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NIGERIA REAL ESTATE MARKET OUTLOOK

2016

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## Summary

As with other sectors, performance of Nigerian real estate in 2015 was underpinned by economic fundamentals. Persistent negative global realities commencing in Q2 2014 coupled with endogenous factors made the year a tough period requiring a decisive and determined perspective for navigation.

The Nation started with a season of political uncertainties and then moved to a period of economic uncertainties; which were both meted with bearish market acceptance.

The fixed income market was quite volatile with yields reaching as high as 18% and as low as 0% at varied points in the year. Foreign investors commenced a sell-off due to declined oil prices, depleting reserves, anticipation of a further devaluation, prevailing political risk, foreign exchange demand-restrictive policies and the announcement by JP Morgan on the possibility of ejecting Nigeria from the GBI-EM index. Towards the end of the period, in Q4 2015, CBN policies created changes in consonance with persistent excess liquidity closing yields at low ranges of 1.50%-11.78%. The equities market was worse hit closing at -22.2% YTD, slightly worse than about -20% same time last year.

While real estate had a delayed reaction to these macro-economic realities, our H1 report stated that the news of a new Government helped stimulate demand only for a short while. Delays in receiving economic direction coupled with other aggravating factors resulted in the stalling of many new constructions, renting or purchasing decisions in wait for a more enabling environment. Real estate performance was also influenced by topical issues such as NMRC,

insurgency, traffic congestion, gentrification and dynamics of building material prices.

Retail malls were delivered in 2015 and much more to come in following seasons. Likewise the office sub-market, office projects close to completion will create a lot of leasing activity in 2016, but same cannot be said for new constructions. In all, real estate will be responsive/reactive to positive or negative economic sentiments respectively.

An important consideration to take note of is the real value of property in the Nation, in the face of the recent devaluations. Will Landlords be able to transfer the loss to renters via increased rent, or will the reduced demand continue to stay/reduce prices thereby creating new real property values?

This report offers an overview of the Nigerian real estate sector in 2015 with a focus on the prime markets of Abuja, Lagos and Port Harcourt. It closes with an outlook for the sector in 2016.

We trust you'll find it a beneficial read.

**Tayo Odunsi**  
**Director, Real Estate Advisory**  
**Lagos – Nigeria**





# The Nigerian Economy in 2015

## Code Red

If the highlights of the Nigerian economy in 2015 were scripted into a movie, it would clearly not be a comedy; it would be more like a thriller. Global factors such as diminishing oil prices, strengthening of the dollar and cash calls by erstwhile European trade partners all worked against Africa's most populous Black Nation. Internal factors on the other hand, created periods of political uncertainty in the first quarter, a little breather in Q2 and then followed by economic uncertainty in subsequent periods.

While recorded inflation figures didn't soar as fast and far as the average Nigerian expected, the impact of the monetary and fiscal tightening

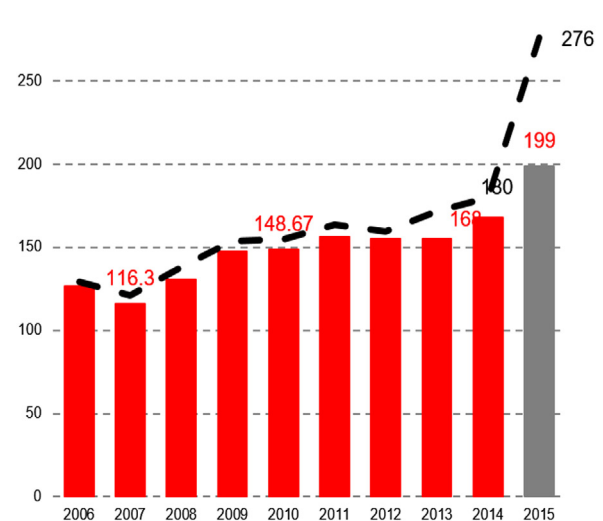
was felt by all.

Foreign exchange illiquidity created a dilemma for individuals and businesses in Nigeria, as the Central Bank, for most parts of the year, enacted one law after the other to keep the Nations' foreign exchange policy under tight wraps. The apex bank, clearly not interested in defending the Naira with its reserves, would also not have it depleted through forex spendings of the populace. Consequently the official exchange rate has been retained at approximately ₦199/\$1 since July 2015 while the parallel market is at an all-time high of circa ₦276/\$1.

Inflation (%)

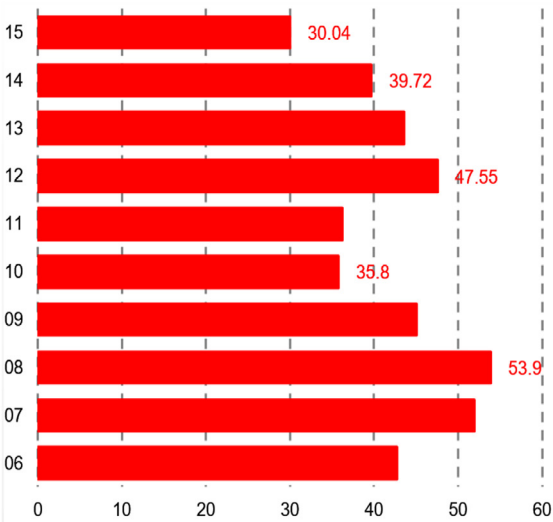


Exchange Rate (₦ to \$)

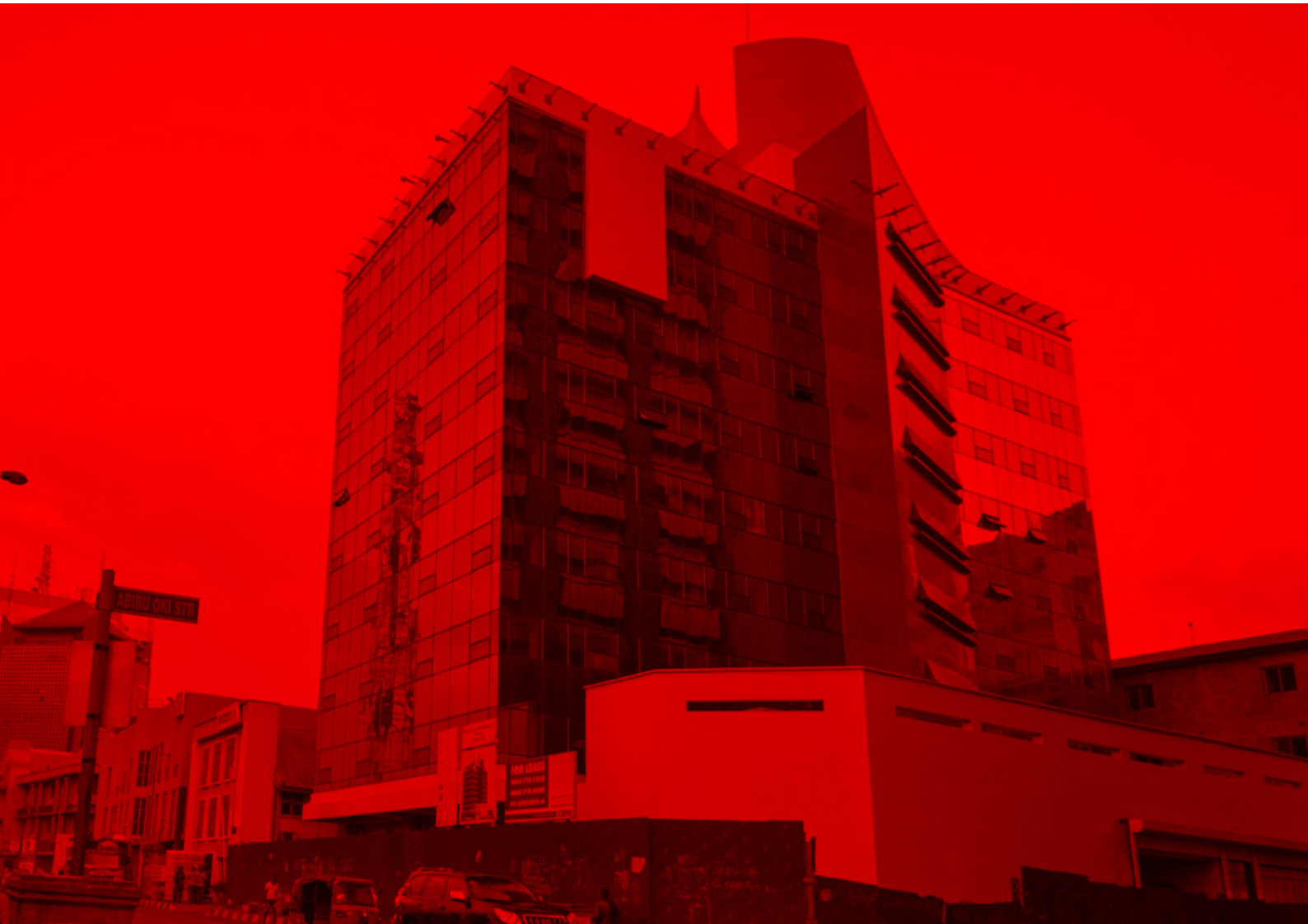
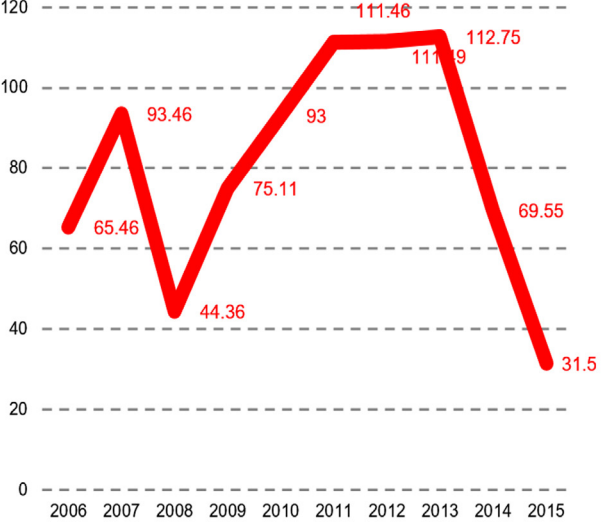




External Reserves (\$B)



Price of Crude (\$)



# 2015 Asset Performance Summary

## Fixed Income and Money Market

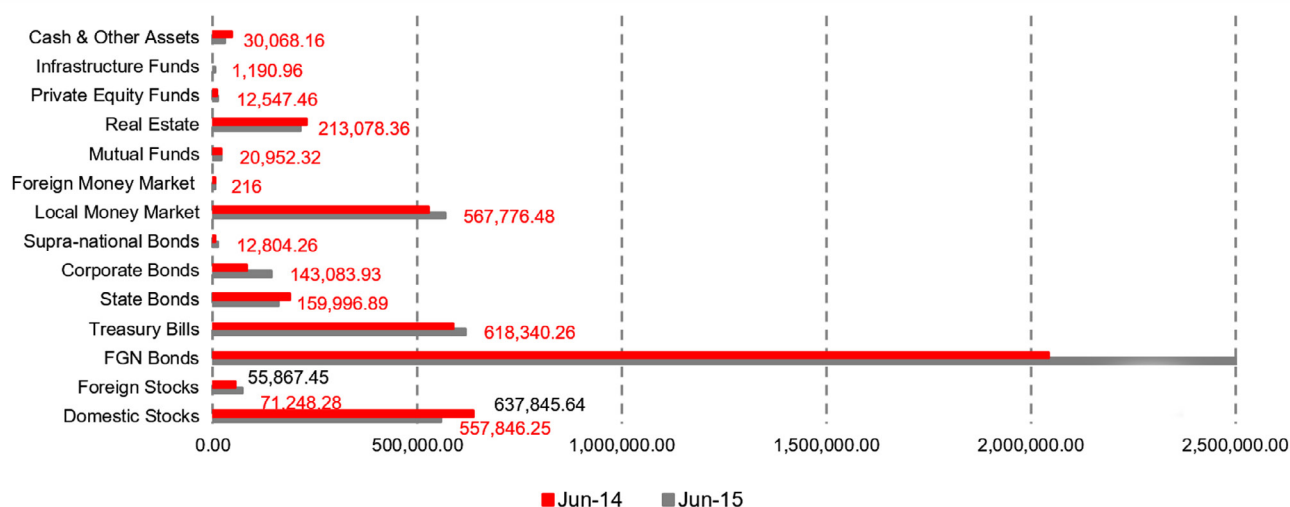
In 2015, the fixed income market in a phrase would be termed – ‘extremely volatile’ with yields at the long end of the curve touching as high 18% and at the very short end touching 0% at varied points in the year. Prior to the conclusion of the general elections in Q1, the market was bearish given continued sell off by foreign investors due to declined oil prices, depleting reserves, anticipation of a further devaluation, prevailing political risk and the announcement by JP Morgan on the possibility of ejecting Nigeria from the GBI-EM index, hence yields ranged between 10.70% - 15.90% in Q1 2015.

However with the successful conclusion of the

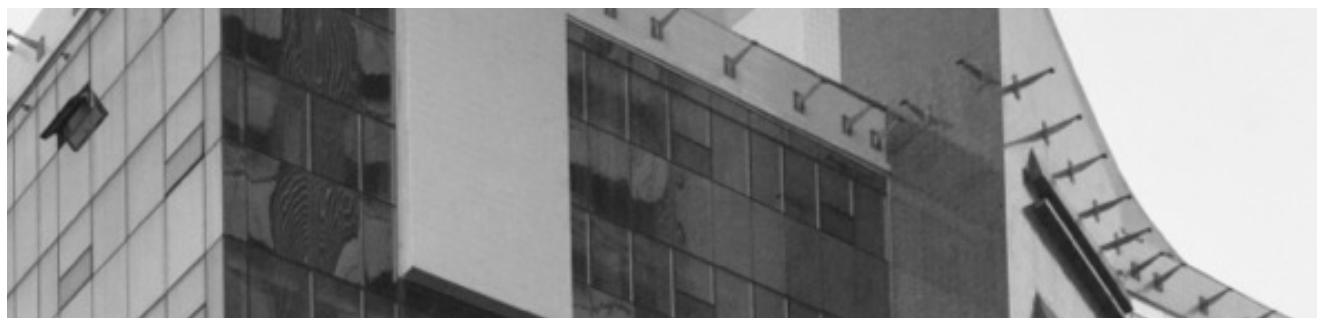
elections, the financial markets witnessed a short-lived rally stalled by failure to receive clear economic policy direction from the new leadership and exacerbated by JP Morgan’s decision to eject Nigeria from its bond index as well as the implementation of a treasury single account which resulted in over N700 billion leaving the financial system.

Come Q4 2015, the CBN moved to starve a possible recession and spur economic growth by reducing MPR & CRR from 13% to 11% and from 31% to 20% respectively. This change in accord with persistent excess liquidity has taken yields to low range of between 1.50%-11.78%.

## Nigerian Pension Fund Assets as at 31st June 2014 and 2015

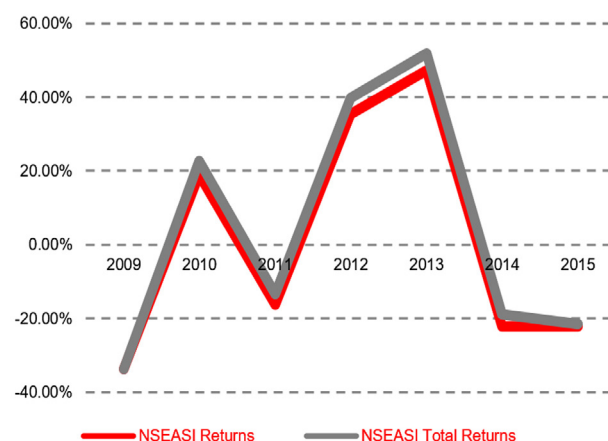


Source: PenCom



## Equities

Equities on the Nigerian bourse performed poorly all through 2015 and closing at -22.2% YTD\*. It was a downward spiral for most of the year with few periods of positive rallies followed by a swift round of profit taking. A lot of foreign portfolio investors exited taking foreign transactions down to 64%. The key drivers for this exodus of investors are a perceived mismatch in the value of the Naira to the Dollar, foreign exchange controls as well as the political and economic uncertainties earlier highlighted. Following this, some Equities Analysts believe Nigerian equities market remains undervalued compared to its emerging market peers.



Source: NSE

## Foreign Exchange

The Naira took a hard beating in both the official and parallel markets. Pre-presidential elections, the wide spread uncertainty created a rise in foreign exchange demand by foreign portfolio investors who took profit to escape any possible currency pressure. Also the consistent drop in oil price didn't help. Following these, the country grappled unsuccessfully, to shore up reserves and introduce extreme measures in a bid to stem the rising demand and increased inability

to meet demand for USD.

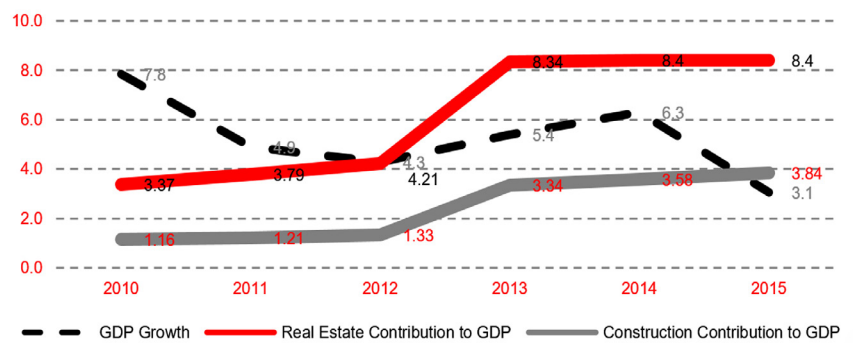
The unmet demand through the course of the year, end of year pressure from import obligations compounded by closure of both the CBN and Interbank markets in December 2015 caused the local currency to experience the worst free-fall in recent years, dropping up to 25% in the last three weeks in the unofficial market.





## 2015 Real Estate Performance

Nigerian real estate post-rebasing has been seen to contribute significantly more to the Nations' GDP than previously recorded. However, this contribution seems to have quickly plateaued showing only a 0.72% growth between 2013 to 2014 and remaining stagnant in the following year. This is in line with the general growth in GDP, which has seen sub 3% levels in the Q2 and Q3 2015, the weakest since 2013.



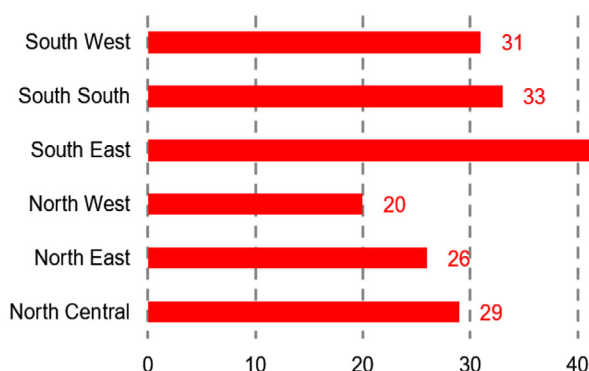
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The growth moderation of the non-oil sector (real estate and construction inclusive) in comparison to 2014, is attributive to lower government spending (due to lower oil receipts), disruptions to the fuel supply and some monetary policy actions aimed at managing the pressures of foreign exchange demand.

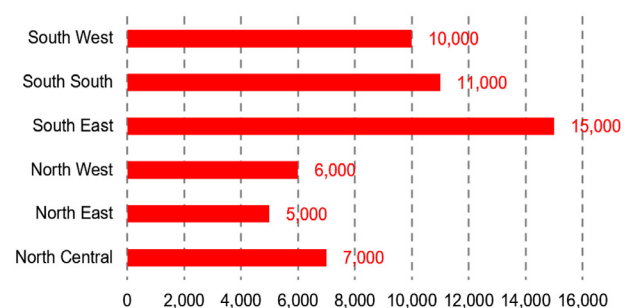
Construction companies; small and large, experienced significant slow down in activities over

the period in review. Reports state that over N600 Billion is being owed construction companies by the Federal Government. Following this, these firms have been forced to abandon projects and lay-off as much as 10,000 workers across the country. The present political administration has stated that the past administration failed to release capital votes since the second quarter of 2014. In all, 6,525.63km of roads have been abandoned while about 54,000 projects have been stalled in the country.

### Abandoned Roads by Zones



### Abandoned Projects by Zones



Source: Tell

As earlier stated in this report, the effects of political and economic uncertainty was far reaching; stalling investment decisions of households and corporations alike. Real estate being capital intensive in nature was absolutely unimmunised to this. Many new constructions, renting or purchasing decisions have been stalled till there is a more enabling environment.

However land values seemed to continue to soar. Terra firma in its raw form seems much more resolute

to the economic fundamentals than the finished produce of buildings. Understandably, Developers and Investors having built up land, potentially with borrowed funds, would be more willing to take a hit than a Landowner seeking to sell a tract of land.

It is however important to note that quoted prices/values in this report are only nominal and do not adjust for devaluations to the Nigerian currency.

## Residential

In most election years, the Abuja residential market experiences substantial drop in prices, off the back of Politicians and Promoters seeking to urgently create liquidity to fund campaigns, which creates an over supply thereby pushing prices south. This year was no different and rather cut deeper as many were also trying to dispose of assets that could create problems should there be a probe. Unfortunately, only few had the liquidity to take advantage of the price decline. Market watchers from taxi drivers to estate agents complained of the market being slow. This does not preclude the existence of both large and small solitary transactions, after all shelter still remains one of the top three basic human needs.

Lagos market was slightly different. The drought only hit the mid to high-end properties, while there was significant activity in the low-end locations. Even in the mid-market, some developers quickly adapted to the changes by offering more for every Naira. The trade-offs were in terms of smaller space, lower grades of finishing and in some cases reducing the entry barrier by selling carcasses. But even these developers testified that sales could have been much more in a vibrant economy.

In the last 36 months, the Port Harcourt residential market has grown significantly considering reduced

## Growth in Rental Values (%)



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kidnapping and improved infrastructure in a lot of locations. This growth though slowed down in the last 12 months as oil companies downsized and in some cases exited; the oil city however remains a good location for a residential investor. Low to mid-priced site and service schemes are currently making waves.

In most locations nationwide, rental prices grew only marginally, stayed the same or in some cases (high-end) declined. There was hardly any upward rent review from our findings. Tenants armed with the slightest information on the economy could easily negotiate to stay rents.

## Office

Offices in Port Harcourt are largely self-occupied, converted or purpose-built structures for specific organisations. Smaller organisations often rent residential apartments or standalone houses and convert them to offices. A third-party office space market as an investment sub-set is almost non-existence, with only a handful of buildings dotting Stadium Road, Olu Obasanjo Way, Trans Amadi Road and Aba Road. Residential block of flats on Ikwerre Road have all been converted to offices and shops to cater to a lower cadre of businesses. In 2015, rents either stayed constant or improved only slightly.

Prime office space in Abuja is agglomerated in the CBD, Wuse 2 and Garki Area 11. The development pipeline of mid-range space is also quite rich in Utako. As expected with any capital city worldwide, majority of the buildings are public offices that house various government ministries, departments or agencies. However a number of third party office blocks dot the Abuja skyline. In few cases, some government agencies put up some space within their buildings for lease. In Wuse 2, Area 11 and 10 (mentioned in order of desirability), there are various 'plazas' that house from as little as 12 office spaces to over 100 with office spaces measuring as little as 12sqm to as large as 100sqm floor plates. Developments of this kind (Plazas) saw a number of completions in 2015, and in some cases, office spaces were sold rather than being leased for yearly rents. On the other hand, just a handful of A or B grade office blocks are available.

development pipeline has never been so robust, it's difficult to predict the potential process of absorption. Over 150,000sqm of lettable space is currently being produced for delivery within 6 to 24 months. That's not counting inactive developments that have been stalled. In 2015 some developments were delivered such as Civic Towers and Landmark Tower, which both enjoyed fairly rapid take-up but at rates less than originally desired. In all, there were not as many lease transactions as Developers and Realtors would have hoped. Some A and B-grade offices have remained empty for a prolonged period as most companies opted to remain in their current spaces. Existing rents have either stayed or lowered across locations, while new leases were closed at low rates.

Around the Alausa CBD of Ikeja, there was a mild increase in demand partly due to quit notices issued to occupants of Elephant Cement House by the Owners of the building – Lafarge – who reduced their real estate holdings. The stock of developments in Ikeja reveals huge improvements in facilities provided within new developments soon to be added to the supply stock compared to less desirable amenities provided in existing stock.

### Average office rents

	2014 Average	2015 Average
<b>Abuja</b>		
CBD	N60,000	N60,000
Wuse 2	N50,000	N55,000
Garki Area 11	N25,000	N35,000
<b>Port Harcourt</b>		
Olu Obasanjo Way	N22,000	N25,000
Trans Amadi Road	N20,000	N20,000
Aba Road	N15,000	N15,000
<b>Lagos</b>		
Lekki Phase 1	N35,000	N35,000
Lagos Island	N20,000	N25,000
Ikeja	N30,000	N35,000
Yaba	N18,000	N18,000
Ikoyi	\$1000	\$950
Victoria Island	\$850	\$785

In Lagos, the A-grade

Sources: Northcourt, Broll



## Retail

In a circular dated 1st July 2015, the Central Bank banned 41 items from accessing foreign exchange from the CBN and interbank windows thereby forcing traders in these wares to access forex from the ever expensive parallel market. Unfortunately, 46% of these items (19) are directly related to the real estate industry while another 32% (13 items) are staple to the retail market. Items such as textiles, woven fabrics, clothes, plastics, rubber products, soaps, cosmetics, amongst others; were no longer able to procure Dollars at circa ₦197 to \$1 but at ₦235 to \$1, a 19% over-night jolt at the time. Treasury officers and Accountants to Retailers jostled around to finance imports but were met with a brick wall at most points.

As inventories declined and it was impossible/expensive to fund procurement of new stock, Retailers began to either hold-off or turn down offers to lease new retail space since they didn't have inventory to fill it. This gory tale is told by the small-scale Retailer with a subsistence outfit in Balogun

market to the large retail chain with over 24 shops nationwide.

But these forex challenges are clearly seen by stakeholders as a phase which will pass, as the development pipeline of malls in Nigeria is still robust. This year alone Festival Mall, Jabi Lake Mall and Circle Mall all opened doors to shoppers. In a different type of transaction, South African investors Hyprop and Attacq acquired 75% and 25% interests respectively in Ikeja City Mall for an undisclosed amount.

Average monthly retail rents have been static within the past one year, growing slightly only in Lagos. In comparison to the anticipated boom in retail; this minimal growth attests to previously discussed factors and perhaps offers evidence that online retail is gaining market share. The growth in e-commerce in Nigeria has been significant; offering flexibilities and reach no physical mall can offer both retailers and shoppers.

### Average retail rents

	2014 Retail Monthly (\$) psm	2015 Retail Monthly (\$) psm
Lagos	65	68
Abuja	55	55
Port Harcourt	50	50
Enugu	38	38
Warri	37	37
Kano	35	35

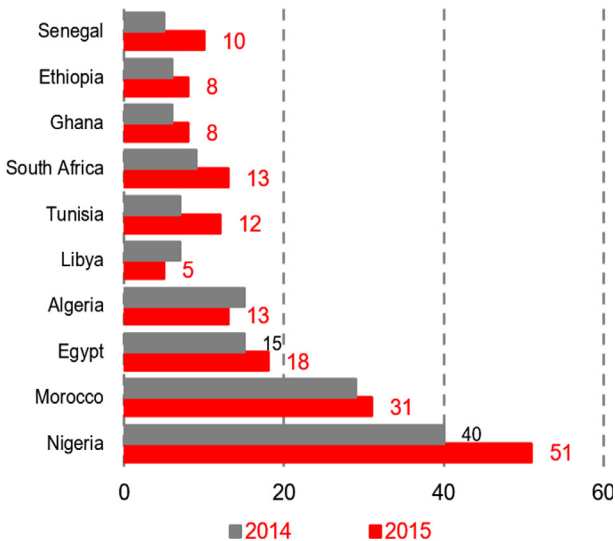
Sources: Northcourt, Broll

## Hospitality

While Nigeria has had the highest pipeline of hotel developments in Africa for both 2014 and 2015, completions and development activities have actually been slow. Construction projects in Egypt and Morocco have advanced averagely beyond 80% and 60% respectively, while those in Nigeria average

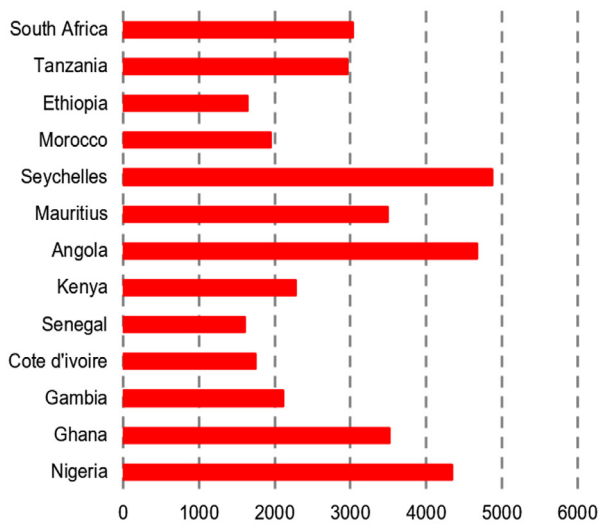
39% completion. In 2015, only one branded hotel – The George was delivered in Lagos, Park Inn by Radisson in Abeokuta, which was a redevelopment of the state-owned Gateway hotel.

Hotel development Pipeline



Sources: W Hospitality Group

Average value of hotel rooms



Sources: Hotel Partners Africa

Average value of hotel rooms per night is seen to be highest in Seychelles followed closely by Angola and Nigeria; these high values are a good

indicator of patronage and investment flow into the respective countries.



# 2015 Real Estate Topical Issues

## Nigeria Mortgage Refinance Company

Nigeria Mortgage Refinance Company (NMRC) incorporated in 2013 and fully licenced in February 2015, commenced her mortgage-refinancing mandate by refinancing mortgage loans worth N1 Billion from Imperial Homes Mortgage Bank Limited (formerly GTHomes Limited). Later in the year, the company (NMRC) completed her inaugural bond issuance of a ₦8 Billion 14.9% fixed rate bond, due 2030 on FMDQ. This bond issuance will further enhance the capacity of the institution to provide liquidity to the Nigerian mortgage sector. NMRC aims to refinance 400,000 mortgage loans in Nigeria within the next five years.

While loan rates of mortgages refinanced by NMRC may not yet be in single digits, the problem of availability of mortgages may be a first stride being conquered, with affordability next in line.

## Boko Haram and Pro-Biafra

Lagos, Abuja, Port Harcourt and Kano were historically Nigeria's busiest real estate hubs. Boko Haram has since sniffed breath out the latter, while Port Harcourt is slowly recovering from the days of recurrent kidnapping. It would be healthy to fear what may happen to tier 2 cities in eastern Nigeria such as Owerri, Aba, Oka and even Enugu City should the Pro-Biafran agenda enjoy too much sunlight.

## Traffic (Planning and Public Transportation)

Uneven distribution of public infrastructure development, poor public transportation and planning, as well as indecent/irrational human behaviour often result in the emergence of several social ills; one of which is traffic. Traffic also occurs when there is an over-demand to work or live in

certain locations thereby creating congestion. This then ultimately brings about a loss in value for that erstwhile 'over-demanded' location. This imbalance has become the order of the day in most Nigerian cities.

It seemed like each and every one of the 16 million residents in Lagos wanted to live on the Island. Now, it's almost impossible to get into the Island or at least get beyond the second roundabout of the Lekki Expressway at most times of the day. In Port Harcourt, similar build-up of pressure on facilities is being felt in Woji and environs.

## Tacit Gentrification

It's almost implied and worthy of note in Nigerian cities, that properties located on streets, which enjoy standard accessibility, or proximity to major transport spots will change use over time, naturally. From Ademola Adetokunbo Crescent in Abuja, Adeniran Ogunsanya Street in Lagos to Woji Road in Port Harcourt; high streets would often rid lower paying residents or use classes over time. It's not uncommon to increase property yields by 100 to 200% by simply converting a residential property to retail or office use. This phenomenon was very evident in various parts of Wuse 2 – Abuja, Lekki Phase 1 – Lagos and GRA Phase 1&2 – Port Harcourt.

## Building Materials

With increasing inflation and some countrywide felt pinches of austerity; it's interesting to note that prices of building materials have either stayed constant or even reduced. This is not unrelated to the significantly reduced demand for these wares as a result of reduced activity in the sector. In September 2015, Dangote cement was first to significantly

reduce the price of cement – the major ingredient of building projects and subsequently a few other

similar reductions followed.

## Building Materials Prices

	Nov-14	Nov-15	% Change
Cement (50kg)	1,750	1,500	-16.7
Sandcrete block (9 Inch)	180	170	-5.9
Aluminium Roofing Sheets (0.55mm)	1,550	1,550	0
Cables (6mm / Coil)	13,500	13,500	0
Coloured Emulsion Paint	7,500	7,500	0
Glass Sheet (5mm)	7,500	7,000	-7.1
Reinforcement (8mm)	130,000	130,000	0
Paving stone 60mm (Local)	1,300	1,400	7.1
Harvey roof tiles	5,300	5,500	3.6
White Emulsion (Dulux)	22,000	22,000	0
Tyford complete set WC	14,500	14,500	0
Ariston water heater (Small)	17,500	17,500	0
13A socket	900	900	0
Distribution board	45,000	45,000	0
Wall split unit AC (1.0HP)	61,000	65,000	6.1

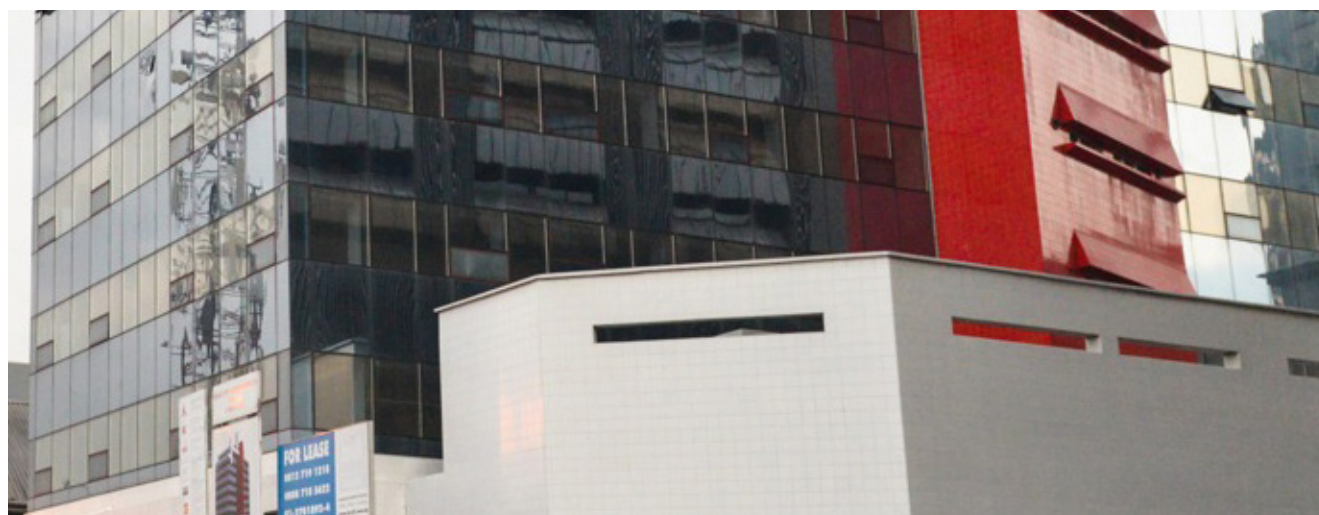
Sources: Castles Lifestyle, Northcourt

## New Master Plans, New Cities

The population of Lagos state is growing at an estimated rate of 3.5% per annum, hence it was highly welcomed when the State Government released new master plans for Ikoyi – Victoria Island and Badagry, while also announcing that similar master plans for Ikorodu and Epe would soon follow.

City, Lagos – Eko Atlantic and Greater Port Harcourt – an initiative of the previous Rivers State government. These cities are projected to be game changers; offering new levels of infrastructure and space previously not available in the regions.

While these existing towns are being re-planned, mega cities are being built in Abuja – the Centenary







The outlook for the Nigerian real estate market in 2016 will be largely dependent on the overall performance of the economy as the demand, supply and price of space is contingent to the well being of occupiers, developers and investors.

To re-stimulate the market, certain signals are requisite for a truly positive change in sentiments; some of which seem to be medium to long term in horizon, especially in consideration of the recent increase in interest rates (and future expected increases) by the US Federal Reserve Bank and the resultant further decline in foreign portfolio investments.

We believe a few salient things need to occur:

- A revision of the CBN's exchange rate demand-restrictive policy to reduce uncertainty and investment risk of the Nigerian market while also potentially improving investor sentiment (domestic and foreign) and also stimulating growth in the economy.
- Prepare a well-articulated and communicated fiscal plan aimed at reflation the economy; demonstrating preference for infrastructural improvements and growth of the real sector.
- Finance the budget by fiscal prudence, effectively increasing the tax base, and removal of petroleum subsidy which will reduce Governments' recurrent expenditure and free up revenue to be stirred towards far reaching capital expenditure

The latter two suggestions above are largely identified and addressed within the Medium term economic framework (MTEF), prepared by the Ministry of budget and planning; implementation of which is critical to reversing the economic decline in coming seasons.

For 2016, a budget of ₦6.04 Trillion has been proposed, revenue forecasts set at ₦3.82 Trillion, amounting to a deficit of ₦2.22 Trillion. While Nigeria's debt to GDP ratio is 12% and one of the lowest worldwide, this fact is inconsequential, as Nations do not repay their debt with GDP but rather revenue. As such it's important to note that this deficit will foreseeably be funded via increased and improved tax collection, efficient government revenue collection via the treasury single account, oil revenue and less debt.

The MTEF further lays emphasis on the completion of infrastructure projects critical to the development of trade and investment via public private partnerships as well as housing infrastructure development by engendering reduced building material prices, promoting liquidity to the housing and mortgage sub-sector.

Where these expectations are implemented in the new year, the residential market will be quick to rebound. Rekindled demand will boost completion of abandoned projects and commencement of portfolio developments. Rents will once again be competitive and investors will once again enjoy upfront annual returns. Activities of NMRC are expected to increase and begin to have desired impact – creating liquidity for lenders and assisting homebuyers access debt to buy homes. However should the macro-economy maintain status quo, residential markets will grow increasingly bearish to unseen levels in more than a decade.

The office development pipeline is very rich. Never has the nation enjoyed such influx of investment office space available for take-up by third parties as against owner-occupation, which was the norm in the past. The invasion may drive prices down moderately, we also postulate that occupiers may surrender leases in older buildings in preference for new builds which may be willing to offer competitive

rents to vie against current rates in older buildings. 2016 will see numerous completions and as such will be characterised by leasing transactions rather than construction ground breakings. Current pipeline of third party space (About 150,000sqm) needs to be cleared out before most executives will sign off

on new originations. Lagos will continue to take the lead, Abuja and 2nd tier cities to follow. With over 25,000sqm to be delivered, Ikoyi in particular may officially become the prime office destination while Eko Atlantic gradually moves beyond infancy.

### Office development Pipeline

Name	Floors	Size	Location	Delivery Date
Wapic House	6	4,500	Ikoyi	2015
Temple Tower	15	15,000	Ikoyi	2015
Afren Tower	15	12,000	Eko Atlantic	2015
Rising Sun	13	10,000	Ikoyi	2015
Alliance Place	13	6,670	Ikoyi	2016
Heritage Place	14	15,734	Ikoyi	2016
The Wings	13	27,000	Victoria Island	2016
Lake Point Towers	12	13,400	Banana Island	2016
Madina Tower	15	8,300	Victoria Island	2016
World Trade Centre	22	26,000	Abuja	2016
Kingsway Tower	15	12,000	Ikoyi	2017
Eko Towers II	27	-	Victoria Island	2017
Plot 5 Abuja Street	9	4,654	Banana Island	2017
Tiamiyu Commercial	8	4,000	Victoria Island	2017
Habour Point	20	20,000	Victoria Island	2018
Trinity Tower	14	-	Oniru	2018
Atlantic Resort	16	15,588	Oniru	2019
The Corporate Tower	34	-	Eko Atlantic	Not Specified
Africa Tower	76	-	Abuja	Not Specified
Sogenal Tower	13	7,500	Ikoyi	Not Specified
The Waves	13	44,000	Victoria Island	On Hold
Bloomsbury Waterfront	6	10,000	Victoria Island	On Hold

Sources: Northcourt, Estate Intel

As liquidity increases to compliment the high consumer spending culture of Nigerians, retail business will soar and demand for retail space will follow. This will also be premised on the removal of bottlenecks currently felt by all in the retail value-chain; it is expected that reasonable appeals for change will not fall on deaf ears for too long.

Similar to the office sub-market, the retail pipeline is very rich with over 100,000sqm of lettable space to be delivered within the next 12 months. These projects are primarily led by a few developers/investors who have successfully delivered similar projects in the region. It is however expected that new completions will be better looking and take into consideration,

lessons learnt from past developments.

Beyond the existing pipeline, malls may get bigger in prime locations (Abuja and Lagos), to cater to more entertainment features lacking in existing stock. Such malls will do well to be located in currently unserved nodes such as Ogudu or Magodo in Lagos. It is also expected that retail projects will emerge in locations beyond the south and move towards the middle belt and Northern states such as Kaduna.

## Retail Development Pipeline

	GLA	Location	Delivery Date
Abia Mall	11,000	Umuahia, Abia	2016
Asokoro City Mall	28,000	Asokoro, Abuja	2016
Benin Mall	13,300	Benin City, Edo	2016
Capital Mall	21,500	CBD, Abuja	2016
Maryland Mall	7,000	Maryland, Lagos	2016
Oasis Centre	6,100	Ikeja, Lagos	2016
Owerri Mall	9,000	Owerri, Imo	2016
Onitsha Mall	12,000	Onitsha, Anambra	2016
Lekki Peninsula Mall	22,000	Sangotedo, Lagos	2017

Sources: Northcourt, Estate Intel

New city master plans means more hospitality projects may be able to plan swiftly and more accurately, also fostering quicker receipt of development permits. This hitherto has been a major bottleneck for large developments and will ease as public offices become less opaque and more efficient.

Improvements in trade and investment with emphasis on the non-oil sectors will promote

business tourism in the commercial centres. Also as the new government fully settles in and commences engaging vendors, consultants and partners, the Abuja hotel market may become vibrant again.

In all, the real estate market will be responsive/reactive to positive or negative economic sentiments respectively





**The 2016 Nigerian Real Estate Market Outlook Report was prepared by Northcourt.**



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2nd Place, Best Real estate Research Company in Nigeria

#### **Sources**

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Tell Magazine  
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#### **Featured building: ED Building – 47 Marina, Lagos**

Pictures by Snaptures Photography

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