



# **INVESTMENT PROPERTY TYPOLOGY ANALYSIS; EVIDENCE FROM NIGERIAN URBAN PROPERTY RETURNS AND MACROECONOMIC VARIABLES**

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The study examined the return characteristics of investment-properties on typology basis in Abuja, Nigeria and quantified the impact of macroeconomic-variables on the return. Quantitative primary and secondary data were gathered for the study. Structured questionnaire was administered on 420 investment-properties available in the portfolios of practicing Estate Surveying Firms (ESFs) in the study area. Both descriptive and inferential statistics were adopted for data analyses with mean, growth rate, standard deviation, correlation and regression coefficients. The result showed a constant yield range for the study area, but variations in the return, risk and return/risk among the property-types and a mixture of negative and positive relationships between/among the property-types. The result further showed that returns on most property-types do not correspond with their risks and detached house with boy's quarter exhibits an out-performance over all other property-types. However, in relation to the economy, property-return exhibits a strong negative relationship with the currency exchange rate and a weak negative relationship with interest rate, but none of the macroeconomic variables statistically explain or drive return on the property. This study contributed to the literature on Nigeria property-investment analysis by providing guiding information for a better knowledge of the Abuja property market dynamics that can enhance decision making of investors towards an improved market rewards analysis. Despite the observed variations in the return characteristics in the study area, an appropriate mix of property-types can still bring about improved performance benefit to the investors. The study is beneficial to investors through reduction in the wide gap between investment expectation and actualization through appropriate and specific investment prescriptions. The notable variation between the yield and return on property suggests that investors cannot rely solely on the yield of an investment analysis as their investment guide, rather they should extend to the reward characteristics. This is one of the few studies on Abuja direct property market reward analysis on property-type approach that explored the sensitivity of property return to the Nigeria economy.

**Keywords:** investment-property; macroeconomic-variables, property-return, risk-return, typology

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