

Land prices in mild recovery as developers go slow on Nairobi's high-density suburbs

- Land prices in suburbs increase by 1.69 percent over the year while in the satellite towns prices increase by 6.93 over the same period
- Kitengela records the highest increase over the year at 10.71 percent while Ongata Rongai lead on a quarterly basis at 4.56 percent
- Spring Valley posts highest annual and quarterly record at 8.52 percent and 2.58 percent respectively
- Riverside recorded a 9.24 percent drop over the year and Parklands a 2.42 percent over the quarter
- Mlolongo saw prices drop by 2.8 percent over the quarter year
- Upperhill has the most expensive land at Ksh539 million while Ruaka land now reaches 91 million per acre
- Karen has the most affordable land at Ksh62.4 million while Kiserian leads in the suburbs at Ksh7.7 million

Land Index Highlights:

The Hass Composite Land Index, Nairobi Suburbs	Quarter % Change	Annual % Change	Change From 2007
Nairobi-18 Composite Index Results	0.40%	1.69%	6.41 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Spring Valley (+2.58 % over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Spring Valley (+8.52 % over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Parklands (-2.42 % over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Riverside (-9.24 % over last year)		
The Hass Composite Land Index, Nairobi Satellite Towns	Quarter % Change	Annual % Change	Change From 2007
Nairobi Satellite-14 Composite Index Results	1.94%	6.93%	9.11 Fold
The Town with Highest Quarterly Increase in Land Price	Land in Ongata Rongai (+4.56 % over last quarter)		
The Town with Highest Annual Increase in Land Price	Land in Kitengela (+10.71 % over last year)		
The Town with Lowest Quarterly Increase in Land Price	Land in Syokimau (-0.82 % over last quarter)		
The Town with Lowest Annual Increase in Land Price	Land in Mlolongo (+2.80 % over last year)		

HassConsult today released the annual Hass Land Index results for 2019 showing a mild recovery in land prices in the Nairobi suburbs at 1.69 per cent as areas with high-density apartments cooled off due to developer demanding lower prices.

Lavington, Riverside, Upperhill, Donholm and Parklands suburbs all reported mild price drops as developers of apartments are asking for lower land prices to maintain returns

The falling prices of apartments in the high-density areas means developers equally must buy land at lower prices if they are to maintain margins.

“The glut in many housing segments has resulted in property prices falling and for developers to make their target returns they are demanding lower prices for land, which is a major factor in the development of properties,” said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

Spring Valley posted the highest annual and quarterly asking prices at 8.52 percent and 2.58 percent respectively while Riverside recorded a 9.24 percent drop over the year and Parklands a 2.42 percent over the quarter.

Upperhill has the most expensive land at Ksh539 million per acre.

Satellite towns on the other hand saw an increase in asking prices of 2.9 percent in 2019 as these areas exhibit resilience amidst the tough environment.

Kitengela recorded the highest increase over the year at 10.71 per cent while Ongata Rongai lead on a quarterly basis at 4.56 percent.

Mlolongo saw prices drop by 2.8 percent over the year while Syokimau saw prices drop by 0.82 percent over the quarter.

Ruaka had the most expensive land in the satellite towns at Ksh91 million per acre.

For more information, please contact:
Sakina Hassanali, Head of Development Consulting & Research

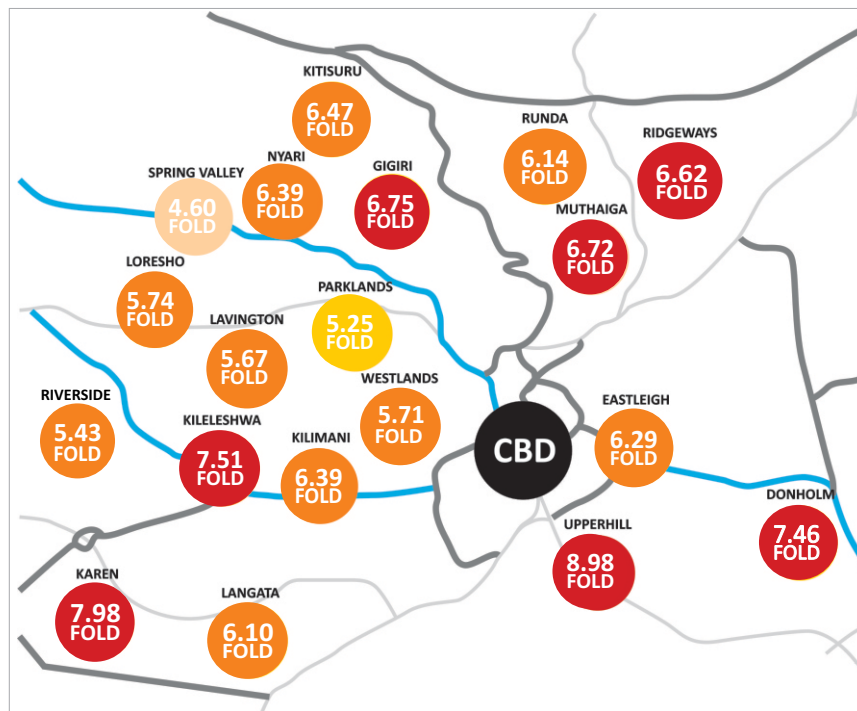
Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	Change From 2007	Average Value Per Acre (KShs)	25 Percentile	75 Percentile
Donholm	1.1 %	-1.2 %	7.46 FOLD	69,300,000	55,000,000	80,000,000
Gigiri	-0.7 %	-4.8 %	6.75 FOLD	237,500,000	130,000,000	320,000,000
Karen	0.3 %	3.2 %	7.98 FOLD	62,400,000	55,000,000	70,000,000
Kileleshwa	-0.6 %	0.8 %	7.51 FOLD	308,900,000	260,900,000	340,900,000
Kilimani	-1.6 %	0.1%	6.39 FOLD	426,300,000	400,000,000	480,000,000
Kitisuru	-1.0 %	5.4 %	6.47 FOLD	90,000,000	70,000,000	110,000,000
Langata	-0.5 %	4.8 %	6.10 FOLD	65,700,000	50,000,000	93,000,000
Lavington	-0.8 %	-1.6 %	5.67 FOLD	235,300,000	186,700,000	270,000,000
Loresho	-2.1 %	5.2 %	5.74 FOLD	91,300,000	80,000,000	110,000,000
Muthaiga	1.2 %	1.5 %	6.72 FOLD	178,200,000	140,000,000	211,100,000
Nyari	0.6 %	5.1 %	6.39 FOLD	106,500,000	92,000,000	125,000,000
Parklands	-2.4 %	-1.6 %	5.25 FOLD	408,500,000	357,100,000	480,000,000
Ridgeways	-0.2 %	2.0 %	6.62 FOLD	76,700,000	64,000,000	84,000,000
Riverside	-2.2 %	-9.2 %	5.43 FOLD	370,600,000	320,000,000	389,700,000
Runda	0.2 %	-2.0 %	6.14 FOLD	84,900,000	70,000,000	96,900,000
Spring Valley	2.6 %	8.5 %	4.60 FOLD	172,600,000	111,000,000	170,000,000
Upperhill	-1.2 %	-2.3 %	8.98 FOLD	538,900,000	460,000,000	600,000,000
Westlands	-0.1 %	0.1 %	5.71 FOLD	418,000,000	350,000,000	500,000,000

Nairobi Satellite Town Land Index	Quarter % Change	Annual % Change	Change From 2007	Average Value Per Acre (KShs)	25 Percentile	75 Percentile
Athi River	1.3 %	6.6 %	10.58 FOLD	13,500,000	5,000,000	20,000,000
Juja	2.4 %	9.8 %	16.79 FOLD	14,600,000	4,800,000	18,400,000
Kiambu	0.9 %	4.5 %	7.58 FOLD	43,500,000	21,000,000	54,000,000
Kiserian	2.3 %	8.2 %	7.75 FOLD	7,700,000	3,500,000	9,600,000
Kitengela	1.1 %	10.7 %	7.99 FOLD	12,200,000	6,800,000	15,800,000
Limuru	3.8 %	7.2 %	12.35 FOLD	23,500,000	12,000,000	32,500,000
Mlolongo	-0.2 %	2.8 %	5.63 FOLD	27,200,000	11,800,000	40,000,000
Ngong	1.7 %	4.0 %	7.00 FOLD	21,500,000	9,300,000	28,000,000
Ongata Rongai	4.6 %	6.5 %	9.36 FOLD	22,000,000	8,000,000	28,000,000
Ruaka	0.7 %	6.0 %	8.23 FOLD	91,500,000	60,000,000	116,000,000
Ruiru	3.6 %	9.7 %	11.28 FOLD	26,500,000	12,000,000	32,700,000
Syokimau	-0.8 %	9.2 %	7.35 FOLD	22,400,000	13,200,000	29,200,000
Thika	1.0 %	3.9 %	9.22 FOLD	18,900,000	7,500,000	24,700,000
Tigoni	1.2 %	3.8 %	9.64 FOLD	24,000,000	16,800,000	28,000,000

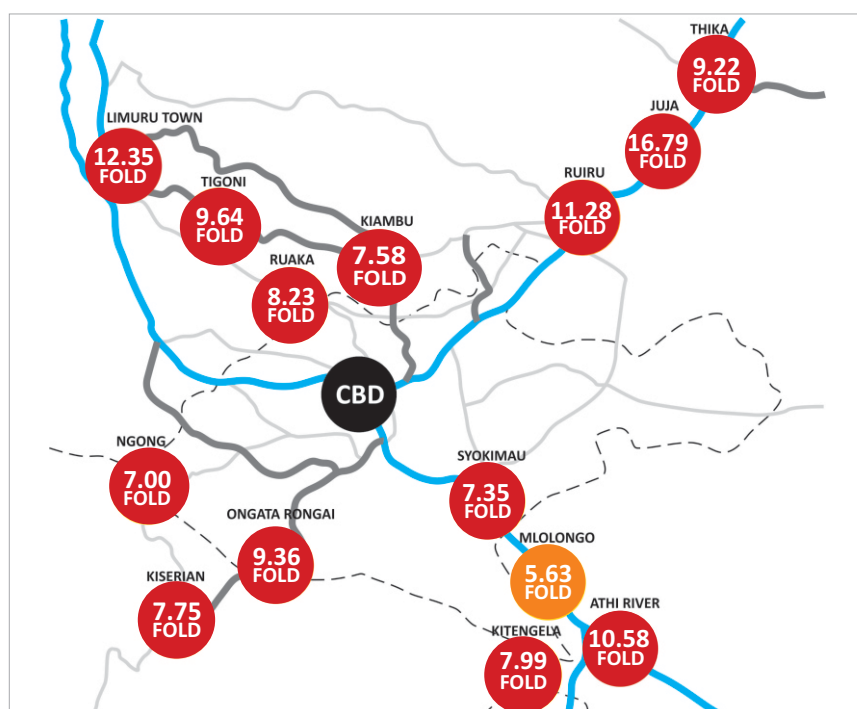
*Price Values rounded to nearest Kshs. 100,000

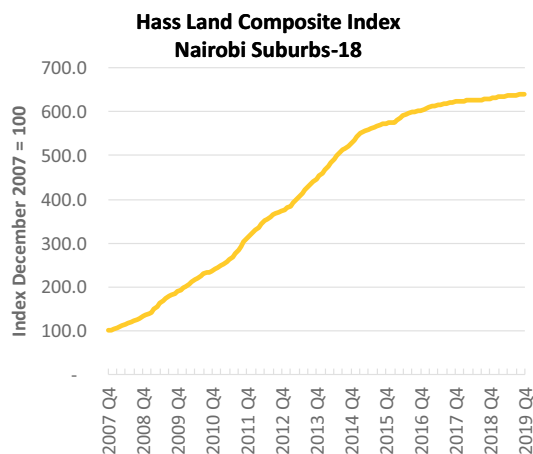
Land Index Heat Maps

Nairobi-18 Suburbs Change in Prices Since 2007



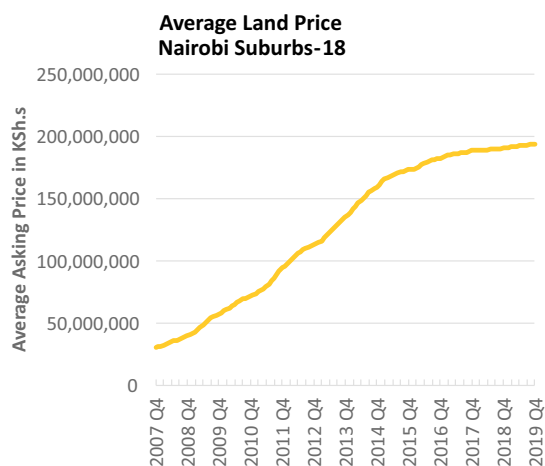
Nairobi-14 Satellite Towns Change in Prices Since 2007





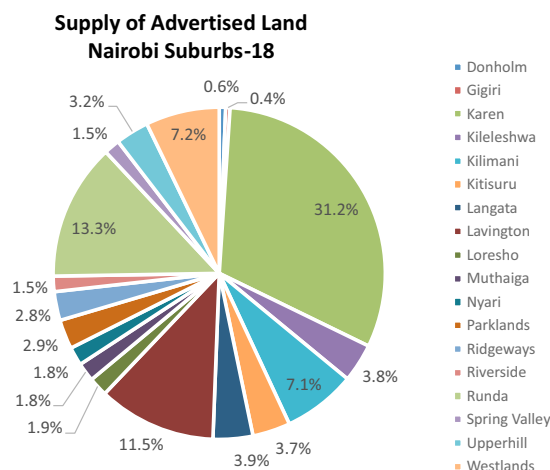
SNAP SHOTS:

- The Nairobi Suburbs-18 Land Index is representative of Land for Sale in Nairobi covering 18 highest activity suburbs.
- Land values have increased by 6.41 fold since December 2007.



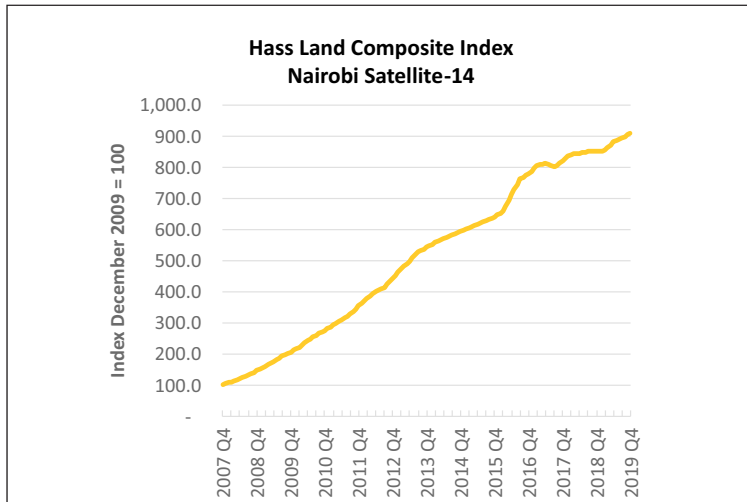
SNAP SHOTS:

- The annual average is representative of the average price of land for sale in Nairobi covering 18 highest activity suburbs.
- The average value for land has gone from 30.3 million in December 2007 to 193.9 million in December 2019.



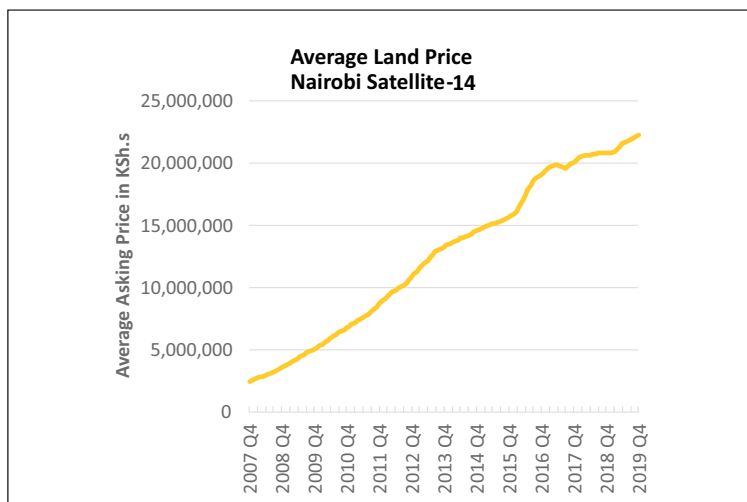
SNAP SHOTS:

- The Mix is a measure of the percentage that each suburb represents in the market for 18 Nairobi suburbs.
- Land in Donholm took up 0.6% of the market, Gigiri 0.4%, Karen 31.2%, Kileleshwa 3.8%, Kilimani 7.1%, Kitisuru 3.7%, Langata 3.9%, Lavington 11.5%, Loresho 1.9%, Muthaiga 1.8%, Nyari 1.8%, Parklands 2.9%, Ridgeways 2.8%, Riverside 1.5%, Runda 13.3%, Spring Valley 1.5%, Upperhill 3.2% and Westlands 7.2% respectively.



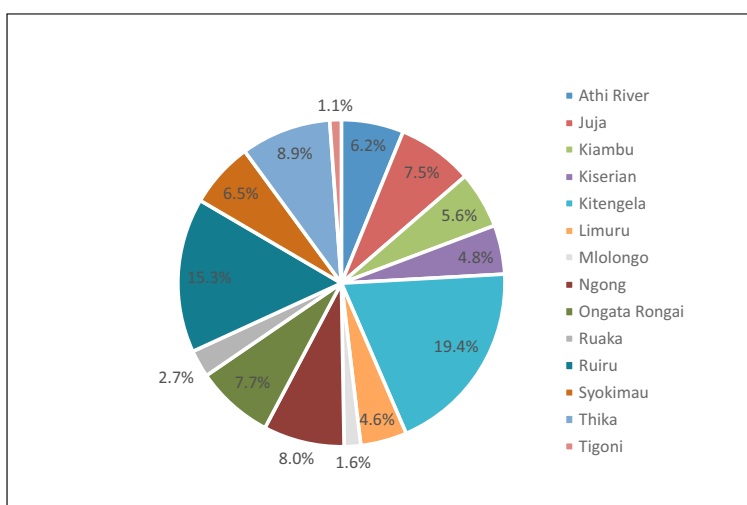
SNAP SHOTS:

- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi suburbs.
- Land values have increased by 9.11 fold since December 2007.



SNAP SHOTS:

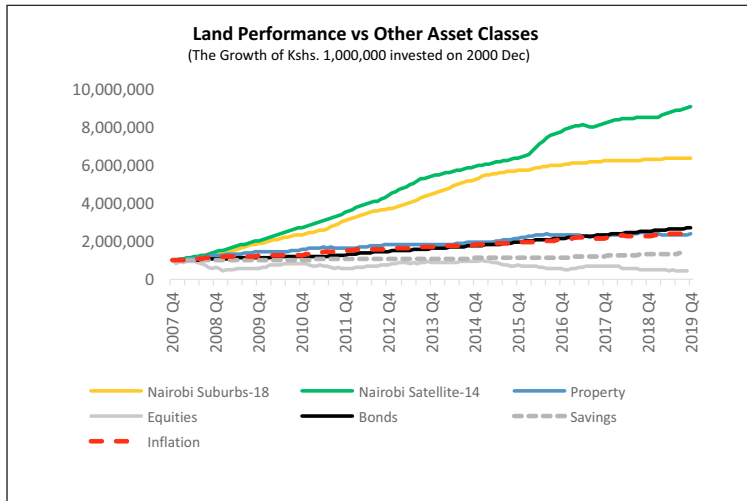
- The annual average is representative of the average price of land for sale in outside Nairobi covering 14 highest activity Satellite towns.
- The average value for land has gone from 2.4 million in December 2007 to 22.3 million in December 2019.



SNAP SHOTS:

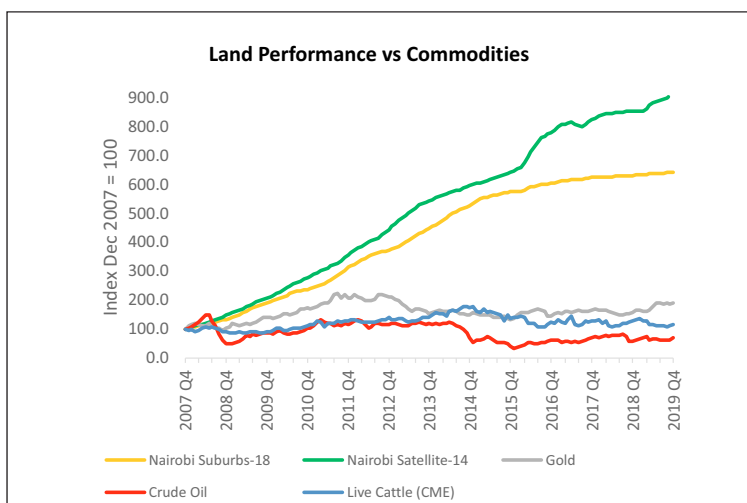
- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns.
- Land in Athi River took up 6.2% of the market, Juja took up 7.5%, Kiambu 5.6%, Kiserian 4.8%, Kitengela 19.4%, Limuru 4.6%, Mlolongo 1.6%, Ngong 8.0%, Ongata Rongai 7.7%, Ruaka 2.7%, Ruiru 15.3%, Syokimau 6.5%, Thika 8.9% and Tigoni 1.1% respectively.

Land as an Investment



SNAP SHOTS:

Ksh. 1 Million invested at the end of 2007 would have been worth KSh. 9.11M if invested in land in Nairobi Satellite-14, KSh. 6.41M if invested in land in Nairobi Suburbs-18, KSh. 2.38M if invested in property (The Hass Sales Composite Index, All Properties), KSh. 2.72M if invested in bonds and KSh. 1.37M if invested in savings and only Ksh. 0.48M if invested in Equities.



SNAP SHOTS:

The Hass Land Composite Index, Nairobi Satellite-14 index value was 910.9 outperforming Nairobi Suburbs-18 which had an index value of 640.7, Gold 189.6, Live Cattle (CME) 113.9 and Crude Oil worst performing with only 68.3 index value.