

## Effect of Land Titles Registration on Property Investment in Nigeria

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### **A b s t r a c t**

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**L**and titles registration and property investment are two processes which are very important in real estate development. But land registration precedes and guarantees certainty of ownership of site for real construction to take place, after all investment does not take place in the air but on land. Therefore, this research was aimed at studying the effect of registration of land titles on property investment. The research adopted a descriptive design, with the data mainly obtained from secondary source. The result showed that registration of title on land over which property investment takes place reduces information asymmetries as both parties to land transaction can gain access to the same information, with the buyer receiving state guarantees about the authenticity of the registered information on land, thereby reducing land transaction costs, speeds up the process of land acquisition for investors and removing landownership uncertainty. Other results from the research indicated that land registration offers the land owners access to cheaper and additional medium or long term credit through mortgage; speedy and smooth land transaction; security of property investment in the case of overriding public interest which may be exercised by the state; and makes conveyance for property investment simpler thereby promoting socio-economic development. However, it was recommended from the research that any investor who wants to go into real estate should at most consider obtaining a legal title to his/her land where the investment is to take place through proper land registration.

**Keywords:** *Land, Registration, Instrument, Property Investment.*

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<http://internationalpolicybrief.org/journals/international-scientific-research-consortium-journals/intl-journal-of-economics-vol5-no2-april-2017>

### **Background to the Study**

The Oxford Advanced Learner's Dictionary (9th Edition) defines Land title as the legal right to own land, and the document which shows that one has such a title. Land title refers to the documentary evidence of the right of ownership on a given plot of land to an individual or group. This documentary evidence is called Certificate of Title. Title to land is often insured by a state or municipal government to identify the owner or owners of real property. Land title comes as a result of land registration. Titles to land are means to formalize land ownership rights. Dixon (2002) described land registered if the title to it (which for convenience can be thought of as a right of ownership) is recorded in a register maintained by the Land Registry at a number of districts in a country. Land Registration or title registration is carried out in order to make claims to land enforceable and contract on land stick (Rosenberg and Birdzell, 1986).

Land registration generally describes systems by which matters concerning ownership, possession or other rights in land can be recorded (usually with a government agency or department) to provide evidence of title, facilitate transaction and to prevent unlawful disposal which vary according to jurisdiction. According to Udechukwu (2006), the basic idea behind title registration is to confer on every owner or purchaser a title guaranteed by the state. It is believed to make conveyance simple, cheap, speedy and reliable by obviating most of the difficulties and hazards to which a purchaser of land is exposed under the system of registered conveyance. The law regulating registration of land instrument in Nigeria is the Land Registration Act No. 36 of 1924. This is the parent Act enacted for the whole country, which is adopted and re-enacted in some state under different names. A common feature of land registration in Nigeria is the registration of any instrument executed before or after the commencement of the Act. In order to facilitate registration, the law establishes in every state, land registry under a land registrar charged with the responsibilities of registering instruments affecting land in the state and to keep registered books and files relating to each plot.

The term 'property' has several connotations, but in estate management parlance, it is most frequently used with reference to real property. Real property, also referred to as property investment, has a variety of concepts, and includes land and buildings (Kalu, 2001). Therefore, property investment is considered as the parting of capital at present on the development, or purchase of land and/or buildings which provides interest of certain duration either for future income generation/capital appreciation or self occupation.

The conceptualization of the development of buildings or structures anywhere is always preceded by the acquisition of space or site (land). This site so acquired must be ensured to have good title; and one way of assuring good title is an evidence of registration. The registration of land has several effects on property, thus this research sought to x-ray the effect of land titles registration on property investment in Nigeria.

### **Methodology**

The research adopted a descriptive design with the data mainly obtained from the secondary source.

## **Conceptual Illuminations**

### **Registrable Instruments**

As stated in the Land Registration Act of 1924, a registrable instrument is a document affecting land, whereby a party called grantor confers, transfers, limits, charges or extinguishes in favour of another party called the grantee, any right or title to the interest in land and includes a certificate of purchase, power of attorney under which any instrument may be excluded, but does not include a will. The Land Instrument Registration Laws of the former Western Nigeria described registrable instruments to include in addition an estate, contract, a deed of appointment or discharge of trustee containing expressly or impliedly a vesting declaration affecting any land. From the above, a registrable instrument is considered as any documents which purport to transfer or create a right, title or interest in land to or in favour of the grantee. But a will is completely excluded among documents accepted as registrable instrument. In the same vein, a purchase receipt is not a registrable instrument if it is a mere acknowledgement of payment and does not confer or transfer interest in land. But in accordance with the provision of the Land Instrument Registration Law of Western Nigeria, a receipt of mortgage money may operate as a surrender or conveyance of the mortgage term and therefore, registrable. A document of partition which transfers separate interest to the different individuals is a registrable instrument. But where it does not transfer or extinguish any right in land, it is not registrable. In former Western Nigeria, a contract made by a person with an interest in land is registrable from the date of the contract. Also an instrument creating an equitable mortgage is registrable as an estate contract (LIRLWN, 1935). Except in Lagos State where relevant regulation exempts, an agreement to sell or lease is a registrable instrument. Also, outside the former Western State of Nigeria, a sale agreement is not a registrable instrument. But an agreement of mortgaged land is a registrable instrument under the various registration laws in Nigeria. A Power of Attorney is only registerable where it specifically relates to an interest in land. For example, if Mr. 'X' is given a Power of Attorney only to collect rents on land as opposed to dealing in such land like selling or leasing the land in question, the document does not suffice to be registrable (Awolaja, 2012). In the case of an instrument executed after the commencement of the Act, where the grantor is or are illiterate, compliance with the relevant provision of the illiterates protection law is required. A registrable instrument for the purpose of registration must be accompanied by a survey plan of the land. But in the case of Power of Attorney, no such plan is required.

### **Land Registration Systems in Nigeria**

Land registration system involves two activities: deeds recording and title registration. A deed recording is a system of giving publicity to land transactions and helping to prevent concealed dealings. The act of recording a deed gives notice to the public of a claimed interest in land and establishes priority against other possible claimants to the same interest. Although there is usually no statutory compulsion for parties to a transaction to record their documents, it is prudent for them to do so while it is risky if they do not. An unrecorded document is legally ineffective against any subsequent bonafide purchaser or mortgagee who first records an interest in the same land. For instance, suppose that a vendor fraudulently sells the same piece of land to two different purchasers at different

times. The purchaser who first records his/her transaction has the better claim to the land, even if that transaction took place later than the first one, provided the purchaser has bought in good faith and is unaware of the first purchase. In such a case, the first purchase has no claim against the deeds registry and would have to pursue a legal remedy against the vendor, who by that time might be bankrupt or have fled the jurisdiction (Awolaja, 2012).

Under a system of deeds recording, a document presented for entry is normally accepted at face value and not subjected to detailed technical scrutiny by registry staff. Unless a survey plan accompanies document, it may be very difficult to determine the size, shape and location of the land in question. Boundary descriptions that attempts to define parcel limits solely by citing the names of adjoining owners, who may have departed long ago, are among the possible sources of confusion in interpreting deeds, also are the frequent ambiguities in metes and bounds descriptions. A deed recording system usually offers insufficient information, seeks to identify areas and extent of private and public lands. Not only does this deficiency affect the conveyance process, it leads to uncertainties of ownership, boundary disputes, unlawful occupancy, and the lack of a national, regional, or local land inventory for the system. For an individual proprietor, the imperfection of a land title that is not fully documented may restrict the ability to obtain a mortgage or other credit financing from a lending institution. The insecurity of a feared or uncertain title also impairs the marketability of land, inhibits its development and may leads to its eventual abandonment (Byamagisha, 1999).

Despite its obvious shortcomings, a deed recording system is sometimes preferred by some parties to land transactions because documents can be recorded more quickly and at a lower cost than under a land registration system. Deed Registries may also be favoured by some administrations because they are less costly to establish and operate than land title offices. Also, the fees payable yield substantial revenues to government. Title registration is more than the mere entry in a public register. It is authentication of the ownership of, or a legal interest in a parcel of land. The act of registration confirms transaction that confers, affect or terminate that ownership or interest, and once the registration process is complete, no search behind the register is needed to establish a chain of title to the property, for the register itself is conclusive proof of title. This type of title is often referred to as indefeasible (absolute), which means that it cannot be legally defeated except in situations where a title was obtained by fraud. The conclusiveness of title registration is upheld by the state, and land titles legislation offers the assurance subject to certain exceptions that are specified by statute, that any person entitled to an interest in a registered parcel who suffers loss resulting from an error on the part of the Registrar or Registry staff, may apply for monetary compensation from a government fund.

The statutory exceptions usually known as overriding interest may include such measures as the power of expropriation, municipal building restrictions and writs of execution against the parcel. This means that a wise purchaser or mortgagee, in addition to searching the register, should seek legal advice regarding the investigation of other appropriate

sources to discover whether or not any overriding interests exist. A number that is unduplicated throughout the registration district identifies each parcel in a land titles registration system. This number remains unchanged despite any change of ownership; a separate number is issued for each new unit formed by the consolidation of existing parcels. The unique method of parcel identification avoids the use of proprietor's name, a practice that may cause uncertainty if the same name is in common use.

### **Requirements for Land Title Registration**

A number of issues are expected for appropriate title registration. These are: legislation, cadastral survey and adjudication. In respect of legislation, a comparative analysis of land titles legislation in other jurisdictions can assist a state in enacting its own laws for that purpose and the object should be to find solutions that are based entirely on local needs and circumstances. The uncritical adoption of legislation that appears to apply satisfactory under different conditions elsewhere may lead to a forced conformity that proves unworkable in the state of its reception. Following the initial registration of the title to a parcel, the registration of all future transactions affecting that parcel should be compulsory by legislation. If this is not done, the register will no longer reflect the true condition of the title. This is because it can be readily appreciated that unless there is a legal obligation to register all such transactions, the registry itself will lose its integrity. In the course of time, the recorded information will become incomplete and unreliable, thus destroying the very purpose for which the registry was originally created.

In terms of cadastral survey, a legal cadastre provides the geographic underpinning of a land title registration system. Cadastral index maps show all the parcels in a registration district in their correct relationship to each other (UNCHS, 1990). Parcel boundary, dimensions and superficial area can be shown numerically on the map or derived from scaling. The map will not normally portray contours or other topographic information, except where a natural feature, such as a stream forms a parcel boundary. Each individual parcel is represented on a large scale cadastral plan; which in addition to numerical boundary and area data usually shows building, fences and other enclosure and boundary markers. The composition of a cadastre may rely on a number of surveying and mapping techniques that can be employed independently of, or in conjunction with each other. The choice of air photography will depend upon such factors as flying conditions, cloud coverage, the existence of boundaries that are marked by physical features, and the presence of vegetation that may obscure the visibility of those boundaries from the air. The object of a legal cadastre should be to ensure that parcels are shown in their correct topological relationship and that their boundaries and areas can be determined to a degree of accuracy that is sufficient for land title registration purpose (Gerhard, 1991).

Land adjudication (or land settlement) enables the state to determine and confirm the ownership of, and the legal interest in individual parcels of land. It also provides for the physical demarcation of parcels boundaries. The need for adjudication may arise from dispute or simply from uncertainty. Even where land is unoccupied, and is apparently owned by the state, adjudication provides method of cleansing the title by making sure that no adverse claims exist or if they do exist, they are properly dealt with. Adjudication is



concerned with existing rights to land. But it can also be the prelude to subsequent distribution to private persons. Adjudication can be carried out systematically, area by area, or sporadically for isolated parcels. Systematic adjudication is more efficient and less costly than sporadic adjudication, but the political, social or economic pressures of local circumstances may compel the simultaneous adoption of both methods. It is often advisable to undertake adjudication in a pilot area of manageable size that contains different types of property in order to allow some experimentation with procedures and to gain valuable experience for the extension of adjudication to other regions.

Procedure requires special legislation under which a team led by an adjudication officer is empowered to visit a designated site to hear and settle claims, and to demarcate and survey parcel boundaries. The date and time of the visit must be well publicized in advance by a written or other appropriate notice. The notice should state that every claimant to ownership of, or interest in, any of the land referred to in the notice must appear in person or by authorized agent before the adjudication officer. It should also require every such claimant to present all documentary and other evidence to support the claim, including the oral testimony of witness if the claimant and the owners of adjoining land accept in writing the adjudication, the parcel boundaries are demarcated and surveyed.

Demarcation and survey should be carried out simultaneously and as soon as possible after the decision (Awolaja, 2012). If the time interval between demarcation and survey is too long, there is a risk that unscrupulous persons might surreptitiously remove boundary marks. The methods of surveying and demarcation may vary according to local needs and practices, but each adjudicated parcel should be given unique number that can then form the legal description of the parcel for land title registration purposes. Decisions of the adjudication officer that are disputed by any party can be appealed to a statutory body such as land tribunal, subject to a further right of appeal to a high court for ruling.

### **Challenges of Land Title Registration in Nigeria**

The following are the challenges facing land registration in Nigeria:

- (i) Noticeable discrepancies on the drafted law especially arose, based on non-consultation with stakeholders. Emphases are always placed on ownership of land rather than ownership of interest in landed property. This emphasis on ownership is in conflict with the Land Use Act (1978) which recognizes leasehold interest only in land.
- (ii) The objective of title registration should not be universal, but should be compulsory and certain deemed grand title and village excision should be accommodated in the land registry (P.L.A.G.G, 2006).
- (iii) Non recognition of title registration, with great emphasis placed on deed registration.
- (iv) Reservation of the registrar of title position to legal practitioners only as against professionals (estate surveyors and valuers) who are knowledgeable in land administration.

- (v) Non deployment of modern technological system such as Geographical Information System (GIS) in most Land Registry in the country in this modern age of technological advancement.
- (vi) None capturing of all parcels of land in all the states through proper and efficient cadastral surveys.
- (vii) Haphazard storage of land documents at the registry which most times affect immediate and efficient retrieval
- (viii) Non co-operation of land owners in ensuring proper land titling registration.
- (ix) Inadequate funding of the land registry.
- (x) Propensity to commit fraud by stakeholders in land registration through corruption.

As observed above, the registration of titles to land is very important as it provides timely evidence of ownership to the public, as well as facilitating other transactions on the given land to eliminate fraudulent practices.

#### **Effect of Non Registration of Titles**

A registrable instrument affecting land other than a grant of state land, which is not registered within six months is void. A registrable instrument affecting land, the subject of grant by a native or a non native is void unless registered within six months of the execution from the date of the consent of Governor. If such instrument is executed outside Nigeria, non registration within twelve months makes it void from the date of execution (udechukwu, 2006). In all other cases, the instrument is void for non registration where a purchaser of land or lessee is in possession of land by virtue of a registrable instrument which has not been registered and has paid the purchase price, or the rent to the vendor or lessor, the purchaser or lessee has only acquired an equitable interest in the land which is as good as a legal estate, and the equitable interest can only be defeated by a purchaser of the land for value without notice of the prior equity. Such registrable instrument, which is not registered is admissible to prove such equitable interest, and to prove payment of purchase price or rent only

A registrable instrument that is not registered is inadmissible in evidence as proof of a transfer of an interest, though it may be admitted as acknowledgement of payment. Where there is more than one instrument executed by the same grantor relating to the same land, priority is determined by the date of registration where there are rival claimants.

In all cases where registration of an instrument is required by status, the fact of such registration does not cure a defect in the title of the grantee. Hence, where such grantee had no valid title in law before registration of his title, it cannot be validated by registration.

#### **The Difference between Registered and Unregistered Land**

1. The investigation of title to registered land is simpler and quicker than it is where title is not registered.

2. The doctrine of notice has no application to registered land. A purchaser of registered land takes it subject to estates, rights and interests which are protected by an entry on the register and to overriding interests, but to nothing else.
3. Where a person is registered as the proprietor of an estate in a registered land, the Land Registry guarantees that title. This means that in the event of register rectification, any person suffering a loss as a result is entitled to payment of an indemnity from the registry (udechukwu, 2006).

### **Forms of Property Investment**

The forms property investment concerns with the various options any potential investor has in committing his/her resources in expectation for future objective(s). These objectives include income yielding, capital appreciation, store of wealth, prestige, posterity, political power, etc. The forms of property investments include the followings:

- a. **Property Development:** This involves the construction of buildings for various uses such as residential, commercial, industrial, recreational, agricultural, special, etc. The development process involves site acquisition, formalization of relevant title document (including title registration), construction for occupation or letting and management/disposal of the developed estate.
- b. **Property Acquisition:** This involves acquisition of leasehold interest in a developed property. It comes as outright purchase, sale and leaseback transaction whereby ones interest in real estate is relinquished or transferred to another in return for a lease. This transaction enables the developer to realize the capital on its existing development for some other ventures particularly during periods of harsh economy where fund is difficult (Udoudo, 2016).
- c. **Property Mortgaging:** This is a transaction where investors give out their interests in order to obtain some credit facilities. The interest held in the property serves as collateral for the borrowed fund. Redemption is at the amortization or full discharge of the principal and the accruable interest thereof. Mortgage transaction is the most important single source of funding property development in the developed world. Mortgage creates avenue for potential investors to raise fund for physical development.
- d. **Share Acquisition:** This entail the acquisition of shares in the companies involved largely in property development and transactions. To purchase shares in a property company enables the investor to have a share in the returns arising from development expansion and management which lead to rise in property values. Property company shares also tend to have high levels of volatility. According to Dubben and Sayce (1991), this is largely because many property companies have high borrowing and gearing, making their profits particularly susceptible to economic and market changes. Share (security) are bought and sold on the stock exchange market. Any purchaser of stocks and shares expects his interests payment (dividend) at the next interest payment. Acquisition of shares entitles the investors to become a part owner of the company.
- e. **Syndication:** The capital needed for property investment could sometimes be obtained through syndication. This is a situation where a number of investors pool their resources to acquire real estate, or sponsor the developer of real estate. In



either of the above, the parties to the loan syndication become owners or have specific interest subsisting in the real property. Syndication refers to the combination of financial resources by a group of investors with the expertise of a real estate professional for the common purpose of carrying out a property investment. In the words of Brueggman and Fisher, 1997:

*A syndicate can be formed to acquire, develop, manage, operate or market real estate. It can be viewed as a type of financing that offers smaller investors the opportunity to invest in ventures that would otherwise be beyond their financial and management capability.*

### **Characteristics of Property Investment**

Below mentioned are some of the distinguishing characteristics of property investment:

1. **Heterogeneity:** Property investment is infinitely more heterogeneous than other investment media. Every property occupies a unique location for example, and there are many other instances of possible differences in the area of design, condition of repairs, size, functionality, facilities available, etc. Though some properties could easily have close substitutes, example, a block of flats in an urban centre, certain property types rarely have substitutes, and therefore provides a unique investment opportunity.
2. **Indivisibility:** Property investment is highly indivisible; hence each indivisible unit presents a relatively high cost of production. It is this situation which makes property investment unattainable for small investors except for self occupation, or through acquiring shares in property companies, property bonds, or other indirect means. It also results in the frequent use of credit in purchasing property, which may be supplied by building societies, banks or insurance companies and pension funds. Thus, changes in the availability of credit may have profound effects on the property market (Enever and Isaac, 2002).
3. **High cost of transfer:** The incidental costs of dealing in property are high relative to those other investments. Investigation of title, the need for a formal contract and the frequent need to create a mortgage are reasons for employing a solicitor, while the desirability of a professional opinion of value, report of the physical/ structural conditions, appointment of an agent for advertising and negotiation, etc add to the transfer cost. Equally, taxes on transfer (stamp duty) forms another element of cost on transfer of interest in property.
4. **Special problems of management:** Due to the complicated economic and legal problem associated with property investment, particular regards to management is required this may take time, experience, expertise and/or money on the part of the investor where repairing liabilities fall upon the landlord, these problems are compounded. This is very different to the investment in gilt-edged stock where a cheque falls through the letter box or a direct credit transfer is made every six months.
5. **Perpetuity:** Land as a property is durable, and forms human habitat or space where economic wealth is generated. Therefore, a person who owns part of it has

an investment in something which always has been, and always will be absolutely essential to economic needs economic needs relates to the fact that property is a factor of production and thus is the space in which the production process takes place. Land is combined with other factors of production like capital, labour, and entrepreneurship to produce economic wealth, with land forming the core of the production activities. The value of property includes both the value of land and buildings together. It is land that is more durable and scarce than buildings (except in example of prestigious design or historic importance).the buildings are liable to depreciation and obsolescence, arising from changes in the economic and social environment which make the current use of the building redundant. It is here seen that it is the land element of the property which is likely to grow and appreciate in value in the long run. But various analyses undertaken by valuers do not separate between the two elements.

6. Inelasticity of supply: a fundamental economic feature of property is the difficulty in varying its supply (Enever et al). The physical overall supply of land is virtually fixed, and the mix of various land uses is difficult to alter, because of planning controls. Due to the time taken to obtain planning permission, arrange finance, construct buildings and arrange disposal, the development industry is slow to respond to an increased in demand. Conversely, it is difficult for supply to react to a reduction in demand. It is not always feasible to demolish or change buildings to meet such a reduction. This lack of responsiveness (inelasticity of supply) in the industry leaves it abnormally vulnerable to economic booms and slumps. Sometimes, when the property market is already booming, it becomes too late for a developer to respond. By the time s/he has done so, the boom is over. An oversupply at that stage may even worsen the slump situation.
7. Highly Risky: risk is the possibility that the actual outcome may be something other than expected. In other words, it ca be viewed as the possibility of difference between the actual and the expected income flows. It should be noted that risk as defined is not viewed as a possibility of loss (Kalu, 2001). Property investments are subject to all sorts of risks although there is a layman notin of it as safe investment. The risk are as follows:
  - i. Tenant Risk: this arises where cash flow expectation usually in the form of rent is not paid. Rent payment default by tenants is well known. The tenant may have become bankrupt in which case recovery may prove impossible in certain circumscribed circumstances. It may happen that rent may not be paid as at when due or paid piece meal.
  - ii. Market Risk: a sector of the market may perform badly at times. Economic recession may bring about a depression on the industrial property market, while the residential property market booms. Several factors may account for this situation, including the cost and availability of finance for residential property. Shortage of new stock of residential property which may create a boom even in the face of rent control laws (Kalu, 2001).
  - iii. Structural Risk: this is the type of risk associated with the physical structure of property as opposed to legal interest. The destruction of the structure

affects the income flow. Insurance policy may not cover an unrest, as under-insurance poses risk. Deterioration arising from passage of time and use of building/obsolescence are special forms of structural risk, which cannot be determined in advance but rather affect rent.

- iv. **Taxation Risk:** There is a notion that property owners are capable of paying tax as they are not poor people. Consequently, property becomes a sitting duck for taxation. These taxes include property rate, stamp duty, capital gains tax, capital transfer tax, property income tax and property investment income surcharge sometimes levied as withholding tax. All these taxes create uncertainty on the rental income.
  - v. **Planning and Legal Risk:** these impinge on property by way of rent control, compulsory acquisition, nationalization, change of use, environmental protection regulations, provision of certain facilities, acquisition of bad and defective title, planning permission constraints and property management difficulties. The above in no little measure affect property investments.
8. **Liquidity:** Money placed on a deposit account or building society account can easily be withdrawn on short notice without the assistance of professionals. Shares can be disposed of by a broker within some reasonable short period. Property investment in contrast takes time to market. Only a few people can afford it and its transfer protocols are complicated and time consuming. As a result property investment appears illiquid when compared with other investments media.
9. **Imperfect Knowledge:** Property market is generally faced with the particular problem of dearth of property market data, as most transactions are not disclosed. Unlike other forms of investments where information regarding sales, values, volumes dealt with are readily available to the investing public, property deals are completed in secrecy. Even when such information is published in professional press, special knowledge is required for easy retrieval and understanding.

### **Why Invest in Property**

Upon the characteristics of property investment presented above, one could easily observe some discouraging attributes which can turn off an investor. But a careful view of the attributes presents few costs and numerous benefits to an investor as well. The benefits of investing in property which propel investors are summarised below:

- i. Capital appreciation
- ii. Leveraging or gearing
- iii. Super profit
- iv. Real growth against inflation.

### **Effect of Land Titles Registration on Property Investment**

From the ongoing arguments, the under mentioned effects of land registration on property investments got hold of:

Land registration plays a more generic role of reducing information asymmetries as it enables both parties to a land transaction to gain access to the same information, in fact,

often with the buyer receiving state guarantees about the authenticity of the registered information on land. This does not only reduce land transaction costs, but also speed up the process of land acquisition for investors and remove landownership uncertainty thereby providing a considerable investment incentive.

Land registration offers the land owners access to cheaper and additional medium or long term credit for property investment or development through mortgage, while financial institution gain an expanded market of potential borrowers.

Land title registration guarantees speedy and smooth land transactions which invariably enhance transferability of land from less efficient to more efficient users, thereby motivating the overall allocation of land resources in property investments.

The registration of title to land provides the owner with additional security to the property investment in the case of overriding public interest exercise by government and its agencies on compulsory acquisition; the owner would be paid compensation as provided in the Land Use Act of 1978. The title in this case is obtained from the governor of the state as a lease of 99 years duration (Cap 202, LFN, 1990).

Finally, land title registration ensures up to date official record of the land owners which makes conveyance for property investment much simpler in the event of sales by the land owner thereby promoting socio-economic developments. Buyers can make an official search online before completing a purchase.

### **Conclusion/Recommendation**

From the foregoing it is convincingly clear that land registration leads to better access to formal credit, higher land values, higher output and income from land, and increased investment in land/landed property. Hence the registration of title to land affords the investor enforceable right over the investment, while guaranteeing unambiguous and authentic information on individual plots to enhance investment. Therefore, it is recommended that all intending investors on real estate to consider it expedient to obtain a legal title to their land in order to secure their property investments.

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