

# JUNE 2018 NEWSLETTER

## Featured Project Garden of Joy

Homely ambience  
stirring a tranquil,  
friendly, joyful feeling



COYA AWARD WINNER  
Best in Customer Orientation  
and Marketing  
2015 - 2016



Voted No. 1  
Top Mid-Sized Company In Kenya  
and The Best In Real Estate  
2014.





## Word from the CEO

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# BEHOLD: THE GARDEN OF JOY



Mr. George Wachiuri  
C.E.O Optiven Group

I would like to introduce to you a great piece of property, especially for those of us who are keen to settle our families in a peaceful yet very easily accessible place.

The Garden of Joy is an all-inclusive community development located off Kangundo road and only 1.3Km off tarmac. This property is 45Kms from Jomo Kenyatta International Airport and only 7 minutes' drive from Koma Town.

Nestled at the middle of magnificent sceneries, Garden of Joy is surrounded by breathtaking views of Koma Hill, Mua Hills and Kangundo Hills.

This homely ambience stirs a tranquil, friendly, joyful feeling, great for a comfortable and convenient lifestyle. Garden of Joy is the finest family-friendly development, it comprises of both residential and commercial properties.

This is a secure gated community that is already fully fenced. We shall ensure the internal murram roads are fully done, the project will be made suitable for immediate settlement with house designs, water and electricity on ground.

The residential properties consist of plots arranged in Zones which offer smaller, convenient and organized communities within the larger garden Of Joy Community.

The Garden of Joy is an organized project that will enable the families to interact easily and also have a splendid, urbane and stylish community set up.

The Garden Of Joy comes with amongst other amenities: A Lot of Green spaces with a spectacular Lake Optiven; A splendid children playground; A great eco-friendly green zone suitable for birds watching; Outdoor activities including a prayer/ Meditation Park and picnicking zone. The space will have an outstanding futuristic gateway with remarkable recreational facilities.

Other amenities include: Water on site - Optiven will drill a borehole & set up water storage for your convenience; Caretaker on site; Nice access gate; Free House designs & cost estimates and an option of choosing from Three (3) building contractors.

Our long term plans is to have amongst other facilities: A spiral watch tower to enable you to enjoy GREAT sceneries; The Track of Joy, which is a Jogging track for your health; Thousands of trees across the entire project and a Trees & flowers nursery to transform the garden to a place of great natural joy and A volleyball pitch for recreation

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<https://www.optiven.co.ke/properties/garden-of-joy>



# How to Make **THE BIGGEST** **HOME OWNERSHIP CHOICE IN KENYA**

The housing demand in Kenya is all-time high and Kenyans are exceedingly keen on acquiring shelter. There are two open options available for them; either to build their own house or take a mortgage. According to the World Bank, there is an estimated accrued housing deficit of over 2 million units, and nearly 61 percent of urban households live in slums.

The Breton Woods Institution points out that there are fewer than 25,000 mortgages outstanding in Kenya; with an average size of Ksh 8.3 million (US\$80,000 at a current Ksh /USD rate of 103.7), up from Ksh 4.1 million in 2010, primarily as a result of higher property prices.

In my 18 years' experience in the Real estate sector in Optiven Group, I have observed one interesting trend; thousands of Kenyans prefer to build their own homes as opposed to taking mortgages. Drawing from this aforementioned expertise, here are 5 Reasons why they prefer building:

**1. Affordability:** The Mortgage rates are very high going up to 21% and the lowest being at 14%. This puts off many potential house buyers who prefer building their own homes. On the other hand, realtors go overboard their budget just to buy an already built house. However, building ones house is cheaper since there is no markup or the third party expenses. When you build your own house, you fit your own budget. You build a customized house as opposed to mortgage where you pay for an already built house. For instance, you may not need a swimming pool yet a mortgage might make you pay for it. In relation, you get to negotiate prices of building materials and you are able to cut on the labor cost. In addition, the procedure to obtain a mortgage comes with various extra costs. These include house searches, valuation and legal costs. The process might take up to 8 months.

This is time consuming and tiresome.

**2. Customization Effect:** Mortgage houses are standard and fundamental. Kenya is a diverse society with different cultures, choice and preference and most prefer. Therefore, many people would prefer having a customized house that suits their choice of material, size, space etc. Furthermore, people are becoming space-conscious hence would want to maximize on any space available. A touch of added features like counter tops or upgraded flooring would also come a long way. Owning a house gives one the ability to incorporate energy-saving appliances such as the solar system that cuts on costs.

**3. Modernization and fashion:** Building a home brings an ambience of modernization and fashion. Every aspect of that house is new. On the other hand, buying a house might be overwhelming. Maybe the interior fittings used are archaic and refurbished. By doing your very own house, you avoid such pitfalls.

**4. Gives a Sense of Responsibility:** This is because you get a chance to set up your own house at your preferred location, which is a major plus. It just feels great when you realize you were able to take care of something from the on-set to completion.

**5. You are able to choose your own architectural design:** Arguably, finding a house that perfectly matches your design preferences isn't likely. The visionary ideas can be made possible not only with the inspirational ideas and sketchbook but also made reality by finding your own architect. The only way to translate this into reality is to have your own land, get in touch with the best architect, then come up with a classic design that matches your dream.

*Those who prefer the Mortgage way have the following Reasons:*

**1. Mortgage gives one the discipline to save and invest at the same time:** This is totally efficient for someone looking after a long-term goal. For the vast majority, it is impossible to buy a home without a mortgage. Getting a couple of hundreds of thousands together to put down as one lump sum is a privilege reserved for very few, and therefore mortgages comes in handy and it could be the biggest, fastest purchase you can ever make in an attempt to own a house. The Mortgage enables the owner to enjoy the house immediately instead of renting if you were to have taken the building option.

**2. Appreciation:** The house on mortgage, though expensive, it appreciates with time and helps one to reduce on rental cost. Houses generally go up in value over time and that means if you bought a mortgage house at KES 1M, after a couple of years it will cost close to double or more of the initial price, depending on the appreciation value, which is an advantage.

**3. Time Saving:** Owning a home is a goal that burns bright in many people, but the process of building that dream home looks almost impossible. It evokes some sense of security knowing that your home is fully paid off. Then the mortgage plan is for you who need a dream home, without too much hassle of the whole building plan. It becomes the best time-saving option.

**4. Tax Relief:** Mortgage enables one to enjoy tax relief especially if it is their first residential house. As a homeowner, you get to deduct both mortgage interest and property taxes from your annual income taxes. If you are a new homeowner, you enjoy even more benefits because most of the money you pay on your mortgage goes on the interest.



# Financing Options for **LAND PURCHASE.**



Buying land allows you to build the home of your dreams and conserve a slice of nature. However, land can be expensive in high-demand areas, so you may need a loan to fund your land purchase. In spite of having the idea of the kind of land you want, the start-up process of acquiring it may seem difficult, especially if you do not have all the required resources especially finance.

The financing is the key element for this type of venture. You have to explore different types of financing options to be sure of what really suits you. Below are some financing options you can opt for:

**Savings:** Just like you would save to get any other purchase, saving to buy land is also very prudent. Saving is actually the easiest and most effective way to provide your own financing. Self-financing to purchase a plot makes you know just how much money is required to get the particular plot and this means you will not have to fret or spend time trying to secure other forms of funding from investors or banks. Saving gives you much control of your money compared to other financing options. It also means that you don't need to pay back or rely on outside investors or lenders, who could decide to withdraw their support at any time. By saving, you walk at your pace and this basically gives you a sense of responsibility and ignites a culture of saving even later on once you successfully acquire a plot through saving. You can gather friends and family as well, to help you finance for the purchase of land.

**Pooling Resources (e.g. *chamas*, *Saccos*, investment groups e.t.c):** This means grouping resources together for the

purpose of maximizing advantage or minimizing risk to the users. If you are not able to fully finance yourself as an individual to buy a plot that should not be a hindrance to owning a plot. If you are part of one of these small organizations, they simply can lend you a sum of money to top up on what you already have through your savings. This goes a long way in assisting you own property. Good thing with this type of financing is that the interest rates are very low, and that is definitely a plus.

**Borrowing from a financier:** One of the first places most people start is with a bank loan. This is considered the traditional financing route and involves setting up a meeting with local banks—preferably ones you already did business with—and talking to them about their small business lending practices. You are required to fill out a loan application form, with basic information following their legal procedure and verification of whether you are listed, or you pay taxes and whether you will be able to pay it off eventually. This may take a couple of weeks to verify whether indeed you qualify and if you do, it is disbursed to you. With this option though, you will pay it off with a higher interest, but in the long run it is worth it, because you get what you couldn't have acquired at the time.

**Installment Option:** This is an option where you get a piece of land you are interested in through speak to the buyer, and coming up with an option of paying in installments. You get to make the first fixed deposit of the value of the land, and then you can pay the balance in installment upon an agreed time frame.

# Questions to answer before **ENGAGING A REAL ESTATE COMPANY**

With the emergence of real estate as a lucrative business in many parts of the world, many companies have cropped up bearing the same name. The market is flooded with posters advertisements everywhere on the streets and social media claiming to sell property. It is very easy for unsuspecting yet uninformed clients to be duped off their hard earned money. Such, are not rare cases, they happen every day; people are lured into a trap that render them bankrupt and traumatized. This article is designed to help you not fall for the lies peddled by some 'real estate companies', but rather help you gauge between a genuine company and those that masquerade as real estate companies.

- **Is the company operating on a legal license?**

Depending on the jurisdiction of your country or even state, there are rules that govern registration of companies and more specifically those that deal with real estate. With the digital world, it very easy to establish if a real estate company is operating on a legal licenses. You can simply log in into the website of the board concerned with the issuing of licenses and check out using a specific number given to every real estate company. You will also be able to find out if the company is under any disciplinary action for violating the laws of the land or if it has any pending court cases. If you cannot establish the aforementioned, the only prudent thing to do is to keep looking for another company.

- **How long has the company been in the industry?**

Old is gold. A company that has been in the market for quite some time knows perfectly how to navigate through any surges that arises. For instance, such companies know how to strategically invest in land, the areas that have potential to develop as well as the development of social amenities. Such companies have built a foundation upon which it stands therefore; you can easily get testimonials if you take the initiative to ask around. Better still, you can read customer reviews on their websites to help you get a clear picture of the kind of people you are dealing with. With the new players in the market, you are likely to go wrong by choosing them as your partner. Choose a company that has a vast experience in what it is doing.

- **Can the company be trusted?**

Humans are created in a way that they keep searching for people who they can trust with their life monumental decisions. In this scenario, you need trust more than ever because money is involved. It is thus important to find a real estate company that not only meets your needs, but also one that can be trusted to hold up its end of the bargain.

- **Is the company a general one or it has its specialty?**

Just like we spend hours reading through necessary materials before facing a job interview panel, it is also wise to do a thorough search online and find out more

about the company you want to engage in for your real estate needs. Some companies deal in selling of land only, other deal with selling of property such as already constructed house while others deal in both. Before you actually meet the real estate agent, have a comprehensive idea about the company. An informed person is a dangerous one that cannot be easily toyed around with. Be one.

- **Which referrals have been suggested to you?**

Before settling for a real estate company, you can always find out from your friends who have been on the same road as you. They are actually the best people to give you reliable information about the companies that offered them the best services. Therefore, getting at least two or three referrals from their clients would give you an idea of who you are about to deal with and how to deal with them. Be wise, ask the right people.

- **Have you checked the current listings?**

Being a tech savvy for most companies in business is a plus. This is because of their ability to market their products and services online to both new and existing customers. This gives prospective clients a chance to look them up online and explore their offers. However, this would only be successful if they are listed on the web. It also depends with the manner in which their services and products are presented online. If they are diligent, is a clear indication of the value they place on their clients.

- **Does the company have the legal operating credentials?**

A legitimate company will have the right credentials and all their legal documents would be up to date. Selecting a company with the right credentials will save you from dealing with a fraudulent company. In fact, you can humbly request to have a look at them to ascertain if they are legally operating.

If you are planning on purchasing a piece of land for commercial purposes or residential, do visit our website [www.optiven.co.ke](http://www.optiven.co.ke) to view some of our current offers, in various parts of the country.



# Ways to Transform Victory Gardens Phase 4 **INTO A MONEY MAKING VEHICLE**



We all recognize the potential financial rewards we could attain from real estate investment. The benefits tend to outweigh the costs. Victory phase 3 is one of those opportunities that come once in a lifetime. It is An Optiven Group's super value added, ultra-modern flagship gated project that offers a golden opportunity to investors to be part of Kenya's economy.

This project is 16.2 miles away from Kenya's premier Jomo Kenyatta International Airport, 8 miles from the new Standard Gauge Railway's (SGR) Athi River Station and only 2 miles from the Namanga Highway.

There are numerous benefits that come with our Victory Phase 4 gardens as outlined :-

**1. Transit Accommodation:** You are able to choose the option of coming up with furnished and secure houses for temporary leasing. Consequently, this brings you a worthy return in the long run. Leasing for instance enables a lessee acquire the use of an asset without making capital investment in buying the asset. The lessee may accrue 100% finance from lease financing and avoid initial investment on the margin money as required under loan financing. However, some leasing companies demand that first leased rent ought to be paid in advance.



**2. Another benefit for leasing land** would be that the owner of the asset can claim various tax benefits such as depreciation, investment allowance, etc. leasing has been successfully employed by the leasing companies to reduce their tax liabilities. This makes money for you altogether as the leaser, as the land keeps on appreciating in value. And at times, lease financing through third parties has also helped manufacturers increase their sales. The leasers are also in a position to demand certain concessions from the manufacturers.

**3. Go Rentals:** Rental homes offer reliable constant income. This is a preferred best gated and secure estate for top executives in Kitengela such as bankers, managers, doctors, teachers, top business entrepreneurs and industrialists. Perhaps the biggest benefit of owning rental property is that it is a passive income source. This basically means that it is recurring income that requires relatively little effort to maintain. It can be an attractive option for people looking to make extra money or even as additional financial security during retirement. Additionally, rental income may be taxed differently

than employment income. The rate at which houses are gaining demand is pretty much increasing by the day, and it would be awesome if you got to invest in Victory Gardens Phase 3

**4. Go Commercial:** Pick a commercial plot of land from one of the Optiven projects and place a unique business of your choice. The beauty about this option is that you are assured of the many prospective customers living in this gated-community. In a few years' time, this would be a huge gift for you as the land owner. An added advantage of Victory Gardens is that a high end Secondary school is coming





up nearby. The plots are strategically located 16.2 miles from JKIA, 9 miles from the Standard Gauge Railway (SGR) and only 2.5 miles from tarmac. That means going commercial would set you up for a golden opportunity for growth due to readily supplied infrastructure.

**5. Develop & Sell:** Develop properties on the spacious 154m<sup>2</sup> and sell out at Kshs10.5 million. The property rate for the Acacia region ranges between Ksh 12 to 20 Million. Optiven Group works with reliable partners who develop a home for you within a reasonable budget that enables you to put it on market at a great lucrative value. The land at Victory

Gardens comes with many benefits. Being a gated community, it comes with good lighting, constant supply of water, inter-joined roads and a fence to guarantee your security. You are guaranteed a haven to call home.

**6. Buy, Keep & Wait:** Buy the plots and let the land appreciate after some years. The plot you purchased at Ksh1.795M will give you Ksh 8M. At a disposal value. When you buy a piece of land, there is so much you can do with it. You might choose to develop the land and appreciate, and then when selling, usually a developed piece of land accumulates a higher appreciation value compared to a vacant piece of land.

For a vacant land on the other hand, when you buy it at the right price, there are no mortgage payments to make, no utility bills to pay, the cost of property insurance is nominal (if you have it at all) and property taxes are extremely cheap. Then when you finally get to sell it later, it will have tremendously appreciated in value, considering the land is at Victory Gardens. The location is paramount and that is why we encourage investors to invest with us.

# CONTACT US

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