

**THE EFFECT OF SQUATTER SETTLEMENT ON RESIDENTIAL RENTAL  
INCOMES IN PROXIMATE AREAS: A STUDY OF IGUOSA COMMUNITY, BENIN  
CITY**

**BY**

**KHALIDAH OCHUWA OZIMEDE**

**ENV1805778**

**UNIVERSITY OF BENIN  
BENIN CITY**

**SUPERVISED BY  
DR M.O. KOMOLAFE.**

**APRIL, 2024.**

## CERTIFICATION

We certify that this work was carried out by OZIMEDE KHALIDAH OCHUWA in the department of Estate management, University of Benin, Benin city as partial fulfillment of the requirements for the award of Bachelor of Science degree (B.Sc.) of the University of Benin, Benin City.

---

Dr M.O. KOMOLAFE  
(Project Supervisor).

---

DATE

---

DR (MRS) P.O IRUOBE.

---

DATE

---

PROF M.B OGUNLEYE  
(External Supervisor).

---

DATE

## **DEDICATION.**

I dedicate this work to God Almighty for his infinite mercies throughout my studies.

## ACKNOWLEDGEMENT

I would like to express my sincere gratitude to all those who contributed to the completion of this project on “The Impact of Squatter Settlement on Rental Values in Proximate Areas: A Case Study of Iguosa Community in Benin City.”

First and foremost, I am deeply thankful to my supervisor in person of Dr. M.O Komolafe, whose guidance, expertise, and invaluable feedback throughout the research process have been instrumental in shaping this study.

Special appreciation goes to Professor P.S.Ogedengbe and Professor M.B. Ogunleye my Head of Department, DR. Patience Iruobe, DR MRS.O. Edionwe, Dr.M.A.Olukolajo, Prof J.Oyedele, ESV.Pius Chima, and ESV Ernest Alohan .

I am grateful to the respondents who participated in the surveys and interviews, as well as to the stakeholders and experts who generously shared their knowledge and experiences.

I would like to acknowledge the support of the prestigious University of Benin, including the faculty members and staff who provided resources and assistance during the course of this project.

Lastly, I am thankful to my Parents Mr and Mrs Ozimede and friends; Sani Aruna, Osawaru Aisagbonhi, Angela Odalume for their unwavering encouragement, understanding, and support throughout this endeavor.

Their collective contributions have been invaluable, and I am truly grateful for their involvement in making this project possible.

## TABLE OF CONTENTS

CERTIFICATION .....	ii
DEDICATION .....	iii
ACKNOWLEDGEMENT .....	iv
ABSTRACT .....	vii
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1 Background to the Study .....	1
1.2 Statement of the Problem .....	2
1.3 Research Objectives .....	4
1.4 Research Questions .....	4
1.5 Research Hypothesis .....	4
1.6 Significance of the Study .....	5
1.7 Scope of the Study .....	5
1.8 Limitations of the Study .....	6
1.9 Study Area .....	7
1.10 Definition of Terms .....	7
CHAPTER TWO .....	10
LITERATURE REVIEW .....	10
2.0 Preamble .....	10
2.1 Squatter Settlement Conceptual definition .....	10
2.2 Characteristics of Squatter Settlement .....	12
2.3 Government Responses to Squatter Settlements .....	14
2.4 Property Values .....	15
2.4.1 Factors Influencing Property Values .....	16
2.5 Theoretical Debates on Squatter Settlements .....	17
2.6 Empirical Review .....	19
CHAPTER THREE .....	23
RESEARCH METHODOLOGY .....	23
3.1 Research Design .....	23
3.2 Setting .....	23
3.3 Target Population .....	23
3.4 Sampling Frame .....	24
3.5 Sampling Technique and Sample Size .....	24
3.6 Data Requirements .....	24

3.7	Data Collection Instruments .....	25
3.8	Data Analysis .....	25
3.9	Ethical Consideration .....	25
CHAPTER FOUR .....		26
DATA ANALYSIS AND PRESENTATION .....		26
4.0	Preamble .....	26
4.1.	Data Presentation and Analysis .....	26
4.2.	Analysis of Objective 1 .....	30
4.3.	Analysis of Objective 2 .....	31
4.4.	Analysis of objective 3 .....	32
CHAPTER FIVE .....		36
SUMMARY, CONCLUSION AND RECOMMENDATIONS .....		36
5.1	Summary of findings and conclusions .....	36
5.2	Conclusion .....	37
5.3	Recommendations .....	38
5.4	SUGGESTIONS FOR FURTHER STUDIES .....	39
REFERENCES .....		40
APPENDICES .....		42

## LIST OF TABLES

Table 1: Gender of Respondents .....	26
Table 2: Age Range of Respondents .....	26
Table 3: Educational Background of Respondents .....	27
Table 4: Marital Status .....	28
Table 5: Accommodation Types .....	29
Table 6 Rental Values of Residential Properties in Iguosa Neighbourhood .....	31
Table 7 Factors Influencing Residential Rental Values in Iguosa Neighbourhood .....	33

## **ABSTRACT**

This study investigates the impact of squatter settlements on rental values in neighboring areas, focusing on the Iguosa community in Benin City. This is with a view to examining the features of the squatter settlement in Iguosa community, to assess the property value of residential properties located 0-500 meters from the boundary of Iguosa, to examine the factors influencing residential property values in Iguosa community proximate areas with the aim of analyzing the impact of proximity to Iguosa informal settlement on surrounding property values. This study adopted mixed methods including surveys and interviews of the occupants of the squatter settlement and neighboring environments. Findings revealed that the presence of squatter settlement exerts downward pressure on rental values in proximate formal residential areas. This study recommends proper city planning in order to reduce the proliferation of squatter settlement given the impact on the neighborhood and investment performance.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background to the Study

Squatter settlements, also known as informal settlements or slums, refer to residential areas that develop without legal claims to land and without conforming to planning regulations. These settlements are characterized by overcrowding, poor living conditions, and lack of basic services (Roy et al., 2018).

Iguosa community in Benin City is one example of a squatter settlement located in Edo state. Researchers have aimed to quantify the impacts of such settlements, including on surrounding property values. This topic warrants investigation as policymakers grapple with appropriate actions regarding these neighborhoods, weighing costs and benefits for residents both within and nearby the settlements.

When squatter settlements lack infrastructure and government oversight on construction, they result in congestion and over-densification. Studies across several cities globally have cited poor sanitation, illegal electricity and water connections, untreated waste disposal, and high rates of crime correlated with many informal settlements (Huchzermeyer & Karam, 2016; Roy et al., 2018). These conditions can impose negative externalities on surrounding areas. Immergluck & Balan (2018) found in their study based in India that within 150 meters of informal slum boundaries, middle-income apartment prices decreased substantially with greater proximity. Many homebuyers see squatter settlements as public "bads" rather than goods for the city (Cadstedt, 2006).

Besides proximate home values, businesses in adjacent commercial areas can also suffer reduced clientele interested in avoiding perceived dirtiness, congestion, insecurity and poverty associated with these settlements (Stacey, 2018). For example, Stacey (2018) found

reduced patronage and profitability reported by store owners located within 100 meters of a Nigerian Sslum compared to matched control stores further away. Customers were less willing to shop and dine in areas abutting settlements perceived as unsanitary or potentially dangerous.

Private real estate developers hesitate to build entry-level formal housing due to lack of infrastructure like paved roads, electricity, sanitation and clean water in districts where land plots remain inexpensive on urban peripheries (Monkkonen, 2021). property development investments often pursue middle-income housing segments instead, widening the supply-demand imbalance for affordable housing. This drives more working poor into informal settlements .

Besides fast population growth against limited housing stock, shifting demographics and household structures also contribute rising space constraints. Benin city features many single-person households today versus the past norms of multi-generational families, meaning required housing units can multiply faster than population (Gibb, 2014). Without changes in planning regulations, average living spaces consequently shrink. The combination of demographic factors signal continued expansion of squatter settlement needed to house Benin City's rising lower-income population.

## **1.2 Statement of the Problem**

Rapid urbanization across Africa has led to housing shortages and proliferation of informal settlements (Huchzermeyer & Karam, 2016). Benin City faces surging populations concentrated around the economic capital of Edo state. This growth outpaces infrastructure development and affordable housing construction, driving urban poor into informal communities (African Economic Outlook, 2021).

While research in other developing cities find reduced proximate home values due to negative externalities from nearby slums (Cadstedt, 2006; Immergluck & Balan, 2018), quantitative evidence does not yet exist on capitalized loss of asset values for properties surrounding Iguosa specifically. This paper addresses this gap, analyzing residential and commercial property value discounts as a function of proximity to Iguosa settlement boundaries.

Understanding the economic spillovers of slums can inform urban planning policies. Relocation of squatters may provide net positives for the city if external economic costs exceed rehousing expenses. However, if discounts mostly localize immediately along settlement frontiers, targeted buffers between informal and formal zones may suffice to contain negative externality impacts without needing to relocate all squatters. This analysis quantifies actual distance-decay gradients of value loss, evaluating policy options.

Several recent studies conducted in developing countries have indicated that proximity to squatter settlements correlates with reduced property values in neighboring formal areas (Deuskar & Stewart, 2017; Immergluck & Balan, 2018). However, limited research exists examining this issue in the specific context of Iguosa and Benin City. This paper aims to analyze the effect of squatter settlement on the values of proximal properties in surrounding formal neighborhoods.

Thus, both theory and empirical evidence suggest likely negative impacts on property values when located too close.

However, the magnitude of price effects based on exact distance ranges deserves further analysis using housing transactions data along the perimeter of Iguosa settlement. This paper aims to address this gap to quantify the capitalized loss in value for properties whether residential, commercial or industrial thus, both theory and empirical evidence suggest likely

negative impacts on property values when located too close Iguosa. However, the magnitude of price effects based on exact distance ranges deserves further analysis using housing transactions data along the perimeter of Iguosa settlement.

### **1.3 Research Objectives**

To analyze the impact of proximity to Iguosa informal settlement on surrounding property values.

#### **Objectives:**

- i. To examine the features of the squatter settlement in Iguosa community.
- ii. Assess the property value of residential properties located 0-500 meters from the boundary of Iguosa.
- iii. To examine the factors influencing residential property values in Iguosa community proximate areas.

### **1.4 Research Questions**

- i. What are the features of the squatter settlement in Iguosa Community?
- ii. What is the property value of residential properties located 0-500 meters from the boundary of Iguosa?
- iii. What are the factors influencing residential property values in Iguosa Community Proximate areas?

### **1.5 Research Hypothesis**

H1: There is a relationship between proximity to Iguosa Community and residential rental values. Proximity to Iguosa settlement has an impact on residential property values

H0: No correlation exists between proximity to Iguosa settlement and residential rental value discounts.

## **1.6 Significance of the Study**

This study offers both academic and policy contributions regarding the economic impacts of informal settlements. Academically, the paper develops an empirical model quantifying the discount gradient for property values proximate to Iguosa slum boundaries. This represents a substantive contribution as few similar studies exist based specifically on African developing cities. Both the border discontinuity approach measuring differential distance impacts and instrumental variable technique establishing direction of causality provide methodological advancements over most existing slum externality literature. Additionally, decomposing findings by residential versus commercial property types allows unique insights into differential preferences among homebuyers versus business owners regarding adjacency to informal settlements.

From a public policy perspective, accurately quantifying the negative externalities caused by slum communities enables more informed planning options. Compensating impacted owners for measured financial losses also emerges as an option if findings reveal non-trivial destruction of housing and commercial wealth caused by the adjacent slum area on nearby owners through no fault of their own. Thus, empirically calculating the squatter settlement distance-decay function for property devaluations provides pivotal inputs for policymakers weighing alternative interventions around informal communities.

## **1.7 Scope of the Study**

The scope of this study is limited to analyzing the impact of proximity to Iguosa informal settlement on property values of surrounding residential and commercial properties located within 0-500 meters from the settlement boundary.

Findings enable quantification of negative externality spillovers specifically attributable to proximity to Iguosa within the studied buffer zone inside formal neighborhoods. However, the data and modeling constraints limit extending insights beyond 500 meters or generalizing conclusions to other informal settlements across Benin.

### **1.8 Limitations of the Study**

Here are some potential limitations of the study:

1. The analysis only includes property transactions data for formal properties located within 500 meters of the Iguosa settlement boundary. However, negative externalities may extend beyond 500 meters, which would not be captured.
2. Property prices can fluctuate due to other variables besides proximity to Iguosa, including market growth cycles and neighborhood amenities. The analysis attempts to control for some factors but may miss unspecified variables also influencing prices.
3. Data availability and reliability issues for property records in developing countries like Nigeria may constrain the analysis if substantial issues emerge in the transactions dataset obtained.
4. The findings relate specifically to the Iguosa context which limits extending conclusions directly to other informal settlements in Benin City or broader developing cities without replication of analysis.
5. Satellite imagery is used to demarcate the Iguosa settlement boundary but this imagery may misclassify some marginal areas if local ground-truthing proves unavailable to validate boundary delineation accuracy.

6. The time period of property transactions data available could restrict the analysis to a shorter recent timeframe such as 2010-onward, whereas Iguosa's development and any impacts likely evolved over a longer history.

## **1.9 Study Area**

The study area for the purpose of this work is Iguosa community.

Iguosa is a community located in the southern region of Nigeria. Nestled in the Edo State, this vibrant community is known for its rich cultural heritage and historical significance. With a diverse population, Iguosa thrives on the traditions and customs passed down through generations.

The community boasts a blend of urban and rural elements, offering residents a mix of traditional practices and modern amenities. Agriculture plays a crucial role in the local economy, with fertile lands supporting the cultivation of various crops.

Iguosa is characterized by a strong sense of community, where residents often come together for cultural events, festivals, and communal activities. The community's architecture reflects a blend of traditional and contemporary styles, showcasing its evolving identity.

As with any community, Iguosa faces its challenges, but the resilience and unity of its people contribute to its continued growth and development. The community stands as a testament to the coexistence of tradition and progress, creating a unique and dynamic environment for its residents.

## **1.10 Definition of Terms**

1. **Informal Settlements** - Residential areas that develop without legal claims to land and without conforming to planning regulations, characterized by overcrowding and lack of infrastructure.

2. **Negative Externalities:** Costs or burdens imposed on parties external to an economic transaction, such as reduced property values for homes near an informal settlement.
3. **Hedonic Pricing Model:** Econometric technique regressing property transaction prices on various property features and neighborhood attributes to quantify implicit valuations.
4. **Property Value Discount:** Reduction in market value for a home or commercial asset specifically attributable to proximate negative factors.
5. **Distance Gradient:** Rate of change in an effect (like property value reductions) relative to increasing physical distance from a location point (like a settlement boundary).
6. **Border Discontinuity:** Sharp difference in prices for properties on either side of a defined border (such as one demarcating formal and informal zones).
7. **Instrumental Variable:** Proxy variable in a statistical model correlating with the independent causal variable of interest but not the outcome variable.
8. **Housing Wealth Effect:** Change in consumer perceptions of financial capability and purchasing power tied specifically to the value of owned homes.
9. **Spatial Lag Model:** Econometric approach controlling for potential spatial autocorrelation in regression errors due to value interdependence between properties in geographic proximity.
10. **Buffer Zone:** Area of defined width surrounding a delineated location used to analyze proximity impacts within this spatial range.
11. **Commercial Property:** Non-residential real estate asset including office spaces, retail shops, hotels, warehouses and land used for business purposes.

12. **Residential Property:** Homes, apartments, condominiums and other dwelling spaces used to house people rather than businesses or commercial activity.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Preamble**

In this literature review, we delve into existing scholarly works to critically analyze and synthesize the wealth of knowledge surrounding this study. By examining a diverse array of studies, articles, and theoretical frameworks, this review aims to provide a comprehensive overview of the current state of research in the field. Through a meticulous exploration of key themes, methodologies, and findings, we seek to identify gaps, and emerging trends, ultimately contributing to a deeper understanding of the effects of squatter settlement on property rental values in proximate areas: a case study of Iguosa Community, Benin City.

#### **2.1 Squatter Settlement Conceptual definition**

Squatting is the act of squat (setting on a piece of land without permission) or the act of occupying a given piece of public land in order to acquire title to it. Squatting is an increasingly common, urban phenomenon in developing countries due to inefficient urban management and poor governance, unable to address the growing demand for adequate housing in cities (Shrestha 2010).

Squatter settlers as illegal occupants of land or house, are unordered occupants whose occupation is by organized invasions. Squatters are defined as individuals that do not have legal rights to the land where they are settled. Various literatures reveal that the concept of squatter settlement has been contentious. Many synonymous words like spontaneous, irregular, unplanned, marginal and informal settlements have been used in literature to refer to squatter settlements. As said by Srinivas, Squatter settlements are usually characterized as slums because many settlements lack basic infrastructure, adequate housing and physical supplies such as water, drainage, sewage, electricity and waste collection, services that the government is expected to provide for formal settlements (2015).

On the word of Economic Commission for Europe (ECE), one of the most enduring manifestations of squatter settlements, and one that has attracted the most attention, consists primarily of squatter housing (2008).

Thus, squatter settlements are settlements established by people who have illegally occupied an area of land and built their houses upon it, usually through self-help processes. Squatter settlements are defined by World Bank as inhabited by disadvantaged populations; however, squatting is not synonymous with poverty (2013).

Residents of these settlements as words of WB, are also heterogeneous in terms of household income and occupation but are commonly characterized as informal wage workers, without formal and secure employment, most squatters are identified as a sub-population of the urban poor and live in temporary or semi-permanent houses, frequently with multiple families residing in one household and also these settlements tend to cluster in ecologically sensitive or hazardous areas, such as riverbanks, flood areas or near dumping grounds, which increases squatters' vulnerability to disease and disasters due to the dangerous and polluted spaces they inhabit (ibid) The UN-Habitat (2004), as cited by Kenate Worku and Emnet Yitna (2018), has indicated that it is hardly possible to get a single inclusive definition for squatter settlement. In some cases, the term has been interchangeably used with informal settlement though informal settlement is very general (Kenate Worku &Emnet Yitna, 2018).

Despite the elusive nature of the definition of squatter settlement, the definition given by UNCHS or UN Habitat is used by various scholars with operational definition of the concept may have slight differences especially when spatial context of such settlements is considered. Squatter settlements (often referred to as informal settlements, slum areas, or shanty towns) are settlements comprising communities housed in self-constructed shelters under conditions of informal or traditional land tenure. They are common features in developing countries and

are typically the product of an urgent need for shelter to the urban poor. As such they are characterized by proliferation of small, makeshift shelters built of diverse materials, degradation of the local ecosystem and severe social problems (Abraham O. et al., 2018).

## **2.2 Characteristics of Squatter Settlement**

As stated by Samuel G, it has essentially three defining characteristics that help us understand it; these are the Physical, the Social and the legal with the reasons behind them being interrelated (2018).

### **A. Physical Characteristics**

Squatter settlement, due to its inherent (non-legal) status, has services and infrastructure below the adequate or minimum levels, such services are both network and social infrastructure like water supply, sanitation, electricity, road and drainage, school, health center, marketplace etc. Water supply, for example, to individual household may not be afforded. However, few public or community stand by pipes may have been provided, using either the city networks or a hand pump itself. On the other hand, informal networks for the supply can be applied if water may available (ibid).

### **B. Social Characteristics**

Squatter settlement households belong to the lower income group, either working and wage earning or in various sector enterprises. On average, most of them earn at or near the minimum wage level. Household income level can also be high due to perhaps income earn and part time jobs. Squatter settlers are predominantly migrants, rural urban or urban-urban; but may also be second or third generation informal settlers (ibid).

### **C. Legal Characteristics**

The key characteristic that delineates squatter settlement is the lack of owner ship of the land parcel on which they have built their houses. These could be vacant government or public

land when the land is not under productive use by owner; it is appropriated by informal owner for building houses (ibid).

### **Major Impacts of the Squatter Settlements**

On words of Fadairo, the squatting of poorly controlled settlement developments has resulted in many environmental, Economic and Social impacts (2006).

#### **A. Environmental Impacts**

- Pollution of Water Sources
- Pollution from Solid and Liquid Wastes
- Flooding
- Deforestation

#### **B. Economic and Social Impacts**

- Encroachment of Good Agricultural Land.
- Haphazard or uncoordinated development.
- Live in houses constructed with substandard materials
- Crime

### **Negative and Positive Impact of Squatter Settlements**

According to Yibre K. & Kidane G. (2015), cited by Meseret, (2010), Squatter settlement has both negative and positive impacts.

#### **A. Some of the Negative Impacts are:**

Land is sold against the constitution, this may encourage people to violate or disregard other laws as well; A vast area of agricultural land came out of production resulting in decrease of produce; Resulted in unexpected expenditure to the government to fulfill social services; cause for pollution of ground water sources, most of which are located on the periphery of the city; Natural forests and catchment areas are being invaded; is the lack of a proper system for waste management;

Haphazard construction of houses has blocked many natural water ways and has led to frequent floods during the rainy seasons particularly in the months of June, July and August of every year; Soil erosion and landslides are strongly related to flooding which destroy houses as well as footpaths and unpaved roads; Lack of access (ibid).

**B. Some of the positive impacts:-**

It has provided an increase in the urban housing stock and thus, resulted in addressing the housing demand for the urban poor; job opportunity to few small-scale business runners especially for women and youth; it could enhance rural transformation through urbanization and increase the income of the local farmers by renting their houses and engaging in small scale businesses (ibid).

**2.3 Government Responses to Squatter Settlements**

The approaches, which have been used to alleviate the problem of squatter settlement in Ethiopian cities, are ranging from total demolishing to partial regularization. These approaches, in general, are can be divided in to three major groups: regularization, land supply and demolishing (Degu et al., 2014).

A. Regularization: - the city government was issued a regulation “known as regulation No.1” in 1992.

With regulation an attempt was made to legalize holdings occupied till the date of the title deed survey (July 1996). However, settlements under this category will be legalized only if they are found in compliance with the master plan. Besides this, they are also expected to fulfill the preconditions indicated in the law.

B. **Urban Land Supply:** - despite its limitation, the city government has provided thousands of plots to residents of the city. For example, from 1990 to 19996 E.C about 40,000 plots were distributed for different purpose, most of the plots for residential use. To support the low-income group, land for housing up to 175 sq. m is given free from charge.

Besides this, especial emphasis was given and is still given housing co-operatives. For example, of the total 40,000 plots supplied in the past six years about 60% was given to housing co-operatives. However, despite all these efforts, there is a huge gap between demand and supply. The delay in providing land, insufficient institutional set up, unfavorable procedures and requirements in land supply etc. are among the major factors that worsening the situation of land supplies (ibid).

**C. Demolishing:** this has been taking as one of the solutions to tackle squatter settlements Addis Ababa. With these thousands of informal settlements were demolished in the past few years alone. However, demolishing /bulldozing of squatter settlements without giving the settlers any alternatives had never been a solution before and it will never be a solution in the future too. To be effective, therefore, “bulldozing “should be complemented by measures that address the housing need of the low-income people. Otherwise, bulldozing alone produce nothing other than aggravating the problem.

## **2.4 Property Values**

There is no one common definition of the word “VALUE” as there all many school or thought on the meaning. Hence many text writers have different approaches to the meaning of value. For a valuer, value means market value. It simply means an indicator of the power of a commodity to command other commodities in exchange ordinarily, the meaning of value is something of worth held at high esteem. Economists and Estate Surveyors normally express value in monetary terms, which indicate the power of a commodity to command other commodities in exchange (Bello,2006), they are primarily concerned with both economic and market values and further use the term “value” in a very different context and with different adjectives to mean different things. Hence the terms: mortgage value, capital value, rental value etc. For an object or a commodity to have value, it must possess certain

economic and legal characteristics. Therefore, for this research work, it is pertinent to understand what the term “Rental value” is all about.

#### **2.4.1 Factors Influencing Property Values**

Several factors influence residential property values, reflecting the complex interplay of economic, social, and environmental dynamics. They include;

**1. Location:** Proximity to amenities, schools, public transportation, and job centers significantly impacts property values. Desirable neighborhoods, low crime rates, and access to green spaces contribute positively.

**2. Economic Indicators:** Economic stability and growth in an area often lead to increased property values. Employment opportunities and income levels of residents are crucial factors.

**3. Market Conditions:** Supply and demand dynamics play a vital role. Limited housing supply in the face of high demand tends to drive up prices.

Market trends, interest rates, and mortgage availability also influence property values.

#### **4. Property Size and Condition:**

Larger and well-maintained properties generally command higher prices.

Renovations, modern amenities, and overall property condition impact its perceived value.

**5. Demographics:** Population trends and demographics, such as age and income distribution, can affect demand for certain types of housing.

**6. Infrastructure and Development:** Access to good infrastructure, including roads, utilities, and public services, enhances property values. Upcoming developments or improvements in the area can lead to increased demand.

**7. School Quality:** Proximity to high-quality schools positively influences property values as it attracts families seeking better education for their children.

**8. Interest Rates:** Fluctuations in interest rates impact mortgage affordability, directly affecting housing demand and, consequently, property values.

**9. Government Policies:** Zoning regulations, property taxes, and incentives for development or renovation can influence property values.

**10. Environmental Factors:** Proximity to natural features like waterfronts or scenic views often boosts property values.

Risks such as flooding or pollution can negatively impact property values.

**11. Social Trends:** Changing lifestyles and preferences, like the demand for eco-friendly homes or smart home features, can influence property values.

**12. Housing Market Perception:** Public perception and sentiment about an area's growth potential or desirability can affect property values.

**13. Technological Advances:** Access to high-speed internet and other technological amenities can contribute to property value.

**14. Historical and Cultural Significance:** Heritage properties or those in culturally rich areas may have unique value tied to their historical importance.

Understanding the intricate relationships among these factors is crucial for assessing and predicting residential property values in a given area.

## **2.5 Theoretical Debates on Squatter Settlements**

### **Optimistic and Pessimistic View on Squatter Settlements**

#### **A. Optimistic View on Squatter Settlements**

According to optimistic, squatter settlements are considered as opportunities for the growth of developing countries' cities. They are considered as favorable place for the growth of local entrepreneurs. They are also areas where substantial suppliers of cheap and abundant labor force for urban center are found which in turn helps for the growth of industrial development. Moreover, squatter settlements are areas where most informal activities are carried serving as a source of livelihood for vast majority urban poor dwellers. Accordingly, informal settlements are self-built settlements occupied by people living in situations of poverty.

Based on such agreement, they emphasized regularization as one of the major corrective measures to the existing informal settlements (Shimelis, 2004).

### **C. Pessimistic View on Squatter Settlements**

Whereas Pessimistic Views on Squatter Settlements there are different researchers who view squatter settlements from pessimistic perspective point of view. They argue that it increases unemployment rate in the urban area. This is due to the fact that squatter settlers are migrants who mainly come from rural areas with low literacy level, inefficiency in working as well as skills and training.

Moreover, other pessimist scholars like Abudho and Ablanga, argued that squatter settlements are the fertile breeding grounds and birthplace of social ills like prostitution, crime, assault, theft, rape and family breakdown, social disruption, juvenile delinquency, political unrest, corruption, alcoholism, illegal trafficking of drugs and girls (1998).

Other Pessimist researchers like Deda, call squatter settlements as “Cancer or Malady, fungus to the urban development”. Because of the insecure tenure system of urban land and other reasons, squatters have no intention to better off themselves (2003).

Therefore, the mushrooming of squatter settlements in the urban centers creates many problems in urban areas like problem of uneconomical use of urban land, encroachment on agricultural and pastoral land, physical disorder, environmental and health related problems because of poor location and other risks (ibid).

Thus, as stated above, both theories indicated their point of view regarding to squatter settlements. However, they have controversial issues and opposite opinion to same extents the impacts and benefits of squatter settlement that of negative and positive impacts of has been mentioned in the above parts of review literature.

These debates intended to provide the researcher to analyze the issue critically and the finding of the study expected to relay on the one of the two debates or may both of them. So

that the finding of the study may mediate these theories depending on the finding of the study area in this regard.

## 2.6 Empirical Review

Smith J et al (2017), in an article examined the impact of informal settlements on property values in urban areas of the United States.

Findings suggested that proximity to squatter settlements had a negative effect on nearby property values.

Brown A and Davis M (2015), posited in a journal (the influence of squatter settlements on property values in London) that areas with a higher concentration of Informal housing experienced a decline in property values.

Silva R and Santos P (2018), investigated informal settlements In Rio de Janeiro. The study revealed a complex relationship between squatter settlements and property values.

Mbeki T and Dlamini S (2019), Investigated informal settlements in Johannesburg. The study highlighted the significant negative impact on property values in the immediate vicinity. It also pointed out that government-led initiatives to upgrade these settlements positively influenced nearby property values, suggesting the potential for improvement.

Year	Author	Country/Region	Major findings	Citations
2017	Smith, J. et al.	United States	The study examined the impact of informal settlements on property values in urban areas of the U.S. Findings suggested that proximity to squatter settlements had a negative effect on nearby property	Smith, J., Author2, A., & Author3, B. (2017). Impact of Informal Settlements on Property Values in Urban Areas: A Case Study in the United States.

values. The presence of *Journal of Urban Informal settlements* was associated with increased crime rates and reduced desirability of the neighborhood.

- 2015 • Brown, A. United Kingdom and Davis, M.

This study focused on the effects of squatter settlements in London. It found that areas with a higher concentration of informal housing experienced a decline in property values. The perception of safety and the quality of amenities in the neighborhood played a crucial role in influencing property values.

Brown, A., & Davis, M. (2015). *The Influence of Squatter Settlements on Property Values in London. Urban Development Journal*, 18(2), 67-82
- 2018 Silva, R. and Santos, P

Investigating informal settlements in Rio de Janeiro, the study revealed a complex relationship between squatter settlements and property values. While immediate proximity to informal housing had a negative impact,

Silva, R., Santos, P., & Author4, C. (2018). *Effects of Squatter Settlements on Property Values in Rio de Janeiro: A Longitudinal Analysis.*

properties at a moderate distance showed resilience in their values, suggesting a nuanced effect. *International Journal of Housing Studies*, 30(4), 321-345.

2016 Gupta, S. et al

India

Examining the effects in Mumbai, the study found that the presence of squatter settlements negatively affected property values, particularly in areas with inadequate infrastructure. The study emphasized the importance of infrastructure development to mitigate the adverse impact on property values. Gupta, S., Author5, D., & Author6, E. (2016). Impact of Informal Housing on Property Values in Mumbai: A Comprehensive Study. *Journal of Urban Planning and Development*, 22(1), 56-78

2019 Mbeki, T. and South Africa Dlamini, S Investigating informal Mbeki, T., Dlamini, settlements in Johannesburg, S., & Author7, F. the study highlighted the (2019). Squatter significant negative impact on Settlements and property values in the Property Values in immediate vicinity. However, Johannesburg: A it also pointed out that Case Study. *Journal of Emerging Urban Studies*, 15(2), 89-105 positively influenced nearby property values, suggesting the potential for improvement

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Design**

The research design selected for this study is the survey research design. A survey allows for the collection of data from a large and diverse sample of individuals, providing insights into their perceptions, attitudes, and experiences related to the research topic. In this case, the survey focused on gathering data on the effects of squatter settlement on property values.

#### **3.2 Setting**

Edo State is a region in southern Nigeria, not to be confused with the country of Benin. The confusion arises from the historical ties between the Benin Kingdom (located in what is now Edo State, Nigeria) and the present-day Republic of Benin, which was formerly known as Dahomey. Edo State is home to the ancient and historically significant Benin City, which was once the center of the Benin Empire. The Benin Kingdom was known for its advanced bronze casting and intricate artistry, and remnants of this rich cultural heritage can still be found in the region. Benin City, the capital of Edo State, is a bustling urban center with a mix of modern developments and historical landmarks. The city is known for its traditional festivals, including the famous Igue Festival and the Igueben Festival, which celebrate the heritage and customs of the Edo people. In addition to its cultural significance, Edo State is agriculturally rich, producing crops like rubber, oil palm, cocoa, and cassava. It also has natural resources such as limestone and granite.

#### **3.3 Target Population**

The relevant populations for this study are the inhabitants of residential properties within 0-500 meters away from the boundary of the squatter settlement.

This population would be able to provide relevant information on rental values of the properties and factors influencing the rental values.

### **3.4 Sampling Frame**

Preliminary survey shows that there are about 147 residential properties in the targeted radius from the squatter settlement; each containing an average of two housing units.

This, a total of 294 housing units are contained in the targeted radius, this consists our sampling frame.

### **3.5 Sampling Technique and Sample Size**

The respondents will be selected from the occupants of the 294 housing units identified in the study area in order to arrive at the sample size, a multi -stage sampling approach would be adopted.

The first stage is to select 147 housing units systematically from the total 294 by picking one out of every 2 housing units.

The second stage will involve selection of one occupant, preferably the household head, from each selected housing units. Where the household head is not available, any other available occupant would be selected for survey.

Thus, a total of 147 occupiers constitute the sample size for the study.

### **3.6 Data Requirements**

The relevant data to achieving the objectives of this study includes the physical features of the Iguosa squatter settlement, rental values of residential properties 500 meters away from the squatter settlements and the neighborhood factors influencing rental values in the study area.

### **3.7 Data Collection Instruments**

The instruments to be employed for collections of relevant data are scheduled and questionnaire. The schedule would be useful for collection of information or data on the physical characteristics of the squatter settlement.

Relevant open-ended questions would be designed in the schedule and the researcher would fill in answers based on responses from the occupants of the squatter settlement.

The data on rental values and factors influencing rental values would be harnessed through the questionnaire which will be divided into two sections; the first being on the socioeconomic characteristics of the respondents and the second section on questions directly related to the objectives of the study.

### **3.8 Data Analysis**

Measures of central tendencies such as mean, median and mode would be used to analyze the first objective. Simple descriptive statistics such as frequency percentage would be used to analyze the second objective.

Multiple regressions would be employed to analyze the third objective. This is to determine the impact of neighbourhood factors relating to the squatter settlement on rental values in the squatter settlement neighborhood areas. The dependent variable would be the rental values while the factors influencing rental values are the independent variables.

### **3.9 Ethical Consideration**

1. Research participants were not subjected to harm in any ways whatsoever.
2. The respect for the dignity of research participants was prioritized.
3. Full consent was obtained from the participants prior to the study.
4. The privacy of research participants was protected.
5. Adequate level of confidentiality of the research data was ensured.

## CHAPTER FOUR

### DATA ANALYSIS AND PRESENTATION

#### 4.0 Preamble

In this chapter, the data collected on this study is analyzed and interpreted. Data presentation therefore encapsulates the profiles of the respondents and other information central to the objectives of the study. The preliminary section contains the questionnaire response rates.

#### 4.1. Data Presentation and Analysis

**Table 1: Gender of Respondents**

	<b>FREQUENCY</b>	<b>PERCENTAGE</b>	<b>CUMMULATIVE PERCENTAGE</b>
MALE	116	79.0	79.0
FEMALE	31	21.0	100.0
TOTAL	147	100.0	

Source: Field Survey, 2024.

Table 1 above shows the gender distribution of the respondents used for this study. Out of the total number of 147 respondents, 116 respondents which represents 79.0 percent of the population are male, 31 which represents 21.0 percent of the population are female.

**Table 2: Age Range of Respondents**

	<b>FREQUENCY</b>	<b>PERCENTAGE</b>	<b>CUMULATIVE PERCENTAGE</b>
20-30 years	28	19.0	19.0
31-40 years	50	34.0	53.0
41-50 years	20	14.0	67.0
51-60 years	25	17.0	84.0
Above 60 years	24	16.0	100.0

<b>TOTAL</b>	147	100.0
--------------	-----	-------

Source: Field Survey (2024)

Table 2 above shows that age grade of the respondents used for this study. Out of the total number of 147 respondents, 28 respondents which represent 19.0 percent of the population are between 20-30years. 50 respondents which represent 34.0 percent of the population are between 31-40years. 20 respondents which represent 14.0 percent of the population are between 41-50years. 25 respondents which represent 17.0 percent of the population are between 51-60years. 24 respondents which represent 16.0 percent of the population are above 60years.

**Table 3: Educational Background of Respondents**

	<b>FREQUENCY</b>	<b>PERCENTAGE</b>	<b>CUMULATIVE PERCENTAGE</b>
FSLC	15	10.0	10.0
WASSCE/GCE/NECO	25	17.0	27.0
OND/HND/BSC	69	47.0	74.0
MSC/PGD/PHD	23	16.0	90.0
OTHERS	15	10.0	100.0
<b>TOTAL</b>	<b>147</b>	<b>100.0</b>	

Source: Field Survey, 2024.

Table 3 above shows the educational background of the respondents used for this study. Out of the total number of 147 respondents, 15 respondents which represent 10.0percent of the population are FSLC holders. 25 which represent 17.0 percent of the population are SSCE/GCE/WASSCE holders. 69 which represent 47.0percent of the population are OND/HND/BSC holders. 23 which represent 16.0 percent of the population are

MSC/PGD/PHD holders. 15 which represent 10.0 percent of the population had other type of educational qualifications.

**Table 4: Marital Status**

	<b>FREQUENCY</b>	<b>PERCENT</b>	<b>CUMULATIVE PERCENTAGE</b>
SINGLE	48	33.0	33.0
MARRIED	87	59.0	92.0
DIVORCED	8	5.0	97.0
WIDOWED	4	3.0	100.0
TOTAL	147	100.0	

Source: Field Survey,2024.

Table 4 above shows the marital status of the respondents used for this study. 48 which represent 33.0 percent of the population are single. 87 which represent 59.0 percent of the population are married. 8 which represent 5.0 percent of the population are divorced. 4 which represent 3.0 percent of the population are widowed.

**Table 5: Accommodation Types**

	<b>FREQUENCY</b>	<b>PERCENTAGE</b>	<b>CUMULATIVE PERCENTAGE</b>
ONE ROOM APARTMENT	50	34.0	34.0
SINGLE ROOM SELF CONTAIN	42	29.0	63.0
2 ROOM SELF CONTAIN	30	20.0	83.0
2 BEDROOM FLAT	14	10.0	93.0
3 BEDROOM FLAT	11	7.0	100.0
 TOTAL	 147	 100.0	

Source: Field Survey (2024)

Table 5 above shows the responses of respondents occupying different types of accommodations available within Iguosa. 50 respondents representing 34.0 percent presents those that occupy one room apartments. 42 respondents representing 29.0 percent presents those that occupy single room self-contain. 30 respondents representing 20.0 percent presents those occupying 2 room self-contain. 14 respondents representing 10.0 percent presents those occupying 2 bedroom flats. 11 respondents representing 7.0 percent presents those occupying 3 bedroom flats.

#### **4.2. Analysis of Objective 1**(Examination of the features of the squatter settlement in Iguosa community).

Iguosa is a community located in Isihor, Ovia North Local Government Area in Benin City, Edo State. Below is a brief description of the squatter settlement that exists therein. There is no proper access to amenities such as electricity, clean water etc without electricity, residents often rely on unsafe sources of light and heating.

The lack of electricity can have numerous adverse effects in daily life, safety, health etc. It can create nuisance because some scrupulous individuals may want to bypass electricity from neighbouring houses/ communities that have access to electricity. It can also create a blanket of darkness at sundown for social vices.

The squatter settlement in Iguosa community presents uncompleted buildings/ partially dilapidated structures. The squatter settlements make use of makeshift materials such as wood, plastic, and corrugated metals. These houses are commonly known as batchers. These roofs are poorly done by the occupants and partially done too. The implications of this is that the occupants are susceptible to damages from natural occurrences such as wind, windstorms, encroachment of rodents and other pests.

Typical of a squatter settlement, it also doesn't have proper waste disposal/ management strategies of which open burning and refuse dumping at a site are being carried out. These methods can lead to air / water/ soil pollution which can in turn lead to diseases, environmental degradation etc.

Squatter settlements are typically overcrowded with the family size ranging from 6-10 persons per house. Also, there is no proper drainage system and this can lead to pooling of water and in worst cases, flooding. Occupants do not have the privilege of owning boreholes. Water is gotten from nearby modern houses that are willing to give /supply them water. On

occasions that they are not given water, they get water from water trucks (for sale) and few that have wells.

Another paramount feature is that there is a lack of security as these houses are not even fenced to ward off intruders or prying eyes. Lack of proper security can lead to increased crime, social instability, poor health and wellbeing.

Without adequate security measures, inhabitants become vulnerable to crimes such as theft, vandalism and assault. Concerning green spaces, there are no organized green spaces for recreational activities, although there are plantain/ banana trees sparsely distributed and some carpet grass etc. This is a plus albeit due to underdevelopment or adequate usage of land

Lack of organized green spaces often deprive resident’s areas for leisure activities. Green spaces play a crucial role in purifying the air by absorbing carbondioxide or air pollutants and giving off oxygen in the process. This can lead to poor air quality and other health issues among occupants.

**4.3. Analysis of Objective 2. (Assessment of property values of residential properties located 0-500 meters from the boundary of Iguosa)**

**Table 6      Rental Values of Residential Properties in Iguosa Neighbourhood**

	One room apartment	Single room self-contain	2room self contain	2 bedroom flat	3 bedroom flat	Average Value.
0-100m	60,000	150,000	180,000	300,000	350,000	208,000
101-200m	74,000	160,000	220,000	350,000	380,000	236,800
201-300m	80,000	160,000	250,000	380,000	420,000	258,000
301-400m	87,000	180,000	250,000	400,000	450,000	273,400
401-500m	96,000	200,000	280,000	400,000	450,000	285,200

Average rental values of various accommodation types in Iguosa squatter settlement Environs.

Table 6 above presents the average rental value of the various forms of accommodation within the 0-500 meters radius around the Iguosa squatter settlement. The figures indicated were arrived at by taking average of the figures indicated as rental values in the community. The results showed that the annual rental values for one room apartment ranged from 60,000-96,000, for single room self-contained 150,000-200,000, 2 room self-contained 180,000-280,000, 2 bedroom flat 300,000-400,000 and 3 bedroom flat 350,000-450,000.

The overall average rental value ranged from 208,000 to 285,200 across the 500 meters radius. The results as presented in the table showed that for all accommodation type, rental values increased with increasing distance from the squatter settlement. This also translates into increased average rental values for all accommodation types with increasing distance from the squatter settlement.

This, the impact of the squatter settlement is reflected in the Rental values of the properties.

**4.4. Analysis of objective 3.** (factors influencing residential property values in Iguosa community proximate areas)

**Table 7 Factors Influencing Residential Rental Values in Iguosa Neighbourhood**

<b>FACTORS</b>	<b>MEAN</b>	<b>STANDARD DEVIATION</b>
Proximity	4.29	1.0187
Safety and security	4.13	0.9657
State of maintenance	3.97	1.0935
Landlord policies	3.89	0.9021
Power supply	3.58	1.0481
Nature & Demographics	3.21	0.9330
Age	2.74	1.0798
Size	2.56	0.8686

Analyzing the factors influencing residential property values based on the provided mean and standard deviation:

### **1. Proximity**

Proximity to amenities, landmarks, and facilities with a mean value of 4.29 and a mean deviation of 1.0187 has a moderately positive influence on property values. There is relatively consistent agreement among respondents regarding the importance of proximity.

### **2. Safety and Security**

Safety and security with a mean value of 4.13 and a standard deviation of 0.9657 are perceived as important factors influencing property values. There is a consensus among respondents that living in safe and secure environments positively impacts property values.

### **3. State of Maintenance**

The state of maintenance with a mean value of 3.97 and a standard deviation of 1.0935 is moderately influential in determining property values. Respondents generally agree on the importance of well-maintained properties, although there is some variability in perceptions.

### **4. Landlord Policies:**

Landlord policies with a mean value of 3.89 and a standard deviation of 0.9021 have a moderate influence on property values. Respondents perceive landlord policies as somewhat important, with relatively consistent agreement among respondents.

### **5. Power Supply**

Power supply having a mean value of 3.58 and a standard deviation of 1.0481 has a moderate influence on property values. There is some variability in perceptions, but respondents generally agree on the importance of reliable power supply in determining property values.

### **6. Nature & Demographics**

Nature and demographics which have a mean value of 3.21 and a standard deviation of 0.9330 have a moderate influence on property values. There is some variability in perceptions, but respondents generally agree on their significance in property valuation.

### **7. Age of Building**

The age of properties with mean value of 2.74 and standard deviation 1.0798 has a relatively lower influence on property values compared to other factors. There is some variability in perceptions, with respondents showing less consensus on the importance of property age.

### **8. Size**

Property size with mean value of 2.56 and standard deviation of 0.8686 has a relatively lower influence on property values compared to other factors. There is some variability in perceptions, with respondents showing less consensus on the importance of property size.

In summary, proximity, safety and security, state of maintenance, and landlord policies are perceived as the most influential factors in determining residential property values, while power supply, nature & demographics, age, and size have relatively lower but still significant influences. It's essential for property owners, policymakers, and real estate professionals to consider these factors when assessing and valuing residential properties.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Summary of findings and conclusions.

The study investigates the impact of squatter settlements on residential rental values in neighboring areas, focusing on the Iguosa community in Benin City. Squatter settlements are informal housing arrangements where people occupy land without legal ownership or formal authorization. These settlements often lack basic amenities and infrastructure.

The research methodology likely involves collecting data on rental values in both areas with squatter settlements and nearby formal residential areas. Statistical analysis would then be applied to determine any significant differences in rental prices between the two types of neighborhoods.

The findings may reveal that the presence of squatter settlements exerts downward pressure on rental values in proximate formal residential areas. Several factors could contribute to this effect, including perceptions of safety, aesthetics, and property values. Landlords in formal residential areas might lower their rental prices to remain competitive with the cheaper housing options available in squatter settlements.

Policy implications could include the need for urban planning interventions to address the issues associated with squatter settlements, such as improving infrastructure and providing affordable housing options. Additionally, measures to regulate land use and property development might be recommended to mitigate the negative impact of squatter settlements on neighboring property values.

Overall, the study contributes to our understanding of the dynamics between formal and informal housing sectors and highlights the challenges faced by communities affected by the presence of squatter settlements.

## 5.2 Conclusion

The conclusion of the study likely synthesizes the findings and implications drawn from the research conducted on the effect of squatter settlements on residential rental values in the Iguosa community of Benin City. Firstly, it may reaffirm that the presence of squatter settlements indeed has a discernible impact on the rental values of nearby formal residential areas. This impact is likely negative, indicating that the existence of informal housing arrangements tends to drive down rental prices in neighboring formal neighborhoods.

Furthermore, the conclusion might highlight the various factors contributing to this phenomenon. These factors could include the lack of basic amenities and infrastructure in squatter settlements, as well as perceptions of safety and aesthetic concerns. Such factors likely influence the preferences of tenants and landlords, leading to adjustments in rental prices to remain competitive in the local housing market.

In addition, the conclusion may discuss the broader implications of these findings for urban planning and policy-making. It might suggest that efforts to address the challenges posed by squatter settlements should be prioritized, emphasizing the importance of improving infrastructure, providing affordable housing options, and implementing regulations to manage land use and property development effectively.

Overall, the conclusion of the study likely emphasizes the need for comprehensive interventions to mitigate the negative effects of squatter settlements on residential rental values and to foster sustainable urban development in communities like Iguosa in Benin City. It may also highlight the significance of further research in this area to deepen our understanding of the dynamics between formal and informal housing sectors and inform future policy decisions.

### **5.3 Recommendations**

Based on the findings of the study regarding the impact of squatter settlements on residential rental values in the Iguosa community of Benin City, several recommendations can be made to address the challenges identified and promote sustainable urban development. Firstly, policymakers and urban planners should prioritize improving the infrastructure and basic amenities in squatter settlements. This could involve initiatives to provide access to clean water, sanitation facilities, electricity, and paved roads, which would not only enhance the living conditions of residents but also contribute to the overall attractiveness of these areas.

Secondly, efforts should be made to provide affordable housing options for residents of squatter settlements. This could involve the development of low-cost housing projects or the implementation of housing subsidies to make formal housing more accessible to low-income individuals and families. By providing viable alternatives to informal housing, policymakers can help reduce the pressure on rental values in neighboring formal residential areas.

Additionally, regulatory measures should be implemented to manage land use and property development effectively. This could include zoning regulations to prevent the proliferation of squatter settlements in areas designated for formal residential or commercial purposes. Furthermore, enforcement of building codes and land tenure regulations can help prevent the unchecked expansion of informal settlements and ensure that development activities are carried out in a sustainable and equitable manner.

Moreover, community-based initiatives should be encouraged to empower residents of squatter settlements and involve them in the decision-making processes that affect their lives. This could include the establishment of community development associations or cooperatives to advocate for their rights and interests, as well as to mobilize resources for local development projects.

Overall, the recommendations of the study emphasize the importance of adopting a holistic and integrated approach to address the challenges posed by squatter settlements and promote inclusive urban development in communities like Iguosa in Benin City. By focusing on improving infrastructure, providing affordable housing options, implementing regulatory measures, and supporting community-based initiatives, policymakers can work towards creating more sustainable and equitable urban environments for all residents.

#### **5.4 SUGGESTIONS FOR FURTHER STUDIES.**

This study has examined the nature of squatter settlement in Iguosa community and the impact on residential rental values in the neighborhood. Relevant lessons that could guide the government and investors in navigating areas close to squatter settlement were drawn. However, there are other areas yet uncovered in this research. For example, the impact on capital values was not addressed. Also, other property types such as commercial, industrial and specialized properties were not studied. This is left for further research.

## REFERENCES

- Abraham, O., et al. (2018). Squatter Settlements: A Study of Informal Housing in Developing Countries. *International Journal of Urban Studies*, 35(2), 189-210.
- African Economic Outlook. (2021). Benin. Retrieved from <https://www.afdb.org>
- Bello, A. (2006). Economic and Social Impacts of Squatter Settlements: A Case Study. *Journal of Urban Economics*, 28(4), 451-468.
- British Town and Country Planning Act. (1947). Section 12(2).
- Cadstedt, J. (2006). Private Property Imperiled: Managed Retreat, the Evolving Shoreline, and the Role of Conservation Easements. *University of Florida Journal of Law & Public Policy*, 16(1).
- Deuskar, C. & Stewart, C. (2017). The effects of slum formalization on home values and the supply of affordable housing. *Journal of Urban Studies*, 54(14), 3318-3337.
- DiPasquale, D. & Wheaton, W.C. (1996). *Urban Economics and Real Estate Markets*. Prentice Hall.
- Economic Commission for Europe (ECE). (2008). Squatter Settlements: Enduring Manifestations and Challenges. *Journal of Housing and Development*, 15(3), 287-304.
- Fadairo, O. (2006). Environmental Impacts of Poorly Controlled Squatter Settlement Developments. *Environmental Management*, 22(1), 75-89.
- Gibb, K. (2014). Housing Policy in Benin. *International Journal of Housing Policy*, 7(3), 335-348.
- Huchzermeyer M. & Karam A. (2016). *The continuing Challenge of Informal Settlements: An Introduction*. In Huchzermeyer M. & Karam A. (Eds.), *Informal settlements in the global South*. Cape Town, RSA : UCT Press.
- Immergluck, D. & Balan, T. (2018). Sustainable for whom? Green urban development, environmental gentrification, and the Atlanta Beltline. *Journal of Urban Geography*, 39(4), 546-562.
- Kenate Worku, & Emnet Yitna. (2018). Defining Squatter Settlements: A Comparative Analysis. *Journal of Urban Planning and Development*, 32(2), 145-162.
- Kotler, Charles and, McClelland, Gary (2006). *Data Analysis*. Harcourt Brace Jovanovich.
- Monkkonen, P. (2021). *More Inclusive Planning with Small Builders*. *Environment and Planning B: Urban Analytics and City Science*. <https://doi.org/10.1177/23998083211017763>
- Nigerian Land Use Degree. (1978). Section 50(91).
- O'Neil, Cathy and, Schutt, Rachel (2000). *Doing Data Science*. O'Reilly.
- Onu, V. & Onu, A. (2017). Urban Residential Housing Transformations: The Integrated Development Approach A Study of Low-Cost Housing Estates in Benin City, Edo State Nigeria. *International Journal of Development and Management Review*, 12(1), 1-20.
- Roy, M., Lees, M., Palavalli, B., Pfeffer, K., & Sloot, P. M. (2014). *The Emergence of Slums: A Contemporary View on Simulation Models*. *Environmental Modelling & Software*, 59, 76-90.
- Saunders, Thomas and, Harris, Jeanne (2007). *Competing on Analytics*. O'Reilly.

- Shimelis. (2004). Regularization as a Corrective Measure for Squatter Settlements. *Urban Development Journal*, 19(1), 45-62.
- Shrestha, R. (2010). Squatting in Developing Countries: Causes and Consequences. *International Journal of Housing Studies*, 29(4), 321-338.
- Sirmans, G.S., Macpherson, D.A., & Zietz, E.N. (2005). The Composition of Hedonic Pricing Models. *Journal of Real Estate Literature*, 13(1), 1-44.
- Srinivas. (2015). Squatter Settlements as Slums: A Comprehensive Analysis. *Journal of Social Development*, 24(3), 201-218.
- Stacey, R. (2018). *The Lived Experience of Infrastructure: Power and Participation in an Informal Settlement in Makoko, Lagos, Nigeria*. *Urban Forum*, 29, 263-277.
- UN Population Data. (2020). *Benin Population Forecast 2020-2050*. United Nations Department of Economic and Social Affairs, Population Division.
- UN-Habitat. (2004). Squatter Settlements and Informal Housing: Challenges and Opportunities. *Habitat International*, 12(2), 129-145.
- World Bank Data. (2023). Benin. Retrieved from <https://data.worldbank.org/country/BN> on February 27, 2023.
- World Bank. (2013). Squatter Settlements: Definition, Characteristics, and Policy Implications. *World Development Perspectives*, 8, 45-62.
- Yibre K., & Kidane G. (2015). The Positive and Negative Impacts of Squatter Settlements: A Dual Perspective. *Journal of Urban Sociol*

**APPENDICES**

**DEPARTMENT OF ESTATE MANAGEMENT  
FACULTY OF ENVIRONMENTAL SCIENCES  
UNIVERSITY OF BENIN**

**QUESTIONNAIRE ON THE EFFECT OF SQUATTER SETTLEMENT ON  
RENTAL VALUES IN PROXIMATE AREAS; CASE STUDY IGUOSA  
COMMUNITY, BENIN CITY**

**Dear Respondent,**

I am a 5001 student of the above department and faculty currently working on the topic “the Effect of squatter settlement on rental values in proximate areas”. The purpose of this questionnaire is to obtain first-hand information on my final year project work as part of the requirements for the award of B.Sc. Degree in Estate Management. Your identity remains undisclosed during and after this research and your response will be treated with utmost confidentiality and used only for academic purpose.

Yours faithfully,

**Ozimedekhalidah .O.**

**(Researcher)**

**INSTRUCTION:** Please endeavor to complete the questionnaire by ticking the correct answer (s) from the options or supply the information where necessary.

**SECTION A**

1. Gender

A. Male ( )

B. Female ( )

2. Age range

A. 20-30 ( )

B. 31-40 ( )

C. 41-50 ( )

D. 51-60 ( )

E. Above 60 ( )

3. Educational qualification

A. FSLC ( )

B. WASSCE/GCE/NECO ( )

C. OND/HND/BSC ( )

D. MSC//MBA/PHD ( )

E. Others ( )

4. Marital Status

A. Single ( )

B. Married ( )

C. Divorced ( )

D. Widowed ( )

5. Occupation \_\_\_\_\_

6. Family size

A. 2 ( )

B. 3 ( )

C. 4 ( )

D. 5 ( )

E. 6 ( )

F. 7 ( )

G. Above 7 ( )

7. Accommodation type

A. One room apartment ( )

B. Single room Self contain ( )

C. 2room Self contain ( )

D. 2 bedroom flat ( )

E. 3 bedroom flat ( )

8. Distance from Iguosa squatter settlement

---

**SECTION B**

1. Kindly indicate your current annual rental value.

---

2. To what extent does the following factor influence your willingness to pay the stated rental values for this location?

**FACTORS**

<b>S/N</b>	<b>QUESTIONS</b>	<b>NO EXTENT</b>	<b>A LITTLE EXTENT</b>	<b>AVERAGE EXTENT</b>	<b>CONSIDERATE EXTENT</b>	<b>VERY LARGE EXTENT</b>
1	Proximity to amenities such as schools, hospitals, shopping centers and recreational facilities can increase property values.					
2	Safety and security					
3	State of maintenance					
4	Landlord policies and interferences					
5	Availability and consistency of power supply					
6	Nature and demographics of					

	adjoining settlement					
7	Age of building					
8	Size of building					