

LA M

LUXURY SERVICED APARTMENTS | IKOYI

INVESTMENT TEASER


landafrique
Developing tomorrow's Africa, today!

“LA M luxury serviced apartments are fully furnished apartments, available for both short-term and long-term stays, providing the ease of use and living, through a top location, its status, amenities, housekeeping, laundry and a wide range of functional services, all included within the rental price.”

LAM

LUXURY SERVICED APARTMENTS | IKOYI

GO-TO-MARKET

IT IS OUR SINCERE PLEASURE TO ANNOUNCE THAT WE'VE PLACED THIS SUPERBLY LOCATED IKOYI ASSET ON THE IMMEDIATE RADAR TO COMMENCE WORKING ON THE FINISHINGS IN 2022.

IN THE AFOREMENTIONED CONTEXT WE ARE PLACING A TOTAL OF EIGHT THREE BEDROOM APARTMENTS ONTO THE MARKET.

OUR PROPOSAL CONSISTS OF:

A TEMPORARY SALE & BUY-BACK

FOR A DURATION OF 18 MONTHS AGAINST A RETURN OF 12% P.A.

OR

A SALE WITH PROFIT

WE WILL FINALIZE THESE EIGHT 3 BEDROOM UNITS AND PLACE THEM FOR SALE

WHEREAS THE ORIGINAL DEVELOPER WILL HAVE THE FIRST RIGHT OF REFUSAL AND TO MATCH THE PROPOSED AMOUNTS

OR

TO BE PART OF THE HOTEL CONCEPT

MAINTAIN THE ASSETS AGAINST A LONG TERM CONSTANT RETURN



INTERESTED OPERATORS



FEASIBILITY STUDY



ARCHITECTS



This presentation does not contain all the information that a prospective investor may desire in considering an investment and is qualified in its entirety by reference to the more detailed information that is or will be contained in the Private Placement Memorandum and amended and restated agreement of exempted limited partnership and the related investment, advisory and subscription agreements.

LAM

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THE ASSET

The "LAM" Milverton Serviced Apartments project is located in the prime CBD Ikoyi area. It is currently erected and in core & shell state. The original design was for 26 apartments of which 22 are built as three bedrooms units. The redesign and respective construction phase are to include one bedroom apartments to the variety of the mix, include the support facilities and complete the MEP and finishing's.

DEMAND

Customer demand in Sub Saharan Africa is growing with two digits whereas Nigeria is the top location in terms of demand and extremely high occupancy rates. Lagos has been identified as the high demand location for years to come. Several reputable international hospitality operators have demonstrated their interest.

ASSET SALE SUMMARY

LOCATION 21, MILVERTON RD	GEOGRAPHIC FOCUS IKOYI - LAGOS
TYOLOGY 3 BEDROOMS	QUANTITY 8 UNITS
SITE AREA 4,201 m²	UNIT PRICE ₦ 365 M
INVESTED TO DATE ₦ 10 B	TOTAL AMOUNT ₦ 2.920 B

INVESTMENT THEMES

ENVIRONMENT EDGE CERTIFICATION
DEMAND VERY HIGH
OCCUPANCY RATES > 85%
LOCATION PRIME CBD LAGOS

SUCCESSFUL TRACK RECORD



EXECUTIVE DIRECTORS



KOLAPO LAWSON

- Chairman LandAfrique
- Eco Bank International
- Agbara Estates Ltd
- Thor Explorations Ltd



PAULO CRUZ

- Group CEO LandAfrique
- CEO WestPark Industrial Enclave
- Director BP – British Petroleum
- Cushman & Wakefield - Manager



TUNJI LAWSON

- Group CFO LandAfrique
- GE – EMEA Manager
- GE – Corporate Audits Manager

LAM

LUXURY SERVICED APARTMENTS | IKOYI

LOCATION



PICTURES



OUR PURPOSE & VISION

LandAfrique is a specialized property development and management firm that has a track record of nearly five decades, among others with the leading sub-Saharan industrial park: Agbara Estate. We take an active hands-on-approach that leverages our entrepreneurship and expertise. At **LandAfrique**, we partner with our stakeholders to create ESG opportunities by applying our extensive operational knowledge in developing projects in strategic impacting locations.

SNAPSHOT OF THE FEASIBILITY STUDY

Early indications suggest viable concept and accretive project

SECTION 2 | HOTEL MARKET OVERVIEW

Hotel Market Overview – Lagos

- The three nodes of Ikoyi, Victoria Island, and Lekki Phase 1 (Lagos Island) account for around 53% of hotel room supply in the city of Lagos, with 12% of the node supply in serviced apartments.
- The development of hotels in the three nodes have increased due to corporate and diplomatic drivers, as well as the overall appeal of the area.
- There has also been an increase in informal accommodations, such as, unmarked hotels and short-stay apartments which are not included in the data set.
- These properties include Airbnbs and boutique hotels with less than 40 rooms. Many have been operating under the radar for years, preferring to operate without signage or brand names.
- These properties reported high occupancy rates during the COVID-19 pandemic, while major hotels closed their doors during the same period.
- The accommodation market also includes the conversion of residential apartments into informal hotels or short-stay apartments, which has helped owners make more revenue from daily room rates rather than monthly rentals.
- This segment is not regulated; thus, owners often avoid paying taxes that formal hotels would have to adhere to.
- Many travelers in the market prefer to stay in short-term rentals rather than hotels due to the variety of in-house, self-service amenities, such as, kitchens and larger living spaces.

Thus, the informal market has become a meaningful player and largely underestimated.

- Regarding irregular water and electricity provisions experienced in Lagos, a property built hotel will be able to provide comfort and convenience compared to the informal accommodations that suffer from the lack of infrastructure.

Source: JLL Research & Market, 2021

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Hotel Market Overview – Lagos

Cluster of properties in Ikoyi near Abuja International Airport

Lagos Mainland area where previous supply was established before shift towards Lagos Island

Lagos Island – three nodes of Ikoyi, Victoria Island & Lekki Phase 1

Distribution of hotel accommodation supply in Lagos area

Source: JLL Research & Market, 2021

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Hotel Market Overview – Lagos

Future Hotel Supply

- Nigeria has 28 hotels that are under development, 23 of which are branded hotels (81.42 keys). These hotels are either in planning, final planning, or construction phases of development.
- Lagos' hotel supply is expecting an additional 2,518 keys (33.1% of country total) by 2028. The only certainty when reporting on a market's pipeline is that it won't materialize as planned; very seldomly does a hotel enter the market on time or ahead of plan, most cases will see delays as developers fail to realize their projects.
- However, most of the announced hotels are expected to be delayed or pushed further depending on the COVID-19 recovery, access to funding, and ability to import materials.
- Most of Lagos' supply is expected in 2023 with 972 keys. Notable openings are the Hyatt Regency, Ramada, Pullman, and Hilton Lagos Airport.
- Acor has four properties (161 keys) projected to open by 2025 with the MGallery, Pullman, Novotel, and Ibis brands entering the market.

Nigeria Supply Pipeline – Hotel Keys

Year	2021	2022	2023	2024	2025	2026
Keys	129	234	972	442	355	144

Source: JLL, 6/19, 2021

Project Name	Segment	Operator	Keys	Open Year*	Status
Core Collection by Hilton Lagos Hotel Lagos Airport	Upper Upscale	Hilton	36	2023	Complete - In open case
Convent Beach Hotel	Independent	Independent	120	2023	In Construction
Mikabay by Sofitel Lagos Reef	Upper Upscale	Acor	300	2023	Final Planning
Phyllis Regency Lagos	Upper Upscale	Hyatt	140	2023	In Construction
Sanvict Lagos	Midscale	Marriott	371	2023	In Construction
Pullman Reef	Upper Upscale	Acor	180	2023	Final Planning
Wilson Lagos Airport	Upper Upscale	Hilton	390	2023	Planning
Novotel Lagos	Upper Upscale	Acor	352	2024	Final Planning
Raffles Collection	Upper Upscale	Marriott	230	2024	In Construction
Soi Lekki	Midscale	Acor	130	2024	Final Planning
Hilton Garden Inn Lagos Reef	Upper Upscale	Hilton	140	2025	Planning
Reverend Landmark Lagos Reef	Upper Upscale	Hyatt	130	2025	Planning
Centra Lagos by Radisson	Upper Upscale	Radisson	240	2025	Planning
Marriott Executive Apartments Lagos Landmark	Upper Upscale	Marriott	44	2026	Planning
Reverend by Radisson Lagos Island	Upper Upscale	Radisson	30	2026	Final Planning

Source: JLL, 6/19, 2021

SECTION 3 | SITE ASSESSMENT

Site Overview & Details

Ikoyi Node

- Multinationals & Corporates
- Embassies & Consulates
- Hotels
- State House Hotel
- Pilgrims Beach Hotel
- The Executive Hotel Lagos
- Lekki Lakes Hotel
- Phyllis by Sofitel Lagos Reef
- Wilton Lagos Airport Hotel
- The Lodge by Radisson
- Reverend The Executive Hotel
- Southern Sun Hotel
- Hilton Lagos Reef
- Springbank Hotel
- The George Lagos
- The Interlakes
- The Landmark
- Parkway Actoria Hotel
- Government & Corporate
- Embassy of Egypt
- Embassy of Gabon
- Embassy of Guinea
- United Nations Information Center
- Consulate General of France
- Consulate General of Denmark
- African Union
- Embassy of Kenya Republic
- Multinationals & Corporates
- Stanley Nigeria Company
- UK High Commission for Nigeria
- Don Electric Distribution Power Company
- NGA Headquarters
- Rafarmyere Group Head Office
- Lagos Area Office
- Bankable Head Office
- British American Tobacco Nigeria Limited
- International Breweries
- Banking Service Representative Office Nigeria
- Abuja Finance Corporation
- Flour Specialized Ltd
- Core City Nigeria

Source: JLL, 6/19, 2021

SECTION 2 | HOTEL MARKET OVERVIEW

Alternative Accommodation Overview

Serviced Apartments

- There are approximately 23 serviced apartment buildings and projects with 457 units on Lagos Island (Ikoyi, Victoria Island, and Lekki Phase 1).
- Most of the supply consists of unbranded, independent properties. The Seavoy Park Inn by Radisson Serviced Apartments is currently the only branded property in the market. However, the hotel operates like an apartment due to the nature of extended stays in market.
- Formal serviced apartments tend to tap into the extended stay and apartment rental market via sales and marketing initiatives to remain competitive. It is common for formal and informal properties to advertise and list rooms on Airbnb and Google.
- The residential rental market in Lagos could provide competition for the development of a serviced apartment project given the amount of supply available in the market.
- However, residential rentals are unlikely to provide short-term guests any flexibility, as their leases and contracts are usually signed for one-year.
- Nonetheless, there has recently been reports of unmarked hotels and short-stay apartments in the Lagos area that have been experiencing high occupancy rates despite the pandemic.

Serviced Apartments Room Distribution (2021)

Node	Properties	Keys
Ikoyi	11	152
Victoria Island	11	306
Lekki Phase 1	1	7
TOTAL	23	457

Source: JLL, 6/19, 2021

APPENDIX III | GLOBAL PERFORMANCE RATIO BENCHMARKS

Revenue Breakdown

Global Performance - Revenue Split (2020)

Region	Rooms	Food & Beverage	Other Food and Beverage	Other Operational Departments	Hotel America Income	South Africa
Asia Pacific	53.0%	29.2%	3.0%	14.8%	0.0%	0.0%
Europe	53.4%	11.6%	6.4%	28.6%	0.0%	0.0%
Middle East & Africa	53.7%	17.3%	1.0%	28.0%	0.0%	0.0%
Middle East	53.1%	16.4%	1.0%	29.5%	0.0%	0.0%
North Africa	54.7%	25.9%	0.0%	19.4%	0.0%	0.0%
South Africa	53.0%	23.0%	0.0%	24.0%	0.0%	0.0%

Source: JLL, 6/19, 2021

INTERESTED?

Want to learn more about this unique and secure investment opportunity?

Contact Paulo Cruz or Tunji Lawson at paulo.cruz@landafrique.com and tunji.lawson@landafrique.com respectively for more information.

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