



WHY PRESIDENTIAL CANDIDATES SHOULD BE TALKING ABOUT REAL ESTATE/HOUSING

"A politician needs the ability to foretell what is going to happen tomorrow, next week, next month, and next year. And to have the ability afterwards to explain why it didn't happen"

~ **Winston Churchill** (British orator, author and prime minister during World War II.)

Here at ABC Attorneys, we have had the chance to watch on "TV", have been blessed to attend a few rallies, (by "few" I mean literary off course), and have had the pleasure of reading newspapers on various speeches and promises delivered on various occasions by the political candidates. However so far we have not heard or seen any of the candidates saying something that is constructive and substantive about housing and real estate issues.

So far, the presidential candidates have talked about Jobs, Youth development, Security, Power, Minerals, Dubious Government Contracts, Corruption, oil and gas, Electricity (power Rationing), Clean Water Scarcity, Roads (**Flyovers** to be specific) and off course education, education, education.

Dr John Pombe Joseph Magufuli, the CCM Presidential candidate was born on October 29, 1959. He holds a PhD in Chemistry from University of Dar es Salaam. As for the Chadema/Ukawa Presidential Aspirant, **Edward Ngoyai Lowassa** (born August 26, 1953) . Holds and MSc. Development Studies from The [University of Bath](#) in the [United Kingdom](#) in 1984. Being the only woman in the race representing one of the parties which will probably become very strong in the next election its probably "thoughtful" to speak of the ACT presidential candidate **Anna Mghwira** who was born on January 23, 1959 in Singida. She has a bachelor's degree in Theology, a degree in law and she went to United Kingdom (UK) for a Master's degree in Law (LLM) in 1999 at the University of Essex.

Looking at the education background of the candidates, it becomes an irrefutable presumption that they are well exposed and well educated, it makes you wonder why they have not touched on important matters such as real estate and housing.

Chama Cha Mapinduzi (CCM) Presidential candidate John Magufuli delivered a speech during a political rally on 14 July, 2015 in Dar es Salaam, ahead presidential election where he promised Sunday to redistribute unused land, vowing to end years of conflict over land rights. *"There are high-placed people, even in state institutions, who possess thousands of hectares that are just simply there, without being cultivated or used for livestock,"* he told a televised campaign meeting. "I will redistribute them," he vowed.

Meanwhile, Chadema presidential candidate Mr. lowassa speaking during a rally in Soweto grounds assured Kiteto residents that he will rid of the land disputes between herders and farmers by forming a commission to solve the dispute.



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Ms Anna Mghwira however during party campaign launch in dare salaam was of the stand that it is their party manifesto to reposes the land from big investors and give it to farmers as well as formulating policies as a government to assure price stability and smooth commodity exchange.

Well real estate and housing has recently become an enormous driver of our economy. Even though there are many buildings coming up all over Tanzania homeownership is at all-time low and prices at all-time high. Homeownership has been the only way that the middle class has been able to traditionally produce wealth. Most homes are very expensive for most Tanzanians to buy and even if they take a mortgage, the interest rates are humongous vis a vis individual earnings. The two most common mortgage loans are fixed-rate mortgages and adjustable-rate mortgages. While fixed-rate mortgages have a constant interest rate until the whole sum is reimbursed, adjustable-mortgage rates vary depending on the market rates, the state of the economy and the state's monetary policies. Mortgage rates can vary depending on the bank Interest rates in Tanzania usually do not exceed 15 to 18 percent, but the rates also depend on the amount of your loan and how much you intend to reimburse each month.

I once wrote a long article on a need for **A Real Estate Regulatory Authority**, I still subscribe to that view more like what they have in the USA the "Federal Housing Finance Agency (FHFA)". People buy and sell at ridiculous prices, land cases are many, state agents charge Commissions according to last nights dreams, landlords abuse tenants, banks charge interest at un justifiable rates compared to many other countries and so much more. The situation in relation to Real Estate and Housing management is very bad.

All the political talk about income inequality can be seen plainly in the housing market. It's real and it's evident and it's getting more severe. Affordable housing should be a topic on the presidential stage, and homeownership should be championed and supported. Most Tanzania's leave on rented apartments and houses whereby rents are so high that one cannot stay at one house(one area) for more than a year and the land lords to make it worse, raises rents at the blink on an eye.

Homeownership appeals to many Tanzanians because it is a good financial investment and it provides a more stable environment for families and children. Candidates wanting to appeal to especially urban Tanzania voters should prioritize policies that support the increase of sustainable homeownership opportunities for Tanzanians. The candidates should speak on these and cater for the following their rallies:

1. Improving access to affordable low-down payment mortgages.
2. Increasing in stock of affordable homes.



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3. Practical consumer protection that safeguards against predatory lending without restricting access to credit for qualified individuals
4. The continuation of government housing policies that favor homeownership outcomes including the mortgage interest tax deduction.
5. improved and Introduction of laws relating to Property/ Unit Title, Landlords &Tenants /Estate Agents.

The home is at the center of the lifestyle of many Tanzanians and they love the concept of an ownership society. The presidential candidate that speaks to the voters about the things they care about the most will have a great chance to tip the scales in their favor. **John Magufuli, Edward Lowassa, Anna Mghwira** the floor is yours.