

SPECIAL EDITION 2018-2019

KPRA-THE VOICE OF REAL ESTATE PROFESSIONALS

INSIDE

ECONOMY

REAL ESTATE TRENDS

URBAN PLANNING

REAL ESTATE

(DRIVING GLOBAL WEALTH)

RAISING THE BAR

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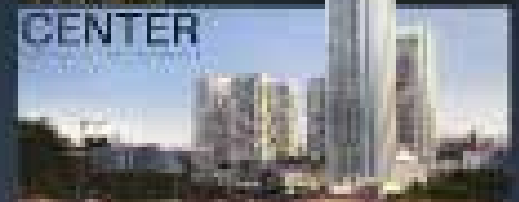
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THE REAL ESTATE REPORT 2018

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ENCOUNTERS THE NEW WORLD
SPECIAL FEATURE INSIDE

INSIDE

- ECONOMIC & REAL ESTATE TRENDS IN KENYA 2019
- BUSINESS POWER NETWORKING DIRECTORY
- Real Estate Driving Global Wealth
- Kenya Real Estate Awards Launched
- Urban Planning - Challenges & Opportunities
- Kenya's Economic Trends in 2019
- KPRRA Raising the Bar in Real Estate

**SPECIAL
FEATURE**
LAUNCH OF
KENYA REAL ESTATE
AWARDS

MARKETING



SALES



GROWTH

EDITOR

DEPUTY EDITOR

CREATIVE DIRECTOR

FASHION DIRECTOR

FEATURES EDITOR

BEAUTY EDITOR

ART DIRECTOR

ART EDITOR

EDITOR'S OVERVIEW

Greetings, welcome to the Real Estate Report 2018 edition. I am delighted to be associated with the inaugural publishing of the first Kenya Real Estate Report by Real Estate Professional Association and Industry practitioners.

It is important that the story of Real Estate challenges and opportunities be promogated by those in the Real Estate Industry and not outside marketing publishers who may not have the heart of the Real Estate Industry Professional as we have done in this initiative.

It is fair to say that moving forward. The story of Real Estate Industry will be told by those practicing and passion felt entrenched in this very noble career.

The Real Estate Report will examine many of the key drivers in this Industry. As you will see from many articles from global leaders Real Estate is driving global wealth and the new technological developments industry innovations in construction, urban planning, environmental conservations and global warming initiatives to name a few.

We welcome others to contribute to this very informative report initiative and even sponsor key section of the Industry for positivity and knowledge growth

There is a saying, Knowledge is power and it goes on to say, the more you learn the better decisions you will make.

So let me conclude by inviting all of you to sharing your knowledge, expertise and promote the growth and prosperity of a wealthy profitable Real Estate Industry both in Kenya and globally.

By Peter K. Wairegi



EDITOR'S PROFILE

Mr. Peter Wairegi has been a practitioner in Real Estate since 1987 when he qualified for his Real Estate License in the USA. Since that time, Mr. Wairegi has provided training, education and many Real Estate and mortgage finance conferences both in USA for 25 years and now here in Kenya for the past five years.

Mr. Wairegi is the author of several Real Estate books and publications. The Residential handbook 1991 – USA essential saves time and money, 1993 – USA, Kenya Real Estate Principals and Practical Essentials, 2013 Professional Realtors Magazine Kenya, 2014 – 2018 and most recent Advance Sales and Marketing for Peak Performers - 2017 Kenya.

He is a founding member of KPRA (Kenya Professional Realtors Association) and many other local and International organizations.

He is an internationally recognized business strategy consultant, Real Estate Finance and Investment Expert and Business Coach for Entrepreneurs and Business leaders globally. He is a Fellow of the Kenya Institute of Bankers Cambridge who's who and Black American Cleveland who's who member among other notable achievements.

Mr. Wairegi holds a bachelors degree in Business and Finance from the University of Toledo USA, Master of Business Administration in Economics and Business Coach from the Ohio mortgage Brokers Association where he was a founding member.

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EDITORIAL

NOTE



CAVEAT EMPTOR-LET THE BUYER BE WARE

For most people Buying/selling and building their homes is one of the major investments and achievement of their life. In America, they term it the American dream and I sincerely think it is the same in Kenya. So how do you make this dream come true and what are the Land mines to avoid or what information do you need to make this a reality.

As our very cautions heading implies. It is very important for any buyer, developer or investors of any real estate property to have the right and timely information so that they can make an informed decision hence caveat emptor- caution –‘Let the buyer beware.’

One of the driving goals of KPRA and its membership is to advocate for the Raising of the Bar in our professional service delivery-The current regime has failed to bring high level of standards in the industry and it is about time the industry professionals and real estate practitioners to advocate for new legislative initiatives to level this playing field and bring about credible professional standards in the industry- the beneficiaries of this will be first customers those who buy and take Real Estate as their career and second the professional would enhance their credibility and professional standing.

Real Estate locally and internationally provides many noble and worthwhile careers which need to be protected as they contribute greatly to the economy and accumulation of wealth for many.

I encourage those that call Real Estate business their career to your KPRA professional in this endeavor and contribute to the growth and raising of standards in our industry.

First through the use of best business practices, education, professional development, business power networking and profitable business partnerships with other real estate services providers.

I am convinced that if we all do our part, we can build a noble and progressive real estate industry that will continue to be one of the key drivers one of the key drivers for wealth and economic development in our country. So, let me invite all real estate practitioners to join KPRA and together we can make this industry formidable but even more importantly a noble profession with much service to our customers and partners.

Join us today and be the voice of Real Estate Industry professionals and key drivers of the industry role in the economic growth of our country and globally.

By Peter K. Wairegi

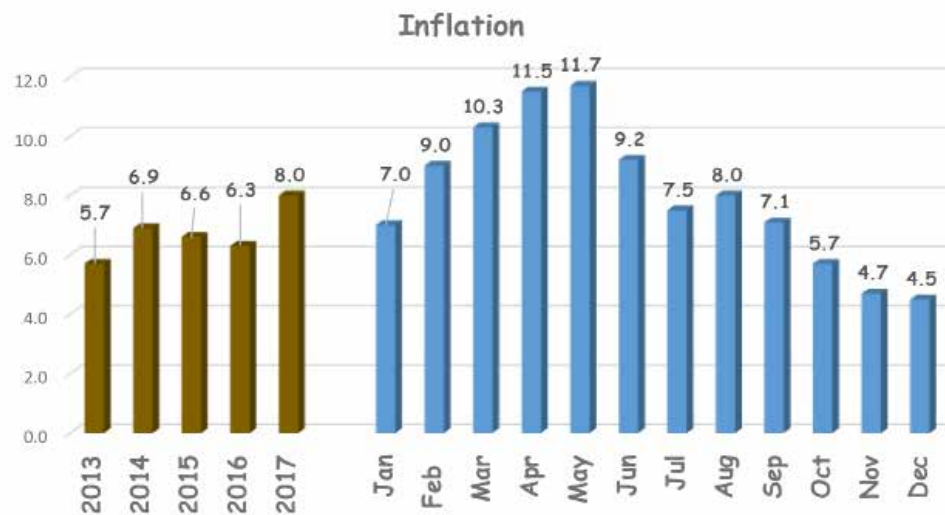
ECONOMIC TRENDS IN KENYA

An outlook at the economic trends in relation to the Kenyan economy from the various sectors and their impact in the growth in the Kenyan sphere

Source from The Kenya National Bureau of Statistics (KNBS), images KNBS

Kenya's economy is estimated to have expanded by 4.9 per cent in 2017 compared to a revised growth of 5.9 per cent in 2016. The slowdown in the performance of the economy was partly attributable to uncertainty associated with a prolonged electioneering period coupled with adverse effects of weather conditions.

Generally, key macroeconomic indicators largely remained stable and therefore supportive of growth in 2017. Interest rates declined due to the impact of their capping that became effective in September 2016. In the money market, the Kenyan Shilling strengthened against most of the major trading currencies but weakened against the Euro and the US Dollar in 2017. The current account deficit widened in the year under review on account of significant growth of imports against a slower growth of exports. There was a moderate build up in inflationary pressures mainly due to significant increase in oil and food prices during the year under review. Consequently, inflation rate rose from 6.3 per cent in 2016 to 8.0 per cent in 2017.

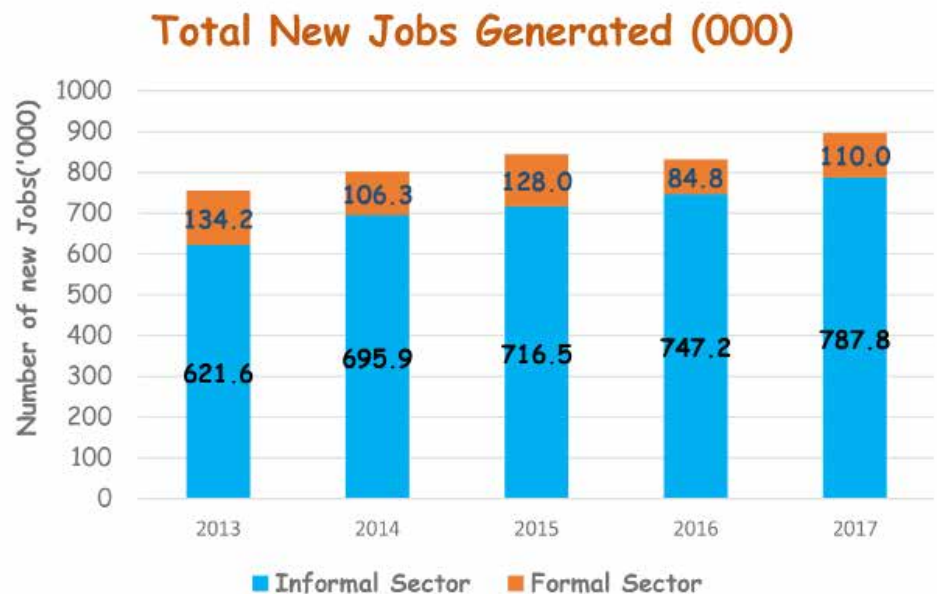


Performance across the various sectors of the economy varied widely, with Accommodation and Food services; Information and Communication Technology; Education; Wholesale and Retail trade; and Public Administration registering accelerated growths in 2017 compared to 2016. .

On the other hand, growths in Manufacturing; Agriculture, Forestry and Fishing; and Financial and Insurance decelerated significantly over the same period and therefore dampened the overall growth in 2017

EMPLOYMENT, EARNINGS AND CONSUMER PRICES

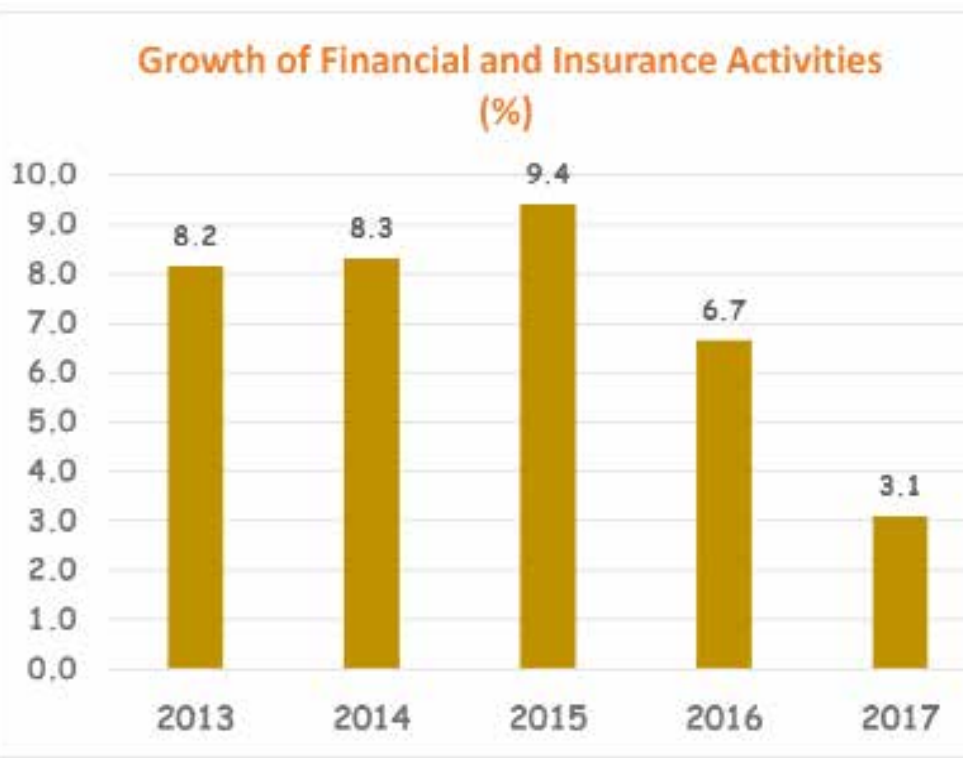
A total of 897.8 thousand new jobs were created in 2017 with 787.8 thousand new jobs created in the informal sector. Employment in the informal sector accounted for 83.4 per cent of total employment in the period under review. The number of persons engaged, excluding those in rural small scale agriculture and pastoralist activities, rose by 5.6 per cent from 16.0 million persons in 2016 to 16.9 million persons in 2017. Wage employment in the modern sector increased from 2,553.5 thousand persons in 2016 to 2,656.6 thousand persons in 2017. The total number of self-employed and unpaid family workers within the modern sector rose from 132.5 thousand persons in 2016 to 139.4 thousand persons in 2017. Annual nominal average earnings per person in the modern sector increased from KSh 645,035.2 in 2016 to KSh 684,097.0 in 2017. However, annual real average earnings per person decreased from KSh 379,968.9 to KSh 369,004.3 over the same period. Inflation as measured by Consumer Price Index increased from 6.3 per cent in 2016 to 8.0 per cent in 2017.



MONEY, BANKING AND FINANCE

During 2017, the Central Bank continued to pursue accommodative monetary policy aimed at increasing credit uptake by the private sector to stimulate economic growth. The Central Bank Rate (CBR) was retained at 10.0 per cent to continue anchoring inflation expectations in 2017. The maximum lending rate is capped at no more than 4.0 per cent above the CBR. Average interest rates on deposits increased to 8.22 per cent in December 2017 from 7.33 per cent in December 2016. Commercial banks' average lending interest rates on loans and advances remained stable at 13.64 per cent in December 2017. The 91-day Treasury bill rate fell from 8.44 per cent in December 2016 to 8.01 per cent in December 2017.

Extended broad money supply (M3) grew by 8.9 per cent in December 2017 to KSh 3,010.9 billion from KSh 2,764.5 billion in 2016. Overall liquidity, which is the broadest definition of money supply, grew by 10.1 per cent to KSh 4,085.1 billion during the review period. Total domestic credit grew by 7.9 per cent in 2017 with credit to the private sector expanding by 2.4 per cent..



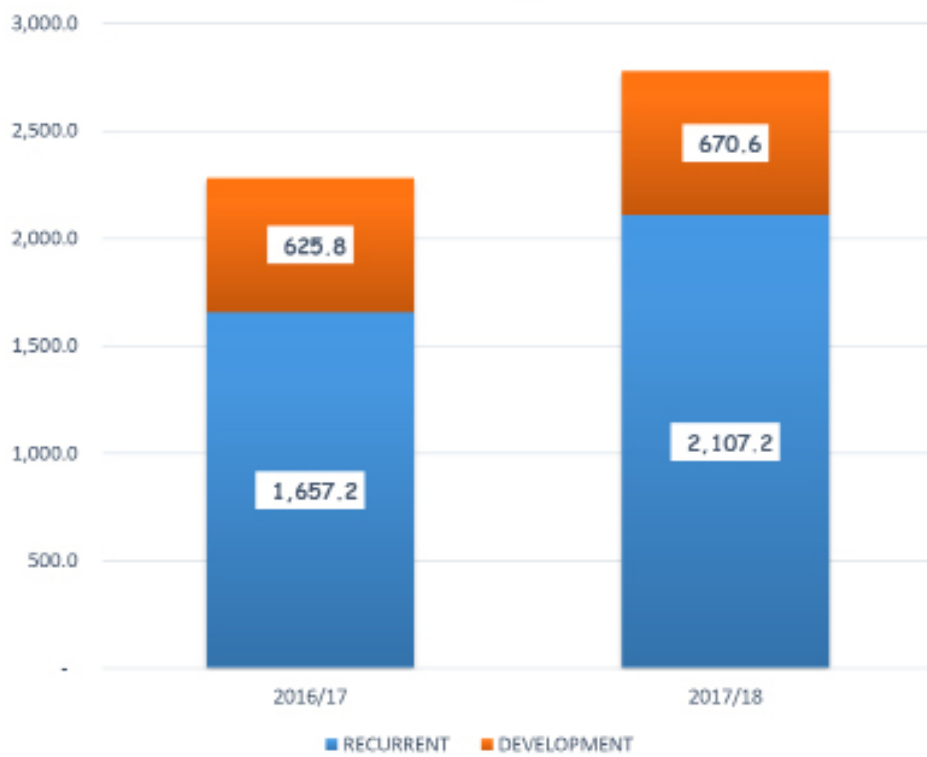
The Nairobi Securities Exchange 20-Share index rose to 3,712 points in December 2017 from 3,186 points in December 2016, with market capitalization rising to KSh 2,522 billion in December 2017. In the insurance sector, gross premium income for general business increased by 2.5 per cent to KSh 124.7 billion in 2017. Total Assets in life business grew by 15.8 per cent to 353.6 billion in 2017. Retirement benefit assets grew to KSh 963.1 billion in June 2017 from KSh 831.8 billion in June 2016.



PUBLIC FINANCE

National Government outlay for 2017/18 is expected to increase by 21.7 per cent to KSh 2,777.8 billion from KSh 2,283.0 billion in 2016/17. Recurrent expenditure is estimated at KSh 2,107.2 billion in 2017/18, while development expenditure is budgeted at KSh 670.6 billion. Total revenue collections by the National Government, inclusive of grants is expected to be KSh 1,710.2 billion, of which KSh 1,466.2 billion is expected to be generated from tax revenue

National Government Expenditure (KSh Billion)



Total stock of public debt as at end of June 2017 stood at KSh 3,971.4 billion, of which external debt position was KSh 2,294.2 billion, accounting for 57.8 per cent. Public debt servicing in 2017/18 is expected to amount to KSh 623.1 billion.

National Government Revenue (KSh Billion)



County governments budgeted to spend KSh 395.9 billion in 2017/18 against total expected receipts amounting to KSh 401.6 billion. National government current transfers to county governments, inclusive of conditional grants, is estimated to increase by 14.4 per cent to KSh 345.7 billion during the review period.

County Government Budget (KSh Billion)



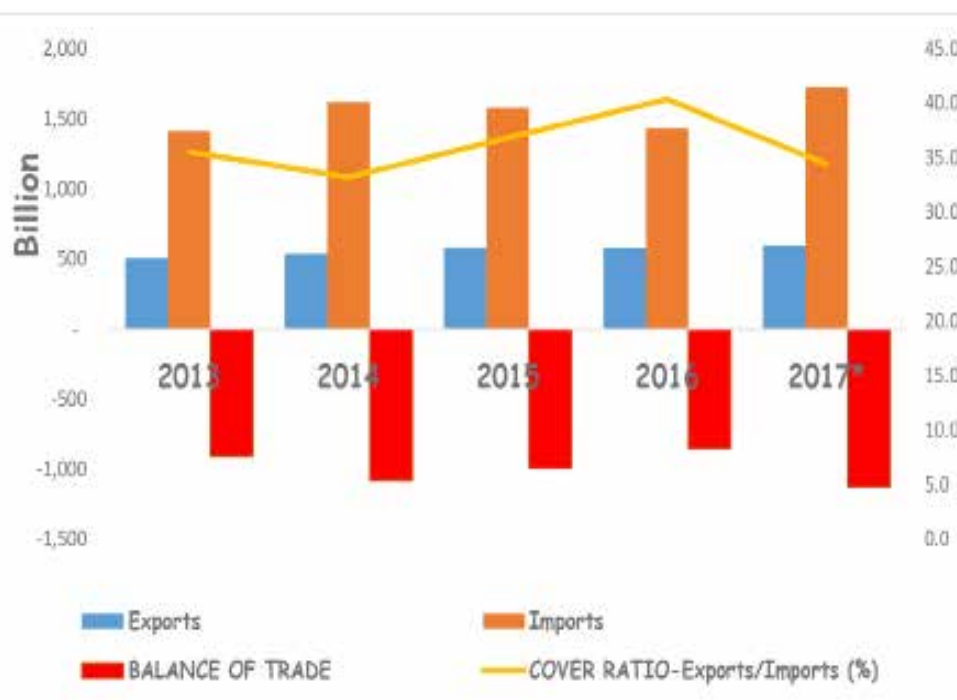
INTERNATIONAL TRADE AND BALANCE OF PAYMENTS

Total value of exports increased by 2.8 per cent to KSh 594.1 billion in 2017. The major foreign exchange earners were: tea; horticulture; articles of apparel and clothing accessories; coffee and titanium ores and concentrates, collectively accounting for 64.8 per cent of total domestic export earnings, during the review period. Africa remained the leading destination of Kenya's exports; accounting for 37.7 per cent of total exports in 2017, with East African Community (EAC) accounting for more than half of total exports to Africa. Exports to Europe accounted for 24.7 per cent of total exports in 2017, with the bulk of exports destined to European Union (EU) countries.

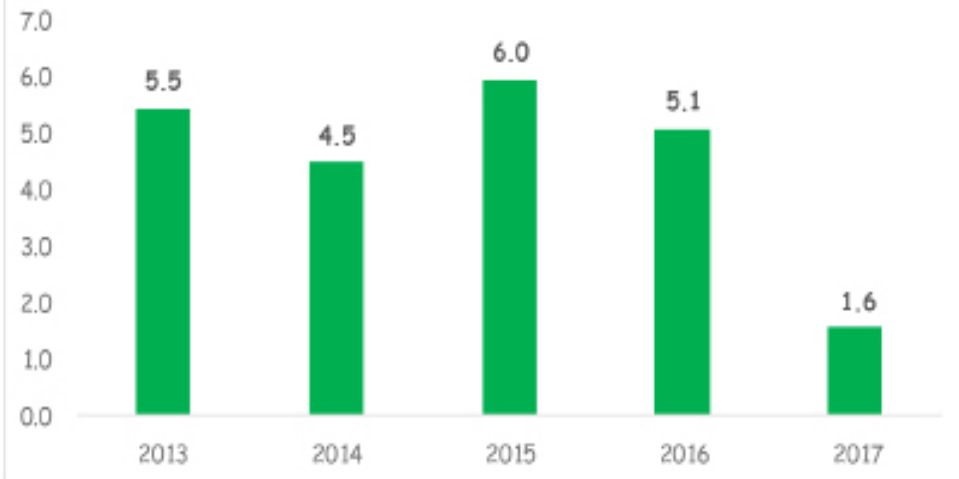
The import bill grew by 20.5 per cent to KSh 1,725.6 billion in 2017. The main drivers of the import bill were: industrial machinery; petroleum products; road motor vehicles; iron and steel; animal and vegetable fats and oils; and sugar. Asia accounted for 64.2 per cent of total imports in 2017, continuing its dominance as the leading source of Kenya's imports.

ECONOMIC TRENDS IN KENYA

The ratio of exports to imports deteriorated from 40.4 per cent in 2016 to 34.4 per cent in 2017. Trade weighted exchange rate index deteriorated from 114.8 in 2016 to 116.5 in 2017, a reflection of the depreciation of the Kenyan Shilling against the currencies of the major trading partners. The current account widened by 38.3 per cent to KSh 518.9 billion in 2017, reflecting a 6.7 per cent of GDP. Net inflows of international trade in services increased by 11.4 per cent to a surplus of KSh 160.9 billion in 2017, supported by increased foreign travel receipts. Net financial inflows increased by 13.4 per cent to a surplus of KSh 476.1 billion in 2017, on account of increase in short term capital inflows. These developments resulted in an overall balance of payments deficit of KSh 16.9 billion in 2017, supported by increased foreign travel receipts. Net financial inflows increased by 13.4 per cent to a surplus of KSh 476.1 billion in 2017, on account of increase in short term capital inflows. These developments resulted in an overall balance of payments deficit of KSh 16.9 billion in 2017 from a surplus of KSh 13.1 billion recorded in 2016.

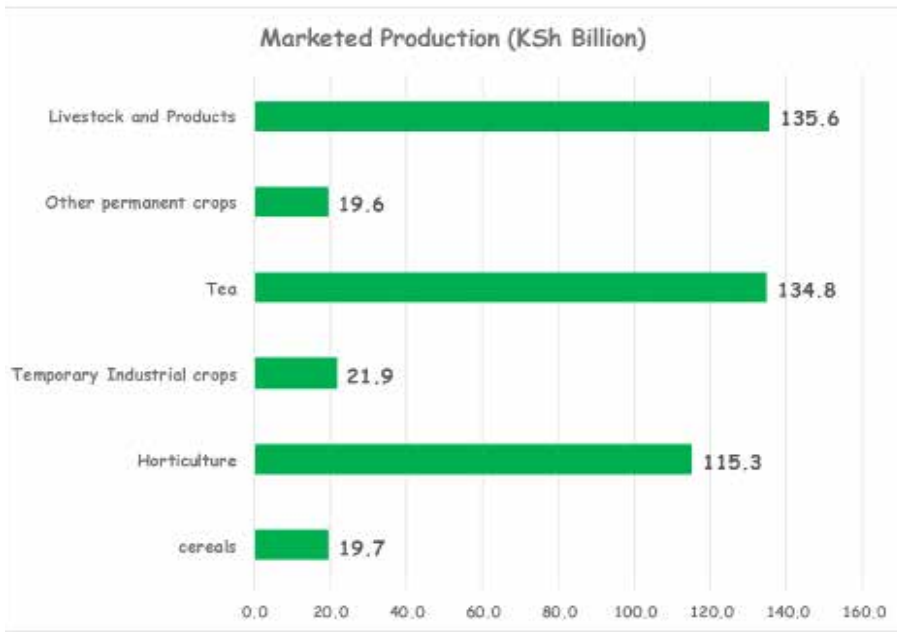


Growth of Agricultural Real Value Added (%)



AGRICULTURE SECTOR REVIEW

The agriculture sector recorded mixed performance in 2017 which led to a decelerated growth of 1.6 per cent compared to 5.1 per cent growth in 2016. Drought coupled with pests such as the fall army worms and diseases led to the overall decline in agricultural production in 2017. Despite reduced production of major crops during the period under review, better prices were realized for the marketed agricultural output. Consequently, the value of marketed production increased by 8.2 per cent from KSh 413.2 billion in 2016 to KSh 446.9 billion in 2017. Maize production declined from 37.8 million bags in 2016 to 35.4 million bags in 2017. Similarly, sugarcane production declined from 7.2 million tonnes in 2016 to 4.8 million tonnes in 2017. The recorded declines in production of maize and sugarcane resulted in huge imports of maize and sugar to bridge the deficit. Wheat production declined by 23.1 per cent from 214.7 thousand tonnes in 2016 to 165.2 thousand tonnes in 2017. Tea production declined by 7.0 per cent to 439.8 thousand tonnes in 2017 while marketed coffee dropped by 15.1 per cent to 33.7 thousand tonnes in the year under review. The volume of fresh horticultural exports increased from 261.2 thousand tonnes in 2016 to 304.1 thousand tonnes in 2017. The quantity of marketed milk declined by 17.4 per cent from 648.2 million litres in 2016 to 535.7 million litres in 2017.



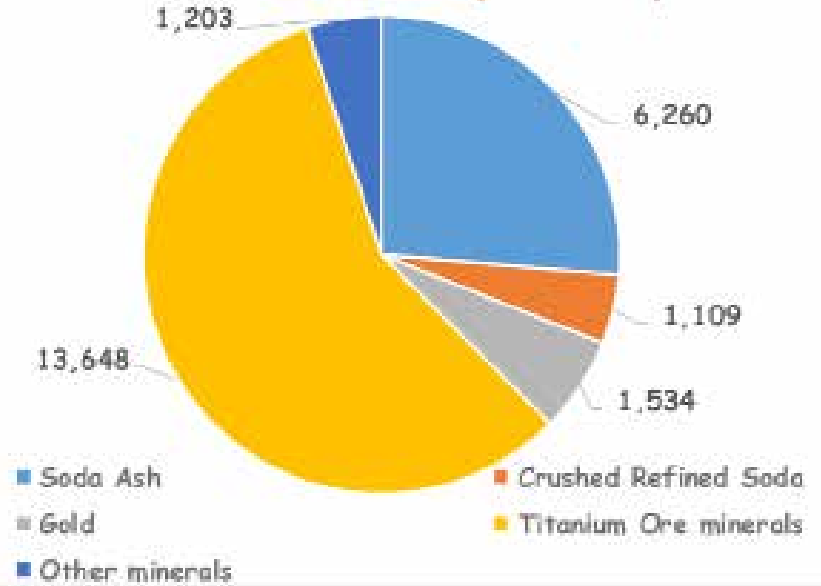
ENVIRONMENT AND NATURAL RESOURCES

In 2017, the Environment and Natural Resources sector registered mixed performance indicators. The total expenditure by national government on water and related services is expected to decline by 19.1 per cent from KSh 43.9 billion in the year 2016/17 to KSh 35.5 billion in 2017/18. The value of fish landed, which has been on the decline for the last three consecutive years, dropped further by 6.1 per cent to KSh 23.0 billion in 2017.

Total area covered by forests increased marginally from 4,190.0 thousand hectares in 2016 to 4,229.4 thousand hectares in 2017. Sale of timber from Government forests declined from 1,037.3 thousand true cubic metres in 2016 to 881.6 thousand true cubic metres in 2017. The total value of mineral output increased by 2.0 per cent to KSh 23.8 billion in 2017. Most parts of the country experienced reduced rainfall and rising temperatures during the review period.



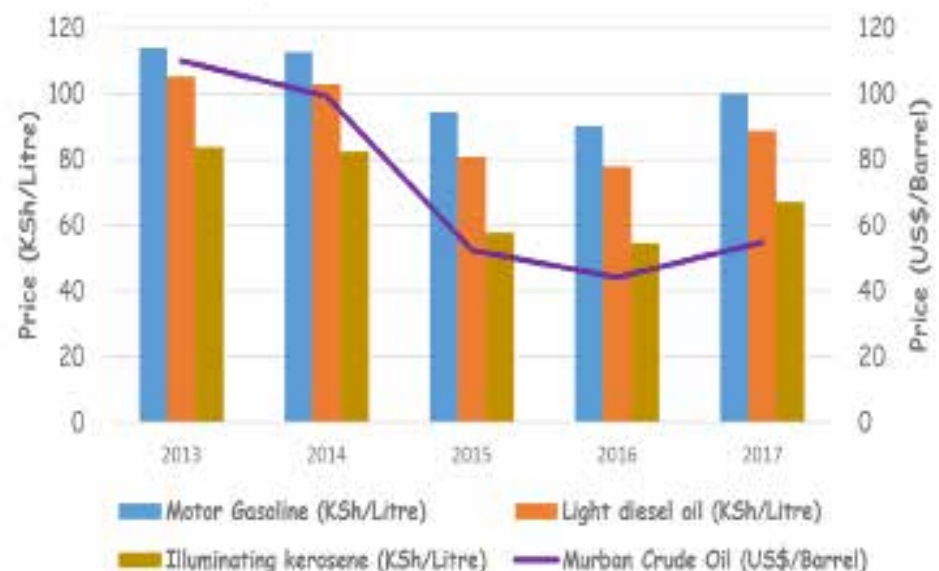
Value of Mineral Production (KSh Million)



ENERGY SECTOR

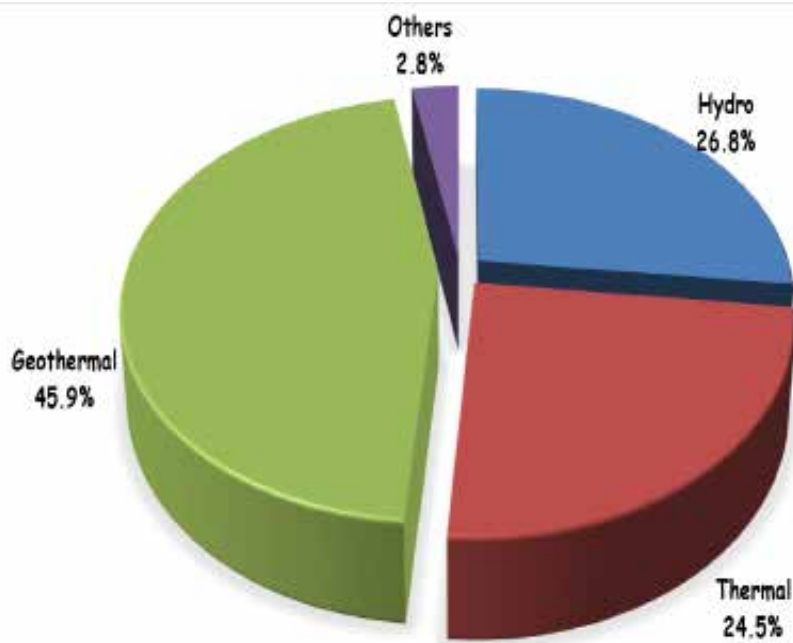
The energy sector witnessed increased international crude oil prices in 2017 following supply cuts by top producers under Organization of Petroleum Exporting Countries (OPEC). The average Murban crude oil prices rose to an average of US Dollars 54.91 per barrel in 2017 up from an average of US Dollars 44.18 per barrel in 2016. Total volume of petroleum products imported into the country increased from 5,990.0 thousand tonnes in 2016 to 6,347.7 thousand tonnes in 2017. However, domestic exports of petroleum products declined by 2.3 per cent to 32.4 thousand tonnes over the same period. During the review period, the total import bill of petroleum products increased by 34.2 per cent to KSh 265.3 billion while the total value of petroleum products exported, including re-exports, declined by 19.1 per cent to KSh 36.1 billion in 2017.

Average Price of Petroleum Products



ECONOMIC TRENDS IN KENYA

Total installed and effective electricity capacity was 2,339.9 MW and 2,264.4 MW, respectively, in 2017. Total electricity generation expanded by 3.0 per cent to 10,359.9 GWh in 2017. However, the hydro generated power registered a significant drop of 29.9 per cent to 2,776.8 GWh while thermal and geothermal generated power expanded by 72.3 and 6.1 per cent, respectively, in 2017. The number of customers connected under the rural electrification program expanded by 30.6 per cent from 972,018 in 2016/17 to 1,269,510 in 2015/16. cent to KSh 36.1 billion in 2017.

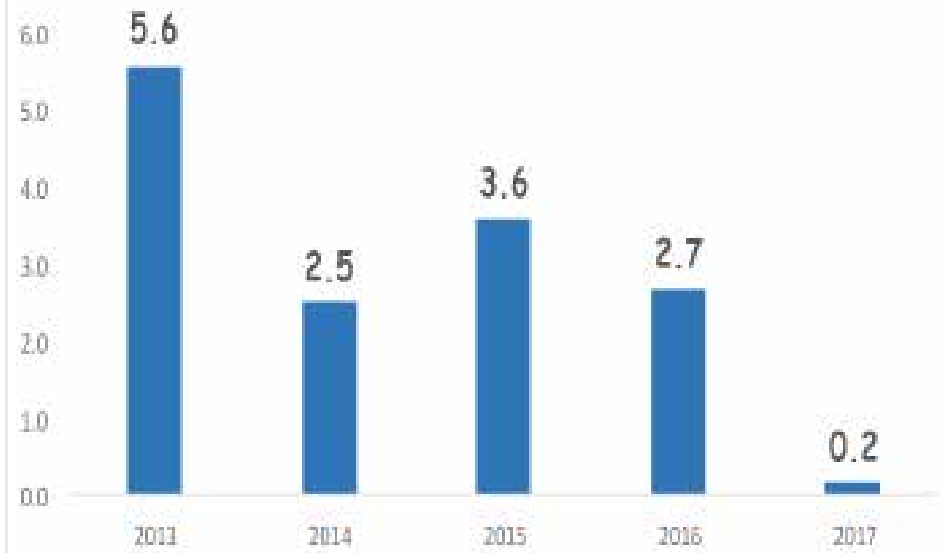


MANUFACTURING SECTOR

The manufacturing sector real value added rose by 0.2 per cent in 2017 compared to a growth of 2.7 per cent in 2016. Output volume of the sector however, declined by 1.1 per cent mainly on account of reduced production of food products, beverages and tobacco, leather and related products, rubber and plastics and non-metallic minerals sub sectors. The sector's formal employment rose to 303.3 thousand persons in 2017 and accounted for 11.4 per cent of the total formal employment. The number of local employees engaged by EPZ enterprises increased to 54,622 persons in 2017 from 52,947 persons in 2016. Loans advanced to the sector rose to KSh 311.8 billion in 2017 from KSh 275.8 billion in 2016.

The Producer Price Index (PPI), which measures inflation of products as they leave the factories, increased by 4.6 per cent in 2017 mainly due to increase in prices of manufactured food products, electricity and manufactured basic metals.

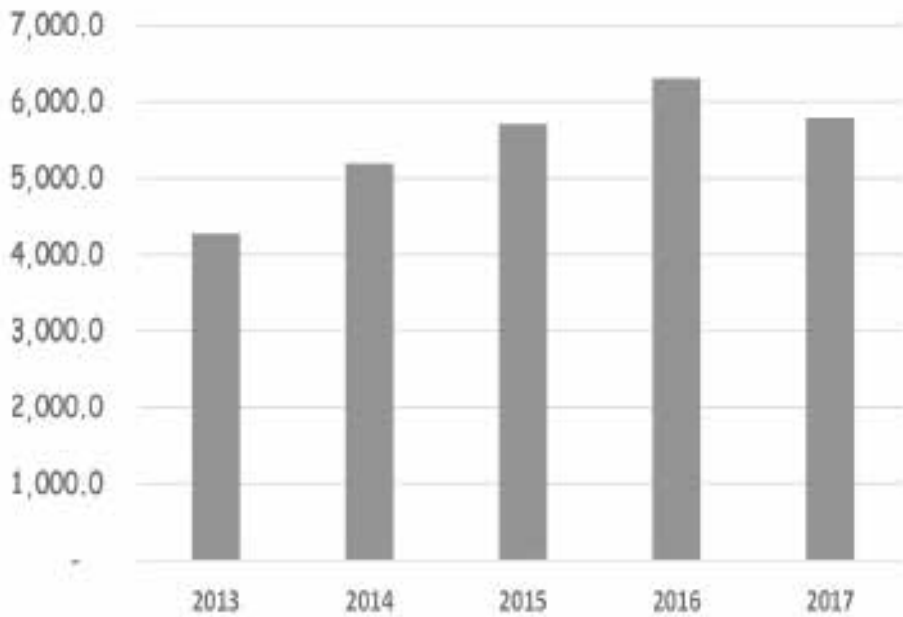
Growth of Manufacturing Real Gross Value Added (%)



BUILDING AND CONSTRUCTION

The Building and construction sector grew by 8.6 per cent in 2017 compared to 9.8 per cent registered in 2016. The total expenditure by National Government on roads is expected to increase from KSh 173.7 billion in 2016/17 to KSh 198.4 billion in 2017/18. Development expenditure on roads is expected to increase by 19.2 per cent from KSh 113.2 billion in 2016/17 to KSh 134.9 billion in 2017/18. Funds for repair and maintenance of roads are expected to increase from KSh 60.5 billion in 2016/17 to KSh 63.5 billion in 2017/18. Loans and advances from commercial banks to building and construction sector increased to KSh 109.9 billion in 2017 from KSh 104.8 billion in 2016, a 4.9 per cent increase. Following the completion of Phase I of the Standard Gauge Railway project in May 2017, the construction work for Phase 2 which runs from Nairobi to Naivasha started in September 2017

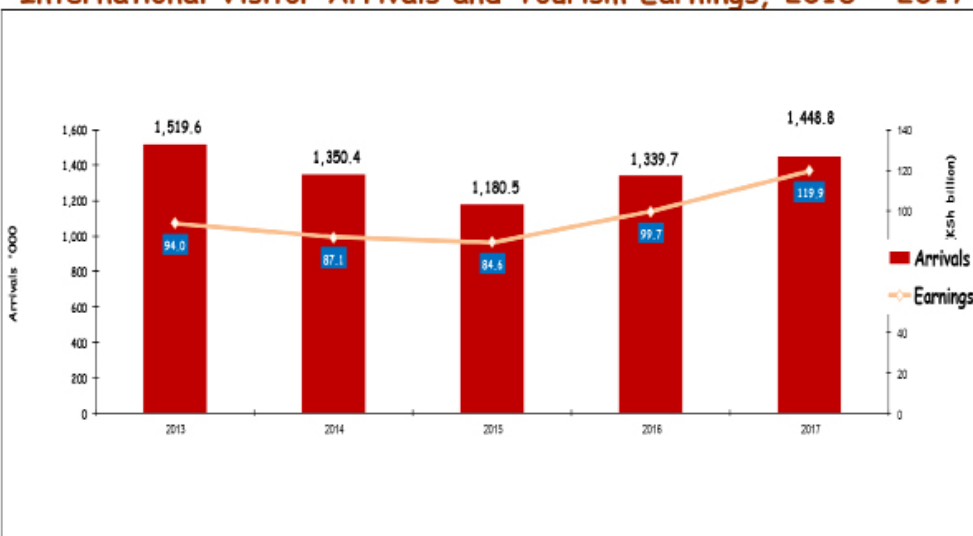
Cement Consumption ('000 Tonnes)



THE TOURISM SECTOR

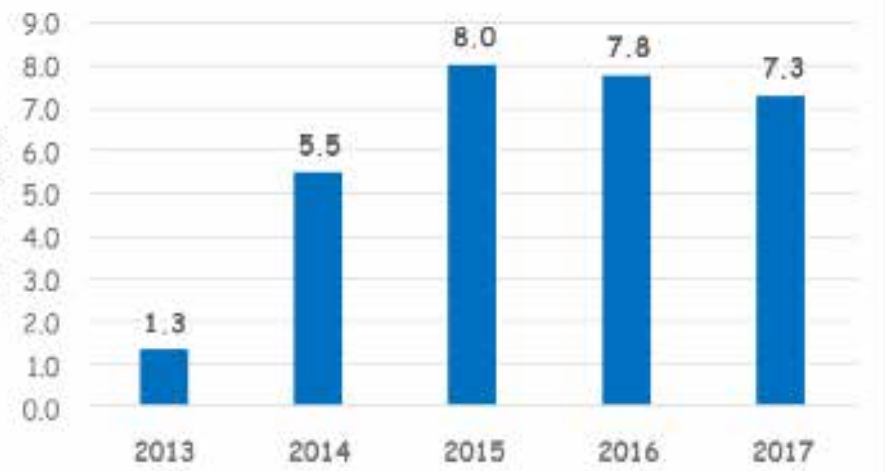
The Tourism sector recorded improvements despite a prolonged electioneering period and negative travel advisories issued by some countries in 2017. Tourism earnings increased by 20.3 per cent from KSh 99.7 billion in 2016 to KSh 119.9 billion in 2017. The number of international visitor arrivals increased by 8.1 per cent to 1,448.8 thousand in 2017. The number of hotel bed-nights occupancy increased by 11.3 per cent from 6,448.5 thousand in 2016 to 7,174.2 thousand in 2017. The number of international conferences contracted by 15.9 per cent from 227 in 2016 to 191 in 2017 while local conferences increased by 2.4 per cent from 3,755 to 3,844 over the same period. Visitors to national parks and game reserves rose by 2.6 per cent to 2,345.2 thousand in 2017. However, visitors to museums, snake parks and historical sites decreased by 15.3 per cent to 782.0 thousand in 2017 from 923.1 thousand in 2016.

International Visitor Arrivals and Tourism Earnings, 2013 - 2017



TRANSPORT AND STORAGE

Growth of Transportation and storage (%)



The value of transport and storage sector output expanded by 8.8 per cent from KSh 1,025.8 billion in 2016 to KSh 1,115.7 billion in 2017. During the same period, the value of output from road transport increased by 5.7 per cent to KSh 702.1 billion, accounting for 62.9 per cent of the total output in the sector. Output from air transport sub-sector increased by 14.9 per cent to KSh 183.1 billion while that of services incidental to transport increased by 28.3 per cent to KSh 107.8 billion in the review period. On the other hand, output from the railway transport sub-sector declined by 8.8 per cent from KSh 5.7 billion in 2016 to KSh 5.2 billion in 2017.

Total cargo throughput handled at the Mombasa Port increased by 10.6 per cent to 30.3 million tonnes in 2017. The total number of vessels that docked at the Port increased by 10.0 per cent from 1,607 in 2016 to 1,767 in 2017. At the same time, total import traffic handled grew by 10.8 per cent to 25.6 million tonnes, while export traffic handled expanded by 2.7 per cent to 3.8 million tonnes in 2017. The volume of white petroleum products transported through pipeline rose by 10.8 per cent from 5,557.9 thousand cubic metres in 2016 to 6,155.7 thousand cubic metres in 2017.

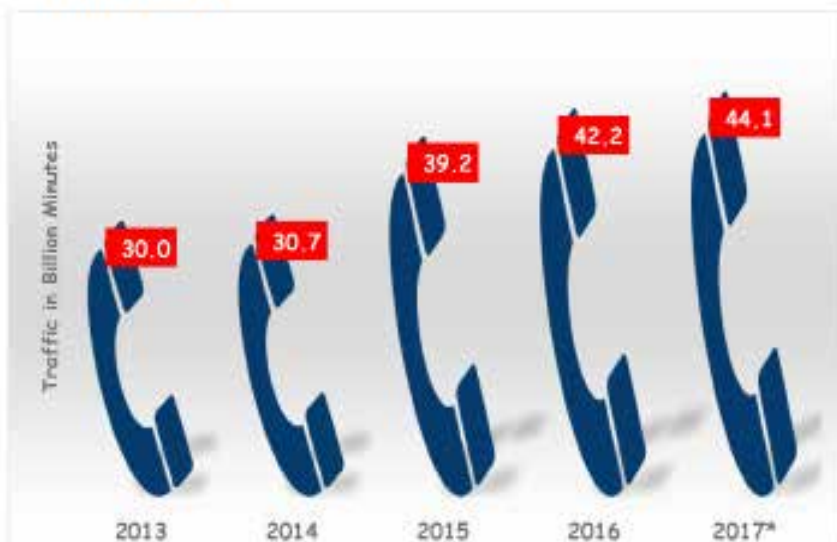
ECONOMIC TRENDS IN KENYA

The number of passengers travelling by air increased by 3.5 per cent to 10.1 million in 2017. During the review period, the number of domestic and international passengers were 3,991.2 thousand and 6,121.3 thousand respectively. The number of reported road traffic accidents declined by 15.9 per cent to 4,452 in 2017. Similarly, the number of reported casualties from the accidents decreased by 14.8 per cent to 11,215 in 2017.

INFORMATION AND COMMUNICATION TECHNOLOGY

The value of Information and Communication Technology (ICT) output increased by 10.9 per cent from KSh 311.1 billion in 2016 to KSh 345.1 billion in 2017. The number of domestic Short Messaging Services (SMSs) increased by 41.8 per cent to 65.7 billion in 2017. Total domestic telephone calls traffic increased from 42.2 billion minutes in 2016 to 44.1 billion minutes in 2017. The international telephone calls traffic declined from 1,196.5 million minutes in 2016 to 1,056.7 million minutes in 2017. Mobile subscriptions penetration rate per 100 inhabitants increased from 85.9 in 2016 to 91.9 in 2017. Prepaid subscriptions per 100 inhabitants increased to 88.9 in 2017 from 82.8 in 2016. Mobile commerce transactions grew by 85.5 per cent from KSh 1.8 trillion in 2016 to KSh 3.2 trillion in 2017. Total mobile money transfers increased by 8.4 per cent from KSh 3,356 billion in 2016 to KSh 3,638 billion in 2017.

Total domestic call traffic (Billion Minutes)



Number of Domestic SMSs Sent (Billion)



EDUCATION AND TRAINING

The National Government total allocation to the Ministry of Education, which includes that to the Teachers Service Commission (TSC) is expected to grow by 31.6 per cent from KSh 315.6 billion in 2016/17 to KSh 415.3 billion in 2017/18. During the review period, total recurrent expenditure is expected to increase by 30.7 per cent to KSh 385.2 billion in 2017/18, while development expenditure is expected to grow by 43.9 per cent to KSh 30.0 billion in 2017/18.

The total number of educational institutions increased by 5.1 per cent to 90,587 in 2017 with the number of registered Technical Vocational and Education Training (TVET) institutions increasing substantially by 50.9 per cent to 1,962 in the same period. Total enrolment in pre-primary schools rose by 2.9 per cent to 3,293.8 thousand, while that of primary schools increased from 10.3 million in 2016 to 10.4 million in 2017. Enrolment in secondary schools grew by 4.1 per cent to 2,830.8 thousand in 2017. The number of teacher trainees' enrolment went up marginally from 41,707 in 2016 to 42,131 in 2017, while total enrolment in TVET institutions increased by 35.8 per cent to 275,139 in 2017. University student enrolment is expected to decline by 7.7 per cent to 520,893 in 2017/18. expected to decline by 7.7 per cent to 520,893 in 2017/18.

The number of KCPE candidates increased by 4.3 per cent to 993,718 in 2017, while the number of KCSE candidates grew by 6.9 per cent to 610,501 in 2017. The number of candidates who scored a minimum university entry score of C+ (plus) and above decreased by 21.2 per cent to 70,073 in 2017 from 88,929 in 2016. The total number of students in public and private universities and TVET institutions loan applicants increased by 23.5 per cent to 252,928 in 2016/17. During the same period, the total number of loan beneficiaries increased by 24.2 per cent to 244,626. The amount of loans awarded increased by 25.0 per cent from KSh 7.6 billion in 2015/16 to KSh 9.5 billion in 2016/17. snake parks and historical sites decreased by 15.3 per cent to 782.0 thousand in 2017 from 923.1 thousand in 2016.

Indicator	2016	2017	% change
Total No. of educational institutions	86,179	90,587	5.1
No. of registered Technical Vocational and Education Training (TVET) institutions	1,300	1,962	50.9
Enrolment			
Primary schools	10.3 Mn	10.4 Mn	1.0
Secondary Schools	2.7 Mn	2.8 Mn	3.7
TVET	202,556	275,139	35.8
University	564,507	520,893	-7.7
Adult Education	271,769	206,224	-24.1

HEALTH AND VITAL STATISTICS

Total expenditure on the health services by National Government is expected to increase by 15.9 per cent to KSh 65.6 billion in 2017/18. Total recurrent expenditure is expected to remain at KSh 29.8 billion while development expenditure is expected to grow by 33.6 per cent to KSh 35.8 billion.

Pneumonia, Malaria and Cancer continued to be the leading causes of registered death. Diseases of the respiratory system followed by Malaria continued to be the leading cause of morbidity. The national Full Immunization Coverage for children below one year decreased to 63.0 per cent in 2017 from 69.0 per cent in 2016.

During the review period, the number of registered medical personnel increased by 9.0 per cent to 160,749. The National Hospital Insurance Fund (NHIF) membership grew by 11.1 per cent to 6.8 million in 2016/17. Contributions to NHIF increased from KSh 31,995.7 million to 34,978.2 million during the review period.

Indicator	2016	2017	% change
Total No. of educational institutions	86,179	90,587	5.1
No. of registered Technical Vocational and Education Training (TVET) institutions	1,300	1,962	50.9
Enrolment			
Primary schools	10.3 Mn	10.4 Mn	1.0
Secondary Schools	2.7 Mn	2.8 Mn	3.7
TVET	202,556	275,139	35.8
University	564,507	520,893	-7.7
Adult Education	271,769	206,224	-24.1

GOVERNANCE, PEACE AND SECURITY

The total number crimes reported to the Police increased by 1.3 per cent to 77,992 in 2017. Stealing, breakings and offences relating to dangerous drugs were more prevalent in 2017 and accounted for 14.9, 7.9 and 7.1 per cent respectively of all crimes reported to the Police. The total number of persons reported to have committed criminal offenses decreased by 2.7 percent to 73,013 in 2017 with 18.6 per cent being reported to have committed assault while 15.1 and 8.1 per cent were reported to have committed stealing and creating disturbance, respectively. Corruption reports investigated by Ethics and Anti-Corruption Commission and forwarded to the Office of the Director of Public Prosecution (ODPP) decreased 14.4 per cent to 143 in 2017, of which the ODPP approved 89 reports for prosecution. Cases filed in Law Courts declined by 23.6 per cent to 344,180 in 2017, while those disposed of increased by 63.0 per cent to 313,075 in the same period. Daily average prison population grew marginally by 0.2 per cent to 51,021 prisoners in 2017. The number of persons registered as voters increased by 23.3 per cent from 15.9 million in 2016 to 19.6 million in 2017.



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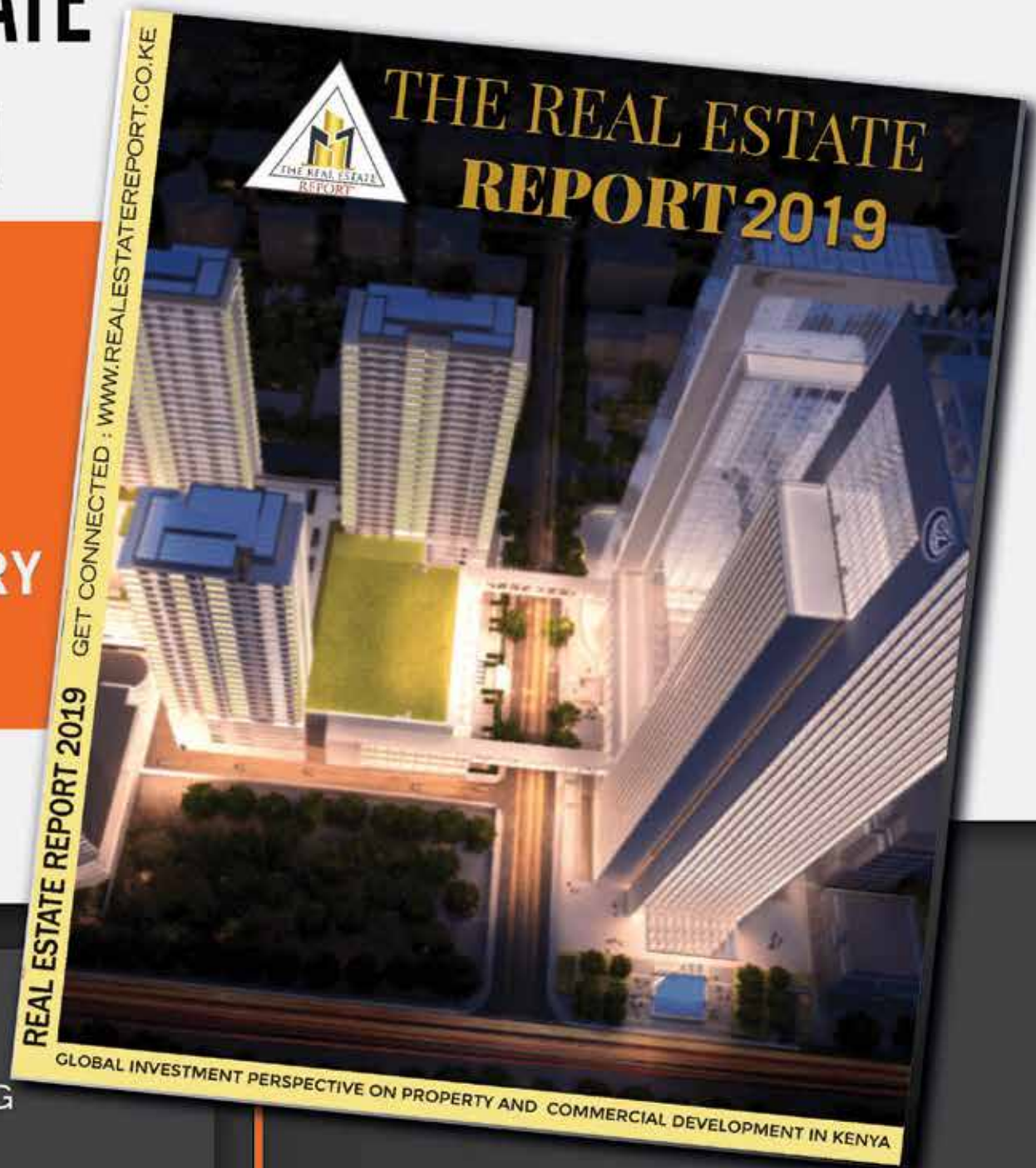
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REAL ESTATE TRENDS IN KENYA

Real Estate Market Kenya 2018 — Is There any Boom?

Text by Hayer One Marketing, photos from Shutterstock

The real-estate sector of Kenya is diversified among three sections – people, geography, and property types where people include high, middle and lower sections of society, geography defines the area to be utilized for property developments and property types including retail, office, residential, Industrial and special properties mainly found in urban areas A significant growth of about 6% was seen in the real estate market in Kenya in the financial year 2016. The population growth rate is about 2.7% per annum and the urban growth of the country analyzed in 2016 was merely over 27% of the total population of Kenya and is expected to exceed up to 50% by 2020.

Assuming this, the urban population of Kenya is growing as 500,000 people per year which means Kenya needs to construct over 250,000 houses annually for an urban development in the nation.

The author of “The ABC of Real Estate Investment in Kenya, Kariuki Waweru says that investment in real estate of Kenya has never been a promising business move. He described it with a real example –

In 2008, the price of an acre of land in Kitengela was Sh250,000. In 2012, the price of the land had risen to Sh1.2 million. Now, this was the real estate bubble that burst in Kitengela. But people who invested into land got their fingers burnt as in 2017 as the price for the same piece of land was 1.5 million.

Let us explain to you the theory of land economics :-

“If you buy a piece of land and its appreciation rate is slower than the rate of inflation, then you are actually making a loss on that investment, even if you sell the land for a profit.”

Hence, if you have invested money on a land with a perspective to earn profit from its appreciated value, unfortunately, it is not the successful move. In case, you buy a land and carry out temporary projects such as building semi-permanent apartments, offices, school, colleges or other properties etc, it may extract value from land rather than a land left for years.



Kenya's Real Estate sector is one of the key sectors of the nation's economy, and has been responding to increased demand from a decade. In fact, Kenya has established to be the preferred hub with Nairobi as the center for multinationals as well as other international organizations. Kenya has seen a boom in most of the private sectors in the mid to late 2000s and the real estate is one of those private sectors.

In response, the Kenyan Government is also participating in every possible way for the economy's growth. A massive investment in infrastructure development was made by Kenyan Government and apart from this, important steps have been taken to improve legal as well as a regulatory framework for the key sectors in the economy.

Over the last 8 years between 2007 and 2015, the average price of a 1-3 bedroom apartment in Kenya has risen from 5.2 million shillings to 13.4 million shillings, rendering into a compounded annual growth rate (CAGR) of 14.5 percent, as revealed by Cytonn Report.

The last decade has seen phenomenal investments in real estate of Kenya. Projects worth billions of shillings have either been accomplished or are under construction. The boom has not escaped the notice of international players who have found the country to be ideal for their investments.



LEFT
Nairobi City Skyline
a perspective view.

REAL ESTATE TRENDS IN KENYA

a perspective view.

According to Deloitte real estate trends 2018, the following are the trends that will impact the global real estate industry this year. As the trend continues to pick up, the real estate in Kenya can only expect its growth in leaps and bounds in 2018. Some of the latest trends seen in Kenyan real estate are as follows:

Co-working Modern spaces

Co-working spaces have met most of the ingredients of the modern workplace, allowing corporates as well as independent freelancers to thrive.

Smart buildings

In Africa for instance, countries like Tunisia, Ghana and Kenya had buildings receive global standard ratings on the greenness global index. The demand for smart buildings will create a new twist in the real estate market in Kenya for sure.

Block chain

As the block chain technology moves towards maturity, there will be more beneficial and revolutionary applications in real estate transactions as well. for sure.

Fintech

As the block chain technology moves towards maturity, there will be more beneficial and revolutionary applications in real estate transactions as well. for sure.

WHAT IS A REAL ESTATE BUBBLE?



real estate bubble refers to a periodic event characterized by rapid increase in value and hence prices of property to levels that are affordable by the population, which results in lower demand hence prices declining tremendously. This means a bubble would occur if there were a rapid rise in land and housing prices, to the extent that the properties retail at several times their worth.

A real estate bubble typically occurs in well-established real estate markets.

In 2016, a boom took place in Ruaka, Kiambu County, where land prices almost doubled with an eighth portion of an acre going up from Sh 8 million in January to Sh18 million at the end of the year. .

One of the significant reason for a Bubble to occur is increasing demand that supersedes supply, which eventually leads to a property bubble as the prices rise to levels that are unaffordable by the public.

Another significant probability for an increase in real estate prices, especially around Nairobi and other urban centres, is attributable to demographic factors such as a high population growth rate and rural-urban migration.

Thus, there is no bubble in the Kenyan market. Instead of rising demand for land, fluctuating marketing values, and the rapid price increments showing the rising phase of the Kenyan real estate market that is characterized by low supply, high demand leading to increasing prices.

To sum up, Kenya is one of the real estate investment destinations of sub-Saharan Africa. The 44.2m-people country and its 4.2m-strong capital Nairobi acts as a gateway to a regional East African market, which is approaching 150m people. Thus, the industry has been accelerating at a rapid speed and making a substantial contribution to the country's GDP growth figures on the back of rising demand for multiple-use and residential developments.

REAL ESTATE MARKET REPORT – RESIDENTIAL PROPERTY

More than 200,000 homes need to be built a year, but only 50,000 new units are being built annually, leaving around 150,000 Kenyans un-housed every year with middle-income earners in urban areas most affected.

In Nairobi, more than 67% of all residents live in informal settlements. The proportion of owner-occupied households in the urban areas currently stands at just 18%, compared to 82% in rural areas. To fill in the gap HayerOne has come up with 4 Bedroom Apartments For Sale in Nairobi – The MARQUIS

Investors and families that have been looking for property to buy should look for 4-bedroom listings, especially houses and town houses. These two property types have experienced a decrease in the average ask price (sale price) by 27.30% and 16.45% respectively.

BOTTOM:
source: data-fintech.





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AFFORDABLE HOUSING INITIATIVES IN KENYA – BIG 4 AGENDA

Affordable and sustainable– Quality homes & wealth creation

Text by James Mbaka, photos by Doe Johnson



ABOVE
Affordable housing
units

Individuals seeking to finance their own home mortgages will be allocated 300,000 units in the proposed housing programme by the state.

The government aims to build one million homes by 2022 through two programmes – social housing and affordable housing. Low-cost housing is one of President Uhuru Kenyatta’s Big Four legacy agenda.

Private employers and cooperatives will be allowed a maximum of 200,000 housing units each to sell to their employees, while county and national government workers, police and prison officers will get 100,000 units each.

The government will work in partnership with financial institutions, private developers, manufacturers of building materials and cooperatives to deliver homes faster and reduce the cost of construction by at least 50 per cent.

Once completed, one-bedroom unit under the social housing programme will sell for Sh600,000, while a two-bedroom unit will go for Sh1.05 million.

The cost of the units under the affordable housing programme will range from Sh800,000 for a bed-sitter to Sh3 million for a three-bedroom unit.

Of the one million units, 800,000 will be under the affordable housing plan, while 200,000 will be under the social housing project. Kenyans will be required to establish tenant purchase schemes to buy units in the social housing plan.

FINANCING

The state will then provide a credit line to financial institutions for mortgages through the proposed Kenya Mortgage Refinancing Company. The repayment duration will be up to 25 years, with the government set to scrap stamp duty for first-time home owners, and reduce cost of arranging financing.

AFFORDABLE HOUSING INITIATIVES

The government will then establish a local construction technology industry in line with its industrialisation plan, and centralise procurement of key input. Affordable and social housing is at the heart of Uhuru's five-year plan to secure his legacy when he retires in 2022.

The government will rely on six main drivers to facilitate mass housing production. It will hinge its plan on project structuring, financing strategy, construction technology, land, supporting infrastructure and legislation.

The government will craft a demand-based master plan, scale up developer capacity and financing, grow mortgage finance market and use scale to reduce construction costs. Land for development will also have to be unlocked and a supportive environment created.

The government is in the process of establishing Public-Private Partnership models, including carrying out land swaps to encourage developers. It is also set to facilitate approvals for developers

Some of the companies that have expressed interest include Suraya Property Group, which has proposed to put up 20,000 units, Akcel Construction LLC — 1,500 units, SIBCO Assets — 1,800 units and SCOPE Designs — 6,400 units. TATA Group and China Wu Yi Co. Ltd have proposed to construct 10,000 units each.



INCENTIVES

To encourage investment in affordable housing, the government intends to offer a number of incentives, including a deduction of five per cent of cost per year for a rental residential building in a planned development area. It will also offer 25 per cent deductions from the cost where infrastructure has been provided by owner or developer.

Developers who sell more than 100 residential units will enjoy a corporate rate of 15 per cent, while industrial building allowance on qualifying commercial building will be set at 25 per cent.

There will be a mortgage relief of Sh300,000 per year on employees and tax-free interest for savings up to Sh3 million towards a home ownership scheme.

A 10 per cent residential withholding tax will be levied on the gross amount payable in case of housing bonds of up to Sh300,000 and stamped duty fees on mortgages reduced from 0.2 per cent to 0.1.

To cushion manufacturers, the government will implement the EAC Gazette notice of June 29, 2010 on zero rating of petroleum coke raw material for production of cement. It will soon launch the one million housing programme and groundbreaking at Mavoko, where it plans to build 8,000 units on 55 acres. It will also commission the social housing programmes in Kibera B&C and Mariguini.

“Affordable housing” is an ambiguous phrase, so we want to clearly define what we mean by “affordable” for the purposes of this document. Acumen Fund defines our target market at Base of the Pyramid, or individuals making USD 4 per day or less. However, the bounds of affordable housing stretch beyond our specific target market, especially in contexts like Kenya where existing options are only affordable to middle income households and above.

BOTTOM

Housing units in a specific area undergoing construction in the suburbs of Nairobi





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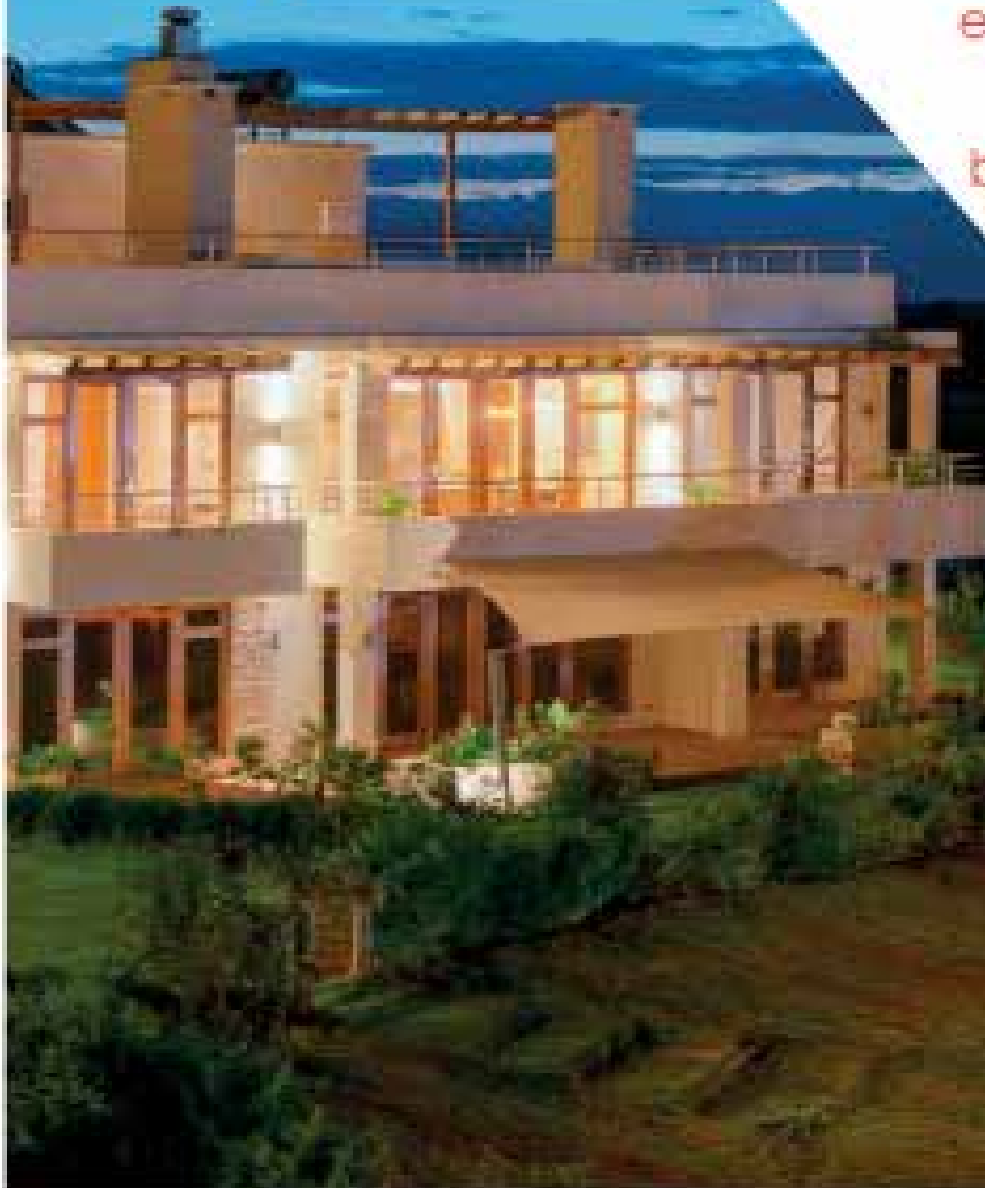
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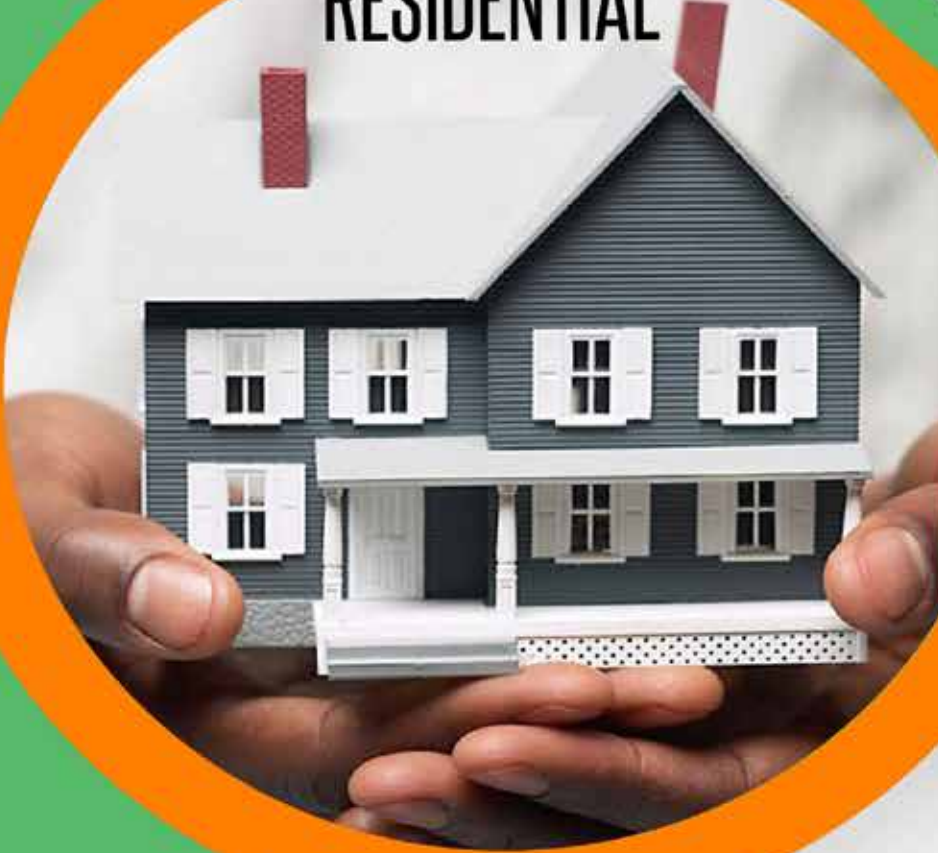
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GOVERNMENT INCENTIVES IN REAL ESTATE

A photograph of a construction site at sunset. The sky is a warm, golden-orange color. A large crane is in the foreground, its arm extending across the frame. In the background, the skeletal structure of a building is visible, with many windows and beams. The sun is low on the horizon, creating a strong silhouette effect on the construction elements.

The affordable housing initiative by the Kenyan
Government in Real Estate

Text by Cytonn Research Team, photos from Shutterstock

The affordable housing initiative by the Kenyan Government under the Big 4 Agenda continues to witness increased support of its implementation from both private investors and the government. During the week, H.E President Uhuru Kenyatta signed into law the Supplementary Appropriation Bill No. 2 of 2018, with the housing department receiving Kshs 21.0bn, which is 44.7% of the Kshs 47.3 bn supplementary budget and a 223.1% increment from the Kshs 6.5 bn allocated in Kenya National Budget 2018/19, in support of the affordable housing initiative. The additional funding shows the government's commitment to delivering 500,000 affordable housing units by 2022, an initiative expected to cost a total of Kshs 2.3 tn. This comes just after the Cabinet approved the guidelines for the implementation of the initiative in terms of projects' financing, cost, design, quality and affordability last week. This far, the government has made advancements by putting in place various policies and strategies to support both developers and homebuyers, some of which include:

MEASURES TO SUPPORT HOME BUYERS:

- **15% tax relief, for buyers of units developed under the affordable housing scheme up to a maximum of Kshs 108,000 p.a, or Kshs 9,000 p.m,**
- **Exemption from stamp duty tax, normally set at 2.0% - 4.0% of the property value, for first time home buyers of units under the affordable housing initiative, and,**
- **Plans to establish the Kenya Mortgage Refinancing Company (KMRC) by 2019, whose aim is to enhance mortgage affordability by enabling long-term loans at attractive market rates. So far, the KMRC has already received pledges for seed funding from the World Bank worth Kshs 15.1 bn, The National Treasury pledging Kshs 1.5 bn and banks such as the Cooperative Bank pledging Kshs 0.2 bn. For more information, please see our note on KMRC : www.cytonn.com/topicals/the-kenya-mortgage-refinancing-company**

We expect continued increase in activities in the real estate sector, particularly in the residential sector, supported by government initiatives and commitment to delivering the affordable homes to Kenyans.

MEASURES TO SUPPORT DEVELOPERS

- **15% corporate tax rate for developers who provide at least 100 low – cost housing units p.a,**
- **Scrapping off of NEMA and NCA levies, encouraging developers to construct more units, due to the reduction in costs,**
- **Establishment of the National Housing Development Fund (NHDF), with the Kenyan President approving the Finance Bill 2018, which includes a 1.5% levy on employee’s basic salaries up to Kshs. 5,000 p.m. and the employer expected to match the same amount that will be channeled into the fund,**
- **Partnerships with developers through availing of public land for development, and,**
- **Establishment of a land bank whereby unutilized prime government land will be gathered together and availed for use by both local and foreign investors for affordable housing projects.**

These advancements, as well as the increased funding, are commendable and a proof to the Kenyan Government’s commitment to delivering the affordable homes to Kenyans, and we anticipate the launch of various projects in coming months especially in Nairobi, with the Urban Housing Renewal Development LLP and Technofin, a developer, unveiling the house plans for Pangani Housing Project.

However, we expect the affordable housing initiative to face impediments such as inadequacies in public-private partnership (PPP) package for private developers due to the persistent challenges that hinder the success of PPPs in Kenya such as:

- (i) Persistent red tape during government approval processes,**
- (ii) Equivocal profit-sharing strategies for the private partners, and**
- (iii) Long and extended time-frames that tend to characterize PPP projects,**

thus making them unattractive to private developers and inadequate infrastructure in several parts of the country, which will increase the construction cost, hence compromising the affordability.

During the week, Urithi Housing Co-operative Society Limited, a Co-operative that is registered by the Ministry of Trade, Industry and Co-operatives in Kenya, launched a development of 5,000 low-cost housing units on 100-acres at Birmingham Woodlands Estate in Mang'u Area, off Thika Road. The development will consist of 130 SQM bungalows, 105 SQM maisonettes, and 80 SQM & 60 SQM 3 & 2-bed apartments, selling at an average price of Kshs 6.45 mn, Kshs 4.95 mn, Kshs 3.95 mn, and Kshs 2.95 mn, respectively, translating to an average selling price per SQM of Kshs 48,815. We attribute the increased focus by developers on affordable housing to:

i) The large housing deficit mainly for the low income and lower-middle segment of the market, with a cumulative demand of 2 mn units growing by 200,000 units per year, according to National Housing Corporation,

ii) The government affordable housing initiative and incentives.

iii) The high returns in the real estate sector, averaging at 24.3% over the last 5-years.

According to Nairobi Metropolitan Area Residential Report 2018, satellite towns recorded a rental yield of 5.9%, 0.5% points higher than the market average at 5.4% thus attracting investors. On the other hand, with an average selling price of Kshs 74,759 per SQM, which is 37.6% lower than the market average at Kshs 119,827 per SQM, satellite towns attracting home buyers who are looking for affordability.

We therefore, expect to see increased developments in satellite towns such as Thika and Juja that are recording higher rental yields of 6.1%. For developers, these areas are attractive given the affordability of land for development, with satellite towns average price being Kshs 21.0 mn, compared to Nairobi Suburbs-Low Rise Residential Areas at Kshs 92.0 mn and Nairobi Suburbs-High Rise Residential Areas at Kshs 220.3 mn, hence are able to save on costs thus providing more affordable housing. However, these areas lack the requisite infrastructure for development, such as proper access roads, power and sewerage services, hence developers are forced to incur these costs, which are then passed on to the end buyer, compromising on affordability. We therefore recommend increased focus on infrastructural development in satellite towns in order to enable developers achieve affordable units according to government affordable housing guidelines.

GOVERNMENT INCENTIVES IN REAL ESTATE

In the commercial office sector, Ushuru Sacco office block along Wood Avenue in Kilimani, owned by Ushuru Co-op Savings and Credit Society Limited, is scheduled for opening in November 2018 (size and other details undisclosed). According to Cytonn Q3'2018 Markets Review, Kilimani, classified as a high-rise commercial office zone, recorded a yield of 9.6% in Q3'2018, 0.2% points increase from 9.4% in Q2'2018, while occupancy increased by 1.9% points from 85.4% in Q2' 2018 to 87.3% in Q3'2018, and rent remained flat at Kshs 101 per SQFT.

The increase in occupancy rates was because of the availability of Grade A offices that are attracting tenants due to the state-of-the-art technical services provided such as high-quality elevators, fittings and automation systems and ample parking at a minimum ratio of 3:1000 (3 parking slots for every 1000 SQFT) which lack in Grade B and C offices. Overall, the Nairobi Office Market had an average rental yield of 9.5% at an average occupancy rate of 87.3%, recording 0.2% and 3.1% points increase in rental yield and occupancy rates, respectively from Q2'2018 despite the total oversupply of 4.7 mn SQFT as at 2017.



BELOW
Upper Hill area a
prime location for
commercial
developments

The table below shows the performance of the commercial office sector in Nairobi in Q3'2018

(All values in Kshs unless otherwise stated)

Nairobi Commercial Office Performance by Nodes Q3 2018

Nodes	Q3 2018			Rental Yield (%) Q3 2018	Q2 2018			Rental Yield (%) Q2 2018	Q/Q Δ In Rents (%)	Q/Q Δ In Yields (%)	Q/Q Δ in Occupancy (%)
	Price Kshs / SQFT	Rent Kshs/SQFT	Occupancy (%)		Price Kshs / SQFT	Rent Kshs/SQFT	Occupancy (%)				
Karen	12,888	117	89.0%	10.8%	13,776	118	87.2%	10.2%	(0.7%)	0.6%	1.8%
Westlands	10,667	111	89.0%	10.0%	12,567	109	84.7%	9.7%	2.0%	0.3%	4.3%
Parklands	12,208	102	86.0%	9.8%	12,432	103	85.6%	9.9%	0.0%	0.0%	0.4%
Kilimani	13,031	101	87.3%	9.6%	12,694	101	85.4%	9.4%	0.0%	0.2%	1.9%
Nbl CBD	11,333	88	92.1%	9.1%	11,750	87	92.1%	8.7%	1.3%	0.4%	0.0%
Upper Hill	13,386	100	90.1%	9.0%	12,708	101	85.7%	9.0%	(1.0%)	0.0%	4.4%
Msa Road	11,750	82	71.0%	8.7%	11,770	83	68.0%	8.6%	(1.0%)	0.1%	3.0%
Thika Road	11,750	85	89.0%	8.7%	11,500	85	80.0%	8.7%	0.0%	0.0%	9.0%
Grand Average	12,202	102	87.3%	9.5%	12,527	102	84.6%	9.3%	0.1%	0.2%	3.1%

Source: Cytton Research

We attribute the growth to:

- i) A stable macro-economic environment in 2018 making it conducive for business operations
- ii) Growth of SMEs and multinational firms, which have created demand for quality offices.

Despite the improved performance, we retain a neutral outlook on the office market and recommend investments in differentiated concepts such as serviced offices, which have low supply with a market share of just 0.35% and high returns with average rental yields of 13.4% compared to a market average of 9.5% and mixed-use developments with an average rental yield of 11.0%.

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KEY INFRASTRUCTURE DEVELOPMENTS IN KENYA

Infrastructure projects in development or developed to ensure that Kenya's capital city Nairobi is able to compete in the world stage as an iconic prospect

Source by Internet, photos from Internet

THE PINNACLE

Standing over 1,000 feet (300 metres) above ground, The Pinnacle is an exquisite mixed-use development at the heart of Upper Hill, Nairobi's fast-growing business and financial hub; an attractive development which combines indulgent luxury with high-end commerce and distinctive architectural design. The Pinnacle offers residents and guests a selection of spacious apartments, stylish commercial offices and a five-star hotel joined together at the base of both towers by a five-storey shopping mall and entertainment centre.

The Pinnacle will be the tallest building in Africa and the ultimate architectural achievement, soon to become the defining landmark not just for Nairobi, but for Kenya and the whole African continent.

Combining indulgent luxury with high-end commerce and distinctive architectural design, the Pinnacle is an exquisite mixed-use development at the heart of Upper Hill, Nairobi's fast growing business and financial hub. Its two towers will offer stylish commercial offices and a five-star hotel, joined together at the base by a five-storey shopping mall and entertainment centre.



ABOVE
Montave render
concept in full
view



MONTAVE

Defining the horizon in a capacious embrace, Montave is a monumental masterpiece that is set to deliver Nairobi's most prestigious address.

A titanic development that fuses all facets of urban life, Montave is an intricate mix of shopping, working, visiting, living and leisure, whose palatial design embraces light and shadow, rising over the city to create a silk lining of architectural marvel.

Fronting Railways Golf Course with views of Uhuru Park and the City Centre „3.54 acres at the junction of Lower Hill Road and Haile Selassie Avenue , Over 1 million square feet of opulent mixed-use space , Towering at 40 floors and 160 meters high.

UAP OLD MUTUAL TOWERS

UAP Old Mutual Tower is a 33-storey office complex in the Upper Hill neighborhood of Nairobi, the capital and largest city in Kenya. It became the tallest structure in Kenya upon its completion in 2015,

The skyscraper is located on Hospital Road, Upper Hill, Nairobi, about 3.5 kilometres (2 mi), west of the city's central business district.

The development's location and size gives it prominent unobstructed visibility in Nairobi city, with panoramic views of Nairobi and its environs.

UAP Tower is the premier office development set to shape the Nairobi's Skyline and marks the highest point in the city of Nairobi. The development comprises of Grade A modern offices of premier finishes and facilities.



ABOVE
UAP Towers
render concept in
full view



LEFT
Prsim Towers
render concept in
full view

PRISM TOWERS

Architectural landmark with great design flow luxury and landscaped gardens, world-class amenities and trendy lifestyle with the strategic location and breathtaking scenery make Nairobi the jewel of Africa. The concept of Jewel is the inspiration for design and architecture behind the making of this iconic tower. Across the region as a tribute to this magnificent city, the building profile has been designed to appear as Prisms stacked upon Prisms. Its 34-storey steel and glass building in Upper Hill, on 3rd Ngong Road Avenue.

BRITAM TOWER

BELOW
Britam Towers
render concept in
full view



Britam Tower is a commercial building in Nairobi owned by British-American Investments Company (Britam). The skyscraper has a maximum height of 195 metres (640 ft), above ground, with 32 usable floors. The building features a unique prismatic shape, that starts as an equal four sided square footprint and ends with a two sided roof with a 60 metres (197 ft) mast, containing three helical wind turbines.

The building is the international headquarters of Britam. It also serves as the regional headquarters of the business conglomerate in East and Central Africa. The building has a total of 350,000 square feet (32,516 m²) of office space to let for commercial purposes. To cater to its many tenants, the building has an attached 12 Storey Car Park that can accommodate up to 1,000 vehicles.



LEFT
One Africa Towers
render concept in
full view

ONE AFRICA PLACE

One Africa Place is set to transform Nairobi's skyline and provide it's residents with the most iconic of business addresses.

Visually distinctive and designed for maximum efficiency and comfort, One Africa Place comprises 138,000 sq.ft spread over 21 unique floors. With a triple height entrance lobby, double-glazed solar efficient windows, sky cafe, 21st century mechanised parking, 100% back-up power, and the most prestigious location in the city, this Urban Sculpture will stand apart in Nairobi's corporate office scene.

88 NAIROBI TOWER

BOTTOM
88 Nairobi Towers
*render concept in
 full view*



88 Nairobi is an impressive 44-floor tower of elegance and sophistication. High above Upper Hill and the City Center, each apartment offers a breathtaking view of the pulsing Nairobi city and the far African horizons.

This inspirational tower consists of ultra-modern serviced apartments, with different options. Studio, 1 and 2 bedroom fully furnished executive apartments; 2 bedroom executive-plus apartments; duplex junior penthouses and Lordship penthouses at the top. Working with international Architects and Interior Designers, the layout of every apartment is superbly conceived, down to the smallest of details.

Living rooms and bedrooms with generous covered terraces and balconies, protected by transparent safety glass balustrades. You choose what your vista will be - towards State House and the Arboretum, the open fields of the Nairobi Club, or the morning sky over the CBD.

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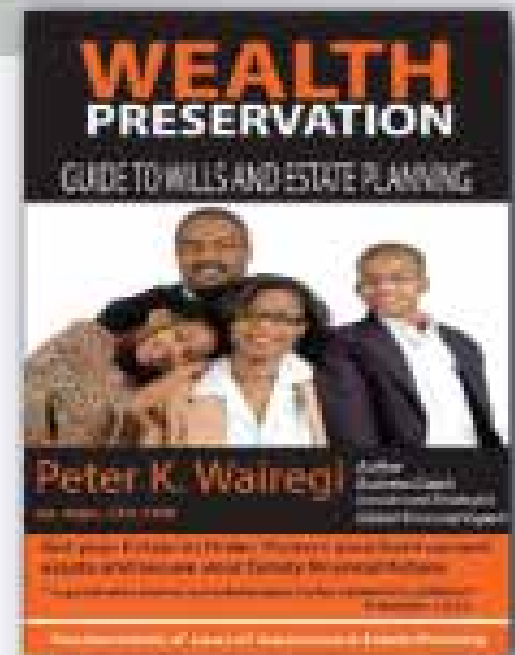
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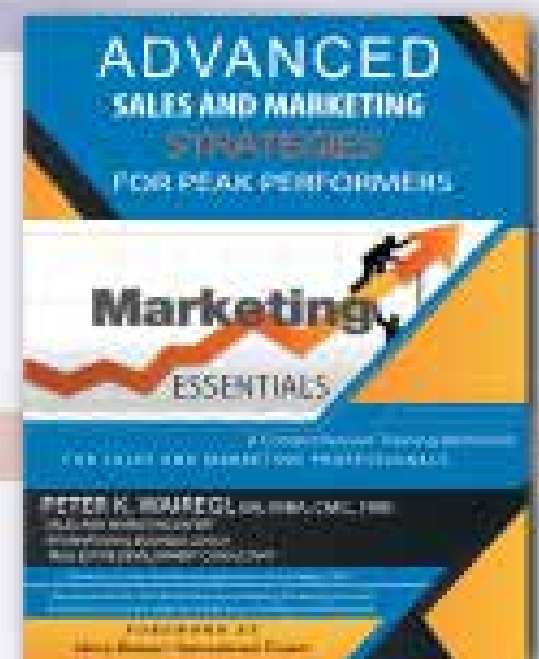
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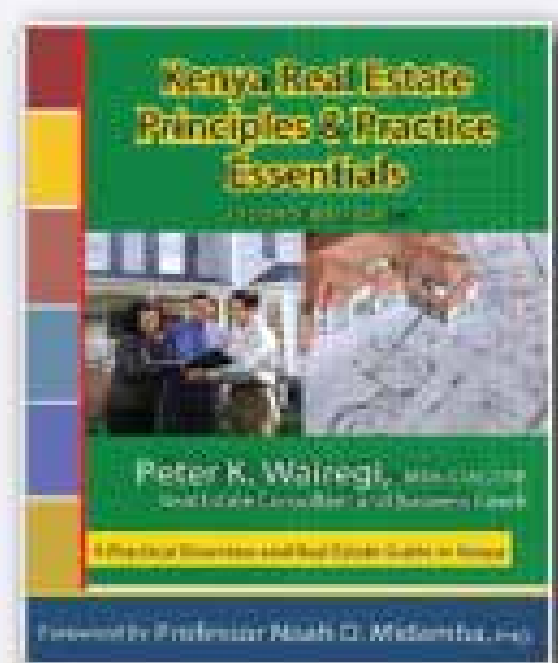
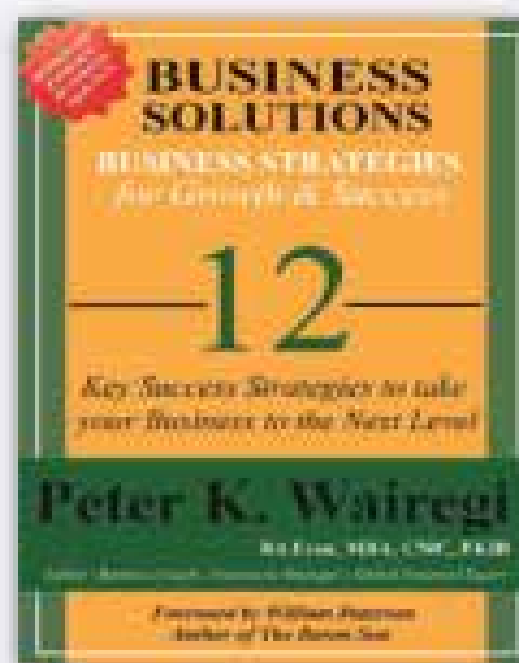
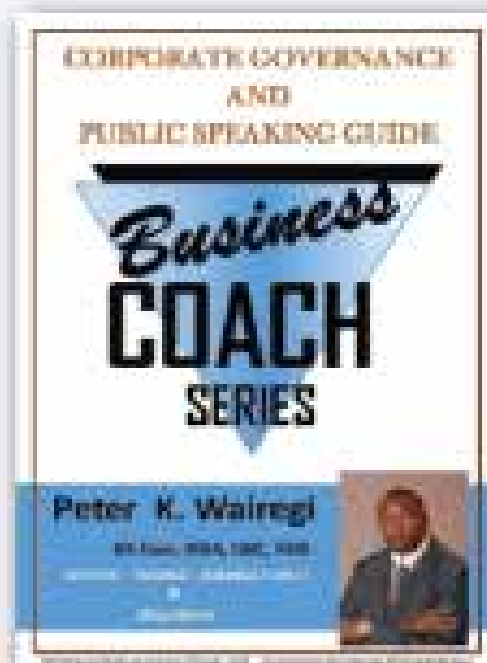
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KEY PROJECTS UNDER



KENYA VISION 2030

It aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment.

Source Internet, photos from Internet





KONZA CITY

A smart city, with an integrated urban information and communication technology (ICT) network that supports delivery of connected urban services and allows for efficient management of those services on a large scale. Specifically, a smart city framework will integrate the following four key city services:

- **Infrastructure services (transportation, utilities, public safety, environment)**
- **Citizen services (access and participation)**
- **City services (city information, planning and development)**
- **Business services (supportive services for local commerce)**

As a smart city, Konza will gather data from smart devices and sensors embedded in the urban environment, such as roadways, buildings, and other assets. Collected data will be shared via a smart communications system and be analyzed by software that delivers valuable information and digitally enhanced services to Konza's population. For example, roadway sensors will be able to monitor pedestrian and automobile traffic, and adjust traffic light timing accordingly to optimize traffic flows.

Konza's population will also have direct access to collected data, which may include traffic maps, emergency warnings, and detailed information describing energy and water consumption. The availability of data will enable Konza's population to participate directly in the operations of the city, practice more sustainable living patterns, and enhance overall inclusiveness.

BY LEVERAGING THE SMART CITY FRAMEWORK, KONZA WILL BE ABLE TO OPTIMIZE ITS CITY SERVICES, CREATING A SUSTAINABLE CITY THAT RESPONDS DIRECTLY TO THE NEEDS OF ITS RESIDENTS, WORKERS, AND VISITORS.

The implementation of a smart city framework at Konza has begun with detailed planning relating to ICT infrastructure. As Konza continues to develop its technology network, it will draw from a range of international best practices, including the Intelligent Community Forum, Smart Cities Council, and International Standards Organization's methodologies for the sustainable development of communities. Konza will learn from global cities that have successfully incorporated smart city frameworks, including Santander, Spain; Barcelona, Spain; Singapore; Amsterdam, The Netherlands; and Rio de Janeiro, Brazil.



TATU CITY

A 5,000-acre, mixed-use development with homes, schools, offices, a shopping district, medical clinics, nature areas, a sport & entertainment complex and manufacturing area for more than 150,000 residents and tens of thousands of day visitors. Schools and businesses are already open at Tatu City, and a range of houses are under construction to suit all incomes. Tatu City represents a new way of living and thinking for all Kenyans, creating a unique live, work and play environment that is free from traffic congestion and long-distance commuting

Tatu City's Special Economic Zone status provides reduced corporate taxes, customs and excise duty exemptions, VAT benefits, profit and capital repatriation at reduced rates, as well as enhanced intellectual property rights, among other benefits.

It will have special sectors in the projects such as:

- Kijani Ridge
- Turnkey Homes
- Tatu Industrial Park

KIJANI RIDGE: It offers naturally exclusive urban living for you and your family on over 250 acres of undulating land overlooking a beautiful dam and green space. It is a premier community with spacious individual serviced plots and contemporary architectural designs with fully integrated amenities and aesthetics.

At Kijani, one will be able to live in a comfortable, secure and tranquil environment within a well-planned modern city with easy access to the rest of Nairobi and beyond via the various road networks. A range of half acre and quarter acre plots are available in Kijani, where the price of the plots differ in relation to proximity to the dam.





LEFT
*Kijina Ridge
Homes Concept
image*

TURNKEY HOMES : Tatu Waters is a unique residential development situated on a beautiful 200 acre (80 hectares) within the wider Tatu City project off Ruiru-Kamiti Road in Kiambu County.

22 kilometres from Nairobi's CBD, Tatu Waters is being developed by Rendeavour –the majority owner of Tatu City and the largest pan-African urban land developer with a land portfolio in excess of 30,000 acres (12,000 hectares) across Kenya, Nigeria, Ghana, DRC and Zambia.

Tatu Waters has been designed as a holistic residential community for 15,000 people. It will have 585 housing units (a mix of townhouses and condominiums) in its first phase complemented by lifestyle enhancing amenities such as schools, medical facilities, shops, restaurants as well as recreational areas with swimming pools, playgrounds and walking paths.

TATU INDUSTRIAL PARK : Tatu Industrial Park provides serviced land suitable for non-polluting light industrial, assembly and warehouse and logistic uses.

Phase 1, which is 457 acres, is 80% sold. Phase 2, an additional 450 acres, was added to meet market demand.

A number of local and international companies already call Tatu Industrial Park their home:





TWO RIVERS MALL

THE Sh1 billion (\$10 million) shopping mall is partly owned by Nairobi Securities Exchange-listed investment company Centum. It will host more than 150 international and local retailers that include Turkish clothing line LC Waikiki, Nike, Chandarana, Nove Coffee Roaster and The Designers studio and jewellers Swarovski and Anmol.

French retail giant Carrefour is set to open its biggest store in Kenya at the mall with 10,000 square meters floor space.

Other clients at the mall include Deacons which has opened Mr Price Apparel, Mr Price Home, Bossini and Adidas stores there.

Two Rivers, now the largest mall in sub-Saharan Africa outside of South Africa, has raised the status of Nairobi as the shopping destination in the region. Among its tenants are 18 food and beverage outlets, 10 banks, 38 fashion and apparel stores and 13 health and beauty stores. In addition to the retail, entertainment and lifestyle offerings, the mall also includes two office towers with a combined leasable space of over 21,000 square meters of Grade A offices. Two Rivers, located on just 11 acres of the 100 acres available for the development, which will ultimately comprise residential, commercial, retail, MICE and hospitality offerings when complete.

WITH THE MANTRA TWO GOOD TO BE TRUE WILL ESTABLISH THE BRANDS FOOTHOLD IN THE MALL RETAIL SPACE.



GTC NAIROBI

As the flagship project of Kenya's Vision 2030 programme, GTC has set new records of service and scope for all city complexes in East Africa to serve as a great landmark for the city of Nairobi. GTC, situated at the emerging center of Nairobi, boasts a breath-taking panoramic view over the entire city, a 360 degree visual feast.

At the 30F of the JW Marriot Hotel, a lofty Sky restaurant offers international gourmet and grand view at an unparalleled height. The 36F of Office Tower features an extra spacious terrace that is perfect to be transformed into a private club, offering amenity services like fitness, leisure, entertainment, etc.

The void deck of Opulent Apartment features an about 103,333 sq. ft (9,600sq. m) rooftop garden with planned facilities including Jogging Loop, Cascading Infinite Pool for adults and Children's Pool, -Children's Art Playground as well as Family Aqua Bar.

1,921 parking spaces, high-quality chauffer service and well-developed amenities, there are merely everyday standards at GTC, while its international intelligent security systems are the tailor-made services reserved exclusively for the elites at the Center. Security solutions at GTC are based on sophisticated modern technologies, featuring six IT intelligent systems for the quality life: Intelligent Community, Intrusion Alarm System, 24hr CCTV, Access Control, Connected Building Platform and Connected Parking Solution.

A CENTER CAN BE A STRATEGIC CAREER LAUNCHPAD, AND AT THE SAME TIME CAN BE A RETREAT TO REST YOUR BODY AND MIND. RESIDENTS, WORKERS, AND VISITORS.



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HOME SALES AND MARKET VALUE

Land assessment in regards to Nairobi City and its environs

Text by Sakina Hassanali, Hass Consult, photos from Shutterstock



Land and prices across Nairobi and satellite towns remained depressed even as developers take opportunity of renewed confidence in the housing market to clear present housing stocks built up in the static property market over the last two years.

On average the price of land in Nairobi rose 0.23 per cent in the second quarter of the year, compared to an increase of 2.5 per cent in a similar quarter of 2016. Land in satellite towns saw an increase of 0.5 per cent over the quarter compared to an 8.1 per cent increase recorded in a similar quarter of 2016, just before the introduction of the interest rate cap that saw liquidity swept from the market.

The slowdown of credit in the market coupled with dwindling purchasing power on tight liquidity witnessed in the city saw an increase in distressed assets on the market further hampering land price inflation.

“While renewed confidence in the housing market will spur property market growth as developers move to introduce new supply, the property and land markets will only reach full potential when much needed capital is reintroduced to the market,” said Hass Consult’s Head of Development Consulting and Research Ms. Sakina Hassanali.

Despite the depressed market due to tight liquidity there were pockets of strong performance that defied the economic conditions and led to price increases.

Ngong was the top performer among satellite towns at a 4.25 per cent increase in the quarter. Investors are warming up to Ngong town which is set to host a passenger station for the Standard Gauge Railway. Ongata Rongai, another satellite town that will have a passenger station, has similarly benefited from investor interest with prices increasing by 2.6 per cent over the same period.

Land in Kileleshwa was the best performing suburb over the last quarter with prices increasing by 3.96 per cent, a correction after a series of price drops over six consecutive months in 2017.

Despite the cooling of the land market over the last quarter land continues to offer the best returns over the long term. Investments made over the last ten years yielded as much as ten times the return in land than in equities and offered more than triple the return of investment in bonds.

LAND MARKET REMAINS DEPRESSED EVEN AS MARKET CONFIDENCE RETURNS

BOTTOM

*Nairobi city skyline
top view*



HOME SALES AND MARKET VALUE

- Nairobi land prices rises marginally at 0.23 per cent in the second quarter of the year compared to an increase of 2.5 per cent in a similar quarter of 2016
- Land in satellite towns prices increase by 0.5 per cent compared to an 8.1 per cent increase in Q2 2016 just before the introduction of the interest rate cap
- Kileleshwa witnessed price corrections with prices increasing by 3.96 per cent over the last quarter after sustained price falls over 2017
- Ngong Town was the best performing satellite town recording a 4.25 per cent increase over the last quarter
- Ksh. 1 million invested at the end of 2007 would have been worth KSh. 6.26m if invested in land in Nairobi's suburbs, Ksh. 2.45m if invested in bonds and only Ksh. 0.60m if invested in equities

The Hass Composite Land Index, Nairobi Suburbs			
	Quarter % Change	Annual % Change	Change From 2007
Nairobi-18 Index Results	0.2%	1.8%	6.26 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Kileleshwa (+4.0% over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Donholm (+9.1% over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Nyari (-1.5% over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Westlands (-2.1% over last year)		
The Hass Composite Land Index, Nairobi Satellite Towns			
	Quarter % Change	Annual % Change	Change From 2007
Nairobi Satellite-14 Index Results	0.5%	3.9%	8.45 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Ngong (+4.2% over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Ngong (+13.0% over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Ruiru (-2.7% over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Kiserian (-4.4% over last year)		

TOP

LAND INDEX HIGHLIGHTS:

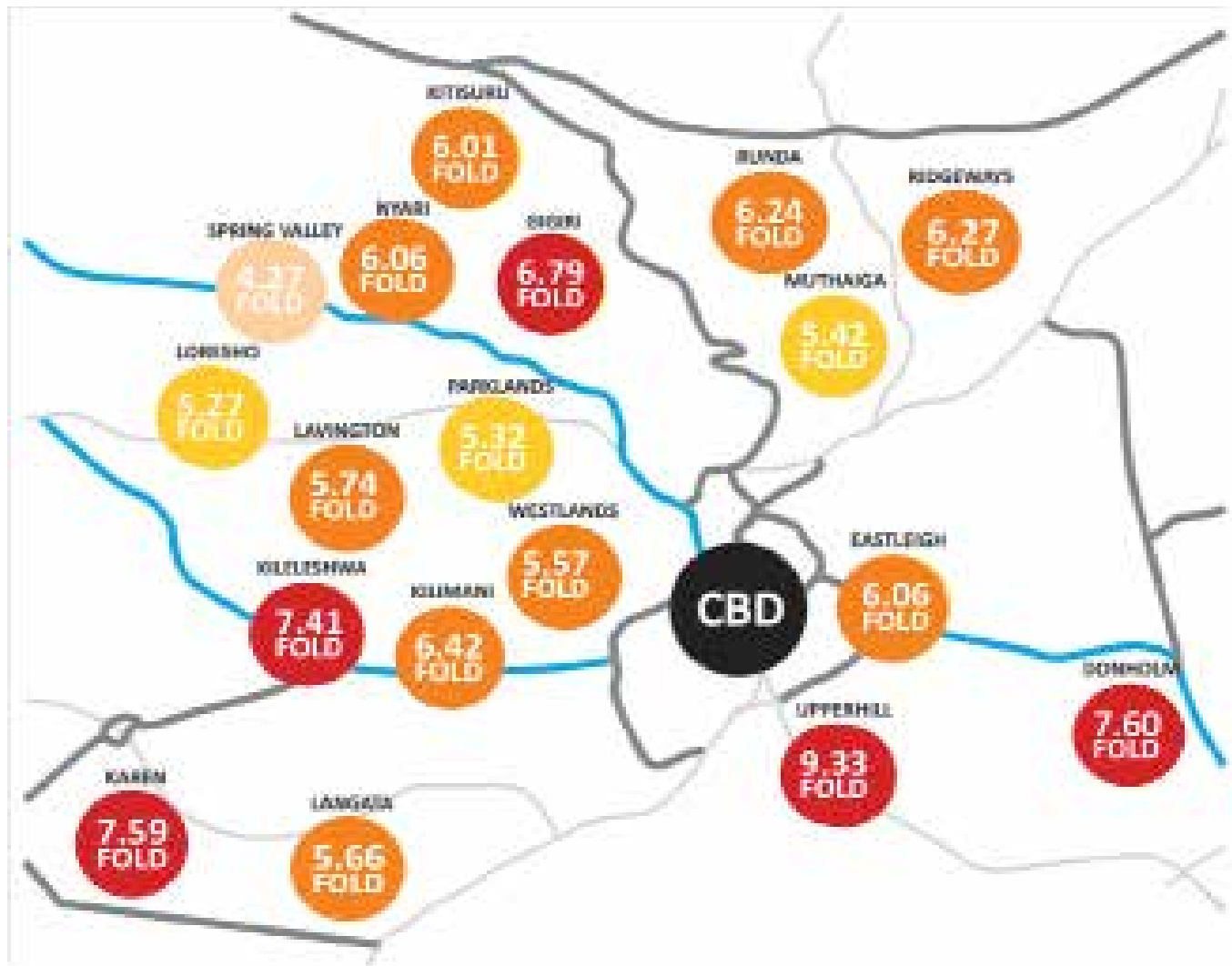
HOME SALES AND MARKET VALUE

Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	Change From 2007	Average Value Per Acre (KShs)	25 Percentile	75 Percentile
Donholm	-1.3 %	9.1%	7.60 FOLD	70,600,000	55,000,000	84,100,000
Eastleigh	0.4 %	4.5 %	6.06 FOLD	291,200,000	157,500,000	409,000,000
Gigiri	1.0 %	2.4 %	6.79 FOLD	238,700,000	118,400,000	330,900,000
Karen	0.6 %	1.9 %	7.59 FOLD	59,400,000	52,000,000	65,000,000
Kileleshwa	4.0 %	5.2 %	7.41 FOLD	304,900,000	260,000,000	340,000,000
Kilimani	-1.4 %	0.3 %	6.42 FOLD	428,400,000	400,000,000	495,000,000
Kitisuru	2.4 %	6.9 %	6.01 FOLD	83,700,000	70,000,000	95,000,000
Langata	1.0 %	3.5 %	5.66 FOLD	60,900,000	48,500,000	70,000,000
Lavington	0.4 %	-1.4 %	5.74 FOLD	238,000,000	200,000,000	270,000,000
Loresho	2.3 %	6.4 %	5.27 FOLD	83,700,000	70,000,000	100,000,000
Muthalga	-0.7 %	3.9 %	5.42 FOLD	143,700,000	98,800,000	197,800,000
Nyari	-1.5 %	-0.9 %	6.06 FOLD	100,900,000	90,000,000	110,000,000
Parklands	-0.1 %	0.9 %	5.32 FOLD	414,400,000	360,000,000	460,000,000
Ridgeways	2.6 %	3.6 %	6.27 FOLD	72,600,000	64,000,000	80,000,000
Runda	1.3 %	5.3 %	6.24 FOLD	86,200,000	70,000,000	100,000,000
Spring Valley	-0.4 %	1.8 %	4.27 FOLD	160,100,000	116,100,000	190,000,000
Upperhill	0.7 %	1.6 %	9.33 FOLD	559,700,000	485,700,000	650,000,000
Westlands	-0.3 %	-2.1 %	5.57 FOLD	408,000,000	350,000,000	480,000,000

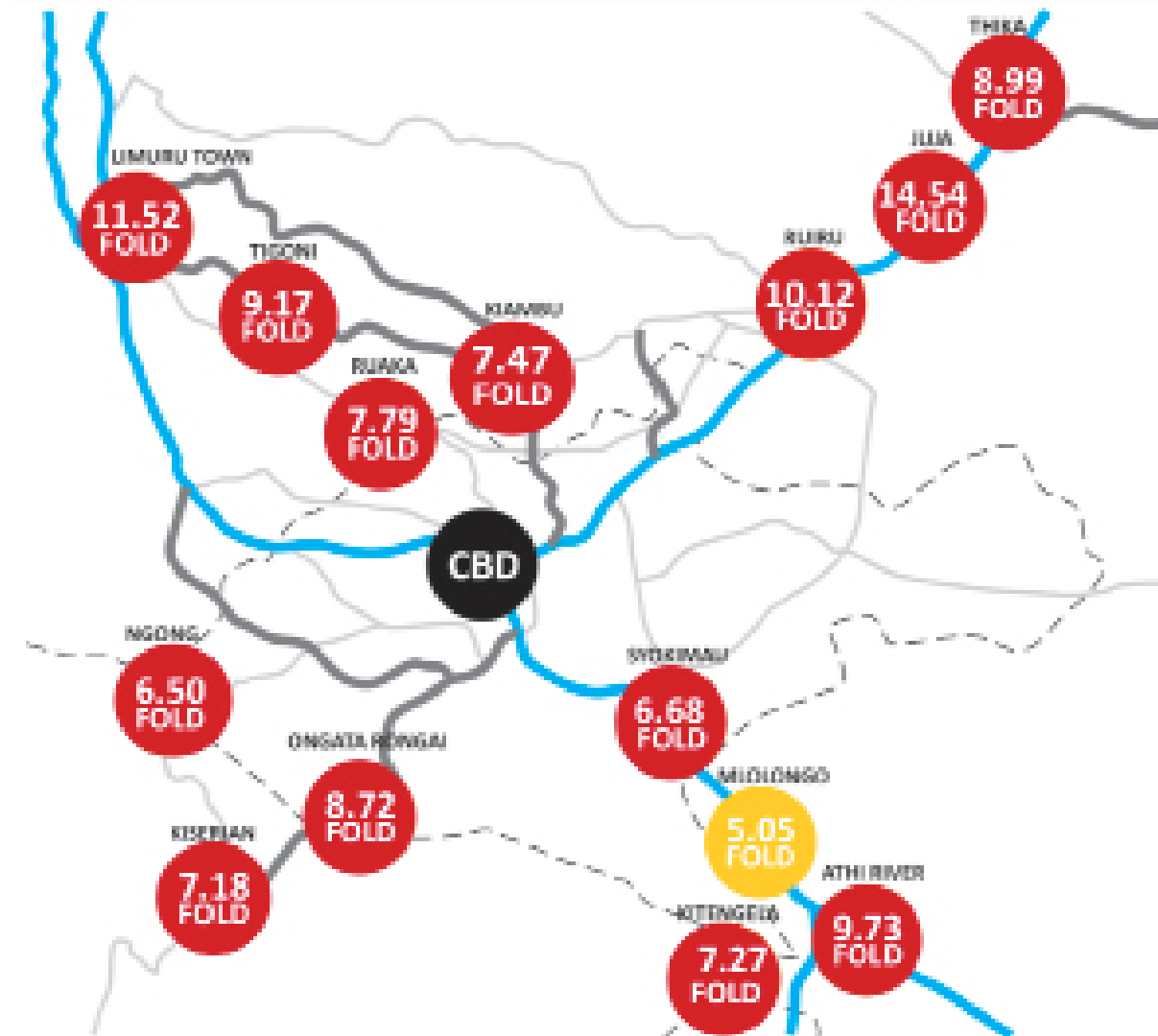
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HOME SALES AND MARKET VALUE

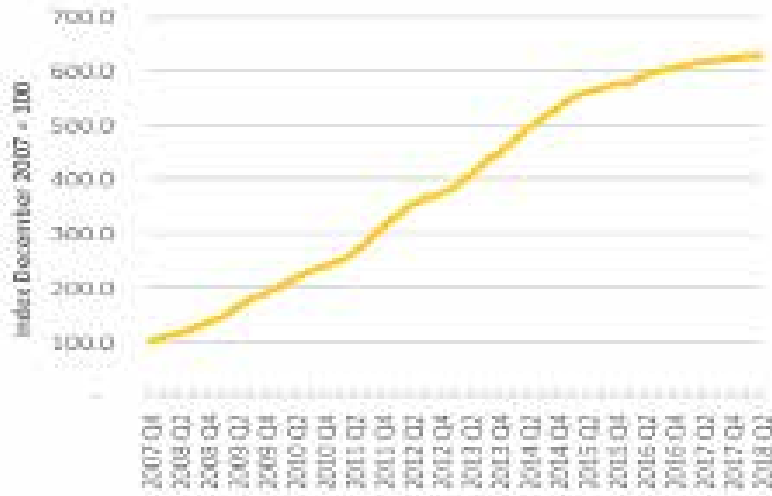
NAIROBI-18 SUBURBS CHANGE IN PRICES SINCE 2007



NAIROBI-14 SATELLITE TOWNS CHANGE IN PRICES SINCE 2007

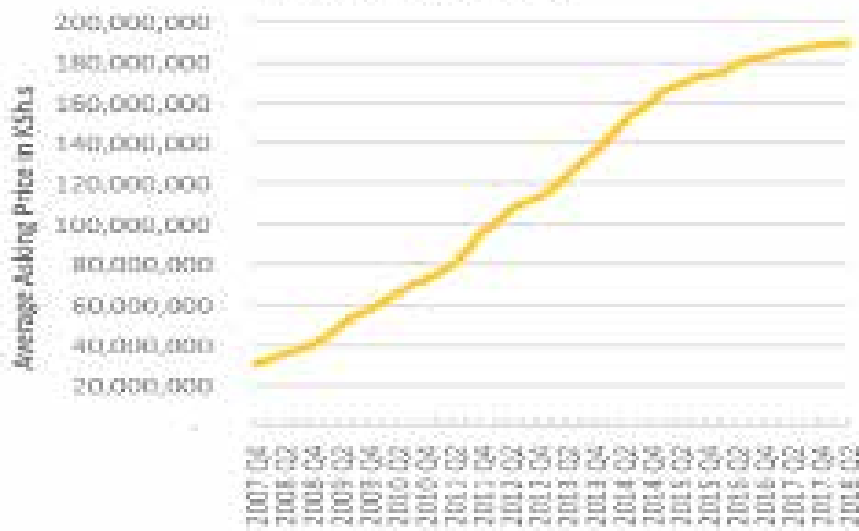


Hass Land Composite Index
Nairobi Suburbs -18



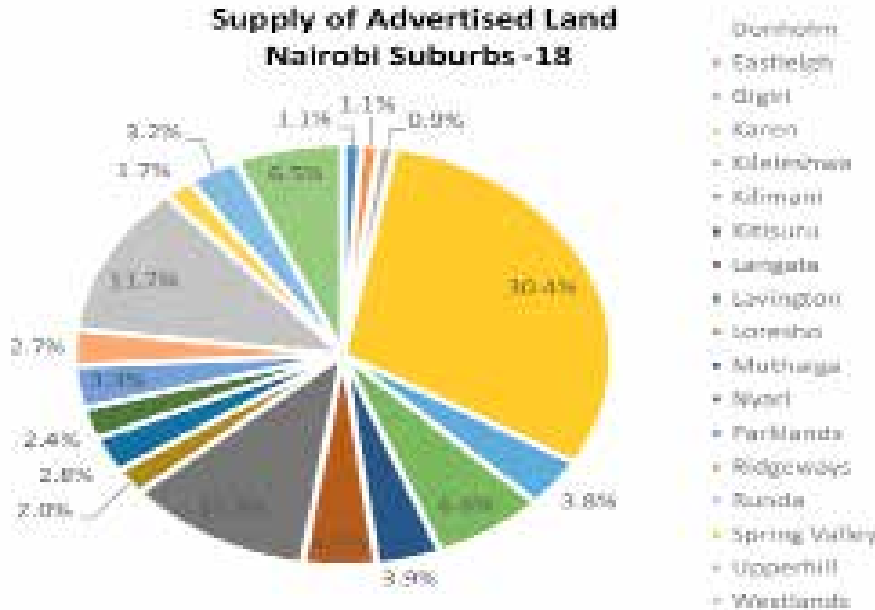
- The Nairobi Suburbs-18 Land Index is representative of Land for Sale in Nairobi covering 18 highest activity suburbs
- Land values have increased by 6.26 fold since December 2007

Average Land Price
Nairobi Suburbs -18



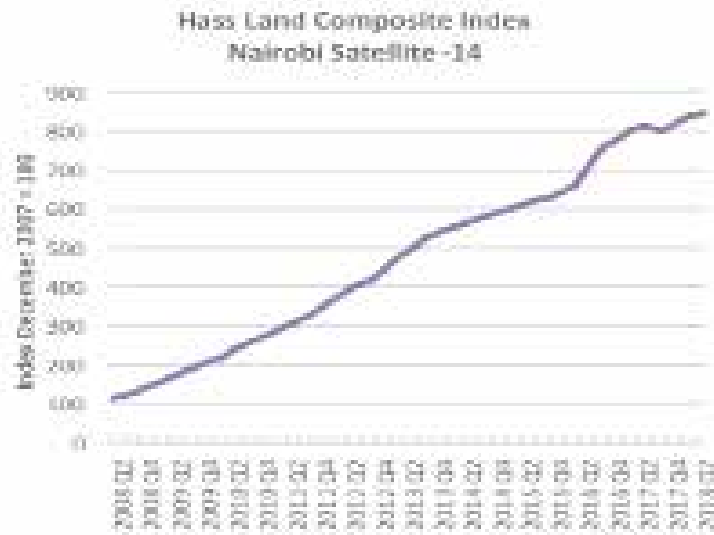
- The annual average is representative of the average price of land for sale in Nairobi covering 18 highest activity suburbs
- The average value for land has gone from 30.3 million in December 2007 to 189.4 million in June 2018

Supply of Advertised Land
Nairobi Suburbs -18



- The Mix is a measure of the percentage that each suburb represents in the market for 18 Nairobi suburbs
- Land in Donholm took up 1.1% of the market, Eastleigh took up 1.1%, Gigiri 0.9%, Karen 30.4%, Kileleshwa 3.8% Kilimani 6.8%, Kitisuru 3.9%, Langata 4.5%, Lavington 11.3%, Loresho 2.0%, Muthaiga 2.8%, Nyari 2.4%, Parklands 3.3%, Ridgeways 2.7%, Runda 11.7%, Spring Valley 1.7%, Upperhill 3.2% and Westlands 6.5% respectively

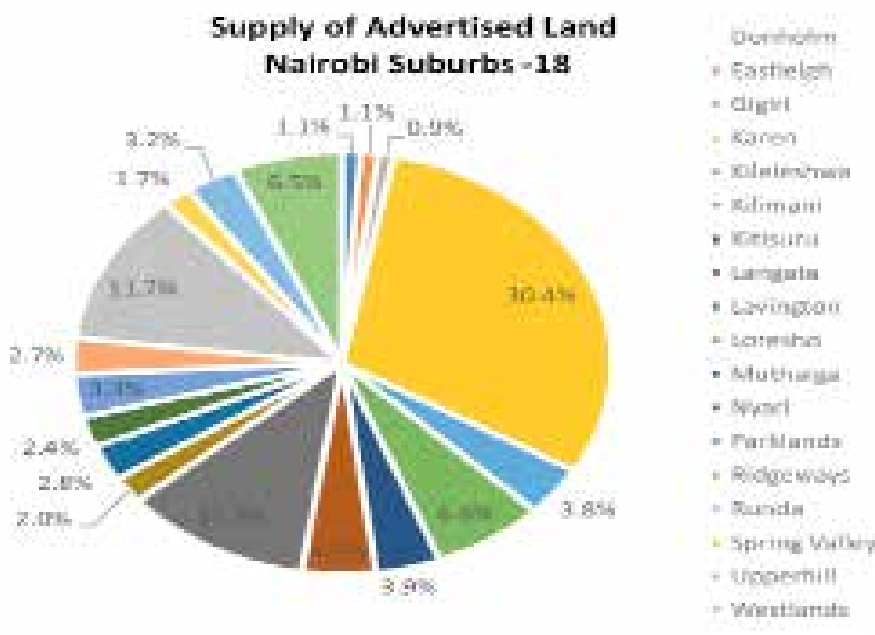
HOME SALES AND MARKET VALUE



- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi
- Land values have increased by 8.45 fold since December 2007



- The annual average is representative of the average price of land for sale outside Nairobi covering 14 highest activity Satellite towns
- The average value for land has gone from 2.4 million in December 2007 to 20.7 million in June 2018

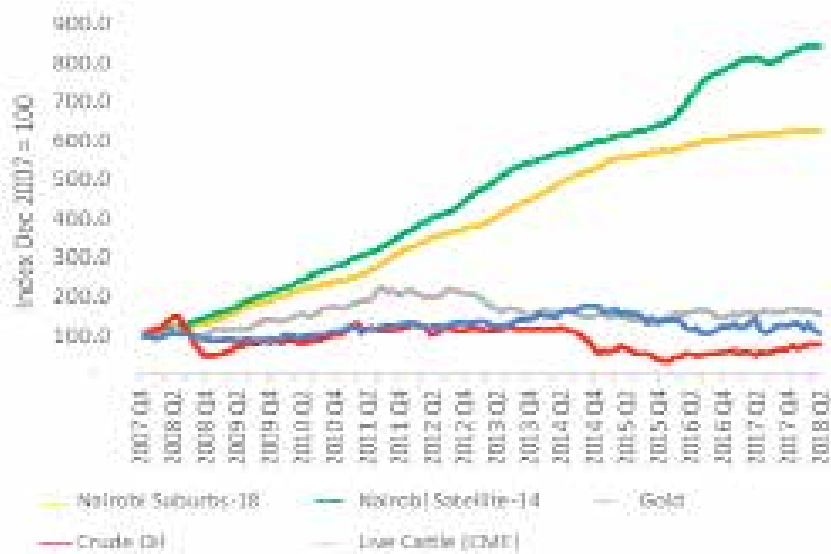


- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns
- Land in Athi River took up 6.1% of the market, Juja took up 8.9%, Kiambu 5.5%, Kiserian 5.3%, Kitengela 19.2% Limuru 4.1%, Mlolongo 1.9%, Ngong 7.1%, Ongata Rongai 8.3%, Ruaka 2.8%, Ruiru 15.8%, Syokimau 4.2%, Thika 9.6% and Tigoni 1.1% respectively.

HassConsult Limited

LAND AS AN INVESTMENT

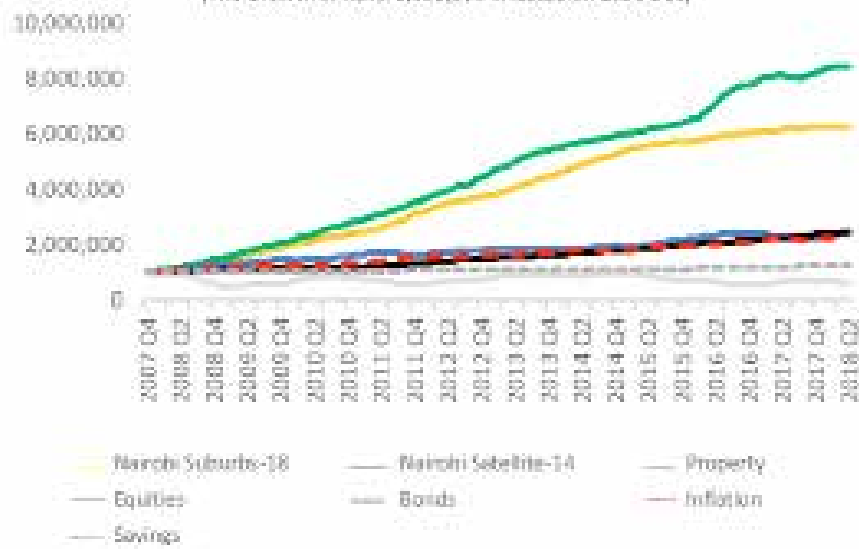
Land Performance vs Commodities



The Hass Land Composite Index, Nairobi

Satellite-14 index value was 845.1 outperforming Nairobi Suburbs-18 which had an index value of 626.0, compared to Cattle which had a value of 118.3, Gold 156.7, Live Cattle (CME) 106.4 and Crude Oil worst performing with only 79.2 index value.

Land Performance vs Other Asset Classes
[The Growth of Kshs. 1,000,000 invested on 2007 Dec]



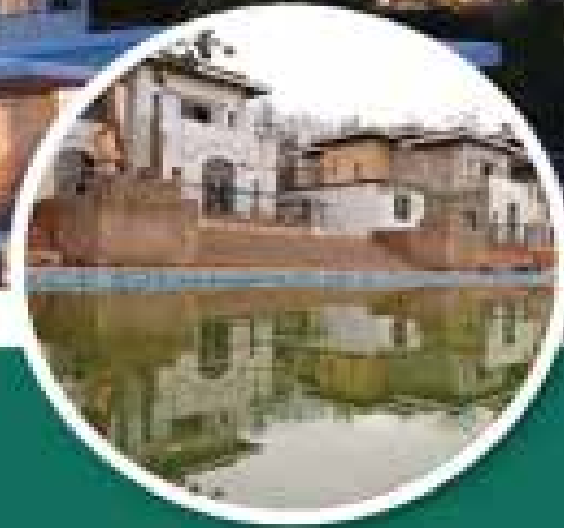
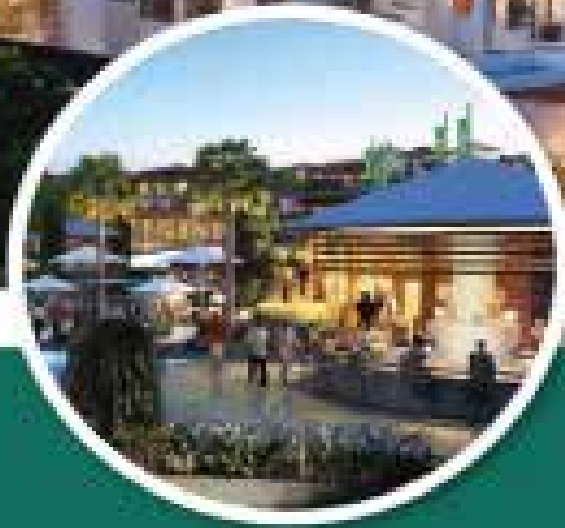
Ksh. 1 million invested at the end of 2007 would have been worth KSh. 8.45m if invested in land in Nairobi Satellite-14, KSh. 6.26m if invested in land in Nairobi Suburb-18, KSh. 2.41m if invested in property (The Hass Sales Composite Index, All Properties), Ksh. 2.45m if invested in bonds and KSh. 1.27m if invested in savings and only Ksh. 0.60m if invested in Equities.



TATU

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Cytonn Real Estate

We are a real estate development firm that seeks to develop institutional grade real estate having a team with extensive and deep experience in real estate development and finance.

We work to deliver quality and aspirational real estate developments that encourage great community living.

INFRASTRUCTURE & UTILITIES

We covered the current supply of infrastructure in the Nairobi Metropolitan Area and projects that are currently underway with a focus on roads, railways, water, sewerage, electricity and airports in the Nairobi

Text by Cytonn Research Team,

Infrastructure refers to the fundamental structure of an organization or system, which is necessary for its operation, and entails public water, energy, and systems for communication and transport. It is thus, considered the backbone of any country's economic growth. Infrastructural improvements such as road and rail networks enhance a nation's connectivity thus, unlocking the economic potential of a region by opening it up for trade and

investments, as it allows for easy transport of labor, goods and services to where they are in demand. In real estate, infrastructure acts facilitate the sector's growth as its availability, or lack thereof, determines the growth momentum of the real estate sector in a given location. Transport systems, for instance, enhance accessibility from home to the work place and vice versa, whereas utilities such as water, sewage disposal and electricity are essential for human living.

ABOVE
Nairobi City skyline from Globe Cinema Roundabout

In the recent past, we have witnessed the Kenyan Government's dedication to improving the infrastructural levels in Kenya, especially transport, as part of its efforts to elevate the country to upper middle-class status by 2030. For instance, according to the KNBS Economic Survey 2018, the development expenditure on roads is set to grow by 19.2% to Kshs 134.9 bn in 2017/18 from Kshs 109.0 bn 2016/17.

Additionally, the Kenya Roads Board (KRB) is set to increase disbursements to the various road agencies and County Governments by 5.0% to Kshs 63.5 bn in 2017/18, from Kshs 60.5 bn in 2016/17. Examples of key road projects launched within the Nairobi Metropolitan Area since 2017 include the Western Bypass, and the dualling of Ngong Road Phase 3, among others. We anticipate that such projects will have a positive impact on the economic development in the region through driving sectoral growth including that of real estate.

Given our continued focus on real estate investment, with majority of our projects being in the Nairobi Metropolitan Area, this week we look at the state of infrastructure in the Nairobi Metropolitan Area, ongoing infrastructural projects and the areas expected to benefit from these and then take a view of the potential areas for real estate investment. To cover this, we shall address the following :

- **Factors Affecting Infrastructure in the Nairobi Metropolitan Area; Drivers, Challenges, and Recent Developments**

- **The State of Infrastructure in the Nairobi Metropolitan Area**

- **Impact of Infrastructure on Real Estate**

- **Recommended Areas for Real Estate Investment.**

FACTORS AFFECTING INFRASTRUCTURE IN THE NAIROBI METROPOLITAN AREA; DRIVERS, CHALLENGES, AND RECENT DEVELOPMENTS

In the last few years, there has been increased investment in infrastructure in the Nairobi Metropolitan Area by both public and private sector players. The main factors driving investment in the sector include:

Positive Demographics

Nairobi Metropolitan Area has a relatively high population growth rate of 3.1% against the national and global average growth rate of 2.5% and 1.2%, respectively, as at 2018, which continues to outstrip infrastructure and service capacity thus creating demand for the same as required to serve the growing population. Nairobi County has the highest population density at 6,474 people per SQKM and growing at 4.1% p.a, followed by Kiambu County with a density of 818 people per SQKM and growing at 2.8% p.a, according to the Kenya National Bureau of Statistics (KNBS). Below is a summary table of the various counties' demographics;

Nairobi Metropolitan Area Demographics				
County	Population (2018)	Land Size(SQ.KM)	No of people per SQ.KM 2018	Population Growth Rate
Kajiado	1,112,305	21,910	51	5.5%
Nairobi	4,499,785	695	6,474	4.1%
Kiambu	2,080,109	2,543	818	2.8%
Machakos	1,317,022	6,208	212	2.5%
Murang'a	976,564	2,559	382	0.4%
Average			294	3.1%

Government Initiatives

These include:

I) Establishment of the Road Annuity Fund:

The Roads Annuity Fund was established under the Public Finance Management (Roads Annuity Fund) Regulations, in 2015, for the purposes of providing capital to meet the National Government's annuity payment obligations for the development and maintenance of roads under the Roads Annuity Programme (RAP). Some of the roads in the Nairobi Metropolitan Area that have been tarmacked or improved using the fund include; Uplands-Githunguri-Ngewa-Ruiru and Bomas-Karen-Dagoretti-Ruiru Road,

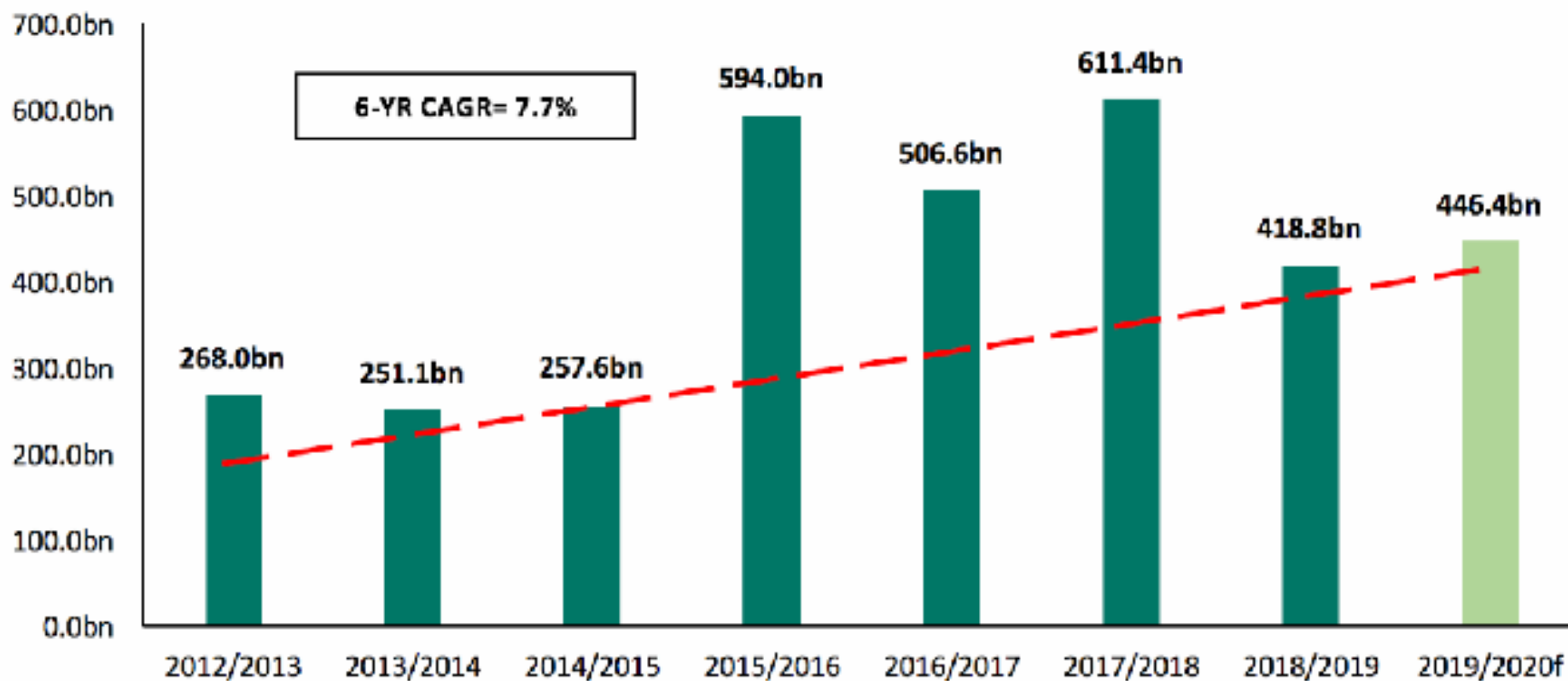
II) Establishment of the Infrastructure Bond:

In 2016, the Government of Kenya issued a 15-year infrastructure bond of USD 300 Million to fund infrastructure projects. The fund aims to facilitate infrastructural development by acting as a bridge between the public and private sectors, helping eliminate the bottlenecks for private projects and Public Private Partnership Projects,

III) Increased Budgetary Allocation to Improve Infrastructure in the Country:

The government has intensified efforts to enhance infrastructural development throughout the country, the Nairobi Metropolitan Area included. This is evidenced by the significant National Budget allocation, which recorded a 6-year

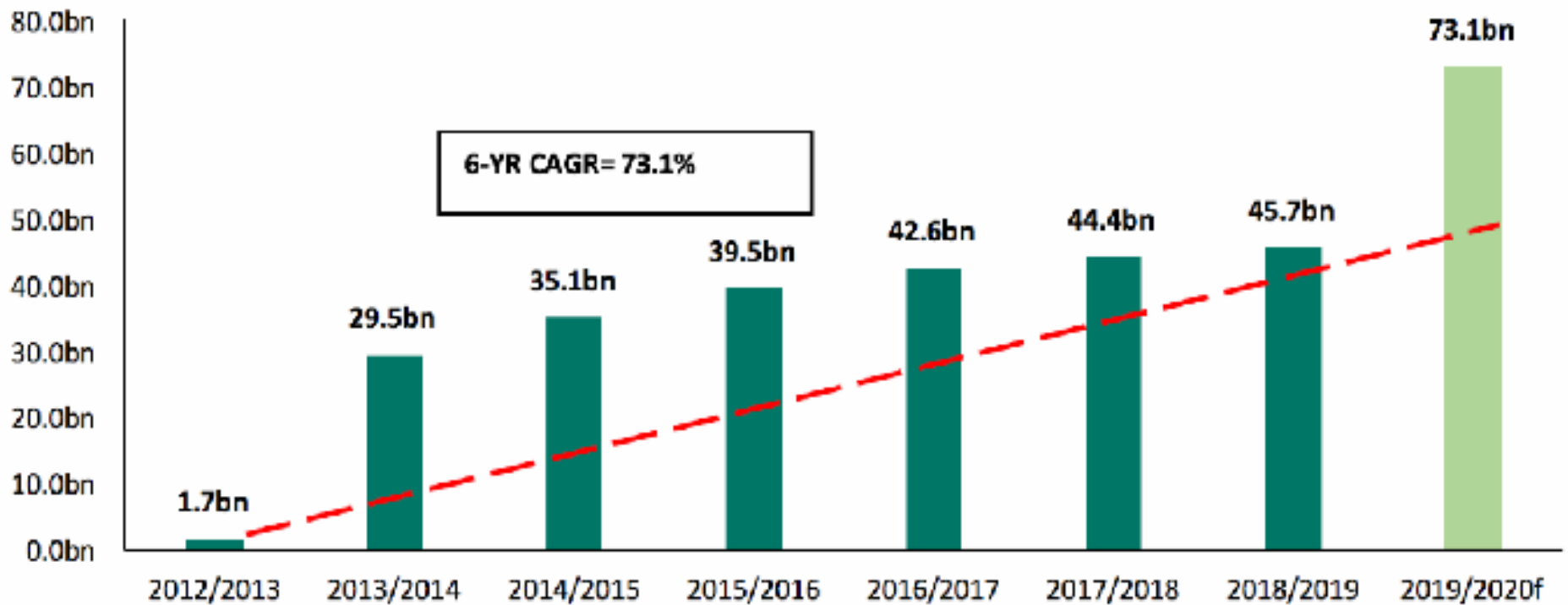
National Budget Allocation to the Infrastructural Sector (Kshs)



Source: The National Treasury

For the Nairobi Metropolitan Area, the total budget allocation made to counties continues to increase, growing by a 6-year CAGR of 73.1%, and a 2.9% increase from Kshs 44.4 bn allocated in the 2017/2018 budget to Kshs 45.7 bn allocated in 2018/2019. This has resulted in continued funding of projects at Kenyan County level, including infrastructural projects. The county's allocation is as illustrated below:

Total Budget Allocation to Nairobi Metropolitan Area (Kshs)



Source: The National Treasury

Rising Foreign Direct Investment (FDI) in Infrastructure

Kenya saw FDI inflow increase by 71.8% from Kshs 39.0 bn in 2016 to Kshs 67.0 bn in 2017, which was attributed to buoyant domestic demand and inflows into the country's ICT industries. As a result, the country was ranked the 4th highest FDI recipient in East Africa after Ethiopia, Tanzania and Uganda in the World Investment 2018 Report, by the United Nations Conference on Trade and Development (UNCTAD). In line with the same, the infrastructural sector has witnessed entry of foreign institutions such as Bechtel, a global leader in engineering, procurement, and construction. The firm will be constructing the first high-speed expressway in the country, designed to run between Nairobi and the seaport at Mombasa, II) Establishment of the Infrastructure Bond:

Increasing Private Sector Investment

Kenya continues to develop programs to foster private sector participation in infrastructure investments to help address the funding gap in the sector. This has resulted in the emergence of Private Public Partnerships (PPP), which boosts the prospects of local construction companies and financial institutions that can offer finance to the companies. Some of the factors encouraging private sector investment include;

I) Incentives to encourage private sector involvement:

The government continues to encourage private sector investment into the sector through introduction of incentives. For example, through a 25.0% tax exemption, which allows investors in commercial property who spend on social infrastructure such as power, water, sewer lines, and roads to recover their expenses within 4-years, according to the Finance Bill 2012.

II) Introduction of Power Purchase Agreements to Boost Investment in Energy:

Since 2016, Kenya Power has entered into arrangements in the form of Power Purchase Agreements (PPA); an investor, usually a private power company establishes a power plant and sells to Kenya Power at a predetermined rate over a fixed period of approximately 20-years enabling them to recoup their investment. Some of the firms that have entered into a PPA agreement are Akiira Geothermal Limited, who are developing a 70 MW geothermal facility in Kajiado, and Kipeto Power Limited, who are developing a 100 MW wind energy also in Kajiado. Both projects will be sold to Kenya Power as per the PPA.

In spite of the factors boosting the sector's growth, development of infrastructure also faces various constraints including:

- **Huge capital** - outlay required to develop infrastructural projects, which has continued to discourage potential investors especially from the private sector.
- **Encroachment and illegal occupation of land** - meant for infrastructural projects resulting in delay of projects and escalated project completion costs. For instance, the railway reserve in Kibera, which had been encroached by approximately 9,000 families, thus affecting the operation of cargo trains.
- **Vandalism of facilities** - such as petroleum products pipeline, electricity transformers and fiber optic lines, have resulted in high maintenance costs and capital loss, thus crippling infrastructural development.
- **Lengthy legislative requirements** - which include elongated processes of approval discourage investors from taking up infrastructural projects, as they are time consuming and expensive.

In terms of **recent trends**, some of the new developments in the last 2-years, which are likely to influence the sector include:

I) Reintroduction of Toll Roads

The Kenyan Government is now reintroducing toll roads as a way of enhancing the expansion and maintenance of roads. Some of the key highways earmarked for tolling include; the Jomo Kenyatta International Airport (JKIA)-Rironi Highway, the proposed Nairobi-Mombasa Expressway, Nairobi Southern Bypass and the Thika Superhighway.

II) Government's Big Four Agenda:

The Kenyan Government has embarked on increased focus on infrastructure, which must precede development of projects and has been identified as a key enabler of its Big Four Pillars, which include; a) provision of affordable housing with the delivery of 500,000 housing units by 2022, b) affordable healthcare, c) manufacturing and d) ensuring food security.

I) State of Infrastructure in The Nairobi Metropolitan Area

We covered the current supply of infrastructure in the Nairobi Metropolitan Area and projects that are currently underway with a focus on roads, railways, water, sewerage, electricity and airports in the Nairobi, Kiambu, Machakos, Kajiado and Murang'a Counties. From our analysis, majority of the current provision of infrastructure is concentrated in the Nairobi County ranking the highest, followed by Kiambu County. We attribute this to Nairobi's positioning as not only the capital city of Kenya, but also a key regional commercial hub, thus attracting a large portion of investments by both the public and private sectors.

Below is the analysis of the infrastructure provision in the Nairobi Metropolitan Area;

A) Roads

Roads are the most common mode of transport in Kenya accounting for 62.9% of the total value of output from the transport sector as at 2018, according to the Kenya National Bureau of Statistics (KNBS). In 2011, it was estimated that, with the exception of Nairobi, 9.6% of roads in the Nairobi Metropolitan Region were paved compared to a national average of 13.7%. Excluding Nairobi County, Kiambu had the highest percentage of paved roads at 16.0%, Murang'a at 9.7%, Machakos at 6.9% and Kajiado had the lowest at 5.9%. We anticipate that the number of paved roads has significantly increased since then given the increased investment in the roads sector.

Between 2012 and 2018, Nairobi County has received the largest share of funds allocated to road projects at 61%. This is because of completion of roads such as the Southern Bypass, Eastern Bypass and Northern Bypass. In terms of road length, Kiambu County has the highest percentage at 39% attributable to construction roads in the county such as: the 80 km road from Muigai Inn through Kiandutu and Kiganjo to Muthaiga, and the 40 km road from Gatundu to Karinga.

Roads Completed in Nairobi Metropolitan Area (2012-2018)				
County	Scope (KM)	Amount (Kshs)	Percentage of Roads	Percentage of Funds
Nairobi	111.6	29,319m	24%	61%
Murang'a	126.9	9,393m	27%	19%
Kiambu	184.0	6,331m	39%	13%
Machakos	48.0	3,240m	10%	7%
Grand Total	470.5	48,283m	100%	100%

Source: KenHA, KERRA, KURA

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With the increased disbursements of funds for roads development, construction of over 1000 kms of roads within the Nairobi Metropolitan Area has been underway, with Murang'a County having the largest road kilometers under construction at 29.0% of the total road projects. In terms of value, Nairobi has the highest value of investments in roads at 53.2% of the total amounts investments, as most of the roads under construction are class A roads, as Nairobi is the center of the country's road network.

Some of the key roads under construction include; Western Bypass being built by China Road and Bridge Corporation and running for 31 km starting from Ruaka to the Nakuru highway at Gitaru in Kiambu County. Dualling of Ngong Road (Dagoretti Corner - Karen Roundabout Section) stretching up to 9.8 km in Nairobi County, while in Machakos County; construction of the 8 km Mombasa road to Daystar University Road and the Athi River – Machakos Turn off road covering 21 km. In Murang'a County, one of the major roads under construction is the 40 km road from Murang'a through Gitungi to Njumbi Mioro.

Below is a summary of roads under construction within the Nairobi Metropolitan Area:

Summary of Roads Under Construction Within Various Counties Within Nairobi Metropolitan Area				
County	Distance (KM)	Cost (Kshs)	% of Road Km	% of Amounts Investment
Nairobi	260.8	79,192m	14.0%	53.2%
Murang'a	533.1	22,700m	29.0%	15.3%
Kiambu	464.5	19,505m	13.2%	13.2%
Machakos	314.2	19,101m	17.1%	12.8%
Kajiado	267.0	8,223m	14.5%	5.5%
Total	1,839.6	148,722m	100.0%	100.0%

Source: KenHA, KERRA, KURA

B) Railways

The use of rail transport is still low in Kenya accounting for only 0.5% of the value of output from the transport sector in 2017 compared to roads at 62.9%. The total Nairobi Metropolitan Area railway network coverage is 206 km. It consists of 75 km and 15 railway stations within the Nairobi County, and 131 km and 5 railway stations within Kiambu County.

The main railway routes serving the Nairobi Metropolitan Area shown on the diagram as follows:

Main Railway Routes in Nairobi Metropolitan Area			
Railway Routes	Intermediate Stops	Services Per Day	Average Boarding Per Train
Ruiru - Nairobi	Kahawa, Githurai, Mwiki, Maili Saba, Dandora, S. Mtwinda, Makadara	2	900
Embakasi Village - Nairobi	Aviation, Tai Mall, Avenue Park, Quarry, Donholm, Makadara	2	800
Kikuyu - Nairobi	Thogoto, Dagoretti Station, Lenana, Satellite, Kibera, Gatwekera, Mashomoni, Laini Saba	2	800
Syokimau - Nairobi	Imara, Makadara	6	732

Source: Nairobi Rail Service

To improve public rail transportation for both passengers and cargo, railway infrastructure is undergoing expansion through a number of projects that will serve to improve access within the Metropolitan Area.

Some of the new railway stations recently launched include, Makadara railway station and Imara Daima launched in 2013. Some of the upcoming projects include the Upgrading of Nairobi Railway Station and the Rail flyover project, which is part of Nairobi Integrated Urban Development Master Plan 2030, which will connect Enterprise Road to the Nairobi Central Business District.

List of Ongoing and Complete Railway Projects				
Ongoing Projects	Timeline	Status	Length	Value(Kshs)
Kahawa Railway Station	20 18	Completed		353mn
Mombasa-Nairobi	2017	Completed	472km	327bn
Nairobi Commuter Rail Network	2018	Ongoing	149km	24bn
Nairobi – Naivasha SGR Section 2A	2019	Ongoing	120km	172bn

Source:Kenya Railway Corporation

Other upcoming projects include:

- Naivasha - Kisumu (Section 2B)
- Upgrading of Nairobi Railway Station
- Rehabilitation and Remodeling of Kenya Railway passenger sleeper coaches
- Installation of Commissioning integrated parking system to all the passenger stations

C) Water

The main sources of water in the Nairobi Metropolitan Area include piped water, water vendors and boreholes. According to research by the Water Services Regulatory Board (WASREB) 2018, the average rate of access to piped water in the Nairobi Metropolitan Area stood at 59% with Nairobi having the highest coverage at 81%. However, access to piped water in Nairobi's satellite towns mainly in Kajiado and Machakos Counties still remains low at 42% and 48%, respectively. This has created opportunities for the private sector to invest in other water sources such as water vendors and drilling boreholes to supplement the inadequate and inconsistent water supply to several satellite towns.

Nairobi Metropolitan Water Coverage Summary 2018	
County	Water Coverage
Nairobi	81%
Kiambu	75%
Murang'a	47%
Kajiado	42%
Machakos	48%
Average	59%

Source: Water Services Regulatory Board

The main water service providers for Nairobi and its surrounding areas include:

No.	Water Service Provider	Jurisdiction
1	Nairobi City Water and Sewerage Company	Nairobi CBD and its environs
2	Runda Water Company	Runda area
3	Kiambu Water and Sanitation Company	Kiambu Township and its environs
4	Ruiru – Juja Water & Sewerage Company Ltd	Ruiru and Juja Towns and its environs
5	Oloolaiser Water & Sewerage Co. Ltd	Kajiado Township and its environs
6	Kikuyu Water Company	Kikuyu Township and its environs
7	Karuri Water and Sanitation Company	Karuri Township, Kiambu county and its environs
8	Murang'a Water and Sanitation Company	Murang'a County
9	Mavoko Water and Sewerage Company (MAVWASCO)	Syokimau, Mlolongo, Athiriver, Kinanie and Chumvi

Source: Water Services Regulatory Board

In order to meet the rising demand of water services by the growing population, the government has facilitated several water service projects. Some of the proposed projects include:

- **Gatamathi And Kahuti Water Supply Project in Murang'a County,**
- **Ruiru-Juja / Greater Githurai Water Supply System in Kiambu County,**
- **Mwala Cluster & Machakos Water Supply Works in Machakos County,**
- **Kiserian – Ongata Rongai Water Supply System in Kajiado County.**

Other projects include:

Completed, Ongoing & Proposed Water Water Projects						
No.	Projects	Region	Status	Timeline (Year)	Value (Kshs)	
1	Eastern Transmission (Kiambu-Fkihaka) Pipeline	Kiambu/Nairobi	Completed	2018	2,012m	
2	Ruiru II Dam	Kiambu	Completed	2018	21,391m	
3	Construction of Augmentation Works for Thiba Dam	Kiambu	Completed	2018	67m	
4	Karamuru Dam	Kiambu	Ongoing	2020	24,000m	
5	Limuru Water Supply Project	Nairobi	Ongoing	2018	71m	
6	Construction of the Western Transmission (Kabote-Uthiru Karen) Pipeline	Nairobi	Ongoing	2018	1,085m	
7	Kahuti Community Water Supply Project	Murang'a	Ongoing	2018	63m	
8	Mavoko Water Supply Project	Machakos	Ongoing	2019	25,000 m	
9	Extension of 250mm diameter mainline from Kenol to Makuyu	Murang'a	Ongoing	2018	125m	
10	Upgrading the sections of Kenol and Kabati	Murang'a	Ongoing	2018	7m	
11	Construction of 315mm Diameter mainline from Wanyaga Intake to Mungata tank	Murang'a	Proposed	2019	170m	
12	Construction of 500mm diameter main from Kinyona Intake works to New Marina Tank	Murang'a	Proposed	2021	500m	Activate Go to Setting

Source: Athi Water Services Board

D) Sewerage

Sewerage connectivity in the Nairobi Metropolitan area and nationally still remains poor, with statistics from the World Health Organization showing that only 3% of Kenya's population had a sewer line connection by 2016. Nairobi City currently has 162.7Km of sewer lines covering its area of 695 SQKM. The existing sewer infrastructure in Nairobi serves areas such as Kilimani, Kileleshwa, and the CBD, leaving a majority of the city residents who live in low-end areas such as in the informal settlements with no access to sewer lines.

The situation is similar in other parts of the metropolitan area, with Kiambu County having only 11km of sewer line serving its total area of 2,543.4 SQKM, while Mavoko sub-county currently has only 31.1km of sewer lines serving its 963 SQKM total jurisdiction. Kajiado County also suffers from the same predicament, with none of its towns having sewerage connections, a situation that in September 2018 led residents of Kitengela to unveil plans to build their own sewer line. In Murang'a County, only Murang'a town has access to a sewer, with other towns such as Kangema, Kenol and Maragua lacking sewer connectivity.

A comparison of sewerage coverage according to counties in the Nairobi Metropolitan Area is as shown below;

Sewerage Coverage in Nairobi Metropolitan Area	
County	Sewer Coverage (%)
Nairobi	50%
Machakos	17%
Kiambu	15%
Murang'a	3%
Kajiado	0%
Average	17%

Source: Water Services Regulatory

Due to the inadequate sewer coverage, majority of residents rely on septic tanks and other forms of improved sanitation such as pit latrines and bio-digesters.

With the growing population, and urbanization particularly in satellite towns in Kiambu, Machakos and Kajiado Counties, concerted efforts have been made to improve sewer connectivity, with various projects being initiated mainly by the Athi Water and Sewerage Services Board.

The following table shows the Ongoing and sewerage projects with their details:

Ongoing & Proposed Sewerage Projects in Nairobi Metropolitan Area					
Project	County	Area of coverage	Length(km)	Value Kshs Mn	Tender Award Date
Kisumu water & sewerage project	Kisumu	Kisumu, Wajirkuia	45.0	635	15th Aug 2018
River Ekenge trunk sewer	Nairobi/Kisumu		0.9	73	16th Feb 2018
Ruiru	Kisumu	Wimberly, Gitambaya, Ruiru town, Muthua, Gatongwa and Kiwanga	56.0	380	8th Feb 2018
Enhancement of Nairobi Stations, Ngungu and Mathare River	Nairobi/Kajiado Kisumu		0.9	77	20th Feb 2018
Kisumu and Busika*	Kisumu	Roaka, Ndinduru, Muchacha, Kirigi, Thindiga, Kamumbi	53.0		
Kisumu sewerage project	Kisumu		2.0	709	17th Nov 2014
Ruar Outlet Trunk Sewer	Kisumu	Ruar, Gandon, Githurai, Mwili	9.0		
Githurai North Trunk Sewer*	Kisumu	Masai Estate, Githurai North, Makio	9.2		
Githurai South Trunk Sewer*	Kisumu	Kasarani Stadium area, KIPF, Safari Park, Thome Estate	8.2		
Clay Works Trunk Sewer*	Kisumu	Alicops, KBL, Garden Estate, Ridgeway	3.0		
Busika Trunk Sewer*	Nairobi/Kisumu		1.3		
Machakos Sewer line	Machakos	Machakos	80.0		Yet to be awarded
Muranga Sewer	Muranga	Kerol, Marogwa, Kiriani, Kangema and Kangari		4000	Yet to be awarded
*Value of project to be established					

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A summary of the ongoing and planned projects per county is as below, with Kiambu and Machakos Counties having the largest share of proposed sewer projects at 65.5% and 23.9%, respectively.

Ongoing and Planned sewerage projects in Nairobi Metropolitan area		
County	Length (Km)	Percentage of sewer Coverage
Kiambu	164.2	65.5%
Machakos	60.0	23.9%
Nairobi	24.4	9.7%
Kajiado	2.0	0.8%
Muranga*	0.0	0.0%
Total	250.6	100%
<i>*Length of sewer line to be confirmed</i>		

Source: Water Services Regulatory Board

Kiambu County has the largest share of proposed sewer projects at 65.5% attributable to the low sewer connectivity in the area coupled with the high population growth in its fast-growing towns such as Ruaka, Ruiru and Kikuyu, thus necessitating an improvement in sewer connectivity.

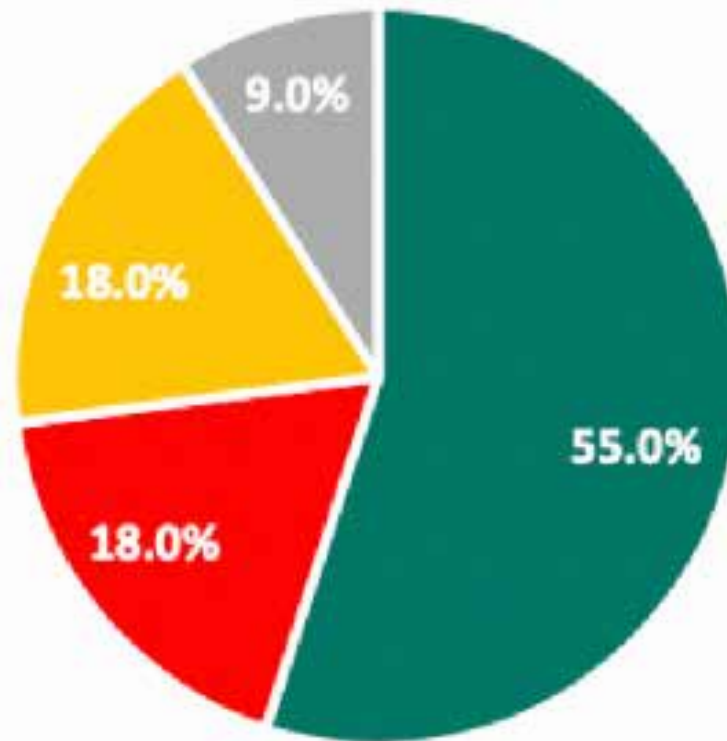
Generally, the Nairobi Metropolitan Area is continuously expanding and the population growing, thus the need to improve the sewerage system. The ongoing and planned sewerage systems, apart from improving sanitation and hygiene, are expected to reduce construction costs for developers as they eliminate need for septic tanks, bio digesters and other forms of sanitation.

E) Electricity

According to the Kenya Power Financial Report 2017, the Nairobi Metropolitan Area consumes more than 50.0% of Kenya's electricity supply. This is largely a result of the industrial nature of the capital city with majority of Kenya's manufacturing industries based in Nairobi in areas such as the Industrial Area and along Mombasa Road, and its satellite towns such as Ruiru and Thika. Furthermore, in addition to being the main commercial hub in Kenya, Nairobi is regarded as one of the key regional hubs in the continent, and thus it hosts several local and international firms. Key business nodes include Upperhill, Central Business District, Westlands and Kilimani areas. According to Kenya Power, Nairobi Region that includes Nairobi, Kiambu, Machakos, Makueni and Kajiado, recorded the highest electricity consumption in 2017, accounting for 55.0% of the total Kenya Power purchases.

A graphical representation of electricity consumption per region as shown in the diagram as follows;

Kenya Electricity Consumption Per Region



■ Nairobi Region ■ Western Region ■ Coast Region ■ Mt Kenya Region

Source: Kenya Power

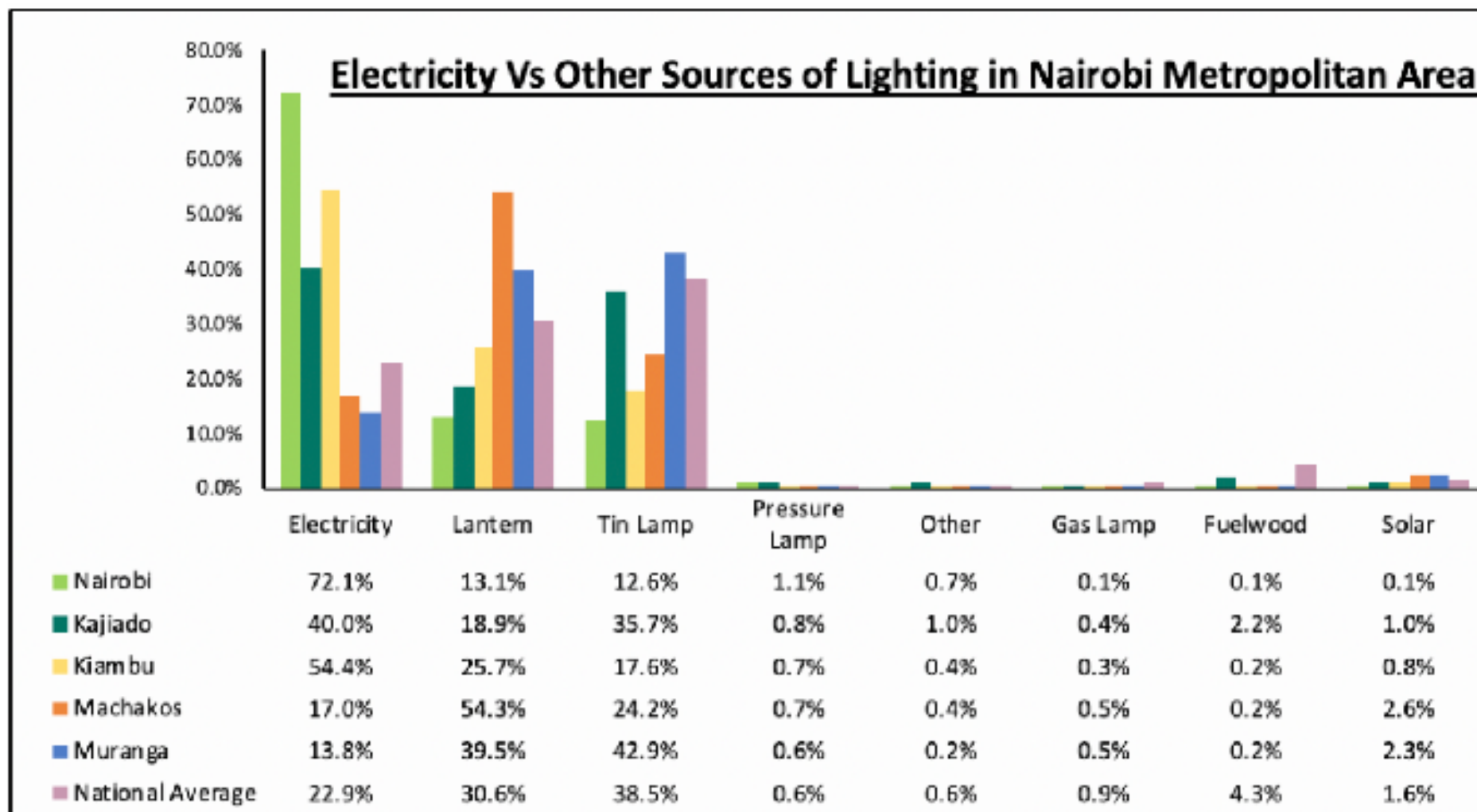
The Kenya Power and Lighting Company Limited (KPLC) is the sole distributor and transmitter of electricity in Kenya while KETRACO (Kenya Electricity Transmission Company) is the authority responsible for design, operating and maintenance of transmission lines and power stations. While the government is the main controller of the aforementioned companies, we have seen increased involvement of the private sector in the production of electricity.

The key firms that undertake generation of electricity include:

- Kenya Electricity Generating Company Limited (KenGen),
- Power Producers (IPPs) such as IberAfrica, Or-power4 Inc., Imenti, Thika Power, Golf Power, Triumph Generating Company, and Gikira Small Hydro,
- External sources such as Uganda Electricity Transmission Company Limited (UETCL) and Tanzania Electric Supply Company Limited (TANESCO).

Electricity Access

According to a KNBS and SID International's National Inequality Survey carried out in 2013, 39.5% of Nairobi Metropolitan Area residents use electricity as a source of lighting, in comparison to the national average of 22.3%. Nairobi County had the highest access to electricity with 72.1% of the population relying on the utility for lighting in comparison to other counties such as Murang'a, which had the least electricity penetration of 13.8%.



Source: KNBS/SID International 2018

Key to note, however, is that electricity penetration has significantly improved over the past five years. According to Kenya Power, the number of customers was 6.5 mn as at March 2018 compared to 2.3 mn customers in March 2013, a 5-year CAGR of 23.6%. This represents an electricity access rate of 72.6%, which is a 50.3% points' growth from the 22.3% recorded in 2013. This has been achievable through the rigorous efforts to improve electricity access to Kenya as a whole.

In line with its economic development strategies, the government has embarked on various programs aimed at promoting electricity access and they include:

I) Least Cost Power Development Plan: The aim is to guide energy sector stakeholders on how to meet the energy needs of the nation for subsistence and development at least cost to the economy and the environment,

II) Last Mile Project: The aim is to increase electricity access to Kenyans and is implemented by the Kenya Power. Under this project, the entity will maximize the utilization of the 40,000 existing distribution transformers spread across the country as well as installation of new transformers, while Rural Electrification Authority will focus on expansion of the low voltage network lines to improve reticulation in rural areas,

III) Kenya Electricity Expansion Project (KEEP): The aim is to enhance the electricity network, establish new primary substations and upgrade works on existing ones in identified locations countrywide,

IV) Global Partnership for Output Based Aid project: The partnership between the Government of Kenya and the World Bank aims at providing safe, legal and quality power supply to people living in informal settlements at subsidized costs,

V) Nairobi City Centre Network Upgrade and Reinforcement Project: The government aims at improving the quality of power supplied in the city and its environs. In line with this, earlier this year, the President of Kenya launched the Nairobi City Centre 220/66kV Gas Insulated station (GIS) sub-station that is set to boost the county's Bulk Power supply system. The Kshs 13.0 bn project serves the Industrial Area, Mombasa Road, Upperhill, Central Business District, and Kilimani areas; providing industries and investors with reliable and uninterrupted power supply.

In response to the high demand for electricity, the government has also put in place other projects, with most pending financing partners. According to the KPLC Grid Plan for 2016 - 2021, there are Kshs 201.7 bn worth of planned transmission projects with a due date of 2021, where 30.8% of these, worth Kshs 62.0 bn, will be within the Nairobi Metropolitan Area.

Source: Kenya Power

Ongoing Transmission Projects at Preparation & Financing Stage		
Planned Projects	Project Details	Cost (Kshs)
Ngong - Magadi	84km, 132KV double circuit transmission line,	2.3 bn
Sillal/Baringo - Rongai	180km 400kV double circuit line	6.6 bn
Menengai - Rongai	33km 400V double circuit line	3.5 bn
Uplands (Limuru) substation	132/33KV Substation	0.8 bn
Kamburu – Embu - Thika	196km 220kV Line, with one substation in Thika	6.8 bn
Gilgil – Thika – Nairobi East - Konza	205km 400kV double circuit line, with substations in, Thika and Kangundo	10.3 bn
Isinya - Konza	45km 400kV double circuit line, with substation in Konza	4.7 bn
Murang'a	33/11kv Primary Substation In Murang'a	454,545
Konza-Nairobi East	52km, 400kV double circuit line	5.2 bn
Nairobi Ring	220 KV Ring around Nairobi Metropolitan Area	20.0 bn
Suswa - Ngong	40km, 220kV double circuit line	1.9 bn
Total		62.0 bn

With these projects, the government aims to achieve universal electricity connectivity as part of the Millennium Development Goals, while also enabling the economic plans such as the Government's Big 4 Agenda on housing and manufacturing.

F) Airports

The Nairobi Metropolitan Area is mainly served by two major airports, the Jomo Kenyatta International Airport (JKIA), located along Mombasa Road, with a capacity of 7.5 mn passengers annually and 43 aircraft, and the Wilson Airport, located along Lang'ata Road, and has a capacity of approximately 120,000 passengers and 33 small-scale aircraft. However, the region also boasts of other airstrips which mainly serve specific entities as shown below:

Other Airports/Airstrips Within Nairobi Metropolitan Area	
Name	Serves:
Amboseli Airport	Amboseli National Park
OI Kiombo Airstrip	Maasai Mara
Musiara Airstrip	Maasai Mara
Kichwa Tembo	Maasai Mara
Orly/Olooitikoshi Airport	Kajiado County
Keerok Airport	Keerok lodge and environs
Moi Airbase/Eastleigh Airport	Kenya Air Force
Mara Serena Airstrip	Maasai Mara-Lewa Downs/Nanyuki/Samburu

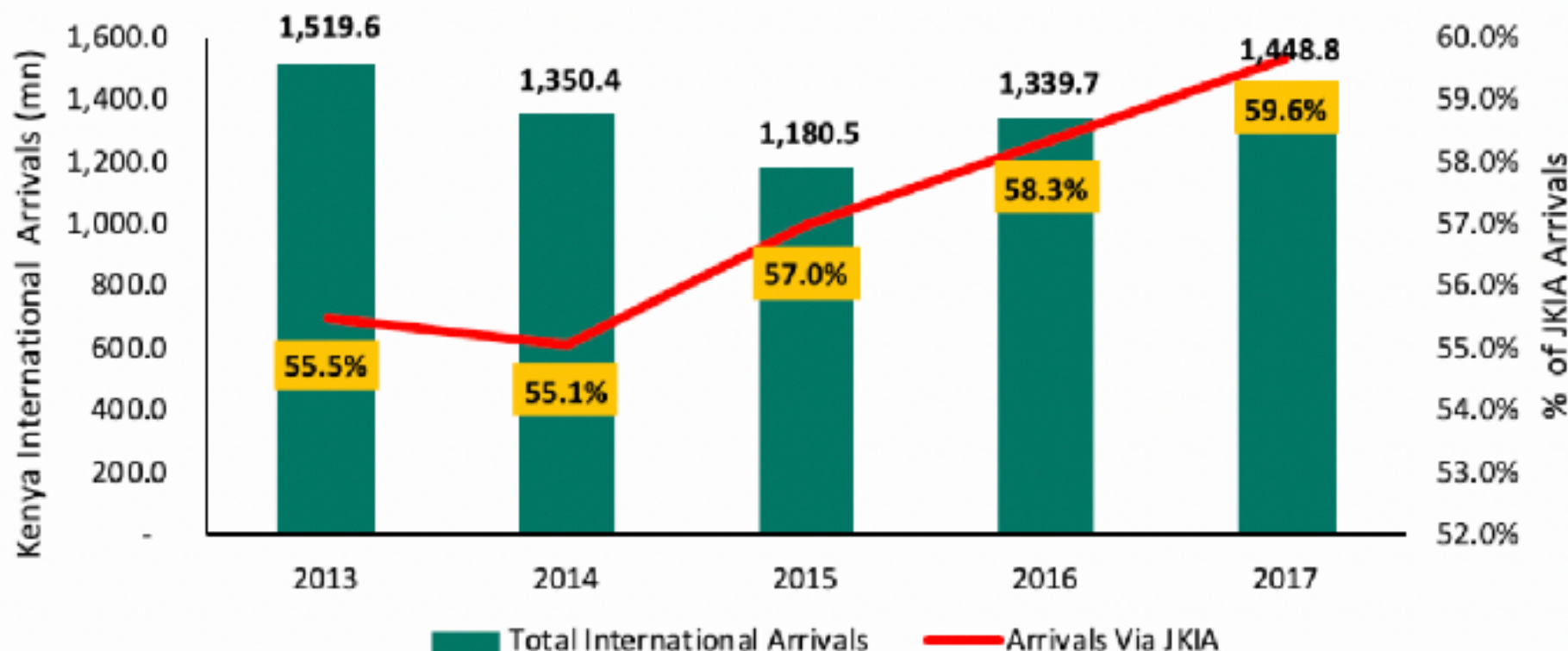
Source: Online Sources

The Kenya Airports Authority oversees the aviation infrastructure whereas the Kenya Civil Aviation Authority is mandated to regulate and operate the aviation system.

Wilson Airport, a domestic flights airport, serves local airlines such as Fly-SAX, Silverstone, Safarilinks, and AirKenya Express with destinations served from the Airport including Maasai Mara, Mombasa, Amboseli, Lamu, Kilimanjaro Diani, Lokichogio and Nanyuki. On the other hand, JKIA is vital to Kenya's economy due to its significant contribution to the nation's tourism and hotel industry, as more than 50.0% of the country's international arrivals arrive through the busy airport. In 2017, 59.6% of international arrivals to Kenya passed through the JKIA, and this trend is set to continue, especially given the ongoing infrastructural developments at the airport meant to enhance its capacity and efficiency.

A graphical representation of International arrival through JKIA as shown in the diagram as follows;

% of International Arrivals Through The JKIA



Source: KNBS

Planned Developments

Various improvements have seen the Jomo Kenyatta International Airport increase in size and capacity over the years to become the largest and busiest airport in East and Central Africa, and one of the most renowned in Africa. According to online sources, the airport is set for an expansion from the current 25,662 SQM to approximately 55,222 SQM, with the government’s planned expansion strategy - the JKIA Airfield Expansion Project - which was set to commence in 2018 (although it is still in the planning stage) at a cost of Kshs 22.0 bn. This will see the airport’s terminals increased as well as construction of a second runway.

The presence of an international standards airport, the Jomo Kenyatta International Airport, boosts Nairobi’s status as a regional hub thus contributing to its economic growth. The airport currently operates approximately 43 passenger airlines and 25 cargo airlines. (Currently, there are no expansion plans for Wilson Airport)

The expansion plans for JKIA are set to increase the airport’s passenger capacity by a 15-year CAGR of 10.4% from 5.5 mn in 2010 to 24.2 mn in 2025.

JKIA Passenger Traffic								
Year	2010	2011	2012	2013	2014	2015	2020 F	2025 F
Number of Passengers	5,480,188	6,849,035	8,247,618	8,914,851	9,518,627	10,519,835	16,606,754	24,246,405
% Increase		25.0%	20.4%	8.1%	6.8%	10.5%	57.9%	46.0%

Key to note, however, is that despite the projections, JKIA has not quite met its target as it currently has a capacity of 7.5 mn compared to the projected 12.0 mn

Source: KAA

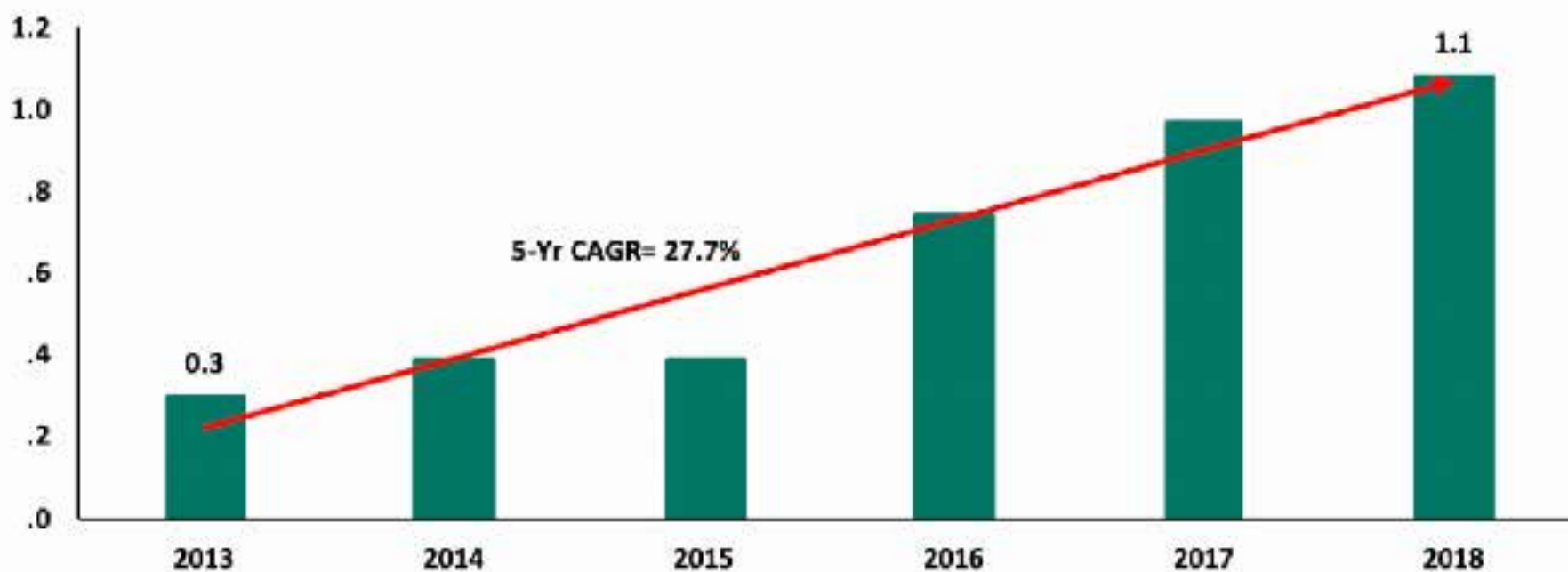
III) Impact of Infrastructure on Real Estate

Infrastructural development plays a key role in the development of the economy as a whole through enhancing connectivity and the creation of a better operating environment for individuals and businesses alike. We look at the impact of infrastructure on the real estate sector, particularly in the Nairobi Metropolitan Area;

A. Increased Real Estate Development Projects

Infrastructural development opens up previously inaccessible areas and improves connectivity thus making areas more attractive for investment. The completion of the Thika Super-highway in 2012, for instance, led to an influx of residential and commercial developments in areas such as Kasarani, Thika, Ruiru and Juja. Since then we have seen the springing up of several shopping malls as real estate investors and retailers sought to tap into a growing middle class around the area. From our analysis, through the development of malls such as the Garden City, the Thika Road Mall and Juja City Mall, the mall supply along the Thika Superhighway has grown at a CAGR of 27.7% from 0.3-mn sqft in 2013 to 1.3 mn sqft as at 2018.

Thika Super-Highway Mall Supply Growth since 2013 in Millions of Square Feet



Source: Cytonn Research

Similar effects have also been witnessed elsewhere, with the construction of the Northern Bypass opening up areas such as Ruaka, Marurui and Membley, leading to sprouting of several residential projects and key commercial developments such as the 0.7 mn SQFT Two Rivers Mall along the route.

B. Increased Value of Properties

Investment in infrastructure results in increased demand for property, which then causes an increase in property prices. Completion of the Thika Superhighway led to opening up of areas such as Thika Town, Juja and Ruiru, leading to significant increases in land prices. For instance, Juja experienced an increase in land prices from Kshs 3.0 mn per acre in 2011 to Kshs 9.0 mn in 2016, attributable to the improved accessibility into the area facilitated by the highway. With the completion of the Northern Bypass, land prices in Ruaka appreciated by 15.7% from an average of Kshs 40.0 mn per acre in 2011 to Kshs 83.0 mn per acre in 2016, on account of increased demand for property in the area.

Below is an analysis of changes in land prices in areas along major roads constructed between 2009-2012 in the Nairobi Metropolitan Area;

Changes in Land Prices along Major Road Developments							
Road Development	Start	Completion	Location	Average Price -2011(Mn)	Average Price-2014 (Mn)	Average Price-2016 (Mn)	Price Appreciation (5-year CAGR)
Thika Superhighway	2009	2012	Juja	3	7	9	24.6%
			Ruiru	7	15	19	22.1%
			Thika	5	7	8	9.9%
			Kasarani	32	51	60	13.4%
			Kahawa	33	51	60	12.7%
			Muthaiga	125		197	9.5%
Average							15.4%
Eastern Bypass	2009	2012	Utawala	6	9	11	12.9%
			Ruai	8	12	13	10.2%
			Ruiru	7	15	19	22.1%
Average							15.1%
Northern Bypass	2009	2012	Ruaka	40	58	83	15.7%
			Ridgeways	24	51	62	20.9%
			Runda	33	58	67	15.2%
Average							17.3%
Grand Average							15.8%

Source: Cytonn Research

Land in areas along major highways registered consistent price appreciation, with an average 5-Year CAGR of 15.8%, signaling increased demand for the properties as a result of infrastructural development.

Installation of sewer lines also results in increased development as it allows for densification, given that developers are then better able to sufficiently cater for the sanitation needs of the numerous families in a single facility. In Nairobi, most sewered areas such as Kilimani, Upperhill and the CBD have allowance for high-rise developments and thus attract higher property value with an average price of Kshs 510 mn per acre compared to low rise areas such as Runda, Spring Valley, Karen and Ridgeways with an average price of Kshs 85.5 mn per acre.

C. Reduced Development Costs

Infrastructural development opens up previously inaccessible areas and improves connectivity thus making areas more attractive for investment. The completion of the Thika Super-highway in 2012, for instance, led to an influx of residential and commercial developments in areas such as Kasarani, Thika, Ruiru and Juja. Since then we have seen the springing up of several shopping malls as real estate investors and retailers sought to tap into a growing middle class around the area. From our analysis, through the development of malls such as the Garden City, the Thika Road Mall and Juja City Mall, the mall supply along the Thika Superhighway has grown at a CAGR of 27.7% from 0.3-mn sqft in 2013 to 1.3 mn sqft as at 2018.

According a Centre for Affordable Housing Finance in Africa report, infrastructural costs in Kenya account for approximately 25.6% of construction costs. By providing infrastructure, therefore, the government provides an impetus for real estate developers to develop more affordable units, as the cost of construction reduces considerably. With the expected roll out of affordable housing projects in the Nairobi Metropolitan Area, in areas such as Ngara, Jogoo Road, Mavoko and Shauri Moyo, the commitment of the government to provide on-site and off-site infrastructure, will therefore act as an incentive for private developers to participate.

From the above points, it is evident that infrastructure, particularly, transport routes are vital for the growth of the real estate market. Investors are therefore likely to align their projects with infrastructural projects given the expected benefits including higher demand, price appreciation and savings on construction costs.

IV) Conclusion - Recommended Areas for Real Estate Investment

To gauge investment opportunities based on infrastructure, we looked at the key infrastructural sectors weighting them in terms of importance, as follows:

I) Roads – Accessibility of an area is the most important factor in real estate, especially for homebuyers and commercial real estate investors. Thus, the county with the highest road coverage got the highest weight, and vice versa.

II) Water – its reliable availability is one of the key factors that homebuyers look for when investing in a home. It is also vital for commercial activities and therefore, the more connected an area, the more reliable water supply is and thus, the higher the weight.

III) Sewer Connectivity – The county with the most sewer coverage got the highest weight, and vice versa.

IV) Number of railway stations – This plays a significant role in pulling real estate clients as it provides an alternative means of transport to the commonly used roads. However, an area has to have a railway station for this to be effective, thus, the region with the highest number of railway stations got the highest weight,

V) Proximity to airports – This is especially crucial for commercial real estate. The proximity to the Jomo Kenyatta Airport, therefore, gave more weight compared to regions that are more than 20 Km away from an airport

In terms of infrastructure supply, Nairobi County offers the best investment opportunity due to presence of relatively good coverage of all infrastructure sub-sectors, in comparison to other counties. The investment opportunity within the county is thus in areas along Ngong Road, which is currently being upgraded, such as Kilimani, Race Course, and, Karen. These areas also have relatively sufficient water and sewerage coverage while also being in close proximity to the JKIA and Wilson Airport.

The ranks are as shown below:

(The points are 0-5, with 5 being the highest and 0 the lowest)

Recommended Areas for Real Estate Investment 2018								
Weights:	20%	20%	25%	25%	5%	5%		
County	Completed Roads	Planned Roads	Water	Sewer Coverage	Railway Stations	Airport Proximity	Total Marks	Rank
Nairobi	5	5	5	5	5	5	5.0	1
Kiambu	4	3	4	4	3	3	3.7	2
Machakos	2	4	3	3	4	4	3.1	3
Murang'a	3	2	2	1	0	1	1.8	4
Kajiado	1	1	1	2	0	3	1.3	5

In summary, the best areas for investment are:

- Nairobi offers the best investment opportunity due to a high paved road coverage within the county, relatively sufficient water coverage, relatively high sewer connectivity, a high number of railway stations compared to other counties, and presence of airports. In Nairobi, we recommend areas along Ngong Road, which is currently being upgraded, such as Kilimani, Upperhill, Race Course, and, Karen. These areas also have relatively sufficient water and sewerage coverage (Kilimani & Upperhill) while also having easy access to the JKIA and Wilson Airport,
- This was followed by Kiambu, where the investment opportunity is in areas like Thika, Ruiru, and Kikuyu which carry majority of the county's infrastructural projects,
- For Machakos, areas to invest in are Athi River, Syokimau and Mlolongo, and areas in close proximity to the upcoming Konza due to the incoming infrastructure aimed at supporting the ICT park

Source: Cytonn Research

In conclusion, the presence and quality of infrastructure, that is, transportation and utilities, is one of the most important factors influencing real estate investments, and the country's economy as a whole. We, therefore, expect the infrastructural development to remain a top priority for the government in line with its Big Four Agenda to improve the housing deficit and scale up the manufacturing sector. However, due to the current unfavorable financial environment, we expect to see a rise in private investments into this segment of the economy as a way of bridging the financing gap, especially in the energy and road sectors, which provide a ready niche for private investors.



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URBAN PLANNING

The Challenges and Opportunities in Rapidly Urbanising Kenya

Source: By Gerald Githinji





Urbanization and development of Nairobi City in a wide view

Urbanisation – the accommodation of large numbers of people within limited space – is perhaps one of humanity's unprecedented phenomena in its evolution: turning itself into an urban species. Starting in the 19th and early 20th centuries during the industrial revolution in the developed nations, urbanisation is progressively changing the face of the earth and the very condition of humanity. Cities in these high income countries are now home to an average of 80% of their populations. They have evolved into agglomerations and peaked into mega cities (over 10 million inhabitants) with emerging networks across the globe seeking to link up with each other over vast distances in trade and ideas under the globalisation dynamics.

The urbanisation focus has now shifted to Africa which has long been one of the least urbanised regions of the world. The essential feature of current African urbanisation is that, unlike cities in Asia and Latin America, African cities are grappling with complexities of urbanisation and competitiveness of globalisation.

The core challenge is to deepen the understanding of urban transformation and opportunities so that steps can be taken at city, country and global level to overcome urban problems. As engines of economic development cities act as magnets, cities are redefining their comparative advantages so as to be competitive in the global marketplace. Currently this is the case in East Asia such as China, Thailand, South Korea and Malaysia where economic growth has reached previously unknown levels, and progressively getting tightly integrated in the global networks of trade, finance, information and production.

From megacities to nascent towns in Africa, urban planning helps to make places where people can live work and play by combining and balancing different elements that contribute to the quality of life and sustainability of our environment. Urban planning underpins political and institutional change by promoting spatial order, social mobility and human development leading to efficient economic systems.



Urbanization and development of Nairobi City, a slum and residential area next to each other in varied contrast

Kenya's towns are growing at unprecedented speeds. According to World Bank's Kenya Urbanisation Reviews, about 13 million (27%) of Kenya's over 48 million people today live in urban areas. This is projected to double to 54% by 2030 and keep increasing at a rate of over 2% per annum. The rapid growth of the urban population in Kenya is the direct result of a shift in the balance between the urban and rural economies. Towns remain the dominant focal point of both public and private sector activities. This unplanned steady increase in urban population has already caused different spatial manifestations in many metropolitan areas – Nairobi, Mombasa, Kisumu, Nakuru and Eldoret – such as urban sprawl, spatial informality and challenges for local economic development and job creation, yet these areas collectively account for 70% of Kenya's GDP. At this rate of growth, agglomeration is inevitable. Already, the net effect of Nairobi's steady agglomeration is the sprawl into the neighbouring four counties.

The rise in population and the sheer numbers of urban residents gives the clearest indication of the planning task facing Kenya's urbanisation future. The local government framework under the defunct constitution did not provide adequate legal, administrative and technological support for urban planning in local authorities to cope with urbanisation challenges

Change in urban planning interventions and urban management style was therefore inevitable to guide urban growth across the country based on the philosophy of economic productivity, social responsibility and environmental sustainability. The turning point came in 2010 with the current constitution providing fundamental governance restructuring conferring greater authority to county governments. During the first five years of devolution the high levels of ambivalence and uncertainties by county governments towards their driving role to mobilise and reconcile all the varied but critical planning roles were playing out. The greatest challenge was lack of professional capacity and the deficiency in local planning policy frameworks (county spatial plans, county sector plans and city/municipal plans) and the capacity to implement and monitor the impact. The forms in which both levels of government projected themselves in navigating these transition spaces have been complimentary and rapidly changing.

At the national government level, the marshalling of the support of development partners to identify priority areas for action, and to organise and facilitate decentralised cooperation with counties has been great. Successful examples include the World Bank-supported Kenya Municipal Program (2010 -2017), the Nairobi Metropolitan Services Improvement Project (NaMSIP 2010 - 2019), the Kenya Urban Support Program (2017 - 2023) and the most recent,

the 5-year British Government-supported Sustainable Urban Economic Development (SUED) that was launched this month (November 2018). These collaborations will enhance and progressively improve county government capacity to act on issues of urban sustainability both as individual bodies and in collaboration with national government and its agencies and municipal boards at the individual towns.

At the county government level, two pieces of legislation – The County Government Act and the Urban Areas and Cities Act – hold the key in driving the urbanisation and planning agenda. The County Government Act has a dedicated section – part XI County Planning – that ensures harmony on planning requirements at both national and county levels. Vision 2030, the National Land Use policy and the National Urban Development Policy remain as key national guiding framework for urban development. The Urban Areas and Cities Act provides for integrated development planning at municipal levels. Under these two legislations, county governments and urban municipal boards are empowered to put all pieces together, using spatial planning strategies, from components of a comprehensive urban development perspective – land use, housing, transportation, environmental issues, infrastructure issues and urban design.

The stage is now set: county governments should be taking a greater prominence in urbanisation processes if the rate at which municipal boards are being appointed across the country. This should mark the momentous change in opening up our towns to the regional if not the global markets. The informality manifesting in our towns should scarcely continue. The prospects for development under devolution have shown the huge potential in steering Kenya in the direction of wholesale change. In the first five years of devolution, two notable phenomenon stand out: the first one is the shift of political

influence and resource distribution from the national to counties; the second is levels of infrastructure development that have raised the beat of stirring people's ability to think creatively and clearly.

In the current five years (2017 – 2022), county governments should embrace the reformed institutional approaches discussed above to change the people's conceptual framework and attitude toward their neighbourhoods and towns; creation of spaces that are more convenient, efficient and attractive for both present future generations. Planning provides places of lasting value in an environment of spatial order. They should roll out implementing measures for sustainable urban development by applying simple but crucial best practices. These include but not limited to:

1) Building of local assets and resources by tailoring actions to local situations through County Spatial Plans and Urban Integrated Plans. Interactively engage the community and the private sector to determine how to implement, monitor and update the plans

2) Targeting simple but high impact issues supporting local economic development and job creation with clear targets

3) Promoting innovation and information technology to widen knowledge on urban development

In essence this approach means creating clear roadmaps and an entry point for active public participation in contributing to the "Big Four" priority and actions areas and reaping the full benefits of each target and ultimately fulfilling the goals of Vision 2030. Though in varying forms and styles from one county to the other, effectiveness of the country-wide urbanisation process needs to be strengthened.





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KENYA MARKET OVERVIEW

Kenya overview at a glance towards 2018

Source by Ben Woodhams Managing Director , Knight Frank



Kenya's unique combination of its beach and safari circuit are the pillars of the country's huge tourist industry, with around 1.5 million people flocking to its 19 game reserves and the 1,400-kilometre Indian Ocean coastline every year.

The tourist season is also one of the longest anywhere at 40 weeks a year, with no typhoon season or extreme weather conditions to trouble it—only the rainy season around Easter. At other times during the year, the trade winds that once powered commerce between Africa and India fuel a booming kitesurfing industry on the powder-white beaches.

Among them is Diani, which has just been voted one of the best in Africa by TripAdvisor. Its popularity is on the rise again too, with occupancy rates in its beachfront resorts having doubled since 2015.

A new bypass road under construction will also provide a direct link to the south coast from the western side of Mombasa city.

Kenya's second home market is largely internal, with demand mainly from wealthy Nairobi families seeking a beachfront holiday home. Whilst house and apartment sales are typical, it is increasingly common for buyers to invest in a beachfront plot and build a holiday home

Overseas interest in Kenyan holiday homes comes mainly from British buyers, but we also see a sizeable number of Italians and other nationalities drawn to the coast around Malindi, Watamu and Lamu, as well as the countryside such as in Nanyuki close to Mount Kenya, and within private game conservancies

Nairobi is a different residential market altogether. As a fast-growing melting pot and major regional hub with a strong economy, Nairobi attracts international corporations looking to set up their headquarters in Africa. The biggest employers are those in the FMCG (fast moving consumer goods) sector who are tapping new wealth and spotting the country's massive growth potential.

The city's hotel industry is growing fast, as is the technology industry, which attracts many young Americans straight out of college who want to embrace exposure to this rapidly expanding market. While many expatriates will live in high-end residential areas such as Karen, Runda or Muthaiga, these young tech workers tend to rent apartments closer to work and enjoy Nairobi's burgeoning youth culture in the form of trendy bars and clubs.





The Kenyan capital is also on the radar of many high net worth investors, as seen in the Knight Frank Wealth Report 2017. Among the global HNW population, 4% look to own homes in Kenya—led by the UK's HNW population, 63% of whom express interest in Kenyan property, followed by 16% of South African HNWIs and 11% of Spanish, Mauritian and US HNWIs. About 5% of the super-rich in Uganda, Tanzania, Nigeria, Ghana, Switzerland, France, Canada and Lebanon are also likely to invest in homes in Kenya. The country as a whole is among the top five most popular second home locations for Africa's wealthiest.

New construction of prime residential properties is continuing apace in Nairobi and the abundance of supply ensures availability for those seeking bargains. However, affordability remains an issue for the local market, with much of the new stock beyond the means of most. The biggest issue is access to credit. In a country of 48 million people, less than 30,000 have mortgages.

Interest rates are currently capped at 14.5%—as they would usually be closer to 16%—in a political move to free up mortgages, but the cap slashes the margins for banks. Lenders are tending to put their money into government bonds rather than get involved in the private mortgage market. Many overseas investors will buy with cash or get dollar-denominated mortgages at far better rates, but the lack of liquidity in the Kenyan property market is a major obstacle.

There is optimism that the market will pick up in 2018, however. Nairobi is a key regional centre that offers good prospects for investors, and Kenya's relations with its neighbouring countries has never been better. On the coast and in the bush, buyers will be drawn by their hearts as much as their heads—and as history has shown, little will stop them.



INSIDE VIEW

KENYA 2018



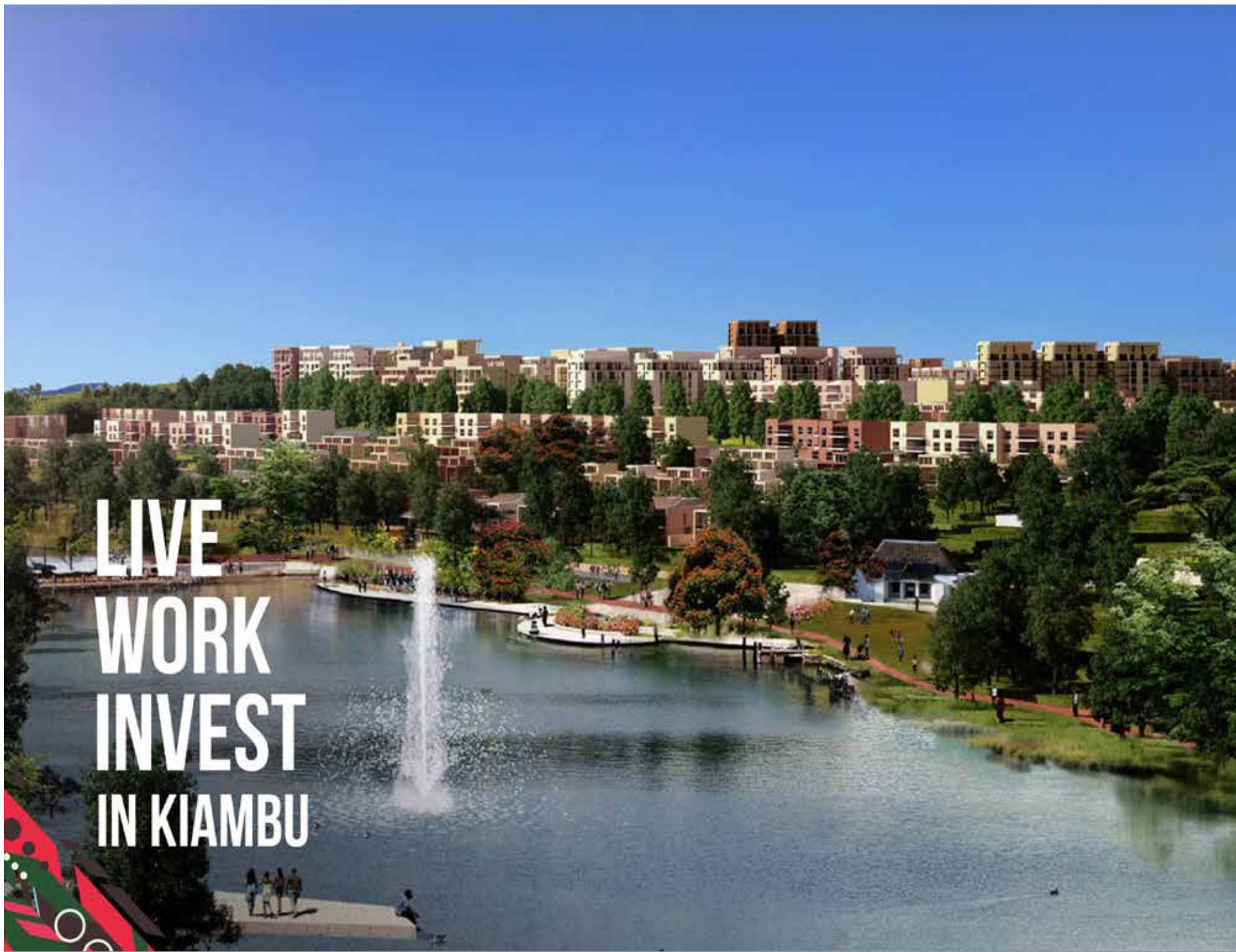
SPECIAL FEATURE KIAMBU COUNTY



Special feature on the county of Kiambu

Source by Njuki Kihori

INVESTMENT GUIDE



**LIVE
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OVERVIEW

Kiambu County Investment Guide County Progress and achievements over the last six years

Kiambu County saw tremendous progress during the leadership of the first Governor H.E William Kabogo. He passed on the baton to the current Governor H.E Ferdinand Waititu a year ago. The progress enumerated herewith represents the foundation that could make Kiambu County the leading investment destination in Kenya. A number of counties have taken the learning's of the first devolved governments' term to leapfrog early success. It is hoped Kiambu County will do likewise.

As a person closely involved and very interested in the strategic and leadership decisions that molded Kiambu County, the writer would like to take this opportunity to wish the Kenya Devolved Government system success.

He wishes success in economic development underpinned by investment attractiveness to all the counties and specifically to Kiambu County.

The content of this county investment guide was developed in the interest of making Kiambu County the pre-eminent investment destination following the success of the first term investments that saw seven out of ten of Kenya's fastest growing towns coming from Kiambu County.

The introduction to devolved governments has had the effect of slowing the urban migration to the large cities, by creating local county enterprises and economic development. The overall goal should be to do more to make counties fully self-able entities that deliver all the amenities found in cities, albeit at a smaller scale.

FEATURED COUNTY

Achieving urbanization in most to all counties will meet the dream of the 2010 constitution to take service closer to the people equitably.

There are a number of approaches that will enable equitable service delivering as a foundation for accelerated service delivering as a foundation for accelerated national development.

•Urban Planning

Good urban planning creates tremendous economic, social and environmental value. Those are realized in higher support for development.

Good urban planning should be beneficial to investors as well as provide local businesses that will offer jobs in the county. Spatial planning is rental levels and capital appreciation, lower maintenance costs, better living conditions leading to increased public necessary in order to secure the investments as a foundation for continued growth. It is important that set guidelines are followed, that they apply to all and remain valid for a long period. Only with these prerequisites does an area become an interesting prospect for investors and assure corporation

that they can be in business at that location for ten years or more. Well designed urban zones contribute towards enhancing the economic competitiveness of a region.

•Working together

There are four pillars that ensure successful economic development is sustainable and produces social good.

- 1.County Government should provide and enabling environment.
- 2.Business then responds by investing in the area of focus.
- 3.Higher learning institutions supply the needed knowledge, technology and innovation.
- 4.Public participation to verify what is being designed in the public interest.

•Revenue Enhancement

The challenge for all counties is characterized by insufficient funding leading to nearly total reliance of devolved funds from the national government. It is critical that counties ensure they collect revenue from all potential sources and then use it in a prudential efficient and effective manner.

To achieve the revenue assurance necessary for a county to raise finance through county bonds, the master data of all sources of money should be accurate and up to date. There should be accurate billing and invoicing and effective debt management and collections. Control of fraud in revenue collection both employee and third party and closing all leakage likelihoods is critical. Management of the supplier and the whole procurement process to eliminate corrupt practices is also key. Innovative ways to obtain other revenue opportunities associated with improved services are needed.

Once the county has recognizable revenue assurance the foundation is there for effective public private partnerships (pps) in investment and growth.

Why Should a County be featured in the next Real Estate Report

Real estate has been established as the driver of global economy. In order to attract investments, it is important to establish a county as a prudent and effective manager of the resources already assigned to it. Revenue assurance will form the fundamental basis for evaluation of the suitability of a county as the destination for investment.

The Real Estate Report will be available as a key reference point for the real estate industry in Kenya. It will be a reference point for investment analysts.

There are a number of great achievements made by counties. It is critically important for counties to learn from each other, before going to other countries to benchmark at high costs. The crucial consideration is to ensure counties do not re-invent the wheel.

**To be the next featured county,
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Kiambu County has an Investor enabling Centre (IEC) housed in the County Governor's Office. It attends to both local and International Investors. It also acts as a first point of contact and one-stop for all first time investors and other county as well as national government departments. It provides customized processes to secure rapid approvals. The IEC Provides establishment of investment Proposals, including robust grievance redressal mechanisms, supported by a user-friendly online portal.

A 150% Investment Allowance Deduction for capital expenditures on industrial building and machinery intended for manufacturing purposes.

If you set up in an Export Processing Zone in Kiambu, you are entitled to a 10-year tax holiday, 25% corporate tax for the next 10 years, duty and VAT exemption, Single License, exemption from Stamp Duty, and Withholding Tax.

If you set up in a Special Economic Zone in Kiambu, you are entitled to exemption from all taxes and duties payable under the Excise Duty Act, Income Tax Act, East African Community and Customs Act and the Value Added Tax, on all special economic zone transactions, a 10 year tax holiday, 15% Corporate Tax for another 10 years, Duty and VAT Exemption, Single License, exemption from Stamp Duty, exemption from Withholding Tax, as well as Work Permits for up to 20% of full time employees, with possible additional ones for specialized sectors

Strategic Location being located on the Northern Corridor, with critical linkages to the LAPSSET Corridor to the North and the Southern and Central Corridors. It is advantaged by its close proximity to the Capital City of Nairobi as well as to Jomo Kenyatta International Airport, the key regional aviation hub.

Nairobi Metropolitan 2030 Planning Nexus aimed at improving key services. This framework is founded on seven platforms of:

- Building an Internationally Competitive and Inclusive Economy;
- Deploying World Class Infrastructure and Utilities;
- Optimising Mobility and Accessibility through Effective Transportation;

- Enhancing Quality of Life and Inclusiveness;
- Making the Nairobi Metropolitan Region the Place of Choice;
- Ensuring a Safe and Secure Nairobi Metropolitan Region and ;
- Deploying supportive World Class Governance Systems

All these are geared towards securing the functional Nairobi Metropolitan Region, which includes Kiambu County, as "A World Class African Metropolis."

Offers Attractive Investment Conditions The cost of doing business in Kiambu County is competitive due to good, competitively priced infrastructure and readily available markets. Most of the centres in the County are connected to the national infrastructure networks.

The County is managed by a professional Executive Team that effectively manages its public finances.

In addition, the County has been recognized by Independent Offices and Constitutional Commissions, the National Government and other County Governments as well as the International Budget Partnership Kenya (IBPK) for its fiscal responsibility, openness and transparency on budget matters.

Is the richest cosmopolitan county in East and Central Africa with an estimated per capita gross domestic product (GDP) of \$1,785 in 2015, with a well-educated and skilled population drawn from all over Kenya and all walks of life.

Is an attractive investment destination, with competitive costs of doing business on account of ease of connectivity and readily available and accessible markets.

Is a vibrant county attracting world-class investments in industries, educational development, health, business and real estate.

Has a stable, secure, innovation-driven and modern business environment providing excellent opportunities for residents and non-residents, including domestic and foreign investors



DISCOVER KIAMBU, AN INVESTMENT DESTINATION

Kenya is one of the “Lions” in the Africa Rising narrative. Indeed, the total value of the Foreign Direct Investment projects coming into the country yearly grew from US\$ 979.6 million in 2012 to USD 2,376.9 million in 2015. This growth brings with it immense and increased investment opportunities in Kenya.

The Kenyan Constitution promulgated in 2010 after close to twenty (20) years of engagement, is regarded as one of the more progressive social contracts globally. It establishes a unitary state organized in forty-seven (47) counties. The country is a robust democracy.

Industrialization in Kenya

Industrialization is key to Kenya’s efforts to grow the economy, create wealth equitably and secure good jobs for its rising youthful population. It is critical in securing the desired structural transformation of the economy.

As per the Kenya Industrial Transformation Programme (KITP), from the year 2000 to 2015, Kenya’s manufacturing base has remained static, standing at 11% of the country’s GDP. Its industrial exports have also decreased in absolute terms. In order to create the necessary jobs and increase our exports, increasing this base is critical for economic growth as well as domestic and foreign investment

The priority outcomes revolve around:

- Increasing manufacturing output to more than 15% of GDP;
- Creating 1 million jobs;
- Increase FDI into Kenya by five times;
- Developing Kenyan SMEs by supporting rising stars and building capabilities with model factories; and
- Being among the top countries in the ease of doing business. As of June 2017, Kenya was ranked position 92 in the ease of doing business by World Bank.

The KITP seeks to:

- Grow Kenya’s existing global export engines (Tea, Coffee, Horticulture, Agro-processing, Textiles & Apparel as well as Leather);
- Build food processing hubs (agro-processing of imports and fish processing);
- Build local content for resource and infrastructure investments (Construction services and materials as well as in oil, gas and minerals); and
- Enhance non-industrial job creating sectors (IT sectors, tourism as well as wholesale and retail).



Kiambu Town
is the County Headquarters

Kiambu comprises **12** sub-counties

KABETE · JUJA
RUIRU · LIMURU · LARI
GATUNDU SOUTH
GITHUNGURI · KIKUYU
KIAMBU
GATUNDU NORTH
KIAMBAA · THIKA

Kiambu County ranked

No.2

in the ease of doing business in 2016

Divided into



Population



Population density stands at **638** people per square kilometer

Life expectancy at birth in Kiambu County averages 58 years



Economic

Kiambu relies mostly on **Agriculture** to sustain its economy

Large scale **Coffee & Tea farms** are serviced by local industries



Majority are small scale farmers growing **Tea & Coffee**

- Local Tea factories include
- Kambaa Tea Factory (Githunguri)
 - Kagwe Tea Factory (Lari)
 - Mundoro Tea Factory (Gatundu)
 - Gachege Tea Factory, Ngorongo Tea Factory
 - Sasini Tea Farm (Thika)

Financial Institutions

There are over **17** Commercial Banks

Over **8** MFI's



Education



Kiambu is home to some of the top national schools in the country

There are **1,225** Primary Schools with an enrollment of **296,000** Students

Teacher to Pupil ratio **1:43**

There are **303** Secondary Schools with an enrollment of **90,000** Students

There are **15** Tertiary Institutions with an enrollment of **60,000** Students

Health



315 Health Facilities

85 Public

53 FBO/NGO

177 Private

Kiambu is developing well-equipped specialized Centres of Excellence. These are;

- Renal Unit with Dialysis Machine at Thika Level 5 Hospital,
- Reproductive Health Unit - Thika Level 5 Hospital
- Non Communicable Diseases Unit especially Cancer
- Diabetes and Hypertension at Gatundu Level 4
- Trauma Center in Lari level 4 Hospital
- Pediatric Center in Tigoni Hospital
- Research Centre and Renal Services Unit at Ruiru

Water

Rural water supply stands at **45%**

Urban coverage stands at **60%**

with a target of **80%** across the county supported by the rainwater-harvesting project

Roads



The Road Network consists of **5200 Km** of varying standards which provides good connectivity across the sub counties.

The county has completed **20 Km** of foot paths

Targeting to complete **100 Km** of foot paths and cycle paths by 2018



There is ongoing improvement of dumpsites including construction of a pilot semi-aerobic landfill at Kang'oki in Thika in Partnership with UN Habitat and Fukuoka University Japan This is a first in Africa.

FEATURED COUNTY

Dairy



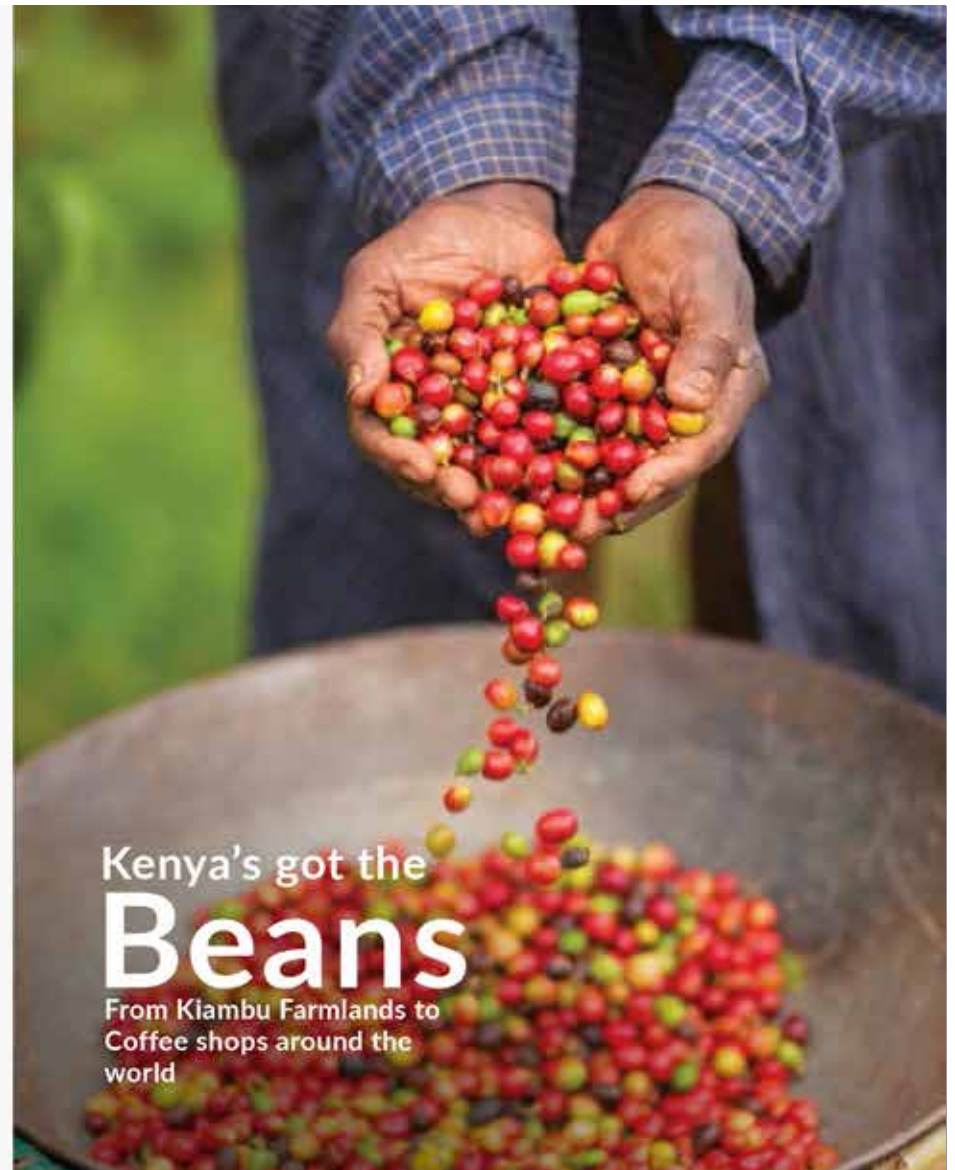
Railway



Electricity Connection



Urbanization



Kenya has a set goal of transforming itself into the new and pre-eminent industrial hub of Africa through establishing industries in various sectors to drive development in counties and the country.

Kiambu County is geared to play a major role in contributing to this effort by applying its endowments and resources in facilitating the revitalization of Kenya's industrial and manufacturing sector. Kiambu County on providing appropriate infrastructure and land access, leveraging on existing skills and capabilities to tap into the national priority sectors, supporting the enhancement of quality of inputs to industry, reducing the operational costs of investors, and continuously engaging investors to have business-friendly policies.

This focus will enable you to profitably engage in the key opportunities that are available in Kiambu County.

Manufacturing

Kenya has identified manufacturing as key to addressing the need to create adequate and sustainable employment opportunities for its large and growing youthful population.

The Government has committed 0to double the number of manufacturing jobs we have today and add between US\$2bn to US\$3bn to our GDP over the next 5 to 10 years. This will be achieved by creation of a robust, diversified and competitive manufacturing sector in three ways:

1. Boosting local production,
2. Expanding to the regional market
3. Taking advantage of global market niches

These will include development of Special Economic Zones, industrial parks and clusters, and niche products. Historically, Kiambu was renowned as the main industrial city in Kenya going by the moniker, the "Birmingham" of Kenya. As it seeks to re-establish and reposition itself in this crucial space, investors will find immense opportunities and support in establishing steel, leather processing, fertilizers, agro-processing machine tools and machinery, motor-vehicle assembly and spare parts enterprises in the County.

Opportunities in Manufacturing.

1. Special Economic Zones for Manufacturing Enterprises in strategic sectors, such as iron and steel, leather processing, fertilizers, agro-processing, machine tools and machinery, motor-vehicle assembly and spare parts
2. Production of high quality print and packaging materials
3. Automotive assembly plants & high end garages, Irrigation Equipment
4. Establishment of industrial parks and cottage industry

Agribusiness and Agro-Processing

Kenya's strong agricultural sector accounts for up to 27.3% of the GDP and upwards of 70% of employment and trade. Agribusiness and agro-processing add value to raw materials, including both crops and livestock.

According to the Kenya Industrial Transformation Programme, more than half of Kenya's exports are related to agriculture, including tea and horticulture. Only 16% of exported agricultural output in Kenya is processed compared to Tanzania processing 27%, Uganda 34% and Ivory Coast 32%. This clearly suggests that Kenya can double the amount of processed agricultural exports to boost agriculture.

Further, Kenya has an underutilized and underdeveloped livestock and fisheries sector, all presenting opportunities for enhancing the contribution of the sector to the economy.

Kiambu County which relies mostly on agriculture, livestock and fisheries together with attendant industries to sustain its economy, is the place to exploit this opportunity. It is set to take advantage of the immense scope offered to diversify and expand the contribution of the sector. This will be achieved by facilitating the exploitation of the significant opportunities for value addition through expanded agribusiness and agro-processing activities.

These include adding value to Tea, Coffee, Dairy, and Leather.

Other areas for investment would include fruit and food processing, as well as poultry and nuts.



FEATURED COUNTY

Opportunities in Agribusiness and Agro-processing

- Banana Fiber Extraction Plant
- Branded Indigenous Chicken- Processing Factory
- Animal Feeds Processing
- Dairy Products Processing Plant
- Fish farming and processing
- Establishment of Special Economic Zones for value addition to agriculture, livestock and fisheries produce.

Energy and Infrastructure development

Energy and Infrastructure are key enablers for Kenya's economic growth. The need for additional and more efficient energy and infrastructure will be key to Kenya's growth going into the near future.

Under Kenya Vision 2030, the Government seeks to deploy world class infrastructure facilities and services with the specific aims of reducing the cost of doing business, improving productivity and enhancing competitiveness .

In respect of energy, the country seeks the generation of 5,000 MW of power. Kiambu County seeks to develop a variety of mini-hydro plants from the dams to reduce conventional power usage. In addition, the following opportunities are available:

Opportunities in Energy and Infrastructure

- Expansion and Modernisation of Public Transport Networks
- Generating power through windpower, solar and biogas development
- Rural electrification / establishment • Construction of Karimenu II Dam to supply water to Thika, Juja, Ruiru and Kiambaa Sub-Counties
- Ruiru Dam II to increase watersupply in Kiambu
- Integrated waste management, which will entail, waste separation, composting of the biodegradable matter to organic fertilizers, recycling



Tourism and Lifestyle

Tourism and similar lifestyle activities, which account for over 4.8% of Kenya's GDP and 4.1% of the country's employment, are critical to the national development effort.

However, it is under performing compared to countries with similar natural attractions, .

For instance, Malaysia, a country with similar natural attractions to Kenya, is able to attract 25 million visitors per year with successful country marketing and a well developed infrastructure. Therefore, this presents many opportunities for increasing the number of visitors to the country from the current figure of 1.5 million through enhancing and expanding existing products and offerings as well as redefining Kenya's profile in global tourism.

Kiambu County is an ideal destination for adventure, hiking, biking, with running trails and opportunity to upgrade the existing sites.

There are eight golf courses in Kiambu. Its proximity to Nairobi makes it an ideal weekend vacation location. Kiambu County is home to medical facilities that are being developed to be both national and regional Centers of Excellence.

These Centres are already attract attracting patients from other Counties.

Opportunities in Tourism and Lifestyle

- Construction of Regional and International Hotel Chains
- Growing Health Tourism by providing support services e.g., accommodation, after care nursing homes
- Expanding Sports, Historical, Adventure and Nature Tourism
- Development of Theme Parks
- Development of Best in Class Conferencing Facilities
- Establishment of a Film City or Film Studioscare nursing homes

Real Estate Development

Real Estate is a key sector in the economy and has been experiencing a major boom since the early 2000s. Indeed, the Kenya Bankers Association-Housing Price Index shows a continuous but modest upward trend in housing prices. Housing developed has tended to target the upper and middle income segments of the population.

This has left a significant and unmet demand for affordable quality housing from the lower middle and lower income segments of the population. Kiambu is highly urbanized and its close proximity to the Capital City as well as the major transport corridors has led to increased demand for industrial, commercial and residential real estate of various types.

This has been further enhanced by major improvements in security as well as the connective social and physical infrastructure and services.



FEATURED COUNTY

Opportunities in Real Estate Development

- Construction of residential houses
- Reconstruction and rehabilitation of old housing stock particularly old County houses
- Establishment of commercial buildings.
- Construction of shopping malls and business centers.

Natural Resources and Mining

Kiambu is endowed with a variety of mineral resources such as Diatomite, Carbon Dioxide and construction materials.

Currently mining is mostly done in Lari subcounty by Carbacid Limited, in mining of Carbon Dioxide and small scale quarrying in Thika sub-county.

In respect of energy, the country seeks the generation of 5,000 MW of power. Kiambu County seeks to develop a variety of mini-hydro plants from the dams to reduce conventional power usage. In addition, the following opportunities are available:

Opportunities in Natural Resources and Mining

- Mining of Diatomite in Limuru Subcounty especially in Ndeiya and Karai areas
- Quarrying for Construction Materials in various parts of the country

Wholesale and Retail

The wholesale and retail sector in Kenya is expected to create and expand domestic and regional markets and therefore enable overall industrial growth. It provides platforms upon which companies link to consumers.

In Kenya, the sector has grown rapidly at 8.8% between 2010 and 2015 creating 1.6 million new jobs.

There is considerable demand for new and diversified capacity for formal retail establishments and formalization of SMEs and JuaKali workers, informal craftsmen.

The wholesale and retail sector is critical in taking advantage of the entrepreneurial spirit in Kenya.

The Country seeks to build a “formal sector that is efficient, multi-tiered, diversified in product range and innovative.”

It has been identified as one of the key engines of the economy due to its immense contribution to Kenya’s GDP & employment creation through trade and investments.

Opportunities in Wholesale and Retail

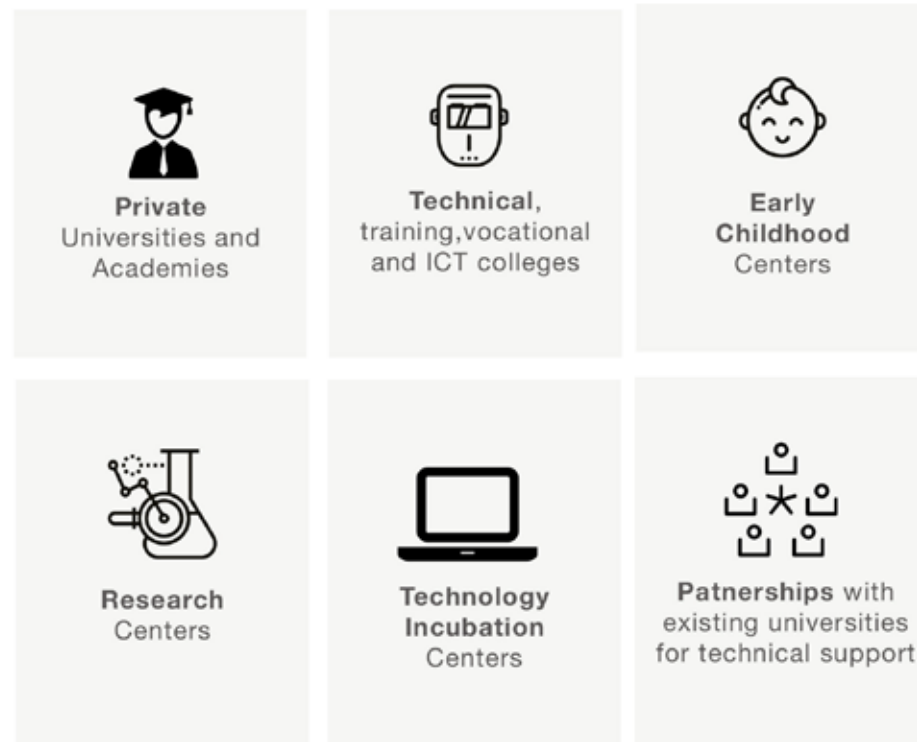
- Development of 3 Wholesale Hub Markets
- Construction of 3 Tier-1 Retail Markets
- Establishment of Modern, World Class Trade, Exhibition and Convention Centres
- Building New Capacity for Formal Retail Establishments such as hyper and supermarkets
- Establishment of Trade and Logistics Infrastructure such as Warehouses
- Internet Retailing

Education and Training

Education is the backbone of development in Kiambu.

The County has several of the leading learning institutions in secondary and tertiary education in Kenya.

The proximity to the city capital and serene environment makes Kiambu an ideal learning environment.





**DOING
BUSINESS IN
KIAMBU**

Kiambu’s investment competitiveness

The role played by investments in economic growth cannot be overemphasized. This fact has been aptly amplified in Kenya’s Vision 2030 that aims at achieving “a globally competitive and prosperous country with a high quality of life by 2030”.

A rising level of investments in priority sectors will play a key role in getting us to this Vision. The County Government mostly focuses on creating jobs especially for the youth. This has been further enhanced by major improvements in security as well as the connective social and physical infrastructure and services.

The County focuses on investments in livestock; tanning, water: dams, drilling of boreholes etc., hotels and lodges, and wind, PPP in the following sectors; roads, health, education, water and housing among others.

The County has continuously provided an enabling environment for more investments.

Arising from this, the following companies have either expanded or established in the County

New Establishments

- TATU City has established an SEZ in Ruiru.
- Azuri Health Ltd in Thika has set up an ultra-modern facility to process dried fruits. The estimated investment is over KShs. 10 Million. This is benefiting over 600 fruit farmers in the County who can now get a market for their produce. The production capacity of dried fruits is between 10 and 30 tons per year

Expansions

- Kevian Ltd in Thika has expanded through introduction of a new production line to process carrots. This was an investment estimated at over USD 70 Million.
- Devki Steel Mills in Ruiru have expanded to increase capacity to produce steel.

The estimated investment expenditure is over USD 70 Million. They have a capacity to employ over 1000 workers full time.

FEATURED COUNTY

Re-entries into the market

- Volkswagen has re-established the Motor Vehicle Assembly Plant in Thika.
- It was established to assemble the POLO Brand car which is made in Kenya at a sale price of KShs. 1.65 Million. This is an investment of over USD 50 Million
- Skytop Industries in Juja has re-established the Tree Top juice factory in Juja at an estimated investment cost of KShs. 1 Billion and a capacity to employ over 500 people full time

Business Registration and Establishing of Companies. The Companies Act No. 17 of 2015, which is the primary legislation in dealing with companies and applies to companies directly, is now operational.

A copy of the legislation can be purchased at the Government Printer

Source: <http://www.attorney-general.go.ke/index.php/companys-q-a/>

REGISTERING A COMPANY

The Companies Act No. 17 of 2015 is now operational. It is the primary legislation that deals with companies and applies to companies directly. The Companies Act 2015 has simplified the processes involved in the registration and running of a company.

- 1** Reserve a unique company name at the Huduma Center or the Companies Registry and register for KRA, NHIF and NSSF.

Time: 1 day
Cost: Kes100 per name Reservation

The name search and reservation process can be done at any of the Huduma Centres countrywide (<http://www.hudumakenya.go.ke>), online using the E-Citizen platform (<https://www.ecitizen.go.ke>) and on a Safaricom mobile phone by dialing *271#.
- 2** Stamp the memorandum and articles of association, and a statement of the nominal capital

Time: 1 day
Cost: No Charge
- 3** Sign the Declaration of Compliance before a commissioner of oaths or a notary public

Time: 1 day
Cost: Kes 200
- 4** Make a company seal

Time: 2 day
Cost: simultaneous with previous procedure Average Kes 2,500
- 5** Register with the Registrar of Companies at the Attorney General Chambers in Nairobi or via the e-Citizen portal

Time: 2 day
Cost: on average Kes 9,280

<https://www.ecitizen.go.ke/>

A copy of the legislation can be purchased at the Government Printer or downloaded online at the following link:
http://kenyalaw.org/kt/fileadmin/pdfdownloads/Acts/TheCompaniesAct_No17of2015_RevisedCompressed.pdf

INFORMATION REQUIRED

The Companies Act 2015 has simplified the processes involved in the registration and running of a company. A person wishing to incorporate a company should lodge with the Registrar of Companies the following documents:

- 1 Form CR 1**
Application to register a company containing the proposed name (as reserved), the registered office, liability of members (whether limited by shares or by guarantee), the nature of the company (if private or public) and the name, consent of the initial director and secretary of the company and address of the agent if an agent is used to make the application.

The form combines the application for company registration, KRA PIN, NHIF, and NSSF registration.
- 2 Form CR 2**
Model memorandum for a company limited by shares or (Form CR 3) Model memorandum for a company limited by guarantee or (Form CR 4) Model memorandum for a company whose liability is unlimited.
- 3 Statement of Nominal Share Capital form.**
- 4 Form CR8 Notification of directors' residential address.**
- 5 Articles of Association (if those provided in the Regulations have not been adopted).**
- 6 Applicants should attach copies of identification documents.**
- 7 For Kenyan Citizens attach copies of:**

 - Identification Card (ID)
 - Personal Identification Number certificate (PIN)
 - Passport size photo (colored)
- 8 For Non Kenyans (Foreigners) attach copies of:**

 - Passport pages with bio data
 - Passport size photo (colored)

Company registration documents have been exempted from stamp duty eliminating the requirement for stamp duty assessment and franking.

These documents can be located at

<http://www.attorney-general.go.ke/index.php/company-forms/>.

There is a registration fee of Kshs. 10,000 for all companies regardless of the Nominal Share Capital.

The Companies (General) Regulations, 2015 provide in schedule 3, 4 and 5 Model Articles which companies may adopt.

Where applicants adopt the model Articles they do not need to. If your company is incorporated outside of Kenya, you can do business in Kenya by registering a branch. The Registrar of Companies issues a certificate of compliance once all the requirements have been met.



Approval process and procedures
Kiambu County will support investors by ensuring all the requirements are clearly communicated to investors and approvals are obtained promptly once all requirements are met.



Planning & Construction Permit Approval Processes

Kiambu County has streamlined the Construction Permitting Process. A competent planner supported by development control officers now mans all the 12 sub counties. These 12 planning offices report to the County Director of Physical Planning.

A standardized procedure of receiving and evaluating planning applications has been developed and has been in operation for the last 18 months as illustrated in the Table below.

- The County Planning Technical Committee has scheduled monthly meetings. It is comprised of senior officers from all technical departments in the county.
- Non-compliant developments are returned to the consultants within 14 days to make necessary amendments.
- Once amended to compliance the resubmitted applications are tabled in the subsequent Planning Technical Committee for approval.

New Establishments

- Kiambu County currently has three broad planning zones, namely:
 - Urban
 - Peri-urban
 - Rural

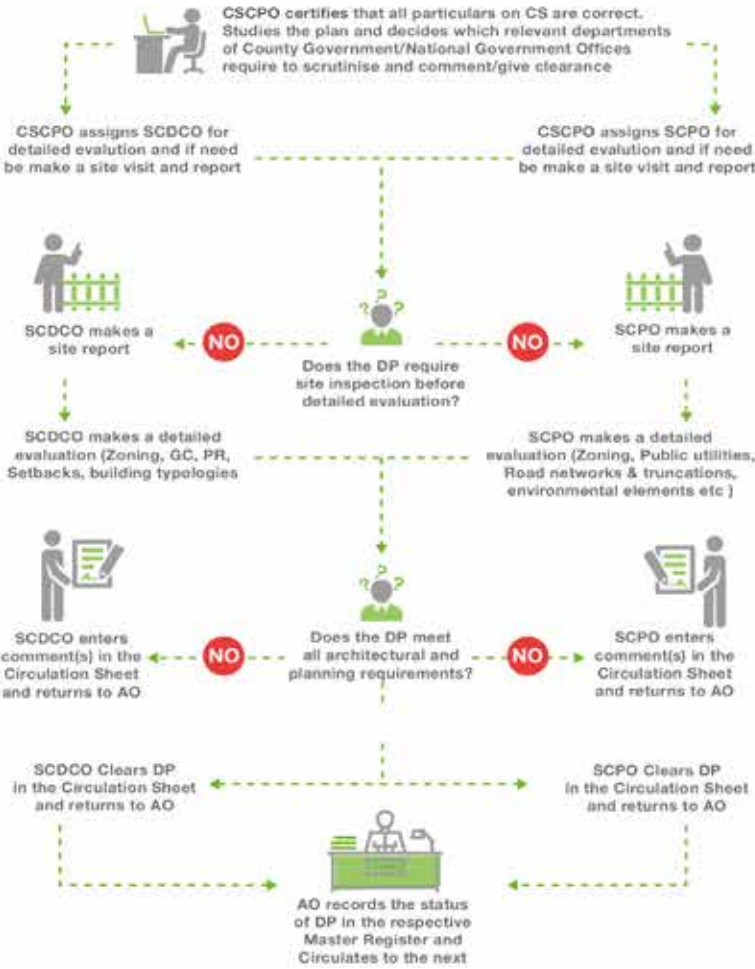
Urban areas with sewerage services are allowed to have land subdivisions up to 0.02 hectares and enjoy higher ground coverage and plot ratio

For peri-urban areas (they do not have sewer services), the minimum plot size is 0.045 with ground coverage of 40% and plot ratio of 150%.

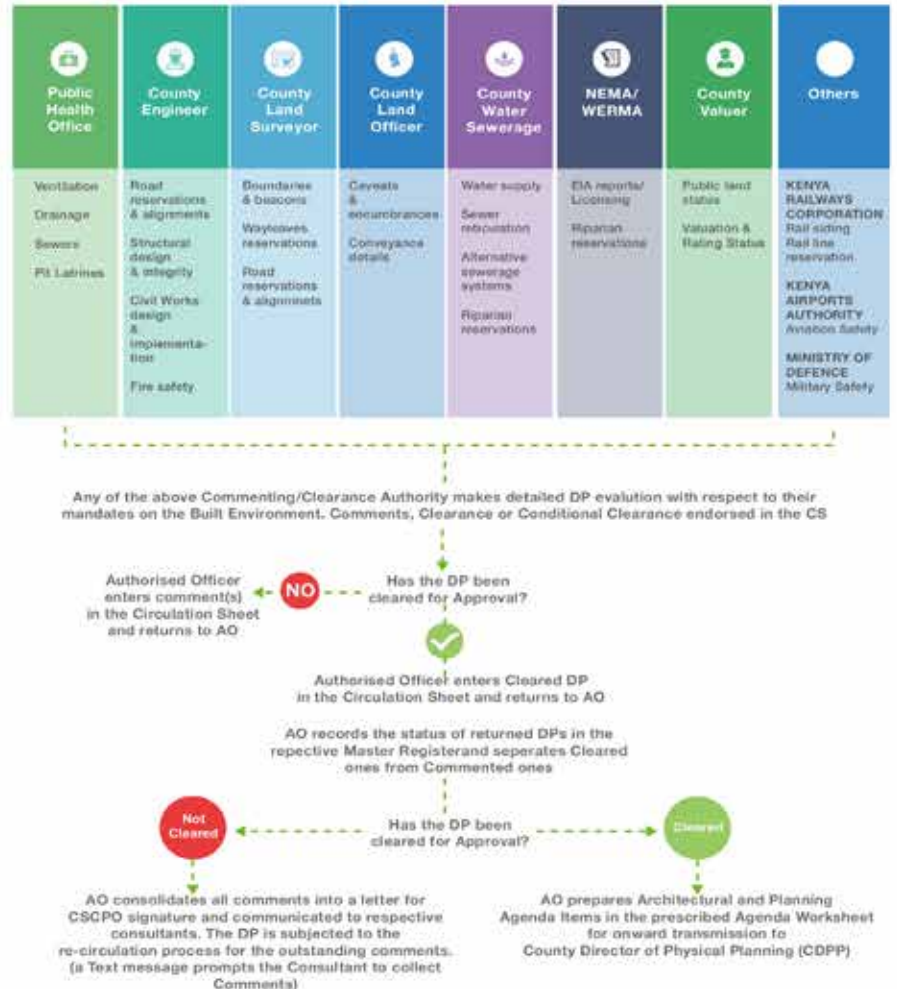
Nature of development	Approval period	Approval organ
All simple developments such as single dwelling domestic buildings (bungalows and mansionettes) and boundary walls	Within 14 days	County Planning Technical Committee
Major developments that are compliant	Within 30 days	County Planning Technical Committee

FEATURED COUNTY

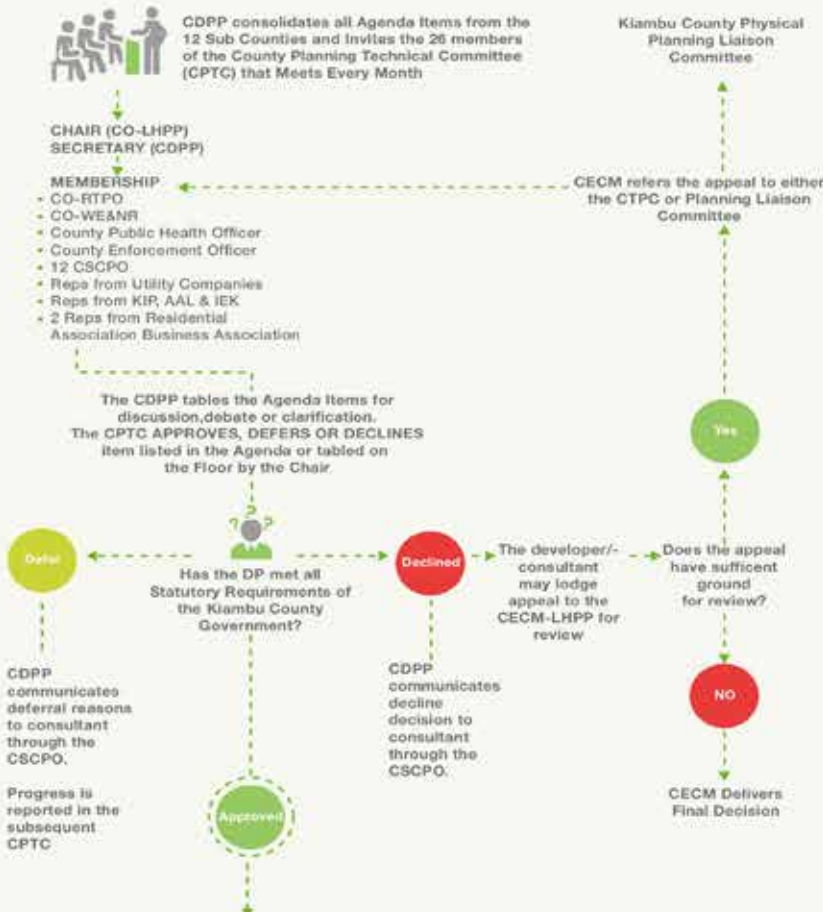
STAGE 2 DEVELOPMENT PROPOSAL CIRCULATION (A) (SUB-COUNTY)



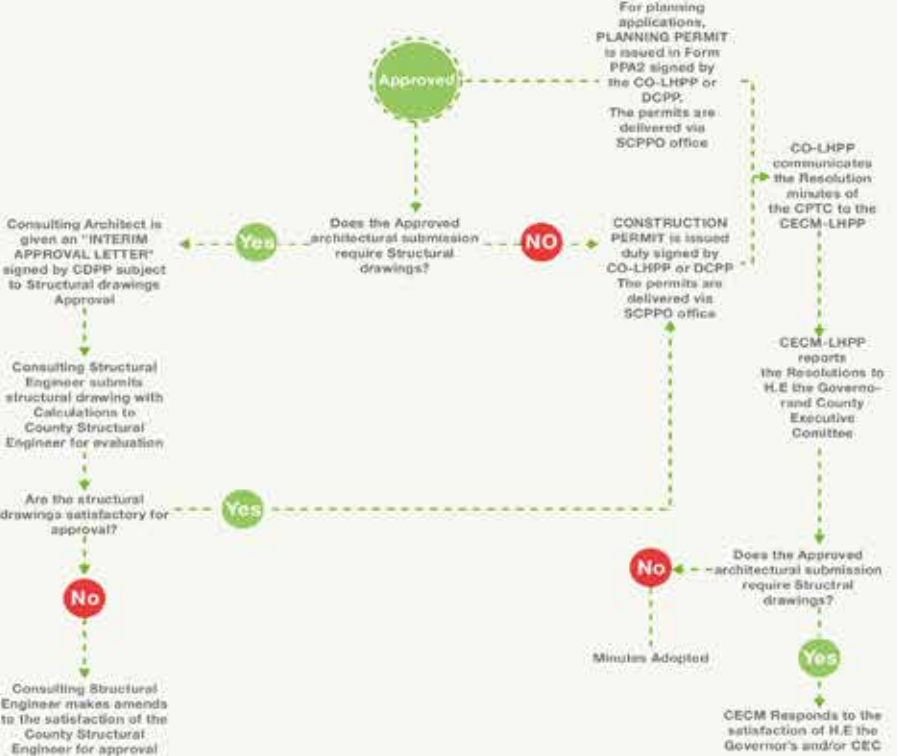
STAGE 3 DEVELOPMENT PROPOSAL CIRCULATION (B) (SUB-COUNTY)



STAGE 4 DEVELOPMENT PROPOSAL APPROVAL (HEADQUARTERS)



STAGE 4 CONTINUATION



NEMA Approval Process

The regulations regarding environmental impact assessment approval for Kenya have been in place since 1999.

National Environment Management Authority (NEMA) approvals are necessary and provided by the National Environment Management Authority (NEMA) pursuant to the enactment of new Environmental Management and Co-ordination Act on February 27, 2009.

Companies now must obtain approval of projects from the National Environment Management Authority. Projects of all risk categories are subject to approval and an Environmental Impact Assessment (EIA).

Approval Processes take on average 30 days.

While investors are still required to undertake Environmental Impact Assessments, the previous requirement that they pay 0.05% of the value of the development the National Environment Management Authority (NEMA) has been removed.

NEMA conducts periodic inspections during the construction. If new projects, at the point of inspection, do not have an environmental impact assessment they may order the project be closed and erected objects demolished.

National Construction Authority Processes

The National Construction Authority (NCA) is a state corporation established under the National Construction Act. No. 41 of 2011. Its mandate is to oversee and coordinate development of the construction industry in Kenya.

One of its functions is the registration of projects. In this regard, the NCA has delineated the following steps towards the registration of a project:

1. The applicant fills a project registration form,
2. The applicant submits the form with the signed contract document/letter of award/ signed agreement form and bill of quantities (BOQ) summary,
3. NCA then processes the application within a day,
4. Levy payment notification letter and invoice is issued. It is useful to note that this Levy has now been scrapped
5. Compliance certificate issued upon receipt of payment

The Business Environment

Spatial Planning

Kiambu is working to create an enabling business environment.

Kiambu has adopted a collaborative approach by engaging all stakeholders; the business communities, general public, professionals, and County staff to develop a spatial plan.

The inclusive approach has led to a change in the rules of the game introducing professionalism, efficiency and clarity in the process of obtaining planning approval.

Monitoring and Evaluation outreaches are conducted to ensure compliance, Kiambu County has 7 out of 10 of the fastest growing urban towns in Kenya.

This growth is supported by a spatial plan for growth and investment with policies and procedures to support an efficient investment process.

- An Integrated Model Spatial Plan has been developed. reflects the present County land resources and their potential development, which will lead to incremental realignment for economic growth in the next 10 years.

The Plan provides guidelines and information on the coordinated land uses, transportation networks, environmental conservation and human settlements with zoning requirements to ensure density is well distributed

- The Spatial Plan is supported by Integrated Strategic Urban Development Plans (ISUDPs) for 10 towns and two road corridors.
- A plan has been developed for Thika Town, and plans for a 12 towns will be launched by the end of 2017.

These include Thika, Juja, Ruiru, Kiambu, Gatundu, Kikuyu, Limuru, Kimende, Kamwangi, Wangige and the Nairobi Limuru Road corridor and Nairobi Thika Road corridor

- The plan is a vision for future growth and development of the towns and an overall integrated physical framework for urban growth.
- Basis for coordinated programming of projects and budget, thereby serving as a downstream management

FEATURED COUNTY

Application process for planning harmonized across the sub counties and resulted in

- Improved speed of processing applications
- Improved monitoring and compliance due to transparency in the process
- Data Repository to track professionals performance leading to higher standards of delivery
- First County to develop a draft valuation roll, for ease of confirming land ownership
- Plans are underway to develop
- Digital Maps in partnership with World Bank, ongoing Geographic Information System (GIS) lab
- In partnership with the IFC, Kiambu County has developed an online application monitoring and evaluation from the top, that keeps a log of professionals and performance measures
- Stakeholder engagement is a continuous process to encourage compliance and improve the business environment

Revenue Collection Process

Digital cash collection process by use of the Digitika card

- Use of ICT to collect revenue, develop budgets and for business intelligence
- Launch of the last Mile Project for electricity increasing access to electricity

Health

Kiambu County has a well-developed public health system supported by a health management system that ensures patient records, drugs and revenue collection are effectively and efficiently managed.

Trade Environment Kiambu County works closely with investors by ensuring forums exist for public participation. Kiambu County partners with investors to ensure services are maintained (Most recently Kiambu County has partnered with the business community in Thika to build a bridge costing KShs 80m). Recently Kiambu county

partnered with Liquid Telecom to provide free WiFi in all the major towns.

Development Partners

Regional Agro Investment Networks (RAIN). Kiambu County has partnered with DASUDA - (Dutch Alliance for Sustainable Urban Development) and the Government of Netherlands to jointly develop a business plan and supporting spatial planning framework to drive and attract investment in the development of a Regional Agro-Industrial Network (RAIN)

- The approach develops coherent strategies for rural and peri-urban development by

(1) Forming strong linkage between policies, planning and realization,

(2) Intense stakeholder participation in a collaborative process

(3) Integrating disciplines such as land use planning, economics, engineering, hydrology, ecology

- The result is the plan is identifying the most productive use of the land to maximize investment return while adhering to the spatial plan.

Korea International Co-operative Agency (KOICA) is partnering with Kiambu County to invest in health, culture and developing a feeding program.

The Government of Israel is partnering with Kiambu County to invest in the agricultural sector.



Taxation Regime

Kenya has a broad taxation system covering income taxes, value-added tax (VAT) and Customs and Excise duty.

The Kenya Revenue Authority (KRA) has different sections that deal with the above taxes and have authority to undertake reviews on companies to confirm they are paying the right tax.

Equally important for protection of revenue leakage is corporate governance which is at the core of operation of businesses in Kenya. All businesses are required to obtain a Personal Identification Number (PIN).

This is the tax registration document

Basis of Taxation and Tax Rates

Corporate tax

- This is a direct tax on profits made by corporate bodies
- Legal basis in the Income Tax Act (Cap 470)
- Kenyan income tax is payable at the corporation rate by companies and unincorporated organizations and associations (excluding partnerships, sole proprietorships and interest or dividend paid by a designated co-operative society) that have taxable income as defined by the Income Tax Act.

Sole Proprietorship/ partnership

- The income of a partnership or a sole proprietorship is not taxable on the business entity but is taxed on the individual partner or the proprietor.
- Each partner of a partnership and a sole proprietor is therefore required to declare his business and professional income as part of his personal income and pay tax according to his respective personal tax bracket.

Exemptions from corporation tax, on the application to the Commissioner, may be granted to entities of public character established solely for the relief of poverty or distress of the public, or for the advancement of religion or education and pension trusts and some other qualifying bodies.

The Income Tax Act prescribes a charge of income tax on all income of persons, whether resident or non-resident, which accrues in or is derived from Kenya. A resident person in relation to a body of persons (body corporate) means:

Employees and directors, other than nonresidents, of an EPZ enterprise are however liable to personal income tax, and the EPZ enterprise is required to comply with rules and regulations in relation to the operation of PAYE

Special Economic Zone Enterprises

Special Economic Zones (SEZs) have been created through the Special Economic Zone Act (SEZA) which came into force on the 15th of December 2015.

The Government of Kenya aims at creating an enabling investment environment for global and local investors in specially designated areas.

A Special Economic Zones Authority has established to administer all regulatory responsibilities in the SEZs, allowing for a much simpler and efficient interface between government and SEZ enterprises.

The SEZ Act provides for various ways one can participate or invest in a SEZ as follows:

- Developer - corporate bodies that create SEZ and are at liberty to operate in the zones or not. SEZ operators invest in land and develop facilities that will form part of the SEZ.
- Operators - corporate bodies that operate and manage SEZ.
- SEZ Enterprise - corporate bodies that operate in SEZ.

The SEZ Act also introduces numerous incentives including protections and benefits for enterprises, including:

- A strong dispute resolution system,
- Fast licensing procedures, duty-free importation of goods
- Services and liberal work permit allowances.

Tax Returns

Each corporate entity (including an EPZ enterprise) is required to file a Self-Assessment Return (SAR).

In addition, a company is required to file a Compensating Tax Return. Both the returns are combined in the SAR. A SAR is due for each entity holding a PIN irrespective of whether it is dormant or active.

FEATURED COUNTY

Withholding Tax

- Withholding tax is deducted on payment by a resident person or a non-resident person with a permanent establishment on certain income deemed to have been derived from Kenya (irrespective of whether paid to resident or non-resident persons).

- Withholding tax deducted is payable by the 20th day of the following month (or the last working day before the 20th where this falls on a Saturday, Sunday or a public holiday).

- Not later than end of February of the following year, a taxpayer is required to submit an annual return of withholding tax deducted and remitted to the KRA.

The rates of withholding tax are as follows:

	Resident	Non Resident
Telecommunication services	-	5%
Artists and entertainers	-	20%
Royalties	5%	20%
Dividends (1)/(2)	5%	10%
Dividends paid to companies having 12.5% or more voting powers	Exempt	10%
Renting property other than immovable (Machinery for hire) (3)	-	15%
Interest (Including government bearer bonds of at least 2 years duration(4)	15%	15%
Interest on bearer bonds with maturity of 10 years and above (4)	25%	25%
Housing bond interest (4)(b)	10%	15%
Deemed interest on interest free loans in respect to thin capitalization	-	15%
Betting and gaming winnings	20%	-
Rent - Land & buildings	-	30%
Pension and taxable withdrawals from pension / provident funds (6)	10%-30%	5%
Insurance commissions (7)	10%	20%
Contractual fees (8)(9)	3%	20%
Management professional or training fees (8)(9)(10)	10%	20%
Surplus pension fund withdrawal	30%	30%
Shipping business	-	2.5%



Incentives and Guarantees to Investors

Operational Incentives for Investing in Kiambu

Kiambu County will support investors seeking to set up industrial parks by helping them identify appropriate areas for the investment in accordance with the spatial plan.

Tax-Related Incentives for Investing in Kiambu

The available incentives are pegged to the national investment policy which has outlined various incentives for all the investors in Kenya, these include;

Tax Treaties and Investment Promotion

Kenya has a number of tax treaties and investment promotion and protection agreements. Exports from Kenya enjoy preferential access to world markets under a number of special access and duty reduction programmes. Kenya is signatory to various agreements aimed at enhancing trade amongst member states.

Bilateral Trade Agreements

Kenya has signed bilateral trade agreements with several countries around the world. Some of the are already members of existing schemes offering market access/ duty reduction preferences

Investment Allowances

Capital allowance and other incentives in the form of tax deductions are available in various sectors as follows;

Real Estate

Tax-deductible capital expenses for

- Social infrastructure
- Public schools, hospitals or any other social infrastructure application required
- Industrial Building Allowances given depending on building type

Agricultural sector

Farm works deductions at a rate of 100% for capital expenditure for farm works.

Tourism Exemption from VAT and duty upon application for:

- The following items and equipment for hotel construction and refurbishment, washing machines, kitchenware, cookers, freezers, fridges, air conditioning systems, cutlery, televisions carpets



- The materials and equipment (except motor vehicles) used in the refurbishment of hotels, where duty exemption has been obtained

All sectors

Wear and Tear allowance at different rates for machinery, vehicles, computers and equipment

Capital Gains Tax

Capital Gains Tax was reintroduced in Kenya on 1st January 2015.

The rate of tax is 5% of the net gain, and the 5% is a final tax, meaning:

- This tax cannot be offset against other income
- The Seller of property is under no obligation to pay any other tax on this

Received Dividends

Dividends distributed to residents (including citizens of East African Partner States) and non-residents are subjected to a final withholding tax at the rate of 5% and 10% respectively.

The 5% tax is applicable to all countries under the East African Community.

Dividends received by a resident holding company with a beneficial shareholding of more than 12.5% are exempt from taxation.

Investment Promotion and Protection Agreements

Kenya has signed Investment Promotion and Protection Agreements and Double Taxation Agreements with several countries.

Kiambu County is beneficiary to a large and growing number of tax treaties and investment promotion and protection Agreements such as the Multilateral Trade System (MTS) ACP Cotonou Agreement, and the Africa Growth and Opportunities Act.

This allows exports from Kenya to enjoy preferential access to world markets under a number of special access and duty reduction programmes to which Kenya is a signatory

Kenya has concluded Avoidance of Double Taxation Agreements with; United Arab Emirates, United Kingdom, Germany, India, Canada, Norway, Sweden, Denmark, Zambia, France, South Africa, and is currently negotiating a number of others with various countries.

Kenya has concluded Investment Promotion and Protection Agreements with France, Finland, Germany, Italy, Netherlands, Switzerland, China, Libya, The Islamic Republic of Iran, Burundi and the United Kingdom, and is currently negotiating a number of others with various countries

PROFILE OF KENYA REAL ESTATE AWARDS COMMITTEE MEMBER



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Name	GERALD G GITHINJI (HSC), MBA, FKIM
Qualifications	Chemical Engineering BSc (Hons) University of Bath; MBA Warwick Business School; Corporate Governance, Institute of Directors; Cochran Fellow, University of Auburn; Fellow, Kenya Institute of Management
Job Title	Global Director, Pinnacle of Excellence (A) Ltd
Personal Profile	A passionate, inspirational and assertive professional. A highly motivated and committed leader, coach and team mentor used to lead & deliver commercial and social transformation by fundamental appraisal of organisational strategy followed by designing responsive and capable processes that deliver outstanding organisational & operational excellence with customer and citizen focused exceptional revenue growth, profit enhancement and social benefits.
Pinnacle of Excellence (A) Ltd.	PoE is a boutique consultancy that provides top class advisory services on Supply Chain Transformation and Business Process Excellence in relation to Strategy, Planning Execution and Culture Change Triple A Promise - We Accelerate the Achievement of Ambitions: - Individual, Business and Community.
KPRA	Pinnacle of Excellence (A) Ltd has partnered with KPRA to showcase and launch this years Kenya Real Estate Awards Hon. Gerald Githinji is also a Director of KPRA and committee vice-Chair of Kenya Real Estate Awards
Key Skills	Strategy Formulation & Execution; Business Process & Performance Improvement; Innovation & Change Management; Corporate Governance; Governmental Networking; Coaching in Leadership & Professional Development

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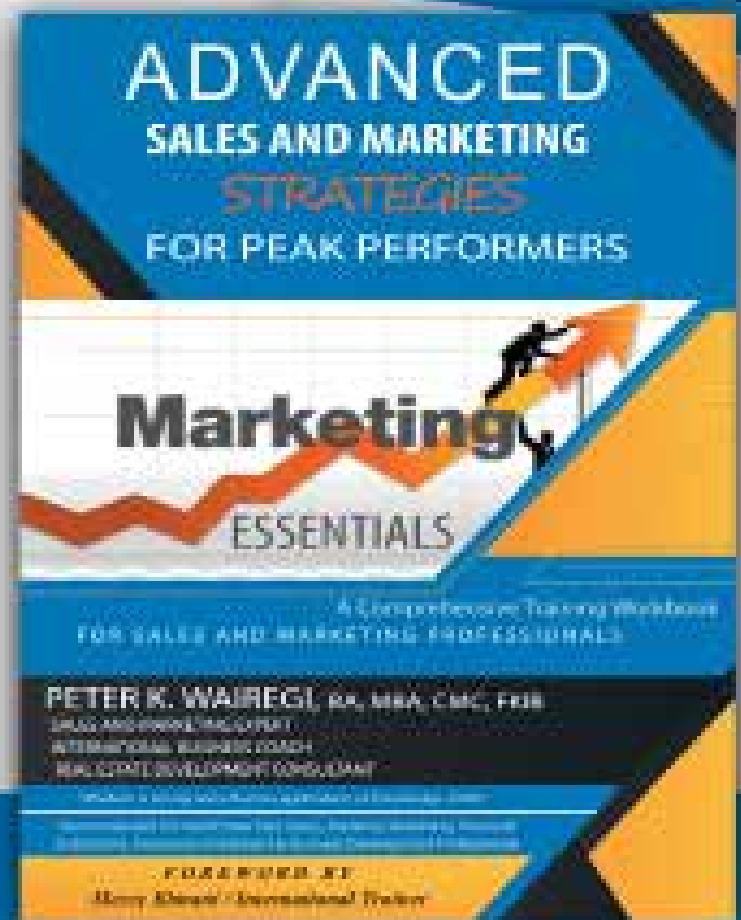
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GREEN BUILDING TECHNOLOGY IN KENYA

Green Buildings Sprouting Up in Nairobi, Kenya

Source by ArchiDatum article

G

reen buildings are at times defined as buildings that are “not as bad” or “notably better” than the average with regard to impact on the environment. More technically, a green building is one whose construction and lifetime of operation assure the healthiest possible environment while representing the most efficient and least disruptive use of land, water, energy and resources. Green design calls for buildings to lessen their energy needs.

California’s Department of Resources Recycling and Recovery (CalRecycle) points out key elements in green buildings and construction:

KEY ELEMENTS IN GREEN BUILDING AND CONSTRUCTION

- **Have substitute energy sources that are not abusive to the environment.**
- **The site should be well suited to take advantage of mass transit.**
- **Consider alternative energy sources, minimizing the electric loads and installing high-efficiency lighting systems**
- **Select sustainable construction materials that promote resource conservation and efficiency.**
- **Water efficiency can be attained by dual plumbing to use recycled water non-potable uses.**

These are closely related to Leadership in Energy and Environmental Design (LEED), a rating system created by the U.S. Green Building Council (USGBC). It can be used to identify buildings as high performing on environmental and energy dimensions.

Some of the key features of LEED include: **pollution prevention during construction, community connectivity, alternative transportation for building occupants, habitat restoration and open space protection, water use reduction, energy performance tracking, refrigerant management, promotion of sustainable building materials, and improved indoor environmental quality.**

TECHNOLOGY AND INNOVATIONS

Kenya is slowly joining the league of countries employing green or environmentally sustainable architecture in real estate development. The move is largely informed by the dwindling natural resources such as fossil fuels and water, resources that were once thought as inexhaustible.

Strathmore Business School was awarded the **Best Green Building Development in Africa by the African Real Estate and Housing Finance (AREHF) Academy Awards**. The building is completely fitted with indoor air quality designed to meet LEED standards with optimum relative air changes controlled using evaporative cooling air units. Rain water is utilized as it is collected and channeled to an underground tank. LED lighting is connected directly to Photovoltaic Solar Louvers.



Pope Paul VI Learning Resource Centre at The Catholic University of East Africa has almost all the features of a green building including an intricate cooling system with **no single mechanical air conditioning system in the complex**.

Sandalwood Waterfront, a conglomeration of artistically designed villas, has rainwater collected from the roofs stored in three small lakes within the centre of the property. The water is then used to keep the grass in the expansive gardens green all year round.

The UNEP Nairobi building features six thousand square meters of solar panels making it the first solar powered UN office in the world. Prompting the UN Secretary General Ban Ki Moon to hail the new building as “a living model of our sustainable future.”

UNEP Building Nairobi



In conjunction with public, private, academia and civic sectors, Green Africa Foundation recently created the Green Africa Building Standards, Certification and Rating Systems aimed at mitigating the impact of buildings on occupants and the natural environment. Through their rating system a “Green Mark”

These designs are also expected to reduce global warming since current unsustainable buildings in many parts of the globe contribute to at least fifty percent of the world’s carbon emissions.

However, the full realization of green technology is being hampered by lack of properly trained personnel





DIRECT FLIGHT FROM USA TO KENYA

KQ starts direct flights to the US which it aims to open up the country to the rest of the world and increase investor presence in the near future.

Source By WANDERI KAMAU



Kenya Airways plane during its official flagging-off at Jomo Kenyatta International Airport as the first-ever non-stop flight from Nairobi to New York City on October 28, 2018.

Kenya Airways Boeing 787-8 Dreamliner has finally left the Jomo Kenyatta International Airport (JKIA) for New York City, US, in a historic flight in Kenya's aviation industry. The plane left the airport at exactly 11.20pm, although it had been scheduled to leave at 10.45 pm. The plane is expected to touch down at the JF Kennedy International airport Monday at 1:25pm local time, completing a historic flight that will shave up to seven hours off the tortuous journey that usually involves long layovers in Europe or the Middle East.

Normal flights from Kenya to the US take up to 22 hours for the 11,849km between Nairobi and New York. President Uhuru Kenyatta led senior government officials who arrived at the airport to flag off the inaugural direct flight from Kenya to the US.

Foreign Affairs CS Monica Juma led the government delegation aboard the flight.

This is a big milestone in the flight history between the two countries, as normal flights from Kenya to the US takes up to 22 hours in a distance of 13,713km between Nairobi and New York.

Experts say that the New York route would herald a new dawn for the airline. The connection would offer businessmen, company executives, tourists and scholars a chance to connect with Kenya, easily.

Of late, various US giants have made Nairobi their regional business hub. These are General Electric, IBM, Oracle, Google and Bechtel, among others. Recent research shows that the number of US multinationals in Nairobi has been growing.

In recent years, both inbound and outbound trade between the two countries has increased with exports from Kenya to the US growing to \$470 million in 2017 from \$431 in 2016, according to latest data from American Chamber of Commerce.

BOTTOM
Kenya Airways plane Boeing
787-8 Dreamliner



However, passengers will save up to seven hours, as this flight will take 15 hours only. Of the 234 passengers, 30 were in the business class while 204 will be in economy class. Those in the economy class paid Sh89,000 for a return ticket, while the same costs Sh260,000 in business class. And diverting from the normal flights, the plane will have four pilots, and 12 attendants. The plane will consume 85,000 litres of fuel in a one-way trip.

The adoption of the 787-8 Dreamliner for the flight is its unique make. According to manufacturer's website, one of its best features is its great comfort. The plane is also made of 50 percent composite materials, carbon fibre reinforced polymers that are both lighter and more durable than traditional aluminium. Composite materials have been used before in passenger planes but not to this extent. They comprise both the wings and the fuselage of the 787. The cabin pressure and humidity in the 787 are also higher than in other airplanes. The 787 is 20 percent more fuel-efficient than similar-sized aircraft, which saves money and allows airlines to deploy it on long routes.

The achievement of this historic milestone has not come easy for the Kenyan airline. The US Federal Aviation Administration (FAA) imposes stringent conditions on African airports for clearance to fly directly to the US.

AUDIT PROCESS

Kenya first applied to be considered a Category 1 country in 2013, but the application was rejected. A second audit in 2014 saw the rejection upheld, with the US authorities citing several non-compliance issues with Kenya premier airport. Among these that JKIA did not separate its arriving and departing passengers, that there were houses too close to flight paths, and that the airport was not fenced.

But in February last year JKIA got things right and the US aviation finally awarded it a Category 1 ranking, qualifying it to operate direct flights to the US. Then, in September, Kenya Airways was awarded a permit to operate direct flights to the US, paving the way for last night's inaugural flight.

Only eight other African countries have direct flights to the US, namely: Senegal, Ghana, South Africa, Ethiopia, Egypt, Morocco, Nigeria and Cape Verde.

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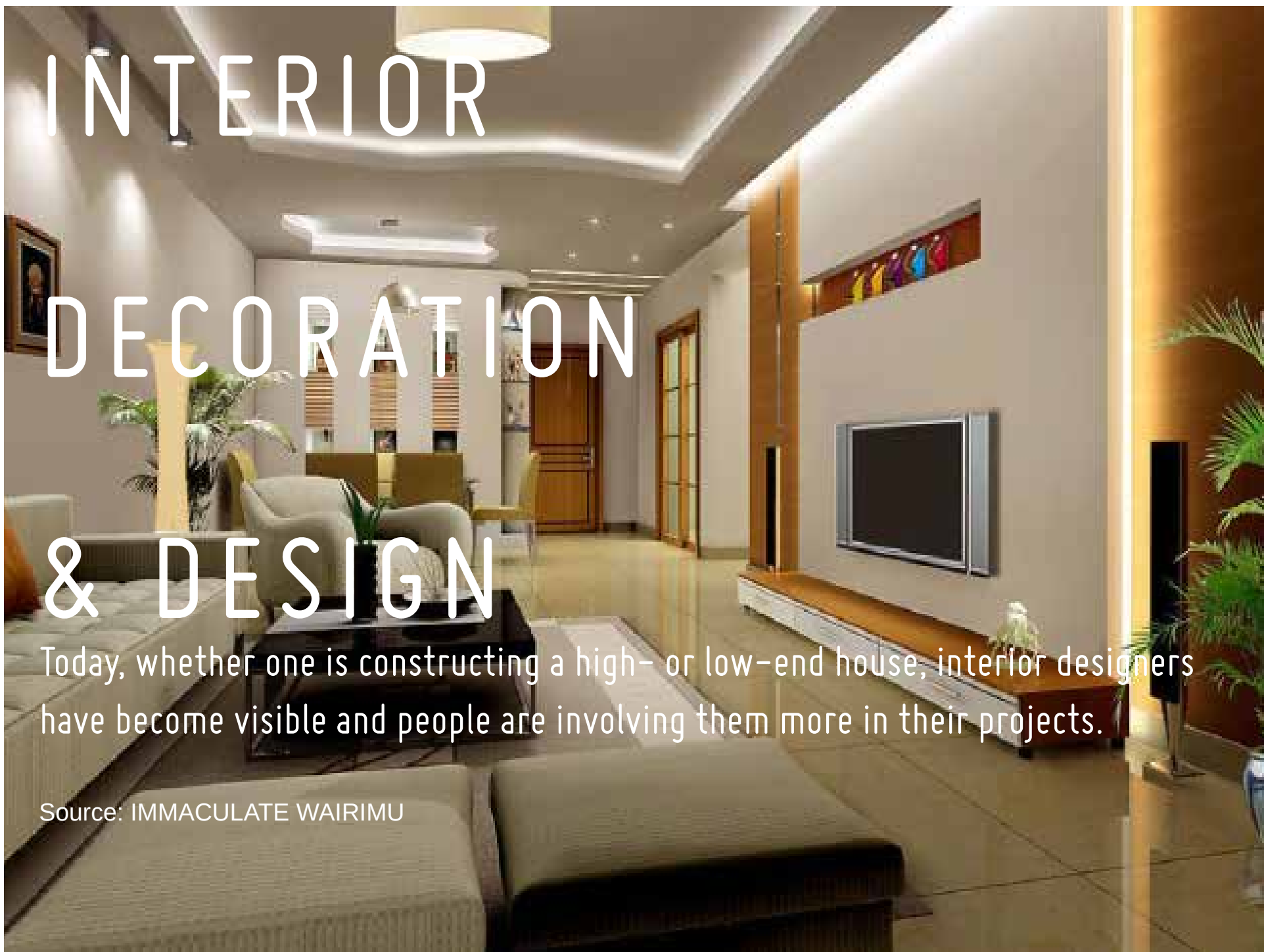
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INTERIOR DECORATION & DESIGN

Today, whether one is constructing a high- or low-end house, interior designers have become visible and people are involving them more in their projects.

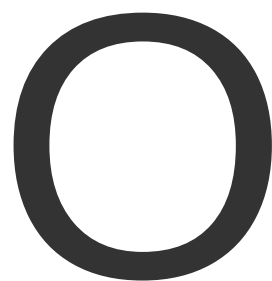
Source: IMMACULATE WAIRIMU

RIGHT PAGE

*Close-ups of
different materials:
leather, leaf, rice,
paper*

NEXT PAGE

*Four seasons
affecting nature*



Once considered part of the construction process and largely the home owner's business, interior design is catching on as Kenyans' tastes change and they seek to give their homes a personal touch. Many are even seeking professional help to design their homes. "Interior design has picked up at almost the same pace as the growth of the real estate market" says Nempiris Lesiit, an assistant interior designer at Crown Paints. "It has become a trend, like fashion, because a lot of people want to make their living spaces

feel personal, so many are becoming more creative with their designs. He recalls that previously, most people would simply buy paint and hire men in overalls to work on their walls because it was the cheaper option since many aspects of interior design were charged separately. However, since some firms started offering services such as wall painting for free, many developers and home owners have embraced interior design. Because of the high price of some of the products, some people are initially reluctant, but when they see the finish, they are happy to do a small section of their house and go neutral with the rest, says

Lesiit. That may give them the kicks, but as Humphrey Odhiambo, the chief executive officer of Real Wealth Group, says, it is not the right way to go about it as he believes that interior architecture begins in the mind.

“Interiors do not only constitute the movable accessories in the house, but also structural aspects such as walls and wiring,” he says, adding that many developers build houses only to begin making modifications later. You should ask yourself what would not only make the space look and feel livable, but stylish as well, says the organiser of Ideal Interiors Expo.

“Developers should plan their interiors before they begin construction because one might build a room in which they intend to put a king- or queen-size bed, only to find that the bed either does not fit or does not leave enough room for a dressing table or even a closet,” he says..

Jennifer Mbogori, his colleague and marketing director at Real Wealth, agrees, adding that although architects draw the plan of the house, the sketches do not “explain why a certain aspect of the interior design should be where it is”. In contrast, an interior designer explains to the home owner why a certain window should face a certain direction and why a socket should be placed in a certain positions.



INTERIOR DECORATION AND DESIGN

“I have sat with interior designers and it’s interesting that there are many things they look at whose importance you, the home owner, might never have given a thought to, such as which the direction the windows should face or why a staircase should be at a particular place. They look at those things critically to enhance the functionality of the space,” she says.

“To a home owner,” Odhiambo chips in, “a 4x4 room might be just another space, but to an interior designer, it is not; to them, there is a lot that can be done to make the room functional.

Attractively done interiors enhance the value of the property in a big way. In fact, interior design comprises 60 per cent of a home’s value, with the skeleton accounting for the remaining 40 per cent.”

“When we launched the Ideal Interiors Expo five years ago, we expected about 20 exhibitors but were surprised when 38 turned up. In 2013, we had 45 exhibitors, with an average of 3,800 visitors, while this year we had 55 exhibitors and an average of 4,500 visitors,” says Odhiambo.

“We get many people who are planning to build homes asking us to recommend an interior designer because they want one to work with their architect,” says Mbogori, adding that a house with a well-designed interior going for Sh10 million is likely to attract more potential clients than one with a less attractive interior design going for Sh5 million.

“I have worked with people from different classes and many of them are becoming more receptive to design and colours. The middle class now appreciates interior design more, though we are yet to convince people to be bold with colour because most opt to play it safe. They are still reluctant to use the reds, yellows, and lime greens,” says Lesiit.

Mbogori attributes the trend to the fact that Kenyans are now travelling more and, thus getting exposed to what the world has to offer. “Some come with magazines and tell us that they want their homes to look like the pictures in the publications. As a result, interior designers have had to become very creative. Even local carpenters and artisans have had to up their game because people are not just buying furniture, but designs as well.”

A number of universities and colleges now offer courses in interior design. Not all of them had the requisite departments when the craze started, but they have now seen an opening and are rushing to fill it.

“When we first started the expo five years ago, we had the heads of department of various universities and colleges visiting,” says Odhiambo. “Now they come with their trainees, giving them the opportunity to communicate directly with exhibitors and get attachments to enable them to gain experience, which is a remarkable development since this will grow the industry with time.”

It is also the only way there will be consistency in the quality of the market and maybe offer opportunities to have home-grown concepts that are universally accepted.







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LANDSCAPE & EXTERIOR DESIGN

The functional aspects of landscaping, the aesthetic and physical components of design, the various kinds of private and public design, and the role and development of gardening in human history.

Text by Garrett Eckbo Derek Plint Clifford



The development and decorative planting of gardens, yards, grounds, parks, and other types of areas.

Garden and landscape design is used to enhance the settings for buildings and public areas and in recreational areas and parks. It is one of the decorative arts and is allied to architecture,

city planning, and horticulture. Garden and landscape design deals with the treatment of land areas not covered by buildings, when those areas are considered important to visual experience, with or without utilitarian function. Typically, these land areas are of four types: those closely related to single buildings, such as front yards, side yards, and backyards, or more-extensive grounds; those around and between groups of buildings such as campuses, civic and cultural centres, commercial and industrial complexes;

ABOVE
*Outside carpark
Landscape Design*

those bordering and paralleling transportation and utility corridors such as parkways, freeways, waterways, power easements; and park-recreation open-space areas and systems. These areas may be of any size, from small urban courtyards and suburban gardens to many thousands of acres of regional, state, or national parks. Although usually conceived as vegetated green spaces on natural ground, they can include also playgrounds, urban plazas, covered malls, roof gardens, and decks, which may be almost entirely formed by construction and paving. Garden and landscape design, therefore, works with a wide range of natural and processed materials capable of holding

up well in the specific local climatic conditions of the site. These materials include earth, rock, water, and plants, either existing on the site or brought in; and construction materials such as concrete, stone, brick, wood, tile, metal, and glass.

Garden and landscape design is an art insofar as it creates for people experiences that uplift their spirits, expand their vision, and invigorate their lives. It is a science insofar as it develops precise knowledge of its processes and materials. And it is directly related to and expressive of nature insofar as it incorporates natural materials and scenes. When the preservation of natural landscape is primary, as

in a regional park, art and science manifest themselves in the skill and sensitivity with which necessary facilities and changes are related to the natural landscape. At the other extreme, in an urban plaza, trees in boxes or openings in the paving may be the only natural elements; art and science then are manifested in the design and construction of the total plaza, including its display of trees as symbols of nature, as pleasing forms, and as sources of shade.

Art, science, and nature become most intimately interlocked in certain aspects of horticulture expressed in designed gardens and landscapes: in improved varieties of herbaceous and woody plants - in a range from trimmed hedges and topiary (careful sculptural cutting), through espaliered (trained to grow flat against a wall or trellis) and pollarded (cut back to the trunk to promote a dense head of foliage) trees, to ultimate refinements such as the Japanese practice of removing individual needles from pine trees..

LEFT
Yard lanscape design





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PUBLIC PROCUREMENT PROCESS IN KENYA – A REVIEW OF ITS PERFORMANCE IN THE UNIVERSITY OF NAIROBI

Analysis of the procurement process in Kenya and its significance in a kenyan perspective

Source By FRANCIS KINYUA GATHUA



Procurement
Management



Shift

According to Thomson and Jackson (2007), public procurement includes the process of acquiring goods, works and services involving the use of public money to accomplish specified public purposes, beginning with the identification of a need and ending with completion of the contract. In their longitudinal study done in United Kingdom about sustainable procurement practice, Thomson and Jackson (2007) asserted that ensuring efficiency, accountability and transparency in public procurement is critical to sustainable development. The study further asserted that public procurement is a key tool to the overall achievements of development goals such as reducing poverty and providing health, infrastructure, education and other services hence immensely contribute to best utilization of public resources. The limited public resources in developing countries especially in the Sub-Saharan Africa should be properly managed to get the most out of these resources. Similar findings in Mexico by Mendoza (2008) in their longitudinal study about challenges facing procurement organizations, the study was done amongst 111 respondents indicated that out of the total public resources, procurement of goods, services and works account for about

Efficient public procurement practices contribute towards the sound management of public expenditure (Agaba and Shipman, 2009) which in turn can contribute towards the effectiveness of public sector management, and promoting the private sector. Besides, the objective of public procurement is to provide quality goods and services through open and fair competition in the exact quantity and proper quality as specified, and has to be delivered at the time and place where needed (Basheka, 2010). The quality of goods, services, infrastructures, and the effectiveness of public services much depend on well-managed public procurement. However, these research studies have not revealed how improved efficiency enhances timeliness, empathy and responsiveness which are the variables which, to a great extent, contribute to improved service delivery. Despite showing effectiveness of efficient procurement process on good practices reduce costs and produce timely results, and poor practices lead to waste and delays, the research studies have not revealed how such processes highly affects development issues such as service delivery, economic growth, private sector development and decentralization.

The studies have not revealed how inefficient procurement process adversely affects professionalism and international trade and investment. Accountability is a standard of public life, where holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their offices (Armstrong, 2005). Fighting corruption is not only an end in itself. It is of fundamental value in all government reform, which may require changes to legal and policy frameworks for the control and expenditure of public monies and improved procurement practices (Armstrong, 2005). Accountability constitutes a central pillar of any public procurement system. Without transparent and accountable systems enabling governments and citizens to engage in a mutually responsive way, the vast resources channeled through public procurement systems run the danger of increased corruption and misuse of funds. Even in a system with low levels of corruption, public and civic oversight can help identify inefficiencies, thereby increasing procurement efficiency and effectiveness for the benefit of improved service delivery and ultimately citizens. According to Grierson and Needham, (2006) argue that demonstrated accountability and transparency reduces the likelihood of unethical behavior, reassures the community and instills confidence in all stakeholders concerning the integrity of decisions. A central theme of any procurement reform is the commitment to high standards for professional conduct of the public officers involved in procurement.

In study conducted in Rwanda amongst 213 respondents about internal control systems for public procurement, Mendoza (2008) intimated that level of accountability can be measured using clear chain of responsibility together with effective control mechanisms; handling complaints from suppliers; public review and scrutiny of procurement actions; commitments of public officers to high standards for professional conducts and principles; good conducts of suppliers and contractors; fairness and competition. The study further indicated that the basic principles of good procurement practice include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to members of the public; competitive supply, which requires the procurement be carried out by competition unless there are convincing reasons for single sourcing; and consistency, which emphasizes the equal treatment of all bidders irrespective of race, nationality or political affiliation. However, Seminiaga (2012) did not bring out clearly the issue of how these factors affected effective management of the procurement function. It should be noted that these factors present themselves differently under different operational managerial environment.



BOTTOM
University of Nairobi campus
view

In Kenya, public procurement include the process of acquiring goods, works and services involving the use of public money to accomplish specified public purposes, beginning with the identification of a need and ending with completion of the contract. PPDA of 2005 and Regulation of 2006 were enacted to introduce procedures for efficient public procurement, with the objectives of maximizing economy and efficiency, promote competition, promote integrity and fairness of procurement procedures, to enhance transparency and accountability, to restore public confidence in procurement process and to facilitate the promotion of local industries and economic development (PPOA, 2007). This has had tremendous impact on the economy, social, political and legal environment (Kagendo, 2012). Public entities are the major purchasers of goods, works and services in a country hence influence the size, structure and performances of domestic industries. To this end, it is important for the government from time to time to review the effectiveness and efficiency of its procurement system. Knight, Harland, Telgen, Thai and Challender (2008) assert that if any weakness is identified, then reforms should be introduced to strengthen the procurement system in order to get value for money.

According to Kagendo (2012) emergence of global economy, increased decentralization of government function, greater discretions power officials and weakness of the current procurement system have led to need of regulating procurement in new ways, hence need for reforms to solve these emerging challenges in the public procurement. Success of public procurement system reforms depends on a clear articulation and understanding of what the legal and regulatory framework seeks to achieve.

Universities are public entities to which the procurement Act and regulations apply. Universities are categorized under class — BII by Kenyan procurement regulations. The practice of public procurement process is wanting and efficiency, transparency and accountability have all taken back seat. This is despite the importance derived from the procurement function. The university management seems to ignore this fact and fail to monitor the functioning of the procurement system. Fair tendering has also not been given much consideration. Despite these observations, little has been done to address them. This situation sustains the curiosity of the researcher and seeks to examine the practice of public procurement process.

RESEARCH PROCESS

Regardless of the effort by the governments of developing countries and development partners to improve performance of the public procurement function, public procurement is still marred by shoddy works, poor quality goods and services. Failure to implement or delayed implementation of recommended performance standards has resulted in unnecessarily high operation costs, uncoordinated business activities, and failure to attract and retain experienced and skilled personnel in the procurement positions, thus affecting the function's performance (Odhiambo and Kamua, 2006). In Kenya, it was reported in 2006 that the procurement functions of most public entities were not complying to set procurement process and performance procedures, this led to irregular and subjective decisions (Public Procurement Disposal Act, 2005). These decisions have had costly consequences for any public entity, and the country at large. University of Nairobi is categorized under class 'B' as a public entity hence making its procurement applies to the PPOA Act and regulations (PPOA 2009). Its performance has equally been below par. Intangible performances such as quality of procured goods and services, timely delivery of orders, student or customer satisfaction, dependability, flexibility and quality of employees have been wanting. Despite these observations, few studies have been conceptualized along the framework of procurement planning, tendering procedure, tendering committees and adaptation of government procurement policies, laws and regulations. These research and knowledge gaps sustain the curiosity of the researcher which this study seeks to fill.

The Kenyan government needed transformation, particularly attitude change of civil servants. The Constitution has opened space for citizens' participation in public policy making process. In 2009, United Nations Development Programme (UNDP, 2009) supported the Kenyan government to step up public sector reforms to focus on national transformation. Before then, it was the Government that spearheaded institutionalization of results-based management in the public service but currently the focus is on transforming public service delivery through building partnerships. These efforts were boosted after the promulgation of the new Constitution of Kenya in 2010. Lubembe (2009) agrees that the changes were an ideal opportunity to tackle deep-rooted problems of inefficiency because citizens are increasingly becoming empowered to demand for better services.

This will be achieved through implementing the new Constitution, attaining of the Kenya Vision 2030, transforming public service delivery and private-public dialogue to enhance good governance. The Rapid Results approach, launched in more than 38 ministries, 175 local authorities and more than 10 State corporations, improved service delivery in several areas, such as the processing and issuance of passports, national identity cards and birth certificates.

The State Law Office's Company Registry, for example following use of rapid results approach, improved staff and customer satisfaction levels by 80 per cent in about 100 days (Lubembe, 2009). This has reduced the time taken to register businesses from three weeks to one day and has helped reduce a backlog of 500,000 Annual Returns and other documents. At the Ministry of Immigration and Registration of Persons, the number of days it takes to issue a passport in Nairobi, Kisumu and Mombasa has reduced from 30 to 20 days in 100 days. In addition, the number of uncollected identity cards reduced by 50 per cent, from 195,479 to 100,368 in the eight districts hosting provincial headquarters in 100 days (Lubembe, 2009 & GoK, 2012). Elsewhere, rural nomadic Maasai women in Elangata Enteritin Village of Kajiado County are enjoying access to water provided during the 100 days, thanks to the Rapid Results Initiative. In 2013, the Government will establish citizen service centers as primary service delivery channels in all the 47 counties. These will be a one-stop shop down in the countries where citizens can obtain their passports, land title deeds, identity cards, Kenya Revenue Authority personal identification numbers and driving licenses without having to travel to Nairobi to get the services. Kenyans expect every civil servant whose role is to provide services such as education, healthcare, housing and other public services, to do so efficiently in the devolved governments.

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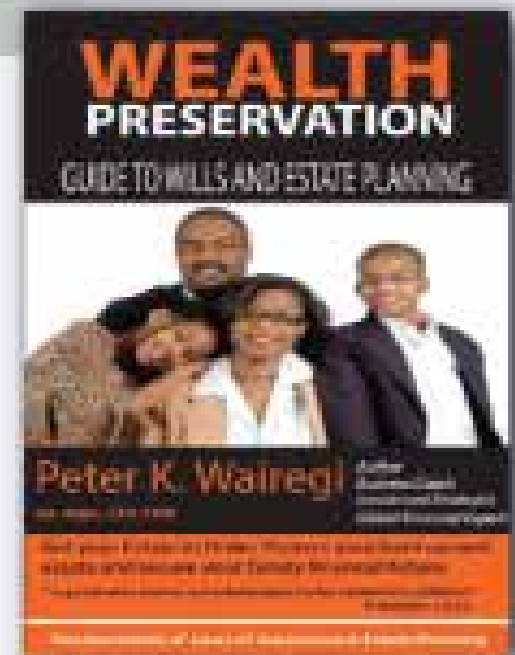
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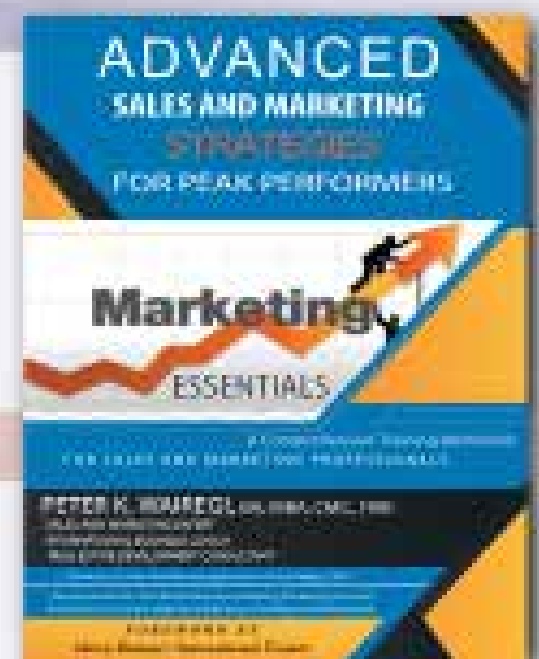
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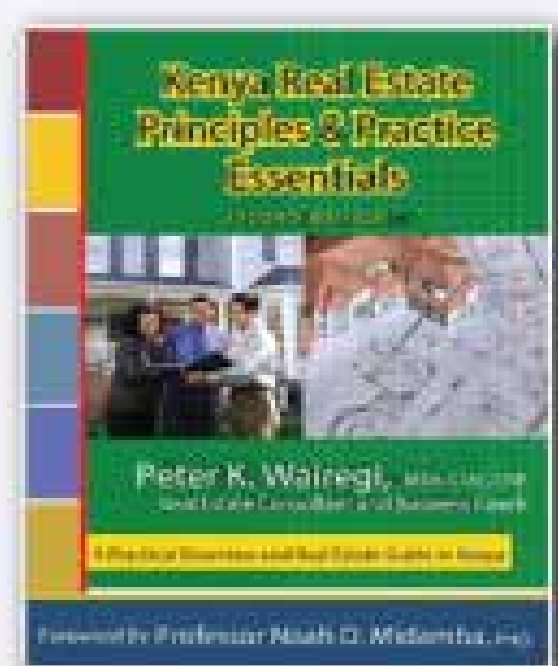
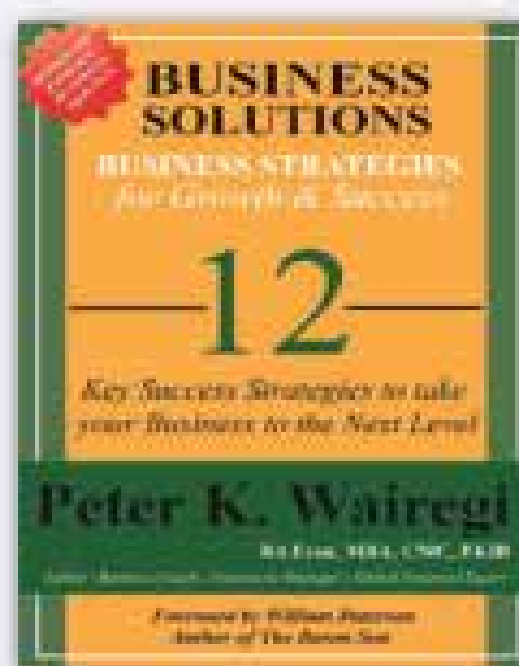
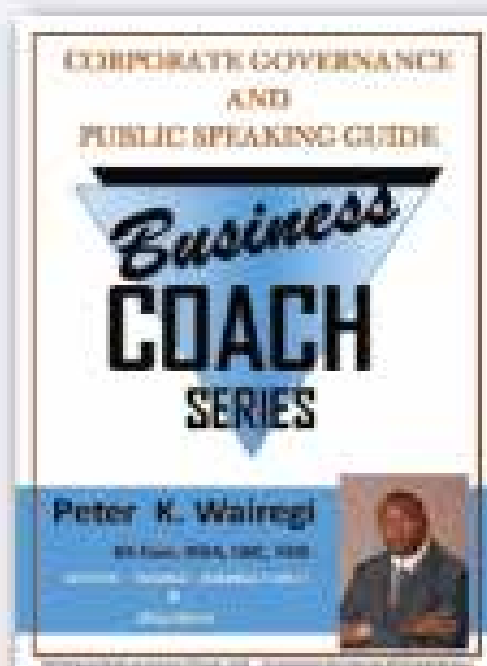
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BUSINESS COACHING

Do you need a Business Coach? Who is a Business Coach? And what can a Business Coach do for you?

Source By PETER K WAIREGI



THE ROLE OF A BUSINESS COACH

How did I get to this subject? Two years ago, I started researching this field of Business Coaching. As I started evaluating my own Business experience, successes, failures and knowledge; one thing was clear, my business was running me and as a manager I felt as if I was avoiding making decisions or change. A whole has been built by people who have the ability to see strength and weakness in a client and/or encourage (guide) them to change behaviors to perform better and refocus. One of the ways in which they do this is by asking the hard questions about the client's perspectives with the goal to improve performance. Anthony Robbins calls this "positive personal conditioning."

Here are some of my findings on why you need a business coach.

Not all ideas are good business ventures.

Not all hunches pan out to be "the big one." Your ability to listen, learn and change is critical to your personal and professional career. Having a good education doesn't necessarily make you a "shoo in" as a successful business owner. A business coach can help you differentiate between a hobby and a viable business. There is no greater personal challenge or joy than creating a successful self-employed business of your dream.

•A reputable business coach helps you to develop a plan and business model, including a forecast that will attract potential investors.

•Find the money you need to grow a business. This includes seed money, long term infusions of funds as well.

•Your coach will advise you to take advantage of grants and corporate sponsorships opportunities.

•Build business credit that does not require personal guarantee.

•Create a steady stream of new customers through advertising, networking, referrals.

•Your coach will teach you how to create multiple sources of income. This can be a spinoff of your current business or separate branches of a related industry.

•Your coach will help you to formulate effective, low-cost media exposure for your business.

•Successfully brand and launch new products and services.

•Automate and create an exit strategy to "cash out" of your business.

WHO IS A BUSINESS COACH?

First, coaching is about performing at your best through the individual and private assistance of someone who will challenge, stimulate and guide you to keep growing. (For positive results) Essentially it is about helping you reach what Maslow called "self-actualization." Your coach engages in a collaborative alliance with you to establish and clarify purpose and goals to develop a plan of action to achieve those goals. A great coach helps you reach a level of self-correction, self-generating, that is, you will learn to recognize patterns of self



Coaching refers to the activity of molding, much the way a potter fashions clay into a finished product. A coach operates in a similar manner developing the abilities, strategies and principles clients. There are many applications of coaching ranging from sports to business, to niches such as motivational speaking sessions, maybe one-on-one group settings, in person or even over the phone or by mail. It may include supervised practice such as in shadow coaching and often in teams or organizational settings. Today, coaching is a recognized discipline used by many professionals engaged in personal development, focused on achieving results. While the discipline is fairly new (since early 1990's) there is no single in the practice. My research indicated that one can be certified through organizations such as IAC and ECI and in America, the term accreditation is only used for organizations, while certification is more common for individual coaches.

BUSINESS COACHES ENCOMPASS AN EXTRAORDINARY RELATIONSHIP BETWEEN TWO OR MORE PEOPLE THAT COMMIT TO A COMMON GOAL OR FUTURE. A COACH IN THIS SETTING IS MORE THAN A MENTOR OR TRAINER, BUT A PARTNER THAT HELPS THE CLIENT DEVELOP AND ADOPT CERTAIN CHARACTERISTICS TO ACCOMPLISH A TASK OR CHANGE IN APPROACH.

Not all ideas are good business ventures.

A business coach, in this respect, is in the practice of providing advice and support to an individual or group to help them recognize ways to improve the effectiveness of their business and personal growth. A business coach helps you with strategies and techniques to create business success and think of strategies about your business coaching and consulting.

Such as:

- **Increase sales and profits**
- **Learn specific marketing and business skills**
- **Craft a cohesive action plan for growing your business**
- **Maintain integrity and a code of ethics**
- **Boost clarity and focus**
- **Manage your time wisely**

•Stop self sabotaging your business success

Many people have praised their coaches for helping them find or discover their passion in both business and personal lives. Often we need to draw motivations or inspiration from our personal experience to further propel us in our professional lives. Because coaches prove useful in cutting to the chase in decision making at critical times, they often can divert their clients from committing professional blunders.

From my perspective, a coach is like a barometer that allows you to gauge and adjust your business decisions to fit the particular setting. Incorporating different measures based on the gauge allows for a higher level of productivity and better use of your time and resources. You can use the coach to steer the client in the right direction. Anthony Robbins calls this “Real change that transforms life that is lasting.” He credits his coaching methods to providing strategic intervention and personal conditioning to human change. Brain Tracey in his motivational talks on Psychology of Behavior states that “focus and concentration,” is key in one gaining an edge in their business careers.

He further explains that a coach can help the client formulate a better use of their time (effective time management) which is equally critical if a client is to be successful in their endeavors. A good business coach needs to be experienced, but this does not require that a coach have specific expertise and experience in the same field as the person receiving the coaching, in order to provide quality business coaching services.

Value of Coaching

International Coach Federation surveyed 210 coaching Clients for demographic data and feedback and opinions about the value and use of coaching. Here are the findings:

70% found it very valuable, 26% found it valuable, 4% found it not valuable.

Level of Confidence

50% confide in their coach as much as their best friend, spouse or therapist. 12% confide in their coach more than anyone else 38% will commit to the process but stay guarded.



Main Role of a Coach

78% Motivator, 50% Mentor, 46% Business Consulting, 41% Teacher, 35% Guide.

Outcome Attributed to Coaching

- (1) High Performance
- (2) Smarter Goal Setting
- (3) Balanced Life
- (4) Lower Stress Levels
- (5) More Energy and self confidence
- (6) More income

CONCLUSION

We can see that a coach is more or less a valuable co-driver that helps you discover your strength, knows your adversarial tendencies and helps you find the right balance to gain an edge in better decision making in order to ensure success. I feel that a coach is a real partner and compass for many that perform better with coaching assistance or by being a coach themselves. You are capable of achieving great results in your personal and professional quest. Having that extra eye and guidance can be difference between failure, frustration and success. A wise man once stated it is not that we do not know but that we need to be reminded.

KENYA BUSINESS DIRECTORY

Information contained in this report is intended to provide general information to investors. All the information in this report is the property of:

Export Processing Zones Authority

This directory contains key business contacts in both the public and private sectors in Kenya with particular emphasis on selected sectors that have also been separately profiled under the MIGA FDI Xchange Investor Information Development Program. The program entailed collection, collation, packaging and dissemination of investor relevant information in the categories listed as follows:

2. GOVERNMENT MINISTRIES / OFFICES

Ministry/Office	Contact Address
Kenya Government	Websites: www.kenya.go.ke www.statehousekenya.go.ke
Office of the President	Harambee House, Harambee Avenue P.O. Box 30510, 00100 Nairobi, Kenya Tel. 254-20-227411 Website: www.officeofthepresident.go.ke
Office of the Vice President & Ministry of Home Affairs	Jogoo House, "A" Taifa Road P.O. Box 30520, Nairobi, Kenya Tel. 254-20-228411 Fax: 254-20-218811 Website: www.homeaffairs.go.ke
Ministry of Agriculture	Ministry of Agriculture & Rural Development Kilimo House, Cathedral Road P.O. Box 30028 Nairobi, Kenya Tel: 254-20-2718870 Fax: 254-20-2720586 Website: www.agriculture.go.ke
Ministry of Co-operative Development & Marketing	Social Security House (NSSF) Building, Eastern Wing, Block "A", P.O. Box 30547, 00100 Nairobi, Kenya Tel: 254-20-2731531-9 Website: www.co-operative.go.ke
Ministry of East African and Regional Co-operation	Old Treasury Building, Harambee Avenue, 1 st floor P.O. Box 30551, Nairobi, Kenya Tel. 254-20-310310 Fax: 254-20-310365 Website: www.regionalco-op.go.ke
Ministry of Education, Science & Technology	Jogoo House "B", Harambee Avenue P.O. Box 30040, Nairobi, Kenya Tel. 254-20-334411 Email: info@education.go.ke Website: www.education.go.ke
Ministry of Energy	Nyayo House, Kenyatta Avenue P.O. Box 30582, Nairobi, Kenya Tel. 254-20-333551/330048/330502 Fax: 254-20-228314 Website: www.energy.go.ke
Ministry of Environment & Natural Resources	Maji House, Ngong Road P.O. Box 30126, Nairobi, Kenya Tel. 254-20-2716103/229281 Fax: 254-20-2727622 Website: www.environment.go.ke
Ministry of Finance	Treasury Building, Harambee Avenue P.O. Box 30007, Nairobi, Kenya Tel. 254-20-262299 Fax: 254-20-330426

2. GOVERNMENT MINISTRIES / OFFICES	
Ministry/Office	Contact Address
	Website: www.treasury.go.ke
Ministry of Foreign Affairs	Old Treasury Building, Harambee Avenue P.O. Box 30551, Nairobi, Kenya Tel. 254-20-334433, 252615 Fax: 254-20-240066, 335494 Email: mfapressa@nbn.net.co.ke Website: www.mfa.go.ke
Ministry of Gender, Sports, Culture & Social Services	NSSF Building, Block "A", Eastern wing P.O. Box 16936, Nairobi, 00100 Nairobi Tel. 254-20-2727980-4 Fax: 254-20-2734417 Website: www.culture.go.ke
Ministry of Health	Alya House, Cathedral Road P.O. Box 30016, Nairobi, Kenya Tel: 254-20-2717077 Fax: 254-20-2713234 Web: www.health.go.ke
Ministry of Immigration & Registration of Persons	Nyayo House P.O. Box 30191, 00100 Nairobi, Kenya Tel: 254-20-222022 Fax: 254-20-220731
Ministry of Information & Communication	Teliposta Towers, Kenyatta Ave. P.O. Box 30025, Nairobi Tel. 254-20-221376 Website: www.information.go.ke
Ministry of Justice & Constitutional Affairs	Sheria House, Harambee Avenue P.O. Box 56057, Nairobi, Kenya Tel. 254-20-227461 Website: www.justice.go.ke
Ministry of Labour & Human Resource Development	Social Security House, Bishop Road P.O. Box 40326, 00100 Nairobi, Kenya Tel. 254-20-2729800 Website: www.labour.go.ke
Ministry of Lands & Housing	Ardhi House, Ngong Road P.O. Box 30450, 00100 Nairobi Tel. 254-20-2718050 Fax: 254-20-2721248 Website: www.ardhi.go.ke
Ministry of Livestock & Fisheries Development	Kilimo House, Cathedral Road P.O. Box 30028, Nairobi Tel: 254-20-27118870 Fax: 254-20-2711149 Website: www.livestock.go.ke
Ministry of Local Government	Jogoo House, "A" Taifa Road P.O. Box 30004, Nairobi, Kenya Tel: 254-20-217475 Website: www.localgovernment.go.ke
Ministry of Planning & National	Treasury Building, Harambee Avenue

Key Business Contacts in Kenya

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2. GOVERNMENT MINISTRIES / OFFICES

Ministry/Office	Contact Address
Development	P.O. Box 30007, Nairobi, Kenya Tel: 254-20-252299 Website: www.planning.go.ke
Ministry of Regional Development Authorities	NSSF Building P.O. Box 10280, 00100 Nairobi, Kenya Tel: 254-20-2733745 Fax: 254-20-2737693 Website: www.regional-dev.go.ke
Ministry of Roads & Public Works	Ministry of Works Building, Ngong Road P.O. Box 30280, Nairobi, Kenya Tel: 254-20-2723101, 2723188, 2723155, 2723111-6, 2723135, 2723582/87 Website: www.publiworks.go.ke
Ministry of Tourism & Wildlife	Utalii House, Off Uhuru Highway P.O. Box 30027, Nairobi, Kenya Tel: 254-20-333555, 313010 Fax: 254-20-318045 Website: www.tourism.go.ke
Ministry of Trade & Industry	Teliposta Towers, Kenyatta Avenue P.O. Box 30418, 00100 Nairobi, Kenya Tel: 254-20-315001-7, 331030 Fax: 254-20-315011, 213508, 219680 Website: www.tradeandindustry.go.ke
Ministry of Transport	Transcom House, Ngong Road P.O. Box 52892, 00100 Nairobi, Kenya Tel: 254-20-2729200 Email: mota@insightkenya.com Website: www.transport.go.ke
Ministry of Water	Maji House, Ngong Road, P.O. Box 49720, Nairobi, Kenya Tel: 254-20-2716103, 229281 Fax: 254-20-2727622 Website: www.water.go.ke
Public Service Commission	P. O. Box 30095, Nairobi, Kenya Tel: 254-20-223901 Fax: 254-20-214791 Email: psck@treasury.go.ke Website: www.publicservice.co.ke
Electoral Commission	P. O. Box 45371, Nairobi, Kenya Tel: 254-20-222072 Fax: 254-20-219185 Email: eck@nbnet.co.ke Website: www.eck.or.ke
Exchequer and Audit Department	P. O. Box 30084, Nairobi, Kenya Tel: 254-20-342330 Fax: 254-20-311482 Email: cag@kenyaweb.com

2. GOVERNMENT MINISTRIES / OFFICES

Ministry/Office	Contact Address
National Assembly	P. O. Box 41842, Nairobi, Kenya Tel: 254-20-221291 Fax: 254-20-243694 Email: bunge@swifkenya.com
State Law Office	P. O. Box 40112, Nairobi, Kenya Tel: 254-20-227461
The Judiciary	P. O. Box 30041, Nairobi, Kenya Tel: 254-20-221221 Fax: 254-20-318172 Email: hck-ffb@nbnet.co.ke

3. FACILITATING, REGULATORY & INDUSTRY BODIES

Organisation	Contact
Capital Markets Authority (CMA)	Reinsurance Plaza, Taifa Rd, 5 th Floor P.O. Box 748000, 00200 Nairobi Tel: 254-20-221910/221869 Fax: 254-20-218681/228254 Email: corporate@cma.or.ke Website: www.cma.or.ke
Central Bank of Kenya (CBK)	Haile Selassie Ave. P.O. Box 60000, 00200 Nairobi, Kenya Tel: 254-20-228431 Fax: 254-20-340192 Email: info@centralbank.go.ke Website: www.centralbank.go.ke
Central Organisation of Trade Unions	Solidarity Bldg, Rd Gikomba P.O. Box 13000, 00624 Nairobi Tel: 254-20-6761375/777, 6762695 Email: info@cotu-kenya.org Website: www.cotu-kenya.org
Commissioner of Mines and Geology, Mines and Geology Department, Ministry of Environment and Natural Resources	Maji Hse, Ngong Rd P.O. Box 30126 Nairobi, Kenya Tel: 254-20-2716103/ 229281 Fax: 254-20-2727622, Website: www.environment.go.ke
Communication Commission Kenya (CCK)	Longonot Place, Kijabe Street P.O. Box 14448, Nairobi 00800, Kenya Tel: 254-20-4242000 / 4349111 Fax: 254-20-4451866/4348204 E-mail: info@cck.go.ke Website: www.cck.go.ke
Electricity Regulatory Board	Integrity Centre, Valley Rd P.O. Box 42881-GPO Tel: 254-20-2717627/03/16/31 Fax: 254-20-2717603 Email: erfb@africaonline.co.ke

3. FACILITATING, REGULATORY & INDUSTRY BODIES

Organisation	Contact
Export Processing Zones Authority (EPZA)	Administration Building Athi River EPZ, Viwanda Road Off Nairobi - Namanga Highway P.O. Box 50583, 00200 Nairobi, Kenya Tel: 254 45 26421-6 Fax: 254 45 26427 Email: info@epzakenya.com Website: www.epzakenya.com
Export Promotion Council (EPC)	Anniversary Towers, 16th Floor University Way P.O. Box 42047 Nairobi, Kenya Tel: 254-20-228534/8/9 Fax: 254-20-218013/228539 Email: chiefexec@epc.or.ke Website: www.obik.or.ke
Federation of Kenya Employers	Wajiji Hse, Argwings Kodhek Rd P.O. Box 48311, Nairobi 00100, Kenya Tel: 254-20-2721929/ 2721948 Fax: 254-20-2712289/ 2721990
Fresh Produce Exporters Association of Kenya (FPEAK)	New Rehema House, 4th Floor, Rhapta Road, Westlands P.O. Box 40312, Nairobi, Kenya Tel: 254-20-4451488 Fax: 254-20-4451489 Email: info@fpeak.org Web: www.fpeak.org
Horticultural Crops Development Authority (HCDA)	P.O. Box 42601, Nairobi, Kenya Tel: 254-20-827260 Fax: 254-20-827264 Email: hcdemad@wananchi.com
Industrial Promotion Services	IPS Bldg. 11th Flr. Kimathi St. P.O. Box 30500, 00100 Nairobi Tel: 254-20-228026 Fax: 254-20- 214563 Email: ipsafflow@farm-net.com
International Crop Research Institute for Semi-Arid Tropics (ICRISAT)	Peponi Grv. Off Peponi Rd P.O. Box 39063, Nairobi Tel: 254-20-521450 Fax: 254-20-521001 Email: icrisat-kenya@cgiar.org
International Livestock Research Institute (ILRI)	Old Naivasha Rd Near Uthiru Shopping Centre P.O. Box 30709, Nairobi GPO Tel: 254-20-352344 Fax 254-20-4223001 Email: ilri@cgiar.org Website: www.ilri.cgiar.org
Investment Promotion Centre (IPC)	National Bank Building, 8 th Floor, Harambee Avenue P.O. Box 55704-00200 Nairobi, Tel: 254-20-2211401-4

Key Business Contacts in Kenya

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3. FACILITATING, REGULATORY & INDUSTRY BODIES	
Organisation	Contact
	Fax: 254-20-336663 Email: info@investmentkenya.com Website: www.investmentkenya.com
Kenya Airports Authority	JKIA Airport Embakasi P.O. Box 40087-GPO Tel: 254-20-825414/572/062 Fax 254-20-825068 Email: aakenya@wananchi.com Website: www.aakenya.co.ke
Kenya Association of Manufacturers (KAM)	Mwanzi Rd, Off Peponi Rd, Westlands P.O. Box 30225, Nairobi 00100, Kenya Tel: 254-20-3746005/7, 3746021/22 Fax: 254-20-3746028/30 Email: info@kam.co.ke Website: www.kam.co.ke
Kenya Bureau of Standards (KEBS)	Bellevue Area, Off Mombasa Rd P.O. Box 54974 City Square Fax: 254-20-503293 Tel: 254-20-502210/502211 Email: info@kebs.org Website: www.kebs.org
Kenya Chamber of Mines	P.O. Box 3174-00200 Nairobi, Kenya
Kenya Civil Aviation Authority	Jomo Kenyatta International Airport P.O. Box 30163-00100, Nairobi Tel: 254-20-824557/824002/824084 Fax: 254-20-824716 Email: kcaa@insightkenya.com
Kenya Flower Council	P.O. Box 24856 Nairobi, Kenya Tel/Fax: 254-20-883041 Email: kfc@africaonline.co.ke Web: www.kenyaflowers.co.ke
Kenya Industrial Estates Ltd.	Likoni Rd, Industrial Area P.O. Box 78029 Tel: 254-20-651348/9/51/52/53 Fax: 254-20-534625 Email: kies@nbnet.co.ke
Kenya Industrial Research & Development Institute	Lusaka/Dunga Rd Junction & Kapili Rd, South C. P.O. Box 30650, 00100 Nairobi Tel: 254-20-535866/84/90 020-504866/504867/609440 Fax: 254-20-540166 Email: kirdi@arcc.co.ke
Kenya Literature Bureau	Bellevue Area, Off Mombasa Rd P.O. Box 30022, 00100 Nairobi Tel: 254-20-608305/6/341196 Fax: 254-20-805800/801474 Email: kib@onlinekenya.com

3. FACILITATING, REGULATORY & INDUSTRY BODIES

Organisation	Contact
Kenya Livestock Marketing Council	P.O. Box 2676, 00200 Nairobi
Kenya Medical Research Institute (KEMRI)	Public Health Labs, Kenyatta National Hospital P.O. Box 54840-02000 Nairobi Tel: 254-20-2722541/42 Fax: 254-20-2720030 Email: kemri-hq@nairobi.mimcom.net Website: www.kemri.org
Kenya National Chamber of Commerce & Industry (KNCCI)	P.O. Box 47024, Nairobi, 00100, Kenya Tel: 254-20-220866/7,334-412/3 Fax: 254-20-334293,340664
Kenya Pipeline Co. Ltd	National Bank Building, Harambee Ave, P.O. Box 73442 City SQ., Nairobi Tel: 254-20-335666/67/95/96 Fax: 254-20-331683
Kenya Plant Health Inspectorate Service (KEPHIS)	Waiyaki Way P.O. Box 49592, 00100 GPO Nairobi, Kenya Tel: 254-20-884545/882308/882933 Fax: 254-20-882265 Email: kephis@nibnet.co.ke Website: www.kephis.org
Kenya Ports Authority (KPA)	P.O. Box 95009 Mombasa, Kenya Tel: 254-41-312211, 220255 Fax: 254-41-311867 Email: md@kpa.co.ke; info@kpa.co.ke Website: www.kenya-ports.com
Kenya Railways Co. Ltd	Haile Selassie Ave. P.O. Box 30121 City Square, Nairobi Tel: 254-20-221211/ 332611/ 335160 Fax: 254-20-340049/224156
Kenya Reinsurance Co.	Re-insurance Plaza, 15 th Floor Taita Rd P.O. Box 30271, 00100 Nairobi, Kenya Tel: 254-20-240188 Fax: 254-20-339161 Email: kenyara@kenyara.com Website: www.kenyara.co.ke
Kenya Revenue Authority (KRA)	Times Towers Bldg., Harambee Ave. P.O. Box 48240, 00100 GPO Nairobi, Kenya. Tel: 254-20-310900/315553 Email: info@kra.go.ke Website: www.kra.go.ke
Kenya Roads Board	Kenya Re Towers, Off Ragati Rd P.O. Box 73718, 00200 Nairobi Tel: 2722665/66/68 Mobile: 254722203418 Email: krb@roadsboard.go.ke

3. FACILITATING, REGULATORY & INDUSTRY BODIES

Organisation	Contact
Kenya Seed Company Ltd	Utumishi Hse, Kijabe Street P.O. Box 40042 GPO, Nairobi Tel: 254-20-215066/7/215083 Fax: 254-20-332219 Email: simlaw@form-net.com
Kenya Society of Sugarcane Technologists (KSSCT)	P.O. Box 1681, Kisumu Tel: 254-057-41821 Fax: 254-057-22031
Kenya Sugar Board	Sukari Plaza, Off Waiyaki Way P.O. Box 51500-00200, Nairobi Tel: 254-20-631880/ 642/ 697/ 767/ 762 Fax: 254-20-630853 Email: ksb@africaonline.co.ke
Kenya Sugar Research Foundation (KESREF)	Kibos Headquarters P.O. Box 44, Kisumu Tel: 254-57-43872/43812 Fax: 254-57-23649 Email: kesref@swiftkisumu.com
Kenya Tourist Board (KTB)	P.O. Box 30630, Nairobi 00100, Kenya Tel: 254-20-2711262 Fax: 254-20-2719925 Email: info@kenyatourism.org Website: www.magicalkenya.com
Kenya Tourist Development Corporation (KTDC)	Utalii Hse, 11 th Floor P.O. Box 42013, GPO Nairobi (00100), Kenya Tel: 254-20-229751- 4, 223488, 330820-8 Fax: 254-20-227815 Email: info@ktdc.co.ke Website: www.ktdc.co.ke
Kenya Wildlife Services	Langata Rd. P.O. Box 40241, Nairobi, Kenya Tel: 254-020-600800/602345 Fax: 254-020-505888/501752 Email: kws@kws.org Website: www.kws.org
Kisumu City Council	P.O. Box 105 Kisumu Tel: 254-57-43441/42634
Mombasa City Council	P.O. Box 90440 Mombasa Tel: 254-41-2311263/2311264
Nairobi City Council	City Hall, City Hall Way P.O. Box 30075 Nairobi Tel: 254-20-228242 / 344316 / 222181
Nairobi Goldsmith Association	P.O. Box 39437, Nairobi, Kenya
Nairobi Stock Exchange (NSE)	1 st Floor, Nation Centre, Kimathi House P.O. Box 43633, 00100 Nairobi, Kenya Tel: 254-20-230692 Fax: 254-20-224200 Email: info@nse.co.ke

Key Business Contacts in Kenya

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3. FACILITATING, REGULATORY & INDUSTRY BODIES

Organisation	Contact
	Website: www.nse.co.ke
National Aids Control Council	6 th Floor, Chancery Building, Valley Rd P.O. Box 61307, City Square Nairobi Tel: 254-20-2715127 /2711261/249047 Fax: 254-20-2711072/ 2711231 Website: www.nacc.or.ke
National Cereals and Produce Board (NCPB)	Head Office - Nafaka House Mechakos Rd., Industrial Area P. O. Box 30586, Nairobi, Kenya Tel: 254-20-536028 Fax: 254-20-54224 Email: cereals@africaonline.co.ke
National Hospital Insurance Fund	NHIF Building P.O. Box 30443, 00100 Nairobi Tel: 254-20-2723255/6, 2714820 Email: info@nhif.or.ke Website: www.nhif.or.ke
National Social Security Fund	NSSF Bldg. Bishops Rd. P.O. Box 30599, Nairobi 00100, Kenya Tel: 254-20-2729911/2710552 Fax: 254-20-2727882
Pharmacy and Poisons Board	P.O. Box 27883, 00100 Nairobi, Kenya Tel: 254-20-2721937/2718905 Fax: 254-20-2720584/2713750 Email: info@pharmacyboardkenya.com Website: www.pharmacyboardkenya.org
Postal Corporation of Kenya	Posta Road, Off. Kenyatta Ave. P.O. Box 34567 Nairobi, Kenya Tel: 254-20-243434 Email: customercare@posta.co.ke Website: www.posta.co.ke
Pyrethrum Board of Kenya (PBK)	P.O. Box 420, Nakuru Tel: 254-37-211567-72 Fax: 254-37-210466/ 214201/ 45274, Email: marketing@kenya-pyrethrum.com Website: www.kenya-pyrethrum.com
Retirement Benefits Authority (RBA)	Rahimtulla Tws, 13th Flr, Upper Hill Rd. P.O. Box 57733, Nairobi Tel: 254-20-2710340/2729806 Fax: 254-20-2710330 Email: info@rba.go.ke Website: www.rba.go.ke
Telkom Kenya Ltd.	Telposta Towers, Kenyatta Ave. P.O. Box 30301, 00100 Nairobi GPO, Kenya Tel: 254-20-3232000 Fax: 254-20-251071 Website: www.telkom.co.ke

4. BANKS & FINANCIAL INSTITUTIONS		
Institution	Contact Address	Location
African Banking Corporation Ltd	P.O. Box 45452, Nairobi Tel: 254-020-223922 Fax: 254-020-222437 Email: headoffice@abcthebank.com Web: www.abcthebank.com	ABC Bank, Mezzanine Floor, Koinange Street
Akiba Bank Ltd	P.O. Box 49584 Nairobi Tel: 254-020-331709, 218360/ 1, 249633/4 Fax: 254-020-225694 Email: admin@akibabank.com Web: www.akibabank.com	Fedha Towers Muindi Mbingu St. Nairobi
Barclays Bank of Kenya Ltd	P.O. Box 30120, Nairobi Tel: 254-020-332230/ 210577 Fax: 254-020-213915 Email: info@barclays.com Web: barclays.com	Barclays Plaza Loita Street
Bank of Baroda (K) Ltd	P.O. Box 30033 Nairobi Tel: 254-020-227869 Fax: 254-020-333089 Email: md.kenya@bankofbaroda.com Web: www.bankofbaroda.com/kenya.asp	Bank of Baroda Building , Tom Mboya / Mandlana Street
Bank of India	P.O. Box 30246 - 00100 Nairobi Tel: 254-020-221414-7 Fax: 254-020-229462 Email: boi@calva.com	Kenyatta Avenue
Capital Markets Authority	P.O. Box 748000-00200 Nairobi Tel: 254-020-221910/221869 Fax: 254-020-216681 Email: corporate@cma.or.ke Website: www.cma.or.ke	Re-Insurance Plaza Taifa Rd.
Central Bank of Kenya	P.O. Box 60000, Nairobi Kenya Tel: 254-020-226431/246000 Email: info@centralbank.go.ke Website: www.centralbank.go.ke	Central Bank Bldg.
CFC Bank Ltd	P.O. Box 72833 - 00200 Nairobi Tel: 254-020-3752900-4, 3741861 Fax: 254-020-3752905/7	CFC Centre Chiromo Rd Westlands
Charterhouse Bank Ltd	P.O. Box 43252 Nairobi Tel: 254-020-242246 Fax: 254-020-219058/ 223060 Email: info@charterhouse-bank.com	Longonot Place 6th Floor, Kijabe Street
Chase Bank (K) Ltd	P.O. Box 28987, 00200 Nairobi Tel: 254-020-244035/245611 Fax: 254-020-246334 Email: info@chasebank.co.ke	Prudential Ass. Building 6th Fir, Wabera Street
Citibank N.A	P.O. Box 30711 - 00100 Nairobi Tel: 254-020-2711221, 222248 Fax: 245-020-2714810/1	Citibank House Upper Hill Road
City Finance Bank Ltd	P.O. Box 22741 - 00400 Nairobi Tel: 254-020-224238/9, 210338/9 Fax: 254-020-335388 Email: cbf@saamnet.com	Unity House Koinange Street

Key Business Contacts in Kenya

4. BANKS & FINANCIAL INSTITUTIONS

Institution	Contact Address	Location
Commercial Bank of Africa Ltd	P.O. Box 30437 Nairobi Tel: 254-020-228881 Fax: 254-020-335827 Email: cba@cba.co.ke Website: www.cba.co.ke	Wabera Street
Consolidated Bank of Kenya Ltd	P.O. Box 51133 Nairobi Tel: 254-020-340551, 340836, 340920 Fax: 254-020-340213 Email: headoffice@consolidated-bank.com Website: www.consolidated-bank.com	Consolidated Bank House Koinange Street
Co-operative Bank of Kenya Ltd	P.O. Box 48231 - 00100 Nairobi Tel: 254-020-32076100 Fax: 254-020-219821/ 227747 Email: coopbankknd@form-net.com Web: www.co-opbank.co.ke	Co-operative House
Credit Agricole Indosuez	P.O. Box 69562 Nairobi Tel: 254-020-211175 Fax: 254-020-214166/211477 Email: cai.kenya@ke.ca-indosuez.com	Re-insurance Plaza Taifa Road
Credit Bank Ltd	P.O. Box 61064, Nairobi Tel: 222300/222317/220789 Fax: 254-020-216700 Email: cblnbi@creditbanktd.com	Ground Flr Mercantile Hse Koinange Street
Delphis Bank Ltd	P.O. Box 44080 Nairobi Tel: 254-020-228481/2, 221875 /222076 Fax: 254-020-219469 Email: delphiskenya@connect.co.ke	Finance house Koinange Street
Development Bank of Kenya Ltd	P.O. Box 30483 Nairobi Tel: 254-020-340426/340401-3/340198 Fax: 254-020-338426 Email: dbk@africaonline.co.ke	Finance House Loita Street
Diamond Trust Bank (K) Ltd	P.O. Box 61711 - 00200 Nairobi Tel: 254-020-210988/83 (20 Lines) Fax: 254-020-338836 Email: user@dtbkenya.co.ke	Nation Centre 8th Floor Kimathi Street.
Dubai Bank Kenya Ltd	P.O. Box 11129 - 00400 Nairobi Tel: 254-020-330562-5 Fax: 254-020-245242 Email: info@dubaibank-kenya.com	I C E A Building Kenyatta Avenue
Equatorial Commercial Bank Ltd	P.O. Box 39566 Nairobi Tel: 254-020-331122/ 338398/ 221114 Fax: 254-020-332806 Email: ecd@saamnet.com	Sasini House Loita Street
Equity Bank Limited	P.O. Box 75104 - 00200 Nairobi Tel: 254-020-2736620 Fax: 254-020-2737276 Email info@ebsafrica.co.ke Website: www.ebsafrica.com	Head Office, NHIF Building, 14th Floor

4. BANKS & FINANCIAL INSTITUTIONS		
Institution	Contact Address	Location
Fidelity Commercial Bank Ltd	P.O. Box 34886 Nairobi Tel: 254-020-242348/244187 Fax: 254-020-243389 Email: customerservice@fidelitybankkenya.com	I.P.S. Building 7th Floor Kimathi Street
Fina Bank Ltd	P.O. Box 20613 - 00200 Nairobi Tel: 254-020-240798/337002 Fax: 254-020-337082 Email: banking@finabank.com Website: www.finabank.com	Fina House Kimathi Street
First American Bank of Kenya Ltd	P.O. Box 30891 Nairobi Tel: 254-020-2710455/6, 2719877 Fax: 254-020-2714511 Email: fabk@saemnet.com	First American Bank Centre Nyerere Road Nairobi
Giro Commercial Bank	P.O. Box 48739 Nairobi Tel: 254-020-330129/2, 17776 Fax: 254-020-336991/210679 Email: gcbl@swiftkenya.com	Giro House Kimathi Street
Guardian Bank Ltd	P.O. Box 67681 - 00200 Nairobi Tel: 254-020-226771/4, 860548/9 Fax: 254-020-216533/861393 Email: moiavenue@guardianbank.com Website: viewpark@guardianbank.com	Main Branch Moi Avenue
Habib Bank A.G. Zurich	P.O. Box 30584 - 00100 Nairobi Tel: 254-020-334984-5 Email: habibbank@form-net.com	National House Koinange Street
Imperial Bank	P.O. Box 44906 Nairobi Tel: 254-020-2719617/31/52 342380/73-75 Fax: 254-020-2719705/498, 250137 Email: impbank@iconnet.co.ke	Bunyala Rd Upper Hill
Industrial Development Bank	P.O. Box 44036 Nairobi Tel: 254-020-337079 Fax: 254-020-334594 Email: bizcare@ibdkenya.com	National Bank Bldg Harambee Avenue
Investment and Mortgages Bank	P.O. Box 30238 00100 Nairobi Tel: 254-020-246552/9, 2711988 Fax: 254-020-713757/212947 Email: invest@imbank.co.ke Website: www.imbnk.com	I & M Bank Towers 2nd Ngong Avenue
Kenya Commercial Bank	P.O. Box 53290 Nairobi Tel: 254-020-339441/ 3, 339446/9 Fax: 254-020-336422/338037 Email: kcbhq@kcb.co.ke Website: www.kcb.co.ke	Kencom House Moi Avenue
K-Rep Bank Ltd	P.O. Box 39312/ 25363 Nairobi Tel: 254-020-571511, 573236/45/67 Fax: 254-020-573178/711645 Email: registry@k-repbank.com Website: www.k-repbank.com	Naivasha Rd, Riruta

4. BANKS & FINANCIAL INSTITUTIONS

Institution	Contact Address	Location
Middle East Bank	P.O. Box 47387 00100 Nairobi Tel: 254-020-723120 Fax: 254-020-338182 Email: mebkenya@nb.co.ke	Mebank Tower, Millmani Rd, Nairobi
Nairobi Stock Exchange	P.O. Box 43633, Nairobi, Kenya Tel: 254-020-230892 Fax: 254-020-224200 Email: info@nse.co.ke Website: www.nse.co.ke	Nation Center 1st Flr. Kimathi St.
National Bank of Kenya Ltd	P.O. Box 72866, 00100 Nairobi Tel: 254-020-226471/8 Fax: 254-020-330784 Email: info@nationalbank.co.ke Website: www.nationalbank.co.ke	National Bank Bldg Harambee Avenue
National Industrial Credit Bank Ltd	P.O. Box 44599 00100 Nairobi Tel: 254-020-2718200/2718189 Fax: 254-020-2888505/13 Email: info@nicbank.com	NIC House Masaba Rd
Paramount Universal Bank	P.O. Box 14001 Nairobi Tel: 254-020-4449258 Fax: 254-020-448265 Email: pbi.bank@africaonline.co.ke	Sound Plaza Bldg Westlands
Prime Bank	P.O. Box 43825 Nairobi Tel: 254-020-4203000, 4203111 Fax: 254-020-4451247 Email: headoffice@primebank.co.ke	Riverside Drive
Southern Banking Corp. Ltd	P.O. Box 66171 Or 11666 Nairobi Tel: 254-020-220939/220948 Fax: 254-020-246309/221338 Email: admin@ho.southern-credit.com	Off Muranga Road
Stanbic Kenya Ltd	P.O. Box 30550 Nairobi Tel: 254-020-335888/332805 Fax: 254-020-229287/246186/330227 Email: stanbic@africaonline.co.ke Website: www.stanbic.co.ke	Stanbic Bank Building Kenyatta Avenue
Standard Chartered Bank (K) Ltd	P.O. Box 30003 00100 Nairobi Tel: 254-020-320200/331210/3209300 Fax: 254-020-214086/223380 Email: mds.office@ke.standardchartered.com	Stanbank House Moi Avenue
Trans-national Bank (K) Ltd	P.O. Box 34353-00100 Nairobi Tel: 254-020-224234/6, 338201/4, 338223/5 Fax: 254-020-338227 Email: tnbi@form-net.com	Trasnational Plaza Mama Ngina St
Victoria Commercial Bank	P.O. Box 41114-00100 Nairobi Tel: 254-020-2719499, 2719815, 2710271, Fax: 254-020-2715857 Email: victoria@vicbank.com	Victoria Towers Kilimanjaro Avenue Upper Hill

4. BANKS & FINANCIAL INSTITUTIONS

Institution	Contact Address	Location
World Bank Group (IBRD, IFC, MIGA)	P.O. Box 30577, Nairobi 00100, Kenya Tel: 254-020-260300/260400 Fax: 254-020-260380/2720612 Website: www.worldbank.org	Hill Park Bldg, Upper Hill Rd.

5. EPZ ENTERPRISES

Enterprise	Contact Address	Location
Al-borj Kenya EPZ Ltd	P.O. Box 1139, 00606 Nairobi Tel: 254-20-8561962 Fax: 254-20-856192 Email: alborj-kenya@al-borj.com	Rafiki EPZ, Nairobi
Alltex EPZ Ltd	P.O. Box 30500, 00100 Nairobi Tel: 254-46-22953 Fax: 254-20-29163 Email: general@alltexepz.com	Athi River EPZ
Apex Apparels EPZ Ltd	P.O. Box 661 Village Market, Nairobi Tel: 254-20-8560605/8560214 Fax: 254-20-8560767 Email: info@apexapparelskenya.com	Indigo EPZ Nairobi
Ashton Apparel EPZ Ltd.	P.O. Box 43371, Mombasa Tel: 254-41-434251/ 435439 Fax: 254-41-435436 Email: Admin@Ashton-Apparel.com	Ashlon EPZ, Mombasa
Baraka Apparel EPZ Ltd	P.O. Box 9959, 00100 Nairobi Tel: 254-20-652076-89 Fax: 254-20-652077/78/ 74530 Email: baraka@barakaapparel.com	Unique Sun Apparels EPZ, Nairobi
Blue Bird Garments (K) EPZ Ltd	P.O. Box 81034, Mombasa Tel: 254-41-434872 Fax: 254-41-434881 Email: bluebird@bluebirdkenya.com	Kingorani EPZ, Mombasa
Blue Sky Films EPZ Ltd	P.O. Box 43632, Nairobi Tel: 254-20-8562078 Fax: 254-20-8563618/574164 Email: bluesky@africaonline.com	Rafiki EPZ, Nairobi
California Link EPZ Ltd	P.O. Box 86198, Mombasa Tel: 254-41-435066/7 Fax: 254-41-433342 Email: ravi@califolink.com	Kingorani EPZ, Mombasa
Cybol Agric EPZ Ltd	P.O. Box 48385, Nairobi Tel: 254-20-223369, 210776 Fax: 254-20-241680/9	Athi River EPZ
De La Rue Currency & Security print EPZ Ltd	P.O. Box 38622, 00623 Nairobi Tel: 254-20-880065/6 Fax: 254-20-860767 Email: RonFeenan@ke.delarue.com	De La Rue EPZ, Nairobi

5. EPZ ENTERPRISES		
Enterprise	Contact Address	Location
E.A. Gas EPZ Ltd	P O Box 30930, Mombasa Tel: 254-41-824980, 221216/216400 Fax: 254-41-824982 Email: sovereign@kenyaweb.com	E.A. Gas EPZ, Mombasa
E.A. Molasses EPZ Ltd	P.O. Box 86582, Mombasa Tel: 254-41-224910/312606 Fax: 254-41-213447/340266 Email: vayani@form-net.com	E.A. Molasses EPZ, Mombasa
Earth Oil Kenya Proprietary EPZ Ltd	P O Box 76618, Yaya Centre, Nairobi Tel: 254-45-26348/ 891346 Email: wayne.barratt@earthoil.com	Athi River EPZ
ET Elasto Tech EPZ Ltd	P O Box 99172, Mombasa Tel: 254-41-433928 Fax: 254-41-432921 Email: lakhani@swiftmombasa.com	Kipevu EPZ, Mombasa
Film Studios EPZ Ltd.	P.O. Box 21393, Nairobi Tel: 254-20-572198/573221/3/4/5 Fax: 254-20-571785 Email: filmstud@africaonline.co.ke	Athi River EPZ
Forum International EPZ Ltd.	P.O. Box 81579, Mombasa Tel: 254-41-435298 Fax: 254-41-434866 Email: forum@swiftmombasa.com	Kapric EPZ, Mombasa
Friends & Partners EPZ Ltd	P O Box 27788-00506, Nairobi Tel: 254-45-26101/2 Fax: 254-45-26162 Email: friends_partners@wananchi.com	Athi River EPZ
Global Apparels (K) EPZ Ltd.	P.O. Box 322, Athi River Tel: 254-45-22575 Mobile: (0722) 713524/846555 Fax: 254-45-22452 Email: info@global.co.ke	Athi River EPZ
Golden Light EPZ Ltd.	P.O. Box 14616, Nairobi Tel: 254-20-3747596, 045-20299 Fax: 254-20-3747730 Email: goldbell@nbi.ispkenya.com	Athi River Zone
Indu Farm EPZ Ltd.	P.O. Box 42584, 00100 Nairobi Tel: 254-20-352362/550215-7 Fax: 254-20-550220 Email: info@indu-farm.com	Sameer Industrial Park, Nairobi
Insight Digital Graphics EPZ Ltd.	P.O. Box 45521, 00100 Nairobi Tel: 254-20-8562139/202192 Fax: 254-20-8561773 Email: admin@insight-digital.com	Rafiki EPZ, Nairobi
Insta Products EPZ Ltd.	P.O. Box 1231, 00606 Sarit Centre, Nairobi Tel: 254-45-20318/22961/2 Fax: 254-45-22367 Email: info@insta.co.ke	Athi River EPZ
Ivee Aqua EPZ Ltd.	P.O. Box 47536, Nairobi Tel: 254-45-22580/1 Fax: 254-45-22581	Athi River EPZ

5. EPZ ENTERPRISES		
Enterprise	Contact Address	Location
	Email: iveeasqua@clubintemetk.com	
JAR Kenya EPZ Ltd	P.O. Box 78788, 00507 Nairobi Tel: 254-20-532040/ 532050/ 540058 Fax: 254-20-532090/ 540057 Email: info@jarkenya.com	Sameer Industrial Park, Nairobi
Kapric Apparels EPZ Ltd.	P.O. Box 81579, Mombasa Tel: 254-41-432609/826 Fax: 254-41-434438 Email: sysop@kapric.com	Kapric EPZ, Mombasa
Kencall EPZ Ltd	P O Box 27507, 00506 Nairobi Tel: 254-20-553722/3/5 Fax: 254-20-553674 Email: info@kencall.com	Sameer Industrial Park, Nairobi
Kenya Fluorspar EPZ Ltd	P.O. Private Bag, Eldoret Tel: 254-53-22460/1, 020-565373/ 560619 Fax: 254-53-22414 Email: info@kenyafluorspar.co.ke	Kenya Fluorspar EPZ, Eldoret
Kenya Knit Garments EPZ Ltd	P.O. Box 87789, Mombasa Tel: 254-41-221230/ 223008/ 222849 Fax: 254-41-221188 Email: kenya@honjen.com	Mazerus EPZ, Mazerus
Kenya Marine Contractors EPZ Ltd.	P.O. Box 94022, Mombasa Tel: 254-41-316776/7 Fax: 254-41-314096 Email: bcapel@africaonline.co.ke	Comarco Properties EPZ, Mombasa
Kenya Vegext EPZ Ltd	P.O. Box 1188, 00606 Nairobi Tel: 254-20-650199, 045-22870/940/1 Fax: 254-20-553650 Email: kenyavegext@wananchi.com	Aithi River EPZ
Kevroe Plastics EPZ Ltd	P.O. Box 198, Karen 00502, Nairobi Tel/Fax: 254-20-883004/5, 041-433403 Fax: 254-20-882400 Email: Kevin@kevroe.com	Milstar EPZ, Mombasa
LNC Apparels (K) EPZ Ltd	P O Box 538, Aithi River Tel: 254-45-22060/3 Fax: 254-45-22061	Aithi River EPZ
Logistic Container Center Mombasa EPZ Ltd.	P.O. Box 89256, Mombasa Tel: 254-41-228955 Fax: 254-41-228031 Email: general@lccm.co.ke	Comarco Properties EPZ, Mombasa
Maximus EPZ Ltd	P.O. Box 2383, Mombasa Tel: 254-41-200778/226317/434336 Fax: 254-41-220778/226614 Email: madmus@jambomail.com	Kapric EPZ, Mombasa
Mega Garments Industries (K) EPZ Ltd	P.O. Box 41673, Mombasa Tel: 254-41-432979/586 Fax: 254-41-432960/433057 Email: info@megagarments.com	M.J.P. EPZ, Mombasa

5. EPZ ENTERPRISES		
Enterprise	Contact Address	Location
Middle East Texaco EPZ Ltd	P.O. Box 89758, Mombasa' Tel: 254-41-3433798 Fax: 254-41-3433798 Email: mekenya@africaonline.co.ke	Kapric EPZ, Mombasa
Mirage Fashion Wear EPZ Ltd	P.O. Box 538, Athi River Tel: 254-45-22080/3 Fax: 254-45-22081 Email: mirage@mirage-kenya.co.ke	Athi River EPZ
MRC Nairobi EPZ Ltd.	P.O. Box 513, Athi River Tel: 254-45-22780/1/778/790 Mobile: (254-733)812845/637100 Fax: 254-45-22784 Email: chandra@mrcnairobi.com	Athi River EPZ
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Nutro Manufacturing EPZ Ltd	P.O. Box 10100, 00100 Nairobi Tel: 254-45-26205/6/7 Fax: 254-45-26208 Email: info@nutro.co.ke	Athi River EPZ
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Penguin Paper & Book Co. EPZ Ltd	P.O. Box 85382, GPO Mombasa Tel: 254-41-3434302/3434809 Fax: 254-41-3434302 Email: penguinpaper@wananchi.com	Penguin Paper EPZ, Mombasa
Plastex EPZ Ltd	P.O. Box 1461, Mombasa Tel: +254-20-823513-6 Fax: +254-20-823927 Email: info@plastexepz.com	Plastex EPZ, Mombasa
Plastic Compounders EPZ Ltd.	P.O. Box 89461, Mombasa Tel: 254-41-803318/ 802219, 435035 Fax: 254-41-435032/ 020-862594 Email: info@polymer.co.ke	Miritini Industrial Park, Mombasa
Pontact Productions EPZ Ltd	P.O. Box 64918-00820, Nairobi Tel: 254-20-8562386 Fax: 254-20-8562133 Email: pontactepz@mitsuminet.com	Rafiki EPZ, Nairobi
Premium Machinery Distributors EPZ Ltd.	P.O. Box 32288, 00800 Nairobi Tel: 254-20-8562388/805	Rafiki EPZ, Nairobi

5. EPZ ENTERPRISES		
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Rising Sun (K) EPZ Ltd.	P.O. Box 428, Athi River Tel: 254-45-20047/49/70 Fax: 254-45-200101 Email: risingsun@risingsunkenya.com	Athi River EPZ
Rolex Garments EPZ Ltd.	P.O. Box 10, Athi River Tel: 254-45-22039/1 Mobile 254-722-393585/ 528997 Fax: 254-45-22139 Email: rolex@clubintemetk.com	Athi River EPZ
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Rupa Cotton Mills EPZ Ltd.	P.O. Box 5050, Eldoret Tel: 254-45-22796/ 20065 Fax: 254-45-22143 Email: factory@kenknit.com	Athi River EPZ
Sahara Stitch EPZ Ltd.	P.O. Box 43832, 00100 Nairobi Tel: 254-20-8580843/ 894/970 Fax: 254-20-8561377 Email: saharastitch@vaiani.com	Rafiki EPZ, Nairobi
Senior Best Garments EPZ Ltd	P.O. Box 93351, Mombasa Tel: 254-41-3433889/8 Fax: 254-41-3433883/3434389 Email: senior.best@wananchi.com	Zois EPZ, Mombasa
Shipmarc EPZ Ltd.	P.O. Box 99543, 80107 Mombasa Tel: 254-41-229241/2/3, 316776/07 Fax: 254-41-221390 Email: info@shipmarckenya.com	Comarco Properties EPZ, Mombasa
Shin Ace Garments (K) EPZ Ltd.	Box 87337, Mombasa Tel: 254-41-3434845 Fax: 254-41-3434312 Email: shin.ace@swiftmombasa.com	Emirates EPZ, Kwa Jomvu, Mombasa
Sin Lane (K) EPZ Ltd.	P.O. Box 87337, Mombasa Tel: 254-41-3433833, 3434112 Fax: 254-41-3433840 Email: sinlane@swiftmombasa.com	Emirates EPZ, Changamwe, Mombasa
Sinolink Kenya Garment Manufacturing EPZ Ltd	P.O. Box 83218, Mombasa Tel: 254-41-3434238/ 279 Fax: 254-41-3434231 Email: Kenya@sinolinkepz.com	Kingorani EPZ, Mombasa
Supreme Plastics (Africa) EPZ Ltd	P.O. Box 2816, 80100 Mombasa Tel: 254-41-432159 Email: somji@supremeafrica.com	Kipevu EPZ, Mombasa
Tex Care Africa EPZ Ltd.	P.O. Box 93410, Mombasa Tel: 254-041-434362	Kapric EPZ, Mombasa

Key Business Contacts in Kenya

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5. EPZ ENTERPRISES

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United Aryan EPZ Ltd.	P.O. Box 128 Village Market, Nairobi Tel: 254-20-861950/1/2 Fax: 254-20-861915/53 Email: amib@unitedaryan.net	Indigo EPZ, Nairobi
Upan Wasana EPZ Ltd.	P.O. Box 16730, 00620 Nairobi Tel: 254-20-8580982/3, 803063, 802073 Fax: 254-20-8582749 Email: kumar@upanwasana.com	Upan Wasana EPZ, Nairobi
Wildlife Works EPZ Ltd	P.O. Box 310, Voi Tel: 254-43-30062/ 2530 Fax: 254-43-30062 Email: info@wildlife-works.com	Wildlife Works EPZ, Maungu, Voi
YKK Kenya EPZ Ltd	P.O. Box 16455, Mombasa Tel: 254-41-3432101 Fax: 254-41-3435076 Email: ykk@kenya.com	Kapric EPZ, Mombasa

6. SECTORS

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GARMENT MANUFACTURING COMPANIES UNDER EPZ PROGRAM

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Apex Apparels EPZ Ltd	P.O. Box 661 Village Market, Nairobi Tel: 254-20-8560505/8560214 Fax: 254-20-8560767 Email: info@apexapparelskenya.com	Indigo EPZ Nairobi
Ashton Apparel EPZ Ltd.	P.O. Box 43371, Mombasa Tel: 254-41-434251/ 435439 Fax: 254-41-435436 Email: Admin@Ashton-Apparel.com	Ashton EPZ, Mombasa
Baraka Apparel EPZ Ltd	P.O. Box 9968, 00100 Nairobi Tel: 254-20-652076-88 Fax: 254-20-652077/78/ 74530 Email: baraka@barakaapparel.com	Unique Sun Apparels EPZ, Nairobi

POWER NETWORKING DIRECTORY

KPRA

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In an effort to raise the bar in the real estate industry KPRRA with their partner have introduced Industry Awards to allow the Industry to highlight key sectors and players in this respective categories:

AWARDS CATEGORIES

- 1 Jump Start Award - Rookie of the year
- 2 Property web portal of the year
- 3 Hospitality hotel of the year
- 4 Entrepreneur of the year
- 5 Interior Design of the year
- 6 Green Building & New Technologies
- 7 Golf Development project
- 8 Developer of the year
- 9 Affordable Housing Initiative Award
- 10 Corporate Professional of the year
- 11 Kitchen Wardrobes & Appliances
- 12 Legend Award (Pinnacle of Excellence)
- 13 Mortgage Company of the Year
- 14 Property Manager Company of the Year
- 15 Project Financers of the year

NOMINATION PROCESS

Nomination process forms are available at the real estate report website

www.realestatereport.co.ke and at www.kprakenya.co.ke.

You may nominate yourself, your company or others may nominate you in the whole process.

SELECTION AND AWARDS

A selection committee of industry experts and professional has been constituted through a stringent process and proven by KPRRA in partnership with Pinnacle of Excellence.

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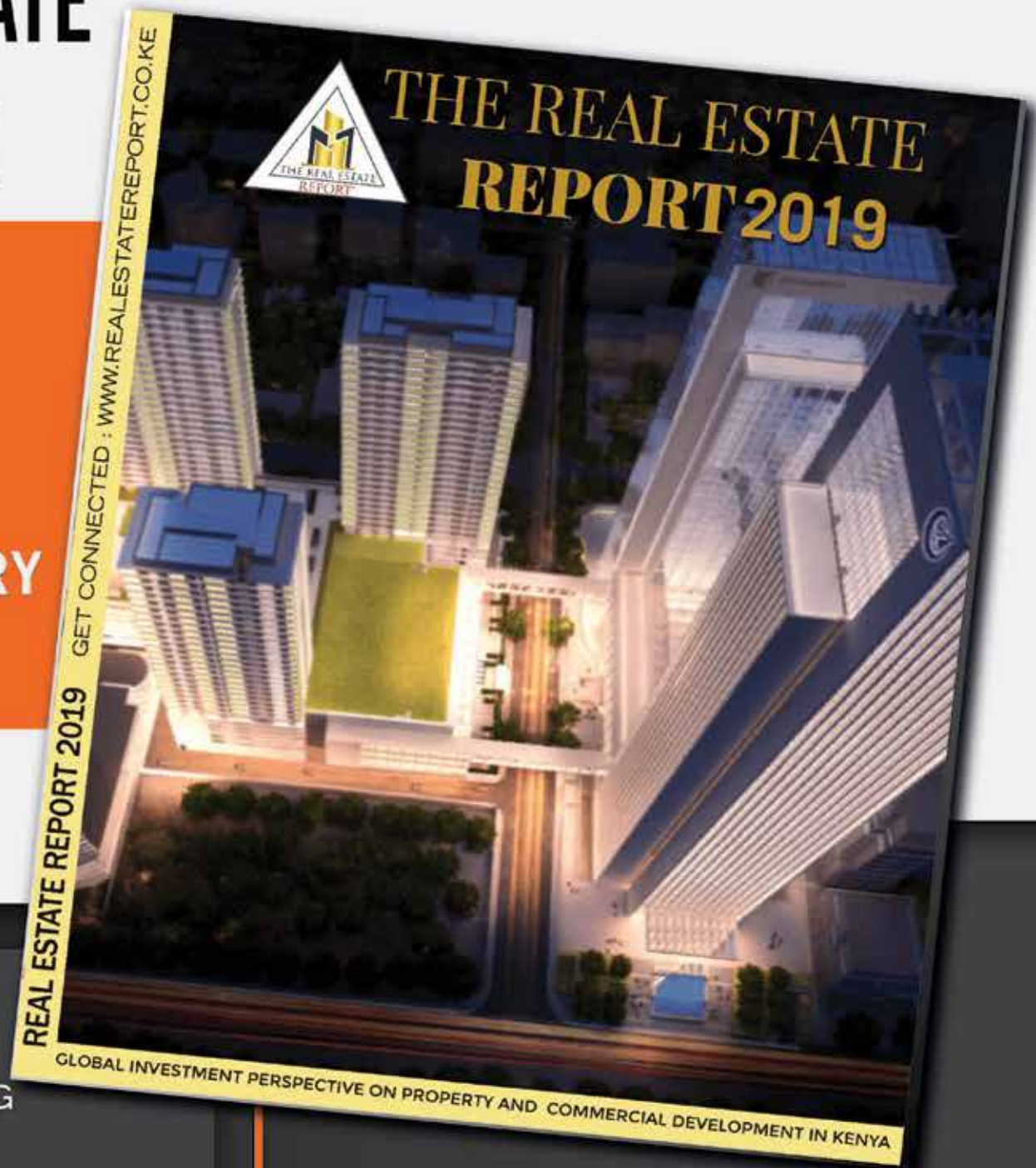


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