



State Department for Housing and Urban Development, Kenya
Affordable Housing Program Status Update
September 2026



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Brief on the Affordable Housing Program

Overview of Objectives and Achievements So Far



Introduction

The Government of Kenya has a goal to deliver housing on ownership terms for the Kenyan citizens with an ambition to move from 30,000 mortgages to 1,000,000 mortgages with favorable ownership terms that have monthly payments as low as KES 5,000

The Government also aims to bridge the annual gap of 250,000 homes by activating projects across the nation

This ambitious program is being achieved by:

- Focusing on the pipeline to launch ready projects on both national and county level;
- Promoting economic recovery by linking MSMEs and Jua Kali sector to these projects; and
- Making provisions in legislation for cheap and stable financing that will underwrite projects enmasse
- Spurring the Manufacturing sector by creating consumptive demand





Introduction

The development of affordable housing programs is pegged on international standards for affordability, habitability, accessibility, and cultural adequacy.

Accordingly, the policy and legal framework for housing affirms that adequate housing encompasses access to secure tenure, services, infrastructure, facilities, and livelihood opportunities.

Consequently, our development philosophy ensures that our housing projects include the development of necessary and adequate associated social and physical infrastructure.





Housing Policy over the Years

- Pre-independence: 1928 – 1963
- Post-independence: 1963 – 1970s
- Market Growth: 1970s – 1980s
- Market Deepening and Expansion: 1990s – Present





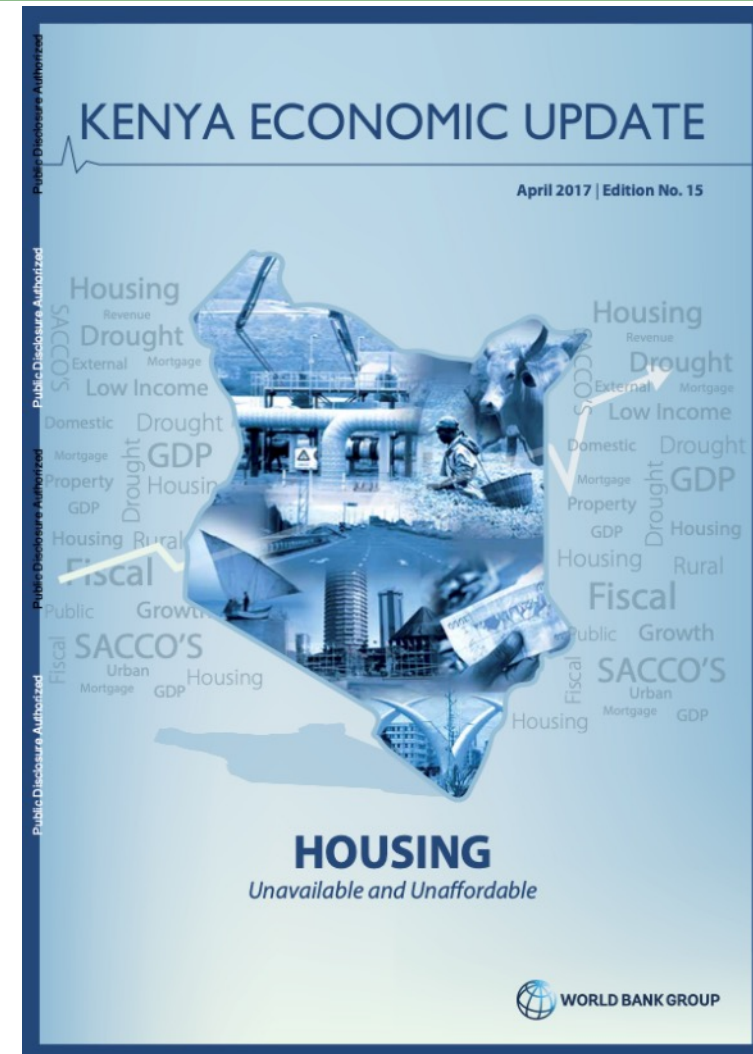
Unaffordable and Unavailable

Case study: Mukuru

689 acres across Mukuru Kwa Njenga, Kwa Reuben and Viwandani — 100,561 households and an estimated 402,000 residents, at 146 households per acre
94% of residents are tenants in iron-sheet shacks, paying about KES 2,500 a month — some KES 230 million a month, or KES 2.8 billion a year, in rent
The poverty penalty: 172% more per cubic meter of water, 45–142% more for electricity, and a charge for every use of a toilet

The national picture — World Bank, 2017

Almost no supply on the market below KES 4 million (\$43,956); the average Nairobi home cost KES 11 million
6.4 million Kenyans living in slums — about 56% of the country's urban population
91% of Nairobi residents renting, with homeownership out of reach

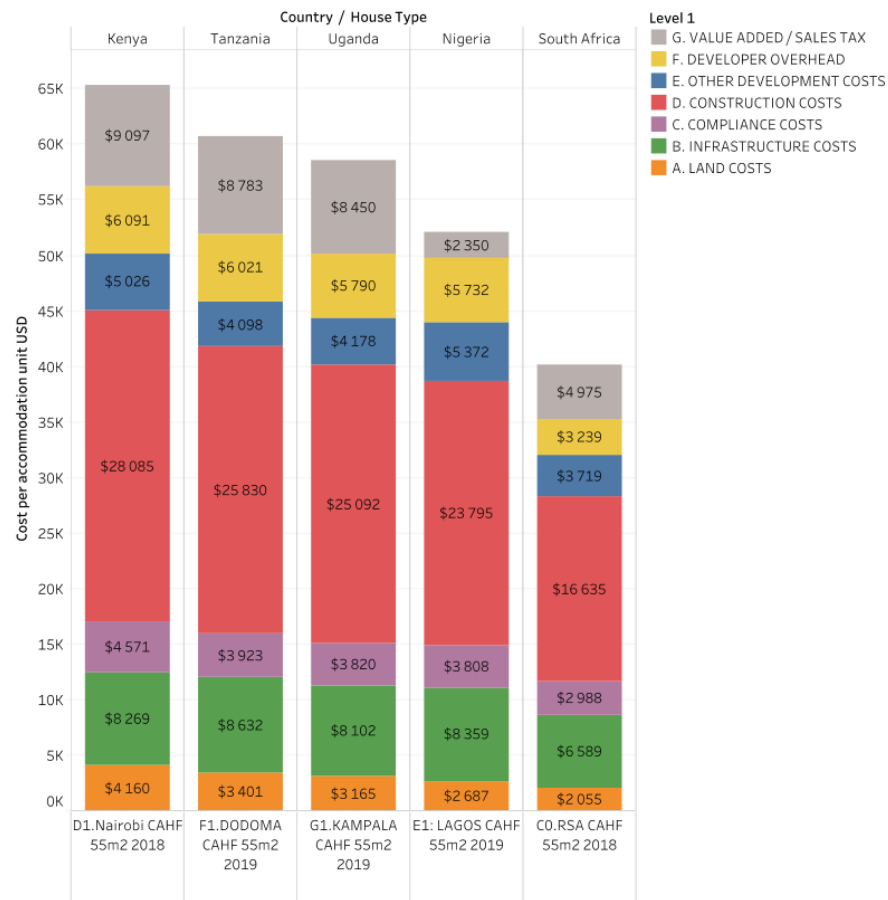




CAHF Cost of Construction in Africa (2019)

Centre for Affordable
Housing Finance
in Africa

Figure 24: Comparison of cost of standard CAHF house between countries (2019)



The Center for Affordable Housing Finance Africa conducted a comparison of the cost of a standard CAHF house in Africa in 2019

Nairobi was the most expensive city to construct the standard CAHF house in all cities surveyed,.

Analysis of disaggregated costs of construction for Nairobi in 2019:

Land Costs - \$4,160

Infrastructure Costs - \$8,269

Compliance Costs - \$4,571

Construction Costs - \$28,085

Other Development Costs - \$5,026

Developer Overhead - \$6,091

Value Added Tax - \$9,097

Total Cost of the Unit – \$65,299

This analysis affirmed that the delivery of affordable housing would have to address the cost of land, infrastructure, VAT, construction and compliance which account for over 50% of the total cost of construction.

Affordable Housing Program Projects

Update on our Projects



Summary Achievements of the Affordable Housing Program (AHP)

Over 1,000,000 direct and indirect jobs have been created since 2022

20,799 homeowners have accessed home financing through the AHP initiatives and KMRC

KES 61 Billion ringfenced for Jua Kali and MSMEs in the AHP and Markets Programs

11,437 units affordable housing units completed since September 2022

303,910 units ongoing in the Affordable Housing and Social Housing

177,686 student housing beds advertised to resolve institutional housing crisis



Affordable Housing Pipeline – Completed and Ongoing Projects

Completed Affordable Housing Projects since September 2022:

1. Buxton Phase One – 584 Units
2. Nakuru Bondeni AHP- 605 Units
3. Boma Yangu Mukuru Estate – 5,616 Units
4. Boma Yangu Homa Bay Estate - 110 Units
5. Boma Yangu Kakamega Lurambi Estate – 220 units
6. Boma Yangu Elburgon Estate - 220 units
7. Boma Yangu Machakos Estate – 220 units
8. Boma Yangu Emgwen Estate – 220 units
9. Boma Yangu Vihiga Estate – 220 units
10. Boma Yangu Maberu Estate - 60 units
11. Boma Yangu Chepalungu Estate – 220 units
12. Boma Yangu Ruiru Estate - 1,050 units
13. Various disciplined forces projects – 2,092 Units

Total: 11,437 units





Empowering Citizens and Creating Dignified Work

The Program expands access to homeownership for ordinary Kenyans who might otherwise never be able to afford a dignified home.

Through structured financing and transparent allocation, the AHP strengthens social stability and reduces the housing deficit. The over **1,186 active construction sites** and the housing value chain have created over **1,000,000 jobs** since 2022.

Women now constitute **21-30% of on-site labor**, with deliberate inclusion of youth, graduate interns, and persons with disabilities.

Through initiatives such as Recognition of Prior Learning (RPL), Climate Worx, socio-economic inclusion, local artisans and youth groups are fully integrated into the value chain, making this program a true movement of work, skill, and dignity.





Application Stats on Boma Yangu - 20th September 2026



1,315,638

registered Kenyans on **Boma Yangu**

as of 20 September 2026

How We Are Building Our Homes

Overview of Design Principles



Key Interventions

Aggregated funding through the Housing Levy

Proven demand master plan and mega city approach

Mixed use developments with provision of social infrastructure and amenities

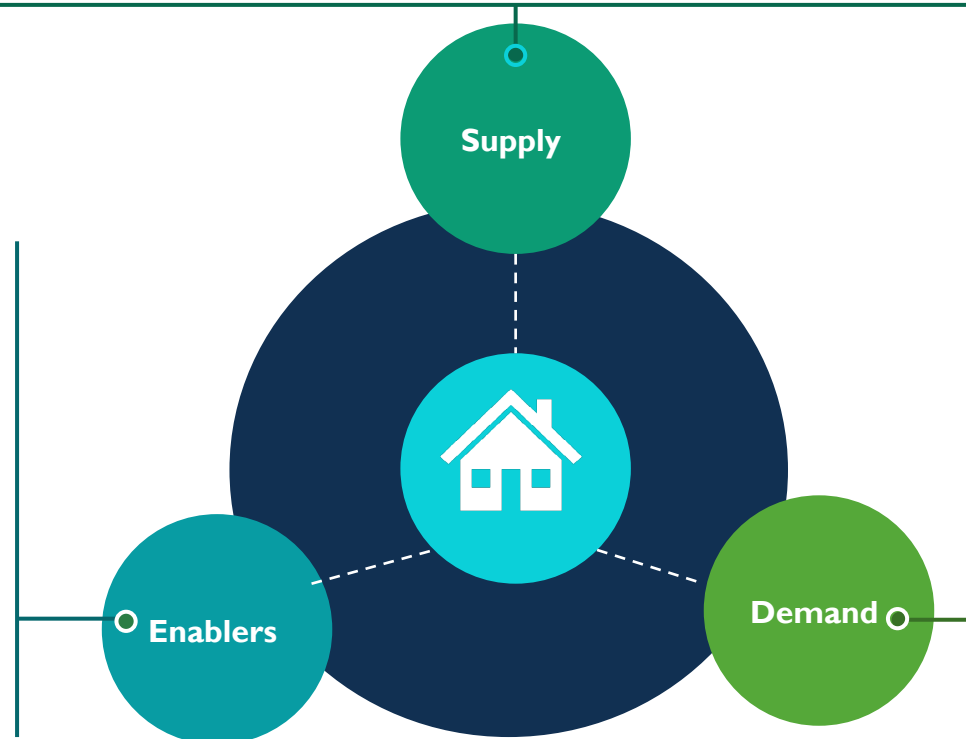
Affordable developer financing through provision of offtake undertaking

Provision of land and bulk infrastructure

Tax incentives for both developers and home owners

Standardised designs and/or processes

Legal and policy review and amendments



Tenant Purchase Schemes (TPS)

Affordable Mortgages

KMRC (extending Mortgages tenures)

Boma Yangu Portal to assist in identifying and aggregating end buyers



Key Design Principles





Homes People Qualify for Based on Income

Social Housing

Income bracket: below KES 20,000 a month

Home prices: KES 640,000 – KES 1.28 Mn

Interest rate: 3% fixed, from the Housing Fund

Tenure: up to 30 years

Deposit: 5%, with deposit and furniture assistance

Unit types: 1 – 3 rooms, 20 – 40 m²

Affordable Housing

Income bracket: KES 20,000 – KES 149,000 a month

Home prices: KES 1 Mn – KES 3 Mn

Interest rate: 5% fixed, from the Housing Fund

Tenure: up to 30 years

Deposit: 5%

Unit types: studio to 3 bedroom, 20 – 60 m²

Affordable Market Housing

Income bracket: above KES 149,000 a month

Home prices: KES 2.4 Mn – KES 4.8 Mn

Interest rate: 9% fixed, from the Housing Fund

Tenure: up to 30 years

Deposit: 5%

Unit types: 2 – 3 bedroom, 40 – 80 m²

How We Are Driving Economic Impact



Driving Economic Impact

Our ambitious housing program is about building more than shelter

Through this program we have revitalized local area economies through jobs created in the communities where projects are located

These projects have also impacted supply chains in local areas in a big way – from those providing stones for building, kokoto, sand, cement, and even food for workers while onsite





Driving Economic Impact – Labor Interventions

Over **1,000,000 jobs** have been created so far across the entire value chain

We are on course to achieve a goal of 2 jobs per unit – one directly onsite and one indirectly in the wider economy

With over **1,186 active sites** in the program, working with our contractors, we will deploy double shifts to improve our timelines for delivery





Driving Economic Impact – Manufacturing

Already, the Affordable Housing Program is impacting the skill and scale of construction contractors – our program boasts 99% of Kenyan contractors on sites

We are now targeting II industries which will drive the growth of the manufacturing sector

We will ringfence the assembly and manufacturing of key components for our mechanical, electrical, and plumbing sectors such as lifts and generators, water pumps, piping systems, and other essential products.

Producing these items locally, will create thousands of skilled jobs, reduce reliance on imports, and ensure that we establish a strong, homegrown industrial base.

We simply must BET on ourselves!





Driving Economic Impact – Manufacturing

Item	Description	Quantity	Applied Rate (KES)	Forecast Value (KES)
1	Lifts	58,200	4,708,571.63	274,038,857,226
2	Standby Diesel Generators	8,250	4,181,818.18	34,499,999,985
3	Low Voltage Boards	341,250	363,334.33	123,987,840,113
4	SMATV Systems	34,000	800,000.00	27,200,000,000
5	Solar Street Lighting Systems	94,000	310,000.00	29,140,000,000
6	Sanitary Ware	3,400,000	8,285.91	28,172,094,000
7	Pumps	30,000	1,790,000.00	143,200,000,000
8	Water Tanks	82,000	1,028,509.09	84,337,745,380
9	Boreholes	4,200	4,000,000.00	16,800,000,000
10	Waste Water Treatment Plants (ASBR)	3,600	31,114,705.88	112,012,941,168
11	CCTV Systems	58,000	450,000.00	26,100,000,000
12	Smart Energy Meters	1,850,000	18,100.00	33,485,000,000
TOTAL VALUE (KES)				932,974,477,872



Driving Economic – Ngokamka Case Study



Corporatization

NgoKamKa (NKK) corporatized three Jua Kali clusters:

- Ngong Road Jua Kali Association (wood and metal work)
- Kamukunji Jua Kali Association (metal work)
- Kariobangi Light Industries (wood and metal work)

New entity brought together 10,000 members



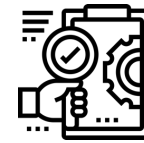
Direct Contracting and Financing

NKK was contracted on the AHP Park Road Project

Contract covered supply and installation of approximately 8,500 doors

Contract sum was KES 120 Mn

Park Road Contractor financed NKK with working capital



Operational Benefits

NKK were able to fulfil a contract without a broker

Earned more money and benefitted members directly

Established relationships with Banks and can now access credit for operations

Formalized operations and became bona fide tax payers

Secured more project work with the Contractor locally and even in Uganda



Creating Home Owners

Most importantly, due to the proceeds of this work, 110 members of NKK saved enough money for deposits towards homeownership

58 were able to own homes and were provided TPS terms

The Kinds of Homes Kenyans Will Own



Boma Yangu Nyali VOK Estate – 1,976 units

Affordable homes in Nyali, designed for every stage of life.

1,976

HOMES + SHOPS

14

RESIDENTIAL BLOCKS

2025 → 2027

25 FEB 2025 – 15 FEB 2027

Homes for every stage

PROJECT Affordable Housing Project in Nyali, Mombasa County

DELIVERY Developed and built by Vaghjiyani LTD

CHOICES Studio, 1-room, 2-room, 3-room, plus 1–3 bedroom homes

SIZE Approximately 20–80 sqm

SCOPE 14 residential blocks + social and community infrastructure

KES 640K → KES 4.8 M

from social units to 3-bedroom market-rate homes

A neighbourhood made for living

- ◆ **LEARN** Kindergarten + secondary school
- ◆ **CARE** Level 4 hospital
- ◆ **PLAY** Clubhouse + swimming pool
- ◆ **MOVE** Parking, cabro pavements + pedestrian walkways
- ◆ **BREATHE** Landscaping + community spaces
- ◆ **LIVE WELL** Water tower, treatment + waste collection

AVAILABLE MEDIA renders, floor plans, axonometric views, project photos + future videos via Boma Yangu YouTube



Boma Yangu Nyali VOK Estate – 1,944 units



SOCIAL

- 1 Room Units – 90 units
- 2 Room Units – 180 Units
- 3 Room Units – 90 Units

AFFORDABLE

- Studio Units - 212 units
- 2 Bedroom Units – 474 units
- 3 Bedroom Units - 210 units

MARKET UNITS

- 2 Bedroom Units – 360 units
- 3 Bedroom Units – 360 units



Sep-26





Boma Yangu Nyali VOK Estate – 1,944 units



Completed Projects



Boma Yangu Mukuru Estate – 5,616 units out of 13,248 units





Boma Yangu Mukuru Estate – 5,616 units out of 13,248 units





Project Snapshot – Boma Yangu Homa Bay Estate

110 units





Nakuru Bondeni Affordable Housing- 605 Units





Project Snapshot – Machakos Affordable Housing -220 units





Project Snapshot –Elburgon Affordable Housing – 220 units





Project Snapshot – Emgwen Affordable Housing – 220 units





Project Snapshot –Vihiga AHP (Milimani) - 220 units



Majengo, Vihiga County, Kenya

2pq7+52m, Majengo, Vihiga County, Kenya

Lat 0.038643° Long 34.712542°

Monday, 30/03/2026 09:24 AM GMT +03:00



2pq7+52m, Majengo, Vihiga County, Kenya

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Project Snapshot –Kakamega Lurambi AHP, 220 Units





Project Snapshot –Buxton Phase One, 584 units





Project Snapshot – Maberu Affordable Housing Phase I- 60 units





Project Snapshot – Ruiru Affordable Housing – 1,050 units





Bomet AHP Chepalungu – 220 Units



Launched and Ongoing Projects



Project Snapshot – Embu NHC Affordable Housing – 100 units





Project Snapshot – Bahati Affordable Housing – 220 units





Project Snapshot – Gichugu Affordable Housing – 110 units





Project Snapshot – Kirinyaga NHC Affordable Housing – 100 units





Project snapshot- Nanyuki Affordable Housing- 220 Units





Project Snapshot – Nyandarua NHC Affordable Housing – 100 units





Project Snapshot – Kidiwa Kapsuswa AHP – 220 Units





Project Snapshot – Makenji Affordable Housing – 220 units





Project Snapshot – Ngong Vet Affordable Housing – 1,910 units





Project Snapshot- Isiolo AHP, 220 Units.





Project Snapshot – Thika Bustani Affordable Housing – 913 units





Project Snapshot- Wajir Affordable Housing-220 Units





Project Snapshot-Pioneer Affordable Housing (2258 units)



Ongoing and Completed Markets



Project Snapshot – Ntulele ESP Market - Narok





Project Snapshot – Suswa ESP Market - Narok





Project Snapshot – Homa Bay Fish Market





Project Snapshot – Nyansiongo Market- Nyamira





Project Snapshot – Iten Market- Elgeyo Marakwet



Nairobi River Regeneration Program (NRR)



Nairobi Rivers Regeneration Program

A presidential initiative regenerating **27.2 kilometers** of the Nairobi River Basin, from Naivasha Road to Dandora Waterfall — financed by the State Department, implemented with the Ministry of Defence and coordinated by the Nairobi Rivers Commission

The works cover river training and flood control, trunk sewerage and wastewater treatment, catchment restoration, solid waste management at Dandora, non-motorized transport, bridges, roads and street lighting, and urban parks

Social housing and markets along the corridor give riparian communities a decent home and a place to trade — Phase I at Gikomba Market is the first

Delivered so far: **11 kilometers** of trunk sewer on both banks, the 60,000 cubic meter Kariobangi Wastewater Treatment Plant and about 4 kilometers of non-motorized transport works

Climate Worx puts thousands of young Kenyans to work along the corridor — clearing the river, planting trees and maintaining drainage





Project Snapshot – Nairobi Rivers Regeneration Project





THANK YOU