

FREE GUIDE

What It Really Costs to Start a Shortlet in Lekki Phase 1

Real setup costs, monthly profit at 10, 15 and 20 booked nights, and how long it takes to get your money back. Written for Nigerians abroad.

BY **YINKA OKUNLADE**

OPERATING IN LEKKI PHASE 1 SINCE 2019

START HERE

The one number that decides your profit

If you rent the apartment, a furnished 1-bedroom shortlet in Lekki Phase 1 costs about ₦22M–₦30M to launch. A 2-bedroom costs about ₦30M–₦41M, and a premium finish can push a 1-bedroom past ₦30M.

Whether it makes money comes down to one number: how many nights you actually book each month. I've run shortlets in Lekki Phase 1 from the US since 2019. This guide works through the numbers using real market prices instead of the best-case figures you see online.

₦26.1M
Typical upfront cash for a rented 1-bedroom ($18,780)

10 nights
A month on a rented unit still loses money

21 months
To recover a 1-bed setup, even at 20 nights a month

What you pay before your first guest

Upfront cost (renting the apartment)	1-bedroom	2-bedroom
Annual rent, paid upfront	₦7.0M	₦10.0M
Agency + legal fees (10% + 10% of rent)	₦1.4M	₦2.0M
Caution deposit (10%, refundable)	₦0.7M	₦1.0M
Estate service charge, yearly	₦1.0M	₦1.5M
Furnishing and finishing	₦12.5M	₦17.5M
Power backup	₦3.0M	₦3.0M
Launch extras (photos, spare linens, smart lock, first stock)	₦0.5M	₦0.7M
Typical total	**₦26.1M ($18,780)**	**₦35.7M ($25,680)**
Realistic range	₦22M–₦30M	₦30M–₦41M

- **Rent:** 1-bedroom listings in Lekki Phase 1 are asking about ₦5M–₦10M a year. The average 2-bedroom is about ₦10M.
- **Furnishing:** from my own setups, expect ₦10M–₦15M to finish a 1-bedroom properly and ₦15M–₦20M for a 2-bedroom.
- **Power:** budget about ₦3M for backup power. Older buildings may need their own generator, which costs more.

Dollar figures use ₦1,390 to $1, the parallel-market rate on 4 November 2026.

THE MONTHLY PICTURE

What you make each month

On a rented unit, 10 booked nights a month loses money. 15 nights gives a small profit, and 20 nights is where the monthly numbers start to work.

Booked nights a month	1-bedroom profit / month	2-bedroom profit / month
10 nights (33%)	−₦243k (−$175)	−₦285k (−$205)
15 nights (50%)	₦252k ($181)	₦435k ($313)
20 nights (66%)	₦747k ($537)	₦1.16M ($831)

- **Nightly rate:** ₦110k for a 1-bedroom and ₦160k for a 2-bedroom. These are close to current Lekki asking rates.
- **Running costs:** about ₦450k a month for a 1-bedroom and ₦600k for a 2-bedroom. That covers cleaning and staff, diesel, internet and TV, toiletries and repairs, plus about 10% in booking commissions.
- **Rent, service charge and fees** are spread across 12 months. Furnishing is not included here.

What's realistic?

Operators say about 10 booked nights a month currently counts as performing well. Lagos Airbnb listings average about 41% occupancy. Strong Lekki Phase 1 units averaged 66% in 2025.

PAYBACK

When you get your setup money back

Your setup money has to come back before your lease ends. Even at 20 booked nights a month, a rented 1-bedroom takes about 21 months to recover its ₦16M setup. At 15 nights, it takes over 5 years, far longer than a typical 2-year lease.

Months to recover setup	1-bedroom (₦16M setup)	2-bedroom (₦21.2M setup)
15 nights a month	over 5 years	about 4 years
20 nights a month	about 21 months	about 18 months

Why I once walked away from a unit

The rent was ₦7M a year, and setup was about ₦15M because the old building needed its own power. It could only charge ₦120k–₦150k a night, and the landlord wanted a 2-year lease with a possible increase. The setup would not have come back within the lease.

EXAMPLE

A premium 1-bedroom

A high-end finish costs more to set up, but it doesn't always earn a higher nightly rate. Here is one premium scenario:

Premium 1-bedroom (rented)	Amount
Furnishing and setup	₦20.0M
Annual rent	₦9.0M
Agency + legal fees (non-refundable)	₦1.8M
Caution deposit (refundable)	₦0.9M
Service charge, yearly	₦1.0M
Total upfront cash	**₦32.7M ($23,500)**
Revenue at ₦100k a night × 20 nights	₦2.0M a month
Rent, service charge and ₦360k running costs	₦1.19M a month
Left each month	**₦807k ($580)**
Time to recover ₦21.8M non-refundable costs	**about 27 months**

That's more than two years, and it assumes steady bookings, stable costs and no major surprises. The more you spend on finishing, the more carefully you need to check what the unit can actually charge.

IF YOU ALREADY OWN THE APARTMENT

No rent changes everything

Booked nights a month	1-bedroom profit / month	2-bedroom profit / month
15 nights	**₦952k ($685)**	**₦1.44M ($1,032)**
20 nights	**₦1.45M ($1,041)**	**₦2.16M ($1,550)**

Once you own the property, your main risks shift to furnishing quality, staff and pricing.

LESSONS FROM OPERATING

7 mistakes to avoid

1 **Planning with best-case occupancy**

Work out your numbers at 10, 15 and 20 nights. Only commit if the realistic case still pays back within your lease.

2 **Signing a lease without checking payback**

If your setup can't come back within the lease, walk away.

3 **Underestimating power**

Diesel and backup power are among the biggest monthly costs. Older buildings may need their own generator.

4 **Ignoring costs you can't control**

Estate service charges and shared diesel can rise without asking you.

5 **Pricing on hope**

Start from what similar apartments nearby are charging.

6 **Changing prices day to day**

In Lekki, discounts for longer stays (2+ nights, 2 weeks, 1 month) move bookings more than weekday or weekend prices do.

7 **Running it from abroad without systems**

You need daily reports, booking records, expense tracking, and a manager you can check on.

> ### Revenue is not profit
>
> An apartment can bring in millions of naira in bookings and still struggle. What matters is what you keep after every cost is paid.

NEXT STEP

Want help with your own numbers?

The figures in this guide are averages. Your profit depends on the specific apartment, street, building and price you choose.



Shortlet Launch Package

For Nigerians abroad planning a Lagos shortlet. Where to invest, a cost and profit projection for your actual unit, your setup plan, and the systems to run it from abroad.

Profit Review

For operators already running one. A close look at your pricing, occupancy and margins.

Message me **LAUNCH** or **PROFIT** on WhatsApp.

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These are estimates based on market data as of November 2026. They are not financial advice. Prices and exchange rates change, so confirm figures for any specific property.

SOURCES

Furnishing and power backup figures: from my own setups in Lekki Phase 1
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