



## CONDOMINIUM LAW IN ZANZIBAR AND REAL ESTATE MARKET ANALYSIS

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### 1. Introduction

Zanzibar, a semi-autonomous region of Tanzania, offers a unique legal framework for property ownership and investment, particularly in the condominium sector. Given its strategic location, rich culture, and increasing tourism inflow, real estate has become an attractive sector for both local and foreign investors. However, the legal landscape is distinct, especially regarding land ownership, condominium registration, and foreigner rights. Under Zanzibari law, a foreigner includes non-Zanzibari Tanzanian Citizen and all other non-citizens, especially for purposes such as land ownership and certain special rights.

### 2. Condominium Law in Zanzibar

#### 2.1 Governing Law

The principal legislation governing condominiums in Zanzibar is the Land Tenure Act, No. 12 of 1992 and Condominium Act, No. 10 of 2010. Supplementary regulations provide for operational procedures and rights over common property.

#### 2.2 Concept of Condominium Ownership

Under Zanzibar law, a condominium is defined as a form of ownership combining individual ownership of a unit with shared ownership of common areas. A registered condominium plan must exist, and units are individually titled. Condominium ownership allows for diversified investment opportunities in a manner that segregates land rights from usage rights, which is crucial in Zanzibar where the government retains underlying land ownership.

#### 2.3 Registration Process for Condominiums

##### Step-by-Step Process:

- ✚ **Approval of Building Plans:** Developer submits architectural plans for approval to the Zanzibar Municipal Council or relevant local authority.
- ✚ **Construction and Certification:** Upon completion, a Certificate of Fitness for Occupation is obtained.
- ✚ **Submission of Condominium Plan:** A comprehensive plan showing units and common areas is filed with the Registrar of Titles.
- ✚ **Registration:** Individual titles for units are issued upon approval, and the Condominium Corporation is registered to manage the property.
- ✚ **Declaration of Condominium:** A declaration outlining rights and obligations is recorded.
- ✚ **Issuance of Unit Titles:** Buyers receive separate unit titles registered under their names.

#### 2.4 Management of Condominiums

The Condominium Corporation is responsible for the management, maintenance, and regulation of common areas, funded through service charges collected from unit owners. Owners automatically become members of the Corporation upon acquisition.

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## 2.5 Existing Condominium Projects

Several successful projects exemplify the application of Zanzibar's condominium framework:

**Fumba Town Development:** Located near the Fumba Peninsula, Fumba Town offers eco-friendly condominiums and townhouses to both local and international buyers. The development operates under a 99-year lease structure and complies with the Condominium Act.



**The Soul Zanzibar:** A luxury beachfront condominium development situated along Paje Beach, offering units marketed to foreign investors with clear condominium titles.



**Blue Amber Resort:** A mixed-use development in Matemwe offering residential condominiums, hotel villas, and leisure facilities, developed under the condominium regime.



These projects demonstrate a growing trend of leveraging the condominium structure to offer secure, marketable investment products to both locals and foreigners

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## 4. Real Estate Market Analysis in Zanzibar

### 4.1 Current Trends

**High Demand for Condominiums:** Especially in urban areas like Stone Town and tourism corridors like Nungwi, Kiwengwa, and Paje.

**Tourism-Driven Investment:** Many buyers seek holiday homes or rental investments. Emergence of Mixed-Use Developments: Retail, residential, and hospitality projects are rising.

**Rise of Eco-Friendly Projects:** Sustainable developments are increasingly favored.

### 4.2 Pricing Overview

- Stone Town: USD 100,000 to USD 400,000 per unit.
- East Coast Areas: USD 120,000 to USD 500,000 depending on proximity to the beach.
- New high-end developments can exceed USD 1 million per unit.

### 4.4 Investment Opportunities

- Development of mid-range condominium units.
- Restoration projects in historical areas.
- Eco-tourism resorts incorporating residential components.

## 5. Conclusion

Zanzibar offers a vibrant and growing real estate market, with condominiums being a particularly viable avenue for foreign investors within the existing legal frameworks. Thorough due diligence, compliance with local regulations, and professional legal assistance are essential to ensure secure investments.

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