

Application of the Powers of Governors' to Charge Ground Rent Under Nigeria Land Use Act of 1978

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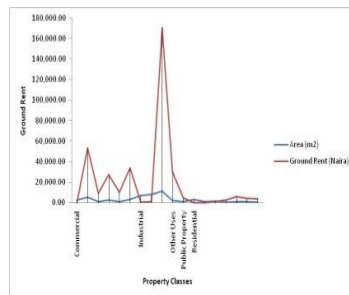
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Graphical abstract



Abstract

This study examined the Governors' powers to charge ground rent and revoke certificate of occupancy in Nigeria under the Land Use Act of 1978 in relation to its impacts on land development. The study found out that there is lack of clarity in the assessment, double payments in the collection of ground rents and loss of revenue by the government. This review strongly suggests that for effective application of ground rent that ensures rapid development of land, there should be an amendment of section 5 (1) of the Act, elimination of frequent revision of ground rent and the use of qualified Estate Surveyors and Valuers in the assessment and collection of ground rents.

Keywords: Ground rents; rents; land development and administration; land use act of Nigeria; Governors' consent; certificate of occupancy

Abstrak

Kajian ini meneliti kuasa Gabenor untuk mengenakan sewa tanah dan pembatalan sijil penghunian di Nigeria di bawah Akta Guna Tanah 1978 yang memberi kesan ke atas pembangunan tanah. Kajian ini mendapati bahawa terdapat kurangnya kejelasan dalam penilaian, bayaran dua kali ganda dalam koleksi sewa tanah dan kehilangan hasil kerajaan. Kajian ini menyarankan bahawa untuk aplikasi berkesan sewa tanah yang memastikan perkembangan pesat tanah, seksyen 5 (1) Akta haruslah dipinda, penghapusan semakan yang kerap ke atas sewa tanah dan penggunaan Juruukur Tanah dan Penilai berkelayakan dalam taksiran dan pungutan sewa tanah.

Kata kunci: Sewa tanah; sewa; pembangunan dan pentadbiran tanah; Akta Guna Tanah Nigeria; persetujuan Gabenor; sijil penghunian

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1.0 INTRODUCTION

The Land Use Act of 1978 (now Cap 202 Laws of the Federation of Nigeria) which regulates land ownership and matters in Nigeria was meant to usher in new reforms on land ownership in Nigeria and provide viable management option to land administration. This obvious fact is borne out of the preamble of the Act, which provides that:

"Whereas it is in the public interest that the rights of all Nigerians to land of Nigeria be asserted and preserved by law and whereas it is also in the public interest that all rights of all Nigerians to use and enjoy land in Nigeria and the natural fruits thereof in sufficient quantity to enable them to provide for the sustenance of themselves and their families should be assured, protected and preserved".

The Act though commendable and heart-warming, it has however become a clog in the wheel of development over the

years. This, experts have argued was so because of the enormous powers Governors wield under the Act and that its provisions are embedded in the constitution of the country as such it requires constitutional amendment which is rigorous and time consuming. One of such provisions of the Act is the vesting of all the lands within the state (urban areas) of Nigeria in the Governor of that state to hold in trust for the people and administer for the use and common benefits of all Nigerians. Furthermore, the Governors by the provisions of the Act are empowered to grant Certificate of Occupancy ("C of O") for all purpose, to demand rent and also to revise the said rent for certificate of occupancy granted. Although the decree has made it easy for governments to acquire lands for public purposes and considerably reduced court litigations over land, its inception over two decades ago has created a new genre of problems of land administration, management and development [1]. Thus, there have been protests to have the Act expunged from the constitution and to substantially amend it. Several documented studies [2, 3, 4, 5, 6,

7, 8] have aligned to this protest on the basis that some of the provisions of the Act are unfriendly to investors, developers and to ordinary Nigerian citizens especially in the areas of land acquisition and compensation, processing of Certificate of Occupancy, and perhaps the exposure of national land management down to the payment of ground rents at the whims and caprices of individual Governors.

Apart from the above problems, some of the current hitches according [9] and [10] include: (1) many Governors do not give the urgent attention needed to their responsibility of granting consent for land assignments or mortgaging, thereby impeding the development of an efficient land market and housing finance institutions in the country. (2) Another concern is the attempt by some Governors to use the provision requiring their consent for assignments, mortgaging and granting of rents as means of raising revenue for their states through imposing heavy charges for granting of such consent, thereby obstructing land development. (3) the powers of Governors and the local governments to revoke any right of occupancy over land for overriding public interest has been used arbitrarily and goes to underscore the fragility of the rights conferred by "C of O".

In consequence of the above, there is increasing reluctance in Nigeria today by both the courts and the banks to accept the statutory certificate of occupancy as a conclusive evidence of title of the holder to the land nor as adequate security in an application for loan. It is section 5(1) of the Act that empowered the Governors of States to grant certificate of occupancy ("C of O") for all purpose, to demand rent and also to revise the said rent for the certificate of occupancy granted. A Certificate of Occupancy granted by a Governor in Nigeria is usually for 99 years subject to review upon expiration. The Land Use Act stipulates that a Governor of a state in granting the certificate of occupancy imposes a rent on the holder of the land who is bound to pay the Governor the stated amount in the certificate of occupancy. The rent charged by a Governor is the periodic payment for the use of the land which could be weekly, monthly or yearly, depending on the terms and conditions of the tenancy [11, 12].

According to the Act, the Governor in exercise of his powers on the original land rent or any subsequent revision of it, shall take into consideration any value due to capital expended upon the land by the same or any previous occupier during his terms of occupancy or any increase in the value of the land the rent of which is under consideration due to the employment of such capital. The Governor in the discharge of his constitutional duties may as well grant rights of occupancy free of rent or at reduced rent [13].

Since the inception of the Land Use Act of 1978, ground rents charges in virtually all the 36 states of Nigeria have been asymmetrical and irregular regardless of the size, use and location of the land with its attendant confusion and uncertainty. The various weaknesses of the Act have left owners and occupiers of land in Nigeria vulnerable to the claim of any other individuals who may succeed in getting a "C of O" over the land for which he was declared to have possessory right under the Act.

For such individuals, lack of information, high cost of charges (rent) and fear of bureaucratic hassles likely to be involved have made them unable to avail themselves of the opportunity offered in section 34(3) and 36(3) to apply to the Governor [1]. The need to resolve these conflicts and correct imbalance experience in the day to day operations of land administration and achieve growth in land development of the country necessitated for this study.

■2.0 CONCEPTUAL DEFINITIONS OF LAND AND GROUND RENT

Human society is greatly dependent on land as such the foundation of shelter, food and employment is associated to land. It is the nexus between land and economic prosperity and development of a nation and individual that probably informed the constitutional provision on ground rent charges, and inviolability of private property rights in various countries [14]. The importance attached to land has brought about various definitions of land under different disciplines. The word "Land" according to [15] from the legal standpoint, has been viewed as any portion of the earth's surface over which ownership rights could be exercised. These rights relate not just to the surface area but also to things such as trees, which have been attached by man and to those objects of value that lie either above or below the surface.

From the layman view, Land could be seen as the physical structure on which he stands moves and carries out his activities while to the Lawyer, it is not just the physical but also the quantum of rights which can be exercised over the physical structure which constitutes the foundation and material of ownership. To an Estate Surveyor and Valuer, it is the totality of all artificial and natural resources above and below the surface of the earth in which bundle of rights and privileges are exercised [15, 11, 16, 17, 12].

Volume 3 section 3 of the Laws of the Federation of Nigeria page 1772 as cited by [15] defined Land as an immovable fixed property or Land includes the physical soil and everything attached to the land or chattels but does not include mineral. But in its simplest form, land has been defined as the surface part of the earth above the sea [18]. But this appears to be rather restrictive definition because it recognizes only the immediately visible aspect of land. No matter from which concept land is viewed, its standing quality however gives a particular character to the decision making units within which all positive decisions are taken for the use of land, thus suggesting that the economic prosperity of country and individual is closely linked with the richness of land, thus rent.

In Nigeria, land takes up importance as a commodity for daily use for many purposes. For several decades, land has continued to influence the lives of Nigerians socially, economically and politically. In the process of using land, ground rents are paid by the holder as may be imposed by the government. This shows that land constitutes and is taken as very sensitive asset whose administration must be based on meaningful policy decisions to benefit most Nigerians. Land is the most important resources in Nigerian housing development. However policies affecting it such as ground rent charges and its frequent revisions has affected majority of Nigerians.

[11] and [12] recognized land as a primary consequence in the economy of any country whether it is regarded in its pure form as one of the given assets of nature or as manipulated by the hand of man by development of various kinds. Land has about it a static quality that by its distinctiveness has a significant bearing upon the manner in which decisions about its use.

On the other hand, the concept of ground rent arrangement is English in origin. Its original purpose was an attempt by the feudal tenants to put themselves in the role of the lords over lower tenants. The term ground rent is currently applied to a lease for land upon which the tenant constructs a building while the landlord continues to own the land, the tenant owns all of the structure and pays rent for the ground only [19, 12].

A ground rent is a form of lease in which unimproved land is leased for a long term for purposes of improvement by the

tenant. It is an agreement between a Landlord and a tenant, where the tenant pays for the right using a plot of land. With ground rent, the tenant owns a property on the land. It is rent which the lessee of a government land pays in order to retain his holdings [16, 12]. Therefore, ground rent on government lease and certificate of occupancy are usually reviewed upwards periodically, say five or ten years as the case may be.

■3.0 OVERVIEW OF THE LAND USE ACT AND THE POWERS OF THE GOVERNORS' TO GRANT AND REVOKE CERTIFICATE OF OCCUPANCY

The military government on the 29th of March, 1978 promulgated the Land Use Act to regulate land ownership in Nigeria. Part of the need for the promulgation of the decree was the necessity to harmonize the land tenure system in Nigeria, the problem of land speculation and difficulty of government and individuals in obtaining land for development purposes. The need gave birth to the provision of section 1 of the land use act which provides that:

“Subject to the provisions of this Decree, all land comprised in the territory of each state in the federation are hereby vested in the Military Governor of that state and such land shall be held in trust and administered for the use and common benefit of all Nigerians in accordance with the provisions of this Decree.”

Being one of the series of legislations which have been made in the country primarily to give government powers over compulsory acquisition of land and to guarantee more egalitarian distribution of land in the society in order to satisfy the demand of the increasing population of the country through effective rent demands, experts have argued that the provision signaled the death knell of private property rights because the provision nationalizes all lands in the country by vesting the ownership of same in the state via the Governors [20, 14]. While others believe the contrary, and asserted that the provision does not expropriate individual land rights nor nationalized all lands in the country [21, 22, 23, 24].

Arguably, the positions of the above scholars may have been based on the premise that section 1 of the Act should not be read in isolation, but subject to other provisions. If jointly read, it becomes clear that the rights of the citizens in land although regulated is in no way shattered. The right to enjoy remains, the right to dispose is only impaired except the transaction relates to land coming under section 36 of the Act which bars completely transactions in land [21, 23, 22, 24]. This school of thought had further argued that the Governors are not the beneficial owners of the land by virtue of section 1 of the Act, but only a trustee, for the section created a trust in favour of all Nigerians.

However, in a well-considered opinion of this study and based on the above provisions, the Land Use Act is a nationalization instrument which removed the right of ownership and management of land from the citizens and vested such in the state. By the provisions of the Act, the landlords have been turned to tenants over lands and citizens are further impoverished as the Act sought to remove the economic and wealth creation attributes of the land. This supposition is based on the premise that individual rights and interests in land has been limited only to mere right of occupancy by the Act. On Governors being only trustees of all lands in their states as observed by [21, 22, 23, 24], this study rather considers and aligned itself with the opinion of [14] that they are real owners of the land when he claimed that by Governors being vested with the allodial or radical title to all

lands in the state, all other interest in land has become an estate less than freehold.

Section 5(1) of the Act provides: “It shall be lawful for the Military Governor in respect of land whether or not in an urban area:

- (1). to grant statutory rights of occupancy to any person for all purpose.
- (2). to grant easements appurtenant to statutory rights of occupancy.
- (3). to demand rental for any such land granted to any person.
- (4). to revise the said rental at such intervals as may be specified in the certificate of occupancy.

The above provision implies that a certificate of occupancy is a document under the hand of the Governor or the hand of a person to whom his power has been delegated to this effect evidencing a right of occupancy. In the words of [25], it is a certificate for right of occupancy emanating from the Governor or arising in an urban area by the operations of the Act.

Section 28 of the Act empowers the Governors to revoke the right of occupancy for the following reasons:

- (1). Overriding public interest
- (2). A breach of any term or provisions contained in the certificate of occupancy or refusal or neglect, to accept and pay for a certificate which was issued in evidence of a right of occupancy but has been cancelled by the Governor.

This study considers the above powers as enormous which tend to have made nonsense of the power of the non-urban land vested in the local government by virtue of section 6 of the Act. Thus with the Governors being vested with allodial title to all lands in the state, all other interests in land become an estate less than freehold as observed earlier by [14]. What this suggests that no person can hold a fee simple or even life estate in land in any state in Nigeria. This study therefore aligned itself once again to the assertion of [14] and his school of thought that the best interests accruable under the Act could be likened to lease.

Again another observable implications of section 28 of the Act is that a Governor of a state may revoke the certificate of occupancy if the occupier fails to pay his rent or if he (Governor) deems it fit to cancel the right based on reasons of breach or neglect which are rarely done by applicants and which could impede on development. This further reveal that a Governor may be forced to cancel a right of occupancy under any stated circumstances and guise which could be politically induced.

Cases of abuse of the above sections by some Governors in Nigeria exists and have remained a source of worry to experts on land matters. By the provisions of the Act as observed earlier, the Governor of a state has the right to demand rental and also revise the said rental for certificate of occupancy granted. Arguably, one may want to ascertain if the Land Use Act in empowering the Governor of a state to demand rental and revise such rental did not specifically take into consideration the size, use and location of the land.

■4.0 IMPLICATIONS OF GOVERNOR'S EXCLUSIVE POWERS TO CHARGE GROUND RENT AND REVOKE CERTIFICATE OF OCCUPANCY UNDER THE ACT

A Governor of a State has exclusive powers on the charge and control of ground rent as contained in the Land Use Act. However, one of the deficiencies of the Act is that it is silent and hush on the probable effects of the Governor's action which he may likely abuse in the discharge of his duties. Again, the decree did not appropriately take into cognizance of the size, use and location of the lands to be approved, rather it is at the discretion

of the Governor of a state or whom he may wish to delegate as evidenced and conveyed in the certificate of occupancy to determine as well as the rent to be charged. An examination of the act revealed that the act is also silent on the acceptable official modes and methods of calculating the rents to be paid by the holder of the title rather it stated only the terms and conditions in the ‘‘C of O’’ which is at whims and caprices of the Governors.

[21] had once remarked that the land use Act provide for dual administrative system, one for expressly granted right of occupancy under section 5 and 6 and another in respect of deemed granted right of occupancy under section 34 and 36 of the Act. Though his comment has been widely criticized. But it may have informed the assertion of [14] that there will be a point when the security and or proprietary value of the certificate of occupancy expressly granted will diminish when compared to that of a deemed grant particularly where the deemed grantee possesses a registered conveyance prior to the land use act. This according [14] will be so because at a time the express grant certificate of occupancy will expire, while the registered conveyance of the deemed grantee will remain inviolable as same is till recognized by the act.

This study allied itself to the above assertion on the premise that the land use act seem not to have made provision for the renewal of an expired ‘‘C of O’’, thus giving the Governor outright power as to whether the express grantee will continue to hold the land after the expiration of the time stated in the certificate or not. The implication of this position is that the act will fail administratively at a point particularly with respect to the administration of the land in possession of an express grantee. This situation will further increase the stock of land in government possession and its powers at the expense of individual land ownership. On the other hand, a deemed grantee renews nothing and thus continues to retain the land till eternity subject however to the state powers of compulsory acquisition.

Another observable implication here is that while an express grant, evidenced by ‘‘C of O’’ is revocable for failure of the grantee to abide by the terms of the certificate of occupancy i.e. developing the land within the stated period, and for public interest, a deemed grant can only be revoked for overriding public interest under the Act as there was no ‘‘C of O’’ issued to a deemed grantee except he applies for one by which he converts his holding into an express grant with all its consequences.

Furthermore, an express grantee is subject to payment of rent, penal rents and other charges over his holding as stipulated in the Act. Failure to pay the imposed charge may be a ground for the revocation of his right of occupancy. However, a holder of a deemed grant pays nothing by way of rent and charges to the state for his holding and his holding cannot be revoked on that basis. In the expression of [14] he is only liable to pay tenement rates or property tax where the land is developed and in this wise an express grantee is not exempted. The practical effect of the above scenario is that while some people (express grantee) pay taxes and charges to the state for their holdings in land, others (deemed grantee) pay no such charges.

In addition, where a right of occupancy is revoked by the state for overriding public interest of the federal, state or local government or in connection thereto as observed by [14], the holder of an actual or express grant of right of occupancy gets by way of compensation a refund of an amount equal to the rent paid on the land for that year, this he noted where the land is bare. While a deemed grantee in the same condition gets nothing from the state by way of compensation.

Besides there is also uncertainty and inconsistency in fixing, assessing and collecting of ground rents which often times lead to double payments, as ground rent charges are paid with other ancillary land fees and levies such as development fees and neighborhood development charges while the processing of certificate of occupancy are charged with other fees such as application fee, approval fee, registration fee, preparation fee, publication fee, consent fee, inspection fee and valuation fee etc. as the case may be. These fees vary in various states of the federation but however runs into substantial amount of money which scares investors and developers. Table 1 and Figure 1 illustrate the scenario in one of the states in Nigeria – Imo State, where the ground rents for industrial, commercial and residential properties may be considered expensive for prospective investors.

Again, most concern is the outright non consideration of the probable loss the individuals, developers, investors and the business communities are likely to incur in the delay of processing land application, paying of rents and granting of consent which has remained cumbersome and tasking. Again, the review of ground rents has not been periodically friendly to prospective investors and developers with the intent of increasing the pace of development especially in the housing sector. This has become worrisome to serious developers and investors who are oftentimes derailed from undertaken development projects.

The snag about these effects is that there is no sanction enshrined in the act against the Governors should they fail or refuse to demand or revise rentals under any stated circumstance or time frame, rather the Governors as individuals are protected under the immunity clause of the constitution of the Federal Republic of Nigeria not to be prosecuted.

As observed by [26] and [12] the bases of computing rent payable in respect of right of occupancy should be anchored on the equitable precept. However it has not been same in some cases. There are some cases where the Governors in exercise of their constitutional powers and hiding under section 5(1) of the act donated lands free of charge or at a reduced rent either as a political compensation to their supporters or as a gift to family friends. The abuse of this section has impacted adversely on the development and administration of lands in virtually all the states in Nigeria. Therefore from the foregoing it is obvious that the land use Act of 1978 has not and will not guarantee an equitable distribution and administration of lands in Nigeria. The Act has failed and will continue to fail in meeting and fulfilling the philosophical aspirations of Nigerians unless it is substantially amended.

Table 1 Showing analysis of some lands and their ground rents from 1980-2011 in Imo State, one of the States in Nigeria

S/NO	Date/Year of Allocation	Property Location	User Clause	Area	Rate Per Hectare	Ground Rent
1	3/7/1980	Plot P F/2 Naze North Industrial Layout	Industrial	7084.588 ^{m2}	₦1,200.00	₦850.151
2	27/9/1985	Plot Rp/59 Government Layout	Residential	3071.378 ^{m2}	₦1,200.00	₦368.565
3	18/5/1986	Plot 13 Ikenegbu Layout	Commercial	2924.180 ^{m2}	₦1,200.00	₦350.9016
4	3/7/1980	Plot PF/4 Naze North Industrial Layout	Industrial	8157.745 ^{m2}	₦1,200.00	₦978.92
5	4/2/1996	Plot 220 Ikenegbu Layout	Residential	1122.555 ^{m2}	₦1,100.00	₦123.48
6	19/1/2000	Plot 50 Housing Area F, New Owerri	Residential	1878.641 ^{m2}	₦5,500.00	₦1033.25
7	22/2/2002	Plot 17 Housing Area ‘‘A’’ Owerri Capital Territory	Residential	526.150 ^{m2}	₦5.00/ ^{m2}	₦2,630.75
8	16/8/2005	Plot W/1 Commercial District G, New Owerri	Commercial	5336.859 ^{m2}	₦10.00/ ^{m2}	₦53,368.59
9	9/5/2005	Plot C4/70 Onitsha Road Industrial Layout	Industrial	11.364.772 ^{m2}	₦15.00/ ^{m2}	₦170,471.58
10	16/5/2005	Plot 68 Civil Centre Layout New Owerri Capital Territory	Other Uses	2019.138 ^{m2}	₦15.00/ ^{m2}	₦30,287.07
11	3/3/2007	Plot 75 OSEL	Residential	1,255.847 ^{m2}	₦5.00/ ^{m2}	₦6,279.235
12	27/2/2007	Plot 270 OSEL	Residential	909.133 ^{m2}	₦5.00/ ^{m2}	₦4,545.665
13	6/3/2007	Plot C/49 Otamiri South Extension Layout Owerri OSEL	Commercial	907.714 ^{m2}	₦10.00/ ^{m2}	₦9,077.14
14	16/8/2008	Plot C19 Otamiri South Extension Layout OSEL	Commercial	2738 ^{m2}	₦10.00/ ^{m2}	₦27,380
15	21/12/2009	Plot 35 Clerk Quarters	Residential	728.634 ^{m2}	₦5.00/ ^{m2}	₦3,643.17
16	18/1/2010	Plot P/3 Clerk Quarters Layout Owerri	Public Property	962.880 ^{m2}	₦5.00/ ^{m2}	₦4,814.4
17	9/2/2010	Plot SSC/10 Layout Owerri	Commercial	1,007.049 ^{m2}	₦10.00/ ^{m2}	₦10,070.49
18	30/07/2011	Plot SH/14 Action Area, Commercial District G, New Owerri	Commercial	3381.00 ^{m2}	₦10.00/ ^{m2}	₦33,810.00

Source: Ministry of Lands, Survey and Urban Planning Owerri [12]

■5.0 THE ROLE OF THE ESTATE SURVEYOR AND VALUER IN THE CHARGE AND COLLECTION OF GROUND RENT

The Land Use Act of 1978 recognized the important role of an estate surveyor and valuer in the growth and development of land matters. An estate surveyor and valuer by the provisions of the act is an important member of the State Land Use and Allocation Committee (LUAC). This committee among other duties is charged with the responsibility of advising the Governor on matters connected with the management of land.

Nevertheless, the present scenario points to the fact that professionalism has often been sacrificed against political considerations in the appointment and formation of this committee. The act still enjoins the Governor of a state to appoint the committee members whose roles are advisory. The appointment are oftentimes politically based as a compensation to party supporters, hence politicians constitute the members of the committee while the Estate surveyors and valuers who are experts on land matters including assessment and collection of ground rent are oftentimes neglected.

By virtue of his expertise and profession, an estate surveyor and valuer prepare the format for the assessment and collection of ground rent and ensure its implementation. He uses his professional discretion to determine the amount to be paid as rent and ensures its collection. The valuer sends payment notices to the occupiers of government land for rent payment. This suggests that an estate surveyor and valuer serves as a medium through which the occupants of government land could relay their feelings

and complains to the Governor who in turn gives or withholds his consent.

As the number one policy maker on matters relating to ground rent, he acts as an intercessor between the government on the accurate rent to be paid on land with regard to size, use and location. Apart from the above functions, an estate surveyor and valuer carries out periodic inspection of the property to keep him abreast of the current situation of the property. The frequency usually depends on the length of the lease, value of reversion to the government. During this period, he ensures that the occupiers of government lands observe the covenants in the certificate of occupancy issued to them while ensuring that the valuation of the property is carried out to enable him assess and collect the ground rent.

■6.0 CONCLUSION

The study has examined the role and powers of the State Governors in Nigeria on the charge and application of ground rent and the revocation of right of occupancy under the Land Use Act of 1978. Evidence from the foregoing indicates that the Governors hide under this act especially section 5 (1) to abuse the process of land allocation while bias and inconsistency in the charge of ground rent in their states persists [12, 28, 27]. Again, the flaws of the enabling laws or acts that empowered the Governors to grant rental and revise the said rental have been revealed with its attendant implications.

This study is of the view that there is attendant confusion in the assessment and collection of ground rents in Nigeria which

has impacted negatively on land development and administration. It is also of the well-considered opinion of this study that the problem of granting rents free of charge or at a reduced rate and revising rent by the Governors without regard to the size, use and location of such land exists and has derailed development and scared developers and investors. As a result, there is the urgency to make the reviews of ground rents periodically friendly and attractive to prospective developers and investors in Nigeria.

In encouraging home ownership, adequate housing and even development across the various states of the country as observed by [28], section 5(1) of the land use act should be amended to take into considerations official criteria of the size of the land, its use and location before rents are charged rather than leaving it at the discretion of the Governors as evidenced in certificate of occupancy which as observed earlier is at their whims and caprices.

The rent charged in view of the fact that other development charges and fees are payable in respect of any improvement carried out on land should be properly considered while the nominal rent should bring landholding within the financial ability of the citizenry. It should also be incumbent on the state Governors to ensure that the social and political standing of an applicant does not debar him from ensuring equitable allocation of lands and collection of ground rents in their states while revocations and reversal of rents should not be used as a political vendetta.

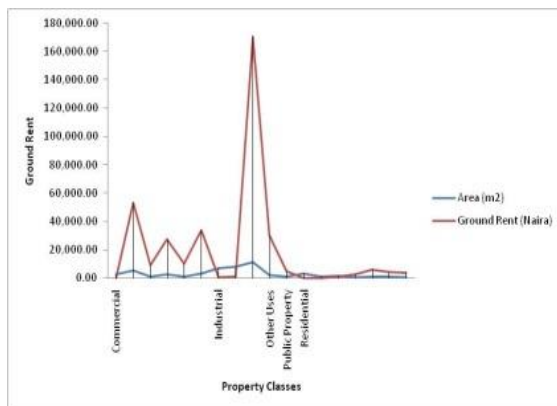


Figure 1 Ground rent in imo state for industrial commercial and residential properties

It is of the opinion of this study that free rents or rents at a reduced rate to genuine investors and developers may attract industrial and commercial development and reduce the slow pace of economic activities in some states in Nigeria. This study also suggests that efforts should be made to encourage individuals to raise capital based on the expenses incurred on such allotted plots.

Frequent revision of ground rent should be eliminated so as not to discourage prospective investors. This study strongly recommends that qualified estate surveyors and valuers should be directly involved in the assessment and collection of ground rents since they are experts on land matters. Finally this study believes that an effective and meaningful system of land distribution and

rent collection would enhance land administration and economic development in Nigeria.

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