

Statistical Analysis of the Effects of Tenants' Discrimination in Akure Residential Property Market

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Abstract: This study examines the effects of tenants' discrimination in Akure residential property market. Primary data used for this study was obtained through questionnaire survey. A total enumeration survey of all the Estate Surveying and Valuation firms in the study area was carried out, and a simple random sampling method was used to select two tenants and two landlords from each of the Estate firms. The data collected was used to analyze the effects of tenants' discrimination in Akure residential property Market. The relationship between Landlords' Ages and Sexes, Tenants' Sexes and Occupations, Estate Surveyor and Valuers' Years of Experience and Methods of Tenants Selection, and the Effects of Tenants' Discrimination was determined using the inferential statistical method called Analysis of Variance (ANOVA). The study revealed that Tenants' discrimination is not affected by the landlords' ages and sexes, i.e., no matter what the age and sex of Landlord, it has no significant effect on tenants' discrimination. Also, the Sex and Occupation of Tenants have no significant effects on tenants' discrimination. But the years of experience and the methods of tenants' selection of Estate Surveyors and Valuers have significant effects on Tenant's discrimination. It was also discovered that most landlords in the study area discriminate against tenants based on their past experiences due to the relationship they have had with different tenants. The tribes/ethnics of tenants are the primary or most significant factor or reason why tenants think they are being discriminated. Property managers always try as much as possible to adhere to landlords' instruction, thereby discriminating against tenants in the process.

Keywords: Tenants' Discrimination, Residential Property, Landlords, Tenants, Statistics

1. Introduction

Discrimination arises because some people happen to belong to a particular group or because they have certain personal characteristics or attributes, some people have prejudiced ideas or stereotypes or beliefs about them. It is often the result of not treating each person as an individual irrespective of their race, age, sex, etc. [1].

According to [1], we can also have discrimination in an indirect way. In some instances, treating everybody the same way may not be favorable to some group of people. For example, requesting that all prospective tenants have been working for at least five years would be unfavourable to young people who may have little or no chance of complying. Such a rule will be against the law, and it will be indirect discrimination unless the rule in all relevant circumstances is reasonable and necessary. Most of the time, indirect discrimination is often the result of failing to think about the impact of regulations and requirements on different categories of people, and not usually intentional.

Tenant discrimination is a pervasive challenge nationwide; it is also hugely under-reported, according to the U.S.A. Department of Housing and Urban Development (HUD), less than one percent of about two million instances of Tenant's discrimination that occur each year are reported.

A lot of people are not even aware that they have experienced discrimination one way or the other when it comes to housing discrimination. HUD study in the year 2002 suggests that many renters and homebuyers do not understand the activities that are illegal under the Fair Housing Act. Tenant discrimination is said to have occurred when an individual or family is treated partially based on specific attributes, such as sex, race, class, religion, family status, and national origin when trying to rent, buy, sell, finance, or lease a home. [2]. Housing discrimination can lead to racial separation and spatial inequality, which, in turn, can provoke wealth inequality between certain groups. Discrimination is common in the residential market because the Landlord has his own policies before any tenant could rent his property, which the property manager must strictly obey.

In Akure residential property market, the three major stakeholders are Estate Surveyors and Valuers, who help in tenant selection; landlords who provide the residential properties; tenants who seek housing, and they are far increasing day by day. It is the duty of an Estate Surveyor and Valuer, i.e., a property manager, to select the desirable Tenant based on some policies and procedures. Policy on tenant selection may vary depending on the category of property, the objective of the property owner, and the facilities provided.

Residential property generally delivers the most balanced income because no matter what the economic dictate, people are always in search of places to live. The need for housing by tenants has allowed the property owners to arbitrarily review rent upward, making the residential property market to be more competitive, and only the high-income earners would be able to go for it. Despite the competitiveness of the residential market, there are still provisions for the middle-income earners and low-income earners in getting houses they can afford, especially in Akure residential property market.

2. Review of Relevant Literature

2.1 Definitions of the Concept of Residential Property Discrimination

Discrimination arises when people are singled out or excluded (irrespective of their merit) based on class, gender, race, sex, or any other group identity. Discrimination has been for a very long time, it is as ancient as humankind, it is a timeless phenomenon, and most of the time it lies at the heart of most human conflict and differs from places to places. Residential property market discrimination occurs when an individual or family is treated partially based on specific attributes, such as sex, race, class, religion, family status, and national origin, when trying to rent, buy, sell, finance, or lease a home. [2].

2.2 The Review of Relevant Literature on the Concept of Housing Discrimination

In the residential property market, the competitive atmosphere spread rapidly, the discrimination element. One of the primary sources of social exclusion is the lack of accommodation, which is a significant necessity for any life worth living [3]. In developed countries, a lot of experiments have been carried on discrimination into residential property market. According to [4], Arab and Afro-Americans sounding names are mostly discriminated against in Italy, Spain, and the U.S.A. The method used was that the owners of properties are being sent emails. From the study carried out by [4], there are high levels of discrimination against people from Arab and European countries in Italy. In Sweden, [5] discovered that discrimination based on ethnicity and gender does exist. The relationship between immigrants in developed countries and the inter-ethnic groups is the main target of all these studies.

The 1989 Housing Discrimination Study (HDS) was used by [6] to examine the residential property agent's discriminatory actions. According to the author's proposition, information is given about which units are available, the geographic location of housing units shown or recommended, and facilitating the sale of a unit are the three primary kinds of behaviors property agents can use in discriminating minority clientele. The acts of discrimination are being quantified by the likelihood of brokers doing various actions calling back, asking about needs, asking about income, financial assistance, follow-up calls, mentioning the advertised unit is available, and invitations to inspect the

advertised unit. The authors discovered that residential property agents discriminate in all cases. How discrimination occurs are measured by these behaviours measure; however, they do not quantify the subtle differences in the way an agent can carry out those actions towards minorities. For instance, if a property owner makes a follow-up call to both minority auditors and white in the study, different tactics may be used by the property agent on the white client to entice him to visit again. In as much as they didn't record the language used during these exchanges, it is not possible to say that in addition to the more overt discrimination, there are subtle forms of discrimination happening.

The evidence found on discriminatory actions in residential property, fast food markets, and the automobile was discussed by [7]. In the property market, the obvious discriminatory behavior in both the rental and sales markets was highlighted. Property agents usually exclude available units of properties, signal fewer positive comments about the units, show fewer units, make fewer callbacks, and are less likely to help with minority home seekers or discuss financial incentives. These results do show ways property agents can discriminate, yet, within each action, subtle discrimination can still be used by a property agent against minorities. Since the effects of the property agent are not recorded nor is the auditor asked to discuss these types of agent behaviours, there is no way the researcher can know this type of discriminatory behaviour.

The 2000 Housing Discrimination Study (HDS) was used by [8] to examine the choices of real estate brokers' as regards the number of properties to show prospective tenants. He discovered that Hispanics and blacks and are shown 10% and 30% fewer properties, respectively. This difference is majorly attributed to the white customer's influence.

The study of [9] focused on whether landlords in the U.S.A. cities discriminate in the housing market. He used matched pair audits conducted via email for rental property units advertised online to test for racial discrimination. The research showed African-American names experience discrimination and are more pronounced in neighborhoods that their racial composition is near "tipping points."

The Toronto's property market was studied by [10]. Audit method was used in accessing discrimination in this market. The study reveals that the Arabic/Muslim men are the set of people who face the greatest resistance at about a 12% level of discrimination. Audits approaches and complaints are also used in examining the incident of discrimination [11], it's of the opinion that in respect of the matter, the actual occurrence might not be complaints.

Some other things that are also discovered as discrimination in residential housing market are membership in a particular socio-economic class. (for example, single parent households, welfare recipient) or lack of membership in a particular Race, religion, the sponsoring organization, sex, color, status, or the household members national origin, whether there is a member of the household that has a specific disability, the size of the family (However, if the family size requires a unit size that does not exist in the property, the family must be denied assistance), age etc.

2.3 Effects of Tenants' Discrimination in Residential Property Market

The 2009 report by the Fundamental Rights on the living conditions of Roma and Travelers and that of the European Monitoring Centre on Racism and Xenophobia on discrimination against migrants and minorities in housing in 2005 shows the level of discrimination suffered by Roma, migrants, and persons of foreign origin looking to rent private house throughout the European Union. This can sometimes take the dimension of a refusal to let out a property. Still, another instance, the property owner can be asking migrants or members of an ethnic minority a higher rent.

Although, we don't have adequate data in this area, some studies suggest that regardless of origin some women such as single parents are always victims of discrimination when renting private accommodation. From the study carried out in Belgium in 2006, the idea of having single women or unmarried mothers in residential property is not being supported by a large number of property owners. Some of them believe that in the practical aspects of handling and maintaining a property, women are not as good as men, while this tendency has been exacerbated by the fact that many women have low incomes. The Anti-Discrimination and Equal Opportunities Commission [Haute

autorité de Lutte contre les discriminations pour l'égalité – HALDE] found in France in 2011 that in the private housing sector, families of single-parent are among the types of families that suffer discrimination most frequently, 85% of which are single mothers looking after one or more children. The report 'How fair is Britain? 2010' in the United Kingdom showed the fact that single mothers, due to discrimination, are more likely to live in poor quality or overcrowded accommodation than other family types.

From the HALDE discussion quoted above, young people under the age of thirty or people who are no longer independent or who are disabled also face a high level of discrimination in access to quality accommodation in France. If Europe-wide studies can be conducted, it would be helpful in order to detect if these groups in the other European States are also significantly affected by this type of discrimination. In national case law, some decisions show that same-sex couples who wish to rent apartments are sometimes discrimination victims.

3. Research Method and Analytical Tool

The sample size for this study covered all the twenty-five (25) registered Estate Surveying and Valuation firms in Akure metropolis (total enumeration). Two (2) Landlords and two (2) Tenants were selected per firm, making fifty (50) Landlords and fifty (50) Tenants, which was one hundred and twenty-five (125) respondents in total. The major method adopted for collecting the primary data for the research study was the use of questionnaires. The inferential technique, called Analysis of Variance (ANOVA) was adopted.

4. Data Analysis and Discussion

4.1 Effects of Landlords' Ages and Sexes on Tenants' Discrimination

The relationship between Landlords' Ages and Sexes and the Effects of Tenants' Discrimination was determined in Table 4.1 below, using the inferential statistical method called Analysis of Variance (ANOVA). This had helped to understand the statistical differences between the sexes and ages of the landlords and the effects of tenants' discrimination and their significance

Table 1: Relationship between Landlords' Ages and Sexes and the Effects of Tenants' Discrimination

Tests of Between-Subjects Effects						
Dependent Variable: LANDLORDS EFFECTS						
Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	
Corrected Model	178.028 ^a	8	22.254	1.259	.296	
Intercept	5279.839	1	5279.839	298.594	.000	
SEX	5.586	1	5.586	.316	.578	
AGE	58.358	4	14.589	.825	.518	
SEX * AGE	132.033	3	44.011	2.489	.076	
Error	618.881	35	17.682			
Total	15930.000	44				
Corrected Total	796.909	43				

The ANOVA table above shows the statistical differences between the sexes and ages of the landlords and the effects of tenants' discrimination and their significance. The values in the table were arrived at, at 5% degree of freedom and 95% level of significance or confidence.

From the table, $p = 0.578 > 0.05$ for sex. This indicates that the differences between the sexes of the landlords and the effects of tenants' discrimination are statistically insignificant. Hence, the sexes of the landlords have no statistically significant main effect on discrimination in tenant selection. All

other things being equal and ignoring the effects of age, and the F ratio has a highly significant effect or influence on tenants' discrimination by landlords.

The differences between the ages of landlords and the effects of tenants' discrimination are statistically significant, too, with $p = 0.518 > 0.05$. Hence, the ages of the landlords have no statistically significant effect on discrimination in tenant selection. All other things being equal, Landlord's ages no matter what it is, doesn't influence their decision on whether to discriminate against any tenant or not.

The interactions between the two independent variables of age and sex have no statistically significant effect on tenants' discrimination by landlords. The differences are, therefore, insignificant. This is because the significance value is less than $p = 0.05$. Therefore, whether the Landlord is a male or female, or whether the Landlord is old or young does not affect the way he or she discriminates in any way.

Therefore, the implication or likely consequence of the ages and sexes of the landlords on tenants' discrimination is negligible.

4.2 Effects of Tenants' Sexes and Occupations on Tenants' Discrimination

The relationship between Tenants' Sexes and Occupations and the Effects of Tenants' Discrimination was determined in Table 4.2 below, using the inferential statistical method called Analysis of Variance (ANOVA). This had helped to understand the statistical differences between the sexes and occupation of the tenants and the effects of tenants' discrimination and their significance.

Table 2. Relationship between Tenants' Sexes and occupations and the Effects of Tenants' Discrimination

Tests of Between-Subjects Effects						
Dependent Variable: TENANTS EFFECTS						
Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	
Corrected Model	552.897 ^a	23	24.039	1.904	.089	
Intercept	13004.752	1	13004.752	1029.891	.000	
Sex	4.233	1	4.233	.335	.570	
Occupation	481.911	18	26.773	2.120	.064	
Sex*Occupation	47.280	4	11.820	.936	.467	
Error	214.664	17	12.627			
Total	23906.000	41				
Corrected Total	767.561	40				

The ANOVA table above shows the statistical differences between the sexes and occupation of tenants and the effects of tenants' discrimination and their significance. The values in the table were arrived at, at a 5% degree of freedom and 95% level of significance or confidence.

From the table, the $p = 0.570 > 0.05$. This indicates that the differences between the sexes of the tenants and the effects of tenants' discrimination are statistically insignificant. Hence, the sexes of the tenants have no statistically significant main effect on discrimination in tenant selection. Tenants' discrimination is not affected or influenced irrespective of whether the Tenant is a female or male.

The differences between the occupations of tenants and the effects of tenants' discrimination are statistically insignificant, too, with $p = 0.064 > 0.05$. Hence, the occupation of tenants has no statistically significant main effect on discrimination against tenants in tenant selection.

The interactions between the two independent variables of sex and occupation have no statistically significant main effect on discrimination against tenants. The differences are, therefore, insignificant. This is because the significant value is higher than $p = 0.05$.

Therefore, the implication or likely consequence of the sexes and occupation of the tenants on tenants' discrimination is negligible.

4.3 Effects of Estate Surveyor and Valuers' Years of Experience and Methods of Tenants' Selection on Tenants' Discrimination

The relationship between Estate Surveyor and Valuers' Years of Experience and Methods of Tenants Selection and the Effects of Tenants' Discrimination was determined in Table 4.3 below, using the inferential statistical method called Analysis of Variance (ANOVA). This had helped to understand the statistical differences between the years of experience and methods of tenants' selection of Estate Surveyor and Valuers and the effects of tenants' discrimination and their significance.

Table 4.3: Relationship between Estate Surveyor and Valuers' Years of Experience and Methods of Tenants Selection and the Effects of Tenants' Discrimination

Tests of Between-Subjects Effects						
Dependent Variable: ESTATE SURVEYORS AND VALUERS EFFECTS						
Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	
Corrected Model	158.333 ^a	8	19.792	6.704	.011	
Intercept	3566.597	1	3566.597	1208.041	.000	
Years of Experience	47.367	2	23.683	8.022	.015	
Methods of Tenants Selection	93.500	5	18.700	6.334	.016	
Years of Experience *Methods of Tenants Selection	8.167	1	8.167	2.766	.140	
Error	20.667	7	2.952			
Total	7404.000	16				
Corrected Total	179.000	15				

The ANOVA table above shows the statistical differences between the Years of Experience and Methods of Tenants Selection of Estate Surveyors and Valuers and the effects of tenants' discrimination and their significance. The values in the table were arrived at, at a 5% degree of freedom and 95% level of significance or confidence.

From the table, the $p = 0.015 < 0.05$. This indicates that the differences between the years of experience in property management and the effects of tenants' discrimination are statistically significant. Hence, the years of experience of Estate Surveyors and Valuers in property management have a statistically significant main effect on discrimination in tenant selection by Estate Surveyors and Valuers. Tenants' discrimination is highly affected or influenced by the years of experience of Estate Surveyors and Valuers in property management.

The differences between the Methods of Tenants Selection and the effects of tenants' discrimination are statistically significant, too, with $p = 0.016 < 0.05$. Hence, the Methods of Tenants' Selection have a statistically significant main effect on discrimination against tenants in tenant selection by Estate Surveyors and Valuers.

The interactions between the two independent variables of Years of experience in property management and Methods of Tenants Selection have no statistically significant main effect on

discrimination against tenants. The differences are, therefore, insignificant. This is because of the significant value, i.e., 0.140, is greater than $p = 0.05$.

Therefore, the implication or likely consequence of the years of experience and the method of tenants' selection of Estate Surveyors and Valuers on tenants' discrimination is very significant.

5. Conclusion

This study was carried out because of the rampancy of tenants' discrimination in the residential property market; the effects of tenants' discrimination on property transactions were considered. From the findings, it can therefore be concluded that tenants' discrimination is not that rampant in the study area. People believe that the most important thing is the ability of the prospective tenants to pay the initial and subsequent rent and to keep the property in good shape. Tenants' discrimination is not affected by the landlords' ages and sexes, i.e., no matter what the age and sex of Landlord it has no significant effect on tenants' discrimination. Also, the Sex and Occupation of Tenants have no significant effects on tenants' discrimination. But the years of experience and the methods of tenants' selection of Estate Surveyors and Valuers have significant effects on Tenant's discrimination.

Conflict of Interests

The authors declare that there is no conflict of interests.

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