

Greater Kampala Commuter Towns



Q1 2024

Knight Frank Uganda's review of commuter towns in the Greater Kampala Metropolitan Area.



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EXECUTIVE SUMMARY

Commuter towns, often referred to as “bedroom communities” or “dormitory suburbs”, are predominantly residential areas.

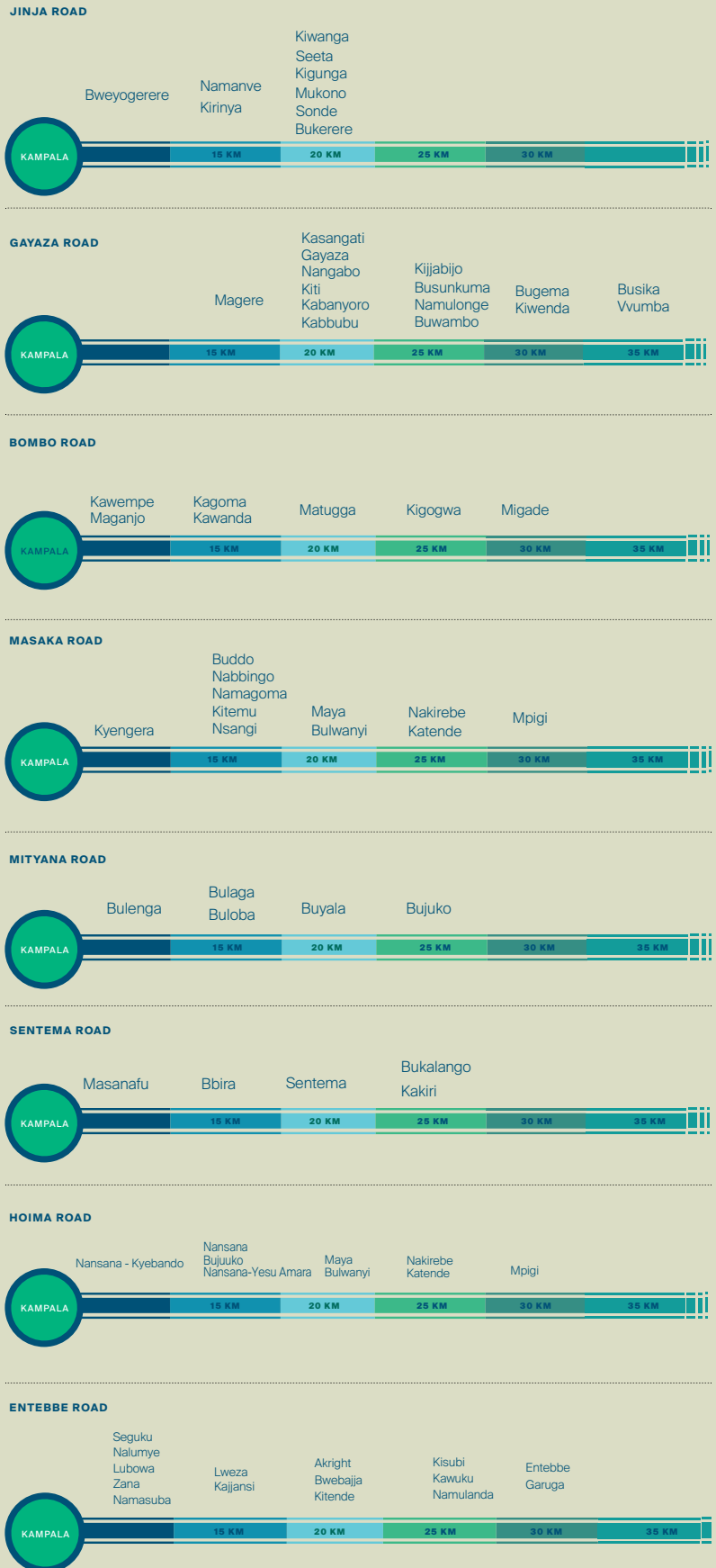
Commuter towns on the outskirts of Kampala city are gaining traction, as more people opt for quieter, calmer, and more suburban living. Lured by more affordable land, the potential for capital appreciation, improved access to amenities and services, and better road infrastructure, residents are willing to endure longer commute times to their places of work in and around the CBD.

Commuter towns, often referred to as “bedroom communities” or “dormitory suburbs”, are predominantly residential areas, where a significant portion of residents regularly travel to a nearby urban centre for work. They emerge when the employed or working class are priced out of the city, leading them to seek affordable housing in nearby towns. In Kampala, these towns have emerged on the city fringes, in the Greater Kampala Metropolitan Areas of Wakiso, Mukono and Mpigi, within a 30-kilometre radius of the CBD.

Key commuter towns that have grown over the past decade include Gayaza, Bulenga, Seeta, Magigye, Nabbingo, Nabweru, Matugga and Buwambo among others. The Greater Kampala Metropolitan Area has evolved into the go-to destination for the development of owner-occupied homes, especially for those seeking affordable and sizable land parcels with potential for creative development. Commuter towns situated along major transportation arteries, such as Gayaza Road and Jinja Road, have witnessed a surge in demand due to their connectivity to public transport networks and other supportive amenities.

The Commuter Towns report is an extension of the regular Next Neighbourhoods report.

Commuter towns and their proximity to the CBD



Source: Knight Frank Research

Characteristics of Commuter Towns

Commuter towns are typically located within 20 - 30 kms from larger cities or urban centres.

01 PROXIMITY TO URBAN CENTRES

Commuter towns surrounding Kampala are typically situated within a 20-30 kilometer radius of the city center, enabling daily commutes for residents employed in the city centre.

However, traffic congestion during peak hours can be a major pain point, with travel times often extending to two hours or more. The gridlock is exacerbated by the log-jam of commuter town traffic plus traffic to upcountry locations.

To counteract peak hour congestion, residents

strategically adjust their routines by either working late, starting early, or using less congested but longer alternative routes. This requires planning, adaptation, and acceptance of the opportunity cost, but ultimately balances the convenience of a lower cost of living and improved quality of life with the challenges of commuting.

Please find listed below, alternative routes to various commuter towns

Table 1: Congested Routes During Peak Hours and Alternative Routes

S/N	MAIN ROAD	HIGHLY CONGESTED AREAS DURING PEAK HOURS	ALTERNATIVE ROUTES
01	Gayaza Road	Kalerwe -Mpelere-we- Kasangati Up to Gayaza	Kyebando-komamboga-kumbuzi Kira - kansangati Kira - Bulindo -Nakwero Kira- Bulindo -Kitukutwe- Kiryabijjo
02	Masaka Road	Kyengera-Buddo-Nabbingo- Kitemu-Nsangi	Bulenga-Buloba-Nsangi. Entebbe road - Seguku - Buddo
03	Jinja Road	Bweyogere - Namanve	Naalya - Kalyaliwajjala- Namungongo -Sonde - Seeta. Bweyogere -Namanve Industrial Area- Seeta
04	Bombo Road	Bwaise-Kawempe	Mperewe -Kiti-Matugga
05	Hoima Road	Namungoona-Nansana-Wakiso	
06	Mityana Road	Busega-Bulenga-Buloba	

Source: Knight Frank Uganda

02 RESIDENTIAL FOCUS: -MORE AFFORDABLE HOUSING

Commuter towns are primarily residential areas, with majority of the population living in single-family homes or apartment complexes. Commuter towns provide an alternative for residents seeking more affordable housing options, with costs typically lower than those found in the core CBD.



Limited stock of property for rent and sale due to development, predominantly, for home ownership as the preferred option.

Source: Knight Frank Uganda

Table 2: Bungalow Sale Prices in Key Select Commuter Towns

S/N	Commuter Town	Sale Price -3 Bedroom House	Sale Price -4 Bedroom House
01	Gayaza	UGX 200 - 270M	UGX 280 - 350M
02	Seeta	UGX 130- 170M	UGX 180 - 220M
03	Mukono	UGX 120 -150M	UGX 160 - 200M
04	Kiwenda	UGX 120-150 M	UGX 160-200 M
05	Nabbingo	UGX 150-220M	UGX 200-288M
06	Matugga	UGX 75M-100M	UGX 100-130M
07	Buwambo	UGX60 -80M	UGX 80 -100M
08	Nakwero	UGX240 - 260M	UGX 320 - 340M
10	Mbalwa	UGX 240-280M	UGX 300-380M
11	Bulenga	UGX 150 - 180M	UGX 200 - 240M

The house sale prices represent 3 - and 4-bedroom Bungalow houses seated on 11- to 15-decimal land plots. The figures are indicative of the market sale prices but do not represent actual house sale prices which may vary based on other factors such as location, plot size, house size, and quality of finishes among others.

Commuter towns still have vast chunks of affordable residential land available for sale with real estate developers setting up land estates and offering plots for sale. However, a limited stock of residential properties is available for sale and rent since most developments in the commuter towns are for owner occupation.

03 TRANSPORT NETWORKS

These towns have well-developed transport modes and networks, such as highways, expressways, or bus routes, to facilitate commuting to nearby cities for work and leisure.

The real estate markets in areas like Kiti, Matugga, Sentemma, Nakwero, and Kitukutwe have experienced increased residential and retail activity over the past five years, fuelled by infrastructural upgrades as shown in table 3.

The improvement in road infrastructure in these regions has triggered a significant increase in land and property values.

04 TRANSPORT FARES

Travel from the Commuter towns to the city centre is either by public means or private means depending on individual preferences and financial standing.

On average, a one-way taxi fare from a commuter town to the city centre ranges between UGX 2,000 and UGX 5,000. Private vehicle commuters typically incur expenses between UGX 20,000 and UGX 100,000 daily depending on the travel distance and their vehicle’s fuel consumption.

Table 3: Key Road Infrastructural Upgrades in select Commuter Towns

ROAD NAME	STATUS	KEY AREAS AFFECTED
Busega -Mpigi Expressway	Ongoing -29.28% completion level	Areas along Masaka Road – Kyengera, Buddo, Nabbingo, Kitemu, Nsangi, Maya
Kira-Matugga Road	Ongoing -38.82% completion level	Kira, Buwate, Kasangati, Matugga.
Najjanakumbi – Busabala Road	Ongoing -29.2% completion level	Masajja, Busabala, Kigo, Muyonyo
Matugga-Wakiso-Buloba	Design stage	Matugga, Wakiso, Buloba
Kampala-Gayaza -Zirowbe / Gayaza - Kalagi	Road rehabilitation at design stage	Gayaza, Kiwenda, Busika, Zirowbe, Nakwero, Kalagi
Kampala – Jinja Expressway	Design stage	Areas along Jinja Road – Bweyogere, Namanve, Seeta, Mukono
Kampala –Southern Bypass	Design stage	Bweyogere, Kireka, Mbuya, Bugolobi, kasanga, Muyonyo
Kampala – Bombo Expressway	Design Stage	Kawempe, Maganjo, Kawanda, Bombo
Kampala Outer-Beltway	Design stage	Seeta, Bukerere, Namugongo, Kira, kasangati, Matugga, Wakiso, Buloba, Nsangi
Kampala Flyover Phase 02	Design Stage	Improved accessibility to the CBD

Source: UNRA Status of Roads Update September 2023

Taxi fare display board at the Busika Taxi Park



Source: Knight Frank Uganda



UGX 2,000- 5,000

One-way taxi fare from commuter town to city centre on average



~UGX 20,000 - 100,000

Private vehicle commuters' range of daily spend on fuel to city centre

Table 4: Distance from the CBD, Transport Fares Via Different Transport Means and Estimated Travel Times to Select Commuter Towns

COMMUTER TOWN	DISTANCE FROM CBD (KM)	TRANSPORT FARE BY TAXI (MATATU) TO KAMPALA CBD	TRANSPORT FARE BY SPECIAL HIRE	TRANSPORT FARE BY BODA-BODA -MOTOR-CYCLE	TRANSPORT FARE BY PRIVATE CAR (CONSIDERING 5KM -7 KM PER LITRE FUEL CONSUMPTION)	ESTIMATED TRAVEL TIME TO CBD -MINUTES
Kiwenda	30	UGX 5,000	UGX 70,000-100,000	UGX 16,000 -21,000	UGX 24,000-34000	60-70
Buwambo	28	UGX 4,000	UGX 60,000 -90,000	UGX 15,000- 20,000	UGX 23,000 -31,000	60-70
Nakwero	23	UGX 4,000	UGX 47,000 - 60,000	UGX 13,000 - 17,000	UGX 18,000-25,760	55-65
Matugga	20	UGX 3,000	UGX 45,000-60,000	UGX 13,000 -16,000	UGX 16,000 - 23,000	50-60
Mukono	20	UGX 4,000	UGX 43,000 - 60,000	UGX 12,000 - 16,000	UGX 16,000-23,000	50-60
Nsangi	20	UGX 3,000	UGX 45,000 - 60,000	UGX 13,000 - 16,000	UGX 12,000 - 16,000	45-60
Gayaza	18	UGX 3,000	UGX 35,000 - 50,000	UGX 10,000 -15,000	UGX 15,000 -20,000	45 -60
Seeta	16	UGX 3,000	UGX 31,000 - 45,000	UGX 9,000 - 13,000	UGX 13,000 -18,000	40-60
Nabbingo	15	UGX 3,500	UGX 35,000-50,000	UGX 10,000-13,000	UGX 12,00 - 17,000	40-50
Bulenga	13	UGX 3,000	UGX 27,000 - 36,000	9,000 -12,000	UGX 10,000-15,000	30-40
Kyengerera	12	UGX 3,000	UGX 29,000 - 51,000	UGX 9,000- 38,000	UGX 9,000-14,000	30-40
Mbalwa	12	UGX 2,500	UGX 25,000 -32,000	UGX 7,000 -10,000	UGX 9,000-14,000	30-40

Source: Knight Frank Uganda

05 PROPERTY PRICES AND TRANSACTION CURRENCY

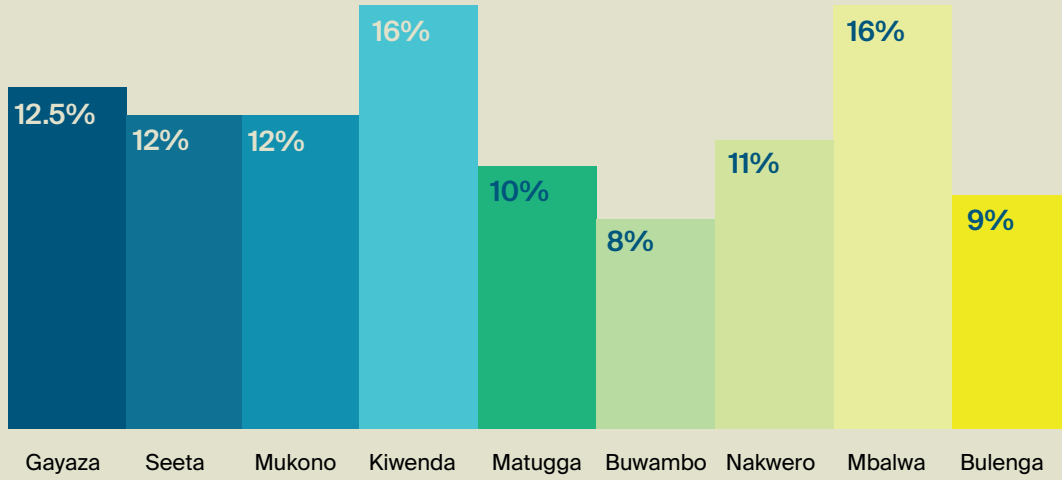
Residential land values in commuter towns vary based on proximity to amenities, accessibility, and other market factors. The primary transaction currency within these regions is the Ugandan Shilling (UGX), indicating strong demand from primarily indigenous buyers. We provide below average land prices per acre and annual growth rate for land prices in select commuter towns.

Table 5: Average Land Prices and Annual Land Price Growth rate in Select Commuter Towns

S/N	COMMUTER TOWN	DISTANCE FROM CBD	AVERAGE LAND PRICE PER ACRE 2019	AVERAGE LAND PRICE PER ACRE 2023	% ANNUAL GROWTH IN LAND PRICES -OVER 5 YEARS (2019-2023)
01	Gayaza	18	UGX 220 -300	UGX 350 -500M	13%
02	Seeta	16	UGX 250 -330M	UGX 400 - 600M	12%
03	Mukono	20	UGX 220 -350M	UGX 400 - 600M	12%
04	Kiwenda	30	UGX 90-140M	UGX 150 -240M	16%
05	Matugga	20	UGX 100-140M	UGX 150-250M	10%
06	Buwambo	28	UGX 80-100M	UGX 100- 150M	8%
07	Nakwero	23	UGX 200 -280M	UGX 250 - 480M	11%
08	Mbalwa	12	UGX 350-500M	UGX 600 - 800M	16%
09	Bulenga	13	UGX 200-280	300 - 400M	9%

Source: Knight Frank Uganda

Figure 1: Percentage Annual Growth in Land Prices -Over 5 Years (2019-2023)



Source: Knight Frank Uganda

Over the last 5 years, the increasing interest in commuter towns has led to an 8% to 20% annual increase in land prices depending on the location of the town and other key factors. Kiwenda and Mbalwa recorded the highest annual land price appreciation among the selected commuter towns.

06 COMMUNITY AMENITIES

While they do not offer as many amenities as larger cities, commuter towns typically have essential services and facilities, such as schools, grocery stores, medical centres, parks, and recreational areas.

Recreational amenities such as Sports parks and sports centres are emerging to serve the growing demand for leisure and fitness activities among the local population.



Table 6: Key Recreational Areas in Commuter Towns

RECREATIONAL AREA	COMMUTER TOWN
Forest Park Buloba	Buloba
Busika Extreme Adventure Park	Busika
Maya Nature Resort	Maya
Kavumba Recreation Centre	Wakiso
Nyungu Yamawe Forest Park	Kitukutwe
Drumex Park	Bujjuko

Source: Knight Frank Uganda

Busika Recreation Park



Factors Driving the Growth of Commuter Towns

The presence of well-developed transport infrastructure, such as the Entebbe Expressway, Northern Bypass, Kayunga Road, railway lines, and public transport systems, has significantly influenced the growth of commuter towns

01 PROXIMITY TO EMPLOYMENT CENTRES:

The named Commuter towns have grown in areas that are close to major employment centres, or industrial areas like Kawempe, Nalukolongo, Mukono, Matugga, to name but a few. The availability of job opportunities in these areas attracts workers who prefer to live outside the city but still have convenient access to work.

02 TRANSPORTATION

INFRASTRUCTURE: The presence of well-developed transportation infrastructure, such as the Entebbe Expressway, Northern Bypass, Kayunga Road, railway lines, and public transportation systems, has significantly influenced the growth of the commuter towns in discussion. Good transport connectivity has allowed a relatively

easy commute to work whilst living in an affordable and or desirable location.

03 HOUSING AFFORDABILITY: The cost of housing plays a crucial role in the growth of commuter towns. In many cases, housing prices in and around the CBD have become unaffordable for many people, leading them to seek more affordable options in nearby commuter towns and suburbs. As a result, these commuter towns have experienced growth as people move in search of housing that fits their budget.

04 QUALITY OF LIFE: Commuter towns often offer a better quality of life compared to the bustling suburbs closer to big and busy cities and towns. Proximity to nature, lower levels of pollution, less traffic congestion, and more spacious living arrangements are

attractive factors for individuals and families we spoke to during our primary research. As a result, the commuter towns under study have experienced growth as people seek a better quality of life outside the city.

05 COMMUNITY AMENITIES AND SERVICES:

The increasing and better availability of amenities and services, such as schools, healthcare facilities, shopping centres, places of worship, recreational areas, and cultural activities, have also contributed to the growth of commuter towns in and around Kampala and GKMA. These amenities have made the towns more liveable and attractive to individuals and families seeking a wholesome community life.

Nabingo Neighbourhood




Cost Benefit Analysis of Staying in Commuter Towns

BENEFITS




ACCESSIBLE AND BUDGET FRIENDLY RESIDENTIAL LAND

Residential plots of approximately 11 decimals cost between UGX 10m to UGX 50m, thus offering the commuters a chance for house ownership.



GENEROUS LIVING SPACES


Homes in commuter towns (mostly bungalows) boast generous spaces, featuring larger and more expansive layouts.



REDUCED DAY-TO-DAY EXPENSES

Commuter town residents benefit from reduced expenses through reduced rent, cultivating homegrown vegetables in ample living spaces, and accessing more affordable groceries available at the local markets.

COSTS



DAILY COMMUTE EXPENSES


High transport costs in terms of fares and fuel expenses due to longer travel distances (20km -35km), as well as increased vehicle maintenance costs.

Payment of road tolls on roads such as the Kampala Entebbe Express way and the Future Kampala Jinja and Busega-Mpigi Express ways.



EXTENDED TRAVEL TIME

High traffic congestion resulting in extended travel times by 20 to 60 minutes.



CONSTRAINED AMENITY ACCESS

Limited access to healthcare facilities in some of the commuter towns thus requiring residents to travel to the CBD for medical attention.

Limited access to suburban shopping malls like Arena, Acacia, Village among others.

Source: Knight Frank Uganda

Typical residential estate in Bugema



Housing Characteristics of Commuter Towns

Projected population growth in Greater Kampala Metropolitan Area (GKMA) will require an annual supply of approximately 63,800 new housing units.

<p>POPULATION. The Greater Kampala Metropolitan Area (GKMA) is projected to experience a population surge, reaching approximately 8.5 million by 2030. This growth will necessitate an estimated</p>	<p>63,800 new housing units annually, based on 2014 Census data and population projections by the Uganda Bureau of Statistics (UBOS). However, given the Greater Kampala Metropolitan Area's</p>	<p>projected annual population growth of 4.24% and its youthful demographic, with approximately 75% of the population under 30, housing demand could surpass projections.</p>
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HOUSING PATTERNS



DOMINANT HOUSING TYPE

Owner-occupied bungalows on land sizes of 0.12 to 0.25 acres.
Storey Houses on larger plots of between 0.50 - >1.00-acres.



RENTAL MARKET

Still in its infancy, offering tenement units/single-storey row houses for rent targeting the middle- to low-income segment.
An emerging apartment and condominium market in a select few of the towns.



RETAIL MARKET

Convenience stores along major access roads.
Boutique/Neighbourhood shopping malls.

Despite significant tracts of residential land still available, especially in the commuter towns within the 20-30 km radius, such as Maya, Katende, Bujuko, Sentema, Bukalango, Kakiri, Matugga, Kiti, Gayaza, Kiwenda, and Nakwero among others, prices are rapidly appreciating due to high demand.

PRIMARY DEMOGRAPHICS

Middle Income Market ●

YOUNG MARRIEDS

PROFESSIONALS

FULL NESTERS

8.5Mn

Expected population growth by 2030

75%

%age of the population under 30 years of age



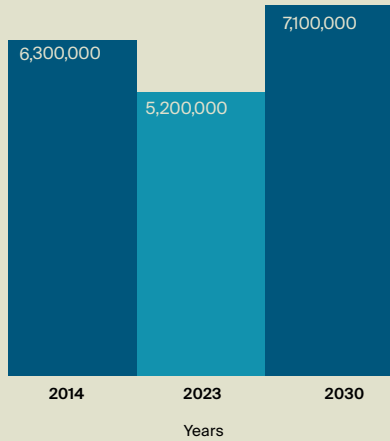
4.24%

Projected annual population growth rate

Source: Uganda Bureau of Standards

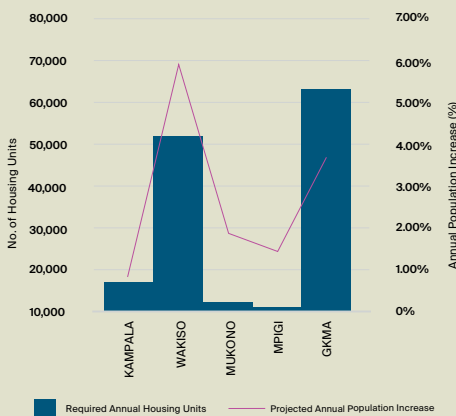
The high annual projected population growth (4.24%) within the GKMA has attracted both developers and home buyers.

Figure 2: GKMA Population Projections



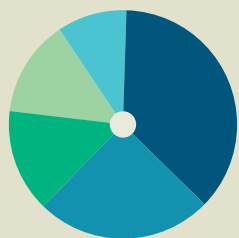
Source: Uganda Bureau Of Standards

Figure 3: Projected Annual Housing Units Required in GKMA



Source: Knight Frank Uganda

Figure 4: Projected Annual population Increase



Wakiso 6.30%	MPIGI 2.00%
GKMA 4.24%	KAMPALA 1.50%
MUKONO 2.50%	

Source: Uganda Bureau Of Standards

Wakiso has emerged as the focal location for Kampala’s commuter towns. Located on the fringe of Kampala city, Wakiso is the primary location for individuals seeking a residential environment that combines proximity to the central business district with suburban living since it engulfs Kampala District on all sides, making it the first go-to destination as one exits the central business district. Factors such as, accessibility, infrastructural improvement, land availability, relatively affordable land rates and potential for price appreciation among others have accelerated the area’s growth. Several road networks have been set up in the district improving accessibility. These include the northern bypass which connects to areas north of GKMA including areas along Masaka, Mityana, Sentema, Hoima, Bombo and Gayaza roads among others. The Entebbe expressway has significantly eased access to the southern suburbs of Entebbe Municipality, Kajjansi Town council, Sekiunga and Surrounding areas.

Within the GKMA, Wakiso District stands out as the runner-up to Kampala District in terms of experiencing the fastest pace of urbanization. Different towns within Wakiso District have been elevated to Municipal status (Entebbe, Kira, Nasana, and Makindye Ssabagabo) while several towns have been elevated to town council status. These administrative levels have been able to provide supportive infrastructure such as roads, electricity, piped water and garbage collection thus making the areas more attractive to residents. Several real estate projects in Wakiso District, including large-scale malls like Victoria Mall (Entebbe) and Metroplex Mall (Nalya), along with numerous neighborhood facilities and housing developments, have drawn residents, leading to a 6.3%¹ estimated annual population increase.

Kampala City has the least projected annual population growth (1.5%)¹ due to its daytime population of commuters into the city for work, shopping, education, and other purposes and commuting back to the suburbs in the evenings. The land prices within the Kampala CBD are appreciating making them unaffordable for the majority of the population.

Mukono and Mpigi districts have also emerged as key destinations for commuter towns, albeit with comparatively lower demand and slower growth. Despite the current pace, ongoing and planned infrastructural projects indicate the potential for accelerated growth. According to UBOS statistics, Mukono and Mpigi have a projected annual population growth of 2.5% and 2% respectively ¹.

Mpigi District located approximately 30 km southwest of Kampala City faces proximity challenges (It does not board directly with Kampala City and commuters have to pass through Wakiso District before accessing Mpigi) and limited alternative access routes. This spatial challenge coupled with limited access routes in and out of the heavily congested Masaka road traffic (the main access route) especially during peak hours has rendered it less desirable hence lower commuter activity. The Kampala–Mpigi Expressway, also Busega–Mpigi Expressway, is a four-lane, dual carriage highway under construction, connecting, Kampala and Mpigi. Once completed, the Kampala-Mpigi expressway will reduce the travel time to locations within Mpigi District and others along Masaka road thus boosting housing demand and commuter activity within the area. There are also major planned estates by institutional developers such as the 423-acre Nsimbe estate. The government of Uganda has partnered with the UK Government to implement a Climate Smart Urban Development Initiative (CSUDI) with the Nsimbe area in Mpigi gazetted as a satellite town. The area is projected to grow rapidly in the next 10-15 years.

Mukono district exhibits varied growth patterns, with locations such as Sonde, Seeta, Bukerere, Msindye, and Kigunga, close to the Kampala city centre, Mukono town and Industrial areas (Namanve and Mbalala) experiencing growing occupier activity. Developers are actively establishing housing estates and commercial structures in these areas, while regions further away from Mukono town and Kampala City Centre such as Nalubabwe, Kakakala, Kigulu, Kisamba, Lugala and Kakira among others continue to witness limited activity, driven by the indigenous population. The high annual projected population growth (4.24%) within the GKMA has attracted both developers and home buyers. Other factors such as proximity, services, amenities, accessibility, affordability, and potential for land appreciation have supported the growth of commuter towns.

¹Uganda Bureau Of Standards - Revised Sub-County population projections - 2015 to 2030

Real Estate Investment Opportunities In the Commuter Towns

Commuter towns in and around Wakiso, Entebbe, Mukono, and the GKMA present various real estate investment opportunities some of which are listed below:

01 RESIDENTIAL SECTOR. Investors should consider developing or purchasing residential properties in commuter towns. These include single-family homes, townhouses, and apartment units targeting the growing population of individuals who work in nearby cities like Kampala but prefer to live outside of it for a quieter lifestyle. Development of affordable housing units for sale targeting the Middle-Income Population (Condominium Units & Bungalow Houses). Demand for housing units to buy has emerged within the commuter towns within a price point of UGX 100 million to UGX 350 million. There are few houses available on market for sale in most of these commuter towns and in most cases the offerings are by individuals who are moving to other locations. Investors could leverage on the economies of scale by setting up estates with houses for sale.

02 RESIDENTIAL RENTAL PROPERTIES. There is a demand for rental properties in commuter towns due to the influx of people seeking affordable housing options as students, business people or employees. Investing in small apartments or rental houses can yield steady income whilst also addressing the acute housing shortage

in the city (Over 63,800 units required annually within the GKMA).

03 COMMERCIAL PROPERTY DEVELOPMENT. The commuter towns have a growing business sector, providing opportunities for commercial property development. This includes office space, neighbourhood retail stores, or mixed-use buildings that cater to the needs of the local population. Neighbourhood malls are being established in commuter towns such as Gayaza, Matugga, Kitukutwe, Sonde, Kasangati and Matugga among others.

04 HOSPITALITY SECTOR. Some commuter towns are attracting tourists due to their natural beauty, proximity to green spaces, conservation areas, lakesides and recreational activities.

The Hospitality sector (Eco lodges and boutique hotels) offers opportunities for both tourists and patrons looking for weekend getaways, conference venues close enough for a day trip, but far enough to allow a change of scenery, and events venues.

05 LAND BANKING. Land prices in commuter towns are generally relatively

more affordable compared to major cities. Therefore, purchasing land for future development or resale can be a viable investment strategy. Areas especially within 25 km to 35 km radius from the city centre still have vast tracts of affordable vacant land which can be acquired and held for future use. Areas such as Kiwenda, Vumba, Buwambo, Matugga, and Mpigi among others are viable locations for land banking. The population within GKMA is projected to reach 8.5 million by 2030, thus providing the necessary demand for land within serviced and planned land estates.

06 INFRASTRUCTURE DEVELOPMENT. Given the population growth in the subject commuter towns, there is a need for improved infrastructure. Investors can explore opportunities in developing roads, utilities, and other amenities that support the growth of these areas.

07 GATED COMMUNITIES. Developing gated communities with security features and shared amenities can be attractive not only to potential homebuyers looking for a safe and well-maintained residential community, but also for assisted living accommodation, and retirement homes.



UGX 100-350 Mn

Demand for housing units within this price range



63,800 Units

Extra housing required annually within the GKMA



Growing business sector

Source: Knight Frank Uganda

08 EDUCATION AND HEALTH

Establishing schools and health care facilities to provide essential services to the resident population in the commuter towns. Demographic composition of commuter towns include young marrieds, full nesters and professionals with school going children thus requiring these amenities. Several schools and health facilities have been set up within the commuter towns, but our research indicates that demand continues to outstrip supply.

09 LEISURE AND ENTERTAINMENT

Developing sports centres and astro turf pitches to meet the recreation and sports requirements of the predominantly youthful local population. 75% of the population within the GKMA area is below the age of 30, this is the population that is actively engaged in sports and yet the standard plots of 0:12 acres do not leave enough room for recreational activities. Several recreational centres such as Busika Adventure Park, Forest Park Buloba among others have been set up however there is demand for more sports centres in areas that are under served.

10 STUDENT ACCOMMODATION

The setting up of institutions of higher learning such as universities, technical institutes and polytechnics among others has created an investment opportunity in the commuter towns. Student hostel facilities are required in areas around these institutions to provide accommodation for students. Several universities have been set up within commuter towns which include Nkumba University - Entebbe, Uganda Christian University -Mukono, Bugema University -Bugema, Africa Renewal University -Buloba among others.

KEY TAKE AWAYS



Establishing education facilities



Developing leisure and entertainment spots



Developing or purchasing residential properties in these towns



Establishing health facilities

Source: Knight Frank Uganda

Student accommodation around Bugema University



Key Commuter Towns In The Greater Kampala Metropolitan Area

Gayaza

Gayaza, strategically positioned just 18 kilometres northeast of Kampala, has progressively evolved into a noteworthy commuter town owing to its geographical proximity to Kampala city, cost-effective land offerings, enhanced road infrastructure, educational institutions, and its residential ambience.

DISTRICT	COUNTY	SUBCOUNTY / TOWNCOUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN GAYAZA PARISH UP TO 2030
Wakiso	Kyadondo	Kasangati T/C	Gayaza	500
DISTANCE FROM THE CBD.			18 KM	
Suburbs			Manyangwa, Nakwero, Kiwenda, Kijabijo, Kabanyoro, Naalyamagonja	
Transport Fare by Taxi			UGX 3,000	
Major towns			Gayaza, Kasanganti, Manyagwa	
Shopping centres			Spot Complex, Mutaasa City, Kasangati Mall	
Landmarks			Gayaza High School, Our Lady of Good Counsel, St. Juliana High School	
Land Use			Residential, Retail along Gayaza Road, Agriculture.	

Source: Knight Frank Uganda



Gayaza town

Kiwenda

Kiwenda, located 30kilometres north of Kampala along Ziobwe Road, has steadily emerged as a commuter town in response to the increasing land and property rates in the Gayaza Commuter area. We have registered steady appreciation of property prices in kiwenda leading to the opening of new serviced land estates in Vumba and Ziobwe.

The retail establishment is still up and coming and dwellers usually commute to Gayaza for shopping, access medical & financial institutions and other services.

DISTRICT	COUNTY	SUBCOUNTY / TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN KIWENDA PARISH UP TO 2030
Wakiso	Nansana Municipality	Busukuma Division	Kiwenda	185
DISTANCE FROM THE CBD.			30 KM	
Suburbs			Namulonge, Busukuma, Bugema, Bulemezi, Busika, Vumba	
Transport Fare by Taxi			UGX 5,000	
Shopping Centres			Kiwenda, Bugema, Gayaza, Kasangati	
Landmarks			Busika Extreme Adventure Park, Bugema University, Makerere University Research Institute - Kabanyoro	
Land Use			Residential, Retail along roadside, Agriculture - Animal & Crop Husbandry.	

Source: Knight Frank Uganda



Kiwenda town

Seeta

Nestled just 16 kilometres east of the bustling Kampala City, Seeta has swiftly risen to prominence as a commuter’s paradise, thanks to a unique blend of factors that cater to modern urban living. Its strategic proximity to the city, location along Kampala Jinja highway -gateway to Eastern Uganda and Kenya, coupled with affordable housing options, upgraded transport infrastructure, location next to industrial parks -Kampala industrial and Business Park-Namanve & Mbalala industrial Park, a thriving educational scene, and and a vibrant yet serene residential environment, make Seeta an attractive choice for those seeking a tranquil suburban lifestyle while staying closely connected to the city.

DISTRICT	COUNTY	SUBCOUNTY / TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN SEETA PARISH UP TO 2030
Mukono	Mukono Municipality	Goma Division	Seeta	202

DISTANCE FROM THE CBD.	16 KM
Transport fare by Tax	UGX 3,000
Suburbs	Namilyango, Kiwanga, Sonde, Msindye, Bukerere, Bajjo, Nantabulirwa, Lumuli.
Key towns	Seeta, Sonde, Bukerere
Landmarks	Namanve Industrial Park, Riders Hotel, Namilyango College
Existing Infrastructure	Jinja road, Namugongo-Ssonde-Bukerere Road,
Future Infrastructure Development	The southern Bypass, Kampala -Jinja Expressway

Source: Knight Frank Uganda



Seeta Town

Mukono

Situated 20 kilometres east of Kampala City, Mukono has leveraged on its position along Jinja Highway and strategic location between industrial parks (Mbalala, Namanve & Bweyogerere) to turn into a bedroom city with new shopping malls constructed in the town centre and along major roads while apartment blocks & tenements are upcoming in the residential areas in addition to the owner-occupied dwellings established in the area. Student accommodation has also been established in areas surrounding Uganda Christian University – Mukono Main Campus.

DISTRICT	COUNTY	SUBCOUNTY /TOWN COUNCIL	ESTIMATED ANNUAL HOUSING FOR MUKONO MUNICIPALITY UP TO 2030
Mukono	Mukono Municipality	Mukono Municipality	5,448 Units
DISTANCE FROM THE CBD.		20 KM	
Transport Fare by Tax	UGX 4,000		
Suburbs	Kigunga, Nakabago, Lwanyonyi, Butebe, Nabuti, Mbalala		
Major Town	Mukono		
Schools & Institutions	Uganda Christian University (UCU), Seet High school -Mbalala Campus, Mt. St. Mary's College Namagunga, Mukono Kings High School, Our Lady of Africa SS Mukono		
Medical Facilities	Mukono General Hospital, IMC-Mukono, Mukono Medical Clinic, Pentagon Hospital, AAR Mukono Clinic		
Financial Institutions	Centenary, Absa, Stanbic, Bank of Africa, Equity, Dfcu, UBA		
Key Road Infrastructure	Kampala – Jinja Highway		
Future Infrastructure Projects	The Kampala – Jinja Expressway, The Southern Bypass, Standard Gauge Railway		
Hotels & other Features	Collin Hotel, Rider Hotel		

Source: Knight Frank Uganda



Mukono town

Nabbingo

Nabbingo is situated approximately 15 kilometres south of Kampala along Kampala-Masaka-Mbarara highway. The area has over the years steadily transformed into a thriving commuter town due to its strategic proximity to the city, affordable land opportunities, improved road infrastructure, the presence of educational institutions, and its serene residential environment.



Nabbingo Hillside Neighborhood



DISTRICT	COUNTY	SUBCOUNTY / TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN NABBINGO PARISH UP TO 2030
Wakiso	Busiro	Kyengera Town Council	Nabbingo	457

DISTANCE FROM THE CBD.	15 KM
Neighbouring Suburbs	Kyengera, Buddo, Namagoma
Transport by Taxi	UGX 3,000
Major Towns	Kyengera, Nabbingo and Namagoma
Landmarks	Trinity College Nabbingo, St. Marks College Namagoma, Kings College Budo, St. Lawrence Schools – Creamland Campus, Buddo Junior School
Existing Infrastructure	Kampala-Masaka Highway, Kampala Entebbe Expressway
Future Planned Infrastructure	The Busega-Mpigi Expressway
Land Use	Residential, Retail along the roadside, Institutions

Source: Knight Frank Uganda

Nsangi

Located just 20 kilometres west of Kampala, Nsangi commuter town emerged in response to increasing property prices within the Kyengera-Nabbingo area. This commuter town located along the busy Masaka Highway offers cost-effective land and housing prospects, enhanced road networks and a tranquil residential environment.

DISTRICT	COUNTY	SUBCOUNTY /TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN NSANGI PARISH UP TO 2030
Wakiso	Busiro	Kyengera Town Council	Nsangi	136

DISTANCE FROM THE CBD.	20 KM
Transport Fare by Taxi	UGX 3,000
Neighbouring Suburbs	Kitemu, Maya, Nakirebe, Katende
Major Towns	Kyengera, Nabbingo, Namagoma, Kitemu, Nsangi, Maya, Katende
Existing Infrastructure	Kampala-Masaka Highway, Kampala Entebbe Expressway, Nakawuka Road
Future Planned Infrastructure	Nakawuka-Kasanje-Mpigi(20km), Nakawuka-Mawagulu-Nanziga-Maya(11km) – Upgrade to Tarmac, The Busega-Mpigi Expressway.
Landmarks	Maya Nature Resort, St. Lawrence Schools – London College
Land Use	Residential, Retail along the roadside.

Source: Knight Frank Uganda



Nsangi Town

Matugga

Matugga commuter town is located approximately 20 km north of Kampala Capital City along Kampala Gulu Highway. Several residential estates have been set up in Matugga and surrounding areas with the majority of houses built for owner occupation while the rental market is up and coming. The town has witnessed the establishment of several factories, particularly in food processing, providing employment opportunities to the local population and contributing to the town’s economic growth.

DISTRICT	COUNTY	SUBCOUNTY / TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN PARISH UP TO 2030
Wakiso	Nansana Municipality	Gombe Division	Matugga	857
DISTANCE FROM THE CBD.		20 KM		
Transport Fare by Taxi		UGX 3,000 - 4,000		
Neighbouring Suburbs		Matugga, Buwambo, Kigoogwa, Kiti, Kawanda		
Major Towns		Matugga, Kiti, Kawanda, Kawempe, Buwambo		
Factories		Chief Distillers U Ltd, Egypt Uganda Food Security, Atis Biscuits Factory, Luuka Plastics, Ahmed Raza Food Industries.		
Medical Facilities		Gary Holmes Hospital Maganjo, Frost Medicare, Jokasy medical Centre, Revival Medical Centre, Several Clinics		
Existing Infrastructure		Kampala-Gulu Highway, Kansangati – Matugga Road		
Future Planned Infrastructure		Kansangati -Matugga Road – being upgraded to Tarmac.		
Major developments		YMCA – Buwambo Campus, First Hotel		
Land Use		Residential, Retail along the roadside, Industrial.		

Source: Knight Frank Uganda



Matugga Town

Bulenga

Located approximately 13 kilometres west of Kampala Capital City along the Kampala-Mityana Road, Bulenga Town is a rapidly developing suburban gem that offers residents a harmonious blend of city convenience and serene living.

The growth of the town can be attributed to the availability of affordable land and easy access from the city centre.

DISTRICT	COUNTY	SUBCOUNTY /TOWN COUNCIL	PARISH	ESTIMATED ANNUAL HOUSING IN NAKABUNGO PARISH UP TO 2030
Wakiso	Busiro	Wakiso	Nakabugo	376
DISTANCE FROM THE CBD.		13 KM		
Transport Fare by Taxi		UGX 3,000		
Neighbouring Suburbs		Buloba, Bulaga, Bbira		
Major towns		Busega, Bulenga, Buloba		
Existing Infrastructure		Mityana Road		
Landmarks		Africa Renewal University Buloba, Masheda Palms Resort, Forest Park Resort Buloba.		
Predominant Land Use		Residential, Retail along the roadside.		

Source: Knight Frank Uganda



Bulenga Town

Conclusion

With an expected annual growth rate of 4.24%, the GKMA population is projected to exceed 8.5 million by 2030, requiring the construction of approximately 62,800 new housing units per year.

The emergence of commuter towns in the Greater Kampala Metropolitan Area (GKMA) is a direct response to the rapid population growth in the city. With an expected annual growth rate of 4.24%, the GKMA population is projected to exceed 8.5 million by 2030, requiring the construction of approximately 62,800 new housing units per year. This surge in commuter towns reflects a shift in residents' preferences, as they seek affordable housing options, spacious living environments, and convenient access to amenities.

Consequently, demand has pushed land prices upwards by 8% to 20%, influenced by factors such as proximity and affordability.

Notably, commuter towns along Gayaza Road have experienced the highest increase in land value, establishing the area as a sought-after destination for most commuters.

Commuter towns not only offer residents a harmonious blend of tranquillity and urban convenience but also present lucrative opportunities for real estate developers and investors to meet the growing demand for housing and establish essential amenities such as shopping centres, healthcare facilities, schools, and

recreational spaces. These towns are witnessing substantial improvements in their infrastructure, reshaping the urban landscape by providing an appealing alternative to the bustling and frenetic city life.

Growth is anticipated to persist, driven by the increasing urbanization and the need for affordable housing options. However, the pace of growth will depend on various factors such as the development of transportation networks, availability of essential services and amenities, and government policies that support the expansion of these towns.

Commuter towns play a key role in decongesting the CBD. There are several ways through which the government can encourage the development and growth of commuter towns:

1. Infrastructure investment:

Improving transportation links, such as roads, railways, and public transport options, between the commuter town and major employment centers can make living in a commuter town more appealing.

2. Tax incentives:

Offering tax incentives to developers and businesses in commuter towns can

help spur economic development and attract residents.

3. Planning policies: The government can implement planning policies that prioritize the planned development of commuter towns, such as allocating land for housing and commercial developments in these areas.

4. Affordable housing initiatives:

Implementing schemes to make housing more affordable in commuter towns can encourage people to move to these areas, further decongesting the CBD.

5. Access to amenities: Ensuring that commuter towns have access to essential amenities, such as schools, healthcare facilities, and recreational spaces, can make them more attractive places to live.

6. Improved Transport nodes and means:

Planning for bus terminals at each of these commuter towns, bus and taxi lanes to carry more passengers and reduce traffic by limiting number of cars on the roads, reduce pollution and emissions from number of cars and boda bodas on the roads

The Arena Mall, Nsambya

Photo: Evening shot of the Arena Mall



A mixed-use development of retail and commercial spaces located along Nsambya road neighbouring Kibuli, Kansanga and Makindye.



Available Office Space
5863.57 SQM



Retail Space
8,106.86 SQM

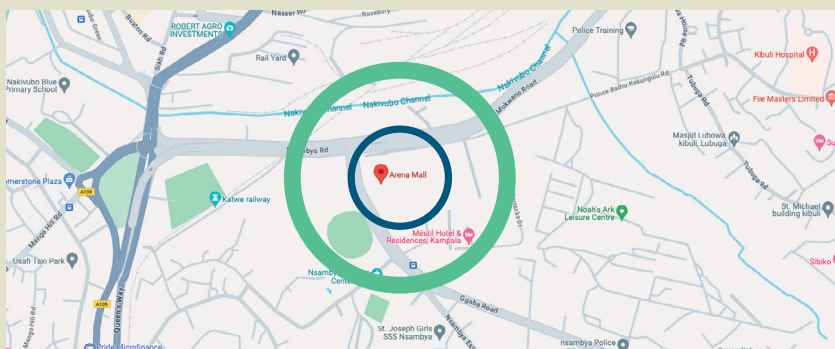


From CBD
3.2 KM



Gross Lettable Area
13,970.43 SQM

Location



Tenants

- CARREFOUR SUPERMARKET
- THE PATIO RESTAURANT
- CENTURY CINEMAX
- BLACK DRIP FASHION
- ERI FLORINA
- U-HOME
- YASHIKA FASHION
- HUMMEL
- FRANGO
- MIDDLE EAST RESTAURANT

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