
The Nexus between Information and Communication Technology in the 21st Century and Real Estate Surveyors and Valuers Roles in Nigeria.

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ABSTRACT

Keyword:

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Hitherto, real estate activities are performed by the estate surveyors and valuers manually thereby proved to be hectic, cumbersome and time-consuming. This paper exploits the connection between information and communication technology in the 21st century and real estate sector. The paper examined the immense roles played by estate surveyors and valuers and the contribution that ICT gives in the various functions performed by estate surveyors and valuers in the discharge of their duties. It also affirms that ICT has the capacity and capability to influence the activities of estate surveyors and valuers in relation to their roles such that when properly exploited, a lot of dealings can be done at the comfort of the office giving room to carry out transactions with people in the outside world in safety and comfort.

Introduction

Progress in all spheres of human activities necessitates changes. It is impossible for individual, private, corporate or governmental organization to improve by always staying at the same level of development. No change may be an option but it involves risk because others may change and in a competitive sense move ahead (Porter, 1995).

Information and communication technology has been in existence in the developed countries for quite a long period of time and therefore its application can be witnessed in almost every sector of their respective economies. In the

developing nations however, modern information and communication technology was introduced in the recent past and as such it is considered a current issue which is given serious attention from both private and public sectors because of its enormous importance (Charles, 2005).

Concept of Information and Communication Technology

Most new ideas consist of technological innovations and it has been observed that in the recent past it has become the most widely discussed issue globally (Rogers, 1995).

Information and communication technology (ICT) is an umbrella term that includes any communication device or application encompassing: radio, television, cellular phones, computer and network hardware and software satellite system and so on, as well as the various services and applications associated with them. It is the application of products of scientific research that is used in the development process and other economic activities (AL-Agba, 2006).

Information and communication technology which is an electronic based system of information transmission, reception processing and retrieval has drastically changed the way we think, the way we live and the environment in which we live and the dynamic change in all aspect of human existence is the key by-product of the present globalization period of information and communication technology revolution (Cartelli and palmer, 2004). The world telecommunication system, the convergence of computer technology and communication into the information technology, with its components and activities, is distinctive in its extension and complexity and is also undergoing a rapid and fundamental change which inherent economic incentives as transaction costs could be lowered and the horizon of activities could expand beyond local business to the one that is global (Anan, 2001).

According to Twiss (1992) technology is widely accepted as a major stimulus for change in the society. Willcocks (1997) opined that information and communication technology (ICT) has provided more than just a new competitive weapon for commerce, industries and governmental organizations. As Faye (2000) has pointed out, information and communication technologies are offering even less developed countries a window of opportunities to leapfrog the industrialization stage and transform their economics into high-value added information economies that can compete with the advanced economics on the global market.

According to McMahan (2006) the revolution taking place in information and communication technology has been the central and driving force for globalization process. Both developed and less developed countries cannot afford to miss out on then opportunities these technologies are creating. This is further buttressed by Sun (2004), as he opines that the impact of information and communication technology on modern society is profound and its growing speed has enabled globalization especially through the introduction of a global system of interconnected computer networks known as the “internet” used for communication between individuals, companies and institutions for sharing and exchanging information and data.

Concept of Real Estate

Real state is a term that encompasses land with improvements to the land, such as buildings, fences, well and other site improvements that are fixed in location, that is to say they are immovable (Littlefield, 2001).

According to Woychuk (2004) the term real estate surpasses land and buildings but rather it include all the various “interests” subsisting in them. The “interest” can mean either an ownership interest (also known as freehold or a fee-simple interest), or a leasehold interest. In the freehold or ownership interest, the owner is entitled to the full rights of ownership, that is to say to legally use and transfer the title of the land or property to another person, and must also assume, the risk and responsibilities of a land owner (for example, any losses as a result of natural disasters and obligation to pay taxes). On the other side of the relationship, a leasehold interest only exists when a land owner agrees to pass some of his rights temporarily to tenants in exchange for a payment of rent. Any interest in landed property giving risk to a measure of control and for estate management purpose, it may be regarded primarily as the unit of control (Thorncroft, 1965).

It can be surmised that the components of real estate are land and buildings and anything that is not permanently fixed to the land is regarded as a personal property.

According to Kemerman (2001) land is any portion, large or small, of the earth surface, considered by itself, or as belonging to individual or a people, as a country, estate, far, or tract. It is the earth’s surface over which ownership rights may be exercised. These rights relate not just to surface area of land but it also include things permanently fixed by nature such as trees, and to the things attached by man such as buildings and to those objects that are considered of value embedded either above or below the surface of the earth. Land could mean

resources and the forest that are given freely by nature for man's aid. It was further stressed that land also include materials in land and water, in air, light and heat (Marshall, 1920).

Land is the most fundamental of all factors of production that is needed for physical development to realize. Land is limited in supply and there is the need to carefully manage and maximize its use (Raleigh, 1961).

The concept of land as a property involves real estate and has legal consideration. It is concerned both with the areas over which individuals, groups or sovereign power exercise rights of ownership and use with the nature of the rights and responsibilities they hold in land (Tinrer, 1975). According to Simpson (1970) land is the source of material wealth. Land is a surface upon which life takes place (marc, 1987). In this sense, land is fixed in quantity and supply and is indestructible.

A building is any human- made structure used or intended for supporting or sheltering any use or continuous occupancy (Mccowney, 1992). A building is a permanent or temporary structure enclosed within exterior walls and a roof, and including all attached apparatus and equipments which are also part of the building (Drindeur, 1990).

Real estate which is information – intensive business has witness gigantic changes in the way transaction are carried out. It has move from its former cachet of slow, time wasting, energy requiring and high capital demanding to the one that is fast, consistent, efficient , energy and money saving brought about by a 'monster' called information and communication technology (Zaman,2010).

According to Allbritton (2001) carrying out activities in the field of real estate has now been made easy by the introduction of information and communication technology as it provide a speedy means of sending and retrieval of information from one person to another, or organization to organization and also provides a more fasters opportunities to users, a sheer amount of information organization and storage for later identification and retrieval. This saves time and energy as a very large amount of information and data can be stored in a simple electronic device with efficiency which can be retrieved at will. This, certainly, also reduces the enormous task of going through stack of files to find out information and also provides a space in the office for optimum utilization which would have been occupied by drawers and shelves containing files.

Real Estate Profession & the Roles of Estate Surveyors and Valuers in the Society.

This is a discipline known in Britain as Estate Surveying, in United States it is called Land appraisal, in other places it is called land economics. While in

Nigeria, it is popularly known as Estate Surveying and Valuation/ Estate Management.

In Nigeria the real estate profession is vested on the Estate surveyors and Valuers who are professionals by qualification and the profession is regulated by the Nigerian institute of estate surveyors and valuers in conjunction with the Estate Surveyors and Valuers Registration Board of Nigeria.

Roles of Estate Surveyors and Valuers in the Society

The following are considered as the various roles of Estate Surveyors and Valuers in all matters relating to land and landed properties in the National economy;

Property Valuation Services

According to Laremo (2000) valuation is the art of estimating the monetary worth of an interest in property for a particular purpose at a particular time taking into consideration all the features of the property and any other factors likely to affect the value being estimated. According to the Royal institution of chartered surveyors (1998) valuation is the provision of written opinion as to the capital value or price or rental value or price on any given basis in respect of an interest in property with or without associated information, assumption or qualification.

Olusegun (2002) asserts that Carrying out valuation exercise in determining the monetary worth/value of land and buildings, plant and machinery, furniture and fixtures etc, for whatever purpose (sales and purchase, foreclosure, compensation, mortgage, probate, going concern, Rating, auction, etc) is one of the sole responsibilities of an Estate Surveyor and Valuer as he/she is statutorily authorized to do likewise through the provisions of the Estate Surveyors and Valuers (Registration, Etc) Decree No. 24 of 1975 now CAP E. 13 LFN 2007 and Land Use Act of 1978 respectively.

Real Estate Agency Services

According to Stapleton (1998) ‘‘ the spatial relationship between an agent who agree on behalf of a person (principal) concludes a contract between the principal and the third party is referred to as agency’’ the principal is the party that directs and control the actions of the agents while the agent is that person that acts on behalf of the principal (client). Also, third party seekers to deal with the principal through the agent.

Thorncroft (1965) viewed estate agency as a relationship resulting from agreement authorizing agent to respect, act for and be subject to control of a principal in dealing with a third party

The function of estate surveyor and valuer in this context involves buying, selling and leasing of land and landed properties for any purpose. It may also include advisory function to the client on the sales /purchase value, rental value and to establish the authenticity of ownership or otherwise. In other words, he represents his client in matters relating to land such letting, buying, selling etc. (Bello, 2013).

Property Management and Maintenance Services

The roles of estate surveyor and valuer here includes; the selection of good tenants who are expected to pay their rent as and when due, carrying out proper maintenance(routine, preventive, or corrective) on the property which he is managing to ensure optimum returns as well as to ensure that the property retains both its functional and aesthetic values, run a background check on all prospective or would-be tenants to ensure their rent payment ability, preparation of a lease agreement document for both tenant and landlord, advertising the landed property through various mediums which may include electronics and the print media to prospective tenants, carry out moving-in inspection to ascertain the condition of the property when a tenant is occupying it, carry out a schedule of property dilapidation prior to the tenant moving out, supervision of all minor and major remedial works on the client's property been managed, and finally, he represents the beneficial interests of the property owner (Bello, 2013).

Facility Management Services

This is primarily concerned with supporting business organizations irrespective of their size and scope to focus on the core competencies of their business activities, which in turn contributes to broader business and financial goals. The professional Estate Surveyor and Valuer here is; to carry out regular, scheduled inspection and maintenance of office building's air-conditioning, electrical/mechanical, plumbing and fire-fighting systems, among others on the building facilities as well as performing all forms of maintenance, cleaning, and to perform health and safety management functions for the occupants of the building and to ensure that all building assets and components are in good condition.

Feasibility and Viability Services

Hofstrand (2009) revealed that feasibility study is the study or analysis of the viability of an idea of business. The feasibility studies focuses on helping to answer the question of ‘’ should we proceed with the proposed project idea?’

A viability study is the in depth investigation of the profitability of a business idea to be converted into a business enterprise (Mandell, 2002).

This is therefore, undertaken by an estate surveyor and valuer, on behalf of his client to ascertain the profitability and the practicability of a contemplated line of action in relation to real property investment. A feasibility and viability report that is well prepared by an Estate Surveyor and Valuer will help reveal and identify to project initiators/owners if the proposed property development will be a failure or success, as it will highlight all the likely problems and risk factors that might break or make the entire project. Real estate investors that want to determine the value/worth of the type of properties they are to purchase and/or develop in order to know how much income/profits the investment will generate in the short and long term must make it mandatory to employ the services of a professional Estate Surveyor and Valuer. In carrying out the investment appraisal exercise, the Estate Surveyor and Valuer relies on the various investment appraisal techniques and tools in advising prospective real estate investors about the returns on their real estate investments as well as its market value in the short and long term.

Project Management Services

The role of estate surveyor and valuer here is to; act as project manager to the project owner/initiator, Screen and select allied professionals and construction team, carry out preliminary project design and cost estimate prior to project execution, help the client to obtain necessary building permit/approval prior to development activities, advise and assist the client with project funding, and to carry out post-construction management and maintenance.

Project Development Services

Lesser (1963) state that real estate development or property development is a multifaceted business, encompassing activities that range from the renovation and re-lease of existing structures or buildings to the procurement of a bare land and the sale of improved land or parcels to others.

The role of estate surveyors is to buy land, finance the real estate deal either with personal money or money obtained through loan. Build or have builders

build the project, create, control and orchestrate the process of development from the beginning to the end (Louis, 1974).

Expert Witness Services

In court cases relating to various types of real estate disputes involving different classes of people, the professional services of the Estate Surveyor and Valuer can be sought either by the court, plaintiff or appellant as an expert witness to shed light and his professional expertise on the real estate area that is not clear or known to them, so as to help present the client's case to the court depending on who requires the services of the Estate Surveyor and Valuer in the court of law (Babawale,2002).

Property Arbitration Services

The Estate Surveyor carry out different types of property arbitration and mediation services arising from all forms of disputes which may arise between landlord and tenant or property buyer and seller. The aggrieved parties instead of taking their grievances to court of law may decide to employ the services of an estate surveyor and valuer to mediate between them using his professional knowledge and skills to settle the matter amicably in a non-judicial manner any property arbitration matter is to seek for ways to solve the dispute between the aggrieved persons amicably and peacefully without any form of bias been felt by either side.

Conclusions

Having reviewed some literatures on Information and Communications Technology, real estate, and the roles of estate surveyors and valuers, it is glaring that the way real estate dealings are been done in the past has clearly improved with the introduction and use of information technology in the real estate sector. Phones and other communication gadgets such as internet can be used by estate surveyors at the comfort of their offices to carry out one form of transaction or the other such as property marketing through advertisement on the internet, property valuation and management using software, portfolio and asset management software and so on This helps in making the job easier, saves time and operational cost, increased productivity, facilitation of decision making, and providing the users with competitive advantage over others. All these promotes efficiency in the way estate surveyors and valuers perform their functions

However, there is still the need for professionals to explore more on the use of ICT which they have not adopted and the need for training and re-training in order to meet the challenges of the 21st century in the area of information and communication technology as the world has become a global village.

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