



**PRESENTATION BY:
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**NEW PARTNERSHIPS ANCHORED BY
PENSION FUNDS IN PROMOTING
AFFORDABLE HOUSING**

Kenya's Affordable Housing Government Incentives

TAX INCENTIVES

- **16% VAT recovery on construction materials**
9% reduction in construction costs
- **15% corporate tax for units more than 100**
4% reduction in unit price
- **Import declaration fee for AHP products at 2%**
Other imports at 3.5%
- **Railway development levy at 1.5%**
Others at 2%



Other Government Incentives

Funding of bulk infrastructure

Development split allowance of 70%
-30%

Creation of a housing fund through
Boma Yangu housing portal

Zero rating on Stamp Duty

Affordable Housing Opportunities

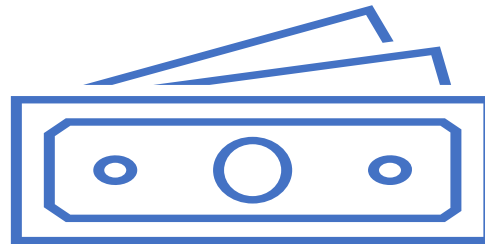


- **Access of up-to 40% of members contribution to purchase a home**
Maximum of up-to about USD 70,000
- **New Asset Class allocation by RBA of 10% for Affordable Housing**
- **Additional 30% asset allocation to REITS**

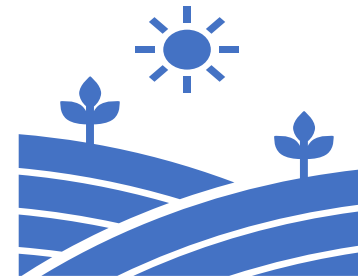
The Key issues



Competing Assets



End User Finance*



Land Issues

CPF'S Affordable Housing Initiatives

**CPF
Affordable
Housing
Project
pipeline**



CPF'S Affordable Housing Initiatives



CPF Affordable Housing Project pipeline

- **Countrywide roll-out in various Counties**
- **Phased out the projects guided by market validation**



AHP Partnerships are key in realizing the affordable housing dream in Africa





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