

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Influence of Macroeconomic Factors on Performance of Real Estate Investment Trusts in Kenya

Mercy Njeri

Masters Student, Department of Science,
Jomo Kenyatta University of Agriculture and Technology, Kenya

Muturi Willy

Professor, Department of Economics, Accounts and Finance
Jomo Kenyatta University of Agriculture and Technology, Kenya

Abstract:

The need for effective management of REITS has gained attention globally. REITS were initially created by the United States Congress in the 1960's as a vehicle through which small investors could gain access to large scale, income producing real estate properties. However, REITS has suffered from a lack of popularity due to other tax-sheltered real estate investments, such as limited partnerships. In Kenya, despite a rather slow start, in 2017, the only listed REIT in Kenya saw its price decline by 13.4 per cent. REITS has not been managed effectively such that their performance has been greatly affected. The present study therefore sought to investigate influence of macroeconomic factors on performance of real estate investment trusts in Kenya. The specific objectives were; to determine the influence of Exchange rate, to establish the influence of Interest Rate, influence of Inflation and to investigate the influence of economic growth on performance of Real Estate Investment Trusts (REITS) Kenya. This study was grounded on modern portfolio theory, pecking order theory, arbitrage pricing theory and purchasing power parity (PPP). The study used descriptive survey research. The findings show that that Exchange rate has a significant influence on performance of Real Estate Investment Trusts in Kenya ($\beta=0.499$; $p<0.05$). Interest Rate has no significant influence on performance of Real Estate Investment Trusts (REITS) in Kenya ($\beta=0.519$; $p>0.05$). Inflation rate has a significant influence on performance of Real Estate Investment Trusts (REITS) in Kenya ($\beta=0.079$; $p<0.05$). Economic growth has no significant influence on performance of Real Estate Investment Trusts (REITS) in Kenya ($\beta=0.040$; $p>0.05$). The finding concludes that Exchange rate has an influence on performance of Real Estate Investment in Kenya. Therefore, an increase in exchange rate affects the stock prices of REITS thus affecting their performance. Interest Rate has a significant influence on performance of Real Estate Investment Trusts hence affecting the volatility of REIT property market. Inflation rate has a significant influence on performance of Real Estate Investment Trusts (REITS) in Kenya. Finally, economic growth has a significant influence on performance of Real Estate Investment Trusts (REITS) in Kenya. Therefore, economic growth develops investors financial base to invest more in REITS. The study recommends that factors such as inflation rate should be addressed as they affect the exchange rate which in turn affects the performance of Real Estate Investment Trusts (REITS). Secondly, interest rate should be harnessed by the commercial banks in order to encourage investors in venturing Real Estate Investment Trusts. This will promote performance of REITS. Thirdly, all sectors of Economy should be stimulated to growth in order to attract more investment in REITS.

Keywords: Exchange rate, economic growth, interest rate, inflation rate, real estate investment trusts

1. Background

Real estate investment trusts (REIT) are corporations that own or finance income-producing real estate properties. REITs allow anyone to invest in portfolios of large-scale properties the same way they invest in other industries through the purchase of stock. In the same way shareholders benefit by owning stocks in other corporations, the stockholders of a REIT earn a share of the income produced through real estate investment without actually having to go out and buy or finance property (Tarver, 2017). McClellan (2018) maintains that REITs allow participants to invest in a professionally managed portfolio of real estate properties. REITs qualify as pass 'through' entities that are available to investors without taxation at corporate level. They provide investors with ongoing dividend income, while offering the potential for long-term capital gains through share price appreciation.

The US REIT industry could face a significant challenge from potential US federal income tax reform. While the debate concerning the exact nature of the changes to US tax reform is ongoing, a significant reduction in corporate tax rates and certain income from partnerships that is currently proposed could affect decision-making related to the type of investment vehicle chosen by real estate owners. For existing US REITS, once there is more clarity as to potential changes in US tax law, management teams will need to evaluate the resulting impact on taxable income, cash flows and dividend

yields from real estate, as well as on the opportunity for tax deferral planning. These issues are central to the valuation of real estate ownership and operations and capital allocation decisions (Ernst, 2017).

Although investment in REITs already become as one of the instrument investments in Indonesian capital market (IDX – Indonesian Stock Exchange) since 2012 still it does not popular and well-known in the community. But it seems there are some challenges to expand REITs as the investment alternative. This includes the barriers to entry for conventional REITs as well as the tax rate. Furthermore, Islamic REITs as a new investment instrument is not yet established (Sintarini, 2017)

In Africa, REITs are gaining popularity in some nations where financial markets are well developed. The South African investment property sector has delivered attractive returns over the last few years, but does not offer international investors the uniformity and simplicity which would facilitate international investment. The opportunity in South Africa is to establish a 'best of breed' REITs vehicle and to provide for a conversion chance that may allow existing property investment vehicles to convert into REITs. This would serve to address any weaknesses in the investment property vehicles in the country and to also attract international capital. The 'best of breed' REITs should have distinct features that would allow investors to quick access to revenue streams and also provide for small investors to invest in large immovable properties with no difficulties (Madison Property, 2007). While being the best performing asset class of 2015, South African Real Estate Investment Trusts (REITs) have to weather many challenges. REITs managers are aware that South Africa is well below its international counterparts in terms of residential offerings in the listed property space. They have highlighted challenges affecting investment in the residential sector. This includes legislation, management intensity, rental growth limitation and investor perception of risks (Anderson, 2015).

In Kenya, the Capital Markets Authority (CMA) since December 2013 have been mandated to license companies to manage REITs in their preparations to launch REITs products in the Nairobi Security exchange. However, Gitau, Onchwari and Oraro (2016) reports that high interest rates associated with real estate development and the undersupply of housing especially for the lower segment of the market have proven to be a challenge towards the further advancement of this sector. To remedy this, the Government seeks to encourage investment in real estate through REITs.

1.1. Statement of the Problem

In Kenya, the first REIT was actually formed in 1990. Despite a rather slow start, REITs experienced their first significant growth during the late 1960s and early 1970s. In 2017, the only listed REIT in Kenya saw its price decline by 13.4 per cent closing at Sh10.30 down from Sh11.90 at the beginning of the year and shedding 50.5 per cent from its listing price of Sh20.80 in November 2015. Additionally, price of the REIT has also remained low over poor dividend yields and negative market sentiments (Ngunjiri, 2018). Being the first REIT, it left investors with losses with the second REIT attempt. Real Estate Investment Trusts (REIT) prices have remained depressed due to lack of clarity on exact returns from underlying assets therefore affecting investment. Even though increased prices of REITs have been found to have fewer returns exceeding guaranteed interest rates, some have managed to outperform their market index. According to Makanga (2018) REITs has not been managed effectively such that their performance has been greatly affected. Mbataru (2012) conducted a research aimed at identifying the factors affecting the performance of unit trusts in Kenya. The findings of the study show that growth of fund is a critical determinant of performance of unit trusts. Similarly, Muindi (2011) carried a study aimed at identifying and evaluating the determinants of performance of unit trusts in Kenya. The findings of the study show that forecasting ability, market timing ability as well as security selection techniques were critical determinants of performance for unit trusts. However, these studies left gaps related to exchange rate, interest rate, inflation and money supply which is the present study seeks to fill. This study therefore sought to investigate influence of macroeconomic factors affecting performance of Real Estate Investment Trusts (REITs) in Kenya.

1.2. Research Objectives

The objectives of the study were:

- To determine the influence of Exchange rate on performance of Real Estate Investment Trusts (REITs) in Kenya.
- To establish the influence of Interest Rate on performance of Real Estate Investment Trusts (REITs) in Kenya.
- To examine the influence of Inflation on performance of Real Estate Investment Trusts (REITs) in Kenya.
- To investigate the influence of economic growth on performance of Real Estate Investment Trusts (REITs) in Kenya

1.3. Research Hypotheses

The Study was directed by the following null hypotheses:

- H₀₁. Exchange rate has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya.
- H₀₂. Interest Rate has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya.
- H₀₃. Inflation has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya.
- H₀₄. Economy growth has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya.

2. Literature Review

2.1. Conceptual Framework

The conceptual framework for the study is illustrated in Figure 2.1

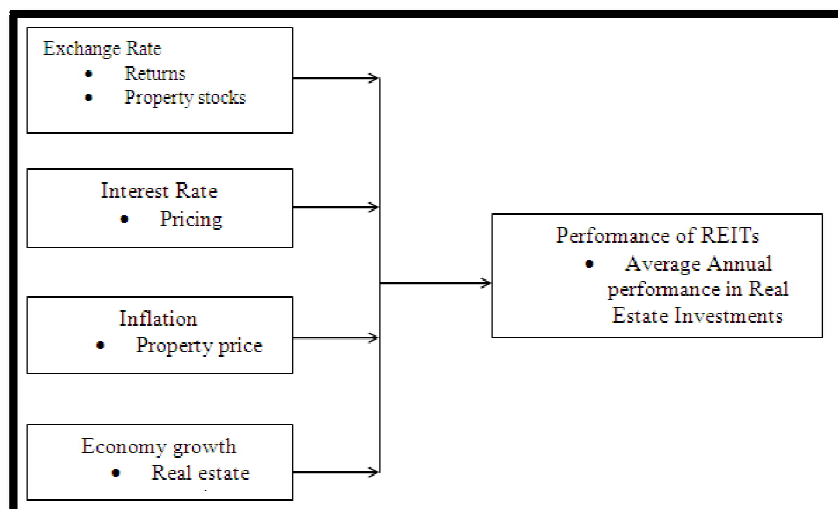


Figure 1: Conceptual Framework

3. Methodology

3.1. Research Design

Descriptive research determines and reports things the way they are and is intended to produce statistical information about aspects of interest to policy makers and educators (Mugenda & Mugenda, 2013). The design was appropriate because it was used to assess the situation of the phenomena as it had occurred

3.2. Target Population

The study targeted only the surveyed REIT firms; Stanlib, UAP Investment and CIC Asset Management Limited.

3.3. Sampling Technique

This study used purposive sampling technique to pick the three institutions namely Stanlib, UAP Investment and CIC Asset Management Limited.

4. Results

4.1. Exchange Rate

The mean exchange rate was analyzed from 2013 to 2017. The findings are presented in Table 4.1

	N(Years)	Mean Statistic	Std. Dev. Statistic	Kurtosis	
				Statistic	Std. Error
Exchange Rate in the year 2013	1	86.5256	.92554	-1.674	2.000
Exchange Rate in the year 2014	1	89.3152	.92106	-1.069	2.000
Exchange Rate in the year 2015	1	102.9696	1.31186	4.284	2.000
Exchange Rate in the year 2016	1	101.5768	.36170	.000	2.000
Exchange Rate in the year 2017	1	103.3460	.22944	-2.998	2.000
Exchange Rate overall mean	1	95.4279	7.92361	-2.878	2.000
Valid N (listwise)	5				

Table 1: Mean Exchange Rate

The findings show that the exchange rate in the year 2013 was kshs 86.5256 against USD. The exchange rate rapidly rose to 102.9696 against 1USD in 2015. Afterwards, in 2016, the Kenyan shilling gained some strength against the USD and traded at 101.5768. Moreover, in the year 2017, the shilling lost its strength and its exchange rate was the highest (kshs.103.3460) against the USD in the five year of cohort analysis. Finally, the exchange rate overall mean was kshs 95.43 against the USD.

This finding shows that increase in exchange rate affected the stock prices of REITS. This finding agrees with that of Korhonen (2015) who argues that foreign exchange rate exposure is time-varying and particularly depends on the long-run co-movement between stock markets and exchange rate markets. Furthermore, the study also presented new

evidence that the national foreign exchange rate exposure of stock markets is related to the co integration of stock prices and effective exchange rates.

4.3. Interest Rate

The mean Interest rate was analyzed from 2013 to 2017. The findings are presented in Table 4.2.

	N(Years)	Mean	Std. Dev.	Kurtosis	
		Statistic	Statistic	Statistic	Std. Error
Interest Rate for the year 2013	1	6.4520	.10872	-.737	2.000
Interest Rate for the year 2014	1	6.5260	.07570	-.972	2.000
Interest Rate for the year 2015	1	6.6220	.04970	.000	2.000
Interest Rate for the year 2016	1	7.1120	.46284	-.624	2.000
Interest Rate for the year 2017	1	7.2020	.26395	3.210	2.000
Interest Rate overall mean	1	6.9293	.4079241	-.529	2.000
Valid N (listwise)	5				

Table 2: Mean Interest Rate

The study found that the commercial banks' weighted average interest rates (%) was consistently rising from 6.4% in 2013 to 6.6% in 2015. Similarly, in 2016, the interest rate was 7.1% while in 2017, it was 7.2%. Furthermore, it was evident that the interest rate overall mean was 6.9293%. This suggests that interest rate could affect the volatility of REIT property market. This is in line with Liow and Huang (2006) who investigated the impact of interest rates on three major Asian listed property markets (Japan, Singapore and Hong Kong) and the UK REIT market within a time-varying risk framework. Their study finds that property stocks are generally sensitive to changes in long- and short-term interest rates and to a lesser extent, their volatility.

4.4. Inflation Rate

The mean Inflation rate was analyzed from 2013 to 2017. The findings are presented in table 4.3.

	N(Years)	Mean	Std. Dev.	Kurtosis	
		Statistic	Statistic	Statistic	Std. Error
Inflation Rate for the year 2013	1	7.4460	.61403	-.196	2.000
Inflation Rate for the year 2014	1	6.7000	.95825	3.787	2.000
Inflation Rate for the year 2015	1	6.7720	.91481	-1.561	2.000
Inflation Rate for the year 2016	1	6.4200	.16355	1.252	2.000
Inflation Rate for the year 2017	1	6.0100	1.51872	-1.870	2.000
Inflation Rate overall mean	1	6.6480	1.15189	.908	2.000
Valid N (listwise)	5				

Table 3: Inflation Rate

Regarding inflation rate, it was noted that in 2013, it was recorded to be the highest at 7.4%. However, between 2014 and 2015, it was recorded at 6.7%. Furthermore, in 2016; it had declined to 6.4% and 6.0% in 2017 respectively. Furthermore, the Inflation Rate overall mean was 6.6%. This means that high inflation rate will affect REITS returns. It is believed that inflation will affect interest rate levels. The higher the rate of inflation, the more interest rates are likely to rise. This occurs because lenders will demand higher interest rates as compensation for the decrease in the purchasing power of the money they will be repaid in the future (James & Webber, 2001).

4.5. Economic Growth

The mean Economic growth was analyzed from 2013 to 2017. The findings are presented in Table 4.4.

(Years)	N	Mean (%)
Average Annual GDP in 2013	1	5.9000
Average Annual GDP in 2014	1	5.4000
Average Annual GDP in 2015	1	5.7000
Average Annual GDP in 2016	1	5.9000
Average Annual GDP in 2017	1	4.9000
Economic growth overall mean	1	5.5600
Valid N (listwise)	5	

Table 4: Mean Economic Growth

The economic growth was assessed in terms of Average Annual GDP. The findings suggest that the Average Annual GDP in 2013 was 5.9% which later declined to 5.4% in 2014. Similarly, the GDP rose to 5.7% in 2015. Furthermore, in 2016, the economy improved by 5.9% which later declined to 4.9% in 2017. In summary, the economic growth overall

mean for the five years was 5.56%. This means that when there is upsurge in economic growth, investors will be in a position to invest in REITS. This study agrees with Wambuu (2016) who observes that organizations may leverage on a growing economy in order to raise revenues with the business sector remaining steady. With the increase in corporate and retail income, it can also stir local demand in real estate.

4.6. Regression Analysis

To predict the performance of Real Estate Investment Trusts, Multiple linear regressions were computed at 0.05 Alpha level. The results are presented in model summary, ANOVA and coefficients Tables.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.933 ^a	.870	.796	.20755

Table 5: Model Summary

a. Predictors: (Constant), Economic Growth, Interest Rate, Inflation Rate, Exchange Rate

The model summary shows that Interest Rate, exchange rate, Inflation Rate and Economic growth predicts 87% of performance of Real Estate Investment Trusts with a standard error of the estimate of 0.20755.

4.6.1. Model Robustness

The analysis of variance (ANOVA) Table 4.9 shows the model significance at 0.05 Alpha Level.

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	2.021	3	.505	11.730	.003 ^b
Residual	.302	8	.043		
Total	2.323	11			

Table 6: ANOVA^a

a. Dependent Variable: performance of Real Estate Investment Trusts (REITs)

b. Predictors: (Constant), Economic growth, Interest Rate, Inflation Rate, Exchange Rate

The findings show that the model is highly significant at 0.05 level, $r^2 = 0.870$, $F(4,7) = 11.730$. This means that the independent variables in the model significantly predict performance of real estate investment trusts.

4.6.2. Regression Coefficients

The effect of independent variable on dependent variables was presented using Unstandardized B coefficients as shown in Table 4.10.

Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
(Constant)	-7.075	12.411	.570	.586
Exchange Rate	.499	9.802	-2.397	.048
Interest Rate	.519	.540	-.961	.369
Inflation Rate	.079	1.507	3.966	.005
Economic growth	.040	.121	.334	.748

Table 7: Coefficients^a

a. Dependent Variable: performance of Real Estate Investment Trusts (REITs)

Using the model below, the dependent variable was estimated as follows:

$$y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + e$$

Performance of Real Estate Investment Trusts (REITs) can be estimated using the following equation:

$$Y = -7.075 + 0.499X_1 + 0.519X_2 + 0.079X_3 + 0.04X_4 + \epsilon$$

From the Table 7, it implies that for every one-unit increase in exchange rate performance of Real Estate Investment Trusts increases by 49.9%. Moreover, an increase in one-unit in Interest Rate, performance of Real Estate Investment Trusts increases by 51.9%. Furthermore, for every one-unit increase in Inflation Rate performance of Real Estate Investment Trusts increases by 7.9%. Finally, an increase in one-unit in Economic growth, the performance of Real Estate Investment Trusts increases by 4%.

On the other hand, the t-test statistic (t) was used to test the research hypothesis. The p-value specifies whether an individual variable significantly predicts the dependent variable. If the p value is less than 0.05, the corresponding variable is considered significant.

4.6.3. Hypothesis Testing

The following hypotheses were tested:

- H_{01} . Exchange rate has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. The first hypothesis was rejected at 0.05 significance level ($p < 0.05$) with a t-value of -2.397. This means that Exchange rate has a significant influence on performance of Real Estate Investment Trusts in Kenya. This view agrees with that of Karanja (2016) who asserts that when currency rates depreciate in a given country it will not affect the real estate price but a sustained depreciation of the currency eventually lead to prices becoming dearer for buyers. Currencies fluctuate because of supply and demand. These rates have a significant impact in the prices one pay for foreign for property which in turn affect REITS performance.
- H_{02} . Interest Rate has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. This study failed to rejected the second null hypothesis since the t-value (-0.961) was not significant with a p-value > 0.05 . However, some researchers have found a significant influence of interest rate on individuals purchasing power. Bioreri (2015) maintains that the rates on interbank exchanges and treasury bills have as profound an effect on the value of income-producing real estate as on any investment vehicle. The influence of interest rates on an individual's ability to purchase residential properties (by increasing or decreasing the cost of mortgage capital) is so profound. Similarly, Cairns (2018) opines that because interest rates also affect capital flows, the supply and demand for capital and investors' required rates of return on investment, interest rate will drive property prices in a variety of ways. Finally, Blanchard (2000) recommends that real estate firms' financial performances are affected by interest rates. In this regard, dynamics in interest rates can have a great influence a one's property purchasing power. That is because a fall in interest rates will cause a decrease in the mortgage prices, which in turn creates a higher demand for real estate; and the converse it applicable.
- H_{03} . Inflation rate has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. The null hypothesis was rejected since the t-value (3.966) was significant with a p-value < 0.05 . This imply that Inflation rate has a significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. This finding agrees with that of Gwartney et al, (2014) who report that inflation rate will affect interest rate levels. The higher the rate of inflation, the more interest rates are likely to rise. This occurs because lenders will demand higher interest rates as compensation for the decrease in the purchasing power of the money they will be repaid in the future.
- H_{04} . Economic growth has no significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. In this study, the null hypothesis was not rejected since the t-value (0.334) was not significant with a p-value > 0.05 . This imply that Economic growth has a significant influence on performance of Real Estate Investment Trusts (REITs) listed in Kenya. However, some researchers have found an influence of economic growth on investment. Chane (2008) states that as GDP is an indicator of the health of the economy a high GDP is synonym of a favorable economic condition value and that should positively drive investments in SIIC. Real GDP contrary to nominal GDP allows to erase the inflation effect and to compare the measure over our time line consideration of five years. Inversely, when unfavorable economic conditions occur, that should affect investments especially REITS.

5. Conclusion

Exchange rate has an influence on performance of Real Estate Investment Trusts in Kenya. Therefore, an increase in exchange rate affects the stock prices of REITS thus affecting their performance.

Interest Rate has a significant influence on performance of Real Estate Investment Trusts hence affecting the volatility of REIT property market. Moreover, inflation rate has a significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. Finally, economic growth has a significant influence on performance of Real Estate Investment Trusts (REITs) in Kenya. Therefore, economic growth develops investors financial base to invest more in REITS.

6. Recommendations

The study recommends that:

Factors such as inflation rate should be addressed as they affect the exchange rate which in turn affects the performance of Real Estate Investment Trusts (REITs)

Interest Rate should be harnessed by the commercial banks in order to encourage investors in venturing Real Estate Investment Trusts. This will promote performance of REITS. All sectors of Economy should be stimulated to growth in order to attract more investment in REITS

7. References

- i. Anderson, L. (2015). *A place for Residential REITS in the South African Reit Market*. University of Pretoria: Research Project.
- ii. Bioreri, O. D. (2015). *The Effect of Macro-Economic Variables on Performance of Real Estate Industry in Kenya*. Unpublished M. Sc Project. University of Nairobi.
- iii. Blanchard, Olivier (2000). *Macroeconomics*. Englewood Cliffs, N.J: Prentice Hall.
- iv. Cairns, A. J. (2018). *Interest rate models: an introduction*. Princeton University Press.

- v. Chane, T. (2008). Determinants for Office Investment Markets in Southeast Asian Cities, with reference to Hong Kong, Singapore, Taipei, Bangkok and Kuala Lumpur', 48 Paper Presented at Pacific Rims Real Estate Society Conference. Christchurch, New Zealand.
- vi. Ernst, Y. (2017). *Opportunities and challenges facing the US REIT industry*. Retrieved June 13, 2018, from EY publications: <https://www.ey.com/Publication/vwLUAssets/EY-opportunities-and-challenges-facing-the-US-REIT-industry/%24FILE/EY-opportunities-and-challenges-facing-the-US-REIT-industry.pdf>
- vii. Gitau, N., Onchwari, L., & Oraro, C. (2016, February 19). *On the rise: How REITs are changing the real estate landscape*. Retrieved June 3, 2018, from Oraro: <http://www.oraro.co.ke/article/on-the-rise-how-reits-are-changing-the-real-estate-landscape/Madison> Property. (2007, March 20). *South Africa's conversion to REITs*. Retrieved June 24, 2018, from Eprop: <https://www.eprop.co.za/commercial-property-news/item/8120-South-Africa-s-conversion-to-REITs.html>
- viii. Gwartney, J. D., Stroup, R. L., Sobel, R. S., & Macpherson, D. A. (2014). *Economics: Private and public choice*. Nelson Education
- ix. James, J., & Webber, N. (2001). *Interest Rate Modelling*. London: John Wiley & Son.
- x. Karanja, W. M. (2016). *Macroeconomic Factors Affecting Financial Performance of The Real Estate Industry in Kenya*. Project: University of Nairobi Korhonen, M. (2015). The Relation between National Stock Prices and Effective Exchange Rates: Does It Affect Exchange Rate Exposure? *Global Economy Journal*, 15(2), 1-8.
- xi. Liow, K. H., & Huang, Q. (2006). Interest rate risk and time-varying excess returns for Asian Property Stocks. *Journal of Property Investment & Finance*, 24(3), 188-210.
- xii. Makanga, I. (2018, February 20). *Performance of REITs in Kenya*. Retrieved June 25, 2018, from Wealtharchitects: <https://www.wealtharchitects.co.ke/blog/2018/02/20/how-to-invest-in-reits-in-kenya-2/>
- xiii. Mbataru, C. K. (2012). *Factors Affecting The Performance Of Unit Trust Funds In Kenya*. University of Nairobi: Research Project McClellan, J. N. (2018, May). *The Basics of Real Estate Investment Trusts (REITs)*. Retrieved June 30, 2018, from AAIL: <http://www.aail.com/journal/article/the-basics-of-real-estate-investment-trusts-reits>
- xiv. Mugenda, A., & Mugenda, O. (2013). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: ACTS Press Muindi, K. J. (2011). *The Determinants of Performance Of Unit Trusts In Kenya*. University of Nairobi : Research Project Ngunjiri, J. (2018, January 2018). *REITs Leave Investors Counting Losses*. Retrieved April 11, 2018, from Press Reader: <https://www.pressreader.com/kenya/business-daily-kenya/20180104/281956018169282>
- xv. Sintangini, F. (2017). Upcoming Challenges In Establishment Of Islamic Reits Investment In Indonesia. *Journal of Humanities, Language, Culture and Business*, 1(1), 162-174.
- xvi. Tarver, E. (2017, September 18). *Real Estate Investment Trust (REIT): The Ultimate Guide*. Retrieved June 19, 2018, from Fit Small Business: <https://fitsmallbusiness.com/real-estate-investment-trust-reit/>
- xvii. Wambuu, M. K. (2016). *Macroeconomic Factors Affecting Financial Performance of The Real Estate Industry In Kenya*. University of Nairobi: A Research Project