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## DETERMINANTS OF REAL ESTATE MARKETING: AN EMPIRICAL STUDY ON SELECTED REAL ESTATE MARKETERS IN ADDIS ABABA, ETHIOPIA

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**ADDIS ABABA**

### ABSTRACT

*The main purpose of this study is to make a rigorous investigation of real estate marketing practices with respect to multifaceted areas and issues in the city of Addis Ababa. The research approach used in this study is field survey- cross sectional. 270 questionnaires were distributed to the nine actively performing real estate companies which imply that 30 questionnaires were distributed to each. Despite strict follow up & repetitive reminders only 150 useable questionnaires were collected from all target respondents. The makes the actual response rate to be 56 % (150/270). The most as well as the least important factors related to rational for real estate boom, regulatory framework, financial facilities, real estate infrastructures, internal features and factors for housing preferences, external features and factors for housing preferences, promotion strategy, methods used in transferring ownership of houses to the buyer, major criteria used in land grading system and pricing methods in the housing were identified. The real estate marketer's and policy makers of the city as well as housing buyers are provided with the required information in relation to different determinants of real estate market industry. After making a rigorous and critical review of literature it has been clear that there is no paper that examined real estate marketing activities with respect to real estate market challenges, policy frameworks, promotion & pricing strategies, stimulating factors that led to real estate booming in the city to make Addis Ababa as the most attractive residential and commercial center in Ethiopia. Financial facilities, housing preference factors, land grading system, price strategy, promotion strategy, real star infrastructure, real estate marketing,*

### KEYWORDS

real estate marketing, Addis Abada.

### INTRODUCTION

The City of Addis Ababa occupies an area of 522 square kilometers (0.05 percent of the Ethiopian landmass) and is comprised, according to official statistics, of an estimated 3 million inhabitants. The city is sub-divided into ten sub-cities, each of which has an average population of around 300,000 people (see below); the three largest sub-cities by population are Kolfe Keranio (with 463,417 inhabitants), Yeka (374,583) and Nefas Silk Lafto (341,743). In terms of land area, the largest sub-cities are Akaki Kality, Bole, and Yeka each of which covers an area exceeding 80 square kilometers. Population densities vary considerably among the sub-cities, with Addis Ketema and Arada showing the most densely populated neighborhoods while Bole and Akaki Kality are the least densely populated sections of the city.

### LITERATURE REVIEW

Broadly defined, real estate refers to land and everything made permanently a part thereof, and the nature and extent of one's interest there in (Encarta Reference Library, 2006). Real estate may be acquired, owned and conveyed (or transferred) by any legal entity as determined and defined by law. This entity may take the form of individuals, businesses and nonprofit corporations.

The real estate market, on the other hand, is the market that encompasses all transactions, which involve dealings in rights or interests in land and buildings (UN ECE REAG, 2000). A dealing here is used to refer to the transfer of a right temporarily or permanently from one part to another in return for a consideration, usually money.

Real estate generally contributes to a country's economic development as a result of a corresponding growth in the demand for materials, labor inputs and backward and forward linkage effects in the economy.

Despite the fact that in Ethiopia urban land and housing was largely the property of the federal elite under the imperial era and the coming into effect of a proclamation on urban land and extra houses<sup>1</sup> during the Derg regime, the incumbent government has introduced a market-oriented approach to housing development since the transition in 1991. With the introduction of the urban land lease holding proclamation in 1993, the government defined leasehold as the tenure form of choice. The period of lease varies from 99 years for owner occupied holding to 50 years for commercial and other uses (proclamation no 80/1993). In addition to the land lease law, other measures have contributed to the liberalization of the real estate market. Subsidies on the sale of building materials have been removed; interest rates for housing construction loans have been set at market rates, etc.

At present, however, real estate lending and real estate transactions in Ethiopia are severely constrained by a number of factors, including a large concentration of unregistered properties, delays and other problems in enforcement of legal contracts; excessive taxes, fees, and permitting requirements, and urban development activities stalled by an overly-layered administrative framework and by the lack of resolution of the restitution issue.

The market for the real estate sector in Ethiopia is not uniform and similar. It varies depending on the quality and complexity of the buildings and the purpose for which they have been built as well as on the location of the buildings. In the medium term, supply of both residential and non-residential (mostly business entities) buildings is expected to increase and, as a result of this, prices (sales or rent) of residential and non-residential buildings are expected to decline owing to a number of reasons. One is the expected increase in the supply of serviced plots of land, as preparations are already under way to this effect by the Land Development Agency. As more serviced plots of land become available to meet demand, the prevailing high price of land might decline and create suitable conditions for increased supply of buildings. As the supply of buildings increase, the existing high price (sale/rent) of buildings, which largely reflect the scarcity of buildings, is expected to decline. Another is the expected decline in construction costs.

To date, however, the combined effect of these has been to slow down the development of the real estate sector in the country. There is a huge gap between the demand and supply of houses in Addis Ababa, the capital city (Tesfaye, 2007). Recent data revealed by the Addis Ababa City Administration shows that the total demand for low-cost houses in the city is 400,000 but so far less than 20,000 of these houses have been built and distributed to the applicants. Investors are discouraged by the ever-increasing land lease price in the major towns of Ethiopia including Addis Ababa.

In addition, the cost of construction materials, especially cement, has been increasing at an alarming rate until recently, although if efforts by the government to import cement turn out to be fruitful, this may minimize the potential price increase.

Many factors can be cited for the poor performance of the real estate sector in the country in general and in urban areas in particular. These factors can be categorized as: land supply and price; infrastructure and services; availability of building materials and construction prices; availability of finance; and government policies, regulatory framework, investment climate and institutional issues.

There is also poor access to credit in developing economies. This situation usually excludes a good number of potential market participants (Galal and Razza, 2001). Land use zoning and building regulations impose undue costs and delays on real estate development, resulting in an unresponsive supply side, high

building prices, and low affordability. There is also a lack of information on planned land use of open spaces in the built-up areas, which has also created problems for the development of the sector.

In conformity with a master plan or guidelines of a city, urban land is permitted to be held by lease on auction or negotiation. Minimum price of urban land will be determined on auction or through negotiation. Lease-hold title deed will be conferred on a person to whom urban land is permitted.

According to Proclamation No. 272/2002 (Re-Enactment of Urban Lands Lease Holding Proclamation), the duration of lease for urban land varies depending on the level of urban development and a sector or the type of development activity on which land is held by lease. The duration of lease may, upon the termination thereof, be renewed as per the agreement to be reached between the leaser and the lessee, unless the urban land is needed for public purpose. Where the lease agreement is not renewed upon termination on account of the land being wanted for public interest, compensation shall not be paid to the lease hold possessor.

Based on a survey conducted by Access Capital, the sale prices for even modest homes exceed Birr 1 million in many of Addis Ababa's residential neighborhoods, while average sale prices for large homes (with 1000 square meters and four-or-more bedrooms) are now routinely above Birr 6 million in the most expensive neighborhoods. In these same high-end neighborhoods, rental rates are in the range of Birr 30,000–40,000 per month for large homes. From a cross-country perspective, home prices and rents are beginning to match or exceed the levels seen in African countries with much higher incomes than Ethiopia. With respect to the commercial market, we find that rental rates for office space in Addis Ababa average around Birr 100 per square meter, though sometimes approach Birr 200 per square meter for prime, city-center locations. Based on the city-wide average, these square meter costs translate into rental rates of around Birr 5,000 per month for a small one-room office in a city-center location. For businesses seeking to rent half-a-floor or a full floor in a commercial building, average monthly rents are Birr 20,000 and 40,000 respectively.

Regarding the outlook, we see both challenges and opportunities. On the former, key obstacles facing the sector include land policies, the scarcity and cost of construction material, infrastructure, and financing. With respect to the opportunities, we see much promise in four particular sub-segments of the real estate market: city-center commercial developments; residential developments—including apartments—focused on middle-income groups; new developments based on novel and cheaper construction materials; and commercial parking developments. Overall, though the likelihood of price declines in certain outlying areas is one notable near-term risk, the outlook for the real estate sector is otherwise broadly positive in our view, reflecting prospects for continued overall growth and particularly promising opportunities for developments that rely on higher densities, city center locations, and novel construction materials.

The rapidly changing real estate landscape in Addis Ababa is one of the more visible aspects of the extended period of growth recently experienced in Ethiopia. From large residential developments sprouting at the city outskirts to rising new office complexes and government-built condominiums being constructed in center city locations, there is no shortage of new facilities to demonstrate change in this area. Of course, despite all this new construction activity, Addis Ababa—like most developing country capitals—retains large swathes of informal and slum-like settlements scattered across the city. Still, over the past decade, the sub-set of city dwellers that are now part of the formal real estate market has expanded from a small base and is likely to do so for the foreseeable future.

To provide readers with a comprehensive overview of developments in this area, this Access Capital report attempts to address four key questions:

- (1) What has been the scope and scale of recent real estate developments?
- (2) What does the residential real estate market look like?
- (3) What has been happening in the commercial segment of the real estate market?
- (4) What is the outlook for the next one or two year period?

Surveys done on this sector attempted to answer the following questions concerning the real estate market in Addis Ababa:

- ▶ What has been the scale and scope of recent real estate development?
- ▶ What does the residential real estate market look like?
- ▶ What has been happening in the commercial segment of the market?
- ▶ What is the outlook for the real estate market in the coming years?

However, due to the scarcity of data all attempts didn't see the following issues. The major factors that facilitated the real estate boom, the major problems that the real estate industry is facing, major considerations in selecting the best residential and commercial buildings by the customers, basic factors considered/used in land grading system, different price setting strategies adopted by the real estate industry, the promotion strategy adopted by the real estate industry, the building/housing delivery mechanisms such as directly delivering it to the buyer or uses a 3<sup>rd</sup> party to transfer the house via management contract.

## STATEMENT OF THE PROBLEM

The real estate sector has been one of the fastest growing segments of the Ethiopian economy. Indeed, a review of GDP statistics shows that had it not been for the expansion of this sector and the closely affiliated construction sector, Ethiopia would not have registered double-digit economic growth in the past five years.

The residential real estate market in Addis Ababa is evolving into a varied mix of extensive government-built condominiums (ostensibly for lower-income groups), mid-market developments by housing cooperatives, and largely high-end homes built by real estate developers and/or homeowners themselves. However, there are a number of complaints registered by customers as well as real estate marketers with in Addis Ababa. Thus, it is critically important to undertake a survey on selected real estate marketers operating in Addis Ababa to identify possible challenges and opportunities from real estate marketers and customer's perspectives.

## IMPORTANCE OF THE STUDY

The results of the study will assist real estate marketers, City administration as well as customers to have a vibrant and modern real estate marketer-buyer system.

## BASIC RESEARCH QUESTIONS

This study attempts to answer the following questions:

- What are the major factors that facilitated the real estate boom?
- What are the major problems that the real estate industry is facing
- What are the major considerations in selecting the best residential and commercial buildings by the customers?
- What are the basic factors considered/used in land grading system?
- What are the different price setting strategies adopted by the real estate industry
- What kind of promotion strategy is being adopted by the real estate industry?
- What are the main building/housing delivery mechanisms such as directly delivering it to the buyer or uses a 3<sup>rd</sup> party to transfer the house via management contract?

## OBJECTIVES OF THE STUDY

The objective of the study is:-

- To identify the major contributing factors for the real estate boom in Addis Ababa
- To Examine the major problems that the real estate industry is facing
- To explore major considerations in selecting the best residential and commercial buildings by the customers.



- Identify the basic factors considered/used in land grading system
- assess the different price setting strategies adopted by the real estate industry
- Identify the various promotion strategy/tools being adopted by the real estate industry.
- Investigate the building /housing delivery mechanisms such as directly delivering it to the buyer or uses a 3<sup>rd</sup> party to transfer the house via management contract.

**RESEARCH METHODOLOGY**

Data has been collected from real estate marketers operating in Addis Ababa. The target respondents were senior Marketing officers from actively performing real estate companies operating in Addis Ababa. The companies included Zenebe Frew real estate, Habesha construction, Yotech real estate, sunshine construction, Ayat real estate, Flintstone homes, Access real estate, Gift real estate, and from Enjoy real estate.

The survey instrument used was divided into eight sections. Section 1 consisted of demographic information related to the individual completing the survey questionnaire; Section 2 of the survey deals with rational for real estate boom; Section 3 consists of real estate regulatory framework; section 4 is related to the Financial Facilities; section 5 is concerned with real estate infrastructure; section 6 deals with factors to be considered for housing preferences containing both internal and external features; section 7 contains promotion strategies used by real estate marketers and section 8 contains three open ended question related to major land grading system Zones that the company most operates, methods of transferring ownership of houses to the buyer and most frequently used pricing method by different real estate marketers.

The number of questionnaire distributed to the nine actively performing real estate companies were 180 which implies that 30 questionnaires were distributed to each since those target respondent companies are more or less using the same marketing organization in marketing their residential and commercial houses. Despite strict follow up & repetitive reminders only 150 useable questionnaires were collected from all target respondents. The makes the actual response rate to be 56 % (150/270).

**DISCUSSION OF RESULTS**

After the data has been collected data has been edited, cleaned and prepared for data entry using SPSS Version 17. Descriptive statistics has been used to answer the research questions.

**DEMOGRAPHIC PROFILES OF THE RESPONDENTS**

56% of the respondents are with 25 -35 years of age group while 36 % were within 36-50 years old. 70% of the respondents were males while 30% of the respondents were females. 67.5 % are degree holders, 15.3% are second degree holders and 9.3% were 12 complete and 8% were Diploma holders. 51.3%, of the respondents were single 33.3 % were married and 15.3% were divorced. 86.7% of the respondent’s salaried, 5.3 % business, 6% is contract employees and 2% consultants.

47.3% of the respondents are in the come bracket groups of more than 5000, 26% of the respondents are in the income group of 4001-5000, , 12.7 % of the respondents between 3001-4000 , 11.3% of the respondents were in the income groups 2001-3,000 and 2.7% of the respondents are in the income groups of 1001-2000.

17.3% of the respondents were senior officers from Zenebe Frew real estate, 16% Habesha construction, 15.3% were Yotech real estate 12% sunshine construction , 10% Ayat real estate 10 , Flintstone homes 10%, 8% access real estate, 7.3% Gift real estate, and 4% were from Enjoy real estate.

18% of the real estate’s are located in Gotera, 16% in 22 Mazoria, 15.3% Sarbet, 12.7 % are around Meskel square, 10% at Legehar, 8.7% at Wello Sefer, 8% in Kasanchise, 7.3% in Kirkose, and 4% of the real estate’s are located in Bole sub-city respectively.

**ANALYSIS FOR BASIC RESEARCH QUESTIONS**

Rational for real estate boom, real estate regulatory framework; Financial Facilities; real estate infrastructure; factors to be considered for housing preferences containing both internal and external features; promotion strategies used by real estate marketers responses given to three open ended question related to major land grading system Zones that the company most operates, methods of transferring ownership of houses to the buyer and most frequently used pricing method by different real estate marketers are described here in under with tables.

**TABLE 1: RATIONAL FOR REAL ESTATE BOOM**

	N	Sum	Mean	Std. Deviation
There is a dynamic growth and expansion of commercial activities in the city	150	608.00	4.0533	1.14568
The tax holidays relieves the real estate developers	150	492.00	3.2800	3.41359
The increase in per capital income of the citizens	150	403.00	2.6867	.92784
The foreign investment permit in real estate is easy	150	395.00	2.6333	1.01278
There is a rapid growth of housing financing industry	150	325.00	2.1667	1.15518

As showed in table 1 the most important reason for real estate boom in the city is the dynamic growth and expansion of commercial activities in the city (with a mean score of 4.0533) while the least important reason for the boom of the real estate sector is the rapid growth of housing financing industry with a mean score of 2.1667). The mean score for the increase in per capital income of the citizens (mean score of 2.6867), the foreign investment permit in real estate is easy (with a mean score of 2.6333) and the rapid growth of housing financing industry (with a mean score of 2.1667) were found to be the least contributing factors for real estate booming in Addis Ababa.

**TABLE 2: REGULATORY FRAMEWORK**

	N	Sum	Mean	Std. Deviation
There is no Housing Policy	150	645.00	4.3000	3.35135
There is an increased fraud in the city	150	610.00	4.0667	1.04699
There is no policy support to provide incentives to the private sector for the construction of dwelling units to lower income groups	150	590.00	3.9333	.85661
The complex and bureaucratic transfer procedure of land users increased transaction costs	150	560.00	3.7333	1.33445
The cost of transferring land title is too high	150	553.00	3.6867	1.11209
The building regulation lacks clarity	150	552.0	3.680	.8772
The bank loan collateralized by real estate is not fair	150	551.00	3.6733	1.24511
Lack of clarity of the current construction permit system	150	544.00	3.6267	.86348
The land use Zoning criteria set by the city administration is not very clear	150	543.00	3.6200	.96008
The land ownership title is unclear	150	538.00	3.5867	.91363
The rental income tax law is distinctive to rental real estate development	150	493.00	3.2867	1.03195
The rental and tenancy laws are obsolete	150	492.00	3.2800	1.09373
The building codes standards and permissions are clearly spelled out	150	471.00	3.1400	1.18168
The Urban land ceiling regulation is unfavorable to real estate developers	150	456.00	3.0400	1.07366

From the 14 items indicated in table 2 the mean score of non-availability of a comprehensive housing policy followed by the an increased fraud in city 4.3000 and 4.0667 respective while the Urban land ceiling regulation is unfavorable to real estate developers is with a lowest mean score (3.04). The mean score for all items under the real estate regulatory frame works are found above average and this shows that regulatory frameworks need to be revisited.

**TABLE 3: FINANCIAL FACILITIES**

	N	Sum	Mean	Std. Deviation
The current trend in the inflation rate adversely affected the real market industry	150	659.00	4.3933	.92611
There is no alternative financing institutions	150	650.00	4.3333	.94597
There is poor access to credit	150	648.00	4.3200	.94350
There is no institutions which will give direction and leadership to solve the housing problems	150	599.00	3.9933	1.23970
The growth rate of GDP is low	150	574.00	3.8267	2.48417
The bank loan collateralized by real estate is not fair	150	551.00	3.6733	1.24511

As indicated on table 3, from items included in financial facilities, the current trend in the inflation rate adversely affected the real market industry (with a mean score of 4.3933) was identified as the most challenging factor while the bank loan collateralized by real estate is not fair (with a mean score of 3.6733) was the least challenging factor faced by real estate markers in terms of financial facilities available. Furthermore one can infer that all the items related to financial facilities above the average mean score and the challenge faced by real estate companies are not that simple.

**TABLE 4: REAL ESTATE INFRASTRUCTURES**

	N	Sum	Mean	Std. Deviation
There is a considerable shortage of construction materials	150	647.00	4.3133	.89094
Bureaucratic and nontransparent style of government institutions	150	613.00	4.0867	1.09873
There is no sufficient amount of advance planning and coordination between municipalities and infrastructure providers	150	604.00	4.0267	.78532
There is a limited amount of infrastructure provided to the city in general and the real estate market in particular	150	582.00	3.8800	.63373
There is no sufficient amount of information on planned land use of open spaces in the built up areas	150	578.00	3.8533	.80591
The development plans for cities and towns are highly defective	150	564.00	3.7600	.91725

As showed on table 4 the shortage of construction materials (mean score=4.3133) is the most chronic problem faced by real estate marketers followed by bureaucratic and non-transparent style of government institutions (mean score=4.0867) while the development plans for cities and towns are highly defective (mean score=3.7600) is the least challenging factor in terms of real estate infrastructural development. However, one can infer from the table that all the variables factor

**TABLE 5: INTERNAL FEATURES AND FACTORS FOR HOUSING PREFERENCES**

Internal Features	N	Sum	Mean	Std. Deviation
Number of bedrooms	150	653.00	4.3533	1.02412
Appearance of the house	150	583.00	3.8867	.78181
Number of bath rooms	150	569.00	3.7933	1.26542
Outside room	150	527.00	3.5133	.80048
Availability of Fire place	150	523.00	3.4867	2.69908
The number of living rooms	150	523.00	3.4867	1.06649
Availability of Study rooms	150	521.00	3.4733	1.03429
Established garden	150	506.00	3.3733	1.03979
Air conditioning	150	497.00	3.3133	2.67008
Quality of build in cupboards	150	492.00	3.2800	1.10593
Security system	150	485.00	3.2333	1.03247
Covered barbecue area	150	461.00	3.0733	.94901
Handicap accessibility	150	450.00	3.0000	1.35111
Swimming pool	150	423.00	2.8200	1.04958

Internal Features and Factors for Housing Preferences considered by customers or real estate buyers have been summarized in table 5. From the 14 factors Number of bed rooms of the house (4.3533) has the highest mean score while swimming pools (2.8200) is the least considered factor by customers with respect to housing preferences. Since all factor mean scores are above average real estate marketers need to give weight to each of the factors.

Table 6: External Features and Factors for Housing Preferences

**TABLE 6**

	N	Sum	Mean	Std. Deviation
Overall size of the house	150	588.00	3.9200	1.26130
Neighborhood status	150	581.00	3.8733	.70755
Community composition of the neighborhood	150	577.00	3.8467	.84929
Absence of noise from road, traffic ,railways or airport	150	577.00	3.8467	.81707
Size of the parking space	150	576.00	3.8400	.90546
Size of the plot	150	564.00	3.7600	.98771
Nice view	150	549.00	3.6600	1.02865
Distance from shopping facilities	150	544.00	3.6267	.84779
Distance from place of worship	150	531.00	3.5400	3.41852
Distant from schools	150	527.00	3.5133	.85716
Distance from families and friends	150	525.00	3.5000	.78364
Size of the Garage	150	522.00	3.4800	.96042
Purely residential or mixed with commercial	150	515.00	3.4333	1.11978
Distance from work	150	506.00	3.3733	.67104

External Features and Factors for Housing Preferences considered by customers or real estate buyers have been summarized in table 6. From the 14 factors overall size of the house (3.92) has the highest mean score while distance from work (3.3733) is the least considered factor by customers with respect to housing preferences. Since all factor mean scores are above average real estate marketers need to give weight to each of the factors.

**TABLE 7: PROMOTION STRATEGY**

	N	Sum	Mean	Std. Deviation
TV advertisement	150	658.00	4.3867	.64284
News Paper Advertisement	150	641.00	4.2733	1.08620
Magazine Advertisement	150	634.00	4.2267	.83663
Publicity	150	628.00	4.1867	1.13153
Personal selling	150	622.00	4.1467	.97888
Billboard Advertisement	150	607.00	4.0467	.76269
Radio announcement	150	606.00	4.0400	.75866
Posters	150	594.00	3.9600	.96850
Community Services	148	572.00	3.8649	1.13478
Brochures	150	579.00	3.8600	.68571
Transit Advertisement	150	562.00	3.7467	.83695
Sponsoring important Events	150	546.00	3.6400	.88447
Use of celebrities	150	518.00	3.4533	.87152

Table 7 demonstrated that TV ad is most popular method of promotion strategy used (4.3867) by real estate companies and the least promotion strategy used (3.4533). However, all real estate marketers use a mix of promotion techniques and mean score for all techniques is above the neutral point (3.00)

**TABLE 8: METHODS USED IN TRANSFERRING OWNERSHIP OF HOUSES TO THE BUYER**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Directly to The Buyer	128	85.3	85.3
	Through Third Party	17	11.3	96.7
	Others	5	3.3	100.0
	Total	150	100.0	100.0

85% of the respondents used the direct transfer of ownership title to the user, 11.3% of the respondents through third party and 3.3% through other means's.

**TABLE 9: MAJOR CRITERIA USED IN LAND GRADING SYSTEM**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Central Zone	81	54.0	54.0
	Transitional Zone	32	21.3	75.3
	Expansion Zone	37	24.7	100.0
	Total	150	100.0	100.0

From table 9 one can infer that all the real estate companies operate in all of the three zones. However, 54 % of the respondents indicated that they operate in the central zone followed by expansion zone (24.7%) and transitional zone (21.3%) respectively.

TABLE 10: PRICING METHODS IN THE HOUSING

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cost Plus	87	58.0	58.0	58.0
	Competitor Based	59	39.3	39.3	97.3
	Others	4	2.7	2.7	100.0
	Total	150	100.0	100.0	

As indicated on table 10, 58% of the respondents indicated that the most frequently used method of pricing is cost plus followed by competitor based pricing techniques.

## CONCLUSION

There is a lot to be done by real estate marketers as well as the government in order to deliver quality residential and commercial houses as per the requirements of different segments of the real estate customer groups in Addis Ababa

## FURTHER AREA OF INVESTIGATION

Determinants of Investors Willingness to pay for urban land, Land auction in Addis Ababa City, land lease policy in Addis Ababa, modalities lease payments, determinants of urban residential, commercial and industrial land pricing, basis of land gradation systems used by the government in different regions can be possible areas for undertaking a research.

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