



MML

Project & Development Managers

MML

Newspaper Review

1st- 13th December 2014

1.0. Money Matters & Market Trends.

1.1. Nairobi building plans value flat in nine months.

The total value of building plans residential and non-residential approved by Nairobi County's department of Planning Compliance increased by just 1.2 per cent in the first three quarters of the year. Latest data from the KNBS show that the city-county approved building plans worth an estimated Sh158.82 billion in the nine months to end of September, slightly up from Sh157 billion in a similar period last year

<http://www.the-star.co.ke/news/nairobi-building-plans-value-flat-nine-months>

Source: The Star, Wednesday December 3, 2014

1.2. KCB rejigs mortgage division with appointments.

KCB has appointed Sam Muturi as mortgage director in a reorganization that saw immediate former head of the division, Joram Kiarie, move to its Ugandan subsidiary. In a statement to the Star, KCB Group said at least six senior executives and directors have exited from the lender's management over the past two years "on personal volition and also as a result of corporate restructuring".

<http://www.the-star.co.ke/news/kcb-rejigs-mortgage-division-appointments>

Source: The Star, Wednesday December 3, 2014

1.3. Online property sites drawing more renters than buyers.

A majority of Kenyans browsing online property sites look for rental apartments, a report by Lamudi, a portal that focuses on emerging markets has shown. Lamudi, in its first property report for the Kenyan market, says that seven out of 10 users are searching for rental apartments while the rest look for properties to buy.

<http://www.businessdailyafrica.com/Property-websites-drawing-more-renters-than-buyers/-/539552/2540304/-/yunvtcz/-/index.html>

Source: Business Daily, Monday December 1, 2014

1.4. Construction up in Kitale as sector thrives.

A Kitale based housing cooperative society has completed the construction of a building at a cost of Sh75 million. Club 100 Co-operative Society said the building will be let to generate rent income for the union. The development is located near the Nyayo market, owned by the savings and credit co-operative society, which it built at an estimated Sh6.5 million.

<http://www.the-star.co.ke/news/construction-kitale-sector-thrives#sthash.QbOqZXO3.dpuf>

Source: The Star, Wednesday December 10, 2014

1.5. Bookpoint owners put prime property up for sale.

Owners of the troubled iconic Bookpoint store have put the shop up for sale and other family property whose total value is estimated at Sh800 million. The sale comes amid a bitter family dispute that has resulted in closure of one of Nairobi's oldest bookstores after more than seven decades in operation.

<http://www.businessdailyafrica.com/Corporate-News/Bookpoint-owners-put-Sh800m-property-up-for-sale/-/539550/2541446/-/4n9ae8/-/index.html>

Source: Business Daily, Tuesday December 2, 2014

1.6. MasterCard to open research lab in Nairobi next year.

The facility will be equipped to develop and deploy new payments systems such as mobile money apps and cashless payments that will make transactions faster and easier for consumers. The Nairobi-based research and innovation facility will become the eighth MasterCard Lab in the world after those in Silicon Valley, St Louis, Miami, New York, Dublin, Singapore and Sydney.

<http://www.businessdailyafrica.com/Corporate-News/MasterCard-to-open-Sh1bn-Africa-research-lab-in-Nairobi/-/539550/2548232/-/k3m0skz/-/index.html>

Source: Business Daily, Monday December 8, 2014

2.0. Residential Property Market.

2.1. Nyali housing revolution continues.

Nyali has seen an increase in the number of luxury apartments, which started coming up with the commercialization of Nyali a few years ago, opening up the area to the middle class at a time when Nyali was characterized by luxury duplexes, maisonettes and bungalows.

Source: The Standard, Thursday, December 4, 2014

2.2. Low priced homes set for Athi River.

A consortium of American, Indian, British and Kenyan is putting up affordable houses in the outskirts of Nairobi targeting first-time homebuyers. Blue Haven Initiative from the USA has partnered with Indian firm MDHI and investors from the UK and Kenya in a Sh3 billion homes development in Athi River, Machakos County, which is accessible to the capital.

- <http://www.the-star.co.ke/news/low-priced-homes-set-athi-river>

Source: The Star, Wednesday December 10, 2014

2.3. Migori demand up for stand-alone homes.

Demand for stand-alone homes for rent has increased in Migori town, largely driven by a growing number of well-paid county employees, elected officials and private sector staff. This has created a fortune for property owners who have built rural homes but reside elsewhere, such as in Nairobi, earning them extra income while ensuring their houses remain in good shape.

<http://www.the-star.co.ke/news/migori-demand-stand-alone-homes>

Source: The Star, Wednesday December 10, 2014

2.4. Technology cuts cost of housing at the Coast.

A new entrant into Mombasa's real estate market has introduced a new construction technology, which it says will push down housing prices significantly. Goldwyne Consult, the technology's proponent, said the model involves construction of houses with fewer walls and inside corridors, effectively reducing the quantity of construction materials and final costs.

Source: The Star, Wednesday December 10, 2014

3.0. Commercial Hotel Property.

3.1. Upgrade of Bomas into business tourism Centre starts.

PWC has been contracted by the government to advice on the planned expansion of Bomas of Kenya from a cultural centre into an international conference hub. PWC will carry out a feasibility study on the

project that will host hotels, conference and exhibition centres and recreation parks among other facilities.

<http://www.the-star.co.ke/news/upgrade-bomas-business-tourism-centre-starts>

Source: The Star, Friday December 5, 2014

3.2 Global hotel chains invest in East Africa's growing tourism sector.

East African Community member states plan to double the number of tourists to 10 million annually on the introduction of a Single Tourist Visa, classification of hotels, increased marketing spend and training of personnel in the hospitality industry. Last year, 11 hotels opened in Kenya increasing the room capacity by 1,493; three hotels opened in Tanzania increasing the room capacity by 157, and Uganda had two new hotels increasing the room capacity by 640. In Rwanda, two hotels opened, increasing the country's room capacity by 492.

<http://www.theeastafrican.co.ke/business/Global-hotel-chains-invest-in-East-Africa-growing-tourism-sector/-/2560/2546898/-/1bgqfv/-/index.html>

Source: The East African, December 6-12, 2014

3.3 Hotel chain in sh2.5b project at the Coast.

Pride Inn group is putting up a 280 room hotel in Shanzu. The hotel will include two presidential suites and a conference facility for 1500 people. The group is putting up another hotel development in Kisumu at a cost of sh 300 million.

Source: The Standard, Thursday December 11, 2014

4.0. Commercial Retail Property.

4.1. KFC opens Nairobi's first drive-through food outlet.

The outlet located at a Total petrol station will see customers order, pay and pick up their food while still in their cars. The franchise is promising customers a service time of between two and five minutes from the point of making an order to the point of exit. The store which is a joint venture between Total and KFC cost \$1 million investment (Sh90 million) to set up.

<http://www.businessdailyafrica.com/Corporate-News/KFC-opens-Nairobi-first-drive-through-food-outlet/-/539550/2541448/-/m3nl7tz/-/index.html>

Source: Business Daily, Tuesday December 2, 2014

4.2. Shopping malls in vogue as developers target Eldoret.

Real estate investors in Eldoret have shifted focus towards commercial and retail space to tap demand from lifestyle-driven businesses that serve a growing class with disposable incomes. At least three malls are under construction currently targeting to house hotels, banks, boutiques and supermarkets as one-stop shopping centres.

<http://www.the-star.co.ke/news/shopping-malls-vogue-developers-target-eldoret>

Source: The Star, Wednesday December 10, 2014

5.0. Commercial Office Property.

5.1. Nairobi's coming office glut.

MML, in the office market report for the second half of 2014, warns of a looming surplus of office space in the city in the coming few months if there is no corresponding uptake of what is on offer now, or will be on offer soon. The year also brought an acceleration in office building in the city's outer suburbs, with Gigiri, Thika Road and Karen accounting for more than a quarter of all new office buildings delivered in and around Nairobi this year.

<http://www.nation.co.ke/lifestyle/DN2/Nairobi-office-market-on-brink-of-oversupply/-/957860/2543856/-/fyalti/-/>

Source: Daily Nation, Thursday December 4, 2014

5.2. Oversupply: Nairobi office market headed for glut.

The future looks bleak for office space developers in Nairobi, if the latest report is anything to go by. Mentor Management Limited (MML) last week unveiled its Nairobi Office Market Report for the second half of 2014 with warnings of a looming glut of office space in Nairobi.

<http://www.standardmedia.co.ke/lifestyle/article/2000143459/oversupply-nairobi-office-market-headed-for-a-glut>

Source: The Standard, Thursday December 4, 2014

5.3. Companies shun Nairobi buildings that lack adequate parking space.

Nairobi is staring at a glut of office space, with low uptake attributed to low quality of new-builds and inadequate parking lots, a real estate services firm has forecast. In its second half 2014 Nairobi Office Market Outlook report, MML says the impact will be felt in just over 12 months, particularly in Upper Hill and Westlands.

<http://www.the-star.co.ke/news/companies-shun-nairobi-buildings-lack-adequate-parking-space-report>

Source: The Star, Wednesday December 3, 2014

5.4 Mauritius bank opens Kenya office.

The oldest and largest bank in Mauritius has opened a representative office in Kenya, joining a growing list of foreign lenders from Kenya's trading and business partners seeking a foothold in the country. The bank is now set to be the eighth to have a representative office in Nairobi.

<http://www.businessdailyafrica.com/Mauritius-bank-opens-Kenya-office/-/539552/2548168/-/tp9x6xz/-/index.html>

Source: Business Daily, Monday December 8, 2014

6.0 Legal Affairs.

6.1. Naivas five get court orders to sell big brother's Nairobi shop.

High Court judge Fred gave the green light to the younger siblings who control Naivas —to recover Sh12.1 million from Mr Nyoro's Greenmart Supermarket in Nairobi's Kayole estate. The siblings told the court that Naivas had supplied their elder brother with stocks worth Sh46.3 million between 2008 and 2009 but he had refused to settle the debt.

<http://www.businessdailyafrica.com/Corporate-News/Naivas-siblings-to-sell-brother-shop/-/539550/2541584/-/4r5mn/-/index.html>

Source: Business Daily, Tuesday December 2, 2014