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EFFECT OF TENANTS' BEHAVIOURS ON RESIDENTIAL PROPERTY RENTAL OBLIGATION COMPLIANCE IN AKURE, NIGERIA

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ABSTRACT

Purpose: Understanding the behavioural factors influencing tenants' adherence to lease agreements is crucial for landlords, property managers, and policymakers seeking to foster a positive and sustainable private rental sector. The aim of this study is to investigate and understand the impact of tenants' behaviour on their compliance with rental obligations in the private rented sector in the construction industry in Akure.

Design/methodology/approach: To achieve this aim, evaluations were carried out on tenants with existing leases in the management portfolio of the Estate Surveying and Valuation firms in Akure and have completed at least one year after the commencement of their tenancy, allowing for the observation of various behavioural patterns that might affect their commitment to rental obligations. Descriptive research design was employed and data relating to information on the demography and tenant's behaviour concerning compliance with lease obligations were obtained from the twenty-five (25) Estate Surveying and Valuation firms in Akure. Copies of questionnaire were administered to the Estate surveying and valuation firms in the study area, while qualitative and quantitative statistical tools were utilized in the analysis of the retrieved data.

Findings: The result of the study showed that evading payment of bills, such as electricity and waste disposal fees, was a prominent behaviour among tenants. In addition, the continuous evasion of bills by a tenant reduced the likelihood of compliance with lease obligations.

Research limitations/Implications: The limitations include the use of only tenants with existing leases in the management portfolio of the Estate Surveying and Valuation firms in Akure with at least one year of residency. The contribution to knowledge is that this study established the influence tenants' behaviours on compliance with residential property lease obligation.

Practical implications: ¬It is recommended that property managers should consider incorporating measures to address bill evasion and promote responsible payment practices among tenants.

Originality/value: The study revealed the most prominent behaviour among tenants to be an evasion of payment of bills such as electricity, waste disposal bills, etc in Akure metropolis.

Keywords: Behaviour; Compliance; Obligations; Property; Residential; Rental and Tenant.

1. INTRODUCTION

In rental housing, tenant behaviour plays a pivotal role in shaping the overall experience for tenants and landlords. The shift from perceiving a rental situation as a mere transaction to one that entails quality service has created a crucial need for superior property management services to enhance tenant satisfaction. Tenants' perception of the quality of residential services and their rising expectations have proven to yield significant benefits within the rental community. Attitudes, shaped

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by inclinations, biases, experiences, and convictions, profoundly impact individuals' responses to various objects and situations. Fazio (2007) stated that attitudes represent mental states acquired through experiences and exert a dynamic influence on an individual's behaviour. When it comes to rental obligations, tenants often find themselves obligated to fulfil certain responsibilities, both legally and morally, within the landlord-tenant relationship.

Rental obligations encompass a range of responsibilities that must be fulfilled by both landlords and tenants, as outlined in the lease agreement. As defined by Eberlin (2020), these obligations vary but form the foundation of the landlord-tenant relationship. While some obligations are explicitly stated in the rental agreement, others are implicit and understood within the dynamic of landlord-tenant relationship. When tenants enter a lease agreement, they commit to uphold its terms and conditions. Although the specifics of a lease agreement may differ, tenants are obliged to fulfil their end of the bargain as long as the terms are legal. As Itoje (2006) suggests, tenant obligations typically involve timely payment of rent, proper disposal of trash, maintaining cleanliness and functionality of plumbing fixtures, preventing damage to the property, respecting privacy and quiet enjoyment, and complying with all lawful provisions and community regulations.

Understanding the rights and obligations outlined in a lease agreement is crucial for successful real estate management, as emphasized by Bankole (2015) and Maxwell (2003). These documents formalize the relationships between landlords, tenants, and real estate professionals, ensuring clarity regarding the specific roles, responsibilities, and entitlements of each party. The fulfilment of rental obligations assumes particular importance in leasehold systems, as property owners rely on rent as a substantial portion of their wealth. In light of the aforementioned considerations, this paper aims to delve into the intricate relationship between tenants' behaviours and their impact on the fulfilment of rental obligations. This paper provides a cohesive and insightful analysis of the relationship between tenant behaviours and residential property rental obligations by adhering to this systematic framework.

1.1. Objectives of the Study

Given the background above, the specific objectives are to:

i. Identify various behaviours exhibited by residential property tenants in the study area
ii. Analyse the effects of tenants’ behaviour on residential property lease obligations in the study area.

The outcome of the study is expected to help Estate Surveyors and Valuers to acquaint and adopt a more sophisticated and effective tenants’ selection process and will enable the property owners/developers to take into consideration the optimum satisfaction of their prospective tenants/occupiers in terms of aesthetics, availability of facilities, among others.

2. Literature Review

2.1. Various Behaviours Exhibited by Tenants

Behaviour is every action by a person that can be seen or heard. In the rental property market, tenants’ behaviours play a major role in the fulfilment of the obligations of the lease agreement. A tenant is referred to as the lessee of the premises may use and occupy the rental property as long as he or she fulfils the obligations stated in the lease agreement, including but not limited to the payment of rent. Property managers usually prepare some questionnaires for tenants. This is to help get enough information about the potential tenant as much as possible. To enable property managers, gain an insight of a particular potential tenant, and tenant screening is essential. Usually screening involves personal judgments about an applicant to formal procedures like providing background information about the potential applicant, despite every property manager having their own way of screening, the major traits considered include financial capability and behavioural suitability Borio, 2014; Aondohemba and Lawrence, 2015).

Rental obligation is legal duty. The law obliges the tenant to pay the rents at the times and in the manner stated; pay all existing and future rates and charges not payable by the landlord by law; keep the premises in good and tenantable repair, reasonable wear and tear excepted; permit the landlord and his agents during the tenancy at all reasonable hours in the daytime after previous written notice, to view the condition of the premises and to effect, repairs in necessary parts of the building; not make any alterations or additions to the premises without the written consent of the landlord; not assign or sublet any part of the premises without the written consent of the landlord; and notify the landlord where structural or substantial damage has occurred to any part of the premises as soon as practicable. All these obligations whether fulfilled or not predicts the behaviour of a tenant.

According to Renan (2015) Tenant behavior ranges from perfect to disastrous and require different levels of involvement. Renan (2015) also identified types of tenants to be the good, the bad, and the ugly, their attitude towards rental obligation throughout their tenancy. when it comes to paying rent and bills such as service charge, waste disposal, electricity, the good tenant is an early bird. A good tenant understands their obligation to follow lease terms and remits rent, service charge and other utility bills on the date and manner agreed to in the rental agreement. Some lease agreements require tenants to pay rents and other charges on the first of the month, while others may specify an alternative date. Regardless of the specific due date, a lucky property manager/landlord will always see that these payments show up on time, or even a couple of days early.

A good tenant will make sure to pay their rent before the final day of the grace period, letting you collect rent earlier than expected. The bad tenants are always late payers. They fail to realize the importance of making these payments on time. A single late payment during a lease term is understandable, but problems arise when tenants make it a habit to always pay rent after it is due. While a rent payment that is only a day or two late does not require as much action in terms of phone calls and late notices, it can still be annoying to routinely wait for rent to show up. The ugly tenants in terms of rent payment are the non-payers. Non-payment is an extreme violation of the lease whether for a legitimate reason (like losing a job) or a meaningless reason (like the tenant doesn't feel like it). A tenant's rule-abiding tendencies affect how seriously he will honor the terms of the contract and follow property rules. The good tenant (the conformist) is every landlord's dream. They are seasoned renters who follow the lease agreement perfectly. They understand (and conform to) due dates, tenant maintenance responsibilities, guest guidelines, your pet policy, and how to report property maintenance issues before they become an expensive fix. The conformist's rule-abiding behavior goes beyond lease terms and property rules, including all laws, ensuring that illegal activity doesn't take place on your property. The bad tenant is always the rule breaker. Rule-breaking tenant behavior may include violations of the pet policy, failing to adhere to quiet hours, misusing property fixtures or appliances, subletting the property illegally, and more. The rule-breaker may have earned his name intentionally or unintentionally and they tend to claim innocence of their violation whether intentionally or not. The ugly tenant breaks the rules. The lawbreaker will violate more than just lease terms by conducting illegal activity at the rental property. Illegal tenant activity could involve drug use or distribution or much worse. A landlord is typically responsible for protecting the neighborhood of the rental property from the criminal acts of his tenants and could be held liable or face a variety of legal punishments if illegal activities occur at the property.

A tenant's communication style can range from courteous and appropriate to annoying or non-existent. A good tenant is a communicator. A good tenant will openly communicate with their property manager or landlord about any concerns or questions they experience during the tenancy. The communicator will inform management about any maintenance issues before they become an expensive problem and will also be available to answer a landlord's inquiry or notices as needed. If any issues come up that affect their ability to pay rent on time, the communicator will be open about their situation. A communicating tenant becomes a bad tenant when he falls into the complainer category. The complainer never seems to be satisfied with their rental property. Whether the neighbours are too loud or weird smells are suddenly coming from the carpet, there is always a new urgent message from the complainer. The complainer will deem their concerns the most important priority and may turn aggressive if their needs are not immediately addressed. The complainer can even take it a step further and start bossing around your other tenants, which can create animosity within your community. Just like too much communication can be a bad tenant personality, zero communication makes a tenant ugly. The avoider will go to great lengths to not talk with their property manager or landlord. The avoider personality goes beyond a tenant that doesn't like to chit-chat in the management office, but a tenant that does not relay important that directly affects the landlord-tenant relationship.

2.2. Effect of Tenants' Behavior on Residential Property Rental Obligation

One of the most visible effect non-fulfilments of rental obligation will have on property management is the inability of the investor to recoup his initial cost outlay. A striking characteristic of a typical real estate investment is the enormous capital it requires to make it a reality. The amount of capital invested in property and diverted away from other investment opportunities is huge and requires efficient stewardship. The rental amount a landlord charges will depend on the quality of the accommodation itself, as well as the quality of the larger environment, including the unit's access to basic infrastructure, public services, neighbourhood amenities and jobs. In most rental arrangements, the rental rate will be set at a level which allows the landlord to profit from the rental unit and to have a return on the investment, by earning more than the amount invested in constructing the rental unit and the maintenance costs (Dabara, Olatoye, & Okorie, 2012). When tenants default in rent payment, it defeats the purpose of the owner in recouping his investment fund. In practice, most property owners do not take the issue of rent likely as this is one way, they rely solely in enjoying the benefit of their investment decision. Some property owners even believe that tenant not being able to pay their subsequent rents is as a result of incompetence on the part of the property manager in discharging his or her duties. A chunk of property managers has actually lost their landlord clients as a result of this phenomenon. Some owners ended up withdrawing their properties from the managerial care of the property manager. So, it can be seen that it is not only the property owner that bares the grunts of rental defaults by tenants; the property manager's source of livelihood is also at stake. This is why an efficient tenant's selection procedure must be put in place by the property manager from the beginning.

Olukolajo (2012), observed that failure to pay rent and as when due constitute a major issue breeding conflict between landlord and their tenants in Lokoja residential property market. While landlords frowned at tenants' resistance to upward revision of rent and undue delay in payment; tenants on the other hand detest un-reasonable interval between rent revisions, non-consultative and high gap in rent revision. Short, et al., (2003) conceptualized the interests and risks of residential tenancy stakeholders. The main interest of professional property manager is to protect and maximize the interests of property owners (their clients) as well as their professional interests. Where this is not done, it may result to loss of income and litigation (for negligence in their duty to clients). Property owners seek to protect and maximize their own/family investment in the rental property market, and maintain right to control and use their property. Associated risks here include loss of income and infringement of lessors' rights. The interest of tenants as stakeholders is to obtain and maintain access to appropriate and affordable accommodation as well as maximize their rights before, during and after occupancy. Inherent risks are exclusion from rental housing and infringement of tenant rights. Last but not the least among stakeholders are tenant advocates. Their main interest is to protect and advocate the interests of tenants. Risks inherent in this duty include poor outcomes for tenant clients, not having capacity to respond, as well as disempowerment.

When tenants default, landlords are forced to outsource debt collection firms, lawyers, auctioneers and other agents with the aim of collection, or eviction. This and other operational costs are what are referred to as agency costs. A contract by third parties or separation of management from the owner bears agency costs. In real estate, this is usually through geographical separation or contracts to third parties to manage and run their investments on behalf of the owner Canesi, et al., (2016).

Property Maintenance and upkeep is one fundamental aspect of property Management which cannot be overlooked. In any housing facilities, rental revenue is the main ingredient of overall estate management. Rental payment therefore, is an obligation that must be fulfilled by tenants to their landlords. This obligation is often enshrined in the tenancy agreement which takes different forms especially in private and public accommodation. Tenants must therefore pay rent to the management or landlords either on a monthly basis or weekly basis as agreed in the tenancy agreement. Rental income is thus a form of revenue received by the property manager on behalf of the landlord or the owner of the property. This rental income is then used to pay all costs pertaining to the management and maintenance activities as far as the property is concerned. It is therefore clear that the payment of rent impacts greatly on the property management in maintaining the facilities and failure to do so will affect the maintenance of the property adversely.

2.3. Area of the Study

The study area is Akure which was made the capital of Ondo State in 1976. Akure is situated on latitude 70 ^{o} 17 ^{o}, and longitude 50^{o} 4 ^{o} E. It is about 370m above the mean sea level. Akure is situated within a 48-kilometer radius of major towns in Ondo State, viz Ondo to the South, Owo to the East, and Iju/Ita-Ogbolu to the North. The easy access and geographical centrality of Akure to these towns have enhanced the growth prospects of the city. The population of Akure in 1963 was put at 71,006 and by 1999; the total population has risen to 239,124 according to the 1991 census. By the year 2006, the total population has increased to 340,021 inhabitants (NPC, 2006).

Akure was used as a study area because of the relative vibrancy of the rental property market under the management of Estate Surveying and valuation firms in the city compared to other cities in Ondo State and based on the fact that the research focused on residential property, a location where there is a high presence of residential activities is one of the prime importance to it i.e., a location that is first in excellent quality and value. Most of these residential activities can be found in Aule, Alagbaka, Danjuma, Oke-Aro, Ijapo-housing estate, Orita-Obele, etc.

Akure city residential property market has witnessed tremendous transformation since it became administrative capital of Ondo state, Nigeria in 1976, and rental values have witnessed steady upward growth over the years (Adebisi, Ezeokoli, Oletubo, & Alade, 2015). With continued influx of people to Akure, more than 90% of residents patronize privately owned properties thereby heating up the demand side.

Akure, the study area is a medium-sized city and the capital of Ondo State, Nigeria. Akure possesses characteristics that are peculiar to other cities in Nigeria and most cities in the developing countries. Akure has residential quarters aggregated into natural areas. The general unifying attributes include the age of buildings, location attributes, available infrastructural facilities and their management. The city is believed to be a greener pasture of the rural dweller seeking a better means of living, thereby encouraging rural-urban drift in favour of the city. Moreover, this has also stimulated the demand for residential space.

3. METHODOLOGY

This study adopted a descriptive research method. The data set used in this study was obtained from practising Estate Surveying and Valuation Firms in Akure Metropolis. Apart from determining the value of land and landed properties, Estate Surveyors and Valuers act as property managers of rental properties. Their functions in this respect include setting appropriate rent, collecting rent, finding good tenants, managing exhibiting leases, and maintaining a property. By way of practice, these professionals collect background information of prospective tenants seeking to rent/lease apartments offered for various uses, using the acquaintance form (Oni, 2011), and they are the best equipped with the knowledge of the attitude of individual tenants in their portfolio.

The study focused on information on tenants with existing leases in the management portfolio of the Estate Surveying and Valuation firms in Akure. Based on the 2022 records of the Nigerian Institution of Estate Surveyors and Valuers (NIESV) Ondo state branch, there are twenty-five (25) Estate Surveying and Valuation firms in Akure, Ondo State. The dataset obtained from the twenty-five (25) Estate Surveying and Valuation firms in Akure consisted of a carefully selected sample of one hundred and twenty-five (125) tenants. These tenants were chosen randomly, with each firm contributing data for five (5) tenants. The selection criterion was that these tenants had each completed at least one year of their tenancy after the initial year. This specific timeframe was chosen to ensure that tenants had an established track record of behaviours, whether positive or negative. This approach to sample selection aligns with the recommendation of Adebisi, Oletubo, Alade, and Aghogho (2017), who emphasized the importance of managing sample sizes effectively while ensuring that the selected sample adequately represents the population under study.

The questionnaire administered was sectioned into two. Section A was structured to elicit background information about the respondent Estate Surveying and Valuation firms, while section B was structured to elicit information on the demography and behaviour of the tenants, concerning compliance with lease obligations.

Frequency distribution and Logistic regression analysis were employed in analysing the data collected on the various behaviours exhibited and the effect these behaviours may have on tenants' compliance with rental obligations. Logistic regression is the statistical technique used to predict the relationship between a predictor (dependent variables) and a predictive variable (independent variable). The logistic regression model aims to describe the relationship between one or more independent variables that may be continuous, categorical, or binary. The logistic regression analysis employed for this study is given as follows:

$$logit\,(Y) = nlog(o) = l(P11 - P1) = \beta 0 + \beta 1X1i + \beta 2X2i + \cdots + \beta \ldots \qquad \ldots 1$$

Where:

i = the i-th observation in the sample;

P = the probability of the outcome;

β0= the intercept term

β1, β2, β3, β4…. βn = coefficients associated with each explanatory variable; and

X1, X2, X3, X4…. Xk = explanatory variables.

The factors hypothesised to influence tenants' compliance with rental obligations and the operationalisation of these variables are provided in Table 1.

Table 1: Operationalization of Variables

Variable Code	Description of Variables	Measurement
Dependent Variables		
RENTOB	Compliance with the rental obligation	1 if the tenant is compliant, 0 if otherwise
Independent Variables		
DDOP	Deliberate destruction of property	1 if the tenant deliberately destroys property, 0 if otherwise
QOT	Quarrelling with other tenants	1 if the tenant quarrels with other tenants, 0 if otherwise
NPOB	Non-payment of bills such as electricity bills, waste disposal bills, etc.	1 if the tenant accumulates bills, 0 if otherwise
SAD	Smoking and drinking	1 if the tenant smokes and drinks, 0 if otherwise
NPSC	Non-payment of service charge	1 if the tenant defaults to service charge, 0 if otherwise
NMK	Noise making	1 if the tenant makes noise, 0 if otherwise
FAC	Failure to adhere to cleanliness at the premises	1 if the tenant fails to keep premises clean, 0 if otherwise
DAP	Deliberate alteration to the property without the landlord's consent	1 if the tenant makes alterations to the property, 0 if otherwise
PAT	Physical assault/threat to physically assault other tenants, landlord, and property managers	1 if the tenant makes threats or commits an assault, 0 if otherwise
ROA	Rearing of animals on premises without the property manager/landlord's consent	1 if the tenant keeps animals, 0 if otherwise

4. PRESENTATION AND DISCUSSION OF RESULTS

This study adopted a descriptive survey method, and copies of structured questionnaire were administered to the twenty-five (25) Estate Surveying and Valuation firms in Akure to retrieve information on at least five (5) tenants from each firm. Of the twenty-five (25) Estate Surveying and Valuation firms surveyed, only 23 (92%) provided access to the required data for this study. The totality of cases identified through their files and records found suitable for the analysis is ninety-one (91) tenants who have spent at least two years in their current accommodation.

4.1. Background Information of Estate Surveying and Valuation Firms

The background information of the Estate Surveying and Valuation firms that provided the data for this study were obtained and presented in Table 2.

Table 2:

Firms' Characteristics	Classification	Frequency	Percentage
Years of Experience	6-10 Years	13	56.5
	11-15 Years	4	17.4
	Above 20 years	6	26.1
Nature of Professional Practice	Valuation for all purposes	23	100
	Real Estate Agency	23	100
	Real Estate Development	1	4.3
	Property and Facilities Management	23	100
	General Real Estate Services	23	100

Background Information on Estate Surveying and Valuation Firms

Table 2 revealed that 56.5% of the Estate Surveying and Valuation firms have acquired field experience for 5 to 6 years. Table 2 further revealed that 17.4% and 20% of respondent Estate Surveying and Valuation firms have field experiences for 11 to 15 years and above 20 years, respectively. The respondent Estate Surveying and Valuation firms provide agency, property management, general real estate services, and others. In addition, 4.3% are further engaged in real estate development activities. The overall implication is that the firms included in this study have standard practice and have been in agency/property management activities for a considerable number of years; thus, information obtained from them was considered reliable.

4.2. Demographic Characteristics of Residential Property Tenants

Demographic data of tenants supplied by the Estate Surveying and Valuation firms are presented in Table 3. The data relate to their status at the commencement of their tenancy.

Table 3: Demographic Characteristics of Residential Property Tenants

Category	Classification	Frequency	Percentage (%)
Gender	Male	83	91.2
	Female	8	8.8
	Total	91	100
Employment Status	Self-employed	25	27.5
	Employed	64	70.3
	Retired	2	2.2
	Total	91	100
Marital Status	Single	7	7.7
	Married	84	92.3
	Total	91	100
Level of Education	Secondary	30	33
	University/Polytechnic	61	67
	Total	91	100
Ethnicity/Tribe	Yoruba	78	85.7
	Igbo	13	14.3
	Total	91	100
Household size	1-2 people	10	11
	3-4 people	55	60.4
	5-6 people	22	24.2
	Above 6 people	4	4.4
	Total	91	100

Table 3 revealed that 91.2% of the residential property renters are of male gender while the remaining 8.8% are females. Table 3 further revealed that 92.3% of the respondent tenants are married, which is an indication that landlords and or their agents have a preference for the married male gender in Akure residential rental market. This finding corroborates Sani & Gbadegesin (2015) and Adebisi & Bankole (2022) that more males patronize urban rental housing than females and that most renters are married. The tenants whose household size at the commencement of their tenancy is from 5-6 persons are 24.2%; 11% have their household size between 1-2 persons, 60.4% have their household size between 3-4 persons, 4.4% have their have their households' size above six persons. Most tenants (70.3%) are employed in either a public or private organization; 27.5% are self-employed and running businesses of their own. However, 2.2% of renters are retirees whose rent payment obligations are most likely shouldered by others, such as children. The result of the study also revealed that 67% of the tenant respondents have tertiary education while the remaining 33% only have secondary school education. 60% of the renters have occupied the rental property for 2-5 years, 24.2% for less than two years, 7.7% within 6-10 years, and only 2.2% have occupied the rental properties for more than ten years. Most renters are of the Yoruba tribe (85.7%), while the remaining 14.3 % are of the Igbo tribe.

4.3. Various Behaviours of Residential Property Tenants

In this section, an attempt was made to determine the behaviours of the tenants. Data collected from the respondent estate surveying and valuation firms on the behaviours exhibited by individual tenants were subjected into frequencies and percentages implying the level of significance at which each categorized behaviours are exhibited as shown in Table 4.

Table 4: Various Behaviours Exhibited by Residential Property Tenants

Category	Classification	Frequency	Percentage
Deliberate destruction of property	No	80	87.9
	Yes	11	12.1
	Total	91	100
Quarrelling with other tenants	No	60	65.9
	Yes	31	34.1
	Total	91	100
Non-payment of bills	No	42	46.2
	Yes	49	53.8
	Total	91	100
Smoking and drinking	No	83	91.2
	Yes	8	8.8
	Total	91	100
Non-payment of service charge	No	56	61.5
	Yes	35	38.5
	Total	91	100
Noise making	No	69	75.8
	Yes	22	24.2
	Total	91	100
Failure to adhere to cleanliness at premises	No	73	80.2
	Yes	18	19.8
	Total	91	100
Deliberate alteration to the property without landlord's consent	No	87	95.6
	Yes	4	4.4
	Total	91	100
Physical assault/threat to physically assault other tenants, landlord and property managers	No	78	85.7
	Yes	13	14.3
	Total	91	100
Rearing of animals at premises without the property manager/landlord's consent	No	62	68.1
	Yes	29	31.9
	Total	91	100

Subletting parts or whole of the property without property manager/landlord's consent	No	91	100
	Yes	-	-
	Total	91	100

The behavioral patterns of the residential property tenants are presented in Table 4, highlighting significant insights. Findings indicate that 12.1% of tenants have, at some point, intentionally damaged parts of the property, while the majority (87.9%) have refrained from such actions. Notably, 34.1% of tenants have experienced disputes with fellow tenants, contrasting with the 65.9% who have maintained peaceful coexistence with their neighbors. A substantial portion (53.8%) has struggled with fulfilling payment obligations, such as electricity and waste disposal bills, with the remaining 8.8% engaging in smoking, drinking, or both, while the majority (91.2%) abstain from such behaviors.

Regarding service charges, 38.5% of tenants have, at times, fallen behind, while the remaining 61.5% consistently meet their obligations. Approximately a quarter (24.2%) have been associated with noisy conduct, while the significant majority (75.8%) prefer a quieter environment. The analysis of cleanliness adherence indicates that 80.2% of tenants are diligent in maintaining the premises, while 19.8% do not adhere to these standards. Impressively, 95.6% of renters respect property alterations only with the landlord's consent, while 4.4% have deviated from this rule. The distribution of tenants involved in physical altercations or threats towards fellow tenants, landlords, or property managers stands at 14.3%, with the remaining 85.7% leading peaceful cohabitation.

Approximately 32% of tenants have raised animals on the premises without the landlord's consent, while the majority (68.1%) have refrained from doing so. It's noteworthy that none of the renters engage in subletting parts or the entirety of the rental property without approval from the property manager or landlord.

The predominant behavior among tenants, as evidenced by the findings, is the non-payment of bills, particularly electricity and waste disposal charges, followed by non-payment of service charges. This aligns with Renan's (2015) research findings, highlighting undesirable payment behaviors. Consequently, a significant proportion of residential tenants in the study area exhibit adverse payment tendencies, notably in their reluctance to meet service charges, electricity bills, waste management fees, and similar obligations.

The study also unveils that dispute with fellow tenants, unauthorized animal rearing, noise disturbances, non-compliance with cleanliness standards, property damage, smoking and drinking, and unauthorized property alterations are relatively infrequent behaviors among residential tenants in the study area. However, the act of subletting parts or the entire property without proper consent from property managers or landlords is not observed within this tenant population. These findings resonate with Renan (2015), emphasizing that the majority of tenants in the study exhibit commendable compliance with rules and regulations governing residential properties.

4.4. Logistic Regression Analysis of the Effects of Tenants' Behaviour on Compliance with Lease Obligations

The effects of tenants' behaviour on compliance with residential property lease obligations were assessed using binary logistic regression statistics. In this study the dependent variable was the tenants' overall level of compliance to rental obligations while the independent variables were deliberate destruction of property, quarrelling with other tenants, non-payment of bills, smoking and drinking, non-payment of service charge, noise making, failure to adhere to cleanliness at premises, deliberate alteration to the property without landlord's consent, physical assault/threat to physically assault other tenants, landlord and property managers, and rearing of animals at premises without the property manager/landlord's consent. This section presents the result of binary logistic regression, significance in Table 5 and the impact of each independent variable on the compliance with lease obligations is discussed.

The binary logistic regression model contained ten (10) independent variables (deliberate destruction of property, quarrelling with other tenants, non-payment of bills, smoking, and drinking, non-payment of service charge, noise-making, failure to adhere to cleanliness at premises, deliberate alteration to the property without landlord's consent, physical assault/threat to physically assault other tenants, landlord and property managers, rearing of animals at premises without the property manager/landlord's consent, and subletting parts or whole of the property without property manager/landlord's consent). The full model containing all predictors was statistically significant, $\chi 2$ (10, N = 91) = 18.956, p = 0.041, indicating that the model could distinguish between respondents who are compliant and not compliant with rental obligations, as shown in Table 10. The model explained between 18.8% (Cox and Snell R square) and 34.7% (Nagelkerke R squared) of the variance in compliance with rental obligations and correctly classified 90.1% of cases, as inferred in Table 9. As shown in Table 5, only one of the predictors/independent variables made a unique statistically significant contribution to the model (non-payment of bills such as electricity bills, waste disposal bills, etc.), and this predictor of reporting compliance with rental obligation recorded an odd ratio of 0.016, a value less than 1. The odd ratio value indicates that the less a tenant pays electricity bills, waste disposal bills, etc., the more likely such a tenant will be non-compliant with the rental obligation. In other words, for every payment for electricity bills, waste disposal bills, etc., made by a tenant, the odds of such tenant being compliant with rental obligations increase by a factor of 0.016, all other factors being equal. Five (5) of the independent variables in the model recorded negative *B* values, indicating that an increase in the independent variable score will result in a decreased probability of the case recording a score of 1 in the dependent variable (indicating a tenant's compliance with rental obligations). Thus, an increase in non-payment of bills such as electricity bills, waste disposal bills, etc. (*B* = -4.119), smoking and drinking (*B* = -1.675), noise-making (*B* = -0.075), failure to adhere to cleanliness at premises (*B* = -21.387), and rearing of animals at premises without the property manager/landlord's consent (*B* = -1.231), reduces the probability that a tenant will be compliant with rental obligations.

Table 5: Logistic Regression Analysis of the Effects of Tenants' Behaviour on Compliance with Lease Obligations

Independent Variables	B	S.E.	Wald	df	Sig.	Exp(B)	95% C.I. for EXP(B)	
							Lower	Upper
DDOP	24.22	10784.75	0	1	0.998	33084959175	0	.
QOT	1.637	2.063	0.63	1	0.427	5.141	0.09	293.396
NPOB	-4.12	2.022	4.148	1	0.042*	0.016	0	0.856
SAD	-1.68	2.449	0.468	1	0.494	0.187	0.002	22.732
NPSC	1.188	1.689	0.495	1	0.482	3.28	0.12	89.852
NMK	-0.08	1.181	0.004	1	0.949	0.927	0.092	9.383
FAC	-21.4	10784.75	0	1	0.998	0	0	.
DAP	1.211	1.717	0.497	1	0.481	3.356	0.116	97.187
PAT	0.451	1.64	0.075	1	0.784	1.569	0.063	39.051
ROA	-1.23	1.508	0.666	1	0.414	0.292	0.015	5.613
Constant	1.198	2.747	0.19	1	0.663	3.315		
Model χ^2 (10, n = 91) =		18.956	*p*. = 0.041					
Pseudo R^2 =		90.10%						

In placing findings for this study within existing similar studies, the behaviour found significant in predicting the likelihood of compliance with rental obligations is inferential to Borio (2014) and Aondohemba & Lawrence (2015) where it was established that prevailing economic conditions and financial capability are the most likely to contribute to whether or not tenants would fulfil financial rental obligations. This will almost certainly constitute a major issue breeding conflict between landlord, property managers and their tenants Olukolajo (2012) as it defeats the purpose of the owner in recouping his investment (initial cost outlay) alongside interests (Dabara, Olatoye, & Okorie, 2012).

5. Conclusions and Recommendations

This study analysed the effects of tenants' behaviours on residential property rental obligation in Akure, Ondo state, Nigeria, by assessing the various behaviours exhibited by residential property tenants and analysing the effects of tenants' behaviour on residential property compliance rental obligation in the study area. The study highlighted the most prominent behaviour among tenants to be an evasion of payment of bills such as electricity, waste disposal bills, etc. The binary logistic regression results also showed that the continuous evasion of payment of bills such as electricity bills, waste disposal bills, etc., smoking and drinking, noise-making, failure to adhere to cleanliness at premises, and rearing of animals at premises without the property manager/landlord's consent by a tenant, reduces the probability that such tenant will be compliant with rental obligations. Since a tenant with suitable payment behaviour ensures that investment or other goals for the property are achieved, landlords and property managers should adopt an effective tenant selection process that considers prospective tenants' payment behaviour based on previous renting history. Tenancy agreements should also provide a vehicle for tenants' satisfaction as the tenant's satisfaction factor influences the tenant's willingness to fulfil both financial and non-financial obligations. It should contain a clause for rent review and service charge payment, and efforts should be made to ensure that the parties in the agreement (landlord and tenant) understand their various rights and fulfil their respective obligations.

6. Limitation of the Study

This study is limited to the use of tenants with existing leases in the management portfolio of the Estate Surveying and Valuation firms in Akure with at least one year of residency. Therefore, the result could be improved by further studies on other types of rental real estate in other cities and states. In spite of these limitations the result provides reasonable insight into the influence of tenants' behaviours on compliance with residential property lease obligation with a view to enhancing effective property management practice in Nigeria, as well as guide for further studies

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