

Law No.

Government Law

9TH ASSEMBLY, HOUSE OF ASSEMBLY, LAGOS STATE

A LAW TO REGULATE REAL ESTATE TRANSACTIONS IN  
LAGOS STATE AND FOR CONNECTED PURPOSES.

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LAGOS STATE AND FOR CONNECTED PURPOSES.**

The Lagos State House of Assembly enacts as follows:

Interpretation.

1. In this Law, unless the context otherwise requires—

“Abandoned Building or Structure” includes an existing unoccupied building in a state of disrepair which is left in such condition for a period of up to five (5) years or building which is under construction but on which work has ceased for up to five (5) years;

“Broker” means a person, organisation or an agent who arranges a transaction between a buyer and a person or organisation dealing in real estate for a commission after the execution of the transaction;

“Client” means any tenant, buyer, purchaser, allottee or any person having any financial arrangement or agreement with a person or organisation engaged in the real estate sector in the State;

“Court” means Magistrate Court or High Court of Lagos State;

“Field Worker” means an officer of the Authority whose duty it is to monitor and enforce compliance with the provisions of this Law by persons or organisations engaged in the real estate sector in the State;

“Governor” means the Governor of Lagos State;

“House” means Lagos State House of Assembly;

“Mediator” means a person who is trained by a local or international mediation institution or body to make disputing parties in a conflict come to an agreement;

“Memorandum of Understanding” means the terms of resolution agreed upon and signed by the parties in a dispute as recorded by the mediator;

“Off-plan Arrangement” means an arrangement where a person or organisation dealing in real estate in the State obtains deposits upfront from the public for property yet to be developed or in the process of development, promising to deliver on terms agreed by both parties;

“Principal” means landlord or any person that owns a building or structure;

“Real Estate Transaction” means any service, mortgage or financial exchange between a person or an organisation and the public with respect to matters pertaining to real estate in the State. It includes any transaction regarding real estate in which an agent is employed by one or more of the principals to act in that transaction;

“Special Adviser” means the Special Adviser for Housing or a member of the State Executive Council for the time being charged with the responsibility of overseeing the affairs of the Real Estate Regulatory Authority;

“Stakeholders” includes, legal practitioners, registered architects, registered engineers, social scientists, registered town planners, registered quantity surveyors, registered estate surveyors, registered accountants or economist, and others in the built-up environment; and

“State” means Lagos State of Nigeria.

- Establishment of the Lagos State Real Estate Regulatory Authority.
2. (1) There is established the Lagos State Real Estate Regulatory Authority (referred to in this Law as “the Authority”).
- (2) The Authority shall—
- (a) be a body corporate with perpetual succession and a common seal;
  - (b) have power to sue and be sued in its corporate name; and
  - (c) be capable of acquiring, holding, and disposing of any property or interest for the purpose of carrying out any of its functions under this Law.
- Establishment of the Lagos State Real Estate Regulatory Authority Governing Board.
3. There is established for the Authority, the Lagos State Real Estate Regulatory Authority Governing Board (referred to in this Law as “The Board”).
- Composition of the Board.
4. (1) The Board shall consist of -
- (a) a Chairman;
  - (b) a Legal Practitioner;
  - (c) a registered Architect;
  - (d) a registered Engineer;
  - (e) a registered Town planner;
  - (f) a registered Estate Surveyor;
  - (g) a registered Estate Valuer;
  - (h) a registered Builder;
  - (i) a recognised member of the real estate sector in the State;
  - (j) the General Manager of the Authority; and

(k) any other person from the civil society who in the opinion of the Governor is of good character and integrity.

(2) The Chairman shall be a person of proven integrity and ability with at least ten (10) years cognate experience and passion for real estate development in the State.

(3) The members of the Board shall be persons of integrity and sound judgement in the field of real estate with at least ten (10) years cognate experience.

(4) The Chairman and members of the Board except the ex-officio members shall be appointed by the Governor on the recommendation of the Special Adviser subject to the confirmation of the House.

Powers of the Board.

5.

The Board shall –

- (a) advise the Governor on any matter relating to real estate activities in the State or any other matter on which the Governor requires the advice of the Board;
- (b) ensure all real estate activities are conducted with due propriety and in accordance with this Law and regulations made under it;
- (c) review the existing policies of the Authority;
- (d) adopt a national Code of Ethics and Responsibilities to be strictly observed by all licensed real estate service practitioners in the State;
- (e) coordinate inter-governmental affairs in respect of real estate; and
- (f) assess and fix the rate of reasonable regulatory fees.

Functions of the Authority.

6.

The Authority shall—

- (a) formulate policies for proper dealings in real estate transactions in the State in line with global best practices;
- (b) recommend policies to the State Government that will enhance real estate transactions in the State;
- (c) maintain a comprehensive and updated register of permits of real estate service professionals;
- (d) set up monitoring teams and conduct inspections in order to ensure compliance with the Lagos State Tenancy Law, the

- Criminal Law as it relates to transactions and other applicable legislations on real estate transactions;
- (e) receive and investigate petitions and complaints from members of the public;
  - (f) investigate complaints and petitions against registered persons or organisations dealing in real estate in the State;
  - (g) liaise and collaborate with Law Enforcement Agencies in the prosecution of persons or organisations dealing in real estate transaction suspected of violating applicable laws in the State.
  - (h) collate data on property transactions in accordance with the provisions of this Law;
  - (i) register tenancy transactions and agreements above five (5) years;
  - (j) ensure protection of citizens from illegal real estate transactions;
  - (k) ensure and confirm the payment of fees, taxes or charges on real estate transactions as shall be imposed or charged by the Authority or any other government agency;
  - (l) organise seminars, symposia, workshops or other training sessions for persons, organisations or stakeholders dealing in real estate.
  - (m) liaise and collaborate with Ministries, Departments and Agencies, (MDAs) of government including but not limited to the Ministry of Physical Planning and Urban Development and its agencies, Ministry of Finance, Ministry of Science and Technology, Lands Bureau, New Towns Development Authority, and the Office of the Surveyor General for the purpose of collecting and collating data on newly approved development schemes;
  - (n) provide consultancy services on housing data and related matters to all stakeholders in the real estate sector;
  - (o) provide facilities for training, education and research for the purpose of advancing the skill of staff employed in order to ensure conformity with national and global standards;
  - (p) register and issue permits to persons or organisations who deal in real estate transactions in the State;

- (q) periodically update the conditions for renewal of permits for persons or organisations dealing in real estate in the State;
  - (r) sensitise the public on real estate operations, its attendant rules, risks and benefits;
  - (s) deal with the application for permits, not limited to developer project / development, advertising licences and property title insurance; and
  - (t) do such other things as are necessary and incidental to the discharge of its functions under this Law.
- Powers of the Authority. 7. The powers of the Authority shall be to –
- (a) mediate the disputes reported to the Authority in respect of:
    - (i) agent and prospective tenant;
    - (ii) agent and property owner;
    - (iii) developer and land owner;
    - (iv) developer and prospective tenants; and
    - (v) any other matter(s) in relation to a real estate transaction.
  - (b) assist disputing parties who voluntarily agree to mediation to appear before the Authority for possible resolution of their disputes.
  - (c) resolve disputes under mediation timeously.
- Tenure of Office of Members of the Board. 8. The Chairman and members of the Board except the ex-officio members shall hold office on part-time basis for a term of five (5) years and may be re-appointed for a further term of five (5) years only.
- Remuneration and Allowances 9. The Chairman and members of the Board except the ex-officio members shall be entitled to remuneration and allowances as may be approved by the Governor.
- Cessation of Office of Members of the Board. 10. The Chairman or any member of the Board shall cease to hold office if the chairman or member –
- (a) resigns by giving one (1) month notice in writing addressed to the Governor;
  - (b) is unfit or unable to discharge the functions of the office either by reason of infirmity or mental incapacity;
  - (c) is convicted of a crime;
  - (d) becomes bankrupt; or
  - (e) is guilty of serious misconduct or dereliction of duty.
- Meetings of the Board. 11. (1) The Board shall meet at least four (4) times every calendar year.

- (2) The Chairman may summon an emergency meeting of the Board when the need arises.
- (3) The Chairman shall preside at every meeting of the Board and in the absence of the Chairman, one of the members shall be appointed to preside.
- Proceedings. 12. The Board shall have powers to regulate its proceedings.
- Validity of Proceedings. 13. The validity of proceedings of the Board shall not be invalidated by –
- (a) any vacancy in its membership or the absence of any member;
  - (b) any defect in the appointment of a member; or
  - (c) that a person not entitled to do so took part in its proceedings.
- Filling of Vacancy. 14. Where a vacancy occurs in the membership of the Board, it shall be filled by the appointment of a successor to hold the office for the remainder of the term of the predecessor and may be appointed for a term of five (5) years only.
- Quorum. 15. The quorum for a meeting of the Board shall be seven (7) members including the Chairman.
- Voting. 16. Question for determination at a meeting of the Board shall be decided by a majority of votes of members present and voting and in the event of equality of votes, the Chairman shall have a casting vote.
- Power to Co-opt. 17. (1) Where the Board desires to obtain the advice of a person on a matter, the Board may co-opt the person as a member for such period as it deems fit.
- (2) The person so co-opted shall not be entitled to vote at any meeting of the Board and shall not count towards a quorum.
- Disclosure of Interest by the Members of the Board. 18. (1) A member of the Board who is directly or indirectly interested in a transaction or project of the Authority shall disclose the nature of the interest at a meeting of the Board and such disclosure shall be recorded in the minute book of the Authority.
- (2) Notice of disclosure of interest in relation to a transaction or project given by a member at a meeting of the Board shall be sufficient disclosure of that interest however, such member shall not take part in any deliberation or decision of the Board with respect to that transaction or project.

- The General Manager. 19. (1) There shall be for the Authority, a General Manager who shall be appointed by the Governor, subject to the confirmation of the House.
- (2) The General Manager shall be –
- (a) the Chief Executive and Accounting Officer of the Authority, subject to the general control of the Board;
  - (b) a person of proven ability and integrity with cognate experience in real estate; and
  - (c) responsible for the execution of policies and the day to day administration of the affairs of the Authority in accordance with the provisions of this Law.
- (3) The General Manager shall hold office for a term of five (5) years and may be re-appointed for another term of five (5) years only.
- Secretary of the Authority. 20. (1) There shall be for the Authority, a Secretary with at least fifteen (15) years cognate experience who shall be responsible to the General Manager.
- (2) The Secretary shall also be responsible for the following matters –
- (a) making arrangements for the meetings of the Board;
  - (b) preparing the agenda and minutes of such meetings;
  - (c) conveying all decisions of the Authority to its members; and
  - (d) generally, performing all other duties affecting the Authority as may be specifically assigned to the Secretary by the Authority.
- Legal Adviser of the Authority. 21. (1) There shall be for the Authority, a Legal Adviser not below Grade Level 15 in the State Public Service who shall be recommended by the Attorney-General and Commissioner for Justice of the State.
- (2) The Legal Adviser shall be the head of the Legal Department.
- (3) The Legal Adviser shall be responsible for the following –
- (a) providing legal advice with respect to the duties of the Authority;
  - (b) handling of day to day legal issues affecting the Authority; and
  - (c) generally performing all other legal duties affecting the Authority as may be assigned by the General Manager.
- Staff of the Authority. 22. (1) The Authority may subject to the approval of the Governor engage such other staff as may be necessary for the proper execution of its functions under this Law.



- (2) The Authority shall pay to such persons so employed such remuneration and allowances as may be determined by the Board in accordance with the extant policies of the State Government.
- Application of Pensions Reform Law. 23. (1) Staff of the Authority shall be entitled to pension and other retirement benefits as may be prescribed by the Pensions Reform Law of the State.
- (2) Nothing in this section shall prevent the appointment of a person to any office on terms which precludes the grant of pension in respect of service in that office.
- Establishment of Departments and Units. 24. (1) There is established for the day-to-day administration of the Authority, the following Departments—
- (a) Finance and Accounts;
  - (b) Human Resources and Administration;
  - (c) Monitoring and Compliance;
  - (d) Legal; and
  - (e) Data and Statistics.
- (2) Notwithstanding the provisions of subsection (1) of this section the Authority may create more department as may be deemed necessary.
- (3) The Heads of the Departments in subsection (1) of this section shall be officers not below Grade Level 15 in the Public Service of the State.
- (4) The Heads of Departments must possess relevant qualifications in their respective professional fields and shall be responsible to the General Manager.
- (5) The Departments shall have under them such Units as may be necessary for the efficient running of the Departments.
- Register of Transactions. 25. The Authority shall—
- (a) maintain a register of operations relating to transactions containing such details of persons or organisations dealing in real estate sector as the Authority deems appropriate; and
  - (b) make the register available for inspection to members of the public and update the list of all realtors and transactions forwarded to it by a person or organisation dealing in the real estate sector.
- Eligibility and Conditions for Registration. 26. (1) A person or an organisation dealing in real estate business in the State shall be eligible for registration upon meeting the conditions prescribed by the Authority.

- (2) An individual applicant who proposes to deal in real estate in the State shall —
- (a) be a Nigerian;
  - (b) possess a valid work permit if a non-Nigerian;
  - (c) be at least eighteen (18) years of age;
  - (d) possess Lagos State Residents Registration Agency (LASRRA) number;
  - (e) have an ascertained business premises or office within the State;
  - (f) possess a minimum educational qualification of WASC, GCE or NECO;
  - (g) have proper records of transactions and operate a separate client account;
  - (h) have three (3) years Tax Clearance Certificate preceding the date of registration; and
  - (i) register at least a business name with the Corporate Affairs Commission.
- (3) A corporate applicant shall —
- (a) be registered with the Corporate Affairs Commission (C.A.C.);
  - (b) have proper records of transactions and operate a separate client account;
  - (c) have one of the Directors in the company who possess the conditions stated in subsection (2) of this section;
  - (d) ensure that all non-Nigerian Directors have valid work permit and comply with all laws in respect of foreigners; and
  - (e) have three (3) years Tax Clearance Certificate preceding the date of registration.

Registration of Stakeholders Dealing in the Real Estate Sector.

27. A stakeholder dealing in the real estate sector as a —
- (a) property developer;
  - (b) facility manager; or
  - (c) property management company;

whether as an individual or an organisation, shall register with the Authority, specifying any project it is undertaking as at the time of registration, before it can be issued the necessary permits to engage in real estate transactions in the State.

Restriction of Foreigner's Involvement in Real Estate.  
CH. A1, Laws of Lagos State, 2015.

28. (1) As from the commencement of this Law, a foreigner or foreign company who wishes to invest in real estate shall seek and obtain the permission of the Governor through the Authority.
- (2) Subject to the provisions of Acquisition of Land by Aliens Law and all relevant laws in respect of real estate in the State, investment in land by a foreigner(s) shall not exceed twenty-five (25) years including any option to renew.

- Issuance of Permit. 29. (1) A person or organisation dealing in real estate transactions in the State who has qualified for registration shall pay a fee as prescribed by the Authority for the issuance of a permit.
- (2) The Authority shall issue different categories of permits based on the classification of the applicants, whether individual or corporate.
- (3) All permits shall be valid for a period of one (1) year and may be renewed on the satisfactory performance of the conditions for their renewal as stated in this Law.
- (4) The Authority may periodically review the duration of each category of permit.
- Validity of Permit. 30. (1) A permit shall continue to be valid until the –
- (a) permit is revoked by the Authority;
  - (b) permit lapses;
  - (c) holder voluntarily surrenders the permit; or
  - (d) permit is declared invalid or revoked by a Court of competent jurisdiction.
- (2) A permit lapses where the holder of the permit –
- (a) dies or becomes incapable of performing the permit's functions;
  - (b) is declared bankrupt; or
  - (c) goes into liquidation in the case of a company.
- Renewal of a Permit. 31. The holder of the permit shall not later than two (2) weeks before the expiration of the permit apply for a new permit to take effect from the date the current permit expires and such renewal shall be subjected to the terms prescribed under the grant of the previous permit and payment of the renewal fee(s).
- Operational Standards. 32. (1) The following are operational standards to be maintained by holders of permits in the course of real estate transactions in the State –
- (a) register the broker working under the organisation with the Authority;
  - (b) ensure the building or structure is fit for habitation and register the Certificate of Completion issued by the Lagos State Building Control Agency, in the case of Property Developer;
  - (c) not to represent two (2) principals on the same transaction in the case of an agency;
  - (d) not to collect money from more than one prospective client in respect of the same premises or building at

shall remit money collected to the landlord in the case of a tenancy, within seven (7) working days, unless otherwise directed in writing by the landlord and such money collected shall be receipted;

- (e) (i) ensure that the prospective client takes physical possession of the property paid for within seven (7) working days after payment;
- (ii) ensure that the prospective client takes physical possession of the property paid for immediately after conditions relating to possession in the agreement or terms of contract are met in the case of a property developer;
- (f) declare a personal interest to the client in any property which is the subject of any transaction;
- (g) ensure that clients perform all obligations to the Government under the existing laws, such as the deduction and remittance of Withholding Tax, Value Added Tax or other charges payable on the property handled;
- (h) not prepare any legal document pertaining to any transaction in real estate but every Tenancy Agreement or Contract Document shall be prepared by a Legal Practitioner with the seal affixed and professional charges subject to the Legal Practitioners' scale of fees;
- (i) obtain the consent of the principal before collecting money from a prospective client in the case of an agency;
- (j) refund the rent or money paid by any prospective client in case of failure to deliver up physical possession of the premises within seven (7) days of collection of rent, or fulfilment of all conditions relating to possession in the agreement or contract in the case of the property developer; and
- (k) not delay in refunding the money paid beyond the stipulated time and any failure shall attract interest at the Central Bank prevailing rate.

(2) The applicable fees a person or organisation dealing in real estate can demand from clients shall be –

- (a) in Letting/Lease transaction, not more than ten (10%) per cent of the total rent collected on any transaction; and
- (b) in sale or purchase of interests in buildings; where two or more holders of permits are retained by the owner/vendor for the sale/ lease, fees shall not be more than fifteen (15%) per cent of the total proceeds of sale or tenancy.

(3) A property developer shall collect consideration based on fair market value and rate as may be determined by an estate surveyor and valuer.

(4) In the case of an off-plan arrangement, a person or organisation dealing in real estate in the State shall draw up a contract with the prospective client, inserting a clause to indemnify the prospective client in the event of non-completion of a project or any breach of contract by the person or organisation.

Establishment of a  
Committee of Inquiry. 33.

(1) There is established by the Authority, a Committee of Inquiry (referred to in this Law as "the Committee") which shall consist of five (5) members who shall be appointed by the Board.

(2) The Committee shall be presided over by a member of the Board and at least two (2) other members who shall be legal practitioners.

(3) The Committee shall be charged with the duty of hearing and determining reports of misconduct, complaints or petitions from the public against persons or organisations dealing in real estate in the State.

(4) The Committee shall after considering the report by the public, invite in writing, the concerned person(s) or organisation(s) dealing in real estate to make oral or written representation within two (2) weeks of receipt of the notice of the complaint and may invite any other person(s) to make representation pertaining to the matter before it.

(5) Where a person or organisation dealing in real estate is found wanting, the Committee shall have the option of either recommending suspension or revocation of the permit to the Board.

(6) The Authority shall not later than one (1) month after the conclusion of the hearing, serve the affected parties with the final decision of the Board in which the reasons for the decision shall be clearly stated.

- Right of Appeal. 34. A party aggrieved by the decision of the Committee has a right of appeal against such decision to a Court of competent jurisdiction.
- Commencement of Mediation. 35. (1) A Mediation process shall be commenced by way of a petition submitted to the Authority.
- (2) The Authority shall cause an investigation into the petition submitted.
- (3) In the course of investigation, letters of invitation shall be issued to all concerned parties.
- (4) Where the petition is in relation to fraud or obtaining under false pretense, such petition shall be forwarded to appropriate authority or the Police for detailed investigation.
- (4) Any person or organisation found culpable shall be prosecuted through the Directorate of Public Prosecution in the Ministry of Justice.
- Memorandum of Understanding. 36. (1) In exercise of its functions under this Law the Authority may prepare a Memorandum of Understanding (M.O.U) between disputing parties.
- (2) The M. O. U. shall –
- (a) be in writing and signed by the parties;
- (b) represent full and final settlement of the dispute between the parties and it shall be enforceable in a Court of Law;
- (c) not be invalidated by reason of death of any party, but shall in such an event be enforceable by or against the personal representatives of the deceased;
- (d) be recognised as binding upon endorsement by a Magistrate or Judge as appointed by the Chief Judge as the case may be; and
- (e) be enforceable in a Court of Law.
- (3) The party relying on any M.O.U. or applying for its enforcement shall supply a duly authenticated original of the M.O.U or a duly certified copy of it.
- (4) Any M.O.U. may by leave of Court be enforced in the same manner as the judgment or order of Court and shall have the same effect.
- Compilation of Abandoned Buildings/ Structures. 37. (1) The Authority shall compile all identified abandoned buildings or structures within the State and forward same to the relevant MDAs for necessary actions and revert back to the Authority within the period specified in the notice served.

- (2) where the owner or occupier fails to complete the construction of the building or structure or to do certain remedial works recommended by the relevant MDA(s) within the period specified in the notices, the Authority shall give a final reminder to the relevant MDA(s) to render identified abandoned building or structures to the Authority, within the period of three (3) months of service of the relevant statutory notices.
- Abandoned or Uncompleted Buildings and Structures.
38. (1) A building/structure may be considered abandoned if it –
- hasn't been developed due to lack of funds;
  - constitutes a nuisance;
  - is a safety risk;
  - contributes to environmental degradation; and
  - is used as a ground for perpetration of criminal activities.
- (2) Where it appears to the relevant MDA(s) that any abandoned or uncompleted building, or structure may constitute a nuisance, safety risk, environmental degradation, or a ground for perpetration of criminal activities, the MDA(s) shall serve notice on the owner or occupier of such building or structure either personally or by posting same on the building or structure, requesting the owner or occupier to complete the construction of the building or structure or do certain things within a period of three (3) months or a shorter such period as the Authority may deem fit.
- (3) Where the owner or occupier fails to complete the construction of the building or structure or do certain things within the period specified in the notice, the relevant MDAs shall serve a final notice on the owner(s) personally or by posting same on the building or structure, granting the owner or occupier an additional period of three (3) months to comply with the matters stated in the notice.
- Representation by the Owner.
39. (1) The Authority shall consider representations made by the owner or occupier of an abandoned or uncompleted building or structure or any other tenement who has been served with notice(s) under this Law.
- (2) The representation shall contain steps or measures to be taken by the owner or occupier which will facilitate effective compliance with the notice or any other proposal which in the opinion of the Authority will serve the purpose or objective of this Law.
- Completion of Construction.
40. (1) Where it appears to the Authority that it will be inequitable to issue a recommendation to the appropriate authority for the revocation of a right of occupancy, the Authority shall, in consultation with the owner or occupier of the abandoned or uncompleted building or structure, evolve an arrangement that will serve the purpose or objective of this Law.

- (2) In reaching its decision under subsection (1) of this section, the Authority shall take into consideration the representations of the owner or occupier of the abandoned or uncompleted building or structure and the financial implications and viability of such an arrangement.
- Power to Acquire Abandoned or Uncompleted Buildings. 41. Where after the expiration of the period stated in the final notice, the owner or occupier of an abandoned or uncompleted building or structure fails to comply with the notice, or is unable to convince the Authority of the ability to complete the building or structure, shall issue recommendations to the appropriate authority that the subsisting right of occupancy in the abandoned or uncompleted building or structure be revoked in accordance with the provisions of the Land Use Act, 1978.
- Compensation. 42. (1) All matters connected with the payment of compensation for the revocation of a right of occupancy shall be in accordance with the relevant provisions of the Land Use Act, 1978.
- (2) Any compensation payable as a result of the revocation of a right of occupancy shall be made within a reasonable time.
- Demolition. 43. The Authority shall report to the relevant Ministry, Department and Agency MDA(s) of Government that have the power to demolish any abandoned or uncompleted building or structure which, in the opinion of the Authority constitutes a danger to the health and safety of the public.
- Notice of Intention to Institute Legal Action Against The Authority. 44. (1) A suit shall not commence against the Authority either as a party or against the General Manager/Chief Executive Officer in that capacity unless one (1) month written notice of intention to commence same has been first served on the Authority by the intending plaintiff or claimant.
- (2) The notice of intention to commence a suit shall include the—
- (a) cause of action;
  - (b) particulars of claim;
  - (c) name and place of abode of the intending plaintiff or claimant; and
  - (d) claims or reliefs sought by the intending plaintiff or claimant.
- (3) Service of notice on the Authority referred to above, summons or other documents required or authorised to be served on the Authority under the provisions of this Law, may, except where there is express provision to the contrary, be served by—



- (a) delivering same to the General Manager, the Adviser or any other senior officer of the Authority;
- (b) sending it by registered post address to the General Manager of the Authority at the principal office of the Authority, provided that the Court may order service to be effected in accordance with the terms of such Order.
- Funds of the Authority.** 45. The Authority shall establish and maintain a fund that consists of—
- annual budgetary provision from the State;
  - such monies granted by the State to the Authority;
  - such monies raised by loan under the power to borrow vested in the Authority;
  - income derived from investment;
  - all fees, charges and levies for services rendered by the Authority; and
  - all other sums acquired by the Authority from any source.
- Application of the Funds.** 46. The funds shall be utilised for —
- salaries, remuneration and allowances of staff and agents of the Authority;
  - sitting allowances of the Chairman and other members of the Board and any other standing or ad hoc Committee appointed by the Authority;
  - administrative costs and any other capital expenditure of the Authority; and
  - defraying other expenses authorised by the Authority in the course of carrying out its functions under this Law.
- Power to Borrow.** 47. The Authority may with the approval of the Governor borrow money by way of loan, overdraft or syndication or otherwise such sums of money for and in connection with the exercise of its functions under this Law as may be allowed under the financial regulations of the State, subject to the approval of the House.
- Offences and Penalties.** 48. An individual or an organisation dealing in real estate transactions in the State that—
- fails to register in accordance with the provisions of this Law commits an offence and is liable on conviction to a fine of not less than Two Hundred and Fifty Thousand Naira (₦250,000.00) in the case of an individual and not less than One Million Naira (₦1,000,000.00) in the case of an organisation.
  - contravenes or fails to comply with any other provision of this Law commits an offence and is liable on conviction to —
    - the revocation of the permit or a fine of not less than One Hundred Thousand Naira (₦100,000.00) and

- of Ten Thousand Naira (₦10,000.00) for each day of non-compliance in the case of a registered individual.
- ii. a fine of One Hundred Thousand Naira (₦100,000.00) and a fine of Twenty-Five Thousand Naira (₦25,000.00) for each day of non-compliance in the case of an unregistered individual.
  - iii. the revocation of the permit or a fine of Five Hundred Thousand Naira (₦500,000.00) and a fine of Thirty Thousand Naira (₦30,000.00) for each day of non-compliance in the case of a registered organisation; and
  - iv. a fine of Five Hundred Thousand Naira (₦500,000.00) and a fine of Fifty Thousand Naira (₦50,000.00) for each day of non-compliance in the case of an unregistered organisation.
- Accounts.** 49. (1) The Authority shall prepare and submit to the Governor through the Special Adviser not later than 30<sup>th</sup> October of every year an estimate of its expenditure and income for the next succeeding financial year.
- (2) The Authority shall keep proper account(s) in respect of each financial year and proper records in relation to these accounts.
- Audit.** 50. The accounts of the Authority shall be audited at the end of each year by a firm of auditors, selected from a list of auditors approved by the State Auditor-General in accordance with the State Audit Law 2015.
- Annual Report.** 51. The Authority shall prepare and submit to the State Executive Council through the Special Adviser, after the end of each financial year but not later than six (6) months after it, a report on the activities of the Authority during the immediate preceding financial year. and shall include in such report, a copy of the audited accounts of the Authority for that year together with the Auditor-General's comment on the annual account and the auditor's report as provided under the State Audit Law 2015.
- Power to Make Regulations.** 52. (1) The Special Adviser may make Regulations for carrying in effect the provisions of this Law in Accordance with the Regulations Approval Law 2015.
- (2) The Special Adviser may on the recommendation or with the agreement of the Authority, issue regulations with regards to—
- (a) off-plan arrangement with prospective clients; and

(b) any matter in general, which is considered necessary or expedient to be prescribed for achieving the objectives of this Law.

- Repeal and Savings. 53. (1) The Lagos State Estate Agency Regulatory Authority Law Ch. L28, Laws of Lagos State 2015 is repealed.
- (2) Nothing in this Law shall invalidate anything done under the repealed law.
- Citation and Commencement. 54. This Law may be cited as the Lagos State Real Estate Regulatory Authority Law, and shall come into force on the ..... day of.....2021.

This printed impression has been compared by me with the Bill which has been passed by the Lagos State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.

.....  
**MR. OLALEKAN B. ONAFEKO**

*Ag. Clerk of the House of Assembly*

Assented to by me, this .....day of ..... 20.....

.....  
**MR. BABAJIDE OLUSOLA SANWO-OLU**

*Governor of Lagos State*

Assent withheld by me, this.....day of.....20.....

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**MR. BABAJIDE OLUSOLA SANWO-OLU**  
*Governor of Lagos State*

Passed again by the Lagos State House of Assembly by two-thirds majority, this .....day of  
.....20.....

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**RT. HON. MUDASHIRU A. OBASA**  
*Speaker of the House of Assembly*