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## The impact of yahoo boys on house rental prices in Warri, Delta state, Nigeria

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### Abstract

This study aims to investigate the impact of "Yahoo boys" on the cost of renting a house in Warri and the surrounding areas. As they seek accommodation in more upscale areas, traditional pricing structures are disrupted, prompting landlords to adjust their rates accordingly. Multiple regression analysis was employed to analyze the data, using two regression models: linear and log-linear. Each model revealed different impacts on the relationship between housing rental prices and their influencing factors. Notably, the linear and log-linear models produced similar findings, indicating that general inflation, limited housing supply, the presence of Yahoo boys, and population growth are all significant and positively correlated with housing rental prices. However, the landlords' decisions were significant only in the linear model, while they did not show significance in the log-linear model. The log-linear model emphasized the significance of electricity supply and fences, while the linear model showed no significance. The study recommends that the federal government address internet fraud and the rising housing prices in Warri, Delta State. The increase in "Yahoo boys" scams threatens financial security and the community's reputation. To combat this, stricter regulations, cybersecurity awareness programs, and community outreach initiatives are necessary. The high demand for affordable housing in Warri exacerbates socio-economic disparities. To address this issue, the government should promote the construction of affordable housing, incentivize local developers, and provide financial assistance to low- and middle-income families. Additionally, controlling inflation and supporting sustainable urban development can help reduce living costs and improve the quality of life for low-income earners.

**Keywords:** House rental prices, yahoo boys, landlords decision, hedonic, Warri

### Introduction

In recent years, the activities of "Yahoo Boys"-individuals engaged in internet fraud-have significantly influenced the rental housing market in Warri, Delta State, Nigeria. These young men, often with substantial illicit earnings, have driven up demand for rental properties, resulting in skyrocketing prices.

As they seek luxurious accommodations to showcase their newfound wealth, average citizens find it increasingly difficult to afford decent housing. This surge in rental prices has created economic strain on families, forcing many to compromise on quality or location.

Addressing this issue requires understanding the broader implications of internet fraud on local economies, community stability, and housing accessibility. It is essential to explore regulations and community initiatives that can mitigate these impacts while promoting a more sustainable rental market for all residents.

Housing is one of the best indicators of a person's wellbeing and social status (Ademiluyi, 2010; Nubi, 2008) <sup>[49]</sup>. According to Tsai and Pen (2011) <sup>[50]</sup>, homeownership was deemed an extremely important and unique asset for the majority of people, even if household income and home price were thought to be the most important elements affecting affordability (Chen *et al.*, 2007; Tsai and Pen, 2011) <sup>[51, 52]</sup>. As one of the twin engines of the housing supply system, the development of the rental housing market is a key strategic approach for tackling the housing difficulties of low-income households. Some developed countries, including the United States, Britain, Japan, France, Germany, and the Netherlands, have had housing ownership rates between 40% and 70% for a long time, according to pertinent statistics. This means that between 30% and 60% of the population in these countries rely on renting housing to address their housing issues (Crump and Schuetz, 2021; Shi *et al.*, 2013) <sup>[39, 53]</sup>. Russian families live in rental housing, with 11% in the Far East and 14% in Berlin. In other countries, it takes up 30% to 50%, with Berlin's share reaching 80%. Despite mass privatization, the market has potential for growth (Eastern Economic Forum, 2022) <sup>[17]</sup>. A NOI Polls study reveals 51% of Nigerians live in rented accommodation. Only 31% own a personal house. 85% would consider mortgage financing, but 25% lack stable income (Omidire, 2016) <sup>[32]</sup>.

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Household desire to live in an urban centre is increasing at an alarming rate. Opportunities for employment, urban amenities, and utility consumption have been attributed to increasing household desires and tastes to live in an urban centre. This has resulted in an increase in housing demand in Nigerian urban centres with particular reference to Warri. This consequently brought in the problem of housing affordability to low-income households. Therefore, there is a need to develop a strategy through which housing affordability would be met by different consumers irrespective of their socio-economic status. There is a need to facilitate housing units' provision in sufficient quantity at a reasonable cost. These cannot be achieved without thoroughly understanding the determining factors for housing affordability. Although there are many variables that contribute to the increase in house rents, the Yahoo Boys' impact cannot be disregarded because their extravagant spending has significantly raised the cost of living in cities, and action must be taken to solve this. (Osun News, 2023) <sup>[33]</sup>. This study aims at investigating determining factors for housing affordability in Warri urban centres.

The objective of this study is to examine the impact of "Yahoo boys" on housing rental prices in Warri and its surrounding areas. The term "Yahoo boys" colloquially refers to individuals engaged in internet fraud, particularly in Nigeria, where such activities have garnered significant attention due to their implications for society. While their primary engagement may be criminal, the economic ramifications of their actions extend beyond mere legality, influencing local economies, including the housing sector.

In Warri, a city characterized by a diverse demographic and burgeoning economic activities, the proliferation of Yahoo boys has led to noticeable fluctuations in housing rental prices. This phenomenon can be attributed to several interconnected factors. Firstly, the influx of financial resources derived from fraudulent activities enables these individuals to afford higher rental rates, thereby driving up demand for housing in specific neighborhoods. As they seek accommodation in more upscale areas, traditional pricing structures are disrupted, prompting landlords to adjust their rates accordingly.

Moreover, the presence of Yahoo boys in an area often shifts the socio-economic landscape, catalyzing gentrification. Landlords, noticing an increase in disposable incomes among prospective tenants, may opt to renovate or upscale their properties, further elevating rents. This rise can marginalize lower-income residents, exacerbating socioeconomic disparities within the community.

However, it is important to acknowledge that the impact of Yahoo boys on housing prices is not universally negative. In some instances, their activities contribute to a localized economic boom, as increased rental income can stimulate further investment in local businesses and infrastructure. This duality highlights the complexity of their influence on the housing market.

The examination of Yahoo boys and their impact on housing rental prices in Warri reveals a multifaceted relationship defined by economic growth and potential displacement. As such, understanding these dynamics is crucial for policymakers and stakeholders in devising strategies that foster community stability while addressing the challenges posed by illicit activities. The rest of the paper is arranged in the following order: Section two focuses on the literature

review followed by the discussion of the methodology adopted to achieve the aim of the study. The section four highlights the results and discussions, while section five gives the policy implications and recommendations.

### Statement of the Problem

The rise of "Yahoo Boys" in Nigeria has become a critical social concern in recent years, characterized by a growing demographic of young people who resort to internet fraud as a means to achieve rapid financial success. This phenomenon encompasses a range of deceitful practices, including phishing-where scammers impersonate trustworthy entities to extract sensitive information, romance scams that exploit emotional connections to defraud victims, identity theft that involves stealing personal information for financial gain, and various rituals reportedly aimed at enhancing their fraudulent endeavors.

These activities have not only marred the reputation of the nation's youth, painting them as criminals in the eyes of the world, but they have also generated significant repercussions for Nigeria's economy and social fabric. The prevalence of such scams undermines trust in online transactions, deterring legitimate business investments and shaking the overall confidence of the public. Additionally, as these activities rise, they contribute to a cycle of poverty and crime, ultimately destabilizing communities and eroding societal values.

One of the most troubling consequences of fraudulent activities, particularly by criminal groups known as "Yahoo Boys," is the dramatic rise in housing rents in major urban centers. These individuals often parade their ill-gotten wealth by driving extravagant cars, wearing designer clothes, and residing in opulent high-rise apartments. Their lavish lifestyles not only attract attention but also distort the perception of wealth within the community. As a result, many aspiring renters feel pressured to compete for trendy accommodations, leading to an increase in demand.

This increased demand exacerbates the already critical housing crisis, placing an immense financial strain on low-income earners and struggling families who are desperately trying to secure affordable housing. Many find themselves frustrated and overwhelmed as they face rapidly rising rents, which can sometimes exceed their monthly budgets by substantial margins. This situation deepens the socioeconomic divide, pushing many residents further away from the areas where they work and live, ultimately widening the gap between the affluent and the economically disadvantaged in the city.

Moreover, we will take a closer look at the current crisis of skyrocketing housing costs across the country. This situation has created a significant burden on many families, making it increasingly difficult for them to afford basic necessities. We will explore how the rising cost of housing is intertwined with broader economic challenges, such as inflation and unemployment rates, which exacerbate financial strain on low-income households.

In addition to understanding these issues, we will discuss the serious implications of the Yahoo Boys trend on individuals and communities already grappling with economic difficulties. Many people in these situations are left feeling hopeless and marginalized, further contributing to a cycle of poverty and corruption.

In this study, we will examine the phenomenon of Yahoo Boys, a term used to describe internet fraudsters in Nigeria,

and analyze how their activities contribute to the increasing cost of housing in the country. We will investigate the socio-economic effects of this trend, exploring how the influx of illicit financial gains has influenced the real estate market, driven up rental prices, and affected the overall economy. Additionally, we will consider the broader implications for communities and local residents, as well as the potential challenges faced by those seeking affordable housing in an environment where demand often exceeds supply due to these activities.

## Literature Review

### Global housing market

The global housing market has faced challenges such as declining transactions, slowing price growth, and worsening affordability. The gap between household incomes and property values has widened, and soaring mortgage rates have curbed mortgage borrowing. Established markets like Hong Kong, Germany, France, and the UK experienced house prices decline in Q1 2024, while Turkey, Russia, and the UAE recorded double-digit growth. The market has experienced significant volatility, with home sales in the US falling below levels during the subprime mortgage crisis. Mortgage interest rates have also risen, impacting homebuying. Real estate investors and developers anticipate improved market sentiment in 2024 for homebuilding, indicating overheated markets with strong supply-demand imbalances (Statista, 2022) <sup>[40]</sup>.

**Israel:** The residential real estate market in Israel is experiencing constant price increases, particularly in Tel Aviv-Yafo. In 2022, the volume of dwellings in municipalities increased slightly, but housing supply in popular areas is limited, leading to greater price increases. Tel Aviv has the highest average apartment price among major cities, with over 4.2 million Israeli shekels in Q1 2023. The increasing number of rented apartments, particularly among young people, is primarily due to financial inability to purchase an apartment. The country's housing costs have also increased in international comparisons, with the aggregate house price to income ratio standing at 126.8% in Q3 2022 (Statista, 2022) <sup>[40]</sup>.

**Canada:** House prices in Canada, particularly in major markets like Toronto and Vancouver, have risen steadily since 2005, with the Canadian composite price index showing a three-fold increase in homeownership costs between 2005 and 2023. This has led to a housing bubble globally, with Toronto at the highest risk. The country's largest cities have some of the highest property prices, with Toronto Central having the second highest monthly rent in the country. Housing affordability has worsened since 2020, with monthly single-family mortgage payments accounting for 66% of a household's income. To improve affordability, the Canadian government introduced regulations such as a tax on vacant or underused housing and a ban on foreign commercial enterprises non-Canadian citizens from buying residential property for two years (Statista, 2022) <sup>[40]</sup>.

New York City, known for its opportunity and potential, has become known for its high cost of living and property ownership. In 2020, the average annual salary for a median-priced home was close to 107,000 U.S. dollars, higher than other large metros. The COVID-19 pandemic led to price volatility in the housing market, with Manhattan

experiencing a halving of residential property sales. Despite this, Manhattan remains an expensive place to buy a property, with a median price of over one million U.S. dollars. Rents in Manhattan and Brooklyn, Queens, and the Bronx also decreased during the pandemic. The US housing market is one of the largest in the world, valued at 2.9 billion dollars in 2023. House prices have grown steadily since 2012, with annual appreciation reaching nearly 18 percent during the housing boom in 2021. However, housing affordability has deteriorated due to insufficient housing supply, income growth, and rising costs. Rhode Island, Vermont, and West Virginia experienced the strongest annual appreciation in 2023, with prices rising by over 10%. Hawaii and Washington D.C. experienced small price declines but remained the most expensive states. Soaring inflation and increased borrowing costs have further eroded affordability, leading to a deterioration in homebuyer sentiment. A survey identified high living costs, insufficient savings, and low income as the leading reasons (Statista, 2022) <sup>[40]</sup>.

**United States:** The UK's residential market has been severely impacted by soaring inflation and mortgage rates, particularly due to the coronavirus pandemic. The market grew significantly in the past decade, with the UK house price index reaching 154 points in November 2022. Low borrowing costs and government schemes, such as the stamp duty holiday, boosted demand. However, the cost of living crisis led to increased interest rates, causing a drop in transaction activity and house prices. A December 2023 survey revealed that 41% of UK adults were pessimistic about buying a home, with affordability being the top barrier to homeownership. As borrowing costs increase, house price growth slows, with London expected to see the slowest growth and prime regional house prices decreasing (Statista, 2022) <sup>[40]</sup>.

**India:** Owning a home is a crucial financial security for the Indian population. India's growing urban population, rising household incomes, and low interest rates have driven up the demand for residential units. The housing market in India is characterized by an excessive demand for affordable housing, and policy pushes like the RERA, REITs, and housing schemes have helped improve the situation. The segment may be transforming into a lucrative business model, with financiers and investors entering to bridge the gap between demand and supply. Private developers and housing finance banks have offered loans to customers, and the upper strata of the workforce, particularly those in IT, BFSI, and formal industries, performed well during the pandemic (Statista, 2022) <sup>[40]</sup>.

**Nigeria:** Nigeria's residential real estate market is experiencing significant growth due to factors such as the growing population, urbanization, and increasing disposable income. The country's cultural preference for owning a home also drives the demand for real estate transactions. The rise of affordable housing is a key trend, driven by government initiatives to address the housing deficit. The use of technology in the real estate sector has streamlined the process, making it more convenient for buyers and sellers. The limited supply of housing in major cities like Lagos, Abuja, and Port Harcourt has also contributed to the increase in transactions. The Nigerian government's

policies, such as mortgage refinancing companies, tax incentives, and the Real Estate Regulatory Authority, have also influenced the market. The stability of the Nigerian banking sector and the availability of mortgage financing options further stimulate the market (Statista, 2022) <sup>[40]</sup>.

### Concept of Housing Demand

The desire to buy a home and the ability to pay for it are both parts of the complicated idea of housing demand. In addition to being a number, it also predicts preferences, including where people want to live, how long they plan to stay there, and the type of home they want to buy or rent. In a market economy, there is an excess of high-income housing and a shortage of low-income housing, resulting in a cyclical relationship between supply and demand. Prices and demand are directly correlated, but research must take other elements into account. For instance, Oxford University geography professor Danny Dorling cautions against relying solely on economic data to comprehend, estimate, and forecast housing demand. He contends that housing is a social good that reflects human need as well as a traded asset. Due to landlord demands, the majority of people in England's housing economy are now renting despite rising housing prices, which has resulted in ongoing instability, unwanted migration, homelessness, and class cleansing. The housing boom is not benefiting mid- and low-income households, as their demand is declining and shifting from purchase to rental. It is crucial to deconstruct terminology and indicators, look for various demand patterns, and look for potential smaller-scale cycles within the broader macroeconomic framework in order to have a better understanding of the housing situation in any nation.

### Conditions and Determinants of Housing Demand

The quantity and category of housing units that are sought after are influenced by demographic factors such as age, marital status, family size, and age group percentiles; the placement of dwelling units; the location and availability of housing units (for instance, in the Philippines, a shortage of rental units had a negative effect on housing demand because residents preferred a particular tenure type); fluctuations in inflation, which can either increase or decrease housing demand by stimulating demand for larger units and new houses; economic growth or recession; taxation and subsidies; and demographic shifts; and changes in the population, including social and natural demography.

### Types of Housing Demand

Housing demand can be assessed using quantitative and qualitative standards. Quantitative standards measure the number of rooms in a dwelling, while qualitative standards focus on essential elements like running water, indoor toilets, electricity, ventilation, sunlight accessibility, construction material, age of dwelling units, access to public transportation, and proximity to employment. People prioritize these factors based on their needs and abilities. In Egypt, for example, people may choose to live in unsafe buildings due to economic or social factors.

Demand for housing can be categorized into effective versus latent demand, which refers to the amount of goods and services consumers are currently buying in a given market. Latent demand is non-existent but may arise in the future due to economic changes or consumer financial abilities.

Demand for housing can also be classified into elastic

versus inelastic demand. Elastic demand is the desire for a good that easily fluctuates in response to price changes. Understanding these types of demand can help policymakers better understand housing needs and preferences.

### Definitions of Affordability

Housing affordability is a poorly defined concept in many countries, often used in a meaningless context. It is assessed as the ratio of housing expenditures to the income of the household in a given period. However, the term is not always clear-cut, and affordability is not only an issue for households but also for other owners, including local authorities and public institutions. In most developing countries, the term is usually defined as the "individual household." This is because studies often classify households based on income levels, which may not accurately represent the housing scene. To interpret affordability, one can find the ratio between the sources required and the sum of resources available for the household in question. This basic model can be restructured for any institution running housing and being responsible for expenditures, including public institutions, NGOs, or private bodies.

Housing affordability is complex in owner-occupier households, who have legal obligations and responsibilities related to property ownership. If the expenses are too high, they may dispose of the property and move to a more affordable place. However, this choice may not always work efficiently, as a functioning housing market may not provide alternatives for these households. In transition countries, owner-occupiers often experience affordability problems due to lack of housing vacancy and maintenance costs. Local authorities may evict them when in debt, and they may be responsible for alternative accommodation.

Tenants in private-rental housing face more complex affordability issues, as landlords must meet *all* requirements and obligations as any other landlord. As housing-related service prices increase, tenants require rent and service charge limits to protect their rights to enjoy habitable living space. Housing standards are defined to guarantee habitable housing conditions, with clear market prices and minimum salaries. Any rise or change in these prices, tariffs, and standards will increase housing expenditures for landlords. Legally, all local authorities are responsible for housing affordability. Economic growth and incomes are believed to be key solutions to long-term housing problems in transition countries. The affordability model, based on the ratio of expenditures to incomes, suggests that housing-related expenditures should be lower than incomes. However, other costs like food and social needs also play a role. Factors influencing housing affordability include incentives and motives of different actors.

### International standards for adequate housing

Adequate housing is a crucial aspect of human well-being and sustainable development, providing safe, secure, healthy, and affordable living conditions. It includes various types of residential accommodations, including single-family homes, apartments, shelters, and informal settlements. Key features include access to basic services, protection against natural disasters, privacy, security, and maintaining good health. Housing should be designed to accommodate different types of disabilities and use sustainable materials to reduce environmental impacts.



Factors affecting housing adequacy include population density, climate, land and resource availability, economic development, cultural norms, and political stability. Governments, international organizations, and civil society must work together to ensure universal access to safe and affordable housing. International standards for adequate housing face challenges such as lack of political will, cultural differences, corruption, and limited access to land and financing.

### Theories of Housing Affordability

#### The Housing Affordability Index (HAI)

The Housing Affordability Index (HAI) is a measure used to assess the affordability of housing in a specific area, typically at the national, regional, or local level. It provides insights into how accessible housing is for the average household based on income levels, home prices, and mortgage interest rates.

#### Key Components of the Housing Affordability Index

**Median Home Price:** The median price of homes sold in a given area over a specific period.

**Median Family Income:** The median income of families in the area, which is often adjusted for household size.

**Mortgage Interest Rates:** The prevailing interest rates for home loans, which can significantly impact monthly mortgage payments.

**Monthly Mortgage Payment:** This is calculated based on the median home price, the down payment, and the mortgage interest rate. It typically includes principal and interest, and may also factor in property taxes and insurance.

**Affordability Ratio:** The index is often expressed as a ratio or percentage, indicating the proportion of a family's income that would be required to cover the monthly mortgage payment. A lower percentage indicates better affordability.

#### Interpretation of the Index

**Index Value of 100:** This indicates that a typical family has just enough income to qualify for a mortgage on a median-priced home.

**Index Value Above 100:** This suggests that housing is more affordable than the historical average, meaning families can afford to spend less than 25% of their income on housing.

**Index Value Below 100:** This indicates that housing is less affordable, meaning families would need to spend more than 25% of their income to afford a median-priced home.

Importance of the Housing Affordability Index:

#### Policy Making

It helps policymakers understand housing market conditions and make informed decisions regarding housing policies and interventions.

### Market Analysis

Real estate professionals and investors use the index to gauge market trends and make investment decisions.

**Consumer Awareness:** It provides potential homebuyers with insights into whether they can afford to buy a home in a particular area.

Limitations:

- The index may not account for all factors affecting housing affordability, such as local economic conditions, housing supply, and demand dynamics.
  - It typically uses median values, which may not reflect the experiences of all households, especially in areas with significant income inequality.
- Overall, the Housing Affordability Index is a valuable tool for understanding

### The 30% Rule

The guideline that households should not spend more than 30% of their income on housing costs, including rent, is a widely accepted rule of thumb in personal finance. This principle is based on the idea that spending more than this percentage can lead to financial strain and limit a household's ability to cover other essential expenses, such as food, transportation, healthcare, and savings.

#### Here are some key points to consider regarding this guideline

**Affordability:** Keeping housing costs within 30% of income helps ensure that families can afford other necessities and maintain a balanced budget.

**Variability:** The 30% rule is a general guideline and may not be suitable for everyone. Factors such as location, income level, family size, and personal financial situations can influence what is considered affordable.

**Housing Market:** In some high-cost areas, it may be challenging to find housing that fits within this guideline. In such cases, households may need to make trade-offs or seek additional income sources.

**Comprehensive Costs:** It's important to consider all housing-related expenses, including utilities, property taxes, and maintenance, when calculating the percentage of income spent on housing.

**Financial Goals:** Households should also consider their financial goals, such as saving for retirement, education, or emergencies, when determining how much to spend on housing.

**Local Variations:** Different regions may have different standards for what constitutes affordable housing, so it's essential to consider local economic conditions.

Ultimately, while the 30% rule is a helpful guideline, each household should assess its unique financial situation and make housing decisions that align with its overall financial health and goals.

## The Concept of Affordable Housing

Affordable housing refers to housing that is reasonably priced for individuals and families, particularly those with low to moderate incomes. The concept encompasses various aspects, including the cost of rent or mortgage payments, the availability of housing options, and the overall economic conditions that affect housing affordability.

## Key Aspects of Affordable Housing

**Income-Based Affordability:** Affordable housing is often defined as housing costs that do not exceed a certain percentage of a household's income. A common benchmark is that housing costs should not exceed 30% of a household's gross income.

## Types of Affordable Housing

**Public Housing:** Government-funded housing projects that provide low-income families with subsidized housing.

**Subsidized Housing:** Housing that receives financial assistance from the government to lower rents for tenants.

**Inclusionary Zoning:** Policies that require developers to include a certain percentage of affordable units in new housing developments.

**Nonprofit Housing:** Housing developed and managed by nonprofit organizations aimed at providing affordable options.

## Challenges

**Supply and Demand:** In many urban areas, the demand for affordable housing far exceeds the supply, leading to increased competition and rising rents.

**Gentrification:** As neighborhoods improve and attract higher-income residents, existing low-income residents may be displaced due to rising costs.

**Funding and Resources:** Limited government funding and resources can hinder the development and maintenance of affordable housing.

## Benefits of Affordable Housing

**Economic Stability:** Affordable housing can provide families with financial stability, allowing them to allocate resources to other essential needs such as education and healthcare.

## Community Development

Access to affordable housing can promote diverse and vibrant communities, contributing to social cohesion and economic growth.

## Health and Well-Being

Stable housing is linked to better health outcomes, as it

reduces stress and provides a secure environment for families.

## Policy Approaches

**Zoning Reforms:** Adjusting zoning laws to allow for higher-density housing or mixed-use developments can increase the supply of affordable units.

**Housing Vouchers:** Programs that provide financial assistance to low-income families to help them afford market-rate housing.

**Tax Incentives:** Offering tax credits or deductions to developers who build or rehabilitate affordable housing. Affordable housing is a critical issue that affects millions of people.

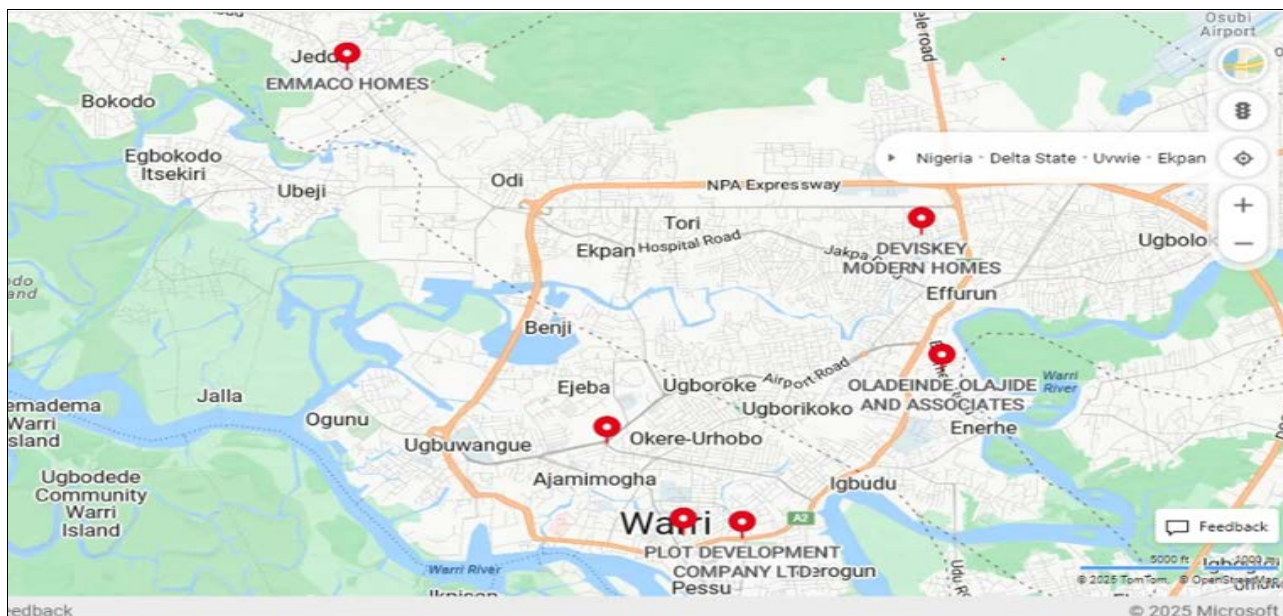
## The City of Warri and some of its trendy estates/neighborhoods

Warri is an outstanding city to call home, known for its remarkable combination of budget-friendly options and a high quality of life. Nestled in the heart of Delta State, Warri is steeped in rich cultural heritage and history, reflecting the vibrant traditions of its diverse communities. Residents enjoy access to a wide array of amenities, such as bustling local markets brimming with fresh produce and unique crafts, reputable schools that provide quality education, and modern hospitals equipped to meet healthcare needs. Additionally, the city's lively atmosphere is enhanced by its annual festivals and events, which showcase the local art, music, and culinary delights, making Warri a truly vibrant and welcoming place to live.

Warri is a major hub for the crude oil industry, with an estimated population of 2 million people. During colonial times, it served as the administrative capital of Delta Province and is now home to the Delta State Government House. Warri has a rich history, having been the residence of four monarchs and founded in the late 15th century. It became the political and trading capital of the Itsekiri kingdom of Warri and has long served as a marketplace for local produce and a port.

The city gained economic significance with the discovery of natural gas and petroleum. Notable developments include the establishment of a Petroleum Training Institute in 1972 and Nigeria's second petroleum refinery in 1978. Warri is a melting pot of ethnic groups, primarily the Urhobo, Itsekiri, and Ijaw, and boasts a diverse population of other nationalities. The economy of Warri is sustained by oil refineries, gas companies, and raw materials such as steel and silica.

Warri is easily accessible by air, with Osubi Airstrip serving as the main airport. The most common mode of transportation in the city is by road, where several company terminals are available. Additionally, boats and jetties act as transit points for local trade. A new railway line connecting Itakpe to Warri was completed in 2019, specifically designed to transport goods from the steel mills in Ajaokuta to the port of Warri. Public transportation primarily consists of mass transit buses and tricycles.



Source: [www.bing.com/maps](http://www.bing.com/maps)

Some interesting places to visit in Warri include Delta Ports, Falcorp Mangrove Park and Mini Zoo, Nana Living History Museum, the Olu of Warri Palace, and the Red Mangrove Swamp. These attractions offer a variety of activities for visitors to enjoy.

In Warri, the cost of living, rent, and expenses are generally similar across different estates; however, they tend to be higher due to factors like development and security. Renting a flat in these areas can range from 700,000 naira to over one million naira, while self-contained rooms and parlors typically cost between 400,000 and 600,000 naira (Evura, 2023) <sup>[18]</sup>.

#### Trendy Estates or Neighborhoods in Warri

- Plantation City Estate, located in Otokutu, Warri offers a secure, secluded, and secure location with top-notch social amenities, good roads, power, water supply, and a robbery-free stay. It offers 120 hectares of land divided into commercial and residential zones. With over 600 structures, it offers diverse housing options, modern infrastructure, and a green environment. The estate also has a C of O for property buyers.
- GRA, an old Government Reserved Area in Warri, offers social amenities, security, and a convenient location for access to various government offices and parastatals, making it a secure and safe space.
- Idama Estate, a serene neighborhood in Edjeba, offers a variety of building styles and a serene environment. Despite its old buildings, top-notch security, and proximity to local businesses, it provides a convenient living experience.
- New Layout, situated on Jakpa Road in Warri, offers modern amenities and affordable housing options, making it an attractive choice for renters and buyers.
- Brume Estate offers social amenities, safety, seclusion, and tranquility, providing a comfortable and secure environment for residents to enjoy.
- Osubi, a small-town in Okpe Local Government Area, boasts good living conditions, new buildings, security, stable power supply, roads, and Osubi Airstrip, reopening commercial flights to Lagos and Abuja.
- Chinkelly Area, near Nigercat Construction Limited, offers a vibrant, secure, and reliable neighborhood in

Warri, boasting recent renovations and new constructions.

- NPDC/NDW Housing Estate, previously Shell Estate, offers top-grade facilities like housing, schools, gyms, shopping centers, 24-hour electricity, and excellent security in Warri, though the cost of living is higher (Yemi, 2023) <sup>[47]</sup>.
- Ogheneovo Estate: A peaceful neighbourhood along Pti Road in Uvwie, Effurun. Despite its older structures, it boasts excellent security and is conveniently close to local businesses, providing a comfortable living experience.
- Enerhen is a vibrant neighborhood with a variety of amenities such as markets, schools, and hospitals. It's a great place for first-time homebuyers due to its affordable housing option.
- DSC Township is a well-planned neighborhood with a strong sense of community. It's known for its affordable housing and easy access to public transportation.
- Okumagba is a neighborhood with a mix of residential and commercial properties. It's a great place for first-time homebuyers due to its affordable housing options.
- Uvwie is a neighborhood known for its friendly residents and affordable housing. It's a great place for first-time homebuyers looking for a welcoming community.
- Ubeji is a quiet neighborhood with a rural feel. It's an ideal place for those who prefer a peaceful environment.
- Jakpa is a bustling neighborhood with a lively atmosphere. It's a great place for first-time homebuyers due to its affordable housing options.
- Ekpan is a bustling neighborhood with a lively atmosphere. It's known for its affordable housing and easy access to public transportation.
- Effurun is another affordable neighborhood in Warri. It's a vibrant area with a variety of amenities such as markets, schools, and hospitals.
- Udu is a serene neighborhood with a strong sense of community. It's known for its affordable housing options, making it a top choice for first-time homebuyers (Kurby Team, 2023)



### Yahoo Boys: Delineation and Undertakings

Yahoo boys in Nigeria, also known as G-boys, use the internet to scam victims and target foreigners and big institutions. They use charms and voodoo for spiritual protection, often using finger nails, rings, corpse carrying, incisions, and ghost sex. Yahoo Plus, a growing trend in cybercrime, uses fetish means to hypnotize victims, often using charms. A 25-year-old alleged fraudster discovered Yahoo Plus and made 3000 dollars. In Nigeria, internet fraud thrives, with Yahoo boys living in upscale apartments and displaying the latest cars. Teenagers as young as 19 use phones that their parents cannot afford, and girls frequently pursue these boys, creating a problem with parental functions. According to Akintola (2017) <sup>[5]</sup>, these individuals are easily recognised by their lifestyle, frequently leading extravagant lives without tying their wealth to any legitimate business.

Internet scammers, mostly young people, have stepped up their tactics by adding devilish elements to their game. This trend, called "Yahoo," is producing a lazy and aimless generation that is desperate to make money overnight without thinking about the long-term or short-term effects. The negative effects of these illegal activities are already harming Nigerians' perception of the country and their citizens. The main ways that these yahoo boys obtained money were by spoofing email addresses from external accounts that pretended to be businesses, hijacking email accounts, and using their victims' credit cards to purchase anything they desired. The latest trend involves killing and using human parts for rituals, as well as using charms to control the mind and thoughts. The latest trend involves killing people and using body parts in rituals, in addition to using charms to manipulate their victims' thoughts and emotions. Victims may lose control over their thoughts or actions and become powerless in the hands of their manipulators. Some students have killed their mothers in order to become affluent, and others drive expensive cars on campus to avoid being questioned by their parents.

Internet fraud has emerged as a pervasive crisis in Nigeria, affecting a significant number of young people, some of whom are as young as 15 years old. This alarming trend reveals a disturbing shift in values, as these young males increasingly turn to cybercrime and other illegal avenues for quick financial gain. Statistics show that many of these individuals are lured by the promise of easy money, neglecting the long-term benefits of education or vocational training.

In many cases, the allure of immediate wealth eclipses the importance of building a solid foundation through higher education or acquiring a respectable trade. Unfortunately, a growing number of parents are failing in their duty to instill strong moral values and guidance in their children, allowing them to become entangled in these unethical pursuits. It is crucial for families and communities to recognize the seriousness of this issue and take proactive steps to protect the youth from the perils of internet fraud, encouraging them instead to pursue constructive and honorable paths.

An undergraduate at Federal Polytechnic in Auchi, Edo State, reported that two of his schoolmates were involved in 'Yahoo-Plus,' a diabolical means to make wealth, usually involving human blood. The students were accused of using charms and killing their victims to manipulate their thoughts and actions. A student who was known as a Yahoo boy bought a car worth over N7 million, but his mother died

when he stepped into their family house. The news of his mother's death shocked the student, who fled and abandoned his studies and property. Another student allegedly used his younger sister for money rituals, but something went wrong, leading to his madness. (The Sun, 2025)

A second-year student at Nnamdi Azikiwe University, Awka, was a level-headed individual who often helped fellow students wash their clothes. He disappeared during a vacation in 2017, but returned to school in a clean Toyota Venza SUV. He bought a plot of land for N50 million and plans to erect a plaza there. This is just one example of many youths abandoning their education to pursue wealth through killings and other fetish practices. Recent cases of such fetish practices have been reported in various parts of Nigeria, including the killing of a girl in Imo State and the excretion and use of bread in a roundabout in Owerri. The term 'Yahoo plus' in Nigerian parlance refers to these practices, which have evolved into various ways of operating (Chukindi, 2022) <sup>[12]</sup>.

A 20-year-old Yahoo Boy stabbed his parents at their home in Ibadan, Oyo state after his mother refused to reveal her real name for him to activate a black magic soap designed to bring him good fortune. His mother ran out of their home with serious wounds, calling for help as his son sneaked into their home and attacked them with a machete. Bystanders rushed into the house and dispossessed him of the machete he had used to attack his parents. The boy accused his mother of giving him a fake name, rendering the magic black soap useless. (Akinrinade, 2024) <sup>[4]</sup>.

A 14-year-old boy was reportedly beheaded for ritual purposes in Ibadan, the Oyo State capital. The victim had recently completed his final subject for the West Africa Examination Council at Iyana Community Grammar School, Olode, Moniya, Ibadan. Sources indicate that the victim, along with three peers, sought the services of a Cleric for a money ritual on the same day. It was learnt that the three boys had secretly arranged with the cleric to kill their friend as part of the ritual. A family source disclosed, "I was at home when one of my brothers came rushing to inform me of the tragic incident. We immediately went to the scene, only to find the cleric had fled, and the victim's body was discovered without a head." "The victim was found in a pool of blood at the cleric's house. His head had already been burned. The three boys had previously arranged with the cleric to use their friend for the ritual. When they arrived, he was strangled, decapitated, and cremated. According to what we were told, they planned to use the remains in their ritual." (Sahara Reporters, 2024).

A video shows 14-15-year-old boys stranded with bags containing their belongings. Interrogated by an unknown man, they said they wanted to learn Yahoo hustle, but not Yahoo plus (Ojo, 2022) <sup>[30]</sup>.

Three male commuters have a reputation for being able to identify victims. In the past, they have targeted girls who are looking for a one-night, short-term relationship in exchange for quick cash, free food, or free drinks. They see a fashion designer who may be a victim being sneaked into the vehicle and driven to a well-known location for food and drink. As the night approaches, they become Yahoo Plus Plus, or ritualists, who employ human body parts for their internet scams. Before the victim passes away, they remove her heart, breasts, and eyes. After that, they travel to Obajero's shrine in Alegbo, Warri, where they encounter Obajero, who combines occult rituals with his craft. Obajero



gives the three men the burnt ashes of the deceased's body parts and instructs them when to return, promising that their online victims will fall prey to their fraud tricks. After their business fails, they negotiate with Obajero for a fifth victim, a student at Abraka University. They cover an estimated 78km, travel from Abraka to Otefe, Oghara, and back and forth between Abraka and Warri (Umukoro, 2019) <sup>[41]</sup>.

In May 2023, 29-year-old man was arrested for killing his sister and performing sex with her corpse, allegedly motivated by his mother's encouragement to end poverty in the family. In October 2022, two Nigerians were arrested for butchering a man and killing a girlfriend, with the latter claiming it was his preferred route to wealth. In January 2022, Bauchi State police arrested two yahoo boys for removing the eyes of a 16-year-old boy for money ritual (Punch Editorial Board, 2023).

Two lovers and their friend were murdered in their house in Akure, Ondo State, by suspected internet fraudsters called 'Yahoo Boys'. The victims' friends were apprehensive after receiving unreplied phone calls and discovered their bodies in the toilet. The killers locked up their bodies to decompose, leaving their laptops, telephones, and other gadgets intact inside their flat. The victims' friends broke down the front door to enter their flat (Dayo, 2021; Gbadamosi, 2021; Momoh, 2021) <sup>[15, 27, 54]</sup>.

Nigerian police arrested four teenagers in Ogun State in connection with a killing of a twenty-year-old girl, who was decapitated and burned to make money. The case has sparked debate in a country where such incidents have increased exponentially (Obadare, 2022) <sup>[55]</sup>.

A young girl was abducted and killed in Port Harcourt, Rivers State after her vital organs were removed. The suspect was arrested by the State Police Command attached to Okporo Police Station. He was trying to dispose of the mutilated body of the victim when he was apprehended by a local vigilante. The victim's vital organs were deposited in an undisclosed mortuary, and the suspect is being held by the police for further investigation. The Yahoo boy, a 200-level undergraduate, was lured into ritual killing by a man who promised him wealth. The father of the deceased expressed sadness over the murder and thanked the police and local vigilante for recovering his daughter's body (Una, 2024) <sup>[42]</sup>.

An alleged internet fraudster, known as a 'Yahoo boy', was lynched by a mob after beheading a woman on her farm in the Otor-Owhe community of Delta State. The man killed the woman, severed her head, and took it to his house. Community members found the headless body and set him on fire (Meluwa, 2025) <sup>[24]</sup>.

Twelve Yahoo Boys have been arrested by Azikiwe Police Division, Port Harcourt Security Watch, and Rivers State Neighbourhood Watch for reportedly burying a newborn baby alive at Eagle Island in Port Harcourt. The incident occurred after an intelligence report indicated that the Yahoo boys were performing incantation at the waterfront (Ikemefuna, 2023) <sup>[56]</sup>.

A clash between police operatives and Nigerian Air Force personnel in the Jeddo community of Delta State has redefined yahoo boys' existence. A suspected online scammer, referred to as a "Yahoo boy," was the target of the event. The young man fled to an Air Force checkpoint after abandoning his car, believing they were kidnappers. A heated dispute turned into shooting after the Air Force members blocked the route and stopped the police officers.

The Air Force Commander ultimately handled the situation after some police officers were hurt. (Ademola, 2025) <sup>[2]</sup>.

### Review of Empirical literature on Affordable Housing

Scholars have mainly discussed the impact of housing price, fiscal expenditure, human capital and labor mobility on household consumption. In terms of the impact of housing price on residents' consumption, one view holds that housing price fluctuation is conducive to increases in residents' consumption through wealth effects. Others hold the view that the fluctuation of housing prices will crowd out residents' consumption (Katya & Ben, 2017; S. W. Liu, 2018) <sup>[21, 57]</sup>. The differences in research are mainly caused by regional differences, differences in residents' housing ownership, and differences in residents' income (Dai, 2019; He *et al.*, 2017) <sup>[13, 58]</sup>. Studies have found that fiscal expenditure has different impacts on household consumption: the wealth effect and the crowding out effect (Bouakez & Rebei, 2007; Xu *et al.*, 2012) <sup>[9, 45]</sup>. The proportion of the two effects depends on the impact of different types of fiscal expenditure on household consumption. If the impact intensity of consumer fiscal expenditure is greater than that of productive fiscal expenditure, residents' consumption will be crowded out, otherwise, residents' consumption will be increased (Wang, & Liu, 2015) <sup>[43]</sup>. In addition, the influence of fiscal expenditure on residents' consumption exists across differences in time and region, which is beneficial to residents' consumption in the short term but will crowd out residents' consumption in the long term (Yan & Wang, 2016) <sup>[46]</sup>. Local fiscal expenditure generally has a lower impact on household consumption in high-level economic development regions than in low-level economic development regions (Zhang, *et al.*, 2018) <sup>[48]</sup>.

Affordable housing has become a major and pressing issue, especially for low-income households, as a result of the metropolitan center's continuous development and growth. Housing affordability is influenced by a number of factors, including household income and home price (Olatubara 2007) <sup>[59]</sup>. Housing affordability is the ability of a household or individual to pay for housing costs while still having enough money to pay for other necessities of life. This helps to clarify how the household or people may afford housing. Onu and Onu (2012) <sup>[60]</sup> enumerate the characteristics that influence a place's affordability, citing CIH (1992). A household's income, rent, and, if relevant, housing assistance eligibility are some of these variables. According to Bramley (2011) <sup>[61]</sup>, rent is a measure of the amount of money required to buy a home.

The housing industry is composed of competitive firms, and the aggregate supply of the industry depends on its output price and the real price of housing structure. In New Zealand, declining household consumption, employment, and overall economic growth resulted in a reduction in housing construction, which in turn affected the long-term increase in house rents (Snively, 2009). Meen (2002) <sup>[62, 63]</sup> argued that when there is inelastic housing supply, positive demand for housing leads to a short-term increase in house rents, but in the long run, rents overshoot.

House rentals fluctuate as a result of net migration trends that enhance housing demand during periods of housing shortage. As demand increases, so does house rent. It was discovered that housing locational characteristics, such as proximity to the employment and ease of access to schools,

shops, and public transportation stations, are crucial in determining home preference (Clark *et al.*, 2006; Tan, 2012; Wang and Li, 2006). (Kauko, 2007). Tan (2012) <sup>[64, 65, 66, 67, 68]</sup> asserts that households are more inclined to spend more for a home situated in a neighborhood with favorable environmental conditions, low crime rates, and other security issues (Wang and Li, 2006) <sup>[66]</sup>. A household may choose to relocate to a different neighborhood based on expectations of the neighborhood's improvement (Ellen *et al.*, 2013).

Consumer behavior regarding housing preferences was found to be significantly influenced by values, according to Collen and Hoekstra (2001). Due to the neighborhood's location, households move to other neighborhoods because of the value that is placed on them. Affordable rental housing supply was hampered by high interest rates, land costs, and bureaucratic obstacles associated with land acquisition (Arku *et al.*, 2012; Gough and Yankson, 2011) <sup>[68, 69]</sup>. Access to land and household size were confirmed by Arimah (1997) <sup>[70]</sup> as additional factors that affect housing affordability. The methodical conceptualization and empirical exploration of consumers' assessment of home affordability remained unfinished despite several studies on the subject. The current study adds to the body of literature by identifying Yahoo Boys' influence on housing affordability.

Yahoo boys are responsible for increasing house prices in the area, as they pay without negotiation, making life difficult for many people. Landlords are not helping matters by increasing rents without considering other people. Yahoo boys intimidate low-income earners and often double their payments, even if they have not packed into the house (Ayantoye, 2023) <sup>[7]</sup>.

Some parts of Nigeria are experiencing a surge in house rent hikes due to landlord greed. Tenants are concerned about the increased rents and the state government's intervention to reduce rental property prices. Some blame the increase on mass migration from insecure states and landlords' preference for Yahoo boys. Others argue that the economic situation, rising costs of building materials, construction, and maintenance, and inflation are contributing factors. The state government should intervene to prevent landlords from exploiting the situation and protect tenants (Famakinwa, 2024) <sup>[71]</sup>.

### Hedonic Pricing

Hedonic pricing is a model that estimates price factors based on internal characteristics of good and external factors affecting it. It is commonly used in the real estate market to estimate quantitative values for environmental or ecosystem services that directly affect market prices for homes. The model relies on actual market prices and comprehensive

data sets to estimate values based on concrete choices. However, it has drawbacks, such as only capturing consumers' willingness to pay for perceived environmental differences and not always incorporating external factors or regulations.

Hedonic pricing is most commonly used in real estate, where the price of a building or piece of land is determined by the property's characteristics and its surrounding environment. For example, a home near parks or schools may sell for a premium, while a home on a major highway may sell for less.

Sherwin Rosen, an American labor economist, introduced the theory of hedonic pricing in 1974 in his paper "Hedonic Pricing and Implicit Markets: Product Differentiation in Pure Competition."

The term "hedonic" originated in the 17th century and is characterized by pleasure or hedonism.

### Research Gaps

This study aims to enhance the current body of research by exploring the intricate relationship between the activities of Yahoo Boys—individuals engaged in online fraud—and the significant rise in residential housing prices in Warri. By examining various socio-economic factors and the impact of cybercrime on local economies, this work seeks to provide a comprehensive analysis of how such illicit activities may be influencing the real estate market and contributing to inflation in housing costs within the region.

### Materials and Methods

The study included a survey of 336 rental and tenement homes, collected data on rental and tenement housing from 12 urbanized districts in Warri and the surrounding areas between 2024 and 2025, 311 of which were returned by the heads of households in the various communities, with more surveys going to areas with more urbanized activity and fewer to those with less. The study population consisted of tenants in the urbanized regions, and questionnaires were distributed using systematic sampling techniques, selecting each home at random from 40 streets until all the surveys were completed. The review of pertinent literature served as the basis for the factors chosen for the investigation.

Data collected from respondents have been entered, coded modified, evaluated and analyzed using descriptive and inferential statistical approaches. The raw data is transformed into useful information that is simple to comprehend and interpret using descriptive methods.

This study adopts the hedonic price model, as it measures the marginal effect of environmental and structural characteristics on rental prices, following previous studies by Rieger & Jedlicka (2014); Owusu-Ansah (2012), Wickramaarachni (2016), and Balabolola *et al* (2013) <sup>[72, 73]</sup>

**Table 1:** Sample Size Distribution of Questionnaire

S/N	Communities/Neighborhoods	Selected Number of Streets	Questionnaires Distributed	Questionnaires Returned
1.	Ubeji	2	20	18
2.	Ubuwangu	4	41	41
3.	Effurun	5	50	46
4.	Ekpan	5	30	27
5	Jakpa	4	25	25
6.	Enerhen	4	20	18
7.	Ugbomoro	2	25	20
8.	Ekete	2	25	25
9.	Orhuwhurun	3	30	26

10.	Aladja	3	20	15
11.	Osubi	4	40	40
12.	Okumagba	2	10	10
	Total	40	336	311

Source: Authors' Fieldwork

### Model specification

The study is an inferential research investigation examining the relationship between house rental prices and various influencing factors, specifically focusing on the impact of "Yahoo boys." It employs a quantitative approach using a case study strategy to analyze rental prices in Warri and its surrounding areas. This method is consistent with previous research on the determinants of house value and rental prices, which also utilized quantitative and inferential statistical methods.

In alignment with the methodologies employed by Rieger and Jedlicka (2014), Owusu-Ansah (2012), Wickramaarachchi (2016), and Babalola *et al.* (2013) [72, 73, 74, 75], this study utilizes the hedonic price model. This selection is driven by the model's effectiveness in measuring the marginal impact of various environmental and structural characteristics on rental prices, which is vital for our investigation. Consequently, the hedonic equation has been specified as follows:

$$HRP = F(INF, SHS, YB, IP, LD, FW, ES) \quad (1)$$

Where

HRP = House Rental Prices

INF = General Inflation

SHS = Short Housing Supply

YB = Yahoo Boys

IP = Increase in Population

LD = Landlords Decision

FW = Fence Wall

ES = Electricity Supply

Equation (1) in its regression form is specified in equation 2 as follows

$$HRPi = \beta_0 + \beta_1 INF + \beta_2 SHS + \beta_3 YB + \beta_4 IP + \beta_5 LD + \beta_6 FW + \beta_7 ES + e_i \quad (2)$$

$\beta_0, \beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$  and  $\beta_7$  are coefficients.

$e_i$  is the error term.

The literature on factors influencing house rental prices is divided according to the functional form, with some authors arguing for a linear relationship (Ottensmann, Payton, and Man, 2008) [76] and others for a non-linear one (Rosen, 1974) [77]. To address these divergent viewpoints, the study includes a linear model (Equation 2) and a log-linear model (Equation 3).

$$\log HRPi = \beta_0 + \beta_1 INF + \beta_2 SHS + \beta_3 YB + \beta_4 IP + \beta_5 LD + \beta_6 FW + \beta_7 ES + e_i \quad (3)$$

**Table 2:** Variables, Measurement, and Expected Sign

Variables	Measurement	Expected Sign
Rental Price	Annual rent in ₦	Dependent variable
General Inflation	Dummy variable 1= presence of general inflation 0 = otherwise	+/-
Short Housing Supply	Dummy variable 1= shortage of housing supply 0 = otherwise	+
Yahoo Boys	Dummy variable 1= presence of yahoo boys 0 = otherwise	+
Increase in Population	Dummy variable 1= Increase in population 0 = otherwise	+
Landlords Decision	Dummy variable 1= Landlords decision 0 = otherwise	+/-
Electricity Supply	Dummy variable 1= presence of electricity supply 0 = otherwise	+
Fence Wall	Dummy variable 1= presence of fence wall 0 = otherwise	+

### Results

The study performed a multiple regression analysis that included two essential tests to verify that the data satisfied the primary assumptions of multiple regression, as

articulated by Gujarati and Porter (2010) [78]. The correlation analysis revealed strong correlations among all variables, highlighting their significant role in the overall analysis.

**Table 3:** Linear and Log Linear Regression Results

Variables	Linear Model 1 Coefficients	Probability	Log-Linear Model 2 Coefficients	Probability
C	5082.971	0.5503	2.364252	0.0000
ELECTRICITY_SUPPLY	0.023347	0.0712	0.03808	0.0025**
FENCE_WALL	-0.034061	0.1244 *	-0.045305	0.0268***
GENERAL_INFLATION	0.255287	0.0000 ***	0.054295	0.1540
INCRE_IN_POPULATION	0.02751	0.057225	0.024840	0.0017
LANDLORDS_DECISION	0.052552	0.0006	0.209925	0.0696
SHORT_HOUSING_SUPPLY	0.016773	0.0030	0.074182	0.0001***



YAHOO_BOYS		0.0000 ***	0.012220	0.0004
R-squared	0.679283		0.584957	
Adjusted R-squared	0.658461		0.563932	
S.E. of regression	1905.337		1.196682	
Sum squared resid	1.055397		279.6251	
Durbin-Watson stat	2.164221		2.048307	
F-statistic	12.61372		9.533811	
Prob(F-statistic)	0.000000		0.000000	

### Discussions

Tables 3, the findings from the ordinary least squares (OLS) multiple regression analysis based on two distinct model specifications: Model 1 is linear, while Model 2 is log-linear. In Model 1, detailed in column 2 of Table 3, all variables except general inflation and fence wall were found to have a significant association with monthly rental prices, yielding an  $R^2$  value of 0.679 and adjusted  $R^2$  of 0.658, an F statistic of 12.61, and a p-value of 0.00000.

Model 2, presented in column 4 of Table 3, represent a log-linear model. This analysis revealed that limited housing supply, the prevalence of Yahoo boys, and population growth significantly influenced the logarithm of monthly rental prices. The model produced an  $R^2$  value of 0.585, an adjusted  $R^2$  of 0.564, an F statistic of 9.533, and a corresponding p-value of 0.00000.

The estimation results in Table 3 confirm that electricity supply, limited housing supply, city population expansions, and the presence of Yahoo boys would drive up rental prices. For example, a 1% increase in electricity supply leads to a 2.3% to 3.8% increase in rental prices in both the linear and log-linear model. A 1% increase in city population would, on average, lead to a 2.76% to 2.48% increase in rental prices in both the linear and log-linear model. Similarly, a 1% increase in limited housing supply would result in 5.26% to 7.42% increase in rental prices on average in both the linear and log-linear model. The results also revealed that a 1% increase in Yahoo boys led to a 1.68% to 1.22% increase in rental prices in both the linear and log-linear model. However, the landlords' decisions were significant only in the linear model, while they did not show significance in the log-linear model.

### Conclusion and Recommendations

Several key factors significantly influence changes in house rental prices. First, population growth plays a crucial role, as an increasing number of residents in an area typically drives demand for housing, which in turn can raise rental prices. Second, the presence of "Yahoo Boys," a term commonly referring to individuals involved in internet fraud, can impact the local economy and housing market. Their activities often lead to an influx of money in the area, potentially increasing demand for rental properties.

Another important factor is the availability of electricity. Consistent and reliable access to electricity is essential for modern living, and areas that offer this utility tend to attract more tenants, thereby driving rental prices higher.

It is important to note that the findings of this study have certain limitations. The results cannot be generalized beyond the city of Warri and its surrounding areas, from which the sample was drawn. Therefore, conclusions drawn from this study are specific to this locality. Furthermore, the focus of this study was solely on residential properties, meaning that the findings do not apply to commercial real estate markets or rental prices for business properties.

### Recommendations

The federal government urgently needs to tackle the rising issues of internet fraud, commonly known as "Yahoo Boys," and the alarming increase in residential housing prices in Warri, Delta State. In recent years, Warri has seen a disturbing rise in internet scams that not only compromise the financial security of individuals but also tarnish the reputation of the community as a whole. These fraudulent activities, often orchestrated through deceptive online schemes, have become widespread, eroding trust among residents and affecting local businesses. It's essential for the government to implement robust measures, including stricter regulations, enhanced cybersecurity awareness programs, and community outreach initiatives aimed at educating the public about online safety and ways to spot scams.

Simultaneously, the situation regarding residential housing in Warri has reached a critical point. With prices soaring due to a combination of high demand and limited supply, many residents are simply priced out of the housing market. This trend not only places immense pressure on families seeking affordable homes but also exacerbates socio-economic disparities in the region. To address this issue, the federal government should consider developing policies that promote the construction of affordable housing, incentivize local developers, and provide financial assistance to low and middle-income families.

By effectively combating internet fraud and ensuring that housing remains accessible and affordable, the government can create a more secure and stable environment for the people of Warri, fostering community trust and enhancing overall quality of life.

The government should also promote affordable housing projects in urban areas. This can be done by incentivizing private developers or investing public funds, which will help provide accessible options for low-income individuals and families. To address rising rental prices caused by inflation, a booming economy, and urban population growth, it is essential to implement policies that control inflation and support sustainable urban development. These efforts can help reduce living costs and create a better environment for low-income earners.

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