



## Fair Market Value in Focus: What Lagos' Revised Property Valuation Framework Means for Real Estate Transactions

### Introduction

The Lagos State Lands Bureau has introduced a revised Fair Market Value framework for real properties in Lagos State, commonly reflected in the State's "Blue Book." The revision follows the stakeholder engagement held on 28 April 2026 and forms part of the State's periodic review of valuation benchmarks used in land administration.

The revised framework took effect on 1 May 2026, replacing the 2021 valuation benchmark as the operative reference for assessing real property values in Lagos State. It is expected to influence the computation of charges connected with title perfection, Governor's consent, registration, stamp

duties, premiums, and other land administration payments.

The policy objective is clear: Lagos State is seeking to align official property valuation with current market realities, reduce arbitrary assessments, improve transparency, and strengthen revenue administration.

### Key Highlights of the Revision

- **Updated valuation benchmark:**

The revised Blue Book now serves as the operative reference for assessing fair market value across Lagos State. Property-related assessments will be tied more closely to the State's current classification for the relevant location and property type.



revised benchmark places a higher value on the property or location.

- **For real estate developers and investors:** Project feasibility assumptions should be reviewed. Acquisition cost, title perfection expenses, financing assumptions, and projected resale values may all be affected.

- **For property owners:** Owners seeking to regularize title, perfect interests, transfer property, or obtain Governor’s consent should assess the revised valuation position before commencing the process.

- **For lenders and financial institutions:** The updated framework may affect secured lending transactions, particularly where perfection costs influence borrower affordability, security documentation, or completion timelines.

## The Road Forward

The revised Fair Market Value framework represents a more structured approach to property valuation in Lagos State. If applied consistently, it could improve predictability, reduce valuation of disputes, and strengthen confidence in land administration.

For businesses, landowners, developers, investors, and lenders, the priority is early due diligence. Valuation checks should now form part of transaction planning before execution, financing, or completion. Where valuation costs are not assessed early, transactions may face delays, renegotiation, or avoidable disputes.

For guidance on real estate transactions, title perfection, land administration, property due diligence, or transaction structuring, contact [info@scp-law.com](mailto:info@scp-law.com) or visit [www.scp-law.com](http://www.scp-law.com).

- **Commencement date:**

The new framework took effect on 1 May 2026. Applications submitted before that date are expected to be treated under the previous 2021 valuation regime.

- **Broader transaction impact:**

The revised framework will affect the cost of title perfection, land transfers, consent applications, registration processes, stamp duties, and related property documentation.

- **Periodic review approach:**

The review reflects Lagos State’s policy of updating valuation benchmarks to reflect urban expansion, market movement, and economic conditions.

- **Potential dispute risk:**

Disputes may arise where parties entered into contracts based on earlier cost assumptions but later face higher perfection, consent, or registration costs under the revised framework.

## What This Means for Stakeholders

- **For property buyers and sellers:**

Valuation will play a more central role in transaction costing. Statutory charges may increase where the