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Tenants' Demographic Characteristics and Tenancy Renewal Tendencies in Benin City Rental Housing, Nigeria

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Abstract:

Residential income flow depends upon the rents paid by each occupier and upon the occupancy rates based largely on tenancy renewal. Thus, the study examined the influence of demographic characteristics on the tenancy renewal tendencies of tenants in Benin City rental housing. A survey method was adopted, and three residential zones: the intermediate, suburban, and planned urban fringe areas in the metropolitan city of Benin, were purposively selected for the study. Household heads from randomly identified tenanted residential buildings were served with a total of 1900 questionnaires, while a total of 1215, representing a response rate of 63.9%, were retrieved. The demographic characteristics of tenants surveyed included age, ethnic origin, marital status, educational status, occupation, income level, and household size. Data gathered from the survey were analyzed using descriptive Pearson correlation and multiple regression statistics. Findings revealed that education ($R^2 = 0.5125$), occupation ($R^2 = 0.6366$), income ($R^2 = 0.8341$) and marital ($R^2 = 0.7406$) characteristics of residential tenants significantly correlate with tenancy renewal tendencies. The higher the educational, occupational, and income level of respondents, the more they are unlikely to renew their tenancy. Younger age (25 – 39 years) and single tenants with a desire to explore their 'freedom of choice' aided by their smaller family size were also found to be unlikely to renew the tenancy. On the other hand, older, married, and households with large family sizes were found to likely renew their tenancies. The study concludes that the demographic characteristics of tenants play a significant role in the housing decisions of tenants and should be taken as considerable housing satisfaction variables.

Keywords: Demographic characteristics, Tenancy renewal, Housing satisfaction variable, Property Investors, Rental housing

1. Introduction

Investors in real estate worldwide are mindful of the financial performance (returns on investment) of their property (capital) which is the very reason for investment in the first place. The percentage of homeowners in developed countries may be high as compared with developing countries like Nigeria, where only about 10% are said to be homeowners as against 92% in Singapore, 78% in the UK, 72% in the US, and 60% and 54% in China and Korea respectively (Soludo, 2007). The remaining 90% of the Nigerian populace are renters or squatters, allowing investors (private housing developers) to invest in this sector (Aminu et al., 2014; Gbadeyan, 2011). Many of the investors/property managers in real estate, particularly in residential properties, are often faced with the challenge of a continuous flow of income, which is largely based on the tenancy renewal of loyal tenants. There is no gainsaying the fact that retaining great tenants is generally the number one priority for owners of Investment Residential Properties as it has a direct impact on the goal of profit maximization. Increased profitability should necessarily result from an increase in Lease Renewal Rates. This does not suggest that rents be compromised.

Lack of rent renewals in housing or rented properties impose voids - a period where the tenant is either asked to quit or where they, on their own, terminate the tenancy contract leading to an exit. In other words, void periods occur in rental properties when an occupier refuses to renew their stay. House owners' or Property Managers' ability to attract and retain occupiers reduces Voids and should result in enhanced Real Estate Performance. The financial performance of Residential Properties is assessed on their total return, which comprises the net income from rents and the increase in the capital value of a property. Residential rental income depends upon the rents paid by each occupier and upon the occupancy rates based largely on tenancy renewal (Sanderson, 2016).

Tenant retention and its corollary, tenancy renewal, are key to profitable management of Investment Residential Property (Manuel et al., 2018) since a high turnover rate of tenants may be seen as inefficiency on the part of property managers (Aminu et al., 2014). The presence of void properties in most enclaves in Benin City may appear as evidence of loss of occupiers of property who have been unable or unwilling to retain their tenancy and/or foster lease renewals at the stipulated time frame. This, without doubt, has its attendant consequence on the financial performance of Investment Residential Property.

The unwillingness or inability to renew a lease has been hypothesized here and elsewhere to be connected, if not all the time, but very often to demographic characteristics of occupiers (Olukolajo & Ogungbenro, 2018; Okoko, 2004). Households' needs are often shaped by their demographic characteristics, which contribute to their housing decision (Aminu et al., 2014) and could also be about whether to renew the tenancy or not. Demographic characteristics refer to the social and economic characteristics of an individual renting a property, such as income, occupation, educational attainment, marital status, and others in society. They provide a social and economic picture of the significant individual at a glance and vary from one household to the other (Sule, 2003). These demographic features have varied impacts on the renewal tendency of households (Aminu et al., 2014).

It should also be stressed that replacing tenants can be quite time-consuming and costly. Incontrovertibly, every time a tenant leaves, there are additional costs, such as advertising, security provision, and possible regular maintenance costs, i.e., cleaning, painting, etc. Moreover, in some cases, additional lost revenue, that is, if they cannot lease out their housing units at the quickest possible time (Sanderson, 2016).

Landlords will usually benefit from tenants wishing to renew since it obviates the need to seek new tenants. Failure to renew tenancy as when due is the most frequent problem, which rocks property owners/investors of expected income/return or 'remuneration' for capital invested. In a bid to forestall this, property owners/managers have had to make several efforts toward enhancing the lease renewal of their tenants. However, more often than not, these efforts are concentrated on the buildings and services provided to make them more attractive and up to standard (SatisFacts, 2009). This is done with the hope of making the tenant remain in tenancy. However, several housing studies have shown that satisfaction with a building is not the only variable that predicts/influences tenants' retention bids (Joboye, 2009; Miller & Pulket, 2001). Other variables relating to the occupiers have been found to influence or predict tenancy renewal or tenants' retention (Sule, 2003, Okoko, 2004). From a pilot study, households/individual family characteristics appear to significantly influence their behavior or choices in certain ways. This view is corroborated by Galster (1987) when he posits that household characteristics manifest differently, including in terms of attitude, forbearance, and desires with respect to housing decisions.

The pilot study further suggests that the Benin City rental housing market appears to be experiencing void periods. Residential properties aesthetically built with quality fittings and fixtures in a good location are left unoccupied for a long time due to tenants' exit. In this situation, the attractive appeals of the building, services, and hedonic variables alone could not keep tenants in a continuous stay. There are likely other variables unconnected to the physical building but to the occupier that may be responsible for the situation (Jiboye, 2009), which this paper hypothesizes to be demographic characteristics of the occupier, hence the study.

There is a dearth of studies on the influence of demographic characteristics of tenants on lease renewals. Therefore, this study is primarily concerned with creating awareness of how tenants' demographic characteristics such as age, ethnic origin, marital status, level of education, occupation, income, and family size could be strong variables that influence tenancy renewal rates and consequently reduce tenant turnover. This should contribute to filling the gap in knowledge in this area largely underexplored.

2. Literature

One of the driving factors to a positive cash inflow in the rental housing market is tenant retention. Miller (2010) posits that there is a sizeable impact on cash inflow from residents' retention, shown in a calculation that the cost of turnover always amounts to an upward increase. Continuous or unmitigated tenancy renewal is the lifeblood of Housing Investments. Having good tenants in a property at the moment does not mean they are guaranteed to stick around for a desirable long period.

Bello (2008) was concerned about how to reduce the rate of tenants' exit from the apartment. It was suggested that scientific methods of tenant selection procedures are applied. However, it was also emphasized that the issues of getting a good tenant do not often guarantee that they would stay in an apartment for a desirable period. For Bello (2008), a tenant who got attracted and signed a lease to take up an apartment may suddenly become disinterested in the continuous stay and opt for the exit. However, the relationship of this 'disinterestedness' with the socio-demographic status of the tenant was not explained concisely. However, it puts stress on the responsibility of the landlord/managing agents to retain tenants by encouraging and motivating them to renew their leases over and over again as a priority for landlords and managing partners.

Iruobe et al. (2020) emphasized the usefulness of keeping tenants beyond the returns on investment that are guaranteed. The attendant problem created by voids would have escaped with the ability to keep tenants down on their tenancy contract. It was suggested that getting a lease renewal from existing tenants helps to avoid the laborious and stressful process of finding new tenants, which can be a resource-intensive mess. It saves time and money that would have been spent to:

- Conduct an inspection,
- Clean the property,
- Post adverts,
- Show the property to the client,
- Screen tenants,
- Collect money,
- Explain the lease, and
- Change over utilities, etc

However, how the socio-demographic characteristics of tenants (Principal and Subsidiary) act effectively to limit or structure tenants' interests and decisions to exit a particular apartment has shirked the focus.

Literature abounds that suggests the nature of attraction tenants often have in the choices of abode they make but scantily available on the motivation for the exit that is tied to the socio-demographic characteristic of tenants. Much emphasis has been laid on several variables that attract tenants to take up the lease in the first place. Some of them had considered the socio-demographic composition of the household in question. However, most of the understood consideration is with an 'attraction to the building' or in combination with that of the environment (Waziri, Yusof & Salleh, 2013; Salleh & Badarulzaman, 2012; Varady & Carrozza, 2000; Onibokun, 1974).

However, to get tenants' continued loyalty culminating in tenancy renewal, it is appropriate to stress that an objective assessment of environmental attributes alone cannot suffice. In view of this, different researchers have shown that occupiers' characteristics such as gender and marital status (Galster, 1987, Varady *et al.*, 2001), income, education and employment (Brown, 1993, Freeman, 1998,), age (Varady & Preiser, 1998; Varady *et al.*, 2001, Van Praag *et al.*, 2003, Vera-Toscano and Ateca-Amestoy, 2008), marital status, number of children, family size and length of stay in residency (Brown, 1993; Marans & Rogers, 1975), and housing and neighborhood characteristics such as type of dwelling (Lane & Kinsey, 1980), significantly influences tenants' decisions to or not renew the tenancy. These characteristics as variables influencing housing decisions, whether to continue in tenancy or exit, are beginning to attract attention now and soon.

The criteria commonly adopted during the tenant selection process have featured prominently:

- The issues of tenants' income,
- Employment/occupational status,
- Marital status,
- Family size, and
- Ethnic group (tribe) (Oni, 2011, Gbadegesin and Oletubo, 2013)

However, not much study has been carried out to juxtapose these socio-demographic variables with the probability of tenancy renewals or flight. These characteristics may play some vital roles in tenancy renewals that have been recognized. Thus, they may be responsible for the tenant's unwillingness to renew tenancy or exit abruptly.

The decision to remain in or vacate an apartment has been adduced to result from multiple factors, both objective and subjective, which include physical, social/psychological, management attributes, and the demographic characteristics of residents (Amole, 2009). Thus, pointers are often about what the landlord has to offer and not about 'the taste' of the status group of the 'household-in-question'. Ukoha and Beamish (1997), in their study, have also observed the contribution of tenants' socio-demographic characteristics on the tenants' housing satisfaction and the probability of exit. Short *et al.* (2003) corroborate this view by asserting that tenants' exit or unwillingness to uphold tenancy contracts are associated with tenants' socio-demographic characteristics. Lease renewals, therefore, may be influenced more by the demographic characteristics of tenants - a factor the landlord or the managing firm can do nothing about.

Decisions to abide by an incumbent tenancy agreement are often affected by changes in the income levels of tenants. Thus, tenants may choose to exit a particular apartment due to a rise in wages or pay package and hence, the emergence of a new taste and desired lifestyle (Frank & Enkwa, 2009; Adriaanes, 2007, and Lu, 1999). Contrariwise, Low-income levels can be a barrier or disincentive for a household to seek after a new apartment or dwelling and place to live (Amerigo and Aragones. 1997, Clark and Dieleman, 1996). This speculates on a higher probability for low-income earners to remain in an apartment even when there are more opportunities to get into a more congenial apartment at a moderate price in the neighborhood.

Educational status is observed to consistently play a prominent role in shaping the housing decisions of individual tenants (Waziri *et al.*, 2013). A rise in educational qualification may define what is sought after by a principal occupant and his/her household. Many would, therefore, not want to identify with an apartment that placates them as inferior to their colleagues. Sometimes, the constraint imposed by the educational qualification of principal occupants carries with it other intervening variables. Thus, it is not likely that educational qualification alone influences the decision to renew or exit tenancy for an incumbent tenant as educational levels define 'housing situation'. The studies of Ibem and Amole (2012) in public core housing of Abeokuta, Nigeria, found that educational background, employment sector, age, and sex have contributed significantly to housing situations.

The love for housing types and facilities is often midwived by the status gained in educational attainment. In Nigeria, the housing types 'taste' and facilities 'idealness' have been found to have a direct relationship with the occupant's socio-economic characteristics (Onokerhoraye, 1977). A change in the socio-demographic characteristics of tenants (Principal or Subsidiaries) may be asking for a change in apartment design and facilities, which the current apartment may not have. Therefore an exit is inevitable and foreseeable.

Where tenants fail to uphold renewal and opt for the exit, there will be no income inflow from the property for the moment. This situation culminates in no returns (profit) to the property owner for the period. However, the maintenance of such a property often remains steady (losses). Hunt (2013) was more concerned about this returns gap in the commercial property sector. It was suggested in the interview with David D. Hopwood that the situation often culminates in dire consequences of losses. It was acknowledged that losing a tenant can result in an average of two years of negative revenue determined by the nine months of vacancy, three months of construction improvements, and seven months of concession for a seven-year lease.

Property owners/managers may be able to control tenant flight (Miller, 2010) to a large extent when they know the influence occupiers' demographic characteristics can have on renewal tendencies. Therefore, they strategize for a higher retention rate in the tenant selection process by devising better tenant criteria strategies. It was, however,

suggested that more than sixty percent of turnover, inducing variables are controllable. This implies that uncontrollable factors, such as socio-demographic ones, remain at the bottom of tenant flight. The SatisFacts Index (2009) lists a sample of controllable variables that can reduce resident turnover, which include:

- Maintenance staff's responsiveness and work quality,
- Office staff's courtesy and responsiveness,
- Apartment's pests and bugs control,
- Community cleanliness/lighting/parking, and neighbors

However, the list does not include the tenants' demographic characteristics, making it a critical variable to be given significant attention and consideration. If the sixty percent of factors affecting tenant's exit are given due analytical consideration, it behooves us to also look at the forty percent often overlooked – the socio-demographic characteristics. It might put us on a better footing to estimate the classes of variables influencing more tenants' probability of exit from current tenancy agreements.

According to Miller and Pulket (2001), the 'bells and whistles' amenities and services are often not the driving factors for resident tenancy renewal. They urge us to look elsewhere for the reasons for the tenant's abrupt exit from tenancy. In view of this, the study looked at residential properties, occupiers' age (20 years to above 70 years), ethnic origin (the Binis, other Edo, i.e., from Edo state origin, and other ethnic groups, i.e., outside Edo state origin), marital status, educational attainment, occupation, income, dwelling types, and household size as demographic characteristics of the respondents. This study is, therefore, significant for an unfettered acquaintance with the drawbacks in tenant loyalty that often thwart the achievement of investors' goal of returns on investment.

3. Area of Study

The study was carried out in the metropolitan City of Benin, the capital of Edo State, Nigeria. Benin City is the largest city in Edo State, southern Nigeria. It is an ancient and pre-colonial city dating back to the 12th century, although modernization began in the sixties (Onkerhoraye, 1977).

In 2015 the population of Benin City was estimated at 1,719, 258.4 using a 3.1% population growth rate and a density of 1200km² (3200/Sqm). With the population growth rate, Benin City, no doubt, reflects a dynamic urban Center with lots of pressure on housing provision and, invariably, housing quality and standard (Dimuna & Olotuah, 2019).

Studies have shown that Benin City consists of four distinct residential zones (Ekhasse, 2011). The zones are:

- The traditional core area,
- Intermediate area,
- Urban fringe, and
- Planned settlement areas

The intermediate, suburban fringe, and planned settlement zones were purposively selected because the houses there are mostly investment residential (tenanted) properties, which is the concentration of the study.

Benin City was chosen for this study considering the considerable number of properties, particularly residential properties aesthetically built with quality amenities and in suitable locations and environments facing void periods due to tenants' unwillingness to retain or renew the tenancy. Void periods in real estate investment mean no returns to the investor. This negates the goal of investment which is profit maximization.

4. Methodology

The study adopted a survey design. The study population comprised tenanted households (tenants) in three purposively selected residential zones, namely, the intermediate, suburban, and planned urban fringe areas in the metropolitan city of Benin. Given the infinite nature of the tenanted households' population, Cochran's formula for infinite population size was employed at a 95% confidence level.

The instrument of data collection was the questionnaire administered by research assistants to household heads in residential properties randomly selected in the three residential zones. To measure tenants' tendency to renew the tenancy, the questionnaire was designed on a 5-point Likert Rating Scale ranging from Very Unlikely, Unlikely, Neutral, Likely, and Very Likely. A total number of 1900 questionnaires were distributed. Of them, 1215 were retrieved, representing a response rate of 63.9% used for the study analysis. Data collected were subjected to descriptive statistics and analyzed using various statistical techniques, which included Pearson correlation and multiple regression analysis. The survey (distribution of questionnaires) was carried out between October to December 2020 and January to March, 2021.

5. Results and Discussion

5.1. Profile of Respondents

	Category	Frequency	Percentage
Gender	Not Specified	23	1.89
	Female	558	45.93
	Male	634	52.18
	Total	1215	100.00
Age Bracket	Not specified (NS)	22	1.81
	20 – 24	80	6.58
	25 – 29	150	12.35
	30 – 34	144	11.85
	35 – 39	174	14.32
	40 – 44	202	16.63
	45 – 49	159	13.09
	50 – 54	114	9.38
	55 – 59	118	9.71
	60 – 64	31	2.55
	65 – 69	14	1.15
	70 & Above	7	0.58
	Total	1215	100.00
Ethnic Background	Not Specified (NS)	28	2.30
	Bini	626	51.52
	Other Edo	312	25.68
	Other Ethnic Group	249	20.49
	Total	1215	100
Marital Status	Category	Frequency	Percentage
	Not Specified (NS)	16	1.32
	Single	351	28.88
	Married	684	56.30
	Separated	39	3.21
	Divorced	25	2.06
	Widowed	100	8.23
	Total	1215	100.00
Level of Education	Not Specified (NS)	27	2.22
	Primary/Secondary	83	6.83
	ND/NCE	198	16.30
	First Degree/HND	350	28.81
	Post Graduate Degree	557	45.84
	Total	1215	100
Occupation	Not Specified (NS)	32	2.63
	Public/Civil Servant	646	53.17
	Employed by Private Org.	365	30.04
	Self Employed	151	12.43
	Unemployed	18	1.48
	Retired	3	0.25
	Total	1215	100.00
Household Income	Not Specified (NS)		
	Less than 30 000	42	3.46
	30 001 – 50 000	97	7.98
	50 001 – 100 000	447	36.79
	100 001 – 200 000	323	26.58
	200 001 – 300 000	77	6.34
	300 001 – 400 000	86	7.08
	400 001 – 500 000	79	6.50
	Greater than 500 000	39	3.21
	Total	1215	100.00
Dwelling Types	Not Specified (NS)	2	0.17
	Duplex	136	11.19
	Detached House	33	2.72
	Semi-Detached House	20	1.65
	Bungalow	123	10.12
	Flat	753	61.98
	Single Room Apartment House	100	8.23
	Tenement Building	48	3.95
	Total	1215	100

	Category	Frequency	Percentage
Household Size	Not Specified (NS)	46	3.78
	1 person	92	7.57
	2 persons	146	12.02
	3 persons	168	13.83
	4 persons	272	22.39
	5 or more people	491	40.41
	Total	1215	100.00

Table 1: Respondents' Characteristics

The analysis from table 1 reveals that there are more males (52.18%) than females (45.93%). However, the difference is not so much. The age span through all the age brackets with slight differences, the highest being 40-44years (16.63%), followed by age 35-39 (14.32%), and then by 45-49 and 25-29 with 13.09% and 12.35%, respectively. Others are those aged 30-34 (11.85%), 55-59 (9.71%), 50-54 (9.38%), 20-24 (6.58%), 60-64 (2.55%), 65-69 (1.15%) and 70 and above (0.58%) respectively. Since the study was conducted in Benin City, the greater percentage of the respondents were Binis (51.52%), while the remaining percentage was shared between Other Edo (25.68%) and other ethnic groups (20.49%). Educationally, most respondents had Post Graduate Degree (45.84%), followed by 28.81% with either a first degree or an HND, while the rest appear insignificant. For employment, 53.17% are public/civil servants, 30.04% and 12.43% are in private employment and self-employed, and an insignificant 0.25% are retired. For household income, the greater number are on income between ₦50, 000.00 - ₦100, 000.00 (36.79%) and ₦100, 000.00 - ₦200, 000.00 (26.58%) while few others are on income less than ₦50, 000.00 and more than ₦200, 000.00 respectively. The majority of the respondents are married with 56.30%, followed by the singles (not married) with 28.88%. The rest were widowed (8.23%), separated 3.21%), or divorced (2.06%). The dominant type of dwelling occupied by the surveyed respondents is flat (61.98%), while others live in bungalows (10.12%) and duplexes (11.19%), and some in self-contains (8.17%). The analysis also discloses that a greater percentage (40.41%) of the respondents have a household size of five or more people, followed by a household size of four (22.39%), while those of three is 13.83% and those of two and one are 12.02% and 7.57% respectively.

5.2. Descriptive Analyses

	Age Category	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	NS	3	2	13	7	0	3	28
1	20 – 24	0	1	7	2	1	2	13
2	25 – 29	6	3	12	7	2	5	35
3	30 – 34	1	40	23	14	14	9	101
4	35 – 39	2	47	61	17	22	6	155
5	40 – 44	0	97	195	23	51	11	377
6	45 – 49	4	5	44	17	81	55	203
7	50 – 54	2	38	21	4	73	43	181
8	55 – 59	0	9	7	17	10	19	62
9	60 – 64	2	7	5	10	8	7	39
10	65 – 69	3	2	1	1	5	2	14
11	70 & Above	1	0	0	1	1	4	7
	Total	24	253	487	159	234	58	1215

Table 2: Age Distribution of Respondents and the Influence/Tendency to Renew Lease

Analysis in table 2 shows that respondents with the age group below 44 years (regarded as youth) are not likely to renew their tenancy, while respondents with the age group 45 years and above (adults) are most likely to renew their tenancy rather than exit. This may be hypothesized that anyone giving out a property to a youth (25 – 39 years) may well be abreast that youths are largely unstable and may also wish to try out new forms of housing, unlike adults who are more pre-occupied with settling down and consolidating their wealth and achievements. This finding is corroborated by Van Praag et al. (2003) and Vera-Toscano and Ateca-Armstoy (2008) research works which posit that individuals who are less than 35 years of age are more likely to be dissatisfied with their dwelling and therefore want a change than those who are older (65 years and over). In other words, youths may be more interested in change rather than remain on the spot for so long. Thus, it can be hypothesized that anyone who is still a youth would seek a new accommodation in a different or same location for mere fantasy or boredom. This is obviously not a reason tied to the nature of the property itself, but with the desire to explore their 'freedom of choice' rather than with the 'quality of a residential property and its services'. In fact, the satisfaction levels of individuals are often relative to the age difference.

	Ethnic Group Category	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	NS	1	1	0	7	5	3	17
1	Bini	9	131	286	85	96	19	626
2	Other Edo	11	36	92	39	77	24	279
3	Other Ethnic Group	3	12	56	28	109	85	293
	Total	24	180	434	159	287	131	1215

Table 3: Ethnic Composition of Respondents and the Influence/Tendency to Renew Lease

In table 3, most of the Binis (i.e., the Edo-speaking indigenes) who are the main indigenes of Edo State are not likely to renew the tenancy. This may be because they are familiar with the City and may often find it easy to relocate when they want to. On the other hand, the Other Edo indigenes' (non-Edo speaking indigenes) tendency to renew or not is almost 50-50. It can be seen from the table. This may be because they may see themselves as indigenes of the state and not of Benin City. Therefore, they would renew their tenancy rather than exit to avoid inconvenience. The majority of the other ethnic group who are non-indigenes of Edo state would rather renew their tenancy than exit. The reason for this may be inferred that since they are not from the state, they rather renew their tenancy than inconvenience themselves by having to search for another residence.

	Marital Status	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	0	2	14	0	0	0	16
1	Single	12	96	149	57	28	9	351
2	Married	9	40	112	75	306	142	684
3	Separated	3	12	8	8	3	5	39
4	Divorced	0	0	3	7	14	1	25
5	Widowed	0	1	7	12	77	3	100
	Total	24	151	293	159	428	160	1215

Table 4: Marital Status of Respondents and the Influence/Tendency to Renew Lease

Analysis in table 4 reveals that a large number of the respondents who are married tend to renew their tenancy. The reason for this situation may be attributed to the fact that rather than moving frequently coupled with inconvenience associated with moving or seeking another accommodation, married people would prefer to be settled to concentrate on other areas of life, like job or business, children's education, family well-being, etc. This line of thought is in support of the findings of Galster (1987) and Varady et al. (2001) that married households are more likely to be settled with their housing conditions (Vera-Toscano & ATeca-Armstoy, 2008). The single, just like the youth (less than 35 years of age), are always on the move wanting to explore and therefore would easily opt for exit and take advantage of a better alternative accommodation. This view is also supported by Van Praag *et al.* (2003).

Adams (1992) undertook a research on housing satisfaction, considering the factors of marriage. However, no consensus about the direction of marital factors on renewal tendencies was reached.

	Household Size	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	0	2	3	0	27	14	46
1	1 person	5	28	30	2	18	9	92
2	2 persons	2	42	50	10	20	22	146
3	3 persons	3	40	30	5	40	50	168
4	4 persons	2	12	15	3	172	68	272
5	5 or more persons	5	20	27	12	267	160	491
	Total	24	151	293	159	428	160	1215

Table 5: Household Size of Respondents and the Influence/Tendency to Renew Lease

Analysis of table 5 showcases that the larger the household size of the respondent, the higher the influence/tendency to renew rent. Household sizes of one to two showed unlikely and very unlikely not to renew rent, while household sizes of three were in between, that is, likely and unlikely and very likely and very unlikely to renew rent. However, household sizes of four to five and above clearly showed likely and very likely to renew rent. The reason adduced to this could be the inconvenience of moving large family looking for another suitable apartment which may not be easy to come by.

	Housing Type Category	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	0	2	0	0	0	0	2
1	Duplex	5	27	73	8	7	16	136
2	Detached House	0	7	7	11	7	1	33
3	Semi-Detached House	2	6	5	1	5	1	20
4	Bungalow	3	22	33	28	31	6	123
5	Flat	12	171	286	104	149	31	753
6	Single room apartment	0	15	76	5	4	0	100
7	Tenement buildings	2	3	7	2	31	3	48
	Total	24	253	487	159	234	58	1215

Table 6: Housing Types of Respondents and the Influence/Tendency to Renew Lease

From table 6, the result shows that a greater number of the respondents who dwell in flats have the tendency not to renew their tenancy. This is followed by those who dwell in a duplex, and those occupying a bungalow are in the third position. The reason behind this could be the nature of the rental housing market in Benin City which comprises mostly flats. There is a greater likelihood for respondents dwelling in flats to find accommodation as most building constructions are flats or blocks of flats (due to high demand) or bungalows. Therefore, tenants can take the option to exit tenancy due to the ease of finding another one. Also, it is worth noting that even single-room apartment houses in the near future might take the lead in the rental housing construction market. This is because the desire to build one's own house is very high. Therefore, dwellers prefer to stay in a mini house for the main time while they continue to pursue the desire or dreams to have their own house rather than continue to put all their earnings into landlords and remain in the tenanted property for a longer period of time.

On the other hand, the views of Diaz-Serrano (2005) defer when the researchers opine that individuals living in detached and semi-detached properties rather than multiple occupancy dwellings, such as apartments, flats, and bedsits, tend to report higher levels of housing satisfaction in all European countries.

Diaz-Serrano's (2005) views are corroborated by Lane and Kinsey (1980), when the researchers posit that residents of single-family dwellings and duplexes had the highest levels of reported housing satisfaction compared to those living in other types of housing, that is, multiple-occupancy dwellings.

Ukoha and Beamish (1996), who investigate the effect of different housing types on housing decisions in Nigeria, include not only modern housing provision types such as apartments, single-family houses, and single rooms but also traditional and cultural ones such as townhouses and bungalows. It shows that different housing types can affect the housing decisions of occupiers.

In Nigeria, it has been discovered that Housing types and facilities have a direct relationship with the socio-economic status of occupants (Onokerhoraya, 1977).

	Category	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	3	2	15	3	2	0	25
1	Less than 30, 000	5	0	2	8	23	4	42
2	30, 001 – 50, 000	0	1	3	15	61	17	97
3	50, 001 – 100, 000	2	10	37	48	299	51	447
4	100, 001 – 200, 000	3	66	127	82	34	11	323
5	200, 001 – 300, 000	11	13	33	4	12	4	77
6	300, 001 – 400, 000	0	53	18	2	9	4	86
7	400, 001 – 500, 000	2	61	10	1	2	3	79
8	Greater than 500, 000	3	8	19	2	5	2	39
	Total	29	214	264	165	447	96	1215

Table 7: Monthly Income of Respondents and the Influence/Tendency to Renew Lease Level

Table 7 discloses the income level of respondents and their tendency to renew. The table indicates that the majority of the respondents in the income group of 50, 000.00 – 100, 000.00 are more likely to renew their tenancy. These groups of respondents are single-room apartment dwellers, and these accommodation categories are a bit difficult to find. This is corroborated by the type of housing of respondents (see table 6). Therefore, it can be concluded that respondents in single-room apartments are not likely to exit tenancy. Also, respondents in the income group of 30,000.00 – 50,000.00 and 100,000.00 – 200,000.00 who are tenement, flat, and bungalow dwellers, respectively, were also likely to renew the tenancy. However, their percentage is low compared to single-room apartment dwellers. The tenement dwellers are low-income earners, and this category of dwellings is phasing out and, therefore, more difficult to find, which could be the reason for their willingness to renew despite dissatisfaction because they are financially constrained. The respondents in the bungalow are medium or high-income earners. They would want to be sole occupiers without interference and, for

that reason, may likely renew their tenancy as it may be a bit difficult to find such an apartment. In comparison, the respondents in the flat category of dwellings may also tend to renew as, in most cases, the rent may be low and therefore endure dissatisfaction rather than turnover.

In support of this, Frank and Enkwa (2009) posit that higher income enables one to move to a better location or neighborhood of choice. Therefore, they forestall renewal tendencies. Adriaanes (2007) and Lu (1999) reveal that higher income earners' ability to improve their housing situation through alterations and renovations to suit their housing norms may likely renew rather than exit tenancy.

	Level of Education	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	16	3	7	5	2	1	34
1	Primary/Secondary	1	1	3	6	8	27	46
2	ND/NCE	5	29	18	23	35	68	178
3	First Degree/HND	7	161	144	34	40	14	400
4	Post Graduate Degree	12	217	145	84	47	52	557
	Total	41	411	317	152	132	162	1215

Table 8: Respondents' Level of Education and the Influence/Tendency Level to Renew Lease Level

Table 8 shows the respondents' level of education and its influence on their tendency to renew the tenancy. The findings from the analysis reveal that the higher education households (degree and postgraduate holders) are not likely to renew tenancy as compared to the low-level education households (primary/secondary and NCE holders). This means that higher education households can choose to move to better accommodation since they are financially capable of doing so, hence the option to exit. On the other hand, the lower education households are restricted due to financial incapability and therefore conscripted to renew rather than exit tenancy.

Waziri et al. (2013) observed that educational status had been seen to consistently play a prominent role in shaping individual housing decisions. This is because those with higher literacy express low satisfaction levels compared to those who are less educated in private settings. Freeman (1998), in his view, corroborated that those with higher education would be positively correlated with residential housing decisions as they have a greater capacity to find a better home and neighborhood and, therefore, can opt to exit when they find one. Supporting this view, Lee and Guest (1983) assert that low education sometimes leads to greater satisfaction that leads to the renewal of the tenancy. However, Miller et al. (1980), Yi (1985), and Lu (1999) differ in their views as their studies revealed that low education is associated with greater dissatisfaction and therefore opt to exit. Adams (1992), in his study, considers the factor of education in housing satisfaction. However, there was no consensus about the direction of education on the tendency to renew.

	Job	Tendency to Renew Lease						Total Count
		NS	Very Unlikely	Unlikely	Neutral	Likely	Very Likely	
0	Not Specified (NS)	3	12	6	8	1	2	32
1	Public/Civil Servant	4	93	338	67	89	55	646
2	Employed by Private Org.	8	129	109	23	53	43	365
3	Self-Employed	7	6	12	14	68	44	151
4	Unemployed	1	1	3	0	5	8	18
5	Retired	0	2	0	1	0	0	3
	Total	23	243	468	113	216	162	1215

Table 9: Occupation of Respondents and the Influence/Tolerant Level to Renew Lease Level

Analysis in table 9 shows that the public and civil servant respondents are unlikely to renew the tenancy. This may be tied to the fact that they are financially capable since income is more or less regular and therefore can seek a better apartment anytime they choose to or in the face of dissatisfaction. This is also applicable to retired and privately employed households in well-paid jobs. The case may be different for the self-employed and unemployed respondent households who may be under financial constraints and renew rather than taking the option to exit tenancy. This finding is in alliance with the opinions of Varady et al. (2001), in which occupation was discovered to predict households' housing situation. Freeman (1998) opines that possibly education and employment would be positively correlated with residential housing decisions.

5.3. Inferential Statistics

	Level of Education	Marital Status	Occupation	Monthly Income	Tendency
Level of Education	1.000	0.1291	-0.1306	0.0186	0.5125
Marital Status	0.1291	1.000	0.2112	0.0276	0.7406
Occupation	-0.1306	0.2112	1.000	0.0123	0.6366
Monthly Income	0.0186	0.0276	0.0123	1.000	0.8341
Tendency	0.5125	0.7406	0.6366	0.83411	1.000

Table 10: Cross Tabulation of the Pearson Correlation between Socio-Demographic Characteristics of Respondents (Current Tenants) and Tendency to Renew Tenancy

Table 10 above shows the results of the Pearson Correlation analysis between four demographic characteristics of respondents and the tendency to renew the tenancy. The result shows there is a perfect relationship (correlation coefficient of 1) between demographic characteristic: Education = 0.5125, Marital Status = 0.7406, Occupation = 0.6366 and Monthly Income = 0.8341 of the tenants considered in the analysis and tenancy renewal. In other words, it can be inferred that there is a high likelihood that demographic characteristic of individuals and families influence their housing decisions, particularly tenancy renewal tendencies. It can also be observed that there is particularly a higher correlation between monthly income and marital status. The tendency to renew the tenancy is in alliance with Varady et al. (2001), in which income was discovered to predict housing satisfaction and, consequently, tenancy renewal.

5.3.1. Testing of Hypotheses

- H_0 : Demographic Characteristics of Residential Property Users do not predict tenancy renewal.
- H_1 : Demographic Characteristics of Residential Property Users predict tenancy renewal.

Model	R	R Square	Std. Error of the Estimate	Df	F	P Value	Decision
1	.893	.797	1.104	1212	1.7950	.016	Reject H_0

Table 11: Model Summary (Multiple Regressions) of the Relationship between Demographic Characteristics of Respondents and Exit from Tenancy

This hypothesis was tested using the Multiple Regression (Ordinary Least Square Method) to determine whether the demographic characteristics of respondents predict their exit from tenancy. From the result of the analysis in table 11, a strong positive relationship is observed ($r = 0.893$, $r^2 = 0.797$), and the relationship is statistically significant ($t = 11.679$, $p < 0.05$), $F = 1.7950$, $p(F) < 0.05$. This is evidence to reject the null hypothesis and accept the alternate hypothesis that demographic characteristics of residential property users predict tenants' turnover.

6. Conclusion and Recommendation

The study examines the influences of demographic characteristics of tenants on tenancy renewal tendencies. To achieve this, residential households were targeted, and data obtained were analyzed using frequency counts and percentage distributions, Pearson Correlation, and Regression statistics.

The study found that demographic characteristics of the occupier of residential properties significantly influence tenancy renewal tendencies. Prominent among these characteristics are age, marital status, education, occupation, income, and household size, as they were observed to strongly influence the tenancy renewal tendencies of residential property occupiers.

The results of the Pearson Correlation Analysis of four (education, occupation, income, and marital status) demographic characteristics of respondents were found to be positively correlated with the renewal of tenancies. In addition, the hypothesis tested also reveals that demographic characteristics of residential property users predict tenants' turnover.

Therefore, understanding the influence of demographic characteristics of occupants (tenants) on tenancy renewal decisions will enhance property management practices. It is the opinion of this study that landlords/property managers take into consideration the prominent underlying demographic status of individual tenants. It is likely to influence renewal tendency for informed management strategy as well as recommend good customer relationship that treats tenant as a valued customer to reduce tenant's flight if the goal of investment is to be achieved.

The study is significant for its pointer to the possible abrupt tenant flight that can thwart the achievement of investors' profit maximization goal. Also, the insight gained from this study will be of value to stakeholders, such as residential property investors, with respect to tenants' selection criteria; and the attendant consequence on investment returns if they are to record increased tenancy renewal for continuous returns to investment. Residential managers will find the information useful for effective and efficient property management strategies to meet their principal's goal. In the long run, it should also affect the industry to strengthen a professional insight in property management and delivery strategy.

However, it must be noted that this study was carried out in residential zones of Benin City, the capital of Edo State, Nigeria, with a specific focus on tenants' demographic characteristics such as Age, ethnic origin, marital status, education, occupation, income, dwelling types, and household size.

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