

Karen's Rise as a Commercial Hub Spurs Growth in Neighbouring Suburbs and Towns

- Average property prices dropped 0.5 per cent in the quarter and 1.8 per cent over the last year indicating a slow down in price appreciation as the market adjusts to the uncertainty in the Kenyan economic environment.
- Both Langata and Ngong however, continued to post a strong growth story with house price rises of 12.8 per cent and 18 per cent respectively in the year running up to Q2 2023.
- Average property rental prices market wide went up by 0.1 per cent in the quarter backed by an increase in apartments of 1.8 per cent in the quarter.
- Ngong Town and Ongata Rongai posted strong rental growth rates with Ngong Town posting a house rental price increase of 17.6 per cent in the last year and Ongata Rongai posting a 22 percent apartment rental price increase in the same period.

Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Jun 2013
All Properties	-0.5%	-1.8%	1.38 Fold
Detached Houses	-0.6%	-0.1%	1.36 Fold
Semi Detached Houses	-1.2%	-8.0%	1.56 Fold
Apartments	1.3%	0.4%	1.23 Fold
Segment with Highest Quarterly Increase in Sales Price	Apartments in Ngong (+4.2 % over last quarter)		
Segment with Lowest Quarterly Increase in Sales Price	Apartments in Thika (-2.5 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Ngong (+18.0 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Upper Hill (-13.5% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Jun 2013
All Properties	0.1%	-2.1%	1.41 Fold
Detached Houses	-0.3%	-3.2%	1.33 Fold
Semi Detached Houses	-0.9%	-5.4%	1.72 Fold
Apartments	1.8%	3.0%	1.38 Fold
Segment with Highest Quarterly Increase in Rental Price	Apartments in Kitengela (+7.1% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Houses in Kiambu (-3.5% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Houses in Ongata Rongai (+22.0% over last year)		
Segment with Lowest Annual Increase in Rental Price	Apartments in Upper Hill (-12.6% over last year)		

HassConsult has unveiled the Hass Property price indices for the second quarter of 2023, with property prices stagnating at a 0.5 per cent drop in the quarter resulting in a 1.8 per cent drop in the year. Economic uncertainty pegged to rising costs, prospects of higher taxation and a higher cost of financing has resulted in reduced consumer confidence stalling speculative demand on real estate.

During the same period, average property rental pricing went up marginally by 0.1% in the quarter. This was backed by a renewed demand for rental apartments, that sustained their growth trend on affordability going up 1.8 per cent in the quarter while the demand for houses reduced falling 0.5 per cent in the same period.

While the market showed subdued performance across both sale and rental pricing with only some hotspots of growth, areas like Ngong, Langata and Ongata Rongai showed bullish returns on all fronts.

Sale prices for houses in Langata and Ngong went up 12.8 per cent and 18 per cent respectively in the year running up to June 2023 while apartment prices went up by 15.5 per cent and 6.8 per cent in the same period.

'The subsequent effect of the expansion of Ngong road has opened Karen up to a super suburb status whose growth as a commercial node for the surrounding towns is having spill over pricing effects,' said Ms. Sakina Hassanali, Head of Development, Consulting and Research at Hass Consult.

Ngong and Langata's expanding infrastructure upgrades as well as their proximity to Karen is contributing to their gradual growth as a residential hub. Karen hosts only high value, low density housing but has begun to be established as a commercial centre, thereby rousing the surrounding suburbs to pick up resident communities that require middle market housing.

Substantively in response to this movement, Ngong Town and Ongata Rongai posted strong rental growth rates with Ngong Town posting a house rental price increase of 17.6 per cent in the last year and Ongata Rongai posting a 22 per cent apartment rental price increase in the same period.

For more information, please contact:

Sakina Hassanali, Head of Development Consulting & Research

House Price Trends By Suburb in Nairobi

Nairobi Suburbs Property Index - All Houses	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jul 2013	Quarter % Change	Annual % Change	Change From Jul 2013
Donholm	-0.1 %	2.6 %	1.41 FOLD	1.4 %	-4.4 %	1.19 FOLD
Gigiri	0.8 %	6.5 %	1.73 FOLD	1.6 %	1.3 %	1.13 FOLD
Karen	0.5 %	-0.8 %	1.74 FOLD	-0.3 %	1.1 %	1.56 FOLD
Kileleshwa	0.4 %	0.04 %	1.74 FOLD	-0.1 %	-8.0 %	1.39 FOLD
Kilimani	1.9 %	8.4 %	1.36 FOLD	0.5 %	-5.6 %	1.40 FOLD
Kitisuru	-1.3 %	-7.2 %	1.62 FOLD	-0.4 %	-3.1 %	1.16 FOLD
Langata	1.1 %	12.8 %	2.43 FOLD	3.8 %	4.6 %	1.19 FOLD
Lavington	0.6 %	-4.4 %	1.60 FOLD	-0.5 %	-5.1 %	1.59 FOLD
Loresho	1.6 %	1.9 %	1.99 FOLD	3.5 %	10.7 %	1.53 FOLD
Muthaiga	0.9 %	9.4 %	2.22 FOLD	-0.4 %	1.7 %	1.65 FOLD
Nyari Estate	2.6 %	11.4 %	1.80 FOLD	3.3 %	10.8 %	1.45 FOLD
Ridgeways	-1.2 %	-3.1 %	1.67 FOLD	1.3 %	3.6 %	1.42 FOLD
Runda	-0.4 %	-7.1 %	1.43 FOLD	0.2 %	-2.7 %	1.23 FOLD
Spring Valley	-1.2 %	-8.3 %	1.47 FOLD	0.2 %	0.3 %	1.16 FOLD
Westlands	-0.8 %	-6.3 %	1.58 FOLD	-2.0 %	-2.3 %	1.42 FOLD

Apartment Price Trends By Suburb Nairobi

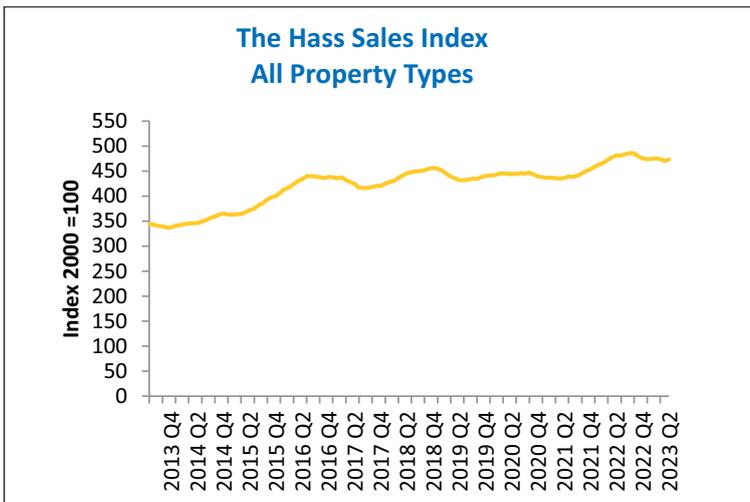
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jul 2013	Quarter % Change	Annual % Change	Change From Jul 2013
Kileleshwa	1.0 %	0.5 %	1.00 FOLD	1.9 %	-2.2 %	1.19 FOLD
Kilimani	-0.5 %	-3.8 %	0.89 FOLD	0.4 %	-3.3 %	1.11 FOLD
Langata	1.3 %	15.5 %	1.46 FOLD	-0.5 %	10.1 %	1.62 FOLD
Lavington	-1.6 %	-2.9 %	1.11 FOLD	-0.6 %	-2.3 %	1.05 FOLD
Parklands	-0.6 %	-6.2 %	1.34 FOLD	0.1 %	-10.6 %	1.67 FOLD
Riverside	-0.8 %	-13.4 %	1.41 FOLD	-1.3 %	-7.6 %	1.50 FOLD
Upperhill	-1.5 %	-13.5 %	1.22 FOLD	-1.1 %	-12.6 %	1.33 FOLD
Westlands	1.2 %	-2.5 %	1.28 FOLD	1.0 %	-3.7 %	1.22 FOLD

House Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - All houses	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jul 2013	Quarter % Change	Annual % Change	Change From Jul 2013
Athi River	4.1 %	6.2 %	1.86 FOLD	2.6%	9.6 %	1.37 FOLD
Juja	-0.1 %	-1.4 %	0.91 FOLD	1.6 %	-3.1 %	1.61 FOLD
Kiambu	1.0 %	9.9 %	1.84 FOLD	-3.5 %	-4.4 %	1.27 FOLD
Kiserian	2.1 %	8.2 %	1.61 FOLD	-1.2 %	6.0 %	1.52 FOLD
Kitengela	-0.7 %	5.8 %	1.56 FOLD	3.1 %	8.5%	1.44 FOLD
Limuru	-0.7 %	-11.2 %	1.68 FOLD	-0.7 %	-3.2 %	1.60 FOLD
Ngong	4.1 %	18.0 %	2.28 FOLD	1.3 %	17.6 %	2.48 FOLD
Ongata Rongai	0.3 %	10.4 %	1.73 FOLD	2.3 %	14.6 %	1.59 FOLD
Ruiru	0.2 %	8.7 %	2.03 FOLD	4.7 %	17.9 %	2.65 FOLD
Tigoni	3.2 %	15.3 %	1.52 FOLD	0.9 %	4.0 %	1.78 FOLD

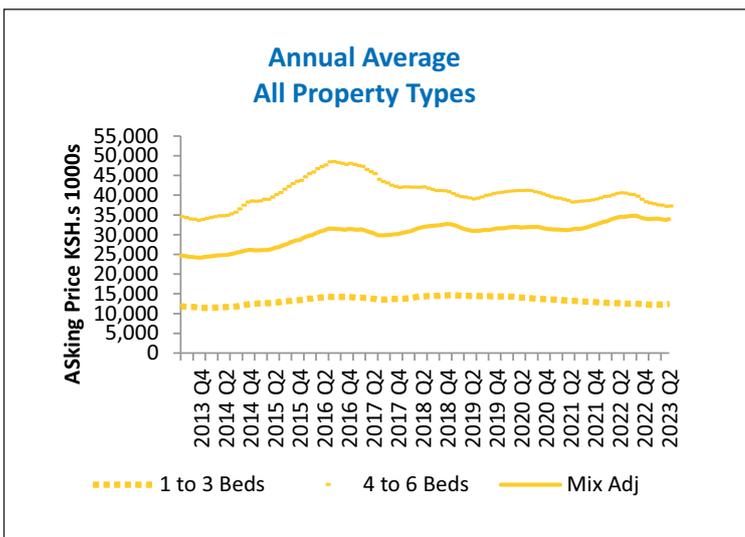
Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jul 2013	Quarter % Change	Annual % Change	Change From Jul 2013
Athi River	0.7 %	-2.4 %	1.27 FOLD	-2.3 %	-3.4%	1.15 FOLD
Kiambu	4.1 %	1.6 %	1.63 FOLD	-3.2 %	6.2 %	1.41 FOLD
Kitengela	-2.1 %	-12.4 %	1.25 FOLD	7.1 %	10.1 %	1.54 FOLD
Mlolongo	-1.6 %	-0.1 %	1.32 FOLD	-1.0 %	0.8 %	1.31 FOLD
Ngong	4.2 %	6.8 %	1.97 FOLD	1.3%	8.8 %	2.02 FOLD
Ongata Rongai	-1.3%	-7.9 %	0.93 FOLD	4.2 %	22.0 %	1.99 FOLD
Ruaka	-0.3 %	-7.5 %	1.25 FOLD	1.7 %	11.5 %	1.88 FOLD
Syokimau	1.0 %	1.8 %	1.39 FOLD	2.5 %	16.0 %	1.50 FOLD
Thika	-2.5 %	-0.1 %	1.12 FOLD	-3.2 %	1.3 %	1.38 FOLD



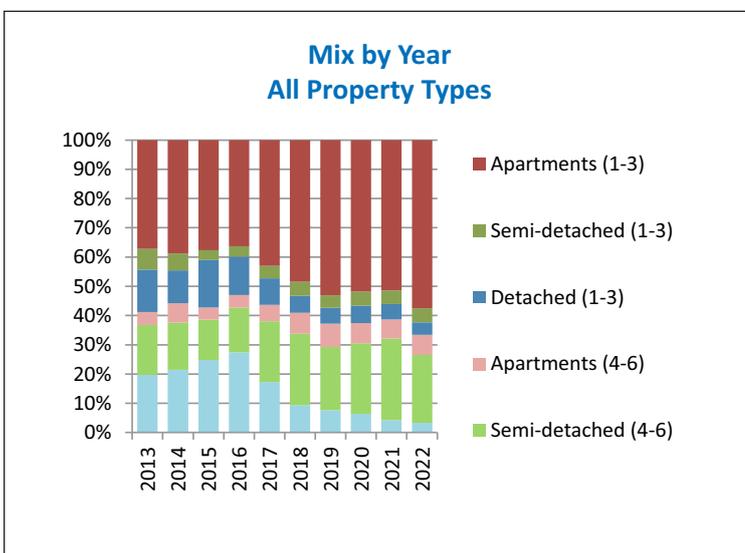
SNAP SHOTS:

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 4.73 times since 2000.
- The index shows a property price rise of 0.60% in the last month, and a fall of -0.48% in the last quarter and a -1.79% fall in the last year.



SNAP SHOTS:

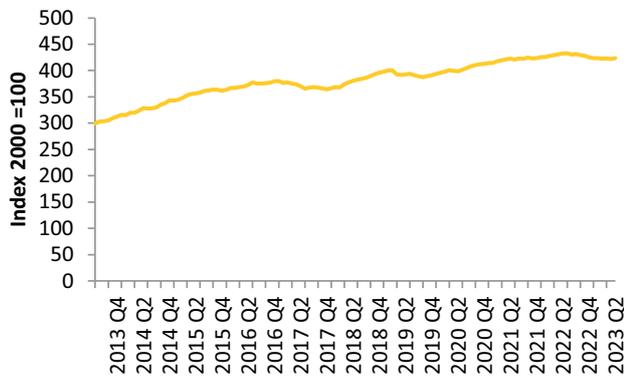
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 33.9 million in June 2023.
- The average value for a 4-6 bedroom property is currently 37.2 million.
- The average value for a 1-3 bedroom property is currently 12.4 million.



SNAP SHOTS:

- The Mix by Year is a measure of the percentage that each type of property represents in the market.
- In 2001, Apartments took up 23.5% of the market, semi-detached took up 24.5% of the market and detached houses took up 52% of the market.
- In December 2022 however, Apartments took up 64.4% of the market, Semi-detached Houses took up 28.1% of the market and Detached Houses took up 7.5% of the market.

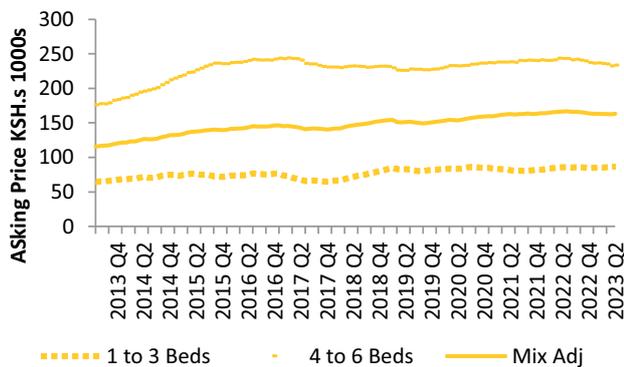
The Hass Rental Index All Property Types



SNAP SHOTS:

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.23 fold since 2001.
- The index shows a property price rise of 0.37% in the last month, a rise of 0.14% in the last quarter and have fallen by -2.12% rise in the last year.

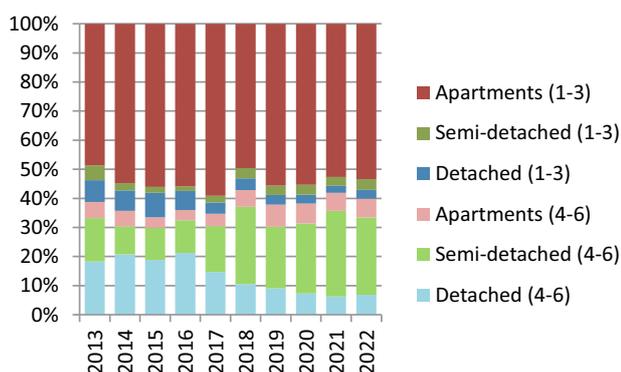
Annual Average All Property Types



SNAP SHOTS:

- The annual average is representative of the average rent of all properties offered to let in Kenya.
- The average rental for a property has gone from KES. 38,516 in December 2000 to KES.163,039 June 2023.
- The average rent for a 4-6 bedroom property is currently KES. 233,665.
- The average rent for a 1-3 bedroom property is currently KES. 86,679.

Mix by Year All Property Types



SNAP SHOTS:

- The Mix by Year is a measure of the percentage that each type of property represents in the market.
- In 2001, Apartments took up 45.3% of the market, Semi-detached Houses took up 20.5% of the market and Detached Houses took up 34.2% of the market.
- In December 2021 however, Apartments took up 59.8% of the market, Semi-detached Houses took up 30.3% of the market and Detached Houses took up 9.9% of the market.