

AN ASSESSMENT OF THE CAUSES AND EFFECTS OF ABANDONMENT OF DEVELOPMENT PROJECTS ON REAL PROPERTY VALUES IN NIGERIA

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ABSTRACT

The prevalent and incessant abandonment of development projects are alarming that it creates several negative effects to real property values, as well as, to the owners, residents, the built environment and the economy as a whole. The purpose of this paper is to investigate and determined the various causes of abandoning development projects and the effects of such causes on real properties and its values in Nigeria. This paper utilized the quantitative research approach with Likert Scale questionnaire design of 213 (Nr) questionnaires. 145 (Nr) questionnaires were completed and retrieved from the respondents, representing a response rate of 68.0%.

The analysis utilized the Relative Importance Index (R.I.I.) method and the results are presented in tabular form. The findings confirms that at least 22 factors were the causes of development projects abandonment in Nigeria with most including payment remittance Delay, lack of adequate fund allocation, leadership instability, death of the investor/client/owner, inconsistency in government policies, improper project planning and design, improper project costing, land disputes/legal issues, changes in investment purpose, etc.

Further, the findings reveal that at least eight (8) effects on real property and its values, and these include; real properties total value reduction, total income receivable from the real property reduction, becomes a disappointing thing to the owner and the populace, increasing effects of environmental issues to the real properties and the built environment, a reduction in the motivation to attracting investment in real properties, waste of financial and material resources, etc. The reflection is that allocating reasonable finance, developing appropriate and effective implementation plans and monitoring, evaluation and reporting on development project activities by key actors should enhance in resolving these development projects abandonment causes and effects on real properties and its values in the economy.

KEYWORDS: Abandonment, Development Projects, Causes, Effects, Real Property Values