

VOLUME 2

# 2023 Lagos Real Estate Development Pipeline Report

A summary of pipeline projects in multiple real estate sectors within Lagos.

# Table of Contents

<b>Introduction</b>	<b>1</b>
<b>Nigeria's Economic Factsheet</b>	<b>2</b>
<b>Lagos Pipeline Summary</b>	<b>4</b>
<b>Sector Analysis</b>	<b>7</b>
Office	7
Residential	11
Hospitality	15
Retail	19
Healthcare	23
<b>2023 Topical Issues</b>	<b>21</b>
<b>2023 Top 10 Series</b>	<b>24</b>

## **Estate Intel Limited Disclaimer 2023**

Estate Intel Limited confirms that information contained herein were obtained from sources deemed to be reliable. While we do not doubt their accuracy, no legal responsibility can be accepted by Estate Intel Limited for any loss or damage resulting from the contents of this brief. As a general brief, this material does not represent the view of Estate Intel Limited in relation to particular properties or projects.

# Introduction

Welcome to the second edition of the annual Lagos Real Estate Development Pipeline Report!

Amidst a looming global recession, heightened election uncertainty, ongoing currency challenges and a deepening fuel crisis, understanding the real estate market in Lagos has never been so critical.

***“Despite this volatility, the real estate market has remained resilient with bright spots emerging across majority of the sectors reviewed.”***

For example, the industrial sector has emerged as one to watch out for buoyed by rapid infrastructure development leading to the emergence of key industrial hubs in areas such as the Lagos- Ibadan expressway, Lekki Free Zone and Apapa.

Notably, the hospitality sector has emerged as one of the best performing sectors despite speculations of an oversupply, with its RevPar outperforming key global hubs such as Dubai, London and Hong Kong. The residential market too, continues to record unprecedented demand in the low to mid level segments of the market, effectively outweighing supply.

However, on the downside, sectors such as retail remain subdued with approximately 60% of the projects under development on hold. This can be attributed to the challenging macro economic environment that has impacted the performance of retail occupiers. The office sector remained a tenant’s market, even though occupancy rates in Grade B+ and A categories have grown to an estimated at 78% and 71% respectively. Grade A+ Office occupancies, however, dropped to 54%.

In this Report, we carefully walk you through what we do best, profile ongoing projects and subsequently reveal the figures and top projects behind Lagos' exciting pipeline. Sectors covered in the report include Office, Residential, Hospitality, Retail and Healthcare. We also unveil our annual top 10 contractors, architects and developers profiled by number of ongoing projects.

We hope you enjoy reading the report and find it useful. If our team can help in any way do not hesitate to reach us on [research@estateintel.com](mailto:research@estateintel.com).

**Tilda Mwai**  
Insights Lead, Estate Intel

In case of any feedback or questions let us know directly via [research@estateintel.com](mailto:research@estateintel.com), all feedback (including corrections) is welcome.

You can also reach out if you are interested in an extensive list of the projects and their details in PDF report or spreadsheet format.

# Nigeria's Economic Factsheet

**216M** ▲  
2022 POPULATION

**3.20%** ▲  
2023 GDP GROWTH PROJECTION

**21.82%** ▲  
MOM INFLATION (JAN 2023)

**6.18%** ▲  
YOY REAL ESTATE GROWTH Q4:2022

**3.47%** ▲  
YOY CONSTRUCTION GROWTH Q4:2022

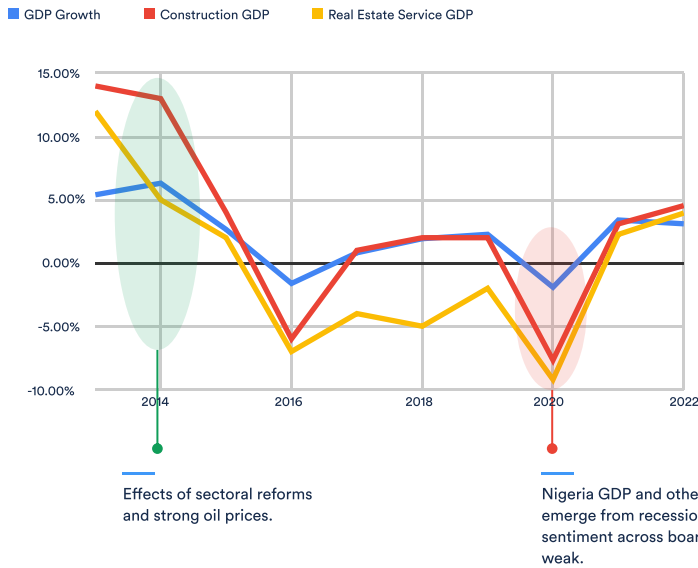
**\$2,326** ▲  
GDP PER CAPITA 2022

2022 TOTAL GDP:  
**\$504 Billion** ▲

SOURCE: UN, CENTRAL BANK OF NIGERIA, IMF, NATIONAL BUREAU OF STATISTICS

In 2023, Real estate services and construction are expected to begin to perform within 5-6% growth range. Taking us back to 2015 levels, at best.

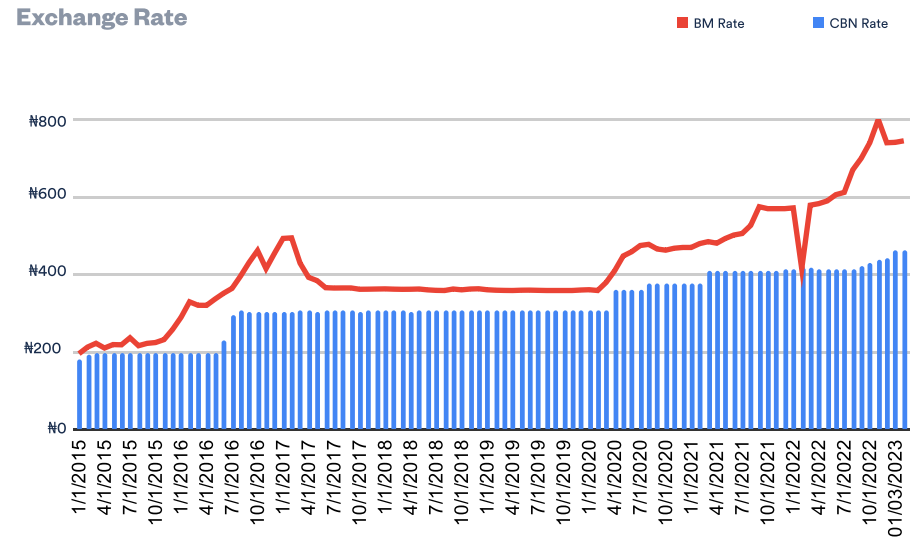
Foreign exchange supply constraints have resulted in a widening gap between the official rate (CBN) and the Black Market Rate with the Black Market Rate depreciating by double the official rate



During 2022, the economy maintained its position away from negative growth, but remained in a low growth environment.

In 2023, Real estate services and construction are expected to begin to perform within 5-6% growth range. Taking us back to 2015 levels, at best.

SOURCE: CENTRAL BANK OF NIGERIA, NATIONAL BUREAU OF STATISTICS



SOURCE: CENTRAL BANK OF NIGERIA

# Key Terms

## Total Stock

The cumulative size of all projects (including completed and uncompleted projects) in a specific real estate asset class within a defined geographic region.

## Pipeline Stock

The cumulative size of all projects that are yet to be completed (including projects that are under construction, at conceptual stages, under implementation, etc) in a specific real estate asset class within a defined geographic region.

## Construction Status

—— UNDER CONSTRUCTION

—— CONCEPTUAL

—— NEARING COMPLETION

## Supply Status

This depicts our opinion of the supply saturation level by analysing demand and supply parameters including total stock, vacancy rate, pipeline as a percentage of stock, and rental growth. Subsequently, markets are labeled as being in a state of Undersupply, Balanced, or Oversupply. The definitions are provided on the next column.



### OVERSUPPLY

Demand outstrips supply and more occupiers seek to rent or acquire property than there are available units, presenting an opportunity for investors.

---



### BALANCED

In the context of the supply, we refer to markets as balanced at the point where supply begins to outweigh demand. Beyond this point, rents and occupancy start to drop.

---



### UNDERSUPPLY

Supply outstrips demand and occupiers seeking to rent or buy a property are less than the available units, presenting a risk for investors.

---

## Footnote

For the residential sector, the stock is measured as the total number of housing units, while the measure for office, retail and industrial is in square metres. The hospitality and healthcare sectors are measured by the number of hotel keys and hospital beds respectively.

# Lagos Pipeline Summary

## Total Pipeline by Industry

OFFICE

**213,758 m<sup>2</sup>**

(14.5% OF TOTAL STOCK)

SUPPLY STATUS: **OVERSUPPLY**

RETAIL

**173,188 m<sup>2</sup>**

(60.2% OF TOTAL STOCK)

SUPPLY STATUS: **BALANCED**

HOSPITALITY

**3,624 keys**

(36.2% OF TOTAL STOCK)

SUPPLY STATUS: **BALANCED**

RESIDENTIAL

**25,000+ units**

-

SUPPLY STATUS: **UNDERSUPPLY**

HEALTHCARE

**c. 397 beds**

(3.33% OF TOTAL STOCK)

SUPPLY STATUS: **UNDERSUPPLY**

## Overview

We analysed pipeline projects within the residential, office, retail, hospitality, and healthcare sectors within Lagos.

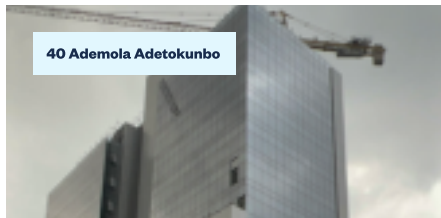
This year, the hospitality sector has one of the largest development pipeline accounting for approximately 36% of estimated total stock. Interestingly, the sector's outlook remains positive underpinned by the business environment and domestic tourism presenting opportunities for developers and key operators.

Notably, while the development pipeline in the office sector has declined to 14% of total stock from the 25% recorded in 2022, the sector has remained resilient in terms of occupancy rates despite pandemic headwinds with leasing activity still driven by demand for smaller spaces and relocations.

Still, bright spots remain in other sectors such as healthcare. With a relatively small pipeline, at approximately 3.3% of total stock, the sector remains an exciting opportunity for investors. Similarly, with the housing deficit in Lagos estimated at 2.3 million units, the residential development pipeline estimated at 25,000+ units falls short of meeting demand pointing to an exciting opportunity for developers especially in the mid-low end segments of the market.

## 2023 Featured Pipeline Projects

OFFICE



40 Ademola Adetokunbo

LOCATION  
**Victoria Island**

EST. COMPLETION DATE  
**Q2:2023**

DEVELOPER  
**TLGS Limited**

SIZE  
**c. 14,000 m<sup>2</sup>**

RETAIL



Oasis Centre

LOCATION  
**Ikeja**

EST. COMPLETION DATE  
**Q4:2023**

DEVELOPER  
**Harps**

SIZE  
**c. 6,100 m<sup>2</sup>**

HOSPITALITY



Hyatt Regency Hotel

LOCATION  
**Ikeja GRA**

EST. COMPLETION DATE  
**Q2:2024**

DEVELOPER  
**Private Individuals**

SIZE  
**142 keys**

RESIDENTIAL



Cuddle by Cadwell

LOCATION  
**Ikoyi**

EST. COMPLETION DATE  
**Q4:2023**

DEVELOPER  
**Cadwell Limited**

SIZE  
**41 Units**

SOURCE ESTATE INTEL

# Residential, Healthcare and Hospitality Pipeline Map

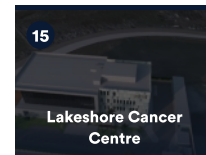
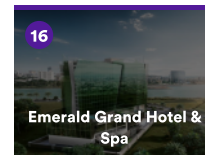
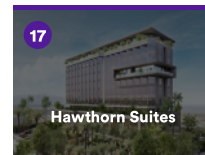
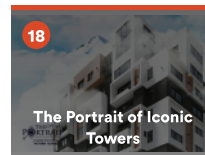
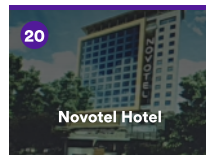
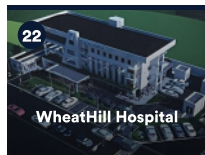
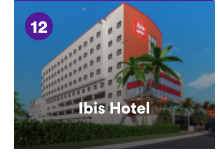
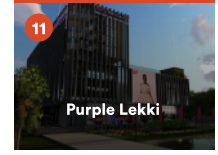
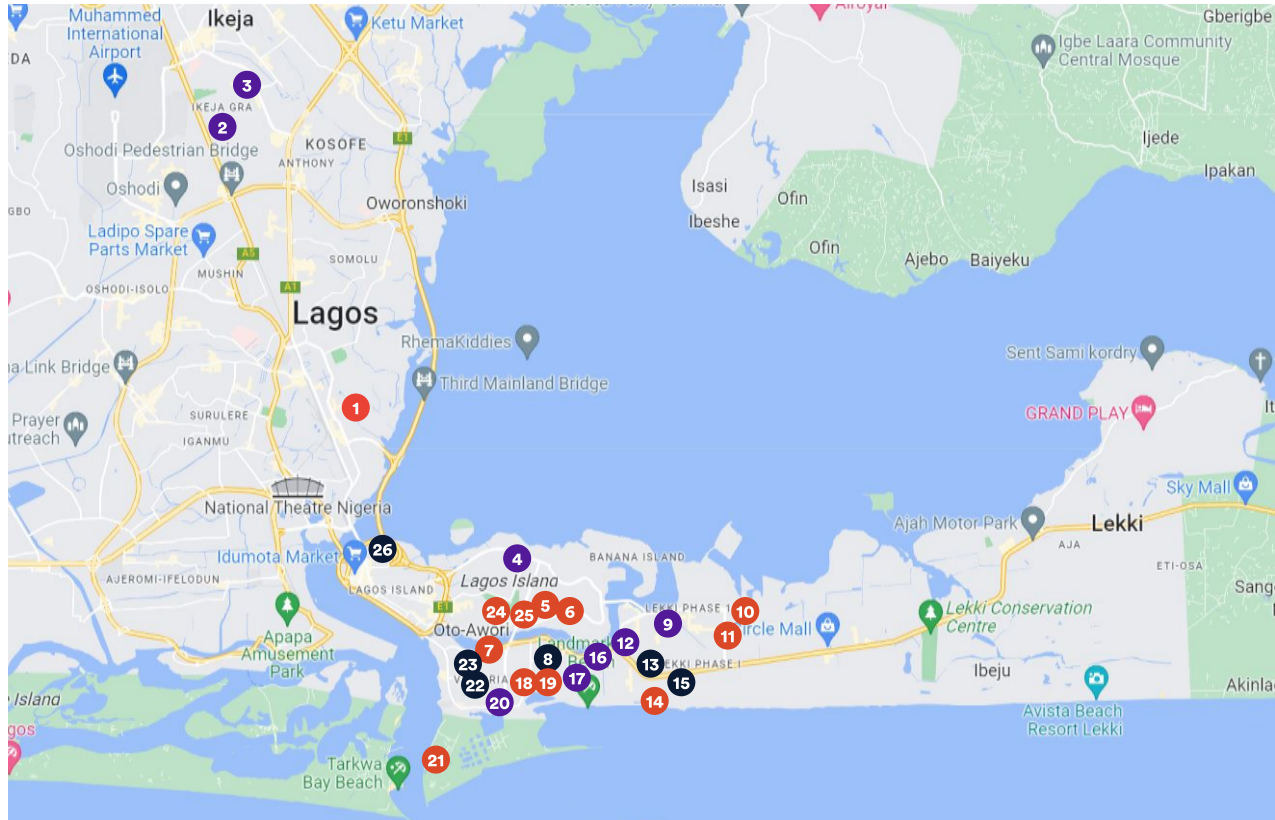
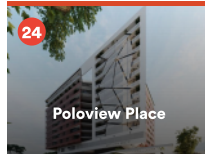
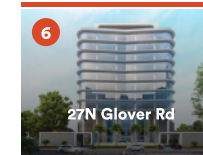
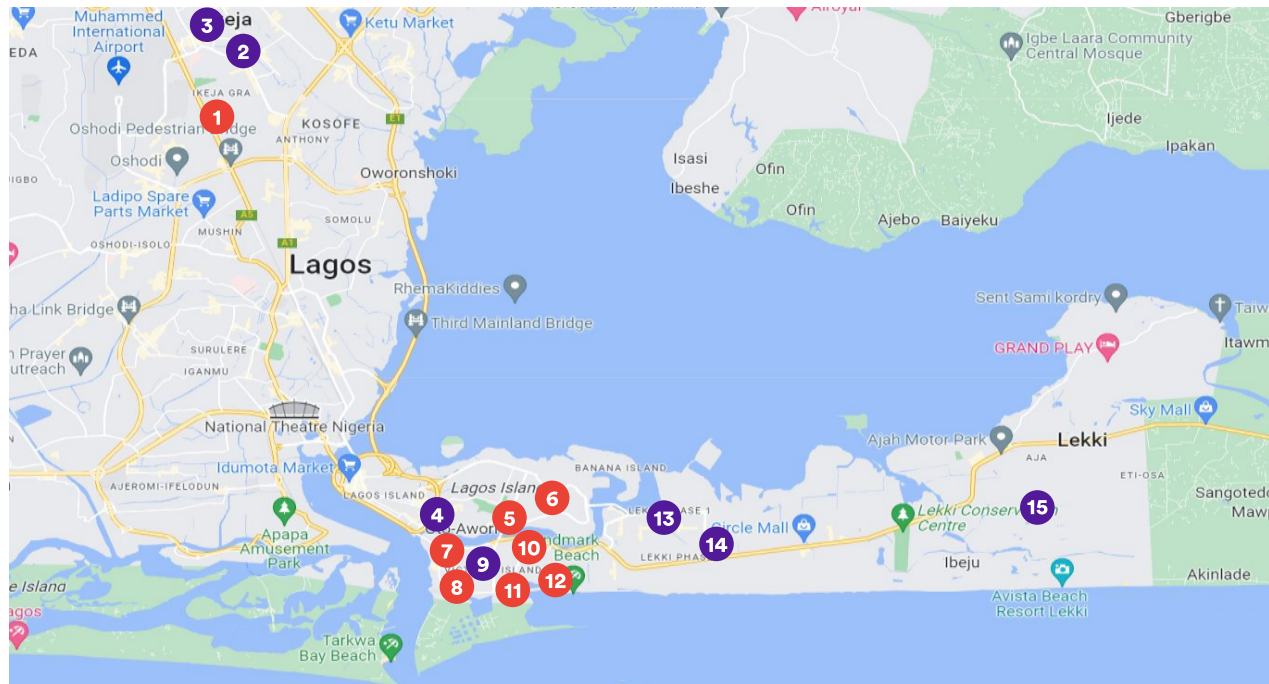
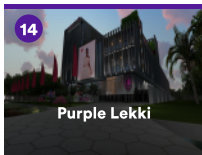
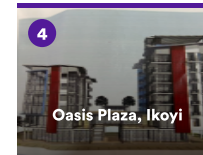
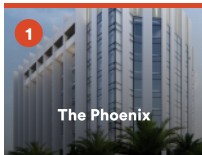


IMAGE SOURCE: ESTATE INTEL, GOOGLE MAPS

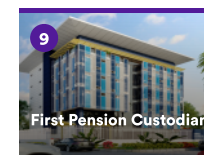
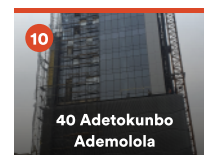
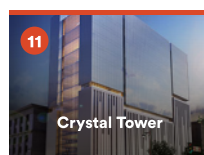
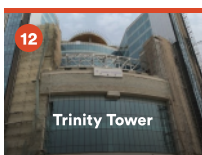
# Office & Retail Pipeline Map



**KEY**

- Office
- Retail

IMAGE SOURCE: ESTATE INTEL, GOOGLE MAPS





# Office



08 **Office Pipeline Dashboard**

09 **Top Office Pipeline Map**

- Aerobell Tower
- First Pension Custodian HQ
- Dangote Industries HQ
- Stanbic IBTC Pension HQ
- 40 Adetokunbo Ademola
- Phoenix Tower
- Crystal Tower
- Trinity Tower

10 **Featured Pipeline Project**

# Office Pipeline Dashboard

## Stock Summary

TOTAL STOCK

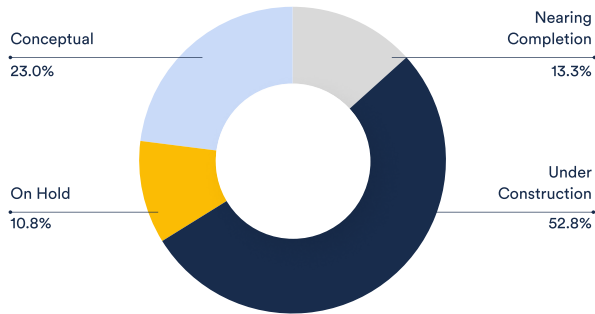
**1,468,033 m<sup>2</sup>**

TOTAL PIPELINE

**213,758 m<sup>2</sup>**

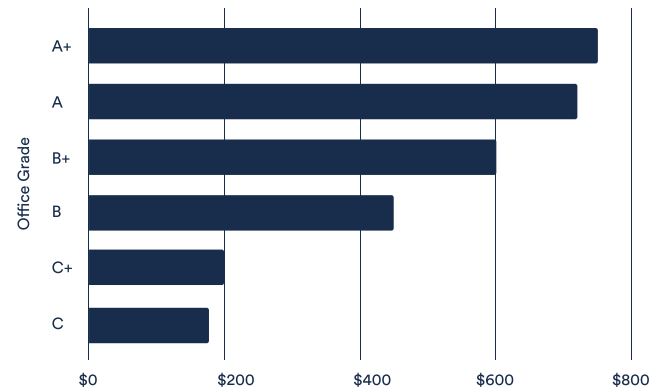
SOURCE: ESTATE INTEL

## Pipeline Breakdown



SOURCE: ESTATE INTEL

## Average Rents (US\$/M<sup>2</sup>/ANNUM)



SOURCE: ESTATE INTEL

MARKET STATUS

**Oversupply**

OUTLOOK

**Neutral**

## 2022 Biggest Developers

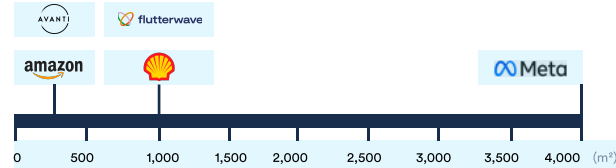


**TLGS LIMITED**

**UACL PROPERTIES LIMITED**

SOURCE: ESTATE INTEL

## Biggest Office Transactions



SOURCE: ESTATE INTEL

## Summary

The Office sector in Lagos has continued to reflect mixed performance. On one hand, the rise of hybrid working has resulted in a shift of occupier preferences with current occupier demand remaining within the premise of either flexibility, quality or affordability. As such, demand has mainly focused on smaller sized offices estimated at between 100 m<sup>2</sup> and 300 m<sup>2</sup> with flexible lease terms and a great location. Interestingly, the Lagos office market exhibits varying levels of occupancy across different grades. The Grade B+ segment appears to have the highest occupancy level at 78.36%, while the Grade A and B segments have 71.35% and 75.35% occupancy levels respectively. However, the Grade A+ office market currently has an occupancy level of 54% and this is due to the recent completion of Famfa Oil Tower, which added 18,500 m<sup>2</sup> of leasable space into the market.

On the other hand, the market remains tenant-led. Despite relatively high occupancies recorded, rents have remained subdued. For example, average 5 year rents in areas such as Victoria Island declined by 9.6% in 2022.

We believe this mixed performance is likely to continue being reflected throughout this year. For example, within Lekki Phase 1, there is a growing pipeline of properties that seek to raise the bar for what is regarded as prime in the region. A few examples include The Beacon and Mansfield Office. Unfortunately, it remains difficult for office buildings there to break the N100k average annual rental ceiling, as similarly priced B or C Grade alternatives in Victoria Island and Lekki Phase 1 respectively, still have excess amounts of vacant space

However, we remain optimistic about performance in markets where there is limited new supply, including Ikeja GRA and Lagos Island, which should soon begin to benefit from the Blue Line Train.

# Office Pipeline Map

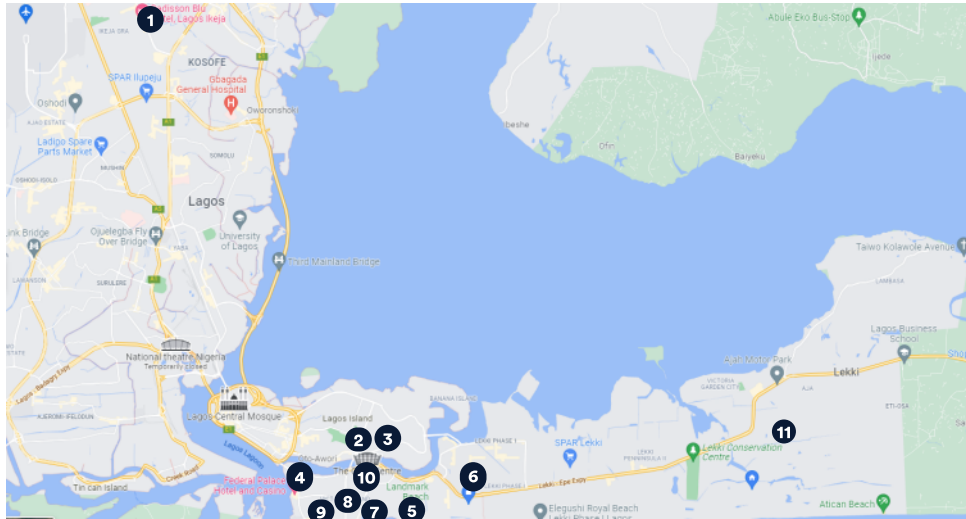
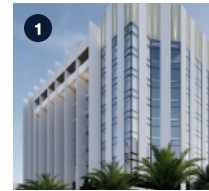


IMAGE SOURCE: GOOGLE MAPS, ESTATE INTEL



## Phoenix Tower

Developer: Simpatico Limited

Size: 8,000 m<sup>2</sup>

Completion: Q4:2023

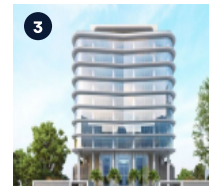


## Dangote Industries HQ\*

Developer: Dangote Group

Size: 15,000 m<sup>2</sup>

Completion: Q1:2024



## 27N Glover Road

Developer: UACL Properties Limited

Size: Yet to be confirmed

Completion: Q4:2024



## Stanbic IBTC Pension HQ\*

Developer: Stanbic IBTC Pension

Size: 12,208 m<sup>2</sup>

Completion: Q4:2023



## Trinity Towers

Developer: RCCG City David

Size: 13,000 m<sup>2</sup>

Completion: Q1:2023

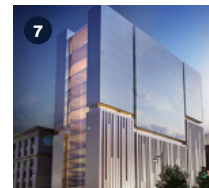


## Mansfield Office

Developer: First Bridgeford Global Limited

Size: 4,280 m<sup>2</sup>

Completion: Q3:2023

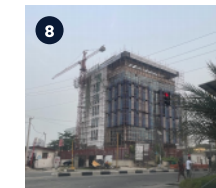


## Crystal Tower

Developer: Private Individual

Size: 12,000 m<sup>2</sup>

Completion: Q1:2024



## First Pension Custodian HQ\*

Developer: First Pension Custodian Nigeria Limited

Size: Yet to be confirmed

Completion: Q3:2023



## Aerobell Tower

Developer: Aerobell Properties Limited

Size: To be confirmed

Completion: Q3:2023



## 40 Adetokunbo Ademola\*

Developer: TLGS Limited

Size: c.11,500 m<sup>2</sup>

Completion: Q2:2023



## The Beacon

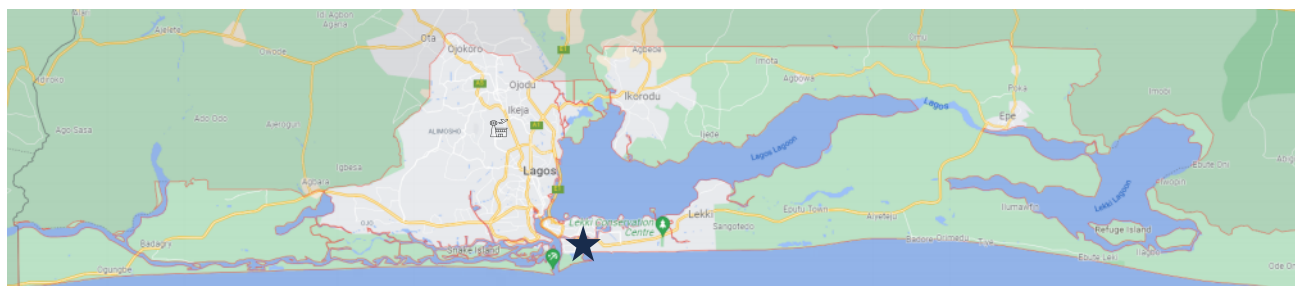
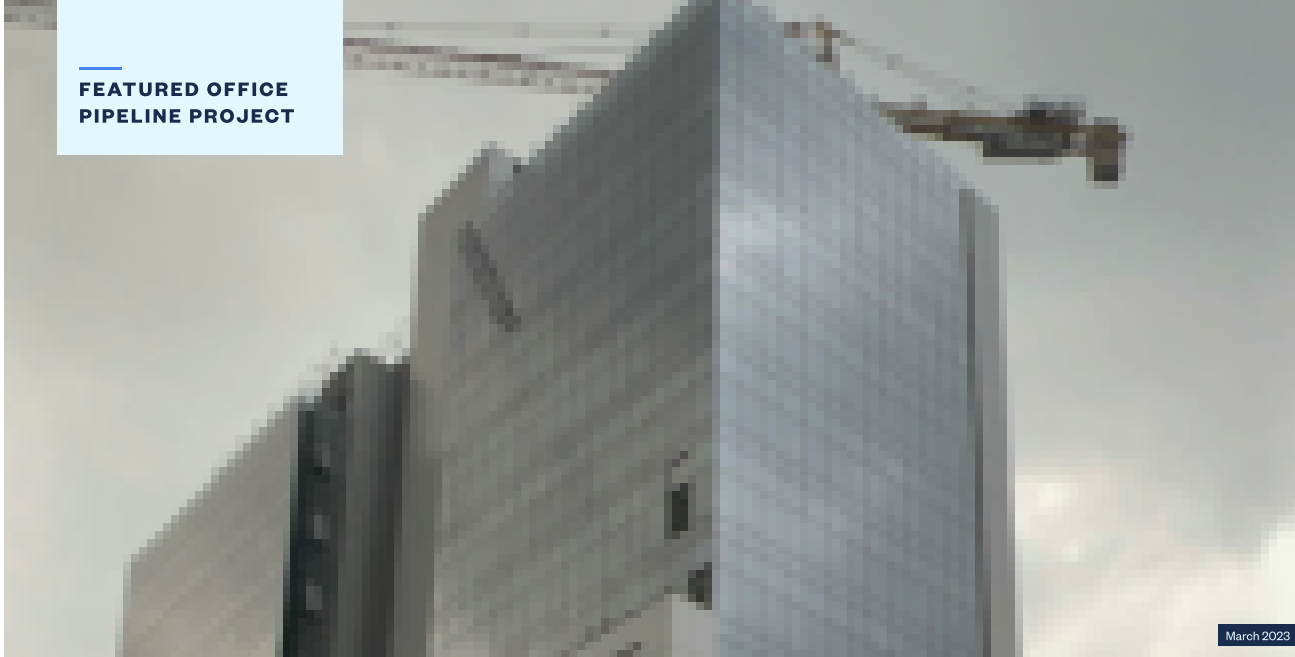
Developer: Tilden Development Ltd

Size: 1,760 m<sup>2</sup>

Completion: Q2:2023

\*Owner Occupied /Partly Owner Occupied Developments

**FEATURED OFFICE  
PIPELINE PROJECT**



## 40 Ademola Ademola

40 Ademola Ademola is a c. 15-floor office tower with approximately 11,500m<sup>2</sup> of leasable space. This development is among the largest developments currently under construction and is being sponsored by TLGS Limited.

### Project Team

Developer:	TLGS Limited
Main Contractor:	Eko Pearl Contracting
Architect:	Tektonik Associates Ltd
Structural Engineer:	Towa Associates Ltd
MEP Engineer:	Top-Class Engineering Ltd

### Specifications

Full Address:	Ademola Ademola Street
Area:	Victoria Island
Status:	Nearing Completion
Grade:	A
Completion Date:	Q2:2023
Gross Leasable Area:	c. 11,500 m <sup>2</sup>
Number of Floors:	24

SOURCE ESTATE INTEL

# Residential



12 **Residential Pipeline Dashboard**

13 **Top Residential Pipeline Map**

- Purple Lekki
- Casino Heights
- The Carnelian
- Cuddle by Cadwell
- M120 Apartments
- 39 Bourdillon
- The Portrait of Iconic Towers
- TM Highgardens
- The Nexus of Iconic Towers
- Pacific Towers
- Poloview Place
- Bourdillon Heights

14 **Featured Pipeline Project**

# Residential Pipeline Dashboard

## Stock Summary

TOTAL STOCK

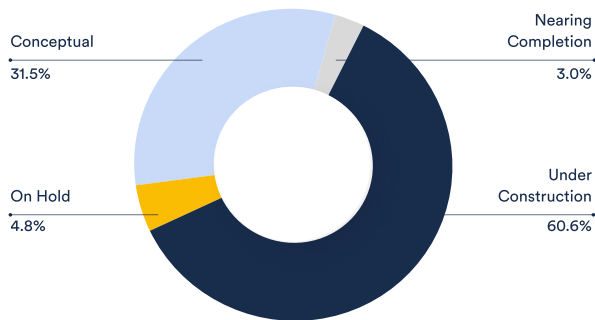
-

TOTAL PIPELINE

**25k+ Units**

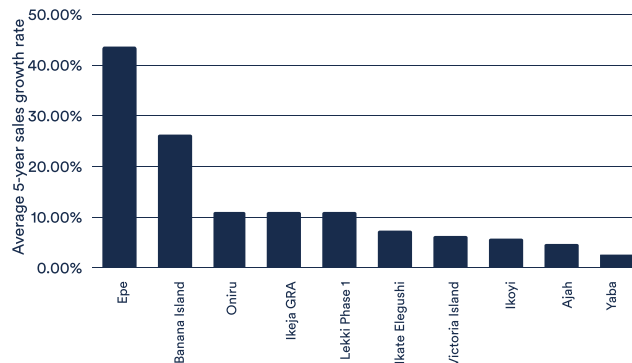
SOURCE: ESTATE INTEL

## Pipeline Breakdown



SOURCE: ESTATE INTEL

## Average 5-year sales growth rate per submarket in Lagos



SOURCE: ESTATE INTEL

MARKET STATUS

**Undersupply**

OUTLOOK

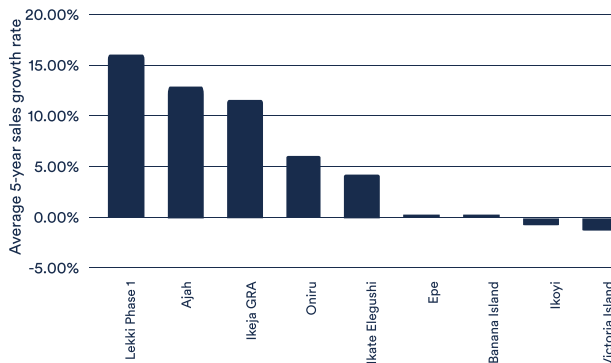
**Neutral**

## 2022 Biggest Developers



SOURCE: ESTATE INTEL

## Average 5-year rent growth rate per submarket in Lagos



SOURCE: ESTATE INTEL

## Summary

As the economic powerhouse of Nigeria, accounting for over 65% of economic/business activity, Lagos has been a popular destination for those migrating from rural areas of the country. As a result, the supply of suitable housing options within the state always falls short of the demand. So far, the estimated supply, falls short of the 2.31 million households deficit pointing to a clear opportunity for developers that has resulted in key large scale developments such as Brook Millennium Housing Estate with a record 3,000 units recorded in 2022.

In terms of market performance, prime areas such as Ikoyi, Victoria Island, and Banana Island have seen negative growth rates in their rents over the past 5 years particularly because of the properties that are priced in dollars. The drastic Naira devaluation against the dollar has made the prices unrealistically high, therefore causing the need for the reduction.

As for sales value, all areas have seen increase in their 5 year growth rate also resulting from devaluation of the naira currency. As construction materials are majorly imported, the costs have greatly risen due to the naira devaluation. This automatically affects the total cost of construction, which in turn causes sale prices to skyrocket as well. As such we expect a neutral market performance for 2023. On one hand, supply continues to outweigh demand, however high inflation is expected to continue to impact on affordability.

# Residential Pipeline Map

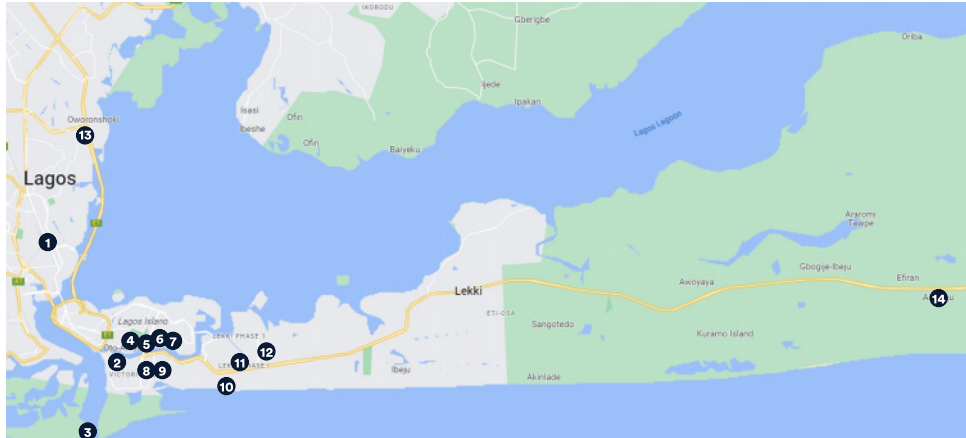


IMAGE SOURCE: GOOGLE MAPS, ESTATE INTEL

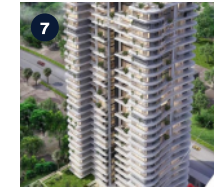


## Casino Heights

Developer: GTL Properties Limited

Size: 35 Units

Completion: Q1:2023



## 39 Bourdillon

Developer: Kaizen Properties

Size: 45 Units

Completion: Q4:2025



## Cuddle by Cadwell

Developer: Cadwell Limited

Size: 41 Units

Completion: Q3:2023



## The Nexus of Iconic Towers

Developer: Cruxstone Development & Investment Limited

Size: 35 Units

Completion: Q2: 2024



## Bourdillon Heights

Developer: MGE Realty Limited

Size: 35 Units

Completion: Q4:2023



## The Portrait of Iconic Tower

Developer: MGE Realty Limited

Size: 52 Units

Completion: Q1:2023



## Poloview Place

Developer: Orangeline Design & Development Company

Size: -

Completion: Q4:2023



## M120 Apartments

Developer: Minimalist & Co Limited

Size: 120 Units

Completion: Q4:2023

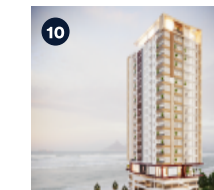


## Purple Lekki

Developer: Purple Group

Size: 175 Units

Completion: Q4:2023



## The Carnelian

Developer: Digital Landlords Nigeria Ltd

Size: 62 Units

Completion: Q1:2025

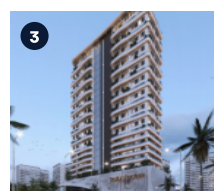


## Pacific Towers

Developer: Global Property Partner

Size: 128 Units

Completion: Q4:2024



## TM High Gardens

Developer: Tetramanor

Size: 54 Units

Completion: Q4:2025



## Redemption Towers

Developer: GodMade Homes

Size: 84 Units

Completion: Q4:2024



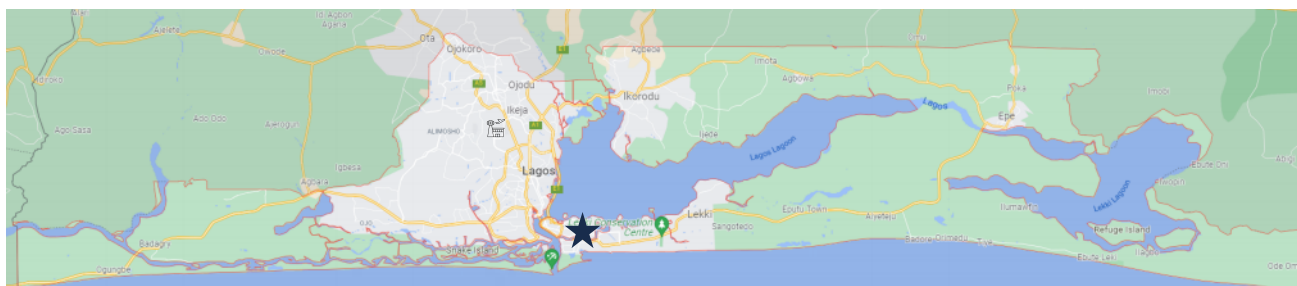
## Makarios Luxury Place

Developer: Makarios Luxury

Size: 54 Units

Completion: Q1:2025

**FEATURED  
RESIDENTIAL  
PIPELINE PROJECT**



## Cuddle by Cadwell

Cuddle is an ongoing luxurious residential development located on No. 8 Bourdillon Road, Ikoyi, Lagos. It is being developed by Cadwell Limited and has Cappa & D'Alberto Plc as its main contractor. Scheduled for completion in the last quarter of 2023, the development will feature 41 units of luxury 3-4 bedroom flats and maisonettes from the 1st to the 8th floor and penthouses from the 11th to the 18th floor.

### Project Team

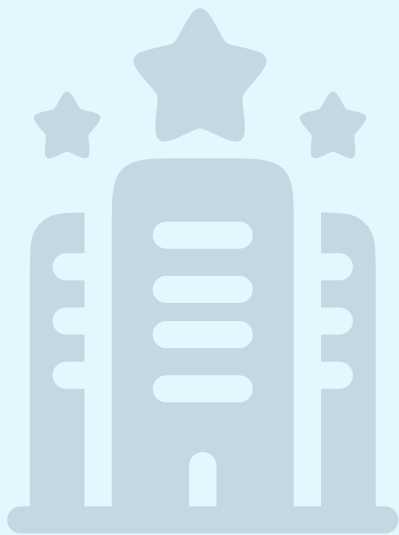
Developer:	Cadwell Limited
Main Contractor:	Cappa & D'Alberto PLC
Architect:	Pieach Limited
Structural Engineer:	CCP

### Specifications

Full Address:	8, Bourdillon Road
Area:	Ikoyi
Status:	Under Construction
Grade:	Ultra-Luxury
Completion Date:	Q4: 2023
Number of Floors:	18
Number of Units:	41



# Hospitality



16 **Hospitality Pipeline Dashboard**

17 **Top Hospitality Pipeline Map**

———— Four Seasons Hotel

———— Novotel Hotel

———— Emerald Grand Hotel & Spa

———— Reiz Continental Hotel by Leva

———— Ibis Hotel, Lekki

———— Hyatt Regency Ikeja

———— Hawthorn Suites

18 **Featured Pipeline Project**

# Hospitality Pipeline Dashboard

## Stock Summary

TOTAL STOCK

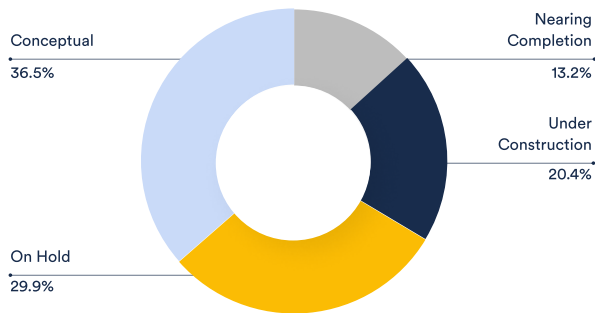
**10,011 keys**

TOTAL PIPELINE

**3,624 keys**

SOURCE: W HOSPITALITY GROUP, ESTATE INTEL

## Pipeline Breakdown



SOURCE: W HOSPITALITY GROUP

MARKET STATUS

**Balanced**

OUTLOOK

**Positive**

## 2022 Biggest Developers



SOURCE: ESTATE INTEL

## 2022 Key Performance Indicators

AVERAGE DAILY RATE

**₦61,577**

SOURCE: W HOSPITALITY GROUP

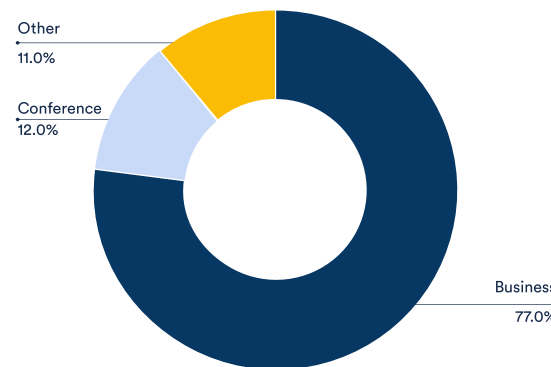
AVERAGE OCCUPANCY RATE

**68.4%**

SOURCE: STR

Hospitality figures in this section relate to branded hotels and notable local chains

## Lagos Hotel Demand



SOURCE: W HOSPITALITY GROUP

## Summary

The hospitality sector remains one of the most resilient sectors in Lagos. Data from W Hospitality Group indicates that average occupancy rates peaked at 68.4% in 2022, a ten year high, from 2012. In addition, RevPAR recorded in Lagos increased by 43% in 2022 compared to the base year of 2019, effectively ranking Lagos ahead of major international hubs such as Dubai, London, New York and Hong Kong.

This performance has been attributed to pent up demand especially from the business sector as well as domestic tourists against the backdrop of a recovery post pandemic with businesses contributing up to 77% of Lagos hotel demand according to a survey by W Hospitality Group. This momentum is set to continue in 2023 despite speculations of an oversupply, with the development pipeline accounting for approximately 36% of total stock. Notably, only 20% of the development Pipeline is under active construction.

Trevor Ward from W Hospitality Group notes that, “....For 20+ years people have been forecasting over-supply in Lagos, it has never happened, nor do I believe it will, at least not in the short to medium term. The headwinds for new hotel development are severe right now, and it’s anyone’s guess as to when they will ease off.

So, investment in new build is being delayed, but there are opportunities in acquisition of existing hotels (Kasada recently closed the acquisition of the former Southern Sun Ikoyi, now rebranded Mövenpick), and potentially there should be scope to pick up uncompleted projects at a discount...”

# Hospitality Pipeline Map

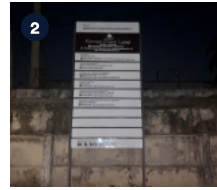


## Hyatt Regency Hotel

Developer: Private Individual

Size: 146 keys

Completion: Q2:2024



## Reiz Continental Hotel by Leva

Developer: Kostarget Projects Limited

Size: -

Completion: Q4:2024

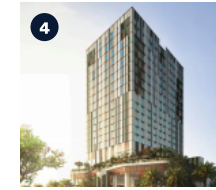


## H & H Hotel

Developer: Private Individual

Size: -

Completion: Q4:2023



## Four Seasons Hotel

Developer: Osborne Property & Investment Limited

Size: 125 keys

Completion: On Hold

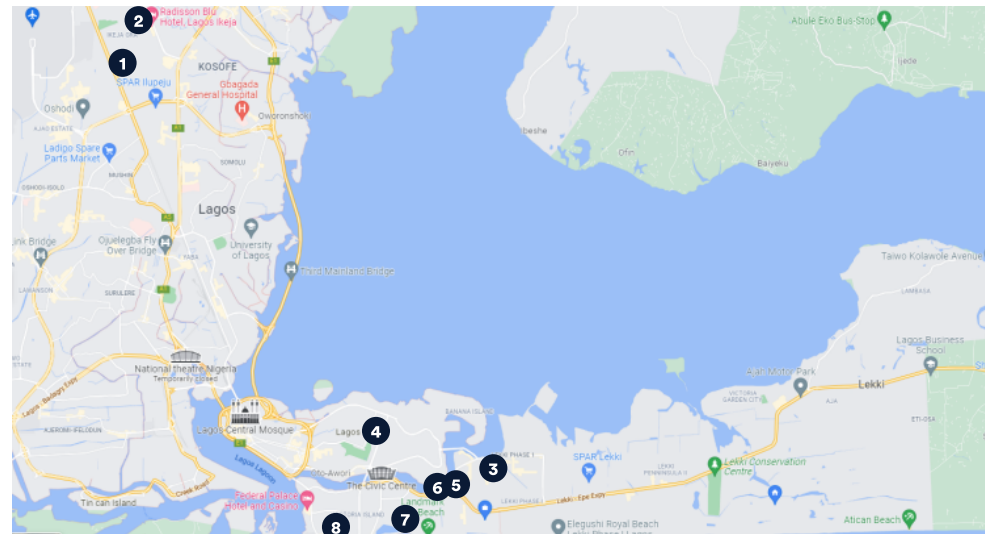
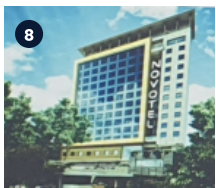


IMAGE SOURCE: GOOGLE MAPS, ESTATE INTEL



## Novotel Hotel

Developer: Ekulo Group

Size: 170 Keys

Completion: Q4:2025

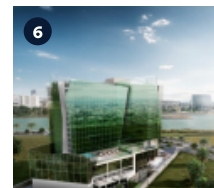


## Hawthorn Suites

Developer: Shelter Suites and Hotels

Size: 135 keys

Completion: Q4:2024

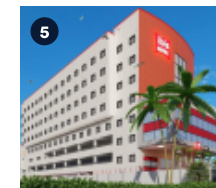


## Radisson Hotel & Spa

Developer: Emerald Continental

Size: 244 keys

Completion: Q2:2024



## Ibis Hotel

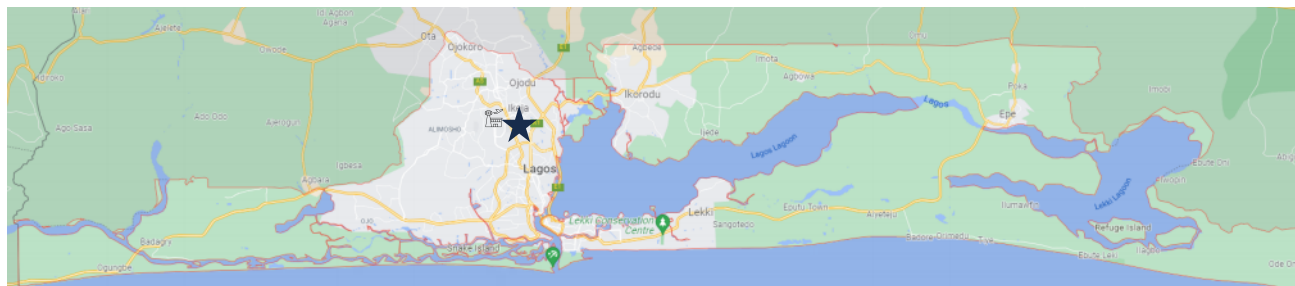
Developer: HDV Nigeria

Size: -

Completion: Q4:2025

SOURCE ESTATE INTEL

**FEATURED  
HOSPITALITY  
PIPELINE PROJECT**



## Hyatt Regency Hotel

The Hyatt Regency Ikeja is a 142 room keys hospitality development located in Ikeja GRA, Lagos. This hotel development which commenced in the first quarter of 2021 is estimated to be completed in the second quarter of 2024 and is set to be one of the largest hotel developments in the Ikeja GRA area post-pandemic.

### Project Team

Developer:	Private Individual
Main Contractor:	Julius Berger Nig. PLC
Architect:	DAA Architects
MEP Engineer:	Nairda

### Specifications

Full Address:	Ladoke Akintola Road
Area:	Ikeja GRA
Status:	Under Construction
Grade:	Luxury
Commencement Date:	Q2: 2021
Completion Date:	Q2: 2024
Number of Keys:	142

# Retail



## 20 Retail Pipeline Dashboard

## 21 Top Retail Pipeline Map

- Oasis Center Ikeja
- Oasis Plaza
- Alade Shopping Complex
- Purple Lekki
- Malvin Mall

## 22 Featured Pipeline Project

# Retail Pipeline Dashboard

## Stock Summary

TOTAL STOCK  
**287,661m<sup>2</sup>**

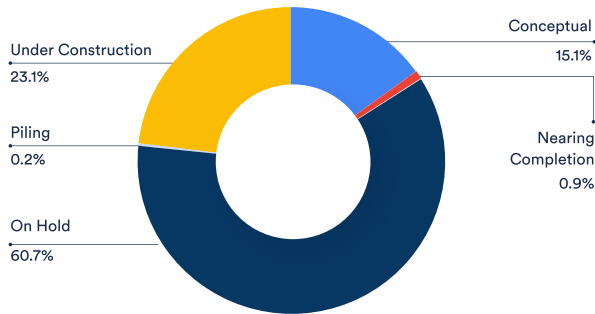
TOTAL PIPELINE  
**173,188m<sup>2</sup>**

MARKET STATUS  
**Balanced**

OUTLOOK  
**Negative**

SOURCE: ESTATE INTEL

## Pipeline Breakdown



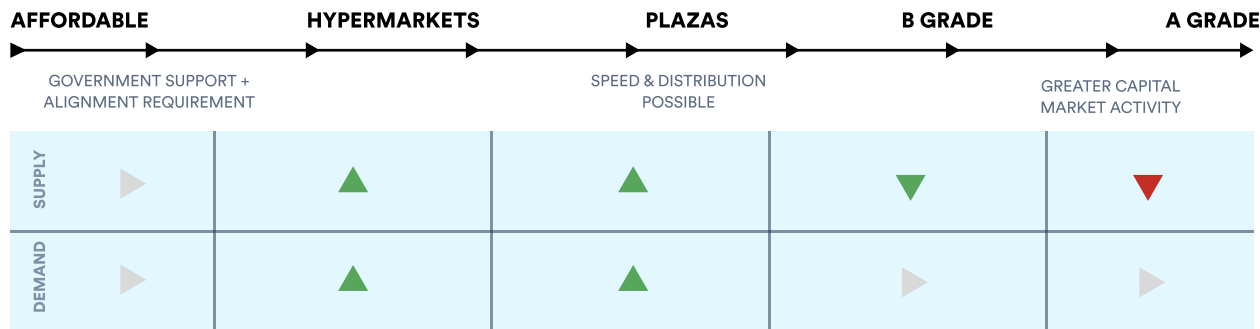
SOURCE: ESTATE INTEL

## 2022 Biggest Developers



SOURCE: ESTATE INTEL

## 2022 Retail Market Positioning



SOURCE: ESTATE INTEL

## Summary

The retail sector recorded the largest development pipeline accounting for 60% of the total stock. Despite this, approximately 58% of the projects remain on hold with only 30% of the pipeline under active construction. This has mainly been attributed to the difficulty in securing large expanses of land for retail developments, the poor performance of retail investments over the past few years and the region's relatively low purchasing power.

In addition, currency devaluation, a shallow tenant pool, rising construction costs and diminishing disposable incomes remain among the many headwinds facing the Nigerian retail sector, especially in A & B Grade shopping centres resulting in major exits by international retailers who also feature as anchor tenants for these malls. As such, market activity is currently focused on Plazas and Hypermarkets types of facilities with the segments accounting for the majority of the stock under active construction due to the growing base of local retail players.

Consequently, Grade A malls are likely to contribute to increased capital markets activity in the market with major institutional investors seeking exits from their portfolios.

Therefore, the outlook for the retail sector is negative with bright spots remaining in the lower end of the market.

# Retail Pipeline Map



## Oasis Center, Ikeja

Developer: Harps

JV Developer: The Nigeria  
Police Cooperative  
Multipurpose Society Ltd

Size: 6,100 m<sup>2</sup>

Completion: Q2:2023



## Alade Shopping Complex, Ikeja

Developer: Master Reality  
International Concepts Limited  
and LSDPC

Size: 4,175 m<sup>2</sup>

Completion: Q4:2023



## Malvin Mall

Developer: Homework Group

Size: 3,330 m<sup>2</sup>

Completion: Q4:2023

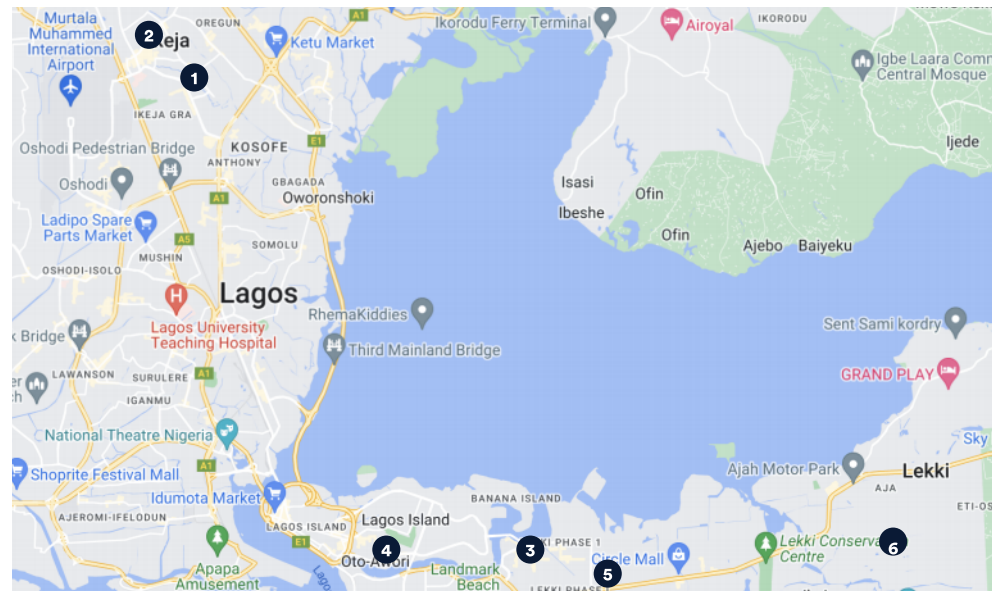


IMAGE SOURCE: GOOGLE MAPS, ESTATE INTEL

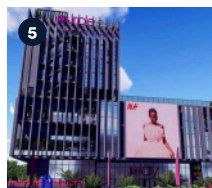


## Oasis Plaza, Ikoyi

Developer: Mall D'Oasis  
Shopping Centre Limited

Size: 2,025 m<sup>2</sup>

Completion: On Hold



## Purple Lekki

Developer: Purple Group

Size: 3,300 m<sup>2</sup>

Completion: Q4:2023



## Ojaja Mall

Developer: Emission Real Estate

Size: c. 8,000 + m<sup>2</sup>

Completion: Q4:2024

SOURCE ESTATE INTEL

**FEATURED RETAIL  
PIPELINE PROJECT**



**Oasis Center, Ikeja**

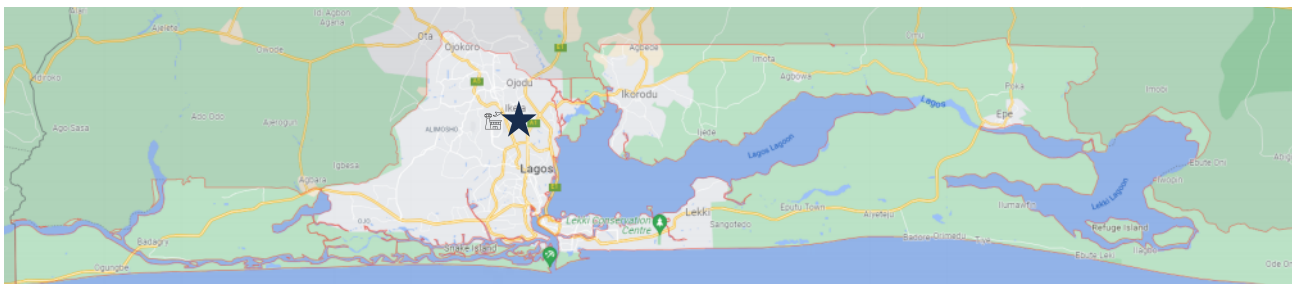
Oasis Center - Ikeja is a Mixed Use development located in Ikeja, Lagos. It is developed by Harps and will join other developments in the area including Airport Mall, Berry Court and Office Development. The project team members include Consultants Collaborative Partnership (CCP) as the Architect and Denver Building Services Limited as the Main Contractor.

**Project Team**

Developer:	Harps
Main Contractor:	Denver Building Services Ltd
Architect:	CCP
Structural Engineer:	KLS Consulting Engineers
Quantity Surveyor	Crane Group Consulting

**Specifications**

Full Address:	Mobolaji Bank Anthony Way
Area:	Ikeja
Status:	Under Construction
Grade:	-
Completion Date:	Q2: 2023
Number of Floors:	7
Size:	6,100 m <sup>2</sup>



SOURCE ESTATE INTEL



# Healthcare

24 **Healthcare Pipeline Dashboard**

25 **Top Healthcare Pipeline Map**

—— Massey Children's Hospital

—— WheatHill Hospital

—— Cedarcrest Hospital

—— Diamed Diagnostic Center

—— Lakeshore Cancer Center

—— Lagos American Specialist Hospital

26 **Featured Pipeline Project**



# Healthcare Pipeline Dashboard

## Stock Summary

TOTAL STOCK

**11,841 Beds**

TOTAL PIPELINE

**c. 397 Beds**

MARKET STATUS

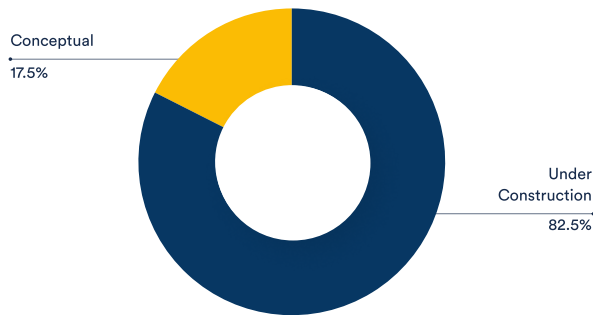
**Undersupply**

OUTLOOK

**Positive**

SOURCE: ESTATE INTEL

## Pipeline Breakdown



SOURCE: ESTATE INTEL

## 2022 Biggest Developers



SOURCE: ESTATE INTEL

## 2022 Key Performance Indicators

TOTAL NUMBER OF HOSPITALS

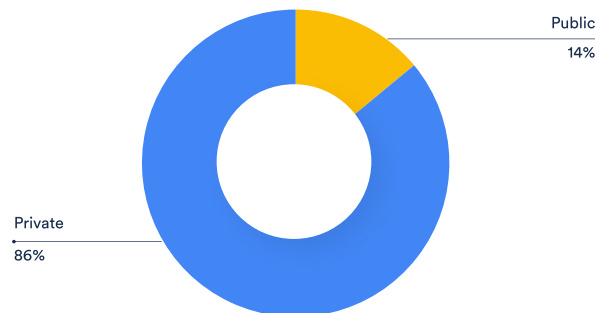
**1,860**

RATIO OF PERSON PER BED

**2.1 Beds per 1,000**

SOURCE: ESTATE INTEL

## Ownership Breakdown



SOURCE: ESTATE INTEL

## Summary

While 2021 saw record pipeline growth in the healthcare sector with an estimated 650 beds under development, 2022 was relatively toned down without any major healthcare developments announced and the pipeline estimated at 397 beds.

Still, the opportunity for investors in the sector abounds with a previous mapping exercise of the healthcare sector by Estate Intel indicating that the bed to population ratio across Lagos remains low at 2.1 beds per 1000 population compared to the average OECD global density estimated at 4.4 hospital beds per 1,000 population as at 2020. So far, the private sector continues to account for majority stake in the sector estimated at 86%. This trend is set to continue despite recent government initiatives aimed at rehabilitation of state owned hospitals and enhancing affordability around health insurance through the 'Ilera Eko' program.

Overall, the outlook for the market is positive. However, without a growth in local healthcare operational and fundraising competencies, growth may not be as fast as expected.

# Healthcare Pipeline Map



## 1 Massey Children's Hospital

Developer: Lagos State  
Ministry of Works and  
Infrastructure

Size: 150 Beds

Completion: Q4:2023



## 2 Lagos-American Specialist Hospital

Developer: American Hospital  
Management Company

Size: 50 beds

Completion: Q3:2024



## 3 Cedarcrest Hospital

Developer: Cedarcrest Hospital  
Limited

Size: Yet to be confirmed

Completion: Q2:2024

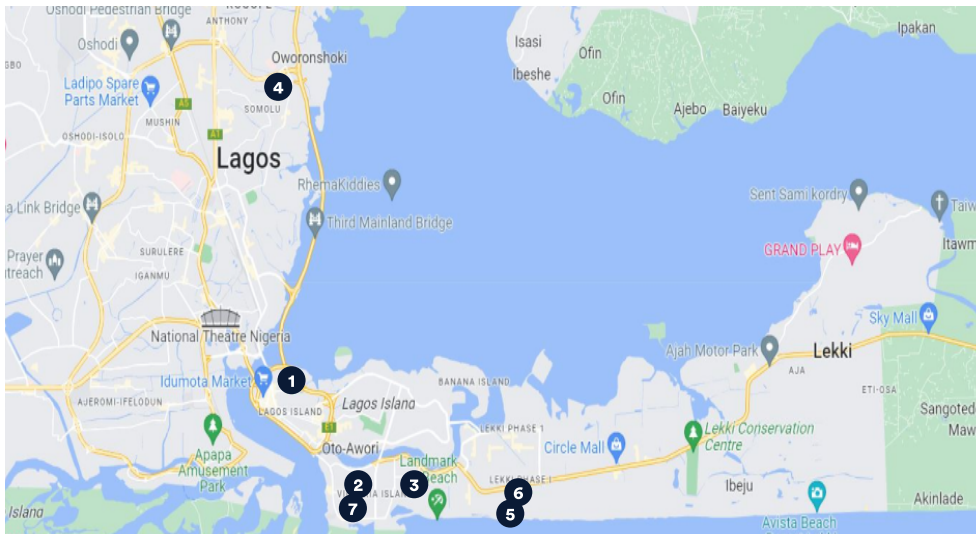
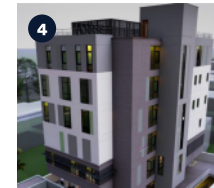


IMAGE SOURCE: GOOGLE MAPS, ESTATE INTEL



## 4 R-Jolad Annex

Developer: R-Jolad

Size: 35 Beds

Completion: Q3:2023



## 7 Wheat Hill Hospital

Developer: Private Individual

Size: 22 Beds

Completion: Q3:2023

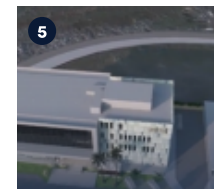


## 6 Diamed Diagnostic Centre

Developer: Private Individual

Size: Yet to be confirmed

Completion: Q4:2023



## 5 Lakeshore Cancer Centre

Developer: Lakeshore Cancer  
Center

Size: 50 Beds

Completion: Q4:2024

SOURCE ESTATE INTEL

**FEATURED  
HEALTHCARE  
PIPELINE PROJECT**



## Lagos-American Specialist Hospital

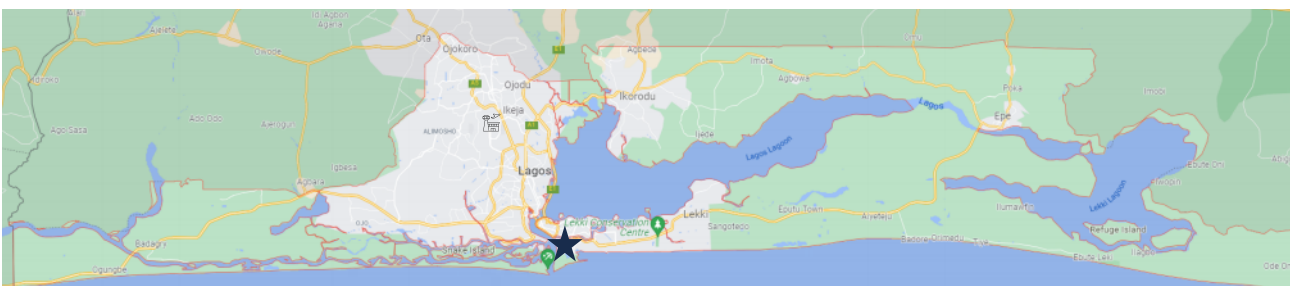
Lagos American Specialist Hospital is a healthcare development located in Victoria Island, Lagos. It is developed by American Hospital Management Company and has Monterosa Construction Limited as the Main Contractor. The facility, which is expected to be completed in the last quarter of 2024 will feature an estimated capacity of 50 beds.

### Project Team

Developer:	AHMC
Main Contractor:	Monterosa Construction Ltd
Architect:	Interstate Architects
Structural Engineer:	Yet to be Confirmed

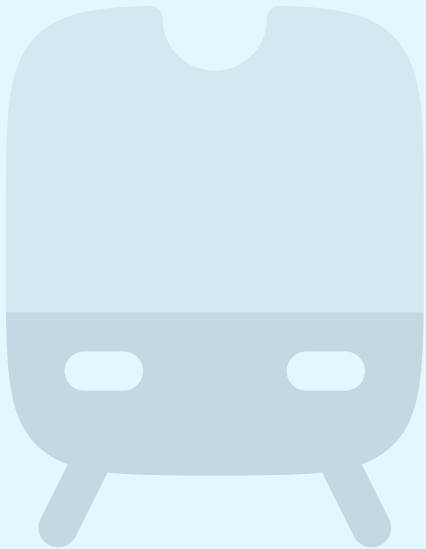
### Specifications

Full Address:	Anifowoshe Street
Area:	Victoria Island
Status:	Under Construction
Completion Date:	Q3: 2024
Number of Floors:	7



# Topical Issues

- 28 1 — Rapid Infrastructure Developments are driving industrial Growth
- 31 2 — Election Watch: Impact of FX Convergence on Real Estate sectors



# 1

## Rapid Infrastructure Developments are driving Industrial Growth

### Nigeria's Industrial Sector remains undersupplied with Stock per Capita estimated at 0.02

Nigeria's industrial market currently has a total stock of 3,863,523 million m<sup>2</sup>, largely driven by the consumer staples industry. This stock is concentrated in 6 key hubs namely; Kano, Lagos, Oluyole (Oyo), Emene (Enugu), Trans-Amadi (Rivers) and Minna (Niger). Still, the sector remains undersupplied with the current stock per capita estimated at 0.02 presenting opportunities for investors and developers.

### Nigeria has recorded the largest infrastructure capital spending over the past five years

Interestingly, the Nigerian government has so far incurred the largest infrastructure spending accounting for up to 26% (\$12.2 billion) of the 2023 National Budget. This has jump-started the construction of power, road, and rail projects which have been critical in opening up the otherwise marginalized regions in the country northern region and linking it with the South. Notably, these infrastructure developments will be catalytic in industrial demand and developments especially in key areas such as Ibadan and Oyo.

### Pent Up Demand is leading to the rise of industrial hubs especially in the neighbouring Ogun state

So far, developments such as the Lagos-Ibadan Expressway have led to the emergence of new industrial hubs outside of Lagos. For example, over the past 6 months there have been approximately 30,000 m<sup>2</sup> of warehousing developed along this road with sizes ranging between 1,000 m<sup>2</sup> up to 15,000 m<sup>2</sup>. While some warehouses are owner occupied, anecdotal evidence suggests that the record rate of developments could be the beginning a potentially vibrant industrial sector in Ogun state. The area is also recording higher rents on average estimated at ₦13,000/m<sup>2</sup> per annum compared to ₦8,000/m<sup>2</sup> per annum in the old Lagos industrial Hubs.

This trend is expected to be reflected across other emerging and existent industrial hubs such as Apapa, Ilupeju and Ogba which are highlighted in the subsequent page.

# Key Infrastructure Projects & Emerging Industrial Nodes



## Lagos Light Rail Project (Blue Line)

Status: Phase 1 Complete

Sponsor: Lagos State Government



## Bagdriy Sea Port

Status: Implementation

Sponsor: Federal Government



## Lekki Deep Sea Port

Status: Active

Sponsor: Federal Government



## Lekki International Airport

Status: Conceptual

Sponsor: Lagos State Government

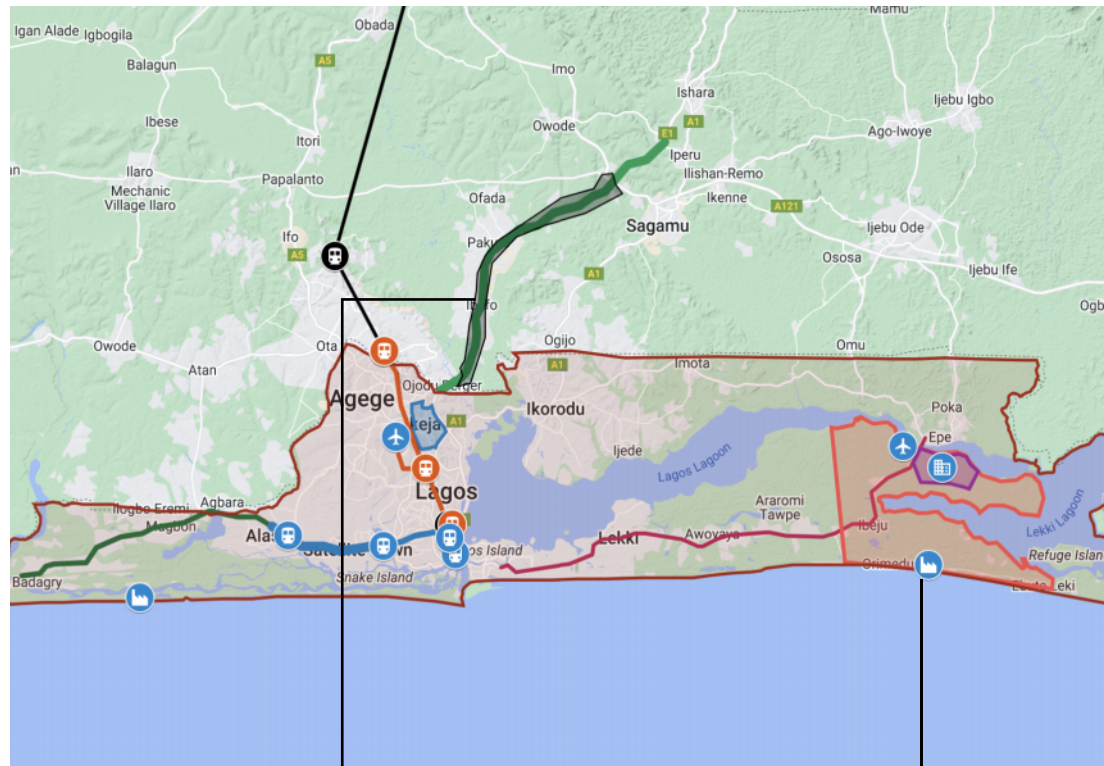
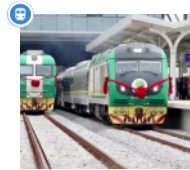


IMAGE SOURCE: ESTATE INTEL, GOOGLE MAPS



## Lagos - Ibadan Railway

Status: Active

Sponsor: Federal Government



## Lagos - Badagry Expressway

Status: Ongoing

Sponsor: Federal Government



## Lekki Epe Expressway

Status: Ongoing

Sponsor: Federal Government



## Lagos - Ibadan Expressway

Status: Ongoing

Sponsor: Federal Government

## Emerging Industrial Areas

### Lagos-Ibadan Expressway Hub

Viewed as the direct link between Lagos and Ibadan, the highway serves as a connector between Lagos and other parts of the country and is seeing the emergence of a vibrant industrial hub

ESTIMATED TOTAL STOCK

**102,700 m<sup>2</sup>**

RENTAL RANGE (M<sup>2</sup>/ANNUM)

**₦10,000 - ₦15,000**

### Lekki Free Trade Zone Hub

Located in the eastern part of the state, the Lekki Free Trade Zone is a new industrial hub by the Federal Government, with proximity to the Lekki Sea Port which serve to ease the workload on the congested Apapa port.

ESTIMATED TOTAL STOCK

**49,800 m<sup>2</sup>**




RENTAL RANGE (M<sup>2</sup>/ANNUM)

**₦15,000 - ₦20,000**

# 2 Election Watch

## Impact of FX Convergence on Real Estate Sectors

Nigeria's Official and Parallel Market rates have maintained an average spread of 46% over the past 18 months as the Central Bank of Nigeria continues to defend the currency using a 'managed float' approach. While the new government gears up for the commencement of their term, we are considering the impact of the plans they outlined during their campaign. An important policy move the BAT administration promised to take, was currency liberation. In this graphic, we explore how we expect a less managed currency and an eventual convergence between the official and parallel market, will have on various property sectors in the next 12 - 18 months.

	POSITIVE
	NEGATIVE
	MODERATELY NEGATIVE
	STABLE

	Office	Residential	Retail	Industrial	Hospitality
General	Across the board, we expect a rise in construction costs and a brief slowdown in the pace of ongoing projects. The additional increase in costs might lead to a handful of projects to be placed on hold, while others see their completion dates pushed out by 6 - 12 months.				
Impact of FX Convergence	Relatively stable market rents in USD Prices assets will lose stability and start to soften.	In prime areas, the large supply dump expected that would have put pressure on the market will take longer than expected to arrive.	Even less confidence for an already brutalised sector may indicate far less activity than the minimal activity that was previously forecast.	Until there is stability, we expect the institutional interest billed to participate in this sector will remain on hold.	Other than what is expected across the board, we anticipate a minimal or marginal impact on the performance of hotel assets.
Construction Costs					
Development Pipeline					
Sale Prices and Capital Values					
Leasing Activity and New Tenants					
Rents					
Overall Sentiment					

SOURCE: ESTATE INTEL



## Top 10 Series

---

The inaugural top 10 series unveils leading developers and main contractors in the Lagos real estate market based on the number of ongoing projects under active construction.



# 2023 Top 10 Series

## TOP CONTRACTORS BY ONGOING PROJECTS

										
CONTRACTOR NAME	Black Diamond Engineering LTD	Al Mansour Contracting Construction LTD	Migliore Costruzione & Tecniche	Cappa and D'Alberto PLC	Business Contracting Limited	Dutum Company Limited	EL-ALAN Construction Company	Formwork LTD	ITB Nigeria Limited	Vita Construction Limited
ACTIVE PROJECTS	11	9	9	8	7	6	6	5	5	4

## TOP DEVELOPERS BY ONGOING PROJECTS

										
DEVELOPERS NAME	Homework Group	Deluxe Residences	Megamound	Landwey	Mixta Nigeria	Godmade Homes	Grenadines Homes	Arkland Properties	Dave Kubak Construction Limited	Foreshore Waters Limited
ACTIVE PROJECTS	16	10	8	7	7	6	5	5	4	4

### Disclaimer

The above rankings are based on the number of active projects regardless of number of units by each contractor and developer tracked by Estate Intel. Additional due diligence was conducted by actively contacting the companies for verification of count. However, in case of any feedback or concern, you can contact the projects team at [projects@estateintel.com](mailto:projects@estateintel.com).

SOURCE: ESTATE INTEL DATABASE

# We Love Your Feedback



---

Contact us on  
[research@estateintel.com](mailto:research@estateintel.com) for any  
feedback, correction or project  
additions!

---

## Research Team

**Dolapo Omidire**  
Research Director

**Tilda Mwai**  
Insights Lead

**Dapo Runsewe**  
Senior Analyst

**Deborah Jesusegun**  
Analyst

**Oyindamola Ladejobi**  
Analyst

**Rahman Olayiwola**  
Graduate Analyst

**Ayebakuro Inala**  
Graphic Designer



## Access ei Pro today to get:

- List of all projects
- Project team members
- Building specifications

### FOR ENQUIRIES

[research@estateintel.com](mailto:research@estateintel.com) || [www.estateintel.com](http://www.estateintel.com)