

Uganda Real Estate Market

H1 2026

Kampala market snapshot: growth is set to accelerate as first oil approaches, while occupiers keep the upper hand across office, retail and industrial space.



Market overview: Uganda enters the oil era with resilient growth, but Kampala’s property market remains occupier-led

6.7% Real GDP growth, 2026F 9.4% in 2027F as oil output ramps up	4.0% Headline CPI, July 2026 Below BoU 5% target · 4.3% avg 2026F	9.75% Central Bank Rate Held at the 13 August 2026 MPC	UGX 3,707 Per US\$, 2026F average End-2026F UGX 3,738.5	~90% EACOP completion, end-June First oil targeted for end-2026	55.0% Government debt, % of GDP 2026F Above the 50% debt ceiling
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Uganda’s outlook into 2027 is firmly growth-oriented as first oil approaches, underpinned by low inflation and a stable shilling, albeit with fiscal and energy-price pressures.

MACRO BACKDROP

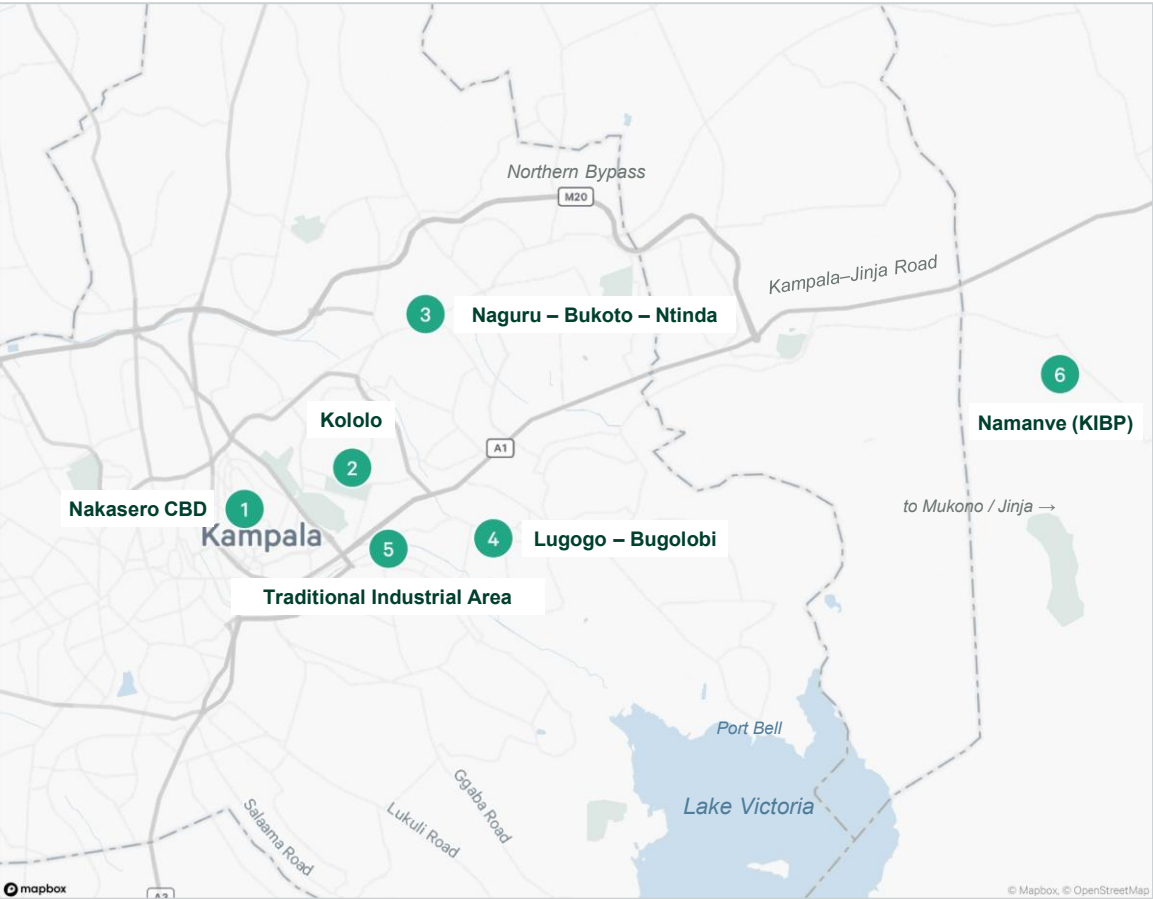
- Growth dipped to **5.6% y/y in Q1 2026** (Q4 2025: 8.5%), but the PMI held at 55.5 in July, an 18th straight month of expansion. Oxford Economics forecasts **6.7% in 2026 and 9.4% in 2027**; Government projects 10.2% for FY2026/27.
- Inflation rose to 4.0% in July on fuel costs but remains below target. Brent has eased from US\$138/bbl (April) to c.US\$92/bbl; El Niño-related food pressures are expected to lift CPI to **5.5% in 2027**.
- Fiscal consolidation is gradual: deficit 4.8% of GDP in 2026F, debt 55% of GDP. Ratings remain speculative grade (Moody’s B3, S&P B-, Fitch B) and shilling lending rates of **c.18.6%** keep development finance costly.

REAL ESTATE DEMAND

- Kampala is the country’s administrative, financial and diplomatic centre, and its **only institutional-grade property market**.
- Four demand pillars: the **oil and gas build-out** (EACOP, Tilenga/Kingfisher, Kabalega Industrial Park); government, development partners and embassies anchoring Grade A offices; industrialisation led by **Namanve**; and rising domestic consumption.
- Leasing is relocation-led rather than expansion-led, keeping the market **tenant-favourable**. The Valuation Act 2026 adds licensing and national standards, improving transparency.
- Key risks: oil-project delays, El Niño disruption and Ebola spillover from eastern DRC.

Source: Oxford Economics Africa, Country Economic Forecast Uganda (19 August 2026); UBOS; Bank of Uganda; MoFPED Budget Speech FY2026/27; CBRE Excellerate Research. F = forecast.

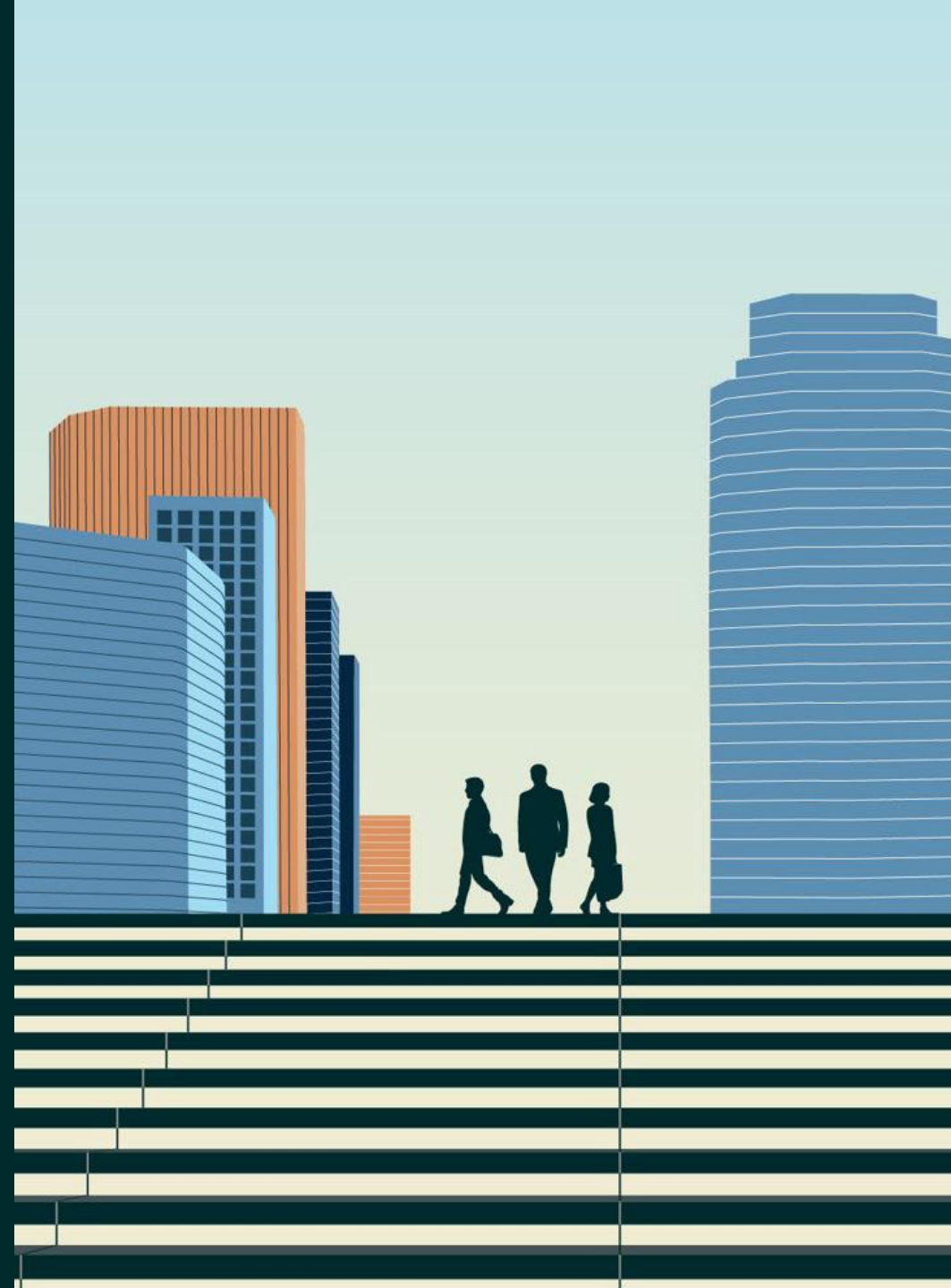
Key nodes: Kampala’s commercial activity is concentrated in six nodes, from the Nakasero CBD to the Namanve industrial park



	Key nodes	Positioning	Key characteristics
1	Nakasero CBD	Administrative and financial core	Government, banks and older Grade AB stock; IGG Building, Pension Towers and AATC in the pipeline; vacated public-sector space weighs on occupancy.
2	Kololo	Prime office / diplomatic node	Embassies, NGOs and professional firms; mid-rise offices and converted villas with stronger parking provision.
3	Naguru – Bukoto – Ntinda	Emerging institutional office	JLOS Towers (60,040 sqm) completed in 2026; condominium offices for SMEs; residential-to-office conversions.
4	Lugogo – Bugolobi	Retail and mixed-use corridor	Lugogo and Village malls along the Jinja Road axis; convenience, lifestyle and neighbourhood retail.
5	Traditional Industrial Area	Legacy industrial / logistics	Highest warehouse rents (US\$4.5–7.0); deteriorating roads are driving relocations to serviced parks.
6	Namanve (KIBP)	Serviced industrial park	2,209-acre park on the Kampala–Jinja corridor; €215m infrastructure upgrade >80% complete; rents US\$3.0–5.5.

Source: Oxford Economics Africa (August 2026); CBRE Excellerate Research. Rents US\$/sqm/month, excluding VAT and service charge. Map: © Mapbox, © OpenStreetMap contributors; node locations per CBRE Excellerate (approximate).

Market KPI Snapshot



Market KPI snapshot: Grade A offices and modern warehousing hold firm, while secondary stock carries the vacancy

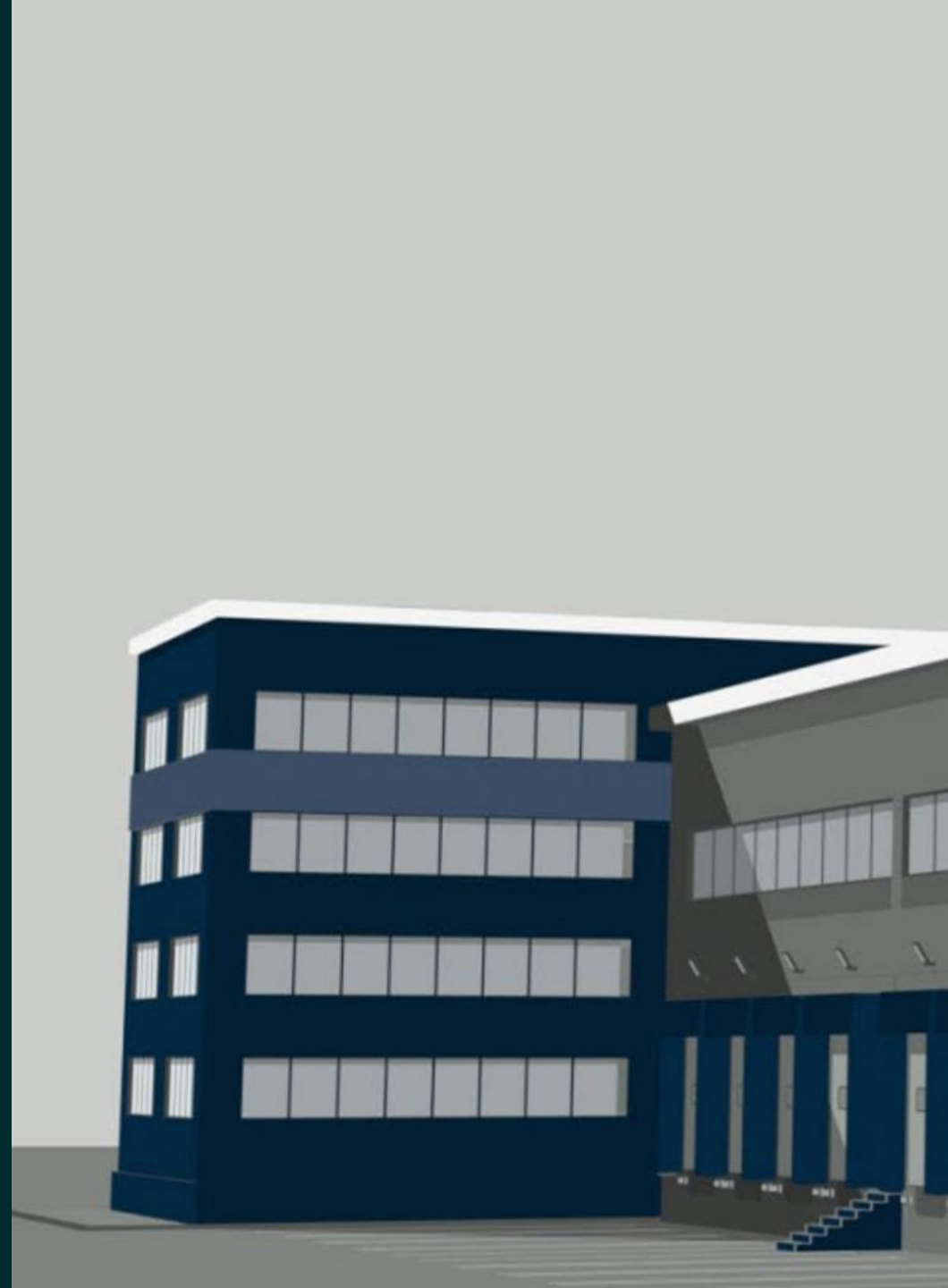
Notes on KPI methodology and transparency

- Office, industrial and retail benchmarks are drawn from CBRE Excellerate H1 2026 review (prime malls: ground-floor rents, CBX-managed portfolio); vacancy is derived from reported occupancy.
- Uganda has no consolidated public stock inventory; where figures are fragmented, this is stated. Yields are indicative prime benchmarks given limited transaction transparency.
- Conversion note: USD-denominated rents are converted using UGX 3,707/US\$ (Oxford Economics 2026 year-average) and rounded.

Indicator	Office	Industrial	Retail
*Prime Rent (UGX / sqm / month)	~66,700 (Grade A+ US\$18); Grade A ~63,000 (US\$17)	~26,000 (US\$7.0, Traditional Industrial Area)	~148,000–193,000 (US\$40–52; prime mall ground floor, 50–100 sqm units)
*Rental Range (UGX / sqm / month)	~51,900–66,700 (US\$14 Grade AB to US\$18 Grade A+)	~11,100–26,000 (US\$3.0–7.0; Namanve US\$3.0–5.5)	~44,500–192,800 (US\$12–52 by unit size; largest units lowest)
Vacancy Rate (%)	~13% Grade A+/A; ~17% Grade AB (occupancy 87% / 83%)	<20% (occupancy above 80% across key zones, led by Grade A warehousing)	~8% in managed prime malls; ~18% across major malls (H2 2025)
Prime Yield (%)	~9% (indicative, H2 2025)	~13% (H1 2026; among Africa’s highest)	Data fragmented
Total Stock (sqm)	No consolidated public inventory; ~65,000 sqm delivered H1 2026, mostly owner-occupied	Data fragmented	Data fragmented
Pipeline Supply (sqm)	>130,000 (incl. Kingdom Kampala extension 70,000; Pension Towers 32,000; IGG Building 19,000)	Not reported in sqm; Kabalega Industrial Park, Hoima (US\$390m, 29.6 km²)	Data fragmented (pipeline largely within mixed-use and neighbourhood schemes)

*Typically excluding VAT and service charge unless stated.

Typical Market Practice



Lease structure: terms are negotiated deal by deal, with retention the priority in a tenant-led market

Typical lease terms observed across Kampala’s institutional office, retail and industrial stock.

Item	Office	Retail	Industrial
Typical lease term	Negotiated; institutional occupiers often commit to multi-year terms, while new entrants seek shorter 1–2 year terms	Negotiated; anchors take longer terms, line shops shorter	Negotiated; heavy manufacturers often buy land and build rather than lease
Renewal options	Commonly negotiable; landlords prioritise retention in a tenant-favourable market	Negotiated; renewal-led leasing as prime malls trade near full occupancy	Negotiated; renewal linked to specification and permitted use
Expansion options	Limited; little appetite for floorplates above 1,000 sqm	Limited; scarce vacancy in mature prime malls	More feasible in Namanve and other serviced parks
Subletting	Generally subject to landlord consent	Often restricted; consent and tenant-mix controls	Generally subject to landlord consent and use compliance

Market practice: indicative and deal-specific.

How rents are calculated, escalated and paid in Kampala.

Item	Office	Retail	Industrial
Rent calculation	Per sqm/month on lettable area; prime buildings quoted in US\$ excluding service charge and VAT	Per sqm/month, tiered by unit size and floor; ground-floor units command a premium	Per sqm/month; rents vary by location and specification
Rent escalation	Data fragmented; commonly negotiated (typically annual step-ups)	Data fragmented; negotiated	Data fragmented; negotiated
Advance rent	Deal-specific; monthly or quarterly in advance common	Typically monthly or quarterly in advance; asset-specific	Deal-specific
Currency	US\$ standard for prime stock; UGX more common in secondary buildings	US\$ in prime malls; UGX common in downtown and secondary retail	US\$ common in parks; UGX appears in some listings

. Market practice: indicative and deal-specific.

Financial obligations: service charges are levied separately, and landlords carry property rates and rental income tax

Recurring costs and statutory obligations attached to commercial leases.

Item	Office	Retail	Industrial
Security deposit	Typically 1–3 months depending on covenant and fit-out (market practice; not consistently disclosed)	Varies by tenant category and covenant	Typically 1–3 months depending on lease risk and specification
Service charge	Common (example: US\$4/sqm/month in a Nakasero tower listing)	Charged separately; excluded from quoted mall rents	Lower in parks (example: US\$2/sqm/month in a Namanve listing)
Property tax	Landlord obligation; KCCA property rates of 6% of rateable value; rental income tax of 12% (individuals) or 30% (companies)	Same as Office	Same as Office
Utilities	Tenant-paid; reliable back-up power is a key differentiator for Grade A buildings	Tenant-paid plus common-area allocation via service charge	Tenant-paid; power reliability and yard security are material cost lines
Insurance	Landlord structure insurance common; tenants insure contents and liability (deal-specific)	Same as Office	Same as Office

Source: Uganda Revenue Authority (rental income tax guidance); KCCA; dfcu Ltd property listings CBRE Excellerate Research. 18% VAT applies to rent where the landlord is VAT-registered.

Fit-out and handover: shell-and-core delivery is spreading, and landlords increasingly contribute to close deals

Handover condition, fit-out and reinstatement norms.

Item	Office	Retail	Industrial
Handover condition	Shell and core options increasingly offered in new buildings; specification varies by asset	Typically shell with landlord design criteria and approvals	Warehouses typically basic shell; modern specification commands a premium
Fit-out period	Negotiated; longer for large floors; rent-free and phased occupation used as incentives	Negotiated; higher fit-out needs in F&B	Negotiated; driven by racking, power and fire compliance
Fit-out cost range	Data fragmented; FX and fuel-cost sensitivity is material for imported materials	Data fragmented	Data fragmented
Reinstatement	Typically required unless waived	Typically required; signage and façade controls common	Often required; focus on racking removal and floor reinstatement

Market practice: indicative and deal-specific.

Transaction costs: lessees pay 1% stamp duty, and the Valuation Act 2026 formalises valuation practice

One-off costs incurred when concluding a lease.

Item	Office	Retail	Industrial
Brokerage fee	Deal-specific; negotiated	Deal-specific; negotiated	Deal-specific; negotiated
Legal fees	Typically each party bears its own fees (deal-specific)	Higher legal input for turnover clauses and fit-out controls (market practice)	Higher legal input for permitted use, H&S and free-zone compliance (use-specific)
Stamp duty	1% of lease value under the Stamp Duty Act 2014; paid by the lessee within 45 days of execution	Same as Office	Same as Office; exemptions apply to strategic investment projects
Reservation deposit	Applied in some landlord-managed contexts (deal-specific)	Deal-specific	Deal-specific

Source: Stamp Duty Act 2014 (as amended 2018); Ministry of Lands, Housing and Urban Development; RSM Uganda

Operational terms: parking has hardened from a preference into a prerequisite for office occupiers

Day-to-day operating terms that shape occupier decisions.

Item	Office	Retail	Industrial
Parking ratio	Asset-specific; parking now decisive in leasing (example: US\$35/bay/month in a Nakasero tower listing)	Customer parking and access materially affect performance (centre-dependent)	Yard depth, truck access and road condition are key constraints
Operating hours	Standard business hours with controlled after-hours access (asset-dependent)	Defined trading hours; delivery windows managed	Often extended/24-7 subject to estate rules
Cleaning responsibility	Tenant internal; landlord common areas via service charge	As office	As office
Building access	Controlled access and security standard in prime stock	As office	Gated access and security typical in parks and estates

Source: CBRE Excellerate Research. Market practice: indicative and asset-specific.

— Market Outlook



Outlook: selective opportunities in Grade A offices, serviced industrial parks and neighbourhood retail



Highlighted: current positions. Office and retail: growth moderating; industrial: growth accelerating.



Office

Property cycle position: Market Growth Moderating

Grade A rents firmed to US\$17/sqm (A+ US\$18) with 87% occupancy, but take-up is relocation-led and over 130,000 sqm is in the pipeline, so rental growth is likely to be incremental rather than accelerating.

Outlook: Grade A+/A rents should hold on scarce premium stock; Grade AB vacancy stays elevated as completions such as the IGG Building release older space, with landlords leaning on incentives rather than headline cuts.



Industrial

Property cycle position: Market Growth Accelerating

Occupancy above 80%, prime yields of c.13% and Namanve's €215m infrastructure upgrade are drawing occupiers out of the Traditional Industrial Area; demand favours 300–500 sqm units.

Outlook: First oil, EACOP commissioning and the Kabalega Industrial Park should sustain logistics and contractor demand; rents hold while the premium for modern, serviced space widens.



Retail

Property cycle position: Market Growth Moderating

Prime malls trade near full and rents are stable on tight supply, but fuel costs, tighter household budgets and health scares weighed on footfall and turnover in 2026.

Outlook: Leasing stays renewed; neighbourhood and mixed-use centres capture growth as suburbs expand. Inflation rising to 5.5% in 2027F may constrain discretionary spend.

Source: CBRE Excellerate Research; Oxford Economics Africa (August 2026). Property cycle positions are indicative house views; they are not guarantees of future performance.

Disclaimer and methodology

DATA SOURCES

- Oxford Economics Africa, Country Economic Forecast Uganda (19 August 2026): GDP, inflation, policy rate, exchange rate, fiscal and risk indicators.
- Bank of Uganda, UBOS, MoFPED, URA, KCCA and the Stamp Duty Act 2014 for monetary, fiscal and statutory data; landlord listings for service charge and parking examples.

KPI METHODOLOGY

- Rents are net monthly headline rents per sqm, excluding VAT and service charge, quoted in US\$ and converted at UGX 3,707/US\$ (Oxford Economics 2026 year-average).
- Vacancy is derived from reported occupancy (100% less occupancy). Retail rents are average ground-floor rents in prime Kampala malls and do not reflect frontage-to-depth ratios.
- Property cycle positions and outlook statements are CBRE Excellerate house views based on the latest available evidence.

DATA NOTES

- Uganda lacks consistently published data on total stock, citywide vacancy and development pipelines; where figures could not be verified across sources they are marked as data fragmented or indicative.
- Typical market practice reflects observed lease terms and is deal-specific; deposits and escalations are not consistently disclosed.
- Data as at H1 2026 unless otherwise stated; F = forecast.

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Thank you

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