



THE KENYA PROPERTY DEVELOPERS ASSOCIATION

NAIROBI CITY COUNTY GOVERNMENT (NCCG) BUILDING PERMITTING APPROVALS REPORT JANUARY 2014 TO DECEMBER 2016

Kenya Property Developers Association
Fatima Flats, Suite 4 B
Marcus Garvey Road off Argwings Kodhek Road, Kilimani Area
P. O. Box 76154 - 00508
NAIROBI, KENYA
Telephone: +254 737 530 290/0705 277 787
Email: admin@kpda.or.ke
Website: www.kpda.or.ke

THE NAIROBI CITY COUNTY GOVERNMENT (NCCG) BUILDING PERMITTING APPROVALS REPORT

JANUARY - DECEMBER 2016



Valley-View, Nairobi

SOURCE

The 2016 KPDA Building Permitting Activity Report provides a summary of statistical information on planning permitting activity in Nairobi from January to December 2016. During this reporting period, only statistics from the Nairobi City County Government are used as references. This report uses standardized data submitted to the Nairobi City County Government. The report highlights information on applications received, development locations, types and values, department revenue from applications and permit processing performance.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the Kenya Property Developers Association by the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

INTRODUCTORY SUMMARY ON THE REPORT

STATISTICS

A total of 2, 303 planning permit applications were approved from January to December 2016 with the second quarter having the highest number of approvals. Other key statistics from this report include:

- Value of approved permits represents over Kshs. 117.9 billion worth of development projects and permitting fees collected were over Kshs. 862.9 Million;
- During 2016 the highest value of buildings submitted for approval was Kshs. 3, 000, 000, 000 (Kshs. 3billion) by the Crossroad Ltd (Proposed Shopping Mall) and the maximum submission fee paid was Kshs. 186, 056, 000.
- On average the estimated value of building developments approved was Kshs. 76, 233, 700 and that of the submission fee was Kshs. 901,173.
- Based on localities it was noted from the statistics that most of the developments were carried out in Karen, Westlands, Industrial Area, Kilimani and the Central Business District.
- Based on the Kenyan Building Code of 1997, this report depicts permits that were issued in the following average percentages in accordance to the named classifications below:
 - ♣ 80.9% (809) - Domestic Class (commercial developments, domestic buildings and offices)
 - ♣ 10.4% (241) - Public Class (social halls, religious buildings, libraries, schools, etc.)
 - ♣ 8.7% (199) - Warehouse Class (industries, factories, and go downs)

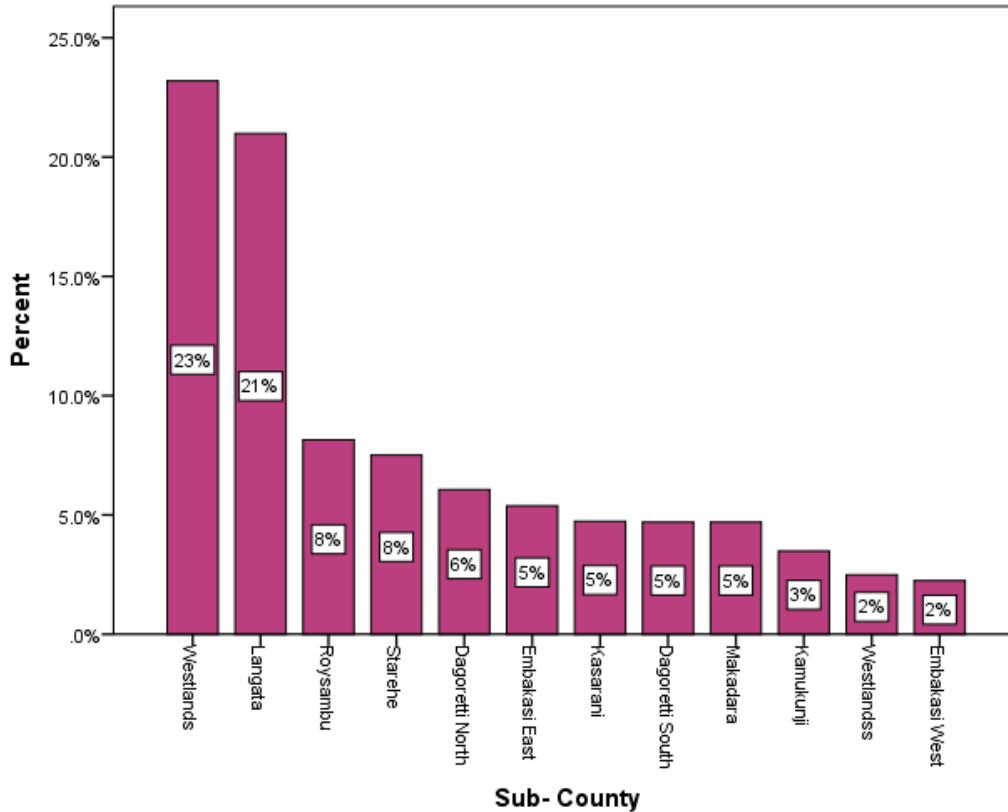
The statistics show that in the year 2016 approved proposed developments of the Domestic Classification, had the highest level of approvals issued due to the ever increasing need for housing by Kenyans and initiatives put in place by the real estate industry on ownership of homes by the middle income earners.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

A comparative analysis is provided for the performance of all 4 quarters of the year.

PERMIT APPLICATION ACTIVITY BY SUB-COUNTY



There are more development activities on the Western side of Nairobi compared to the Eastern side probably because of the extra space available and the demand for housing. The highest permits were approved in the areas of Karen, Westlands, Industrial Area, Parklands and Eastleigh.

- Karen has the highest percentage of permits locality-wise. This would be as a result of the ongoing construction of the Southern Bypass connecting the Nairobi - Naivasha Highway to Mombasa Road. The bypass has also enabled easy and fast commuting to the Jomo Kenyatta

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

International Airport and the Wilson Airport. The neighbourhood has an organized road network, with properly connected entry and exit routes that lead to and from Nairobi's CBD. This would be one of the factors the developers might have considered due to proximity and thus convenience. The high number of permits in the Karen area are also very likely due to the fact that rent or property owning in Karen attracts high revenue. This is a likely factor that developers considered in achieving better return on capital;

- Lavington has the least number of permits amongst the top 10 areas of development regardless of being very close to the CBD. Embakasi and Kilimani areas attract fewer developments due to traffic and building congestion. Lavington may be a discouraging location for developers to set up office buildings as more and more businesses are opting to be headquartered in the Westlands area which has more space to accommodate offices.

NB: Localities that do not appear in the graph had less than 1% permit approval activity.

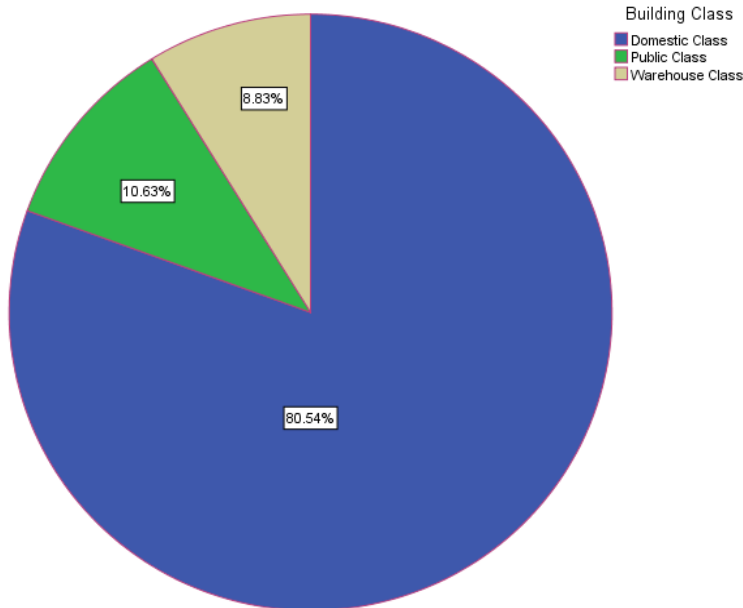
While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

the Kenya Property Developers Association the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

DWELLING RELATED ACTIVITY ACROSS NAIROBI

Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The following graph identifies permit applications that relate to various building classes.



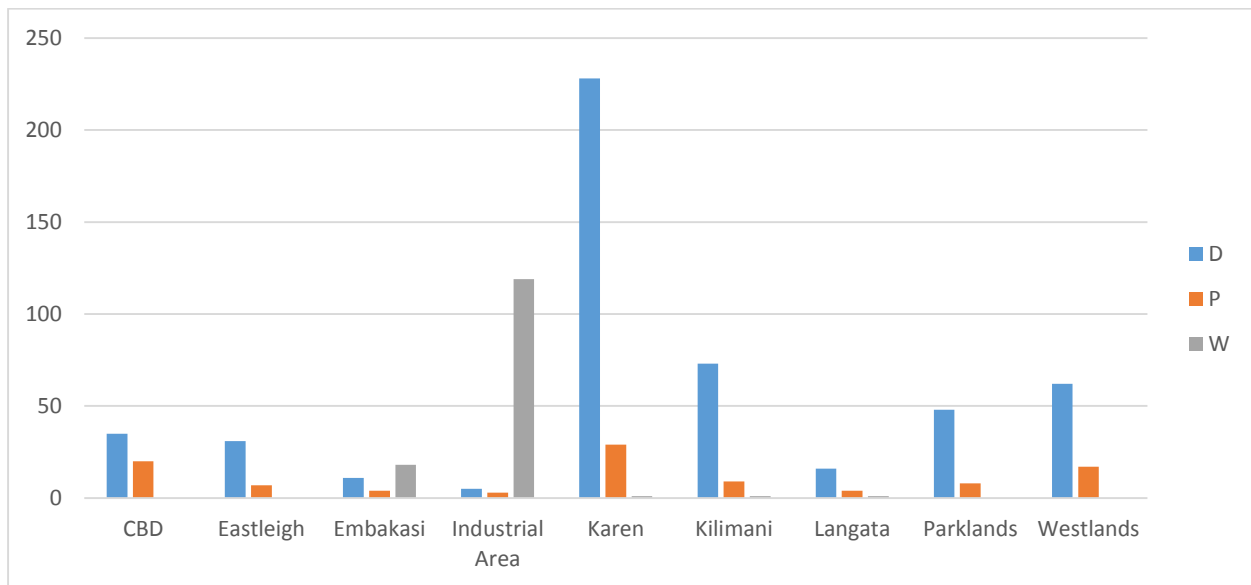
- It can be noted that 80.54% of the planning submitted under the building class category were domestic class which includes domestic buildings, commercial developments and offices. This indicates a major shift for developers to provide residential infrastructures as well as the growing desire for Kenyans to own a home. There is also the case of emerging businesses, including but not limited to foreign investors and SMEs which have increased the demand for offices;
- Over the past three years there has been a rapid urban population growth and therefore this could result to development of dwelling facilities which is in accordance to the Kenya National Bureau of Statistics 2015 - 2016, Kenya National Housing Survey Basic Report whereby urban

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

population is projected to grow by 50% by 2030. The increased development of domestic facilities has a direct influence on public infrastructures which may have resulted to Public class having the second highest percent in developments within Nairobi.

BUILDING CLASS BY LOCALITY



- The highest development permits in the year 2016 were approved in Karen, Westlands, Kilimani, C.B.D and Industrial Area with domestic infrastructures dominating in these areas except from the Industrial area where most of them were factories and warehouses.
- These neighborhoods have an organized road network, with properly connected entry and exit routes that lead to and from Nairobi's central business district hence most of the developers shifted to this locations. Also the value of land in these areas is relatively high and this proves the nature of land having an inelastic demand where the higher the value may result to a higher demand.
- The areas have closer proximity to Nairobi's central business district hence most convenient to

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

most Kenyans specifically for the middle income earners. The high number of permits approved in residential zones like in Karen area is also likely due to the high capital returns in rental and ownership income to be received by developers as the area is considered high-end.

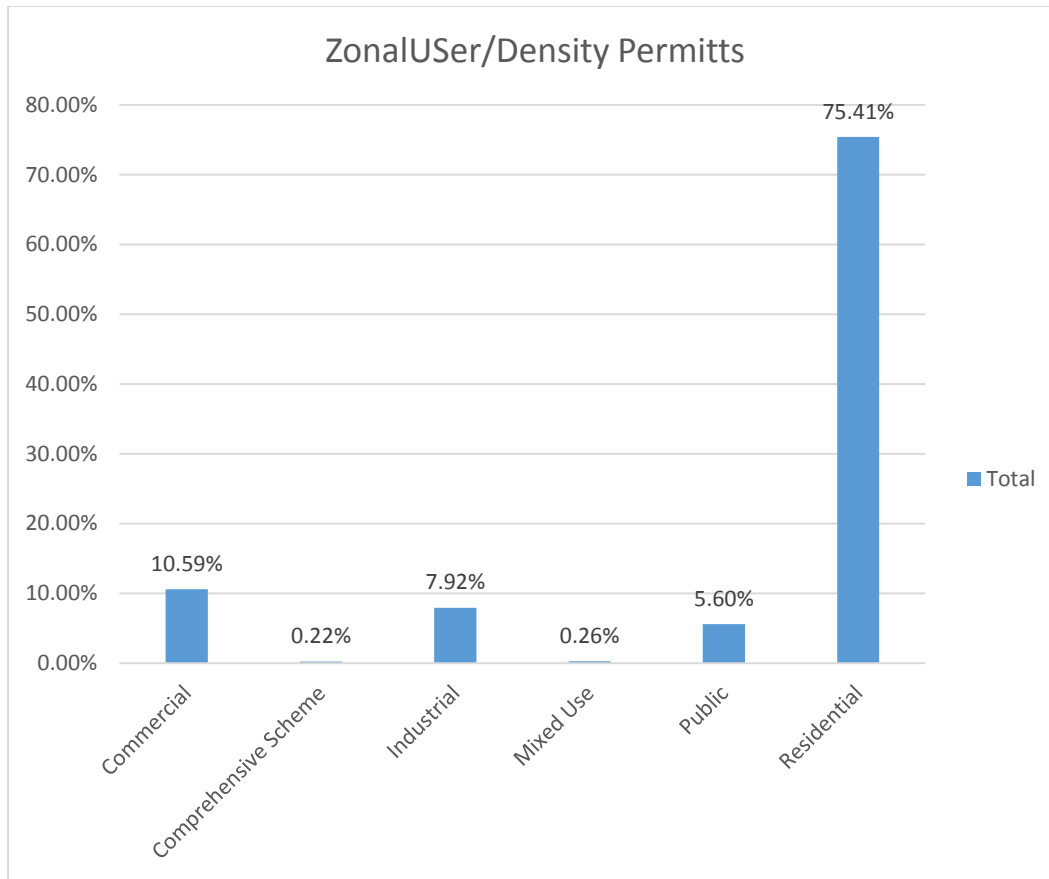
- Due to increased population growth in Nairobi and the growth of entrepreneurship, there has been a huge demand for offices within the city and therefore Westlands has been a favourable location for this facilities over the year.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

the Kenya Property Developers Association the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

NUMBER OF APPROVALS BY ZONAL USER DENSITY



- The Residential Class accounted for 75.41% of the approvals due to an increase in the middle aged working population who consider owning a home more crucial than renting one and also high demand by Kenyans to own homes. Most of developers have invested more on Residential developments which are more profitable due to the growing demand. There has been an improvement in security within the nation which has resulted in an influx in foreign residents in

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

Kenya thus increasing the demand for residential houses (in particular well-furnished residential infrastructures) mostly in the high end areas.

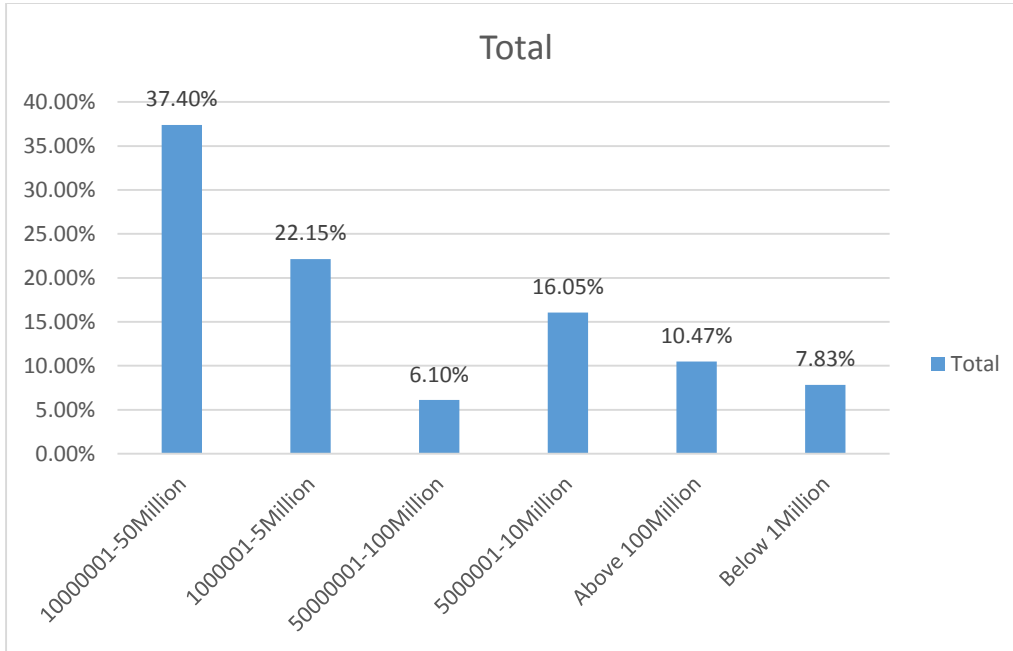
- Commercial Class buildings accounted for 10.59% of the approvals.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

the Kenya Property Developers Association the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

THE VALUE TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY GOVERNMENT



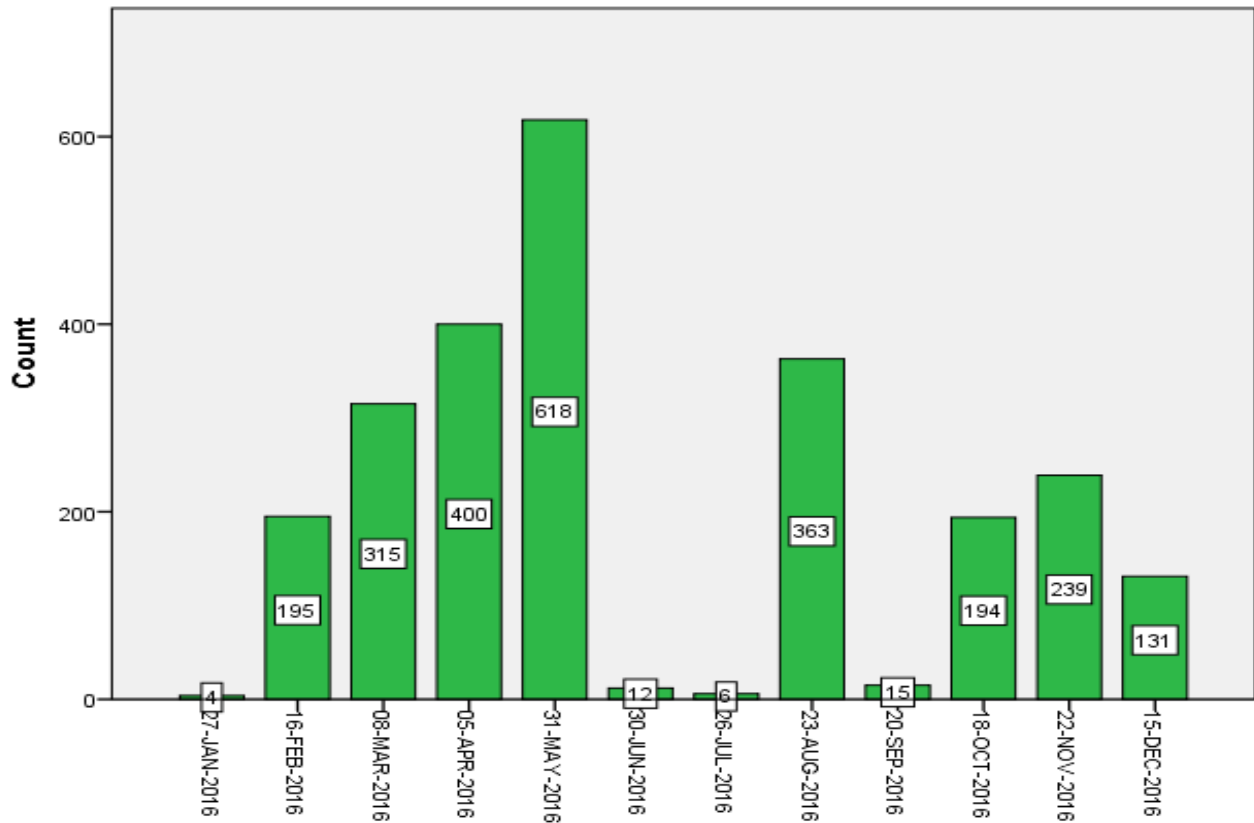
- 37% of the buildings presented for approval were valued between ten million and fifty million. Over seventy percent of these buildings are domestic facilities rather than public, warehouses or commercial developments. This can be attributed to the high demand of residential buildings.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

the Kenya Property Developers Association the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

PERMIT PROCESSING PERFORMANCE



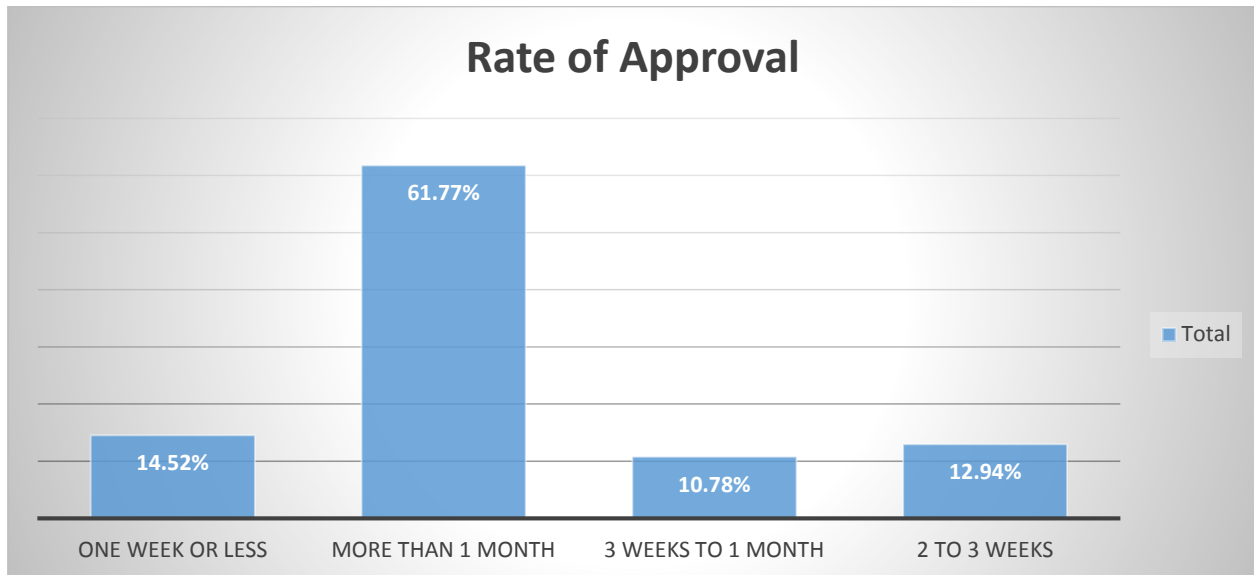
- The Month of May had the highest number of approvals, with 618 approvals.
- March recorded the highest number of approvals in the first quarter. This was due to a high demand for residential property. The planning system plays an important role in improving the lives of the modern society. It is meant to protect social amenities and the environment for the public's interest. How we live our lives is shaped by where we live and therefore our planning regulations have to cover many different situations that influence the shape of lives of every city resident and help protect the urban environment.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

- In the last quarter of 2015, Kenya experienced high interest rates leading to a decrease in the number of developments hence the low development rate in January 2016.
- Thereafter, in the first quarter of 2016, inflation came down by 6.5% stabilizing the Kenyan shilling and therefore increasing investors' appetite for the property market.

AVERAGE APPROVAL RATE BY THE NAIROBI CITY COUNTY GOVERNMENT TO CARRY OUT BUILDING PERMITTING



- Most of the permits took more than one month to be approved. This accounted for 61.77% of the total percentage. This delay in the approval process is a cause for concern and the Nairobi City County Government needs to offer sufficient explanation as to the reasons behind this delay.
- Permits that took less than one month to be approved accounted for 38.24 % of the total approvals. There was a great improvement on approval time as compared to 2015. Some of the factors leading to this improvement on approval time could be as a result of the following

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016

factors:

- ♣ Most of the developers could meet the minimum approval requirement
- ♣ Transparency in the urban and housing department.
- ♣ Adequate support from professionals throughout the entire plan preparation process. There were very few disapproved plans therefore this indicates that most of the plans met the conditions for approval.
- ♣ Reduce land ownership conflicts over the period.

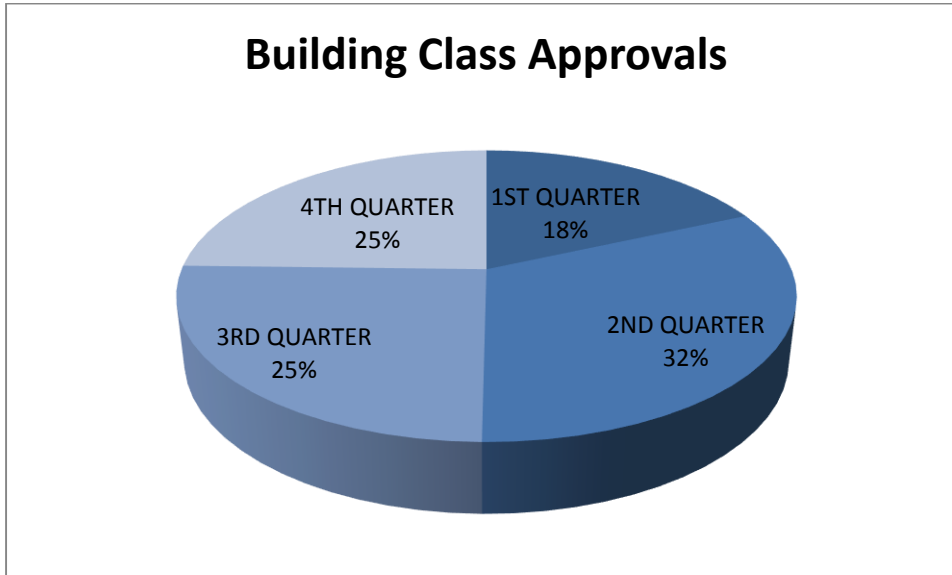
COMPARATIVE ANALYSIS BETWEEN THE FOUR QUARTERS OF 2016

		2016 QUARTERS			
		1 ST QUARTER	2 ND QUARTER	3 RD QUARTER	4 TH QUARTER
Submission Fee		Kshs. 359, 588	Kshs. 439, 962	Kshs. 352, 820	Kshs. 901, 172
Estimated Value		Kshs. 33, 864 692	Kshs. 47, 921, 689	Kshs. 44, 503 571	Kshs. 76, 233 700
Building Class Approvals	Domestic	346	591	462	462
	Public	34	71	71	65
	Warehouse	42	71	47	39

- The highest average value of estimated cost was incurred during the October to December quarter of the year with the least average value being January to March Quarter.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

NCCG BUILDING PERMITTING APPROVALS ACTIVITY REPORT: JANUARY - DECEMBER 2016



- Domestic buildings continue to have the highest number of approvals with the highest number of developments being approved in the 2nd quarter of the year. Residential buildings had the highest number of approvals which has been the trend for the over the whole year.

FOR MORE INFORMATION, KINDLY CONTACT THE KPDA SECRETARIAT

Kenya Property Developers Association

Fatima Flats, Suite B4
Marcus Garvey Road
Off Argwings Kodhek, Kilimani Area
P. O. Box 76154 – 00508 Nairobi, Kenya
Telephone: +254 737 530 290/0705 277 787
Email: admin@kpda.or.ke
Website: www.kpda.or.ke

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to

the Kenya Property Developers Association the Nairobi City County Government Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
Prepared by *purity mukami kinyamu*

NCCG BUILDING PERMITTING APPROVALS REPORT

JULY - SEPTEMBER 2016



Fortis Tower, a building developed by AMS Properties Ltd

SOURCE

The 2016 Quarter 3 KPDA NCCG Building Permitting Approvals Activity Report provides a summary of statistical information on planning permitting activity in Nairobi for the period between July and September 2016. Only statistics received from the Nairobi City County Government, Urban Planning Department have been used as references.

This report uses building permitting approval requests submitted to the Nairobi City County Government which are then analysed and approved by a specialist committee appointed by the Urban Planning Department of the Nairobi City County Government. The report contains information on applications that have been approved by the specialist committee highlighting development locations, types, values, application revenues and process performances.

STATISTICS

580 planning applications were approved during this period which is 21% less than that of Q2 same year. Other key statistics from this report include:

- Value of approved permits was over Kshs.25.7 billion worth of development projects and permitting fees collected were over 203 million;
- The highest value of buildings submitted for approval was **Kshs. 1, 133, 100, 000** by the Alexander Forbes Retirement Fund and the maximum submission fee paid was **Kshs. 11,366, 000**;

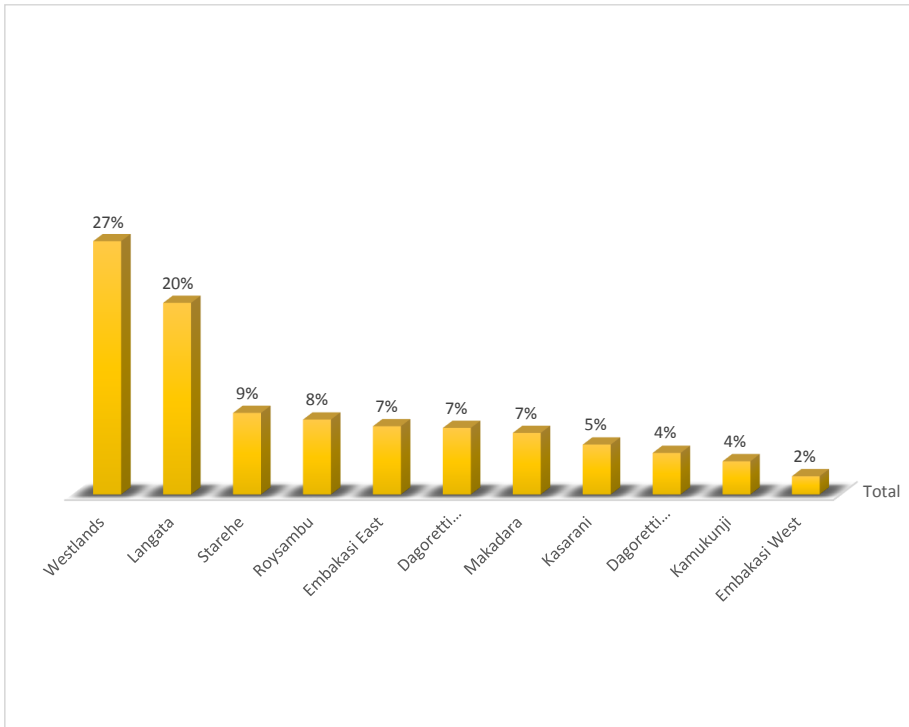
NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016

Prepared by *purity mukami kinyamu*

- On average the estimated value of development was Kshs. 44, 503, 571 and that of submission fees totaled Kshs. 352, 820 which is close to the averages of the previous quarter;
- The location of buildings with the highest percentage of permits/approvals were from the below subcounties:
 - ♣ 26% in Westlands
 - ♣ 20% in Industrial Langataea and
 - ♣ 8% in Starehe and Roysambu
- Based on the Kenyan Building Code of 1997, this report depicts permits that were issued in the following percentages in accordance to the named classifications below:
 - ♣ 80% (462) - Domestic Class (domestic buildings, commercial developments and offices)
 - ♣ 12% (71) - Public Class (religious buildings, social halls, libraries, schools, etc.)
 - ♣ 8% (47) - Warehouse Class (factories, industries and go downs)

A comparative analysis is provided based on monthly performance.

PERMIT APPLICATION ACTIVITY BY SUBCOUNTY



There are more development activities on the Western side of Nairobi compared to the Eastern side. The highest permits were approved at Westlands and Langata areas.

- For a while Karen had the highest percentage of permits locality wise. This would be as a result of the construction of the Southern Bypass connecting the Nairobi - Naivasha Highway to Mombasa Road. The bypass has also enabled easy and fast commuting to the Jomo Kenyatta International Airport and Wilson Airport. The neighbourhood has an organized road network, with properly connected entry and exit routes that lead to and from Nairobi's central business district. This provides for closer proximity to Nairobi's central business district which most Kenyans find convenient. The high number of permits approved in the Karen area is also likely due to the high capital returns in rental and ownership income to be received by developers as the area is considered high-end.
- During this quarter we note that the distribution has shifted to westlands.
- Kamukunji has the least percentage of permits approved amongst the top 10 areas of developments approved.

Commented [PM1]: Discuss why

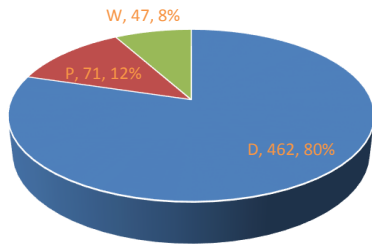
NB: Localities that do not appear in the graph had less than 2% presentation.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
 Prepared by *purity mukami kinyamu*

DWELLING RELATED ACTIVITY ACROSS NAIROBI

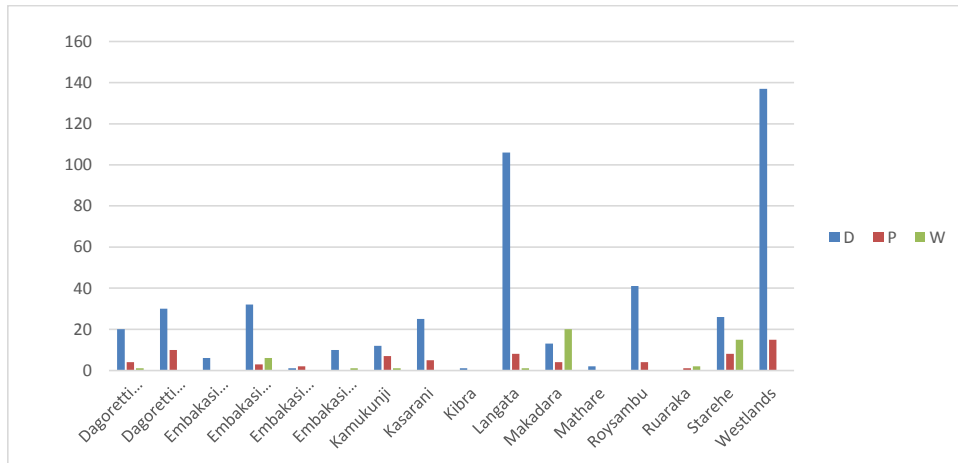
Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The following graph identifies permit applications that relate to various building classes:

Distribution by Building class



➤ It is notable that 80 % of the approvals for building permits were issued to the Domestic Class of buildings. 12% permits were issued to the Public Class and only 8% issued to the Warehouse Class. This can be majorly attributed to numerous emerging businesses, including but not limited to foreign investors and SMEs which has increased demand for offices and residential houses.

BUILDING CLASS BY LOCALITY

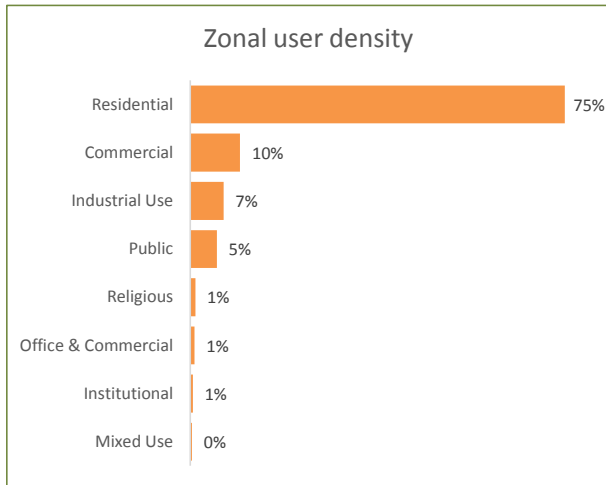


- The graph indicates Westlands being the area with the highest number of Domestic Class approvals.
- Makadara subcounty topped in approvals related to the Warehouse Class mainly because the area has a high number of industries as well as warehouses set up.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the KPDA by the Nairobi City County Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
 Prepared by *purity mukami kinyamu*

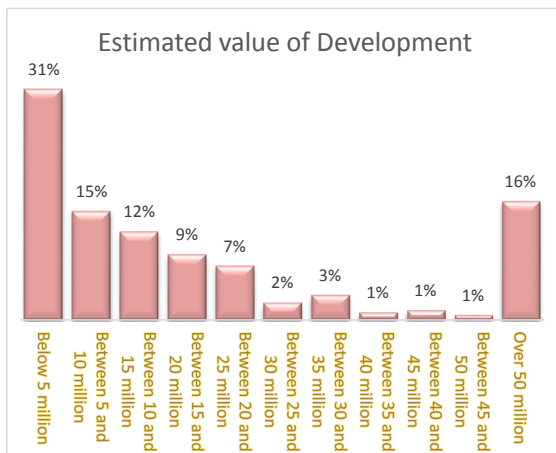
NUMBER OF APPROVALS BY ZONAL USER DENSITY



➤ The Residential Class accounted for 75% of the approvals (which is notably lower than the previous quarter) due to the high demand by Kenyans to own a home and the increase in the middle-aged working population who consider incurring the cost of buying a house rather than renting more significant an expense.

➤ Commercial Class buildings accounted for 10% which is slightly higher than Q 2. This could indicate shift to commercial use development probably due to higher returns and uptake as compared to residential class

THE VALUE TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY GOVERNMENT



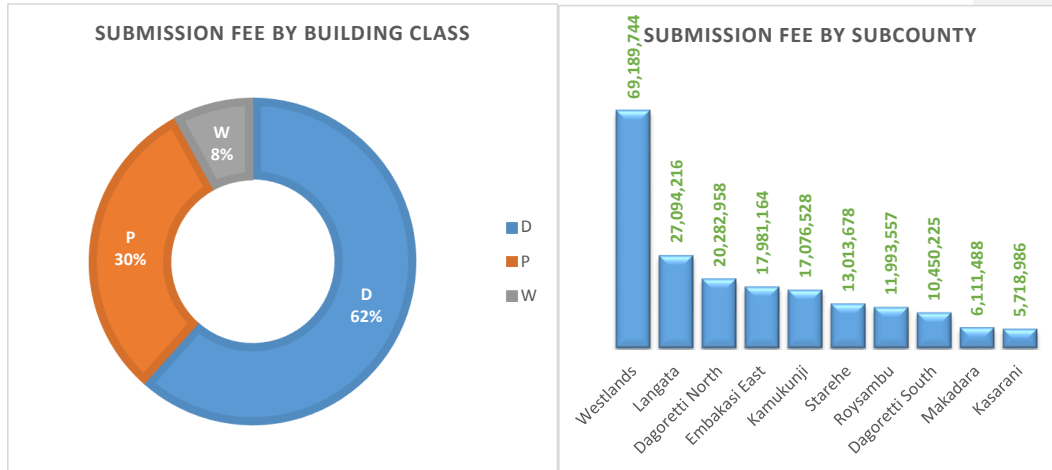
➤ 31% of the buildings presented for approvals were valued below Kshs, 5 million while 51% were valued between Kshs. 5 - 50 million. Most of these buildings were in the residential category.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the KPDA by the Nairobi City County Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
 Prepared by *purity mukami kinyamu*

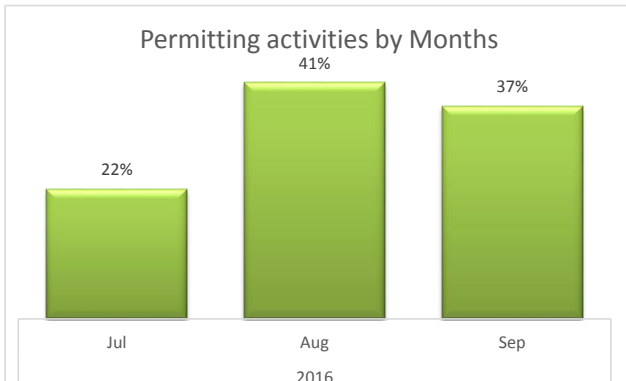
REVENUE FROM THE APPROVALS ISSUED BY THE NAIROBI CITY COUNTY GOVERNMENT

The main source of submission fee during this quarter is from Westlands followed by Langata. The category that contributed the highest amount of revenue is the Domestic Class.



MONTHLY ANALYSIS OF APPROVALS ISSUED BY THE NAIROBI CITY COUNTY GOVERNMENT

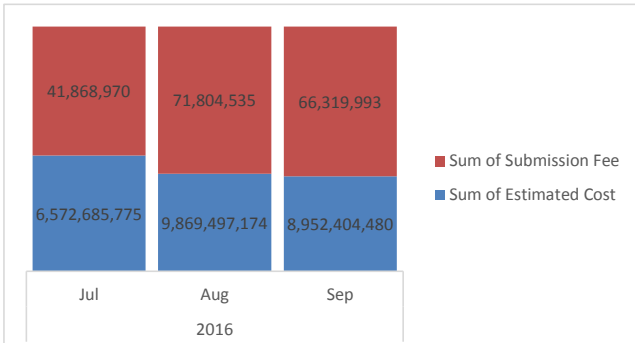
PERMIT PROCESSING PERFORMANCE



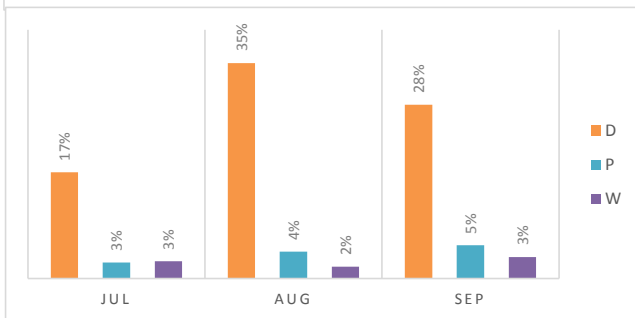
➤ August recorded the highest number of approvals in the third quarter accounting for 41% of all approvals issued in the quarter.

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the KPDA by the Nairobi City County Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
 Prepared by *purity mukami kinyamu*



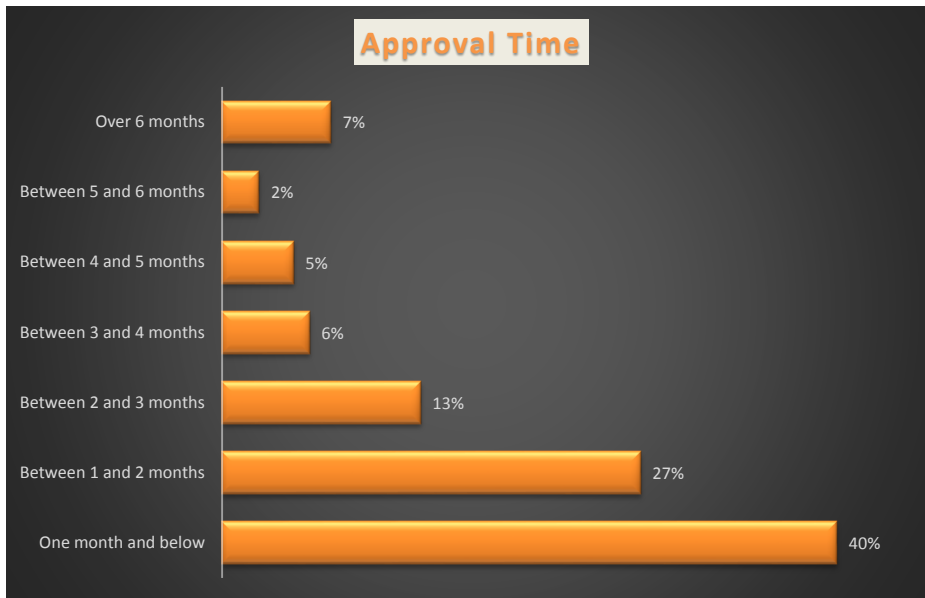
➤ August had the highest investments in terms of estimated value of buildings which was Kshs. 9,869,497,174.



➤ Throughout the quarter, the Domestic class dominated the permitting activities of the NCCG. This may lead to imbalance in the county development as the residential and commercial development need to be substituted with the essential public establishments such as schools, churches, social halls etc.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
 Prepared by *purity mukami kinyamu*

GRAPH DEPICTING APPROXIMATE APPROVAL TIME TAKEN BY THE NAIROBI CITY COUNTY GOVERNMENT TO CARRY OUT BUILDING PERMITTING



- Most of the permits took more than one month to be approved. This accounted for 60% of the total approvals percentage.
- On average, the number of days taken for approvals to be issued is 69 days which is slightly over 2 months.

COMPARATIVE ANALYSIS OF Q3 2016

		MONTH		
		July	August	September
Submission Fee		Kshs. 41,868,970	Kshs. 71,804,535	Kshs. 66,319,993
Estimated Value		Kshs. 6,572,685,775	Kshs. 9,869,497,174	Kshs. 8,952,404,480
Building Class	Domestic	99	201	162
	Public	15	25	31
Approvals	Warehouse	16	11	20

It is noted that there has been an increase in the worth of developments approved. Domestic buildings continue to have the highest number of approvals.

FOR MORE INFORMATION, KINDLY CONTACT THE KPDA SECRETARIAT

While every reasonable effort is made to ensure that the information provided in this report is accurate no guarantee for the currency or accuracy of information is made. The permitting data was provided to the KPDA by the Nairobi City County Physical Planning Department.

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD JULY - SEPTEMBER 2016
Prepared by *purity mukami kinyamu*

Kenya Property Developers Association
Fatima Flats, Suite B4
Marcus Garvey Road
Off Argwings Kodhek, Kilimani Area
P. O. Box 76154 - 00508 Nairobi, Kenya
Telephone: +254 737 530290/0705 277787
Email: research@kpda.or.ke or admin@kpda.or.ke
Website: www.kpda.or.ke

NCCG BUILDING PERMITTING APPROVALS REPORT

APRIL - JUNE 2016



Fortis Tower, a building developed by AMS Properties Ltd

SOURCE

The 2016 Quarter 2 KPDA NCCG Building Permitting Approvals Activity Report provides a summary of statistical information on planning permitting activity in Nairobi for the period April to June 2016. Only statistics received from the Nairobi City County Government, Urban Planning Department have been used as references.

This report uses building permitting approval requests submitted to the Nairobi City County Government which are then analysed and approved by a specialist committee appointed by the Urban Planning Department of the Nairobi City County Government. The report contains information on applications that have been approved by the specialist committee highlighting development locations, types, values, application revenues and process performances.

STATISTICS

A total of 733 planning applications were approved during this period. Other key statistics from this report include:

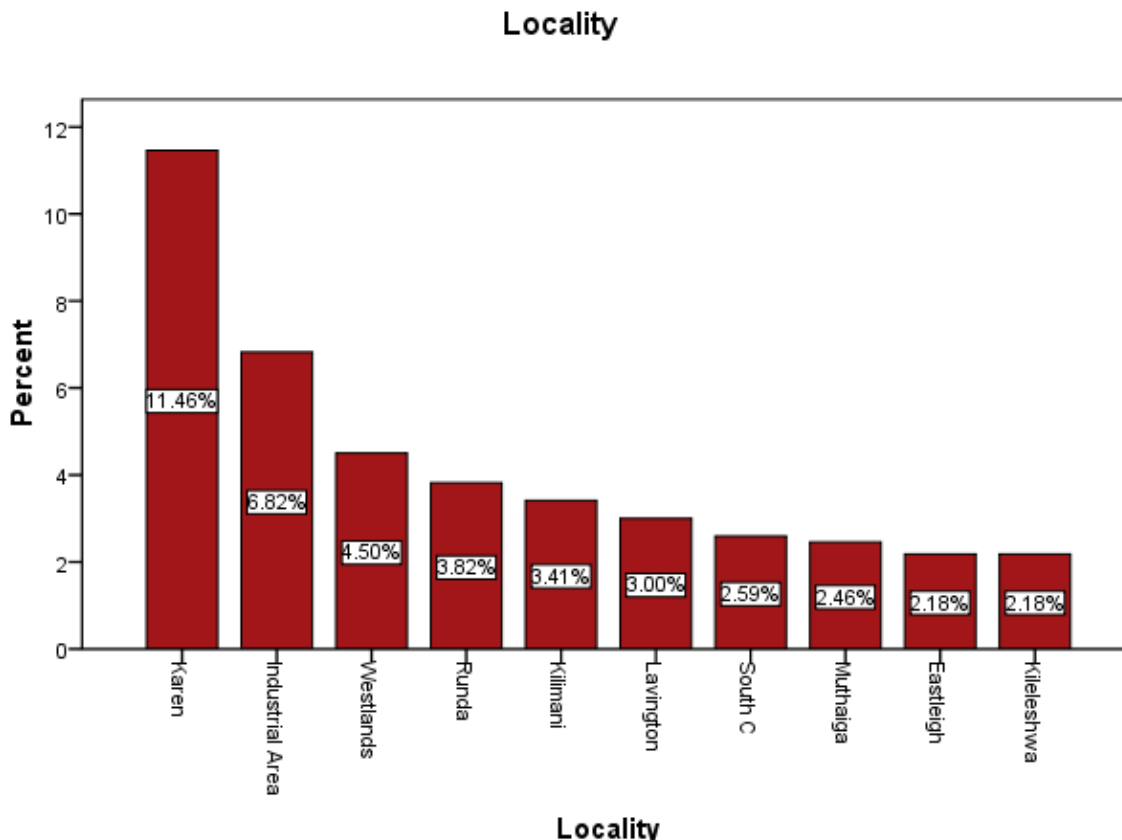
- Value of approved permits was over Kshs.34.9 billion worth of development projects and permitting fees collected were over Kshs.322.4 million;
- The highest value of buildings submitted for approval was Kshs. 1, 700, 000, 000 by the Aga Khan University and the maximum submission fee paid was Kshs. 13, 164, 660;

NCCG BUILDING PERMITTING APPROVALS REPORT FOR THE PERIOD APRIL - JUNE 2016

- On average the estimated value of development was Kshs. 47, 921, 689 and that of submission fees totaled Kshs. 439, 962;
- The location of buildings with the highest percentage of permits/approvals were from the below locations:
 - ♣ 11.46% in Karen
 - ♣ 6.82% in Industrial Area and
 - ♣ 4.5% in Westlands
- Based on the Kenyan Building Code of 1997, this report depicts permits that were issued in the following percentages in accordance to the named classifications below:
 - ♣ 80.6% (591) - Domestic Class (domestic buildings, commercial developments and offices)
 - ♣ 9.7% (71) - Public Class (religious buildings, social halls, libraries, schools, etc.)
 - ♣ 9.7% (71) - Warehouse Class (factories, industries and go downs)

A comparative analysis is provided based on monthly performance.

PERMIT APPLICATION ACTIVITY BY LOCALITY



There are more development activities on the Western side of Nairobi compared to the Eastern side. The highest permits were approved at Karen, Industrial Area, Westlands, Runda and Kilimani Area.

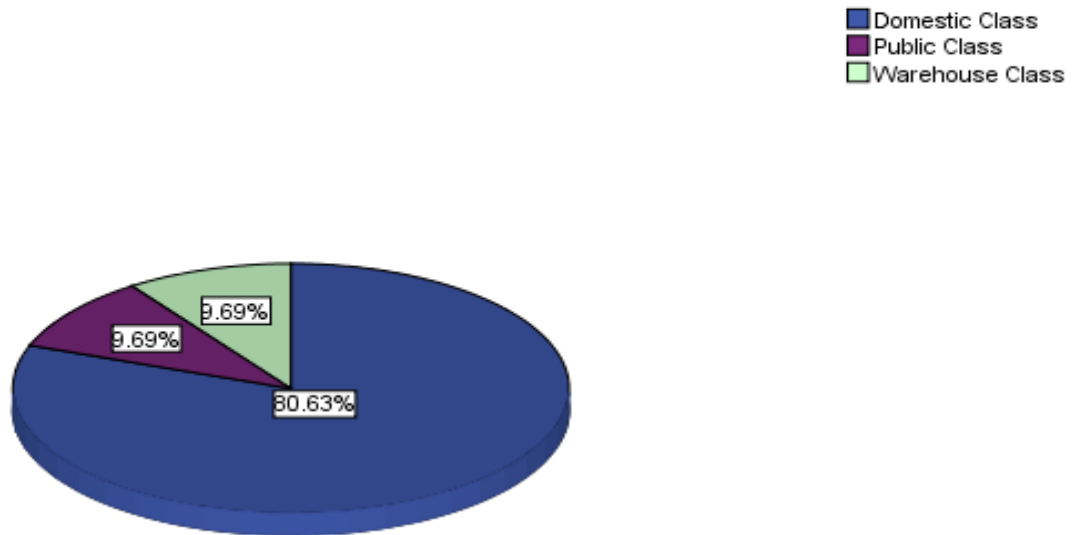
- Karen has the highest percentage of permits locality wise. This would be as a result of the construction of the Southern Bypass connecting the Nairobi - Naivasha Highway to Mombasa Road. The bypass has also enabled easy and fast commuting to the Jomo Kenyatta International Airport and Wilson Airport. The neighbourhood has an organized road network, with properly connected entry and exit routes that lead to and from Nairobi's central business district. This provides for closer proximity to Nairobi's central business district which most Kenyans find convenient. The high number of permits approved in the Karen area is also likely due to the high capital returns in rental and ownership income to be received by developers as the area is considered high-end.
- Kileleshwa has the least percentage of permits approved amongst the top 10 areas of developments approved.

NB: Localities that do not appear in the graph had less than 2% presentation.

DWELLING RELATED ACTIVITY ACROSS NAIROBI

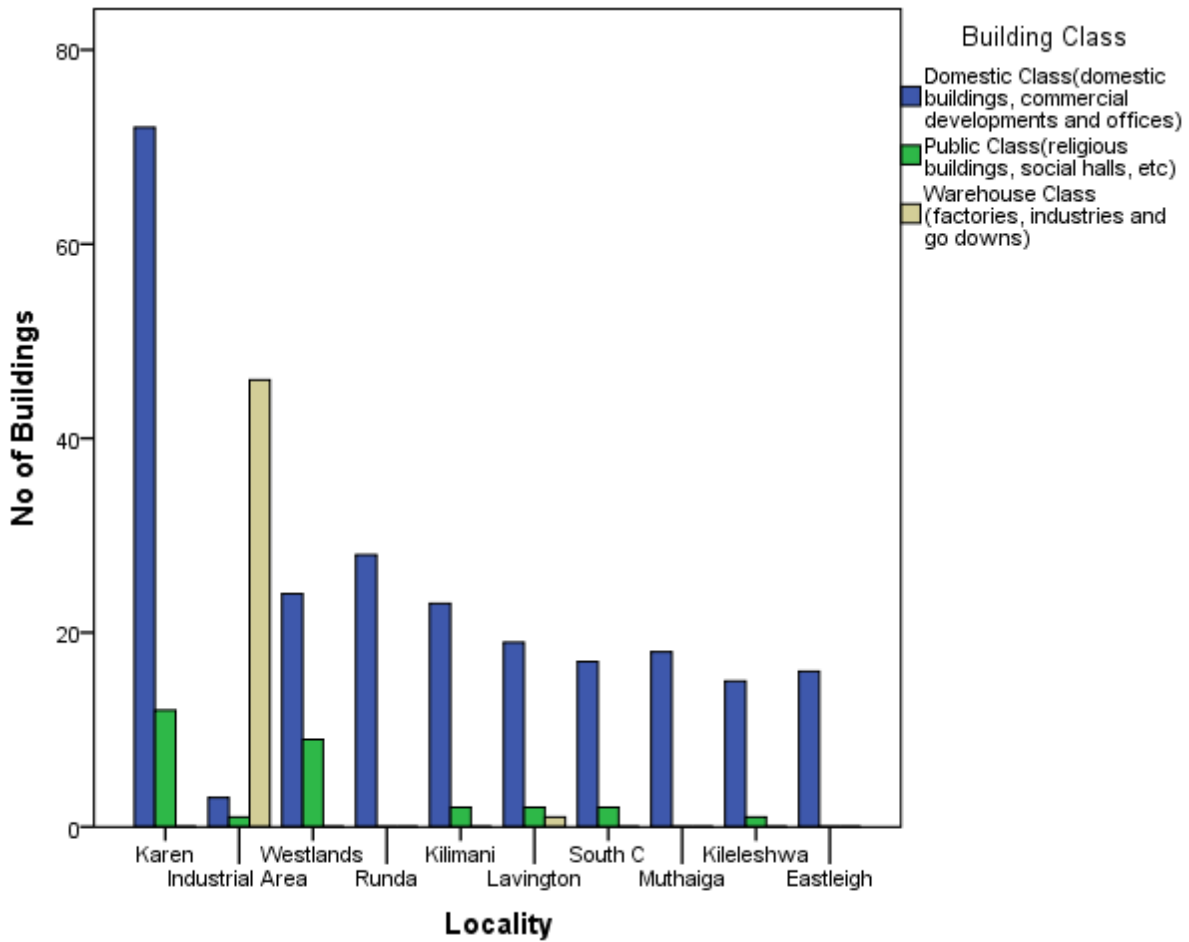
Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The following graph identifies permit applications that relate to various building classes:

Building Class



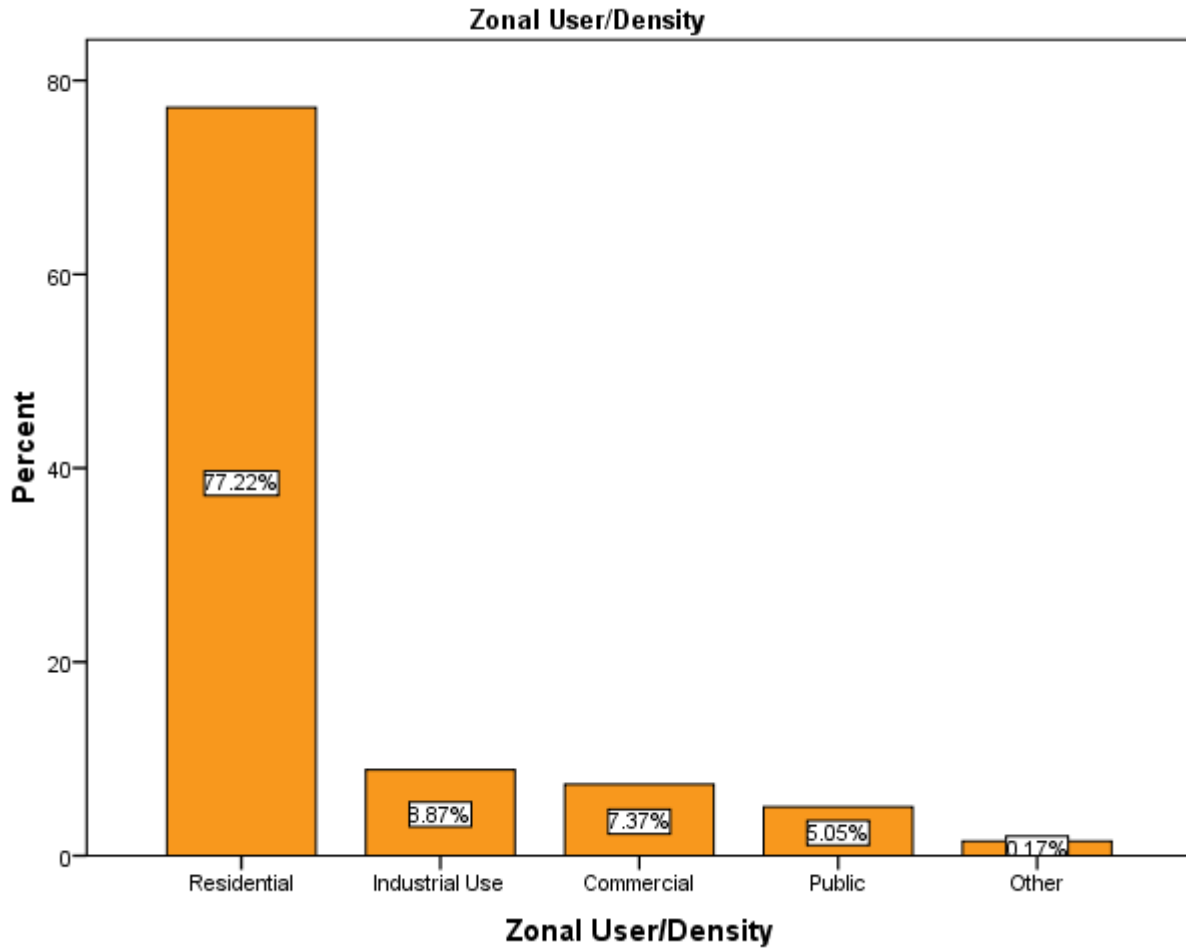
- It is notable that 80.63% of the approvals for building permits were issued to the Domestic Class of buildings. 9.69% permits were issued to the Public Class and 9.69% issued to the Warehouse Class. This can be majorly attributed to numerous emerging businesses, including but not limited to foreign investors and SMEs which has increased demand for offices.

BUILDING CLASS BY LOCALITY



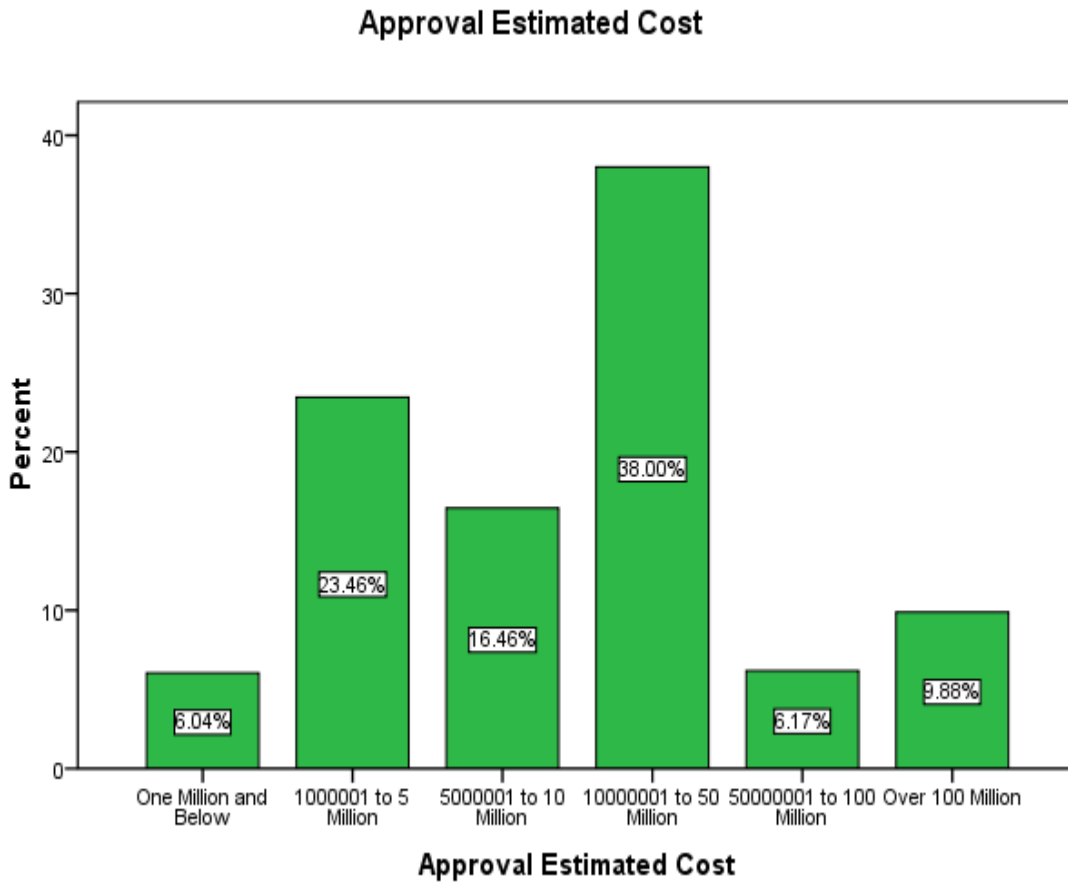
- The graph indicates Karen being the area with the highest number of Domestic Class approvals. Karen is dominated by residential homes.
- Industrial area topped in approvals related to the Warehouse Class mainly because the area has a high number of industries as well as warehouses set up.

NUMBER OF APPROVALS BY ZONAL USER DENSITY



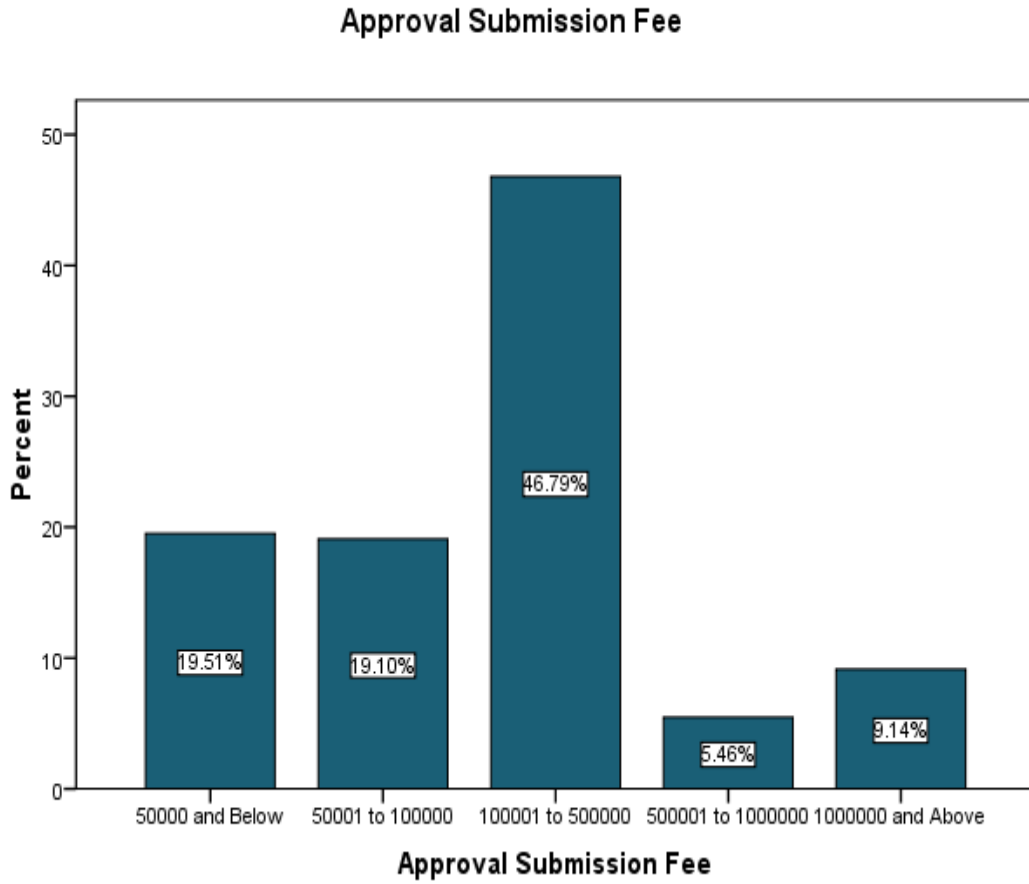
- The Residential Class accounted for 77.22% of the approvals (which is very likely) due to the high demand by Kenyans to own a home and the increase in the middle-aged working population who consider incurring the cost of buying a house rather than renting more significant an expense.
- Commercial Class buildings accounted for 7.37%.

THE VALUE TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY GOVERNMENT

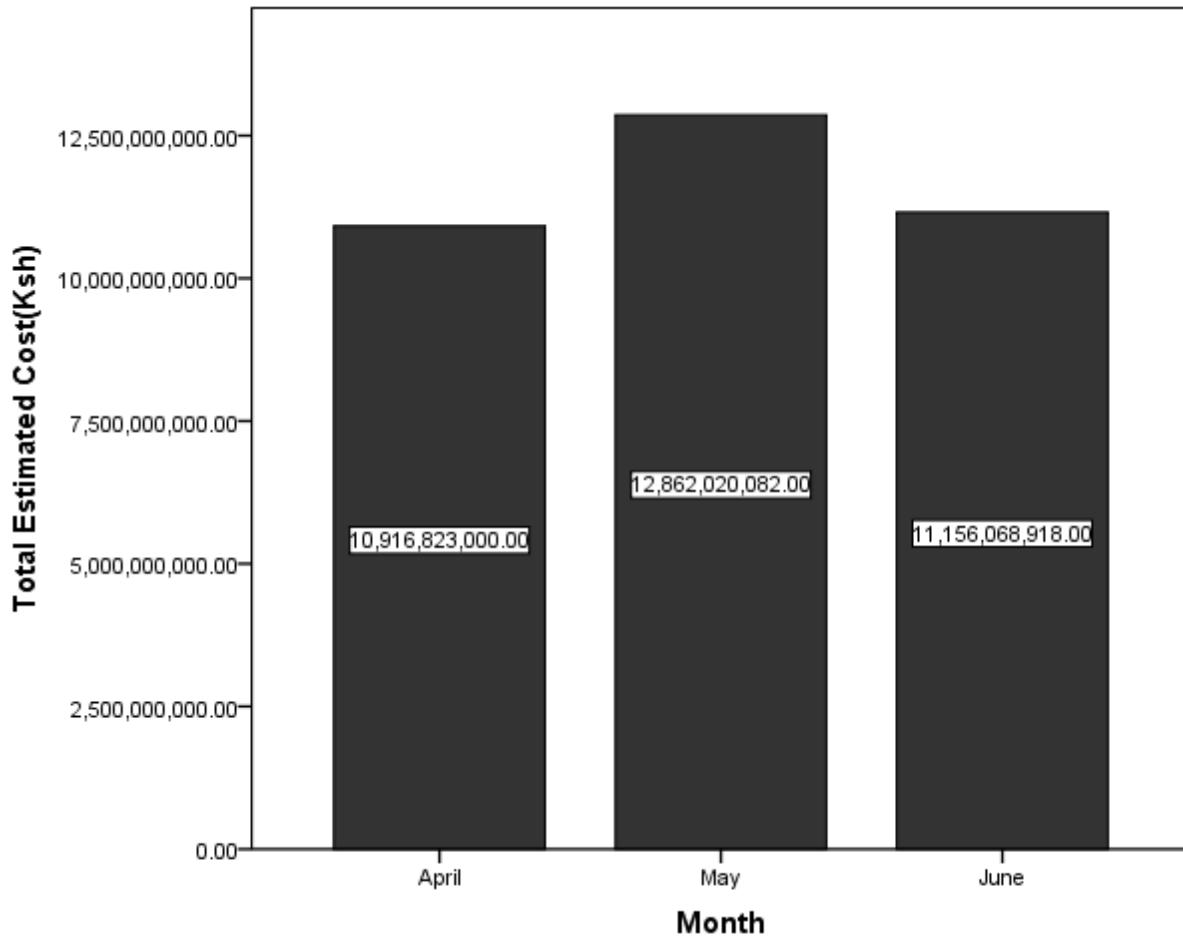


- 38% of the buildings presented for approvals were valued between Kshs, 10 million and Kshs. 50 million. Most of these buildings were in the residential category.

ESTIMATED COST OF APPROVALS ISSUED BY THE NAIROBI CITY COUNTY GOVERNMENT

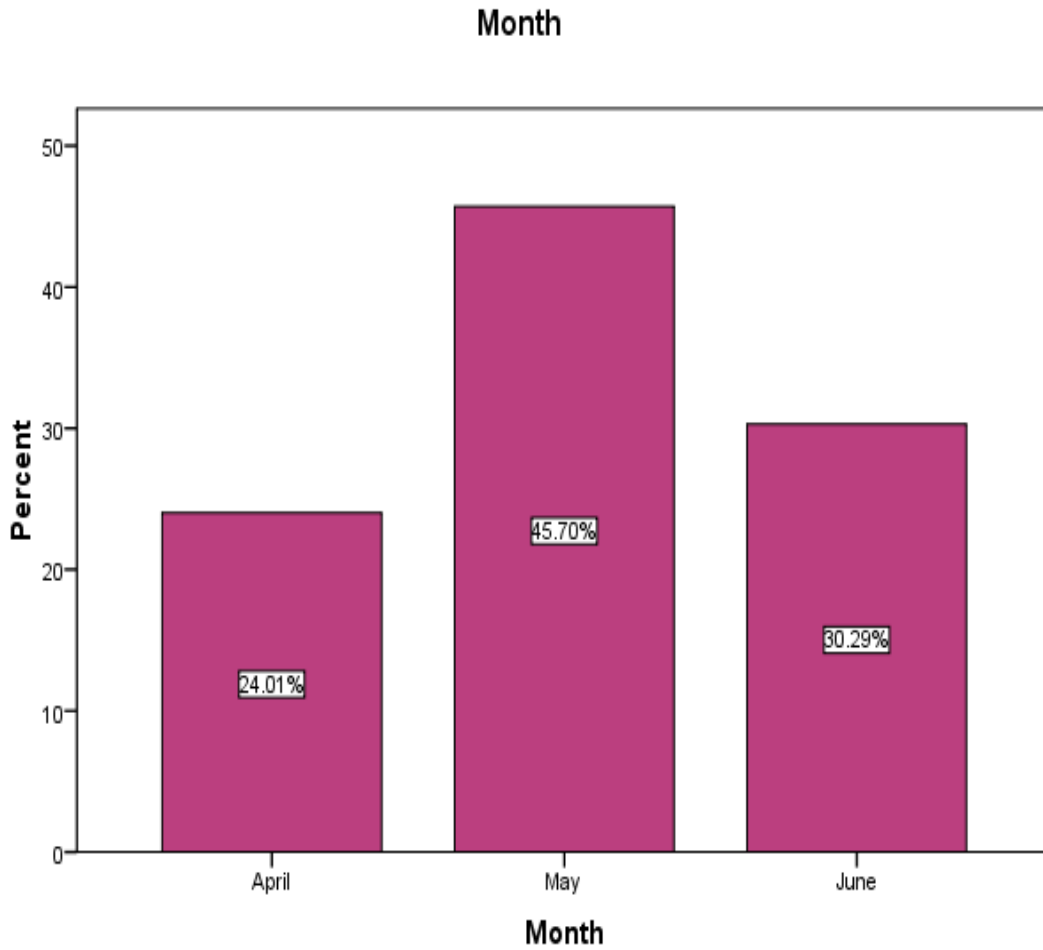


ESTIMATED COST OF APPROVALS ISSUED BY THE NAIROBI CITY COUNTY GOVERNMENT



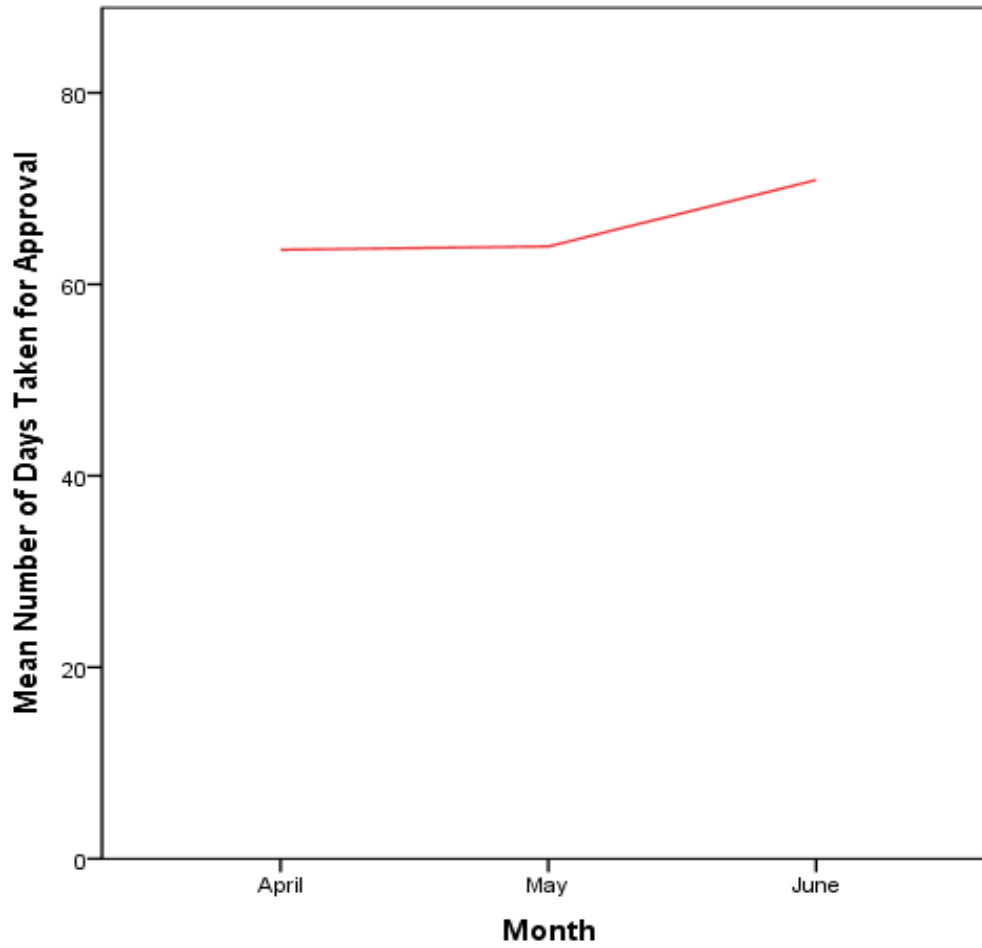
- May had the highest investments in terms of estimated value of buildings which was Kshs. 12, 862, 020, 082.

PERMIT PROCESSING PERFORMANCE



May recorded the highest number of approvals in the second quarter accounting for 45.75 of all approvals issued.

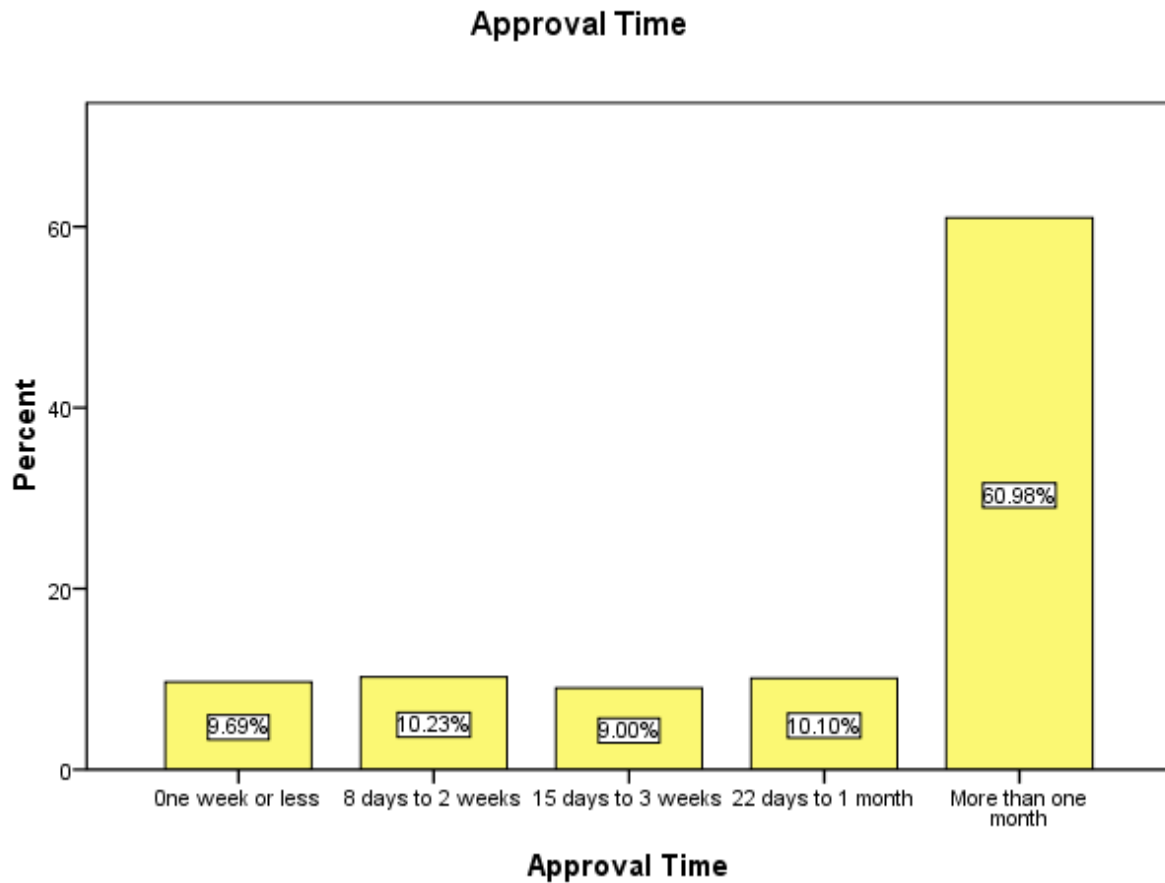
GRAPH DEPICTING APPROXIMATE APPROVAL TIME TAKEN BY THE NAIROBI CITY COUNTY GOVERNMENT TO CARRY OUT BUILDING PERMITTING



On average, the number of days taken for approvals to be issued increased between the months of April and May and again during the months of May and June.

This approval time frame should be improved.

GRAPH DEPICTING APPROXIMATE APPROVAL TIME TAKEN BY THE NAIROBI CITY COUNTY GOVERNMENT TO CARRY OUT BUILDING PERMITTING



- Most of the permits took more than one month to be approved. This accounted for 60.98% of the total approvals percentage.

COMPARATIVE ANALYSIS OF Q2 2014 TO Q2 2015

		MONTH		
		APRIL	MAY	JUNE
Submission Fee		Kshs. 121,627,370	Kshs. 131,027,883	Kshs. 69,837,397
Estimated Value		Kshs. 10,916,823,000	Kshs. 12,862,020,082	Kshs. 11,156,068,918
Building Class Approvals	Domestic	134	280	177
	Public	21	28	22
	Warehouse	21	27	23

It is noted that there has been an increase in the worth of developments approved. Domestic buildings continue to have the highest number of approvals.

FOR MORE INFORMATION, KINDLY CONTACT THE KPDA SECRETARIAT

Kenya Property Developers Association

Fatima Flats, Suite B4

Marcus Garvey Road

Off Argwings Kodhek, Kilimani Area

P. O. Box 76154 - 00508 Nairobi, Kenya

Telephone: +254 737 530290/0705 277787

Email: research@kpda.or.ke or admin@kpda.or.ke

Website: www.kpda.or.ke

NCCG BUILDING PERMITTING APPROVALS REPORT

JANUARY - MARCH 2016



The Kenyan Parliament Building, Parliament Road in Nairobi, Kenya

SOURCE

The 2016 Quarter 1 KPDA NCCG Building Permitting Approvals Activity Report provides a summary of statistical information on planning permitting activity in Nairobi for the period January to March 2016. Only statistics received from the Nairobi City County Government, Urban Planning Department have been used as references.

This report uses building permitting approval requests submitted to the Nairobi City County Government which are then analysed and approved by a specialist committee appointed by the Urban Planning Department of the Nairobi City County Government. The report contains information on applications that have been approved by the specialist committee highlighting development locations, types, values, application revenues and process performances.

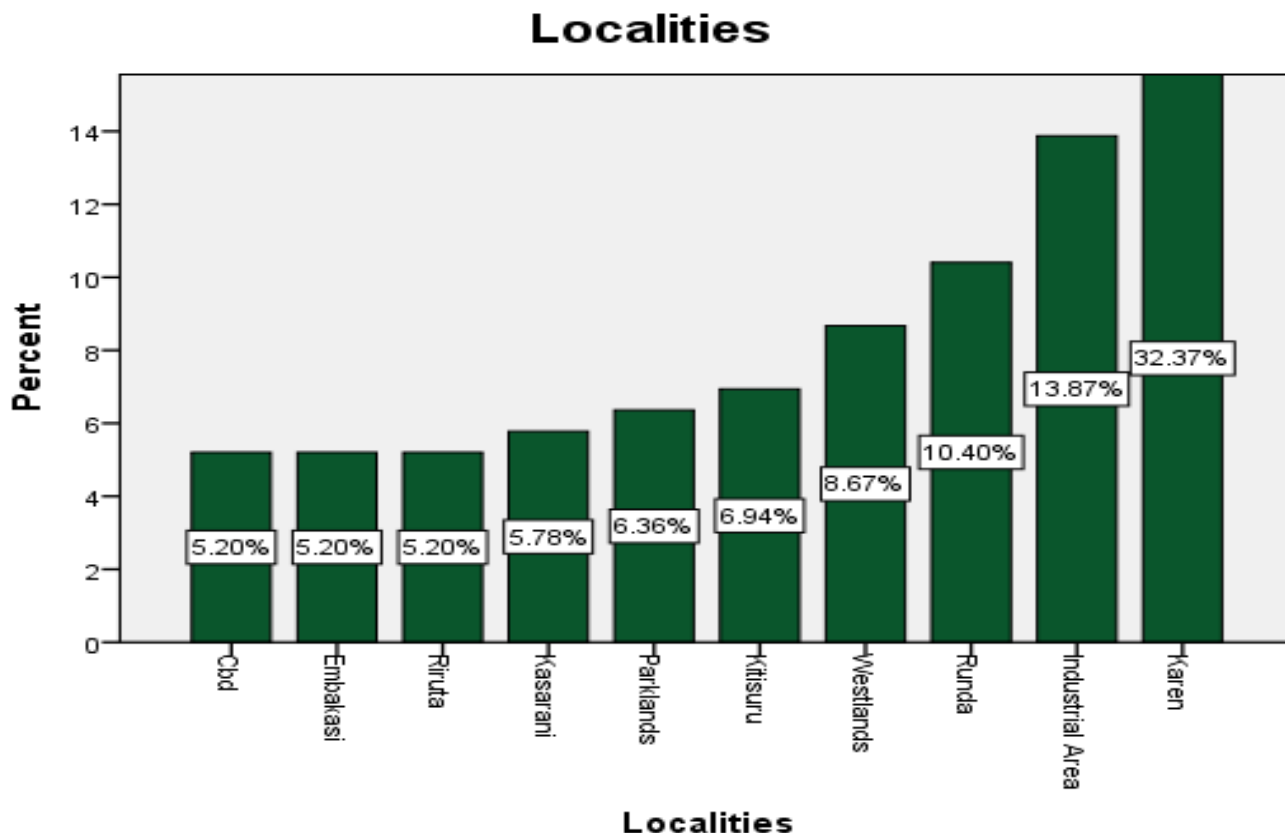
STATISTICS

A total of 424 planning permit applications were approved during this period. Other key statistics from this report include:

- Value of approved permits represents over Kshs. 14.2 billion worth of development projects and permitting fees collected were over Kshs. 151.4 Million;
- The highest value of buildings submitted for approval was **Kshs. 2, 000, 000, 000 (Kshs. 2billion)** by the **Kenya Goodland Investment Ltd** and the **maximum submission fee paid was Kshs. 9, 129, 684.**
- On average the estimated value of building development approved was Kshs. 33, 864, 692 and that of the submission fee was Kshs. 359, 588.
- The location of buildings with the highest percentage of permits/approvals were from the below locations:
 - ♣ 13.2% in Karen
 - ♣ 5.7% in Industrial Area
 - ♣ 2.8% in Kitisuru
- Based on the Kenyan Building Code of 1997, this report depicts permits that were issued in the following percentages in accordance to the named classifications below:
 - ♣ 81.4% (346) - Domestic Class (domestic buildings, commercial developments and offices)
 - ♣ 8.0% (34) - Public Class (religious buildings, social halls, libraries, schools, etc.)
 - ♣ 9.9% (42) - Warehouse Class (factories, industries and go downs)

It can be noted that the Domestic Classification has the highest level of approvals issued due to the ever increasing need for housing by Kenyans as well as the growing need for company offices.

PERMIT APPLICATION ACTIVITY BY LOCALITY



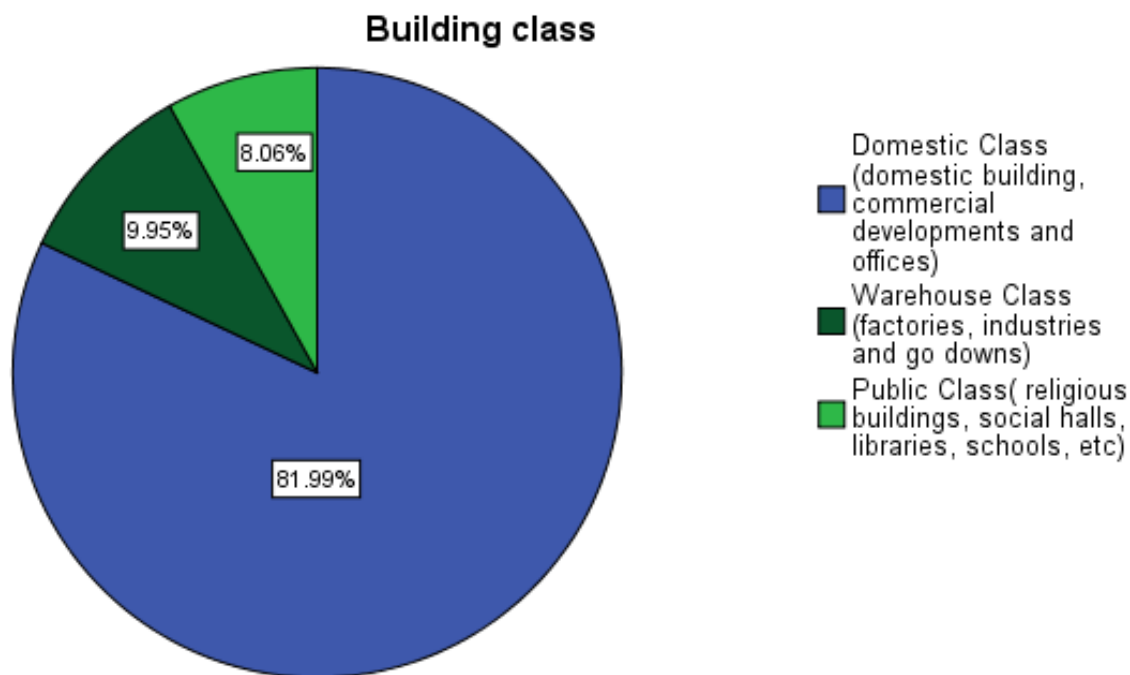
The highest permits were approved in Karen, Industrial Area, Runda and Westlands.

- Karen has the highest percentage of permits locality wise. This would be as a result of the ongoing construction of the Southern By-Pass connecting the Nairobi - Naivasha Highway to Mombasa Road. The bypass has also enabled easy and fast commuting to the Jomo Kenyatta International Airport and Wilson Airport. The neighbourhood has an organized road network, with properly connected entry and exit routes that lead to and from Nairobi's central business district. This provides for closer proximity to Nairobi's central business district which most Kenyans find convenient. The high number of permits approved in the Karen area is also likely due to the high capital returns in rental and ownership income to be received by developers as the area is considered high-end.
- The central business district, Embakasi and Riruta areas have the least percentage of permits approved amongst the top 10 areas of development approved as shown in the graph above. This could be as a result of the central business district having limited access to areas for expansion. The Embakasi area is challenged by a lack of an easy and affordable transport route for Kenyans who mostly work in the central business district and is therefore prone to heavy traffic congestion. This has led to few investors being attracted to this area.

NB: Localities that do not appear in the graph had less than 2% presentation.

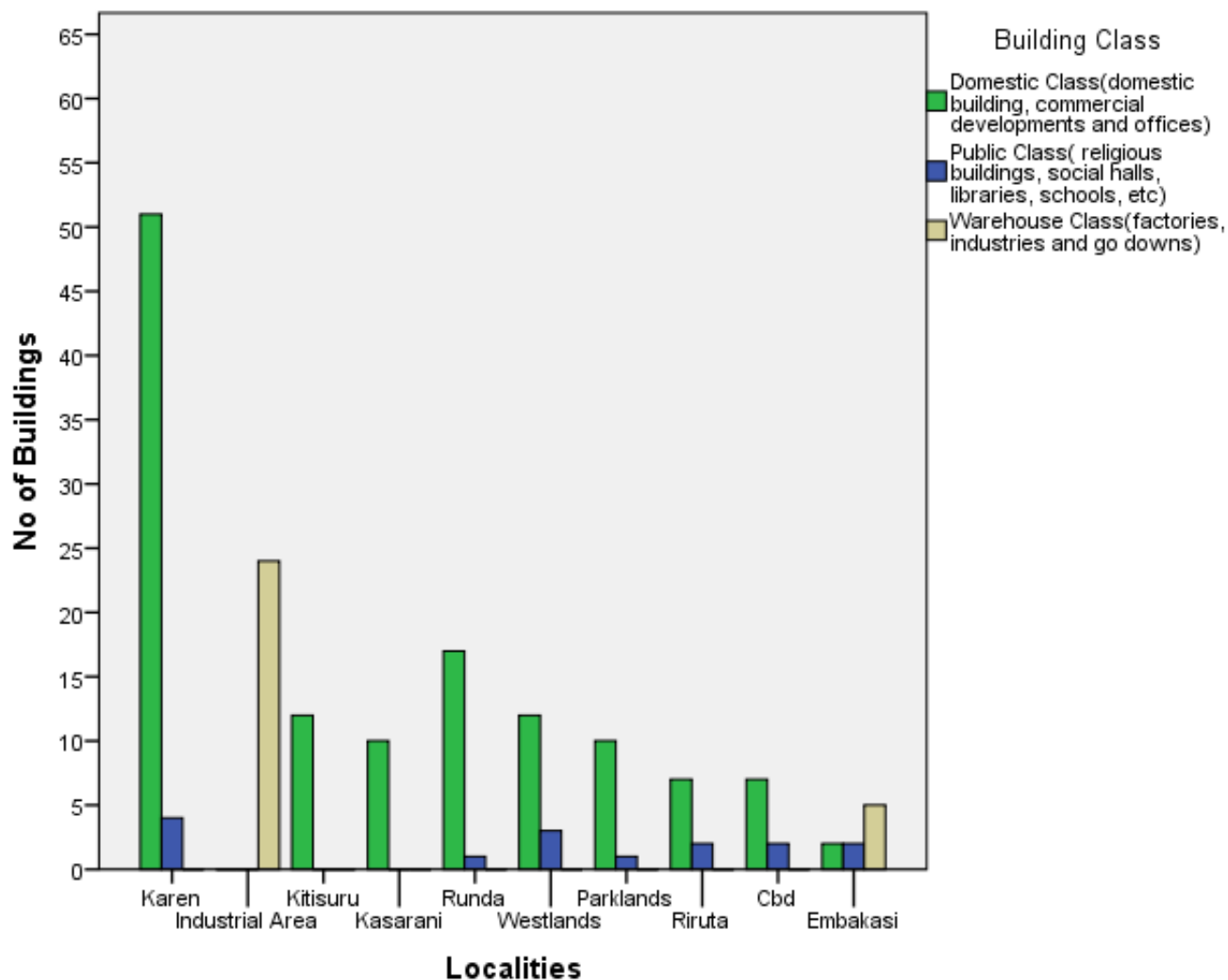
DWELLING RELATED ACTIVITY ACROSS NAIROBI

Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The below graph identifies permit approvals that relate to various building classes.



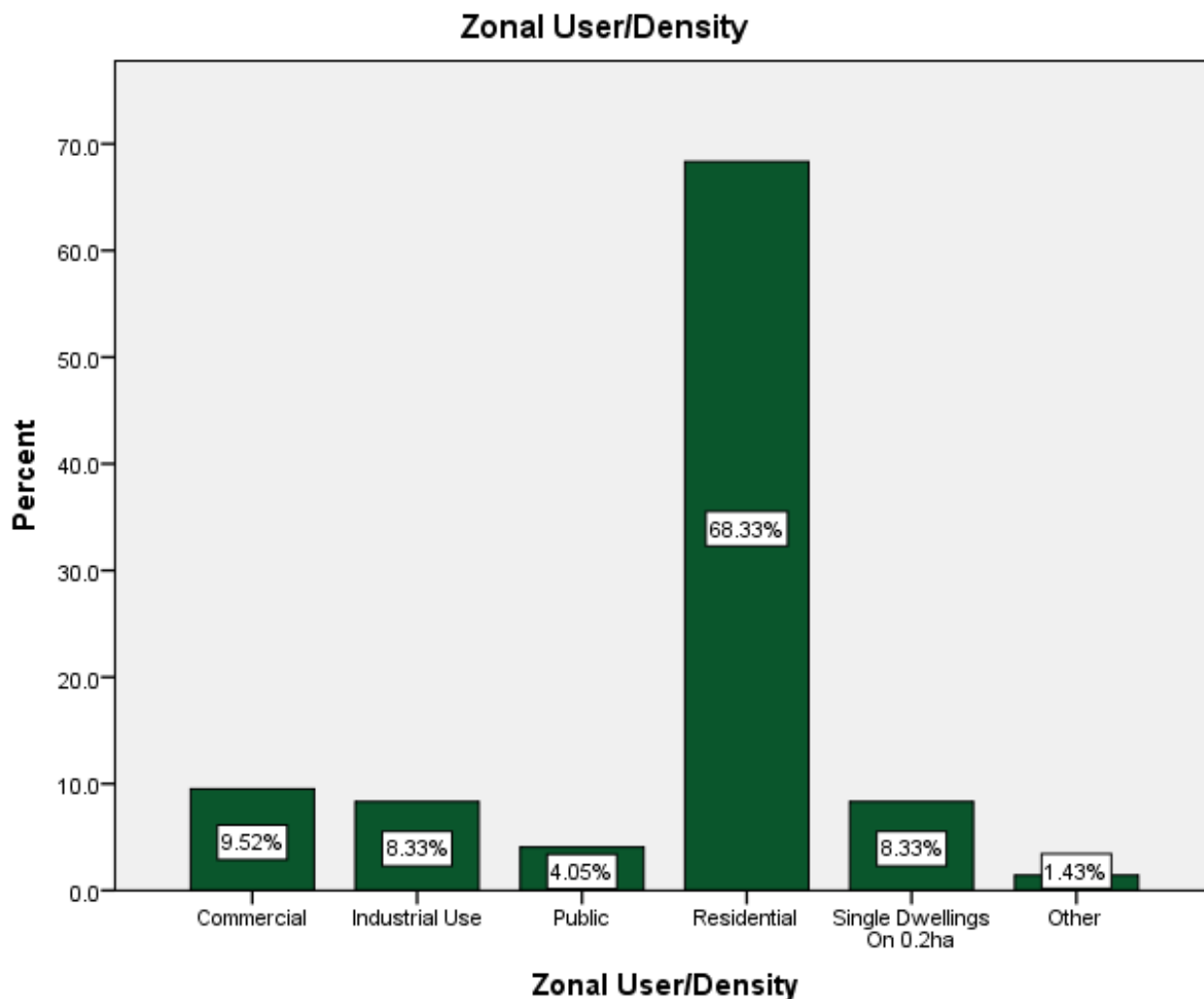
- It can be noted that 81.9% of the approvals for building permits were issued to the Domestic Class of buildings. This class contains domestic buildings, commercial developments and offices. This can be majorly attributed to the numerous number of emerging businesses who include foreign investors and SMEs, thus increasing the demand for office space.
- Another major contributing factor is rapid urban population growth. According to the Kenya National Bureau of Statistics 2012 - 2013 Kenya National Housing Survey Basic Report, urban population is projected to grow by 50% by 2030. This has therefore caused an exponential demand for residential houses therefore making residential developments more attractive for investors to get into.

BUILDING CLASS BY LOCALITY



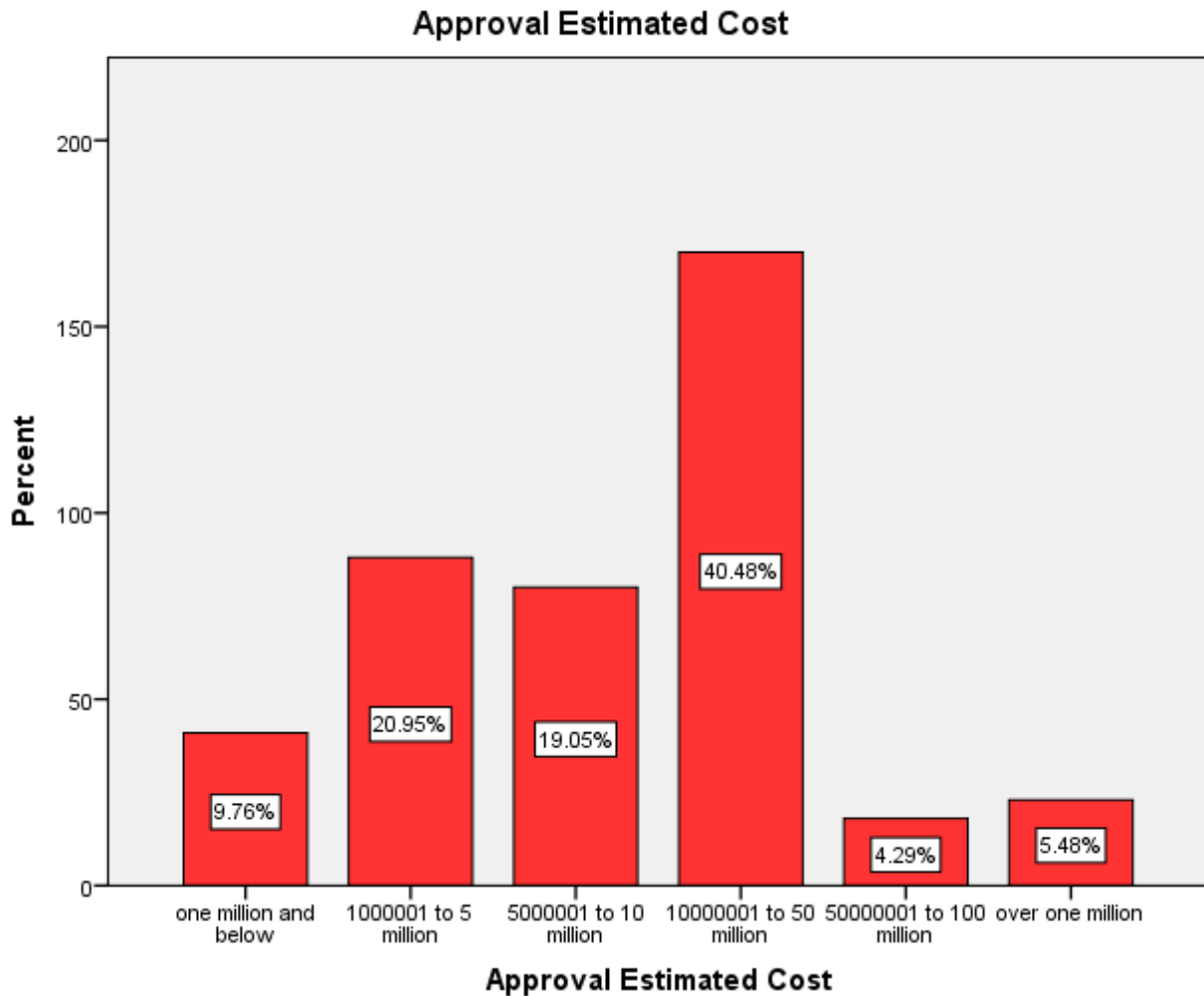
- The graph indicates Karen being the area with the highest number of Domestic Class approvals. Karen is dominated by residential homes.
- Industrial area topped in approvals related to the Warehouse Class mainly because the area has a high number of industries as well as warehouses set up.
- The Public Class of approvals are highest in the Westlands area as currently there is still land available for developments.

NUMBER OF APPROVALS BY ZONAL USER DENSITY



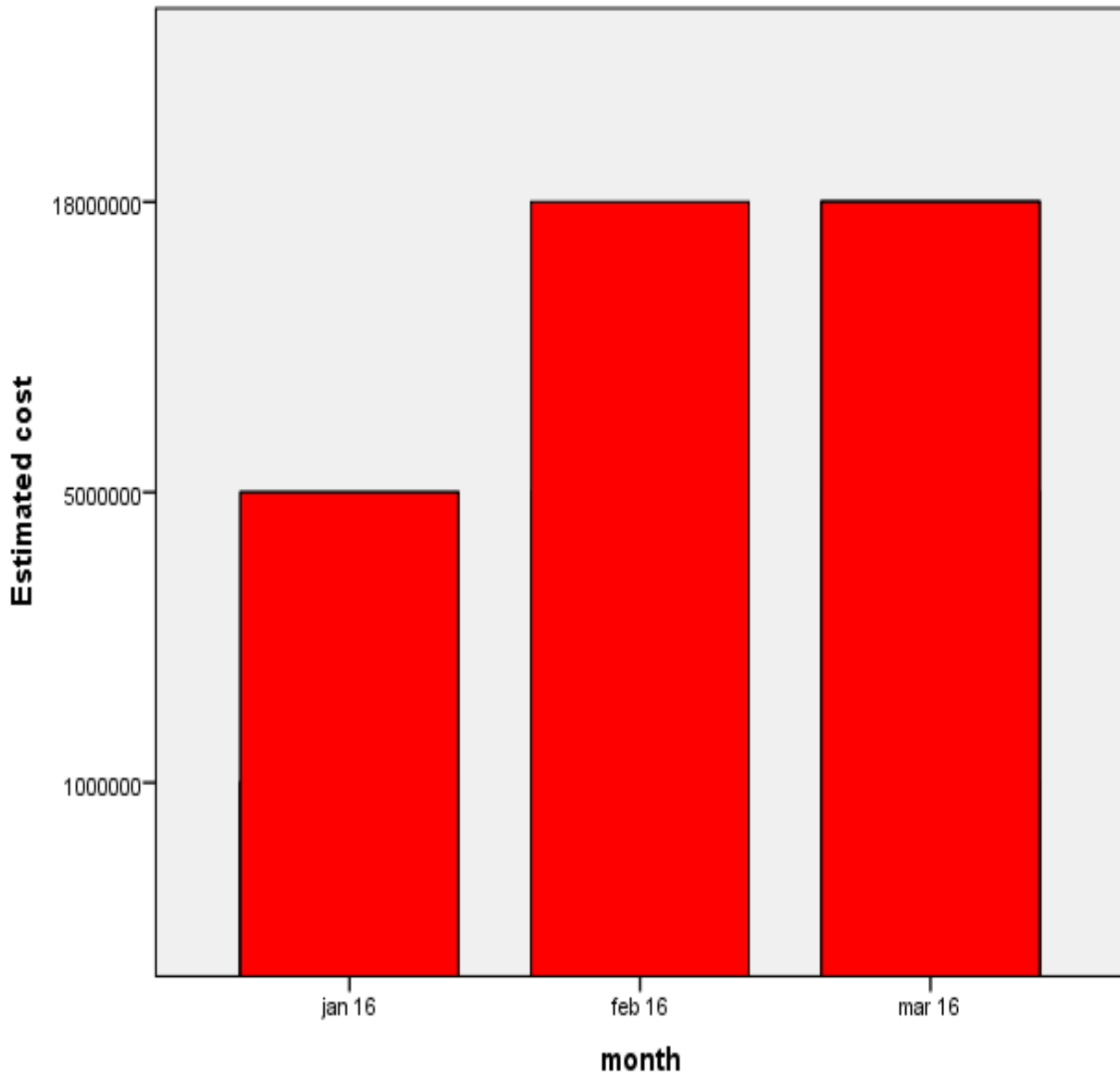
- The Residential Class accounted for 68.3% of the approvals due to high demand by Kenyans to own homes and an increase in the middle aged working population who consider owning a home more crucial than renting one. Residential developments are more profitable and developers invest more in residential houses. An Influx in foreign residents in Kenya has also increased the demand for residential houses (especially furnished apartments) mostly in the high end areas.
- Commercial Class buildings accounted for 9.5% of the approvals. According to Lamudi Kenya 2015 Real Estate Market Report (www.lamudi.co.ke), the rise in the number of commercial banks and supermarkets opening up branches in Nairobi has contributed to the demand for commercial developments.

THE VALUE TREND OF DEVELOPMENTs PERMITTED BY THE NAIROBI CITY COUNTY GOVERNMENT



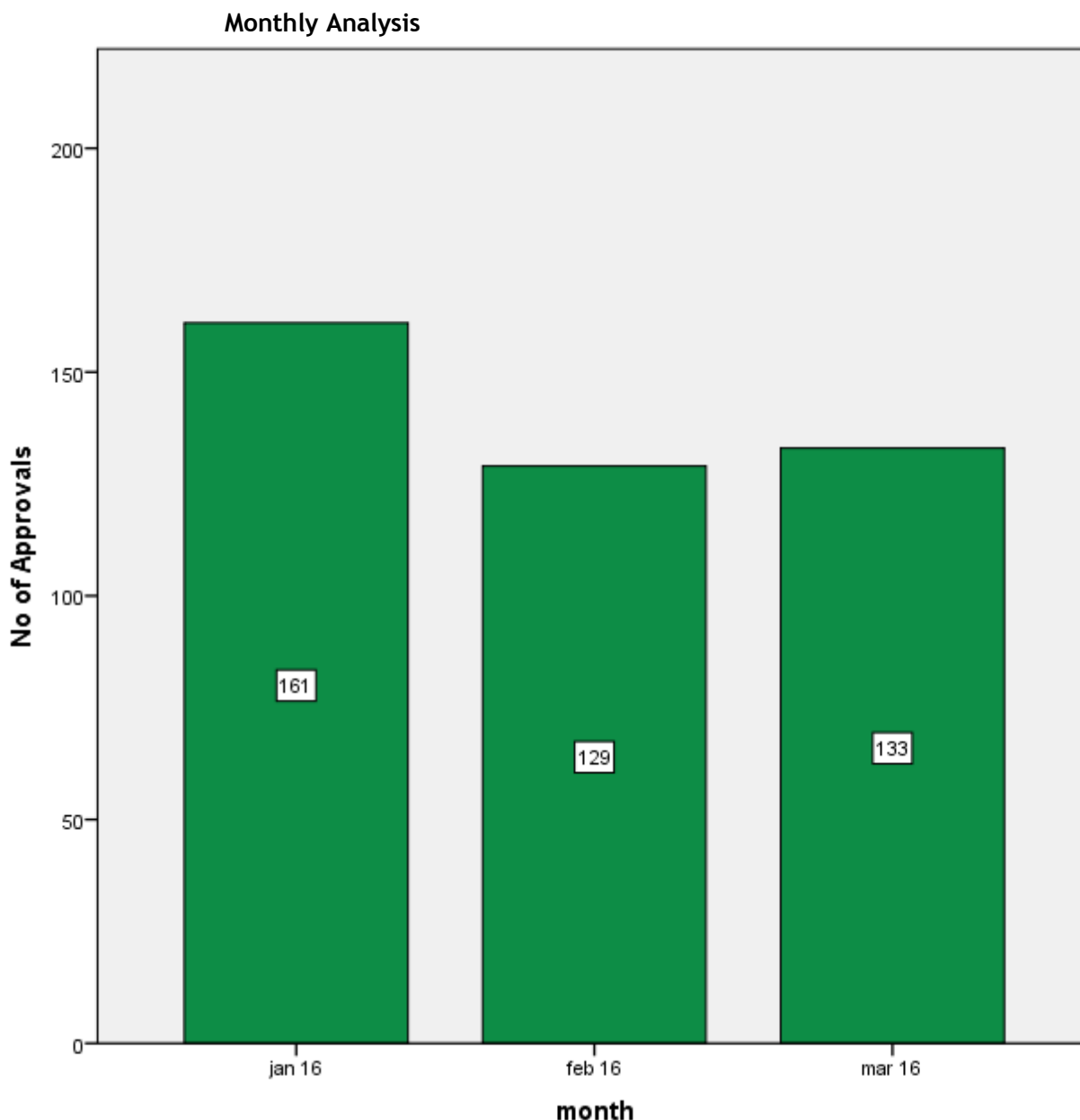
- 40.5% of the buildings presented for approvals were valued between Kshs, 10 million and Kshs. 50 million. Most of these buildings are residential rather than single dwelling or commercial developments.

ESTIMATED COST OF APPROVALS ISSUED BY THE NAIROBI CITY COUNTY GOVERNMENT



- The months of February and March had the highest number of permit approvals approximated at a total cost of Kshs. 18, 000, 000.

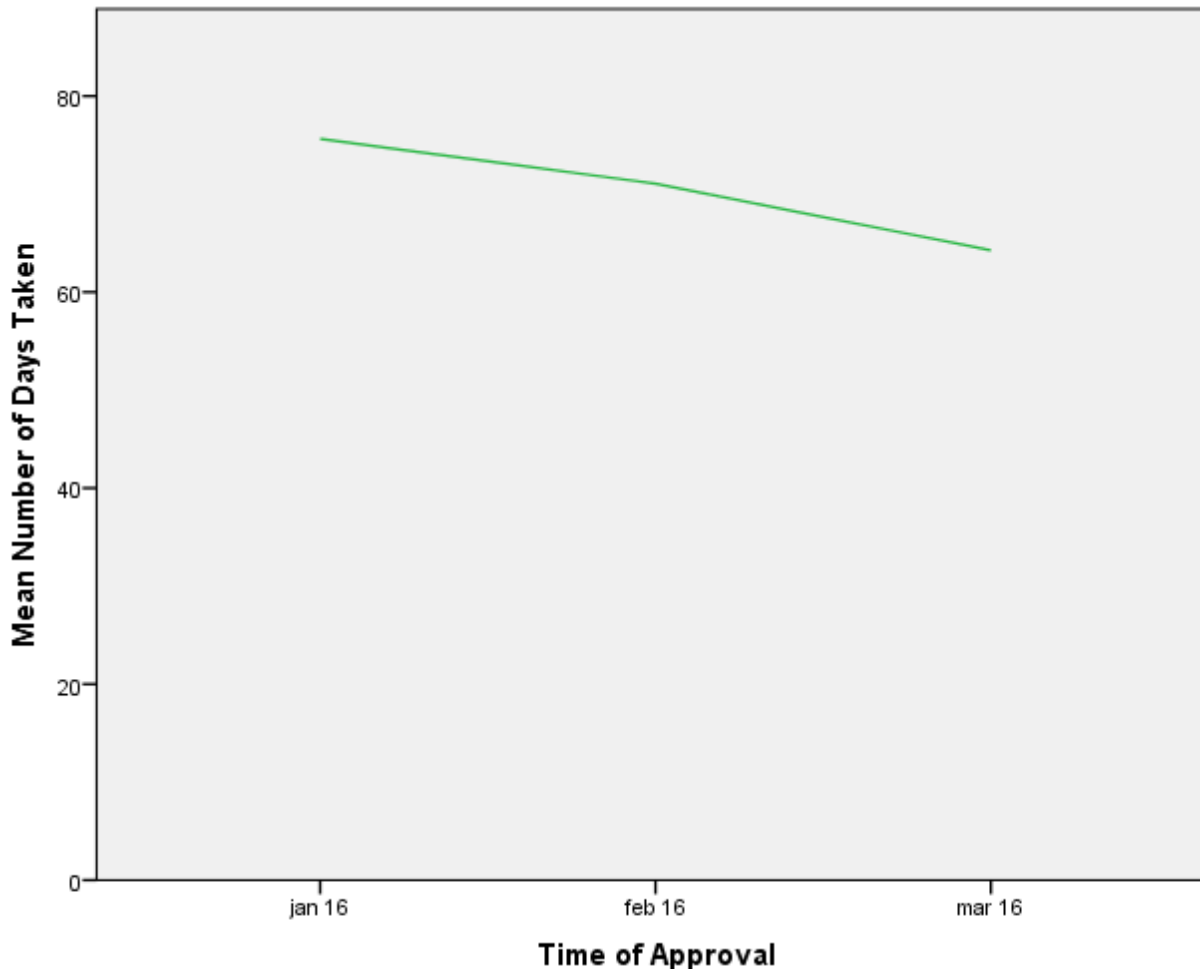
PERMIT PROCESSING PERFORMANCE



January recorded the highest number of approvals in the first quarter. This was due to the high demand for residential property. According to the Hass Consult House Price Index 2016 Quarter 1 Report (www.hassconsult.co.ke), asking prices for housing increased by 4.2% in the first quarters of 2016.

In the last quarter of 2015, Kenya experienced high interest rates leading to a decrease in the number of developments. In the first quarter of 2016, inflation came down by 6.5% stabilizing the Kenyan shilling and therefore increasing investors' appetite for the property market. (Cytton Investment Ltd, 2016)

GRAPH DEPICTING APPROXIMATE APPROVAL TIME TAKEN BY THE NAIROBI CITY COUNTY GOVERNMENT TO CARRY OUT BUILDING PERMITTING



- On average the number of days taken gradually decreases between the months of January to March 2016. If this is put into practice for the rest of the quarters, the construction industry will continue to be a key player to Kenya’s economic growth by encouraging investor activity.
- Most of the permits took more than one month to be approved. This accounted for 65.3% of the total approvals. This approval time frame should be improved. Some of the factors leading to this lengthy approval time could surround the following factors:
 - ♣ Failure by developers to meet minimum approval requirement
 - ♣ Corruption
 - ♣ Inadequate support from professionals throughout the entire process of seeking for approval and or
 - ♣ Inefficient processes at the Ministry of Lands

COMPARATIVE ANALYSIS BETWEEN THE MONTHS OF JANUARY TO MARCH 2016

		MONTH		
		JANUARY	FEBRUARY	MARCH
Submission Fee		Kshs. 62, 689, 376	Kshs. 50, 510, 327	Kshs. 38, 224, 709
Estimated Value		Kshs.5, 180, 693, 000	Kshs. 5, 847, 974, 500	Kshs. 3, 194, 503, 000
Building Class Approvals	Domestic	127	111	108
	Public	15	8	11
	Warehouse	19	10	13

Domestic buildings continue to have the highest number of approvals which has been the trend since April 2014. This is as a result of the earlier stated factors.

FOR MORE INFORMATION, KINDLY CONTACT THE KPDA SECRETARIAT

Kenya Property Developers Association

Fatima Flats, Suite B4

Marcus Garvey Road

Off Argwings Kodhek, Kilimani Area

P. O. Box 76154 - 00508 Nairobi, Kenya

Telephone: +254 737 530290/0705 277787

Email: research@kpda.or.ke or admin@kpda.or.ke

Website: www.kpda.or.ke

REFERENCES

Cytonn Investment Management Ltd
3rd Floor, Liaison House, State House Avenue
6th Floor, The Chancery, Valley Road
P. O. Box 20695 - 00200
NAIROBI, KENYA
Tel: +254 709 101 000/020 3929000
Email: info@cytonn.com
Website: www.cytonn.com

Lamudi Kenya 2015 Real Estate Market Report

LAMUDI
Kaka House, Maua Close, Westlands
P. O. Box 53528 - 00200
NAIROBI.
Tel: +254 712 302 386/721 606 029
Website: www.lamudi.co.ke

Hass Consult House Price Index 2016 Quarter 1 Report

Hass Consult
1st Floor, ABC Place Waiyaki Way, Westlands
P. O. Box 14090 - 00800
NAIROBI, KENYA
Tel: +254 20 4446914/0722 204 765/0733 629 786
Website: www.hassconsult.co.ke

Kenya National Bureau of Statistics 2012 - 2013 Kenya National Housing Survey Basic Report

Kenya National Bureau of Statistics
Herufi House, Tumbo Lane
P. O. Box 30266 - 00100 GPO
NAIROBI, KENYA
Tel: +254 20 3317583/612/623/622/588/586/651
Website: www.knbs.or.ke

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

NAIROBI PERMITTING ACTIVITY REPORT JANUARY - SEPTEMBER 2015



The 3rd Quarter 2015 Planning Permitting Activity Report provides a summary of statistical information on planning permitting activity in Nairobi from January to September 2015. During this reporting period, only City Council of Nairobi statistics are used as references.

This report uses standardized data submitted to Nairobi City County. The report highlights information on applications received and decided, development location, type and value, department revenue from applications and permit processing performance.

A total of 1879 planning applications were agreed upon during this period. Other key statistics from this report include:

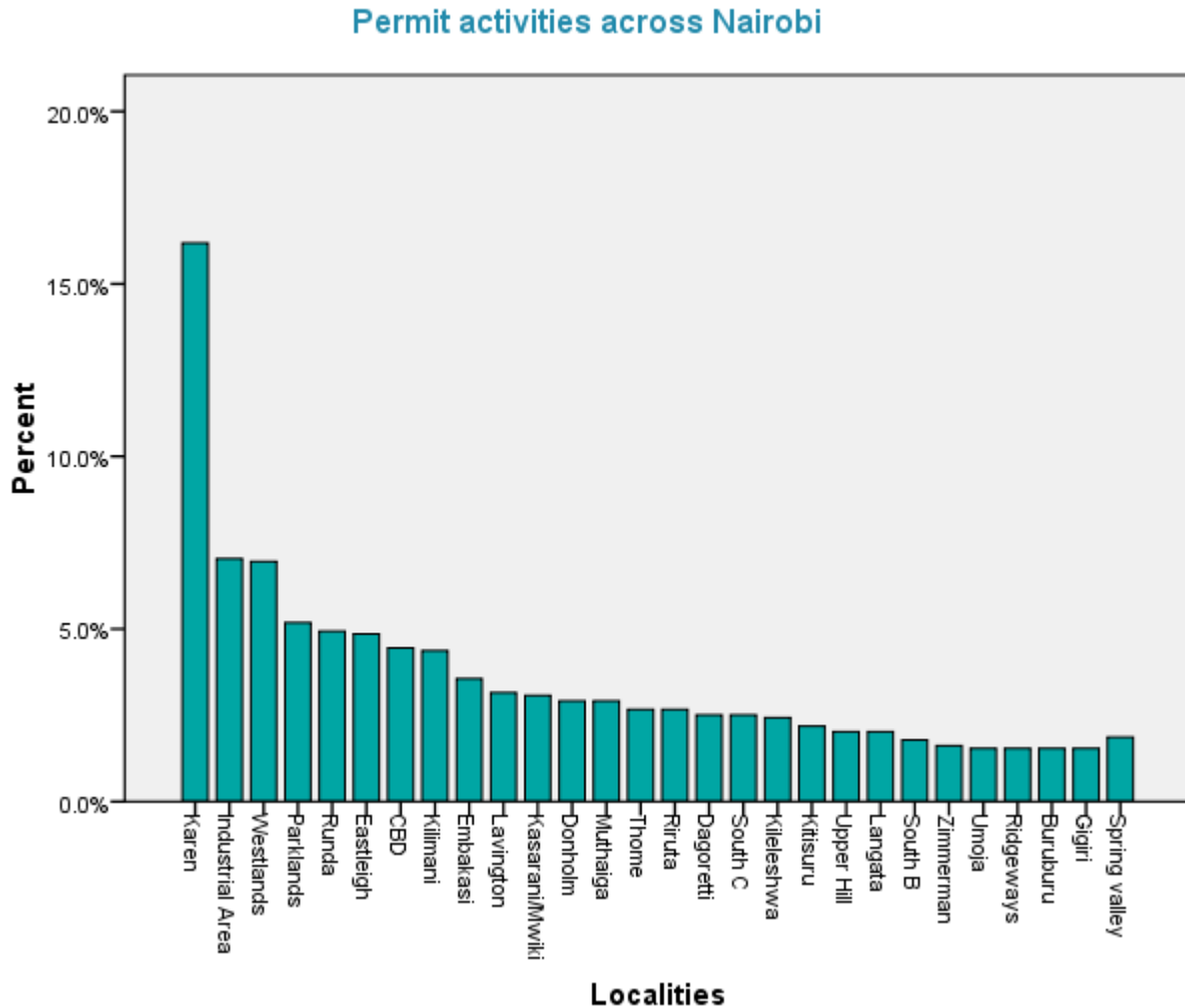
- Value of approved permits represents over Kshs. 126 billion worth of development projects and permitting fees collected were over Kshs. 1 billion;
- 16.18% of the total number of buildings permitted/approved were located in Karen, 6.96% in the Industrial area, 5.18% of the permits approved were located in Westlands;
- Building Classification as based on the Building code - 1494 in Domestic Class (domestic building, commercial developments and offices), 243 in Public Class (religious buildings, social halls, libraries, schools, etc.) and 142 in Warehouse Class (factories, industries and go downs);
- 79.5% of the total number of buildings approved was in the Domestic Class, 12.9% were in the Public Class, whereas 7.6% were in the Warehouse Class.

A comparative analysis is provided at close against all quarter's performance.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

PERMIT APPLICATION ACTIVITY BY LOCALITY

The number of permit applications received in various locations.



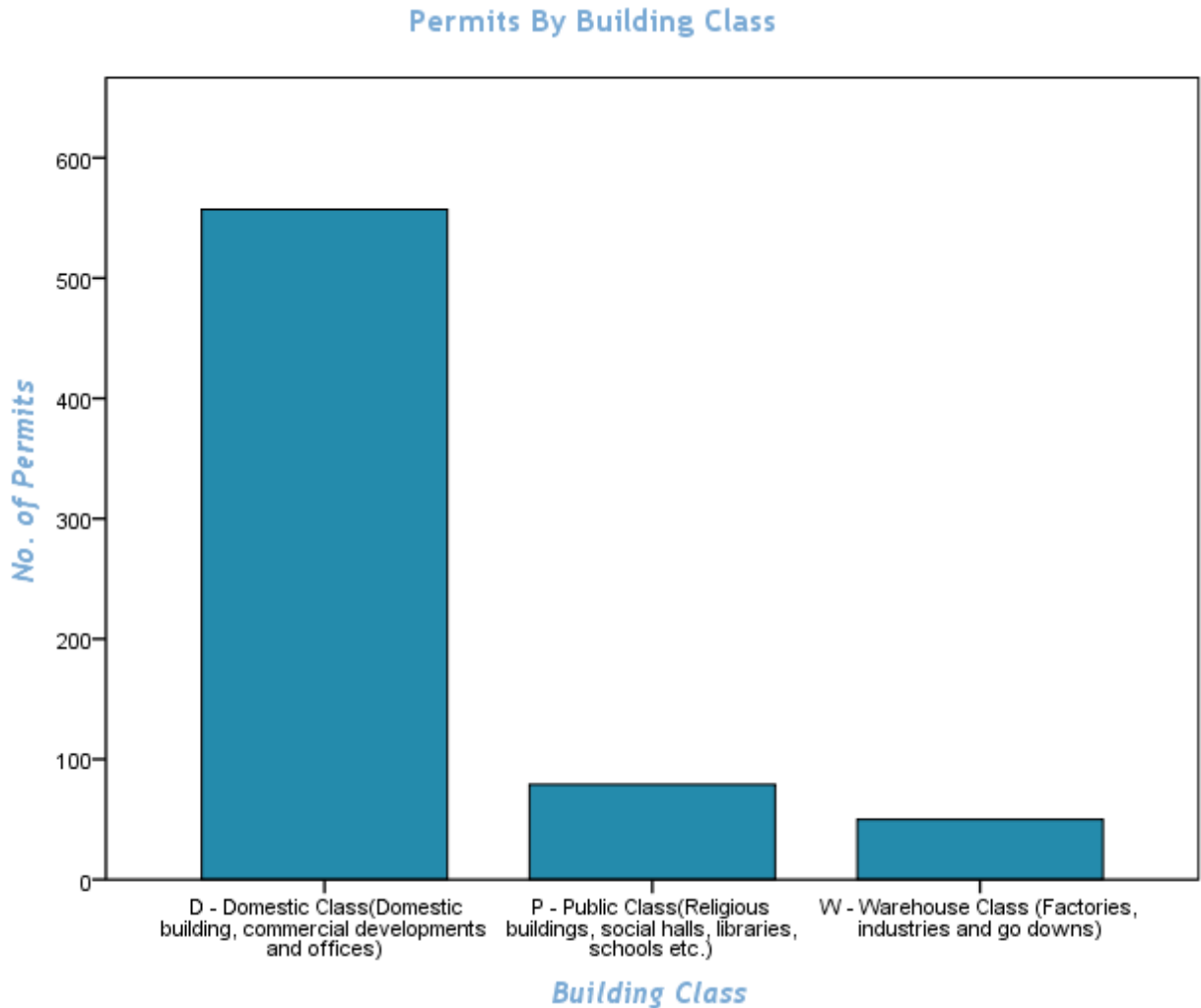
There are more development activities on the Western side of Nairobi compared to the Eastern side probably because of the increase in space available and the demand for housing.

NB: Localities that do not appear in the graph had less than 1% presentation.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

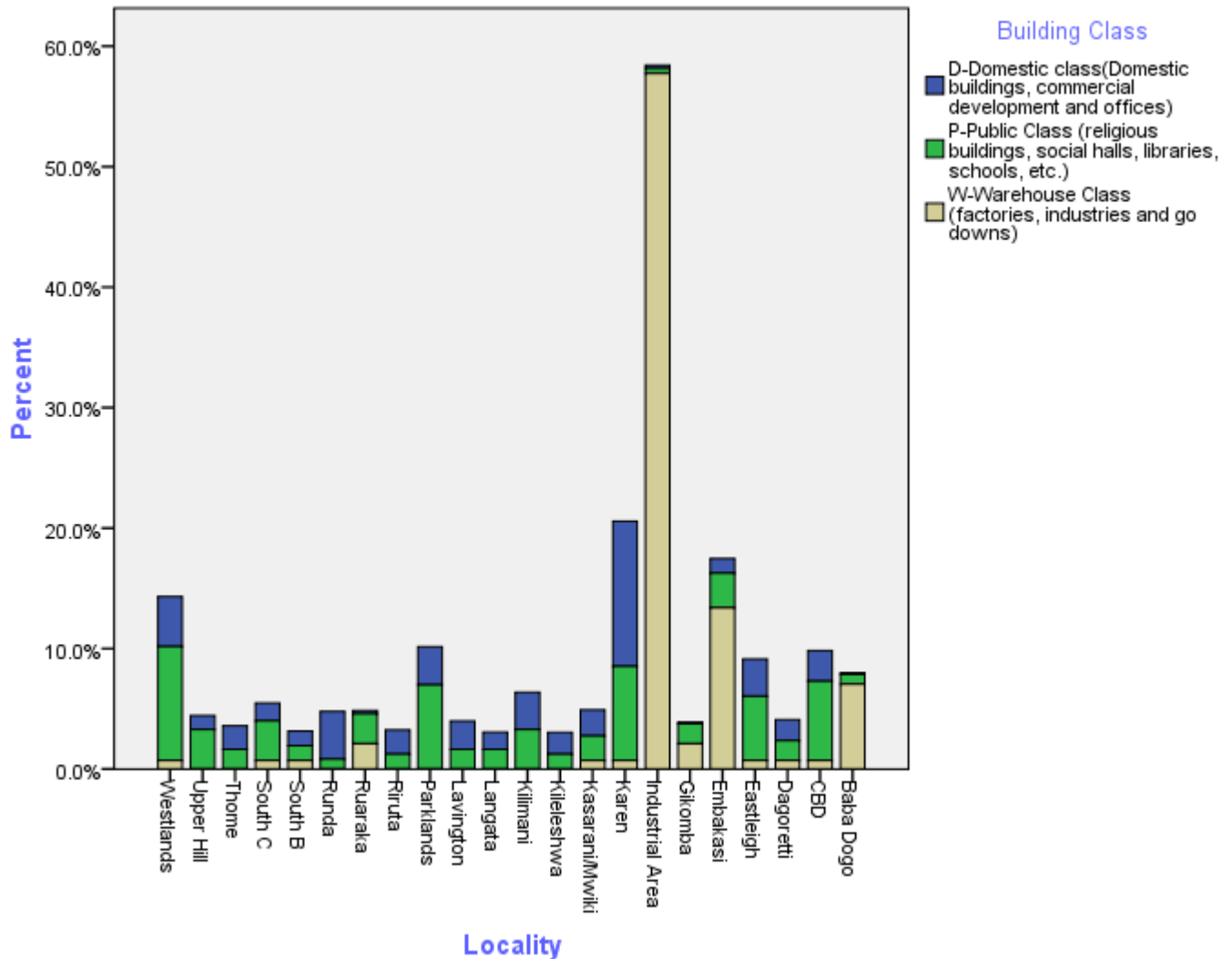
DWELLING RELATED ACTIVITY ACROSS NAIROBI

Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The following graph identifies permit applications that relate to various building classes.



NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

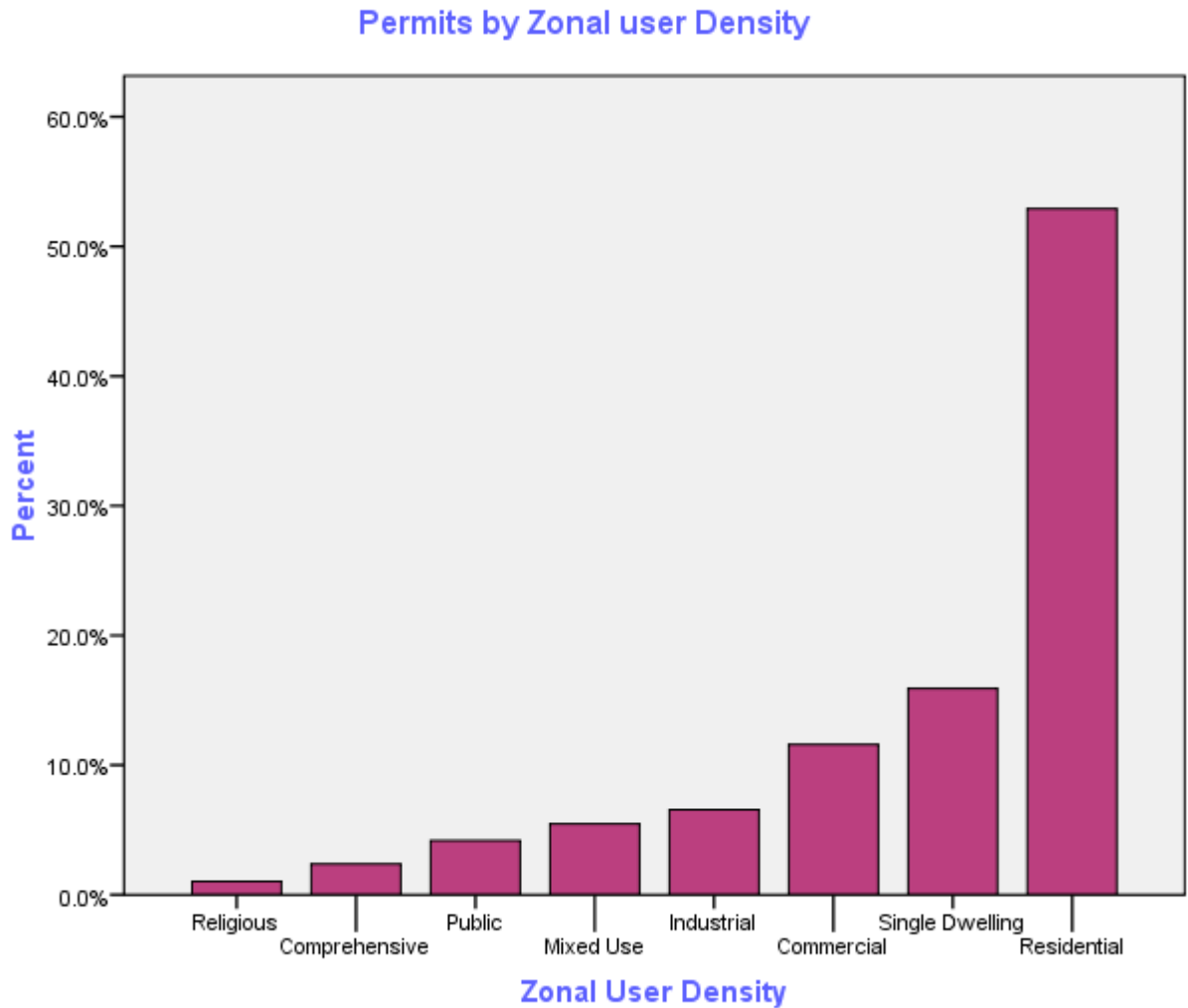
BUILDING CLASS BY LOCALITY



Domestic Class of buildings has the most buildings while Industrial Area tops with Warehouse Class.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

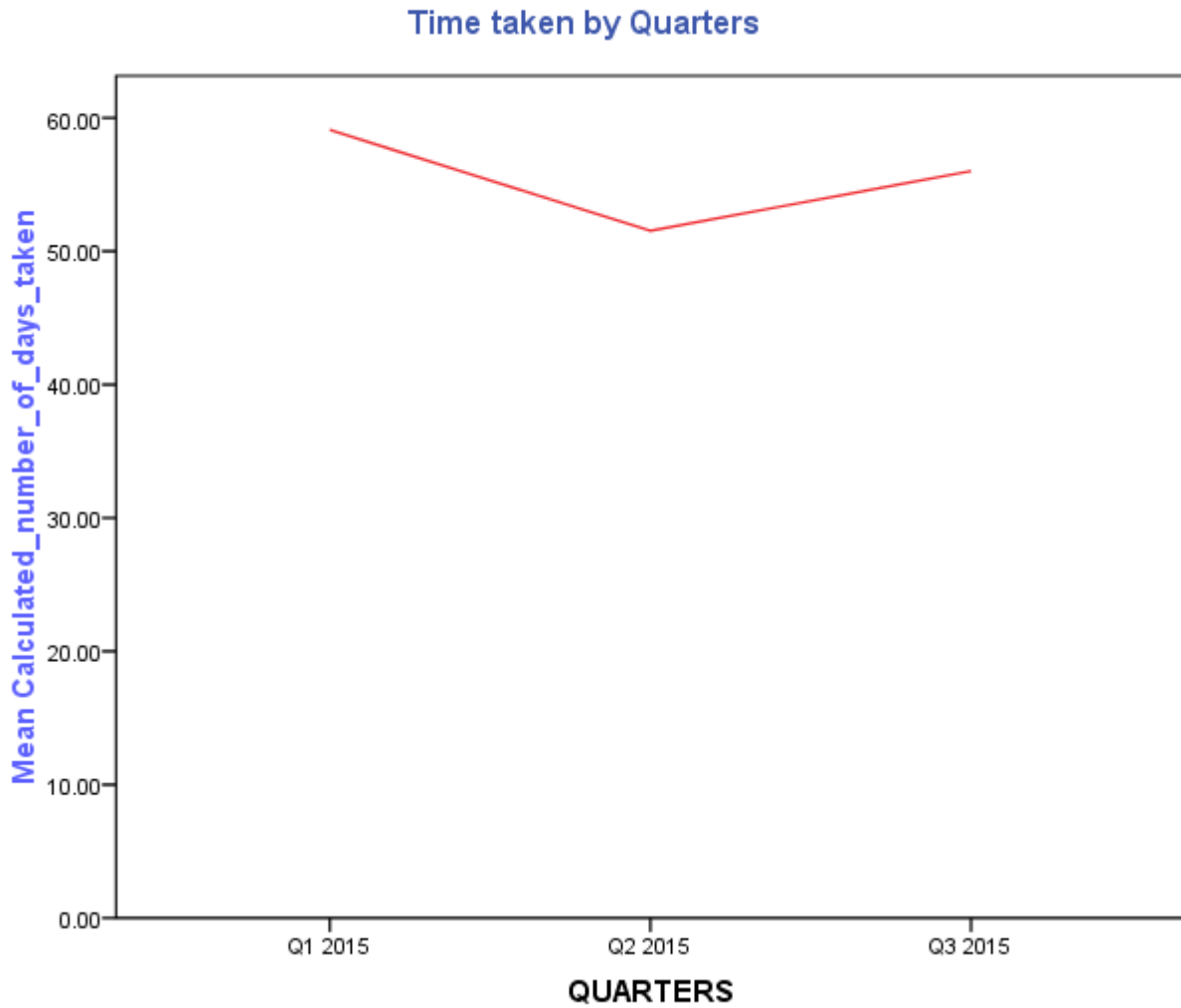
NUMBER OF APPROVALS BY ZONAL USER DENSITY



Residential houses are dominants according to the data.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

APPROVAL TIME BY QUARTERS

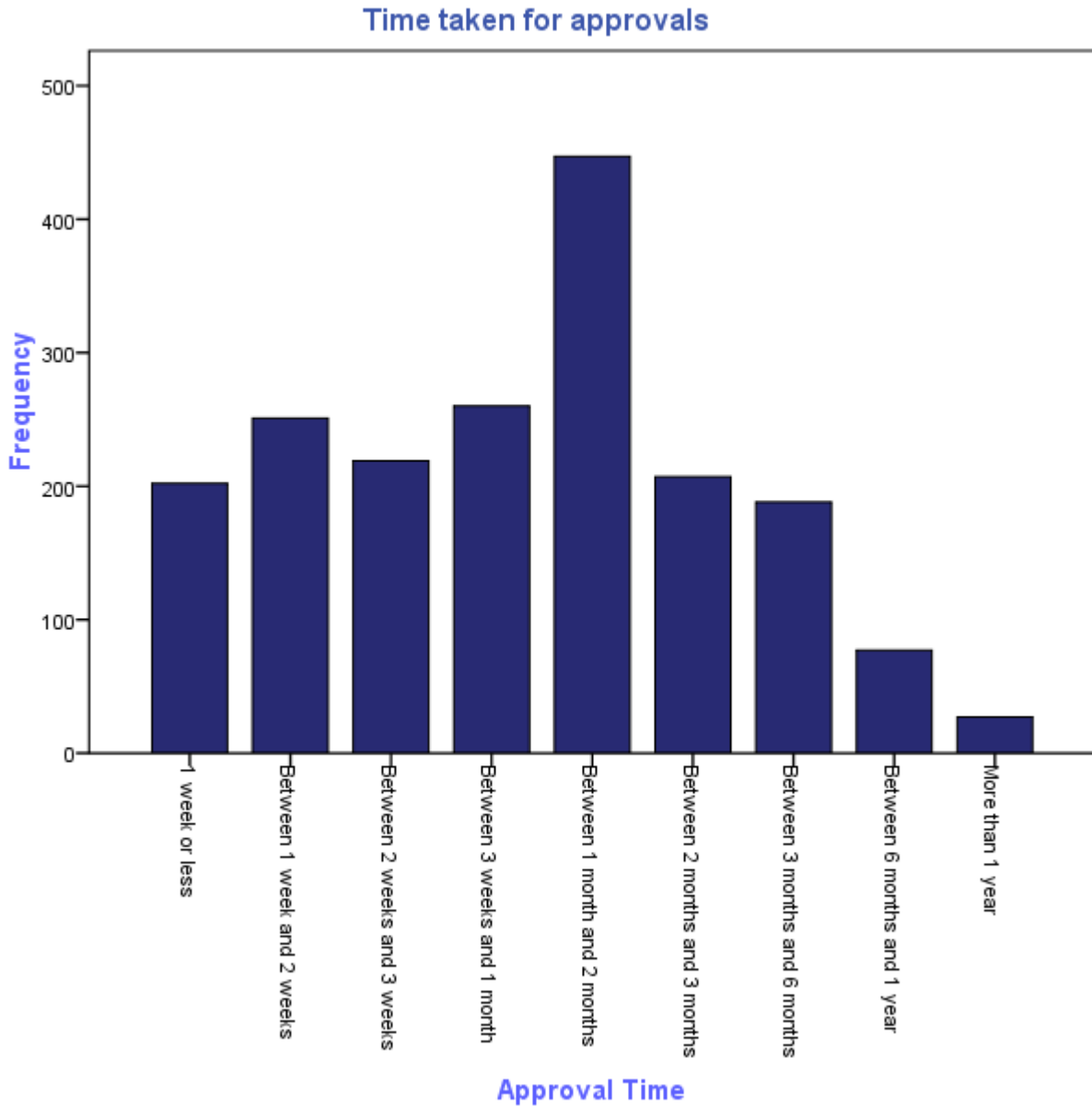


The mean number of days had a dip during Q2 2015. In Q3 2015 it rose and was just as high as in Q1 2015.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

PERMIT PROCESSING PERFORMANCE

The number of days for approval - submission to decision.

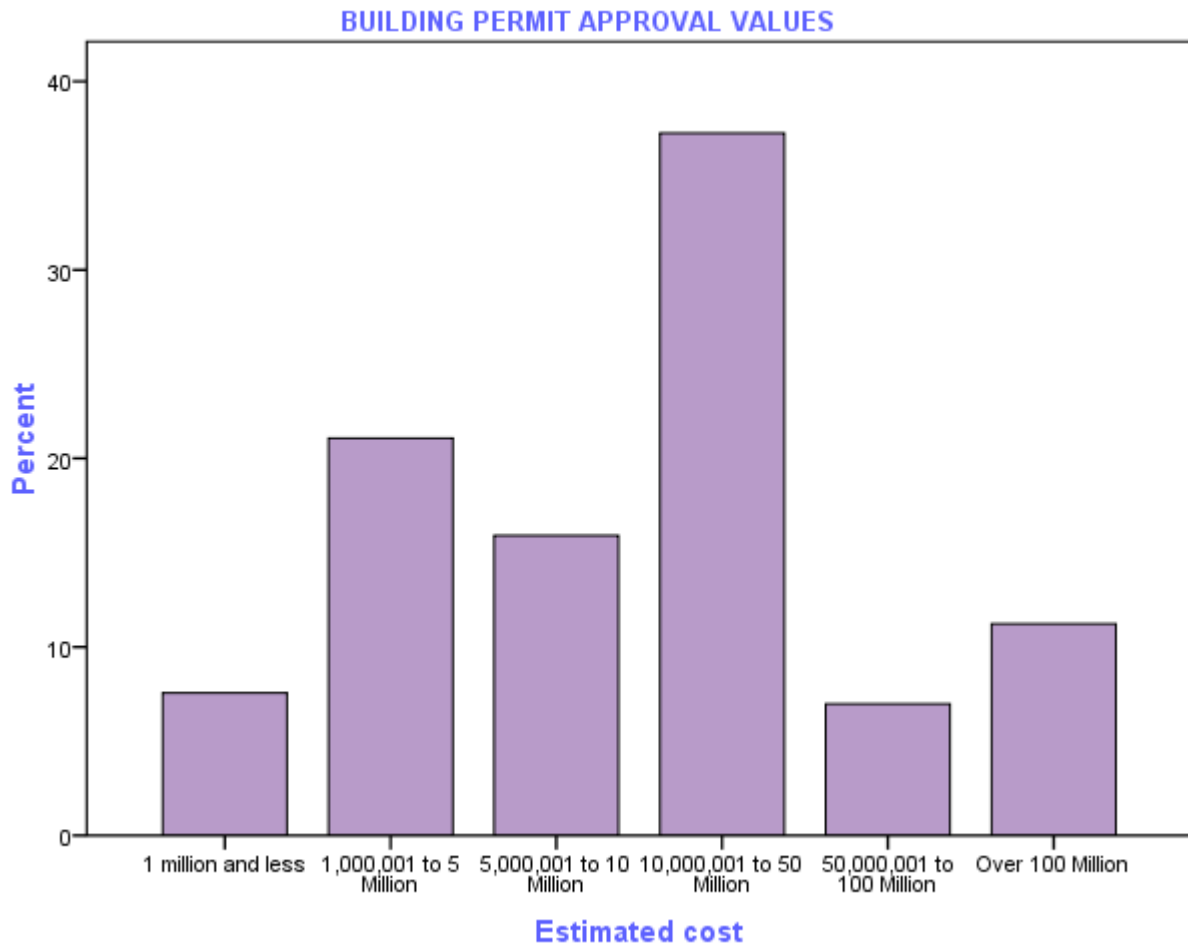


It clearly shows that most of the planning applications were processed for approval between one and two months. Notably there were applications that took even more than a year to be approved.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

BUILDING PERMIT APPROVAL VALUES

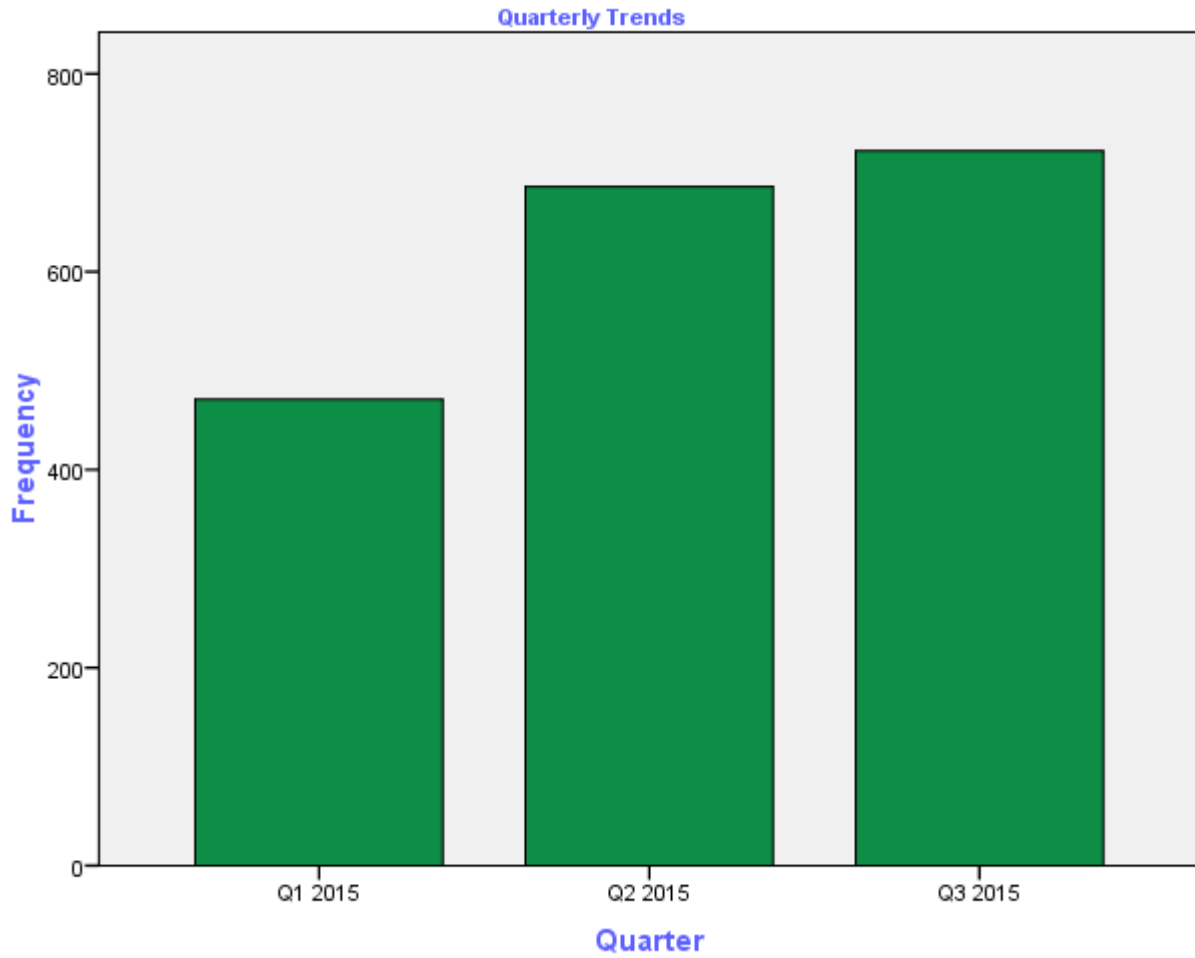
The value of developments approved by granted permit.



Most of the approvals had an estimated cost of between 10 Million to 50 Million.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

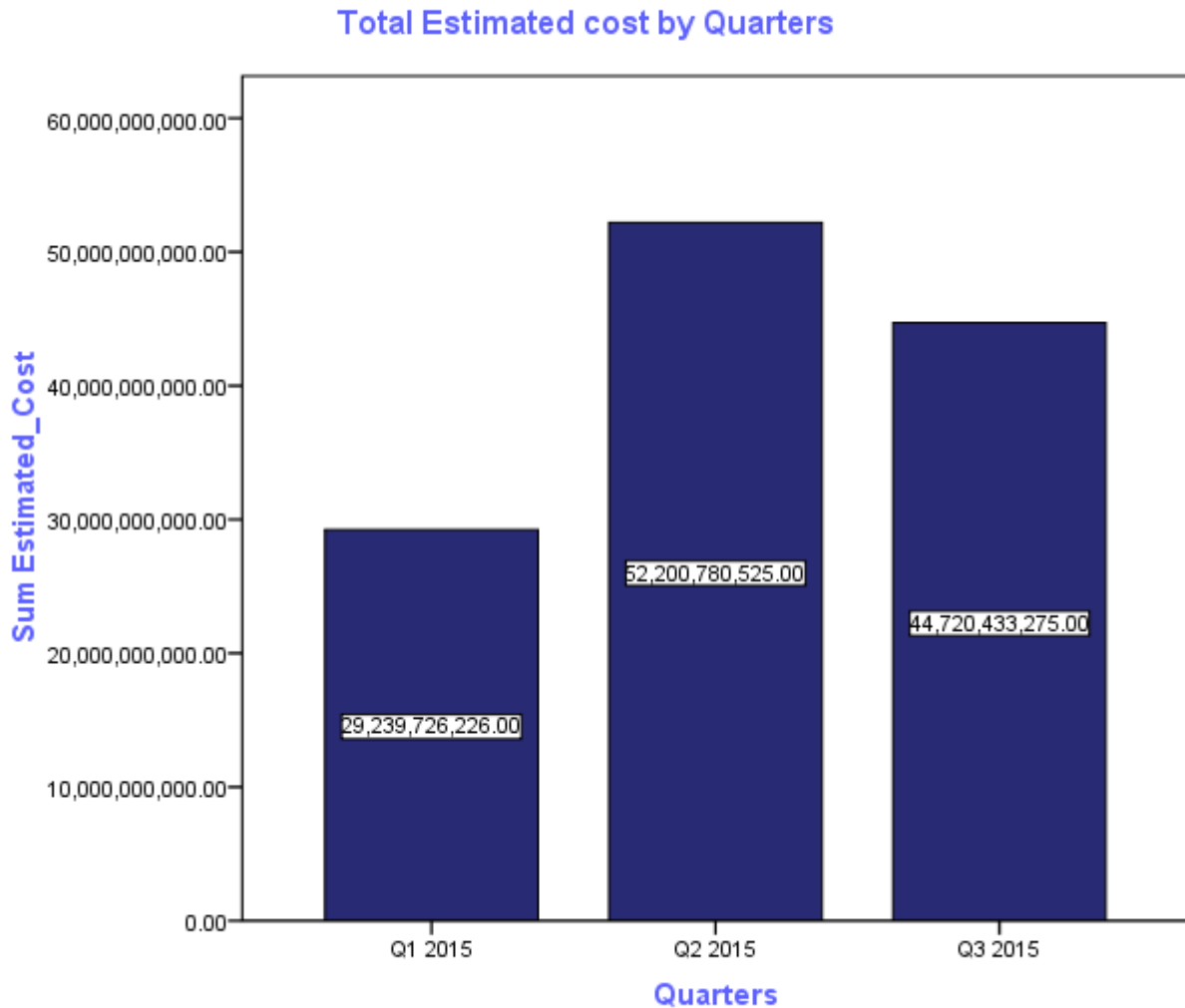
PERMITTING APPLICATION ACTIVITY TREND IN NAIROBI



There is a rise in the number of approvals from one quarter to the other.

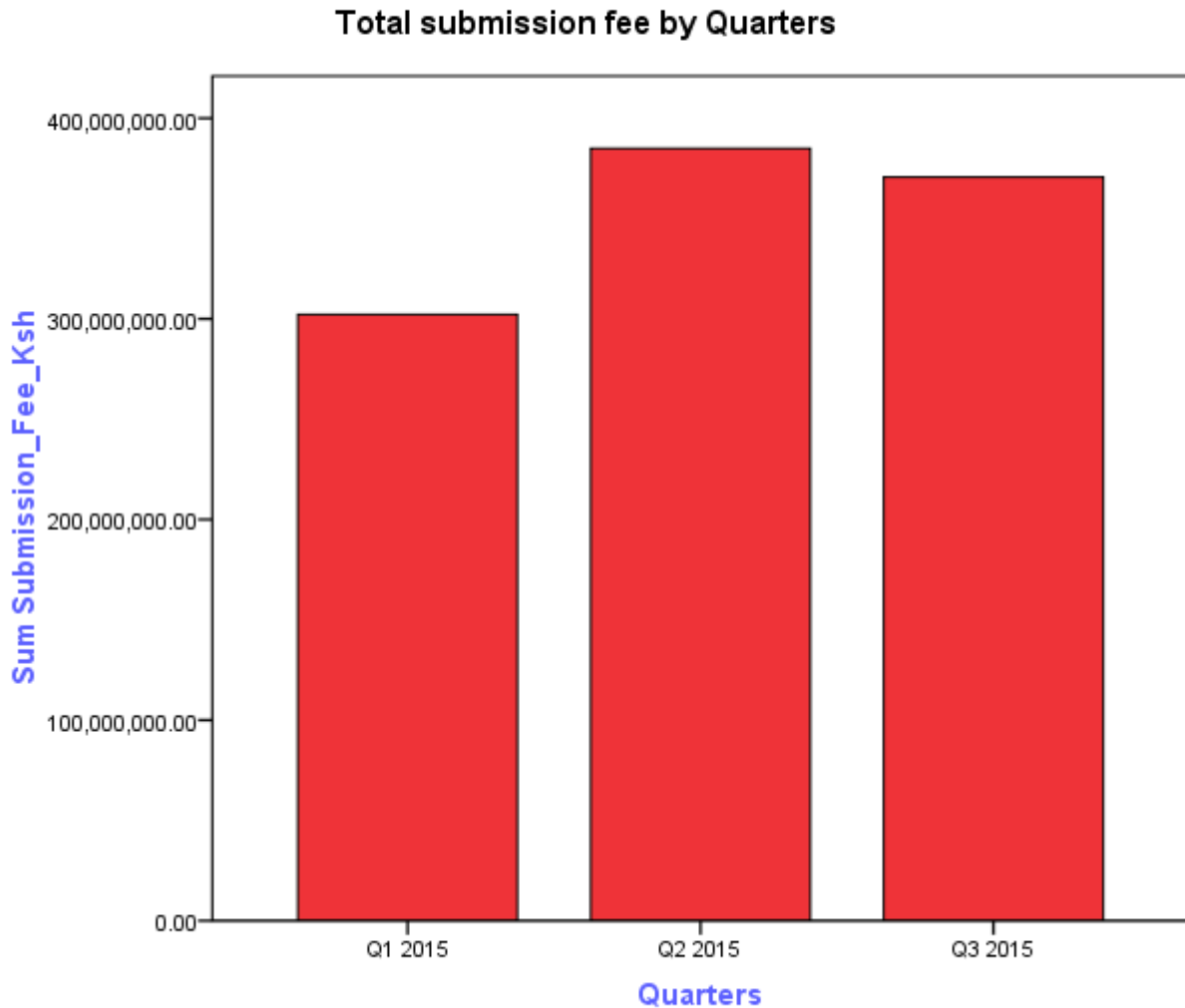
NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

THE VALUE TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY



There is an increase in momentum for investments during the 2nd quarter since the value of approved permits for the 2015 second quarter was higher as compared to the 1st and 3rd quarters.

FEES COLLECTION TREND ON PERMIT APPLICATIONS BY THE NAIROBI CITY COUNTY



Consequently, fees collected as the submission fees is higher during 2nd quarter as this depends on the value of the project applied for approval.

NCC PERMITTING ACTIVITY REPORT: JANUARY - SEPTEMBER 2015

COMPARATIVE ANALYSIS OF Q2 2014 TO Q2 2015

DETAILS	QUARTERS		
	Q1 2015	Q2 2015	Q3 2015
No. of Permits Released	471	686	722
Total Submission Fees Paid in Kshs.	302,192,130	384,996,711	370,631,616
Total Worth of Developments Approved In Kshs.	29,239,726,226	52,200,780,525	44,720,433,275
PERMITS BY BUILDING CLASS			
D (Domestic Buildings)	372 (79.0%)	557 (81.2%)	565 (78.3%)
P (Public Buildings)	59 (12.5%)	79 (11.5%)	105 (14.5%)
W (Warehouse Buildings)	40 (8.5%)	50 (7.3%)	52 (7.2%)
LEADING LOCALITIES			
Karen	45	75	80
Industrial Area	20	32	35
Westlands	18	29	39
Parklands	15	24	25
Runda	16	20	25

It is noted that there has been an increase in the financial worth of developments approved. Domestic buildings have the highest number of approvals which has been the trend since April 2014.

The leading localities did not remain constant throughout the quarters. The localities shown above were leading in total approvals for the period.

NB:

Q1 - First Quarter

Q2 - Second Quarter

Q3 - Third Quarter

Q4 - Fourth Quarter

**NAIROBI PERMITTING ACTIVITY REPORT
APRIL - JUNE 2015**



Nation Apartments under construction in Nairobi. Nation Media File

The 2nd Quarter 2015 Planning Permitting Activity Report provides a summary of statistical information on planning permitting activity in Nairobi from April to June 2015. During this reporting period, only City Council of Nairobi statistics are used as references.

This report uses standardized data submitted to Nairobi City County. The report highlights information on applications received and decided, development location, type and value, department revenue from applications and permit processing performance.

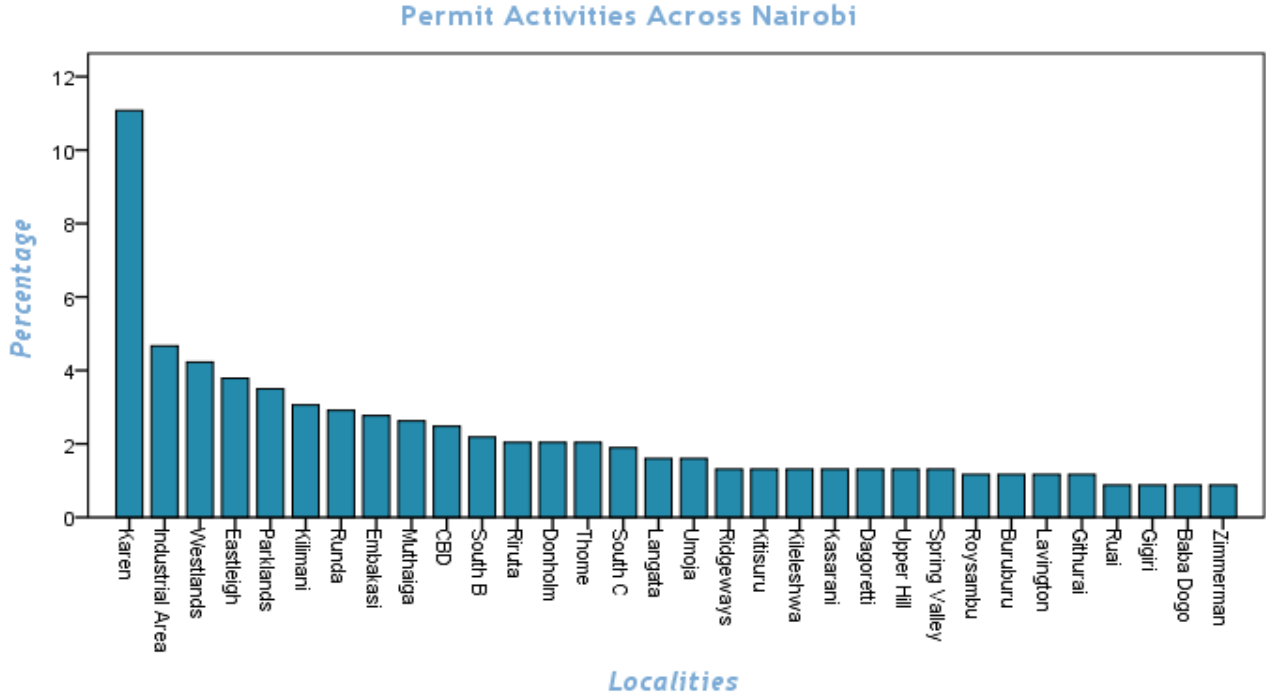
A total of 686 planning applications were agreed upon during this period. Other key statistics from this report include:

- Value of approved permits represents Kshs. 52, 200, 780, 525 worth of development projects and permitting fees collected were Kshs. 386, 821, 437;
- 11.1% of the total number of buildings permitted/approved were located in Karen, 4.5% in the Industrial area, 4.2% of the permits approved were located in Westlands, 3.8% in Eastleigh and 3.5% located in the Parklands area;
- Building Classification as based on the Building code - 557 in Domestic Class (domestic building, commercial developments and offices), 79 in Public Class (religious buildings, social halls, libraries, schools, etc.) and 50 in Warehouse Class (factories, industries and go downs);
- 81.2% of the total number of buildings approved were in the Domestic Class, 11.5% were in the Public Class, whereas 7.3% were in the Warehouse Class.

A comparative analysis is provided at close against all quarter's performance.

PERMIT APPLICATION ACTIVITY BY LOCALITY

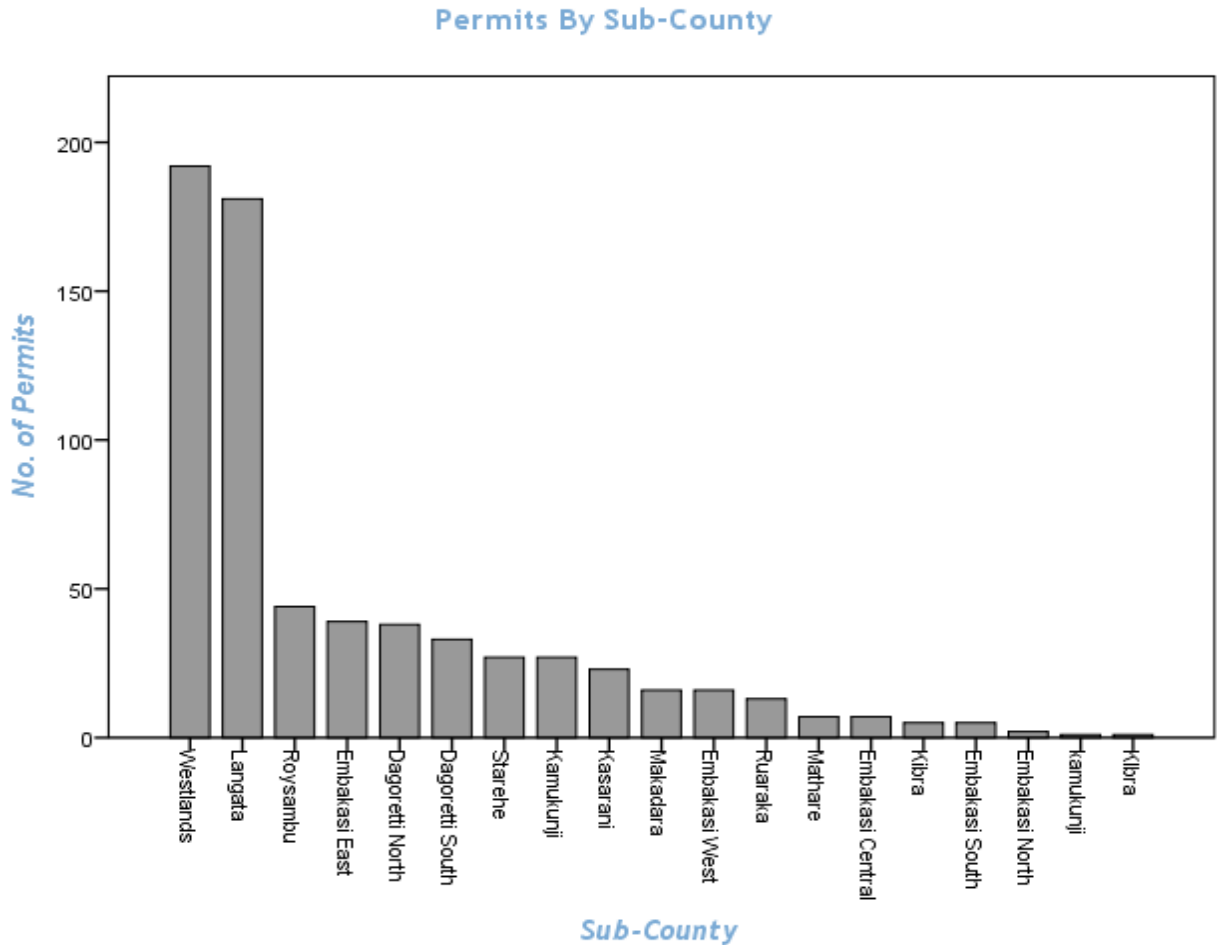
The number of permit applications received in various locations.



There are more development activities on the Western side of Nairobi compared to the Eastern side probably because of the more space available and the demand for housing.

NB: Localities that do not appear in the graph had less than 1% presentation.

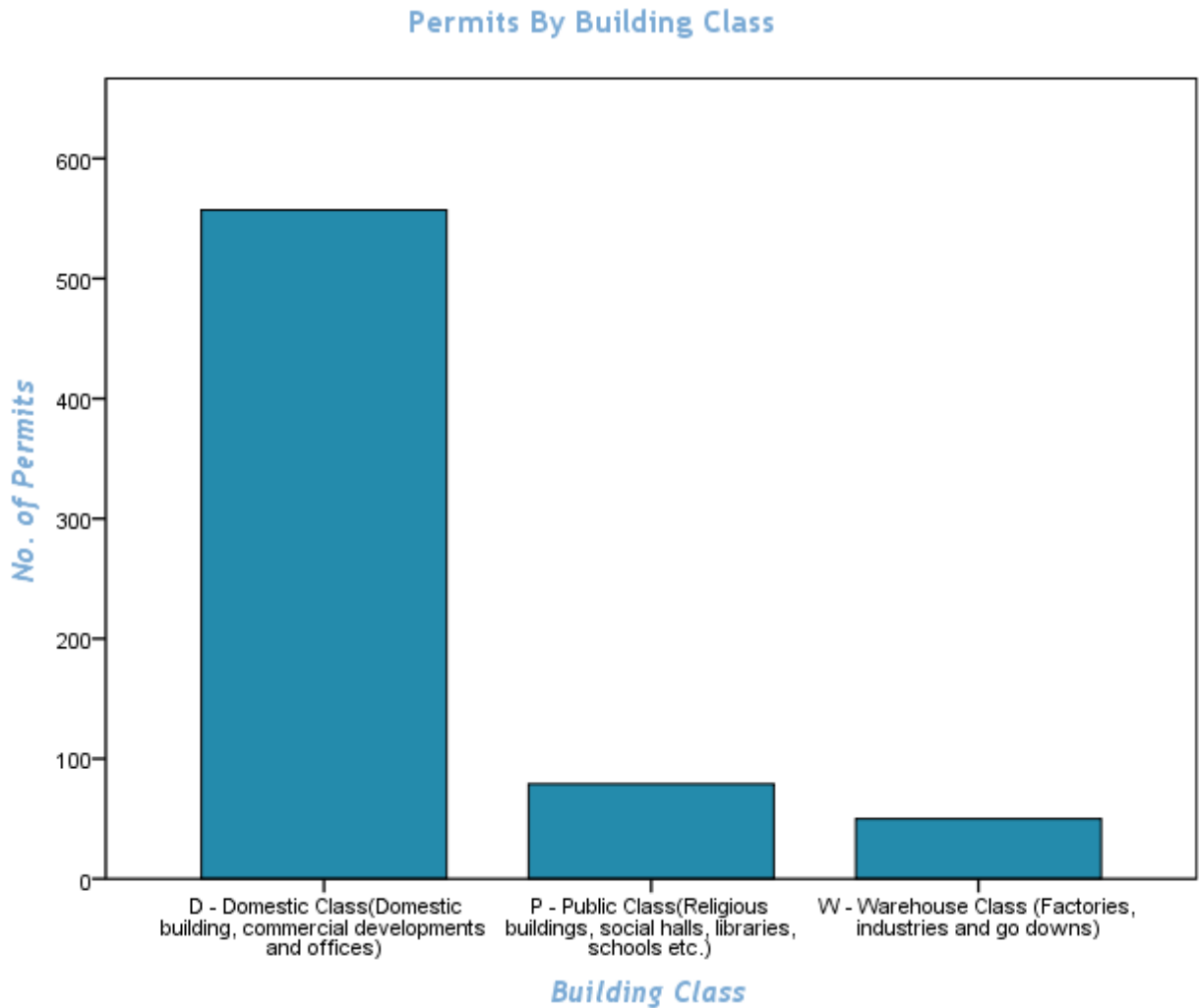
PERMIT APPLICATION ACTIVITY BY SUB - COUNTY



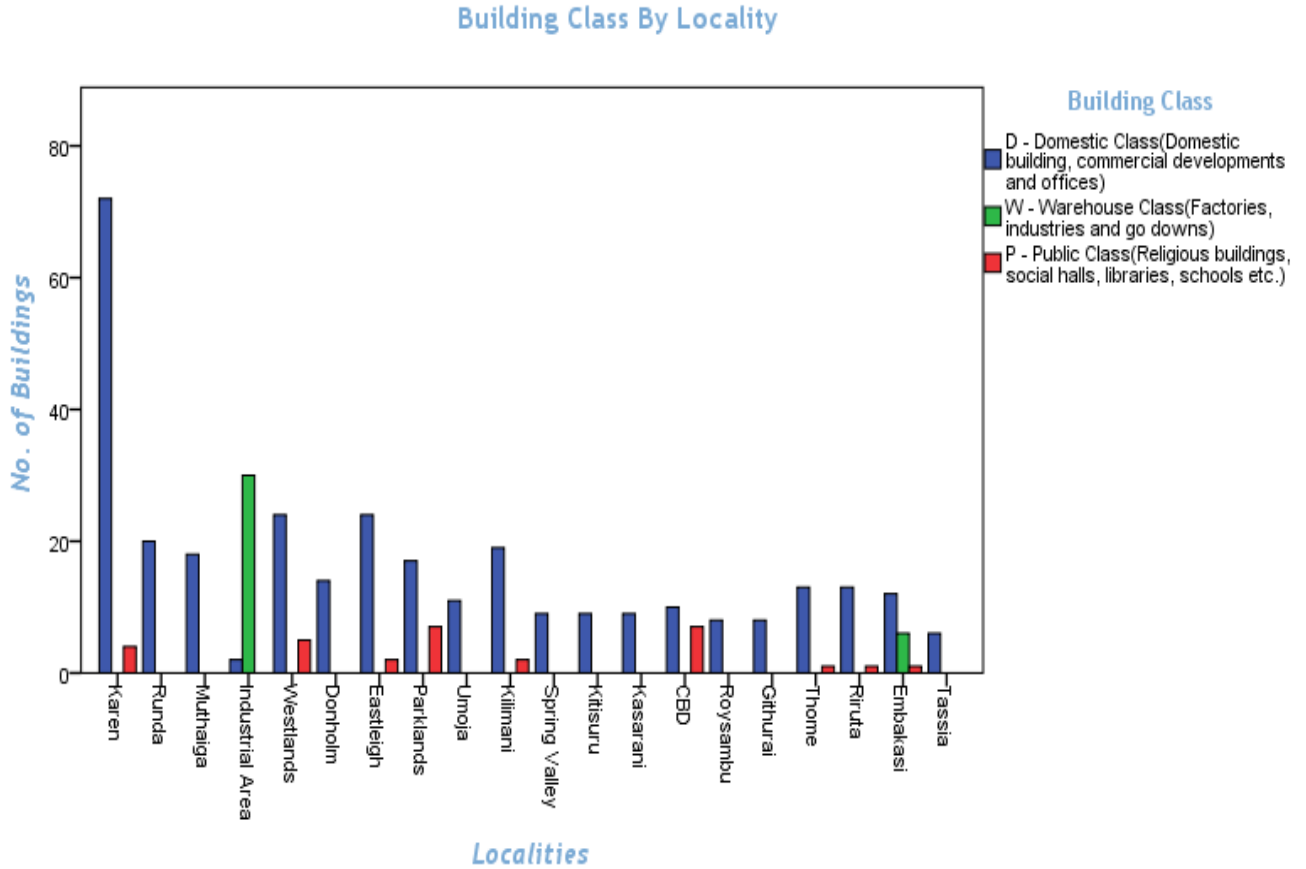
Westlands and Langata are the two notable Sub-Counties which had most permits compared to the rest.

DWELLING RELATED ACTIVITY ACROSS NAIROBI

Buildings approved included domestic buildings, commercial developments, offices, religious buildings, social halls, libraries, schools, factories, industries and go downs. The following graph identifies permit applications that relate to various building classes.

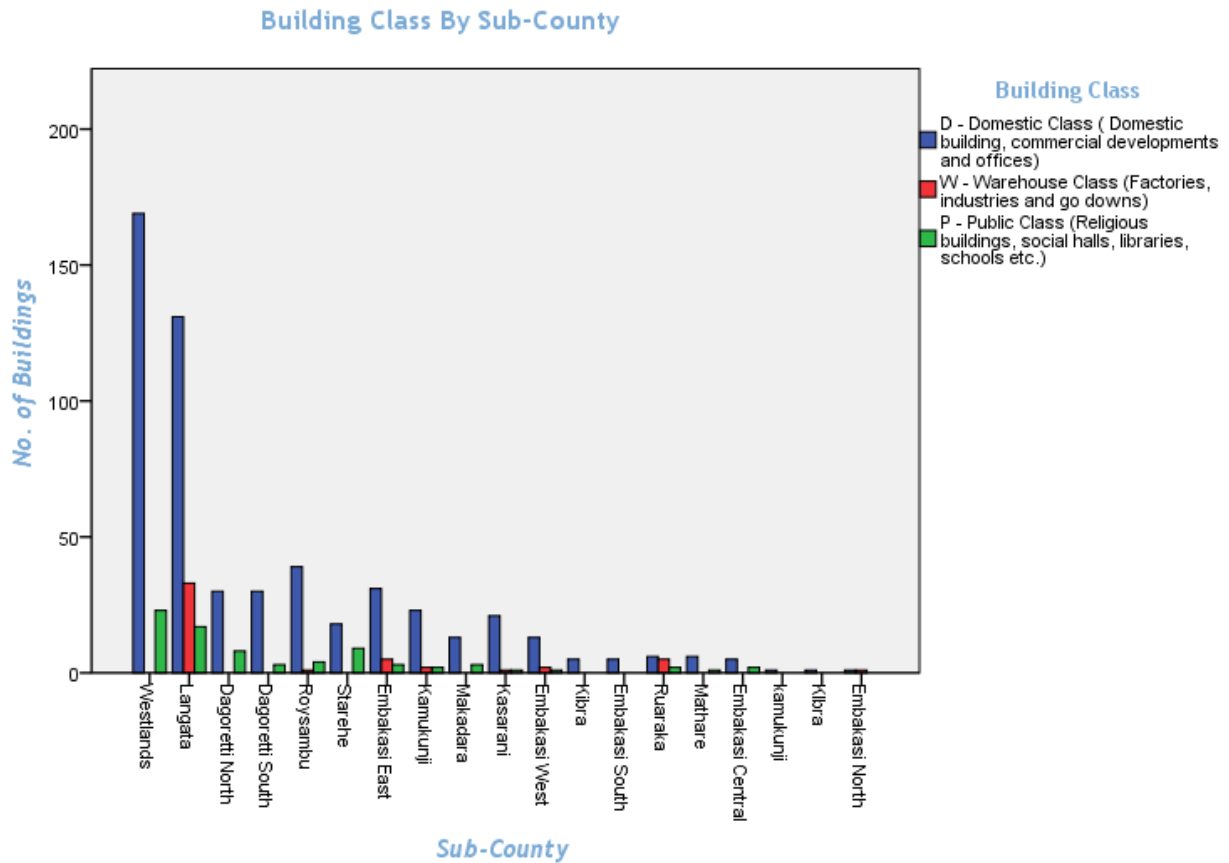


BUILDING CLASS BY LOCALITY



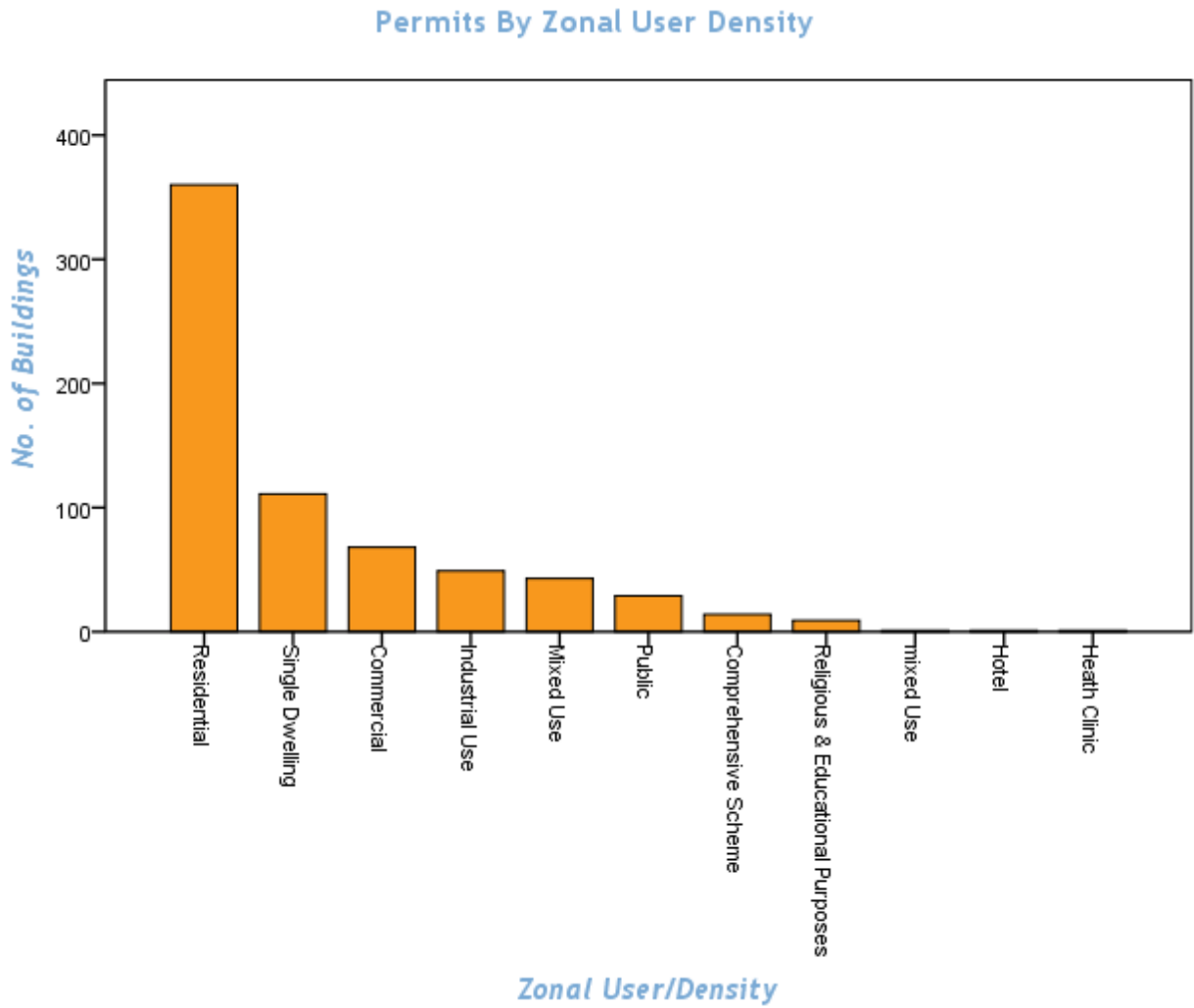
Domestic Class of buildings has the most buildings while Industrial Area tops with Warehouse Class.

BUILDING CLASS BY SUB COUNTY



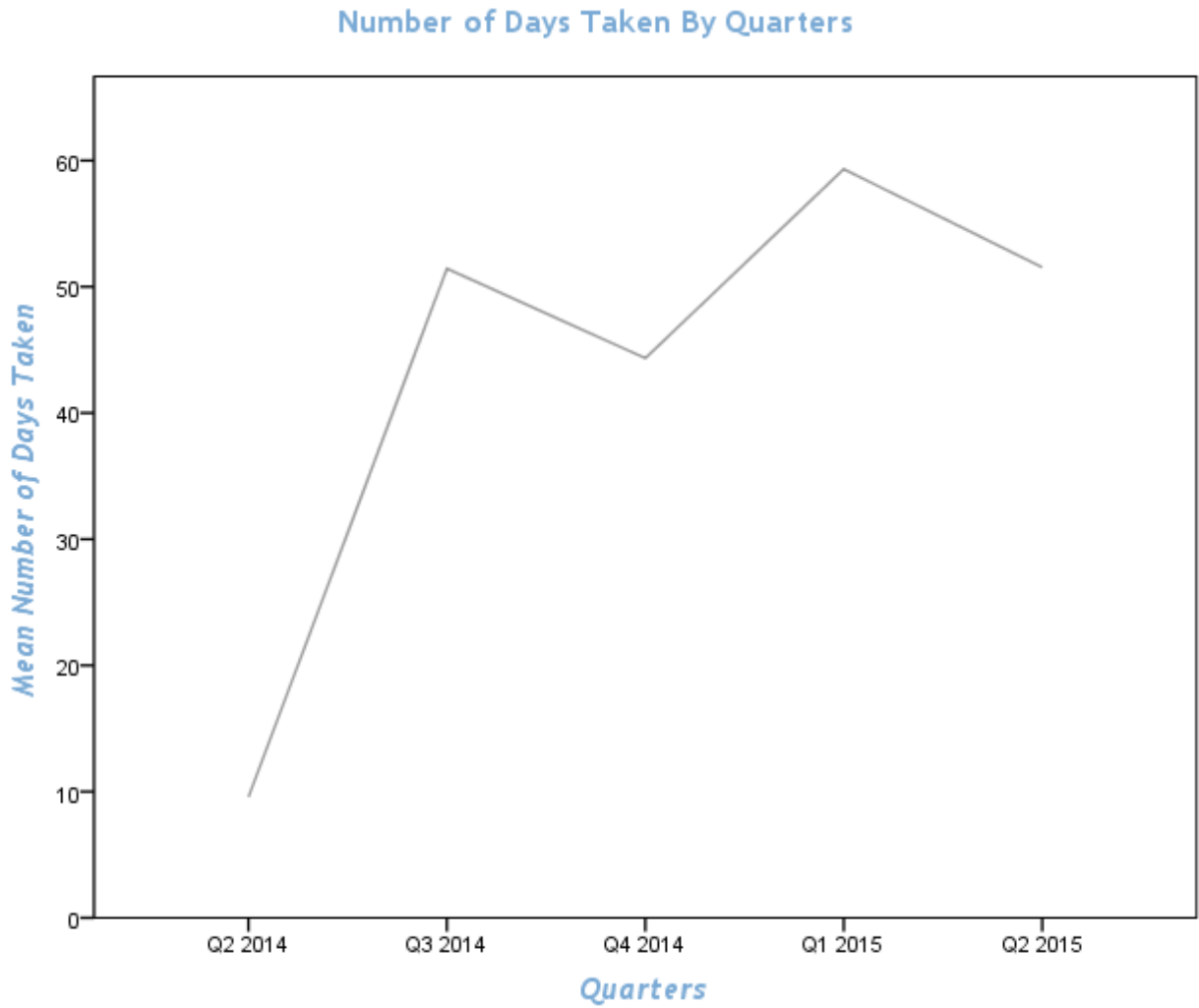
It seems that the Domestic Class has the highest number of approvals in all the sub-counties. The Warehouses dominates Industrial Area and Embakasi.

NUMBER OF APPROVALS BY ZONAL USER DENSITY



Residential houses are dominants according to the data.

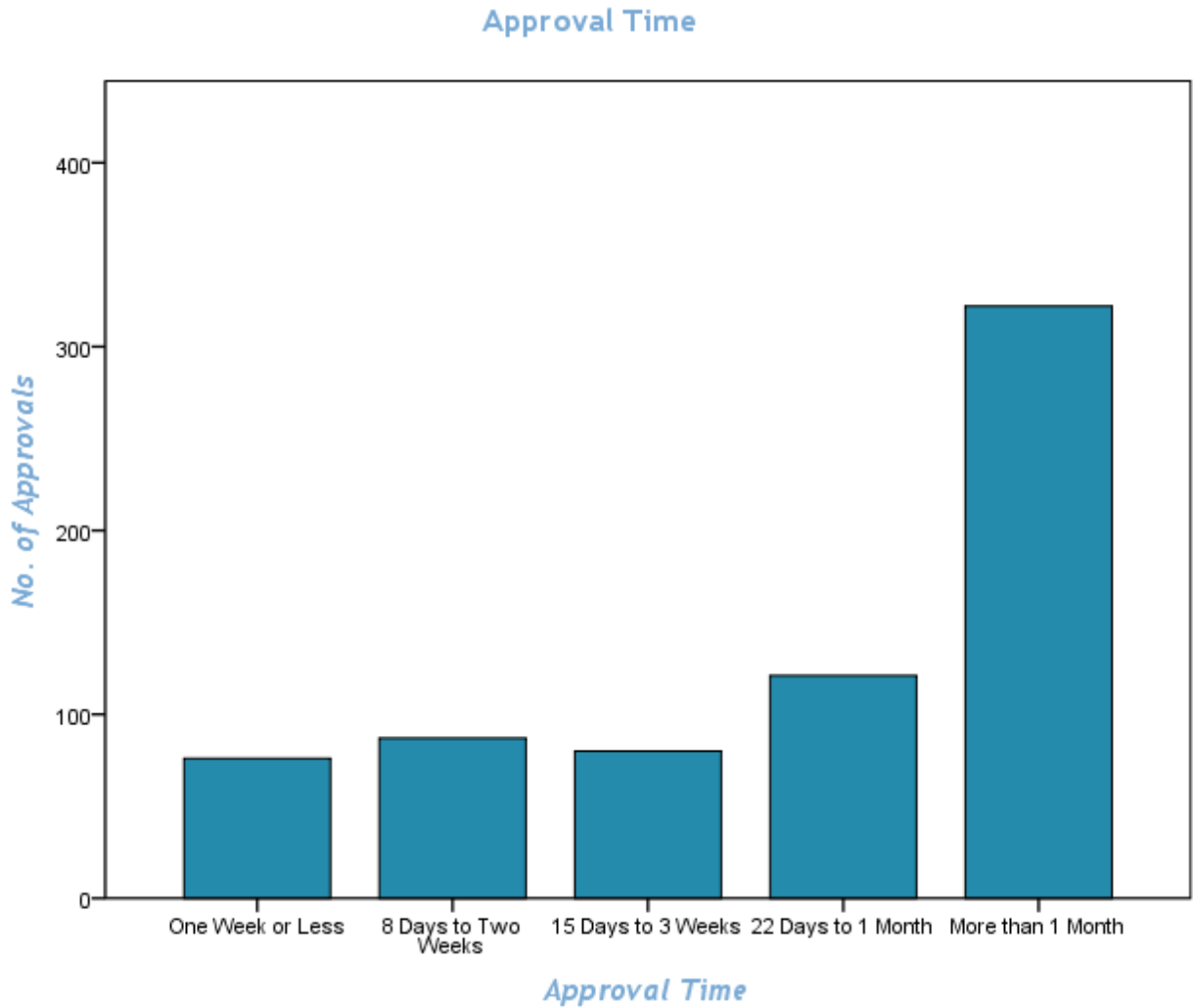
APPROVAL TIME BY QUARTERS



The mean number of days was at peak on the Q1 2015. In Q2 2015 it reduced but still remains high as compared to 2014.

PERMIT PROCESSING PERFORMANCE

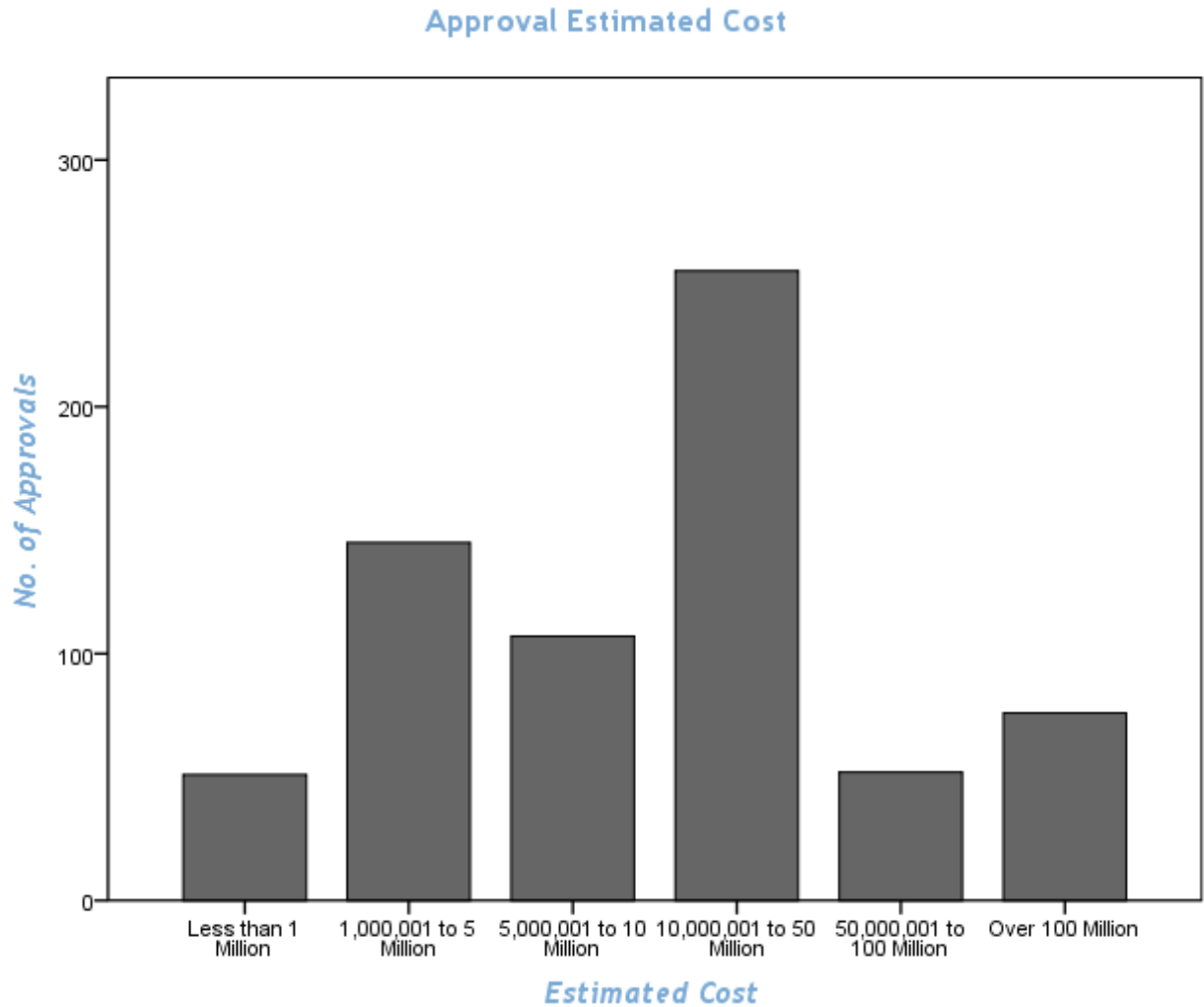
The number of days for approval - submission to decision.



It clearly shows that most of the planning applications took more than one month to be approved.

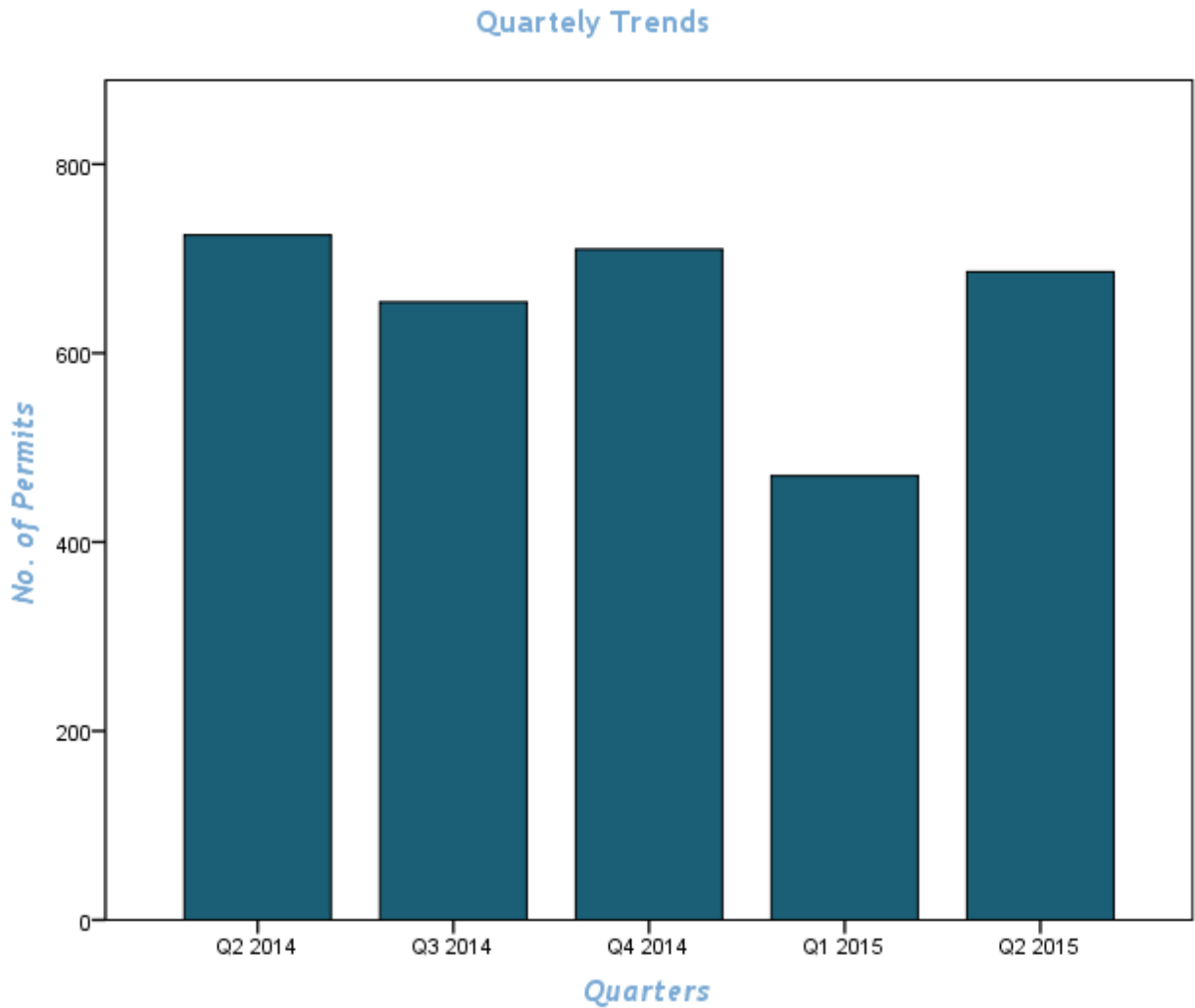
BUILDING PERMIT APPROVAL VALUES

The value of development approved by granted permit.



Most of the approvals had an estimated cost of between 10 Million to 50 Million.

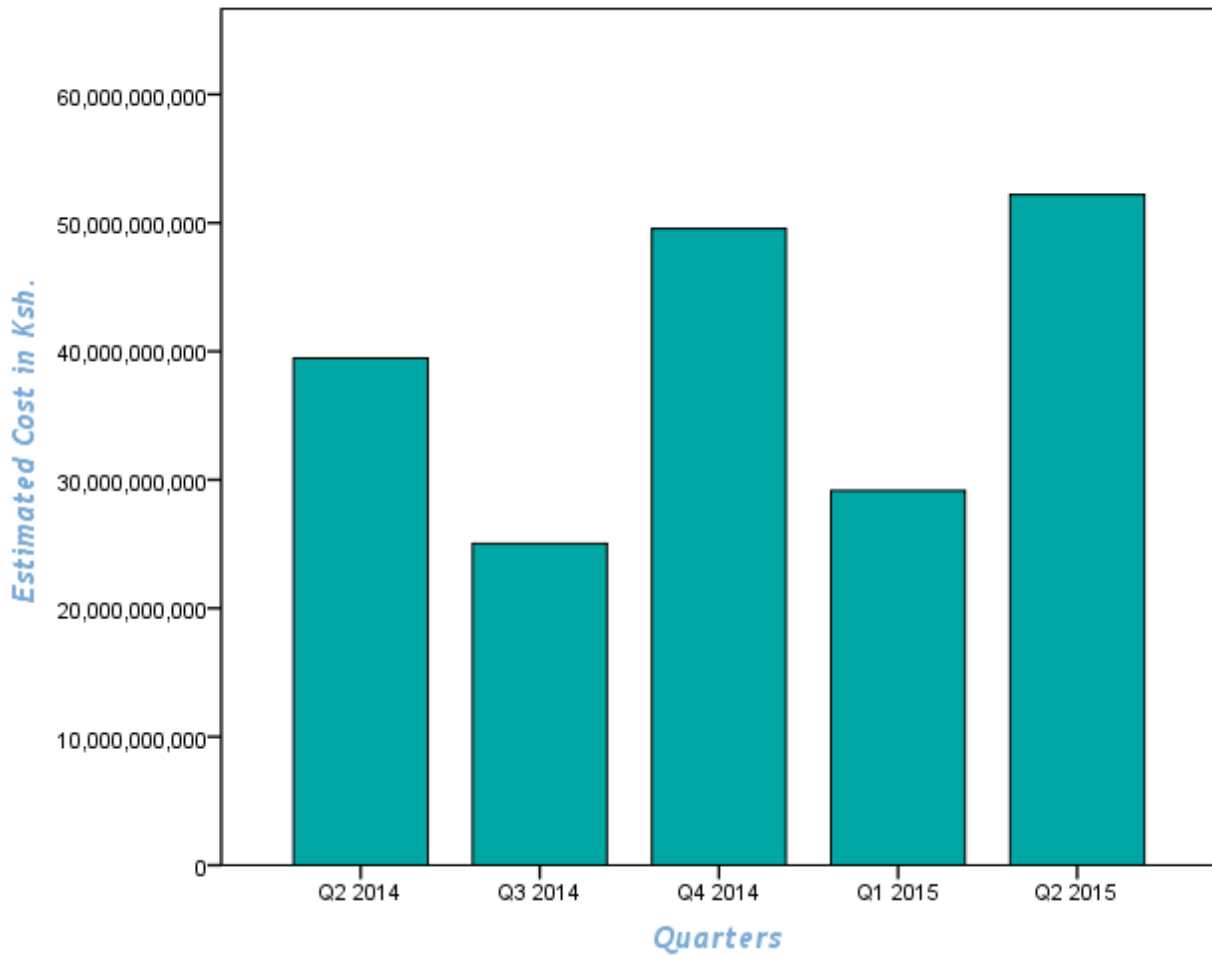
PERMITTING APPLICATION ACTIVITY TREND IN NAIROBI



There is a huge rise in the no of approvals for the second quarter 2015 compared to the first quarter 2015. However, there is a slight fall in the number of permits for the second quarter 2015 compared to the approvals for the same period in the year 2014.

THE VALUE TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY

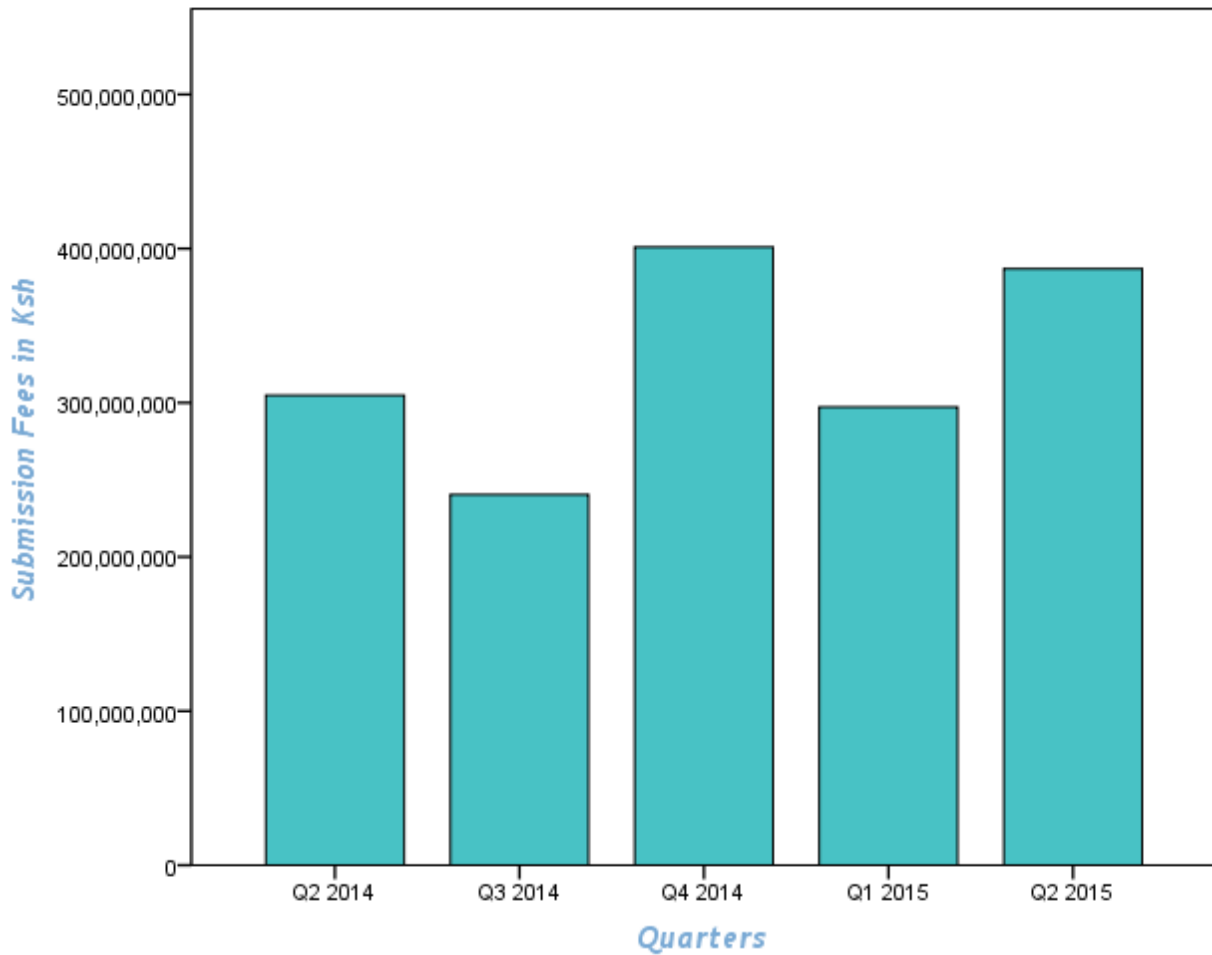
Total Estimated Cost By Quarters



There is an increase in the value of approved permits for the 2015 second quarter compared to other quarters.

FEES COLLECTION TREND ON PERMIT APPLICATIONS BY THE NAIROBI CITY COUNTY

Total Submission Fees By Quarters



Second quarter (Q2 2015) follows quarter four (Q4 2014) with the highest value of fees collected as the submission fees.

COMPARATIVE ANALYSIS OF Q2 2014 TO Q2 2015

DETAILS	QUARTERS				
	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
No. of Permits Released	725	654	710	470	686
Total submission fees paid in Kshs.	304,776,160	240,311,813	400,991,153	297,230,855	386,821,437
Total worth of developments approved in Kshs.	39,477,610,465	25,040,645,000	49,562,034,069	29,152,486,217	52,200,780,525
PERMITS BY BUILDING CLASS					
D (Domestic Buildings)	570 (78.6%)	527 (80.6%)	547 (77.0%)	372 (79.1%)	557 (81.2%)
P (Public Buildings)	95 (13.1%)	69 (10.6%)	78 (11.0%)	58 (12.3%)	79 (11.5%)
W (Warehouse Buildings)	60 (8.3%)	58 (8.9%)	85 (12.0%)	40 (8.5%)	50 (7.3%)
LEADING LOCALITIES					
Karen	81	67	79	45	76
Industrial Area	44	51	67	20	31
Westlands	28	30	33	18	29
Kilimani	27	22	25	13	21
Eastleigh	19	21	25	17	26

It is noted that there has been an increase in the worth of developments approved. Domestic buildings have the highest number of approvals which has been the trend since April 2014. Also, the leading localities have remained constant throughout the period.

NB:

- Q1 - First Quarter**
- Q2 - Second Quarter**
- Q3 - Third Quarter**
- Q4 - Fourth Quarter**

NAIROBI PERMITTING ACTIVITY REPORT

APRIL 2014 – APRIL 2015

The April 2014 – April 2015 Planning Permit Activity Report provides a summary of statistical information on planning permit activity in Nairobi from April 2014 to April 2015. During this reporting period City Council of Nairobi statistics are only referenced.

This report uses standardized data submitted to Nairobi City County. The report highlights information on applications received and decided, development location, type and value, department revenue from applications and permit processing performance.

A total of 2907 planning applications were decided during this period. Other key statistics from this report include:

Value of approved permits represents over Ksh. 163 billion worth of development projects and permitting fees collected were over Kshs 1.4 billion.

10.8% of the total number of buildings permitted/approved was concentrated in Karen, 6.5% in the Industrial area, 4.3% of the permits approved were in Westlands, 3.4% in Kilimani and 3.2% was in Parklands and also in CBD.

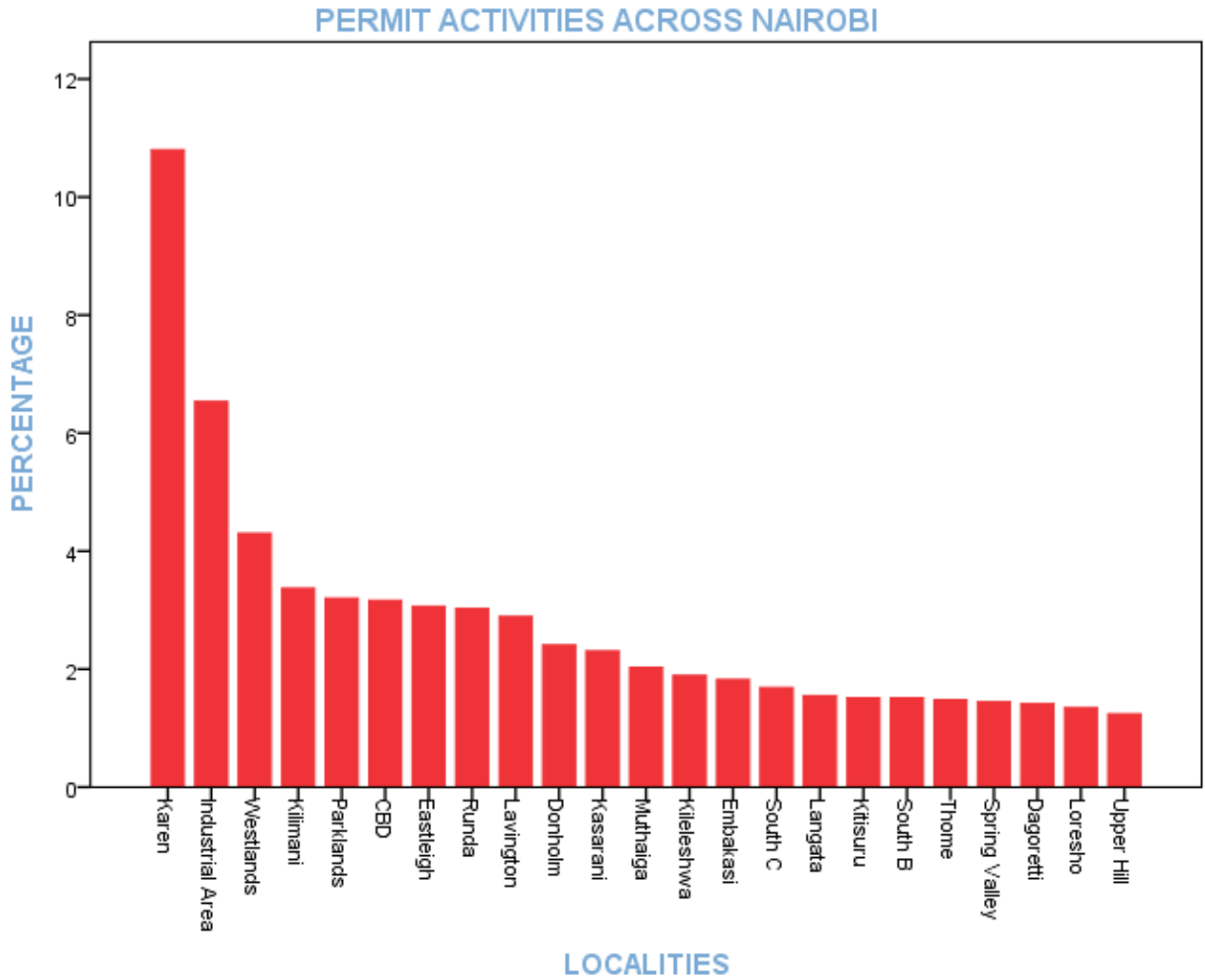
Building Classification as based on the Building code – 2302 in Domestic Class (domestic building, commercial developments and offices), 347 in Public Class (religious buildings, social halls, libraries, schools, etc.) and 258 in Warehouse Class (factories, industries and go downs).

79.2% of the total number of buildings approved were in class D, 11.9% were in class P, whereas 8.9% were in class W.

A comparative analysis is provided at close against all quarter's performance.

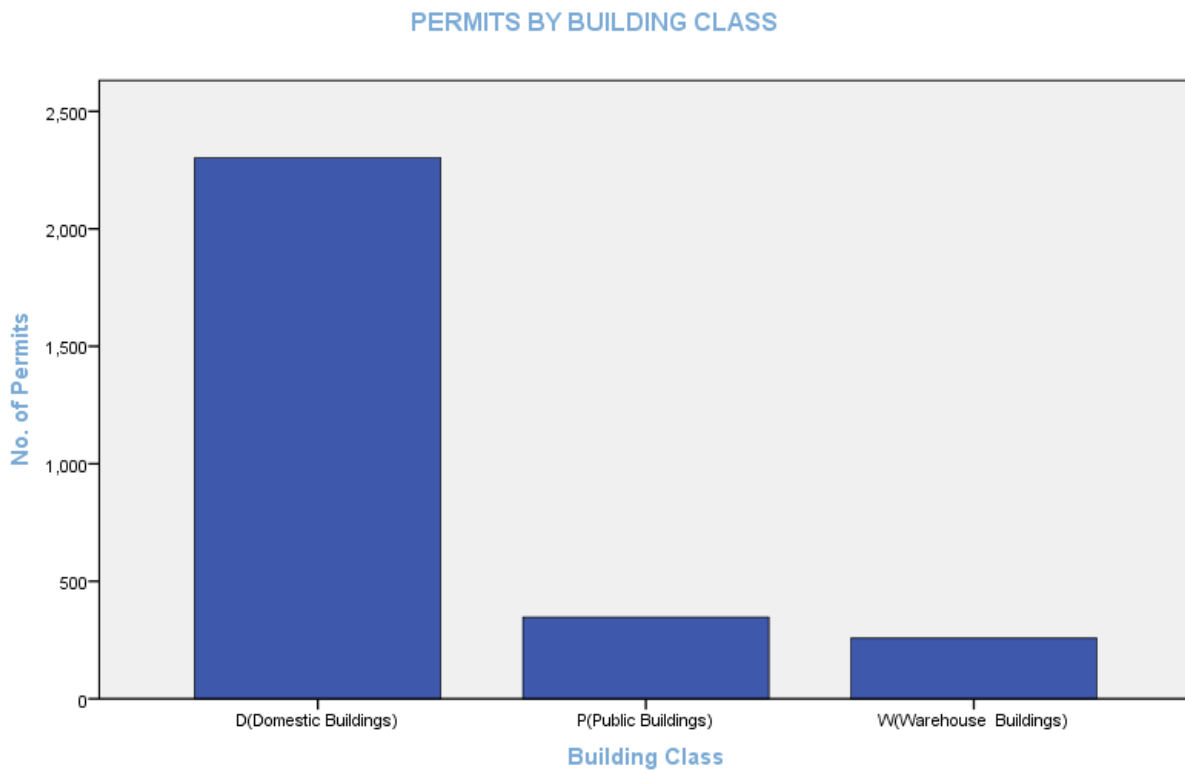
PERMIT APPLICATION ACTIVITY BY LOCALITY

The number of permit applications received in various locations.



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

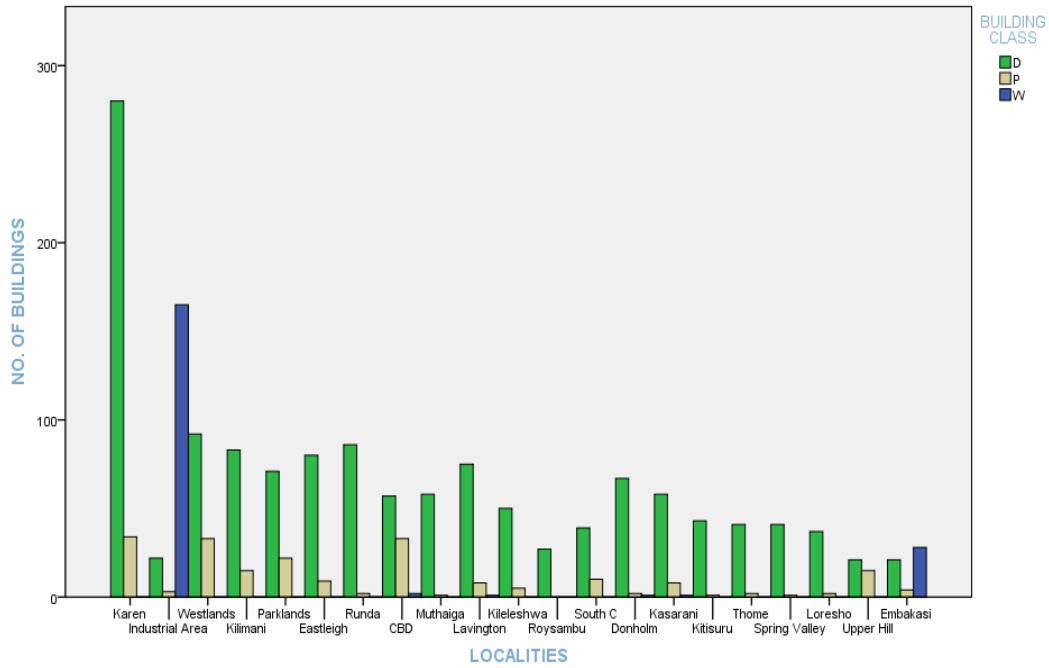
DWELLING RELATED ACTIVITY ACROSS NAIROBI



Graph 2: Domestic Class. (Domestic building, commercial developments and offices), Public Class. (Religious buildings, social halls, libraries, schools, etc.) And Warehouse Class. (Factories, industries and go downs).

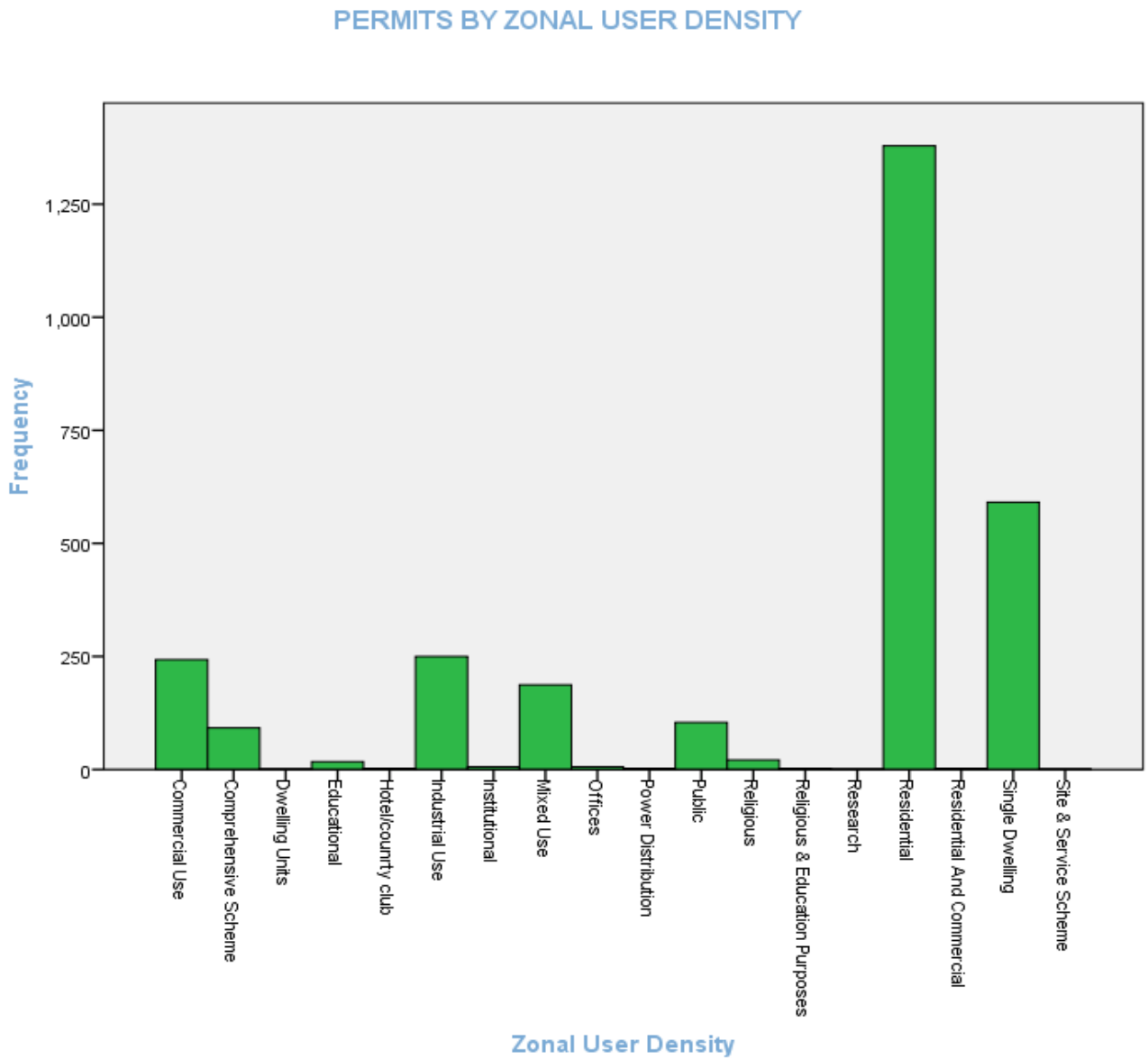
BUILDING CLASS BY LOCALITY

BUILDING CLASS BY LOCALITIES



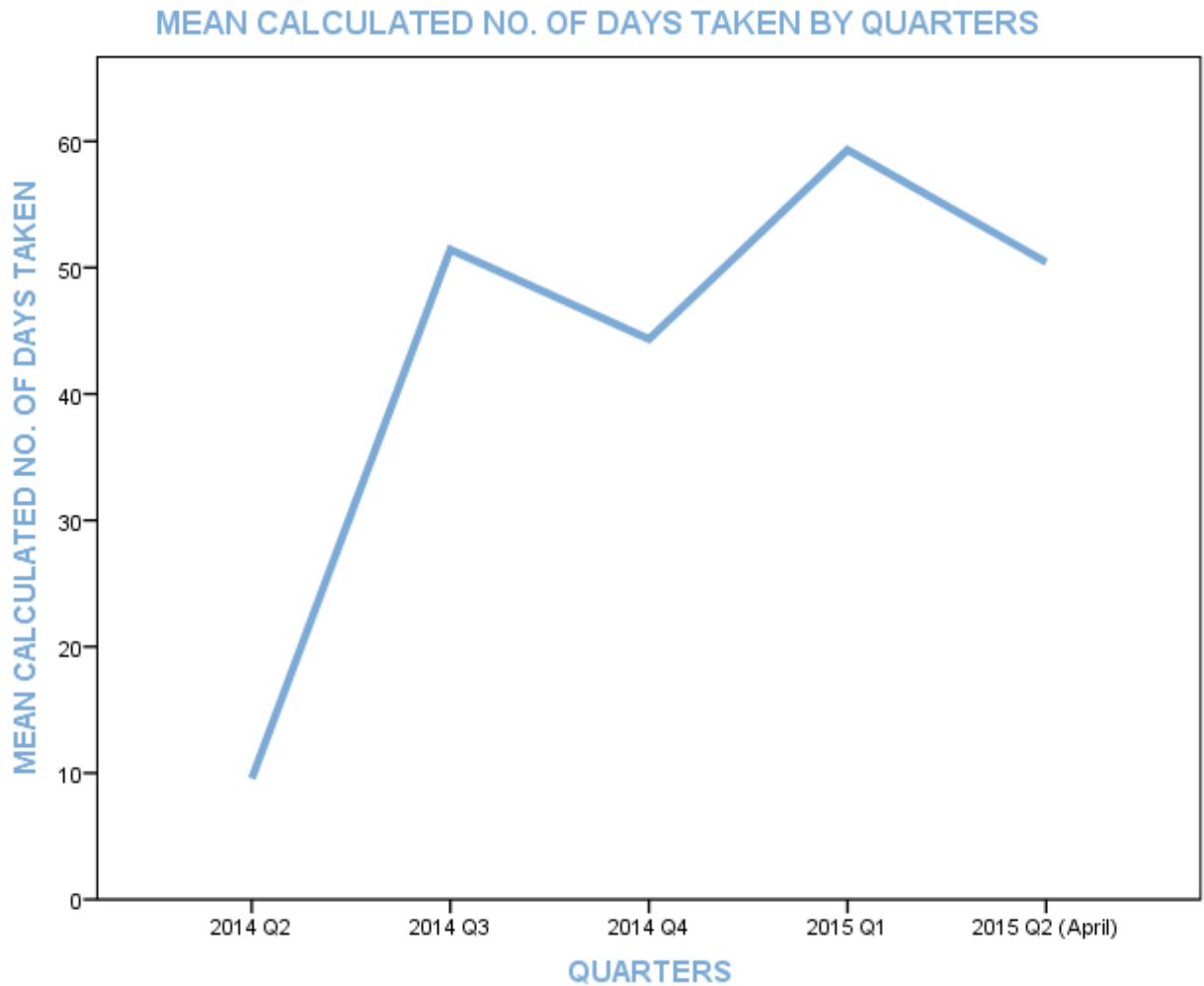
While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

NUMBER OF APPROVALS BY ZONAL USER DENSITY



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was provided to KPDA by Nairobi City County Physical Planning Department.

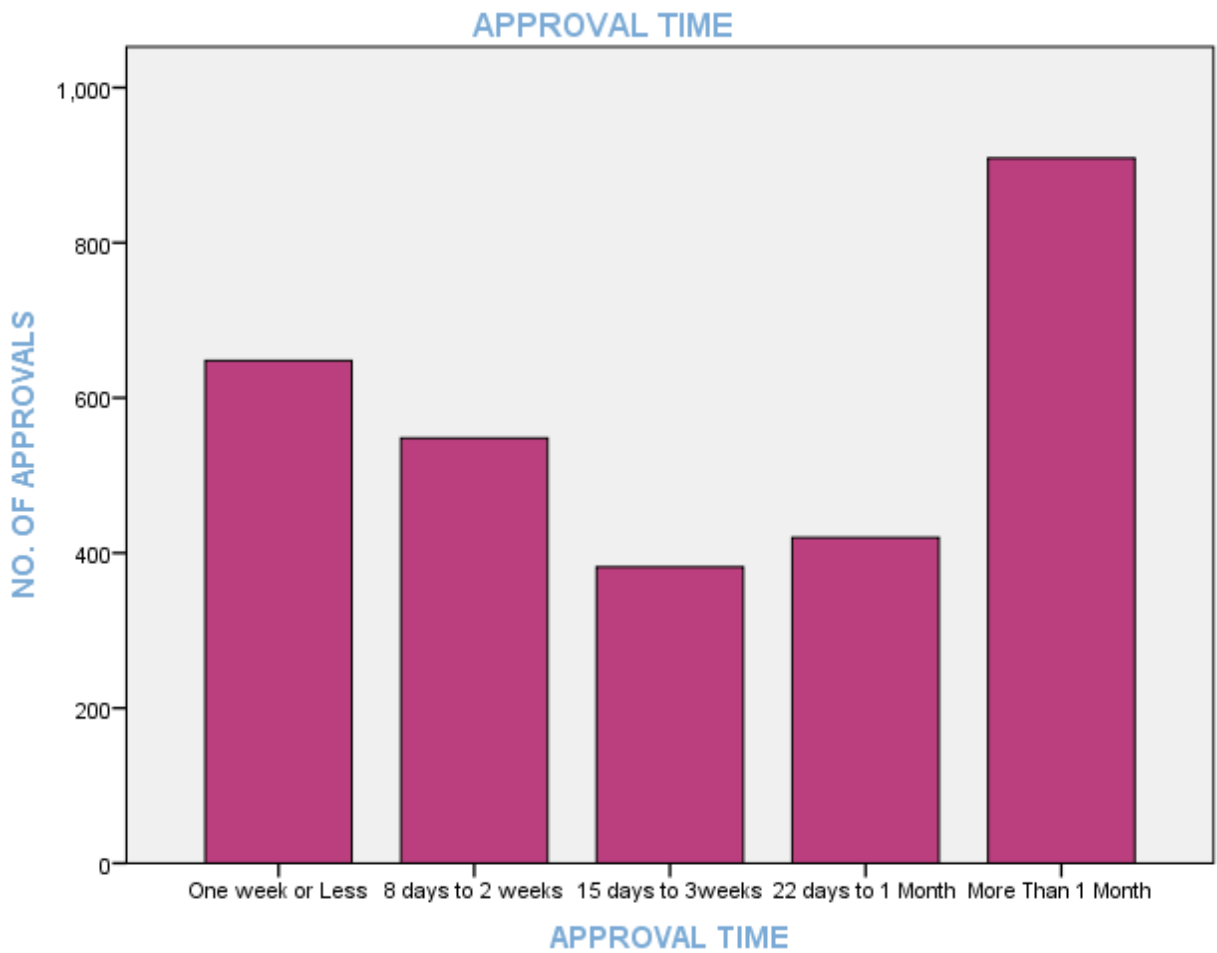
MEAN APPROVAL TIME BY QUARTERS



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was provided to KPDA by Nairobi City County Physical Planning Department.

PERMIT PROCESSING PERFORMANCE

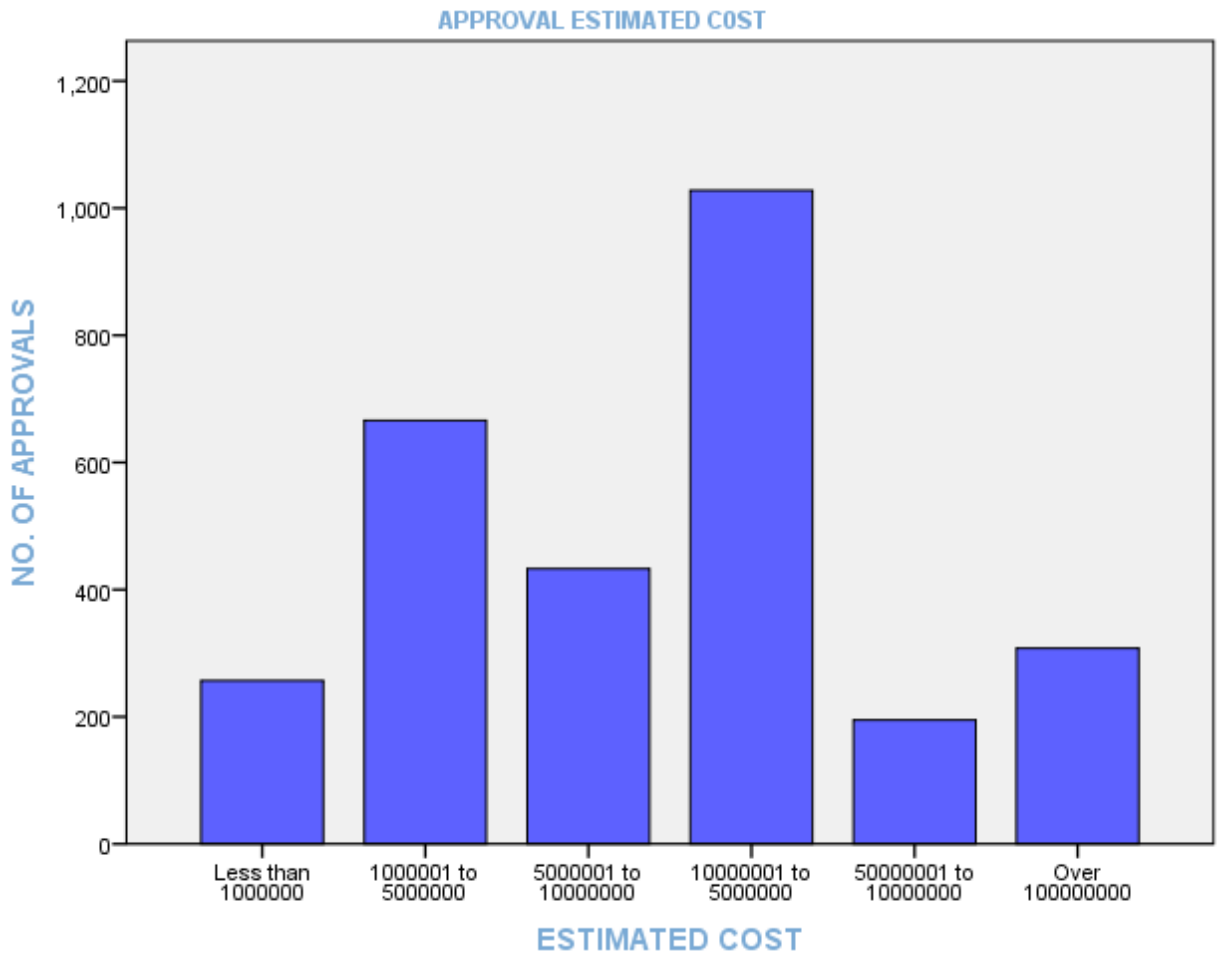
The number of days for approval – submission to decision.



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was provided to KPDA by Nairobi City County Physical Planning Department.

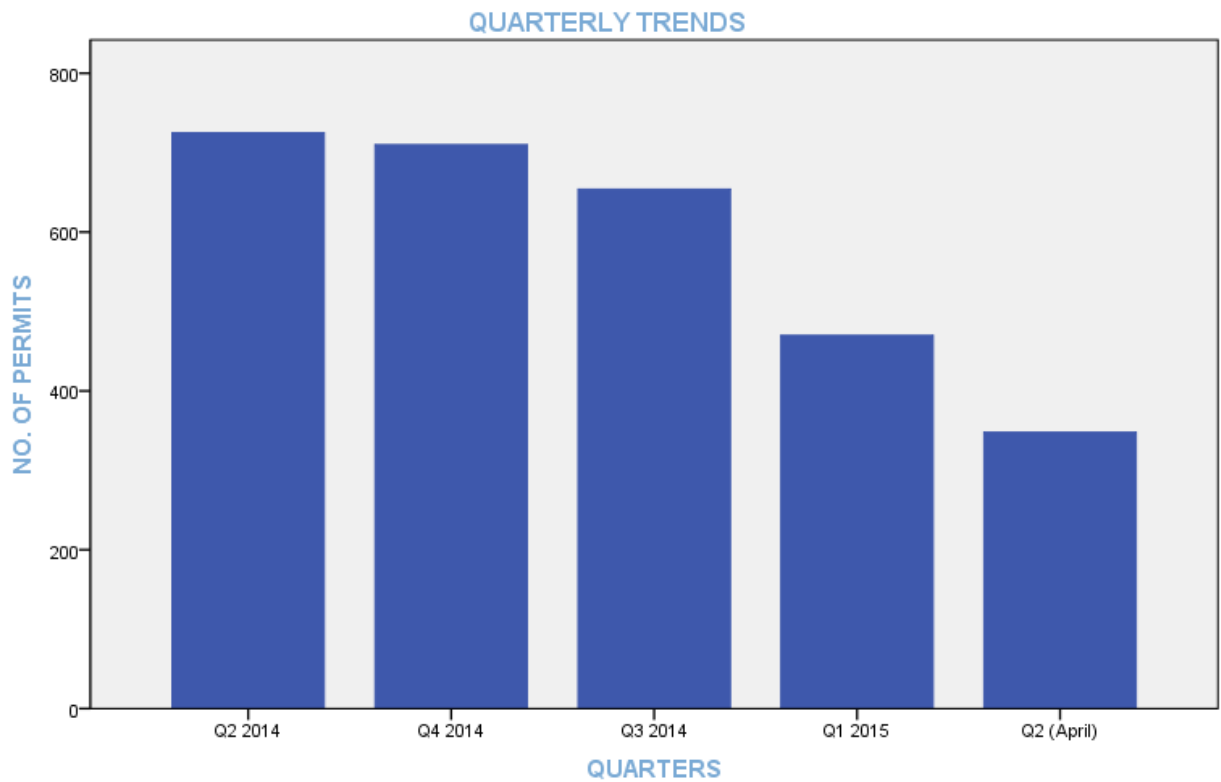
BUILDING PERMIT APPROVAL VALUES

The value of development approved by granted permit.



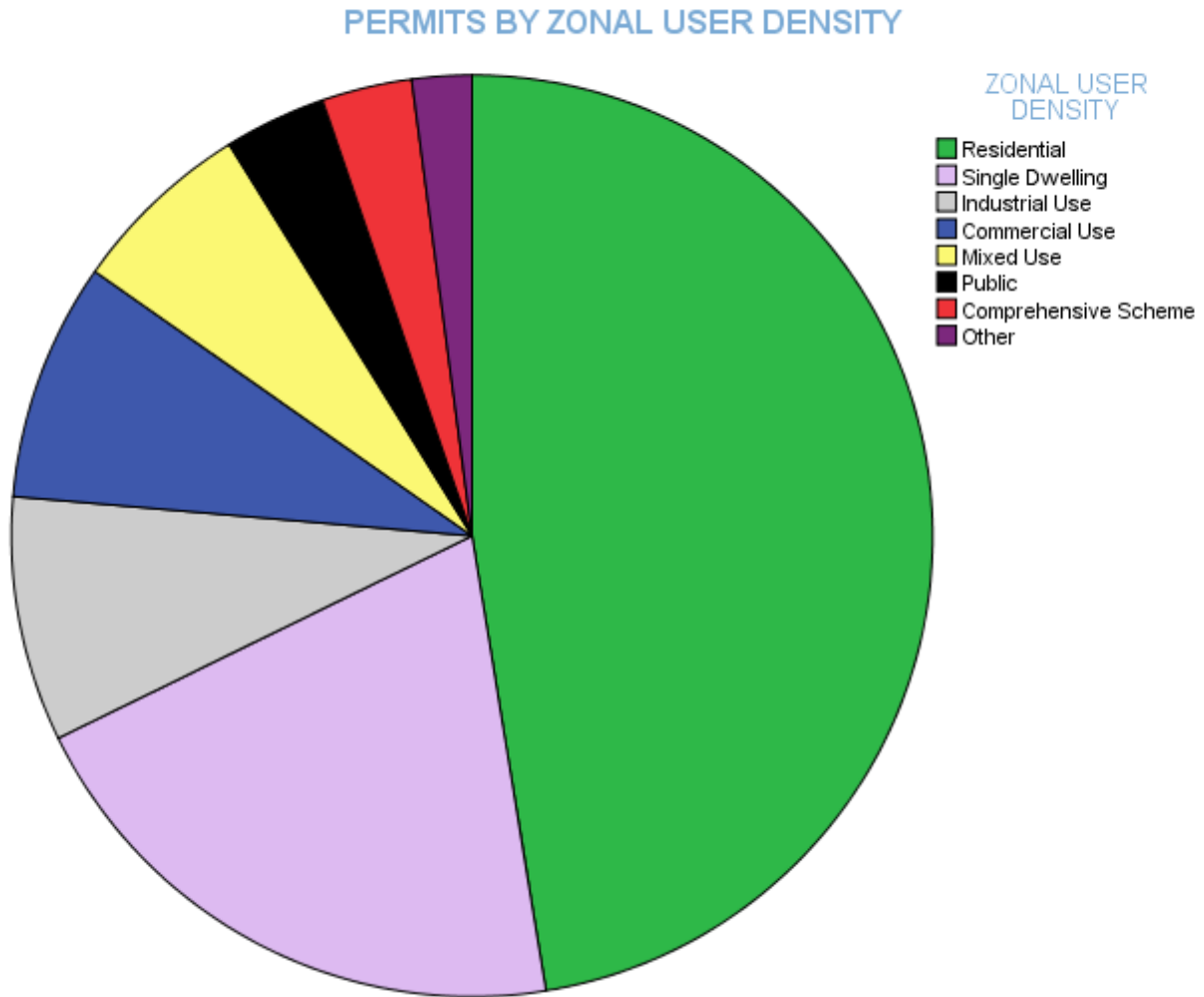
While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

PERMITTING APPLICATION ACTIVITY TREND IN NAIROBI



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was provided to KPDA by Nairobi City County Physical Planning Department.

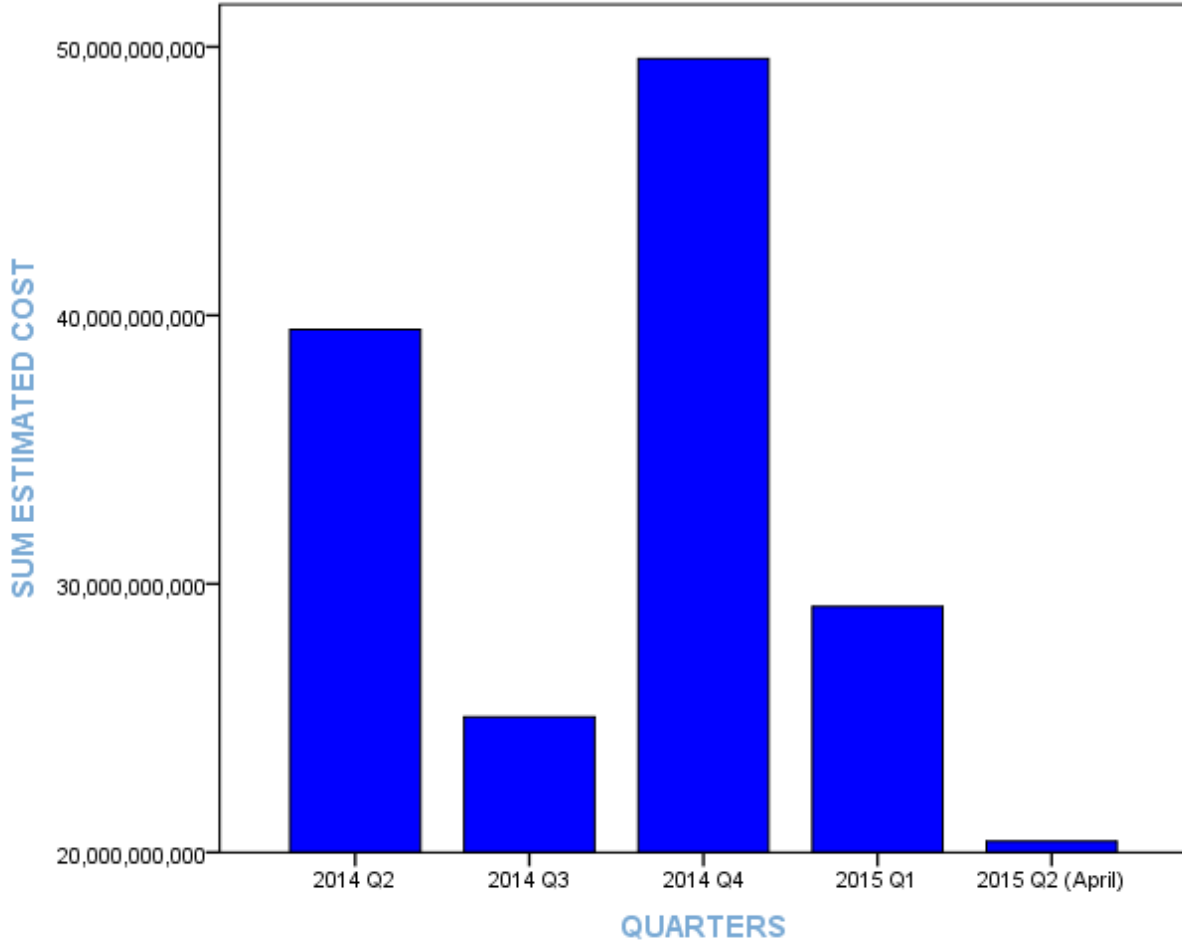
NUMBER OF APPROVALS BY ZONAL USER DENSITY



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

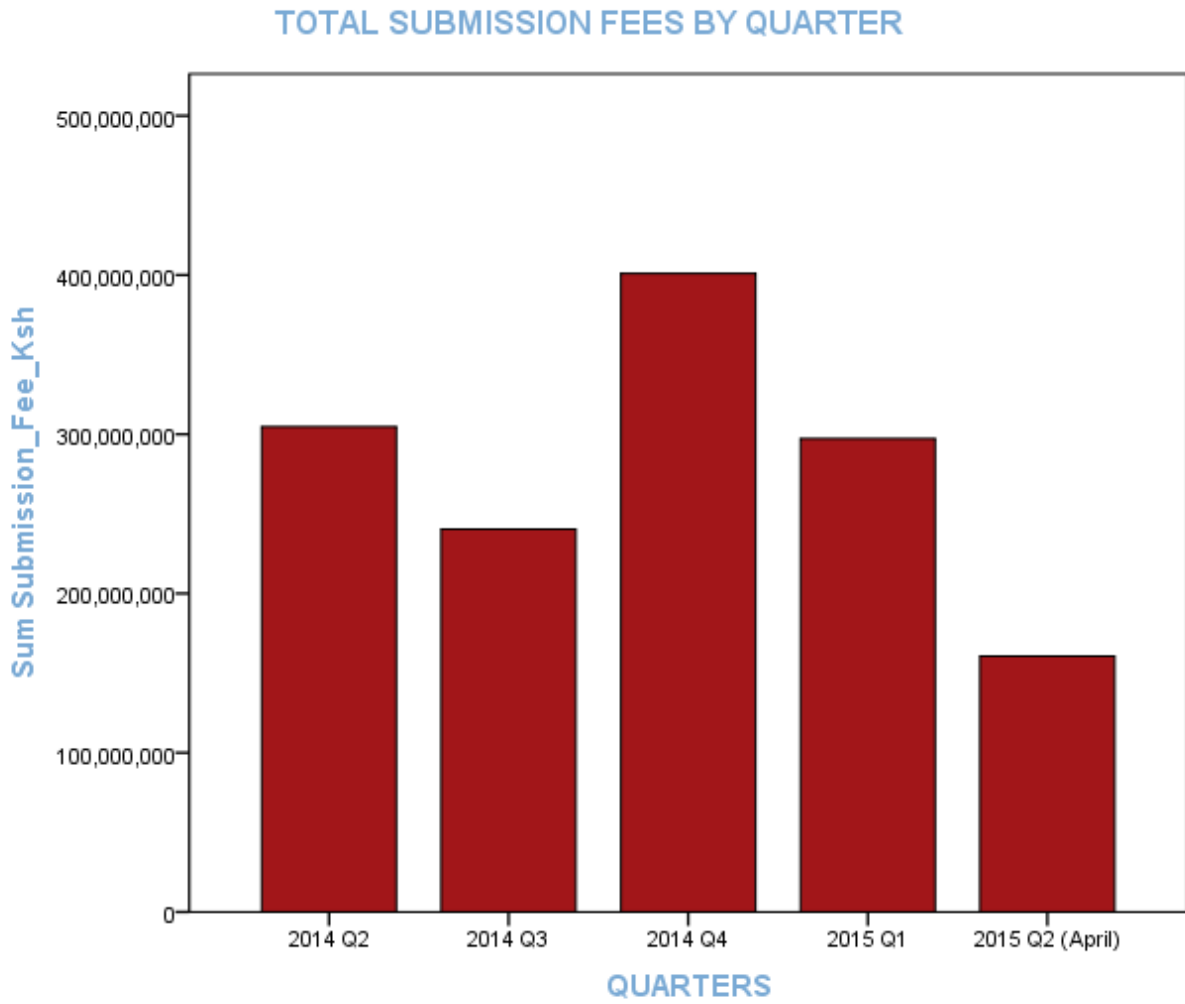
THE VALUES TREND OF DEVELOPMENT PERMITTED BY THE NAIROBI CITY COUNTY

TOTAL ESTIMATED COST BY QUARTER



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

FEE COLLECTION TREND ON PERMIT APPLICATIONS BY THE NAIROBI CITY COUNTY



While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

COMPARATIVE ANALYSIS OF Q2 2014 TO Q2 2015(APRIL)

DETAILS	QUARTERS				
	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2 (April)
Number of Permits Released	724	654	710	470	348
Total worth of developments approved in Ksh.	39,462,580,465	25,040,645,000	49,562,034,069	29,052,486,217	20,416,850,861
Total Fees paid to the NCC in Ksh.	303,648,165	238,903,364	396,611,468	292,717,775	160,656,504
PERMITS BY BUILDING CLASS					
D (Domestic buildings)	570(78.6%)	527(80.6%)	547(77%)	372(79.1%)	286(82.2%)
P (Public buildings)	95(13.1%)	69(10.6%)	78(11%)	58(12.3%)	47(13.5%)
W (Warehouse buildings)	60(8.3%)	58(8.9%)	85(12%)	40(8.5%)	15(4.3%)
LEADING LOCALITIES					
Karen	81	67	79	45	42
Industrial Area	44	51	67	20	8
Westlands	28	30	33	18	16
Kilimani	27	22	25	13	11
Parklands	26	17	22	15	13
CBD	25	22	18	17	10

While every reasonable effort is made to ensure that the information provided in this report is accurate, no guarantees for the currency or accuracy of information are made. Permit data was proved to KPDA by Nairobi City County Physical Planning Department.

4/17/2014



Nairobi Permitting Activity Report

January – March 2014



Kenya Property Developers Association

Nairobi Permitting Activity Report

January – March 2014

The 1st Quarter 2014 Planning Permit Activity Report provides a summary of statistical information on planning permit activity in Nairobi for the quarter January – March 2014. During this reporting period City Council of Nairobi statistics are only referenced.

It is the first report using standardized data submitted to the City Council of Nairobi*. The report highlights information on applications received and decided, development location, type and value, department revenue from applications and permit processing performance.

A total of 530 planning applications were decided during the period. Other key statistics from the 1st Quarter 2013 report, include:

Value of approved permits represents Kshs 26,871,179,676 worth of development projects and permitting fees collected were Kshs 180,992,237; and

11.9% of the total number of buildings permitted/approved was concentrated in Karen, 7.4% in the Embakasi area. 5.8% of the permits approved were in industrial area, 5.7% in Westland and 3.6% was in CBD and also in Parkland; and



Nation Apartments under construction in Nairobi. Nation Media File

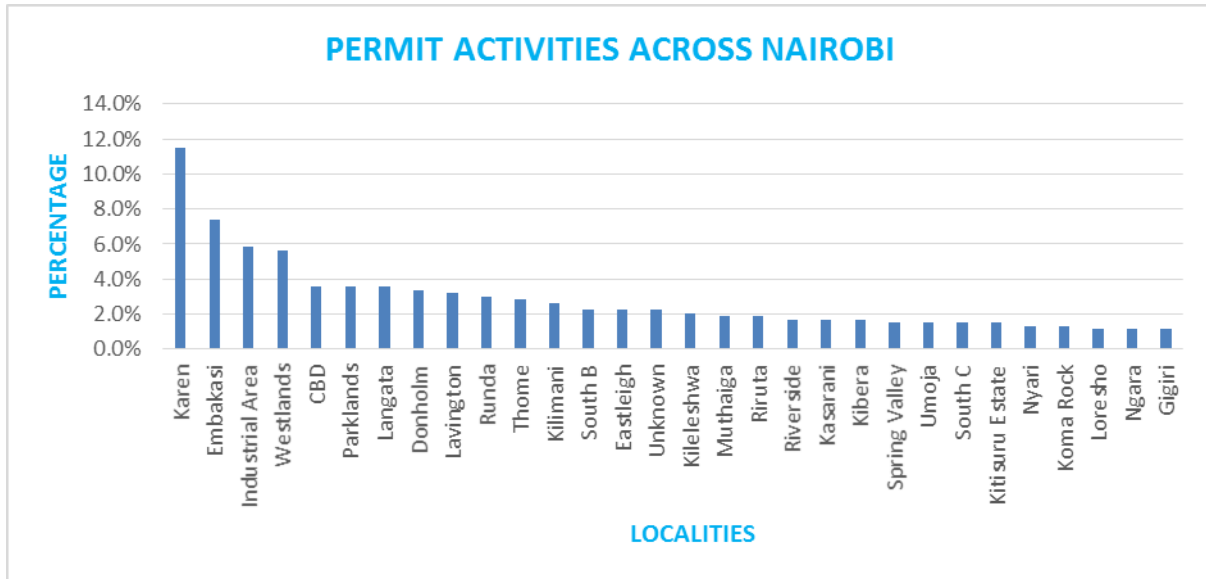
Building Class Classification as based on the Building Code – 418 in Domestic Class (domestic building, commercial developments and offices), 77 in Public Class (religious buildings, social halls, libraries, schools, etc.) and 35 in Warehouse Class (factories, industries and go downs).

78.9% of the total number of buildings approved were in class D, 14.5% were in class P, whereas 6.6% were in class W.

A comparative analysis is provided at close against previous quarter's performance.

Permit application activity by locality

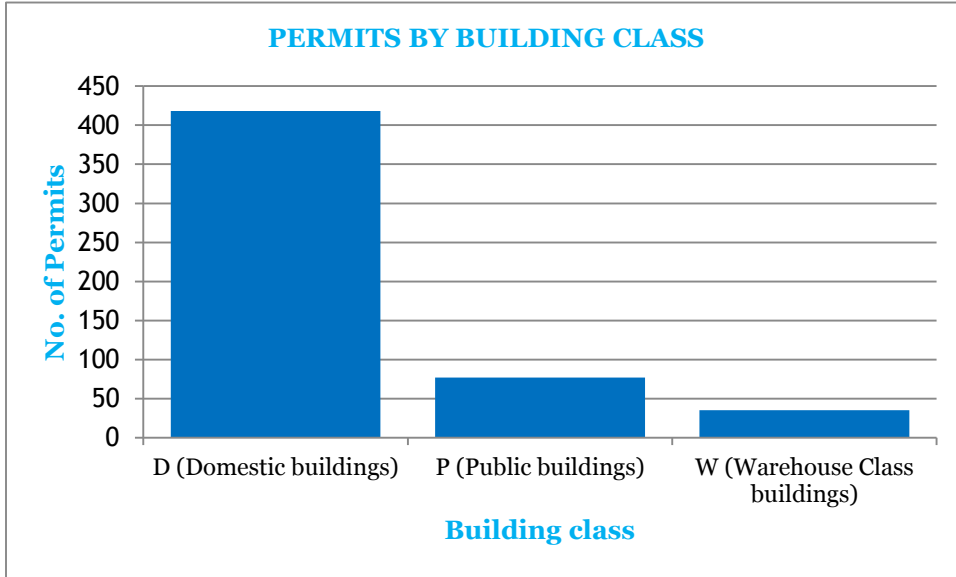
The number of permit applications received in various locations.



Graph 1: There seems to be a lot of development activities on the western side of Nairobi. Since there are more spaces in the area and the demand of housing is at the ceiling, this is expected to progress for a while as compared to eastern side where the spaces are low, although the demand is still high.
NB: localities that doesn't appear in the graph had less than 1% presentation

Dwelling related activity across Nairobi

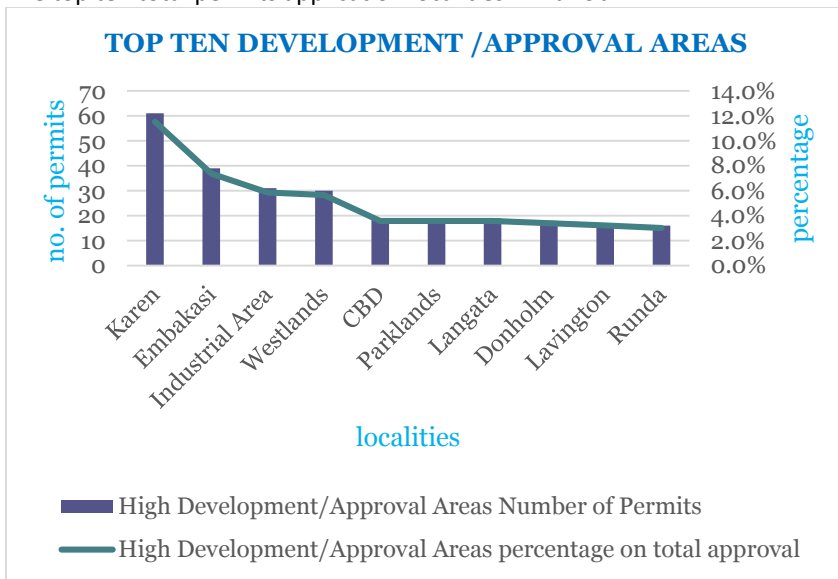
Buildings approved were mixed residential, single dwellings, mixed development buildings, building meant for industrial use, institutional use, comprehensive schemes and other uses. The following table identifies permit applications that relate to various building classes:



Graph 2: Domestic Class. (Domestic building, commercial developments and offices), Public Class. (Religious buildings, social halls, libraries, schools, etc.) And Warehouse Class. (Factories, industries and go downs).

Permitting Frequency the top ten areas across Nairobi.

The top ten total permits application localities in Nairobi.

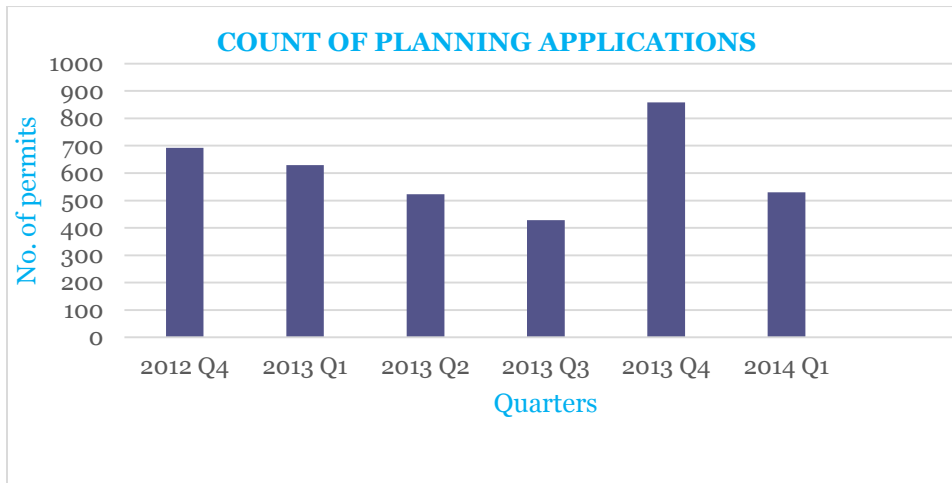


Graph 3:

High Development/Approval Areas		
Suburb	Number of Permits	percentage on total approval
Karen	61	11.5%
Embakasi	39	7.4%
Industrial Area	31	5.8%
Westlands	30	5.7%
CBD	19	3.6%
Parklands	19	3.6%
Langata	19	3.6%
Donholm	18	3.4%
Lavington	17	3.2%
Runda	16	3.0%

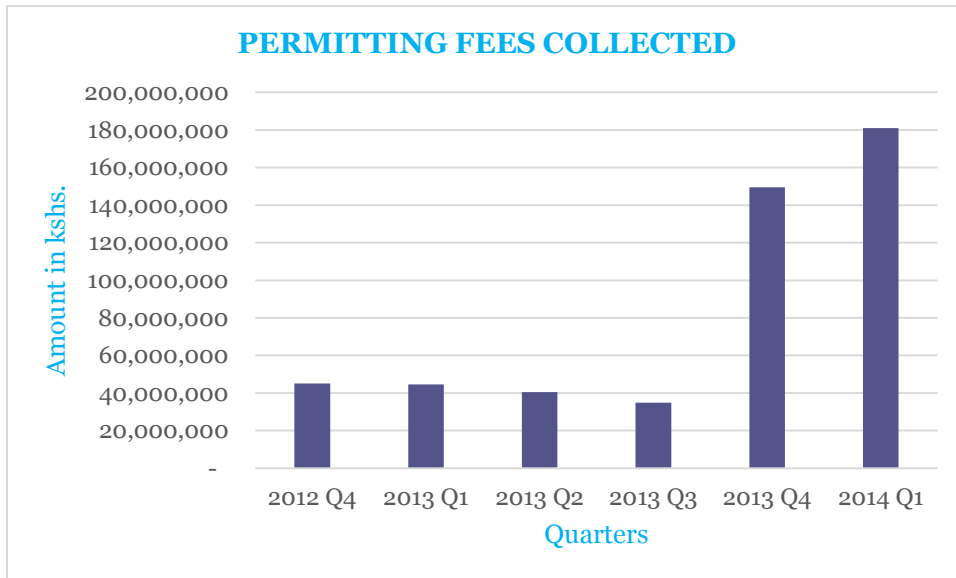
Table 1: Western side of Nairobi continues to leading in development

Permitting Application Activity Trend in Nairobi



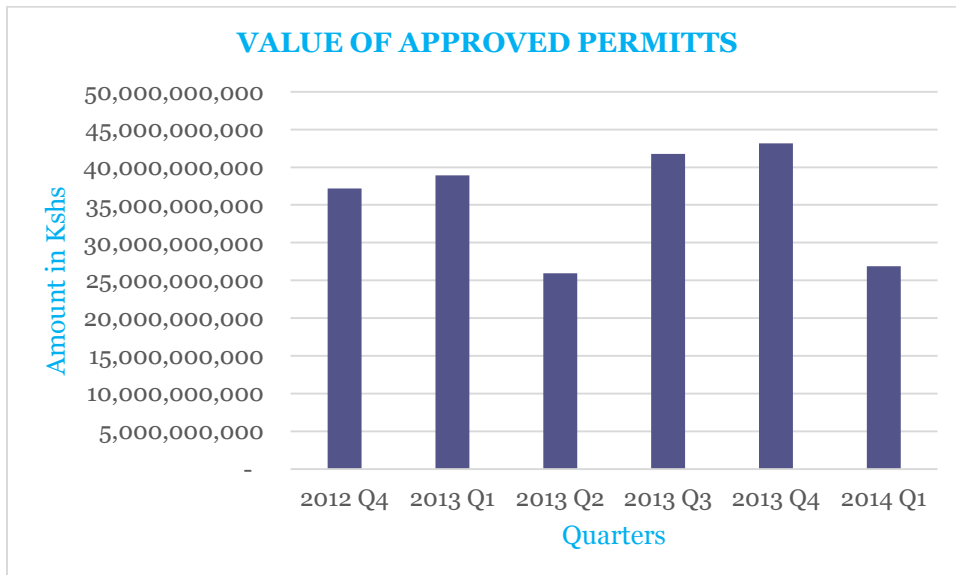
Graph 4: Count of application dropped in the first quarter of 2014 (530) as compared to the previous quarter (860).

Fees collection trend on permit applications by the Nairobi City County



Graph 5: Highest amount collected in this first quarter (Q4 2014) which is four times the one collected in the same period last year (Q1 2013)

The Values Trend of Development Permitted by the Nairobi City County.



Graph 6: A huge drop on the value of permits approved in this quarter (Q1 2014) as compared to other quarters.

COMPARITIVE ANALYSIS OF Q1 2013 AND Q4 2012

Comparison of the previous six quarters NCC permit results

Details	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1
Number of permit released	682	629	523	428	858	530
Total fees paid to the NCC	45,059,599	44,491,137	40,403,342	34,801,673	149,468,509	180,992,237
Total worth of developments approved	37,177,305,390	38,901,854,724	25,931,715,400	41,743,073,692	43,172,904,935	26,871,179,676
Leading localities	Karen(86) Industrial area(40) Embakasi(28) Kilimani(26) Runda(25)	Karen(57) Industrial Area(49) Kilimani(33) Embakasi(26) CBD(26)	Karen(57) Embakasi(32) Industrial Area(26) CBD(21) Lavington(19)	Karen(41) Industrial Area(38) Embakasi(20) Kilimani(18) CBD(17)	Karen(89) Industrial Area(61) Westlands CBD(45) Parklands(36)	Karen(61) Embakasi(39) Industrial Area(31) Westlands(30) CBD (19)
Permits per Building class	D=524 P=100 w=58	D=450 P=101 W=58	D P w	D P w	D=662 P=118 W=78	D=418 P=77 W=35

Table 2: Note the drastic fall of the number of approvals, the total worth of the development approved and the rise in the amount of fees collected by the Nairobi City County in the first quarter of 2014.

NB:

Q1-First Quarter

Q2- Second Quarter

Q3- Third Quarter

Q4- Fourth Quarter

NCC- Nairobi City County

KPDA- Kenya Property Developers Association