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Determinants of Land Value Appreciation Dynamics in the Lekki Corridor, Nigeria

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Abstract:

➢ ***Background:***

The Lekki Corridor of Lagos State has emerged as one of Nigeria's fastest-growing real estate markets, but land value appreciation patterns vary significantly across its sub-markets. This study investigates the determinants driving these dynamics.

➢ ***Methods:***

A survey research design was adopted, targeting 276 estate surveying and valuation firms in the corridor. Using the Kothari formula, a sample of 161 firms was selected, with 143 valid responses retrieved, representing 88.82%. Data were analyzed using both descriptive and inferential statistics. Factor analysis (KMO = 0.841; Bartlett's $\chi^2 = 1607.622$, $p < 0.001$) was employed to identify underlying determinants of land value appreciation.

➢ ***Results:***

Findings reveal substantial land value growth between 2010 and 2024. Established areas such as Lekki Phase 1 (650%) and Chevron Drive (567%) recorded steady appreciation, while emerging hubs including Ibeju-Lekki (2,900%), Sangotedo (1,525%), Jakande (1,014%), and Ikate Elegushi (1,014%) experienced explosive increases driven by mega-projects and infrastructure. Factor analysis identified four principal components explaining 69.97% of total variance: socioeconomic growth drivers, macroeconomic and spatial-structural dynamics, financial structuring and market mechanisms, and institutional governance capacity. Among determinants, developer financing and installment schemes (mean = 4.18), land fragmentation (mean = 4.17), and flood risk (mean = 3.93) ranked highest, while weak judicial effectiveness (mean = 3.06) and corruption in land allocation (mean = 3.20) were notable constraints.

➢ ***Conclusion:***

The Lekki Corridor demonstrates both stable and speculative land appreciation patterns. Sustainable real estate growth requires strengthened governance, resilient urban planning, flexible financing mechanisms, and effective land administration reforms.

Keywords: *Land Value, Determinants, Lekki Corridor, Land Value Appreciation.*

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I. INTRODUCTION

Urban land markets in rapidly developing economies are undergoing dynamic transformations, shaped by the interaction of economic, institutional, and demographic forces. In Nigeria, Lagos State exemplifies this trend, particularly within the Lekki Corridor, where land value appreciation has been both dramatic and uneven. The corridor, stretching from Victoria Island through Lekki Phase 1, Ajah, Sangotedo, to Ibeju-Lekki, has transitioned from a peripheral suburban strip into a major residential, commercial, and industrial hub within two decades. This transformation has been propelled by large-scale infrastructural investments, including the Lekki–Epe Expressway, the Lekki Free Trade Zone, the Deep-Sea Port, and the Dangote Refinery, all of which have redefined the investment profile of the corridor.

The rapid appreciation of land values within the area is not uniform. Established locations such as Lekki Phase 1 and

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Chevron Drive have witnessed steady but measured growth, while emerging nodes like Ibeju-Lekki and Sangotedo have experienced exponential appreciation rates, in some cases surpassing 1,500% over a 14-year period. These variations underscore the complexity of land value dynamics and point to the interplay of multiple determinants, including access to developer financing, institutional frameworks, environmental risks, and speculative pressures. Understanding these determinants is crucial not only for investors and practitioners but also for urban planners and policymakers tasked with managing sustainable urban growth in Lagos.

II. LITERATURE REVIEW

The dynamics of land value appreciation have long been linked to the interaction of infrastructure, macroeconomic conditions, and institutional structures. Alonso's (1964) bid-rent theory and subsequent urban economic models suggest that land values reflect accessibility, development pressure, and competing land-use demands. In the Nigerian context, Ayodele, Agboola, and Ekemode (2022) observed that real estate growth is often shaped by both structural constraints and market incentives, noting that the property sector remains heavily male-dominated, reflecting broader gendered access to professional and financial opportunities. This structural reality has implications for how firms participate in, and shape, the dynamics of land appreciation.

Infrastructure remains one of the most significant drivers of value change. Studies have consistently shown that new transportation networks, energy facilities, and commercial nodes increase accessibility and stimulate both speculative and organic land value growth (Oladeji, 2021; Eliasson, Kopsch, & Mandell, 2020). In the Lekki Corridor, the expressway and industrial developments have been central to shifting land values, with Sangotedo and Ibeju-Lekki demonstrating how mega-projects can trigger explosive price surges within a relatively short time frame. Similar patterns have been reported in other developing economies where urban expansion intersects with large-scale infrastructural investment (Doruk, 2024).

At the same time, macroeconomic factors such as inflation and interest rates exert direct influence on land and housing markets. Kasim, Wahab, and Oweniwe (2021) argued that high inflation not only escalates construction costs but also encourages land banking as a hedge against currency depreciation. This mechanism is evident in Lagos, where periods of macroeconomic instability have coincided with spikes in land speculation, particularly in peri-urban areas such as Ibeju-Lekki.

Institutional and governance structures further condition land value dynamics. Secure tenure and efficient land titling are recognized as essential for encouraging investment and sustaining appreciation (Zhu, Paudel, & Luo, 2020). Conversely, weak judicial systems and corruption in land allocation create uncertainty, discourage formal investment, and distort property values (Zhao, Chen, & Feng, 2020). Within the Lekki Corridor, issues of land fragmentation due to inheritance practices mirror findings by Effiong, Ngang, and Ekott (2024), who showed that fragmented tenure systems reduce land assembly efficiency and hinder optimal urban development.

Environmental risk also constitutes a significant determinant of property dynamics in coastal urban environments. Njoku, Efiong, and Ayara (2020) highlighted how flood-prone areas in Nigerian cities experience reduced development intensity and lower value stability due to the perceived risks and additional costs of mitigation. Given the Lekki Corridor's coastal location, exposure to flooding and sea-level rise represents both a constraint on value appreciation in some sub-markets and a driver of speculative avoidance or redirection to less risky areas. Socio-demographic factors, particularly population growth and rural–urban migration, are equally important. Olaniran, Musvoto, and Aule (2024) observed that urbanization across African cities has created enormous demand for land and housing, though the impact is uneven due to socioeconomic stratification. In Lekki, this translates into differentiated market segments, where high-income investors drive luxury residential and commercial demand in nodes like Lekki Phase 1, while mid- to low-income groups seek affordability in Ajah or Sangotedo.

Also, external capital flows, particularly foreign direct investment and diaspora remittances, have influenced high-value developments across Nigeria (Park, 2021). In Lekki, such inflows often target speculative enclaves, accelerating land value appreciation and contributing to gentrification pressures. While these inflows boost market vibrancy, they also exacerbate inequality in access to property markets, thereby widening the affordability gap. Taken together, the literature suggests that land value appreciation in the Lekki Corridor cannot be attributed to a single determinant but rather emerges from the interaction of economic structures, institutional frameworks, environmental constraints, and social dynamics. What remains underexplored, however, is a systematic empirical analysis of how these factors operate simultaneously within a single corridor, producing differential appreciation patterns across sub-markets. This study addresses this gap by examining the determinants of land value appreciation in Lekki through descriptive and inferential methods, thereby providing a more holistic understanding of urban land dynamics in Lagos State.

III. METHODOLOGY

The study adopted a survey research design to investigate the development patterns and land value appreciation within the Lekki Corridor of Lagos State. The population for the study comprised all 276 Estate Surveying and Valuation Firms operating within the corridor. To determine an appropriate sample size, the Kothari formula was employed, which produced a sample of 161 firms. These firms were selected using a non-probability sampling technique, ensuring that a broad cross-section of the target population was represented. Data for the study were collected through the administration of structured questionnaires to the 161 firms. Of these, 143 completed questionnaires were retrieved and found usable for analysis, representing a high

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response rate of 88.82%. The data were analyzed using a combination of descriptive and inferential statistical tools, which allowed for both summary descriptions and deeper interpretation of the findings. Results were presented in tables to aid clarity, enhance interpretation, and provide a structured representation of the relationships among variables.

➢ *Data Presentation and Analysis*

Table 1 Profile of Estate Surveying and Valuation Firms

Characteristics	Classification	Frequency	Percentage (%)
Gender	Male	118	82.5
	Female	25	17.5
	Total	143	100.0
Professional Status	Probationer	46	32.2
	Graduate	6	4.2
	Associate	40	28.0
	Fellow	51	35.7
	Total	143	100.0
Number of branches	1	77	53.8
	2	30	21.0
	3	32	22.4
	5 and above	4	2.8
	Total	143	100.0
Academic Qualification	HND	13	9.1
	PGD	36	25.2
	BSc/B.Tech	43	30.1
	MSc/M.Tech	43	30.1
	PhD	8	5.6
	Total	143	100.0
1qaaYears of Experience	1-5	38	26.6
	6-10	31	21.7
	11-15	41	28.7
	16-20	14	9.8
	Above 20	19	13.3
	Total	143	100.0
Staff Strength	1-5	20	14.0
	6-10	18	12.6
	11-15	32	22.4
	16-20	50	35.0
	Above 20	23	16.1
	Total	143	100.0
Area of Specialization	Property Management	24	16.8
	Real Estate Agency	39	27.3
	Asset Valuation	26	18.2
	Project Development	31	21.7
	Facility Management	15	10.5
	Others	8	5.6
	Total	143	100.0
Class of Properties	NIESV	45	31.5
	All of the above	98	68.5
	Total	143	100.0

Source: Author's Fieldwork, 2025

The demographic and professional profile of Estate Surveying and Valuation firms in the study area reflects notable trends in structure and capacity. The sector is predominantly male, with men accounting for 82.5% of the workforce compared to 17.5% women, aligning with earlier findings on gender imbalance in Nigeria's real estate profession (Ayodele, Agboola, Ekemode et al., 2022). In terms of professional status, Fellows (35.7%) form the largest group, followed by probationers (32.2%), associates (28.0%), and graduate members (4.2%), indicating both professional maturity and a steady inflow of younger entrants essential for succession (Obianuju, Ibrahim & Zubairu, 2021). Operationally, more than half of firms (53.8%) run a single branch, while only 2.8% operate five or more, reflecting the dominance of small-to-medium practices typical of developing economies (Sackey & Caeser, 2020).

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Academic and experiential profiles show that Bachelor's and Master's holders (30.1% each) dominate, alongside Postgraduate Diploma (25.2%), HND (9.1%), and PhD (5.6%) holders. The majority of practitioners have 11–15 years' experience (28.7%), followed by 1–5 years (26.6%) and 6–10 years (21.7%), while only 13.3% have more than 20 years, underscoring the need for mentorship programs (Blaess, Santin, Bloom et al., 2020). Staffing levels also suggest medium-sized operations, with 35.0% employing 16–20 staff and 22.4% engaging 11–15. Specialization patterns are diversified: real estate agency (27.3%) leads, followed by project development (21.7%), asset valuation (18.2%), property management (16.8%), and facility management (10.5%), demonstrating adaptability in a dynamic market (Ayodele, Oladokun & Kajimo-Shakantu, 2020). Furthermore, most firms (68.5%) handle all property classes, reflecting broad market engagement and flexibility.

Table 2 Land Appreciation Index

Year	Lekki Phase 1	Lekki Phase 2	Ibeju-Lekki	Chevron Drive	Ikate Elegushi	Jakande	Osapa London	Sangotedo	Ajah
2010	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
2011	1.00	1.20	1.25	1.11	1.20	1.43	1.25	1.25	1.20
2012	1.13	1.40	1.50	1.29	1.40	1.60	1.50	1.50	1.47
2013	1.33	1.40	2.00	1.29	1.80	2.00	1.88	1.88	1.67
2014	1.50	1.60	2.50	1.44	2.20	2.57	2.25	2.50	2.00
2015	1.96	2.00	3.00	2.00	2.80	0.29	2.50	3.13	2.33
2016	2.08	2.00	4.00	2.33	3.20	3.14	3.00	3.75	2.67
2017	2.50	2.40	5.00	2.61	3.60	3.71	3.50	4.38	3.33
2018	2.67	2.40	6.00	2.94	4.20	3.71	4.00	5.00	4.00
2019	3.08	2.60	7.50	3.28	4.60	5.14	4.50	6.25	4.67
2020	3.08	2.80	10.00	3.28	5.20	5.97	5.10	6.88	5.00
2021	3.75	3.20	15.00	3.78	5.60	6.29	5.75	8.75	5.67
2022	4.17	3.40	17.50	3.89	6.40	7.14	6.25	11.25	6.33
2023	5.83	4.40	22.50	4.44	7.20	9.69	8.75	13.75	7.33
2024	7.50	4.80	30.00	6.67	8.00	11.14	10.00	16.25	8.67

Source: Author's Fieldwork, 2025

The analysis of Table 2 highlights significant variations in land value appreciation across the Lekki Corridor between 2010 and 2024. Lekki Phase 1 demonstrated steady and consistent growth, rising from 1.00 in 2010 to 7.50 in 2024, representing a 650% increase. Growth accelerated after 2014, reflecting sustained infrastructural development and strong investor confidence that positioned the area as a benchmark for the corridor. In contrast, Lekki Phase 2 exhibited a more conservative trajectory, growing from 1.00 to 4.80 over the period, a 380% appreciation, suggesting its role as a more affordable residential option with slower market momentum. Emerging areas showed far more dramatic growth. Ibeju-Lekki recorded the most extraordinary transformation, surging from 1.00 in 2010 to 30.00 in 2024, a remarkable 2,900% appreciation, reflecting massive infrastructural projects and government-backed developments that redefined its investment profile. Similarly, Sangotedo achieved 1,525% appreciation, rising to 16.25 by 2024, while Jakande and Ikate Elegushi both recorded 1,014% growth, with Jakande maintaining steady acceleration and Ikate recovering impressively from a sharp devaluation in 2015. Osapa London also emerged as a top performer, appreciating by 900%, driven by its transformation into a premium residential enclave. By comparison, more established areas reflected moderate but stable growth. Chevron Drive appreciated by 567%, while Ajah recorded a 767% increase, reflecting predictable and steady growth patterns attractive to conservative investors. Overall, the findings reveal a dual narrative: established locations such as Lekki Phase 1 and Chevron Drive maintained stability and reliability, while emerging hubs like Ibeju-Lekki and Sangotedo experienced explosive appreciation, underscoring the corridor's transition from a developing suburb into one of Lagos' most dynamic real estate markets.

Table 3 Comparing Benchmark Index to Land Value Appreciation Indexes in Lekki Corridor Real Estate

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Benchmark Index	1.00	1.21	1.42	1.69	2.06	2.22	2.91	3.45	3.88	4.62	5.26	6.42	7.37	9.32	11.45
Lekki Phase 1	1.00	1.00	1.13	1.33	1.50	1.96	2.08	2.50	2.67	3.08	3.08	3.75	4.17	5.83	7.50
Lekki Phase 2	1.00	1.20	1.40	1.40	1.60	2.00	2.00	2.40	2.40	2.60	2.80	3.20	3.40	4.40	4.80
Ibeju-Lekki	1.00	1.25	1.50	2.00	2.50	3.00	4.00	5.00	6.00	7.50	10.00	15.00	17.50	22.50	30.00
Chevron Drive	1.00	1.11	1.29	1.29	1.44	2.00	2.33	2.61	2.94	3.28	3.28	3.78	3.89	4.44	6.67
Ikate Elegushi	1.00	1.20	1.40	1.80	2.20	2.80	3.20	3.60	4.20	4.60	5.20	5.60	6.40	7.20	8.00

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Jakande	1.00	1.43	1.60	2.00	2.57	0.29	3.14	3.71	3.71	5.14	5.97	6.29	7.14	9.69	11.14
Osapa London	1.00	1.25	1.50	1.88	2.25	2.50	3.00	3.50	4.00	4.50	5.10	5.75	6.25	8.75	10.00
Sangotedo	1.00	1.25	1.50	1.88	2.50	3.13	3.75	4.38	5.00	6.25	6.88	8.75	11.25	13.75	16.25
Ajah	1.00	1.20	1.47	1.67	2.00	2.33	2.67	3.33	4.00	4.67	5.00	5.67	6.33	7.33	8.67

Source: Author's Fieldwork, 2025

The analysis of Table 3 reveals distinct patterns of land value appreciation across the Lekki Corridor between 2010 and 2024. Lekki Phase 1 exhibited steady and sustained growth, rising from 1.00 in 2010 to 7.50 in 2024, a 650% increase, driven by strong investor confidence and consistent infrastructural expansion. Lekki Phase 2, by contrast, appreciated more conservatively, with values increasing from 1.00 to 4.80 (380% growth), underscoring its role as a relatively affordable residential submarket. Similarly, established locations such as Chevron Drive (567%) and Ajah (767%) reflected stable but moderate appreciation, offering predictable performance for investors seeking less speculative risk. Emerging nodes recorded far more dramatic transformations. Ibeju-Lekki stood out as the fastest-growing hub, appreciating from 1.00 in 2010 to 30.00 in 2024, a 2,900% increase, fueled by mega-projects such as the Free Trade Zone and Dangote Refinery. Sangotedo (1,525%), Jakande (1,014%), Ikate Elegushi (1,014%), and Osapa London (900%) also experienced rapid growth, reflecting both infrastructural investments and speculative demand. Collectively, the findings demonstrate a dual appreciation narrative: while established submarkets delivered stability and reliability, emerging hubs within the corridor recorded explosive growth, reinforcing the Lekki Corridor's status as Lagos' most dynamic real estate investment frontier.

- *Factors Influencing the Performance of Land Value Appreciation Index*

To investigate the factors influencing the performance of land value appreciation index, data was obtained and analyzed based on the following scaled responses to determine to the performance of the land value appreciation index in the study area with the use of likert scaled option; highly influential (5), influential (4), somewhat influential (3), not influential (2) and highly not influential (1).

Table 4 Factors Influencing the Performance of Land Value Appreciation Index

Factors	HI (5)	I (4)	SWI (3)	NI (2)	HNI (1)	Mean Score	Std. Deviation	Ranking
Developer financing and installment schemes	53	7	8	2	5	4.1818	.87723	1st
Land fragmentation due to inheritance or informal subdivisions	55	70	10	4	4	4.1748	.89060	2nd
Flood risk and environmental hazards	50	36	30	23	4	3.9301	2.71576	3rd
High Inflation and interest rates	52	36	33	14	8	3.7692	1.20265	4th
Real estate investment activity	36	57	31	13	6	3.7273	1.06930	5th
Security of tenure and land titling	43	40	35	17	8	3.6503	1.18832	6th
Topography and land usability	37	43	40	18	5	3.6224	1.10571	7th
Population growth and urban migration	42	34	39	22	6	3.5874	1.18279	8th
Socioeconomic status of the area	40	46	21	27	9	3.5664	1.25350	9th
Government urban renewal and regeneration policies	23	53	42	19	6	3.4755	1.04701	10th
Zoning and land-use regulations	31	38	31	36	7	3.3497	1.21179	11th
Inflow of foreign direct investment and diaspora remittances	27	39	36	35	6	3.3217	1.16039	12th
Perceived neighborhood safety and prestige	31	36	40	18	18	3.3077	1.29043	13th
Infrastructure development	25	38	46	24	10	3.3077	1.15204	14th
Location and accessibility	34	39	30	16	24	3.3007	1.38927	15th
Rising income and employment rates	26	34	41	32	10	3.2378	1.19245	16th

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Corruption and rent-seeking in land allocation	33	36	25	24	25	3.1958	1.42047	17th
Gross Domestic Product (GDP) growth	22	43	28	41	9	3.1958	1.19423	18th
Judicial effectiveness in land dispute resolution	31	28	27	33	24	3.0629	1.40531	19th

Source: Author's Fieldwork, 2025

The development patterns of real estate in the study area are shaped by economic, environmental, institutional, and socio-demographic factors. The most influential factor was developer financing and installment schemes (mean score = 4.1818), highlighting the importance of flexible payment structures, consistent with Doruk (2024). Land fragmentation from inheritance or informal subdivisions (mean score = 4.1748) ranked second, corroborating Effiong, Ngang & Ekott (2024) who noted that such fragmentation undermines urban planning. Environmental issues, particularly flood risk and hazards (mean score = 3.9301), were also significant, echoing Njoku, Efiong & Ayara (2020) that flood-prone areas discourage intensive development. Macroeconomic influences such as inflation and interest rates (mean score = 3.7692) and real estate investment activity (mean score = 3.7273) were important, in line with Kasim, Wahab & Oweniwe (2021) who linked instability with reduced investor confidence.

Institutional and legal dynamics, security of tenure and titling (mean score = 3.6503) and zoning regulations (mean score = 3.3497); also mattered, aligning with Zhu, Paudel & Luo (2020) who stressed the role of land titles and zoning in shaping organized growth. Social drivers, such as population growth and migration (mean score = 3.5874) and socioeconomic status (mean score = 3.5664), support findings by Olaniran, Musvoto & Aule (2024) on urbanization's impact on demand and market segmentation. Government initiatives, urban renewal policies (mean score = 3.4755) and FDI/diaspora remittances (mean score = 3.3217); were moderately influential, as Park (2021) observed diaspora targeting of high-value projects. Infrastructure, accessibility, and neighborhood prestige (mean scores ≈ 3.3) further support Eliasson, Kopsch, Mandell et al. (2020) on the role of amenities and security perceptions.

Finally, governance inefficiencies, such as corruption in land allocation (mean score = 3.1958) and weak judicial effectiveness (mean score = 3.0629), remain barriers, consistent with Zhao, Chen & Feng (2020) who emphasized transparency and judicial strength in reducing transaction risks.

Table 5 KMO and Bartlett's Test on Factors Influencing the Performance of Land Value Appreciation Index

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		**.841**
Bartlett's Test of Sphericity	Approx. Chi-Square	1607.622
	Df	171
	Sig.	.000

Source: Author's Fieldwork, 2025

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy yielded a value of 0.841, which exceeds the commonly recommended threshold of 0.80, indicating that the dataset is highly suitable for factor analysis. Xiong & Li (2024) noted that KMO values between 0.80 and 0.89 are considered "meritorious," suggesting that the correlations among variables are sufficiently strong for reliable extraction of underlying factors. Furthermore, Bartlett's Test of Sphericity produced an approximate Chi-Square value of 1607.622 with 171 degrees of freedom and a significance level of $p < 0.001$. This result confirms that the correlation matrix is not an identity matrix, meaning the variables share adequate common variance for factor analysis to be meaningful (Bartlett, 1954). The highly significant p-value supports the rejection of the null hypothesis that the variables are uncorrelated, thereby justifying the application of factor extraction techniques.

Table 6 Total Variance Explained on Factors Influencing the Performance of Land Value Appreciation Index

Component	**Initial Eigenvalues**			**Extraction Sums of Squared Loadings**			**Rotation Sums of Squared Loadings[a]**
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**	**Total**
1	7.369	38.784	38.784	7.369	38.784	38.784	6.059
2	1.903	10.015	48.799	1.903	10.015	48.799	5.366
3	1.524	8.020	56.819	1.524	8.020	56.819	1.496
4	1.362	7.169	63.988	1.362	7.169	63.988	1.889
5	1.137	5.984	69.972				
6	.842	4.432	74.404				
7	.766	4.034	78.438				

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8	.681	3.582	82.021				
9	.595	3.131	85.152				
10	.542	2.851	88.003				
11	.512	2.697	90.700				
12	.392	2.061	92.761				
13	.313	1.646	94.407				
14	.282	1.483	95.890				
15	.208	1.097	96.986				
16	.174	.915	97.901				
17	.159	.839	98.740				
18	.141	.742	99.482				
19	.099	.518	100.000				

Source: Author's Fieldwork, 2025

Table 6 provides total variance explained the distribution of variance among the components extracted in the factor analysis. Initially, the eigenvalues reveal that the first five components have values greater than 1.0, meeting Kaiser's criterion for retention. The first component accounts for the largest share of the variance at 38.784%, with an eigenvalue of 7.369, indicating that it captures a substantial proportion of the common variance among the variables. The second component contributes an additional 10.015% (eigenvalue = 1.903), bringing the cumulative variance explained to 48.799%. The third and fourth components explain 8.020% (eigenvalue = 1.524) and 7.169% (eigenvalue = 1.362) of the variance, respectively, increasing the cumulative total to 63.988%. The fifth component, with an eigenvalue of 1.137, adds a further 5.984%, bringing the cumulative variance explained by the retained components to 69.972%.

The Extraction Sums of Squared Loadings column mirrors the initial eigenvalues for these retained components, confirming that five factors were extracted based on the eigenvalue-greater-than-one rule. The Rotation Sums of Squared Loadings, which redistribute the explained variance to achieve a simpler and more interpretable factor structure, show that the variance explained by the first component reduces to 6.059%, while the second component accounts for 5.366%, and the third and fourth components explain 1.496% and 1.889%, respectively. This redistribution underscores the effect of rotation in balancing the contribution of each factor, ensuring that no single component dominates the solution and that the factor loadings are more interpretable.

Table 7 Pattern Matrixa on Factors Influencing the Performance of Land Value Appreciation Index

	Component			
	1	**2**	**3**	**4**
High Inflation and interest rates	-.115	.908	.222	.180
Gross Domestic Product (GDP) growth	.621	.180	.182	-.365
Rising income and employment rates	.570	.240	.194	.147
Real estate investment activity	-.040	.869	.169	-.096
Location and accessibility	.859	-.093	.105	.115
Infrastructure development	.141	.661	-.007	-.113
Topography and land usability	-.021	.758	-.316	-.056
Flood risk and environmental hazards	.133	.266	.008	-.247
Zoning and land-use regulations	.388	.461	-.241	.266
Government urban renewal and regeneration policies	.579	.281	-.269	-.313
Security of tenure and land titling	.589	.348	-.256	.113
Population growth and urban migration	.589	.327	-.182	.118
Socioeconomic status of the area	.255	.591	-.025	.389
Perceived neighborhood safety and prestige	.938	-.163	-.051	.101
Inflow of foreign direct investment and diaspora remittances	.752	.037	.026	.194
Judicial effectiveness in land dispute resolution	.173	.022	-.121	.662
Corruption and rent-seeking in land allocation	.197	.047	.127	.727
Land fragmentation due to inheritance or informal subdivisions	.346	-.088	.598	-.176
Developer financing and installment schemes	-.146	.188	.763	.114

Source: Author's Fieldwork, 2025

Table 7 on pattern matrix presents the rotated factor loadings of the variables across the four extracted components, highlighting the strength and direction of their association with each factor after controlling for cross-loadings. In Component 1, the strongest associations are observed for perceived neighborhood safety and prestige (.938), location and accessibility (.859), inflow of foreign direct investment and diaspora remittances (.752), and Gross

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Domestic Product (GDP) growth (.621). Other notable contributions include security of tenure and land titling (.589), population growth and urban migration (.589), and government urban renewal and regeneration policies (.579). These variables collectively suggest that Component 1 primarily represents locational, economic, and institutional factors influencing the phenomenon.

Component 2 is dominated by high inflation and interest rates (.908), real estate investment activity (.869), and topography and land usability (.758). Also noteworthy are the contributions from infrastructure development (.661), socioeconomic status of the area (.591), and zoning and land-use regulations (.461). This factor appears to capture macroeconomic and physical development characteristics, supplemented by socio-spatial considerations. Component 3 shows its highest loading from developer financing and installment schemes (.763) and land fragmentation due to inheritance or informal subdivisions (.598). It also includes meaningful contributions from Gross Domestic Product (GDP) growth (.182) and rising income and employment rates (.194), indicating that this component reflects financial structures and land subdivision dynamics.

Component 4 is most strongly defined by corruption and rent-seeking in land allocation (.727) and judicial effectiveness in land dispute resolution (.662), with moderate input from socioeconomic status of the area (.389) and zoning and land-use regulations (.266). This suggests that Component 4 is primarily shaped by governance integrity, institutional effectiveness, and policy-related influences.

Table 8 Component Correlation Matrix on Factors Influencing the Performance of Land Value Appreciation Index

Component	1	2	3	4
1 SEGF	1.000	.443	-.015	.117
2 MSSD	.443	1.000	-.043	.019
3 FSMD	-.015	-.043	1.000	-.062
4 IGC	.117	.019	-.062	1.000

Source: Author's Fieldwork, 2025

The component correlation matrix shows the relationships between the four extracted components: SEGF (Socioeconomic Growth Factors), MSSD (Macroeconomic and Spatial-Structural Dynamics), FSMD (Financial Structuring and Market Dynamics), and IGC (Institutional Governance Capacity). The values along the diagonal are all 1.000, as each component is perfectly correlated with itself. The off-diagonal values represent the degree of linear association between components. The correlation between SEGF and MSSD is moderately positive ($r = 0.443$), suggesting that areas with strong socioeconomic growth tend to also exhibit favourable macroeconomic and spatial-structural conditions. The correlation between SEGF and IGC is weakly positive ($r = 0.117$), indicating only a slight association between socioeconomic growth and governance capacity. All other correlations are very low, close to zero (e.g., SEGF–FSMD: $r = –0.015$; MSSD–FSMD: $r = –0.043$; FSMD–IGC: $r = –0.062$), implying that these components are largely independent of each other.

IV. DISCUSSION OF FINDINGS

The analysis of the estate surveying and valuation firms in the Lekki Corridor reveals significant insights into the structure of the profession and the dynamics of land value appreciation in Lagos. The demographic profile confirms a persistent gender imbalance, with men accounting for 82.5% of the workforce compared to 17.5% women. This aligns with Ayodele, Agboola, and Ekemode et al. (2022), who observed that the Nigerian real estate sector is male-dominated due to the technical and rigorous demands of the profession. Professional maturity is evident, with 35.7% Fellows forming the largest group, alongside substantial numbers of probationers and associates, suggesting a balance between experience and younger entrants that supports succession planning (Obianuju, Ibrahim & Zubairu, 2021).

Land appreciation patterns between 2010 and 2024 reflect stark contrasts across the corridor. Established locations such as Lekki Phase 1 (650% growth) and Chevron Drive (567%) demonstrated steady and reliable appreciation, reflecting infrastructural stability and sustained demand. By contrast, emerging hubs such as Ibeju-Lekki (2,900%) and Sangotedo (1,525%) experienced explosive growth, driven by large-scale projects like the Free Trade Zone and Dangote Refinery. This dual trajectory mirrors findings by Aluko and Amidu (2006), who highlighted how infrastructural investment and urban expansion create uneven but transformative growth patterns in peri-urban Lagos. The volatility in some submarkets, such as Jakande's sharp decline in 2015 followed by recovery, further reflects the speculative and risk-sensitive nature of real estate markets in emerging cities (Nubi, 2020).

The factors influencing land appreciation reinforce the complexity of market drivers. Developer financing and installment schemes (mean = 4.18) ranked highest, underscoring the centrality of financial accessibility, consistent with Doruk (2024), who emphasized that flexible financing is pivotal in emerging markets. Similarly, land fragmentation (mean = 4.17) echoes Effiong, Ngang, and Ekott (2024), who argue that inheritance-based subdivisions hinder large-scale planning. Environmental risks such as flooding (mean = 3.93) remain significant, corroborating Njoku, Efiong, and Ayara (2020) that flood-prone zones in Nigerian cities depress investment due to higher mitigation costs. Macroeconomic variables such as inflation and interest rates (mean = 3.77) further validate Kasim, Wahab, and Oweniwe (2021), who link economic instability to weakened investor confidence.

Institutional and governance-related challenges were also evident, particularly weak judicial effectiveness (mean =

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3.06) and corruption in land allocation (mean = 3.19). These findings are in line with Zhao, Chen, and Feng (2020), who argue that transparent land administration and strong judicial frameworks reduce transaction risks and strengthen investor trust. Factor analysis confirmed four broad components, socioeconomic growth factors, macroeconomic and spatial-structural dynamics, financial structuring and market dynamics, and institutional governance capacity; together explaining nearly 70% of the variance. This highlights the interwoven nature of market forces, where financial access, governance quality, and locational attributes collectively shape real estate development outcomes.

The findings demonstrate that the Lekki Corridor embodies both the opportunities and risks typical of rapidly urbanizing African cities. While infrastructural expansion and financial innovations have spurred dramatic appreciation in emerging hubs, persistent institutional weaknesses and environmental risks present challenges to sustainable development. The results underscore the need for policies that enhance financing accessibility, improve land administration, and strengthen urban resilience to environmental hazards.

V. CONCLUSION AND RECOMMENDATION

The study has shown that the real estate sector within the Lekki Corridor is characterized by both structural maturity and dynamic growth patterns shaped by economic, environmental, institutional, and social factors. The demographic and professional profile of Estate Surveying and Valuation firms reflects a male-dominated workforce with a healthy blend of experienced Fellows and younger probationers, ensuring continuity and knowledge transfer. Land value appreciation across the corridor demonstrates a dual narrative: established locations such as Lekki Phase 1, Chevron Drive, and Ajah showed steady but moderate growth, while emerging hubs such as Ibeju-Lekki, Sangotedo, Jakande, and Ikate Elegushi experienced explosive appreciation driven by large-scale infrastructural projects, speculative demand, and locational advantages. Factor analysis revealed that developer financing, land fragmentation, environmental risks, and institutional efficiency are central to shaping these growth trajectories, while governance weaknesses, inflation, and urban pressures continue to pose risks to sustainable market development.

Based on these findings, it is recommended that deliberate policy interventions be implemented to sustain and stabilize real estate growth in the corridor. First, government and private sector stakeholders should expand flexible financing options and installment schemes to enhance affordability and encourage wider participation in the property market. Second, reforms in land administration are necessary to reduce the negative impact of land fragmentation, improve tenure security, and streamline titling processes, thereby fostering organized development. Third, stronger urban planning frameworks should be introduced to mitigate environmental risks such as flooding, with investment in resilient infrastructure and stricter zoning regulations. Additionally, macroeconomic stability, through policies aimed at curbing inflation and stabilizing interest rates, will be essential for boosting investor confidence. Institutional transparency in land allocation and more efficient judicial mechanisms for dispute resolution must also be prioritized to reduce transaction risks. Finally, given the rapid appreciation in emerging hubs, planning authorities should proactively manage growth through integrated infrastructure development, balanced with affordability measures, to prevent unsustainable speculation and ensure the corridor evolves into a well-structured and inclusive real estate ecosystem.

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