

# REFORMING TENANCY IN LAGOS:

AN OVERVIEW OF THE LAGOS  
STATE TENANCY AND RECOVERY  
OF PREMISES BILL 2025

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## INTRODUCTION

Nigeria's commercial capital and most populous city, Lagos, faces a herculean task in addressing the contemporary issues involving landlord and tenant relationships which are currently regulated by the Tenancy Law of Lagos State 2015 (the "Tenancy Law 2015"), Rent Control and Recovery of Residential Premises Law 1997 ("RCRP Law")<sup>1</sup> and Recovery of Premises Law ("RPL")<sup>2</sup> all of which have been criticized for weak enforcement, outdated processes, lenient penalties, and their inability to provide an adequate regulatory framework to regulate landlord-tenant relationships.<sup>3</sup>

In response to this, the Lagos State House of Assembly is considering the Lagos State Tenancy and Recovery of Premises Bill 2025 ("the Bill" or "the Lagos Tenancy Bill"). The Bill, which seeks to repeal the Tenancy Law 2015, proposes a more robust, digitized, and inclusive legal framework to govern tenancy relationships across the entire state.

This article examines the key innovations introduced by the Bill, highlights potential challenges in its implementation, and offers recommendations.



<sup>1</sup> Rent Control and Recovery of Residential Premises Edict No. 6, 1997 of Lagos State

<sup>2</sup> Recovery of Premises Law, Cap. 118, Laws of Lagos State 1973; and Woye Famojuro, Akinbobola Adeniyi and Amarachukwu Nedolisa, 'Overview of the Concept of Recovery of Premises under Tenancy Law of Lagos State' *Mondaq* (Lagos, 19 April 2021) <https://www.mondaq.com/nigeria/landlord-tenant-leases/1058964/overview-of-the-concept-of-recovery-of-premises-under-tenancy-law-of-lagos-state> accessed 29 July 2025.

<sup>3</sup> Sola Enitan, 'Lagos Tenancy Law: Between regulating landlords and building affordable homes' *Guardian* (Lagos, July 2025).

# 1. KEY INNOVATIONS OF THE LAGOS TENANCY BILL AND THEIR IMPLICATIONS

The Bill proposes a comprehensive overhaul of the legal framework governing rental relationships in the state. It introduces reforms aimed at addressing the persistent gaps and inefficiencies in the existing tenancy laws, while also reflecting the evolving realities of Lagos' housing market.

## 1.1. STATE-WIDE APPLICATION

The Bill expands the scope of tenancy regulation to cover the entire state,<sup>4</sup> including previously exempted areas such as Ikoyi, Victoria Island, Apapa, and Ikeja GRA.<sup>5</sup> Under the Tenancy Law 2015, these locations were expressly excluded, thereby falling under the purview of the outdated RCRP Law and RPL. This created challenges for tenants in those areas and enabled exploitation, as the extant laws do not provide for certain rights tailored to the modern real estate industry.

By Section 2 of the Bill, the proposed law will apply uniformly to all premises within Lagos State, including both business and residential premises, with a few exceptions.<sup>6</sup> This provision will ensure that the rights conferred by the law are accessible to all tenants and landlords across Lagos State, regardless

of location. It further promotes consistency, reduces exploitation in prime districts, and strengthens legal certainty throughout the state's rental market.

## 1.2. ADVANCE RENT LIMIT

Generally, in order to guard against defaults in payment of rent for a sustained period, landlords often demand rent covering several years in advance. This practice, however, makes it more difficult for average and low-income earners to afford such lump-sum payments. Both the Tenancy Law 2015 and the RCRP Law prohibit the collection of advanced rent.<sup>7</sup> The Bill revises and unifies these provisions<sup>8</sup> by providing that it shall be unlawful for a landlord or agent to demand or receive, and a sitting tenant to offer or pay, rent in excess of three (3) months for a monthly tenant and one (1) year for a yearly tenant.<sup>9</sup> Likewise, it shall be



<sup>4</sup> Lagos State Tenancy and Recovery of Premises Bill 2025 (the "Bill"), s 2(1).

<sup>5</sup> The Tenancy Law Cap. T1 Laws of Lagos State 2015, s 1(3)

<sup>6</sup> Tenancy Law 2015, s 1(3)

<sup>7</sup> News Agency of Nigeria, 'Lagos Assembly Reviews New Tenancy Bill' *Punch* (Lagos, 11 July 2025)

<sup>8</sup> <https://punchng.com/lagos-assembly-reviews-new-tenancy-bill/> accessed 8 August 2025

<sup>9</sup> The Bill, s 5

unlawful to demand, offer to pay, or accept rent in excess of one (1) year in a new or prospective tenancy relationship. Notably, the fines imposed for breaching these provisions have been increased from ₦100,000.00 (One Hundred Thousand Naira)<sup>10</sup> under the Tenancy Law 2015, to ₦1,000,000.00 (One Million Naira) or three (3) months imprisonment.<sup>11</sup> This Bill reinforces the protection of average and low-income earners under the previous provisions from exploitative and unfair demands of landlords in Lagos State and further proposes stricter and more realistic fines, which are likely to deter landlords from violating these provisions.<sup>12</sup> If effectively enforced, the reduced rent ceiling could improve access to rental housing and restore balance to the landlord-tenant power dynamic across Lagos State.



### 1.3. AGENT REGISTRATION

Given the pivotal role of agents in real estate transactions and the additional financial impact of their fees on tenancy transactions, it is imperative that they are held to clear regulatory standards.<sup>13</sup> The Lagos State Real Estate Regulatory Authority Law, 2021 (LASRERA Law) was enacted to address these concerns through the Lagos State Real Estate Regulatory Authority (LASRERA or “the Authority”), but its provisions have largely been ignored by real estate professionals, which underscores implementation challenges.

The Bill seeks to strengthen the role of LASRERA by making it mandatory for anyone acting as an agent whether on behalf of a landlord or a tenant to be duly registered under the Authority.<sup>14</sup> This approach bolsters LASRERA’s regulatory mandate in the real estate sector while also introducing stricter obligations on agents to act fairly and transparently. For instance, an agent who collects rent from a prospective tenant is prohibited from collecting rent for the same property from another person while still holding the initial payment. Agents are further required to remit rent within seven (7) working days of collection, unless otherwise directed in writing by the landlord, and must issue receipts for all payments received. The Bill also caps agency commissions at a maximum of 5% of one year’s rent, thereby curbing excessive charges and promoting fairness in tenancy transactions.<sup>15</sup>

<sup>9</sup> Tenancy Law 2015, s 4(2)

<sup>10</sup> Ibid, s 4(5).

<sup>11</sup> The Bill, s 5(5)

<sup>12</sup> Rasqa Akande, *Enforcing Lagos Tenancy Right*. Available on [www.next234.com](http://www.next234.com), June 2011 accessed 18 July 2025

<sup>13</sup> Araloyin Funmilayo Moyinola, ‘A Study of Consumers’ Complaints against Real Estate Agents in Lagos Metropolis, Nigeria’ *Civil and Environmental Research* 13(4) 2021.

<sup>14</sup> The Bill, s 3; See also the Lagos State Real Estate Regulatory Authority (LASRERA) Law 2021, s 1

<sup>15</sup> The Bill, s. 3(4)

Failure to comply with any of these provisions constitutes an offence punishable by a fine of ₦1,000,000.00, a maximum of two years imprisonment, or both, along with repayment of unlawfully collected sums. By reinforcing LASRERA's authority, the Bill aims to sanitize agency practices, curb sharp or exploitative conduct in rental transactions, and increase transparency and accountability in landlord-tenant relations, ensuring that only authorized professionals can act as intermediaries.

#### 1.4. VIRTUAL HEARINGS

The advancement of technology and the mode of operations of court proceedings during the COVID-19 pandemic have encouraged the introduction of virtual hearings in the administration of justice. Many believe that virtual hearings promote efficiency, reduce delays, and offer greater convenience by enabling participation from any location. The Bill introduces the option of virtual court proceedings in tenancy matters, reflecting a significant shift toward digital justice delivery in Lagos State.<sup>16</sup> In addition, courts may conduct hearings remotely via approved audio-visual platforms, with links provided to parties, their counsel, and the public to observe proceedings. The Bill also outlines how virtual hearings should be communicated and conducted, including maintaining courtroom decorum and ensuring accessibility through electronic communication such as email.

This innovation is particularly relevant

in Lagos, where court backlogs and delays are common. Its implications are twofold: on one hand, it could significantly improve access to justice and reduce the time and cost of litigation for tenants and landlords; on the other hand, its success will depend on digital literacy, infrastructure, and consistent application by the judiciary.

#### 1.5. POWER TO SIT ON WEEKENDS

Court proceedings under the RCRP Law and the Tenancy Law 2015 are often subject to conventional delays in court proceedings. These delays sometimes prompt landlords to resort to self-help measures to protect their rights and enable tenants exploit these protracted proceedings to their advantage, in several ways, including the default or delay in rent payments till the determination of the suit. The Bill addresses this challenge by granting courts the flexibility to sit on weekends, public holidays, and during industrial actions, provided the parties consent.<sup>17</sup> The aim is to ensure that tenancy disputes, which often involve urgent issues like unlawful eviction or denial of access, are not stalled by rigid court schedules or external disruptions. The implication of this reform is a faster and more efficient resolution of tenancy disputes and allows courts to respond to the urgency inherent in landlord-tenant conflicts. However, its effectiveness may be limited in practice, as such sittings remain at the discretion of the court, and judges are unlikely to convene on weekends unless faced with an exceptional emergency.

<sup>16</sup> The Bill, s 32

<sup>17</sup> *ibid* s 31

## 1.6. LANDLORD RIGHTS DEFINED

The Bill introduces an extensive list of landlord's rights, providing clarity on what landlords are legally entitled to during the tenancy.<sup>18</sup> Unlike the Tenancy Law 2015, which focuses primarily on landlords' obligations,<sup>19</sup> the Bill establishes that landlords are entitled to inspect the premises during the period of the tenancy upon giving prior notice, to ensure that the premises are used only for lawful purposes, and to demand and collect service charges where applicable. The implication is that the Bill seeks to strike a clearer balance between tenant protection and landlord control by codifying basic entitlements that previously existed only by implication, agreement, or practice.

## 1.7. REDEFINED ARREARS THRESHOLDS & ACCELERATED NOTICE PERIODS

The Bill sets out a stricter and more structured framework for determining arrears and issuing notices to recover possession. Unlike the Tenancy Law 2015, which required a tenant to be in arrears of six months for monthly tenancies and up to one year for quarterly or half-yearly tenancies before the tenancy could lapse,<sup>20</sup> the Bill

significantly shortens these thresholds as follows: a monthly tenant falls into default after just two months of unpaid rent, while quarterly, half-yearly and yearly tenants are deemed in default after three months of arrears.<sup>21</sup> Once in default, the tenancy lapses, and the landlord needs only serve a seven-day written notice of owner's intention to recover possession. The implication is a more landlord-friendly approach to handling arrears, which may help curb prolonged defaults session.

## 1.8. ENFORCEABILITY OF ADR AGREEMENTS

In order to facilitate amicable settlement, the Bill provides that a duly signed mediation agreement from any recognized Alternative Dispute Resolution (ADR) center may be filed in court by an ex-parte application and adopted as a consent judgment. This gives ADR outcomes the same legal weight as court rulings, making them enforceable.<sup>22</sup> Unlike the Tenancy Law 2015, which lacked a clear process for enforcement, this provision ensures that parties can secure compliance with settlement terms without initiating fresh litigation. It strengthens trust in ADR and promotes faster, less adversarial resolution of tenancy disputes.



<sup>18</sup> *ibid* s 9,

<sup>19</sup> Tenancy Law 2015, s 8

<sup>20</sup> *ibid* s 13

<sup>21</sup> The Bill 2025, s 14

<sup>22</sup> *ibid* s 37

## 2. CRITICISMS AND RECOMMENDATIONS

While the Bill represents a bold and much-needed overhaul of Lagos state's tenancy framework, it is not without its shortcomings. Despite introducing modern enforcement tools and extending protections for both landlords and tenants, several critical issues remain underdeveloped or entirely unaddressed. Some of these include:

### 2.1. PENALTIES MAY BE INSUFFICIENT TO DETER VIOLATIONS

Landlords and agents may continue to engage in unlawful conduct, such as collecting excessive advance rent or forcibly evicting tenants, if the potential benefit outweighs the cost of compliance. To be effective, fines should either be set at a higher amount or calculated as a proportion of the annual rent or transaction value, thereby ensuring it reflects the realities of the market and poses a genuine deterrent. Without such measures, the Bill risks replicating a key weakness of the Tenancy Law 2015: the inability to meaningfully discourage misconduct.

### 2.2. INSUFFICIENT ENFORCEMENT MECHANISMS REMAINS A MAJOR CONCERN

One of the longstanding criticisms of the Tenancy Law 2015 is the absence of a dedicated enforcement body to monitor compliance and take swift action against violations. While it is acknowledged that the LASRERA Law has established "*the Authority*"<sup>23</sup> and empowered it to, among other functions, set up monitoring teams and conduct inspections to ensure compliance with the Tenancy Law 2015;<sup>24</sup> there is still much to be desired

regarding full compliance with the provisions of the Law. The Bill, though it outlines offences and penalties in greater detail, does not appear to strengthen this enforcement gap in any substantial way. Given the nature of tenancy disputes, which often involve vulnerable tenants and powerful landlords, a proactive and functional enforcement mechanism is essential. Without it, the effectiveness of the Bill will continue to depend heavily on individual tenant's willingness and ability to initiate legal proceedings, an impractical expectation for many.

### 2.3. INADEQUATE PROTECTION FOR VULNERABLE TENANTS

The Bill does not sufficiently address the challenges faced by vulnerable tenant groups such as low-income earners and those without formal tenancy agreements. These categories often face the highest insecurity in the rental market, yet the Bill provides no specific safeguards to ensure their protection or access to fair housing. While the Bill recognizes oral agreements in its definition of tenancy agreements, by failing to include tailored provisions for these groups, the legislation risks reinforcing existing inequalities and leaving the

<sup>23</sup> Lagos State Real Estate Regulatory Authority Law 2021, s 2

<sup>24</sup> *ibid* s 6

most at-risk tenants without adequate recourse.

## 2.4. UNCLEAR INTERFACE WITH OTHER HOUSING AND TAX LAWS

Although the Bill references tax obligations<sup>25</sup> it provides little clarity on coordination with relevant tax bodies (like the Lagos Internal Revenue Service). Clearer cross-references or implementation protocols would help prevent legal uncertainty or duplication of responsibilities.

## 2.5. NO PROTECTION AGAINST DISCRIMINATORY PRACTICES IN TENANCY

The Bill fails to address the growing incidence of discrimination in the Lagos rental market, including bias against single women, religious minorities, and young professionals. It contains no provisions mandating fairness or equal access in tenancy dealings, thereby allowing landlords and agents to continue engaging in arbitrary exclusion.

To promote equity, the Bill should expressly prohibit discrimination on grounds such as gender, religion, marital status, occupation, or ethnicity, in line with section 42 of the Constitution of the Federal Republic of Nigeria 1999 (as amended). It is concerning that, even in contemporary times, some landlords openly discriminate on the basis of religion or ethnicity. Incorporating an anti-discrimination provision would help ensure equal access to rental housing for all residents in Lagos State.

## 2.6. RENT CONTROL AND MEASURES FOR REASONABLE RENT ASSESSMENT

Section 33 of the Bill allows tenants to challenge rent hikes in court. However, this mirrors provisions under the Tenancy Law 2015, which have had little practical effect. It merely offers guidance to the court on certain factors to consider when adjudicating on rental disputes, such as the level of rent in the locality or a similar locality, evidence of witnesses of the parties or



any other special circumstances relating to the premises. It does not directly impose a standard on landlords as a guideline to prevent an unreasonable increment in rental prices.

In practice, very few tenants succeed in court. Judicial proceedings are costly, drawn-out, and unpredictable, often stretching for years. Consequently, landlords particularly in high-demand areas continue to impose sharp rent increases, knowing most tenants cannot sustain a legal challenge.

A stronger approach would entail setting standards for landlords, for increase in rent, to ensure a structured framework and in turn, protect tenants. Leaving the issue entirely to judicial discretion upon litigation, which typically involves inconsistent rulings and uncertainty for all parties, may not achieve the intended result.

By embedding such standards into law, rent reviews would become more transparent and predictable. This would curb arbitrary hikes, promote fairness, and create consistency across the rental market.

### 3. CONCLUSION

The Bill is a landmark attempt to redefine the landlord-tenant relationship and respond to the persistent challenges facing the state's rental housing market. By extending legal protections to all parts of Lagos, strengthening penalties for violations, mandating agent registration, facilitating virtual proceedings, and expanding the use of alternative dispute resolution, the Bill demonstrates a commendable effort to modernize tenancy regulation and promote fairer practices.

Nevertheless, significant gaps remain. The Bill omits provisions for centralized rent registry, lacks robust enforcement framework and fails to protect vulnerable tenants against discrimination or arbitrary rent increases. While it improves on the Tenancy Law 2015 by addressing lax enforcement, unregulated agent conduct, and inefficient court processes, it still falls short of delivering a proactive, prevention-focused approach to housing governance.



As Lagos grapples with rapid urban growth and a widening housing deficit, the success of the Bill will depend not just on its legislative content but also on the political will, institutional capacity, and stakeholder engagement required for its full and fair implementation. Ultimately, the true test of this legislation will be whether it delivers tangible improvements: greater protection for tenants and in deserving cases, landlords, clearer obligations for landlords, and a more stable, equitable rental market for all.

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