KPDA WEEKLY MEDIA REVIEW REPORT AS AT 17^{TH} NOVEMBER 2017

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 ceo@kpda.or.ke

CEO DE-BRIEF

KPDA PARTICIPATES IN THE ISK 2017 REGIONAL CONFERENCE AT THE INTERCONTINENTAL NAIROBI HOTEL, THURSDAY 16^{TH} NOVEMBER 2017

The 2nd ISK Regional Conference was held from 8th to 10th November 2017 at the Intercontinental Hotel in Nairobi. The KPDA Chairman, Mucai Kunyiha addressed the audience on "Alternative Incentives for Sustainable Real Estate Development."

For more information on the conference, please contact the ISK secretariat through the email address info@isk.or.ke or by telephone 0724 929 737.

INVITATION TO JOIN THE KPDA INSTITUTIONAL STRENGTHENING COMMITTEE

During KPDA's 10th year anniversary celebration, the KPDA Strategic Plan 2017 - 2020 was launched. One of the identified strategic objectives for the Association is to develop structures that will ensure financial sustainability, operational capacity and facilitate realization of KPDA's mission and vision. Resulting from this, the Executive/Finance Committee morphed into the KPDA Institutional Strengthening Committee.

This is to invite KPDA members with an interest and experience in financial management to volunteer as members of this committee. The mandate of the KPDA Institutional Strengthening Committee are:

- Enhance the Association's financial capacity and stability by growing internal income and increasing co-operation with business membership organizations (BMOs) and performance based organizations (PBOs)
- Increase capacity to drive and sustain growth by strengthening structures and systems within the Association

Interested candidates are requested to write to the CEO ceo@kpda.or.ke to express their interest.

KPDA IS LOOKING FOR AN INTERN

Are you passionate about people, research and office administration? If yes, then we're looking for you! The KPDA is looking for an individual to support our team with various tasks. Our ideal candidate should be an individual willing to learn, capable of working in a team as well as autonomously. He/she should have (demonstrable) excellent communication skills, be well-organized, confident, and knowledgeable in a statistical package.

To download the vacancy announcement, please click on the link below:

..\..\.\Internship Matters\September - December 2017\KPDA Research Support Intern - VACANCY NOTICE.pdf

The deadline for receiving all applications is <u>Thursday</u>, <u>23rd November 2017</u>. Only successful candidates will be contacted.

INVITATION TO THE KPDA LEARNING AND DEVELOPMENT SYMPOSIUM, 4TH AND 5TH DECEMBER 2017

The Kenya Property Developers Association, in conjunction with Bowmans (Coulson Harney LLP) will be holding a Learning and Development Symposium aimed at educating developers on the JBC Contract. The symposium themed 'The JBC Contract: What Developers Must Know,' targets middle to high level management representatives involved in property development.

For more information, please click on the link below:

..\..\Events - KPDA\Learning and Development Symposiums\Mon 4th & Tues 5th December 2017 Symposium\Invitation to the KPDA Learning and Development Symposium, 4th and 5th December 2017.pdf





KENYA PROPERTY DEVELOPERS ASSOCIATION - LEARNING AND DEVELOPMENT SYMPOSIUM, MONDAY 4TH DECEMBER 2017 AND TUESDAY 5TH DECEMBER 2017 AT THE ICEA LION CENTRE, WEST WING, NAIROBI

THEME: 'THE JBC CONTRACT: WHAT DEVELOPERS MUST KNOW'

DATE: Monday 4th December 2017 and Tuesday 5th December 2017 VENUE: Bowmans Offices - ICEA Lion Centre - West Wing, Nairobi TIME: 8.00am - 12.00noon CHARGES:

- Kshs. 6, 000 per person for KPDA Members (exclusive of VAT)
 - Kshs. 8, 000 per person for Non KPDA Members (exclusive of VAT)

TARGET GROUP: Developers (Middle to High Level Management Representatives).

The Architectural Association of Kenya (AAK) in collaboration with the Kenya Association of Building and Civil Engineering Contractors (KABCEC) established the Joint Building Council to periodically review and publish recommended prices for building material and labour within the Building Construction Industry. The two Associations also publish the Standard Agreement and Conditions of Contract for Building Works (1999 Ed.) also known as 'The Green Book.'

Since the last review in 1999, the construction sector has changed significantly and consequently, many construction projects suffer time and cost overruns, impairing the economic feasibility of projects and consequently providing a fertile ground for costly disputes and claims. It is important therefore to identify the impact of the Green Book construction contract, which is the most commonly used contract in the Kenyan construction industry and its impact on project time and cost performance.

KPDA and Bowmans (Coulson Harney LLP) have jointly organized a follow up through a 2 day Learning and Development Symposium on Monday 4th December 2017 and Tuesday 5th December 2017 whose theme will be 'The JBC Contract: What Developers Must Know.' The symposium will run from 8.00am to 12.00noon at Bowmans' offices on the 5th Floor, West Wing of the ICEA Lion Centre Riverside Park, Chiromo Road in Nairobi.

Objectives of the Symposium

- Introduction to Construction Contracts
 In-depth Overview of the JBC
- 3. Proposed Amendments to the JBC
- 4. Way Forward Lobbying for a Revision of JBC

PLEASE NOTE THAT ATTENDANCE IS LIMITED AND WILL BE ALLOCATED ON A FIRST COME - FIRST SERVE BASIS WITH A PRIORITY TO KPDA MEMBERS.

Kindly RSVP (with payment) by latest Wednesday 29th November 2017 with the KPDA secretariat on telephone 0737 530 290 or 0705 277 787 or by email to ceo@kpda.or.ke with a copy to m.mbogo@kpda.or.ke.

NCA 5TH YEAR ANNIVERSARY CELEBRATIONS - INVITATION TO A DEVELOPERS' BREAKFAST MEETING ON THURSDAY 30TH NOVEMBER 2017

The National Construction Authority is celebrating its fifth birthday, and would like to host a Developers' Breakfast in conjunction with Savannah Cement Ltd, who are also turning 5. The breakfast meeting is scheduled for Thursday, 30th November 2017 at a venue to be confirmed.

To confirm your attendance, kindly email ceo@kpda.or.ke.

INVITATION TO PARTICIPATE IN KEPSA SECTOR BOARDS

KEPSA is a limited liability membership organization registered in 2003 as the apex body of private sector in Kenya. Sector Committees are the entry point of contact between KEPSA and the Government on Policy advocacy work.

For more information, please click on the link below: <u>Click to download</u>

REMINDER INVITATION TO THE TOWN AND COUNTY PLANNERS ASSOCIATION OF KENYA (TCPAK) CONFERENCE WORLD TOWN PLANNING DAY - TOWN AWARDS OF EXCELLENCE, 6TH - 8TH DECEMBER 2017, NYALI, MOMBASA

The Town and County Planners Association of Kenya (TCPAK) is registered and approved professional association for town, land use or physical planners in Kenya. TCPAK invites you to the **Town and County Planning and Development Conference**, 6th to 8th December 2017, at the **Travellers Beach Hotel** in **Nyali**, **Mombasa**. The theme is "Sustainable Development Planning, Investment & Entrepreneurship." The event will also be marking the World Town Planning Day and the Town Awards of Excellence 2017.

To download the program for the conference and to view more information on becoming a sponsor of this event, please click on the link below:

2017 Town and County Planning and Development Conference PROGRAM.pdf

BUYRENTKENYA, TECH ADVANCEMENTS IN THE KENYAN PROPERTY MARKET

BuyRentKenya is an online real estate portal which helps Kenyans Buy, Sell and Rent homes with ease. With over a million monthly visits to our website and a cumulative social following of over 200,000, we are a fast growing brand. BRK have recently revamped their website with tech upgrades to make it easy for buyers, sellers and renters who use the site to list or find property.

For more information, please download the link below:

BRK's New Site Press Release.pdf

DID YOU KNOW?

The scrapping off of the NCA Construction Levy is captured as an amendment in the Laws of Kenya? To view the amendment, please visit our website using the link below:

http://www.kpda.or.ke/policies-legislation

Daily Nation | Friday 17th November 2017 LAND TENURE KEY TO AFRICA'S PROGRESS

POLICY

Land tenure key to Africa's progress

he Africa Land
Policy Centre
(formerly the Land
Policy Initiative), in
collaboration with partner
organisations, held an
international conference
from November 14 to 17,
in Addis Ababa. In line
with the African Union
'Declaration on Land Issues
and Challenges in Africa',
the multi-stakeholder
dialogue platform was
meant to contribute to
knowledge generation
and sharing, advocacy on
land policy development,
implementation and
monitoring.

monitoring.
Themed 'The Africa We Want: Achieving Socioeconomic Transformation Through Inclusive and Equitable Access to Land by the Youth', the conference particularly focused on youth and how they can be mobilised to benefit from land. The meeting discussed new land policy issues and how they can be addressed. Inclusive land governance practices provide an opportunity for Africa to benefit from its demographic dividend. They will help to increase the number of working age adults relative to youthful dependents



Youth involvement in decision making and empowering them through access to land and other natural resources will unlock Africa's economic potential and provide a pathway towards Agenda 2063."

through agricultural production and agribusiness. Further, holistic land policy practices can contribute to maximal use of land-based resources. Where large numbers of adults are engaged, livelihoods are secured and families able to invest sustainably. This will lead to improvements in education, skills development, public health,

economic growth, job creation and accountability. Demographic dividend is not incidental. Rather, it is a consequence of inclusive and equitable policies and strategies pursued by nations.

Youth involvement in decision making and empowering them through access to land and other natural resources will unlock Africa's economic potential and provide a pathway towards Agenda 2063. It is important, therefore, that policy makers and researchers discuss strategies for achieving socioeconomic transformation through inclusive and equitable access to land by youth, who constitute over 65 per cent of the continent's population. It is commendable that the AU declared 2017 as the year of youth. This shows the commitment of member states to investing in young people.

An examination of youth demographic in Africa portrays a generation that is dissatisfied and restless. They feel deprived of jobs and peripheral to high-level decision making. The high rates of migration to the North and radicalisation, to some

extent, attest to this. While at independence youth were the principal agents of socioeconomic change in many nations, this role has shifted over the decades and despair and disillusionment have taken over.

But youth can be given hope again to become agents of social and economic change. This can be done through a review of land policies to increase access as well as harnessing technology and innovation for securing land rights and increasing productivity.

Sustainable

These measures, coupled with transparent and sustainable investments, economic justice, climate change mitigation and environmental conservation are critical for Africa's transformation.

Land is a strategic resource in industrialisation. The African Land Policy Centre has provided principles and guidelines for large scale land based investments. Using these guidelines, African states can leverage the abundant natural resources to propel economic growth. Africa can take control over its resources and seize

the opportunities provided by advances in technology to maximise its value from this capital. Land has been used as the foundation of economic development elsewhere in the world to boost food production. We can learn from them to increase production, investment and opportunities.

opportunities.
Of equal importance is the provision of holistic land governance curricula responsive to Africa's unique history, ecology and socioeconomic needs. Emerging research shows gaps in the training of land professionals. There is an opportunity for professionals to be well-equipped to serve the needs of different sectors of society. One way of addressing the curricula gaps is to link institutions and industry. Another route is to undertake regular research to provide relevant knowledge and skills. The 'Africa We Want' conference has come at the right time for the continent.

Dr Hamdok is the deputy executive secretary of the United Nations Economic Commission for Africa (ECA) .email: eca-info@un.org

Daily Nation | Mary Wambui | Friday 17th November 2017 MAN DECLARES LEGAL WAR ON WAITITU OVER TRESPASS ON LAND

BRIEFLY

Kiambu >

Man declares legal war on Waititu over trespass on land

A pharmacist has vowed to sue Kiambu Governor Ferdinand Waititu for alleged trespass on his property and leading a crowd in demolishing its perimeter wall on claims it was built on grabbed public land. Mr James Mburu Ndua says he was shocked at the allegations, saying he acquired the 7.5 acre piece of land legally in 1996 from the defunct Municipal council of Thika and that the county government of Kiambu has been charging him monthly land rates since it took over leadership. On Monday, Mr Waititu joined Matharao villagers in demolishing part of the wall, claiming it blocked the flow of flood water into Thika river through a tunnel passing through the property.

-Mary Wambui

News

The Standard | James Wanzala | Thursday 16th November 2017 SUYVEYORS SIGN MOUS WITH EYE ON REGION



has signed two Memoranda of Understanding that will give Kenyan surveyors cross-border recognition.

This was during the regional conference that was hosted by ISK and the Netherlands Cadaster, a Land Registry and Mapping agency at Intercontinental Hotel, Nairobi last week.

The Mutual Recognition Agreement and one with Institute of Real Property Valuers in Rwanda, ISK chairman Stephen Ambani said, will allow members to extend their services to other regional

"With these MoUs, we will be able to collaborate with counterpart organisa-

scope of our members given that Cadastre is a leading world agency on land and geo-information," said Ambani.

Lands and Physical Planning CS Prof Jacob Kaimenyi called on players in the real estate sector to seize opportunities from the expanded infrastructure to serve East and South Africa regions.

Peer learning

"Such collaboration comes with peer learning which contributes to the development of professionalism in real estate sector within the region," said Kaimenyi.

The deliberations informed the development and revision of various legislation and procedures of practice in the land and property sector in the Eastern Africa region. Kaimenyi said the collaborative approach involving his Ministry, Cadaster International. ISK, National Land Commission and surveying equipment companies

was happy by the outcome from a pilot project in Makueni County on the fitfor-purpose approach in land



The Standard | James Wanzala | Thursday16th November 2017 PRIVATE INVESTORS'CLOUT GROWS IN GLOBAL MARKET



Private investors' clout grows in global market

Twenty seven per cent of all commercial property transactions in 2016 involved a private buyer as the ranks of the wealthy grow.

Private investors are becoming an increasingly important force in the global real estate marketplace. This is according to Knight Frank's Active

according to kinght riains according to kinght riains according to capital Report.

At the same time, a quarter of private wealth is held in real estate investments of some kind (excluding primary residences and second homes). The highest allocation since records began.

The report says that as private investors grow in importance, institutional investors are realising that they

are a key buyer type whose drivers are often very different to their own and need to be understood; as they are likely to either be competing against them in a purchase negotiation or trying to sell to them as part of an exit. "Private investors will continue to take global market share as both the number of wealthy individuals and their assets grow.

their assets grow.

their assets grow.

The number of Ultra-High-Net-Worth Individuals – those with \$30 million (\$h3.1 billion) or more in net assets – rose by 6,340 in 2016 alone, taking the total to 193,490," said Anthon

taking the total to 193,490," said Antho-ny Duggan, Head of Capital Markets Research, Knight Frank.
"We expect that the appetite from private investors for commercial prop-erty will continue to increase. The

Active Capital report shows that 32 per cent of UHNWIs will invest in cross-border real estate deals in the

next two years."

According to the report, while the drivers behind the investment purchases will vary greatly depending on the motivations of the individual.

The first is risk mitigation, with risk, especially political and economic, high on investors' agendas.
"Individuals are looking to diversify

"Individuals are looking to travershy at both a portfolio and geographical level. Real estate provides the ability to achieve targeted investment decisions in terms of location, sector and tenant components as well as provide regular income and an underlying

"Many of the wealthy have, either directly or indirectly allocated part of their asset portfolio

Knight Frank's Active Capital Report

asset with residual value," says the

asset with residual value," says the Knight Frank report.
At the same time, one of the consequences of the global financial crisis was that many investors looked for more control over their assets.
Real estate, with its direct ownership structure, diversity of lot sizes and choice of asset management approaches is attractive to those not worting to mass decision making to approaches is attractive to indee indeed wanting to pass decision making to third-parties or to be constrained by the closed-end fund model of transacting at specific times plus the need to reach an alignment of views between the investors.

Then there is currency diversifica-tion. While foreign exchange returns are not generally a driver for property investment, currency movements and capital controls have, in some instanc-es, been a trigger for investors looking to externalise capital from locations implicated.

Portfolio globalisation

Portfolio globalisation
And finally, according to Knight
Frank, there is portfolio globalisation
where many of the wealthy have,
either directly or indirectly allocated
part of their asset portfolio to real
estate and, as they accrue more
wealth, they increasingly become fully
exposed to their domestic market and
look to new markets to diversify their
portfolios.

portfolios.
"These themes, plus individual investor specific drivers, will continue to attract private investors towards global real estate," said Andrew Sillon Head of Global Capital Markets, Knight

Frank.
"However, increasingly we are advising clients not only on prime office, retail and hotel assets in these cites but also strategic investments in growth sectors such as urban logistics, leisure and specialist operating assets. including student housing and multi-housing. Overall, property as an asset class remains high on the agenda of private investors," he added.



The Standard | Daniel Psirmoi | Thursday16th November 2017 SH42.5B WATER DAM PLAN STARTS

Sh42.5b water dam plan starts

Perennial water shortage in parts of Lower Eastern region will soon be a thing of the past.

This follows the signing of an agreement to start the construction of the multi-billion Thwake dam project, which is expected to end water problems in Kitui, Makueni and Machakos counties and other neighbouring areas.

Water and Irrigation Cabinet Secretary Eugene Wamalwa yesterday led officials from the ministry in signing a Sh42.5 billion contract with representatives of the China Gezhouba Construction Group Corporation (CGGC), paving the way for the start of the project.

Speaking after the signing of the contract, CS Wamalwa said the mega dam project will not only be a source of clean water for domestic use for residents of the larger Ukambani region, but also for irrigation and generation of hydro-electric power.

"This is the single largest dam project not only in Kenya but the East Africa region as well. As the Jubilee Government we are happy that the dam project will completely change the water fortunes of the Lower Eastern region and make it the new grain basket," explained the CS. [Daniel Psirmoi]



The Standard | James Wanzala | Thursday16th November 2017 ENERGY.SOLAR FIRMS USE OF PARTNERS PAYS OFF

Energy. Solar firm's use of partners pays off

PayGo solar home systems, Azuri Technologies, has credited its use of local partners for its growth. Chief Executive Simon Bransfield-Garth said with over Sh2.5 billion invested to date, including Sh500 million from Azuri's partners, the company had sold more than 130,000 solar home systems. The partners are Raj Ushanga House and Mobicom. [James Wanzala]

The Standard | David Mwitari | Thursday 16th November 2017 KENYAN ARCHITECTURE IN SEARCH OF AN IDENTITY TO CALL ITS OWN

NAIROBI, KENYA: A week ago, architects in Kenya marked their 50th anniversary since the inception of their umbrella body, the Architectural Association of Kenya. Read More

The Standard | Akello Odenyo | Thursday 16th November 2017 CITY MARKET BUILDING IS AN ARCHITECTURAL MASTERPIECE WITH A RICH HISTORY

NAIROBI, KENYA: It is not a perfect building, but this bold architectural statement has a rich history unknown to many city residents. **Read More**

The Standard | David Mwitari | Thursday 16th November 2017 GOVERNMENT TO BUILD 8,000 HOUSES IN A 55-ACRE PIECE OF LAND IN MAYOKO

NAIROBI, KENYA: The government has announced plans to build 8,000 houses in a 55-acre piece of land in Mavoko. Read More

Daily Nation | Collins Omulo | Thursday 16th November 2017 SUBSTANDARD BUILDINGS STILL COMING UP SINCE SECTOR REGULATOR'S HANDS ARE TIED

In the densely populated Pipeline Estate in Embakasi, Nairobi, two multi-storey residential buildings just metres apart are coming up. Construction on both has reached the first floor, and from a distance, everything seems just fine. Read More

Business Daily | James Kariuki | Thursday 16th November 2017 HOMES LEAD IN BUILDING SECTOR INVESTMENTS

Investors spent Sh88.6 billion in the period compared to Sh61 billion invested in commercial construction, according to the Kenya National Bureau of Statistics. Read More

Business Daily | Isabella Mukumu | Thursday 16th November 2017 **HARDWOOD COMES TO THE FORE IN HOMES**

Kenyan homeowners swapped wood floors for tiles, then they moved to 3D epoxy flooring which comes with aquatic, floral themes and other eye-tricking patterns. But now they are slowing turning to the 19th century look. Read More



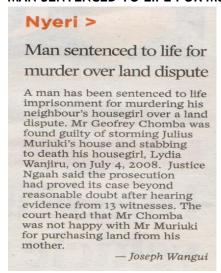
A real estate agent had just closed his first deal. To his horror though, he then discovered that the piece of land he had sold was completely submerged under water.

"The customer's going to come back here pretty mad," he said to his boss. "Should I give him his money back?"

His boss roared at him, "Money back? What kind of salesman are you? Get out there and sell him a houseboat."



Daily Nation | Joseph Wangui | Wednesday 15th November 2017 MAN SENTENCED TO LIFE FOR MURDER OVER LAND DISPUTE



Daily Nation | Joseph Wangui | Wednesday 15th November 2017 INVESTORS RISKS LOSING LAND OVER FAMILY ROW



Business Daily | Bitange Ndemo | Wednesday 15th November 2017 **ENFORCE PRODUCTIVE USE OF LAND RESOURCES**

Land is a finite resource. However, land use practices in Africa suggest that this resource is used as though it was infinite. Read More

Business Daily | Bonface Otieno | Wednesday 15th November 2017 CYTONN RAKES IN SH2.5BN FROM RUAKA UNITS SALE

The mixed-use complex consists of 36 one-bedroom units, 226 two-bedroom units, 191 three-bedroom units, a lifestyle clubhouse, a commercial facility and an elevated playground for children.

Read More

Business Daily | Kennedy Kimanthi | Wednesday 15th November 2017 CHINESE CONTRACTOR GETS NOD TO START SH36BN THWAKE DAM PROJECT

The contract to construct the dam on the border of Kitui and Makueni counties was signed on Wednesday between the ministry and the China Gezhouba Group, the lowest bidder for the project at Sh36.9 billion. Read More

Business Daily | Bitange Ndemo | Wednesday 15th November 2017 **ENFORCE PRODUCTIVE USE OF LAND RESOURCES**

Land is a finite resource. However, land use practices in Africa suggest that this resource is used as though it was infinite. Read More

13TH NOVEMBER 2017

Daily Nation | Joseph Wangui | Monday 13th November 2017 FOUR JOIN MWAI KIBAKI CASE FOR THE CONTROL OF NYERI COMPANY

The Court of Appeal has allowed four people to be enjoined in a suit in which retired President Mwai Kibaki is seeking to regain control of a company he claims he has co-owned since the 1970s.

Read More

12TH NOVEMBER 2017

Daily Nation | Jacqueline Kubania | Sunday 12th November 2017 INSIDE LAIKIPIA, WHERE AN ARMY OF INVADERS IS KILLING, MAIMING AND PLUNDERING

Smallholder farmers, group ranch owners and white settlers in Laikipia County have chilling tales to tell. Read More

Business Daily | George Omondi | Sunday 12th November 2017 MINISTRY BLAMED FOR DELAY IN LAW LIMITING LAND OWNERSHIP

The National Land Commission (NLC) has blamed the ministry for delay in enacting a law capping the size of acreage as it prepares to launch investigations into cases of historical injustices.

Read More

Business Daily | James Kariuki | Sunday 12th November 2017 CYTONN TO BUILD SH13BN LUXURY HOMES IN KIAMBU

Cytonn Investments plans to transform a 100-acre Kiambu coffee plantation into a Sh13 billion residential-cum-commercial development hosting 6,500 people and a five-star hotel. Read More

Business Daily | James Kariuki | Sunday 12th November 2017 RAILWAY PENSION PUTS LAND ON SALE TO MEET RBA RULES

Cash-strapped railway pension scheme is disposing of two prime Nairobi plots to shore up its cash reserves and comply with the watchdog asset mix guidelines. Read More

11TH NOVEMBER

Daily Nation | Gakuu Mathenge | Saturday 11th November 2017 HOW LAND CARTELS EXPLOIT TOOTHLESS LAWS TO CON OWNERS

Seven years and four successive Cabinet ministers later, Kenya is yet to fully usher in a new land administration regime as envisaged in the Constitution, enquiries by the *Sunday Nation* reveal. Read More



We Welcome All Our Members And Partners To Advertise through the KPDA MEDIA WEEKLY REVIEW REPORT. For more information, kindly contact the KPDA Secretariat on 0737 530 290 or 0705 277 787 or by emailing m.mbogo@kpda.or.ke