. The same applies to subsequent developers. The essence of this was to ensure that no major private property developer was left out of the list. This list was then used as the sampling frame from which developers are selected using Purposive sampling technique. In doing so, care was taken to ensure that developers in all the Kano’s metropolitan area are represented in the sample of the Respondents. ‘Snowball’ technique was also employed here, because of the fact that it is one of the best ways of reaching those developers who usually prefer to operate without much publicity (Abrahamson, 1983). It also provides a way of introducing the researcher to other developers by the developers themselves. In this study this method surely enhanced the co-operation of the sampled developers.

Analysis of data is presented in form of tables showing frequencies and percentages, following each table is the descriptive analysis of findings. Pie and bar charts would be used to depict the flow of phenomenon.

Data analysis and presentation:

This section analyses the findings from a set of 72 questionnaire issued to both private (individuals and corporate) property developers.

Socio-economic characteristics of respondents

The organizational nature determines the way and manner an organization functions. The analysis of data reveals that, 92% of our respondents operate as individual property developers and 11% as private corporate (See Table 1, below).

Table 1 Nature of organisation

Nature	**Frequency**	**%**
Individual	66	92
Corporate	06	8
Total	**72**	**100**

Source: Fieldwork 2008

It is relevant to state here that, majority of property developers in our study area and the developing world operate as individuals rather than firms and/or real estate developers and agents as in the case of Euro-American and Australian cities. (See for example, McNamara, 1984; Larkham, 1986; Mamman, 1989; Dankani, 1998 and Coaicetto, 2001).

An individual property developer operates as a person and on individual basis. He puts in place all the factors that influence his production function and discharge his activity as a developer individually. A corporate property developer on the other hand, normally operates as a duly registered Limited Liability Company, denoted as Limited in the United Kingdom and L.L.C. in the United States of America. A corporate Limited Liability Company is a legal form of company offering limited liability to its owners. It is similar to corporation but it is suitable for smaller companies with limited number of owners. In a nutshell, the nature of organization employed by property developers will surely dictate their objectives/motives, decision making processes, constraints as well as the overall performance of the developer.

Table 2 below reveals the main occupation of the respondents. 59% of the individual respondents are businessmen, 5% engaged solely in property and land development, while the whole corporate respondents claimed that property/real estate development is their major occupation.

Table 2: Main occupation of respondents

Main Occupation	Individuals		Corporate	
	Frequency	%	Frequency	%
Business	39	59	-	0
Property development	03	5	06	100
Trading	12	18	-	
Civil servants	08	12	-	
Land dealing	04	6	-	
TOTAL	66	100	06	100

Source: Fieldwork 2008

The implication of these findings is that, majority of the respondents, particularly the individuals have one form of major primary occupation, property development is a secondary occupation or preoccupation. Here, proceeds from the main occupation are ploughed into development of property either for sale, letting or owner occupation. The point here is that, developers have diverse ways and manners in which business/economic goal or aim is organized and executed.

Table 3:Duration in property development

Duration In Years	Individuals		Corporate	
	Frequency	%	Frequency	%
1-5	13	20	0	0
6-10	28	42	03	50
11-15	09	14	01	17
16-20	09	14	00	0
21 Above	07	10	02	33
TOTAL	66	100	06	100

Source: Fieldwork 2008

To have an insight into the nature of property development industry, there is a need to examine the duration of the respondents in property development. Since this will provide vital information about their experience and transformation they have undergone over the years. Similarly their duration in the industry will give an insight into the nature of hurdles they encountered and how they were able to overcome such challenges

From table 3 above, it is evidently clear that 20% of the respondents engaged in property development between a period of 1 – 5 years, 42% for a period between 6 – 10 years, 38% over ten (10) years, while 50% of corporate respondents have been practicing property development for a period between 6 – 10 years, 17% 11 – 15 years and 33% for over 20 years.

Table 4: Reasons for engaging in property development

REASONS	Individuals		Corporate	
	Frequency	%	Frequency	%
Profit	66	33	06	67
Hedge against Inflation	59	30	0	0
Assets/Security	66	33	03	33
Pride	03	1.5	0	0
others	04	2	0	0
TOTAL	198	99.5	09	100

Source: Fieldwork 2008

(Figures above 66 for individuals and 6 for corporate due to multiple entries)

Analysis of data in table 4 above, reveals that, there are several reasons why people and organizations engaged in property development. 96% of the individual respondents and the whole of the corporate respondents were engaged in property development for economic reasons. These reasons range from, profit from investment, to property being an asset/security and a vital hedge against inflation. 3.5% of individual respondents claimed pride and owner occupation as their motive for engaging in property development. Owner occupation is mostly for the use of the owner (developer), his children or relatives. It is important to state here that, the criterion of profitability influences every aspect of developers activity, such as his decision making process, site selection, nature as well as type of structure erected as well as the selling prices of the finished property. In essence every aspect of property development processes are guided and shaped by economic consideration.

Constraints to Private Property Development:

This section will analyze the various constraints to private property development focusing on each and every stage of property development namely land acquisition, land development, finance sourcing and Government policies (table 5).

Land Acquisition:

Land constitutes the major factor in property development. The whole premise of property development revolves around the land conversion process which transforms land from lower order agricultural use to higher order urban use. Land acquisition is the major step in property development. It is when the land is acquired that other aspects of the development process, such as what to develop, how to source for funding etc would follow up.

Investigation into the constraint developers' experience in the course of land acquisition shows that 16% of the respondents cited high cost of land, 14% choose difficulty in securing planning consent, 12% cited the activities of land speculators as the major obstacle they encountered (table 5).

It is necessary to affirm that high cost of land impinges heavily on private property developer's activity. The cost of land seriously hinders his ability to engage viably in his production function. The nature of plots and layouts in most of the metropolitan Kano are devoid of or having inadequate infrastructure and this at times places so many burdens on the developer to provide these basic amenities and utilities if he wishes to continue in business. Furthermore, there is no clear cut policy on land allocation which favours the property developer and this also hampers his production function.

Table 5: Land acquisition constraint

Constraint	Frequency	%
High cost of land	72	16
Absence/inadequacy of infrastructure	69	15
Exploitation by land dealers	72	16
Difficult access to land allocation by the state	72	16
Application for planning consent	61	14
Registration of land	47	10
Land speculation	53	12
Total	**446**	**99**

Source: fieldwork 2008

The procedure for acquiring planning consent is now beclouded with serious administrative bottlenecks and this makes the process long and tortuous often forcing the developers to by-pass the planning authority and engage the cooperation of corrupt planners (same applies to the procedures for land registration). The activities of land speculators continue to exist despite the provision of the 1978 Land Use Decree which was aimed at checking the excesses of land speculators. The rapid expansion of metropolitan Kano enables some smart speculators to predict direction of growth and strive to acquire plots around such areas in anticipation of earning higher returns over a period of time.

Financial Constraints

Finance is very crucial in property development. Without a steady flow of finance, all other factors of property development cannot be assembled. Finance is needed to purchase land, construction equipments and even payment of labourers. The focus on finance has, however, been very prominent for obvious reasons. This is because housing provision requires huge capital outlay, which is often beyond the capacity of the medium income/low income groups (Sanusi, 2003). It is noteworthy to state here that private individual and corporate agencies have for time immemorial been providing bulk of the houses in our rural and urban area. The Federal Office of Statistics, Lagos in 1983 acknowledged that private sector developers account for 83% of urban housing.

Table 6: Finance constraints

Constraints	**Frequency**	**%**
Difficult access to finance	72	27
High interest rate	72	27
Maturity period	48	18
Poor Government policies towards housing finance	72	27
Total	**264**	**99**

Source: Author's fieldwork, 2008

Analysis of data shows that 27% (each) of the respondents claimed that the major challenges they faced with respect to financing property development are difficult access to finance, high interest rate, and poor government policies towards financing property developers. 18% cited maturity period of loan as the major challenge they encountered (table 6).

The main financial institutions that provide finance to developers are, mortgage financial institutions, building societies, insurance company, commercial and development banks. In the Nigerian situation, developers often use their personal savings to provide dwellings. Banks play a very negligible role in providing funds to developers. Similarly building societies/primary mortgage institutions (PMI) are not well developed financially and equipped to cater for the financial needs of developers. Moreover the apex mortgage bank in Nigeria, the Federal Mortgage Bank Limited (F.M.B.N) is usually burdened with retail lending to developers rather than wholesale lending. The FMBN is crippled with lack of adequate fund to meet the developers need as well as lack of machineries in place to ensure efficient and effective disbursement of funds to developers (Abiodun, 1999).

According to Onabule (1996), 245 Primary Mortgage Institutions were established under the National Housing Programme between 1991 – 1996. Unfortunately only 54 are now operating mainly in South-Western part of the country and Abuja. Similarly, according to Abiodun, (1999) the National Housing Fund collected about 4 billion Naira from the mandatory saving scheme. Out of the ₦300 million loan approved by FMBN only ₦100 million was advanced. The problem in this case is not the availability of the fund but stringent measures attached to prevent default. The data below provide us with a vivid picture of the status quo of the fund.

Table 7: Collection and Disbursement of National Housing Fund (NHF) by the FMBN

Particulars	Total
Registered employers Registered contributors Amount collected Licensed PMIs Accredited PMIs to access NHF Loans application received Total value of loans application received Loan applications approved Amount of loan disbursed	61,157 1,285,157 4 Billion 290 54 450 300 million 164 100 Million

Source: Ajanlekoko, (2001).

From table 7, the total number of 1,285 million contributors is at variance with about 8 -10 millions employees that are yet to be brought into the contributory scheme (FMBN, 1999). The 4 billion Naira collections and ₦100 million disbursements are two figures that show no correlation (Abiodun, 1999). The 4 billion Naira collections when correlated with a meager 100 million Naira loan disbursement reveal that the fund has performed woefully in the area of disbursement for housing finance (Table 8).

Commercial and Merchant banks play a very negligible role in mortgage finance on housing finance. These banks have not gone beyond 20% of their loans and advances into property development for any year. This is because of the relative slow rate of returns and the interest rate/inflation risk inherent in long-term lending with deregulation of the financial system in 1986, the percentage share of real estate and construction in total loans and advances has declined for merchant banks from 16.5% in 1985 to 7.5% in 1987 while for commercial banks it declined from 20.5% in 1985 to 14.5% in 1988 (Table 9), for details see Abiodun, 1999.

Table 8: Indicators of the achievement of the National Housing Fund (NHF)

S/No	Indicators	Dec 2002	March 2007	% Change
1	Registered contributors	1,886,184	3,594,679	190
2	NHF contributions	10.36 million	25.12 billiion	242
3	Estate development loan	370 million (309 housing units)	14.09 billion (16103 housing units)	3807 (5211)
4	PMIs loans	1.36 billion (2513 beneficiaries)	8.53 billion (4397 beneficiaries)	627 (204)
5	Refund to NHF contributors by the FMBN	52.7 million (9948 contributors)	517.1 million (36081 contributors)	918 (363)
6	No. of participating states	3	20	667
7	Total loans disbusred	1.73 billion (2462 housing units)	22.61 Billion (20,500 housing units	1307 (833)

Source: Garba, 2007

Table 9: Commercial/Merchant Bank Rate Estate Share and Maturities

Commercial			Merchant		
Year	Real Estate construction as % of loan and advances	Call money to 3 years maturity as percentage of all deposits	Year	Real Estate construction as % of loan and advances	Call money to 3 years maturity as percentage of all deposits
1984 1985 1986 1987 1988	20.6 (N2,373.8m) 20.5(N2,493.7m) 18.1(N2,840.40m) 16.5(N2,892.4m) 14.5(N3,007.9m)	86.9 90.5 88.0 88.7 90.4	1984 1985 1986 1987 1988	18.6 (N313.7M) 16.5(N297.2m) 12.1(N334.7m) 7.5(N311.8m) 7.8(N334.6m)	63.6 60.4 60.1 63.9 59.1

Source: CBN Economic and Financial Reviews, (1999)

Similarly, though no insurance companies grant loan to respondents, they had funds appropriate for financing property development. However under the current insurance law (decree) only up to 25% of life and 10% of new life policies can be invested in real estate. Life premium are not only long-term in nature but relatively cheaper than deposits. Indeed the percentage allocated to real estate declined since 1985 from 12.1% in 1985 to 7.2% in 1986. The amount allocated to mortgage loans declined steadily since 1984, from 7.1% to 4.8% in 1985, 3.9% in 1986 and 3.6% in 1987 (Table 10).

Table 10:Insurance companies real estate share and maturities

Insurance Companies		
Year	Real estates	Mortgage loans
1984	93.5m (11.7%)	57.2m (7.1%)
1985	149.2m (12.1%)	59.7m (4.8%)
1986	116.9m (7.2%)	63.0m (3.9%)
1987	144.3m (7.5%)	69.2m (3.6%)

Source: Insurance Year Book (1999)

It is important to stress here that individual developer who acquire loan from banks, succeeded in acquiring the loan based on their track records (transaction) in such banks not because the banks primarily wanted to facilitate property development. Furthermore, it was alleged that some wealthy individual developers connive with corrupt Bank Managers to acquire loans. It is pertinent to examine the sociological differences between developed and developing economies at this point. In the former, real estate development is a major plank in corporate financing because family affiliations have broken down and government has no obligation to provide housing to workers. This function has been taken over by corporate and private bodies that source for the funds. In such situation many governments still carry the social burden of providing accommodation outside private/corporate entities. This is one reason the banks and financial institutions have not shown much interest; but the situation is changing now with the merger of banks competing actively in the investment market.

Development Constraints

One of the major concern and priority of a property developer is to accomplish the development of the property in good time. Investigation into the constraint encountered by respondents with respect to development process shows that 21% cited high cost of building materials as the major constraint they encountered. On the issue of high cost of building materials, it is appropriate to begin this discussion by examining the trend in building material costs. The upward trend in the cost of building materials and construction cost began after the civil war. Other major increase coincide with the award of Udoji and the mismanagement of the economy during the last civilian administration as well as during the period of the Structural Adjustment Programme (S.A.P). Sharp rises in prices of building materials and construction costs were recorded during these periods. The causes of high cost of building materials include:

a) high demand for building materials arising from post civil war reconstruction, creation of states and the oil boom.

b) Inefficient distribution system aggravated by middlemen and high transportation costs.

Similarly, the same percentage (21%) of the respondents linked the issue of high cost of building materials to the inflation situation in the country where the cost of building materials tend to rise almost every month. Delay in processing application for building plans (according to 16% of the respondents) is another major constraint to the activities of the property developers. Building plan approval takes a very long procedure to acquire thereby causing unnecessary delay in the commencement of building activities. The process is lengthy, tortuous and full of bottlenecks. Furthermore, 21% of the sampled respondents stated that lack of incentives to foster their production function is another constraint to their activities. They stated that government does not provide any incentives to them in areas of land registration, tax relief and subsidy in respect of building materials. The respondents (14%) claimed that there is blanket application of planning rules and regulations by urban managers and this seriously hinders their ability to provide properties in sufficient quantity to the populace (Figure 3).

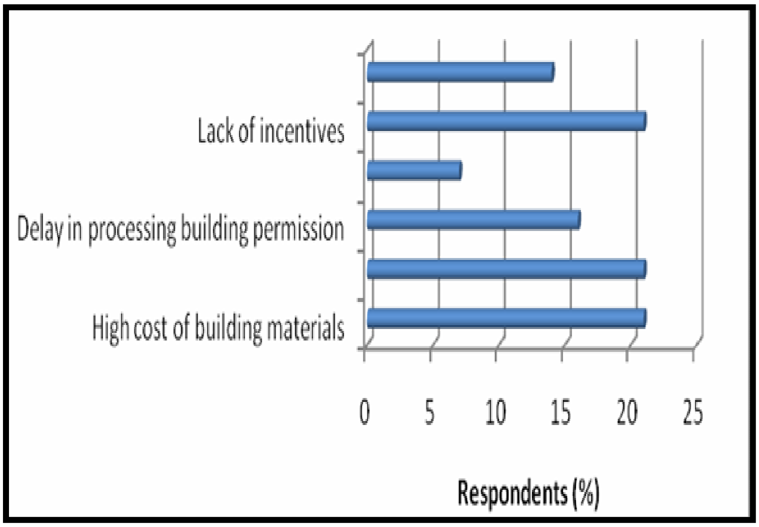

Fig 3: Development Constraints

Table 11 - Ways to ease developer's constraints

Ways	INDIVIDUALS		CORPORATE	
	Frequency	%	Frequency	%
Subsidise the cost of building materials	66	14.6	06	12.5
Provision of easy access to sources of finance	66	14.6	06	12.5
Provision of cheaper land	66	14.6	06	12.5
Facilitates issuance of planning consent/ issuance of C of O	66	14.6	06	12.5
Engaging developers in policy formulation	66	14.6	06	12.5
Provision of infrastructures	58	13	06	12.5
Provisions of incentives	53	12	06	12.5
Others	10	2	06	12.5
TOTAL	451	100	48	100

Source: Fieldwork, 2008

Data analysis in respect of ways to solve problems encountered by respondents (Table 11) reveal that, all the respondents suggested the following: Subsidizing the cost of building materials, provision of adequate necessary infrastructure (such as drainage, roads, pipe borne water and electricity), provision of easy access to finance by encouraging the emergence and sustenance of building societies and strengthening the existing Primary Mortgage Institutions, formulation of new efficient and effective guidelines that will hasten up issuance of building plan approval and issuance of Certificate of Occupancy (C of O), engaging developers in policy formulation in respect of property development. It is glaringly clear that, in Nigeria involving developers in decision making process is nearly zero despite the fact that, they produce or develop over 90% of the nation's property. Respondents also suggest that provision of cheaper land and incentives (such as tax relief) would surely 'ginger up" the developers and make the property development industry in Nigeria to wake up from its slumber.

Conclusion and Recommendations:

This study focuses on the various constraints private property developers' experience in the course of their activities. The study found out that developers encounter a lot of challenges and problems in the process of property development and each and every stage of the development process is bedeviled by one or multiple constraints. The study recognizes that since government alone cannot provide property to its citizenry in sufficient quantity and quality, there is a need for government to create viable policies which will eliminate or reduce to the barest minimum the constraint developers' face. It is noteworthy to add here that property development industry is a strong indicator of the state of the economy of a nation as such reducing the challenges and constraints the industry faced will surely enhance the economy of not only the study area but the nation at large. In this vein, both government and private property developers need to engage in a sort of Private-Public Partnership (PPP) ensuring collective provision of basic infrastructure and creation of viable policies that would facilitate property development in Nigeria. Furthermore, In order to understand and appreciate the constraints faced by Property developers in the process of provision of built-up structure, there is a need for thorough investigation or examination of the activity of the other key actors in land development (landowners, planners/urban managers and financial institutions) with a view of understanding these agents as a complete coordinating system, where the activity of any single agent might definitely have repercussions (positive/negative) on the activity of the other, and also on the property development industry.

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