



TECHNICAL REPORT

ON STUDENT INDUSTRIAL WORK EXPERIENCE SCHEME

(SIWES)

HELD AT

**URBAN LIVING DEVELOPMENT LTD, BLOCK D1, SUITE
031/032, ABRAHAM ADESANYA SHOPPING COMPLEX AJAH
LAGOS STATE**

PRESENTED BY

OYENIYI DAVID IMOLEAYO
ND/23/BAM/PT/0165

**A SIWES REPORT SUBMITTED TO THE INSTITUTE OF
FINANCE AND MANAGEMENT STUDIES (IFMS)**

**IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE
AWARD OF NATIONAL DIPLOMA [ND] IN THE
DEPARTMENT OF BUSINESS ADMINISTRATION**

CERTIFICATION

This is to certify that **OYENIYI DAVID IMOLEAYO** with matriculation number **ND/23/BAM/PT/0165** undergoes his industrial training **SIWES** at **REAL ESTATE COMPANY LAGOS STATE**. In partial fulfillment of the award of national diploma (**ND**) in Business Administration, **KWARA STATE POLYTECHNIC, ILORIN** undersigned by the following people:

SIWES SUPERVISOR
MR. POPOOLA

DATE

HEAD OF DEPARTMENT
MR. ADAM NDAGI

DATE

DEDICATION

This SIWES report is dedicated to GOD Almighty, and my lovely parents Mr. & Mrs. **OYENIYI**. For their spiritual and financial support during my SIWES program.

ACKNOWLEDGEMENT

My appreciation first goes to ALLAH almighty, the creator of Heaven and Earth for granting me the grace and privilege to be able to complete this SIWES program successfully and on schedule.

I am also grateful to my industrial based supervisors Mr. Popoola and my tutors for their thorough supervision and useful advice which helped and also contributed to the success of the SIWES program. May the almighty Allah make their days on Earth longer to reap the fruit of their labor to the fullest AMEN

Also I cannot but acknowledge my germane H.O.D, Mr. Adam Ndagi and all the lecturers in the department of Business Administration.

Thanks and Allah bless you all.

TABLE OF CONTENTS

Dedication	-	-	-	-	-	-	-	-	-
Acknowledgement	-	-	-	-	-	-	-	-	-
Preface	-	-	-	-	-	-	-	-	-
Table of Contents	-	-	-	-	-	-	-	-	-

CHAPTER ONE

1.0	Introduction	-	-	-	-	-	-	-	-
1.1	Historical development of SIWES	-	-	-	-	-	-	-	-
1.2	Objectives of Students Industrial Work Experience Scheme-								

CHAPTER TWO

2.0	Historical Background of the Firm (Jide Taiwo & Co.)-	-	-						
2.1	Organizational structure of Jide Taiwo & Co.-	-	-	-	-	-	-	-	-
2.2	Services rendered by Jide Taiwo & Co.	-	-	-	-	-	-	-	-

CHAPTER THREE

3.0	Property Management	-	-	-	-	-	-	-	-
3.1	Objectives of Property Management	-	-	-	-	-	-	-	-
3.1.1	Management of high rise buildings	-	-	-	-	-	-	-	-
3.2	Property Valuation	-	-	-	-	-	-	-	-
3.2.1	Methods used in property valuation	-	-	-	-	-	-	-	-
3.3	Steps in property valuation	-	-	-	-	-	-	-	-
3.3.1	Agency	-	-	-	-	-	-	-	-
3.3.2	Leasing/letting	-	-	-	-	-	-	-	-

CHAPTER FOUR

4.0	Challenges encountered	-	-	-	-	-	-	-	-
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4.1 Solutions Proffered - - - - -

4.2 Disparity between theory and practice - - -

CHAPTER FIVE

5.0 Recommendations and conclusion - - -

5.1 Recommendations - - - - -

5.2 Conclusion - - - - -

References - - - - -

CHAPTER ONE

1.0 INTRODUCTION

The student industrial work experience scheme (SIWES) of the industrial training Fund (I.T.F) is an initiative of the federal government of Nigeria to enable students of higher institutions of learning to have a practical work experience while still in school.

This serves as a skill acquisition program designed for tertiary institutions as complementary program and workshop practices engaged in by students in tertiary institution which by industrial standards, are inadequate to serve the industrial needs of the industries.

The practices are too idealistic and therefore necessitates that the student be exposed to actual live practice which is by far departure from academic institutional laboratory and workshop practices.

The scheme exposes students to industrial-based skills necessary for a smooth transition from classroom theory to the practical working world, hence equipping students for the work force with needed knowledge and various work ethics.

1.1 HISTORICAL DEVELOPMENT OF SIWES

SIWES (Student Industrial Work Experience Scheme) was initiated by the Industrial Training Fund (I.T.F) in 1973 as a means of striking a balance between the theory and practical experience which is obtainable only by working in the field.

The scheme was thus designed to be a means for necessary skill-acquisition by the students to ensure that they are adequately prepared to meet the challenges of working in their professions after graduation.

Under Decree 47 of 1971 constitution, the I.T.F was established with a view to promoting and encouraging the acquisition of skills in industries and commercial establishments as well as to generate a pool for indigenous trained manpower which will be sufficient to meet the needs of Nigeria's economy.

The fund in its policy statement No. 1, published in 1973, inserted a clause dealing with the issue of practical skills among the population. The statement provides that the fund will seek to work out a co-operative mechanic with industries where the students in institutions of higher learning may acquire training in industry and commerce compatible with their area of study. The fund will support such mid-carrier attachment by contributing to the allowances payable to the students.

The administration of SIWES under I.T.F started again in 1985 and the following bodies are involved in SIWES managements: The Federal Government, the Industrial Training Fund, the institution of higher learning employer, the NUC, the NBTE and the NCLE.

1.2 OBJECTIVES OF STUDENTS INDUSTRIAL WORK EXPERIENCE SCHEME

The objectives of SIWES cannot be overemphasized in the journey of students in higher institutions.

The following are the objectives of SIWES:

- ❖ SIWES provides students opportunities to test their interest in a particular career before permanent commitments are made.
- ❖ Provide students with opportunities to apply their educational knowledge into practice thereby bridging the gap between theory and practice.
- ❖ Makes the transition from school to the labor market easier and enhance students' contacts for future job placements.

- ❖ SIWES exposes students to work mechanics and techniques in handling equipment's that may not be accessible in their institutions.
- ❖ Enlist and strengthen employers' involvement in the entire educational process through SIWES.
- ❖ Prepares students for industrial work situations that they are likely to meet after graduation.

CHAPTER TWO

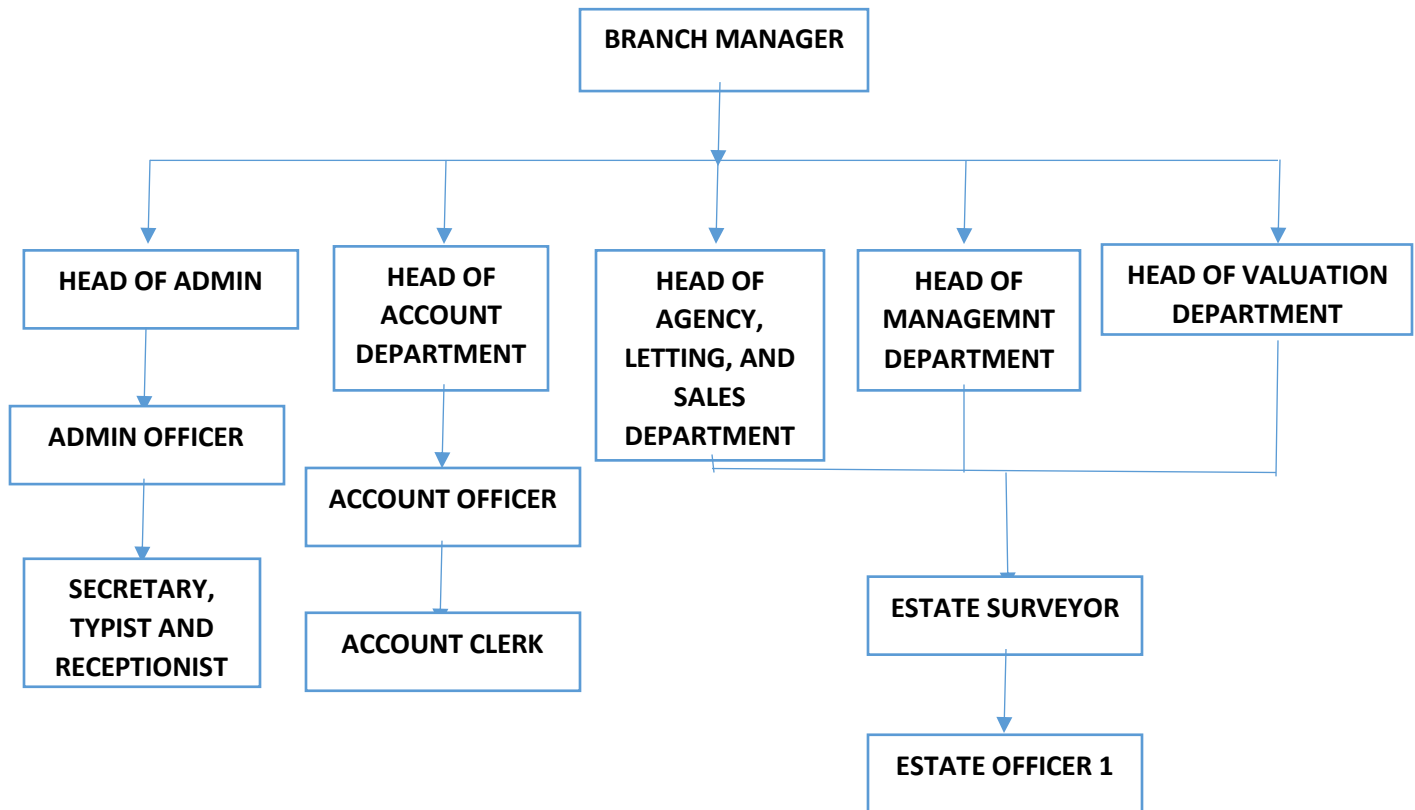
2.0 HISTORICAL BACKGROUND OF THE FIRM (ABRAHAM ADESANYA REAL ESTATE)

Abraham Adesanya Shopping Complex. is a firm of Estate Surveyors and Valuers registered with the Corporate Affairs Commission and subsequently licensed to practice Estate Surveying and Valuation throughout the Federal Republic of Nigeria. The company is registered and recognized by both the Nigerian Institution of Estate Surveyors and Valuers and the Estate Surveyors and Valuers Registration Board of Nigeria.

Abraham Adesanya & Co. was founded in 1980 by Chief Jide Taiwo who is the retired senior of the firm. He holds a BSc (Hons) Estate Management from Obafemi Awolowo University (O.A.U), Ile-Ife where he graduated in 1975. A fellow of the Nigerian Institution of Estate Surveyors and Valuers (NIESV) and an associate member of Rating and Valuation Association of London.

His professional experience is wide and varied ranging from lecturing at kaduna polytechnic, kaduna. Professional practice at J. A. Oluwatudimu and company, Lagos to knight Frank and Rutley (Nigeria) where he left in 1980 to establish the practice of Jide Taiwo & Company. He is an alumnus of the Lagos Business School, where he attended the Chief Executivte Programme (CEP) in 1993. An Ogun state commissioner for lands and housing between 1986 – 1988, he was a member of the ogun state committee for privatization and commercialization 1988 – 1990, member of the Federal Government Constitution Review Committee, member Nigerian Economic Summit Group and Governing Council Member of the Bells University, Ota. He is the chairman cornerstone savings and loans (Mortgage Bankers). He retired in December 2010 after Thirty (30) years meritorious service in the firm.

2.1 ORGANIZATIONAL STRUCTURE OF THE FIRM



2.2 SERVICES RENDERED BY ABRAHAM ADESANYA REAL ESTATE.

By virtue of our training and experience, the firm is qualified and licensed to handle any brief on real estate related jobs on behalf of our clients. Among others, our scope of operation includes:

VALUATION

The valuation department is charged with the responsibility of determining the worth of all types of properties such as residential, commercial, industrial, agricultural etc. The valuation purpose may be for mortgage, sales, book record purchase, insurance, rating, probate, compulsory acquisition and compensation etc. and also advises individuals, corporate and Government bodies on all matters affecting land and building.

2.3 PROPERTY MANAGEMENT

This department is in charge of directing, controlling, and supervising of the interest in land with the aim of obtaining optimum. This entails:

- ❖ Management of properties for and on behalf of property owners.
- ❖ Management and maintenance of recreational and commercial infrastructures.
- ❖ Advising on the maintenance, preservation and disposal of properties.
- ❖ Advising on the economic, physical and legal life of properties.
- ❖ Rent collection and routine inspection on properties.

AGENCY:

This involves the buying and selling of properties for and on behalf of the clients, leasing/letting of various types of properties as well as sourcing of properties for clients. The agency surveyor negotiates on behalf of his clients for the purchase, sales and lease of properties thereby acting as the middleman between the landlord and the tenant. Suitable tenants are chosen to occupy the property and approved by a guarantor. We ensure that all necessary documents obtained are properly witnessed and acknowledged by the tenant. E.g. Offer letter, Certificate of Occupancy, Receipts of payments, Deed of Conveyance, Deed of Assignment, Power of Attorney, Inventories Etc.

2.4 FEASIBILITY AND VIABILITY STUDIES:

This entails carrying out detailed analysis and appraisal of proposed projects and advising clients on the possibility and viability or otherwise of such projects.

CHAPTER THREE

3.0 PROPERTY MANAGEMENT

Property management is the process of controlling, ordering, planning and directing the interest in land and landed properties with the aim of securing optimum returns.

This entails the management of people in connection with the property in question. For an efficient management to be accomplished, attention must be given to the proper choice of clients, tenants and staffs. The caliber of this people will determine effective management. Example; a gullible tenant who care less about the future of a property would pose problem on maintenance, repair work and payments of rent and service charges.

For a property manager to carryout management activities properly, he must possess good sense of judgement, practical experience and specialist knowledge, so as to be able to balance the interest of both the owner and the occupant at every point in time. He is expected to advice on and give due notice when there is need for repairs and rent renewals.

3.1 OBJECTIVES OF PROPERTY MANAGEMENT

The basic objective of property management is to ensure that the property achieves physical, economic and functional efficiencies which includes Durability, income attraction, reduced expenses, safety and aesthetic creation through:

- I. Ensuring that the rent is received at appropriate periods and with due considerations.
- II. Ensuring that the landlord's fixtures and fittings are in good state of repairs.
- III. Ensuring that the tenant covenants are strict to the tenant and of course adhering to the landlord's covenants on his behalf.

- IV. Receiving complaints from the tenants and taking immediate steps to ensure that the complaints are attended to.
- V. One of the basic principles of management is record keeping. So the property manager must keep complete and accurate records of all transactions regarding the property for reference purposes.
- VI. Acting on behalf of the landlord in all matters relating to the property.

In our firm (**Abraham Adesanya Real Estate**) we are authorized to management properties for our clients after a mutual agreement has been reached by both parties and the landlord offers us a letter which reads “INSTRUCTION TO LET AND MANAGE”. We also notify the tenants to contact us for any issues, rent payments and complaints by organizing a median meeting with the tenants and dispatching a “LETTER OF INTRODUCTION” which serves as an introduction of our firm as managers of the said property.

A legal document usually prepared by the property management agent called the power of attorney is given to the landlord to sign. It shows that the landlord has given us the power to act on his behalf in any dealings involving the management of his property. The Power of Attorney shows the name of the client that issued it, the name of the management firm, and also spells out the activities that the property manager is authorized to carry out. The services carried out by the management department include but not limited to the following:

RENT COLLECTION AND DISBURSTMENT: When handed the task of managing any property, the task of rent collection when due becomes a basic priority so as to allow for economic efficiency. We dispatch rent reminder letters to tenants 6 (six) months to the expiration of the current rent and also Rent Demand notice 3 (three) months to the expiration. All tenants pays their rent to us either through cash,

cheque or E-transfer. The agreed management fee is deducted from the Gross Rent and the Net Rent is remitted to the landlord.

ROUTINE MANAGEMENT INSPECTION: As part of the management functions of a property manager, we carry out routine management inspection of our properties periodically to ascertain the condition and functionality of all parts of the property and to also determine if all tenants are abiding by the covenants as stated in the lease/tenancy agreement. If any defect is noticed in the course of inspection we take cognizance of such and include them in the “ROUTINE MANAGEMENT INSPECTION” report sent to the landlord stating the conditions of all fixtures and fittings, the landlord will approve some money for immediate repairs to be effected whereas some minor repairs can be carried out with the service charge paid by the tenants. The tenants will be informed on the date and time of inspection which their presence is vital.

TREATMENT OF TENANT COMPLAINTS: The property manager is expected to settle all grieved tenants and treat all complaints made by the tenants with utmost care and professionalism. The estate manager serves as an intermediary between the landlord and tenants thereby passing all complaints to him from the tenants and also advising him on appropriate actions to take.

LIAISING WITH SOLICITORS: In preparing the lease/tenancy agreement on any property under our management, it is our duty to supply the details of lease/tenancy agreement to the solicitor who prepares a legal document in draft for vetting (a detailed examination of the tenants’ details). We also liaise with the solicitor in some cases in serving quit notices and making appearances in the court of law in quest for an eviction notice to some tenants.

RECORDS AND ACCOUNT: No one makes a successful property manager without record keeping. As part of our functions as property managers, we do maintain proper record of activities taking place in the properties under our firm. Such records include; Tenancy schedule, locational sketch of the property, all letters sent and received, rent payment and disbursement receipts and records of all financial transactions in respect of all the properties under our management. We have different files for each property where all transactions, rent remittance letters and receipts, PDF (Personal Data Form) of tenants, Guarantors form, offer letters, tenancy agreements etc. are kept for future retrieval of information and to defend ourselves in case of any misunderstanding as to the transaction.

We have a data base where all our management properties, names and contact of landlord and tenants, tenancy period etc. are uploaded and very accessible by our head office, all our transactions are also uploaded to the database.

In property management, there are schedules that are usually taken down before a property is occupied by a prospective tenant and also when vacating the property. They are also regarded as inventories. These schedules are:

- **SCHEDULE OF CONDITION:** This is usually taken when a new property is given to us for letting out, we carry out careful and detailed inspection both internally and externally and take photographs for marketing purpose. This inventory is taken prior to occupation by a new tenant.
- **SCHEDULE OF DILAPIDATION:** A schedule of dilapidation is a list of all fittings and fixtures in the property by the property manager stating their conditions and state. It is taken at the end of a lease term prior to vacation by the tenant. This inventory (Pre vacation inspection) is taken to ascertain the level of disrepair of all fittings and fixtures. Damaged elements of the property are then repaired or replaced using the RCD (Refundable Caution Deposit)

paid by the tenant. The amount for repairs or replacement is deducted from the caution fees paid by the tenant.

PICTURES OF SOME PROPERTIES MANAGED BY OUR FIRM.



TYPING AND DISPATCHING OF LETTERS: Letters are being prepared by the surveyor in charge and dispatched to various tenants depending on the prevailing circumstances, the letter is approved by the branch manager in charge before

dispatchment. Some letters prepared by the management department include; Rent reminders, Rent demand, Letter of introduction, offer letter, remittance letter etc.

3.2 PROBLEMS/POSSIBLE SOLUTIONS OF MANAGING A HIGH RISE MULTI – TENANTED BUILDING

The effective management of a multi tenanted high rise building structure requires an integration of several processes which do not readily come to the mind of a tenant or even the property owner. Management of high rise buildings involves services such as property inspection, rent collection, service charge collection, servicing and maintenance of property and facilities within, overseeing security and maintenance of plant and machinery such as elevators, air conditioners, intercom gadgets and generator. A high rise multi tenanted building is that which is on at least five floors. Tenancy in such structures could either be residential, commercial or both. A multi tenanted high rise office building must be run in such a way as to meet up to business requirements. The anticipated standard of management rendered in such a building within Nigeria's capital city should be nothing short of top-notch. Management of high rise buildings in multiple occupations poses special problems. In the course of my attachment I discovered some problems and possible solutions in the management of highrise buildings.



PICTURE OF THE DAKKDA COMPLEX (HIGH – RISE BUILDING)
MANAGED BY THE FIRM

**PROPERTY LOCATED AT URBAN LIVING DEVELOPMENT LTD,
BLOCK D1, SUITE 031/032, ABRAHAM ADESANYA SHOPPING
COMPLEX AJAH LAGOS STATE**

INCOME APPROACH

2nos. 2 – bedroom – ₦500,000 each	₦ 1,000,000
4 nos. self contained – ₦190,000 each	₦ 760,000
2 nos. big halls – ₦3,500,000 each	₦ 7,000,000
Sit out bar	₦ 1,800,000
Bakery	₦ 1,000,000

Gross rent	₦ 12,460,000
Less outgoings @ 15%	.85
	<hr/>
	₦10,591,000
Yp in perp @ 6%	16.67
	<hr/>
	₦ 176,551,970

3.3 STEPS IN PROPERTY VALUATION

1. INSTRUCTION TO CARRYOUT VALUATION:

This is the instruction given by the client soliciting for our professional service in carrying out a valuation exercise, stating the purpose of the valuation, location of the subject property and the date of submission.

2. INSPECTION OF THE PROPERTY:

This is the true investigation of the property to determine its condition, which will help in decision making. Property inspection involves careful and systematic study of the property with emphasis on constructional details, level of dilapidation, functionality of the services, general defects of the property, inspection of title document to determine the interest subsisting in the property, taking of photographs and measurement of the site and building so as to factor in such variables during computation/calculations. Constructional details will include taking note of the building components, roof type, ceiling, paved area etc.

3. DATA ANALYSIS AND VALUATION:

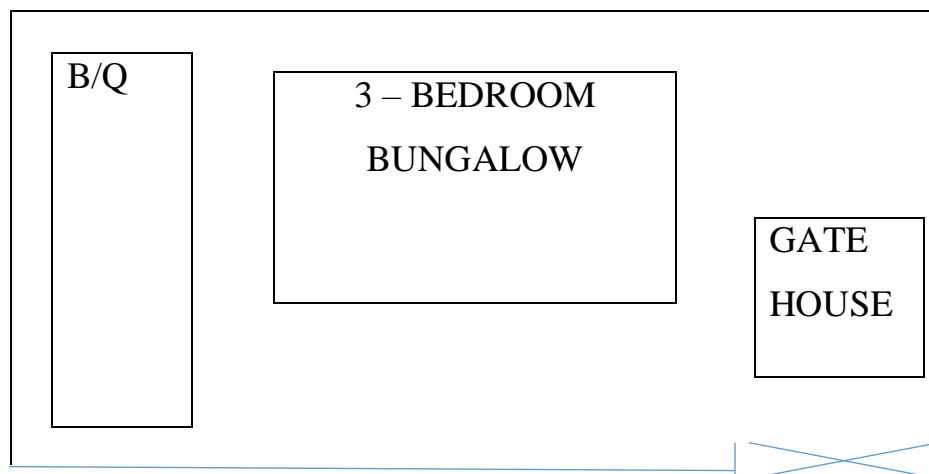
After gathering necessary information and details regarding the property to be valued, and also acquiring information on rental and land values in and around the area where the subject property to be valued is located, the data is been analyzed and

the valuation calculation is done with the data provided and appropriate valuation method employed so as to arrive at an estimated capital value of the property.

CONTENTS OF A VALUATION REPORT

After computation and calculation, a valuation report is prepared for the client and it contains the following:

- A. **BRIEF:** This is a statement informing the client that the valuation requested for has duly been carried out according to the instructions given and also stating the purpose of the valuation exercise.
- B. **SITUATION:** This describes the subject property giving its location and directions on how to access the property.
- C. **NEIGHBOURHOOD:** This is the description of the immediate neighbourhood where the property is situated and the notable landmarks which will assist for easy access. Municipal facilities like electricity and telecommunication services are also stated here.
- D. **SITE:** Here, the total land area is stated and means of access into the premises. The site plan of a property is represented in pictorial form below for clearer understanding.



CHAPTER FOUR

4.0 CHALLENGES ENCOUNTERED DURING THE PERIOD OF MY INDUSTRIAL ATTACHEMENT.

PROBLEMS ASSOCIATED WITH PROPERTY MANAGEMENT:

1. Inability of some tenants to pay up house rent as at when due.
2. Refusal of some landlords to release money for property maintenance.
3. Continuous encroachment of quarks into property management.
4. Negligence or carelessness in professional property managers that makes them unaware of when a tenant packs out of their property without maintaining it and also leaving pending bills.

PROBLEMS ASSOCIATED WITH VALUATION:

1. Most property owners do not agree on the values they are given. Some will say that their property was under valued. This is mainly on mortgaged properties.
2. No title document from the client, this makes it difficult to ascertain the interest subsisting in the property and thus the valuation computation and report is delayed.
3. Malfunctioning of the GPS; this brings about difficulty in ascertaining the exact coordinates.

PROBLEMS ASSOCIATED WITH AGENCY:

1. Share of agency fee between the agent and the firm.
2. Difficulty in sourcing for new properties/virgin houses especially in Uyo metropolis.

4.1 SOLUTIONS PROFFERED

1. Industrial Training Fund should provide sufficient funds for industrial training students at least for upkeep and transportation.

2. It is advised to take extreme care in dealing with landlords and tenants and apply professional skills where necessary.
3. Landlords should be enlightened on the necessity and need to keep their property in a good state of repairs and decorative condition in order to yield maximum income.
4. To avoid problems, proper documentation and record keeping of all transactions should be done for reference purpose.
5. Tenants should be scrutinized and screened to avoid problems and reckless usage of facilities which can pose a threat to the landlord/client relationship.

4.2 DISPARITY BETWEEN THEORY AND PRACTICE

In the course of my industrial training which deals with the practical aspect of my course of study. There were certain noticable disparities between the practical and theoretical aspects of the course.

In valuation, the Cost Replacement Method was used for most valuation exercises except on few properties where investment method was used and on vacant land where Direct Comparison Approach was used.

In asset valuation, no matter how attached a machine and a building is, they are valued separately which is against what we were taught in theory that if a machine is so attached to a building that they can be valued together without separating them.

There are some machines that value should not be attached to because of functionality and obsolescence, but during asset valuation all these machines are valued and values are inscribed on them which is against the rule of valuation ethics.

I was made to know in theory that a standard plot size is 60ft by 100ft but in practical, plot sizes differs based on location state codes.

CHAPTER FIVE

RECOMMENDATIONS AND CONCLUSION

5.1 RECOMMENDATIONS:

1. The siwes program should be encouraged for every degree awarding program because its importance cannot be over emphasized, as it is a means of preparing students for experiences in the outside world.
2. The students should endeavor to find and work with reputable firms that are relevant to their course of study.
3. The institution based and ITF supervisors should endeavor to visit the students at their place of attachment.
4. The Government should also provide adequate funding for the institutions' funding of the SIWES program.
5. Departments and university SIWES units should take charge of finding and securing industrial placement attachment for students.
6. Abnormal practices should be addressed and the operations of quacks should be curtailed to protect the profession.
7. Organizations or firms should also endeavor to assist students with sufficient funds to take care of their expenses ranging from transportation to other necessary expenses.

5.2 CONCLUSION

Undertaking the Student Industrial Work Experience Scheme at Abraham Adesanya Real Estate Ajah Lagos State has given me a deeper understanding of the Nitty-gritty of Estate Management and Property valuation. Serving and working in various departments of the firm has been of great help to me professionally. The importance

of the SIWES program cannot be overemphasized as it enables students to gather the relevant practical knowledge in their various courses of study.

Apart from being trained and gaining practical experience in estate management, it also helped in improving my relationship skills with people and also effectively handling situations devoid of conflicts. My ICT skills were also sharpened through online documentations, marketing via emails, filling of receipts in the company's database etc. Therefore it is highly recommended that no student take this training program for granted as it will be of great significance to them.

Finally, I have immensely benefited from the Student Industrial Work Experience Scheme (SIWES) because it has provided me the opportunity to apply my theoretical knowledge to real work situation; thereby bridging the gap between university work and actual practices.