

# Investment Opportunities in the **Commercial and Logistics Business District** in Lekki Free Zone Southwest Quadrant





## GENERAL INTRODUCTION

The Southwest Quadrant of the Lekki Free Zone was designed to be developed as a comprehensive satellite City to Lagos Metropolis with the main purpose of spreading development across the Ibeju-Lekki and Epe axis of Lagos State by creating an enabling environment for investment to thrive and at the same time combining work with recreation as our corporate culture.

This orientation has been the basis for our development format and the Management of Lekki Free Zone Development Company has taken time to carefully plan the development of the Southwest Quadrant in phases which include the development of the Commercial Service and Logistic Park for purposes of fast tracking development and kick starting activities in the Zone. The Commercial Service and Logistic area will include the Office Complex, Hotel, Exhibition Centre, Logistic Park and Residential Apartments

In recent times, the progress of development at the Zone and the surrounding environment has continuously attracted investors in various sectors of the economy to explore opportunities available in the free zone scheme and this has necessitated the need to invest in infrastructure and facilities that will complement the development progress.

The ongoing construction at the Lekki Deep Sea Port and the development progress at the Dangote Refinery has opened up enormous investment opportunities in Commercial Services and Logistics which has been planned for in the Masterplan of the Southwest Quadrant. A lot of prefeasibility studies and design work have been put in place to kick-start development of the total land area of about 150 hectares of land so that prospective investors can take off on a smooth sail of activities.

## THE NEED FOR THE COMMERCIAL SERVICE AND LOGISTIC HUB

In the entire Free Zone Area, only the Southwest Quadrant has been designed to make provision for other sectors of the economy other than the real sector, moreover, other Free Zone Developers within the Southeast Quadrant are confronted with space constraint as a result of their respective project scope vis-à-vis the land size which is why the Southwest will be developed into the Commercial nerve centre of the entire Lekki Free Zone Project.

Commercial Service and Logistics Park offers investment opportunities in Exhibition and Trade Fair, Commercial Market and Smart Storage with (B2B Bulk Breaking), Business Hotel, Office Apartments and Residential Buildings

## SPACE ANALYSIS FOR INVESTMENT OPPORTUNITIES



**Exhibition and Trade Fair:** Apart from the 40,000 square meters of land designed for construction of Exhibition Centre, a total Area of about 4,800 square meters has been developed to hold periodic exhibition in the Zone as a market testing platform for investors that are willing to test the market with various new products before commencing actual production of such products.



**Commercial Market:** This is designed as a B2B Smart Storage Base for distribution of various products across wide range of accredited retailers within the Southwest region of the Country. This will be made possible as a result of fast-tracked clearing procedure of the Customs Processing Centre.



- Commercial Market site is located within the confines of the 1.5km<sup>2</sup> of the start-up area and it is occupying an area of about 47, 268m<sup>2</sup>.
- The southern part of this site is International Exhibition and Convention Center, the eastern part is Corporate Headquarters, Hotel, western part is main road of Lekki Free Zone and northern part is Luxury Apartments.



**Business Hotel:** A total land area of about 36,000 square meters of land is designed to be developed as Business Hotel that will complement the operations of the Exhibition Centre upon full commencement of activities. In addition to that, the hotel will also provide accommodation for new investors on a short stay basis.



**Residential Apartments:** The Masterplan of the Commercial Service and Business Logistics District offers opportunities for real estate investors to have a unique location within the face of the Zone to develop luxury apartments as brief-in accommodation for investors during construction stage of their factories and to also serve as short-stay accommodation for holiday seekers. The available space for sublease to develop residential apartments within the district is about 49,000 square meters.

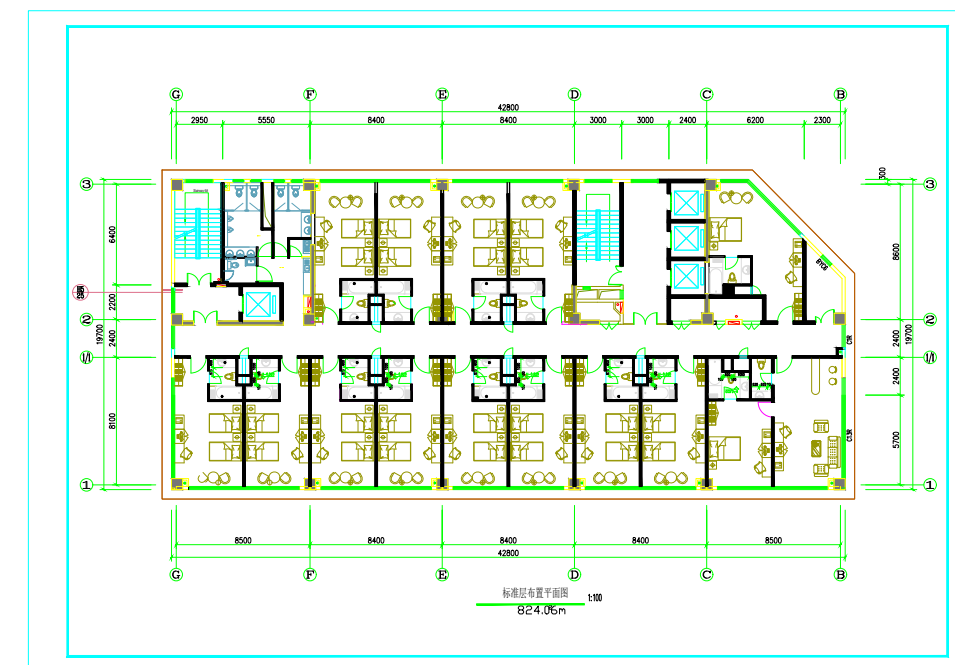


**Office Apartments:** The construction of the office complex became necessary as a result of multiple requests from several prospective and existing investors to set up operation and administrative base in the Zone as the overall development progress is accompanied with diverse business opportunities especially in the service sector, in addition, the recently released regulation on offshore banking operation prompted requests from commercial banks to explore new markets in the Lekki Free Zone and also to expand business scope beyond the Nigerian Customs territory.



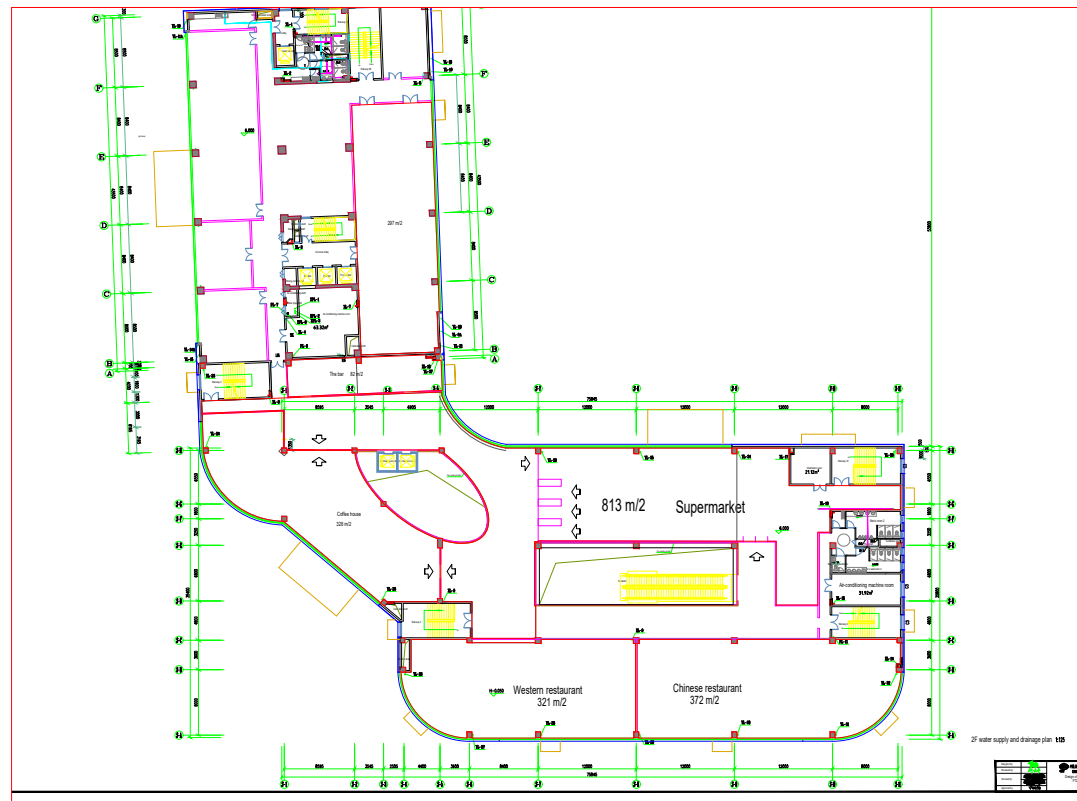
### INVESTMENT OPPORTUNITIES IN THE LETTABLE SPACES WITHIN THE OFFICE COMPLEX

**Hotel:** The iconic tower of the Southwest Quadrant which is the Commercial Office Complex of the Zone also offers Open Space Floors that can be redesigned into Hotel and Conference use. Hotel Operators who are desirous of setting up luxurious short-stay apartments and hospitality services are the targets to take advantage of this unique location and opportunity to break new frontiers in hospitality business and capture the market that the overall development in the Free Zone axis offers.



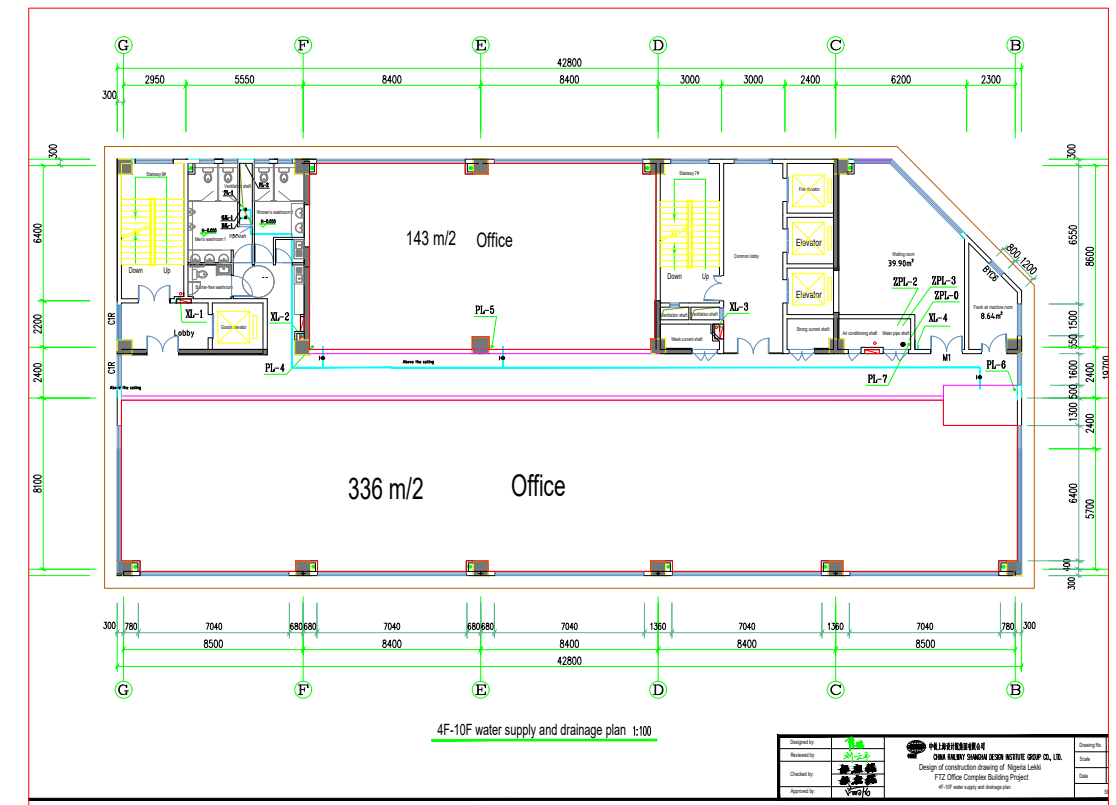
HOTEL ROOMS (824.06sqm AT 5 FLOORS)

**Supermarket:** Considering the rate at which the Zone is developing and the increasing number of employees, the Management intends to pay more attention to the comfort and convenience of investors that are living within the confines of the Zone and this is why it is essential to have consumables retail market (Supermarket) where everybody can shop for food items, toiletries and other consumables. Currently all the employees in the Zone on weekly basis have to travel a long distance before they can shop for basic needs which is not convenient taking into consideration the logistics of doing so. This supermarket will be an integral part of the office complex in the Commercial Service and Logistic Park. A total size of about 813 square meters has been designed for this purpose.



**Restaurant:** Getting good meals around the Free Zone is a major challenge for prospective investors and employees thus creating an investment opportunity for operators of chain restaurants to cater for the needs of investors and employees in the Zone. The working population in the Southwest Quadrant of the Zone is currently growing apart from the population in the surrounding Zones and neighbourhood as a result of various ongoing projects. A befitting Restaurant with total space of about 372 square meters will be a worthwhile venture to be considered as the next investment project to explore within the Free Zone.

**Office Space:** The development of the Lekki Deep Sea Port and the Dangote Refinery will attract diverse kinds of services ranging from Commercial, Consultancy, Maintenance and Logistics, it is necessary that the Specialists in all these services should secure position before the commencement of operations at the Deep Sea Ports and the Dangote Refinery / Petrochemical base. This facility will afford service rendering enterprises the opportunity to be located within close proximity to locations where their respective services and business opportunities abound.



**Banking:** The regulation on offshore banking necessitated the need to have a banking space where commercial banks can operate within the Zone to render offshore banking services to all registered enterprises. Currently, two different areas of about 800 and 400 square meters respectively in the ground floor off the Office Complex has been designated for banking services the prompt completion of this facility will serve as a quicker way of getting offshore banking operation started in the Zone.

## BUSINESS MODEL OPTIONS

In the course of managing the development of the Commercial and Logistic Business District, the management of the Zone has made available options for partnership as regards the development of the area.

**Equity Participation:** This option is opened to prospective investors that are interested in collaborating with the Management of the Zone to develop either the residential area, the commercial market, the Business Hotel and the Logistic Park. The Management of the Zone will invest in the business as the case may be by contributing the land as equity for an agreed percentage. This option can be explored with utmost adherence to due diligence.

**Annual Lease Of Space:** This option is applicable to the lettable spaces within the Commercial Office Complex. The Banking Hall for 2 different banks on the ground floor, the Supermarket, the Restaurant, Office space and Hotel. The Zone Management is opened committed prospective investors who may want to take advantage of the growing market in the Free Zone Area and its environs.



**Land Sublease For Development:** This is basically a sublease with a defined term of 99 years starting from year 2006 less one year. There are investment opportunities in Real Estate development (Hotel & Residential), Commercial Market, Warehousing and Logistics within the Commercial Business District.

## LFZ BUSINESS DISTRICT PLANNING

### Planning area and Scale

The proposed business district faces the Atlantic Ocean in the south and Lekki Lagoon in the north, it is at the Southwest of the LFZ. The area with four boundaries consisting of N2 Road and N4 Road, E3 Road and E1 Road has been defined as the NEW BUSINESS DISTRICT OF THE LEKKI FREE ZONE AND ENVIRONS, with a total area of 1.5 square kilometer. The New business district will become a driving-force for the development of the Lekki Free Zone and environs because it promises to support all the development along the axis and within the 16,500 Hectares of the Lekki Free Zone.

### Planning guidelines

The New business district takes international procurement, distribution and export processing as the lead, and finance and commerce as the support. With the following seven functions; 1. International exhibition and conference center, 2. International logistics park, 3. High end Residential facilities, 4. Commercial trade market, 5. Corporate Headquarters, 6. Lakeside Leisure and business office, 7. International Business Hotel, the district is set to take the Lekki Free Zone and environ to the next level.

### Guiding ideology

Lekki Free Trade zone was established to encourage and foster Foreign Direct Investment (FDI) and that is the major guiding ideology of the Business District. There is ample provision for business and living, a place where everything happens, a place to live, work and recreate. We have not forgotten to connect to the cityscape, architecture, history, culture, environment and context. It's a place that is going to be accepted by people from all works of life.

### Planning Structure

LFZ business district takes E2 Road and N2 Road as cross development axis and connects the following seven major functional zones; international exhibition, international logistics, commercial trade market, corporate headquarters, residential facilities, business offices and eagle lake leisure zones.

N3 Road separates international logistics from other functional zones, which forms a relatively independent zone. Other six major functional zones are planned around the eagle lake. On both sides of E2 Road, apartment-office buildings, residential facilities are arranged smartly along the eagle lake to perfect the planning of the district.

The planning is also based on the principle of “focusing on ecology, to organically combine the ecological development of the district to form a “one lake with multiple-galleries” water system structure that presages a “natural and harmony” ecological system. The green nodes connects all the green belts from the major central artificial lake to the minor green areas around the facilities and the green belt further isolates and protects the Logistics and Industrial park.

### Zoning

Zoning of start-up area is divided into the following 12 types: residential, administration office, business and finance, culture and entertainment, Squares, social parking library, other traffic facilities, warehouses, public lawn, green buffer, water body and reserved land for development. The total area of land use is 159.19 hectares in Planning Area, and the area of land used for construction is 111.87 hectares, with a total building area of 711,750 square meters, ratio of green space of 33%, floor area ratio of 0.64, building density of 30%, and parking spaces of 6000.

### Public facilities

Public facilities like; Fire station, Banks, Shopping mall, restaurants and café are provided within the business district to afford residents the opportunity of carrying out there day to activities

within the district. The district relies on some other facilities to be provided in the other part of the zone like; Petrol filling station etc.

### Green Landscape Planning

The core landscape node of the start-up area is Eagle Lake between N2 Road and N3 Road. The primary landscape axis is the axis connecting Eagle Lake and the International Exhibition and Convention Centre and the secondary landscape axis is E2 Road, which have formed the main landscape structure of the start-up area.

The core area of Eagle Lake landscape extends and permeates towards the surrounding functional areas, and regional landscape node composed of square, river network and green land is established in each sub-functional area. These have formed landscape system with clear arrangement and network.

### Road Network and Pedestrian movement

The road network is a beautiful delineation of simple road network that has reduced bottle-necking within and outside the district. The 150 sqkm is bounded by two major trunk roads N2 and N3 Roads and two minor roads E2 and E3 Roads. The internal roads are directly linked to the ring road around the major eagle lake, this network directly presents the beautiful scenery of the landscape around the eagle lake to the commuters and pedestrians.

The Logistics Park is laid out mainly using square grid iron method that is a symbol of a very simple road network that signifies easy access and exit.

The pedestrian walkway is on the two sides of the road and this means that the pedestrian equally enjoys a very good quality of passage experience around the Eagle Lake.

### Transport facilities and parking space

Ample surface parking area which is part of the overall 13.52% of the total land dedicated roads and squares, major parking space is found at the commercial trade market and the exhibition center and other parking spaces are supposed to be planned around the facilities.

There are seven gateways including two main entrances and five secondary entrances.

## MUNICIPAL ENGINEERING

### Water supply system

Water supply at the business district will rely on the water supply from the water plant that is in close proximity to the district. The capacity of the water plant is about 7000 cbm. The major supply pipe will be located on the N3 Road on the Eastern side of the district and E3 Road on the Northern side of the district.

### Sewage system

Sewage system presently considered the Short Term provision of individual septic tank for facilities but a long term sewage transfer station will be considered in the nearest future when central sewer system is built for the entire zone.

### Power supply

According to the planning, the overall power required by the business district is about 100,000KW. The voltage at the incoming line side in the planned site is 132KV, the connection to the power plant is from the northern part of the district. The voltage at the incoming line side for the single building is 11KV. Six 11KV switching stations will be established in the site. There are dedicated power sub stations within the districts.

### Road Lighting

The road lamps are deployed in the sidewalk, bicycle path or the green belt.

The road lamp internal is usually 28 – 41m, which can be adjusted according to the site surface features and next to the intersection and turning point.

If possible, part of the road lamps or the yard lamps takes the solar battery.

Automation Management Mode: Take the light-dependent control, manual control and theodolite timing control mode. When the illumination or time exceeds the setting value, it can close the road lamp, so as to meet the requirement of the energy saving.

Communication Planning

The telecommunication user base for the business district is 20 lines/1,000m2, and the forecast main lines in the business district are 18,000 lines.

The Cable TV user base for the business district is 10 points/1,000m2, and the forecast overall users in this district are 9,000 points.

The communication cable and cable TV wire in this planning area will be introduced from the north-west direction, and the sub-telecommunication and television base will be set up in the district.

Gas Supply

A pre-planned localized natural gas station is located in the business district.

Gas supply for residents will be pressure regulated. Dedicated pressure regulation devices will be supplied and installed for all residents and the pipes for natural gas supply will be special gas-purpose.

Environmental sanitation and Protection

The general objective is to build a sustainable and modern liveable city with the day to day business and living activities taken into consideration and well provided for by the proposed world standard amenities.

Air Quality Standard

Air Quality Standard of the business district is proposed to be the best of its kind as the development does not allow for activities that will negatively affect the air quality. Air Pollution Index (API) in the whole year is assumed to be completely reduced to allow the residents to live a comfortable life.

Solid Waste Treatment

Reuse and recycle solid waste by means of effective contamination control decrease; no discharge of hazardous waste, 100% de-hazardous treatment of daily-life waste and 100% comprehensive treatment of industrial solid waste.

Acoustic Environment Protection

The controlled areas of environmental noise will be divided into four types according to Standard of Environmental Noise of Urban Area:

The noise of common residential area, business area will be controlled at a level that is less than 55 db in daytime and 45 db in night. The noise of logistic and warehouse area of controlled industrial warehouse will be controlled at a level that is less than 65 db in daytime and 55 db in night. Thereby fostering a quiet environment that supports living, working and recreating.

Land use

TYPES OF LAND USE		LAND CODE	LAND AREA (HA)	PROPORTION
Residential land		R	6.63	5.50%
including	Second-grade residential land	R2	6.63	
Public accommodation land		C	37.31	32.26%
including	Land for administration office	C1	13.96	
	Land for business finance	C2	16.98	
	Land for culture and amusement	C3	6.37	
Green land		G	12.84	11.10%
including	Public lawn	G1	5.15	
	Green buffer	G2	7.69	
Municipal utilities land		U	1.98	1.71%
including	Other traffic facilities land	U29	1.67	
	Other municipal utilities land	U9	0.31	
Land for warehouses		W	41.54	35.91%
Roads and squares land		S	15.64	13.52%
including	Land for roads	S1	11.39	
	Roads and squares land	S2	0.57	
	Social parking library land	S3	4.25	
Total area for urban construction land			115.67	100.00%
Water area and other land uses		E	30.56	
including	Water area	E1	23	
	Reserved land for development	--	7.56	
Total area for planning land			153.79	

## **THE LEKKI FREE ZONE INDUSTRIAL AREA**

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Activities in the Industrial area within the Lekki Free Zone Southwest Quadrant will complement developments within Commercial and Logistics Business District of the Zone. Currently there are over 23 investors with various commercial activities ranging from Assembling, Packaging to Manufacturing Concerns. The Industrial activity has grown the population in the Zone in a way that has necessitated the need for a comprehensive Commercial Market that will develop the Commercial and Logistics Business District.



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