

REAL ESTATE



People should rent houses that fit in their budget

The hustle of house hunting

BY UMAR NSUBUGA

Renting a house in Kampala has become expensive. Even houses in the outskirts have followed suit.

Alice Lule, who works in Kampala, recently went house hunting for a two-bedroom house in Bukoto, Ntinda, Kiwatule, Kamwokya, Naguru, Kisaasi and Najjera.

"I had a budget of sh2m to cover the first four months, but to my dismay, this money was not enough. The nice houses in these areas were at sh700,000 and above per month. To make matters worse, landlords wanted a six or four-month deposit," she narrates.

Exploitative brokers

The rate at which brokers exploit desperate house hunters is disheartening.

Lule said she hired four brokers recommended by friends. Before a broker embarks on the job, he asks for inspection fee of sh20,000 or sh30,000. Others even ask for sh50,000.

Francis Kimuli, a resident of Ntinda, says one should not be surprised if they pay inspection fees and the broker takes them to occupied houses or those that do not match their needs.

He says: "In case you choose to rent one of the houses, be ready to pay a commission. They calculate their percentage from the total amount you pay the landlord."

Lule says she was shocked when the broker asked her for sh200,000 as commission from the sh2.4m that she was supposed to pay for rent.

"I had wasted sh120,000 on inspection fee for different brokers. Meanwhile, they also asked the landlord to pay them for brokerage," she added.

Transportation

Be ready to pay the transport fare for the brokers to each house they take you

And when you finally move, depending on how much property you have and how far your new home is from the old one, you will probably not pay less than sh50,000 for transport.

This fee, however, does not include charges for loading and offloading the property.

Before you move...

Damba Kezekia, a property agent, advises that if you are thinking of moving, first carry out research and ensure that you have enough money to cover costs such as inspection fees, commission and transport.

"Ensure that you have money that can clear the four or six-month deposit," he added.

Kezekia cautions against brokers who exploit people. Such brokers will give you a higher rental fee than what the landlord is asking for.

"For example, if a landlord wants sh700,000 for a three-bedroom house, which a broker believes can fetch sh850,000, he can tell you to pay sh1,000,000 and later collect his money from the landlord.

He advises that house hunters should work directly with the landlord on that contract to avoid being cheated.

Experts view

David Kireli, a civil engineer, says many tenants are attracted to the appearance of houses without thinking about their incomes.

It would be better for a person of middle-class status to opt for a two-bedroom house.

For developers, rentals are a cow from which they milk on a monthly

basis. It is because it is one of those businesses that one can earn from during their old age, if well-maintained.

Kireli says this is the only business where one can increase rent fees any time.

The tenant can either stay in the house or look for another one.

Unfortunately for tenants, this is one commodity where there is no bargaining.



Sign a rent agreement with the landlord