

# Investigating the Relationship between Government Policies and the Real Estate Development in Lagos State, Nigeria

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The study investigated the significant relationship between government policies and the real estate development in Lagos State, Nigeria. The study adopted a descriptive survey design for a population of 321 estate surveyors and valuers. The Taro Yamane formula was used to determine the sample size of 179 and the respondents were selected using simple sampling method. Data were primarily sourced through a validated questionnaire. The instrument was subjected for a reliability test that produced Cronbach alpha values of 0.803 and 0.719 respectively. Ten Research Assistants were involved in this study. The targeted Estate Surveyors and Valuers were divided into ten with at least one Research Assistant concentrating on 18 firms. Out of the expected 179, responses were obtained from 103. The collected data were analysed using both the descriptive statistics (table, mean, and standard deviation) and inferential statistics (by testing the null hypothesis using the Pearson correlation at the level of 0.05 significance). The Pearson correlation analysis ( $r = 0.793$ ,  $p = 0.000$ ,  $n = 103$ ) revealed a strong positive relationship between government policies and real estate development in Lagos State. The study found that effective and transparent government policies serve as strong drivers of residential and commercial real estate expansion. Secondly, policy inconsistency, weak implementation, excessive administrative charges, and bureaucratic land acquisition processes significantly delay project delivery and discourage investor participation. Thirdly, while zoning laws generally support orderly and sustainable development, policy areas relating to taxation, incentives, and administrative transparency remain inconsistent and constitute major limiting factors to sectoral growth. Based on these findings, the study concluded that real estate development in Lagos State improves where policies are predictable, properly implemented, and supported by infrastructure and fair regulatory structures. The study therefore recommended that government should strengthen policy implementation mechanisms, streamline land and approval processes, and reform taxation and incentive structures to reduce administrative delays and investor burden.

**Keywords:** Urbanisation, Real Estate Development, Government Policy, Policy Transparency, Lagos State

## Introduction

Real estate development in Lagos State involves transforming land and existing properties into functional residential, commercial, and mixed-use spaces that address the needs of a growing urban population. It encompasses processes such as land acquisition, financing, planning, design, and construction, integrating the contributions of developers, investors, and

regulatory agencies (Ibrahim et. al., 2021). Lagos, as Nigeria's economic nerve centre, has witnessed rapid real estate expansion due to urbanization, migration, and population pressure (Olajide & Lawanson, 2022). This has led to the growth of housing estates, commercial complexes, and mixed-use developments across areas such as Lekki, Ajah, Ikorodu, and Ikeja (Jegede et. al., 2021). However, the pace and sustainability of this development are

significantly influenced by government policies, particularly zoning regulations, taxation, and policy implementation practices (Chukwuma, 2024; Oyedeji, 2021).

Zoning laws in Lagos guide the use of land for residential, commercial, or industrial purposes, promoting order and environmental balance but sometimes restricting development flexibility (Noaim & Alnaim, 2025; Garatsa, 2021). Taxation policies, such as land use charges and development levies, affect the cost structure of real estate investments. While moderate taxation funds essential infrastructure, high or multiple charges discourage investors and raise property prices (Arimoro & Musa, 2025; Nwosu, Bello, Oyetunji & Amaechi, 2023). Inconsistent and poorly enforced policies also hinder real estate development by creating uncertainty and administrative bottlenecks (Thontteh & Omirin, 2021; Onyekwelu & Ogbuefi, 2021). For example, delays in processing Certificates of Occupancy and sudden regulatory changes reduce investor confidence and increase project risks (Oluleye et. al., 2021). Conversely, transparent and predictable policy implementation encourages sustainable development and long-term investment (Aliu, 2024; Ezeanah, 2021).

Despite these challenges, the Lagos real estate sector continues to expand, driven by public-private partnerships and infrastructure investments that support both housing and business development (Umeh et. al., 2025; Adeyemi, 2024). Commercial real estate projects such as the Eko Atlantic City and Ikeja City Mall demonstrate how policy alignment, financing innovation, and urban planning can stimulate large-scale growth and attract foreign investment (Nebolisa & Udobi, 2024; Oyalowo, 2022). Yet, as scholars like Caloffi and Serra (2022) and Nie (2021) suggest, the success of spatial development initiatives depends on cohesive governance structures that integrate economic, social, and environmental priorities. In Lagos, real estate policy reform remains essential for balancing taxation, zoning, and

implementation frameworks to ensure inclusive urban development. Overall, effective and transparent government policies are key determinants of sustainable real estate growth, housing affordability, and urban competitiveness in Lagos State. The study aims at investigating the significant relationship between government policy and real estate development in Lagos State, Nigeria. The specific objectives are to identify the level of real estate development in Lagos State which will be measured by residential housing development, commercial infrastructure development, mixed-use property development, sectoral urban expansion, housing estate growth, commercial complex growth, business hub expansion, and large-scale public-private real estate projects; to also identify the level of government policies in Lagos State by using zoning law, policy implementation, consistency, transparency, taxation structure, incentives, and administrative efficiency as measures; and to finally establish the significant relationship between government policies and real estate development in Lagos State, Nigeria.

This study will provide appropriate answers to these questions: what is the level of real estate development in Lagos State, Nigeria? what is the level of government policies in Lagos State Nigeria? and what is the significant relationship between government policies and real estate development in Lagos State, Nigeria? The null hypothesis which stated that “There is no significant relationship between government policies and real estate development in Lagos State, Nigeria” will be tested at the 0.05 level of significance:

## **Literature Review**

Real estate development encompasses the transformation of land and existing properties into functional residential, commercial, and mixed-use spaces that meet the needs of a growing urban population. This transformation is driven by processes such as land acquisition, financing, planning, design, and construction, as well as the coordinated

contributions of developers, investors, and regulatory agencies (Ibrahim et al., 2021). The conceptual framework identifies the level of real estate development as the dependent variable, which can be measured through eight key indicators: residential housing development, housing estate growth, mixed-use property development, commercial infrastructure development, commercial complex growth, business hub expansion, sectoral urban expansion, and large-scale public-private real estate projects.

Residential housing development, housing estate growth, and mixed-use property development are central measures of real estate development because they reflect the sector's capacity to meet the housing and living requirements of Lagos's rapidly growing population. Public-private partnership (PPP) housing estates, as well as private estates in urban corridors, provide concrete evidence of housing delivery performance and resident satisfaction (Jegade et al., 2021). Mixed-use developments, which integrate residential, commercial, and service functions, serve as indicators of urban functional diversification and efficient land use, demonstrating the maturity of the property market (Ezeanah, 2021; Ibrahim et al., 2021). The growth of planned housing estates and the spread of medium- to high-density residential developments further indicate active real estate expansion and responsiveness to socio-economic pressures within Lagos (Oluleye et al., 2021).

Commercial infrastructure development, commercial complex growth, business hub expansion, sectoral urban expansion, and large-scale public-private real estate projects represent the economic and spatial dimension of real estate development. The expansion of office spaces, retail complexes, and specialized commercial districts signals investment activity and the city's capacity to support economic functions (Olajide & Lawanson, 2022; Nebolisa & Udobi, 2024). Public-private collaborations and large-scale urban projects, such as those in Lekki, Ikeja, and

Victoria Island, provide tangible measures of development depth, institutional coordination, and capital investment (Umeh et al., 2025; Oyalowo, 2022). Sectoral urban expansion, reflected in the clustering of commercial and residential properties along growth corridors, also serves as an indicator of how development is spatially organized to optimize accessibility, infrastructure use, and economic productivity (Olajide & Lawanson, 2022). Collectively, these measures provide a holistic framework for assessing the level of real estate development in Lagos State, linking both housing and commercial outputs to urban growth patterns and socio-economic transformation.

Government policies in real estate development are commonly measured through regulatory and operational dimensions such as zoning law, policy implementation, policy consistency, and transparency. Zoning regulations are widely recognized as a central planning instrument through which governments structure land use, guide spatial growth, and manage urban density. Recent urban economics and planning research shows that zoning and land-use controls significantly influence housing supply, development patterns, and price dynamics in growing cities (Glaeser & Gyourko, 2018; OECD, 2021). Contemporary governance studies further emphasize that the strength of zoning and land regulations depends not only on their design but on implementation quality and institutional coordination. Weak implementation and fragmented regulatory systems tend to produce uncertainty and uneven development outcomes, whereas predictable and clearly enforced rules support market stability and investor confidence (World Bank, 2020; Addin, 2025). Policy consistency and transparency are therefore widely used measurement dimensions, since stable and openly communicated regulatory frameworks reduce transaction risk, improve compliance, and enhance real estate market performance (OECD, 2021; Addin, 2025).

Additional measures frequently used in assessing government policy effectiveness include taxation structure, incentives, and administrative efficiency, all of which directly affect development feasibility and project delivery timelines. Property taxation and land-based revenue systems are recognized policy tools that shape investment behavior and urban expansion. Recent comparative studies show that well-structured and predictable property tax systems can support infrastructure financing and sustainable development, while complex and overlapping charges discourage formal real estate investment (OECD, 2021; World Bank, 2022). Government incentives, such as tax reliefs, development bonuses, and public-private partnership frameworks, are also established policy instruments for stimulating private sector participation in housing and commercial projects (World Bank, 2020). Administrative efficiency remains another core measurement indicator, commonly evaluated through the speed and simplicity of construction permits, land registration, and title processing, with global regulatory assessments consistently linking bureaucratic delays to higher project risk and slower sectoral growth (World Bank, 2020; Addin, 2025). Together, these dimensions form a current, evidence-based framework for measuring the level and effectiveness of government policy in real estate development.

The theory adopted in this study for the dependent variable is Sector Model Urban Development propounded by Homer Hoyt in 1939 (Aliu, 2024). The theory provides a useful framework for explaining the patterns and measures of real estate development within growing cities. Hoyt argued that urban expansion does not occur uniformly around a central business district but rather in sectors or corridors, often determined by economic activities, residential housing preferences, and infrastructural investments (Kibido, 2022). This model emphasises that high-rent residential areas and commercial properties tend to expand along specific axes of

growth, influenced by transport routes, zoning policies, and market forces (Noaime & Alnaim, 2025). UGT directly relates to the measures of real estate development in Lagos State which are residential housing development and commercial and business infrastructure development.

In line with Hoyt's proposition, Lagos exhibits sectoral expansion patterns: luxury estates and gated communities are concentrated in Lekki and Victoria Island; middle-income housing developments are prominent in Ajah, Ikorodu, and Epe; and commercial hubs such as Victoria Island, Ikeja, and the Lekki Free Trade Zone attract offices, shopping malls, and business complexes. The theory also captures how private and government-led projects, such as Lagos HOMS and Eko Atlantic City, shape urban growth by catering to different housing needs and commercial demands. Thus, Hoyt's Urban Growth Theory not only explains the spatial distribution of real estate projects in Lagos but also validates the measures of development in this study, housing provision and commercial/business infrastructure, as indicators of urban advancement and socio-economic transformation.

On the other hand, the theory adopted in this study for the independent variable is Growth Pole Theory (GPT) which was propounded by François Perroux propounded in 1950. The theory explains how economic development is not uniform across space but instead concentrated around certain "poles" or centers, driven by key industries, policies, and infrastructural investments (Garatsa, 2021). Perroux asserted that growth is stimulated when government policies and strategic investments create favorable conditions in specific locations, which then attract further development and investment, causing a ripple effect across surrounding areas (Caloffi & Serra, 2022).

This theory directly reflects the role of government policy in real estate development as captured in this study. Policies such as zoning laws, taxation, and policy implementation practices act as

enablers or constraints to growth poles (Philipsborn et. al., 2022). For instance, zoning laws guide how land is utilized for residential or commercial purposes, creating structured hubs of development such as Victoria Island, Lekki, and Ikeja. Taxation policies, when moderately applied, generate revenue to fund infrastructure that enhances the attractiveness of growth centers; but when excessive, they discourage investment and stall development (Arimoro & Musa, 2025). Similarly, consistent and transparent policy implementation ensures investor confidence, stimulates large-scale projects, and supports sustainable growth, while inconsistent enforcement creates uncertainty that weakens growth poles.

In Lagos State, government policies have therefore acted as both drivers and inhibitors of real estate development. Where policies are favorable, residential housing estates, commercial complexes, and mixed-use hubs thrive, reinforcing Lagos' role as Nigeria's economic growth pole. However, where policies are restrictive or inconsistently applied, they create bottlenecks that limit the sector's capacity to meet housing demand, attract foreign investment, and sustain long-term competitiveness.

### **Empirical Review**

Government policies play crucial roles when it comes to real estate development. A study by Chukwuma (2024) investigated the impact of government policies on real estate sector in Akure, Ondo State, Nigeria. The study reviewed the purchase, development, ownership, management, rental, and sale of property for profit. The study revealed that despite real estate sector importance in the society, it is hindered by restrictive regulations, ownership barriers, and unpredictable legislative changes. Using data collected through structured questionnaires from public and private organizations, the study employed Weighted Mean Score, Logistic Regression, and Factor Analysis to identify key issues affecting performance. The findings revealed that insufficient infrastructure, shortage of skilled manpower, bureaucratic land processes, ineffective inspections,

weak policy implementation, and poor allocation practices significantly constrain real estate development. The study recommends the establishment of clear policies and proper supervision to enhance effectiveness and promote environmental sustainability. Empirical evidence on real estate development and government policies reveals diverse insights from global and Nigerian perspectives. Garatsa (2021) found that institutional and spatial economic factors significantly influence urban development patterns, highlighting how infrastructure proximity affects property expansion. Similarly, Caloffi and Serra (2022) discussed development pole strategies in Italy and Brazil, underscoring how policy-driven growth fosters urban transformation—an idea relevant to Lagos State's rapid real estate evolution. In Nigeria, Aliu (2024) established that residential quality and housing preferences are largely shaped by urban infrastructure and developer engagement, while Adeyemi (2024) identified failed real estate projects as a major factor destabilizing Lagos property markets. Oyalowo (2022) further explained that urban expansion and inadequate planning increase housing pressure and land-use conflicts in Lagos.

Chukwuma (2024) and Oyedeji (2021) both examined policy frameworks, concluding that inconsistent government regulations and high administrative charges discourage housing investments. This aligns with Philipsborn et al. (2022), who noted that transparent and coordinated policy environments are essential for sustainable sectoral development. Arimoro and Musa (2025) emphasized that effective taxation frameworks can support infrastructure development if managed equitably. Onyekwelu and Ogbuefi (2021) found that urban regeneration projects improve living conditions only when policies are consistently implemented. In a related study, Nwosu et al. (2023) confirmed that real estate serves as a viable inflation hedge in Nigeria but remains sensitive to policy volatility.

Kunal and Kumar (2025) conducted an empirical mixed-methods study on how government initiatives influence commercial real estate development in Bihar, India, combining statistical trend analysis with stakeholder feedback from developers, investors, and policymakers. Their findings show that government regulatory frameworks—such as land use rules, approval systems, and zoning controls—strongly determine the pace and scale of commercial property projects. The study reveals that policy-driven investment incentives, including tax concessions and development support schemes, significantly improve investor interest and project viability. Quantitative results indicate a positive association between supportive policy measures and increased commercial real estate activity. Qualitative responses further show that transparency and ease of approval processes boost market confidence. However, respondents also reported that bureaucratic delays and weak infrastructure reduce policy effectiveness. The authors conclude that consistent implementation and streamlined regulations are as important as policy design.

Globally, Nie (2021) and Noaime and Alnaim (2025) highlighted the civic and economic promise of well-planned urban development, noting that government policy coordination enhances sustainable city growth. Similarly, Kibido (2022) demonstrated how historic urban segregation still affects spatial distribution in South Africa, implying the need for inclusive housing strategies in Lagos. Empirical studies by Jegede et al. (2021) and Thontteh and Omirin (2021) revealed that location, design, and governance significantly influence housing satisfaction and development success. Umeh et al. (2025) also confirmed that investor confidence in off-plan real estate projects in

Lagos depends on clear, stable government policy.

Collectively, these studies affirm that while Lagos State experiences notable real estate growth, the sector's full potential is constrained by unstable policy frameworks, excessive levies, and weak urban planning. The reviewed empirical evidence strongly supports the present study's findings that real estate development in Lagos is moderately high but hindered by inconsistent government policies.

### **Methodology**

The study adopted a descriptive survey design for a population of 321 estate surveyors and valuers (NIESV, 2025). The Taro Yamane formula was used to determine the sample size of 179 and the respondents were selected using simple sampling method. Data were primarily sourced through a validated equestionnaire. The instrument was subjected for a reliability test that produced Cronbach alpha values of 0.803 and 0.719 respectively. Ten Research Assistants were involved in this study. The targeted Estate Surveyors and Valuers were divided into ten with at least one Research Assistant concentrating on 18 firms. Out of the expected 179, responses were obtained from 103. The collected data were analysed using both the descriptive statistics (table, mean, and standard deviation) and inferential statistics (by testing the null hypothesis using the Pearson correlation at the level of 0.05 significance).

### **Data Presentation and Analysis**

The demographic characteristics of the respondents provide an important context for understanding the composition of the study population. Table 1 summarizes the profile of respondents based on gender, marital status, age, educational background, and years of service.

**Table 1: Demographic Data Analysis**

Characteristics		Frequency	Percent
<b>Gender</b>	Male	84	81.6
	Female	19	18.4
<b>Marital Status</b>	Single	36	35
	Married	67	65
<b>Age Range</b>	Less than 40 years	12	11.7
	41 – 50 years	36	35
	51 – 60 years	45	43.7
	Above 60 years	10	9.6
<b>Educational Background</b>	ND/NCE	8	7.8
	HND	27	26.2
	B.Sc.	39	37.9
	M.Sc.	18	17.5
	Ph.D.	11	10.6
<b>Years in Service</b>	Less than 5 years	6	5.8
	6 – 10 years	12	11.7
	11 – 15 years	30	29.1
	16 – 20 years	38	36.9
	Above 21 years	17	16.5

**Source:** Field survey, 2025

Table 1 shows 103 respondents' data analysis. Most of the respondents were male representing 81.6% while their female counterpart was 18.4%. Most of them were married while 35% were singles. Their age range shows that most of them (representing 78.7%) fell within the 41–60 years which indicated that most respondents were mature and experienced professionals. Meanwhile, 11.7% were below 40 years and 9.6% were above 60 years. The respondents' educational background shows that 37.9% held a B.Sc., 26.2% had an HND, 17.5% possessed an M.Sc., 10.6% held a Ph.D., and the least was 7.8% who had ND/NCE qualifications. These outputs proved that the respondents were generally well-educated. The respondents' years in service shows that 36.9% had worked between 16–20 years, 29.1% between 11–15 years, 16.5% above 21 years, 11.7%

between 6–10 years, and only 5.8% had less than 5 years of experience, implying that most respondents were long-serving and knowledgeable about real estate and policy-related issues in Lagos State.

## Results

### Level of real estate development in Lagos State, Nigeria

The development of real estate in Lagos State can be evaluated through various indicators such as government initiatives, housing projects, commercial expansion, and private sector participation were assessed to determine the overall level of real estate development across Lagos State. The results presented below reflect respondents' perceptions and the general trend of development in the state.

**Table 2 – Level of real estate development in Lagos State, Nigeria**

S/N	Statement	Mean	SD	Remark
1	Residential housing projects have increased across Lagos State.	3.21	0.74	Accepted
2	The level of commercial property development has expanded in major business districts.	3.15	0.78	Accepted
3	Real estate developers contribute to affordable housing delivery.	2.46	0.91	Rejected
4	The Lagos State government has improved urban infrastructure through real estate initiatives.	2.52	0.88	Rejected
5	Private sector developers play a major role in new housing estates and gated communities.	3.09	0.82	Accepted
6	There is noticeable growth in mixed-use property development (residential and commercial).	3.02	0.85	Accepted
7	The overall pace of real estate development in Lagos State is high.	3.10	0.80	Accepted
<b>Average Mean and Standard Deviation (SD)</b>		<b>2.94</b>	<b>0.83</b>	<b>Accepted</b>

**Source:** Field study, 2025 **Decision Rule:** Accept = 2.51 – 4.00; Reject = 1.00 - 2.50

The results in Table 2 reveal that the level of real estate development in Lagos State is generally high, with an overall mean score of 2.94 and standard deviation of 0.83. Most respondents agreed that residential housing, commercial property development, and mixed-use projects have increased significantly across the state. However, statements relating to affordable housing delivery and government-led urban infrastructure were rejected, indicating limited impact in these areas. Overall, the findings suggest that real estate growth in Lagos is largely driven by private sector initiatives rather than direct government interventions.

### **Level of Government Policies in Lagos State, Nigeria**

Government policies play a critical role in shaping real estate activities through various indicators such as regulations, taxation, incentives, and urban development frameworks. In this study, the indicators evaluated include zoning regulations, taxation, policy transparency, and the impact of incentives on property investment, as presented below.

**Table 3 – Level of Government Policies in Lagos State, Nigeria**

S/N	Statement	Mean	SD	Remark
1	Zoning laws promote orderly and sustainable real estate development.	3.08	0.81	Accepted
2	High taxation discourages real estate investment.	3.12	0.79	Accepted
3	Policy implementation in Lagos State is transparent and consistent.	2.44	0.88	Rejected
4	Government incentives encourage the development of commercial buildings.	2.39	0.93	Rejected
5	Excessive levies and charges increase the cost of real estate projects.	3.11	0.83	Accepted
6	Frequent policy changes create uncertainty among investors and developers.	2.46	0.91	Rejected
7	Government housing policies have improved access to home ownership.	2.48	0.90	Rejected
<b>Average Mean and Standard Deviation (SD)</b>		<b>2.73</b>	<b>0.86</b>	<b>Accepted</b>

**Source:** Field study, 2025 **Decision Rule:** Accept = 2.51 – 4.00; Reject = 1.00 - 2.50

The results in Table 3 show that the overall level of government policies affecting real estate development in Lagos State is moderate, with an average mean of 2.73 and a standard deviation of 0.86. Respondents agreed that zoning laws promote orderly development and that high taxation and levies significantly influence real estate investment costs. However, statements on policy transparency, government incentives, frequent policy changes, and housing policy effectiveness were rejected, suggesting inconsistencies and limited government impact in these areas. Overall, the findings indicate that while some policies support development, inadequate implementation and unstable regulations hinder the full potential of real estate growth in Lagos State.

### Testing of Hypothesis

In Table 4, the hypothesis tests the significant relationship between government policies (GP) and real estate development (RED) in Lagos State, Nigeria. The results show a Pearson correlation coefficient of 0.793 with a significance level (Sig.) of 0.000 (2-tailed), indicating a strong positive correlation between the two variables. This suggests that as the government policies increase, the real estate development is greatly influenced. Thus, the null hypothesis is rejected and the alternate accepted that government policies have

significant influence on real estate development in Lagos State. The result implies that government policies shape the real estate development through mechanisms such as zoning regulations, tax incentives, land use planning, and infrastructure development. Meanwhile, consistent and transparent policy implementation, reduced levies, and effective incentives are determinant mechanisms that can further enhance investment confidence, encourage private sector participation, and promote sustainable real estate development across Lagos State.

### Discussion of Findings

Based on the Pearson correlation analysis result ( $r = 0.793$ ,  $p = 0.000$ ,  $n = 103$ ), which revealed a strong positive relationship between government policies and real estate development in Lagos State, it implies that as government policies become more effective, transparent, and investor-friendly, the level of real estate development significantly will improve. The result supports the study's earlier findings (Mean = 2.94, SD = 0.83; Mean = 2.73, SD = 0.86), which show that while Lagos State has experienced rapid residential and commercial expansion, policy inconsistency and inadequate government incentives remain key limiting factors.

**Table 4: Relationship between government policies and real estate development in Lagos State, Nigeria**

Statistics		(GP)	(RED)
Government Policies (GP)	Pearson Correlation	1	.793**
	Sig. (2-tailed)		.000
	n	103	103
Real Estate Development (RED)	Pearson Correlation	.793**	1
	Sig. (2-tailed)	.000	
	n	103	103

\*\*Correlation is significant at the 0.05 level (2-tailed)

Chukwuma (2024) and Oyedeji (2021) were both affirmed these findings as they observed that inconsistent government regulations, weak supervision, and excessive administrative charges discourage housing investment and delay project delivery. In addition, in the study of Thontteh and Omirin (2021) and Onyekwelu and Ogbuefi (2021), they found that ineffective policy implementation and bureaucratic land acquisition processes create barriers to real estate growth. These findings reinforce the present study's conclusion that sustainable urban development requires predictable and coordinated government action. Similarly, Arimoro and Musa (2025) asserted that a well-structured taxation framework can promote infrastructure development and investment if applied equitably. In another study, Aliu (2024) and Ezeanah (2021) noted that transparent and stable policies enhance investor confidence, attract private developers, and ensure long-term housing affordability. Nwosu et al (2023) also affirmed that excessive levies and policy volatility weaken real estate performance, making policy reform a crucial step toward achieving housing goals in Lagos State.

From a theoretical standpoint, the Growth Pole Theory (Perroux, 1950) and the Urban Growth Theory (Hoyt, 1939) provide strong explanatory frameworks for this relationship. The Growth Pole Theory suggests that concentrated government policies and infrastructural investments stimulate regional development. This aligns with the present finding that zoning regulations, infrastructural initiatives, and tax incentives act as catalysts for real estate expansion in Lagos (Garatsa, 2021; Caloffi & Serra, 2022). The Urban Growth Theory also explains how urban expansion occurs along specific corridors shaped by policy, transport routes, and economic activities (Kibido, 2022; Noaime & Alnaim, 2025). Lagos demonstrates these patterns, as evidenced by the clustering of luxury estates in Lekki and Victoria Island and the growing business hubs in Ikeja and the Lekki Free Trade Zone.

Empirical evidence from Umeh et al. (2025) and Adeyemi (2024) further supports this study's finding that public-private partnerships and infrastructural investments enhance both housing and commercial property development. Oyalowo (2022) also confirmed that policy alignment and urban planning, as seen in projects like Eko Atlantic City and Ikeja City Mall, significantly boost real estate growth and attract foreign investment. In a global context, Nie (2021) and Noaime and Alnaim (2025) highlighted that coordinated policy frameworks and sustainable urban planning are essential for balanced city growth -consistent with this study's findings for Lagos State. The study also found that while zoning laws in Lagos promote orderly and sustainable real estate development, other policy areas such as taxation, incentives, and administrative transparency remain inconsistent. This view aligns with Philipsborn et al. (2022), who stressed that transparent and predictable policy environments are key to sustainable sectoral development. Similarly, Garatsa (2021) emphasized that spatial and institutional factors such as zoning and infrastructure proximity strongly influence property expansion, mirroring the findings of this research.

In all, the statistical and empirical results of this study affirm that government policies significantly shape real estate development in Lagos State. Favourable policies, such as efficient zoning regulations, transparent taxation systems, and consistent policy implementation, enhance investor confidence, stimulate urban expansion, and foster sustainable housing development. Conversely, frequent policy changes, excessive levies, and bureaucratic delays constrain the sector's potential. Therefore, strengthening policy consistency, improving regulatory frameworks, and promoting private sector collaboration remain essential for advancing real estate development and achieving inclusive urban growth in Lagos State.

## Conclusion and Recommendations

The findings of this study revealed that government policies significantly influence the level of real estate development in Lagos State, Nigeria. With an average mean of 2.73 and a strong positive correlation ( $r = 0.793$ ,  $p = 0.000$ ), the results indicate that effective, transparent, and consistent policies promote growth in the real estate sector, while inconsistent implementation, excessive taxation, and bureaucratic bottlenecks hinder progress. The study concludes that sustainable real estate development depends largely on coherent policy frameworks that balance regulation with investor incentives. When government actions align with long-term urban planning and infrastructural goals, real estate activities flourish, attracting private investment and enhancing housing availability across the state.

Based on these findings, it is recommended that the Lagos State Government ensures policy consistency, transparency, and efficiency in all aspects of real estate regulation. Taxation frameworks should be reviewed to encourage investment, and land administration processes should be simplified through digitization to eliminate delays and corruption. Infrastructure development in emerging urban areas should be prioritized, while public-private partnerships (PPPs) should be strengthened to finance large-scale housing projects. By adopting these measures, Lagos State can build a more stable policy environment that supports sustainable real estate growth, improves housing delivery, and strengthens its position as Nigeria's leading economic and urban hub.

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