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Exploring Constraints To Office Property Market Maturity In The Metropolitan Areas Of Lagos State, Nigeria

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Abstract

Prior to this decade, most studies to determine the market performance of investors fund in office property have been through the trend analysis of the market outcomes. Such analysis have been observed in recent times to be inadequate within the context of the current global trends where international investors seek better information about how other markets have worked to generate their outcomes. This paper examines the concept of real property market maturity within the context of market evolution and mordenisation. Next, the paper reviews studies on the relationship that exist between office property market performance and market structures. This is followed by the review of the constraints these structures can pose to maturity. These constraints were empirically tested to reveal how it has significantly influenced office property market maturity in a typical commercial nerve of a developing market in Lagos, Nigeria. Findings showed that certain factors have constrained the extent to which the rental market in office property could have been matured. The paper suggests that participants in the market must brace up to change their present attitude if their investment market must not lag behind the current operation of international property market toward maturity; they must be well orientated about the current globalization moves to be incorporated into their local market operation in order to enhance market performance and compete favourably with foreign property investors.

Keywords: Market Maturity, Maturity Constraints, Office Property, Performance, Structures

1.0 Introduction

Traditionally, the ownership of office property in investment decision making has been based upon diverse motives (Thorn Croft, 1965). The challenges of realizing these motives are frequently many and varied depending on its use, and, whether the market is for sale, rental, mortgage and taxation. These have often necessitated several studies and much research into market operations and outcomes to determine the market performance. In some studies, the focus have been on the appraisal of the office property outcomes in sales, rental, yield and growth profiles to capture returns movement, thus explaining the market performances (Tsolacos and McGough, 1999; Ogedengbe. Ighalo and Abegunde, 2002; Asaju and Olawuni, 2002; Oladapo and Olotuah, 2004; and Nwuba, 2004). From other viewpoints, studies on market performance based on the outcomes of sales, rents yields and return growth have been observed to be deficient of the analysis of the market structures and operations that generated most outcomes (Keogh and D'Arcy, 1994; Keogh, 1996; D'Arcy and Keogh, 1997; D'Arcy and Keogh, 1999; and D'Arcy, 2007).

Nowadays, the growing need for accountability and improved performance of investment requires more than returns movements in the market. In other words, analyses on market outcomes based on market known characteristics without explicitly incorporating them in the analysis have been noted to be partial treatment and little knowledge of how the office property market works to generate outcomes. Apart from this, it was noted that the market was placed at the low ebb or background rather than been at the centre theme in most trend analyses (Keogh and D'Arcy, 1994; D'Arcy, 2007). Also investors from other countries different from theirs are seeking to take advantage of increasing opportunities offered by investments not only within their national boundaries but also from global markets and their eagerness to pursue policies of increased diversification. The implication of this quest is that market outcomes based upon rental, sales and yield patterns could no longer be relied upon for explicit market performance.

To redress some of these shortcomings, market modernization to maturity was canvassed (Keogh and D'Arcy, 1994). In modern and matured market, certain features have been identified to be pertinent. These features include real property with diversity of property products that are capable of meeting the diverse objectives of holding and using it; market flexibility and openness; developed professional systems, and improved research and information flow (Keogh and D'Arcy,1994; Keogh,1996). Those studies revealed that to detect an established and modern real property market required many forms of analysis on the present structures of the market in facilitating or constraining market participants' objectives.

However some studies in Asian countries have established that certain factors constraint the extent of their office property market maturity (Seek, 1993 and Armitage, 1996). Since office property markets at different geographical and national boundaries may not have necessarily followed similar evolutionary path of development to maturity, the factors that could inhibit office property market maturity were explored within the metropolitan cities of Lagos State, Nigeria. Within the office property market in these areas the questions to be resolved includes; Is there any link between the market structures and market performance? What are the features of a matured market? What are the constraints militating against the market maturity indicators? These questions formed the basis of subsequent discussions in this paper. This was closely followed by empirical investigation into the constraints factors against office property rental market maturity in Lagos State, Nigeria.

2.0 Market Structures and Market Performance in Office Property Rental Market

In contrast to the market structures in most standard economics literature, property market structures in this paper are classified based on how the market works and based on the market operations that facilitate participants' objectives attainment. In Dunse and Jones (1997), Keogh (1996), Armitage, Keogh (1996), D'Arcy, Keogh (1999), and D'Arcy (2007), office property market structures were classified based on the investment objectives into rental, lease and institutional structures respectively. These form the basis of the review. The financial and legal structures are pertinent to property development and sales market, while the rental and lease structure are relevant to property rental market. The institutional structures are germane to both market situation.

The office property in rental market is traded in the letting market and their rental structure has been theoretically derived from the concept of rental movements and general land use patterns of urban areas. According to Fraser (1993), the concept of rental movement is based on surplus theory that rent is paid for the use of office spaces when the revenue earning potential of carrying on a business activity exceeds the factor costs that the occupiers must provide. Of course, this depends on its efficiency . These rental movements overtime, are based on the changes in the expected surplus of revenue over costs. However, price movement is theoretically explained by price mechanism and how instantaneously market adjustment takes place to produce equilibrating and efficient market (Aspromourgos, 1986). The whole process of market adjustment in office property market cannot be instantaneous due to the intrinsic physical and legal characteristics of office property. That is, the rental movement in office property for instance, may not be enough to sufficiently explain market performance.

However, the early theories of urban structure gave insights to pattern of rental values on urban land. Rents explained in terms of differences in location with respect to a central market or place produce two different market entities (Alonso, 1964; Harris and Ullman 1945). Firstly, there is single market entity for the urban land uses (Von Thunnen, 1967; Pair and Reynolds, 2000) and secondly, rents could arise from multiple centres or series of segmented market entity for urban land uses (Schnare and Struyk, 1976; Ball and Kirwans, 1979; Maclennan, Munro and Wood, 1987, Watkins, 1988).

The empirical investigations into these market entities in most urban areas found the second market entity to be more relevant in explaining the property rental structure . This suggests that there are possibility that attribute rents vary from one submarket to another submarket based on the characteristics of each property (Mills, 1992; Dunse and Jones, 1997). Therefore submarkets influence rental structure but market performance can still be impaired if all known characteristics of the property are not incorporated into the market analysis. An overview of the emerging pattern of values in both the users' and investors' markets can only provide a partial evidence of the state of the market.

Another market structure is the lease structure, customarily described as encumbered tenant-operator ship or tenant-property owner relationship (Thorncroft, 1965). It was observed that the first contact of the professional property manager with the external world is in the management of the relationship between these parties in beneficial partnership. Partnership should involve specialization and division of responsibilities between the two parties with the understanding that there shall be proportional sharing of the profits and losses between them (Black, 1951, Thorncroft 1965). How these conditions are met, therefore depend largely on the attitudes of the parties involved and the nature of assets.

The nature of the asset too is defined in the lease document that creates the relationship, and the rights and obligations of the parties are governed by the type and terms of the lease (Thorncroft, 1965, Evans, 1974, Stapleton, 1982). In other words, the terms and types of any lease agreement are fundamental, as they constitute crucial instruments for lease management, control and performance in the market

However, ownership rights upon which lease terms are drawn especially in office property are characterized with multiplicity of leases which are often governed by multiplicity of holders and investors (Evans, 1974). Single and multiple investors such as individual, families, corporate bodies, companies and institutional investors often hold each of these leases. To a very large extent, except there are proper co-ordination in the market, cases of polarized and interwoven lease patterns among the managed office properties are prevalent, thus affecting market performance.

Several abuses and undesirable phenomenal often times creep into the market where there is no proper management of commercial leases among managed office properties. These include the possibility on the property owners side to dictate terms desired, on a take it or leave it basis and foist a one sided lease arrangement due to monopoly and bargaining strength often lead to disproportionate share of the economic returns; and / or the possibility on the tenants side to exploit the rented spaces thereby resulting into lower rental values that are not commensurate with expected income (Barlowe , 1978). Balance must be struck to ensure performance in this situation.

Other structure is the institutional framework within the market. It represents the set of formal and informal rules and conventions governing the operation of the market as well as the behavior of the set of market participants discharging the rules (Barlowe, 1978; Eggertsson, 1990, Samuels, 1995). These rules often define the transaction environment and structure the transactions incentives for market participant's objectives. Coase (1984) and Hodgson (1994) both observed this structure to be central to all approaches in market analysis. In fact, it is upon this structure that both the rental and lease structures are based. Its role in the explanation of market outcomes makes institutional feature many and varied as discussed in institutional economics literature (Barlowe, 1978; Samuel, 1995; D'Arcy and Keogh, 1999).

However, in practice, D'Arcy and Keogh (1999) noted that this structure is a reflection of the local market practices that ranges from the cultural factor such as the attitude of market participants, and an established written form with legislative force. To an extent, participants' roles have significant implications for the effective operation and performance in the market. Down (1993) reiterated that these traits can exert powerful influence on market performance. For instance in Keogh (1996) it was pointed out that the institutional structure within commercial property market in Spain were to promote the interest of office users thereby causing dissatisfaction and under development in the market for a long time; thereby affecting market performance.

In addition to the investors' and users' cultural influences, the service providers or the professional context of the property transactions are equally crucial in discharging the rules that governs market operations. The professionals or market analysts provide the enabling transaction environment for trade to take place. In fact, the professional roles were enunciated to have significant implications for the characteristics, quality and comparability of the market information generated (Lee, 2000). If the professional system is not well coordinated, then the information base necessary for most decision making within the market may be absent or inadequate thereby affecting performance. Consequently, it was submitted by Keogh (1996) that the professional system that facilitates, interpret and analyze market situation is paramount in the institutional structure of office property market.

Moreover, the physical environment of the property transactions is linked with the planning system upon which market operations are based. Planning do have direct link with the real property market generally. In most cases, planning laws may promote or inhibit market operations. For example, the restrictive and in-appropriate planning controls in some property market often limit the ability to upgrade the core areas of the cities to provide modern property products that can facilitate participants' objectives actualization and enhance performance (Keogh 1996).

Within the context of this study, it has been discussed that there is three-fold connection between rental, lease and institutional structures in office property rental market, and that these market structures have a direct relationship with the market performance.

3.0 The Concept of Real Property Market Maturity

The term "market maturity" according to Armitage (1996) is defined as a stage of development or evolution achieved by a market based on certain parameters. Market maturity as a concept, takes its root from the pressure for the modernization of the real property market in most countries of the world. Apart from being recent phenomenon, it had being a term used both frequently and loosely by participants in the property market to review market process, structures and change in order to further describe market performances. The origin of market maturity was traced to the precipitated economic pressures for changes in most property market process and structures induced by globalisation and increased portfolio diversification among property investors across the globe. . In Asian countries, the notion of property market evolution and maturity were explored through the existing academic materials and evidences of market activity to provide assessment of the developing institutional financial and legal structures of their property markets (Armitage,1996; Keogh, 1996; Chin et al, 2006).

Earlier before this, in 1991, Walker and Flanagan identified a number of market characteristics considered as indicative of Hong Kong's increasing maturity. Jones Lang Wonton (1992) saw the process of market maturity as a useful aid in the understanding of how markets will emerge, mature and perform in the future. To this, the firm argued that issue of market maturity has important implications for the type of real property products that might be appropriately offered to the market city by city within any nation and across nation's in international property markets.

Seek (1995) observed that different markets within different nations will follow a common evolutionary process to maturity, albeit at different rates. This portends that market could have a pattern of development with rapid acceleration in the evolutionary process and then slowing down as maturity stage is approached. Maturity can then be defined in a relative term rather than being absolute since future evolution of market process may render obsolete the current perception of maturity.

The discussion assumed different maturity parameters in Koh (1995) where the terms opportunity, risk and expected returns of property activity at varying level were compared as being mature, developing or emerging markets. These three parameters can be observed insufficient and partial treatment of how the market structures have generated its returns.

In Dickinson (1996) property market evolution and maturity incorporated city growth/urbanization, emergence of the investment market and shifts in principal areas of national economic activity as being forces driving the market evolutionary process in five regional markets within a time frame of 1977 to 1994. Dickinson found that those markets whose evolution is well advanced are volatile thereby suggesting volatility as a feature indicative of maturity.

Market maturity was also explained in the context of market development phases as represented by the performance indicators of rental value fluctuations and long term rental and capital value growth. In other words, the rental value fluctuations and long-term rental growth could indicate property influx, over supply, maturing, mature and post mature phases in development market (Seek, 1995). Among all these earlier studies on market maturity, the parameters developed in Keogh and D'Arcy (1994) has been found to be more robust and detailed on how the market structures have worked to generate most outcomes.

From the foregoing, the paper observed that there are proliferations of maturity factors and the lists could be in exhaustive. Even though the initial work on market maturity foresee this indefinite list of factors, yet it cautioned and suggested that the factors need to be more concise and articulated in proper detail to avoid ambiguity (Keogh and D'Arcy, 1994). No doubt the concept of market maturity is too complex and that there is no single evolutionary path which will be followed by all property markets, yet essential details must not be jettisoned or avoided when drafting the parameters to be used in assessing the market.

4.0 The Constraints on Office Property Market Maturity

Certain factors have been adduced as constraints that can militate against office property market maturity. As pointed out by Keogh and D'Arcy (1994), office property market is a market in many structures. Each of these structures can act as barriers in the effective and efficient operation of the market . It is pertinent therefore; that all the market actors understand the constraints that can militate against their common goal so that personal sentiment and aggrandizement can be dropped to pave way for explicit and transparent actions that can improve the overall condition in the market. These constraints are reviewed within the rental, lease and institutional market structures respectively.

Firstly, the rental structure feature of market maturity should revealed diversity of property products capable of meeting most of the market participants' objectives. However, lacks of both quantitative and qualitative data on property transactions have been commonly observed to hinder defensible analysis (Mason, 1985., Jones, 1995; Dunse et.al. 1997; Ajayi, 1997; Keogh, 1996; Lee, 2001). The provision of statistical data on rental values and returns have been noted to be weak, limited and shrouded with secrecy whereby misinforming the market become a common profit – generating technique (Hemuka,2000,Olaleye,2004, Oladapo,2004). Apart, the confidentiality clauses contained in many leases as a cover constitute added, reasons to the reluctances of private sector organizations to openly publish the information they collect. Equally, the complex nature of office property in terms of its fundamental attributes of fixity, heterogeneity and unique location make transactions to be informal, highly decentralized, disorganized and undefined, hence not readily available pricing information due to lack of data standardisation (Fraser, 1993; Jones, 1995; Ajayi, 1997). From the foregoing, analysts must be careful in its assessment of a particular property and the various market practices prevalent as these constraints can bear on the results and overall conclusion about the market. To have a matured market therefore, require an enabling environment through the concise and participatory efforts of all the market participants.

Secondly, the broad maturity factor under lease structure is market flexibility both in short and long term (Keogh and D"Arcy, 1994, Chin et. al.,2006). Theoretically, leases should be an agreements that solemnized the relationship of property owners and the property users in beneficial partnership (Thorncroft, 1965; Ehimare, 1991). It was equally stated by Barlowe (1978) that a partnering form of lease suggests transparency and drawing strategies in sharing costs and benefits that are logical in actualizing the parties' objectives.

Several local market practices have been revealed as contrast to these ideals. Barlowe (1978) argued that various abuses and undesirable phenomena often times creep into the market where there is no joint agreement for proper co-ordination and lease control. Problem arises when the reform or decree that governs the relationship favoured one party more than the other. In Spanish property market, Keogh (1996) reported that property users or tenants had enjoyed total security of tenure by placing owners at a significant disadvantage prior to Boyer decree of 1985. Apart from this, there were cases where property owners had foisted one sided lease arrangement on a take it or leave it basis especially when there are no skillful agent or property manager involvement in the arrangement. This was one of the feature that characterized Barcelona and Milan commercial property market in Spain, based on the inventory of the leading property data providers (Keogh and D'Arcy 1994, Keogh, 1996). At times, the presence of property manager may mean little to the rigid posture of property owners in lease administration. Besides, McAllister (2001) observed that the vagaries of human nature are often displayed under this aspect of property transaction. The prevalence of the following features have been revealed from previous literature and studies to undermine market development into maturity. These include: rigid adherence to long lease, in the phase of dwindling economic condition; property owners' full control of letting terms; lack of technical know-how to develop lease innovation; lack of market analysis to determine lease incentives or rational lease agreement; lack of co-operation among owners and users on suitable lease term; litigation due to misrepresentation of lease arrangement by the parties; lack of co-ordination of lease market by professional institution; lack of knowledge to ascertain who the market favour; and tenants' perception of supper – normal profit (Dubben and Sayce, 1991, Keogh 1996, and McAllister and Tarbert, 1999).

Thirdly, the institutional structure within the real property market spans through factors such as cultural, the prevailing attitude to real property investors, role of property professionals within the market, the trading environment and the role of government in creating conducive environment within the market. All these must be well coordinated towards the realization of participants' objectives as well as developing the market to a matured level. For instance, the key institutional problems inhibiting urban development and infrastructure provision in the Bangkok metropolitan region as reported by Sayeg, (1992) in Armitage (1996) include: the large number of overlapping government agencies; lack of effective monitoring or co-ordination of various agencies' activities; lack of trained professional staff; an out- dated and centralized administrative and legal framework; low agency staff morale due to preceding reasons; and limited, though improving, political will including taxation and financing options.

Apart from the above, their cultural norms include; dominance of family-control in commercial property; questionable reliability of information; un-transparent business practices were observed to inhibit property market process as well. The above constraints reveal that the necessity of familiarizing with local business practices and the contribution from reliable and proactive local and foreign market participants will be minimal, and the market problems being prolonged. As pointed out by Armitage (1996), the processes that constrain the realization of market development and maturity are as great as the opportunities, hence the constraints need to be reduced or eliminated. Otherwise, the constraints will slow down or prevent much success, hence performance in the market.

5.0 Research Methods

The target population are the Estate Surveyors and Valuers practicing within the ten of the metropolitan areas in Lagos State. Nigeria. The ten areas include; Ikeja, Surulere, Mainland, Island, Eti-Osa, Apapa, Amuwo/Odofin, Agege, Mushin, and Oshodi/Isolo Local Government Areas respectively. Their selections were based on contiguity and prominence in office property development as compared to other areas in Lagos State. A purposive sampling technique was employed with the total number of 276 Estate Surveyors and Valuers registered and practicing as contained in the directory of their professional institution to form the study sample size.

An office property was equally selected from the management files of each of the property managers sampled. This was done in order to ensure uniformity and avoid possibility of not having equal number of office property. Subsequently, close ended form of questionnaire was employed to elicit information about the constraints factors to market maturity on a 5-point likert scale from the Estate Surveyors and Valuers. The Kendall co-efficient of concordance (W) at 5% level of significance was then used to test the hypothesis:

Ho: Certain factors have not significantly constrained office rental market maturity.

The degree of agreement of the factors that constraint office property market maturity among the property managers' ratings was also shown using the equations

Kothari (2007) stated the procedure for computing and interpreting Kendall's coefficient of concordance (W) as follows:

a. All the objects, N should be ranked by all K judges in the usual fashion and this information are put in the form of K N matrix;

b. The sum of ranks Rj assigned by all the K judges is determined for each object.

c. Rj is then determine to obtain the value of S as under $S = (Rj - Rj)^2$ … … (1)

Work out the value of W using the following formula:

$$W = \frac{S}{\frac{1}{12} K^2 (N^3 - N)} \qquad (2)$$

K = the number of judges: that is, number of respondents; N = number of objects ranked

$$\frac{1}{12} K^2 (N^3 - N) \qquad (3)$$

= maximum possible sum of the squared deviations, or the sum S which would occur with perfect agreement among K rankings.

These constraints factors are defined and specified as follows:

Table 1: Definition of Constraints Factors (Variables Ranked) in Market Maturity

S/N	VARIABLES	SPECIFICATION OF VARIABLES
1.	DOMINANT	Dominance of Individual & Family Control Commercial Office
2.	SHROUDED	Shrouded Negotiation Process between Participants
3.	CONSERVE	Conservative Attitude of Property Managers to Data
4.	CONFIDE	Confidential Clause in most Lease Agreement
5.	STANDARD	Lack of Standardization of Rental Information &Market Practices
6.	CORRUPT	High Corruption Level among Property Managers
7.	QUACKS	Nefarious Activities of Quack and Quasi- Professionals

6.0 Discussion of Results

6.1 Background Information about the Respondent

In order to determine the source and quality of data needed for this study the respondent knowledge about the theme of the research become important. The result according to table 2 showed that over 70 percent of the respondents held managerial position in the management of their firms. This was plausible to the quality and reliability of data collected for this analysis.

Table 2. Background Information about the Respondents

Background	Frequency	Percent	Mean/Mode
Status			
Principal Partners	18	8.18	44/81
Branch Managers	60	27.27	
Head of Department	81	36.82	
Estate Surveyors/Valuers	49	22.27	
Others	12	5.46	
TOTAL:	**220**	**100.00**	
Year of Establishment			
Between 1 and 5	36	16.37	44 /
Between 6 and 10	48	21.82	16 and 20
Between 11 and 15	30	13.63	
Between 16 and 20	64	29.09	
Between 21 above	42	19.09	
TOTAL	**220**	**100.00**	

Equally, the years of establishment and practicing of the respondents' firms shows that more than 60 percent of the management firm had been in property management and market transactions for more than a decade. The modal class was between 16 and 20 years represents two decades. This showed that substantives data could be collected from the respondents as most of them were quite familiar with property market activities for many years.

Table 3: Regularity of Receiving Brief for Office Property Management

	Frequency	Percent	Mean/Mode
Most Frequent	82	37.27	55 /82
More Frequent	78	35.46	
Frequent	36	16.36	
Infrequent	24	10.91	
Total	**220**	**100.00**	

The result of table 3 showed the regularity of receiving instructions by the respondents' firms to manage office property on behalf of their clients. It was evident that more than 150 out of the 220 respondents with over 70 percent response had frequent instructions to manage office property. These implied that there were enough office property market transactions to realize the objectives of the study.

Table 4. Means of Receiving the Brief

Means	**Frequency**	**Percent**	**Mean/Mode**
Family/Individual	138	62.73	44 /138
Corporate Company	36	16.36	
Partnership	16	7.27	
Professional Institution	18	8.18	
Others	12	5.46	

The result of table 5 showed that there were different means of receiving the briefs to manage office property in the study areas. Over 60 percent of the respondents revealed that individual and family mostly instructed them to manage office property. Corporate companies, partnership and professional institution only constituted less than 40 percent of the instruction to manage office property. This position could essentially explain diverse attitudinal patterns of the participants in the office rental market.

6.2 Determination of Market Maturity Constraints' Factors

Table 5: Constraints Factors in Office Rental Market Maturity

	SA (5)	A (4)	U (3)	D (2)	SD (1)	M	RII
Dominance of Individual & Family Control Commercial Office Properties	360	240	9	16	5	4.26	0.85
Shrouded Negotiation Process between Participants	25	60	6	142	55	1.95	0.39
Conservative Altitude of Property Managers to Data	225	320	9	30	5	3.98	0.80
Confidential Clause in most Lease Agreement	140	144	30	100	24	2.96	0.59
Lack of Standardization of Rental Information & Market Practices	275	296	12	18	6	4.10	0.82
High Corruption Level among Property Managers	50	80	24	120	50	2.19	0.44
Nefarious Activities of Quack & Quasi-Professionals	270	300	0	20	9	4.05	0.81

SA – Strongly Agree, A – Agree, U – Uncertain, D – Disagree, SD – Strongly Disagree, RII – Relative Importance Index

In table 6 the highest relative weighted mean of 4.26 and highest relative importance index of 0.85 was dominance of individual and family controlled commercial office property. The respondents had really rated this factor as most important factor that has inhibited the office rental market maturity within the metropolitan areas of the Lagos State. The result was consistent with a similar findings in Armitage (1996) on constraints of most Asian cities' property market maturity. This was strictly followed by lack of standardization of rental information and market practices (M=4.10 & RII = 0.82), which Ajayi (1997) pointed out as one of the bane of property market analysis in Nigeria. Other constraints were nefarious activities of quacks and quasi-professional (RII = 0.81) and conservative attitude of property managers to data (RII=0.80) respectively. Earlier studies have found these two constraints as great factors that have really impinged on property market maturity (Dubben and Sayce, 1991, Keogh 1996, McAllister and Tarbert, 1999, and McAllister, 2001).

The least constraint factor was shrouded negotiation process in both rent and lease determination among participants. The level of corruption among property managers was not all that important constraints in market maturity actually suggest that most property managers uphold the ethics and code of conduct of the professional institution.

6.3 Analysis on the Test of Hypothesis

The null hypothesis of certain factors have not significantly constrained office property market maturity in Lagos Metropolis was tested using Kendall Co-efficient of Concordance (W):

Table 6: Randomly Selected 20 Responses For Concordance Scores For Constraints Factors

RANKS-R	DOMINANT	SHROUDED	CONSERV	CONFIDE	STANDARD	CORRUPT	*QUACKS*
S. AGREE – 5	50	05	35	20	30	05	35
AGREE - 4	28	08	48	20	40	16	36
UNCERTAIN – 3	00	00	00	06	03	03	00
S. DISAGREE - 2	04	20	02	12	04	16	04
DISAGREE – 1	10	07	00	03	01	06	02
Sum of R (Rj)	**83**	**40**	**85**	**61**	**78**	**46**	**77**

The table of critical values of S at 5% level of significance for N = 7 and K = 20 gives 1158.7 while the calculated S is 2007. Since the calculated S (2007) is greater than the S(1158.7) from the statistical table, the hypothesis is rejected hence, certain factors actually inhibit the office rental market maturity.

That is, the W figure of 0.1792 is significant indicating there is appreciable agreement in scoring among the respondents.

6.4 Summary of Findings

Certain inhibiting factors to the general maturity of office rental market were shown in Tables 5 and 6.
(a) The study established that some of the factors actually hinder the office rental

market maturity based on Table 6

(b) The most rated constraints factors are dominance of individual and family controlled commercial office property, lack of standardization of rental information and market practices, nefarious activities of quacks and quasi-professionals in the market; and conservative attitude of property managers to market data.

(c)The least constraints factors are confidential clause in most lease agreement, high corruption level among property managers and shrouded negotiation process.

7.0. Recommendations

The study made the following recommendations towards improving the present status of office property market in the metropolitan areas of Lagos State:

1. Since ownership status in the market is mostly dominated by individual and families, measures for re-orientating the property owners must be put in place by professional institutions so that the market does not lagged behind remarkably among other international property market

2. In office property market, participants (owners and users) must be well informed about the risk of undermining the current global discussions and development within their investment market. The attitudes to and perceptions of local investors in office markets must be positive and encouraging towards embracing market maturity features.

3. The national institution and registration board for the practicing property managers in Nigeria must empower and strengthen their members to take a decisive step to changing the present status of the market by sensitizing property owners to change their disposition towards modernizing the market.

4. The Institution and the Board must embark on a pragmatic approach towards the standardization of all property market information such as; rents, property rights, property quality with location in prime, secondary and tertiary areas well defined within the major cities in Nigeria.

5. Quackery must be dealt with by the Board through the incorporation of those involve into the Board' direct supervision and control.

8.0. Conclusion

Studies have established that among others, matured property market should be able to accommodate complex requirements for use and investment activities, offer extensive information flows and research activities, offer market openness in spatial, functional and sectoral terms and presents an extensive property profession with all associated networks (Keogh, 1996). In this study, certain factors have been tested to have constrained the office rental market maturity in the metropolitan cities of Lagos State, Nigeria; typical of a developing country. To redress these in order to have a virile and mature property market required a persuasive and voluntary will from all the market participants so that the office property market can compete favourably with its counterparts across the globe.

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