

KPDA WEEKLY MEDIA REVIEW REPORT AS AT 29TH SEPTEMBER 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

NAIROBI INTEGRATED DEVELOPMENT MASTER PLAN

The KPDA website has been enriched to provide insightful documents that affect players in the Kenyan real estate sector. To download a copy of the Nairobi Integrated Urban Development Master Plan, please click here:

<..\..\..\Website Matters\2017 KPDA Website Redevelopment Matters\2017 Website Content\Nairobi Integrated Urban Development Master Plan.pdf>

NOTICE TO MEMBERS ON CHANGES TO KPDA MEMBERSHIP SUBSCRIPTION RATES

We would like to thank all KPDA members who continue to support the Association by renewing their subscription. Your contribution ensures that the secretariat runs efficiently and effectively to ensure that it fulfills the Board's mandate to provide benefits to the entire KPDA membership.

A more detailed note with the new rates will be shared in due course.

#KorogaNaKPDA NEW DATE!!!

THE KPDA END OF YEAR KOROGA IS HERE!! PROUDLY SPONSORED BY KONE KENYA LTD

KPDA CORPORATE NETWORKING KOROGA EVENT, THURSDAY 19TH OCTOBER 2017 AT THE MINT SHACK RESTAURANT, STARTING AT 6.00PM

Following the notice issued by the IEBC on the new date of the general elections, we have changed the date of the KPDA End of Year *Koroga* Event to **Thursday, 19th October 2017**.

Our venue remains as **Mint Shack Restaurant** and our program still remains to begin at **6.00pm**.

Charges are:

- Kshs. 2, 820 per person for KPDA Members
- Kshs. 3, 980 per person for Non KPDA Members

The new deadline for receiving payments is Thursday, 12th October 2017.

Kindly contact the secretariat on 0705 277 787 or 0737 530 290 for more details.

28TH SEPTEMBER 2017

Daily Nation | Faith Nyamai | Thursday 28th September 2017
MINISTRY TO USE SPACE TECHNOLOGY IN LAND MAPPING

The Ministry of Lands and Physical Planning will incorporate space technology to get accurate information on land mapping. [Read More](#)

Daily Nation | Neville Otuki | Thursday 28th September 2017
REPEAT POLL TRIGGERS SH30 BILLION CUT IN DEVELOPMENT BUDGET

The Treasury has cut development spending by Sh30 billion for the current financial year through a mini-budget in what could dim economic growth and jobs creation. [Read More](#)

Daily Nation | Tom Mwiraria | Thursday 28th September 2017
OUT&ABOUT: THE MYSTICAL KOMAROCK

Travelling eastwards of Nairobi gave way to loneliness and unspoilt views of Ukambani. [Read More](#)

Daily Nation | Bonface Otieno | Thursday 28th September 2017
CYTONN UNVEILS PLAN TO BUILD 35-STOREY TOWER IN KILIMANI

Investment group Cytonn is set to build a triplex complex in Nairobi's Kilimani area whose tallest tower will be 35 floors. [Read More](#)

Daily Nation | Victor Juma | Thursday 28th September 2017
STANLIB GETS MORE TIME TO BUY SH245M REAL ESTATE

Investment group Cytonn is set to build a triplex complex in Nairobi's Kilimani area whose tallest tower will be 35 floors. [Read More](#)

Business Daily | James Kariuki | Thursday 28th September 2017
OLD HOUSE OF 35,000 VISITORS

A century old wood and diesel-driven coffee grinder sits on the 12-acre land with ancient trees and bushes. [Read More](#)

The Standard | Hosea Omole | Thursday 28th September 2017
COMPETITION, NEW DEMAND PUSH TOP HOTELS INTO EXPANSION

The Kenyan hospitality industry has in recent times witnessed a flurry of construction activity as traditional hotels try to reclaim their position in the wake of stiff competition from global brands. [Read More](#)



“ We joined KPDA three years ago and as Optiven Group, we have no regrets. We have massively networked, participated in policy shaping. We have had opportunities to meet decision making individuals including the President, Cabinet secretaries, County Governor's and other key people to lobby on issues affecting the land issues.

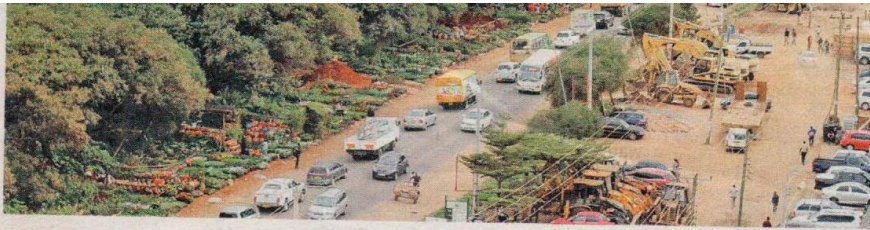
We had many events that presented opportunities to market our products.

Being a member of KPDA is a yes yes. A lot of gains as an organization.

We highly recommend any party out there to join this association. **”**



George Wachiuri – CEO Optiven Group



Why we must protect urban green spaces

We need to embrace a development approach that preserves trees and shrubs.

By Hosea Omole
homeandaway@standardmedia.co.ke

Urban green spaces such as domestic gardens, parks, streetscapes and urban forests cumulatively provide a multitude of benefits to the people who live and work in the city.

Research has established that the

presence of green spaces enhances the health and well-being of people living in urban areas. They encourage physical activity by providing a pleasant environment in which to exercise and relax as resident. You can walk, cycle and play therein.

Currently, Nairobi ranks among cities with deadly rising air pollution levels. Trees and shrubs remove particles and gases from the air. Particles stick to the surface of the leaves, and gases are taken up through pores on the leaf surface.

Mitigate flooding

Moreover, urban green spaces

help reduce flooding. Urban areas typically have lots of impermeable surfaces such as roads, pavements and parking lots.

During periods of heavy rainfall, this water accumulates and when the drainage capacity of the area is exceeded, flooding occurs.

In contrast, vegetated surfaces are able to intercept, retain and encourage rain water to percolate into the ground, thereby reducing the volume of rainwater run-off.

Urban vegetation serves a greater role than mere cosmetics. It is unsettling to see trees being felled thoughtlessly on a daily basis to

make way for roads, buildings and parking lots.

There is no excuse for the kind of destruction of vegetation we have recently witnessed on Ngong Road, for instance.

It will take a long time to replace those Jacaranda trees that had hitherto characterised that neighbourhood.

Thoughtful development

There is an urgent need, therefore, to adopt a more thoughtful approach to development. You can have both concrete and green spaces develop side by side.

When Prof Wangari Maathai was fighting to keep Uhuru Park from the hands of short-sighted politicians of the time, she seemed to have figured out the vital role such green spaces play in the urban setting.

It is time we took up from where she left, starting with practical ways to reclaim and restore the environments that have already been degraded.

We need to integrate green spaces into the design of all new buildings, streets and neighbourhoods. Otherwise, we will soon choke on our own filth.

- The author is a landscape architect.

Firm to put up 3,000 houses for the middle-class

Superior Homes Kenya, the developer of Greenpark Estate in Athi River, plans to put up 3,000 housing units housing project.

The Sh30 billion gated community development targeting the middle class will be built on 337 acres of land that the company is set to acquire from East African Portland Cement Company adjacent to Greenpark Estate on Mombasa Road.

This development follows a ruling by the Court of Appeal in favour of Superior Homes Kenya that ordered EAPCC to sell the land to the developer in line with a sale agreement signed in 2005.

"We've almost exhausted the 163 acres at Greenpark. The new land will help us expand our vision of providing a master-planned, sustainable development," said Ian Henderson, Superior Homes managing director.

The real estate developer purchased the land on which it has been developing Greenpark Estate from the

cement manufacturer in 2005 with an option to buy the adjacent plot.

Disputes emerged after the cement processor failed to complete the sale, prompting Superior Homes to seek legal redress. The High Court ruled in favour of the developer while EAPCC held their position and took the matter to the Court of Appeal, which has upheld the decision of the High Court.

Superior Homes will now develop a master-plan for a well-serviced com-

sh30 billion
Cost of the housing project

munity in line with the original vision of Greenpark Estate.

"We want to create a development with all the infrastructure and amenities required for a truly cosmopolitan neighbourhood within easy travelling



Superior Homes MD Ian Henderson (left) during a deal signing ceremony. The firm will build 3,000 more houses in Athi River. [Courtesy]

distance to Nairobi," he said.

Superior Homes was registered in Kenya in 2005 as a real estate development company. It has so far built 450 residential houses, two schools, a con-

venient shop and The Sundowner Clubhouse with a sports bar, a restaurant, gym, sauna, swimming pool, tennis court and accommodation facilities. [Peter Muiruri]

Residents demand fresh allocation of 1,000-acre scheme

Residents of Mwakirunge Settlement Scheme II want a fresh land survey and verification exercise to end wrangles.

They said all title deeds should be revoked and the land allocation process done afresh to address the irregularities that have sparked animosity among

residents.

"Out of the 950 beneficiaries of title deeds, 927 do not know where their land is," said James Boma.

He said some titles deeds bore names but no land identification numbers, while 488 were cases of double allocations.

Mr Boma, who is the chairman of a local community-based organisation, said the adjudication of the 1,000-acre scheme should start afresh to address the anomalies.

"Titles issued to some residents do not correspond with the land they live on while outsiders

have come brandishing ownership documents," he said.

15 cases

The Standard saw 15 cases of three people issued with a title deed for the same piece of land. Some residents complained that parts of their land were hived off

and allocated to others.

"My land was 11 acres but the title deed indicates that I own only three acres. The other part has been allocated to people I don't even know," said Sidi Thoya.

She said a repeat verification exercise would expose politicians

and businessmen who fraudulently benefited from skewed land allocation in the area.

County Land and Housing Executive Anthony Njaramba admitted that the process was marred by irregularities.

"We are working on a solution," he said. [Benard Sanga]

Business Daily | Douglas Kiereini | Thursday 28th September 2017
'HAUNTED' GROUND THAT BECAME ST MARY'S YALA

While the Protestant, Church Missionary Society (CMS) and the Catholic's Holy Ghost Fathers were fighting an internecine war to gain attention of the Kabaka and thereby achieve territorial control in Uganda in the late 19th century, the Mill Hill Missionaries were quietly establishing stations in what was then eastern Uganda. [Read More.](#)

27TH SEPTEMBER 2017

Daily Nation | Delfhin Mugo | Wednesday 27th September 2017
WITH TECHNOLOGY, REAL ESTATE PROCESSES CAN BE BETTER STREAMLINED

Mr Kirimi Muriithi, a seasoned property investor in Nairobi, recalls with amusement how, if you wanted to buy a piece of land in the '70s, you would either ask friends and colleagues whether they knew of any property on sale or walk several miles looking for one with a "For sale" sign. [Read More](#)

Daily Nation | Paul Kariuki | Wednesday 27th September 2017
INVESTING IN REAL ESTATE NOT ALWAYS SMART

If you take a loan to build rentals, for instance, it takes years to recoup your investment, so it is better to invest in something with quicker returns. [Read More](#)

Business Daily | Brian Ngugi | Wednesday 27th September 2017
BRITAM ASSET MANAGERS LICENSED TO VENTURE INTO REITS.

The Capital Markets Authority (CMA) has approved Britam Asset Managers' licence to handle real estate investment trusts (Reits). [Read More](#)

Business Daily | Victor Juma | Wednesday 27th September 2017
NEW RENAULT SALOON BRAND HITS KENYA'S SHOWROOMS

Auto dealer Simba has introduced the Renault Megane in the Kenyan market, targeted at customers looking for a compact saloon car. [Read More](#)

Daily Nation | Lilian Mutavi | Thursday 27th September 2017
IGATHE PUTS CITY LAND THIEVES ON NOTICE

Deputy Governor Polycarp Igathe has put on notice land grabbers in the city, especially those stealing from education facilities. Mr Igathe said that the county government will not only revoke title deeds, but will take those culpable to court. Mr Igathe toured several county Early Childhood Development Education (ECDEs) schools and vowed to aggressively protect education facilities for the benefit of the less privileged. "Governor Mike Sonko's administration will deal ruthlessly with land grabbers who have an undying appetite for public land," he said.

- Lilian Mutavi

Groups fault land terms for tea firms

BY ANITA CHEPKOECH

Communities in Kericho have drafted a petition, asking the government to renegotiate the land ownership terms that apply to multinational tea companies to allow locals 50 per cent of the wealth.

Yesterday, the Kipsigis, the Talai and the Ogiek – who were evicted from Kericho and Bomet counties to pave the way for the establishment of tea estates – said they were disturbed to learn that the land leases would take another 92 years.

They wondered why the government had abetted modern-day colonialism, where the British companies continue to enjoy proceeds from the land they acquired for free after the eviction of the residents in the early 1900s.

“Why should we continue to honour the land leases the British gave themselves using their laws, which they made to suit only them?” asked the Kipsigis national secretary, Mr Joel Kimetto.

Mr Kimetto and the Talai leader, Mr Elly Sigilai, said they were preparing to present a formal petition to the Parliamentary Committee on Lands towards their renegotiation drive.

“Since the British companies have been very good in managing the farms, we want to partner with them. The soil is ours,” says the draft petition.

UPCOMING KPDA EVENT

KENYA PROPERTY DEVELOPERS ASSOCIATION - LEARNING AND DEVELOPMENT SYMPOSIUM, MONDAY 30TH OCTOBER 2017 AND TUESDAY 31ST OCTOBER 2017 AT THE ICEA LION CENTRE, WEST WING, NAIROBI

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

DATE: Monday 30th October 2017 and Tuesday 31st October 2017

VENUE: Bowman's Offices - ICEA Lion Centre - West Wing, Nairobi

TIME: 8.00am - 12.00noon

Daily Nation | Joseph Openda | Tuesday 26th September 2017
EX-GOVERNOR RUTO WITHDRAWS CASE AGAINST MOI UNIVERSITY

Former Bomet Governor Isaac Ruto has withdrawn a case in which he had sued Moi University over the construction of the institution's satellite campus in Bomet town. [Read More](#)

Daily Nation | Kennedy Kimanthi | Tuesday 26th September 2017
AGENCY CALLS FOR POLICY ON COMMUNITY PROGRESS IN MINING SECTOR

An institute has proposed the formulation of policy and enactment of legislation to guide community development in the oil and gas industry. [Read More](#)

Business Daily | Brian Ngugi | Tuesday 26th September 2017
REAL ESTATE FIRM TO BUILD 3,000 HOUSES ON PORTLAND LAND

Real Estate firm Superior Homes Kenya has announced plans to construct 3,000 housing units in Athi River, Machakos County, in a project it estimates will cost Sh30 billion. [Read More.](#)

The Standard | Tuesday 26th September 2017
WIDOW STRIPS NAKED AT NAKURU LANDS OFFICE

A widow stripped naked on Tuesday at the Ministry of Lands in Nakuru, claiming that officials there had refused to help her recover land allegedly taken by relatives. [Read More.](#)

Daily Nation | Neville Otuki | Tuesday 26th September 2017
HUGE RISK FEAR KILLING GROWTH, SAY CEOS

Kenyan's fear for huge risks is among the reasons why the country has a lower number of factories. Industries bigwigs are now blaming the lack of culture, among locals as a culprit and the reason why many youths remain idle. Vimal Shah, Chairman of consumer goods manufacturer Bidco Africa based in Thika and Darshan Chandaria, chief executive of Chandaria Industries concur that the majority local investors are risk averse especially when it comes to setting up industries. While acknowledging that manufacturing prospects are not for the faint-hearted.

CONTINUED FROM PAGE 29

as the venture comes with dizzying demands, they reckon it's worth every penny.

"Unlike sectors such as real estate where you build property and you pretty much become passive after buyers move in, with manufacturing planning is 24 hours daily," said Mr Chandaria.

He said there are many moving parts in his company that makes tissue and hygiene papers, ranging from supply chain and logistics, cash flow, quality management systems, staff training and continuous product development.

Juggling all this could be an eye popping experience, rendering the manufacturing set-up unpalatable to most investors who have other options, which come with less hassles.

Keroche Breweries founder Tabitha Karanja says Kenyans should develop a thick skin in matters investments to take the country forward.

Local investors are also seen to be put off by long turnaround periods involved in constructing factories, heavy upfront capital and advanced expertise needed.

This lack of entrepreneurial stamina among local firms to manoeuvre the manufacturing labyrinth has seen most shun factories, leaving the turf to multinationals and a few Asian entrepreneurs.

Others would rather buy equity stakes in such foreign firms and shun going the greenfield way.

Managing cash flows is yet another dicey affair for industrialists, given that most have contracts to pay up suppliers of raw materials within a month yet customers can take up to four months to settle for deliveries.

"You must possess the acumen for managing working capital when cash inflows come in a period different from that of outflows," said Mr Chandaria, adding that sometimes wholesalers take up to 120 days to pay.

The Kenya Association of Manufacturers (KAM), the lobby group for industrialists, said Kenyan investors lack a solid culture of goods making blamed for little activity in the sector.

They would rather pump their money in shopping malls, transport,



Those who have invested in factories say that despite the initial headache, returns are worth the longer wait before one starts to break even.

petrol stations, office space, hotels or schools.

"There is a misconception that manufacturing is obsolete and has been 'overtaken' by other industries such as services and retail sector. However, manufacturing is the backbone of every economy and no sector can prosper without a strong manufacturing base," the association CEO Phyllis Wakiaga said told *Smart Company*.

"The KAM said for service of retail sectors to prosper, the manufacturing sector must first thrive.

Ms Wakiaga acknowledged that manufacturing nowadays trails services sector in terms of returns on investment but that the two share a close relationship.

"The services sector's productivity is much higher as a result of successful diversification strategies, however, the manufacturing sector feeds into these other sectors either by being their primary customers or

providers. For example, our transport sector, mobile phones and ICT sectors rely on equipment and goods that are manufactured in order to advance their innovation and, therefore, provide better service."

The industrialists were unanimous that Kenya lacks a robust industrial policy with clear structures for implementation and that inflow of cheaper goods from China alongside counterfeits pose a threat to the survival of local factories.

Also nearly missing is the govern-

ment support for small and medium sized enterprises (SMEs) into growing the country's cottage industries in future.

Manufacturing in Kenya, East Africa's largest economy, has stagnated at an average of 10 per cent to the gross domestic product (GDP) in the past 10 years, leaving the country with surplus electricity whose production growth was pegged to an exaggerated forecast in demand growth.

The country's structure and composition of its economy is services-driven (about 60 per cent), agriculture contributes 30 per cent and 10 per cent for manufacturing.

"Manufacturing, aside from being a large foreign exchange earner to any country, is also the most notable sector that drives paid employment. It also has the multiplier effect, that is, one manufacturing job has the ability to create and support three more related jobs," said Ms Wakiaga.

Some 300,000 employees worked

in the sector as of last year, equivalent to 11.8 per cent of the 2.55 million workforce with wages, according to the economic survey.

"A thriving textile industry for instance, would positively reward cotton farmers, sustain the industries that produce soap, increase the capacity for service providers in the said value chains and create employment," it said.

Consumer goods maker Bidco said it invested Sh700 million in its first factory in 1985 and broke even five years later.

"The company has since grown into a giant with an annual turnover of Sh50 billion, providing jobs to thousands.

Asked about the model that the firm is riding on, managers said: "Full value chain approach, which is adding value at every level from the soil to the pan; from the farmer to the retail store.

"Trading model has not worked for us, just importing and selling. It doesn't help as you are vulnerable to risks and losses and everybody is doing so there is no competitiveness."

On the other hand, Keroche's journey, the brewer of Summit Lager beer, started out in 1997, when the Karanjas, Tabitha and husband Joseph, built a small brewery for fortified wines in Naivasha at a cost of Sh7.5 million.

"I do not fear taking risks," Mrs Karanja said in an interview on her decision to take on East Africa Breweries (EABL), owned by British firm Diageo Plc.

"We often celebrate big corporates and industries that have been in business long enough. What we fail to see is that they equally took big risks and face challenges head on."

She said Kenya can only develop by having a larger pool of business risk takers.

Ten years on, the Naivasha based brewer boasts a Sh5.5 billion beer factory that employs 350 workers.

"Thousands more earn their living from beer distribution, retail and supply of inputs from the farm such as barley.

It took four years for the firm to recoup its initial spending on and break even, according to the managers, offering a glimpse into the business viability.

120
 The number of days that it takes some wholesalers before settling their dues

The national government has released sh440 Million to compensate the remaining 950 families who are to pave way for construction...

Thwake dam: Farmers to be compensated this week

Sh440 million set aside for 950 families displaced by the construction of Thwake Multipurpose Dam

MAKUENI, KNA
MyGovWeekly

The national government has released Sh440 million to compensate the remaining 950 families who are to pave way for the construction of Thwake Multipurpose Dam on the border of Makueni and Kitui counties.

The affected families that are yet to receive their monies are from Kathulumbi and Mavindini sub locations in Makueni and Nzambia and Syomunyu in Kitui counties respectively.

"I have come here because of the cry of some people who have not received their money. I am aware Sh.440 million has been released to National Land Commission for express disbursement by next Wednesday," said the Water and Irrigation Principal Secretary (PS) Zainabu Hussein.

She spoke last Friday at Mavindini in Kathonzweni Sub County where she met the affected families.

She noted that the government had already compensated 1,443 households with a total of Sh. 2.5 billion whereas 13 other families were yet to receive their money due to succession issues.

In this regard, the PS assured them that she will personally track the cases at the National Land Commission and ensure they get their money soon.

Hussein said the beneficiaries will be trained on investment so that they avoid misuse of the monies largely meant for purchase of alternative land.

"As soon as compensation will be complete, we shall train you on investment. We will bring investment banks, Youth, Women and Uwezo Funds managers to train you for one week," said Ms Hussein.

During the meeting, Ms Hussein revealed that the construction of the dam will take six years to complete saying there will be 8,000 jobs for the youth and women.

She added that a provision of 30,000 local supplies had been created in the contract where saying 30 percent of the contracts will go to the area residents.

"Phase one of construction will take three years, phase 2 will involve building of water systems, and generation of 20 megawatts of electricity and irrigation component will conclude the phase," said Hussein.

I have come here because of the cry of some people who have not received their money

- Water and Irrigation Principal Secretary Zainabu Hussein

Failure to integrate weather forecast into national development plans is to blame for damage to...

Planners told to factor in weather forecasts

When forecasts are not factored into national plans the probabilities of unnecessary losses are high

KNA, NAKURU
MyGovWeekly

Failure to integrate weather forecasts into national development plans is to blame for damage to infrastructure such as roads, bridges and property amounting to billions of shillings.

The Deputy Director of Kenya Meteorological Department, Dr. Samuel Marigi, said when climate information was not factored into national plans the probabilities of unnecessary losses were high.

He was speaking last week during a seminar for county officers in a Nakuru hotel. He urged the county governments to mainstream climate change in their planning in order to avoid past mistakes, where noble plans were made, but the absence of factoring in climate and weather forecast made them to miss the mark.

Dr. Marigi gave an example of the 1997-198 El Niño rains which destroyed numerous roads, bridges, schools, and a number of lives were lost to mudslides, and yet the department had forecast the effects, but the warning were not heeded.

He said that robust policies and plans should involve the meteorological department to ensure durable and sufficient flexibility to respond to, and prepare for the many challenges posed by climate change.

"For example, our department has the capacity of advising civil engineers on how high a bridge should rise depending on the weather forecast of that area, and reduce the effects of it being swept away by floods during the heavy rains," he said.

He said the recent warnings of heavy rains in the coastal areas were an indicator that the department was now well equipped to project accurate weather forecasts.

He emphasised that their recent weather forecast of heavy rain-falls from next month to mid-December, should be taken seriously, and proper plans should be put in place to decrease losses and destruction of in property.

Just a decade ago, Kilgoris Town was a small, sleepy and sparsely populated urban centre tucked away deep in Narok County.

Devolution awakens sleepy Kilgoris into a growing town

Long gone are shanties that were a near permanent feature of the town tucked deep in Narok County

BY JOEL REYIA
joelkapante@gmail.com

Just a decade ago, Kilgoris Town was a small, sleepy and sparsely populated urban centre tucked away deep in Narok County. Kilgoris was mainly characterised by shanties and unplanned growth, with a big livestock market where pastoralists came to sell their animals to buy grains. It seemed stuck in a time rut.

Today, the face of the town is changing rapidly. Anyone who has been away during the period would be surprised as Kilgoris benefits from the fruits of devolution.

Traditional money lenders are long gone and in their place formal financial institutions, which have eased access to capital. As the town expands, taking over former pasture lands, the prices of the pieces have shot up gradually.

Mr Nyasaka Machoka, a private developer says just a few years ago, land prices reached a million per acre, benefiting foresighted individuals who had pumped their money into this asset, waiting to cash in future.

Demand for quality housing

He says a combination of rising literacy and devolution has improved people's incomes and purchasing power thereby bolstering demand for quality housing.

"The town has enjoyed uninterrupted growth in the advent of devolution as health services and the business environment have been improved," said Mr Machoka.

Two industries, Trans Mara Sugar Company and Kilimapesa Gold, which is owned by UK firm Goldplat are located in its hinterland. Employees of these firms look for where to stay and that in turn fuels demand for housing.

According to Mr Machoka, this has kept the market buoyant cutting away accumulation of housing inventory.

While foreign tourists are willing to pay as much as Sh40,000 a night in some lodges in the Maasai Mara Game Reserve, just 45 minutes away by car, Kenya's growing middle class is attracted by the charm of the town's hotels which offer African dishes and social recreational facilities at a much cheaper cost.

Self-contained units

Mr Watson Mochama, the director of DAWAMA Professional Designers says developers are increasingly turning to self-contained units to lure customers.

He said although office space and stalls that are on the market are moving slowly, self-contained units are all the rage.

"The town's population has increased



A section of Kilgoris town last week. The urban centre has been growing rapidly partly due to devolution.

JOEL REYIA | NATION

over the years, but the increase has been marginal due to insecurity fears with the government also having constructed offices for its own workers. As a result, there is no much money to be made in the office space segment at the moment," said Mr Mochama.

Kilgoris was not always this way. In fact it has a history of bloodshed. In 1997, for example, clashes erupted here leading to gruesome killings.

That slowed, or put off, would be inves-

tors. These days, fears of ethnic clashes between neighbouring communities in Trans Mara still haunt the growing centre.

"The price of construction materials not sourced locally is also high due to few hardware dealers who tend to monopolise prices," said Mr Mochama.

As a result, the housing ladder still remains out of reach for many.

Kilgoris Traders Association Chairman Charles Kang'ethe said the installation of street lights and construction of a Sh70 million market by the county government are some of the ongoing projects that are set to further transform the town.

"They have lit up the town and enhanced security, helping businesses stay open far into the night," said Mr Kang'ethe.

Some roads, including the Sotik-Kilgoris-Awendu and Kilgoris-Shartuka-Emurua Dikdir, have been earmarked for tarmacking to ease movement of people and goods.

40,000

The amount of money that some foreigners part with per night in some Maasai Mara facilities

25TH SEPTEMBER 2017

Daily Nation | Galgalo Bocha | Monday 25th September 2017
WORK ON NEW LAW COURTS IN MOMBASA SET TO START

Construction of a Sh445 million modern law courts in Mombasa funded by the World Bank is set to start. [Read More](#)

24TH SEPTEMBER 2017

Daily Nation | Neville Otuki | Sunday 24th September 2017
TANZANIA IS RAPIDLY CLOSING ITS ECONOMIC GAP WITH KENYA

Kenya's status as East Africa's economic powerhouse is at stake as Tanzania races closely behind, with a higher growth rate that is increasingly narrowing the gap between the two economies.

[Read More](#)

CONSUMERS TO PAY SH5.7BN FOR WIND POWER LINE DELAYS

Kenya has agreed with the developers of Lake Turkana Wind Power project to charge electricity consumers Sh5.7 billion from next May as penalty for government's failure to build a transmission line to the wind farm. [Read More](#)



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