



THE IMPACT OF PENSION FUNDS AND INSTITUTIONAL CAPITAL TO EAST AFRICA'S PROPERTY MARKET

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Kenya's Pension Sector

- **Size:** Approx. USD 11 Billion
- **Property Exposure:** 11%
- **Maximum Regulatory Limit:** 30%
- **Main Property Investors:** NSSF-K, County Government Pension Schemes, Parastatal Pension Schemes, Large Private Sector Pension Schemes.
- **Regulation:** Retirement Benefits Authority (RBA)
- **Key Trend:** Direct investments in Residential units, Office blocks and idle land.



Uganda's Pension Sector

- **Size:** Approx. 3 Billion
- **Property Exposure:** 5%
- **Maximum Regulatory Limit:** 30%
- **Main Property Investors:** NSSF-U and Quasi-Government/Parastatal Pension Schemes.
- **Regulation:** Uganda Retirement Benefits Regulatory Authority (URBRA)
- **Key Trend:** Direct investments in office blocks and idle land

Tanzania Pension Sector

- **Size:** Approx. USD 4.5 Billion
- **Property Exposure:** 21%
- **Maximum Regulatory Limit:** 30%
- **Main Property Investors:** NSSF, PSPF, PPF, LAPF and GEPF
- **Regulation:** SSRA and Bank of Tanzania
- **Key Trend:** Direct investments in Office blocks, Close control and partnership with Government in property investments and merging of the 4 sector public pension funds.





Rwanda's Pension Sector

- **Size:** Approx. USD 800 Million
- **Property Exposure:** 14%
- **Maximum Regulatory Limit:** 35%
- **Main Property Investors:** RSSB
- **Regulation:** National Bank of Rwanda (BNR)
- **Key Trend:** Direct investments in Office blocks and Residential units.



Key Institutional Property Sector Investors

- Pension Schemes
- Insurance Companies
- Universities
- Large local and foreign building contractors
- HNWIs SPVs



Opportunities

- Educational facilities
- Industrial Parks
- Residential - Good quality and quantity apartment blocks for global operators.



Challenges

- Cost of construction especially land prices
- Cleanness to Title
- Access to finance for end users
- Small mid-income population
- Conveyance and building approvals



Conclusion

1. Pension sector is yet to fully utilize its allowable property exposure allocation
2. Property sector still growing at a acceptable double digit rate
3. Property sector still attracting both local international institutional capital
4. Ongoing improvements infrastructure to continue spurring growth of the property sector
5. Access to affordable credit key for end-user (mortgage) market growth



THANK YOU