

Ngong shows strong growth as new generation of landowners subdivides holdings to unlock wealth

- Land prices within Nairobi improve by a mild 0.3 percent in the quarter while Nairobi's satellite towns recorded a 1.1 percent increase over the same period.
- Within Nairobi, Nyari topped both in the quarterly and annual price hikes improving 2.25 percent and 6.24 percent respectively attributed to renewed accessibility from nearby highway installations.
- Nairobi's Satellite towns showed Ngong registered a substantial 18.13 percent increase over the year well ahead of the average land price increase of 2.93 percent across all Satellite towns.
- Ngong benefits from a new generation of landowners keen to unlock value by subdividing huge inherited land chunks and selling smaller parcels in subdivision sales.

Land Index Highlights:

The Hass Composite Land Index, Nairobi Suburbs	Quarter % Change	Annual % Change	Change From 2011
Nairobi-18 Composite Index Results	0.33%	-0.41%	2.33 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Nyari (+2.25 % over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Nyari (+6.24 % over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Gigiri (-2.13 % over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Riverside (-8.14 % over last year)		
The Hass Composite Land Index, Nairobi Satellite Towns	Quarter % Change	Annual % Change	Change From 2011
Nairobi Satellite-14 Composite Index Results	1.12%	2.93%	2.93 Fold
The Town with Highest Quarterly Increase in Land Price	Land in Thika (+3.62 % over last quarter)		
The Town with Highest Annual Increase in Land Price	Land in Ngong (+18.13 % over last year)		
The Town with Lowest Quarterly Increase in Land Price	Land in Ruaka (-0.40 % over last quarter)		
The Town with Lowest Annual Increase in Land Price	Land in Kiambu (-9.53 % over last year)		

HassConsult today released the Land Index results for the second quarter of 2021 showing mild recoveries in both the suburbs and towns. Land prices in Nairobi improved by 0.3 percent while the satellite towns showed a 1.1 percent increase.

“Select areas within the suburbs and towns, are being favored by proximity and these places opening up, which in turn is attracting developer and speculator interest and thereby improving asking prices,” said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

In the Nairobi suburbs Nyari was the best performing suburb with prices improving by 2.25 percent over the quarter and 6.24 percent annually. This was largely attributed to the installation of the Westlands Redhill Link Road that opened access to the suburb to Nairobi's second CBD, Westlands.

On the satellite town front, Ngong town in particular continues to exhibit strong growth driven by a new generation of landowners who are keen to unlock wealth.

Ngong town recorded an 18.1 percent growth on an annual basis, the highest annual land growth rate in six years against an average of 2.9 percent on all towns and 7 percentage points ahead of the second best, Ongata Rongai whose land price increases were captured at 11.8 percent in the year.

The performance is attributed to a new generation of landowners who are subdividing huge parcels of land which are more affordable to speculators and developers which in turn is driving prices.

“Land in Ngong was traditionally held by an old generation who owned large chunks of more than five acres with an aim of maintaining their wealth. However, we are seeing an end to this era as a new generation i.e., their heirs are keener on cashing in on this land by selling parcels. This new generation has led to an increase in the supply of subdivided of eighths and quarter parcels for sale thus making it possible for other Kenyans to own land in Ngong,” said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

Additionally, Ngong is benefitting from the ongoing construction of the Ngong-Suswa Road which will further open the town.

Ms. Hassanali added that the trend in Ngong is tracking that in Kiambu county which have experienced booms over the last decade due to a combination of infrastructure development, and subdivision sales which have made them attractive for speculation purchases.

For more information, please contact:

Sakina Hassanali, Head of Development Consulting & Research

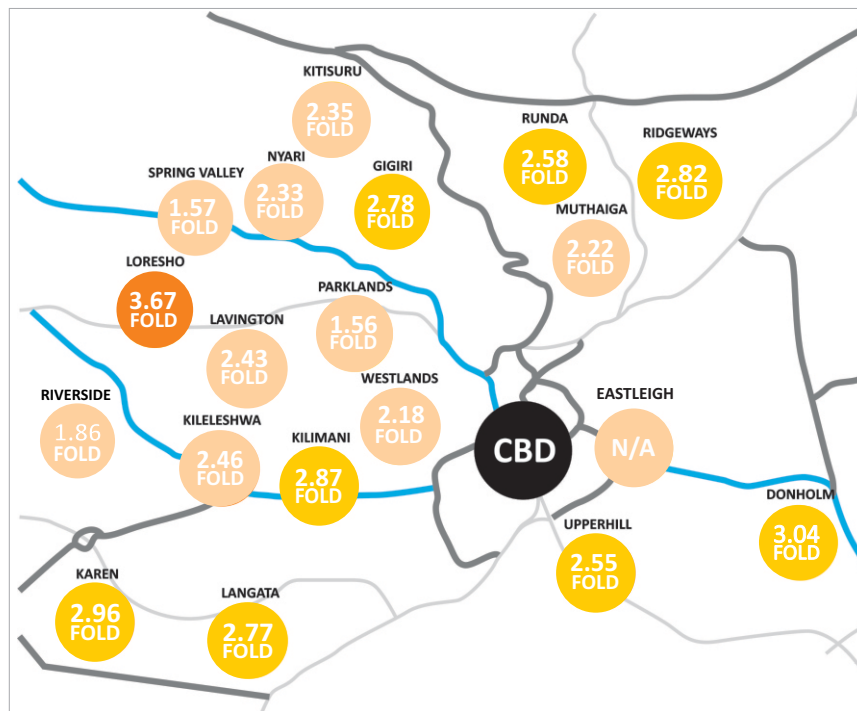
Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	10 Year Change From June 2011	Average Value Per Acre (KShs)	25 Percentile	75 Percentile
Donholm	-0.3 %	0.7 %	3.04 FOLD	71,300,000	70,000,000	77,500,000
Gigiri	-2.1 %	-2.8 %	2.78 FOLD	227,000,000	160,000,000	300,000,000
Karen	1.4 %	2.5 %	2.96 FOLD	63,700,000	56,000,000	70,000,000
Kileleshwa	0.2 %	-1.9 %	2.46 FOLD	300,400,000	256,000,000	320,000,000
Kilimani	-0.1 %	-0.6%	2.87 FOLD	415,000,000	380,000,000	480,000,000
Kitisuru	1.0 %	0.8 %	2.35 FOLD	90,700,000	70,000,000	110,000,000
Langata	1.8 %	3.5 %	2.77 FOLD	65,600,000	50,000,000	70,000,000
Lavington	0.6 %	1.2 %	2.43 FOLD	232,800,000	186,700,000	260,100,000
Loresho	0.2 %	-1.6 %	3.67 FOLD	87,900,000	70,900,000	101,300,000
Muthaiga	1.2 %	2.8 %	2.22 FOLD	187,900,000	155,000,000	212,000,000
Nyari	2.2 %	6.2 %	2.33 FOLD	110,400,000	95,200,000	122,200,000
Parklands	1.3 %	-2.8 %	1.56 FOLD	379,800,000	300,000,000	430,000,000
Ridgeways	-1.0 %	-0.5 %	2.82 FOLD	74,900,000	64,000,000	80,000,000
Riverside	-1.6 %	-8.1 %	1.86 FOLD	332,800,000	300,000,000	360,000,000
Runda	1.5 %	4.4 %	2.58 FOLD	89,300,000	70,000,000	100,000,000
Spring Valley	1.7 %	5.1 %	1.57 FOLD	177,900,000	110,700,000	200,000,000
Upperhill	-0.8 %	-3.5 %	2.55 FOLD	507,300,000	449,800,000	560,000,000
Westlands	1.1 %	1.8 %	2.18 FOLD	426,300,000	350,000,000	500,000,000

Nairobi Satellite Town Land Index	Quarter % Change	Annual % Change	10 Year Change From June 2011	Average Value Per Acre (KShs)	25 Percentile	75 Percentile
Athi River	1.8 %	9.0 %	3.12 FOLD	14,800,000	6,500,000	20,000,000
Juja	2.9 %	7.9 %	4.40 FOLD	15,300,000	6,000,000	21,600,000
Kiambu	0.3 %	-9.5 %	2.99 FOLD	37,900,000	21,000,000	48,000,000
Kiserian	2.7 %	9.3 %	2.57 FOLD	8,300,000	4,000,000	10,000,000
Kitengela	0.9 %	1.9 %	3.63 FOLD	12,500,000	6,400,000	16,000,000
Limuru	0.9 %	2.7 %	2.94 FOLD	23,500,000	12,000,000	35,000,000
Mlolongo	3.4 %	11.1 %	2.06 FOLD	30,800,000	20,000,000	40,000,000
Ngong	1.1 %	18.1%	3.32 FOLD	25,400,000	15,000,000	38,000,000
Ongata Rongai	1.2 %	11.8 %	2.81 FOLD	24,800,000	12,000,000	31,200,000
Ruaka	-0.4 %	0.03 %	2.86 FOLD	89,800,000	56,000,000	136,000,000
Ruiru	-0.2 %	-4.7 %	2.92 FOLD	24,900,000	12,800,000	32,000,000
Syokimau	1.4 %	3.1 %	2.40 FOLD	22,400,000	13,600,000	28,800,000
Thika	3.6 %	7.7 %	2.51 FOLD	19,800,000	11,200,000	26,200,000
Tigoni	1.7 %	6.4 %	3.04 FOLD	25,600,000	18,300,000	30,000,000

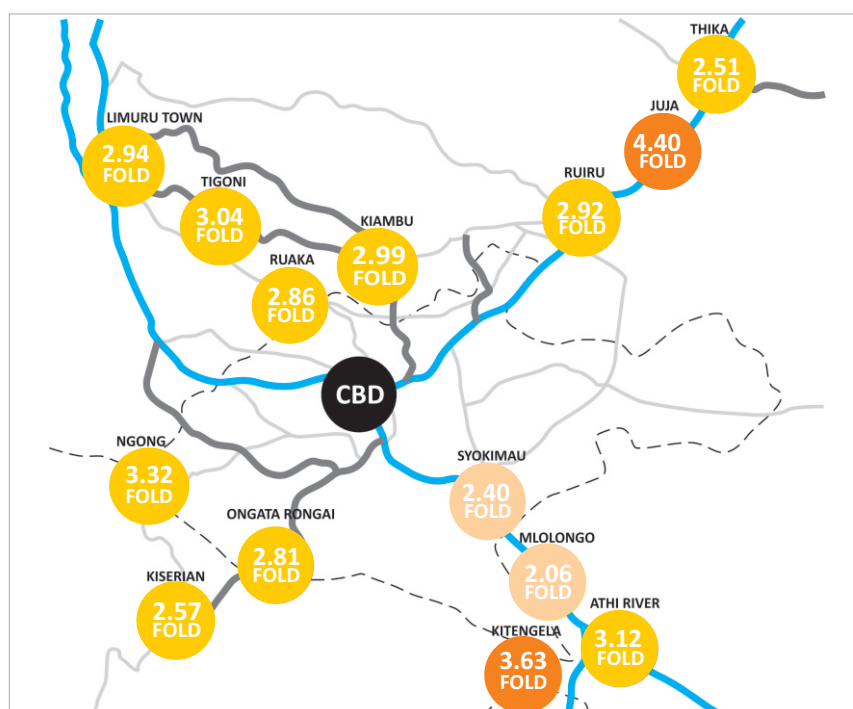
*Price Values rounded to nearest Kshs. 100,000

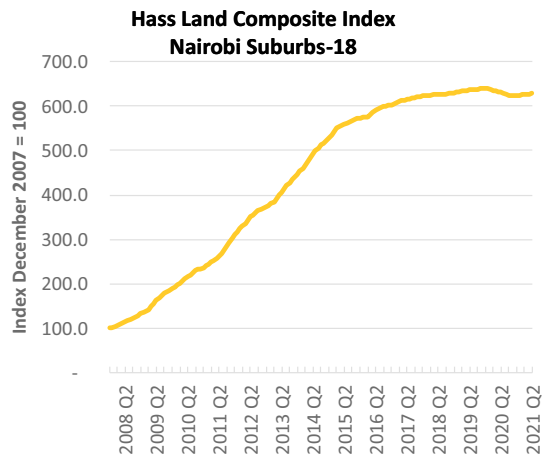
Land Index Heat Maps

Nairobi-18 Suburbs Change in Prices Since June 2011



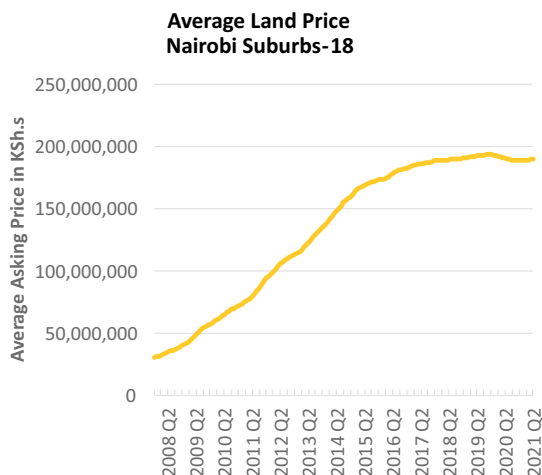
Nairobi-14 Satellite Towns Change in Prices Since June 2011





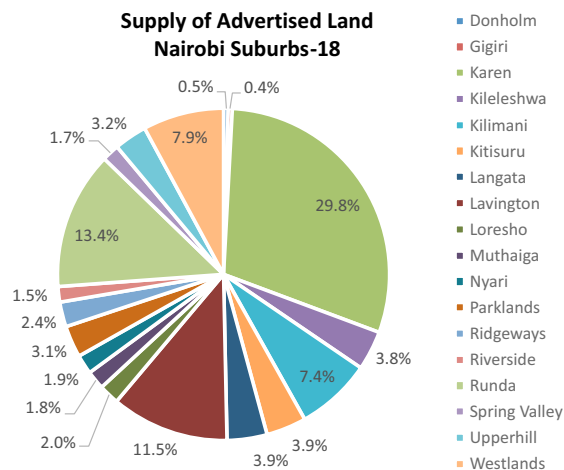
SNAP SHOTS:

- The Nairobi Suburbs-18 Land Index is representative of Land for Sale in Nairobi covering 18 highest activity suburbs.
- Land values have increased by 6.28 fold since December 2007.



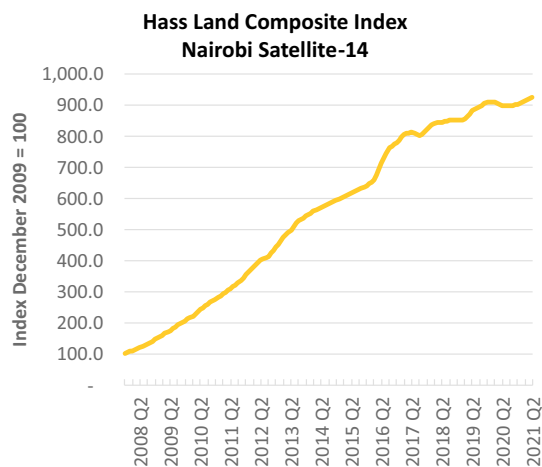
SNAP SHOTS:

- 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 189.9 million in June 2021.



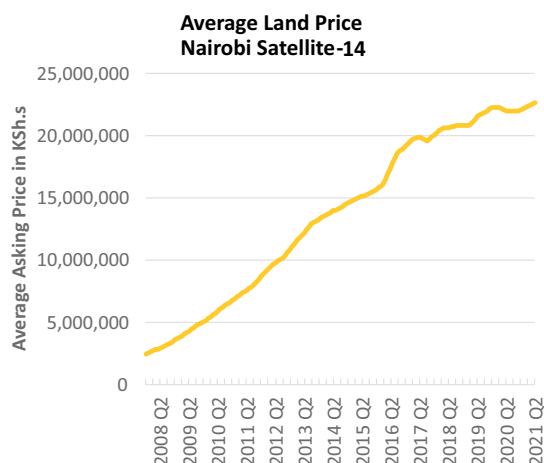
SNAP SHOTS:

- The Mix is a measure of the percentage that each suburb represents in the market for 18 Nairobi suburbs.
- Land in Donholm took up 0.5% of the market, Gigiri 0.4%, Karen 29.8%, Kileleshwa 3.8%, Kilimani 7.4%, Kitisuru 3.9%, Langata 3.9%, Lavington 11.5%, Loresho 2.0%, Muthaiga 1.8%, Nyari 1.9%, Parklands 3.1%, Ridgeways 2.4%, Riverside 1.5%, Runda 13.4%, Spring Valley 1.7%, Upperhill 3.2% and Westlands 7.9% respectively.



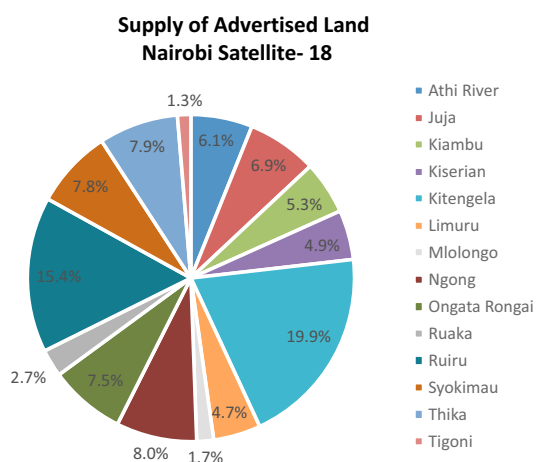
SNAP SHOTS:

- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi suburbs.
- Land values have increased by 9.25 fold since December 2007.



SNAP SHOTS:

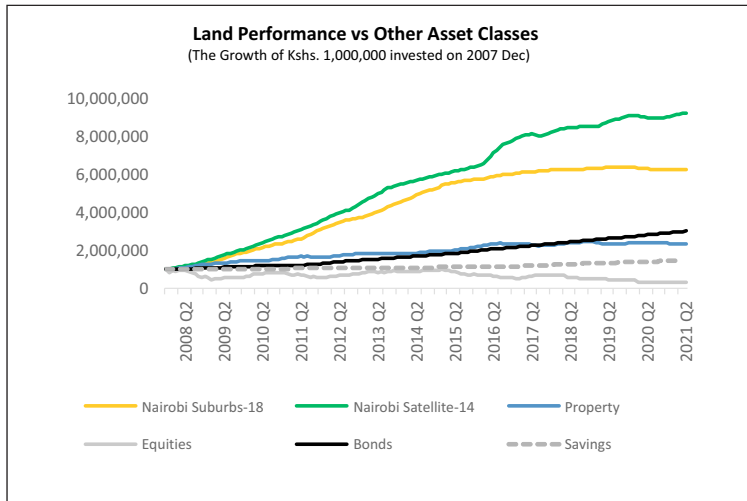
- The annual average is representative of the average price of land for sale in outside Nairobi covering 14 highest activity Satellite towns.
- The average value for land has gone from 2.4 million in December 2007 to 22.6 million in June 2021.



SNAP SHOTS:

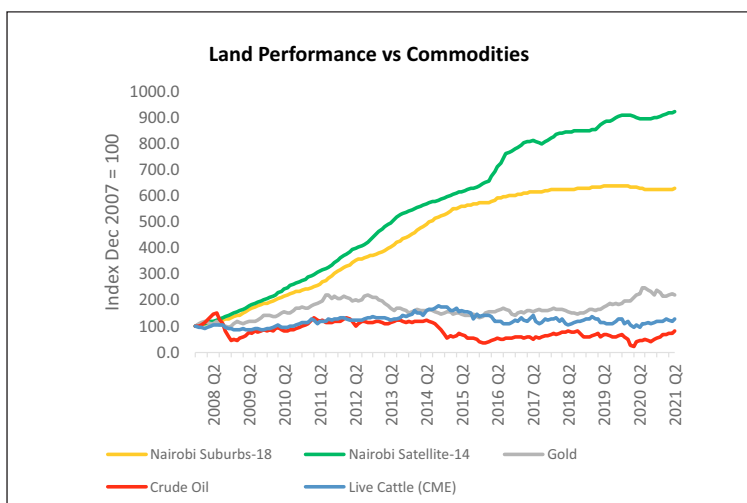
- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns.
- Land in Athi River took up 6.1% of the market, Juja took up 6.9%, Kiambu 5.3%, Kiserian 4.9%, Kitengela 19.9%, Limuru 4.7%, Mlolongo 1.7%, Ngong 8.0%, Ongata Rongai 7.5%, Ruaka 2.7%, Ruiru 15.4%, Syokimau 7.8%, Thika 7.9% and Tigoni 1.3% respectively.

Land as an Investment



SNAP SHOTS:

Ksh. 1 Million invested at the end of 2007 would have been worth KSh. 9.25M if invested in land in Nairobi Satellite-14, KSh. 6.28M if invested in land in Nairobi Suburbs-18, KSh. 2.36M if invested in property (The Hass Sales Composite Index, All Properties), KSh. 3.02M if invested in bonds and KSh. 1.46M if invested in savings and only Ksh. 0.35M if invested in Equities.



SNAP SHOTS:

The Hass Land Composite Index, Nairobi Satellite-14 index value was 924.5 outperforming Nairobi Suburbs-18 which had an index value of 627.6, Gold 220.6, Live Cattle (CME) 127.4 and Crude Oil worst performing with only 82.2 index value.