

**EXAMINING AND SUGGESTING REMEDY TO THE EFFECTS OF URBAN  
INFORMAL SECTOR IN URBAN RESIDENTIAL PROPERTY MARKET IN  
BAUCHI NIGERIA**

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**Abstract:** *The resident is the basic necessity to a better health delivery system not the clinic (WHO, 1999). Simply, only 25% to 30% Nigerians, typically highest government executives plus wealthy and privileged people enjoy a decent resident (Azzan et al 2005). The infinite bulk of households, especially those in an informal settlement, live in jammed conditions, surrounded by substandard houses, sometimes located in areas which do not offer satisfactory resistances against disease and other health hazards. Objectives of this article are: to investigate the contemporary practices of the urban residential property market in Bauchi, Nigeria; to examine the activities of the urban informal sector in the urban residential property market in Bauchi, Nigeria; and to assess the consequences of the activities of the urban informal sector in the urban residential property market in Bauchi, Nigeria. Review of relevant literatures ascertained that irregular settlements have become so prevalent that seem to outnumber the validly, legally, legitimately planned developments in the residential property markets in Bauchi, Nigeria (Chirisa, 2008). Their validity appears to be no longer in question. Unfortunately, the appalling and terrible environmental conditions related to informal sector activities and settlements create a major hazard to the well-being of metropolitan life. The weaknesses of government planning controls, and the disorganized developments connected with the informal sector have created confused and unhealthy urban environments. Conclusively, residential units constructed informally collapses regularly, claim innocent lives and waste wealth (Chirisa, 2008). Urban informal sector developments, especially those for residential purposes pose real deathtraps for the urban community chiefly for the urban meager who cannot afford the high cost of medication. The menace of the urban informal sector can therefore be addressed by providing a large quantity of cheap residential houses to the common man (Gerber, 2007).*

**Keywords:** Urban informal sector, urban residential property market, effects of the informal sector, consequences of the effects.

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## **INTRODUCTION**

Many people cannot afford to buy a residential property in the formal housing market (Holmgren et al 2003). Recent trends in the formal housing market, particularly what has been happening in the gap between the lower end of the market and the segment where the

state is the major provider of housing, displays a tapering gap, and if this trend remains, it shall represent a significant opportunity for the state to influence the market towards poor housing outcomes (Zille, 2008; Azzan et al 2005). The framework of the market, its establishments and actors represents a prevailing mechanism which governs formal sector property transactions in urban residential areas. Significant restrictions exist in the market's ability to discourse the extremely embedded income (Alejandro and William, 2005; Smith, 2000). Predominantly, the formal urban residential property market cannot function efficiently without the basic requirement of affordability. Where affordability is below the ability of the market players to supply accommodation options for a modest return at satisfactory threat, the market will cease to operate (Gerber, 2007). The threat and return mechanisms of the market, which is the plain rule, cannot work at this end, and so lead to the demise of the urban formal residential property market. At this juncture, the urban informal sector sets in. The urban formal residential property market excludes large number of people from participating and benefiting from it (UN Habitat, 1996; Zille, 2008). This exclusion prompts the inevitable development of the urban informal sector that absorbs the repelled populace from the formal sector.

### **Concept of the Formal Urban Residential Property Market**

Residential area is a land use component in which housing predominates. Housing may vary significantly among residential areas which include one family housing, two or multiple family or transit housing. Zoning for residential use may permit some services and opportunities or may exclude business and industry. It may permit high density land use or only low density uses. Residential zoning usually includes a smaller floor area ratio (FAR) than business, commercial or industrial zoning (Ojetunde, Popoola and Kemiki 2011). In certain residential areas, largely rural, large tracts of land may have no services whatsoever, residents seeking services must use a motor vehicle or other transport, so the need for transport has resulted in land development following existing or planned transport infrastructure. Developments patterns may be regulated by restrictive covenants contained in the deeds to the properties in the development, and may also result from or be reinforced by zoning. Residential areas may be subcategorized in the concentric zone model, sector model, the multi nuclei model and other schemes of urban geography (Bunyi 2010).

### **The Contemporary Operation of the Formal Residential Property Market**

Residential property market presents a peculiar complexity as it comprises three independent but connected markets linked to the economy. Figure 2.1 provides for a simple residential property model. The model shows interaction between three important components; space, asset and development markets which on their own represent market arenas where trading take place and prices are determined through the interplay of demand and supply (Keogh 1994; and Geltner et al., 2007). The space market involves the interaction of the demand by residential property users with the current stock of space which made available by the landlords. It is this result of demand and supply interaction that predicts the pattern of rents and the level of occupancy with vacancy clearing the market. Within the space market, the

demand for residential space is appropriately affected by the national and local economies. A growth in tangible wages may encourage new households' formation and hence an increase in demand for residential space. For instance, property rights can be packaged in the short run in form of use rights to property users in return for residential rents. In the asset market, Viezer, (1999) concludes that the rent determined in the space market is central in determining the demand for real estate assets because this cash flow in form of rents interacts with the capital rates required by investors, with the end product being the property market and values.

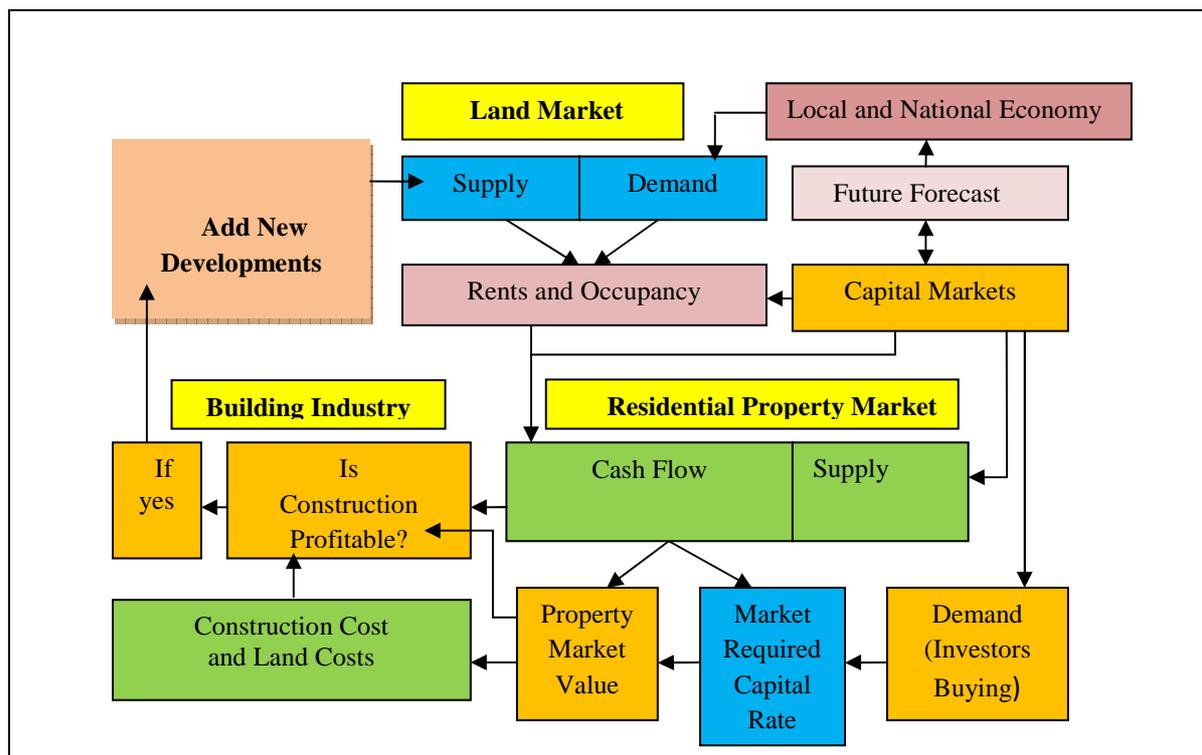


Figure 2.1: Residential Property Market Model.  
Source: Ojetunde (2011).

### Concept of the Urban Formal Sector

The urban formal sector is that part of a bargain that is taxed, monitored by any form of government and included in gross national product (GNP). Recent approaches recognize that the urban housing property market is composed of a number of separate and distinct segments (Singh, 1994). Most scholars in the field of urban land and housing markets in the developing countries divide the market into two broad categories: formal and informal. In this classification, the formal market refers to transactions carried out in conformity with existing laws, planning and zoning regulations, building codes and standards. The informal market, according to Pugh (1997), Mitra (1990), Baross (1990), Gilbert (1990) and Turkstra (1998), can be splitted into informal and quasi-formal. The informal sector though illegal, but is

embedded and accepted in the society, and people pay for the land in such a way that little juridical action is taken against such developments. As argued by Marcussen (1990), the informal housing system comprises the formation of permanent settlements on unserviced land and illegal housing production set by local investors who have no access to credit facilities. However, whether a given form of residential property, housing development or land transaction is legal or illegal depends on the letter of the local legislation. Hence, what is legal in one place may be illegal in another (Gilbert, 1990). Equally, sub-standard commercial sub-divisions have appeared in cities throughout the developing countries. Their characteristics do not vary much across cities and countries, in contrast to most other countries, this form of land sub-division was perfectly legal in Bangkok. The informal market is associated with the land and housing market for the urban poor. As a result, these poor households have no other option but to use the informal channels of land and housing delivery (Gilbert, 1990). Indeed, illegal land development is a conspicuous phenomenon in almost all developing countries. For example, the literature on the urban land market in India suggests that most 'private sector based illegal subdivision provides housing to a majority of low-income people'. This mode of land supply is popular, and is often assumed to be open to anyone who can afford to buy land in preferred locations with a minimum bureaucratic intervention (Amitabh, 1997).

### **Concept of Formal Residential Properties**

Constructions take the rigorous time span needed to allow complete setting of reinforcements in columns, beams and rendering, all these formal processes are shunned in the informal industry. Residential development is real estate development for residential purposes. Some of such developments are called subdivision, when the land is divided into plots with houses constructed on each plot (Adeyinka and Sani, 2003). Formal residential properties vary in size, location, value and service. They are the properties developed pursuant to building regulations, plan design, zoning regulations, advanced standard materials that conform to the taste of building and material science. Poor urban people lived in shantytowns or in tenements built for rental. Single-family houses were seldom built on speculation that is for future sale to residents not yet identified. With the advent of government-backed mortgages, it could actually be cheaper to own a house in a new residential development than to rent. Rich people bought a piece of land, hire an architect and built a house or mansion for their family (Cole, 2000).

### **Current Formal Residential Property Development Process**

Prior to the takeoff of any formal residential development, there are set out processes that must be fulfilled and followed. These processes are spelt out accordingly.

- Preliminary application meeting(s)
- Site analysis to determine development feasibility
- Establish timeline for development approval process

- Building Permits Detailed plans must be submitted and approved for the construction and they must meet a higher level of codes. The structures must be constructed under the International Building Code Series (IBC).
- Platting, Zoning and Annexation
- Preliminary subdivision plat, zoning request, and annexation documents should be submitted to the Planning Department.
- Reviewed by Planning and Engineering Departments.
- Planning and Zoning Commission takes preliminary action.
- City Council takes preliminary action.
- Park and Open Space Dedication Committee address the requirement.

Other utilities to be considered include street paving, pedestrian walk ways and parking lots. Types of home construction allowed in all Residential Zoned Properties include and limited to buildings that conforms to the International Residential Code standards. There is also the planned unit development (PUD) which is a building development type and also a monitoring practice. It is a designed combination of both mixed and compatible uses like residential uses, recreational, commercial and industrial areas. These processes apply to new residential development. However, Utility Master Planning department determine how the new development fit with the infrastructure management standards and procedures. Installation of Utilities and development of specific infrastructure shall be ascertained before the Construction commence. Sanitary conditions like the sewer, storm water, pond water, water mains must be taken care of in the design (Adeyinka and Sani, 2003; Cole, 2000). Refer to figure 2.2 below.

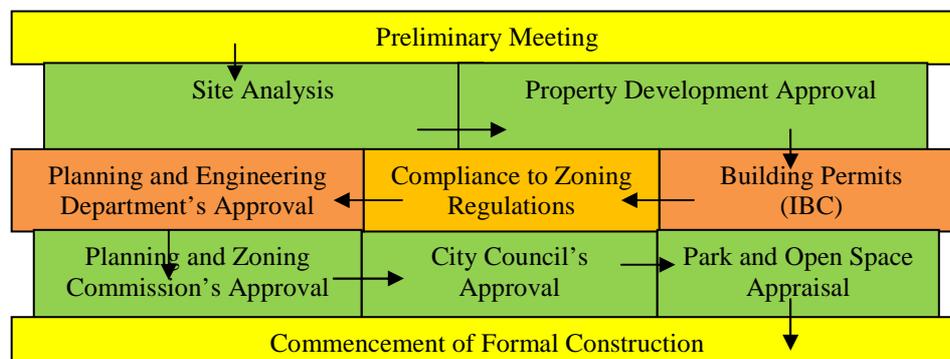


Figure 2.2 Formal Residential Development Process  
Adopted from (Adeyinka and Sani, 2003; Cole, 2000)

## THEORETICAL FRAMEWORK

The activities of the urban informal sector have overshadowed that of the formal sector in residential property market in Bauchi, Nigeria. The formal sector performs its activities in

accordance with zoning regulations, planning standards, government approval and standard organizations. But unfortunately, properties so developed are beyond the reach of the common man. In contrast, the urban informal sector performs its activities in violation of all the formal processes mentioned above. Its ultimate goal is to satisfy the need of the common man. Properties so developed were directly put to the market for the common man. This article suggests a tracking zone that will prevent and block direct entry of the illegal properties into the residential property market. This zone consist some mediocre that will vehemently purify and accordingly scrutinize the informal residential properties considering the real life situations. The term of reference shall be to out rightly reject all life threatening properties. No substantial consideration on aesthetics from the initials, but as the actors deem conversant with the system, other important scale and yard sticks will be appropriately imposed (Borgatti, 1999). Figure 3.1 shows the theoretical framework.

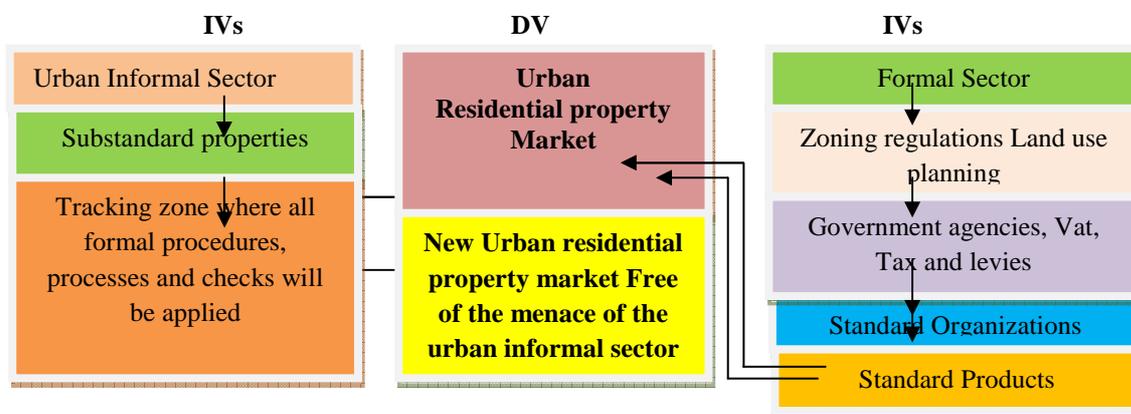


Figure.3.1 Theoretical framework, Adopted from (Borgatti, 1999).

### The Urban Informal Sector

Land is an important input for housing, and access to land and housing cannot be separated. In fact, in many cities of developing countries, the low-income market for owner-occupied housing is predominantly a land market. Informal sector is that part of an economy that shuns tax and not checked by any form of government Smith (2000). Urban informal sector is not included in any gross national product (GNP), unlike the formal sector. Rapid increases in population and urbanization and changing socio-economic patterns in developing countries over the last few decades have resulted in a rapid increase in the demand for housing. Associated with this is the need for land, infrastructure and services for residential development. The land market is the institution that deals with the transfer of ownership rights concerning land. Informal housing are defined as residential areas where a group of housing units have been constructed on land to which the occupants have no legal claim, or which they occupy illegally (UN Habitat, 1996).

UN Habitat Program said that unplanned settlements are areas where housing is not in compliance with the current planning and building regulations hence, unauthorized housing (UN Habitat, 1996). Unauthorized housing is further defined by the UN Habitat Program as housing where no land titles, leases or occupancy permits have been granted. Unauthorized housing can also mean that the settlement is not provided with enough services or built with permanent building materials. In general, houses are temporary, the settlements are unhealthy because of a deteriorating environment and there is a lack of basic services and infrastructure Smith (2000). They are often characterized by poverty and high crime rates. Another definition of informal settlements is “dense settlements comprising communities housed in self-constructed shelters under conditions of informal or traditional land tenure”. The problem of informal retailers occupying streets and foot-paths is becoming severe in metropolitan and developing cities generating problems for the city management (Holmgren et al 2003). A study of such an informal sector in an existing low income residential segment could perhaps lead to an inspired planning solution. An alternative definition uses job security as the measure of formality, defining participants in the informal economy as those who do not have employment security, work security and social security (Alejandro and William, 2005; Smith, 2000). Both definitions suggest a lack of choice or agency in the involvement with the informal economy, participation may also be driven by wish avoiding any rule, regulation or taxation. This could manifest as unreported employment, hidden from the state for tax, social security or labor law resolutions, but legal in all other aspects. Refer to figure 3.2 below.

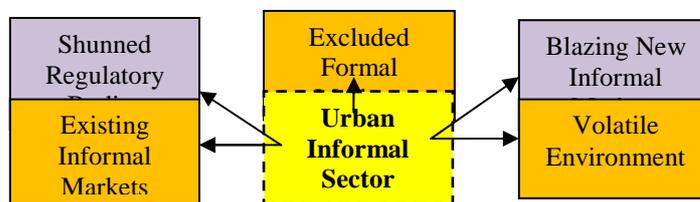


Figure 3.2 Informal Sector Model. Source: Smith (2000)

The Government of the Western Cape defines informal settlement as “Houses and shacks built on undeveloped land. There are no services like electricity, running water and sanitation.” Even though informal settlements consist of bad living conditions, they still can be seen as places of hope, creativity and resourcefulness (Holmgren et al 2003). He further describes them as fast, ingenious, full of inventive surprises, and highly productive settlements. The urban informal sector accounts for all forms of living provisions that are equally unlawful, unregulated, or not afforded protection of the state. Informality, both in housing and livelihood generation has often been seen as a social ill, and described either in terms of what member’s lack, or wish to avoid (Alejandro and William, 2005).

The majority of informal economy workers are women (Chen 2008). Policies and developments affecting the informal economy have thus a distinctly gendered effect. Workers in the informal sector typically earn less unstable income and have no access to basic

protections and services (Chen, 2008). Informal businesses also lack the potential for development, allow a large proportion of the population to escape extreme poverty and earn an income that is satisfactory for survival. Also, in developed countries, some people who are formally employed may choose to perform part of their work outside of the formal economy, exactly because it delivers them more advantages which is called moonlighting, they derive social protection, pension and child benefits and the like, from their formal employment, and at the same time have tax and other advantages from their formal work. However, the feminisation of labour in the informal sector, its flexibility, and the low-paid jobs available in it has enhanced the gendered division of labour within the household. Furthermore, it has caused girls education to be neglected in urban areas due to women's lower perceived earnings (Chen 2008). In addition to this, gender relations within the household remain unequal as women's financial contributions to the household are limited. The informal sector can create a malicious cycle, being unable to collect taxes from the informal sector; the government may be delayed in financing public services, which in turn makes the sector more attractive. Equally, some governments view informality as a benefit, enabling excess labor to be absorbed, alleviating unemployment issues. In Africa, informal sector accounts for around eighty percent; explanations exist as to why the informal sector has been expanding in the developing world throughout the past few decades. It is possible that the kind of development that has been occurring has failed to support the increased labor force in a formal manner. Expansion can also be explained by the increased delegating due to globalization and economic liberalization where employers are turning toward the informal sector to lower costs cope with increased competition (Chen, 2008).

### **Activities of the Urban Informal Sector**

Frequent collapsing of residential buildings is prominent in countries with large informal sectors, business activities go unrecorded, taxes are not paid, opportunities for corruption are rampant and severe, and many citizens are not able to participate in public policy making (Holmgren et al, 2003; Chirisa, 2008). Informality rejuvenates where property rights are not clearly defined, strongly enforced, and accessible to all citizens (Chirisa, 2008). Activities of the urban informal sector include the following:

- The informal sector formalizes informal jobs, many different types of informality activities exist. It would be extremely difficult to create solutions to meet these diverse circumstances.
- The informal sector creates programs that lead to a disconnection between the labor market and protections, which may not actually improve formal employment;
- The informal sector creates other methods of generating income when access to the formal sector is limited.

- The informal sector formalizes informal housing which include any form of shelter or settlement that is illegal, falls outside of government control or regulation, or is not afforded protection by the state.
- Informal housing status is to exist in a state of deregulation, where the ownership, use, and purpose of land cannot be fixed and mapped according to any prescribed set of regulations or law.
- There is no global unified law of property ownership, the informal occupant lack security of tenure, no reliable access to civic amenities like potable water, electricity and gas supply, sanitation and waste collection.
- In the informal arena, business activities go unrecorded, taxes are not paid, and opportunities for corruption are rampant and severe.
- Informal housing captures informal populations other than those living slum settlements or shanty towns, which are defined more narrowly by the UN Habitat as 'contiguous settlement'
- Informal housing is often not recognized or addressed by the public authorities as an integral or equal part of the city.
- Activities of the informal categories rejuvenate the development of informal housing like slums, blighted settlements, shanty towns, squats, squalor, ghettos, homelessness and pavement dwellers (Chirisa, 2008).

Due to the informal nature of occupancy, the state will typically be unable to extract rent or land taxes (Chirisa, 2008). Homelessness and insecurity of tenure are issues faced by populations around the world. However there are particularly pernicious circumstances in developing countries that lead to a large proportion of the population resorting to informal housing. For example, in Mumbai, India, this fast-paced economic growth, coupled with inadequate infrastructure, endemic corruption and the legacy of the restrictive tenancy laws have left the city unable to house the estimated 54% who now live informally (Gerber, 2007). Many cities in the developing world are currently experiencing a rapid increase in informal housing, driven by mass migration to cities in search of employment, or fleeing from war or environmental disaster (Gerber, 2007). If current trends continue, this will increase to one in four, and one in three. Informal housing, and the often informal livelihoods that accompany them, are set to be defining features of the cities of the future (Ojetunde, Popoola and Kemiki 2011).

### **Consequences of the Activities of the Urban Informal Sector**

Development of the urban informal residential areas has been the main cause for many problems.

- **Water Pollution**

Random construction of houses has obstructed many natural water ways which led to recurrent floods during the rainy seasons. Flooding results in the overspill of pit latrines and septic tanks which pollute water sources and marine environments. Absence of drainages generates big ponds that become breeding places for mosquitoes that cause malaria (Ameyibor et al 2003).

- **Soil erosion**

Soil erosion and landslides are strongly related to flooding which destroy houses as well as footpaths and unpaved roads (Ameyibor et al 2003). Informal residential and other properties are being eroded compelling residents to vacate the areas. Most of the informal houses are characterized by high housing density that causes natural discharge of storm water more difficult.

- **Collapse of Buildings**

Informal residential and or other properties are prone to successive collapses that claim lives of millions of its inhabitants and wrecks huge wealth. The recent of Bangladesh 8 storeys factory building housing many firms making clothes in Dhaka claimed about 160 lives in April, 2013 (VOA, 2013).

- **Frequent Outbreaks of Water Born Diseases**

Loss of vegetation around water sources reduces water flow while poor disposal of liquid and solid wastes causes water pollution (Cole 2000). There have been frequent outbreaks of water borne diseases like cholera and dysentery, particularly during high rainfall seasons, due to contamination of the drinking water.

- **Pollution from Solid and Liquid Wastes**

One of the fundamental problems of the urban informal sector is the lack of a proper system for waste management. The problem is even more severe in the informal settlement areas. Due to the lack of established collection points, piles of garbage are scattered in and around residential areas which leads to environmental and health problems (Ameyibor et al 2003).

- **Encroachment of Agricultural Lands**

The uncontrolled expansion of human settlements has led to conversion of the best agricultural land into settlements. Records have shown that Zanzibar Town, for example, has expanded by 2100 hectares (21 square kilometers) mostly into the best agricultural land (Chirisa, 2008 & Cole 1995).

- **Problem of Accessibility and Road Network**

Lack of access is one of the most common problems caused by and experienced by residents in the informal settlements. Because there are neither the layout plans nor the regulatory machinery, residents tend to build to almost 100 per cent of their plot size. It has become impossible to provide access roads to these areas as there is no space for this. Likewise, no area is left open for social services like schools, hospitals, children's play grounds, etc. Consequently, people and service movement in these areas is very restricted and residents have to walk long distance to obtain services like health, education, transport and the like (Chirisa, 2008 & Cole 1995).

- **Informal Residential Areas on Land Assigned for Non-residential Use**

The uncontrolled expansion of informal settlements has led to conversion of non-residential lands into settlements. These may include open spaces, areas reserved for recreational activities, areas prone to the jeopardy of land slide and the like, etc. (Chirisa, 2008 & Cole 1995).

### **Substandard Residential Property Market**

Substandard residential and other properties claimed millions of lives upon frequent collapse in many parts of the world. The urban informal sector performs its activities in violation of all the formal processes mentioned, and the repercussion of which claim lives whenever building collapses. Its ultimate goal is to satisfy the need of the common man. Properties so developed were directly put to the market for the common man. A residential formation built without legal permits to utilize the land or located outside of an urban development scheme is known as an informal settlement, according to the United Nations Economic Commission for Europe (Cole, 2000). Approximately one billion people or one in six people live in informal settlements or slums worldwide, according to UN Habitat (1996). Numerous socio-economic factors underlie the growth of informal settlements globally. In the takeoff of any informal residential property development, the processes that are accordingly carried out prior to formal residential property development are all shunned (Adeyinka and Sani, 2003; Cole, 2000).

For instance, no any preliminary application meeting(s) carried out, there were no site analysis conducted to determine development feasibility before the takeoff of the development, timeline for the development process is never established. Building Permits and detailed building plans are not available. The structures are constructed in violation of the International Building Code Series (IBC). Preliminary subdivision, zoning request, and annexation documents for seeking the consent and approval of the Planning Department are also absent. City Council that could have taken preliminary action upon the construction is not aware of the development. Park and Open Space Dedication Committee requirement is the substantive requirement that is deliberately overlooked because most of informal developments make use of any available open space illegally and takes pride in blocking parks, junctions and intersections without sparing cul-de-sacs (Adeyinka and Sani, 2003). Substandard residential properties so produced have flooded the residential property market (Cole, 2000).

### **Tracking zone where all formal procedures, processes and checks will be applied**

This zone will consist some mediocre that will vehemently purify and accordingly scrutinize the informal residential properties considering the real life situations. The term of reference shall be; to out rightly reject all life threatening properties. No substantial consideration on aesthetics from the initials, but as the actors deem conversant with the system, other important scale and yard sticks will be appropriately imposed (Chirisa, 2008; Gerber, 2007).

### **The Formal Sector Model**

The idea of the provider model is that the authorities should provide homes for the poor sector of the population. So, public authorities and private developers should control the production of houses (Azzan et al 2005; Hamdi, 1995). He argued that the problem of the urban informal sector can best be addressed by supplying a large amount of houses, by speeding up the construction, centralized and combined industry. This is based on mechanization, mass production, standardization and prefabricated houses. This form of production should encourage consumption and fuel the economy, create employment, generate profit and generally improve the standards of living. The provider model has been successful in places like Sweden when one million units were produced within ten years (Azzan et al 2005; Hamdi, 1995).

### **The Informal Sector Model**

The informal supportive model has generally been a strategy initiated by John Turner in the 1960s. He had a strong impact on the international housing debate. This model, that is equivalent with the enabling strategy, implies that the authorities should identify and support the informal sector's efforts of building homes, rather than providing the houses. The production of houses should be decentralized, with the residents as an important actor and increasing the involvement of small, local builders and ordinary people. The fast production can still be achieved but with incremental growth instead of instant provision of full housing units. The growth should not follow master plans; but the needs of the inhabitants. Positive outcomes of the model are that the communities reflect variety and local adaptation since there is no standardization of the houses. Supporters emphasizes the importance of managing the resources, of allocating the resources for the people to organize their own house construction and to ease the access to building material, cheap credit, better utilities, larger markets and easier transportation. As argued by the supporters; "building houses has little to do with solving the housing problems". Houses become an integrated part of a larger system of urban development (Hamdi, 1995). Refer to figure 3.3 below.

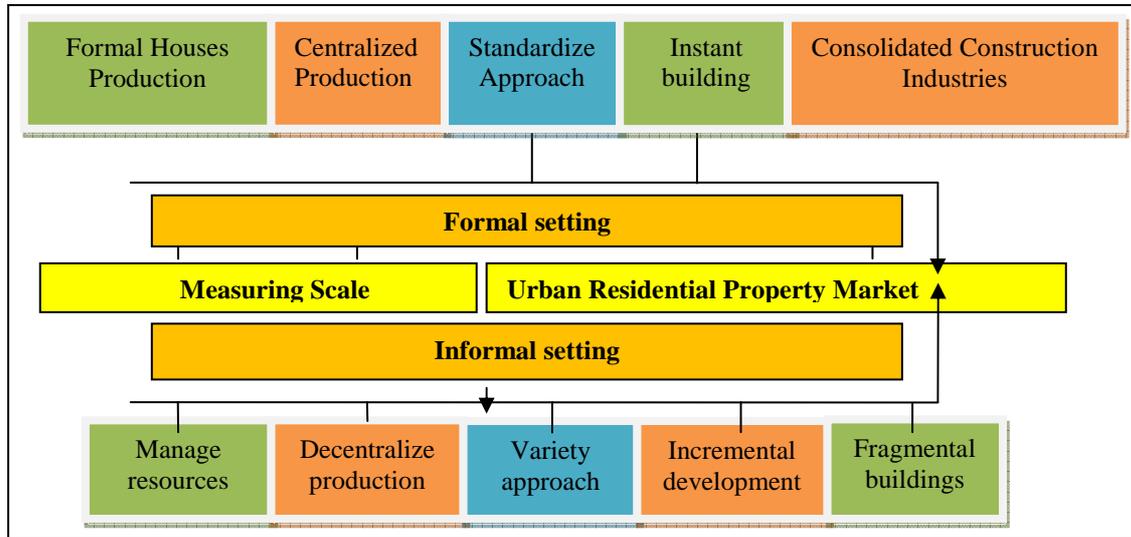


Figure 3.3 Formal and Informal setting. Source: Adopted from Hamdi (1995)

### **New urban residential property market free from the threat of the urban informal sector**

Upon scrutiny, new urban residential property market free from the threat of the urban informal sector is accordingly achieved, where only purified residential properties are taken to the market (Refer to figure 4.1 below). Public consultants and private developers should take charge of the production of houses for onward discharge into the residential property market (Hamdi, 1995). The problem of the urban informal sector can therefore be addressed by providing a large quantity of residential houses, by speeding up the production in a consolidated and joint construction industry. This is based on presetting, mass construction, standardization and prefabricated formal residential houses. This system of production should encourage local investors to wholly participate as their presence is appreciated. Furthermore, the actors of the informal properties will welcome the idea because it did not stop them but rather augment their properties for viable consumption and fuel the economy, create more employment opportunities, generate profit and generally improve their standards of living. Most of them has experienced one kind of building collapse or the other and were eventually shun prosecution; this model will ease their grievances (Hamdi, 1995).

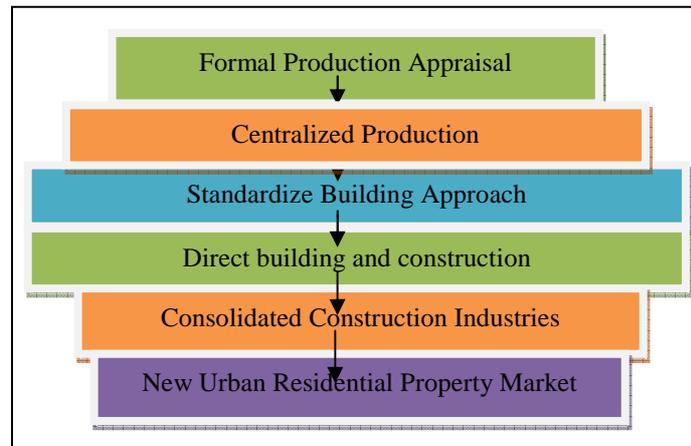


Figure 4.1 Proposed Residential Property Market Model

Source: Adeyinka and Sani (2003); Cole (2000)

### Contribution of this study to body of knowledge

Sequel to the appraisal of relevant literature materials, this study affirms that informal settlements have flooded the residential property market of Bauchi, Nigeria which seems to outnumber the formally planned developments; this assertion is similar to the findings of Chirisa, (2008); Adeyinka and Sani, (2003). The validity of the informal houses appears to be no longer in question; this assertion is also similar to the findings of Ojetunde, Popoola and Kemiki (2011) and Gerber (2007). Also, many residents of Bauchi, Nigeria lives in substandard residents that pose threat to lives and wealth, this affirmation is equally similar to the findings of WHO, (1999) and Azzan et al (2005).

### Hypothesis

The General hypothesis of the study ( $H_1$ ) which states that: ‘The urban informal sector has engulfed the urban residential property market in Bauchi, Nigeria’ should therefore stand and we shall reject the Null hypothesis ( $H_0$ ) which states that ‘The urban informal sector has not engulfed the urban residential property market in Bauchi, Nigeria’.

### CONCLUSION

The problem of the urban informal sector can therefore be addressed by providing a large quantity of residential houses, by speeding up the production in a consolidated and joint construction industry. This is based on presetting, mass construction, standardization and prefabricated formal residential houses. This system of production should encourage local investors to wholly participate as their presence is appreciated. Furthermore, the actors of the informal properties will welcome the idea because it did not stop them but rather augment

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