

KPDA WEEKLY MEDIA REVIEW

Weekly Insights into Current Affairs Affecting the Kenyan Real Estate Market

Every Friday, we select a few media articles from the week that we think are worth your time as a player in the property development sector. We look for compelling articles not only about trends in the market, but also policy issues, upcoming technologies and global trends in real estate. We would love to hear from you on what you are engaged in to promote the sector. Contact us via admin@kpda.or.ke

REMINDER TO ALL KPDA MEMBERS ON THE CODE OF CONDUCT

We would like to remind all members of KPDA that as a show of our continued dedication to deliver the highest quality of product and service to the public as well as our fellow developers, we encourage you to read through the KPDA Code of Conduct. We wish to urge all our members to commit adherence to it by filling the commitment form included.

To access our KPDA Code of Conduct, please follow the below link:

KPDA MEMBER, MWANZONI LTD OFFERS PMP ACCREDITED TRAINING

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THE HOUSING FINANCE FOUNDATION ARMY OF ONE MILLION ARTISANS PROJECT FINAL APPEAL TO KPDA MEMBERS TO ENGAGE INTERNS

Housing Finance Foundation (HFF), a subsidiary of Housing Finance (HF) has a vision to deliver, facilitate and catalyse industry-relevant and sustainable practical skills required by the building and construction industry through the creation of one million artisans for Kenya and East Africa.

The project intends to improve the quality and quantity of skilled artisans through the development of a competency based education and training (CBET), improve financial access for Technical and Vocational Education Training (TVET) students, institutions and artisans as well as create markets that work for artisans.

At KPDA, we are keen to support the project and it is with this in mind that we request our members for assistance in the following areas:

1. Consider recruiting interns from the One Million Artisans Project to your respective construction sites and offer them internship opportunities
2. Visit the various TVET site trainings to acclimatize yourselves with how they are run

In this respect, we humbly ask our members to kindly submit their names and companies to the secretariat by latest Friday, 24th April 2015, COB. The interns are expected to commence their workplace internship on 4th May 2015.

We would appreciate for you to share this information with your various network of contacts. For more information, kindly contact the secretariat on 0737 530 290 or 0705 277 787 or by email on admin@kpda.or.ke .

APRIL 21

NO SIGN OF KENYA'S PROPERTY MARKET RUNNING OUT OF STEAM

Oxford Business Group | Economic News Update | 21th April 2015

With demand for real estate in Nairobi sending property prices soaring on the back of rapid urbanisation, nearby counties are also seeing an uptick in activity as developers look to channel funds into satellite cities and commuter towns.

Advertised land prices in Nairobi's nine fastest-growing suburbs have increased five-fold since 2007, according to the Hass Property Index, issued by local real estate firm HassConsult in partnership with asset management firm Stanlib. Growth was the most pronounced in the Upperhill and Kileleshwa neighbourhoods, where prices soared by 789% and 614%, respectively. Land in Upperhill is now the most expensive in the city, averaging KSh470m (\$5.01m) per acre.

"The pressure on land prices is caused by the inherently limited supply of land close to key city centre clusters," said Kenneth Kaniu, chief investment officer at Stanlib, quoted in the report. [Read More](#)

LANDS BOSS NOW SAYS LANGATA SCHOOL LAND DEVELOPER HAS VALID TITLE

Nairobi News | BRIAN WASUNA | 21th April 2015

The Muhammad Swazuri-led on Monday changed its position on the contested ownership of Langata Road Primary School playground, saying the private developer who was ejected from the site in February has a valid title deed for the property.

The NLC made the revelation in court papers it has filed in reply to a suit filed by Airport View Housing – the private developer that is claiming ownership of the property.

The NLC told the court that it was yet to begin the planned review of titles, leaving the deed held by Airport View valid.

The public land agency told the court that the private developer had jumped the gun in filing the suit and asked the court to strike it out. [Read More](#)

APRIL 22

HOW BUYERS CAN AVOID BEING VICTIMS OF MORTGAGE FRAUD

The Star | LAMUDI | 22th April 2015

Kenya's property market is thriving and everyone is looking to have a piece of this vibrant sector.

With good economic environment and financial systems, there has been an increase in mortgage uptake.

According to the Central Bank of Kenya, the demand for mortgages in the country stands at 80,000 facilities every year - a clear indication of the strong uptake.

Property portal Lamudi Kenya's managing director Dan Karua said: "However, one needs to take precautionary measures to avoid falling victim to mortgage fraud, particularly as a lot of money is involved in property transactions. The fraudsters are smart, so you need to outsmart them by not rushing into making decisions".

The Central Bank of Kenya indicates that the financial market has provided Sh138 billion out of the potential Sh800 billion available in the mortgage market. [Read More](#)

PESTICIDE PRODUCER OPENS HOTEL IN NAIROBI

The Star | RICHARD MUNGAI | 22th April 2015

Pesticide manufacturer Cooper Kenya has opened a three star hotel along Waiyaki Way in Nairobi.

The the hotel called Qaribu Inn sits on 2.92 acres of land owned by the firm.

Qaribu Inn manager, Joseph Nguiguti said the hotel is targeting conference and transit business from travellers as its strategically located along the Nairobi-Nakuru highway.

"The hotel owners felt it was better to put up a property on the land rather than sell it in order to fill the gap in accommodation services," he said in an interview.

The hotel has 61 guest rooms and a conference hall with a capacity for 30 people.

Qaribu inn has fixed prices of Kshs. 3, 000 per person at the conference facility inclusive of meals while a single room costs Kshs. 6, 000 a night full board and Sh9,000 for a double room.

The hotel, said Nguiguti has started off well, getting conference business from the many organizations around Kabete area. However, he said, the transit stay and accommodation side of the business is still sluggish due to the poor performance of the tourism sector.

The tourism sector has been underperforming over the last few years because of insecurity incidents related to terror attacks by al Shabab militia. [Read More](#)

APRIL 23

RESILIENT NAIROBI IS DOWN BUT NOT OUT

The Standard | PETER MUIRURI | 23th April 2015

High net worth property investors are not keen to put their money in Kenya's real estate market, a new report shows.

According to the just-released World Wealth Report 2015, wealthy individuals have given the country a wide berth, instead preferring the world's financial hotspots, with London and New York taking the first two slots out of 40 top business hubs. They are followed by Hong Kong, Singapore and Shanghai, respectively.

Kenya has in the last few years been touted as a top contender with regard to high net worth property investments.

The report, released by real estate firm Knight Frank, defines an ultra-high net worth individual (UHNWI) as any person with a net worth of over \$30 million (Sh2.79 billion).

By the end of 2014, the world had only 172,850 such individuals (in Kenya there are 115) holding a total of \$20.8 trillion or Sh1.9 quadrillion. With Kenya's annual budget of a trillion shillings, this amount can run our country for 1,900 years. [Read More](#)

TAILOR-MADE HOUSING KEY TO GROWING MARKET

The Standard | JACKSON OKOTH | 23th April 2015

How did Sultan Palace Development Limited come to be in Kenya?

Sultan Palace Development Limited is a Kenyan real estate development company owned by Jiangxi Xinyu Real Estate Development Co Ltd, which is part of Jiangxan International Developers.

The company was seeking to expand its business in Africa and we therefore sought out several countries, based on their GDP growth, how the property market had progressed over the past 10 years and the enthusiasm with which people were buying property. [Read More](#)

HALLER PARK: LIFE RE-EMERGES WHERE SKYSCRAPERS LEFT DEATH

The Standard | GARDY CHACHA | 23th April 2015

For a long time, Nairobi's skyline has been dominated by a few mega buildings that boast masterpiece architectural designs. They include names like Times Tower, Kenyatta International Convention Centre and Cooperative House.

But even long after the city's tallest buildings rose to towering heights, more kept coming up. Nairobi and other major towns in Kenya have literally transformed into concrete jungles.

But while on one hand Kenya prided itself on growth in the building industry, down South in Bamburi, Mombasa, the mined area lay in ruins – the result of the insatiable hunger for cement. Indigenous plants were felled. And because of lack of vegetation, animals too scampered - or perhaps never survived. The aftermath of coral mining used in manufacturing cement greatly worried those who valued the environment. [Read More](#)

CAUTION: COUNTIES WHERE YOU SELL LAND AT YOUR OWN RISK

The Standard | HAROLD AYODO | 23th April 2015

Property transactions may drag in 17 counties that have not established land management boards. The boards, established under the National Land Commission (NLC) Act, are charged with conducting property transactions.

Their mandate includes considering and processing applications on land allocation, change/extension of users, sub-division and extension or termination of leases.

According to the NLC, 17 counties have not established the boards that would make such transactions efficient. Consequently, investors in the affected counties must submit their requests for transactions to the NLC headquarters in Nairobi until the boards are established.

According to NLC Chairman Muhammad Swazuri, the affected counties are Nairobi, Kisumu, Mombasa, Taita Taveta, Kilifi, Makueni, Kitui and Kiambu. Others are Machakos, Garissa, Bungoma, Isiolo, Turkana, Nakuru, Trans Nzoia, Narok and Bomet. [Read More](#)

MIGORI TOWN RUNS OUT OF SPACE TO EXPAND

The Standard | KASSIM ADINASI | 23th April 2015

Migori town's growth prospects are being threatened by lack of space to expand. A report tabled recently by the county land adhoc committee revealed that the town does not have enough space for constructing infrastructure and industrial facilities.

According to the report, Migori town is bordered by hills, making it costly to put up new infrastructure like road networks. Despite being the county headquarters, Migori town still has long way to go in its growth as an urban centre. [Read More](#)

LAND DISPUTE DAMPENS AWENDO PROPERTY GROWTH

The Standard | JESSE SIKALI | 23th April 2015

Property developers and investors in Awendo town are banking on the Parliamentary Committee on Land to resolve a protracted land dispute in the town.

The committee, led by Funyula MP Paul Otuoma, visited the town recently to help find a solution to the three-decade land dispute over 211 hectares, which is more than 65 per cent of Awendo town and its suburbs.

Thirty-three petitioners from Awendo town had successfully petitioned the Migori County Government and won court cases, which have seen the ownership of the land revert to them. But the Migori County Government has not allowed them to use the land. [Read More](#)

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