



“Why should you invest in Real Estate? Do you really know?”

Well may be you are one of those people who have thought of investing in a real estate business but you do not know how, or you are that one person who thinks real estate is for the people whose wealth are almost 20 billion. Such ideas come only when we lack the knowledge about real estate. Have you ever asked yourself these questions; what exactly is real estate? What structure do I need to follow in order to invest money into such business? How is it operated in Tanzania and what are the laws governing real estate in Tanzania when buying or selling a property? And what are the major problems facing real estate in Tanzania? When you get the answers to these questions, then you are good to start your journey of investing in a life time business, where you will be able to leave legacy when you pass to the next life.

### **What is real estate?**

Real estate is a modern term used to define the land and anything which has been permanently attached or affixed into it; such as buildings and other things attached into it. In real estate business in this article we consider the sale and lease of a real estate. This includes the commercial real estate and residential real estate, whereby commercial include sale and lease of properties for business purposes and Residential is mainly based on selling and lease of property and houses to individuals and families for living.

## **How real estate operates in Tanzania and its governing laws:**

If you are considering venturing into a real estate business, you need to know how to go through it and the laws governing it in order to conduct a lawful business.

Real estate is governed by the land laws of the United Republic of Tanzania and its regulations in acquiring property, buying and selling of properties. For a foreign investor, the acquiring of a property is governed by the Land laws of Tanzania through the auspices of the Tanzania Investment Centre. But to really know these laws and procedures, you will need to consult a legal adviser or an advocate so that you can get a clear opinion on legal matters concerning real estate and how to go with it step by step.

### **Advantages for investing in real estate:**

I can assure you that to invest in a real estate business is the best way to go because it is now the most growing business worldwide and in Tanzania it has grown to almost by 45%. Picture yourself today having a property in Bagamoyo or a place close to Bagamoyo worth



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four hundred thousand (400,000) Tanzania shillings and imagine five to ten years later how much the same plot would be worth. I know it is crazy but it is worth it. You will sell the same property for higher price since Bagamoyo is rapidly growing commercially. Mind you real estate is the major business of which its profit does not depreciate but keeps on going high. Tell me, who will not want to invest in such business?

### **Things you need to consider when buying or renting property:**

When you have decided to invest in a real estate property, whether it is for commercial or residential use, there are important things you need to consider such as: buying a property which is near hospitals, schools, water supply, drainage system, close to the road, security and other social facilities as most people like to live in a place where they will be able to get their basic human needs and be able to raise their families properly. Such facilities increase the value of the property if you later on want to sell or rent it. You will also need to make a research in order to know the type of estate business you would like to do by identifying the best locations and the most needed properties for the best interests of your clients and how much you will need to invest and what would be your future rewards.

Further if you a buyer or seller you will need to know what are the laws and procedures that governs you when performing such transactions.

### **Challenges facing real estate in Tanzania**

Some of the challenges which face the real estates in Tanzania is the case known as, “**The Fear Syndrome**” which deter people from getting into such business believing it to be a business of the rich and big investors. This fear syndrome has affected most of the youths as they cannot step out of their comfortable zones and make big steps. People are not ready to make mistakes and learn from them and most of them think on how to conduct and invest on easy short time business and not a lifetime business.

Another syndrome is lack of knowledge about real estate and how exactly it is operating. Most people do not want to learn because they prefer easy ways of getting into such business which leads to tempering with the set laws and sometimes resulting to loss and destruction.

Poor infrastructure, poor roads that goes to the interior, unreliable water supply, this has led to high price of properties in places where such services are available.

### **Challenge yourself today**



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Real estate is the business of the 21<sup>st</sup> Century. And it is one of the booming sectors in Dar-es-salaam and country wise. Everyday there is a new property being built and there is an acquiring of a new property. Each day you wake up there is either a sale or buy of a property. Are you among those persons who are buying or selling their properties? Have you invested for your future legacy? The big step starts today and it start with your.

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