

# Land and Apartment Acquisition in Tanzania: A Guide for Foreigners

*Author: Mark Kiwango, BSc. Land Management and Valuation, Ardhi University*

## Abstract

This paper provides a comprehensive overview of the legal and procedural landscape for foreigners seeking to purchase land and apartments in Tanzania. The research highlights legal limitations, opportunities in the real estate sector, and a step-by-step guide for compliance with Tanzanian land laws.

## Introduction

Tanzania has seen growing interest from foreign investors and expatriates seeking residence or investment in the country's real estate sector. With a growing economy and strategic location, Tanzania is an attractive destination. However, its land ownership laws, rooted in the Land Act of 1999, impose certain restrictions on foreign ownership, making informed navigation crucial.

## Legal Framework for Land Ownership in Tanzania

The Tanzanian land tenure system is governed by the Land Act No. 4 of 1999 and the Village Land Act No. 5 of 1999. All land is public and vested in the President as a trustee for the citizens. The law recognizes three categories of land: General Land, Village Land, and Reserved Land. Foreigners are not allowed to own land unless it is for investment purposes and approved by the Tanzania Investment Centre (TIC).

## Land Acquisition by Foreigners

Foreigners can only access land through derivative rights granted by TIC under a government-granted Right of Occupancy. The process includes:

- Registration with TIC
- Obtaining a Certificate of Incentives
- Application for derivative rights
- Approval from the Ministry of Lands

These rights can be leased for up to 99 years.

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## Apartment Purchase and Urban Real Estate

Unlike land, apartments (particularly in condominium developments) can be purchased by foreigners. The Unit Titles Act of 2008 allows for ownership of individual units within a building. Developers registered under the Ministry of Lands provide titled units. Mortgages may be available through certain banks with strict qualification criteria.

## Challenges and Opportunities

Challenges include bureaucratic procedures, unclear land demarcations, and inconsistent enforcement of land rights. However, opportunities exist in growing cities like Dar es Salaam, Dodoma, and Arusha where demand for housing is increasing.

## Case Study: A Foreigner's Experience

In 2022, a South African investor acquired a 50-year lease on a 2-acre plot in Kigamboni via TIC. By partnering with a local real estate firm, they complied with all local regulations and successfully built a residential complex.

## Recommendations

1. Work with local legal and real estate professionals.
2. Register all transactions with the Ministry of Lands.
3. Consider long-term leases and TIC facilitation.
4. Avoid informal land purchases.
5. Invest in due diligence before acquisition.

## Conclusion

Foreigners can invest in Tanzanian real estate through strategic compliance with national laws. Though land ownership is restricted, avenues like derivative rights and apartment ownership provide practical solutions. Proper guidance and adherence to legal procedures are essential for successful investment.

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## References

- Land Act No. 4 of 1999
- Village Land Act No. 5 of 1999
- Tanzania Investment Centre (TIC) Publications
- Unit Titles Act of 2008
- World Bank Land Governance Assessment (2021)
- National Housing Corporation Reports (2023)