International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

Processes and Performance Evaluation of Off-Plan Property Development Financing Strategy in Lagos State, Nigeria

Adenike Ramot Aro[1], Igho Fayomi[2]
[1,2]Department of Estate Management, Lead City University, Ibadan, Nigeria
Corresponding Author: AdenikeRamotAro

Date of Submission: 25-07-2025 Date of Acceptance: 05-08-2025

ABSTRACT- This study evaluates the processes and performance of the off-plan property development financing strategy in Lagos State, Nigeria, with a focus on REDAN-certified developers and ESVARBON-registered estate surveyors and valuers. Using a descriptive survey design, data were collected via 140 and 156 distributed questionnaires to developers and estate surveyors respectively, yielding response rates of 67.9% and 66%. Descriptive statistics and the Relative Importance Index (RII) were employed to analyze the responses. Findings reveal a male-dominated respondent pool (73.7% developers; 83.5% surveyors) with a majority aged above 47 years. A large proportion (66.3% developers; 54.4% surveyors) held bachelor's degrees, and over half of both groups reported more than 20 years of experience in property development. In terms of specialization, developers predominantly focused on industrial properties (61.1%), while surveyors emphasized residential (56.3%). Equity financing was the most commonly adopted strategy (47.4% developers; 36.9% surveyors), with contingency planning emerging as the leading risk mitigation measure. For estate surveyors, staggered payment plan implementation (mean = 2.41), exit clauses (mean = 2.30), and valuation/revaluation (mean = 2.08) were the most engaged processes. For developers, exit clauses (mean = 2.41), post-completion services (mean = 1.88), and valuation/revaluation (mean = 2.15) were ranked highest. Performance indicators ranked financial performance as the top benefit of the off-plan model (mean = 4.78 for surveyors; 4.60 for developers), followed by project delivery (4.52; 4.37) and customer satisfaction (4.53; 4.00). However, government oversight (4.09; 3.23) and the use of escrow accounts (3.74; 3.64) were rated among the least effective. The study concludes that while off-plan financing demonstrates strong financial and delivery advantages, it is constrained by weak regulatory enforcement, underutilized buyer protection tools, and inconsistent process execution, requiring urgent policy and professional intervention to ensure long-term viability.

KEYWORDS: Performance Evaluation, Off-Plan, Property Development, Financing Strategy, Lagos

I. INTRODUCTION

Property development plays a critical role in shaping urban growth and driving economic progress. It encompasses a range of activities; from planning and financing to the construction and eventual sale or lease of residential, commercial, and industrial properties. In emerging economies like Nigeria, real estate development contributes significantly to wealth creation, employment opportunities, and the expansion of infrastructure [1]. However, the success and sustainability of such development efforts largely depend on the availability and accessibility of viable financing options. In recent decades, the real estate sector in Nigeria (especially in Lagos State) has witnessed remarkable expansion. As the nation's commercial capital and most populous city, Lagos continues to experience rapid urbanisation, marked by rising demand for both housing and commercial spaces [2,3]. This growing demand has created an urgent need for innovative financing models capable of supporting real estate development at scale. One such model gaining traction is the Off-Plan property financing strategy.

Off-Plan financing involves the sale of property units before their construction is completed, sometimes even before it begins [4]. Under this arrangement, developers market properties to prospective buyers at competitive or discounted prices in the early phases of a project.

Buyers then make payments in stages, often tied to specific construction milestones. This method enables developers to raise capital directly from buyers, reducing their dependence on bank loans, which are often expensive, and restrictive [3]. The appeal of Off-Plan financing in Lagos is driven by several contextual factors. High construction costs, coupled with the scarcity of affordable credit, make traditional financing routes less attractive or even inaccessible to many developers [5,6]. By obtaining early-stage capital from buyers, developers can reduce financial pressure, manage risks more effectively, and ensure timely project delivery. For buyers, the opportunity to secure property at pre-market prices offers the potential for high returns on investment, especially in a market where property values tend to appreciate rapidly.

Despite its promise, the Off-Plan model presents significant risks. Challenges such as construction delays, substandard project delivery, and outright fraud have cast doubt on the reliability of this financing method [7]. More troubling is the absence of a robust legal and regulatory framework to guide Off-Plan transactions in Nigeria. This regulatory vacuum has left both developers and buyers vulnerable to unethical practices, including incomplete or abandoned projects [8,9]. As a result, public confidence in Off-Plan financing has been shaken, underscoring the need for a thorough understanding of how this strategy functions in practice.

Given Lagos State's pivotal role in Nigeria's real estate landscape, a closer examination of Off-Plan financing strategies is both timely and necessary. This study aims to critically assess the performance of the Off-Plan model in Lagos, with a view to providing insights that would guide stakeholders (developers, investors, regulators, and policymakers) in strengthening the effectiveness of Off-Plan financing in the study area.

II. LITERATURE REVIEW

Off-plan development is a widely adopted financing and sales strategy in real estate, characterized by the purchase of property units before construction is completed, and in some cases, before it even begins. While the core idea remains consistent, its terminology varies across regions. In Nigeria, it is commonly referred to as off-plan[8]; in Australia, it is known as off-the-plan[10]; in Taiwan, it is described as presale housing [11,12]; and in Malaysia, it is termed sell-then-build [13]. [14]define this approach as one in which developers offer residential units for sale prior to their physical completion. According to [15], buyers often base their purchasing decisions on architectural plans, site maps, computer-generated renderings, or immersive virtual reality simulations rather than on physical inspections. This model has become increasingly popular in high-demand markets as a means of securing early capital and managing development risk.

The off-plan property development strategy is increasingly regarded as a transformative model for financing and delivering real estate projects, particularly in emerging urban markets. At its core, this model allows developers to secure early commitments from buyers before the actual completion, or even the commencement; of physical construction. This early-stage sales mechanism not only facilitates liquidity for developers but also redistributes risk, effectively making buyers co-financiers in the development process. In recent years, this strategy has gained traction as a solution to the financing constraints associated with rising construction costs, limited access to credit, and volatile macroeconomic conditions [6,4].

One of the defining characteristics of off-plan development is its function as both a sales and financing mechanism. From a developer's perspective, it helps bridge funding gaps by reducing dependency on institutional financing, which is often expensive and difficult to obtain in developing economies [16]. Instead of relying heavily on bank loans, developers can fund construction milestones using instalment payments from off-plan buyers. This approach not only enhances financial flexibility but also offers the developer a built-in demand base, reducing the risks associated with speculative development. From the buyer's standpoint, off-plan investments can be highly attractive due to the potential for capital appreciation. Properties are typically offered at lower prices during the planning or early construction stages, allowing buyers to lock in future value at a discount [5]. In rapidly appreciating urban markets like Lagos, this model can deliver significant returns by the time the property is completed. Furthermore, buyers often have the opportunity to influence certain aspects of the design or interior layout, contributing to a sense of customization and long-term value [4].

However, while off-plan development offers compelling benefits, it is not without its inherent challenges. A recurring issue in many jurisdictions is the uncertainty surrounding project delivery. Delays in construction timelines, unexpected cost escalations, or developer insolvency can all negatively impact buyer confidence [7]. In Nigeria, several high-profile cases involving abandoned or poorly executed off-plan projects have led to public skepticism about the model. These concerns are further compounded by the absence of robust legal and regulatory safeguards to protect buyers' interests [8]. In some instances, buyers have lost significant investments due to project non-completion or misrepresentation of specifications.

Regulatory gaps also present a major hurdle to the credibility of off-plan schemes. In advanced markets like Australia and the United Kingdom, comprehensive legal frameworks and escrow systems exist to regulate developer obligations, fund disbursement, and buyer protection. In contrast, many developing nations still lack such protections, leaving buyers exposed to fraudulent practices or mismanagement [10]. Recent literature emphasizes the importance of regulatory oversight in strengthening transparency, ensuring timely delivery, and enhancing stakeholder trust [9].

Another emerging trend in the evolution of off-plan development is the use of technology to enhance transparency and buyer experience. Developers are increasingly employing digital tools such as 3D architectural visualizations, virtual walkthroughs, and blockchain-based smart contracts to attract buyers and ensure project accountability [17]. These innovations help reduce information asymmetry and allow buyers to make more informed investment decisions. In some Asian and Middle Eastern markets, for example, digital escrow services and tokenized real estate assets are being used to streamline transactions and build investor confidence [18]. Based on the foregoing, the off-plan property development strategy presents a dual-edged framework, one that offers both innovative financing solutions and significant investment opportunities, but also carries considerable risk. Its successful application depends largely on the presence of institutional safeguards, legal infrastructure, and transparent developer practices. In fast-growing urban centers like Lagos, where demand for housing continues to outstrip supply, understanding and optimizing the off-plan model will be vital for sustainable real estate development. Future improvements in regulatory policy, coupled with the adoption of technology and buyer education, could enhance the model's effectiveness and long-term viability.

Processes of the Off-Plan Financing Strategy

Off-Plan Financing follows a structured sequence of stages, beginning with land acquisition and project conceptualization, followed by pre-sales marketing and securing buyer commitments before actual construction begins[19,20]. Developers often offer buyers incentives such as discounts, extended payment plans and flexible Financing options to encourage early investment and generate construction capital[21].A key aspect of Off-Plan Financing is the mechanism through which developers secure buyer deposits. In well-regulated markets such as Dubai and Singapore, buyer deposits are typically held in escrow accounts to ensure financial transparency and mitigate the risk of mismanagement[22]. These measures help protect buyers by ensuring that funds are disbursed in phases according to construction progress, thereby reducing the likelihood of project abandonment. In contrast, developers may have unrestricted access to buyer funds in markets with weaker regulatory oversight, increasing the risk of financial mismanagement, project delays, or even cancellations, as witnessed during the 2008 Dubai Real Estate crash[23,24].

Regulatory frameworks play a critical role in shaping Off-Plan Financing processes, with significant variations observed across different markets. In jurisdictions such as Singapore, developers must place funds from Off-Plan sales into government-monitored accounts, ensuring transparency and market stability[25,26]. This regulatory approach enhances investor confidence by minimizing the risk of financial mismanagement. Conversely, in markets like Johannesburg, where regulatory oversight is less stringent, there have been instances where developers fail to meet contractual obligations, resulting in financial losses for buyers and overall market instability[27].Furthermore, market maturity influences the effectiveness of Off-Plan Financing. In developed economies with established Real Estate sectors, Off-Plan transactions often adhere to standardized legal and financial structures, ensuring a smoother Financing process. For instance, in Dubai, developers are required to secure a sales license before launching an Off-Plan project, providing an added layer of buyer protection and accountability[25, 26]. However, in emerging markets, a lack of uniform regulatory enforcement can lead to inconsistencies in project execution, making Off-Plan investments riskier for buyers and investors.

Performance Level of the Off-Plan Financing Strategy

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

Existing literature on the performance of Off-Plan Financing strategies have majorly shown that its success is largely contingent on market conditions, investor confidence and developer credibility. In high-demand Real Estate markets, Off-Plan Financing enables developers to accelerate project completion by securing funds upfront, thereby reducing reliance on external Financing sources such as bank loans or institutional investments[28,29]. This funding model has proven particularly effective in rapidly expanding Real Estate sectors, where early capital injection ensures steady project execution. However, speculative investment activities can significantly affect the performance of Off-Plan Financing. In some markets, investors purchase multiple units intending to resell at a profit upon project completion, a practice that can drive up Property prices artificially and contribute to unsustainable price bubbles. Studies such as Humphrey‘s analysis of the 2008 global financial crisis highlight how excessive reliance on Off-Plan sales can exacerbate market volatility without adequate financial controls. When Property values decline or economic downturns occur, speculative investors may default on payments, leading to project delays or cancellations, ultimately destabilizing the Real Estate sector[30].

Empirical evidence suggests that Off-Plan Financing tends to perform better in well-regulated markets where developers are required to adhere to strict financial and legal requirements. For instance, in Dubai, Off-Plan Financing has been a key driver of Real Estate expansion, attracting significant foreign investment and facilitating large-scale residential and commercial developments [19,31,32]. However, the 2008 financial crisis exposed vulnerabilities in this approach, as many projects were stalled or abandoned due to insufficient liquidity and declining Property values[33,34,35]. To address these challenges, Dubai has since implemented regulatory measures such as mandatory escrow accounts and phased payment structures to ensure better financial oversight. Similarly, Singapore‘s Off-Plan Financing model has demonstrated strong performance due to the country‘s stringent regulatory framework, which enforces developer accountability and protects buyer interests[34,25]. Developers in Singapore must comply with strict legal provisions, reducing the likelihood of project failures and financial losses for investors[29,26]. This structured approach has enhanced buyer confidence and market stability, making Off-Plan Financing a viable long-term investment strategy.

In London, Off-Plan Financing has played a significant role in high-end Property developments, particularly in prime locations such as Chelsea and Kensington [28]. However, speculative buying has driven up housing prices, raising concerns about affordability and accessibility for middle-income buyers. In response, the UK government has introduced policy interventions such as increased stamp duty for foreign investors to curb speculative purchases and stabilize the market [36,37,38]. Despite these challenges, Off-Plan Financing remains a dominant feature of London's Real Estate sector, especially for luxury developments that rely on early-stage investor commitments [28,39,40].

Likewise, in Sydney, Off-Plan Financing has been widely adopted to fund high-density residential projects and help developers meet growing housing demand. However, rising Property prices have led to affordability concerns, with local buyers facing increased financial strain due to escalating Real Estate costs[41,42,43]. These market dynamics illustrate how Off-Plan Financing can drive Real Estate growth while also posing potential risks if not balanced with effective regulatory measures and affordability initiatives.

III. METHODOLOGY

This study adopted a descriptive survey research design to evaluate the processes and performance outcomes of the off-plan property development financing strategy in Lagos State, Nigeria. The choice of this design was informed by the need to obtain firsthand insights from key stakeholders involved in the real estate development process, particularly those directly engaged in off-plan projects. The study focused on two primary populations: certified property developers registered with the Real Estate Developers Association of Nigeria (REDAN) and registered estate surveyors and valuers certified by the Estate Surveyors and Valuers Registration Board of Nigeria (ESVARBON). These two groups were selected due to their critical roles in property development financing and project delivery assessment. While REDAN developers typically initiate and manage off-plan developments, estate surveyors and valuers are often involved in project feasibility studies, valuation, investment advice, and performance evaluation.

A total of 140 questionnaires were administered to REDAN-certified property developers across selected areas in Lagos State where off-plan developments are common, including Lekki, Ikeja, Ikoyi, and Ajah. Out of the

140 distributed, 95 questionnaires were successfully retrieved, representing a response rate of 67.9%. Similarly, 156 questionnaires were distributed to practicing estate surveyors and valuers, and 103 were returned completed, indicating a response rate of 66%. The sample was selected through purposive sampling, targeting professionals with direct experience in off-plan development either as promoters (developers) or evaluators (valuers). The questionnaire administration process was facilitated through a combination of physical drop-offs and electronic distribution via email and professional WhatsApp groups, ensuring that respondents had sufficient time to complete the instruments at their convenience.

Data obtained from the returned questionnaires were analyzed using descriptive statistical tools. These included frequency distributions, percentages, means, and standard deviations, which helped to summarize responses across key thematic areas such as off-plan financing processes, performance indicators, and stakeholder experiences. Furthermore, the Relative Importance Index (RII) technique was employed to rank the perceived significance of various factors affecting the performance of off-plan developments, as identified by both developers and estate surveyors. This methodological approach allowed for a systematic assessment of off-plan financing practices and their outcomes within Lagos State's dynamic real estate sector, combining quantitative rigour with practical relevance.

IV. RESULT OF FINDINGS AND DISCUSSION

This section presents the findings derived from the data collected through the administered questionnaires and discusses their implications in relation to the study objectives. The analysis focuses on the processes adopted in off-plan property development financing, as well as the evaluation of its performance from the perspectives of both REDAN-certified property developers and ESVARBON-registered estate surveyors and valuers. Descriptive statistical tools, including frequency distributions, percentages, means, standard deviations, and the Relative Importance Index (RII), were used to summarize and interpret the data. The findings are discussed in light of existing literature to highlight areas of convergence, divergence, and contextual significance within the Lagos State property development landscape.

Table 1: Demographic Profiles of Respondents

	ESV		REDAN	
Variable	**N**	**%**	**N**	**%**
Gender				
Male	86	83.5	70	73.7
Female	17	16.5	25	26.3
Age Range				
36–46	10	9.7	—	—
47–57	12	11.7	61	64.2
Above 57	81	78.6	34	35.8
Professional Qualification				
HND	7	6.8	5	5.3
PDG	37	35.9	20	21.1
BSc/BTech/BEng	56	54.4	63	66.3
MSc/MTech/MBA	3	2.9	7	7.4

Years of Experience				
6–10	10	9.7	—	—
11–15	—	—	37	38.9
16–20	38	36.9	8	8.4
20 and above	55	53.4	50	52.6
No. of Developments Achieved				
6–10	35	36.1	23	25.6
11–15	52	53.6	31	34.4
16–20	10	10.3	24	26.7
20 and above	—	—	12	13.3
Class of Properties Specialized In				
Residential	58	56.3	32	33.7
Commercial	7	6.8	5	5.3
Industrial	38	36.9	58	61.1
Project Financial Funding Type				
Equity	38	36.9	45	47.4
Joint Venture	32	31.1	35	36.8
Debt Financing	4	3.9	7	7.4
Grants	29	28.2	8	8.4
Risk Mitigation Strategies				
Diversification	21	20.4	15	15.8
Hedging	12	11.7	24	25.3
Insurance	32	31.1	12	12.6
Contingency Planning	38	36.9	44	46.3
Average Project Size (Naira)				
N200 Million and below	73	70.9	47	49.4
Above N200 Million	30	29.1	48	50.6

Author's Field Survey, 2025

The information presented in Table 1 reveals the demographic profiles of the respondents. The gender distribution reveals a male-dominated industry across both respondent groups, with 83.5% of ESVs and 73.7% of developers identifying as male. This is consistent with global trends in the real estate and construction industry, which have traditionally been male-heavy, particularly in technical and executive roles [44]. The gradual inclusion of women, evidenced by the 16.5% (ESV) and 26.3% (developer) female representation, suggests a slow but growing gender diversification, aligning with findings by [45], who noted increasing female participation in emerging real estate markets. Also, a significant portion of the respondents fall within the older age brackets, especially among the estate surveyors, with 78.6% being above 57 years. Among developers, 64.2% were aged 47–57, indicating that off-plan development in Lagos is largely driven by professionals with substantial life and professional experience. This age distribution underscores the notion that real estate, especially off-plan development, requires mature judgment, established networks, and long-term capital accumulation [46].

Furthermore, the majority of both groups possess first degrees (BSc/BTech/BEng), 54.4% for ESVs and 66.3% for developers, while a notable percentage hold postgraduate diplomas (PDG). This suggests a strong academic foundation, particularly among developers who may have pursued technical or vocational qualifications before entering the sector. However, only a small fraction holds master's degrees (2.9% of ESVs; 7.4% of developers), suggesting that while practical experience dominates, and academic advancement at the postgraduate level is not yet widespread in the sector. This mirrors findings by [47], who noted that professional experience often outweighs academic qualifications in Nigerian property markets.Among ESVs, 53.4% had over 20 years of experience, with another 36.9% in the 16–20 year bracket. A similar pattern is seen among developers, where 52.6% reported over 20 years of experience. This depth of experience provides credibility to their insights on financing strategies and performance outcomes. Long years in practice often translate to better risk perception and project delivery acumen [48], which are essential in off-plan development characterized by high uncertainty.

A critical examination of the table also reveals that Estate surveyors reported a higher volume of project involvement in the 11–15 unit range (53.6%), while developers showed a more evenly spread distribution, with 34.4% in the 11–15 range and 26.7% in 16–20. Notably, 13.3% of developers had handled more than 20 developments, indicating substantial project experience and exposure to large-scale real estate finance practices. These statistics align with [49] assertion that Lagos is a key hub for serial property developers in West Africa.ESVs primarily specialize in residential property (56.3%), with significant involvement also in industrial property (36.9%). Conversely, REDAN developers had a strong bias toward industrial property (61.1%), followed by residential (33.7%). This shift suggests that developers in Lagos are increasingly focusing on industrial and mixed-use development, likely a response to urban sprawl, changing land-use demand, and the rise of logistics and warehousing hubs around Lagos [50].

The dominant funding strategy across both groups was equity financing, reported by 36.9% of ESVs and 47.4% of developers, highlighting the preference for self-funding or early buyer contributions in off-plan schemes. Joint ventures were the second most common (31.1% for ESVs and 36.8% for developers), often involving landowners and financiers, in line with findings by [51], who emphasized the growing role of partnerships in Nigerian property development. Debt financing and grants were minimally reported, likely due to high interest rates and limited access to development grants in Nigeria's property finance landscape.Contingency planning ranked highest among both groups (36.9% for ESVs and 46.3% for developers), underscoring its role in dealing with unforeseen project setbacks; a common challenge in off-plan projects. While insurance featured prominently for ESVs (31.1%), developers favored hedging (25.3%), possibly reflecting efforts to manage inflationary costs and currency risk, consistent with recommendations by [52]. Also, most projects handled by ESVs fell into the ₦200 million and below range (70.9%), whereas developers showed a more balanced split, with 50.6% managing projects above ₦200 million. This disparity reflects the developer-led nature of capital-intensive off-plan developments and underscores their higher exposure to financial risk and scale economics [53].

Table 2: Processes of the Off-Plan Financing Strategy for ESV

Process	SA	A	N	D	SD	Mean ± SD	Rank
Project Conceptualization and Planning	–	–	–	22 (21.4)	81 (78.6)	1.21 ± 0.41	11
Regulatory Approvals and Permits	–	–	10 (9.7)	42 (40.8)	51 (49.5)	1.60 ± 0.66	9
Marketing and Pre-Sales Campaign	–	–	11 (10.7)	46 (44.7)	46 (44.7)	1.66 ± 0.67	8
Buyer Subscription and Reservation	–	–	23 (22.3)	46 (44.7)	34 (33.0)	1.89 ± 0.74	4
Sales Agreement and Legal Documentation	–	–	–	39 (37.9)	64 (62.1)	1.38 ± 0.49	10
Staggered Payment Plan Implementation	12 (11.7)	17 (16.5)	–	46 (44.7)	28 (27.2)	2.41 ± 1.35	1
Construction Phase	–	–	–	69 (67.0)	34 (33.0)	1.67 ± 0.47	7
Valuation and Revaluation	–	–	24 (23.3)	63 (61.2)	16 (15.5)	2.08 ± 0.62	3
Exit Options or Reassignment Clause	6 (5.8)	10 (9.7)	14 (13.6)	52 (50.5)	21 (20.4)	2.30 ± 1.08	2
Handover and Final Payment	–	–	–	76 (73.8)	27 (26.2)	1.74 ± 0.44	6
Post-Completion Services	–	–	13 (12.6)	52 (50.5)	38 (36.9)	1.76 ± 0.66	5

Author's Field Survey, 2025

Table 2 reveals the insights from Estate Surveyors and Valuers (ESVs) on their perception of the critical processes involved in the off-plan property financing strategy. The ranking is based on the Relative Importance Index (RII), supported by mean scores and standard deviations. The responses show that the involvement of ESVs is significantly weighted towards a few financial and evaluative stages in the off-plan process, while their role is perceived as limited or passive in several other stages.

Among the processes examined, staggered payment plan implementation ranked the highest with a mean score of 2.41, indicating that ESVs are most actively engaged at this stage. This finding aligns with established literature which highlights staggered payments as a central feature of off-plan real estate transactions, particularly in emerging markets where access to lump-sum financing is limited. The involvement of ESVs at this stage typically includes cost assessment, valuation of work done at various stages, and certification for milestone-based payments. Their expertise in value estimation ensures that payment structures reflect construction progress and protect the interests of both developers and early buyers. The second most

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

prominent process identified was the use of exit options or reassignment clauses, with a mean score of 2.30. The inclusion of such provisions in off-plan contracts is becoming increasingly significant in response to the inherent risks of delayed completion and market volatility. These clauses allow investors to transfer their stakes or opt out under defined circumstances, which enhances investor confidence and project flexibility. [53]affirm that flexible exit mechanisms are a key requirement for stimulating speculative investment in the Nigerian real estate market. ESVs may not draft these clauses directly but are often consulted to assess the financial implications or residual value of such decisions, especially when reassignment involves revaluation of interests.

Valuation and revaluation ranked third, with a mean score of 2.08, reinforcing the core professional function of ESVs in the off-plan development landscape. Valuation is integral not only at the initiation of sales but also throughout the development lifecycle to monitor asset value, assess fund disbursement benchmarks, and support borrowing arrangements. As [51] note, regular revaluations instill transparency and accountability, especially in joint venture arrangements or where off-plan units are used as loan collateral.The buyer subscription and reservation phase followed, with a mean of 1.89. While ESVs are not front-line actors in marketing or sales engagement, their consultative role in investment appraisal and feasibility analysis often informs buyer decisions. They may also act as advisors to corporate clients or institutional buyers, offering due diligence services during the early commitment phases of off-plan transactions.

Post-completion services received a mean score of 1.76, highlighting a modest but significant engagement of ESVs in activities following handover. This stage includes property and facility management, quality assurance, and tenant onboarding. [53]argue that professional management of post-completion tasks enhances asset longevity and owner satisfaction, a role in which ESVs are increasingly participating, especially in structured estates or commercial property schemes.The handover and final payment process, with a mean score of 1.74, suggests that ESVs are only peripherally involved at this final stage of project execution. Their role is generally supportive, often limited to confirming that project specifications have been met and that final valuations align with agreed deliverables. This step, although crucial, is largely managed by developers and legal professionals, while ESVs contribute valuation reports that may support release of final funds or mortgage closures.The construction phase itself recorded a relatively low mean score of 1.67, reflecting the limited direct involvement of ESVs during physical construction. This is expected, as this phase is dominated by architects, engineers, and project managers. However, ESVs may still be involved intermittently, particularly when progress certifications or revaluations are required to unlock funding tranches or to revise project costs.

Marketing and pre-sales campaigns received an equally low score of 1.66. These activities are typically the responsibility of developers and sales agents who engage the market and promote property units. As [52] observe, ESVs are not traditionally trained or licensed for marketing functions, and thus, their limited role here is consistent with their professional boundaries. Even lower in the ranking was the role of ESVs in regulatory approvals and permits, which scored a mean of 1.60. The acquisition of planning permits, environmental assessments, and construction approvals lies primarily with developers, architects, and town planners. While ESVs may conduct land due diligence or feasibility studies that consider regulatory constraints, their direct interface with government authorities at this stage is minimal.

The sales agreement and legal documentation process, with a mean of 1.38, was perceived as largely outside the remit of ESVs. Legal practitioners, title experts, and developers dominate this stage, which involves preparing deeds of assignment, sale agreements, and contractual terms. While ESVs may be called upon to verify valuation reports or advise on land value representations, their engagement is usually supportive rather than central. Project conceptualization and planning ranked the lowest, with a mean score of 1.21. This reflects the minimal involvement of ESVs in the initial strategic planning and visioning of off-plan developments. At this stage, key decisions are driven by the developer in conjunction with architects, financiers, and business strategists. ESVs are typically brought into the process once concepts are defined and require financial validation, indicating a downstream position in the project lifecycle.

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

Table 3: Processes of the Off-Plan Financing Strategy for REDAN

Process	SA	A	N	D	SD	Mean ± SD	Rank
Project Conceptualization and Planning	–	12 (12.6)	–	15 (15.8)	68 (71.6)	1.54 ± 1.01	9
Regulatory Approvals and Permits	12 (12.6)	–	–	27 (28.4)	56 (58.9)	1.79 ± 1.30	6
Marketing and Pre-Sales Campaign	–	12 (12.6)	–	14 (14.7)	69 (72.6)	1.53 ± 1.01	10
Buyer Subscription and Reservation	–	–	1 (1.1)	62 (65.3)	32 (33.7)	1.67 ± 0.49	8
Sales Agreement and Legal Documentation	–	–	–	44 (46.3)	51 (53.7)	1.46 ± 0.50	11
Staggered Payment Plan Implementation	1 (1.1)	6 (6.3)	–	55 (57.9)	33 (34.7)	1.81 ± 0.82	5
Construction Phase	–	–	12 (12.6)	46 (48.4)	37 (38.9)	1.74 ± 0.67	7
Valuation and Revaluation	–	–	21 (22.1)	67 (70.5)	7 (7.4)	2.15 ± 0.52	3
Exit Options or Reassignment Clause	6 (6.3)	2 (2.1)	31 (32.6)	42 (44.2)	14 (14.7)	2.41 ± 0.98	1
Handover and Final Payment	–	–	–	76 (80.0)	19 (20.0)	1.80 ± 0.40	4
Post-Completion Services	–	–	9 (9.5)	66 (69.5)	20 (21.1)	1.88 ± 0.54	2

Author's Field Survey, 2025

Table 4 reveals responses from REDAN-certified property developers provide critical insights into the real-world application and prioritization of various off-plan financing processes in Lagos State. The data reflects how developers engage with and perceive the importance of each stage in the off-plan project cycle. It also reveals the areas where process execution is weak, fragmented, or perhaps misunderstood, offering a window into the operational dynamics of off-plan financing in Nigeria's complex real estate environment.The process ranked highest among developers was the "Exit Options or Reassignment Clause", with a mean score of 2.41. This indicates that developers recognize the importance of embedding flexibility into off-plan sales contracts. In a volatile economy like Nigeria's, where inflation, policy shifts, and currency depreciation can significantly affect real estate delivery timelines, offering buyers the option to exit or reassign rights helps to de-risk their investment. [53]emphasize the value of flexible

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

clauses in building trust and sustaining off-plan sales momentum, particularly when buyers are wary of default risks.

Following closely was “Post-Completion Services” (mean = 1.88), which underscores the growing acknowledgment by developers of the importance of after-sales service, including facility management, maintenance, and dispute resolution. In contemporary real estate practice, post-completion services are no longer seen as optional add-ons but as integral to the property lifecycle and critical to sustaining asset value [54]. REDAN developers who recognize this are likely aligning with global best practices, where post-handover support enhances reputation, encourages referrals, and reduces buyer dissatisfaction. “Valuation and Revaluation” ranked third (mean = 2.15), suggesting that while not a developer’s core professional domain, valuation services are nonetheless critical to the off-plan process. Developers often rely on periodic valuations to justify progress billing to off-plan buyers or secure construction loans from financial institutions. [51]argue that robust valuation mechanisms can improve transparency and instill investor confidence, especially in markets where trust in delivery timelines is low.

“Handover and Final Payment” received a mean score of 1.80 and ranked fourth. This reflects the culmination of the developer’s primary responsibility, delivering the property. However, the relatively modest score suggests challenges around seamless handover, possibly due to delays, cost overruns, or post-construction quality issues. Research by [46] notes that poor delivery standards and unfulfilled specifications at handover are a frequent source of buyer dissatisfaction in the Nigerian context. The “Staggered Payment Plan Implementation” process ranked fifth (mean = 1.81), indicating moderate emphasis by developers. In off-plan financing, staggered payments serve as a critical mechanism for maintaining cash flow while tying funds to construction progress. However, the relatively low rating may point to irregular implementation or limited adherence to phased development financing schedules. “Regulatory Approvals and Permits” was ranked sixth (mean = 1.79), reflecting an ambivalent stance among developers. While regulatory compliance is indispensable for legal and structural legitimacy, the cumbersome nature of Nigeria’s bureaucratic approval systems often causes developers to treat it as a hurdle rather than a critical success factor. As [50] observed, delayed approvals and lack of clear timelines in urban planning authorities can severely affect development schedules in Lagos.

The “Construction Phase” followed closely with a mean of 1.74. Despite being a core component of project delivery, this low ranking suggests possible detachment between financial planning and actual construction supervision among developers. Some developers may rely heavily on project managers and site engineers, which could explain the perceived disconnect. “Buyer Subscription and Reservation” (mean = 1.67) and “Project Conceptualization and Planning” (mean = 1.54) were ranked eighth and ninth, respectively. These results are concerning, as both processes are foundational to the success of any off-plan scheme. Buyer subscription is the point at which capital begins to flow into the project, while conceptual planning determines cost estimates, feasibility, and scheduling. A low emphasis on these may indicate a lack of strategic planning capacity or over-reliance on spontaneous market demand. Developers who do not prioritize thorough feasibility and marketing strategies may expose themselves to financial risks and delivery failures. This supports [49] findings that some Nigerian developers initiate projects without robust financial and market pre-analysis.

“Marketing and Pre-Sales Campaigns” (mean = 1.53) and “Sales Agreement and Legal Documentation” (mean = 1.46) were the least prioritized processes. This is particularly problematic, as these functions are central to buyer onboarding and trust-building. Without strong legal frameworks and professional sales processes, buyers are left vulnerable, and developers risk reputational damage. [52]argue that a key weakness of Nigeria’s real estate market is the lack of standardized legal documentation in off-plan sales, which often results in disputes, litigation, and buyer dropouts. From the forgoing, it can be deduced that while REDAN developers acknowledge the relevance of flexible contractual terms, valuation, and post-completion services, they appear to under-prioritize foundational project processes such as planning, marketing, legal documentation, and regulatory compliance. This reveals a performance gap in procedural consistency, which can undermine the sustainability and credibility of off-plan financing in Lagos. Addressing these gaps requires better project management training, stronger institutional regulation, and more deliberate alignment with international best practices in real estate development.

Table 4: Performance level of the Off-Plan Financing Strategy for ESV

Performance Indicator	SD	D	SWA	A	SA	Mean ± SD	Rank
Financial Performance	–	–	–	23 (22.3)	80 (77.7)	4.78 ± 0.42	1
Customer Satisfaction	–	–	16 (15.5)	16 (15.5)	71 (68.9)	4.53 ± 0.75	2
Project Delivery Performance	–	–	–	49 (47.6)	54 (52.4)	4.52 ± 0.50	3
Market Performance	–	–	6 (5.8)	38 (36.9)	59 (57.3)	4.51 ± 0.61	4
Risk Management Performance	–	–	9 (8.7)	35 (34.0)	59 (57.3)	4.49 ± 0.66	5
Maintenance Services Provision	–	–	12 (11.7)	39 (37.9)	52 (50.5)	4.39 ± 0.69	6
Developer Reputation and Track Record	–	6 (5.8)	–	55 (53.4)	42 (40.8)	4.29 ± 0.75	7
Sustainability and Innovation Metrics	–	–	22 (21.4)	29 (28.2)	52 (50.5)	4.29 ± 0.80	7
Clarity of Sale Agreements	–	–	9 (8.7)	56 (54.4)	38 (36.9)	4.28 ± 0.62	9
Level of Foreign or Institutional Investor Confidence	–	6 (5.8)	3 (2.9)	48 (46.6)	46 (44.7)	4.30 ± 0.79	8
Dispute Resolution Mechanism Efficiency	–	–	24 (23.3)	31 (30.1)	48 (46.6)	4.23 ± 0.81	10
Access to Construction Financing or Guarantees	–	–	12 (11.7)	55 (53.4)	36 (35.0)	4.23 ± 0.65	10
Government Oversight and Monitoring	6 (5.8)	–	19 (18.4)	32 (31.1)	46 (44.7)	4.09 ± 1.08	12
Availability of Construction Updates to Buyers	–	–	30 (29.1)	35 (34.0)	38 (36.9)	4.08 ± 0.81	13
Use of Escrow Accounts	–	11 (10.7)	26 (25.2)	45 (43.7)	21 (20.4)	3.74 ± 0.91	14

Author's Field Survey, 2025

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

From Table 4, it can be seen that the most highly rated indicator was Financial Performance, with a mean score of 4.78 ± 0.42, indicating overwhelming agreement among respondents regarding the off-plan strategy's ability to deliver strong financial outcomes. This result aligns with the findings of [4], who observed that off-plan financing allows developers to circumvent traditional lending constraints, resulting in improved financial stability through early capital inflows. Additionally, the strategy enables developers to lock in buyers early, reducing inventory risk and increasing liquidity [54]. Closely following was Customer Satisfaction (Mean = 4.53 ± 0.75), suggesting that off-plan buyers are generally pleased with the products they receive or the investment returns realized. This supports the work of [5], who noted that early buyers in off-plan arrangements often benefit from discounted prices and capital appreciation. However, it is essential to note the slightly higher standard deviation, which may reflect varying levels of satisfaction due to inconsistencies in project delivery or communication.

Project Delivery Performance (4.52 ± 0.50) ranked third, a reflection of confidence in the ability of off-plan developments to meet scheduled timelines and construction quality benchmarks. This reinforces [16] claim that when properly managed, off-plan projects enable developers to maintain discipline in meeting milestone commitments due to buyer-driven financial pressure. Market Performance and Risk Management Performance, scoring 4.51 ± 0.61 and 4.49 ± 0.66 respectively, further underscore the strategic value of the off-plan model. These high ratings indicate strong perceptions of market responsiveness and effective risk-sharing between developers and buyers. As noted by [17], the model distributes financial risk across multiple stakeholders, reducing the developer's burden and making projects more resilient to market shocks. Mid-tier performance was observed in indicators such as Maintenance Services Provision (4.39 ± 0.69), Developer Reputation and Track Record (4.29 ± 0.75), and Sustainability and Innovation Metrics (4.29 ± 0.80). The equal ranking of Developer Reputation and Innovation suggests that while buyers value track records, there is increasing attention to sustainability and innovation, a shift also highlighted in [18], who noted that modern off-plan buyers are becoming more conscious of energy efficiency and design sustainability in property offerings.

The Clarity of Sale Agreements (4.28 ± 0.62) also received strong support, suggesting that buyers are increasingly aware of legal and contractual terms before committing funds. Yet, concerns about buyer protection remain, particularly in markets lacking regulatory depth. [9]emphasized the role of clear legal instruments in mitigating disputes in off-plan transactions. Interestingly, Level of Foreign or Institutional Investor Confidence (4.30 ± 0.79) scored well but showed a relatively high standard deviation, indicating a divergence of opinion. This reflects the complex landscape where international investors are interested in Nigeria’s real estate market but remain cautious due to regulatory gaps, as also mentioned by Reid Wilson et al. (2020). Dispute Resolution Mechanism Efficiency (4.23 ± 0.81) and Access to Construction Financing or Guarantees (4.23 ± 0.65) shared a similar performance level. These indicators are critical because unresolved disputes and funding gaps have historically undermined the trust in off-plan developments [55]. Without fast, fair dispute resolution systems and accessible financing guarantees, both developers and buyers bear undue risk.

Government Oversight and Monitoring (4.09 ± 1.08) was among the lowest-ranked indicators, and its high standard deviation reflects a wide range of stakeholder perceptions. This underscores the widely reported lack of effective regulation in Nigeria’s property sector. As [8] argues, the absence of structured monitoring often results in non-compliance, project delays, and abandoned sites. Availability of Construction Updates to Buyers (4.08 ± 0.81) shows that while developers may provide progress information, it is either inconsistent or insufficient for some buyers. As emphasized by [12], real-time updates using digital platforms can improve transparency and buyer confidence. Use of Escrow Accounts (3.74 ± 0.91) ranked lowest. This suggests minimal implementation or awareness of escrow mechanisms in off-plan projects. Escrow accounts are a hallmark of secure off-plan financing systems in mature markets, offering a financial buffer and assurance to buyers [17]. The low mean and relatively high standard deviation reflect a structural deficiency that poses financial risks to both parties in the absence of regulated third-party fund management.

International Journal of Advances in Engineering and Management (IJAEM)
Volume 7, Issue 08 Aug. 2025, pp: 189-208 www.ijaem.net ISSN: 2395-5252

Table 5: Performance level of the Off-Plan Financing Strategy for REDAN

Question	SA	A	SWA	D	SD	Mean ± SD	Rank
Financial Performance	57 (60.0)	38 (40.0)	-	-	-	4.60 ± 0.49	1
Project Delivery Performance	35 (36.8)	60 (63.2)	-	-	-	4.37 ± 0.49	2
Customer Satisfaction	33 (34.7)	29 (30.5)	33 (34.7)	-	-	4.00 ± 0.84	3
Risk Management Performance	19 (20.0)	37 (38.9)	27 (28.4)	12 (12.6)	-	3.66 ± 0.94	11
Market Performance	19 (20.0)	57 (60.0)	7 (7.4)	-	12 (12.6)	3.75 ± 1.17	9
Dispute Resolution Mechanism Efficiency	17 (17.9)	56 (58.9)	10 (10.5)	-	12 (12.6)	3.69 ± 1.16	10
Clarity of Sale Agreements	18 (18.9)	53 (55.8)	24 (25.3)	-	-	3.94 ± 0.67	6
Availability of Construction Updates to Buyers	30 (31.6)	38 (40.0)	27 (28.4)	-	-	4.03 ± 0.78	4
Use of Escrow Accounts	12 (12.6)	38 (40.0)	44 (46.3)	1 (1.1)	-	3.64 ± 0.71	12
Developer Reputation and Track Record	14 (14.7)	64 (67.4)	-	17 (17.9)	-	3.79 ± 0.91	8
Maintenance Services Provision	26 (27.4)	45 (47.4)	24 (25.3)	-	-	4.02 ± 0.73	5
Sustainability and Innovation Metrics	38 (40.0)	43 (45.3)	14 (14.7)	-	-	4.25 ± 0.70	7
Government Oversight and Monitoring	8 (8.4)	42 (44.2)	27 (28.4)	-	18 (18.9)	3.23 ± 1.22	15
Level of Foreign or Institutional Investor Confidence	8 (8.4)	62 (65.3)	7 (7.4)	18 (18.9)	-	3.63 ± 0.89	14
Access to Construction Financing or Guarantees	8 (8.4)	63 (66.3)	12 (12.6)	12 (12.6)	-	3.71 ± 0.80	13

Author's Field Survey, 2025

The data reveals that Financial Performance ranks highest among the performance indicators, with a mean score of 4.60 ± 0.49. This suggests that real estate developers overwhelmingly view off-plan financing as a financially viable model. Its high rating confirms that the strategy enhances liquidity by allowing developers to raise funds upfront, bypassing costly traditional financing [4]. It also reduces the financial burden and enables developers to allocate funds across project stages with greater flexibility [3]. In Nigeria's context, where access to bank credit is often limited by high-interest rates and stringent collateral requirements, the off-plan model offers a more accessible alternative for funding project execution [6].

Project Delivery Performance follows with a score of 4.37 ± 0.49, indicating confidence in the off-plan model's ability to facilitate timely and efficient project execution. This performance may stem from the pressure developers face to meet milestone commitments tied to buyers' payment schedules. According to [5], developers under off-plan agreements tend to operate with higher accountability, driven by buyer expectations and legal commitments, which can positively impact project delivery timelines. In terms of Customer Satisfaction (4.00 ± 0.84), the data shows mixed perceptions. While a substantial number of respondents are satisfied, the relatively high standard deviation suggests some inconsistency in buyer experiences. These variations could be attributed to issues such as unmet expectations, construction delays, or lack of transparency, factors that have been identified in studies such as [7], where concerns about trust, delivery quality, and communication were highlighted as challenges within off-plan schemes.

Availability of Construction Updates to Buyers (4.03 ± 0.78) and Maintenance Services Provision (4.02 ± 0.73) rank fourth and fifth respectively. These indicators emphasize the growing importance of post-sale communication and ongoing service delivery. Modern off-plan buyers, especially those making decisions based on digital renderings or blueprints, expect continuous construction updates and robust post-occupancy service provision [12]. Tools such as virtual site visits and mobile progress notifications can improve buyer confidence and satisfaction [17]. Clarity of Sale Agreements receives a moderately high score (3.94 ± 0.67), reinforcing the importance of transparency in contractual terms. A clear agreement mitigates the risk of disputes and enhances the legal security of both buyers and developers. [9]argue that well-documented agreements serve as a preventive mechanism against fraud and ambiguity in the off-plan market.

Sustainability and Innovation Metrics (4.25 ± 0.70) also reflect growing awareness among developers regarding eco-friendly and innovative building practices. Developers increasingly recognize that incorporating sustainable materials, smart-home technology, and energy-efficient systems can enhance the long-term value of their offerings and appeal to modern buyers [18]. Developer Reputation and Track Record scores a mean of 3.79 ± 0.91, suggesting that trust in the developer remains a central factor influencing buyer confidence. This echoes findings from [8], who noted that the credibility and historical performance of a developer significantly affect the willingness of buyers to participate in off-plan schemes, especially in markets where regulatory protections are weak.

On the lower end of the spectrum, Risk Management Performance (3.66 ± 0.94), Market Performance (3.75 ± 1.17), and Dispute Resolution Mechanism Efficiency (3.69 ± 1.16) point to systemic vulnerabilities in the off-plan model. High standard deviations in these indicators suggest variability in how developers manage financial, legal, and reputational risks. [10]highlighted that without well-established dispute resolution channels and professional mediation services, conflicts arising in off-plan transactions often remain unresolved, leading to buyer dissatisfaction and reputational damage for developers. Use of Escrow Accounts (3.64 ± 0.71) ranks near the bottom, reinforcing earlier research that escrow mechanisms are underutilized in the Nigerian real estate market. Escrow accounts are standard in developed markets, ensuring that buyers' funds are protected until certain project milestones are met [17]. The limited adoption in Nigeria exposes buyers to financial risks in the event of project delays or abandonment.

Government Oversight and Monitoring is the lowest-ranked indicator (3.23 ± 1.22), with a notably wide standard deviation. This reveals broad dissatisfaction with the regulatory framework governing off-plan developments. Stakeholders appear to lack confidence in government enforcement of development standards, consumer protection, and market monitoring. This finding is consistent with [8], who argued that weak institutional oversight allows unqualified developers to enter the market, increasing the likelihood of project failure and fraud. Similarly, Level of Foreign or Institutional Investor Confidence (3.63 ± 0.89) and Access to Construction Financing or Guarantees (3.71 ± 0.80) are low. These scores reflect the broader investment climate in Nigeria, where volatility, policy uncertainty, and weak legal structures deter foreign participation and hinder the scaling of off-plan financing models [4].

Discussion of Findings

The findings from the study provide deep insights into the realities of off-plan property development financing in Lagos State, as perceived by key stakeholders, namely, Estate Surveyors and Valuers (ESVs) and REDAN-certified property developers. These findings carry critical implications for how the off-plan model is applied, its perceived effectiveness, and the areas that demand policy or professional attention.

From a demographic perspective, the predominance of older, male, and highly experienced professionals suggests that off-plan real estate development in Lagos is largely driven by individuals with long-standing industry exposure. This implies that most key players possess deep networks and have witnessed cycles in the real estate market, positioning them to navigate the risks and complexities associated with off-plan schemes. However, the relatively low presence of younger and female professionals could indicate a gap in generational diversity and innovation, which might affect the future adaptability of the sector. Educationally, while a majority of respondents hold first degrees, few have attained postgraduate qualifications. This pattern suggests that while the market values experience, it may be under-leveraging advanced academic and research-based approaches to property development and financing. Enhancing postgraduate education and continuous professional development could foster more refined, data-driven, and globally competitive strategies in off-plan financing.

The data on project size and class of specialization illustrates a trend in which developers are handling larger-scale projects compared to ESVs, particularly in industrial property. This may reflect a shift in market demand and strategic investment, with developers targeting logistics hubs and industrial parks in response to Lagos' urban expansion. Such a trend underscores the need for financing models that are adaptable to large-scale, capital-intensive developments, reinforcing the relevance of off-plan financing in bridging funding gaps where bank loans remain inaccessible or insufficient. In terms of financing types, equity and joint ventures emerged as the preferred options, while debt financing and grants were far less common. This highlights a conservative funding approach, where developers either reinvest their capital or partner with landowners, avoiding the risks and rigidities of debt. While practical in a high-interest economy, this trend also limits scalability. The implication is that the off-plan model becomes indispensable in filling financing voids through early buyer contributions.

Risk mitigation strategies leaned heavily toward contingency planning and insurance among ESVs, while developers preferred hedging. This contrast shows that while surveyors focus on insuring against operational setbacks, developers are more concerned with macroeconomic risks such as inflation and currency fluctuation. This suggests a need for more sophisticated risk management frameworks that incorporate both internal and external risk factors.

A deeper look into the off-plan processes revealed significant disparities in the level of engagement between ESVs and developers. ESVs appear most involved during financial and valuation-related phases such as staggered payment plan implementation, revaluation, and advising on exit options. Their role is more supportive and downstream, primarily focused on ensuring financial accountability, protecting investor interest, and certifying value at various stages. Their limited participation in planning, marketing, and legal documentation indicates a compartmentalized role, which, while professionally appropriate, may limit their broader strategic impact in the development process.

On the developer side, while there is recognition of the importance of flexible exit clauses, valuation, and post-completion services, less emphasis is placed on foundational processes like conceptual planning, marketing, legal documentation, and regulatory compliance. This misalignment reveals gaps in procedural prioritization that may jeopardize project success. Developers who underplay the importance of early-phase due diligence, regulatory approval, or legally binding agreements risk project delays, buyer disputes, and reputational damage. These findings underscore the need for a more balanced, holistic project management approach within the off-plan system. Performance-wise, both ESVs and developers rated financial performance as the highest indicator, confirming the model's effectiveness in unlocking early capital, reducing dependency on institutional funding, and enhancing project liquidity. Project delivery performance also scored high, suggesting that milestone-based payment models may contribute to timely execution, as developers are financially motivated to meet agreed deliverables.

However, customer satisfaction, while generally positive, revealed some variance, likely due to inconsistent communication, quality concerns, or unmet expectations. More critically, indicators related to risk management, dispute resolution, and regulatory oversight received moderate to low ratings. This highlights systemic vulnerabilities that could undermine buyer confidence and long-term sustainability. The lack of escrow accounts, low foreign investor confidence, and dissatisfaction with government monitoring point to fundamental weaknesses in legal and institutional safeguards.

V. CONCLUSION AND RECOMMENDATION

The findings of this study affirm that off-plan property financing is a pivotal strategy in the real estate development landscape of Lagos State, offering considerable benefits, particularly in enhancing financial liquidity, improving project delivery timelines, and enabling broader access to real estate investment. Both Estate Surveyors and Valuers (ESVs) and REDAN-certified developers acknowledged the strategy's financial viability and its role in sustaining real estate projects without sole reliance on traditional debt financing. The high performance ratings attributed to financial outcomes, market responsiveness, and project execution highlight the off-plan model's strategic relevance in a context where access to affordable credit is limited and demand for housing remains high.

However, despite these strengths, several operational and systemic weaknesses were identified. Stakeholders expressed concerns over regulatory oversight, legal safeguards, and the inconsistent implementation of critical processes such as buyer engagement, construction updates, and the use of escrow accounts. Developers' under-prioritization of foundational project elements; such as legal documentation, regulatory compliance, and marketing, suggests a procedural imbalance that could expose projects to delivery failures and reputational risks. Similarly, the limited involvement of ESVs in early-stage planning and execution processes reflects a segmented operational model that may overlook the benefits of cross-disciplinary collaboration. To strengthen the performance and credibility of off-plan financing strategies, several key recommendations emerge. First, developers must adopt a more structured and integrated approach to project management, giving adequate attention to strategic planning, regulatory compliance, and buyer-focused transparency from inception to completion. The inclusion of standardized legal frameworks and sale agreements is essential to mitigate disputes and build investor confidence. Furthermore, the wider adoption of escrow mechanisms should be promoted, as they offer financial protection for buyers and enhance trust in developer commitments.

Second, regulatory bodies and urban planning authorities must strengthen oversight functions through improved monitoring, clear project approval timelines, and enforcement of compliance standards. Creating a legal environment that encourages accountability while deterring fraudulent practices will attract more institutional and foreign investment to the sector. In tandem, professional bodies should encourage continuous education among developers and valuers, emphasizing the importance of sustainability, innovation, and emerging best practices in off-plan transactions. Lastly, both developers and ESVs should foster greater collaboration, particularly in areas such as valuation, feasibility analysis, and post-completion management. Bridging the gap between technical and financial expertise will promote more balanced decision-making and project delivery outcomes. By addressing these critical areas, off-plan financing in Lagos can evolve into a more resilient, investor-friendly model capable of meeting the dynamic demands of urban development and housing delivery in Nigeria.

REFERENCES

[1]. Katwa, K. K.; and Obala, L. M., 2023, "Off-plan Property Sales as an Innovative Financing Option in Real Estate Development," Business & IT, 2023, pp. 110–120.

[2]. Otegbulu, A. C.; and Akujuru, V. A., 2022, "Appraisal of the Nigerian Real Estate Market: Constraints and Opportunities," in Understanding African Real Estate Markets, Routledge, pp. 158–167.

[3]. Auwalu, I. A.; and Bello, M. O., 2023, "Exploring Alternative Funding Strategies for Real Estate Development in Nigeria: The Off-plan Model," Nigerian Journal of Housing and Development, 19(1), pp. 28–44.

[4]. Alqahtany, A.; Alsharif, A.; and Alzahrani, A., 2023, "Innovative Real Estate Financing Mechanisms in Emerging Markets: Lessons from Off-plan

Sales," International Journal of Housing Policy, 23(1), pp. 67–83.

[5]. Olawore, B.; and Otegbulu, A., 2022, "Investment Behavior of Buyers in Off-plan Property Markets in Lagos," Real Estate Journal of West Africa, 17(4), pp. 113–128.

[6]. Agoro, A., 2023, "Economic Resilience of Mass-Housing Project Delivery in Lagos, Nigeria," Journal of Urban Economics and Housing Finance, 4(2), p. 48.

[7]. Oladiran, M. A.; and Dickins, D., 2024, "Understanding Buyer Risks in Nigeria's Off-plan Housing Market: A Consumer Protection Perspective," Journal of African Real Estate Studies, 6(1), pp. 33–48.

[8]. Olayiwola, F. E., 2023, "Pre-letting and Pre-sale Financing Arrangements: An Assessment of Cost Effectiveness for Real Estate Development in Lagos Metropolis, Nigeria," British Journal of Earth Sciences Research, 11(5), pp. 15–26.

[9]. Nnamdi, U. A.; Ezennia, I. S.; and Chukwuemeka, C. J., 2021, "Regulatory Implications of Off-plan Property Sales in Nigeria: A Policy Review," African Journal of Real Estate Policy and Regulation, 8(1), pp. 95–110.

[10]. Reid Wilson, A.; Pocock, B.; Hsaio, L.; Caldera, R.; Roca, B.; and Liu, X., 2020, "The Evolution of Off-the-plan Development in Australia: Trends, Risks, and Regulations," Journal of Property Research, 37(2), pp. 167–185.

[11]. Juan, Y.; Chien, S.; and Li, Y., 2010, "Customer Focused System for Pre-sale Housing Customisation Using Case-based Reasoning and FengShui Theory," Indoor and Built Environment, 19(4), pp. 453–464. https://doi.org/10.1177/1420326X10372198

[12]. Juan, Y.; Lin, I.; and Tsai, J., 2019, "A Hybrid Approach to Optimize Initial Design Strategies for Pre-sale Housing Projects," Engineering Construction and Architectural Management, 26(3), pp. 515–534. https://doi.org/10.1108/ECAM-04-2018-0187

[13]. Fauzi, S. N. F.; Yusof, N.; and Osmadi, A., 2011, "Comparing the Level of Housing Defects in Sell-Then-Build (STB) and Build-Then-Sell (BTS) Housing," World Applied Sciences Journal, 12(4), pp. 559–567.

[14]. [14]. Li, L.; and Chau, K. W., 2019, "What Motivates a Developer to Sell Before Completion," Journal of Real Estate Finance and Economics, 59, pp. 209–232. https://doi.org/10.1007/s11146-018-9662-3

[15]. Mwaita, S. S.; and Rambo, C., 2020, "Influence of Off-plan Purchases and Sale on Performance of Real Estate Development Projects in Kilmani, Westlands Sub-county, Nairobi County, Kenya," International Journal of Recent Innovations in Academic Research, 4(10), pp. 18–27.

[16]. Auwalu, F. K.; and Bello, M., 2023, "Exploring the Contemporary Challenges of Urbanization and the Role of Sustainable Urban Development: A Study of Lagos City, Nigeria," Journal of Contemporary Urban Affairs, 7(1), pp. 175–188.

[17]. Zhao, Y.; and Yan, L., 2022, "Blockchain Applications in Off-plan Real Estate Transactions: Opportunities and Challenges," Journal of Digital Real Estate Innovation, 4(1), pp. 55–71.

[18]. Huang, L.; and Chiang, C., 2023, "Tokenized Real Estate and the Future of Property Transactions," Asia-Pacific Journal of Real Estate Technology, 5(3), pp. 212–229.

[19]. Alqahtany, A.; Alsharif, A.; Alzahrani, A.; and Alotaibi, A., 2023, "Consensus-based Measures for Improvement of Off-plan Sales Program of Housing Units in Real Estate Market of Riyadh City," Buildings, 13(4), p. 895.

[20]. Baillieu, A.; and Zogolovitch, G., 2024, "How to Be an Architect Developer," Routledge.

[21]. Gentile, M.; Salukvadze, J.; and Gogishvili, D., 2015, "Newbuild Gentrification, Teleurbanization and Urban Growth: Placing the Cities of the Post-Communist South in the Gentrification Debate," Geografie, 120(2), pp. 134–163.

[22]. AbdulJabbar, R., 2021, "Economic Assessment of Off-plan Real-estate Policy in Saudi Arabia: 2009–2019," International School of Management.

[23]. Renaud, B., 2012, "Real Estate Bubble and Financial Crisis in Dubai: Dynamics

and Policy Responses," Journal of Real Estate Literature, 20(1), pp. 51–77.
[24]. Sarmadi, S., 2016, "Transformation and Standstill: Iranian Experiences of Splintering Urbanism in Dubai," Doctoral Dissertation, University of Toronto (Canada).
[25]. Whitehead, C.; Scanlon, K.; Blanc, F.; and Dixon, T., 2023, "Financialization in 13 Cities—An International Comparative Report," London School of Economics and Political Science.
[26]. Canelas, P.; Alves, S.; and Azevedo, A. B., 2023, "Lisbon," in Financialization in 13 Cities—An International Comparative Report, pp. 128–131, London School of Economics and Political Science.
[27]. Kavaarpuo, G.; Mintah, K.; and Donkor-Hyiaman, K. A., 2023, "Financing Housing Development in an Underdeveloped Financial Market: Learning from Developers' Financing Adaptations?" Housing Policy Debate, pp. 1–28.
[28]. Chung, J.-Y.; and Carpenter, K., 2022, "Safe Havens: Overseas Housing Speculation and Opportunity Zones," Housing Studies, 37(8), pp. 1350–1378.
[29]. Meen, G.; and Whitehead, C., 2020, "Raising the Level of Private Housing Construction," in Understanding Affordability, pp. 157–174, Bristol University Press.
[30]. Humphrey, C., 2020, "Real Estate Speculation: Volatile Social Forms at a Global Frontier of Capital," Economy and Society, 49(1), pp. 116–140.
[31]. Bazerbashi, A.; and Nguyen, E., 2023, "Optimal Portfolio Allocation in the Middle East Real Estate Market: A Comparative Study of the UAE and Qatar," in International Business Programme, pp. 76–94, DigitalaVetenskapligaArkivet.
[32]. Vanneste, R., 2022, "The Price Evolution of Off-plan Properties in Dubai: An Analysis of Risk Factors Contributing to Abnormal Returns," Master's Thesis, Lucerne University of Applied Sciences and Arts.
[33]. Mitchell, K., 2023, "Architectural Production in Dubai," in TheRoutledge Companion to Contemporary Architectural History, pp. 181–194, Routledge.
[34]. Waters, M., 2023, "The Essential Guide to the Dubai Real Estate Market," Routledge.
[35]. Ibrahim, I. A. S., 2020, "Sustainable Cities Indices in Modern Architecture: A Comparative Study in UAE," in Eco-Architecture VIII: Harmonisation between Architecture and Nature, Vol. 195, pp. 173–182, WIT Press.
[36]. Everaert, L., 2020, "Capital Flow Measures and Housing-related Issues in Advanced Economies," IEO Background Paper No. BP/20-02/12, International Monetary Fund.
[37]. Agarwal, S.; Tobin, J.; He, Q.; and Zhang, Y., 2022, "Tobin Tax Policy, Housing Speculation and Property Market Dynamics," SSRN Electronic Journal. https://doi.org/10.2139/ssrn.4173978
[38]. Gallent, N.; de Magalhaes, C.; and FreireTrigo, S., 2021, "Is Zoning the Solution to the UK Housing Crisis?" Planning Practice & Research, 36(1), pp. 1–19.
[39]. Livingstone, N.; Fiorentino, S.; and Short, M., 2021, "Planning for Residential 'Value'? London's Densification Policies and Impacts," Buildings and Cities, 2(1), pp. 203–219.
[40]. Blanc, F.; Scanlon, K.; and White, T., 2020, "Living in a Denser London," London School of Economics.
[41]. Wu, P.-J.; and Chen, A. Y., 2022, "The Motivations of Chinese Individual Foreign Investors in the Australian Residential Real Estate Market," International Journal of Strategic Property Management, 26(3), pp. 215–229.
[42]. Ma, X., 2021, "Chinese Housing Policy, Capital Switching and the Foreign Real Estate Investment 'Boom and Bust' in Australia," International Journal of Housing Policy, 21(3), pp. 451–463.
[43]. Mintah, K.; Wong, W.-W.; and Wong, P. Y., 2020, "Cross-border Real Estate Investments and Commercial Office Property Market Performance: Evidence from Australia," International Real Estate Review, 23(2).
[44]. Kusumawijaya, M., 2018, "Gender Equity in Urban Planning and Development: Global and Local Perspectives," International Journal of Urban Policy and Planning, 68, pp. 23–30.
[45]. Ozorhon, B.; and Oral, K., 2021, "Women in Construction: Challenges and Strategies

in the Nigerian Context," Journal of Construction in Developing Countries, 26(2), pp. 65–82.

[46]. Akinmoladun, O. I.; and Oluwoye, J., 2007, "An Assessment of Why the Problems of Housing Shortages Persist in Developing Countries: A Case Study of Lagos Metropolis, Nigeria," Pakistan Journal of Social Sciences, 4(4), pp. 589–598.

[47]. Adedokun, O. A.; and Babalola, O., 2019, "Professional Competence and Real Estate Practice in Nigeria," Journal of African Real Estate Research, 4(1), pp. 1–15.

[48]. Nguyen, L. D.; Ogunlana, S. O.; and Lan, D. T. X., 2004, "A Study on Project Success Factors in Large Construction Projects in Vietnam," Engineering, Construction and Architectural Management, 11(6), pp. 404–413.

[49]. Adegun, O. B.; and Taiwo, J. O., 2021, "Financing Trends Among Real Estate Developers in Lagos," Property Management Journal, 39(2), pp. 144–161.

[50]. Agunbiade, M. E.; Olajide, O. A.; and Bishi, H. Z., 2020, "Urbanization and Emerging Industrial Property Markets in Lagos," Cities, 97, p. 102565.

[51]. Ezeokoli, F. O.; and Ogunba, O. A., 2021, "Emerging Trends in Property Development Financing in Nigeria: The Role of Joint Ventures," Journal of Property Research and Construction, 8(1), pp. 77–89.

[52]. Ogunba, O. A.; and Dabara, I. D., 2020, "Inflation and Real Estate Development Risks in Emerging Economies," Real Estate and Built Environment Journal, 5(2), pp. 101–115.

[53]. Otegbulu, A. C.; and Oni, A. O., 2016, "Capital Structuring for Real Estate Development Projects in Nigeria," African Journal of Real Estate Research, 1(1), pp. 17–32.

[54]. Ajayi, M. T.; Iroham, C. O.; Nwokoro, I. I.; and Oluwunmi, O. A., 2020, "Real Estate Facility Management and Post-construction Performance in Nigeria," Journal of African Real Estate Research, 5(2), pp. 85–97.

[55]. Oladiran, M. A.; and Dickins, D., 2024, "Proptech and Real Estate Innovations: A Guide to Digital Technologies and Solutions in the Built Environment," Taylor & Francis.