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INVESTMENT REPORT FOR THE YEAR ENDED 31-12-2025

1. Introduction and Welcome

Chairperson of the Board, Board Members, Supervisory Committee, our distinguished guests and all investors, good morning.

On behalf of the KMAT leadership, I warmly welcome you all to our 12th Annual General Meeting. Your presence reflects the confidence and commitment you continue to place in our Society. We appreciate your continued support and participation in building a stronger cooperative.

KMAT Housing Cooperative Society Ltd remains strategically positioned within the housing and cooperative sectors. As an organization, we remain committed to tapping into opportunities within the land and housing market to deliver products and services that uplift our members through acquisition of land and development of affordable homes.

2. Property Market Overview and Investment Trends

In the year 2025, we aligned our activities with a clear understanding of the prevailing market trends. Market reports indicated that house prices in Nairobi increased by approximately 7–8%, representing the fastest growth in nearly a decade. Land prices also continued to rise, particularly in prime areas and well-connected satellite towns such as Ruiru, Juja, Kitengela, Limuru, and Joska.

Out of land sales, we collected KES 4,657,016 during the reporting period, with an outstanding balance of KES. 12,127,903

Despite the positive trends in the property market, growth in some satellite towns slowed slightly due to economic pressures and reduced speculative investment. As a result, buyer behavior is gradually changing. Many buyers are now shifting from purchasing raw land to investing in completed homes, particularly standalone houses. Apartment price growth has also been slower compared to detached homes.

These changes continue to guide our investment approach as we position the cooperative to respond effectively to evolving market demands.

3. Cooperative Investment Performance

As a Co-operative, we continue to maintain a strong interest in the rental housing sector, which remains an important component of our investment strategy.

I am pleased to report that our property, KMAT Boma Apartments in Kitengela, achieved 100% occupancy in 2025, demonstrating the continued demand for quality and affordable rental housing. During the reporting period, the apartment generated net KES 1,852,038 in rental income.

We look forward to acquiring more properties in order to expand our investment portfolio and strengthen the cooperative's long-term revenue base.

In addition, we have introduced mortgage loan facilities for our members to support the development of affordable homes. Recently, we held a historic groundbreaking ceremony for one of our members in Athi River, marking an important milestone in supporting members to move from land ownership to actual home ownership. We encourage more members to take advantage of this new product.

The mortgage programme is offered in partnership with Onsite, a reputable construction company, at an 8% interest rate — one of the lowest in the market. The company delivers complete, ready-to-occupy houses using the latest construction technology available in the market, ensuring quality, efficiency, and timely delivery.

The available housing options include:

House Type	House Size (M2)	Cash offer	Financing offer
Single room	16	250,000	287,902
Double room	21	450,000	518,223
Three roomed	26	550,000	651,832
One bedroom	31	1,375,943	1,581,466
Two bedroom (Option 1)	46	2,000,000	2,303,251
Two bedroom (Option 2) pitched roof	74	3,300,000	3,834,857
Two bedroom (Option 3) Hidden roof	86	3,040,000	3,500,890
Three bedroom	61	2,353,634	2,649,700

This partnership provides members with an affordable and structured pathway to home ownership. The client will incur the cost of approvals from the relevant authorities like County and NEEMA.

4. Projects and Strategic Development Initiatives

The government continues to roll out reforms and initiatives within the housing sector, including the Affordable Housing Program, which aims to increase access to decent and affordable homes for many Kenyans.

This vision resonates strongly with our own flagship development, the Othaya Heights Apartment Project. Unfortunately, the project has not yet taken off due to financial challenges. Nevertheless, we remain committed to exploring viable financing options so that this prestigious project can be realized in the near future.

Another important reform within the land sector is the Ardhisasa digital land system, which is improving land administration by enhancing transparency, speeding up title processing, and helping reduce land fraud. This is a major milestone for investors and cooperative members alike, and we continue to embrace these developments to support our operations.

Infrastructure development also continues to play a key role in shaping land demand. Ongoing investments in roads, bypasses, and expressways are opening new growth corridors and increasing the attractiveness of peri-urban areas. As we source new projects, we remain focused on locations with strong infrastructure and essential amenities that support sustainable community development.

On Low cost housing project, we encourage members with land positioned strategically to come forward and partner with KMAT for construction of affordable rental houses.

5. Building Strong Community Associations

We encourage all investors who have acquired property through KMAT to come together and form strong community associations. By working collectively, residents can significantly enhance the quality and security of their neighborhoods.

Through such associations, members can coordinate important initiatives such as improving security, maintaining and upgrading access roads, planting trees, and guiding orderly development within their communities. Organized communities are also better positioned to protect their property from land grabbers and other irregular activities.

Most importantly, well-coordinated community efforts contribute to a more organized, attractive, and secure environment, ultimately increasing the long-term value of every member's investment.

So far, KMAT has successfully implemented 16 projects, which are summarized in the table below.

NO	DESCRIPTION	LOCATION	STATUS
1	Kawamuh 1 (32 plots)	Kamulu	- 28 Title deeds issued; Investors have already constructed homes -4 plots retained by our partner Kawamuh
2	10 Acres Acacia 1 (Enyorata Meadows) 76 plots	Kitengela	- 74 Title deeds issued to investors - 2 plots retained for KMAT -Fenced -Home construction in progress and appreciated in value
3	10 Acres Acacia 2 (Enyorata Meadows) 76 plots	Kitengela	-72 Title deeds issued to investors -2 Plots retained for KMAT -Fenced -Home construction in progress and appreciated in value
4	11 Acres Ostrich Farm (Enchore gardens) 87 plots	Ostrich farm	-82 Title deeds issued to investors -5 Plots retained for KMAT -The fencing was halted
5	5 Acres (Thayu Meadows) 40 plots	Kamulu	-38 title deed issued to investors -2 plots retained for KMAT -The area has security concerns
6	5 Acres (Muvea gardens) 40 plots	Kamulu	-26 Title deed issued to investors -2 plots to be retained for KMAT

			-12 plots vacant and sale has been halted because of security concerns.
7	9 Acres (Engaji gardens) 72 Plots	Kisaju	- 71 title deed issued to investors - 1 plot retained for KMAT -Home construction in progress and appreciated in value
8	2 Acres land (Kaputiei Boma)	Kitengela	-The land was disposed.
9	3 Bedroom Bungalow house	Kitengela	- Cash offer for sale 4.5M members & 4.635M non members -Offer for rent to own
10	Sunnyside Estate 13 plots	Juja	- 13 Title deeds issued to investors -Project completed
11	6.5 Acres (Thome springs) 59 Plots	Koma hill	- 42 Title deeds issued to members - 2 plots retained for KMAT - 15 Title deeds still pending -Fenced
12	50x100 Prime plot	Othaya adjacent to KNH Mwai Kibaki hospital	- Title deed acquired in KMAT name - Earmarked for construction of 5 storey building.
13	2 acre land at Acacia (Osim Gardens) 15 plots	At Acacia next to Acacia 1 & 2	- 10 title deeds issued to investors -1 plots retained for KMAT - 4 title deeds still pending -Fenced

14	Kitengela Building (KMAT BOMA)	At kitengela town	-4 Storey building with bedsitters, one bedroom and single units - Title deed processed in KMAT name. -Full occupancy
15	2 acre land at Konza 15 plots (Highway Gardens)	At Konza near the Techno city	- 5 title deeds issued to investor -Project in progress and few plots remaining
16	Hilma residence	Malla	-Project in progress and few plots remaining. (Available for sale)

6. Outlook and Conclusion

Overall, the outlook for the land and housing sector remains positive. The market continues to grow, although at a more moderate and sustainable pace. Demand for land and housing remains strong, largely driven by urbanization and population growth.

We strongly encourage members who have not yet invested in land to take advantage of the current selling projects and secure their future through property ownership.

As we continue to invest, we are encouraged by the progress towards building a co-operative that provides housing, land and sustainable livelihoods for members, promoting long-term value and security.

Together, with your continued investment, we will keep building a cooperative that not only provides land and housing solutions but also contributes meaningfully to improving the livelihoods of our members.

Thank you and we wish you continued success in your investments under our motto:

"Building a Better Tomorrow Today now."

Rowlley Kadenge **(Chairman)**.............................Date 25th March 2026

Anne Kirema **(Secretary)**......Kirema......................Date 25-03-2026.

Manasseh Mugwang'a **(Member)**..............................Date 25/03/2026