IMPACT OF INFLATION ON PROPERTY VALUE IN NIGERIA

(A CASE STUDY OF OGBOMOSHO TOWN)

BY

GROUP 5

IBRAHIM RAHMAT OLAMIDE	**ND/23/ETM/FT/0026**
ABDULHAKEEM ABDULMALIK	**ND/23/ETM/FT/0032**
OMOTOSHO FARUQ ISHOLA	**ND/23/ETM/FT/0069**
ALEXANDER ONYEDIKACHI MARVELOUS	**ND/23/ETM/FT/0030**
SUNDAY JOB PAMILERIN	**ND/23/ETM/FT/0033**
OLORUNTOYIN SULYMAN ABOLAJI	**ND/22/ETM/FT/0073**
ABDULLAHI ABDULQUDUS OYINMAYOWA	**ND/22/ETM/FT/0026**

BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF ESTATE MANAGEMENT AND VALUATION, INSTITUTE OF ENVIRONMENTAL STUDIES, KWARA STATE POLYTECHNIC, ILORIN, KWARA STATE

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CERTIFICATION

This is to certify that this research work conducted by

GROUP 5

IBRAHIM RAHMAT OLAMIDE	**ND/23/ETM/FT/0026**
ABDULHAKEEM ABDULMALIK	**ND/23/ETM/FT/0032**
OMOTOSHO FARUQ ISHOLA	**ND/23/ETM/FT/0069**
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ABDULLAHI ABDULQUDUS OYINMAYOWA	**ND/22/ETM/FT/0026**

has been read and approved as meeting the requirements of the Department of Estate Management and Valuation, Institute of Environment Studies, Kwara State Polytechnic Ilorin for the award of National Diploma (ND).

______________________ ______________________

ESV. ALH. ABDULKAREEM RASHIDAT ARIKE ANIVS (RSV)
(HEAD OF DEPARTMENT) **DATE**

______________________ ______________________

ESV LAWAL SIMIAT .B ANIVS (RSV)
(PROJECT COORDINATOR) **DATE**

______________________ ______________________

ESV LAWAL SIMIAT .B ANIVS (RSV)
(PROJECT SUPERVISOR) **DATE**

______________________ ______________________

ESV ALH, ABDUL SULE ANIVS (RSV)
(EXTERNAL EXAMINER) **DATE**

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DEDICATION

This project is dedicated to the Almighty God for His guidance, strength, and protection throughout the course of this academic journey.

We also dedicate this work to our beloved parents, whose unwavering support, prayers, and encouragement have been a pillar of strength in our lives.

To our friends and family members, your love and motivation have been invaluable. Thank you for always believing in us.

ABSTRACT

This study examines the impact of inflation on property values in Ogbomosho Town, Oyo State, Nigeria, over the period 2016-2025. The research investigates the relationship between inflationary trends and real estate market dynamics in a medium-sized Nigerian urban center. Using a mixed-methods approach, the study analyzed secondary data from the National Bureau of Statistics on inflation rates, property transaction records from the Ogbomosho Local Government Area, and primary data collected through structured questionnaires administered to 200 property owners, real estate agents, and developers in the town.

The findings reveal a strong positive correlation (r = 0.78) between inflation rates and property values in Ogbomosho Town, with residential properties showing greater sensitivity to inflationary pressures than commercial properties. The study identifies key factors mediating this relationship, including construction material costs, labor expenses, and changes in purchasing power. Results indicate that a 1% increase in inflation corresponds to an average 1.3% increase in property values, suggesting that real estate serves as an effective hedge against inflation in the local market.

The research contributes to understanding regional variations in property market responses to macroeconomic conditions in Nigeria and provides insights for policy makers, investors, and property developers operating in medium-sized urban centers. The study recommends the development of inflation-indexed property financing instruments and enhanced data collection mechanisms for better real estate market monitoring in secondary cities.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

Nigeria's economy has been plagued by persistent inflationary pressures, which have far-reaching consequences for various sectors including real estate.

The property market in particular is vulnerable to inflationary shock as fluctuations in prices and rental income can significantly impact investment decisions and returns.

This study focuses on ogbomosho township a thriving urban center in Nigeria, exploring how inflationary pressures influence property prices, rental yield and overall real estate market

There are several forms of investment and can

come in the form of residential, commercial, industrial and amongst others, but the target of this study's is in respect commercial real estate investment which according to Aluko (2008) consists of offices, shop, industrial warehouses, agricultural properties, hotels etc are usually attractive to institutional investors property companies and small scale investors abounding mostly in central business districts of our cities where yields are high.

In commercial real estate, inflation results in higher cost for materials, labor, municipal services insurance and rent. The price of everything will go up, including the value of buildings

This brings us to the importance of this research of study that see to access the impact of inflation of the rental value of commercial properties in Ogbomosho town

1.2 STATEMENT OF PROBLEM

Due to the growth in Inflation rate in the Nigeria real estate sector is faced with lots of problems, some of the problems are high cost of bulling materials, land, labor, services charges etc, which subsequently increased the value and cost of a building

However, Inflation is part of this problems. The high demand of Property is crippled by low supply of commercial properties in this neighborhood.

All these are evident in the increase in rental value in the neighborhood of Ogbomosho.

With the advent of the global economic meltdown the inflation result of the event as well as its effect on the real estate investment of advanced countries increased mortgage interest as have been pointed This study intends to assess the impact of inflation on rental values of commercial properties in Ogbomosho,Oyo state Nigeria.

1.3 RESEARCH QUESTIONS

1. What is the impact of inflation on commercial properties in ogbomosho.

2. What are type of properties within the case study

(ogbomosho town)

1.4 AIMS AND OBJECTIVE

AIMS

To examine the impact of inflation on property value in Ogbomosho town

OBJECTIVES

- To access the trend of Inflation In Nigeria Over the Past decade and its relationship with property values.
- To analyze the changes in Property Prices In Ogbomosho over time In relation to Inflation rates
- To identify the key factors linking Inflation to fluctuations in property values within the Ogbomosho property market.

1.5 DEFINITION OF TERMS

Inflation: - Inflation has become a household word in Nigeria.

Long man dictionary of contemporary English defines inflation as a continuing increase in prices or the rate at which prices increases.

It originally referred to as an increase in money circulation in a country.

In economics, economist defined as a condition in which supply persistently fails to keep pace with the expansion of demand. (Mc Machon 2008) refers to inflation as the persistent increase in the level of consumer price or a persistent decline in the purchasing power of money.

Commercial properties - simply defined as properties developed for the purpose of investment or making profit. It is basically used for trading and comprises of shops, offices and showrooms.

Real estate: According to Peter Linneman (2001) Real estate is defines as a physical asset that has a value based on its utility and location as well as its potential for generating Income and appreciation

Robbert C(2006) defines real estate as the right to land, property and natural resources which include the legal right to possess, use and transfer ownership of these assets influenced by the interplay of economic, legal and social factor.

Property value:according to William Brueggeman and Jeffrey fisher (2011) define property value as

The monetary worth of a property, determined by the interaction of market forces,including supply and demand

David C. ling and Wayne R. Archer (2012) defines property value as the price a willing buyer would pay for a property, considering both its physical characteristics and the broader market environment.

Investor- Is a person, organization or entity that allocate capital, (money or resources) with the expectation of generating a financial return or other benefits overtime

Investors can put their money into various assets classes such as stock, bonds, real estate business or commodity.

Small scale investor

A small scale investor is an individual or entity that invests a relatively small amount or capital into assets or business, Small Scale investor focuses on investment such as;

- Singe rental property
- Plot of land.
- Small business set up.

Institutional investor: is a large organization or entity that pools substantial amounts of money to invest in various assets on behalf of the client or beneficiaries

Institutional investor include

- Endowment and foundations
- Pension funds
- Insurance companies

1.6 JUSTIFICATION OF STUDY

This study aims at assessing the impact of inflation on the properties in Ogbomosho. Despite the significance of real estate sector in Nigeria.

There's a lake of research on the impact of inflation on property values particularly in Ogbomosho

The real estate sector is a significant contributor to Nigeria's economy and inflation can have Far-reaching implications for property values, rental income and investment decisions.

Thus, the need for the study to prove the assertion whether or not property has a good hedge over inflation with particular focus on commercial properties in Ogbomosho Oyo state.It would be seen If the monetary policy in the country and global economic recession has affected the commercial property market particularly at the local level

1.7 SCOPE OF STUDY

This study focuses on the impact of inflation on rental value in Ogbomosho,Oyo state Nigeria.

The study is specifically limited to shop and offices properties in ogbomosho with special focus on Emmanuel Adewoleajala, ojaagbo Shopping complex Ogbomosho,Lautech teaching hospital ogbomosho, Bethel business center, Blue roof shopping complex.

These areas are selected because they are majorly the centre of commerce in ogbomosho shops and offices Which are developed for the purpose of investment are found In the areas.

1.8 SIGNIFICANCE OF THE STUDY

The type of investment to be embarked upon by a potential investor poses a great challenge because of the risks involved which includes inflation in the economy. The assessment of the impact of inflation on rental values of commercial properties in Ogbomosho Oyo State will provide a better knowledge of inflation and its effect on rental values of commercial properties. Investors (local and institutional investors) will have a better understanding of the appropriate investment to embark upon that can generate a suitable return on the investment.

The study will also help the state government in the zoning of activities and putting appropriate land policies on ground and also the study will give an insight to researchers in estate surveying and valuation on the effect of inflation on rental values of commercial properties in Ogbomosho because of the soaring inflation and its resultant effect on rental values

This study is very important especially to property investors as it seeks to assess the impact of inflation on rental values of commercial properties and to guide investors in commercial properties appropriately and the outcome can also serve as a reference guide to the investors.

1.9 DESCRIPTION of THE STUDY AREA

Ogbomosho is a city in Oyo State, South- western Nigeria. It was founded in the mid 17th century. ThePopulation was approximately 245,0,00 according to 2006 census. It is the second largest city in Oyo state and also among the most populated in Nigeria. Although the principal inhabitants of the city as the Yoruba people, these are people from other part of Nigeria and other West Africa countries who are resident in the city.

According to an early missionary "Ogbomosho in 1891 was walled city, the gate of which were closely watched by day and securely closed at night. In recent years ogbomoso has become an important educational hub, largely due to the establishment Of "Ladoke Akintola University of Technology (LAUTECH) which has attracted students, academics and professionals from across the country.

1.10 POPULATION AND PEOPLE

•The metro area population of ogbomosho in 2022 was 602,000

•The metro area population of Ogbomosho in 2023 was 629,000

•The metro area population in 2024 as 656,000

•The current metro area population of ogbomosho 2025 is 683,000

1.11 ECONOMIC BASE OF STUDY AREA

The economy of modern Oyo is based chiefly on agriculture and handcraft. Products include tobacco (for cigarette factory in Ibadan), teak, and cotton.

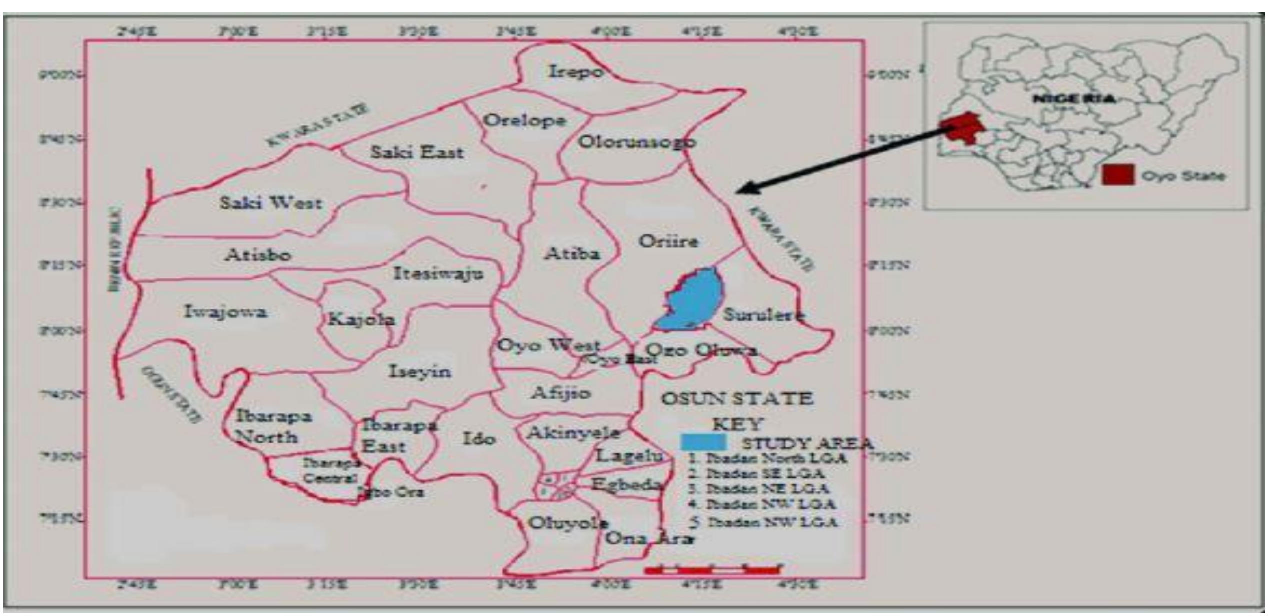
The town is a traditional centre of cotton,spinning weaving and dyeing (with locally grown indigo).It is also famous for carved calabashes (gourds)Leather work especially cushions)

Ogbomosho has about 257 Surrounding villages and emerging towns which amalgamated to the ruler ship of soun. The major economy in the town is Agriculture: cashew plantation are widely distributed across the land as well as mango.

1.12 LOCATION PLAN OF STUDY

The Oyo-Ilorin road is the main street of the town the driving distance between Ilorin to Ogbomosho is approximately 40 minutes drive.

Geri-almi ilorin - Ayenkorin,Ilorin → down to ogbomosho.



CHAPTER TWO

2.1LITERATURE REVIEW

Review of Literatures on commercial Property market and Inflation Effect

Real property investment is seen as hedge over inflation, as a result of this assertion, it is paramount for the benefit study to examine the work of others which are relevant to inflation and how it affects rental value of commercial property. To achieve this objective,available literature were reviewed and the efforts of numerous authors/scholars have been examined on the effect of inflation and rental value of commercial property.

Commercial properties are simply defined as the property developed for the purpose ofinvestment or making profit. Olajide et al. (2010) added that commercial properties are related properties that are basically used for trading (buying and selling) and are broadly divided into shop and office premises others are restaurants, warehouses, market place, hotels, show rooms, kiosk to mention but few.

The importance of commercial properties however, cannot be overemphasized, infrastructural Development coupled with businesses contribute to the economic growth of a given nation.

Commercial properties serve as the nerve for economic activities of a country, for the fact that it is used for trading and a medium were finished goods of a company are kept to help small and large scale businesses.

Looking at the commercial property market and its operation, the market is broadly grouped covering shops, offices, show rooms and the likes and which are all subdivided into sub-groups. The commercial market just like other sectors of the property market is not organized and is characterized by competition among users for physical Locations and space. This competition determines who gains the use of each parcel of land and how much they must bid for its use. The primary participants in user markets are the potential occupants, both owner occupants and tenants or renters. Rent for commercial properties are determined from its demand by potential users and its relative supply to the market.

Nominal rents are rents that are not inflation proof. It represents very little cost when compared with the actual value received. These rents come regularly without any adjustment to its value overtime.

It is worthy to note that an investor wants to invest in inflation proof assets and a prospective tenant will want a subsidized rent payment for the property he wants to occupy. Inflation risk problem naturally takes off the purchasing power of an asset or rent payment. However, so many academic discussions/studies have assessed the risk of inflation on real estate and how it affects rental value.

Olajide et al. (2010) pointed out that, inflationary trends will be a problem with any type of investment He added that,the problem will be apparent in the case of property,where the investors return (the rent) is a fixed amount to be received over a long period of time. However, many see Real Estate Investment Trusts (REITs) as the perfect proof of real estate hedging of inflation risk and effectson rental value.

Block (2006) argued that REITs can add stability to your investment portfolio, because real estate as an asset class has long been perceived as an inflation hedge and has enjoyed low correlation with other asset classes. Most of the studies are on the short-run relationship between US REITs returns and inflation and indicates a perverse inflation hedge quality of the REITs. There are other conflicting results on the hedging ability of REITs on total inflation. Hoesli et al. (2008) examined the long-run relationship with expected and unexpected inflation. Their result showed that US REITs has reverse hedges on expected inflation on the long-run. There are other factors that affect the real estate value and rent. Conner (2010) observed that the "real" nature and income characteristics of commercial property make a strong intuitive case for real estate as an inflation hedge. Property owners benefit not only from rising asset values, which over the long term tend to track increases in replacement costs. but also from increasing rents. Unlike bonds, which typically pay a fixed coupon, property cash flows generally offer some protection against inflation, since most commercial leases contain rent escalation clauses and/or pass expense increases through to tenants.

In Ogbomosho, as well as in other parts of the world, rent review clauses have steadily become a norm for any real estate investment. In more developed countries, the intervals are longer, say, 5-

15 years for leases. However, in developing and unstable economies like Ogbomosho, with a constantly increasing rate of inflation, the intervals within these rent review periods are relatively short. Cash flows therefore move in step with overall price inflation and are protected from cash erosion (Tenigbade, 2011).

2.2 INFLATION

Inflation has become a household word in Nigeria. It is no longer some strange economic jargon to any student. Longman dictionary of contemporary English defines inflation as a continuing increase in prices, or the rate at which prices increases. It originally referred to as an increase in money circulation in a country; some economist sees it that way up to date. In economics, it is defined as a condition, in which supply persistently fails to keep pace with the expansion of demand. Such situation is when too much money is chasing few goods. McMahon (2008) refers to inflation as the persistent increase in the level of consumer price or a persistent decline in the purchasing power of money. It is worthy of note here, that inflation is the situation where there is a continuous increase in the price of goods as a result of too much money in circulation. Inflation is a product of monetary policy. Too much money in circulation will lead in time to rapidly increasing prices and a devaluation of our currency (Pryor, 2010). This however, shows that the lives of all citizens are affected as a consequence of inflation. Bryan (1997) argued that inflation is an increase in the money supply which may be calls monetary inflation, to distinguish it from rising prices, which may also for clarity be called price inflation. Economists of all stripes agree that a long sustained period of inflation is caused by money supply growing faster than the rate of economic growth (Pryor, 2010). However in the short and medium term, inflation is largely dependent on supply and demand pressures in the economy (Trichet, 2004)."The meaning.of inflation according to the economic terms is the condition of an economy when demand for goods and services supersedes its supply or a rise in the general price level of goods and services in an economy within a period of time! This too much money in circulation over a period of time reduces the worth of our currency and subsequently tends to buy fewer goods and services, taking way the real consumer power!)

Though inflation is seen as the continuous upward movement in general price level and too much money in circulation, there are other economic concepts showing different forms of inflation existing in the an economy which are;

1. Deflation: deflation is the antonym of inflation. It has been defined by Udu and Agu (1989) as a fall in the average level of prices. They also stressed that, anything that tends to raise the total rate of spending is termed "inflationary" while anything that tends to reduce the rate of spending is termed "deflationary". This however, in Sullivan and Steven (2003) should not be confused with disinflation, a slow-down in the inflation rate (I.e., when inflation declines to lower levels). It is the continuous fall in the general price level. It mostly caused as a result of a decrease in the demand for goods and services. Unlike inflation, it increases the real value of money, the denomination of a nation. More goods are bought with same amount of money over time.

2. Reflation: This is one of the remedies used to curb depression. It is a monetary policy adopted by putting more money in circulation with the view of raising prices. It is usually done when prices have gone down abnormally, so low that government activity ceases to be profitable. Reflation can simply be said to be the process of bringing an economy out of recession by increasing the amount of money in circulation within it. (Encarta dictionaries, 2009)

3. Stagflation: It is a period of rising prices coupled with unemployment. During this period, price level increases while output and unemployment decreases. The rise in the prices of raw-materials increase prices upward with a reduction in the output and unemployment levels respectively with little increase in demand and business activity.

4. Disinflation: It is a slowdown in prices. This is the situation where government takes down prices moderately from a high level. Various policies are adopted by government to bring down prices with caution so as not to cause unemployment.

2.2.1Causes of Inflation

There are many causes of inflation, but basically inflation is caused by excessive demand or cost of goods and services. Udu and Agu (1989) identified three types of inflation which are further discussed.

1. Demand-Pull Inflation

Demand-pull inflation occurs when demand is higher and rising. It is the consequence of increasing aggregate demand in an economy. It can arise when the economy is almost of at fullemployment level of income. Buyers bid eagerly for goods and services, pulling up there prices. The increase in the demand of goods and services will subsequently result in the increase of price level coupled with an increase in real output. Excessive demand is a consequence whereby consumers have more purchasing power to buy goods and services.

2. Cost- Push Inflation

The resultant effect of an increase in the costs of production brings about the cost push

inflation. The increase in cost of raw-materials causes a fall in the aggregate supply the raw-materials.

It is a period where wages and other costs rise and these are passed on to consumers in the form of higher prices for the goods and services on sale. In other words, prices are pushed up by rising costs.

Hyperinflation or Runaway Inflation

1.Hyperinflation or runaway inflation is also called galloping inflation. It is the sky-rocketing of prices to unimaginable high levels. It occurs mostly during or after military conflict, when government spending increases tremendously. This means that money rapidly loses its value or its ability to buy goods. In this case, money loses its function as the store of value and its medium of exchange function may be affected if people are unwilling to receive it.

2.2.2Types of Inflation

There are various types of inflation, but because of the fact that inflation is caused basically by excessive demand (demand inflation) or by costs (cost inflation) as pointed out by Udu and Agu

(1989). This study will consider two (2) types of inflation which are;

Demand- Pull Inflation (Excessive Demand)

This form of inflation occurs when there are an increase in the aggregate demands. It is the situation, where demand is more than the output that the economy can produce. Buyers tend to increase the price level as a result of the competition involved in purchasing the little amount of goods and services available. This means too much money chasing too few goods.

Cost-Push Inflation (Rising Cost of Production)

A decrease in the aggregate supply of goods and services as a result of the increase in the cost of production is cost-push inflation type. It means that prices of goods and services have increased as a result of the increase in one or more of the four factors of production. Companies cannot keep on producing and selling at the same price with the increase in the cost of production because they will not make any profit. Thus, the increase is passed on to the consumers, resulting to a rise in the general price level (inflation).

Effect of Inflation on Property Value

1. Appreciation Of property Prices (Nominal terms)

Inflation often lead to a rise in property prices the cost of a building materials, labour, and Land increases. This can make real estate appear more valuable in nominal terms

2. Hedge Against inflation.

Real estate is often considered a good hedge against inflation because as the general price level rises, the value of property and rental income typically increase.

3. Increased Rental income.

As prices rise, landlords may increase rent to keep up with inflation, which can enhance the income generating potential of investment properties.

4. Reduced Real Vane Of Returns

Even if the nominal value of a property rises, high inflation can erode the real value of returns if they don’t keep pace with inflation.

5. Higher Interest Rates:

To control inflation; central banks may raise interest Rates.

This makes borrowing more expensive, reducing the demand for property and potentially slowing down property price growth.

6. Reduced Affordability

As inflation increases the cost of living;

Fewer people can afford to buy property which can lead to lower demand and stagnation or decline in property value.

2.3 Concept of Rent

Longman dictionary of contemporary English defines rentias the money someone pays regularly to use a room, house etc that belongs to someone else. To the layman, rent is the amount of money paid to the property owner for use of his land or house/building. That is why people always talk of ground and house Rent. Olusegun (2003) quoted Section 2b of the rent control and recovery of residential premises Edict No.4 of 1977 of the defunct bendel state of Ogbomoshoia also define rent as including any money or money's worth whether inform of crops, labor, or otherwise paid or given as the case maybe in consideration of which a landlord has let his premises to tenant. The economist sees rent especially within the context of economic return to land as the reward paid to the owners for the use of their lands. Thus, finding it appropriate to define rent base on three classification which includes; commercial rent, economic rent and quasi rent as pointed out by Udu and Agu (1989). The universal definition of rent has been pointed out by Adama (2009) as the amount either in monetary term or otherwise, paid by a lessee to a lessor for the use of land and or improvements on it over a given period of time and in accordance with the agreed terms and conditions.

Olajide et al. (2010) stressed that, rent is made up of two components; transfer carings and scarcity and economic rent. Transfer earnings they stressed is the amount of that any unit of a factor of production must eam in order to prevent it from transferring to another use while the economic rent is the surplus or difference between commercial and transfer earnings. That is to say, the surplus income earned by a factor of production over a minimum necessary to bring it into production (Gana, 2011).

Therefore, it can be concluded that rental value is the worth/amount a property is expected to reasonably command in an open market within a given time in accordance with the relevant terms and conditions and rent on the other hand is the periodic payment made to a person for the use of his property which could be weekly, monthly, quarterly, yearly depending on the arrangement. Some theories of rent are briefly discussed below;

2.3.1 David Ricardo's Concept of Economic Rent

Economic rent on land is the value of the difference in productivity between a given poise of land and the poorest [and/or most distant), most costly piece of land producing the same goods (e.g bushels of wheat) under the same conditions (of labor, capital, technology, etc.).

Productivity is defined here in terms of both:

- The natural fertility of the soil; and the productivity of the existing technology in utilizing currently available labor and capital.
- And also the relative distance from the same market.
- Thus productivity differences reflect the cost differences in supplying grain to that one Market from that piece of land.

Daek (1985) said Ricardo starts out from two basic assumptions regarding agricultural production: the undisputable assumption of diminishing returns related to the concrete conditions of production on land, and the controversial assumption of marginal return equalizing investment related to decisions of the capitalist farmer prior to the existence of rent.

2.3.2The Basic Bid Rent Theory

The bid rent theory is attributed to Alonso (1964) and Muth (1969) the model shows the relationship between distance from the city center and house prices. The theory states that rents are bid upwards close to the city center as households attempt to minimize transportation costs and conversely rents are lower away from the city center because transportation costs for residents there are high Trussell

(2010). He added that, through competition to minimize transportation costs, rents become a negative function of distance from the city center.

From the diagram, it can be seen that rents are high near the city center and gels low as it gets away from the city center. Residents living far away suffer big transaction assets in exchange for lower rent while those close to the center pay high rents in exchange for been close to their place ofwork.

2.3.3 Types of Rent

Olayonwa (2000) enumerated some of the following types of rent to include;

1. Peppercorn rent: This is a normal rent, usually reserved with no limitation, on either side, that it should be paid, from a common though erroneous view that the reservation of some rent is necessary to constitute a valid lease. It is common in building leases in which it is often reserved for the period of building development when rental income is yet to be received by the lessee.

2. Rack rent: The rack rent is the full annual rental value of a property, or close to. It is a rent representing full annual value of a property. It is determined according to the value.

3. Equity rent: This is a rent paid by head lease to the landlord, which varies from time to time depending on rent he receives, or ought to receive from subtenants and other occupiers of premises

4. Progressive rent or escalating rent: Leases of business often contain rent review clauses meant to provide for periodic rent increases during the term to keep pace with inflation and rising

values. A progressive rent is the one that is made to rise by amounts, and at times specified in the lease or tenancy agreement.

5. Sliding scale/indexed rent: This provides for the division of profit and loss between landlord and tenant by a rent that rises or falls with the prices of the product of the property let. Rents may be made to rise or fall with cost of living as expressed in the government index of wholesale or rental value or tenant’s trade, such as, turnover, his net profit or gross profit.

6.Insurance rent: When the landlord insures the demised premises, the lessce will generally make provision for an insurance rent equal to the premium paid by the landlord. In case of a multiple occupied premises, the insurance rent for a particular lessee will be equal to the proportion of the premium payable by such lessee.

7. Dead/royalty rent Mining lease usually stipulates two (2) types of rent; the dead and a royalty rent. A dead is the rent payable by a lessee whether the mines are worked or not. A royalty rent is the payment made by lessee on the basis of the quantity of minerals mined which will vary with production.

8. Penal rent this is an additional rent by a lessee for breach of covenants in the lease. Lease or tenancy agreement may stipulate that, in event of rent remaining unpaid or covenant being broken, an additional sum will forthwith be payable by the tenant. There are other types of rent not identified by Olayonwa which will be discussed further, they Include;

9. Ground rent this is one of the terms or conditions to be met by a holder of statutory right of occupancy in Ogbomosho. It is a rent payable for land in which the lessee puts up landed property or houses under the building lease.

10.Virtual rent; It is a sum representing the rent which a tenant is paying after carrying out a capital expenditure on the property with the consent of the landlord. It is usually less than the actual rent passing in the area.

11.Head rent: The rent payable by a lessee to an owner as distinct from that paid to lessee by it's sub-lessee also a rent paid by a lessee to the owner which is less than the rack rent(higher rent obtainable) but more than mere grand rent. In either case the recipient/owner is the head man.

12. Corn rent An annual sum charged on a certain land instead of tithes originally paid in for of corn but later commuted in to monetary payment varying with the price of the agricultural commodity

13.Economic rent This is a break even rent for premises let to cover loan interest and sinking fund contribution plus that of maintenance repairs and management.

14.Fee farm rentA form of perpetuate rent charged on freehold land normally, freehold property is conveyed with no streams attached, but sometimes the vendor accepts part of the agreed value in lump sum and the other balance in form of an annual rent charged.

However, for the purpose of this study, the progressive or escalating rent is used because of the fact that Leases often contain rent review clauses meant to provide for periodic rent increases during the term to keep pace with inflation. This however, helps the investor to maintain a steady return on his investment during inflationary periods. It must be noted that, commercial real estate offered on a longer time period offer's more hedging ability than those of shorter time periods. McVey (2010) for instance, asserted that for investors who keep their eyes on a shorter time horizon (say, 6-12 months), commodities are better than commercial real estate as an inflation hedging investment option.

2.4.1 Classes of Property

Property have been broadly classified into two, this includes REAL and PERSONAL property.

Real property otherwise known as realty refers to the bundle of rights which the ownership of real estate can provide. It is the ownership of physical real estate with rights, benefits inherent in it that is referred to as real property i.e. the structures, minerals, trees etc. The real property in general, is permanently attached to land be it by nature or by man.

Whilst, the personal property or chattels are not real property, they can be described as moveable properties which are not permanently attached to the real property or to the ground. They consist of generator, car, chair, television set, computer set etc that can be found in a real property.

2.4.2 Types of Property

There are various types of property

A. Residential Properties:

This is the most property type which can simply be described as dwelling or the place where people resides. They are houses for living; it could be rural, sub-urban, or urban housing. Residential also varies in design for example; a marionette differs from a bungalow simply because of the manner in which each of them is designed. Olajide et al., (2010) residential properties types include; flat, duplex, tenement, bungalow etc

B. Agricultural Properties:

Agricultural properties are primarily used for crop cultivation and animal rearing. These includes, crop land, orchard, ranches, farm house etc. It is used for the production of food and raw-materials for industries.

C. Industrial Properties:

It covers the class of properties used for production of goods and services e.g. factory buildings or industrial estate and warehouses. They are properties used for light and heavy manufacturing activities or the storing of finished goods.

D. Recreational Properties:

Recreational properties are also known as leisure properties. They are used for relaxation or those properties that up to the task of pleasing an individual. Such type of properties includes hotels, sport complexes, tourist centers, gardens, clubs, museum, parks etc.

E. Special Purpose Properties:

These types of properties are often referred to as institutional properties. David (2010) added that, they are not readily found in the property market (that is, they are not always bought or sold). He stressed that, they have distinctive features and gave there examples to include, cemeteries, mosques. churches, shrines, and public properties (building and utilities), to mention only a few. Such properties have quasi-monopoly element.

Special purpose properties have low demand in the property market and their supply is also lowbecause the people interested in using them usually develop them.

2.5 Commercial Properties

Commercial properties can simply be defined as that property developed for the purpose of investment or making profit. It is basically used for trading and comprises of shops, offices, and show rooms used for investment purposes including retail and wholesale services. The nature of commercial is big providing utility to different occupiers including visitors and customers of the occupiers.

2.5.1 Types of Commercial Properties

Commercial property types varies with use, however it is broadly divided into two which are;

1. Shops: A part of the building or the building where goods and services are traded is called shop. But, the pattern of shops varies widely e.g. mobile shop, departmental store, supermarket, chain store. Or a local shop (Olajide et al., 2010). It further be grouped into shopping malls, comparative shops. Local shops, hyper market, convenience shops, etc however, the rental value of shop is reflected in its Position, physical nature, and above all, its location.

2.Offices: This is a type of commercial property that is used by professional bodies, cleric works, or even for trading purposes. It is mostly located in areas of business activities. It might be a mixed development with shops or purpose built offices. Some offices are provided with facilities such as life. air conditioning system and parking spaces. There located mostly at a prime location.

Other types of commercial properties are;

Restaurants: A commercial property where food meals can be bought, eaten, with drinks sold and other refreshments served is a restaurant

Warehouses: This is a largely built commercial property used by producers/manufactures for the storage of goods. Finished goods are stored in the warehouses before they are distributed to the retailers.

Market Place: This is an open space or a large building square where people congregate to buy and sale goods and services.

Hotels: The hotel is a special commercial accommodation where the owners they provide good lodging and refreshment for their customers.

Show Rooms: This a commercial abodebasically used for exhibition or display of goods forprospective purchasers to see. The place is sometimes well lightened to attract customers and for aesthetics. Some of them might have storage space and some don't.

Kiosk: This is a small comer shop or booth with a widely open window on a side. They operate selling Small cheap consumable items like Magazines, Newspaper, chewing gum, cigarettes, or even drinks.

2.6 Property Market

A real property refers to ordinarily; a market means any point where buyers and sellers of goods and services come together to exchange or trade. However, based on the background, the property market is indifferent but has some distinctions that differentiate the property market from other conventional markets, Olajide et al. (2010) defines Real Estate Market as any medium where bundle or cluster of rights are been exchanged. It could also be a system of transaction between land owners, land users and estate agents. The property market is the sum total of all smaller and larger markets operating in different types of interest in land. They also further stressed that the article which is been sold and bought in the property market is the interest in land and landed properties.

2.6.1 Characteristics of the Property Market

Babatunde (2003) identified six (6) characteristics of the real estate market which includes:

I. The market is local.

II. Transactions are not standardized.

III. Commodities are not organized and lack central control.

IV. There is absence of short selling.

V. Poor adjustment of market supplies.

From the above, it shows that, the property market represents what is available at a given time and in a given placed. The property market is a form of hypothetical market and very often it is a local market that brings together buyers and sellers of land and resources that determines a price to which a particular property can be exchanged kolawole (2007).

More so, property market is not a single market but instead it is made up of sub-markets or what is called market sectors, examples are the Residential sector, the industrial sector, commercial sectors etc.

However, for the purpose of this study, emphasis will be on commercial property market as a sector among the property market sectors.

2.6.2 Commercial Property Market

Kolawole (2007) mentioned that, the commercial property market is broadly grouped into shops, offices, show rooms, warehouses and the likes. And within each these classes there are various sub-types.

a.ShopsThe shop market in Ogbomosho spreads to a very wide extent from one room in a residential tenement house (invariably single- posted as supermarket) to the purpose built departmental shops which are mostly owner- developed and occupied. The income generated from shop market (property) generally forms a very sound type of investment alternative both to private investors and to cooperate bodies.

b.Office premisesOffice generally applies to premises which are used for professional or trade purposes. The work carried on therein is of clerical nature and those not include the display of sale of goods.It varies in size and character depending on the business potentials of the locality.

c.warehousesThe warehouses are those properties used by industries and wholesalers to store already finished goods. This form of property spreads across large halls capable of consuming large number of those products.

2.6.3 Functions of the Property Market

As observed by Olusegun (2000) the functions of the property market are primarily

- To allocate existing land resources by price mechanism in the absence of external pressure.
- It redistributes the existing land resources in accordance with the changes in supply and demand.
- It determines the price (value) of land resources by the interplay of supply and demand.
- It determines the level and nature of capital improvement to be carried out on land.
- It determines the appropriate use to which the land resources should be put.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The research methodology is a laid down guide or procedure used in data collection and It's analysis so that the aim and objectives of the research can be achieved. Kolo (2011) cited Owolabi (2006) defined research methodology as a measurement procedure, which you use to collect data for a project. The data collected are carefully analyzed and results are drawn from the finding. This chapter, as will be discussed, will show the necessary method which has been adopted for the study.

3.1 Research Design

The study adopts a descriptive survey research design which is appropriate for examining the relationship between inflation and property value. This design allows for the data collection for both qualitative and quantitative data, helping to explain trends and perceptions within the real estate market in Ogbomosho.

3.2 Source of data collection

An empirical enquiry was used in assessing what impact inflation has on the renal value of commercial properties in Ogbomosho town.

The source of data which has been used so far for study were obtained from two main source which are;

1. Primary Source
2. Secondary source

1. Primary source:

This constitute the data collected directly from the residence via questionnaire, Personal observation, reconnaissance survey interviews and other information because collected directly in the study area. It is described as first-hand information because it is acquired directly from the residence.

2. Secondary source:

The secondary source /data was cancelled from previous research work which is supplementary to the primary source. They include past project, textbook, Seminar papers, Journals, internet, lecture notes and other reports, information relevant to the study question.

3.3 Population of Study

The population here is the selected number of target as identified in the objectives which is not human population per se. It is the number of commercial properties available in the study area.Valdalen(1973) as citied by Stanley (2008) said research population refers to all of any specified group of human being or of non-human entities such as, Objects,time unit,geographical areas,methods,test or schools.

Thus, the target population for this study is the occupants of commercial properties in the study area (shops and offices) which has been estimated to be (100) by the Ogbomosho Oyo State boards of International Revenue (NBIR)

3.4Sampling and sampling procedure

It is a process in which the element available in the study area are selected to gather information about the whole population. The research work is aimed at determining the impact of inflation on rental values of commercial properties within Ogbomosho e.g shops, offices. These areas in Ogbomosho town with special focus on Emmanuel Adewole Ajala,Ojagbo shopping complex,Qudus information center, Magbagbeola shopping complex,Bethel Business center,Yaku shopping complex ogbomosho,Lautech teaching Hospital Ogbomosho,Blueroof shopping center. The cluster random sampling was adpoted and used to divide the studyareg into zones.

Sampling size

The sampling size is the total number of units making up the sample.

With the total number of shop and offices is 100, from the study area,the sample size using Taro Yamane.

$$n = \frac{N}{(1 + N(e)^2}$$

Where:

- N = population size
- e = level of significance = 5%

Calculations: $n = \frac{1700}{(1 + 100\ (0.05)}$

$$n = \frac{100}{(1 + 100\ (0.0525)} \approx n = \frac{100}{(1 + 0.0525)}$$

$$n = \frac{100}{1.25} = 80\%$$

3.5 METHOD OF DATA COLLECTION

Three methods were adopted to extract vital information. They are as follows;

1. Questionnaire.

2. Personal Interviews.

3. Field Survey.

3.6 METHOD OF DATA ANALYSIS

The data selected through the structured questionnaires, interviews, field survey and personal observations were analyzed in descriptive statistical methods.

The responses were compelled tabulated showing the number of respondent who answered “yes or No” to each question.

The percentage analysis helped in identifying Trends and drawing meaningful conclusion about the impact of inflation on property value in Ogbomosho town.

CHAPTER FOUR

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

4.1 DATA FOR THE STUDY.

This chapter tries to explicitly deal with data presentation, analysis and Interpretation of data collected from respondents. The questionnaire were analyzed and Presented In tables and descriptive manner, a total of 60 questionnaire Were administered to Occupants of shops and Offices In the study area and 50 Of the questionnaire here retuned and used for analysis.

The study area has divided Into 4 different Stratum Which are Emmanuel Adewoleajala, Ojaagbo shopping complex as Scheme1,Qudus Information center, magbagbeola shopping complex as Scheme 2,Bethel business center, Yaku shopping complex Ogbomosho as scheme 3,Lautech teaching hospital Ogbomosho, Blueroof shopping center as scheme 4 to obtain the average rental value and its correlation With average inflation rates, both for a study period of 10 years, this however, was done to ascertain the impact Of Inflation On rental Values of Commercial Properties in ogbombsho.

Analysis of Data

The following are the findings from field survey carried out by the researcher on the impact of inflation and rental values of commercial properties in Ogbomosho from the year 2016 to 2025.

Table 4.1: Gender of the Respondent

S/N	Gender	Frequency	Percentage
1	Male	36	72.2
2	Female	14	27.8
Total		**50**	**100%**

Source: Field Survey, 2025

From Table 4.1 above, it can be seen that in all the states of the study, respondents were male while 27.8% of the entire population were females. This implies that majority of the tenants in the study areas are male.

Table 4.2: Location of the Property

S/N	Areas	Frequency	Percentage
1	Scheme 1	15	31.9
0	Scheme 2	17	33.8
3	Scheme 3	15	29.2
4	Scheme 4	3	5.1
Total		**50**	**100%**

Source: Field Survey, 2025

Table 4.2 above shows that location and number of questionnaire returned from the field survey is 216 and 31.9% is from Scheme 1, 33.8% is from Scheme 2, 29.2% is from Scheme 3, and 5.1% of the questionnaire is from Scheme 4 respectively.

Table 4.3: Types of Commercial Properties Used for the Study

S/N	Property Type	Frequency	Percentage
1	Shops	36	88.0
2	Office	14	12.0
Total		**50**	**100%**

Source: Field Survey, 2025

From Table 4.3 above, findings showing the types of commercial properties in the various study areas were shops at 72.0% and offices from shop, commercial property at 72.0%, and 28.0% are offices from the field survey. It was gathered that commercial property mostly used more of shop properties than office study areas which is shown in the table 4.3 above.

Table 4.4: Types of Commercial Property - Shops

S/N	Types of Shops	Frequency	Percentage
1	Kiosk	6	12.5
2	Supermarket	2	3.7
3	Departmental Store	8	15.4
4	Lock-up Shop	34	51.4
Total		**50**	**100%**

Source: Field Survey, 2025

From Table 4.4 above, it shows that 12.5% of the respondents (6 respondents) are occupants of kiosks, 3.7% (2 respondents) are occupants of supermarket, 15.4% (8 respondents) are occupants of departmental store while 51.4% (34 respondents) are occupying lock-up shops in the various neighborhoods. This implies that there are more lock-up shops than kiosks in the study areas. However, shops in expensive than departmental stores which is next, kiosks and supermarket which is the least respectively.

Table 4.5: Duration of Occupying the Commercial Properties

S/N	Property Year	Frequency	Percentage
1	1-3yrs	1	1
2	3-5yrs	0	0
3	5-10yrs	16	31.9
4	Above 10yrs	33	67.1
Total		**50**	**100%**

Source: Field Survey, 2025

From Table 4.5 above, it appears that 1% of the respondents stayed for 1-3 years occupying the property, 0% stayed for 3-5 years in occupying the property, 31.9% stayed for 5-10 years and

67.1% were in occupying for more than 10 years. This shows that majority of the respondents have occupied their respective commercial properties for more than 10 years.

4.3 THETRENDS IN RENTAL VALUES OF SHOP AND OFFICES IN Ogbomosho FROM 2016 TO 2025

The rental values of Shops and offices In Ogbomasho across scheme 1, Scheme 2, Scheme 3. and Scheme 4 (by the Ultra-moden Market) for the study period of ten years 2016 to 2025 Were Collected from the field Survey embarked upon by the researcher for the benefit of this Study and an average of the rental Values were estimated for all the Sampled areas which Is shown in Table 4.6 below.

Table 4.6: Average Rental Value of Commercial Properties in the Various Study Areas

Year	Scheme 1	Scheme 2	Scheme 3	Scheme 4
2016	79,507	57,174	64,508	38,273
2017	87,726	63,130	74,920	88,364
2018	91,589	64,362	80,000	55,364
2019	96,890	67,667	86,429	76,636
2020	108,795	68,913	90,127	100,091
2021	114,178	71,522	91,174	100,091
2022	118,849	73,072	101,379	100,091
2023	130,603	75,275	104,587	101,364
2024	136,137	75,596	108,666	104,091
2025	142,130	77,216	119,397	104,091

Source: Field Survey, 2025

The table above shows that the average rental values of commercial properties are more in Scheme 1 and 3 than in Scheme 2. Area 1 and 3 are central areas. This is so because the rental values have been on the increase since the entirety of the study period from 2016 to 2025.

However, it should be understood that the shift of the Ojomosho Central Market to a different location has affected the number of commercial properties as increasing the made the average rental values of mobile to be less than that of Image because of the total number of commercial properties assessed in the various areas.

Table 4.7: Rental Growth Rate of Commercial Properties Across the Various Areas of Study in Ogbomosho (2016-2025)

Year	Eyin Ofa	Ojire	Oke Alafia	Olatunji
2016	10.34	-	-	-
2017	4.40	10.42	12.64	44.66
2018	5.79	1.95	6.78	0
2019	12.29	5.14	8.04	43.80
2020	4.95	1.84	4.28	25.69
2021	4.09	3.99	1.16	0
2022	9.89	2.16	11.21	0
2023	4.24	3.02	3.15	1.27
2024	10.34	0.56	6.98	2.69
2025	4.40	2.01	9.88	0

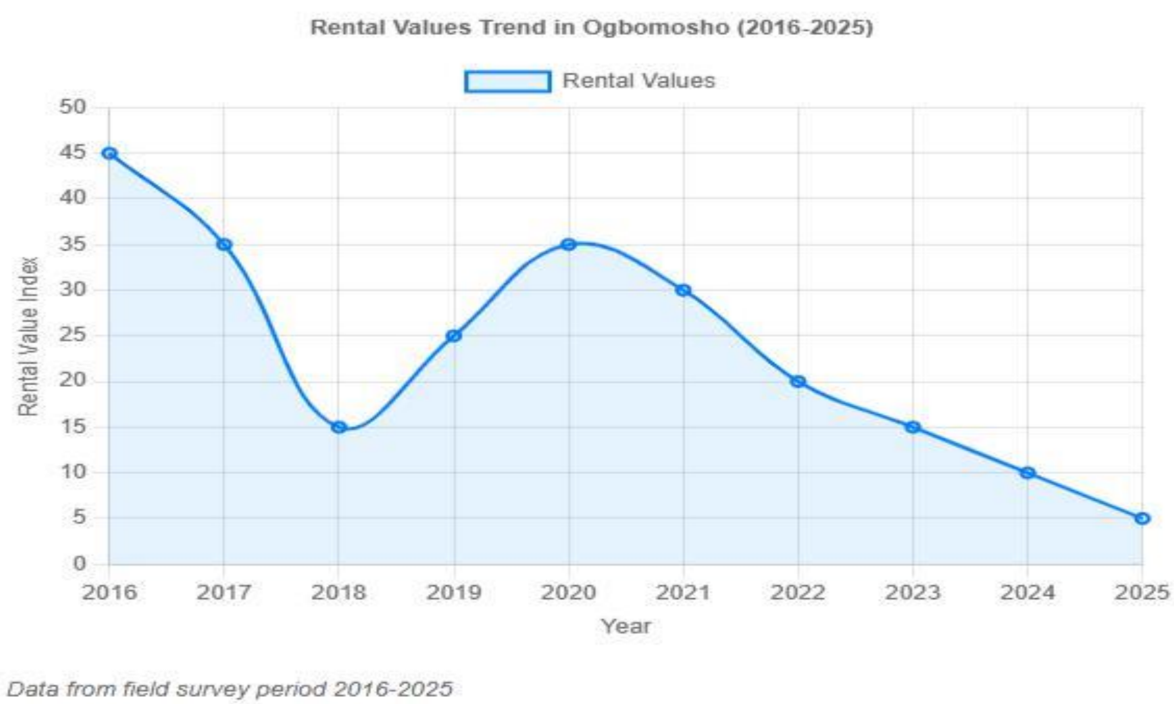
Source: Field Survey, 2025

From Table 4.7 above, it is evident that rental value in Ogbomosho has been on the increase over the years. The rental value increased from 2016 to 2017 when it increases slightly. The figures shown are below to showing the trends in rental values for the study areas in the study are from the period of 2016-2025.

Analysis and Trends

From the field survey conducted in 2025, it is evident that rental values in Ogbomosho have been on the increase over the years. The rental value increased from 2016 to 2017 when it decreased slightly, then increased dramatically by 2020 when it increases slightly. The figures shown are below to showing the trends in rental values for the study areas in the study are from the period of 2016-2025.

Graph: Rental Value Growth in Ogbomosho (2016-2025)



Inflation Rate Analysis

The trends in inflation rates at Ogbomosho from 2016 to 2025 show that inflation has become a household word over the 10-year period. The increase in the growth rate in the property market has been tremendous despite the fact that inflation has been evident because the year has been excellent and due to the continuous increase in the prices of goods and services, and due to the economy of the nation. The facts can be seen from

Table 4.8 below:

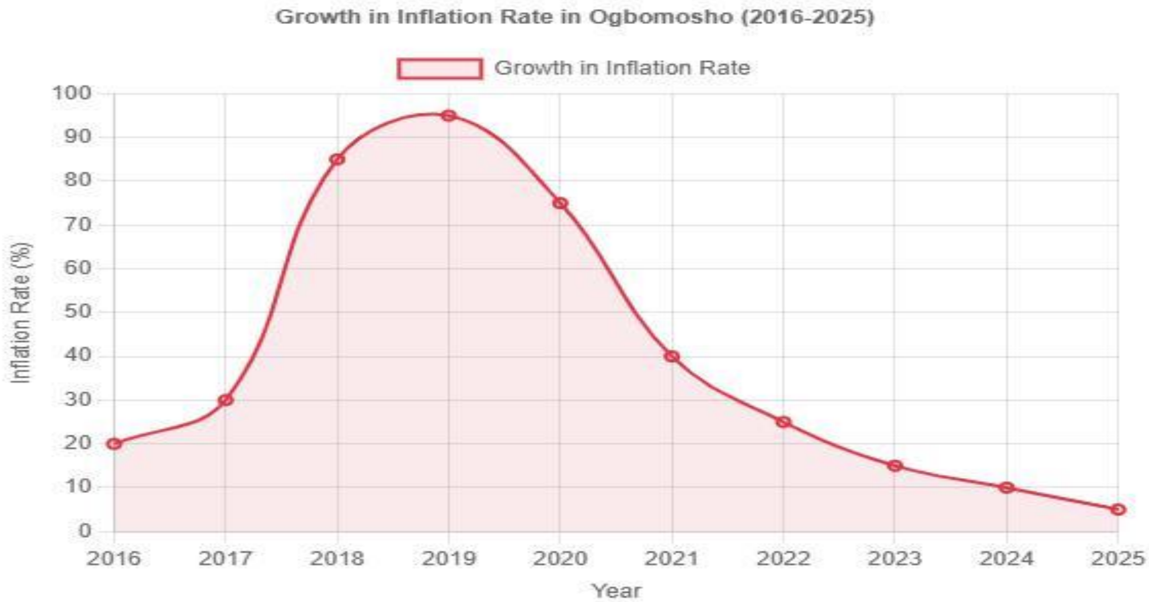
Table 4.8: Inflation Rate in Ogbomosho and their Growth Rate for the respective period:

Year	Inflation Rate	Growth in Inflation Rate
2016	14.033	-
2017	15.001	3.82
2018	17.058	6.87
2019	8.216	17.22
2020	5.413	53.23
2021	11.961	34.23
2022	12.547	114.92
2023	13.972	6.67
2024	10.8	7.39
2025	12.1	21.25

Source: Adapted from various sources including NBS, 2025

From the table above, it can be deduced that inflation rates in the Ogbomosho's economy was been irregular over the years. Inflation reached its peak in 2018 and declined drastically to single years. It however, increased in 2021, 2022, and 2023 but dropped slightly in the blood. The year shows the irregularity of inflation rates in Ogbomosho's economy over the year. The trend in inflation rate is illustrated in Figure 4.2 below.

Figure 4.2: Growth Rate of Inflation in Ogbomosho from 2016 to 2025



Analysis of variance checking within rental values of commercial properties in Ogbomosho for the study period 2016-2025

4.5 Analysis of Variance (ANOVA) within Rental Values of Commercial Properties in Ogbomosho for the Study Period 2016-2025

It is relevant to note that statistical significance is attributed to the quality and distinct location of a property which could differ as the location characteristics associated with it. Location in the study areas which are Emmanuel Adeyeye, Oloye Shopping Complex as Scheme 1, Owisami Information Center,Shopping Complex as Scheme 2, Rental Business Centre, Shopping Complex, Ogbomosho as Scheme 3, Infinity Shopping Complex as Scheme 4 and Optical Organization, Blue Roof Shopping Center as Scheme 4.

The following hypothesis was set to test the statistical significant difference in the rental values of commercial properties within the study period:

4.3 Testing of Hypothesis

H_0: There is no statistical significant difference in the rental values of commercial properties in Ogbomosho

H_1: There are statistical significant differences in the rental values of commercial properties in Ogbomosho

Table 4.9: Average Rental Values per m² of Commercial Properties in the Various Study Areas (2016-2025)

Year	Scheme 1	Scheme 2	Scheme 3	Scheme 4
2016	21.37	30.71	33.15	14.73
2017	33.89	35.25	40.53	17.39
2018	38.60	35.14	43.37	41.05
2019	38.10	35.09	41.84	47.04
2020	35.71	35.17	41.69	47.42
2021	41.053	35.30	55.96	47.47
2022	43.75	36.05	55.16	63.59
2023	46.15	35.06	55.92	51.47
2024	47.59	35.72	54.83	51.41
2025	51.41	35.07	52.59	51.21
Σ x	**495.37**	**350.12**	**476.86**	**520.357**

Table 4.10: Square of the Average Rental Value of Commercial Properties in the Various Study Areas (2016-2025)

Year	Scheme 1	Scheme 2	Scheme 3	Scheme 4
2016	479.682	9,524.321	1,496.516	231.073
2017	1,478.571	10,102.25	1,536.636	351.421
2018	1,568.916	10,131.516	1,618.047	1,691.305
2019	1,317.600	10,145.817	1,750.567	2,210.641
2020	1,506.641	10,574.09	1,750.567	2,217.554

Year	Scheme 1	Scheme 2	Scheme 3	Scheme 4
2021	1,614.263	12,166.700	2,176.312	2,417.554
2022	1,670.563	13,337.106	2,517.526	2,417.554
2023	2,130.822	15,747.636	2,313.161	2,760.552
2024	2,415.105	15,047.636	2,010.615	2,745.052
2025	2,520.062	15,247.636	2,171.536	2,745.052
Σx^2	**17,045.038**	**99,719.249**	**22,263.984**	**36,156.079**

Source: Field Survey, 2025

4.4 Discussion of Findings

The findings show that inflation has significantly affected property values in Nigeria. While nominal property prices have increased, their real value has declined due to rising inflation. This supports earlier research by Adeyemi (2021), which found that inflation leads to higher construction costs and reduced purchasing power.

Survey results also revealed that most real estate professionals (about 72%) believe inflation has reduced market activity and made property investment less profitable. Although some believe inflation benefits landlords through higher rents, this gain is often offset by increased maintenance and financing costs.

4.5 Interpretation of Results

The results indicate that inflation weakens the real value of property in Nigeria. Even though prices go up, the actual value when adjusted for inflation may remain the same or decrease. This means real estate may not serve as a reliable hedge against inflation in Nigeria's current economic environment.

Furthermore, high inflation reduces affordability for buyers and discourages new investments. Without effective economic policies to control inflation, the long-term growth of the property market may be at risk.

CHAPTER FIVE

SUMMARY OF FINDING, CONCLUSION, AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

Inflation in Nigeria is driven by several factors, including exchange rate, rising cost of fuel, insecurity, and overdependence on imports

A major cause of inflation is the continuous deprecation of one Naira which raises the cost of imported building materials, construction equipment and other essential commodities.

Landlords and property owners often respond to inflation by increasing rental values, particularly in high demand areas. Inflation negativity affects housing affordability, making it more difficult for average citizens to acquire or rent decent housing.

The uncertainty associated with inflation also discourages long term real estate investment,especially by private developers.

5.2 CONCLUSION

The study concludes that inflation significantly affect property value in Ogbomosho and Nigeria at large.

Key impact includes increased costs of building higher rental rates, and reduced affordability for the average Nigerian

A weak currency, coupled with rising fuel and import prices has placed enormous pressure on the property market reducing access to affordable housing and increasing financial risk for developers and buyers likes.

5.3 RECOMMENDATIONS

Based on the study's findings, the following recommendations are made:

1. Stabilize the Economy and Strengthen the currency (naira):

The government should implement sound economic policies to stabilize the naira. A stronger naira will reduce the cost of imported materials, helping to control inflation and make property development more affordable.

2. Support for the Real Estate Sector:

The government should offer affordable financing options, reduce import duties, and create tax incentives for property developers to cushion the impact of inflation.

3. Promote Local Production of Building Materials:

By investing in local industries and encouraging the use of locally made construction materials, Nigeria can reduce its dependence on imports and protect the property market from exchange rate-induced inflation.

4. Encourage Regular Property Valuation:

Professionals in the real estate sector should conduct inflation-adjusted property valuations to provide accurate pricing and avoid market distortion.

5. Implement Affordable Housing Programs:

The government, in collaboration with the private sector, should invest in affordable housing schemes targeted at low and middle-income earners. This will improve access to housing despite inflationary trends.

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QUESTIONNAIRE

Dear Respondent, This questionnaire is designed to collect data for an academic research project on the project topic "Impact of Inflation on Property Value in Nigeria (Case Study of Oyo State)." Your response will be kept strictly confidential and solely for academic purposes.

SECTION A Respondent's Profile

1. Gender ☐ Male ☐ Female
2. Occupation ☐ Tenant ☐ Property owner ☐ Real Estate Agent
3. Age ☐ below 25 ☐ 25-34 ☐ 35-44 ☐ 45 and above
4. Level of Education ☐ No formal Education ☐ Primary/Sec ☐ HND/BSc ☐ Diploma/NCE ☐ Post-graduate
5. Duration of residence or operation in Ogbomosho ☐ Less than 1 year ☐ 1-5 years ☐ 6-10 years ☐ Over 10 years

SECTION B General Awareness and Effect of Inflation

Are you aware of the term "INFLATION"? ☐ Yes ☐ No

6. In your opinion has inflation increased in Nigeria in recent years? ☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly disagree

8. How has inflation affected property values in Ogbomosho? (You can tick more than one) ☐ Increase in rent ☐ Increase in land prices ☐ Increase in construction costs ☐ No noticeable effect

9. Has inflation affected your ability to buy or rent a property? ☐ Yes ☐ No
10. In your opinion, what is the major cause of rising inflation in Nigeria? ☐ Depreciation of Naira ☐ High fuel prices ☐ Insecurity ☐ Overdependence on import ☐ Others

SECTION C

11. How has inflation affected rental prices in your area? ☐ Increase greatly ☐ Slightly increased ☐ No change
12. Have property owners in your area adjusted rents due to inflation? ☐ Yes ☐ No ☐ Not sure
13. Do you think inflation has made property less affordable? ☐ Yes ☐ No
14. Do you think the value of land and property is increasing because of inflation or development? ☐ Inflation ☐ Development ☐ Both ☐ No
15. Has the cost of construction material changed due to inflation?