KPDA WEEKLY MEDIA REVIEW REPORT AS AT 19TH JANUARY 2018

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

NEWEST MEMBERS TO THE KPDA FAMILY!

Welcome back to the fold **Panda Development Ltd** and **National Housing Cooperation (NACHU)!** Thank you renewing your subscription with us for the year 2018 ©

KPDA welcomes its newest members, **Kitchens & Beyond Ltd** who registered as **Associate Members** on 19th January 2018.

The KDA family now boasts a membership of 160 member companies!

2018 KPDA MEMBERSHIP SUBSCRIPTION RENEWAL

We would like to inform all our members that KPDA Membership pro forma invoices are currently being issued for the renewal of 2018 subscriptions. As indicated, the deadline for payment is **Friday**, **26**th **January 2018**.

WE ADVISE ALL MEMBERS WHO MAKE PAYMENTS THROUGH BANK TRANSFER TO KINDLY ENSURE THEY INFORM THE SECRETARIAT SO AS TO BE ISSUED WITH RECEIPTS AND TO UPDATE OUR RECORDS.

UHDA UPDATE - NAIROBI CITY COUNTY'S APPROVAL OF FRONTAGE LANDSCAPING

Attached is a letter of consent from City Hall, allowing all UHDA members to landscape their frontage without approvals.

For more information, please click on the link below:

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KPDA AND SPACE 2018 PARTNERSHIP

Join 200 real estate investment professionals, owners, and developers to explore the ROI of efficient buildings, from 13th to 14th March 2018 at the Radisson Blu Hotel.

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19TH JANUARY 2018

The Standard | Gloria Aradi | Friday 19th January 2018
AFTER ESCAPING DEMOLITION, TAJ MALL IS NOW AIRGATE CENTRE

After its launch in August 2011, the four-storey mall, which is valued at Sh5.5 billion, boasted of immense success. Read More

The Standard | Geoffery Mosuku | Friday 19th January 2018 JUDGE RULES KABOGO WILL NOT SUFFER ANY LOSS IN PAYING SH100M FOR TRESPASS

Former Kiambu Governor William Kabogo has lost an attempt to put on hold a court directive to pay a city businessman Sh100 million in damages for trespass. Read More

18TH JANUARY 2018

The Standard | James Wanzala | Thursday 18th January 2018
CYTONN TO UNVEIL ITS REAL ESTATE DEVELOPMENT IN THE REGION

Cytonn Investment Management Plc will invest Kshs.6billion in real estate development in Nyeri County. Read More

The Standard | Peter Muiruri | Thursday 18th January 2018 INTEREST RATE CAP LAWS PUSHES KENYA REAL ESTATE DEVELOPERS TO ALTERNATIVE FINANCING MODELS

For years, property developers have had to contend with high land costs (grew by 19.4 per cent over the last five years), high construction costs (normally 70 per cent of total project costs), and lack of requisite infrastructure. Read More

The Standard | Fredrick Obura | Thursday 18th January 2018 SINGAPORE'S CRIME RATE IS SO LOW THAT MANY SHOPS DON'T EVEN LOCK UP

In a country like Kenya where crime rate is high, it is unimaginable for many to leave their premises unguarded at night and find everything intact the following day. Read More

Business Daily | Neville Otuki | Thursday 18th January 2018 TATU CITY LAND PRICE RISES TO SH10.5M PER QUARTER ACRE

The price of land at Tatu City real estate in Kiambu has jumped by nearly a third to Kshs.10.5 million per quarter acre over the past 18 months after the developer recorded brisk sales last year. Read More

Business Daily | Mwangi Muiruri | Thursday 18th January 2018 TROUBLED EMBAKASI RANCHING SET TO BE WOUND UP ON FEB 1

'The controversial Embakasi Ranching Company Ltd will be dissolved on February 1,' Lands and Physical Planning Principal Secretary Nicholas Muraguri has said. Read More

Business Daily | Galgallo Fayo | Thursday 18th January 2018 UGANDA TYCOON IN SH20BN HILTON TOWER LAND CLAIM

Ugandan business tycoon James Mugoya and a member of the UAE royal family have laid claim to prime plots on which the Hilton Upper Hill tower is being built, in a suit that could stall the Kshs.20 billion project. Read More

Did You Know?

<u>Litigation</u> is the term used to describe proceedings initiated between two opposing parties to enforce or defend a legal right.



Create cosy corner at home

By Hosea Omole

homeandaway@standardmedia.co.ke

What makes for personal comfort may be a little different for every individual. But most of us agree on a few basic standards that define a comfortable space: The space should inspire relaxation and make you feel physically and mentally at peace.

Creating such a space requires a bit of planning and creativity, more so if you live in a dense neighbourhood in the city and you don't have much space. Here are a few ideas to help you create the perfect nook for your personal quiet time.

Privacy

Privacy is key to creating a comfortable space to relax. You want the freedom to sunbathe or just relax in the privacy of your garden without the neighbours ogling at your every move. Just as with your interiors, creating privacy outdoor involve getting the right location and putting up "walls".

Find a spot that is physically farthest from any of the other more public activities in the backyard. Corners typically work best. If the space is more than five or so metres in diameter, you may want to reduce it to just three. Large spaces tend to appear open and impersonal.

Next, you will need to cut out your nook from the rest of the garden by creating some sort of barriers or outdoor "walls". Fortunately, there are many solutions to attractively do this. Strategically located evergreen trees and shrubs are inexpensive and effective. They screen views and soften any hardscapes in the vicinity. For smaller spaces, you could go for trellises or privacy screens with appropriate vines trained to ramble over them. You can also go one step further and sink the relaxation nook so that it's lower and therefore cut





out from the rest of the garden spaces

Relaxing furniture

A hammock is an ideal place for total relaxation. It can be the free-



standing type supported by a metal frame or the type that hangs between two trees. Whichever you choose, hammocks are as easy to set up and are easy on your pocket.

An arbour set in a private garden room with appropriate furniture is a great idea for seating one or two. On a hot day, you will find it as much as 15 degrees cooler under the shade of a good arbour. You can also integrate a hammock into an arbour. The

arbour will provide shade and enclosure for the hammock, making it feel even cosier.

A gazebo makes an attractive and functional addition to any backyard. Sheltered from the elements and enclosed by short walls and flowers and covered by a roof, it can be used for relaxation or a private dinner for

The writer is a landscape architect.

The Standard | James Wanzala | Thursday 18th January 2018 MINISTRY DENIES CLAIMS ON NEW LAND LAWS

Legislation. Ministry denies claims on new land laws

The Lands ministry has denied claims by the Law Society of Kenya (LSK) and the Kenya Bankers Association (KBA) that regulations to operationalise the new Land Laws have critical omissions on audit and validation of leases issued since 2012. The regulations were forwarded to Parliament for approval in accordance with section 11 of the Statutory Instruments Act. In January 2017, the Lands Cabinet Secretary Prof Jacob Kaimenyi constituted a taskforce to formulate the regulations. He said the first draft was prepared and afterwards subjected to public participation. [James Wanzala]

The Standard | James Wanzala | Thursday 18th January 2018 FUNITURE FOR A LARGE FAMILY



It's a real miracle finding a house that can fit a large family with the specific needs of everyone. Large families have to be innovative to accommodate all their members.

A great place to begin is by encouraging multi-purpose use of rooms. For example, the dining room can be used both for eating and doing homework as well as an area where family members can just sit and chat. Opt for large dining tables of 10-12 seats to accommodate extra numbers. For the rest of the house, it helps to use furniture that can "multi-task".

Find side tables that can be pulled out and used as seats to accommodate a large family and their table top can be used as stools when there are visitors. These tables also provide easy storage with shorter tables being tucked beneath the higher tables.

Invest in sofa bed furniture, which appear like sofa seats during the day but can be stretched out at a moment's notice to provide a sleeping space for that guest or family member who needs an impromptu sleep-over. You could also consider modular seating options, which consist of a furniture piece where seats can be joined to create one long L-shaped sofa but which can also be separated to accommodate other family members and to provide additional sitting area in a different part of the

Utilise floor space for additional space, which can be achieved by placing multi-coloured floor cushions and create cosy corners for teens to hang out. For sleeping accommodation, decker beds or bunkers are a great alternative, especially for children, as it is easy to place two bunkers in a room and have four persons sleep in the room.

A house of many users can easily accumulate a lot of clutter so a minimalist approach is recommended with clear firm insistence for family members to return items to their designated locations so that it is easier to maintain order in the house [Wangeri Kanyeki]

MEDIATION:

A settlement of a dispute or controversy by setting up an independent person between two contending parties in order to aidthem in the settlement of their disagreement.

The Standard | Gloria Aradi | Tuesday 16th January 2018 TAJ MALL TO REOPEN AS OUTERING ROAD USERS COMPLAIN OF POOR PATHWAYS

When Taj Shopping Mall launched seven years ago, Rameshchandra Gorasia, the mall owner appeared to have gotten everything right; the location, at the intersection of Outering Road, Airport North Road and Airport South Road was conveniently accessible. Read More

Daily Nation | Geoffrey Irungu | Tuesday 16th January 2018 BANKS ASSURED ON VALIDITY OF LAND TITLES USED TO LEND

Jitters among banks, which hold vast collaterals, that some land titles and leases could be voided following failure to include anticipated provisions on the validation and audit of the documents in proposed rules are misplaced. Read More

The Standard | Erick Abuga | Tuesday 16th January 2018 GOVERNMENT TO BRING DOWN PRIVATE PROPERTIES IN ROAD PROJECTS

Property belonging to private developers has been earmarked for demolition to make way for road projects in Kisii and its environs. Read More

Business Daily | James Kariuki | Tuesday 16th January 2018
CIVIL SERVANTS TO BE SOLD APARTMENTS ON KIAMBU ROAD AND MACHAKOS

Civil servants are set to benefit from 620 houses in nine-storey blocks planned for Machakos, Embu and Kiambu counties. The State Department of Housing and Urban Development said it has identified land in the three counties where old bungalows will be demolished to pave way for the blocks comprising one, two and three bedroomed apartments. Read More

Business Daily | Winnie Atieno | Tuesday 16th January 2018 LAND COMMISSION NOW BACKS FORT JESUS SEAWALL

The National Land Commission has made an about-turn and allowed a State corporation to erect a seawall in the Indian Ocean. Read More

Did You Know?

Arbitration is a procedure in which a dispute is submitted, by agreement of the parties, to one or more arbitrators who make a binding decision on the dispute. In choosing arbitration, the parties opt for a private dispute resolution procedure instead of going to court.



The Standard | Ministry of Lands and Physical Planning | Tuesday 16th January 2018 PRESS STATEMENT ON REGULATIONS TO OPERATIONALIZE THE NEW LANDS LAWS

PRESS STATEMENT ON REGULATIONS TO PERATIONALIZE THE NEW LAND LAWS

The Regulations to operationalize the new Land Laws were published in the Kenya Gazette in November, 2017. Subsequently, they were forwarded to Parliament for approval in accordance with section 11 of the Statutory Instruments Act.

Lately there have been allegations made through the media that the Regulations have critical omissions on audit and validation of leases issued since 2012. The latest allegations were published on Sunday Nation of 7th January, 2018 and were made by the Law Society of Kenya and the Bankers Association.

My response on these allegations is as follows:-

1. No Ommission at all

In January 2017, I constituted a taskforce to formulate the regulations. The first draft was prepared and afterwards subjected to public participation. Though the initial draft did not contain the clauses on audit and validation of leases, the same were included courtesy of a proposal by one member during a retreat to consolidate and collate stakeholder views at Ukunda, Kwale County. Before agreeing on inclusion, the Taskforce members debated on the issue at length with a section of the members against the same.

However, when the final draft was forwarded to the attorney general for review and drafting, the Ministry was advised against inclusion of these clauses on the ground that they are not anchored in any section of either the Land Act or the Land Registration Act. Based on this advice, the clauses on audit and validation were excluded from the Land Registration Regulation draft.

2. Judgment by Justice Onguto

The Judgement issued by Justice Onguto neither invalidated the Leases/Titles nor ordered the Ministry to validate the same. The allegations to that effect, as contained in the newspaper article are therefore misleading. I will here below, quote the words of the Judge verbatim in certain paragraphs of the judgement.

In Paragraph 78 of the Judgement

"I am however conscious of the fact that an outright declaration of invalidity without more would certainly interrupt the registration processes of various titles. That is a process that is certainly and currently on-going. Such a disruption would also cloud the land registration system with uncertainty. Likewise titles already issued in the application of the impugned regulations and forms would be placed in doubt."

In Paragraph 83(b) of the judgement

However considering the immediate consequences of the above declaration on the registration of titles processes currently ongoing and already undertaken, the declaration of invalidity is hereby suspended to enable the 3rd Respondent to initiate meaningful engagement with the public, seek and take into account the advice of the National Land Commission, if any, on the impugned regulations and forms pursuant to Section 110(2) of the LRA and

seek Parliament's approval pursuant to Sections 110(2) of the LRA and Section 11 of the Statutory instruments Act No. 23 of 2013.

In Paragraph 83(c)

Additionally, the declaration of invalidity under (a) above is not to operate retroactively.

Paragraph 83(d)

Indefault of compliance with (b) above by the 3rd Respondent within twelve (12) months, all the regulations and forms promulgated under Section 110 of the LRA, in the absence of the National Land Commission's advice and in the absence of Parliament's approval shall stand null and void for all intents and purposes on the 366th day following this order.

I wish to state that the judgement is very clear, that the Titles and Leases issued by the ministry of lands and physical planning are valid and the call to validate them is therefore misplaced. In paragraph 83 (c) of the judgement, it is clear that the declaration of invalidity will not operate retroactively. **Retroactively means** something happening now that affects the past or a decision that has effect from a date before it was made. In effect, the declaration of invalidity would not affect the Titles and Leases which have already been issued. Hence, it is futile to provide for validation of leases in the regulations.

3. Conclusion

- The High Court deliberately avoided invalidating the Leases/Titles upon appreciating the repercussions such an action would create.
 The judge neither invalidated the Leases/Titles nor ordered the Ministry to validate the same.
- Those who are advocating for inclusion of clauses on audit and validation of Leases may not have read the Judgement and if they have read, they have misunderstood it.
- The regulations awaiting approval by parliament are substantively meant to operationalize the Land Act, 2012 and The Land registration Act, 2012. The impression created by the authors of the article is that the regulations are limited to the high court Judgement as issued by Justice Onguto.

4. Way Forward

From the ongoing, the exclusion of Audit and validation of Titles/ Leases clauses in the regulations has a basis and the same was done in good faith. Further it is important to note that the law has provided mechanisms to rectify any errors on the face of the leases and/or Titles and the same can be done on a case by case basis.

ted at Nairobi this 12th Day of January, 2018

of. Jacob T. Kaimenyi, PhD, FICD, EGH BINET SECRETARY

THE KPDA MEDIA WEEKLY REVIEW REPORT

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EXPRESSION OF INTEREST

The National Land commission of Kenya is an independent government body entrenched in Article 67 (1) of the constitution of Kenya 2010 and subsequently established under an Act of Parliament, Act Number 5 of 2012.

The National Land Commission invites sealed tenders from reputable firms for provision of the following Consultancy Services;

	EOI Number	Expression of Interest	Eligibility	Closing date
1	NLC/RES/ EOI/002/2017-18	Development Of A Policy Framework On Riparian Land In Kenya	Open to All	Tuesday 30th, January,2018 at 11.00 Hours
2	NLC/RES/ EOI/003/2017-18	Developing of a Policy framework on Youth, Land and Migration in Kenya	Open to All	Tuesday 30th, January,2018 at 11.00 Hours
3	NLC/RES/ EOI/004/2017-18	Developing of a Policy framework on securing Land tenure rights in Kenya	Open to All	Tuesday 30th, January,2018 at 11.00 Hours
4	NLC/RES/ EOI/005/2017-18	Developing of a Policy framework on Land Conflict in Kenya	Open to All	Tuesday 30th, January,2018 at 11.00 Hours

Interested bidders can download the Expression of Interest document from the Commission's website: www.landcommission.go.ke or IFMIS Portal www.supplier.treasury.go.ke free of charge.

Bidders who download the documents are required to forward their particulars to the Supply Chain Office for records and for the purposes of receiving any further tender clarifications and/or addendums where applicable.

Completed documents in plain sealed envelope, clearly marked with the Tender Number on the Top left side should be deposited in the Tender Box situated on Ground Floor, ACK Garden Annex, 1st Ngong Avenue – off Ngong Road, on or before 30th January, 2018 at 11.00 Hours or if mailed addressed to:-

SECRETARY/CEO NATIONAL LAND COMMISSSION P.O. BOX 44417-00100 NAIROBI

EOIs will be opened immediately thereafter in the presence of bidders or their representatives who may choose to attend. Late applications will be rejected.

CHAVANGI AZIZ TOM SECRETARY/CEO

15TH JANUARY 2018

Business Daily | Winnie Atieno | Monday 15th January 2018 STATE TO PAY LANDOWNERS SH424MN FOR MALINDI AIRPORT LAND

The National Land Commission (NNLC) will next week compensate some 175 landowners for 25 hectares of land acquired to facilitate expansion of Malindi International Airport. Read More

Business Daily | Timothy Odinga | Monday 15th January 2018 MEGA PROJECTS AID CONSTRUCTION SECTOR TO RECORD SH100 BILLION

The construction sector's contribution to GDP hit an all-time high in the third quarter of 2017, buoyed by a raft of mega infrastructure and housing projects and defying a slump in the performance of the overall economy. Read More

Business Daily | Bonface Otieno | Monday 15th January 2018 35 PRIVATE FIRMS BACK UHURU'S NEW HOMES PLAN

County governments will work in partnership with 35 firms in President Uhuru Kenyatta's Sh2.6 trillion plan to build a million homes in the next five years, officials have said. Read More

Land report taken to Parliament is free of errors, says Kaimenyi

BY SILAS APOLLO

Lands Cabinet Secretary Jacob Kaimenyi (right) yesterday defended the ministry against reports that it made critical omissions in regulations for land laws.

The Law Society of Kenya and Kenya Bankers Association last week said the ministry submitted a memorandum to Parliament with omission of critical clauses relating to audit and validation procedures for transactions conducted since 2013.

The two said the ministry went against a High Court ruling that recommended involvement of the National Land Commission, and whose implication could jeorpadise thousands of transactions.

But in a statement, Prof Kaimenyi said the ruling deliberately avoided invalidating leases or titles after appreciating the repercussions such an action would create.

"Those advocating for inclusion of clauses on audit and validation of leases may not have read the judgement. If they did, they have totally misapprehended it. Alternatively, they may be doing so in bad faith," Prof Kaimenyi said.

The minister added that regulations awaiting approval by Parliament were substantively meant to make the 2012 Land and Land Registration Acts come into operation, contrary



to the impressions created by the two organisations.

"As such, LSK and KBA are wrong in arguing that the regulations are only limited to the judgement," he added. "The exclusion of audit and

"The exclusion of audit and validation of titles or leases in the regulations has a basis and was done in good faith. It is important to note that the law has provided mechanisms to rectify errors on the face of the leases and/or titles and the same can be done on a case by case basis."

KBA chief executive Habil Olaka said if the defects in the regulations were not addressed before debate in Parliament, the country would be plunged into a crisis and mass litigation.

"KBA has written to the ministry expressing concerns and highlighting the omissions. The ministry has promised to look into it. We give the ministry the benefit of doubt. But if it does not act, we will consider other actions", Dr Olaka said.

14TH JANUARY 2018

Business Daily | Neville Otuki | Sunday 14th January 2018 CHINESE-OWNED TOWER TO BEAT TWO RIVERS IN POWER USE

A Chinese-owned 43-storey complex in Nairobi's Westlands is set to overtake Two Rivers Mall as Kenya's largest commercial consumer of electricity. Read More

The Standard | Stephen Nzioka | Sunday 14th January 2018 LOCALS, RESEARCHER IN BITTER DISPUTE OVER EXPANSIVE RANCH

At the expansive Kapiti Plains ranch in Machakos County, strange happenings are unfolding under the heedless eye of the authorities. Read More

The Standard | Collins Odote | Sunday 14th January 2018 ADVANTAGES OF BUILDING A RURAL HOME

Any student of property theory is aware that an economic conception of property as propounded by such scholars as Demsetz exists. Read More

Business Daily | Wycliff Kipsang | Sunday 14th January 2018 KERIO LOCALS WANT MORE MONEY FOR LOST LAND

Plans for compensation of those displaced to pave way for mining activities in Kerio Valley, Marakwet County, are under way amid fresh demands from residents. Read More



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