



COMPARATIVE PERFORMANCE EVALUATION OF REAL ESTATE INVESTMENT TRUSTS SHARES AND MONEY DEPOSIT BANK SHARES IN NIGERIA (2013 – 2022)

Chinazaekpere Onyebuchi Ibeh¹ and J. C. Onyejiaka²

¹Department of Estate Management, Environmental Faculty, Nnamdi Azikiwe University Awka, Anambra State.

²Department of Estate Management, Environmental Faculty, Nnamdi Azikiwe University Awka, Anambra State.

Cite this article:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXX

Manuscript History

Received: 12 Jul 2024

Accepted: 26 Sep 2024

Published: 2 Oct 2024

Copyright © 2024 The Author(s).

This is an Open Access article distributed under the terms of Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0), which permits anyone to share, use, reproduce and redistribute in any medium, provided the original author and source are credited.

ABSTRACT: *This study presented a need to evaluate the investment performance of Real Estate Investment Trust shares and Money Deposit bank shares in Nigeria using dividend yields between 2013 to 2022. The aim of the study was to determine the mean annual dividend yields of both investment media and subsequently compare the relative performance so as to enable investors to make informed decisions about their choice of investment. The objectives of the study were to ascertain the dividend yield of both investment platforms over the last ten years, from 2013 to 2022 and to determine whether or not REIT shares outperformed Money Deposit Bank shares in dividend yield between 2013 to 2022. The methodology of data sample technique used was the purposive sampling technique, quantitative method of data collection was used to gather, assemble and collate data from the annual reports of selected of Real Estate Investment Trust and Money Deposit bank companies as well as through special publications of the Nigerian Stock Exchange (NSE) and Central Bank of Nigeria (CBN). Descriptive statistical techniques (Mean, standard deviation) were employed in analysing the data. The study found out that the performance of REITs shares showed a mean return of 5.275% over the ten years, this was compared to that of the performance of Money Deposit bank shares at 8.632% over the same ten years, showing under-performance. The study also found out that investments in Money Deposit Bank shares are much riskier than investment in REITs between 2013 to 2022. The study recommended that investment appraisal should be carried out before a decision is made towards embarking on such investment. It was also suggested that stakeholders in REIT should create an enabling environment for REIT to thrive in Nigeria.*

KEYWORDS: Comparative Performance Evaluation, Real Estate Investment Trusts Shares, Money Deposit Bank Shares and Nigeria.



INTRODUCTION

The commitment of funds for a specific period of time in anticipation of future returns or stream of income by an investor against the time, risk, and uncertainty of these expected incomes is simply known as investment (Reilly & Brown, 2011). Invariably, the goal of most investors especially when the motive is financial is to minimise costs and maximise profit, hence the need to wisely allocate and utilise the limited resources to achieve set goals and objectives. It has been observed that investment decisions have continued to bother, burden, and bug the minds of investors both private and institutional. Decisions on investment are influenced greatly by risk and return characteristics.

Shares are units of ownership in a company. The term shares and stocks are usually used to mean the same thing, but when it is applied to a company's ownership asset, the meanings are different. One can purchase shares of a stock, and not stock. Stock is a more general term, used to refer to the financial instruments a company issues, while shares are what one can actually buy. Shares are units of ownership in a company as they signify ownership and not debt. The company is not under commitment to compensate the shareholders if something happens to the business. Generally, a company's board of directors is given a specific number of shares that can be issued. These are called authorised shares.

The term "Money Deposit Bank" refers to a financial institution that accepts deposits, offers checking account services, makes various loans, and offers basic financial products like certificates of deposit (CDs) and savings accounts to individuals and small businesses; loans and mortgages, and other services such as safe deposit boxes. A Money Deposit Bank is where most people do their banking. Money Deposit Banks make money from service charges and fees, by providing and earning interest from loans such as mortgages, auto loans, business loans, and personal loans. Money Deposit banks are heavily regulated by a central bank in their country or region. In recent times, Money Deposit Banks' shares have fluctuated positively due to the amplification of investors' confidence evidenced by the over-subscriptions of more than 200% of most Money Deposit Banks' shares (<https://companiesmarketcap.com>).

On the other hand, according to Manoj (2016), a REITs is a trust that pools capital from various investors and uses the same to purchase and manage income-producing real estate or real estate-related assets. In the year 1960, Real Estate Investment Trusts (REITs) were first introduced in the United States of America. The introduction of REITs was premised on the basic desire to help make the advantages and benefits of investing in direct real estate available to prospective investors who do not have the huge capital sum necessary for investment in direct real estate but could meet with funds to buy REITs shares. This is made possible because, like traditional stocks, REITs are also traded in the capital market and are sold in affordable share units (Dabara, Ogunba & Araloyin, 2015; Seguin, 2016).

In Nigeria, the Security Exchange Commission (SEC) is the regulatory body saddled with the responsibility of regulating the activities in the REIT industry. The role of Real estate in the country's economy is significant as it is Nigeria's fifth biggest contributor to GDP with a contribution of about 6.5% to Nigeria's GDP (Nigerian Bureau of Statistics, 2018; Dabara, Ogunba and Araloyin, 2016). In 2007, the Securities and Exchange Commission (SEC) of Nigeria issued the first set of guidelines for the registration and issuance of requirements for the operations of REITs in Nigeria following the enactment of the Investment and Securities Act (ISA) of 2007. SKYE Shelter REIT is the first REIT in Nigeria and was launched by SKYE



Bank Plc in 2007 through NGN2 billion. Following this was the launching in 2008 of Union Homes Hybrid REIT by Union Homes (a subsidiary of Union Bank of Nigeria Plc) with a market capitalization of NGN 50 billion (Oreagba, 2010). Today, there are three REITs in Nigeria. The third entrant into Nigeria REIT is the UPDC REIT launched by UAC Property Development Company (UPDC), a major player in the Nigerian real estate sector with NGN 30 billion entry on February 8, 2013 (BusinessDay, 2013).

This indirect real estate investment class (REITs) when compared to other forms of securities like Money Deposit Bank shares has been given minimal consideration in investment terms by Investors (Institutional and individuals). Most investors prefer investing heavily in Money Deposit Bank shares as well and other securities while paying little or no attention to the indirect estate asset class. This can be traced among other factors to the fact that REITs are newly introduced schemes in the Country and no historic trend to analyse their return. With more than ten years into its operation in the country, the study of REITs shares performance in the Nigerian stock market is imperative via investment in Money Deposit Bank shares. Consequently, this study has been brought about by the need to evaluate statistically and compare the performance of Real Estate Investment Trust shares as with that of Money Deposit Banks in the Nigerian Stock Exchange Market.

LITERATURE REVIEW

The Concept of Investment

According to Zvi, Alex and Alan (2011), an investment is the current commitment of money or other resources in the expectation of reaping future benefits. Put differently, an investment is the foregoing of immediate or today's consumption for an enhanced later or future benefit. This benefit however need not be financial but in the case of financial benefit, it could come in the form of income or capital appreciation. Ogbuefi (2002) posits that the primary purpose of an investment is the future income or profit which he summed thus: "The critical issue in appreciating the quantum or quality of returns or profit realised from an investment lies in the real value rather than the nominal value of the return. In effect, the return from an investment must as a matter of course be projected on a plane of time in order to give credibility to the quantum of the return."

Concept and Meaning of Shares

While trying to define and explain what security is, Zvi et al. (2011) defined security as a fungible, negotiable financial instrument that holds some type of monetary value. It represents an ownership position in a publicly traded corporation (via stock), a creditor relationship with a governmental body or a corporation (represented by owning that entity's bond), or rights to ownership as represented by an option. Securities according to them can be broadly categorised into two distinct types: Equities and Debts. Shares are units of ownership in a company. The terms "shares" and "stocks" are often used interchangeably, but they represent a company differently. One can purchase shares of a stock, and not stock. Stock is a more general term, used to refer to the financial instruments a company issues, while shares are what one can actually buy. Shares are the equivalent of ownership in a corporation. Because they represent ownership, not debt, there is no legal obligation for the company to reimburse the shareholders if something happens to the business. Generally, a company's board of directors is given a



specific number of shares that can be issued. These are called authorised shares. Issued shares are the number of shares sold to shareholders and counted for ownership purposes. So, a corporation might have 10 million authorised shares but only issue 8 million, because shareholders' ownership is affected by the number of authorised shares, shareholders may vote to limit that number as they see appropriate. When shareholders want to increase the number of authorised shares, they meet to discuss the issue and establish an agreement. When they agree to increase or decrease the number of authorised shares, a formal request is made to the state through filing articles of amendment. The shares of publicly traded companies are listed on public exchanges, generally through a process called an initial public offering (IPO). This is an expensive, highly regulated, and lengthy process in which a company goes through fundraising phases and scrutiny by regulators. The issue and distribution of shares in public and private markets are regulated by the Securities and Exchange Commission (SEC). Share trading on the secondary market is overseen by the SEC and the Financial Industry Regulatory Authority (FINRA) (www.finra.org and www.sec.gov).

Real Estate Investment Trust (REIT): Concept and Meaning

REIT has been defined in various literatures and studies to mean an entity that invests primarily in real estate and qualifies for special tax treatment, providing a conduit for earnings to be taxed at the investor level and not at the entity level. Oreagba (2010) defines REIT as “a company that possesses, and controls real estate for profit making, whose trade shares publicly just as stock”. REIT is a company that owns and manages investment-grade and income-producing real estate properties such as office buildings, residential buildings, shopping malls, tourism-related facilities, healthcare facilities, industrial facilities, and infrastructures (FMI, 2010).

REIT is a duly registered company similar to mutual funds that enable investors to pool together huge capital sums for investment in diversified pools of real estate assets and other real estate investment media. Put differently, Ong, The and Chong (2011) in their opinion stated that REIT is a security that sells like a stock on the major exchanges (Stock Exchange Market); REIT is a contemporary investment vehicle that enjoys tax exemption on the income distributed to its shareholders (90%) and expected to invest not less than 75% of its fund in Real Estate Assets to enjoy the tax exemption. Rosli, Nasir, and Olusegun (2013) in their study on REITs Performance and its Acceptability as Alternative Source of Fund to Direct Real Estate Finance in Nigeria, Malaysia REIT (MREIT) as a Standard, surveyed on the history of REIT in Malaysia and opined that REIT was not new in Malaysia but was previously known as Property Trust Fund which had been in existence since 1986. The Bank Negara Malaysian (Malaysian Central Bank) approved the first regulatory framework under the Company Act of 1965 and the Securities Commission Act of 1983, which governed the establishment and operations of the Property Trust Funds. Further guidelines were published by the Specific Securities Commission in 1995 (Ong, The & Chong, 2011). After that, the Securities Commission introduced a consultation process for property-related trust funds in 1999 which led to a revised guideline in 2002. Malaysian REIT in modern form, came into existence in 2005 following the guidelines of the Securities Commission the same year. Also according to the Nigerian Stock Exchange, Real Estate Investment Trusts (REITs) are corporations or trusts that use the pooled capital of many investors to purchase and manage income property and/or mortgage loans. REITs are traded on NSE just like stocks; you can buy or sell REITs through your stockbroker as with other types of shares.

**Table 1: Regulatory Structure and Characteristics for Nigerian REITs (NREITs)**

Management	Internal Management
Minimum Capitalization	NGN1bn (US\$5m)
Property Investment	At least 75% on real estate assets for close end and 70% on real estate assets for open end.
Overseas Investment	NO
Property Development	Yes, only for inclusion in portfolio
Gearing	25% of fund
Distribution	At least 90%
Capital gain tax	Exempted
Stamp duty	15%
Unit Holder	Minimum of 100
Market transparency	Opaque
Withholding tax	10% in the hand of unit holders
Listing	Nigerian Stock Exchange (NSE)
Regulatory body	Securities and Exchange Commission (SEC)
Legislation	Investment and Securities Act (ISA) 2007
Capitalization	40Billion Naira

The Concept of Money Deposit Banks in Nigeria

Money Deposit Banks are significant to Nigeria's economy and make up a good portion of the equity market. The global financial sector has nearly \$6 trillion in market capitalization, implying that banks account for a significant share of the global economy. Banks are instrumental in providing capital for infrastructure, innovation, job creation, and overall prosperity while playing an integral role in society because they affect the spending of individual consumers and the growth of entire industries (Cogan, 2008). Banks play a delegated role of monitoring investments on behalf of investors and have the capability of reducing liquidity risk thereby creating investment opportunities. Stock returns of banks are critical to the future economic growth and as well as the prosperity of nations as they are a key conduit of economic resources. It is a well-recognized fact that the development of the financial sector can make an important contribution to economic growth and poverty reduction.

Related Studies on the Performance of REITs Shares and Bank Shares

Dabara et al. (2015) examined the investment performance of real estate vis-a-vis some selected financial assets in Nigeria between 2005 and 2014. The study showed that investment in direct property (asset A) provided the highest returns (22.48%) as well as the highest level of risk (8.72%) in the investment portfolio. Kuhle and Bhuyan (2009) researched comparative performance analysis of Real Estate Mutual Funds vs. Common Stock in which they compared the risk/return performance of real estate mutual funds with common stock. The study indicated that REIT mutual funds have a consistent short and long-term record of performance. In fact, the REIT mutual fund category ranks either first (1 year or 10 years) among the risk-adjusted performance factors, even though the average returns were not ranked first. Kampamba and Nnang (2016) carried out a comparative analysis on the performance of Real Property Investment and Shares in Botswana. The study gave a result that returns from properties are better than shares. It also was evident from the study that most investors in property were more



comfortable with the characteristic that real property was reliable in terms of monthly paid rent as against the dividends from shares received either quarterly or yearly. Umeh (2014) examined the relative performance of real estate equities and other selected stocks using the Nigerian market situation, the study evaluated the performance of real estate stocks before and after the period of the stock market crash that spanned 1999-2011. The study revealed that real estate stock returns exhibited a low correlation with the market index from 1999 to 2007 before the stock market crisis and a high negative correlation from 2008 to 2011 after the stock market crisis, this suggested better performance after the period of stock market crash relative to before the crash period. Udobi (2014) examined the performance of residential property investments and bank shares in Anambra State of Nigeria, data on rental values and capital values were sourced from Estate Surveying and Valuation firms in the state while data on bank shares and dividend per share were sourced from Money Deposit banks and the Nigerian stock exchange, data collected were analysed, using geometric mean return (RG), arithmetic mean return (AMRR), standard deviation (SD) and coefficient of variation.

RESEARCH METHODOLOGY

The major source of the secondary data that the researcher used in this study were the Annual reports of the Real Estate Investment Trust companies and Money Deposit Banks in Nigeria. Other secondary sources of data included were published and unpublished literature authored by scholars of diverse backgrounds. Consequently, data from textbooks, journals, magazines, newspapers, seminars, conference papers, Encyclopaedia, Gazettes, Statutes, online materials, etc. were used in the study. The research design adopted for this work is the Secondary Resource Analysis which is in the form of data in terms of the details of previously collected findings in facts and figures, which have been authenticated and published (Chawla & Sondhi, 2015). The study examined the performance of real estate investment trusts side by side with the performance of Money Deposit bank shares in Nigeria as the study area. Their performances were evaluated between 2013 to 2022. The population of the study consisted of all the REITs Companies and Money Deposit Banks operating in Nigeria. These REITs Companies are publicly quoted on the floor of the Nigeria Stock Exchange are three (3) in number while CBN licensed Money Deposit Banks in Nigeria are twenty-five (25) in number. Hence, the total make-up of the population is Twenty-eight (28). A purposive sampling technique was adopted in selecting the sample elements for this study. The Money Deposit banks and REITs companies selected through the purposive sampling technique include the following: Skye Shelter funds and Union Homes Hybrid for REITs and First Bank Nigeria Limited, Zenith Bank Plc., United Bank for Africa Plc., Access Bank Plc., Guaranty Trust Bank Plc for Money Deposit Banks.

DATA PRESENTATION AND ANALYSIS

This section of the study presents a quantitative measurement of the performance of selected REITs and Money Deposit Banks. The data collected were summarised and presented using tables and charts and Measures of Dispersion such as Mean, Standard Deviation and Variance respectively were employed in the analysis of the data collected. In this wise, the assessment of the investment performance has been done as follows:



1. Performance on the basis of annual average dividend return.
2. Performance on the basis of risk and return,

Table 2: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of Skye Shelter Fund between 2013 – 2022.

SKYE SHELTER FUND

Skye Shelter Fund	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	5	100	100	100	5.00
2014	5.25	100	100	100	5.25
2015	7.15	100	100	100	7.15
2016	7.15	100	100	100	7.15
2017	7	100	100	100	7.00
2018	8	95	95	95	8.42
2019	7	85.5	85.5	85.5	8.19
2020	7.3	69.3	69.3	69.3	10.53
2021	8.1	74.45	61.15	67.8	11.81
2022	7.25	77	76	76.5	9.42

From the table, the dividend yield was at its highest in 2021 (with a return of 11.81%) and was at its lowest in 2013 (with a return of 5%). On the other hand, the Capital return represented as the average share price was at its lowest in 2021 (with a share price of 67.80) and at its highest for majority of the years under review at 100 naira.

Table 3: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of Union Homes Real Estate Investment Trust between 2013-2022

Union Homes REIT (UH-REIT)

Union Homes REIT	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	2.41	50	50	50	0.05
2014	2.13	46.16	45.16	45.66	4.82
2015	2.09	47.60	46.16	46.88	0.04
2016	1.48	46.16	45.17	45.67	0.03
2017	1.07	45.20	45.20	45.2	0.02
2018	0.75	45.20	45.20	45.2	1.66
2019	1.75	40.70	40.70	40.7	4.30
2020	1.75	40.65	40.65	40.65	4.31
2021	1.86	33.50	33.50	33.5	5.08
2022	1.91	36.60	36.60	36.6	5.22

The table above showed that there has been a gradual decrease overtime, in the amount of dividend paid out by the company in the real estate asset as well as a sharp decrease in the share price of the unit trust to about 33.50 naira from 50.00 naira. To this end, decreasing yields were



identified for both the income and a drop in value of the sharp price. However, UH- REIT paid out dividends yearly with its lowest pay out at 0.75 naira in 2018 and all-time highest pay out at 2.41 naira in 2013.

Table 4: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of Zenith Bank PLC between 2013- 2022

Zenith Bank PLC

Zenith Bank PLC	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	1.60	27.40	25.00	26.20	7.39
2014	1.75	18.97	18.15	18.56	7.95
2015	0.25	14.07	14.00	14.04	12.99
2016	0.25	14.90	14.75	14.83	11.41
2017	0.05	25.70	25.50	25.60	8.23
2018	0.30	23.45	23.00	23.22	12.04
2019	0.30	18.80	18.55	18.68	15.26
2020	0.30	25.00	24.75	24.88	16.47
2021	0.30	26.00	25.00	25.50	12.50
2022	0.30	24.75	24.00	24.38	15.31

The table presented above depicts the trend of dividend yields emanating from the annual reports of Zenith Bank. From the table, the dividend yield was at its highest in 2020 (with a return of 16.47%) and was at its lowest in 2013 (with a return of 7.39%). On the other hand, the Capital return represented as the average share price was at its lowest in 2015 (with a share price of 14.04 naira) and at its highest in 2013 (with a share price of 26.20 naira).

Table 5: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of First Bank PLC between 2013- 2022.

First Bank PLC

First Bank PLC	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	1.00	16.49	16.06	16.28	4.95
2014	1.10	8.99	8.79	8.89	7.97
2015	0.10	5.14	4.89	5.02	1.02
2016	0.15	3.46	3.35	3.41	4.29
2017	0.20	9.04	8.55	8.80	5.52
2018	0.25	7.95	7.45	7.70	1.99
2019	0.26	6.30	6.15	6.23	3.25
2020	0.38	7.15	7.00	7.08	8.09
2021	0.45	11.50	11.20	11.35	5.88
2022	0.35	11.35	10.90	11.13	3.32



The table presented above depicts the trend of dividend yields emanating from the annual reports of First bank plc. The data above showed that there has been a gradual decrease overtime, in the amount of dividend paid out by the management of First Bank with dividend pay-out as low as 0.10 naira in 2015. Also, ordinary share price of the company reduced significantly from an average share price of 16.28 naira in 2013 to 3.35 naira in 2016.

Table 6: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of Access Bank PLC between 2013- 2022.

Access Bank PLC

Access Bank PLC	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	0.25	9.60	9.53	9.57	10.37
2014	0.25	6.83	6.60	6.72	6.38
2015	0.25	4.86	4.75	4.81	6.38
2016	0.25	5.89	5.77	5.83	9.65
2017	0.25	10.47	10.40	10.44	6.56
2018	0.25	6.85	6.75	6.80	7.22
2019	0.25	10.00	9.70	9.85	6.94
2020	0.25	9.35	8.45	8.90	9.85
2021	0.30	9.50	9.10	9.30	9.14
2022	0.20	10.00	9.85	9.93	11.04

The figure presented above depicts the trend of dividend yields emanating from the annual reports of Access Bank. The data above showed that there has been a relative and alternative increase in the average share price of Access bank Plc., dividend yield was 6.38% all time low in 2014 and 2015 but rose up considerably to about 11.04% in 2022. Dividend yield for the 9 years under review averaged about 8.353 with total return culminating to about 84% in 10 years.

Table 7: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of UBA PLC between 2013 – 2022

United Bank for Africa

United Bank for Africa	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	0.50	9.17	8.32	8.75	5.83
2014	0.50	4.33	4.30	4.32	6.53
2015	0.20	3.40	3.36	3.38	2.03
2016	0.20	4.57	4.50	4.54	13.30
2017	0.20	10.34	10.27	10.31	7.94
2018	0.20	7.90	7.70	7.80	11.41
2019	0.20	7.20	7.10	7.15	13.49
2020	0.17	8.75	8.45	8.60	15.77
2021	0.20	8.05	8.00	8.03	7.19
2022	0.20	7.75	7.60	7.68	13.51



The table presented above depicts the trend of dividend yields emanating from the annual reports of UBA PLC. UBA's investment performance has been stable for the period under review. With a total dividend return yield totalling 97%, average share price for the last financial accounting year is at about 7.68 naira.

Table 8: Performance Measurement (Dividend Returns, Average Share Price and Percentage Dividend Yield) of GTB PLC between 2013- 2022

Guaranty Trust Bank PLC

Guaranty Trust Bank PLC	Dividend ₦	Share Price High ₦	Share Price Low ₦	Average Share Price ₦	Dividend Yield (%)
2013	0.25	27.10	26.96	27.03	6.16
2014	0.25	26.50	25.18	25.84	5.67
2015	0.25	18.50	18.06	18.28	7.14
2016	0.25	24.74	24.70	24.72	6.68
2017	0.30	41.65	40.66	41.16	5.02
2018	0.30	34.45	33.80	34.13	7.10
2019	0.30	29.70	29.35	29.53	10.11
2020	0.30	32.60	32.35	32.48	11.13
2021	0.30	26.30	26.00	26.15	10.87
2022	0.30	23.30	23.00	23.15	15.35

The table presented above depicts the trend of dividend yields emanating from the annual reports of GTB PLC. The data above showed that GTB plc. The period under review showed a relatively stable performance in terms of dividends from 0.2 to 0.3 throughout the period of study likewise the return and average share price value.

Table 9: Performance Measurement (Dividend Yield Average) of REITs between 2013 to 2022

Year	Skye Shelter Fund Dividend Yield (%)	Union Home REIT Dividend Yield (%)	Average Dividend Yield (%)
2013	5.00	0.05	2.53
2014	5.25	4.82	5.04
2015	7.15	0.04	3.60
2016	7.15	0.03	3.59
2017	7.00	0.02	3.51
2018	8.42	1.66	5.04
2019	8.19	4.30	6.25
2020	10.53	4.31	7.42
2021	11.81	5.08	8.45
2022	9.42	5.22	7.32

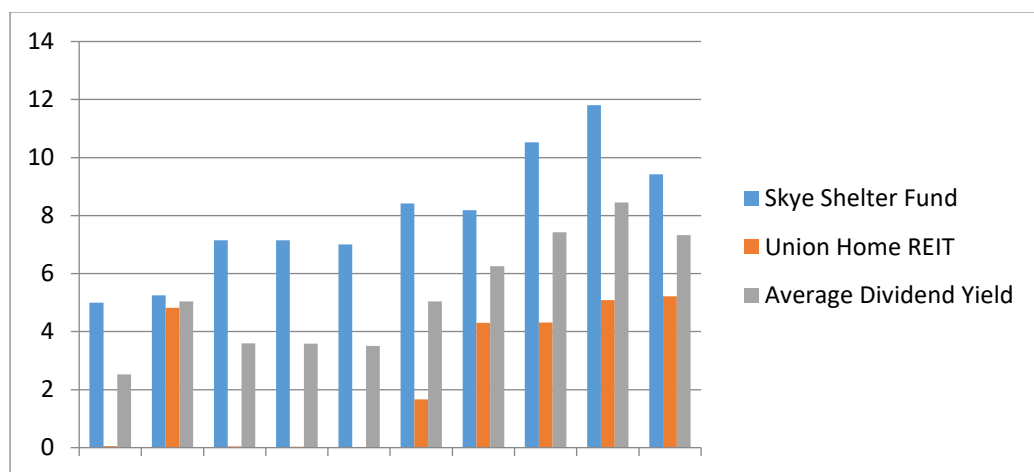


Figure 1: REITs Annual Average Dividend Yield 2013-2022

Table 9: Money Deposit Banks Annual Average Dividend Yield 2013-2022

Year	Zenith Bank Dividend Yield (%)	First Bank Dividend Yield (%)	Access Bank Dividend Yield (%)	UBA Dividend Yield (%)	GTB Dividend Yield (%)	Average Dividend Yield (%)
2013	7.39	4.95	10.37	5.83	6.16	6.94
2014	7.95	7.97	6.38	6.53	5.67	6.90
2015	12.99	1.02	6.38	2.03	7.14	5.91
2016	11.41	4.29	9.65	13.30	6.68	9.07
2017	8.23	5.52	6.56	7.94	5.02	6.65
2018	12.04	1.99	7.22	11.41	7.10	7.95
2019	15.26	3.25	6.94	13.49	10.11	9.81
2020	16.47	8.09	9.85	15.77	11.13	12.26
2021	12.50	5.88	9.14	7.19	10.87	9.12
2022	15.31	3.32	11.04	13.51	15.35	11.71

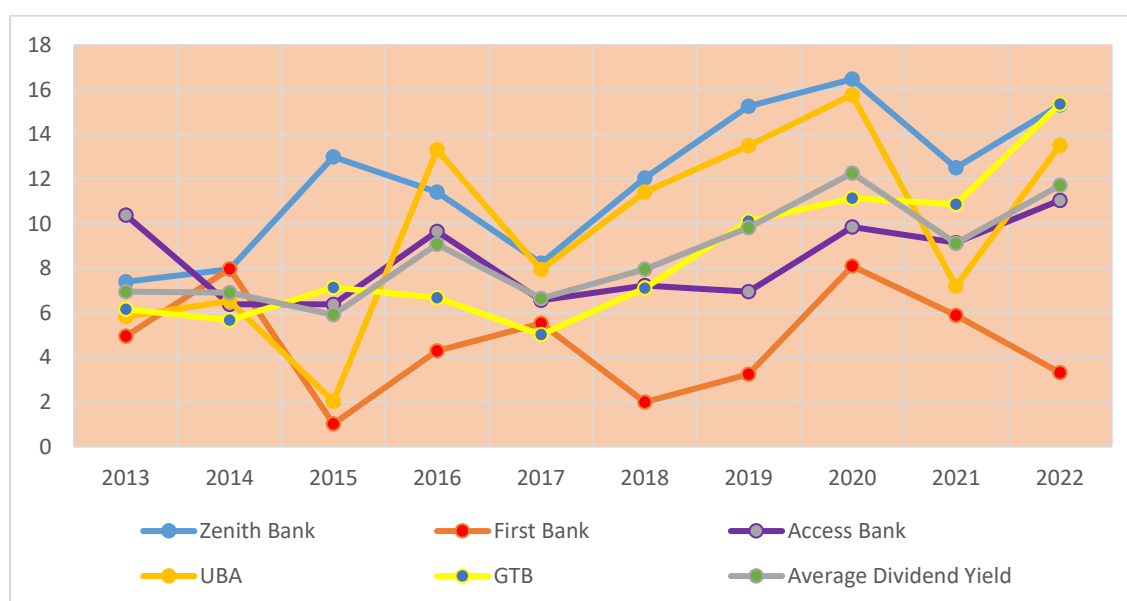


Figure 2: Money Deposit Banks Annual Average Dividend Yield 2013-2022



Table 10: Summary Statistic of Performance Measurement of REITS and Money Deposit Banks (Dividend Returns 2013-2022)

Descriptive Statistics

	N	Mean	Standard Deviation	Variance
Average for REITs	10	5.275		4.02443
Average for Money Deposit Banks	10	8.632	2.00610	4.67995
Valid N (list wise)	10		2.16332	

The performance of REIT shows an annual mean return of approximately 5.275% over the 10 years' period and a risk of 20.06%. This is compared to that of the performance of the bank shares which shows annual mean returns of approximately 8.632% over the same 10 years' period and a risk of 21.63%. The implication of these is that investment in both categories under reviews shows stable annual returns of approximately 5.275% and 8.632% with Money Deposit banks outperforming REITs. On the basis of risk profile, the REIT has a standard deviation (risk) of 20.06% while the investment in the banking sector has a standard deviation (risk) of 21.63%. This means that investments in bank shares are much riskier than investment in Real Estate Investment Trust.

TEST OF HYPOTHESES

The hypotheses were evaluated based on the two objectives stated in the problem statement section. These were:

H1: There is no significant difference between the performances of REITs shares with that of Money Deposit bank shares in the Nigerian.

H2: Investment in REITs shares is not a better form of investment than Money Deposit Bank shares.

From the findings of the study, hypothesis one is not supported by the findings, and hence rejected while hypothesis two is supported by the findings, hence accepted. It is clear from the findings that there is a significant difference between the performances of REITs shares with that of Money Deposit bank shares in the Nigeria as Money Deposit Bank shares outperformed REITs on the basis of annual dividend return between 2013 to 2022 by having a high return rate of 8.632% while REITs return is lower with rate of 5.275% which is very significant.



FINDINGS

This study has ascertained the dividend return values of REITS and Money Deposit Banks shares between 2013 to 2022 as well as determined the trends of growth in dividend values of both investment platforms between 2013 to 2022. The study found out that there is a significant difference between the performances of REITs shares with that of Money Deposit bank shares in Nigeria. This study also found that the REITs underperformed in terms of dividend returns in comparison with Money Deposit Banks shares between 2013 to 2022.

CONCLUSION

There is no refuting the fact that investment decisions are often prompted by a substantial level of performance recorded by an investment platform. This is because the performance of an investment platform shapes, restructures and guides the investment decisions of most investors. It has been revealed from the study that REITs in investment between 2013-2022 have recorded a low performance in comparison to Money Deposit Banks shares in terms of dividend return. The researcher believes that good results are possible in respect of performance in REITs in Nigeria if proper measures are followed, good actions taken, workable policies put forward and strictly adhered to. The stakeholders in Real Estate Investment Trusts Companies should also create an enabling environment for the development of REITs to thrive in Nigeria. There is also a need to create awareness for indirect investments such as REITs.

RECOMMENDATIONS

Based on the findings, the following recommendations were made:

1. Investment appraisal should be carried out before a decision is made towards embarking on such investment. This is an essential prerequisite for any investment and helps to forecast the rate of return and risk association of the investment option.
2. There should be more seminars, conferences, public sensitization etc. on REITs. This should be organised as it will help to provide an in-depth understanding of this distinct asset class known as REIT. This will increase the knowledge of REIT to the citizens of Nigeria and propel prospective investors.

FURTHER RESEARCH

This study has dwelt on the subject matter of Comparative Performance Evaluation of Real Estate Investment Trust and Money Deposit Bank Shares in Nigeria: 2013-2022.

It is suggested that further work could be initiated in related areas like:

1. Comparative Performance Evaluation of Real Estate Investment Trust Companies in Nigeria and any other developing or developed economies in the world.



2. An investigation into the regulatory and legal impediments affecting the development of REITs in Nigeria.

REFERENCES

- Business day. (2013, February 8). REITs as Viable Investment Instrument in Nigeria, Business day newspapers.
- Chawla D and Sondhi N. 2016. Research Methodology: Concepts and Cases, 2nd edition. New Delhi: Vikas Publishing House.
- Cogan, A. (2008). The Cluster Approach to Economic Growth. Business Growth Initiative Technical Brief No. 7. ed. Washington, D.C, Weidemann Associates, Inc. Retrieved from: <http://tinyurl.com/3jekqj>.
- Dabara, I. D., Adeleye, G. O., Adaranijo, L. O., Anekeli, I. A., and Abefe-Balogun, B. A. (2016). Performance Evaluation of Investment in Real Estate and Selected Financial Assets in Nigeria. *International Journal of Business and Management Studies*, 5 (1), 197-210. Retrieved from <http://ssrn.com/abstract=2784441>.
- Dabara, I. D., Ogunba, A. O. and Araloyin, F. M. (2015). The Diversification and Inflation-Hedging Potentials of Direct and Indirect Real Estate Investments in Nigeria. Proceedings of the 15th African Real Estate Society (AFRES) Annual Conference, 31st August – 3rd September 2015, Golden Tulip, Kumasi, Ghana. 169-185.
- FMI. (2010). Real Estate Investment Trusts: Is the Philippines Ready? Capital Research: FMI
- Kampamba and Nnang R. N. (2016). A Comparative Analysis of the Performance of Real Property Investment and Shares in Botswana, *International Journal Advances in Social Science and Humanities*. February 2016 Vol.4 Issue 02 32-39.
- Kuhle J, and Bhuyan R. (2009). A recent comparative performance analysis of real estate mutual funds vs common stocks. *Journal of Business and Economics Research*, 7(8). Retrieved from www.emeraldinsight.com/reprints on January 10, 2018.
- Manoj, P. K. (2016). Real Estate Investment Trusts (REITs) for faster housing development in India: An analysis in the context of the new regulatory policies of SEBI. *International journal of Advance Research in Computer Science and Management Studies*, 4(6), 152 – 167. Retrieved in May 2017 from <http://www.ijarcsms.com/docs/paper/volume4/issue6/V4I6-0088.pdf>
- NAREIT, (2016). REIT-watch, retrieved from <https://www.reit.com/sites/default/files/reitwatch/RW1612.pdf>.
- Ogbuefi, J. U. (2002). Aspects of Feasibility and Viability Studies, Institute of Development Studies, University of Nigeria, Enugu Campus. Nigeria.
- Ong, T. S., B. H., and Chong, M.P. (2011). A Study on the Performance of Malaysian Real Estate Investment Trusts from 2005-2010 by using Net Asset Value Approach. *International Journal of Economics and Research*, 2(1)1-15.
- Oreagba, F. (2010). Position paper on implementation of REIT in Nigeria (N-REIT): A seminar on Real Estate Investment Trust (REIT): Nigerian Stock Exchange.
- Reilly, F. K. and Brown, K. C. (2011). Investment analysis & portfolio management (10th ed). Mason, OH: South-Western Cengage Learning
- Rosli, S., Nasir Md. D., and Olusegun O. (2013) A Study of REITs Performance and its Acceptability as Alternative Source of Fund to Direct Real Estate Finance in Nigeria: Malaysia REIT (MREIT) as Benchmark. The 3rd Annual International Building Conference.



-
- Udobi, A. N. (2014). A comparative analysis of the performance of residential property investments and Bank shares in Anambra state of Nigeria. *Journal of the Nigerian Institution of Estate Surveyors and Valuers*, Volume 39, NO.1, 2014, 18-25.
- Umeh O. L. (2014). Relative performance of real estate equities and other selected stocks: the Nigerian market situation. *ATBU Journal of Environmental Technology*, Vol. 7 No. 1 (2014)
- Zvi, B., Alex, K. and Alan J.M. (2011). *Investment and Portfolio Management*. New York, The McGraw-Hill Irwin
- Retrieved from <https://companiesmarketcap.com/the-commercial-bank-qatar/marketcap> on 26th July, 2023.
- Retrieved from <https://www.finra.org/about/what-we-do>."Financial Industry Regulatory Authority. "What We Do."