

The Reliability of The Investment Method of Valuation in Valuing Income Producing Properties For Mortgage in Nigeria. A Case Study of Calabar Metropolis

James B. Effiong

Department of Estate Management
Cross River University of Technology, Calabar- Nigeria

Abstract

This study examined whether the investment method of valuation is reliable and appropriate in the valuation of income producing properties for mortgage purposes. A mortgage is a loan which is granted on which landed properties are used as collateral or security for the loan. For mortgages to be granted, the banks will require the services of estate surveyors and valuers to assess the value of the properties used as collateral for the loan. The question that always comes to bear is the method that appropriate in carrying such valuation. To achieve the aim of the study, a survey method was employed using questionnaire administered on respondent estate surveyors and valuers in Calabar metropolis. The study surveyed valuers opinions on the on the reliability of the investment method of valuation when valuing for mortgages and data collected through questionnaire was analyzed using descriptive statistics to find the mean score, standard deviation and percentages. The findings from the study indicate that the investment method of valuation is the most reliable and applicable method in valuing income producing properties for mortgage purposes. The possible problems of the investment method were seen to include absence of data on sales, comparable evidence on rent, dearth of data on yield, lack of data bank etc. The study concluded by recommending the creation of a central property database and publication on quarterly, bi-annually or yearly, adopting/enforcement of international valuation standards, re-training of valuers through workshops or MCPD. The investment method of valuation when fully embraced and adopted by valuers rather than the cost or comparison method, will further help to reduce valuation variance and inaccuracy in Nigerian.

Keywords: valuation, investment method, mortgage, reliability, Calabar, Nigeria

INTRODUCTION

Valuation plays an important role in the determination of the value of properties either for mortgage, sale, purchase, rental, compensation, insurance, rating etc. In carrying out any valuation assignment for mortgage purposes, the valuer is faced with a task of selecting the appropriate method to adopt in such assignment. Most valuers in Nigeria often adopt the cost method; some adopt the market comparison approach while only a few adopt the investment method of valuation. Theoretically, the investment method has been considered as appropriate in valuing income producing properties for mortgage purposes. On the contrary, majority of the valuers in practice often adopt the cost method of valuation. The question still remains, which method is the most reliable when valuing income producing properties for mortgages? This and other questions that bother on the reliability of the investment method is examined in this research.

The theory of the investment method of valuation is that property is regarded as an investment yielding income in the form of rent or profit accruing from it. This is the

most common method used not only for freehold interests but also for leasehold interests, life interests and reversions. The operation of this method involves the determination of the annual value in which the property can produce annual return on the money expended on buying the investment. This has to be capitalized using appropriate rate of interest in arriving at the capital value of the property. In Nigeria, banks and mortgage institutions give out loans to real estate developers and investors. In doing so, they often require the services of an estate surveyor and valuer who will determine the value of the property of the borrower to advise them on how much money that will be advanced as loan to such real estate developers or investors. The property whose value is being determined is used as collateral for the loan.

In secured lending, the underlying philosophy is to determine the value of the asset on which the loan is based and to ensure that the former is greater than the amount borrowed. The degree by which the asset exceeds the loan provides the margin of asset cover or

the loan-to-value ratio. The investment method of valuation involves the conversion of an income flow from property to an appropriate capital sum. The approach to the determination of value is based on a sound principle and method which has the market behaviour as its central focus. Ogunba (2013) have noted that the investment method of valuation is based on the principle of anticipation which affirms that value is created by the expectation of benefits to be derived from possession, operation and capital gain at re-sale. The principle according to him, uncovers the relationship between anticipated earnings (rental income) and value for comparable property types. There are numerous reasons about the suitability or credibility of investment method. Chief among them is the fundamental issue of assessment of the monetary worth of the interest in property and not the physical structure or land (Kalu, 2001).

The investment method of valuation has three primary variables in the determination of capital value as rental value, outgoings and yield. The method is used mainly for income producing properties and is being examined in this paper to know how reliable and applicable in valuing properties for mortgage purposes.

STATEMENT OF PROBLEM

There is always a disagreement on which method to adopt when valuing income producing properties for mortgages. In determining the value of properties for mortgage purposes, majority valuers often adopt the cost method of valuation which does not give a clear understanding of mortgage valuation. The cost approach is based on the understanding that market participants relate value to cost. The forces of demand and supply determine the value of a property and not supply only of which cost is associated. Since mortgage is an investment in the open market, the cost approach will not be appropriate. Where a property has no market demand, it cannot have a mortgage value. The method will not reveal the potential of the collateral in the property market. Therefore, the blind adoption of this method for mortgage valuation is a misnormal and should be discontinued. Some valuers also adopt the market comparison approach but this approach is most applicable in an active market particularly where open market valuation is envisaged. However, where worst possibilities are presumed as in the case of forced sale valuation, the reliability of the market comparison approach to determine the forced sale value of collateral is doubtful (Aluko, 1999; 2007). This paper is therefore limited to the study of the investment method of valuation and its reliability in the valuing income producing properties for mortgages in Nigeria.

OVERVIEW OF THE INVESTMENT METHOD

Investment is the outlay or giving up of a sum of money in expectation of future return. This compensates for both the outlay, inflation, interest forgone and risk. The benefits of investment depend upon the quality of decision (Arumugan, 2007) as cited in (Idowu, Babawale and Anyakora, 2012). Richmond (1975) sees investment as the foregoing of a capital sum in return for a regular stream of income over a period of time. Enever (1981) looks at investment as the giving up of capital sum now in exchange for benefits to be received in the future, such as an income flow and/or capital gain. In the view of Nwanekezie (1996), investment is the commitment of resources in property or business based on capital analysis of expected benefits and risks with the expectation of realising profits either immediately or more often over an extended period. Investment in a general sense can be seen as the parting with present capital in return for future income. Generally, investments have varying dimensions depending on the nature, quality and area of the investment (Ogbuefi, 2002).

The investment method of valuation has a long history especially in countries such as the United Kingdom where property investment go back almost before the rise of the cash economy, indeed, property valuation by this method, is known to have been made easy in ancient Egypt. Historians have been able to estimate the decline in population during the third century AD from the record of rising capitalization rates used in property transactions (Ifediora, 1993). He further explained that the investment method which he called the income or capitalization method of valuation has its origin in the writings of the theory of interest. This was held by Bawerk cited in Ifediora (1993) that the explanation of interest lies in the valuation process in the fact that men tend to value the same good more highly in the present than in the future. The investment method of valuation is based on the principle that annual values and capital values are related to each other and that, given the income a property produces, or its annual value, the capital value can be found (Millington, 2000). The method is widely used by valuers when properties which produce an income flow are sold to purchasers who are buying them for investment purposes. Millington (2000) have noted further that as majority of property purchaser have to raise finance by borrowing, the investment method of valuation in its simplest form may not provide an entirely correct way of assessing the value of an interest to a particular prospective purchasers. He suggested that a mortgage/equity approach should be adopted in such situation.

The investment method of valuation when used in valuing properties involves the determination of the gross rent, outgoings, net income and yield or capitalization rate or discount rate and determination of the income to be capitalized (Olusegun, 2003; Ogunba, 2013). The formula can be written as: Capital value = Gross rental value – outgoings x yield.

Baum, Mackmin and Nunnington (2011) have noted two distinct approaches have developed for assessing the market value of an income producing property. The first been to assume a level of continuous income flow and using an all risk yield or capitalization rate derived from the analysis of sales of comparable properties let on similar terms and conditions. The second approach according to them is the discounted cash flow (DCF). The purpose of income property valuation is to duplicate the behaviour of average investors (Ajayi, 2010). However, this has not been possible in practice due to the divergent results of valuation which put both the Estate Surveyor and their clients at different angles. This might not been unconnected to the way and manners surveyors determined their valuation, thus the issue of accuracy and reliability of valuation methods required proper examination (Idowu, Babawale and Anyakora, 2012). They noted further that Property valuation in Nigeria has been witnessing a lot of problems which seem to have brewed doubt in the heart of users of reports submitted by valuers.

Inaccuracy and variations were observed by researchers as responsible factors (Ogunba and Ajayi, 1999, Ojo 2006, Iroham 2007, Ajayi 2009). This arose from different bases and methods of valuation used for the same valuation assignment by Estate Surveyors and Valuers. On the other hand, Babawale (2009) identified lack of consistency and transparency on the part of the Estate Surveyors and Valuers when reporting their work. According to Wyatt (2007) cited in Dugeri (2009) imperfections and inefficiency of the property market are other factors which affect final output of the valuations. Generally, given the environment where the Nigerian valuers operate and the characteristics of the properties one may not be surprised at the discrepancies that usually accompany their opinion of value. Due to the heterogeneous nature of property market, the valuer's expertise, wealth of experience and knowledge are key in choosing appropriate rent, cost of the outgoings and the yield to adopt in his valuation. Other considerations such as the purpose of valuation, irregularity/regularity of valuations by surveyors and access to data might be responsible for inaccurate and variation in valuation (Idowu, Babawale and Anyakora, 2012).

Ayedun (2009) have opined that the investment method is the most appropriate in valuation of income producing properties. It is the estimate of the present worth of the right to future benefits. The implication of this is that annual values and capital values are related. This implies that the variable i.e. the annual net rent and the years purchase must be accurate or near accurate otherwise there is bound to be problem. The appropriateness of the investment method will be in doubt if there is a misleading in the determination of the rent and the capitalised rate (Idowu, Babawale and Anyakora, 2012). They noted further that, the issues raised by Wyatt (2007) reported in Dugeri (2009) as regards the imperfections and inefficiency of the property market must be examined by the estate surveyors in their final output. Thus, necessary care must be taken in the determination of the multipliers since this depends on the experience of the valuer. Idowu, Babawale and Anyakora (2012) showed that the investment method is appropriate when valuing income producing properties even though most valuers do not understand all the methods used in investment method.

CONCEPT OF MORTGAGE VALUATION

A mortgage valuation can arise from a consent given by a bank or a request from its customer to borrow money from the bank. The loan is usually backed by a collateral security which the bank calls for its valuation to determine its market value (Mfam and Akpan, 2014). A mortgage is a transaction in which one party (a mortgagor) grants another party (a mortgagee) an interest in his property as a security for a loan that the mortgagee is granting the mortgagor (Ogunba, 2013; Johnson, Davies and Shapiro, 2000). Aluko (2007) sees mortgage as the giving of an interest in land as a security for the repayment of a loan, the borrower having the right to recover the title to the land when the loan is repaid. He further stated that the person at critical disadvantage or position should there be a default in the payment of the loan is the mortgagee or lender. Aluko (2007) and Ogunba (2013) have listed e four remedies to the mortgagee if the mortgagor defaults in the repayment of the loan to include the following.

- i. To take possession of the income of the property personally.
- ii. To appoint a receiver of the income of the property.
- iii. To apply to the court for a foreclosure order of sale. The essence of this foreclosure is to extinguish the mortgagor's interest in the mortgaged property.
- iv. To sell the property under the implied power of sale.

A property is valued for mortgage on the same principle as for sale though they involved different purpose and method. But Aluko (2007) have observed that the implication of the current trend in mortgage valuation practice shows that property valuers are not reflecting appropriate bases, methods and information contents in mortgage valuations. This however, has resulted in valuation variance and inaccuracy among practitioners in Nigeria. Another scholar, Ajibola (2010) have also observed that mortgage valuation in Nigeria is not a good proxy for sale. The study of Oluwunmi, Ajayi, Olaleye and Fagbenle (2011) focuses on Clients' Satisfaction with Mortgage Valuation Reports in Nigeria and they observed that mortgage valuation practitioners require a search for additional information for improved and full knowledge best practice because in mortgage valuation reporting, the valuer needs to provide adequate, appropriate and relevant information which the bank will rely on to grant the mortgage. Their study has shown that mortgage valuation reporting has not produced optimum satisfaction to the clients.

Aluko, Ajayi and Amidu (2004) conducted a study to find out how reliable valuations for mortgage purposes are. He examined if the open market valuations are a good proxy for prices in Lagos metropolis and interviewed 42 lending institutions and 59 estate surveying and valuation firms through stratified sampling. His methodology regressed the open market value for mortgage of each of the sampled properties onto its transaction prices. In order to test the reliability of mortgage valuations, he collected data for 121 open market sales relating to transactions on mortgaged residential properties from the Nigerian Deposit Insurance Corporation (NDIC), lending institutions and estate firms. The bank ordered a valuation of a mortgagor who was unable to redeem his mortgage to the lender on an open market basis before a sale of the collateral security. The valuation was carried out on the same basis as mortgage valuation executed before a loan is given. The data collected was from January 1994 to December 2002. The result shows that the relationship between the values and the prices of the properties sampled was 78% and it was significant at $p = 0.0000$ and 61% of the prices accounted for inaccuracy in their values. He concluded that the evidence from his regression analysis shows that there is a relative degree of accuracy in the open market valuation for mortgages and that they are a good proxy for predicting market prices, although the accuracy is not as good as that obtained in UK, USA and Australia. Aluko et al (2004) also noted that value should be reported as a range rather than a single point estimate. They further opined that there is need for valuers to adopt statistical analysis in their valuation as this would help to improve

valuation accuracy and reliable value prediction or estimation.

VALUATION METHODOLOGY

In carrying out a valuation for Mortgage purpose the ordinary principles of valuation applies. The Estate Surveyor and Valuer ensure that in the case of default by the mortgagor, the mortgagee's fund is secured (Johnson et al, 2005) cited in Bello and Okorie (2012). To realise the security in the future, the sales price as at the time of valuation must be sufficient to cover the mortgage debt, arrears of interest and costs, or else the mortgagee will suffer loss. Therefore it is imperative that the value of the security be ascertained using appropriate methods of valuation and the predicted price reflect that market behaviour. In practise the valuation methods available are the comparative, investment, cost, profit and residual methods. Residual method involves the valuation of properties that have development potentials whether green field site or obsolete building. Profit method on the other hand is used to value properties which are specialised and have limited potentials for conversion to alternative use other than for running a business. While the investment and comparative methods are used for commercial properties that can generate income, the cost method is used for specialised properties (police stations, mosque, churches, town halls and duck yard) which cannot generate income and does not change hands often in the market place. The choice of approach (method of valuation) depends on the type of property, clients' purpose and data at hand; the information gathered will assist in arriving at the market value of the property (Wyatt, 1997; Gyamfi- Yeboah and Ayitey, 2006) cited in Bello and Okorie (2012).

Aluko (2007) have noted that the most reliable and applicable method of valuation for mortgage purpose is the investment method of valuation. Since a mortgage is an investment, the method is good in assessing the investment value of the collateral. Effiong (2007) conducted a study in Calabar to assess the value of residential properties for mortgage purposes and the result of his findings indicate that the investment most of valuation is the most reliable and applicable method when valuing income producing properties for mortgages. He concluded that despite the inherent problems and difficulties encountered in applying the method, it still remains the best method of valuation for mortgages. Bello and Okorie (2012) also conducted a study on the appropriateness of the cost method of valuation in valuing income properties for mortgages in Abuja. Their study surveyed 107 estate surveying and valuation firms and 18 licensed commercial banks. Their findings show that investment method assessed

properties used as securities for loan have a statistically significantly higher mean sale price on foreclosure than Cost Method assessed properties. In other words, the mean sale price of investment method-assessed properties used as securities for loan when sold on foreclosure is greater than the Cost Method assessed properties. The investment method of valuation is therefore more appropriate than Cost Method for income producing properties used for securing bank loan. The use of Cost Method for income producing properties used for securing bank loan produces lower prices on foreclosure. This suggests that the use of Cost Method of valuation for income producing properties is inappropriate. Values estimated by this method may mislead the banks and consequently result in banks not being able to recover loans advanced on such security properties. This has the tendency of eroding the confidence imposed on the valuers (Bello and Okorie, 2012). Their study concluded that properties assessed using the investment method have their confidence intervals below 0.00 (valuation figures are below the sales prices on foreclosure) suggesting that property values appreciated overtime. For the properties valued using the Cost Method, the confidence intervals are above 0.00, which implies that although, the price of the property at foreclosure provided adequate cover for the loan, the valuation figures were higher than the sales price at foreclosure. They recommended that the cost method of valuation should not be used for income producing properties especially for bank loan as the value realised at foreclosure will not actually represent the market value of the property (Bello and Okorie, 2012).

MATERIALS AND METHODS

The research adopted the descriptive research design and the survey method was used to collect data for the study. Structured questionnaires were administered on respondent's estate surveyors and valuers in Calabar metropolis for data collection. A 4-points Likert scale (where 4=strongly agree, 3=agree, 2=disagree, and 1=strongly disagree) was used to rank the response from respondents. The study surveyed 30 practising Estate Surveyors and Valuers in Calabar metropolis, Cross River States. The convenience sampling technique was used in selecting the respondents because the sample size was small. The questionnaire was administered on them on the reliability of the investment method of valuation when valuing income producing properties for mortgages. 28 questionnaires were completed and returned achieving a response rate of 93.33%. Data collected from the respondents were analyzed using statistical tools. The required test involved the determination of percentiles, means score and standard deviation and used to analyze participant's

questionnaires to determine the significance of ranked parameters.

RESULTS AND DISCUSSION

The results from study obtained through the analysis of questionnaire are presented below on the reliability of the use of the investment method of valuation in valuing properties for mortgage purposes.

Table 1: Use of Investment Method of Valuation

	Frequency	Percent	Valid Percent	Cumulative Percent
No	18	64.3	64.3	64.3
Yes	10	35.7	35.7	100.0
Total	28	100.0	100.0	

The result from the above table shows that majority of estate surveyors and valuers do not use investment method of valuation in practice when carrying out valuation assignment. This is shown by the 64.3% representing "No". Only 35.7% use investment method of valuation within the study area.

Table 2: Often Use Investment Method of Valuation

	Frequency	Percent	Valid Percent	Cumulative Percent
Regular	4	14.3	40.0	40.0
Very Regular	4	14.3	40.0	80.0
Not Regular	2	7.1	20.0	100.0
Total	10	35.7	100.0	

The result above shows that 14.3% use the use investment method of valuation regular and very regular while 7.1% don't use it regular.

Table 3: Ever Used Investment Method of Valuation

	Frequency	Percent	Valid Percent	Cumulative Percent
No	18	64.3	64.3	64.3
Yes	10	35.7	35.7	100.0
Total	28	100.0	100.0	

The result in the above table indicates that only 35.7% only have ever used the investment method of valuation within the study area.

Table 4: Other Methods of Valuation used by Valuers in Practice

	Frequency	Percent	Valid Percent	Cumulative Percent
Cost Method	15	53.6	53.6	53.6
Comparison Method	13	46.4	46.4	100.0
Total	28	100.0	100.0	

Majority of estate surveyors and valuers in practice use mostly the cost method of valuation when valuing for mortgages as indicated in the above result by 53.6% while 46.4% use comparison method of valuation in valuing for mortgages.

Table 5: Reliability of the Investment Method of Valuation

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	1	3.6	3.6	3.6
Disagree	5	17.9	17.9	17.9
Agree	12	42.9	42.9	46.4
Strongly Agree	10	35.7	35.7	82.1
Total	28	100.0	100.0	100

Results on the reliability of investment method show the method is very reliable in valuing income producing properties for mortgage purposes. This is represented by 42.9% agreed response and 35.7% strongly agree response. Only 1% strongly disagrees and 17.9% of the respondents disagree on the reliability of the investment method of valuation when valuing for mortgages.

Table 6: Accuracy of Mortgage valuations

	Frequency	Percent	Valid Percent	Cumulative Percent
Accurate	24	85.7	85.7	85.7
Over Valued	4	14.3	14.3	100.0
Total	28	100.0	100.0	

Majority of estate surveyors and valuers believed that valuers in Calabar assess the value of properties for mortgage valuation accurately. This is represented by 85.7% while only 14.3% believed the valuations were overvalued.

Table 7: Consistency of the Investment Method of Valuation

	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	8	28.6	28.6	28.6
Strongly Agree	20	71.4	71.4	100.0
Total	28	100.0	100.0	

On the consistency of the investment method of valuation, valuers accepted that the method is very consistent and this can be seen in the 28.6% and 71.4% for both agree and strongly agree.

Table 8: Results on use of Investment Method of Valuation

Variables	Mean score	Std. Error of mean	STD. Dev.	Rank
Consistency of investment method	3.7143	0.08694	0.46004	1 st
Reliability of investment method	3.6429	0.17224	0.91142	2 nd
Often used investment method	1.8000	0.24944	0.78881	3 rd
Use other methods	1.4643	0.09598	0.50787	4 th
Use investment method	1.3571	0.09221	0.48795	5 th
Ever used investment method	1.3571	0.09221	0.48795	5 th
Level of accuracy	1.1429	0.06734	0.35635	6 th

Author's Field Survey, 2015

Results on the reliability of the investment method of valuation have shown that the investment method of valuation is the most reliable and consistent method to be used when valuing income producing properties for mortgage purposes. As shown in table 8, consistency of the method was ranked first followed by reliability of the method. The findings also indicate that only few valuers use the investment method and practice while majority adopt the cost approach and market comparison approach to valuation in valuing properties for mortgages. The study also reported on the reasons why majority of valuers don't use investment method and the problems encountered by valuers who use it to include inadequate knowledge of the property market, absence of data on sales, lack of comparable evidence, and dearth of data on yield amongst others. These problems affect the use and accuracy of the investment method of valuation in Nigeria.

CONCLUSION

The investment method of valuation has been examined for its reliability in valuing income producing properties for mortgage purposes in Nigeria. It is observed that the role of the valuation for mortgage purpose have continue to change and valuers have to adapt to the change if not their professional integrity can be put at risk by their failure to adopt to changing situations. There is no gainsaying the fact that the investment method of valuation despite its inherent problems and difficulties encountered in applying it, still remains the most reliable and consistent method when valuing income producing properties for mortgage purposes. The study has contributed to existing knowledge in the field of valuation by discouraging the use of cost and comparison methods for mortgage valuations and encouraging the adoption of the investment method of valuation. This is because the cost and comparison methods are not reliable and they lead to variance in valuation. The findings from this study in Calabar are line with studies in other Nigerian cities such as Abuja

and Lagos especially the study of Bello and Okorie (2012) and Idowu et al (2012) who carried out a study in Abuja to determine the appropriateness of the cost method of valuation for bank loans in Abuja and a study on evaluation of the appropriateness of the investment method of valuation for residential properties in Lagos. The study concludes by recommending the creation of a central property databank and publication on quarterly, bi-annually or yearly transactions on sales and rentals, adoption/enforcement of international valuation standards, re-training of valuers through workshops or MCPD seminars.

REFERENCES

- Ajayi, C. A. (2010). Property market dynamics and paradigm shifts in property investment valuation methodology. Paper Presented at an Inaugural Lecture of the Obafemi Awolowo University, 234: Ile-Ife, Nigeria: Obafemi Awolowo University Press Limited.
- Ajibola, M. O. (2010). Valuation inaccuracy: An examination of the causes in Lagos Metropolis. *Journal of Sustainable Development*, 3 (4), 187-193.
- Aluko, B. T., Ajayi, C. A., and Amidu, A. R. (2004). The Estate Surveyors and Valuers and the Magic Number: A point estimate or range of value. *International Journal of Strategic Property Management*, 8 (3), 149-162.
- Aluko, B. T. (2004). Reliability of Mortgage Valuation for Institutional Lending in Nigeria. *International Journal of Strategic Property Management*, 8 (4), 193-203.
- Aluko, B.T. (2007). Implications of the current trend in mortgage valuation in Nigeria. *International Journal of Strategic property Management*, 11(1), 17-31.
- Ayedun, C. A. (2009). Reliability and consistency of the investment method of valuation. Unpublished Doctoral Dissertation. Covenant University, Ota, Nigeria
- Babawale, G. K. (2009). Towards a standardized approach to real estate valuation practice in Nigeria. *The Estate Surveyor and Valuer*, 32(1), 18-28.
- Baum, A., Mackmin, D., and Nunnington, N. (2011). *The income approach to property valuation 6th ed.* Great Britain: EG Books.
- Bello, V. A., and Okorie, A. (2012). Appropriateness of the cost method in valuing income producing properties for bank loans in Abuja, Nigeria. *The Estate Surveyor and Valuer*, 37 (1), 39-47.
- Dugeri, T. (2009). Internalisation of valuation standards: Relevance and applicability issues in the Nigerian context. In: Olawore, A. (ed). 9th AFRES Conference Proceedings. Lagos: Nigeria.
- Effiong, J. B. (2007). Assessment of the value of residential properties for mortgage purposes using the investment method of valuation. A case study of Calabar. Unpublished B.Tech Dissertation, Department of Estate Management, Cross River University of Technology, Calabar.
- Enever, N. (1981). *The valuation of property investment 2nd ed.* Great Britain: Pitman Press.
- Idowu, O.B. A., Babawale, G. K., and Anyakora, M. I. (2012). An Evaluation of the appropriateness of the investment method of valuation for residential properties in Lagos. *Journal of Emerging Trends in Economics and Management Sciences*, 3 (1), 77-84.
- Ifediora, G. S. A. (1993). Appraisal Framework. Lectures on Theory, Principles, Methods and Practice of property valuation. Nigeria: Iwuba Ifediora and Associates, Enugu-Nigeria.
- Johnson, T., Keith D., and Shapiro, E. (2000). *Modern methods of valuation. Houses and Buildings 9th ed.* London: Estate Gazette Limited.
- Kalu, I. U. (2001). *Property Valuation and Appraisal*. Owerri, Nigeria: BON Publications.
- Mfam, C. E., and Akpan, K, E. (2014). Analysis of Commercial Banks Requirements for Mortgage Valuation Reporting in Nigeria. *The Estate Surveyor and Valuer*, 39 (2), 7-14.
- Millington, A. F. (2000). An introduction to property valuation 5th ed. London: EG Books.
- Nwanekezie, F. O. (1996). Principles and Practice of Estate Management. Owerri-Nigeria: Avan Global Publication.
- Ogbuefi, J. U. (2002). Aspects of feasibility and viability studies. Enugu: Institute for Development Studies.

Olusegun, K. (2003). Principles and practice of property valuation. Lagos: Olusegun Kuye & Associates.

Ogunba, O. A., and Ajayi, C. A. (1998). An assessment of the accuracy of valuations in the residential property market of Lagos. The Estate Surveyor and Valuer, 21(2), 19-23

Ogunba, O. A. (2013). Principles & Practice of Property Valuation in Nigeria. Atlantis Books Publishing, Ibadan-Nigeria.

Oluwunmi, A. O., Ajayi, C. A., Olaleye, A., and Fagbenle, O. I. (2011). An analysis of clients satisfaction with mortgage valuation reports in Nigeria. Journal of marketing Studies, 3 (2), 160-168.

Richmond, D. (1975). Introduction to valuation. London: Macmillan Press Limited.