

Land prices in satellite towns grow at almost 7 times the rate of land in Nairobi

- Land prices in Nairobi's 18 suburbs grew by 0.4 percent over the quarter, the highest quarterly growth since the last quarter of 2019.
- Langata, Gigiri and Ridgeways led the revival as Kileleshwa, Donholm and Riverside lagged on increased supply. .
- Nairobi's 14 satellite Towns displayed a quarterly growth of 2.7 percent on affordability, hopes for speculative gains and development of mid-tier investment assets in areas with fewer zoning restrictions.
- Ongata Rongai was the top town in price growth at 8.2 percent in the quarter, while Ngong led the pack in annual price gains of 21.3 percent
- Improved road infrastructure continues to be the driving force behind land price growth in the satellite towns.

Land Index Highlights:

The Hass Composite Land Index, Nairobi Suburbs	Quarter % Change	Annual % Change	Change From 2013
Nairobi-18 Composite Index Results	0.39%	0.83%	1.48 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Langata (+1.53 % over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Langata (+12.14 % over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Kileleshwa (-0.62 % over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Kileleshwa (-2.82 % over last year)		
The Hass Composite Land Index, Nairobi Satellite Towns	Quarter % Change	Annual % Change	Change From 2013
Nairobi Satellite-14 Composite Index Results	2.74%	6.35%	2.07 Fold
The Town with Highest Quarterly Increase in Land Price	Land in Ongata Rongai (+8.19 % over last quarter)		
The Town with Highest Annual Increase in Land Price	Land in Ngong (+21.30 % over last year)		
The Town with Lowest Quarterly Increase in Land Price	Land in Limuru (-3.11 % over last quarter)		
The Town with Lowest Annual Increase in Land Price	Land in Limuru (-4.94 % over last year)		

HassConsult today unveiled the Hass Land price indices for the third quarter of 2023, showing prices in Nairobi's suburbs increased by 0.4 percent in the quarter and by 0.8 percent in the year.

Land in the city showed signs of price recovery with only three out of the eighteen suburbs witnessing a price fall in quarter three, compared to fourteen in the previous quarter. Recovery of land prices is heavily attributed to the resurgence of development activity post covid.

Land in Nairobi's satellite towns however, were quicker to rise, up 2.7 percent in the third quarter of 2023 and 6.3 percent annually. The growth in price of land in satellite towns was almost 7-fold that of land in the city, bolstered by improved infrastructure and affordability opening it up to a wider demand base.

Ongata Rongai was a front runner in quarterly price growth at 8.2 percent, displacing quarter two leader Thika as developers anticipate improved access due to the resumption of the dualling of the Bomasa-Rongai-Kiserian road.

Ngong had the highest increase at 21.3 percent over the year to September 2023, followed by Thika at 18 percent and Athi River at 13.5 percent.

"Improved road infrastructure has maintained price growth in Ngong, Mlolongo, Athi River Thika and Syokimau by attracting both commercial and residential developers to the satellite towns with the benefit of easing the strain of congestion in the city while providing more affordable housing solutions on the city fringe" said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

Langata remained the suburb with the highest land price growth on higher density development potential, easy access to major economic nodes (CBD, Upperhill, Mombasa Road) and lower land price per acre compared to neighbouring suburbs.

For more information, please contact:

Sakina Hassanali, Head of Development Consulting & Research

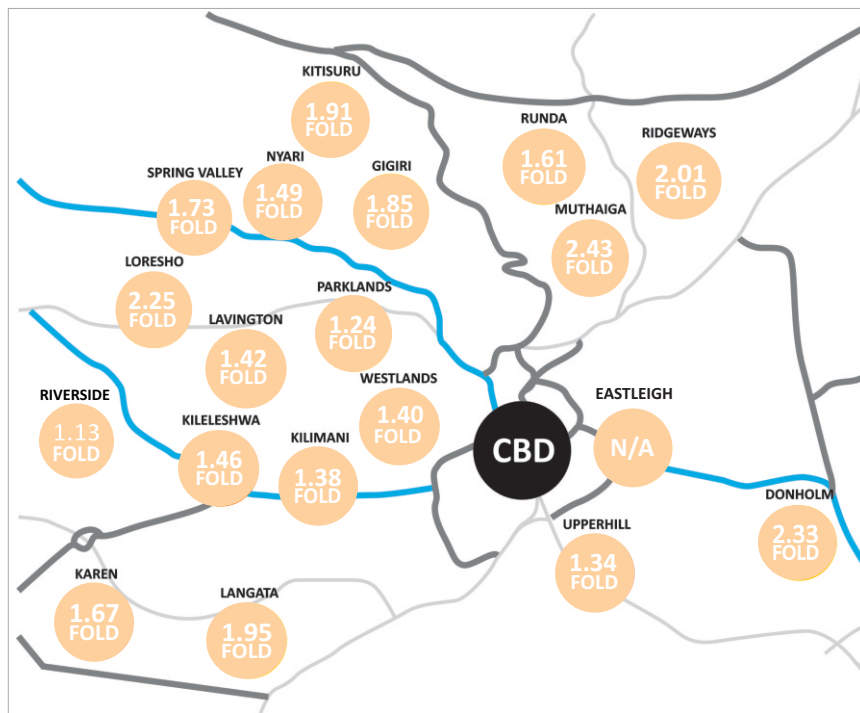
Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	10 Year Change From Oct 2013	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Donholm	-0.5 %	7.1 %	2.33 FOLD	77,800,000	70,000,000	96,000,000
Gigiri	1.4 %	1.0 %	1.85 FOLD	234,400,000	182,900,000	300,000,000
Karen	0.5 %	0.2 %	1.67 FOLD	65,400,000	59,000,000	70,000,000
Kileleshwa	-0.6 %	-2.8 %	1.46 FOLD	292,000,000	250,000,000	333,300,000
Kilimani	0.4 %	-1.3%	1.38 FOLD	398,500,000	350,000,000	440,000,000
Kitisuru	0.6 %	-0.9 %	1.91 FOLD	94,800,000	73,700,000	110,000,000
Langata	1.5 %	12.1 %	1.95 FOLD	78,900,000	57,000,000	80,000,000
Lavington	0.5 %	-2.1 %	1.42 FOLD	226,800,000	180,000,000	254,500,000
Loresho	0.8 %	11.1 %	2.25 FOLD	102,800,000	76,000,000	125,000,000
Muthaiga	0.6 %	3.6 %	2.43 FOLD	214,500,000	100,000,000	232,000,000
Nyari	0.03 %	-2.2 %	1.49 FOLD	110,800,000	100,000,000	120,000,000
Parklands	0.4 %	2.0 %	1.24 FOLD	405,600,000	339,800,000	467,900,000
Ridgeways	1.2 %	6.1 %	2.01 FOLD	84,200,000	70,000,000	90,000,000
Riverside	-0.2 %	-1.9 %	1.13 FOLD	320,100,000	250,000,000	360,000,000
Runda	0.6 %	3.8 %	1.61 FOLD	89,500,000	75,700,000	100,000,000
Spring Valley	0.5 %	10.6 %	1.73 FOLD	237,900,000	158,300,000	322,200,000
Upperhill	0.9 %	-1.9 %	1.34 FOLD	482,900,000	400,000,000	550,000,000
Westlands	0.004 %	1.0 %	1.40 FOLD	452,400,000	375,000,000	520,000,000

Nairobi Satellite Town Land Index	Quarter % Change	Annual % Change	10 Year Change From Oct 2013	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Athi River	0.8 %	13.5 %	2.21 FOLD	18,400,000	7,000,000	24,000,000
Juja	6.3 %	2.4 %	3.15 FOLD	19,200,000	7,200,000	24,300,000
Kiambu	-1.9 %	-3.4 %	1.68 FOLD	43,200,000	23,800,000	56,000,000
Kiserian	3.6 %	1.1 %	2.23 FOLD	10,100,000	4,300,000	14,400,000
Kitengela	3.0 %	8.4 %	2.45 FOLD	15,600,000	9,400,000	19,200,000
Limuru	-3.1 %	-4.9 %	1.75 FOLD	20,300,000	9,200,000	28,000,000
Mlolongo	0.4 %	10.1 %	1.52 FOLD	36,500,000	20,000,000	50,000,000
Ngong	4.2 %	21.3%	2.51 FOLD	33,400,000	20,000,000	48,000,000
Ongata Rongai	8.2 %	-2.3 %	1.70 FOLD	25,400,000	10,500,000	34,700,000
Ruaka	2.6 %	2.9 %	1.94 FOLD	99,700,000	70,000,000	136,000,000
Ruiru	2.5 %	3.6 %	2.11 FOLD	29,500,000	14,800,000	36,700,000
Syokimau	2.2 %	11.9 %	1.99 FOLD	31,000,000	24,000,000	35,000,000
Thika	4.0 %	18.0 %	2.12 FOLD	26,300,000	14,000,000	30,000,000
Tigoni	3.0 %	6.1 %	205 FOLD	30,700,000	22,000,000	35,000,000

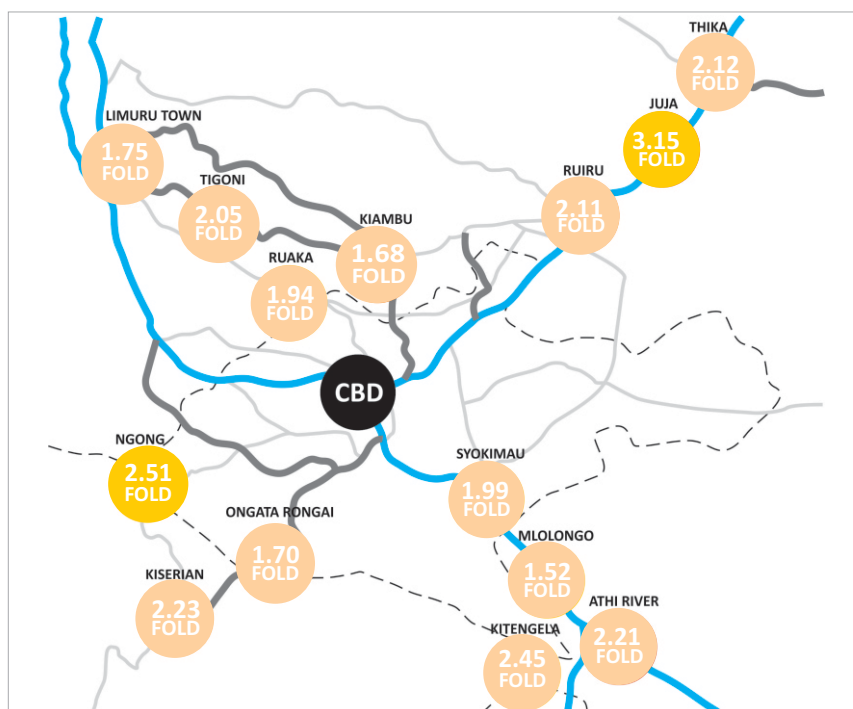
*Price Values rounded to nearest Kshs. 100,000

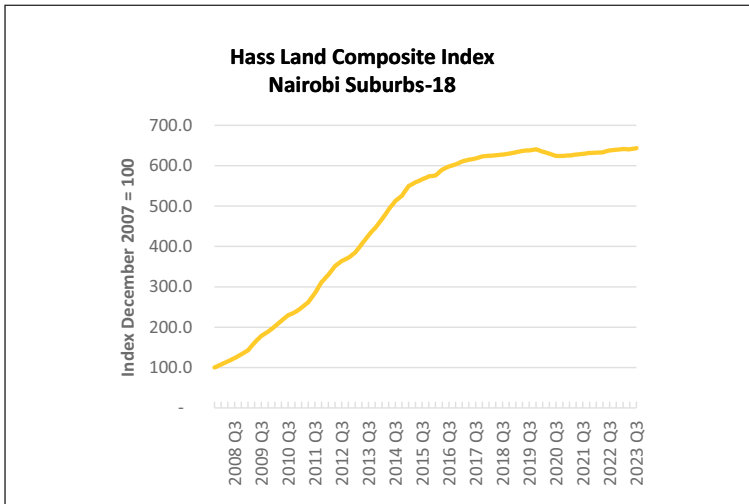
Land Index Heat Maps

Nairobi-18 Suburbs Change in Prices Since Oct 2013



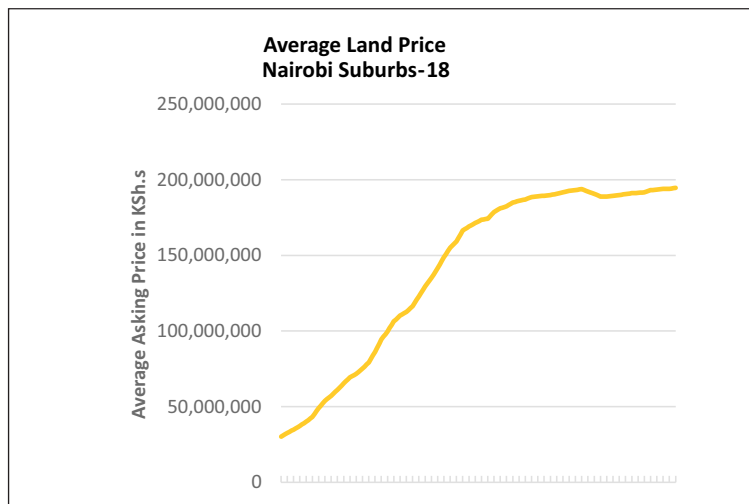
Nairobi-14 Satellite Towns Change in Prices Since Oct 2013





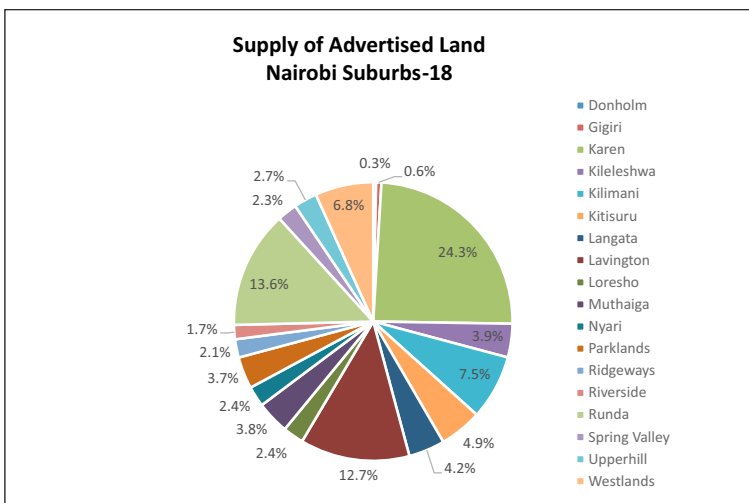
SNAP SHOTS:

- The Nairobi Suburbs-18 Land Index is representative of Land for Sale in Nairobi covering 18 highest activity suburbs.
- Land values have increased by 6.43 fold since December 2007.



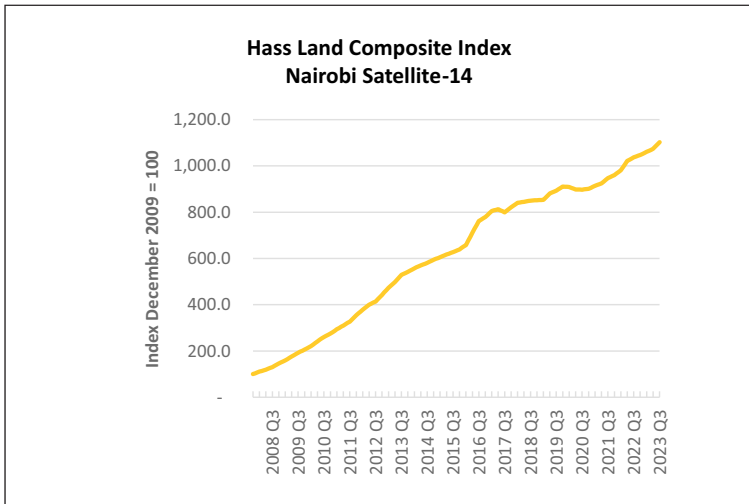
SNAP SHOTS:

- 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 194.7 million in September 2023.



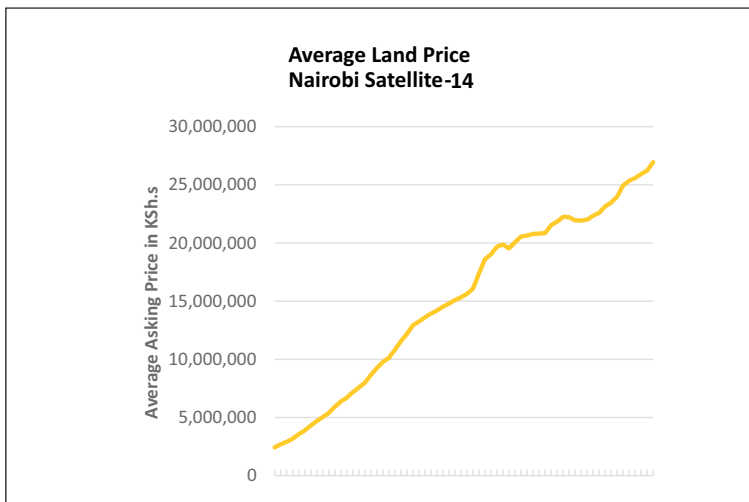
SNAP SHOTS:

- The Mix is a measure of the percentage that each suburb represents in the market for 18 Nairobi suburbs.
- Land in Donholm took up 0.3% of the market, Gigiri 0.6%, Karen 24.3%, Kileleshwa 3.9%, Kilimani 7.5%, Kitisuru 4.9%, Langata 4.2%, Lavington 12.7%, Loresho 2.4%, Muthaiga 3.8%, Nyari 2.4%, Parklands 3.7%, Ridgeways 2.1%, Riverside 1.7%, Runda 13.6%, Spring Valley 2.3%, Upperhill 2.7% and Westlands 6.8% respectively.



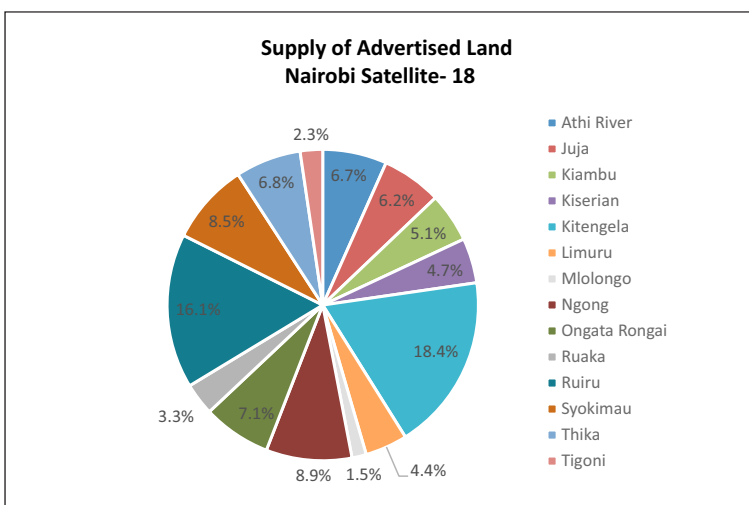
SNAP SHOTS:

- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi suburbs.
- Land values have increased by 11.03 fold since December 2007.



SNAP SHOTS:

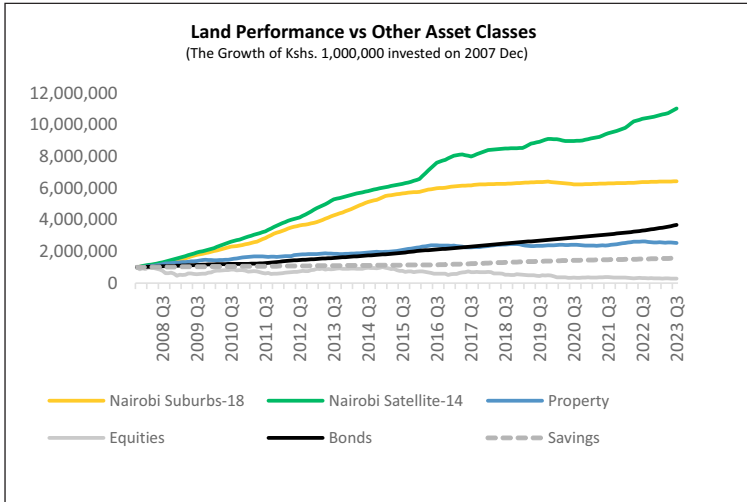
- The annual average is representative of the average price of land for sale in outside Nairobi covering 14 highest activity Satellite towns.
- The average value for land has gone from 2.4 million in December 2007 to 27.0 million in September 2023.



SNAP SHOTS:

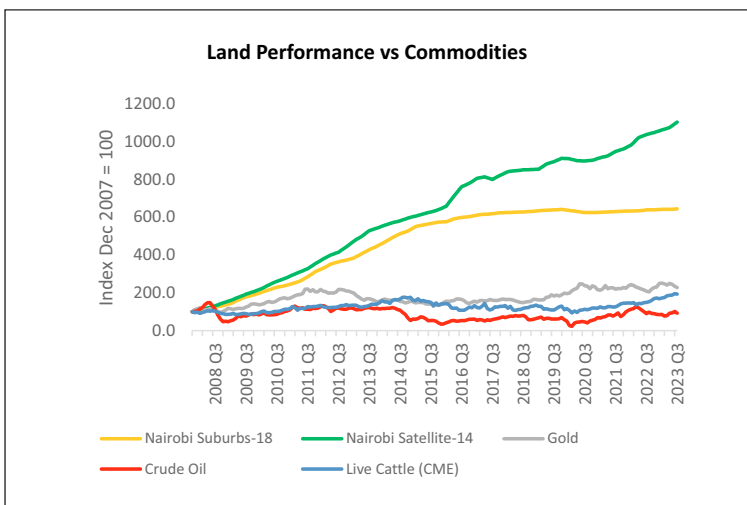
- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns.
- Land in Athi River took up 6.7% of the market, Juja took up 6.2%, Kiambu 5.1%, Kiserian 4.7%, Kitengela 18.4%, Limuru 4.4%, Mlolongo 1.5%, Ngong 8.9%, Ongata Rongai 7.1%, Ruaka 3.3%, Ruiru 16.1%, Syokimau 8.5%, Thika 6.8% and Tigoni 2.3% respectively.

Land as an Investment



SNAP SHOTS:

Ksh. 1 Million invested at the end of 2007 would have been worth KES. 11.03M if invested in land in Nairobi Satellite-14, KES. 6.43M if invested in land in Nairobi Suburbs-18, KES. 2.53M if invested in property (The Hass Sales Composite Index, All Properties), KES. 3.67M if invested in bonds and KES. 1.56M if invested in savings and only KES. 0.28M if invested in Equities.



SNAP SHOTS:

The Hass Land Composite Index, Nairobi Satellite-14 index value was 1103.2 outperforming Nairobi Suburbs-18 which had an index value of 643.4, Gold 228.2, Live Cattle (CME) 192.8 and Crude Oil worst performing with only 92.1 index value.