

Inadequate density in city's high end suburbs chiefs a 40 percent increase in townhouse prices over the last decade

- Property sale prices in the last quarter of 2022 recorded a 2.2 percent quarterly price drop bringing the average annual property price gains to just 4.8 percent over 2022.
- Houses in Nyari and Muthaiga had amongst the largest gains in pricing at 11.2 and 6.2 percent over 2022.
- Over the last decade, house prices in the city have increased up to 3 times faster than apartment prices due to limited density allowances in high end villa suburbs.
- Property rental prices posted a 1.5 percent drop over the quarter bringing a flat increase of just 0.3 percent over 2022.
- Stalled upward movement on rental prices across most markets was reflective of the rise in the cost of living in 2022 and global inflationary pressures that have reduced real income locally.

Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Jan 2013
All Properties	-2.2%	4.8%	1.41 Fold
Detached Houses	-1.5%	9.4%	1.40 Fold
Semi Detached Houses	-4.3%	-3.3%	1.61 Fold
Apartments	-1.5%	-1.9%	1.22 Fold
Segment with Highest Quarterly Increase in Sales Price	Houses in Ngong (+6.0 % over last quarter)		
Segment with Lowest Quarterly Increase in Sales Price	Apartments in Upper Hill (-6.9 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Ngong (+21.1 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Upper Hill (-10.3% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Jan 2013
All Properties	-1.5%	0.3%	1.46 Fold
Detached Houses	-1.4%	-0.6%	1.41 Fold
Semi Detached Houses	-3.3%	-2.4%	1.89 Fold
Apartments	-0.2%	4.5%	1.32 Fold
Segment with Highest Quarterly Increase in Rental Price	Houses in Ngong (+6.9% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Apartments in Parklands (-6.1% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Houses in Ngong (+16.2% over last year)		
Segment with Lowest Annual Increase in Rental Price	Houses in Kilimani (-9.0% over last year)		

HassConsult today released the Hass Property price indices for the fourth quarter of 2022 showing property prices recorded a 2.2 percent drop driven by price declines across the board resulting in an annual property price rise of 4.8 percent in 2022.

Houses in both Nyari and Muthaiga were front runners over 2022 with price rises of 11.2 and 6.2 percent respectively. Both Nyari and Muthaiga are beneficiaries of low-density housing.

Over the last decade, house prices in the city have increased up to 2 times faster than apartment prices due to limited density allowances in high end villa suburbs.

“City planning only permits building of one or two houses per acre in a majority of the city's townhouse suburbs including but not limited to Muthaiga, Gigiri, Nyari, Kitisuru, Spring Valley, Loresho, Ridgeways, Runda and Karen – leaving an enormous part of the city locked away for only a small fraction of its residents who can afford homes of an average price of 80 million Kenya Shillings.” said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

House pricing in these areas have benefitted from house price appreciation due to strained supply caused by planning laws. While apartment prices have increased by 22 percent on average in the last decade, houses have soared 40 percent in the same time period – almost twice as much.

Results from the Hass Rental Index posted a fall of rental prices of 1.5 percent in the quarter, resulting in an overall drop of 0.3 percent over 2022.

The sluggish movement on rental prices across most markets was reflective of the rise in the cost of living in 2022 as well as global inflationary pressures that have worked to reduce real income.

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 Jan 2013	Quarter % Change	Annual % Change	Change From Jan 2013
Donholm	1.7 %	10.6 %	1.55 FOLD	-2.1 %	2.8 %	1.38 FOLD
Gigiri	1.5 %	3.9 %	1.73 FOLD	0.6 %	-2.6 %	1.14 FOLD
Karen	-0.8 %	-1.6 %	1.76 FOLD	-0.6 %	2.0 %	1.59 FOLD
Kileleshwa	0.2 %	2.4 %	1.78 FOLD	-5.3 %	-9.0 %	1.52 FOLD
Kilimani	1.1 %	6.6 %	1.36 FOLD	-4.6 %	-6.7 %	1.44 FOLD
Kitisuru	-2.9 %	2.5 %	1.86 FOLD	-0.6 %	-2.3 %	1.26 FOLD
Langata	2.0 %	13.0 %	2.36 FOLD	-0.4 %	-0.4 %	1.16 FOLD
Lavington	-3.6 %	-4.6 %	1.67 FOLD	-2.9 %	-5.6 %	1.69 FOLD
Loresho	-5.0 %	4.1 %	2.00 FOLD	1.1 %	6.9 %	1.43 FOLD
Muthaiga	4.6 %	6.2 %	2.21 FOLD	-1.2 %	-0.7 %	1.73 FOLD
Nyari Estate	2.3 %	11.2 %	1.74 FOLD	1.6 %	1.5 %	1.37 FOLD
Ridgeways	-2.0 %	-1.6 %	1.73 FOLD	-0.7 %	2.0 %	1.44 FOLD
Runda	-4.6 %	-4.2 %	1.58 FOLD	-1.8 %	-4.7 %	1.25 FOLD
Spring Valley	-5.9 %	-0.6 %	1.55 FOLD	-0.8 %	0.3 %	1.18 FOLD
Westlands	-4.1 %	1.5 %	1.86 FOLD	-0.5 %	-3.1 %	1.57 FOLD

Apartment Price Trends By Suburb Nairobi

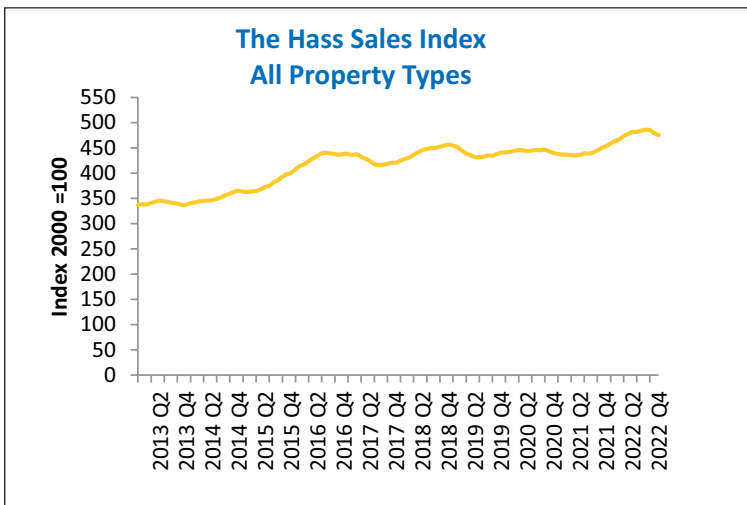
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2013	Quarter % Change	Annual % Change	Change From Jan 2013
Kileleshwa	-2.0 %	-5.0 %	0.97 FOLD	-1.4 %	-1.8 %	1.21 FOLD
Kilimani	-1.0 %	-5.2 %	0.92 FOLD	-2.2 %	-3.2 %	1.14 FOLD
Langata	2.2 %	9.0 %	1.37 FOLD	6.4 %	10.3 %	1.69 FOLD
Lavington	-0.9 %	-4.0 %	1.18 FOLD	-1.7 %	-1.7 %	1.11 FOLD
Parklands	-4.1 %	-3.4 %	1.36 FOLD	-6.1 %	-6.7 %	1.78 FOLD
Riverside	-5.6 %	-4.2 %	1.46 FOLD	-2.6 %	-2.2 %	1.58 FOLD
Upperhill	-6.9 %	-10.3 %	1.34 FOLD	-5.9 %	-8.3 %	1.40 FOLD
Westlands	-3.9 %	-2.9 %	1.26 FOLD	-1.9 %	2.8 %	1.35 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 Jan 2013	Quarter % Change	Annual % Change	Change From Jan 2013
Athi River	-1.0 %	-0.8 %	1.84 FOLD	1.1%	14.2 %	1.35 FOLD
Juja	-5.0 %	-1.5 %	1.00 FOLD	-0.2 %	2.3 %	1.71 FOLD
Kiambu	4.7 %	6.3 %	2.01 FOLD	1.1 %	-6.1 %	1.36 FOLD
Kiserian	5.6 %	13.3 %	1.67 FOLD	-0.7 %	2.7 %	1.61 FOLD
Kitengela	2.5 %	6.3 %	1.62 FOLD	-0.8 %	4.7%	1.41 FOLD
Limuru	-5.8 %	-5.9 %	1.79 FOLD	-1.7 %	-1.3 %	1.68 FOLD
Ngong	6.0 %	21.1 %	2.11 FOLD	6.9 %	16.2 %	2.50 FOLD
Ongata Rongai	2.6 %	14.8 %	1.88 FOLD	3.1 %	3.8 %	1.57 FOLD
Ruiru	5.6 %	7.4 %	2.04 FOLD	4.1 %	14.3 %	2.55 FOLD
Tigoni	3.2 %	6.8 %	1.50 FOLD	0.8 %	8.2 %	1.83 FOLD

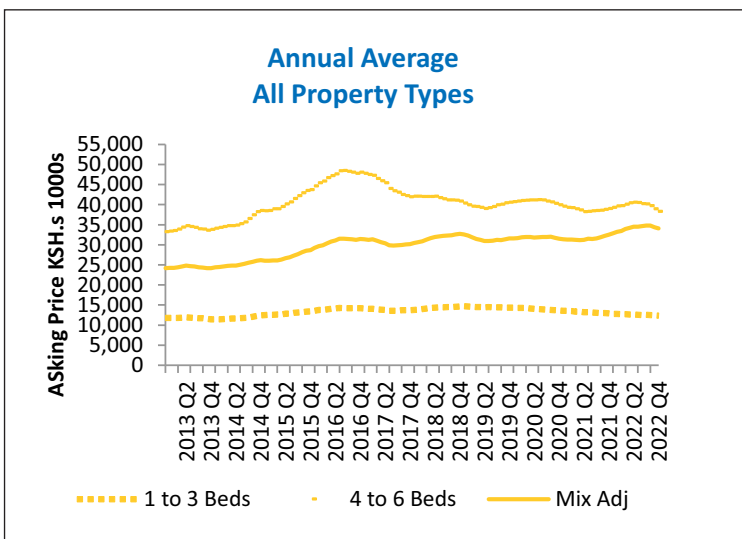
Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2013	Quarter % Change	Annual % Change	Change From Jan 2013
Athi River	0.9 %	-6.6 %	1.32 FOLD	-2.8 %	-1.7%	1.17 FOLD
Kiambu	1.4 %	-1.7 %	1.67 FOLD	9.0 %	4.7 %	1.51 FOLD
Kitengela	-4.7 %	-7.4 %	1.32 FOLD	1.7 %	8.8 %	1.46 FOLD
Mlolongo	0.7 %	1.2 %	1.35 FOLD	1.5 %	1.7 %	1.35 FOLD
Ngong	-1.0 %	1.1 %	2.03 FOLD	-0.2%	14.0 %	2.02 FOLD
Ongata Rongai	-2.5%	-7.7 %	0.97 FOLD	4.6 %	15.3 %	1.90 FOLD
Ruaka	-4.7 %	-9.4 %	1.32 FOLD	4.7 %	11.4 %	1.95 FOLD
Syokimau	0.1 %	0.7 %	1.47 FOLD	3.0 %	9.6 %	1.47 FOLD
Thika	0.3 %	-1.6 %	1.11 FOLD	0.7 %	2.6 %	1.47 FOLD



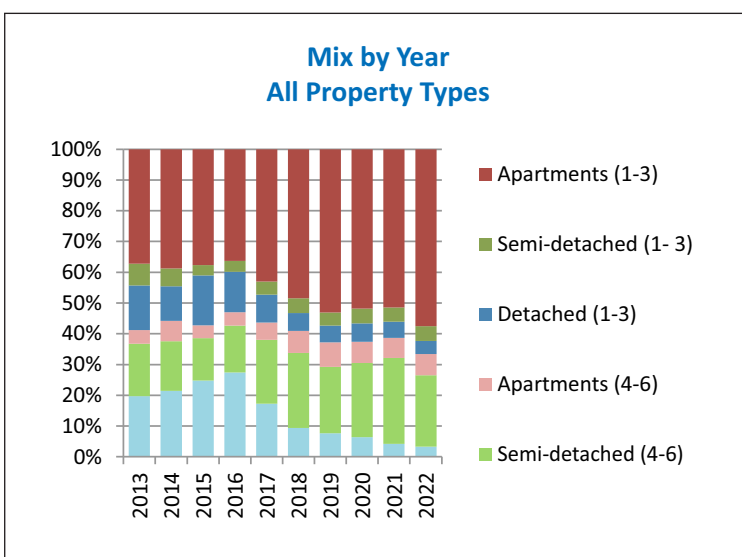
SNAP SHOTS:

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 4.75 times since 2000.
- The index shows a property price fall of -0.77% in the last month, and a fall of -2.15% in the last quarter and a 4.80% rise in the last year.



SNAP SHOTS:

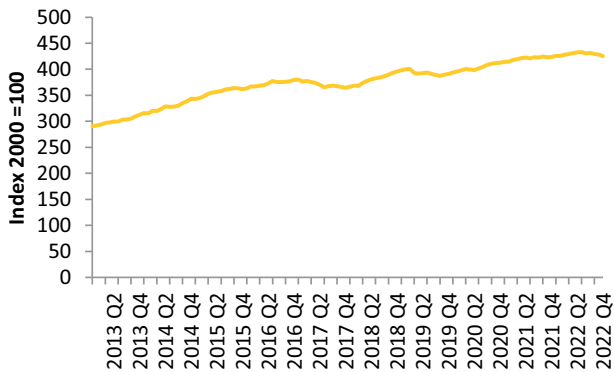
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 34.1 million in December 2022.
- The average value for a 4-6 bedroom property is currently 38.3 million.
- The average value for a 1-3 bedroom property is currently 12.3 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.

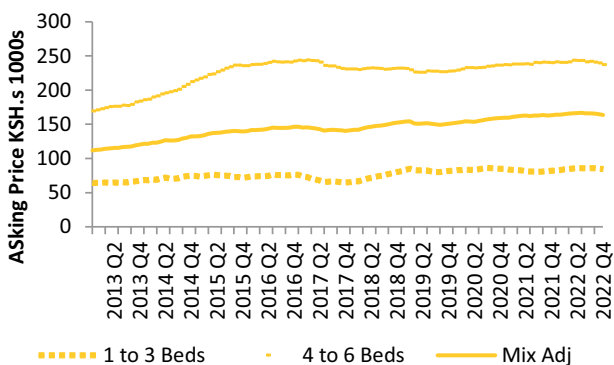
The Hass Rental Index All Property Types



SNAP SHOTS:

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.25 fold since 2001.
- The index shows a property price fall of -0.77% in the last month, a fall of -1.51% in the last quarter and 0.28% rise in the last year.

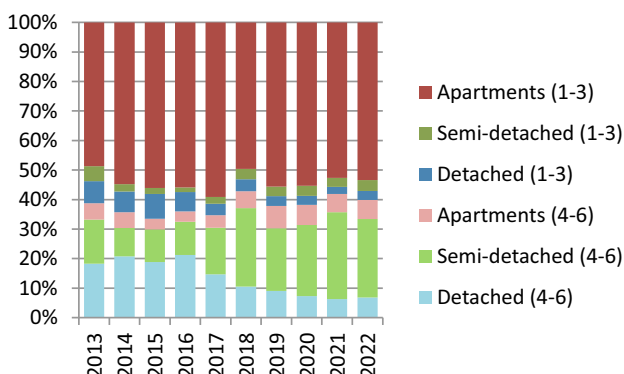
Annual Average All Property Types



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 Kshs. 38,516 in December 2000 to Kshs. 163,683 in December 2022.
- The average rent for a 4-6 bedroom property is currently Kshs. 237,396.
- The average rent for a 1-3 bedroom property is currently Kshs. 84,709.

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.