



## Determinants of rental value of Residential Properties in Port Harcourt Municipality

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### Abstract

*This study investigates the factors that determine residential rental values in Port Harcourt Municipality, highlighting a gap in existing research concerning the reasons behind rental variations in this urban area. Using a quantitative cross-sectional survey approach, data were collected from 399 respondents across five neighborhoods: Elekahia, Orugbum, Oromeneke, Ogbunabali, and Abuloma, through structured questionnaires. The analysis utilized descriptive statistics and the Relative Importance Index (RII) to identify and rank the key factors influencing rental values. The findings reveal a predominance of smaller, affordable housing units, with 25% of respondents living in one-bedroom flats, 23.2% in tenement houses, and 12.89% in studio apartments. Rental values show significant variation across neighborhoods and property types. Abuloma has the highest rents due to its superior infrastructure and amenities, while areas like Orugbum and Ogbunabali provide more affordable options for lower-income households. Location was found to be the most significant factor affecting rental values at 23.2%, followed by property condition at 20.62% and room size at 12.89%. Accessibility, particularly through well-maintained roads, was identified as the top factor influencing rental variations, emphasizing the crucial role of infrastructure in residential desirability. The study emphasizes the necessity of developing affordable housing and improving infrastructure to address the increasing demand in Port Harcourt's diverse market. Policymakers and real estate investors can leverage these insights to shape strategies that promote sustainable development and investment growth. The recommendations include closing infrastructure gaps, enhancing the quality of neighborhoods, and offering a variety of housing options. By effectively addressing the socio-economic needs of Port Harcourt's residents, stakeholders can create a more inclusive and dynamic real estate market.*

**Keywords:** Residential rental values, Port Harcourt, housing affordability, infrastructure, real estate investment, neighborhood quality

### 1.0.Introduction

Residential properties encompass various types of homes for individuals and families, such as tenement houses, flats, bungalows, story buildings, and maisonettes. These properties can be classified into high-density, medium-density, and low-density residential areas within a residential estate. They may be constructed using either permanent or semi-permanent materials and can be owned privately or publicly (Udoudoh, 2016).

Housing is a crucial human need, and its availability directly impacts individuals' socio-economic well-being. Therefore, it is not surprising that many governments prioritize housing as a key element of their policy agendas. The significance of housing for the overall well-being of society warrants

government involvement and substantial investment in the sector. In Port Harcourt City, as in other Nigerian cities, private developers play a crucial role in providing housing.

The post-civil war era saw an unprecedented influx of rural residents migrating to urban centers, driven by the conspicuous prosperity generated by the oil boom. This migration led to a significant increase in demand for the already limited supply of land. Consequently, rental prices for properties surged considerably, with variations in rent across urban areas influenced by factors such as location advantages, the physical attributes of buildings, available infrastructural amenities, and property management practices. These variables cause some properties to command higher rents than others for residential use.

The variances in rental values of residential properties are not unique to the Port Harcourt urban area. Oni (2008) suggested that this issue has been longstanding and reached a crisis stage in the early 1970s, prompting the then federal military government to establish a rent panel. This panel was tasked with reviewing the level and structure of rents in urban centers. Unfortunately, the rental situation has not improved; in fact, it has worsened due to rampant inflation that has significantly increased the cost of building materials. The rising demand for residential properties also contributes to the increase in rental values. Port Harcourt Municipality holds significant strategic importance due to its status as the capital of Rivers State and a vital center for economic activities in Nigeria. The expansion of the oil industry in the Niger Delta has contributed to substantial urban growth, attracting professionals and job seekers alike, thereby increasing demand for housing (Abam et al., 2023). However, this growth has not been uniform; variations in infrastructure, security, and neighborhood status influence rental values, with areas near commercial centers and transport networks commanding higher prices (Oko & Nduka, 2022). Additionally, environmental factors such as flooding and pollution, common in some areas of the Niger Delta, affect residential appeal and thereby impact rental prices (Akinola & Olaniyan, 2021).

This variation in rental values carries implications for several stakeholders. For investors, understanding rental value dynamics is essential for making informed decisions on property investments, as areas with higher rental values offer greater potential returns. Tenants, meanwhile, are affected by these variations as they seek affordable housing options that align with their budget and proximity to employment centers (Ekong & Onwudinjo, 2023). Policymakers and urban planners are also impacted, as insights into rental value trends can guide the development of effective policies for housing affordability, urban infrastructure planning, and sustainable growth (Oluwole & Ayinde, 2022). Despite the significant impacts of these rental value variations, research on the specific factors driving these fluctuations in Port Harcourt Municipality remains limited.

## 2.0 Aim/Objectives of the Study

The aim of this study is to examine the determinants of rental value in residential properties types within Port Harcourt municipality and ranking these identified variables according to their order of importance.

## 3.0 Literature Review

### 3.1 Residential Property

Leramo (1992) defined residential properties as those that provide accommodations for living. According to Malady and O'Donnelland (1976), residential properties are primarily designed for dwelling purposes. Key features of these properties include offering a place to live, ensuring safety, providing comfort, maintaining privacy, and allowing for individuality. Effective planning is essential for creating the sense of tranquility that is often required in residential areas.

### 3.1.1 Types of Residential Properties

Residential property covers a wide range of properties which can be grouped into:

- a) Tenements: These single-room residential buildings are commonly found in densely populated areas. They are typically multi-occupied, meaning that several families or individuals share utilities such as the kitchen, bathroom, and toilet (Briton and Johnson, 1980). These types of residential real estate are often situated in neighborhoods where low-income residents live. In Diobu, Town, and Rumokoro in Port Harcourt, these housing categories are prevalent. However, common drawbacks of such properties include increased physical wear and tear, as well as management challenges.
- b) Block of Flats: According to the Hamlyn Encyclopaedia, a flat is defined as one or more storeys. Ifediora (1993) describes flats as independent residential housing units located within a building block. Each flat must comprise a complete living space on a single storey. Flats can be either purpose-built or converted, meaning a single-storey structure can be transformed into an apartment. Typically, purpose-built flats are designed and constructed from the outset. Flats are most commonly found in areas with medium population densities.
- c) Duplexes or semidetached houses: The Arnold Encyclopedia of Real Estate provides the following definitions of "duplex":
  - (i) A home that has been divided to create space for two separate living units, each with its own living room, entrance, kitchen, and bathroom. This can be a two-family home with distinct living units either stacked one on top of the other or situated side by side.
  - (ii) A two-story apartment, typically occupied by high-income individuals.
- d) Detached houses: It is a separate development standing apart. It is not attached to any other house and usually on land large enough to provide a garden of fair size and possible two garage and additional packing space within the cottage. It usually has a boy's quarter
- e) Bungalow: A cottage, typically consisting of just one story, is designed for rural living. It often includes a bedroom, living room, kitchen, bathroom, garage, and additional quarters for boys. This type of home appeals to both middle-class and upper-class individuals, offering as much privacy as detached homes.

### 3.2 Concept of Rental Value

In economic terms, "value" refers to the regard in which an item is held or its potential for exchange under prevailing market conditions. Value is often equated to a fair or appropriate equivalent in monetary terms or goods when something is sold or exchanged. It reflects the worth of an

item based on its market price at a given time and encompasses the quality that influences its desirability, utility, and importance. Udechukwu (2009) notes that the term "value" lacks a singular, precise definition, as its interpretation can vary significantly among individuals. Value relates to the capacity to fulfill a want (utility), leading to various types of value recognized in everyday business contexts, including ethical, scientific, political, fair market, economic, book, and religious values (Udechukwu, 2009). The Oxford Advanced Learners English Dictionary defines "value" as the worth of an item in terms of money or goods for which it can be exchanged, as well as the quality that renders it useful or important.

Conversely, rental value represents the monetary return (rent) that can reasonably be anticipated from leasing a property in the open market (Ekenta, 2014). Residential property rent specifically pertains to the payment made for the use of land and its associated structures for habitation purposes. Ankeil, Daniel, Guyimu, Oyeleke, and Oladimeji (2015) emphasize that one of the most complex challenges facing real estate practitioners and scholars in Nigeria today is accurately determining the rental value of residential properties. This complexity arises from the necessity of gathering and analyzing extensive and precise data concerning property characteristics, neighborhood attributes, landlord and tenant profiles, and prevailing market conditions, which are often unavailable.

Consequently, the recent surge in property prices within the Nigerian housing market has sparked national discourse, prompting many states to reconsider their previously neglected Rent Control Edicts and tenancy laws. Rental values are mercurial by their nature and changes from location to the other and from time to time. A review of literature shows that rental value is affected by factors such as: Location, Facility availability, Limitation of supply, Availability of substitutes as shown in the next sub section.

### 3.2.1 Approaches of Determining Rental Values

According to Udoudoh (2016) rental values can be determined by using any of the following techniques:

- i) **By reference to current rent:** In fixing values for any property the current rent is always the best guide, that is, the rent as at the date and time of inspecting the property. Though, the rent paid may be less than the full rental value since it must have been fixed sometimes in the past or as a result of goodwill relationship between the parties Concern.
- ii) **By comparing rent passing with similar property:** Some properties are owner occupied, vacant or held on long-established leases. To determine their current rental values, it becomes necessary to compare the rents passing on such property with those on similar properties located within the neighbourhood. In computing the valuation. The floor acre, location, physical conditions and other matters must be taken into

considerations and appropriate conditions or deduction made to arrive at reasonable rents.

- iii) **Market influence:** Where there is a great demand for a particular type of property in the market at a given time, the trend is that the rent on such class of property is forced up. Where this happens, most property developers go into building more of such property or convert existing tenement building into the needed property.
- iv) When evaluating rent as a percentage of turnover or profit, a potential tenant of a commercial property will first estimate their expected turnover and costs. This includes calculating expenses such as interest on capital, salaries, and rates. The remaining amount will represent the profit, which will help determine the portion that should be allocated to rent.

### 3.2.2 Determinant of Rental Prices of Residential Properties

Musa (2016) investigates how various housing factors, such as dwelling characteristics, location, and neighborhood features, affect rental prices of residential properties in Minna, Nigeria. In this study, three hundred eighty-five (385) randomly selected individuals were given structured questionnaires containing closed-ended questions. The data collected were analyzed using standard multiple regression and descriptive analysis methods. The findings revealed that all independent variables used as predictors were statistically significant in determining the rental prices of residential properties in Minna. Additionally, the study demonstrated that neighborhood characteristics, location, and the quality of building amenities significantly influence rental prices, with the condition of building components being the most impactful factor.

Similarly, Brown & Uyor (2004) employed a hierarchical modeling approach to examine the effects of home characteristics and neighborhood variables on residential real estate prices. In their study, "living area" served as the micro-level explanatory variable for dwelling features, while "time to downtown" represented the macro-level explanatory variable for neighborhood characteristics. The results indicated that neighborhood features significantly affect home values, and that the influence of housing characteristics on property prices can be lessened by neighborhood factors.

Lee (2009) focused on explanatory factors such as ease of living, sports and leisure, and travel time to downtown to assess the impact of local public amenities on home values. The empirical findings revealed that the influence of neighborhood public services on home values varies across different countries and cities, while sports and leisure facilities showed no significant impact on home prices.

In another study, Feng and Humphreys (2012) utilized a hedonic housing price model that accounted for spatial autocorrelation to investigate the effects of professional sports facilities on home values in U.S. cities. The study was based

on block groups located within five miles of various sports facilities, drawing data from the 1990 and 2000 censuses. The results indicated that block groups in closer proximity to sports facilities had higher median home prices, conclusively demonstrating that professional sports facilities enhance home values.

Oloke et al. (2021) examined the impact of residential property rental prices in two areas of Lagos. They surveyed two groups: 152 residential property owners/residents in the two neighborhoods and 84 estate surveying and valuation firms in Ikeja, Lagos. The data were analyzed using statistical techniques, including tables, percentages, and means. The Pearson coefficient of correlation was employed to assess the strength of relationships, while the Student's t-test statistics were used to evaluate differences in rental values. The relative relevance index helped determine the significance of the factors affecting rental values. Despite their close proximity, findings indicated that rental prices in the two areas differed statistically significantly. The disparities in rental prices were largely influenced by area density and the level of infrastructural development. However, the Pearson correlation coefficient indicated a relatively strong positive relationship between the rental prices of homes in the two neighborhoods. Consequently, the study concluded that significant urban renewal and investment in economic and physical infrastructure are required, through collaboration with the private sector and local property owners, to fully realize the potential of the property market in the Ado-Odo/Ota area of the developing Lagos megacity.

A research study conducted by Nwuba (2004) examined the variations in home rental rates in different areas of Kaduna between 1986 and 2004. The study found statistically significant rates of house rent inflation across all localities examined. Another relevant study was carried out by Ekenta (2015), who used primary data collected through a questionnaire and analyzed it using percentages and trend analysis. This study focused on the trends in rental values of residential properties in D/line, Port Harcourt, from 2007 to 2014. The findings indicated that economic factors were the main drivers behind the rising rental prices in this middle-class neighborhood. However, Ekenta's research was limited to D/line, suggesting a knowledge gap regarding rental trends in other areas. Therefore, the current research aims to fill this gap by examining rental values in five additional locations to identify differences in the rental prices of residential properties within the study region.

#### 4.0 Research Methodology

This study adopts a quantitative research approach, focusing on the collection of numerical data to establish causality and facilitate generalizations. Structured questionnaires were utilized to quantify trends and attitudes, thereby ensuring objectivity (Sutrisna, 2009). The study design is a cross-sectional survey that captures data at a single point in time, allowing for the simultaneous analysis of multiple factors. The population under consideration includes residents from five selected neighborhoods in Port Harcourt, totaling

approximately 751,857 individuals. Using Taro Yamane's formula, a sample size of 399 respondents was determined.

A stratified sampling technique was employed to divide the population into neighborhoods, with household heads randomly selected from each area. Data sources included primary data collected through questionnaires, as well as secondary data sourced from academic literature. Data analysis involved descriptive statistics like frequency and central tendency, which were analyzed using SPSS. Additionally, the Relative Importance Index (RII) was applied to rank the factors influencing rental value. The results are presented using tables, charts, and histograms for clarity.

### 5.0 Results and Discussion of Findings

This section presents the statistical analysis of the collected data, along with the findings of the study and an interpretation of the analyzed results. The section starts with an analysis of the questionnaires received from the field, followed by an overview of the socio-economic characteristics of the respondents.

#### 5.1 Rental Values of Residential Property Types in Port Harcourt Metropolis

Rental values are mercurial, always changing from time to time and from one location to the other. Again, rental values also tend to differ from one property type to the other. The analysis of residential rental values for residential type in the study area shows that they vary from one neighbourhood to the other and also from one property type to the other. As shown in table 4.11, annual rental value for tenement property type ranges from N150,000-N200,000 in Elekaohia, N180,000-N216,000 in Oromeneke and between N120,000-N180,000 in Ogbunabali. For self contain annual rent is highest in Orugbum (N400,000-N500,000), followed by Oromeneke (N300,000-N3000,000), Abuluma (N300,000-N400,000), Ogbunabali, (N250,000- N350,000), and Elekaohia, (N150,000-N 200,000).

In the one bed room property type, rent is highest in Abuloma with an annual rent ranging from N1000,000–N2,000,000 followed by Elekaohia (N400,000-N700,000). In Oromeneke, Orubum and Ogbunabali neighbourhoods, one bed room goes for between N400,000-N500,000 respectively. Abuloma area commands the highest rent in the 2 bedroom property type with an annual rent of 1300,000-1500,000, followed by Oromeneke, Ogbunabali and Elekaohia with annual rents of N800,000-N1,200,000 each while in Orugbum in 2 bed room goes for 700,000-850,000. Again, annual rent for 3bed room is highest in Abuloma ranging from 1,500,000-2,200,000 and lowest in Orugbum with annual rent of 900,000-1,200,000 (table 4.11).

**Table 1: Annual Rental Values of Residential Property Types in the Study Area Property type**

Neighbourhood	Tenement	Annual Rent (Million Naira)			
		Self-Contain	1-bedroom	2-bedroom	3-bedroom
Elekahia	0.15m-0.2m	0.2m-0.4m	0.4m-0.7m	0.8m-1.2m	1.2-1.5m
Orugbum	0.12m-0.18m	0.4m-0.5m	0.4m-0.5m	0.7m-0.85m	0.9m-1.2m
Oromenike	0.18m-0.216m	0.3m-0.4m	0.4m-0.5m	0.8m-1.2m	1m-1.5m
Ogbunabali	0.12m-0.18m	0.25m-0.35m	0.4m-0.5m	0.8m-1.2m	1m-1.5m
Abuloma	0.2m-0.3m	0.3m-0.4m	1m-1.2m	1.3m-1.5m	1.5m-2.2m

Source: Field Work, 2024

### 5.2 Analysis of Annual Rental Values of Residential Property Types in the Study Area

The table presents the annual rental values (in million Naira) for various types of residential properties across five neighborhoods in the study area: Elekahia, Orugbum, Oromenike, Ogbunabali, and Abuloma. The rental values vary significantly by both property type and location, reflecting the diverse economic conditions and demand levels within these neighborhoods. A breakdown by property type and neighborhood shows that Abuloma has the highest rental range for tenement properties at 0.2m-0.3m, followed by Oromenike with a rental range of 0.18m-0.216m. Orugbum and Ogbunabali have similar lower rental ranges of 0.12m-0.18m, making them relatively more affordable, while Elekahia is also affordable at 0.15m-0.2m.

Regarding Self-Contain Properties, Orugbum has the highest range at 0.4m-0.5m, followed by Abuloma and Oromenike with 0.3m-0.4m. Elekahia offers slightly more affordability in this category, with a range of 0.2m-0.4m, while Ogbunabali has the lowest range at 0.25m-0.35m. Regarding rentals of 1-Bedroom Apartments, Abuloma has the highest rental range for 1-bedroom apartments at 1m-1.2m, significantly higher than other neighborhoods. Orugbum, Oromenike, and Ogbunabali share a similar range of 0.4m-0.5m, indicating comparable rental affordability for 1-bedroom apartments. Elekahia has a broader range of 0.4m-0.7m, indicating variability within the neighborhood.

On rental values of 2-Bedroom Apartments, Abuloma again leads with the highest rental range at 1.3m-1.5m. Oromenike, Elekahia, and Ogbunabali have similar ranges of 0.8m-1.2m, making them moderately priced. Orugbum has the lowest range at 0.7m-0.85m, making it the most affordable neighborhood for 2-bedroom apartments. Regarding 3-Bedroom Apartments, Abuloma has the highest range for 3-bedroom apartments, ranging from 1.5m to 2.2m, indicating that it is the costliest neighborhood for larger residential spaces. Elekahia and Oromenike have a similar range of 1m-1.5m, while Orugbum is slightly lower at 0.9m-1.2m, while Ogbunabali offers the same range as Oromenike at 1m-1.5m.

The findings show that Abuloma consistently has the highest rental values across most property types, particularly for 1-bedroom, 2-bedroom, and 3-bedroom apartments, suggesting it is a premium residential area. Ogbunabali and Orugbum generally have the lowest rental ranges, particularly for smaller units like tenements and self-contained properties, making them more affordable options for lower-income households. The rental prices for 2-bedroom and 3-bedroom apartments vary widely across neighborhoods, which could reflect differences in infrastructure, amenities, and desirability of each location.

### 5.3 Determinants of Rental Variation of Residential Property

The value of residential rent is a function of many factors. From the result of this study, the determinants of residential rental are Property Location (23.20) Age/Condition of the Property (20.62), Size of room/bedroom (12.89), quality of finishing/aesthetics of the building (10.31) Neighbourhood Characteristics/quality (7.73), Availability /constant power supply (6.19), General economic condition of the Nation (3.60) and Accessibility/good tarred road (5.41) (table 4.12). This analysis implies that rental values of residential properties varies based on the property location (low, medium and high density areas), quality of finishing / aesthetics of the building/property (paints and paint quality used, screeded walls, pop, lightning fittings, quality of tiles used, rooms sizes, and spaces, etc), condition of the building / property (newly built, old house and state of repairs of the building) and neighbourhood characteristics of the building / property greatly affects the rental values such property will attract or command in the open market. Furthermore, a newly built, tastefully finished/furnished residential apartment in the same location will command higher rent than an old, poorly finished/furnished residential apartment in that same neighbourhood.

Table 2: Determinants of Rental Values of Residential Properties in Port Harcourt

S/No.	Determinants	No.	Percent
1.	Property Location	90	23.20
2.	Condition/age of the building	80	20.62
3.	Size of room	50	12.89
4.	Quality of finishing/aesthetics of the property	40	10.31
5.	Neighbourhood Characteristics/environmental factors	30	7.73
6.	Power supply/constant availability	24	6.19
7.	General economic condition of the Nation	14	3.60
8.	Accessibility/tared road	21	5.41
9.	Accessibility to Central Business District	39	10.05
<b>Total</b>		<b>388</b>	<b>100</b>

Source: Fieldwork, 2024

### 5.4 Ranking the determinants of rental variation in their order of Importance

Although there are many determinants of rental value, the relative importance of each varies. In this study, we sought to examine the order of importance of determinants of residential rental value and the result is shown in table 4.13. From the result, the most important determinant of residential rental value is accessibility/good tarred roads, with RII score of 0.51, availability/constant power supply ranked 2<sup>nd</sup> with RII score of 0.45, neighborhood quality and accessibility to central business district ranked 3<sup>rd</sup> with RII score of 0.44, quality of finishing ranked 4<sup>th</sup> with RII score of 0.42, size of bedroom ranked 5<sup>th</sup> with RII score of 0.40, age of the building ranked 6<sup>th</sup> with RII score of 0.31 while environmental factor ranked 7<sup>th</sup> with RII score of 0.26.

This analysis shows that accessibility/good roads, availability/constant power supply, neighborhood quality and quality of finishing of the property are major indices responsible for the variations in rental values of residential properties in the selected study areas. This implies that accessibility/good road networks, availability/constant power

supply and neighbourhood quality, accessibility to central business district greatly affect/influence positively (as people tend to reside in a place where there is minimum comfort,

convenience and security) the prospects for residential property development and investment opportunities in real estate.

**Table 3: Ranking determinants of rental variation in their order of Importance**

Determinants	SA	A	N	SD	D	Total	Total Scores	RII	Rank
Size of room/bedroom	89	128	74	36	25	352	709	0.40	5
Quality of finishing	84	130	49	68	21	352	747.5	0.42	4
Neighborhood quality	94	65	142	36	15	352	766.25	0.44	3
Accessibility/good tarred road	138	79	100	10	25	352	889.75	0.51	1
Availability /constant power supply	93	125	28	63	43	352	799.25	0.45	2
Environmental factor	16	121	125	45	45	352	460.25	0.26	7
Accessibility to Central Business District	58	16	136	58	84	352	772	0.44	3
Age of the building	36	90	121	20	85	352	553.5	0.31	6

Source: Researcher’s Fieldwork, 2024

The rental data reveals a clear stratification in property values across the neighborhoods, with Abuloma positioned as the most expensive area, while Ogbunabali and Orugbum are more budget-friendly. These variations in rental values indicate diverse market dynamics, where factors such as location desirability, infrastructure quality, and economic conditions may heavily influence rental pricing.

**5.5 Interpretation and Discussion**

**Residential Property Types Occupied**

The findings indicate a variety of residential property types occupied by respondents in Port Harcourt. The majority live in smaller units, with 25% residing in one-bedroom flats, 23.2% in tenement houses, and 12.89% in studio apartments. This trend suggests that income levels may significantly affect housing choices, as more affordable options like one-bedroom flats, studio apartments, and tenement houses are the most common. The preference for these smaller, affordable units likely reflects the financial constraints faced by a substantial portion of the population, underscoring the urgent need for affordable housing solutions in urban areas such as Port Harcourt.

**5.6 Rental Values of Residential Property Types**

The analysis of rental values reveals significant variation across different neighborhoods and property types. Abuloma consistently commands the highest rental rates for various unit types, including one-bedroom, two-bedroom, and three-bedroom apartments, highlighting its reputation as a premium residential area. The high rental prices in Abuloma may be attributed to its superior infrastructure, amenities, and overall desirability, attracting tenants who are willing to pay a premium for quality and comfort. In contrast, neighborhoods like Orugbum and Ogbunabali offer lower rental rates for most property types, particularly for tenements and self-

contained units, making these areas more accessible to lower-income households. This disparity in rental values emphasizes the influence of neighborhood characteristics on housing affordability and accessibility.

**5.7 Determinants of Rental Variation**

The study identifies several key factors that determine rental values, with location being the most significant, accounting for 23.2% of the influence. This finding aligns with previous research that highlights location as a primary driver of property values due to its effect on accessibility to amenities, safety, and the quality of infrastructure (Oladokun, 2020). Other important factors include property condition, which contributes 20.62%, and room/bedroom size, at 12.89%. These results indicate that tenants prefer newer, well-maintained properties that offer ample space. Additionally, aesthetic qualities of the property, such as the quality of finishing, along with neighborhood characteristics, also affect rental values. This suggests that tenants value not only functionality but also the appearance and overall quality of their living environment.

**5.8 Ranking of Determinants by Importance**

When ranked, accessibility via good tarred roads emerges as the most important factor influencing rental variation, with an RII score of 0.51. This highlights the crucial role of infrastructure in residential desirability; well-connected neighborhoods with reliable road networks tend to attract higher rental prices due to the ease of commuting and transportation. Constant power supply ranks second (RII = 0.45), underscoring the importance of reliable electricity for tenants' quality of life, especially in an area where power supply may be intermittent. Neighborhood quality and proximity to central business districts rank third (RII = 0.44), pointing to a preference for convenience and access to economic opportunities. The ranking of these determinants

implies that, while multiple factors affect rental values, infrastructure, and essential services such as power supply are prioritized by tenants. This finding suggests potential opportunities for real estate investors and developers in Port Harcourt who may focus on enhancing infrastructure and proximity to commercial hubs to attract higher rents.

### 5.9 Implications for Property Development and Investment

The insights from these findings have several important implications for property development and investment in Port Harcourt. The strong preference for smaller, more affordable housing units indicates a demand-driven market for budget-friendly residential developments. Developers should prioritize the construction of one-bedroom apartments, studio units, and tenement houses to cater to the predominant low- and middle-income segments. Moreover, the premium associated with properties in neighborhoods that offer better infrastructure and services makes a compelling case for targeted infrastructure investment, particularly in underdeveloped areas. Such investments could boost property values and attract more investors.

The findings also highlight an opportunity for real estate developers to meet the demand for well-finished properties equipped with adequate amenities, which tend to command higher rental prices. The study emphasizes the importance of enhancing neighborhood quality and infrastructure—such as reliable road networks and power supply—to maximize rental income. By understanding and addressing these key factors that influence rental variations, developers and investors can make informed decisions that align with tenant preferences and market demands, potentially leading to better returns on residential property investments in Port Harcourt.

Overall, the analysis demonstrates that rental values in Port Harcourt are influenced by a complex interplay of property characteristics, neighborhood amenities, and infrastructure quality. These findings provide valuable insights for policymakers and developers, enabling them to address issues of housing affordability and infrastructure deficiencies in the city. By prioritizing the development of affordable housing units and improving infrastructure in underserved areas, the real estate sector can better meet the diverse needs of Port Harcourt's residents, fostering sustainable property development and investment in the region.

Key factors determining rental variations include location, accessibility, power supply, and the condition of the property. Among these, accessibility, particularly through well-maintained roads, emerged as the most significant factor, emphasizing the role of infrastructure in enhancing property values. The quality of neighborhood amenities, property aesthetics, and proximity to commercial centers are also critical influences on rental choices. This indicates that tenants prioritize comfort, convenience, and security when selecting housing.

The findings offer valuable insights for real estate investors and policymakers. The study suggests that prioritizing the development of affordable housing and implementing targeted

infrastructure improvements can increase property appeal and better meet the growing demand in Port Harcourt's diverse market. By addressing infrastructure deficiencies, improving neighborhood quality, and offering a range of housing options, stakeholders can significantly contribute to sustainable development and stimulate investment growth in the region.

### 6.0 Conclusion

This study reveals that occupancy and rental values of residential properties in Port Harcourt are influenced by a combination of income-driven preferences, neighborhood quality, and infrastructure conditions. A significant number of residents occupy smaller, more affordable units—such as one-bedroom flats, tenement houses, and studio apartments—indicating a high demand for budget-friendly housing options. Rental values vary widely across neighborhoods, with premium areas like Abuloma commanding higher rents, particularly for larger apartments. This reflects a greater demand for well-developed infrastructure and quality amenities in these locations. In contrast, more affordable neighborhoods, such as Orugbum and Ogbunabali, provide options for lower-income households, highlighting the necessity of diverse housing availability to accommodate the city's socio-economic characteristics.

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