

OpenVoiceNews Pakistan

Transparent. Unbiased. Yours.

KMC to Launch Karachi Market Using Bond Proceeds

July 19, 2025

— Categories: Real Estate



The Karachi Metropolitan Corporation (KMC) plans to establish a new market in Karachi, using funds raised through its first-ever municipal bond. This initiative signals a new approach to financing urban development through real estate-based public projects.

Earlier this year, KMC launched a Rs 500 million municipal bond, with potential to scale up to Rs 10 billion. This marked the return of municipal bonds in Pakistan after nearly 15 years. The funds are being allocated to infrastructure projects, including the construction of a

commercial market on KMC-owned land. Rental income from this project is expected to help repay the bond, creating a self-financing model for future developments.

The market will be developed in a high-demand area of Karachi and is aimed at supporting small traders and vendors by offering organized, modern retail spaces. This project aligns closely with the city's need to regulate informal markets, improve public facilities, and stimulate the local economy. From a real estate perspective, the project is likely to increase surrounding property values, attract private investment, and enhance commercial activity.

KMC officials have stated that the project will also promote transparency and financial accountability. Digital systems will be used for tenant management and revenue tracking, improving governance and reducing potential leakages.

This initiative represents more than just commercial development. It reflects a growing trend in urban governance where municipalities leverage public land and real estate assets to generate sustainable income. For Karachi, a city facing mounting infrastructure and housing demands, such projects are critical in shaping a resilient urban economy.

The success of this bond-backed market could encourage other cities in Pakistan to adopt similar models. By focusing on real estate-driven development that benefits both public revenue and local business, KMC is setting a precedent for more innovative and accountable urban planning.