



THE LAGOS REAL ESTATE SECTOR



BOURDILLON
CREST PROPERTIES
LTD

Lagos Is Not Growing, It Is Exploding

If demography is destiny, Lagos is writing Nigeria's future in capital letters. With an estimated population of 27 million squeezed into the country's smallest state by land mass, Lagos has become Africa's most intense urban experiment. Every single day, roughly 6,000 new people arrive, half of them with no formal address. This is not migration, it is a tidal force.

The economic gravity is undeniable. Lagos State's Internally Generated Revenue surged from N268 billion in 2015 to N1.26 trillion in 2024, pushing total revenue to N2.24 trillion. Lagos is no longer competing with Nigerian states, it is operating like a regional economy in its own right.

But prosperity has a price. Space has become the scarcest commodity in the city.

Series Introduction:

It's Friday the 30th of January 2026. **Welcome to 2026**, to the 3rd edition of the "bourdilloncrest" monthly newsletter series and the 1st newsletter series of our first full operational year. In today's series we take a look at **Why Lagos City, "Èkó", remains the premier real estate development and investment market in Nigeria.**



If you are reading us for the first time, please subscribe to our YouTube and Instagram channels, smash the like button, and help us grow our family. If you have already subscribed then show your support by liking our YouTube videos and making a comment. **Now let's jump right back into the story.**



@bourdilloncrest



@BourdilloncrestProperties

A Housing Shortage That Refuses to Blink

Between 1978 and 2025, government and private sector efforts delivered an estimated 2.5 million housing units. Impressive on paper. In reality, Lagos is still short by 3.396 million homes, including over 600,000 structurally inadequate units.

This deficit is the engine behind today's rental crisis. Supply is not just lagging demand, it is losing the race entirely. Every planning approval granted is met by a faster wave of population inflow. The result is predictable, rents rise first, questions come later.



When Rent Ignores Inflation Completely

Nigeria's headline inflation eased to 16.05 percent by October 2025, down sharply from 33.88 percent in late 2024. Lagos landlords did not get the memo.

Across key residential nodes, average rents jumped by 105.6 percent, creating what the report defines as a Landlord Inflation Gap. This is not inflation, it is repricing driven by desperation and scarcity.

Yaba tells the story best. Studio apartments that rented for N500,000 in 2020 now command N2.0 million, a 300 percent increase. Surulere followed closely, with one bedroom apartments rising by 300 percent to N1.6 million. These are not luxury districts, they are demand hotspots driven by jobs, tech, and proximity.

High Interest Rates, Stronger Property Market

With the Monetary Policy Rate stuck at 27 percent, logic would suggest a slowdown. Instead, Lagos residential real estate accelerated.

Real Estate Services GDP growth cooled to 3.50 percent in Q3 2025, but Construction surged to 5.57 percent. Capital is rotating away from speculation and into brick, mortar, and steel. Developers are building because demand is unavoidable.

In plain terms, Lagos housing is no longer a cyclical bet. It is a structural necessity.



Land Has Become the Ultimate Store of Value

Between 2020 and 2025, land prices across Lagos underwent a historic repricing. Banana Island reaffirmed its throne with land prices rising over 540 percent to N3.05 million per square metre. Ikoyi followed with a 412 percent increase to N2.15 million per square metre.

This is not hype driven appreciation. It is scarcity meeting capital preservation. In a volatile currency environment, land has quietly become Lagos' most reliable hedge.





The Island Is Expensive, The Mainland Is Relentless

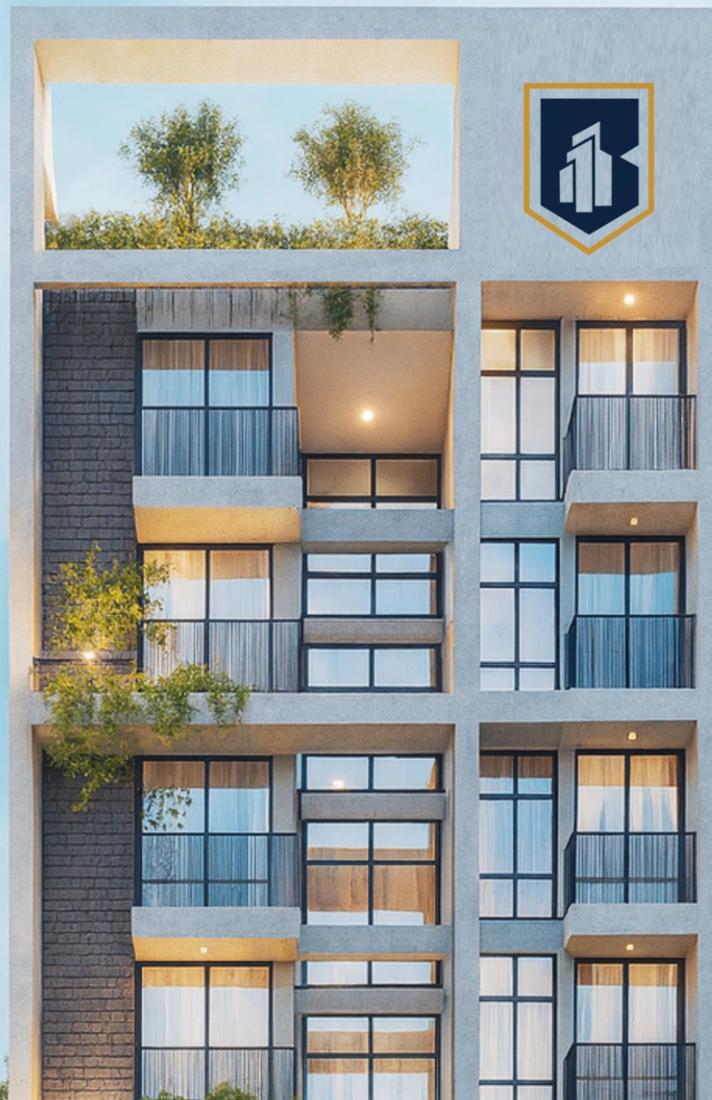
Eko Atlantic remains the apex market. One bedroom apartments trade around N580 million (in US dollars), with average land prices exceeding N6 million (in US dollars) per square metre. This is Lagos priced for global capital.

Ikoyi and Banana Island continue to attract dollar denominated buyers, expatriates, diplomats, and political capital. Rental yields here sit between 3.8 and 5 percent, modest by Nigerian standards but compensated by capital preservation.

Victoria Island sits at the intersection of lifestyle and commerce. Four bedroom rents climbed from N14 million in 2020 to N30 million in 2025, a 47 percent jump. Proximity to Eko Atlantic keeps VI structurally relevant.

Lekki Phase I has emerged as the investment workhorse. Two bedroom apartments rose from N70.5 million in 2020 to N247.5 million in 2025, a 251 percent increase. Location, access, and limited land supply are doing the heavy lifting.





Lekki Peninsula II, Where Growth Went to Multiply

Stretching from Ikate to VGC, Lekki Peninsula 2 has matured into a premium residential corridor. One bedroom apartment prices doubled to N115 million between 2020 and 2025. Land prices jumped 354 percent to N685,000 per square metre.

This zone thrives on spillover demand. Residents want proximity to Ikoyi and VI without paying Ikoyi prices. Developers followed the people, infrastructure followed the developers, and value followed infrastructure.



Ajah and Sangotedo, Lagos' Pressure Valve

A decade ago, this corridor was greenfield. Today, it is Lagos' most efficient pressure valve. Ajah and Sangotedo have become the functional pressure valve of Lagos real estate precisely because infrastructure investment is finally catching up with population growth. These neighbourhoods are no longer spillover zones, they are becoming connected places with structural upgrades that directly unlock residential demand.

The most immediate upgrade shaping this corridor is the **extensive rehabilitation of the Lekki–Ajah Expressway**. The Lagos State Government has initiated a major eight-month rehabilitation project stretching from the Lekki First Toll Gate through to the Ajah under-bridge, designed to improve the carriageway, ease chronic congestion, and reduce travel time. The works are being carried out in phases with traffic diversions to maintain movement for commuters and businesses along what has become one of the busiest arterial corridors in Lagos. The project commenced in November 2025 and is planned to run through July 2026. This intervention responds directly to decades of wear under explosive growth and seeks to future-proof the

But road rehabilitation is just the start. Ajah and Sangotedo sit along the broader connectivity vision of Lagos State's Strategic Transport Master Plan. The long-planned Green Line rapid rail corridor will run from Marina through Victoria Island and Lekki to the Lekki Free Trade Zone, with potential ridership of up to 500,000 daily passengers once completed. This rail line, currently in advanced planning and early mobilisation stages, will link Ajah directly into Lagos' rapid transit network, driving both commuter convenience and residential desirability. axis for decades of rising demand.

But road rehabilitation is just the start. Ajah and Sangotedo sit along the **broader connectivity vision of Lagos State's Strategic Transport Master Plan**. The long-planned **Green Line rapid rail corridor** will run from Marina through Victoria Island and Lekki to the Lekki Free Trade Zone, with potential ridership of up to 500,000 daily passengers once completed. This rail line, currently in advanced planning and early mobilisation stages, will link Ajah directly into Lagos' rapid transit network, driving both commuter convenience and residential desirability.

Complementing this, statewide efforts to unify transport modalities are also underway. This includes ongoing upgrades to water transport infrastructure, such as installation of modern floating pontoons and enhancements at major jetties, reinforcing Lagos' multi-modal transport options and reducing pressure on road networks by shifting some commuter flows onto waterways. These investments are part of Lagos' long-term approach to urban mobility, with waterborne transit recognised as a strategic asset given the city's geography.

Behind the scenes, broader infrastructure initiatives will further underpin growth. The Lagos State Government's investment drive has delivered scores of new roads and bridges across the metropolis, and while many of these are outside Ajah proper, the improved regional connectivity reduces systemic pressure on the Lekki-Ajah corridor, indirectly boosting its market fundamentals.

Looking ahead, planned enhancements such as **focused waterworks and utility upgrades**, including rehabilitation of mini waterworks and expansion of basic services in Lekki and Ajah communities, will improve liveability and support larger populations. These upgrades are critical to converting fast-growing residential nodes from commuter belts to self-sustaining townships.

The cumulative effect is clear: Ajah and Sangotedo are no longer peripheral; they are connective infrastructure corridors. What was once tolerated as a long commute in return for lower property prices is becoming a rational, structural choice for residents who want access to improved roads, emerging rapid transit, and expanding service networks. This is why rents and values have climbed sharply, and why this corridor remains the investment frontier of Lagos residential real estate.

One bedroom rents jumped from N500,000 in 2020 to N2 million by 2025. Two bedroom units rose by over 300 percent to N3.3 million. Sales prices followed suit, with three bedroom apartments averaging N125 million.

This is middle income Lagos scaling upward. Not glamorous, but unstoppable.



Infrastructure Is Quietly Rewriting the Map

The Lekki Deep Sea Port is projected to add \$360 billion to the economy over time. The \$3 billion Green Line Rail project is shifting commuter logic. The Lagos Calabar Coastal Highway is changing how investors think about frontage.

But regulation is now catching up. The state's pause on building permits along the coastal corridor and the declaration of 176 estates as illegal marks a turning point. **Title integrity is no longer optional.** In 2026, compliance will matter as much as location.

Infrastructure in Lagos is no longer a background narrative, it is the plot twist. For decades, location premiums were driven almost entirely by proximity to Ikoyi and Victoria Island. That logic is now being dismantled, piece by piece, by transport, logistics, and coastal infrastructure that is physically redrawing the city's economic geography.

The Lekki Deep Sea Port is the anchor. Designed as Nigeria's first fully automated port, its long term economic impact is estimated at \$360 billion. This is not abstract value. Ports create gravity. They pull logistics firms, manufacturers, warehousing, expatriate labour, and supporting services into their orbit. Residential demand follows jobs, not postcards. The entire Lekki Free Trade Zone axis is therefore transitioning from speculative land banking into an employment led housing corridor.

Adding to this momentum, the **Lekki-Epe International Airport** is transitioning from pipeline promise to physical reality. Lagos State recently signed a Memorandum of Understanding with international infrastructure firm Summa Group to develop the airport on about 3,500 hectares near the Lekki Free Trade Zone, with an initial capacity to handle around five million passengers each year and accommodate large aircraft such as the Airbus A380. Aviation regulators have begun site inspections ahead of construction, and the project is projected for completion by 2027. This will relieve pressure on the overcrowded Murtala Muhammed International Airport and improve connectivity that extends far beyond the Lagos metropolitan area.

Rail is reinforcing this shift. The proposed \$3 billion Green Line Rail, linking Marina through Victoria Island and Lekki to the eastern suburbs, is quietly one of the most important residential catalysts in the state. Rail compresses distance. Areas that once felt psychologically far are suddenly commutable. When commuting time falls, rental tolerance rises. This is how mid-tier locations graduate into premium residential zones without changing their postcodes.

The Lagos Calabar Coastal Highway compounds this effect. Beyond its national significance, it creates a new logic of frontage and accessibility along the Atlantic corridor. Historically, coastal proximity was a luxury premium enjoyed by a narrow band of neighbourhoods. That exclusivity is now under threat. As access improves, the value gap between legacy coastal districts and emerging ones will narrow, not because the old areas are falling, but because new areas are catching up structurally.

However, infrastructure is no longer arriving alone. Regulation has arrived with it. The state government's decision to pause approvals along parts of the coastal corridor and formally declare 176 estates illegal marks a decisive shift. The era of build first, regularise later is ending. Infrastructure is now being paired with enforcement, and that changes the risk calculus entirely.

In practical terms, this means that the future premium in Lagos residential property will sit at the intersection of access and compliance. A well located asset without clean title will increasingly trade at a discount. Conversely, a compliant development slightly outside the traditional prime zones will attract stronger liquidity and more resilient demand.

The implication for investors is clear. Infrastructure is creating new winners, but only for those who respect planning frameworks, environmental setbacks, and title integrity. Lagos is still expanding, but it is no longer expanding blindly. The map is being rewritten, and only properly documented assets will be allowed to stay on it.

The Real Divide Is No Longer Island Versus Mainland

The real divide is verified versus risky. Lagos has entered an era where documentation, planning compliance, and infrastructure access command a premium equal to finishing quality.

Developments with clear title, reliable power solutions, and professional estate management will outperform regardless of postcode. Everything else will struggle for liquidity.

Lagos Property Is Not a Bubble, It Is a Battlefield

This market is not driven by sentiment, it is driven by necessity. Lagos is absorbing people faster than it can house them. Until that equation changes, pressure will remain upward.

The smart money is no longer asking whether to invest in Lagos. It is asking where compliance, infrastructure, and demand intersect cleanly. In Lagos, the future is not waiting. It is already renting.

If you would like to know more, or wish to discuss brand sponsorship of any of our videos on estate agency, property development, construction & facilities management, please get in touch on any of the social media handles below. All our content is developed from real life experiences in a professional and entrepreneurial journey that spans across 8 countries and 4 decades.

Quote of the Week:

“Buy real estate in areas where the path exists...and buy more real estate where there is no path, but you can create your own.” — **David Waronker**



CONTACT US

Bourdilloncrest Properties Lagos Headquarters



Registered Address:
 **G10, Unit 2, Road 1, Lekki Gardens,
Phase 4, Lekki, Lagos.**

 **+234 814 688 2613
+44 7708 264 983**

 **bourdilloncrestproperties@gmail.com**

 **@bourdilloncrest**  **@BourdilloncrestProperties**

We are more than developers, we are dreamers, doers, and custodians of culture. Let's build homes that tell stories, communities that thrive, and legacies that last.

Welcome to the renaissance. Welcome to Bourdilloncrest Properties