

## **CUE TIME!- UNDERSTANDING LAND OWNERSHIP IN ZIMBABWE (LEASEHOLD AND FREEHOLD)**



World over, land is a fundamental and multidimensional resource that is essential for the achievement of sustainable development. According to the United Nations (2024), it is not only seen as a physical asset but also as a critical terrestrial bio-productive system that supports life and the ecosystem. As supported by Sustainable Goal Number 15 (Target 15.6), access to land is a fundamental human right hand in glove with the promotion of fair and equitable benefits arising from its utilisation. In Zimbabwe, the Constitution explicitly treats land as a national heritage that must be distributed fairly, and it provides for the protection of property rights from arbitrary deprivation as evidenced by Sections 71, 74, 57,66, etc. In some circumstances, the right may not be absolute; it is subject to limitations such as deprivation by the State for public interest, though this happens after a full consideration of the

circumstances. Therefore, every Zimbabwean needs to understand the different key aspects of Zimbabwean land tenure systems and their significance.

differences in terms of rights, duration, control and implications for owners. Understanding these distinctions is essential for potential buyers, investors, and stakeholders in Zimbabwe's property market, as they directly influence security of tenure, investment value, financing options and long-term decision-making.

### **Types of Tenure**

- a. Freehold (Private land)
- b. Leasehold/resettlement land
- c. Communal land

### **Freehold**



Freehold constitutes 32% of Zimbabwe's land, and it is primarily used for small to large-scale commercial farming (Housing and Land Rights Network, 2025). The registered landowner enjoys full ownership

rights (use, lease, transfer or mortgage) subject **only** to the Constitution. The owner's name appears on the title deed registered at the Deeds Office. Section 294 overtly permits the agricultural landowner rights to transfer, hypothecate, lease or dispose of their land interest, subject to legal limitations.

### Advantages of freehold tenure

- Maximum security and control
- Easier access to bank financing
- Higher resale value and capital appreciation
- Simplified inheritance

### Restrictions

- Higher upfront purchase costs.
- Full responsibility for maintenance, rates and taxes.

*Freehold is most common in established urban suburbs, such as low-density areas and other parts of high residential areas.*

### Leasehold tenure



Leasehold tenure is estimated at 10% of the national land, and it was established via the post-independence land resettlement scheme. Recipients are granted land usage rights, typically 99-year leases which cover A1 and A2 farm plots wherein occupants are permitted to own improvements (immovable property and crops) and to cede the lease as collateral for bank loans. However, leaseholders neither receive title deeds nor freely sell,

subdivide or mortgage without government approval. It can simply be defined as a contractual agreement between the government and the beneficiary, not an outright sale (Manokore, 2024).

### Benefits

- Lower initial costs make it more accessible for first-time buyers as compared to freehold properties.
- Security of tenure-legal protection.
- Often available in high-demand prime areas, where land may not be available for the duration of the lease.
- Can be used as collateral (registered notarial lease) for financing infrastructure development projects.
- Exemption from certain taxes-leasehold transfer is not subject to Capital Gains Tax in Zimbabwe.

### Restrictions

- Limited duration reduces long-term security
- Alterations or transfers may require lessor approval
- Value depreciates as the lease nears expiry
- Harder to mortgage, especially with shorter remaining terms
- Ground rent and fees can increase over time, impacting long-term affordability

*Leasehold is prevalent in government land schemes, high-density suburbs and some new development zones, e.g. Caledonia, Epworth, etc.*

### Communal land



Constitutes about 40-45% of the country's land. The land was formerly known as Tribal Trust Lands/ Native Reserves, and it was allocated to people on behalf of the State by Rural District Councils (Housing and Land Rights Network, 2025). Villagers occupy the plots and grazing lands under customary rights. The Constitution Section 332 and the Communal Land Act (Chapter 20:04) define the category and govern its management in collaboration with traditional leaders. Occupants of communal land have usufructuary rights.

### Benefits

- a. Affordable and accessible to low-income citizens
- b. Cultural and social safety net-upholds traditional and community-based land management.

### Restrictions

- a. Lack of tenure security
- b. Patriarchal restrictions
- c. Limited production scale

The Urban Development Corporation plays a pivotal role in Zimbabwe's urban land development. UDCORP focuses on property development projects, land allocation for housing and supporting urban expansion in partnership with local authorities and the government. By facilitating the provision of serviced stands and development initiatives, UDCORP encourages secure and investable land ownership in urban areas. In many cases, properties allocated through UDCORP or similar government-linked programs start

with agreements of sale or lease arrangements but can progress to full title deeds upon compliance. These title deeds typically confer freehold ownership, aligning with government efforts to promote long-term tenure security and investment attractiveness, especially in the context of recent reforms like the Deeds Registries Regulations 2025, which emphasise validated and digital title deeds.

However, in certain government schemes or state land projects managed through UDCORP, leasehold tenure is used to maintain state oversight while enabling affordable access to urban housing. Overall, UDCORP's work supports a shift toward more secure forms of ownership, favouring freehold where feasible to boost investor confidence and urban growth.

Choosing between leasehold and freehold depends on your financial capacity, investment horizon and risk tolerance. Freehold offers greater permanence and value for long-term holdings, while leasehold provides an entry point in constrained markets. Prospective buyers should consult UDCORP as a legal expert, followed by verification of tenure details at the Deeds Office, to make informed decisions. **Smart Property Decisions Start Here! Expert Guidance, Real Result**

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