



# ANALYSIS OF EVENT CENTRES IN ILORIN AND SECURITIZED REAL ESTATE INVESTMENT RETURNS PERFORMANCE IN NIGERIA

<sup>1</sup>Udokang Kemi Anietie and <sup>2</sup>Nwosu Akuakanwa Eziukwu

*Department of Estate Management, School of Environmental Technology,  
Federal University of Technology, Akure.*

## ABSTRACT

*Most investors have difficulty determining the investment that will produce the desired return. There is a need to choose the investment that will yield the best and most expected return. This research paper analysed the returns of event centres in Ilorin West and securitized real estate investment performance in Nigeria. Ilorin West was chosen as the study area because of the influx of event centre development. The income and capital value of event centres were collected from the event centre managers through a self-administered questionnaire, while data on stock prices and dividends were obtained in the Nigerian Stock Market. The target population comprised 19 event centres in Ilorin West, sourced from the hall, venue, and event centre Nigeria Directory. Nineteen questionnaires were administered to the managers; fifteen were retrieved. Union Homes, United African Company of Nigeria, and Sky Shelter constituted the target population for securitized real estate investment. The data were analysed using mean scores, trend lines, and t-tests. The result showed that, based on an average total return during the study period, the event centre outperformed securitized real estate, while the t-test showed that, between 2015 and 2018, there was a significant difference between the performances of the event centre and securitized real property investments. However, from 2019 to 2022, their performances showed no significant difference. The findings from the study will give direction to prospective investors in event centres and securitized real estate. It was recommended, among others, that since event centres proved to have a higher return in the study area over securitized real estate, prospective investors are encouraged to invest more in event centres since the return on investment is positive.*

**KEYWORDS:** Event Centre, Investment, Investors, Performance, Returns, Securitized, Unsecuritized.

## 1. INTRODUCTION

Investment is the outlay of money in cash at a particular period, expecting to benefit from a future return or its equivalent (Koen and Monique 2010). Most investors invest huge amounts of money without understanding the performance of real estate investments (Kalu et al., 2017). Real estate is described as a physical construction in which value and income are generated through the payment of rent by the tenant under a contractually binding lease (C.M.P. Capital 2014). As a special investment, real estate investment entails high risks and needs the expertise to bring out the best returns (Nwankwo et al. 2018). Real estate investments can be securitized or unsecuritized. The securitized real property type of investment involves the purchase of real estate shares



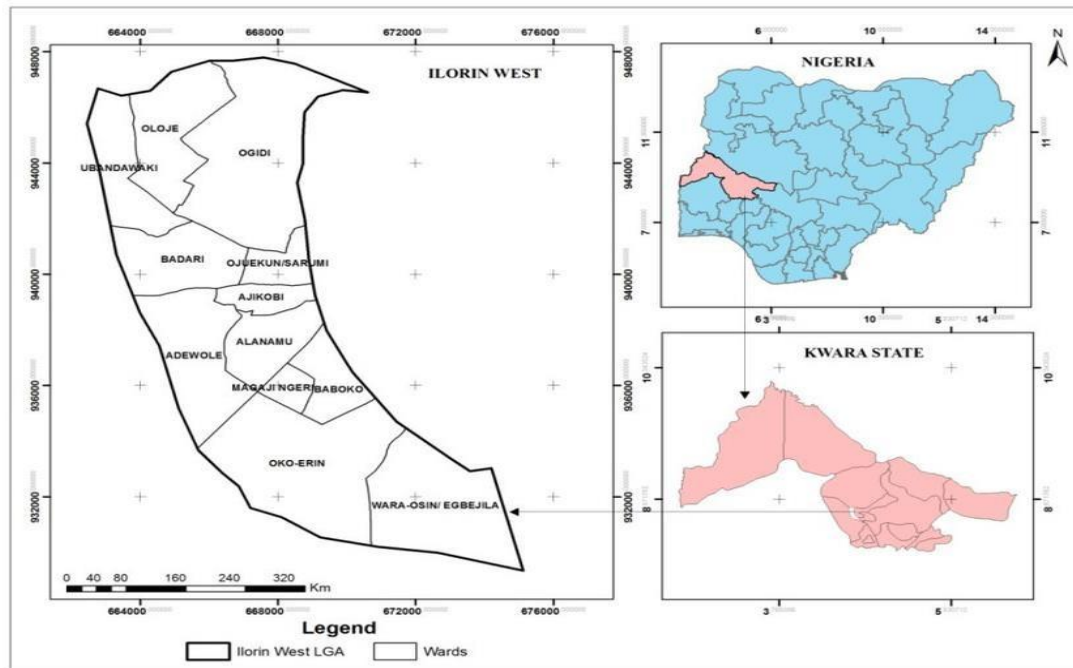
from listed companies like Union Homes, United African Company of Nigeria (UACN), and UPDC, which then trade on financial exchanges, while unsecuritized real estate investment is the acquisition of interest in buildings and land with the expectation of getting an annual return in the form of rent or outright sale (Georgiev, 2002). Investors in unsecuritized real estate invest in diverse recreational, commercial, residential, industrial, and agricultural properties. In this research, event centres, the major thrust of this study, are under the recreational type of properties. Event centres are facilities with many purposes, generally for ceremonies, group meetings, and organisation conventions. Event centres' popularity increased because of the evolving behavioural changes in the celebration of affairs by individuals (Adebayo, 2017).

The holding period of return is the basic unit for measuring the performance of investment returns and managing the portfolio (Baum, 2002). This implies that the holding period is paramount in an investment rate of return calculation. Return is described as capital appreciation, with net rental income during a specific period being considered and expressed as the purchase price's initial value (Udobi et al., 2013). Capital growth and income are the two components that make up the real property return performance (Hargitay & Yu, 1993). Therefore, returns and the risk embedded in property investment are a function of the property investment performance. Prudent investors diversify their investment portfolio to lower risk in their investments; as a result, they can calculate the market performance of various investments in real properties' risk-to-return ratios (Amidu et al., 2007). Investment performance can be ascertained by examining the total returns generated from the investment annually and the associated level of risk from the investment annually (Kalu, 2001). The performance of an investment in real property is important when precedence is laid on the performance of an investment in real estate in so many places in the world, of which Nigeria is not left out. Few studies or research on the performance level of investment in real property have been achieved in Nigeria. Besides, the continuous ups and downs in the international and local markets on real estate investment performance are helping to call attention to the necessity for cautious deliberation in investment decision-making (Oyewole, 2013).

Most investors have difficulty determining the investment that will produce the desired return. This study will analyse the performance of event centres in Ilorin West and securitized real estate investment in Nigeria between 2015 and 2022 to determine the investment that will yield higher returns. Ilorin West was chosen because of the influx of investors in event centre development in the area. The outcome of this research will benefit prospective investors in event centres and securitized real estate investments in Nigeria. The following objectives serve as the driving force of the paper:

- The returns on event centres in Ilorin and securitized real estate investment in Nigeria between 2015 and 2022.
- The performance of the event centre in Ilorin and securitized real estate investment in Nigeria between 2015 and 2018
- The performance of the event centre in Ilorin and securitized real estate investment in Nigeria between 2019 and 2022.

## 2.0 STUDY AREA



Map showing Ilorin West.

Ilorin City, the capital of Kwara State, is the area of study for this research. Ilorin West's local government area is in Ilorin, the capital city of Kwara State, within Nigeria's north-central geopolitical zone. Kwara State has sixteen (16) local government areas, which are Asa, Baruten, Edu, Ekiti, Ifelodun, Ilorin West, Ilorin East, Ilorin South, Irepodun, Isin, Kaiama, Moro, Offa, Oko Ero, Oyun, and Patigi. Ilorin West local government area has its headquarters at Oja-Oba. It consists of the towns and villages of Adewole, Baboko, Ajikobi, Badari, Ogidi, Ojuekun, Oko-erin, Warrah, Ngeri, Oloje, Ubandawaku, Egbejila, and Oshin.

## 3.0 LITERATURE REVIEW

### 3.1 Concept of Investment in Real Estate

Investment is the outlay of money in cash at a particular period, expecting to benefit from a future return or its equivalent (Koen and Monique 2010). Investment can be done via real estate or finance. Real estate is described as a physical construction in which value and income are generated through the payment of rent by the tenant under a contractually binding lease (C.M.P. Capital 2014). Nwankwo et al. (2018) considered real estate investment as a special type that entails the highest risks; therefore, it needs the best expertise to bring out the best returns. Most investors invest huge amounts of money without understanding real estate investment performance (Kalu et al., 2017). Real estate investments can be securitized or unsecuritized. The securitized real property type of



investment involves the purchase of real estate shares from companies like Union Homes, United African Company of Nigeria (UACN), and UPDC, which then trade on financial exchanges, while un-securitized real estate investment is the acquisition of interest in buildings and land with the expectation of getting an annual return in the form of rent or outright sale (Georgiev, 2002).

Investors in unsecuritized real estate invest in diverse properties such as commercial like shops, offices, etc.; residential like blocks of flats, duplexes, etc.; industrial, agricultural, recreational like parks, gardens, event centres, etc.

### 3.2 Review of Related Studies

Oyewole (2006) compared unsecuritized real property investments and securitized real property investments' performance. United Africa Company of Nigeria was the only securitized real property company listed in Nigeria from 2009 to 2014 after considering the unsecuritized property investment returns of eight unsecuritized property companies. Unsecuritized properties outperformed securitized investments, considering risk-adjusted return, while securitized investments outperformed unsecuritized investments, considering returns and capital appreciation. However, the study only evaluated United Africa Company of Nigeria for the securitized, and others were left out. Zemit (2008) assessed the role of event centres in developing state economics. The study included an analysis of short-run spending effects: direct, induced, and indirect effects. The impact of one activity on the rest of the economy is calculated using traditional multiplier models. The economic impact analysis of Dzintari Concert Hall revealed that the events centre stimulates more than 5 million turnovers per season; therefore, the more consumers that event centre activities can attract, the higher the economic impact. Amidu et al. (2008) researched the historical performance of securitized and unsecuritized real property investments in Abuja, Nigeria. From 2009 to 2014, the share prices, dividends, and returns on unsecuritized and securitized real estate were considered. According to the study's findings, unsecuritized real estate outperformed securitized investments, taking into consideration returns but underperforming them on a risk-adjusted basis.

Adegoke (2009) examined the performance of an unsecuritized property relative to a securitized one in Lagos Metropolis. Data was gathered on the features, rental value, and capital values of unsecuritized real estate investments through questionnaires from real estate managers. The Nigerian stock exchange collected data on the price and dividend of securitized assets. According to the study, securitized real property outperformed unsecuritized real property, considering the rate of return in absolute terms.

In Switzerland, unsecuritized and securitized real property investments were compared by Vestch (2010). The study examined various correlations of index combinations by comparing returns and looking for reasons. Due to the normal leverage of securitized and unsecuritized investments and the bias of past transaction data of appraisers on unsecuritized real estate, adjustments in deleverage on securitized and unsecuritized investments are made. The study found a notable relationship between the unsecuritized



and securitized indexes at the index level. This demonstrated the correlation between securitized and un-securitized investment in Switzerland.

Bello (2012) evaluated selected securitized investment markets and unsecuritized real property investments in southwest Nigeria to determine returns and risk from 2000 to 2009. The study results showed that securitized investments had higher returns than unsecuritized real property investments and that unsecuritized real property investments had higher risks. Unsecuritized real estate investments' returns and capital value were compared with the price and dividend of securitized investments. The study considered commercial properties compared to securitized investments, not event centres. Unsecuritized real estate investment performance in Anambra was examined by Udobi et al. (2013). The performance of the unsecuritized real property investment, considering the level of risk involved, was assessed using the coefficient of variation and standard deviation. The study's outcome revealed that capital and rental value increased over time and that the rate of return on unsecuritized real estate investment appears to be higher and more stable than securitized investment. As a result, the study concluded that investing in unsecuritized real estate is preferable. The study was conducted in Anambra, but the residential property was not considered an event centre.

Oyewole (2013) analysed the comparative performance of Ilorin's unsecuritized real estate investments (commercial and residential). The study measured the investment performance using standard deviation, Sharpe ratio, and coefficient of variance. The study revealed that investing in residential rather than commercial real estate entails greater risk. The study concluded that commercial real property investments outperformed residential real estate ones. Before and after the market crash, Umeh (2014) examined the performance of securitized real property investments. The outcome of the study using Modigliani analysis revealed that securitized real property investment performance was better after the market crash period than it had been earlier.

Dabara et al. (2015) and (2016) examined securitized and un-securitized real property investment performance in Gombe State between 2005 and 2014 compared to a few Nigerian financial assets. The yearly average asset total returns and portfolios were calculated using the data gathered, and the corresponding risk levels were identified. Pearson Product Moment type of correlation, weighted mean, and ordinary least squares type of regression were used as arithmetical statistics. According to the analysis's outcome, real estate investments that weren't securitized during the evaluation period had the best returns and the greatest risk. Olanrele et al. (2015) compared the performance of securitized real property investment dividends in Malaysia and Nigeria from 2000 to 2014, using risk-adjusted and risk-return indicators for investment performance. The outcome of the study revealed that Malaysian securitized real property investment outperformed Nigerian securitized real property investment, putting into consideration the return and risk-adjusted return, while Nigerian securitized real property investment outperformed, putting into consideration the risk. Only securitized real property investments were taken into account in the study.



Wahab et al. (2015) used the Sharpe ratio and coefficient of variation to analyse the performance of unsecuritized real property investments, considering the returns across four locations in Abuja. The study's outcome revealed that the Gwarimpa market area underperformed other markets regarding returns compared to the federal government bond. Only residential real estate investments were taken into account in the study. To determine whether securitized real property investment can take the place of unsecuritized real property investment in Abuja, Adeogun, Gambo, and Luqman (2017) compared un-securitized and securitized real property investment market returns performance. In comparing the performance of un-securitized and securitized real property investments, the research used standard deviation, mean score, variance, coefficient of variation, and Pearson product-moment type of correlation. The study's findings showed that investment in securitized real property is riskier than investment in unsecuritized real property. When the returns from investments in securitized and un-securitized real property were compared, it was found that there was a positive correlation. The study thus advised investors to make all necessary comparisons before making any investment decisions. Even so, this study did not take event venues into account. Most homes in Nigeria are constructed as investments, and because there is a high demand for homes compared to supply, buying homes becomes a very appealing investment. Residential property returns are usually different depending on the location of the property. For instance, due to the lower occupancy rate associated with the government reservation areas (G.R.A.), the return on properties in such areas is mostly lower than in areas with high density because of a long lease and high rent. The commercial property seems more than the residential property because the occupier that has made goodwill in the vicinity or location will not want to go to another place in which the goodwill will be lost; meanwhile, this can make him make regular payments on his rent to avoid eviction from that vicinity or premises (Udobi, Onyejiaka, & Nwozuzu, 2018). The study analysed only unsecuritized real estate.

Dabara et al. (2018) determined the market structure of securitized real estate investments in Nigeria. Union Homes, Skye Shelter, and United Property Development Company provided market share and concentration ratio data on Nigerian real estate investment from 2008 to 2016. The data were examined using descriptive statistical methods. According to the study, the Nigerian real estate investment market has an oligopolistic market structure due to its high concentration. This suggested that the Nigerian Security Exchange Commission (S.E.C.) should take steps to promote the establishment of more securitized real estate companies to increase competition in the sector and move it closer to a market structure with perfect competition, similar to that of the U.S., U.K., and Japan. Due to the development of an enabling environment in the securitized real property sector, the industry's return performance will inevitably rise as more securitized real estate companies are established. Olaniran and Yusuf (2019) examined the characteristics of real estate investments, their benefits, and their drawbacks about the coping mechanism used by unsecuritized real estate investors in Ilaro, Ogun State, Nigeria, to generate returns. One hundred eighty residential and commercial structures in Ilaro that have been



determined to be physically productive for investment and to conform to standards make up the study population. The scientific method was used to select a sample size of 123 reachable property owners and estate agents, who serve as the study's units of analysis (respondents). Using probability-based simple random sampling, a structured questionnaire with 20 metrics was used to carefully select the respondents from the study's population who participated in the field survey. For data analysis, the study used descriptive statistics, including averages. With average returns on investment of 4.2% and 7.0%, respectively, the findings indicated that residential and commercial properties predominated in the study area and that the real estate market was in good shape. All investors adopted strategies that allowed them to take advantage of opportunities.

Kingsley and Chukwuemeka (2019) studied unsecuritized real property investment performance in Lagos, Victoria Island, and Port Harcourt, New G.R.A., from 2011 to 2017, considering the returns. The estate surveyors and valuers were used in the cross-sectional survey research design study to collect information on rental and capital values. Geometric mean return, arithmetic mean, standard deviation, and coefficient of variation were used to analyse the collected data. The study found that the average capital income for commercial real estate investments was 1.233, while the average for residential real estate investments was 1.0095. The study also found a 0.2235 difference between other capital appreciations for commercial and residential property investments. Investments in commercial real estate perform better and are more secure than residential ones in Lagos, Victoria Island, and Port Harcourt, New G.R.A., according to the parameters of the measurement's performance indicators. The study's conclusion advised real property investors to change their investment portfolio to take full advantage of secured returns with fewer risks.

Sa'ad (2019) examined Nigeria's un-securitized and securitized real property investment performance. The property price index for 2013–2017 was derived using information from the yearly reports of real estate firms. The data were analysed using a Sharpe Ratio (Index) Analysis and a Correlation Analysis. Due to the current economic climate, real estate investments in Nigeria are not doing particularly well. Unsecuritized real estate investments are outperforming securitized real estate investments, but only to a certain extent. As a result, investment portfolios have a propensity to diversify.

2019 Diala et al. concentrated on the annual returns and risk of real property investments made in New Haven and Ogui Road, Enugu Urban, between 2010 and 2017. The study's 40 residential and commercial properties in New Haven and Ogui Road were chosen. Purposive sampling is used to select ten residential and commercial teams from the two locations. Two estate surveying and valuation companies in the study area provided information on the rental and capital returns on the properties over eight years. The data were examined using the arithmetic mean return, coefficient of variation, and standard deviation. According to the study, investing in residential real estate is less secure on Ogui Road, where returns are 7.8%, risks are 3.46%, and coefficients of variation are 44.36%, compared to New Haven, where returns are 10.6%, risks are 4.36%, and coefficients of variation are 41.13%. However, investments with a lower coefficient of variation



percentage are safer than those with a higher coefficient of variation percentage. Additionally, the performance evaluations showed that investing in commercial real estate yields higher returns. The study concluded that evaluating an investment's past performance is crucial before starting a real estate investment because past performance predicts future performance. The study suggested that prospective investors speak with estate surveyors and valuers to decide what kind of property to buy and when.

Ling et al. (2020) provided company-level documentation of the increase in COVID-19 cases involving securitized real estate assets owned by the U.S. This investigation calculated the COVID-19 increase rate by weighting the everyday infection increase rates in counties with securitized real estate. After adjusting for returns on other securitized real estate, the study found a decrease in unusual returns of 0.24% and 0.93% points after a one-point standard deviation increase in COVID-19 in a one- and three-day window, respectively. The research also demonstrated that portfolios of unsecuritized real estate focusing on data centres, cell towers, self-storage facilities, and warehouses yielded positive, unusual returns at the start of the epidemic. The study's results also demonstrated how the COVID-19 crisis affected the unsecuritized real property sectors differently.

Although the study was conducted in the United States, Milcheva (2020) proves the pandemic's effects on globally securitized real property. The study used a COVID-19 risk factor that was linked to daily changes in established international coronavirus infections to lower the risk in the property's risk-return relationship. The results showed that, with a median value of 0.6, company responsiveness varied a lot by country and industry. The most sensitive real estate is un-securitized (1.2), while securitized (0.25) exhibits the least sensitivity. Companies more vulnerable to COVID-19 also saw a sharper decline in stock returns due to leverage restrictions. The study only considered stocks in the retail and healthcare industries.

Dabara (2022) examined the performance of securitized real property investments in growing real property markets. The study used the Nigerian securitized real property investment market as the main research for an African securitized real property investment market to provide good information for investment decisions. Quarterly returns data (from 2013 to 2019) was used to examine the holding period returns, return-risk ratio, coefficient of variation, and Sharpe ratios of Nigerian securitized real property investments, the All-Share Index of stocks, and the Federal Government Bonds in Nigeria. The study showed that securitized real estate investments in Nigeria outperformed stocks but underperformed bonds. Bonds came in second (2.78), followed by stocks (7.69) in terms of risk ranking, while Nigerian securitized real estate investments came in third (2.7). Bonds outperformed stocks as the best-performing asset, according to the Sharpe ratios, with Nigerian securitized real estate investments coming in second.

In summary, so much research related to the picture has been done, but none of the studies looked at securitized and event centre performance to advise the investors which of the two investments is return-friendly. Given the above, this paper will tend to address the questions that have been raised in the introduction.



#### 4.0 RESEARCH METHODOLOGY

This research paper analysed the returns of event centres in Ilorin West and securitized real estate investment performance. Ilorin West was chosen as a study area because of the influx of investors in event centre development. Data on the income and capital value of event centres were collected from the event centre managers through a self-administered questionnaire, while data on stock prices and dividends were obtained online. There are 19 event centres in Ilorin West, consisting of the target population sourced from the Hall, Venue, and Event Centers Nigeria Directory. Nineteen questionnaires were administered to the managers; fifteen were retrieved. Union Homes, United African Company of Nigeria, and Sky Shelter constituted the target population for securitized real estate investment. The data were analysed using mean scores, trend lines, and t-tests.

##### 4.1 Mean Return

Total return:

$$TR_t = \frac{C V_t - C V_{t-1} + N I_t}{C V_{t-1}} \dots\dots\dots Eq1$$

4.2 Trend Lines: Trend lines are often used to smooth out fluctuations in the data sets, indicating the pattern accurately.

Trend Analysis is expressed as:  $y = m x + b \dots\dots\dots Eq2$

4.3 T-test: This statistical test compares the means of two samples.

T-test is expressed as:  $t_{cal} = \frac{(\bar{X}_1 - \bar{X}_2) - (\mu_1 - \mu_2)}{\sqrt{S_p^2 \left( \frac{1}{n_1} + \frac{1}{n_2} \right)}} \dots\dots\dots Eq3$

#### 5.0 RESULT OF ANALYSIS

##### 5.1. The Returns of Event Centre and Securitized Real Estate Investment.

The average returns from the nineteen event centres in the study area, to mention a few: Bioyin Event Centre, Acra Santa Event Centre, Atlantic Event Centre, Stella Obasanjo Multipurpose Hall, Paman Event Centre, Maryam Event Centre, and three securitized real property investments, are shown in Table 1. The result from the table showed that event centres have the highest returns of 68.81, followed by Sky Shelter at 5.06, UACN at -7.63, and Union Homes with the lowest returns of -0.28. Based on the total return during the study period, the result revealed that event centre real property outperformed securitized real property.



**Table 1: Total Returns of Event Centre and Securitized Real Estate Investment.**

Year	Returns			
	Union Homes	S.K.Y. Shelter	UACN	Event Centers
2015	-1.23	6.45	-35.63	42.85
2016	0	7.15	-40.32	20.39
2017	0	7	-12.37	22.22
2018	1.62	5.08	-9.09	59.48
2019	-3.6	-2.76	-41.83	-2
2020	1.44	-10.81	5.01	-69.75
2021	-3.8	8.32	44.86	365.5
2022	3.31	20.06	28.34	111.75
Mean Return	<b>-0.28</b>	<b>5.06</b>	<b>-7.63</b>	<b>68.81</b>
Risk (STDEV)	<b>2.51</b>	<b>8.93</b>	<b>32.20</b>	<b>130.58</b>
Coefficient of variation				<b>-12.89</b> <b>1.90</b>

Source: Field Survey, 2023

This trend graph of event centres and securitized real estate investment is shown in Figure 1; this was achieved using trend lines. The trend lines were used to help predict the future. The trend accuracy of the forecast or predictions made was evaluated using the R2 value. When a trend line's R-squared value is at or close to 1, it is considered the most accurate.

The trend line equation for the real estate investments return is given as follows;

Union Homes;  $R_t = 0.141t - 285.756$ ;  $R^2 = 0.019$

Sky Shelter;  $R_t = 0.474t - 952.525$ ;  $R^2 = 0.017$

UACN;  $R_t = 10.632t - 21468.369$ ;  $R^2 = 0.654$

Event Centre;  $R_t = 22.267t - 44877.903$ ;  $R^2 = 0.174$

The return on event centres and securitized real property investments is shown in Figure 1. The real estate investment's coefficient is positive, indicating that the rate of return will rise constantly as time passes. The R2 shows the degree of prediction: 1.9% for Union Homes, 1.7% for Sky Shelter, 65.4% for UACN, and 17.4% for Event Centre. The figure indicates that a change in time accounts for a 65.4% variation in the rate of return of UACN. Event Centre, Sky Shelter, and Union Homes R2 are very low, which means other factors contributed to the variation in the rate of return, like economic instability and the COVID-19 pandemic. Also, the figure revealed that with time, the rate of return on real estate investment tends to increase.

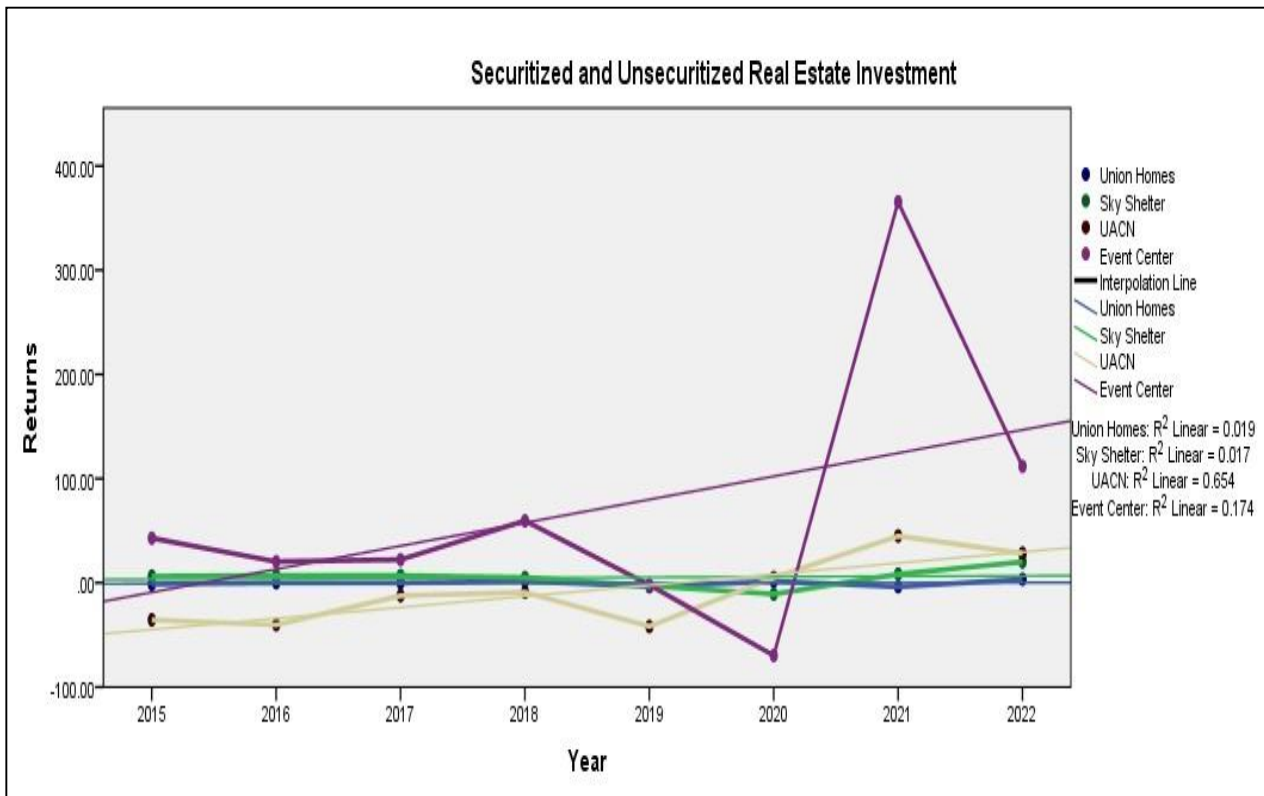


Figure 1: Event Centres and Securitized Real Estate Returns

Table 2 shows the independent sample test for event centres and securitized real property investment from 2015–2018. The result showed a significant difference, as indicated by a p-value of 0.016, while Table 3 shows the independent sample test for the event centres and securitized real property investment from 2019 to 2022. The p-value of 0.384 indicates no significant difference in the performance of event centres and securitized real property investments during the period. The outcome of the t-test showed that, from 2015–2018, there was a significant difference in the performance of event centres and securitized real property investments, while, from 2019–2022, there was no significant difference.



## 5.2. Comparative Analysis between Event Center and Securitized Real Estate Investment

Table 2: T-test. Independent Samples Test for Event Centres and Securitized Real Estate Investment between 2015 and 2018

		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference		
										Lower	Upper
Returns	Equal variances assumed	8.998	.024	-4.368	6	.005	-42.183	9.657	-65.812	-18.553	
	Equal variances not assumed			-4.368	3.505	<b>.016</b>	-42.183	9.657	-70.555	-13.810	

Source: Field Survey, 2023.

## 6. DISCUSSION

### 6.1 Event Centres and Securitized Real Estate Investment Returns

Table 1 examines event centres and securitized real property investment returns from 2015 to 2022. The study considered the average returns of event centres and securitized real property investments, as shown in Table 1. The study shows Union Homes and UACN have the lowest returns, while Event Centre and Sky Shelter have the highest. Based on an average total return during the study period, the result revealed that event centre real property performed better than securitized real property. This outcome



**Table 3: t-test. Independent Samples Test of the Event Center and Securitized Real Estate Investment between 2019-2022**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower		Upper
Returns	Equal variances assumed	5.372	.060	-1.014	6	.350	-97.32750	96.00454	-332.24214	137.58714
	Equal variances do not assume			-1.014	3.042	<b>.384</b>	-97.32750	96.00454	-400.50316	205.84816

conforms to those of Dabara et al. (2015) and Dabara et al. (2016), who found that during the assessment period, investing in unsecuritized real estate produced the highest return but also the highest level of risk. Un-securitized real estate performed better than securitized investments in terms of returns, according to Olaniyan and Yusuf (2019), Zemite (2008), Ling et al. (2020), Udobi et al. (2018), Wahab et al. (2015), and Amidu et al. (2008). However, these findings contradict Oyewole's (2006) conclusion that securitized real property investments outperformed un-securitized real property investments considering the returns and capital appreciation; Adegoke (2009) and Bello (2012) found that the average return on the chosen securitized investments was higher than the returns on un-securitized real estate investments. Securitized real property investments outperformed un-securitized real property investments, considering the returns, according to Milcheva (2020). Table 1 also revealed that the negative return on event centres fell sharply between 2019 and 2020. The lockdown caused by the COVID-19 pandemic during this period may be to blame for the negative decline. The results are consistent with Ling et al. (2020), Xie and Milcheva (2020), and Zemit (2008), who found that investments that are more exposed to COVID-19 experienced a steeper decline in returns.

## 6.2 Event Centres and Securitized Real Estate Investment Performance

The results of the independent sample test for event centres and securitized real estate investment from 2015–2018 and 2019–2022 were presented in Tables 2 and 3. Table 2 displayed a p-value of 0.016, below the anticipated value of 0.05. This suggests that the performance of securitized real estate investments and event centre real estate



investments from 2015–2018 differs significantly. The result is contrary to Vestch (2010): the unsecuritized index and the

securitized index has a significant correlation. This demonstrated that investments that are not securitized and those that are securitized correlate. Adeogun et al. (2017) found a positive correlation between unsecuritized real estate investment returns and securitized real estate investment returns. The findings are consistent with those of Udobi et al. (2013), Oyewole (2013), and Umeh (2014). Who found that returns on unsecuritized real estate investments appear more stable and favourable than those on securitized investments? According to Olanrele et al. (2015), securitized real estate investments in Malaysia outperformed those in Nigeria regarding return and risk-adjusted return, while the latter performed better regarding risk-return. Securitized real estate investments' performance was better after the market crash period than before the market crash. Dabara et al. (2016) found that during the assessment period, investing in real estate that wasn't securitized produced both the highest return and the highest level of risk.

Table 3 displays the results of the independent sample test for event centres and securitized real estate investments between 2019 and 2022. The result revealed a p-value of 0.384, which is higher than the expected value of 0.05. This suggests that there was little to no difference in the performance of event centres and securitized real estate investments from 2019 to 2022. The COVID-19 pandemic's months-long lockdown could have caused this. This result is consistent with Vestch's (2020) findings that the unsecuritized and securitized indexes have a close relationship. Adeogun et al. (2017) compare unsecuritized real estate investment returns to securitized real estate investment returns and demonstrate a correlation between the two types of investments. The outcome showed a successful relationship. This contradicts the findings of Kingsley and Chukwuemeka (2019), Usman et al. (2019), and Dabara et al. (2019), which found that investments in un-securitized real estate generate higher returns than investments in securitized real estate. Ling et al. (2020) found that unsecuritized real estate sectors are affected by the COVID-19 crisis differently.

## 7. CONCLUSIONS

The study examined the return on event centres in Ilorin and securitized real estate investments in Nigeria and their relative performance. The study showed that event centre investments outperformed securitized real property investments. Therefore, the result of this study will serve as a guide for Nigerian investors, both private and public, in selecting investment options that promise higher returns.

## References

- Adebayo, O.O. (2017). Event Centre Patronage and Social Economic Impact in Osogbo Metropolis. Unpublished B.Sc. Dissertation submitted to National Open University of Nigeria, Osogbo Study Centre



- Adegoke, O.J (2009) A Study of Performance of Residential Property Investment Relative to Security Investment in Lagos Metropolis *A Journal of Environmental Design and Management* 2(2), 48-53
- Adeogun, A.S., Gambo, Y. L., and Luqman, I. (2017) Comparative Analysis of Direct and Indirect Property Investment Return in Abuja. *ATBU Journal of Environmental Technology* 10(1)
- Amidu, A. Aluko, B.T., Nuhu, M.B. and Saibu, M.O. (2008). "Real Estate Security and other Investment Assets: A Comparison of Investment Characteristics in the Nigerian Stock Markets," *Journal of Property Investment and Finance*, 26 (2) 151-161.
- Bello, N. A (2012). Comparative Analysis of Commercial Property and Stock Market Investments in Nigeria *Journal of World Academy of Science, Engineering, and Technology* 70 C.M.P. Capital (2014) C.M.P. Owned Real Property Definition. <https://www.lawinsider.com/dictionary/cmp-owned-real-property>
- C.M.P. Capital (2014) C.M.P. Owned Real Property Definition. <https://www.lawinsider.com/dictionary/cmp-owned-real-property>
- Dabara, D. I., Ogunba, O. A., & Araloyin, F. M. (2015). The Diversification and Inflation-Hedging Potentials of Direct and Indirect Real Estate Investments in Nigeria. In E. Martey (Ed.), *Proceedings of the 15th African Real Estate Society Conference* (pp. 169-185). Kumasi: African Real Estate Society.
- Dabara, D. I., Odewande, A. G., Olatunde, A. L., Ankeli, A. I., & Abefe-Balogun, B.A. (2016). Performance Evaluation of Investments in Real Estate and Selected Financial Assets in Nigeria. *International Journal of Business and Management Studies*, 5(1), 197-210
- Dabara, D. I., Olusegun, J. O., Augustina, C. & Olusola, A. A. (2018). The Market Structure of Real Estate Investment Trusts in Nigeria. *Conference of the International Journal of Arts and Sciences*. 11 (3).
- Dabara D. I. (2022) Evolution of REITs in the Nigerian Real Estate Market. *Journal of Property Investment & Finance* 40 (1) 38-48
- Diala, A.O. Ph.D., Nissi, C.F. Ph.D. & Ezema, C.C. (2019) Comparative Analysis of the Performance of Commercial and Residential Real Property Investments. *IOSR Journal of Environmental Science, Toxicology and Food Technology (IOSR-JESTFT)* 13, (10) 31-36 [www.iosrjournals.org](http://www.iosrjournals.org)
- Georgiev, G. (2002). *The Benefit of Real Estate Investment*. PhD candidate, University of Massachusetts CISDM working paper Hall and Venue 2023, Event Centres in Ilorin West. *Nigeria Directory*, <http://directory.org.ng>
- Kalu, I.U. (2001) Property Valuation and Appraisal. Owerri: Bom Publication
- Kalu, K. (2017) A Re-Examination of the Asymmetry between Interest Rates and Stock Returns *International Journal of Economics and Finance*; 9 (6)
- Kingsley O, O. and Chukwuemeka, E. (2019) Appraising Investment Performance Measurement Of Both Residential and Commercial Properties in Lagos and Port



- Harcourt. *International Journal of Innovative Science, Engineering & Technology*, 6| [www.ijiset.com](http://www.ijiset.com)
- Koen M., Monique S. and Rafh (2010) Evaluation of the Applicability of Investment Appraisal Techniques for Assessing the Business Value of I.S. services. Department of Decision Sciences and Information Management (K.B.I.)
- Ling, D., Wang, C., Zhou, T. (2020) A first look at the Impact of COVID-19 on Commercial Real Estate Prices: Asset Level Evidence. Working paper, University of Florida
- Milcheva, S (2020). Volatility and the cross-section of Real Estate Equity Returns during Covid-19. *Journal of Real Estate Finance and Economics* 65(2) 293-320.
- Nwankwo, V. C., Kalu, I. U., & Igwe-Kalu, A. (2018). Comparative Analysis of the Performance of Residential Investment Real Estate. *Journal of Economics and Finance*, 9(1), 44-58.
- Olaniran, M. O., & Yusuff, M.A (2019) Analysis of Uniqueness of and Returns on Direct Real Estate Investment in Ilaro, Nigeria. *Ilaro Journal of Environmental Research and Development* 3(1) 12 – 24
- Oyewole, M. O. (2006), A Comparative Study of the Performance of Direct and Indirect Property Investment in Lagos. *An Unpublished MSc. Thesis of the Department of Estate Management, Ile-Ife*. 94
- Oyewole, M. O. (2013). A Comparative Analysis of Residential and Retail Commercial Property Investment Performance in Ilorin, Nigeria. *Journal of Economics and Sustainable Development*. 4(3) 199-208.
- Olanrele, O, O., Said, R. and Daud, M.N. (2015). Comparative of RELT Dividend Performance in Nigeria and Malaysia. *African Journal of Business Management*. 9(16) 608-614.
- Philip, B. O (2021) Comparative Analysis of Portfolio Diversification Performance of Direct and Indirect Investment. Master Thesis of *the Federal University of Technology Akure, Institutional Repository*
- Udobi, A.N., Kalu, I.U. & Ugonabo, C.U. 2013. An Analysis of the Performance of Real Estate Investments in Onitsha metropolis and investment in bank shares in Nigeria. *Journal of Civil and Environmental Research*; 3. International Institute of Science, technology and Education; [www.iiste.org](http://www.iiste.org)
- Udobi, A.N., Onyejiaka, J.C. and Nwozuzu, G.C. (2018). Analysis of Commercial and Residential Property Investments Performance in Onitsha Metropolis, Anambra State, Nigeria. *British Journal of Earth Sciences Research*, 6(2), 21-32
- Wahab, M. B., Durosinmi, W. A., Mustapha, A., Olatunji I. A. and Ajayi, M.T.A. (2015). Examination of housing Investment Performance in Abuja, Nigeria: *Being a paper presented at the School of Environmental Technology International Conference on Sustainable Built Environment and Climate Change: the challenge of post-2015 Development Agenda*. 108



Umeh, O. L. (2014). Relative Performance of Real Estate Equities and Other Selected Stocks: The Nigeria Market Situation. *ATBU Journal of Environmental Technology* 7(1) 22-32.

Sa'ad U. B. (2019) Inter-relationship and Performance Analysis between Direct and Indirect

Property Investments in Nigeria. A project report submitted in partial fulfilment of the requirements for the award of the degree of Master of Science Real Estate Faculty of Built Environment and Surveying Universiti Teknologi Malaysia

Vestch, M. (2010). Correlations between Direct and Indirect Real Estate Investments in Switzerland; A Macro and Micro Empirical Analysis of Real Estate as an Assets Class. M. Sc. Thesis. University Zurich

Zemīte, I., (2008). Economic assessment of event centre activity impact in Latvia. Case study:

Dzintari concert hall. Conference proceedings of Ernestas Galvanauskas International Scientific Conference Economics and Management: Current Issues and Perspectives.