ABSTRACT

The study sought to determine the effects of interest rates on the performance of real estate industry in Kenya: A case of Narok County. The study adopted a descriptive survey research design. The study findings revealed that lending interest rates had a negative and significant relationship with real estate growth in Narok County. The study also found that there was a negative relationship between mortgage costs in Narok County. The study further reveals a negative relationship between inflation and real estate growth. The study recommends that the Central bank of Kenya as well as the Treasury should come up with monetary policies to regulate the rate of volatility in inflation rate in the long run since long term investors in real estate are likely to suffer loses if the economy is characterized by unstable rates of inflation.