

Land prices in Ngong increase at Four Times the Average Satellite Town

- Land prices for the Nairobi's suburbs stagnated at an average 0.1 percent drop in the quarter ending June 2023 as city faces uncertainty on future demand cycles given economic slowdown.
- However, four out of the eighteen city suburbs tracked - Spring Valley, Donholm, Loresho and Langata- saw double digit land price increases in the year to June 2023.
- Land prices within Satellite Towns were also subdued with minimal increases of just 1.2 percent in the quarter and 5.1 percent in the year.
- Ngong witnessed bullish land price increase of 4.7 percent in the quarter and 20.7 percent in the year - four times the rate of the increase in the average Satellite Town - defying economic conditions in a strong growth story.

Land Index Highlights:

The Hass Composite Land Index, Nairobi Suburbs	Quarter % Change	Annual % Change	Change From 2013
Nairobi-18 Composite Index Results	-0.06%	1.19%	1.55 Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Langata (+3.85 % over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Spring Valley (+17.33 % over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Nyari (-1.79 % over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Upper Hill (-3.26 % over last year)		
The Hass Composite Land Index, Nairobi Satellite Towns	Quarter % Change	Annual % Change	Change From 2013
Nairobi Satellite-14 Composite Index Results	1.22%	5.14%	2.11 Fold
The Town with Highest Quarterly Increase in Land Price	Land in Thika (+5.84 % over last quarter)		
The Town with Highest Annual Increase in Land Price	Land in Ngong (+20.71 % over last year)		
The Town with Lowest Quarterly Increase in Land Price	Land in Juja (-4.37 % over last quarter)		
The Town with Lowest Annual Increase in Land Price	Land in Ongata Rongai (-13.47 % over last year)		

HassConsult has unveiled the Hass Land price indices for the second quarter of 2023, indicating that land prices for Nairobi's 18 suburbs stagnated as general demand slowed down in these areas, declining by 0.1 per cent in the quarter but growing 1.2 per cent in year.

The areas of Spring Valley, Donholm, Loresho and Langata sustained the market through increases of 2.1 per cent, 2.2 per cent, 2.5 per cent and 3.9 per cent respectively. Land price increases were witnessed in city suburbs that had low rigidity of traditionally allowable development densities.

“Land pricing is a function of its development potential. Therefore, land in areas with strict development density guidelines tend to have a price ceiling while land in areas that are subject to less rigidity around the densities tend to increase in pricing in tandem with the approved density.” said Ms. Sakina Hassanali, Head of Development, Consulting and Research at HassConsult.

Land prices within Satellite towns over the quarter were also subdued with minimal increases of just 1.2 per cent and 5.1 per cent in the year.

Ngong Town, however, bucked the trend with bullish land price increases over the year to June 2023 of 20.7 per cent, four times higher than the average satellite town increases across the tracked towns.

The Ngong-Kiserian-Isinya road construction, formerly a rough road, now seamlessly connects the three towns. Ngong residents have less traffic to contend with when travelling to and from work thanks to the expansion of Ngong Road, and the Expansion of the Ngong- Kibiko-Suswa Bypass opening up Kibiko area. The emergence of Karen into a commercial node further supports the rise of Ngong which has yet to show signs of slowing down.

For more information, please contact:

Sakina Hassanali, Head of Development Consulting & Research

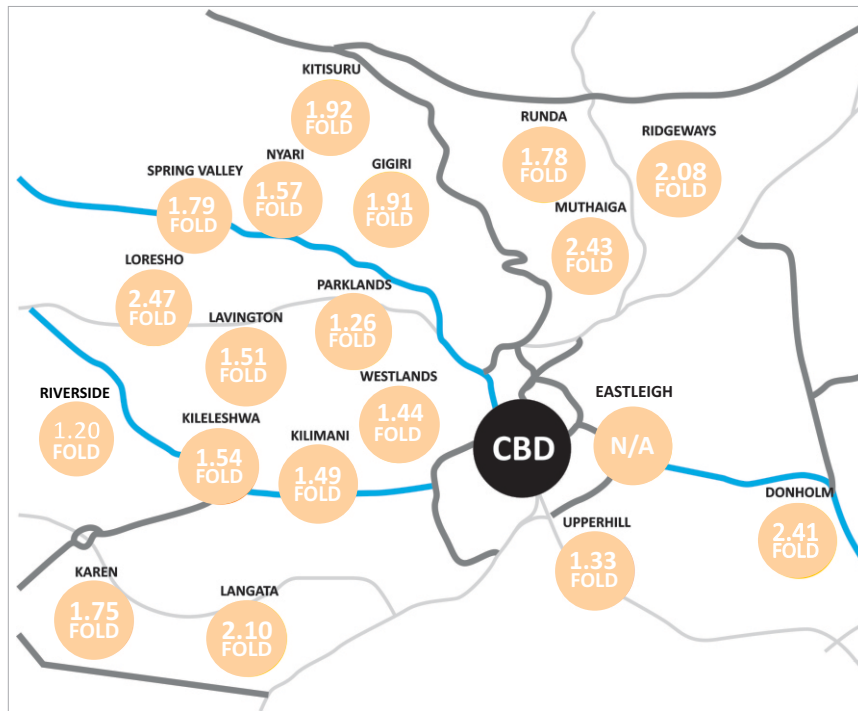
Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	10 Year Change From Jul 2013	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Donholm	2.2 %	12.4 %	2.41 FOLD	78,100,000	70,000,000	90,000,000
Gigiri	-1.0 %	1.0 %	1.91 FOLD	231,200,000	165,000,000	298,700,000
Karen	-0.3 %	-0.8 %	1.75 FOLD	65,100,000	58,000,000	70,000,000
Kileleshwa	-0.7 %	-2.6 %	1.54 FOLD	293,800,000	250,000,000	333,300,000
Kilimani	-0.2 %	-1.7%	1.49 FOLD	396,900,000	350,000,000	440,000,000
Kitisuru	-0.7 %	-1.3 %	1.92 FOLD	94,300,000	72,200,000	110,000,000
Langata	3.9 %	11.1 %	2.10 FOLD	77,700,000	57,000,000	80,000,000
Lavington	-1.3 %	-2.6 %	1.51 FOLD	225,700,000	180,000,000	250,000,000
Loresho	2.5 %	14.5 %	2.47 FOLD	102,000,000	76,000,000	120,000,000
Muthaiga	1.2 %	5.9 %	2.43 FOLD	213,100,000	168,300,000	249,900,000
Nyari	-1.8 %	-3.1 %	1.57 FOLD	110,800,000	100,000,000	120,000,000
Parklands	-0.5 %	2.4 %	1.26 FOLD	403,900,000	339,700,000	467,900,000
Ridgeways	1.4 %	6.5 %	2.08 FOLD	83,200,000	70,000,000	90,000,000
Riverside	-0.1 %	-1.8 %	1.20 FOLD	320,900,000	265,200,000	360,000,000
Runda	0.5 %	3.1 %	1.78 FOLD	89,000,000	75,000,000	100,000,000
Spring Valley	2.1 %	17.3 %	1.79 FOLD	236,800,000	157,100,000	322,200,000
Upperhill	-1.6 %	-3.3 %	1.33 FOLD	478,700,000	400,000,000	523,100,000
Westlands	0.5 %	3.2 %	1.44 FOLD	452,400,000	373,300,000	520,000,000

Nairobi Satellite Town Land Index	Quarter % Change	Annual % Change	10 Year Change From Jul 2013	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Athi River	1.6 %	15.5 %	2.41 FOLD	18,200,000	7,000,000	24,000,000
Juja	-4.4 %	-2.6 %	3.24 FOLD	18,100,000	6,800,000	22,000,000
Kiambu	-0.6 %	4.5 %	1.90 FOLD	44,000,000	24,000,000	60,000,000
Kiserian	1.2 %	-0.2 %	2.18 FOLD	9,800,000	4,000,000	14,400,000
Kitengela	2.5 %	6.6 %	2.44 FOLD	15,200,000	9,200,000	19,200,000
Limuru	-3.4 %	-4.6 %	1.82 FOLD	20,900,000	9,200,000	28,000,000
Mlolongo	4.7 %	13.9 %	1.64 FOLD	36,300,000	15,200,000	50,000,000
Ngong	4.7 %	20.7%	2.62 FOLD	32,000,000	19,400,000	46,000,000
Ongata Rongai	-0.8 %	-13.5 %	1.62 FOLD	23,400,000	10,000,000	28,000,000
Ruaka	-1.1 %	3.3 %	1.91 FOLD	97,200,000	64,000,000	136,000,000
Ruiru	0.9 %	1.0 %	2.13 FOLD	28,800,000	15,000,000	36,000,000
Syokimau	4.1 %	17.0 %	1.97 FOLD	30,300,000	24,000,000	34,300,000
Thika	5.8 %	15.9 %	2.13 FOLD	25,300,000	13,000,000	30,000,000
Tigoni	0.8 %	1.1 %	2.14 FOLD	29,800,000	20,000,000	35,000,000

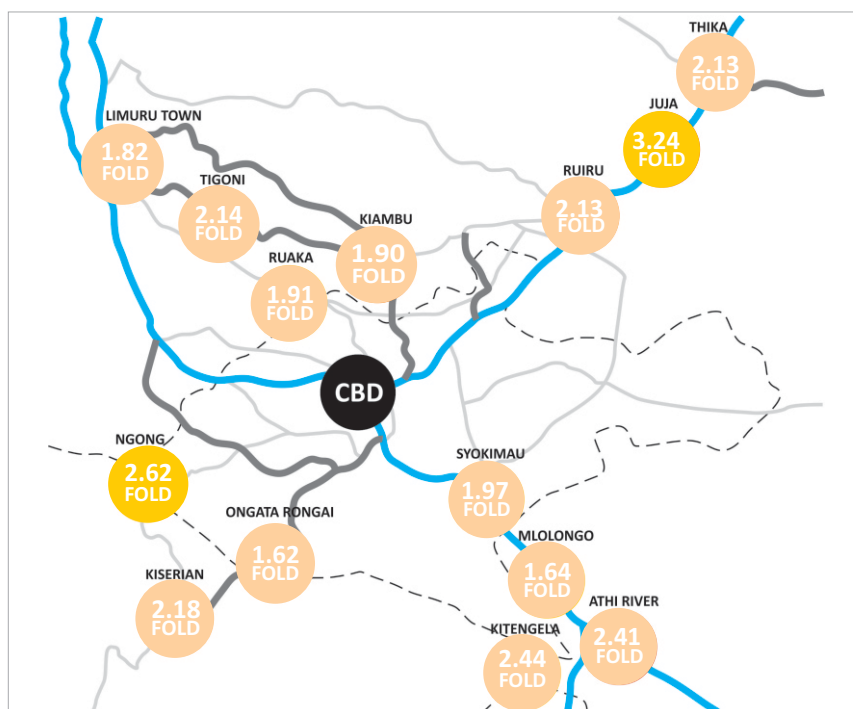
*Price Values rounded to nearest Kshs. 100,000

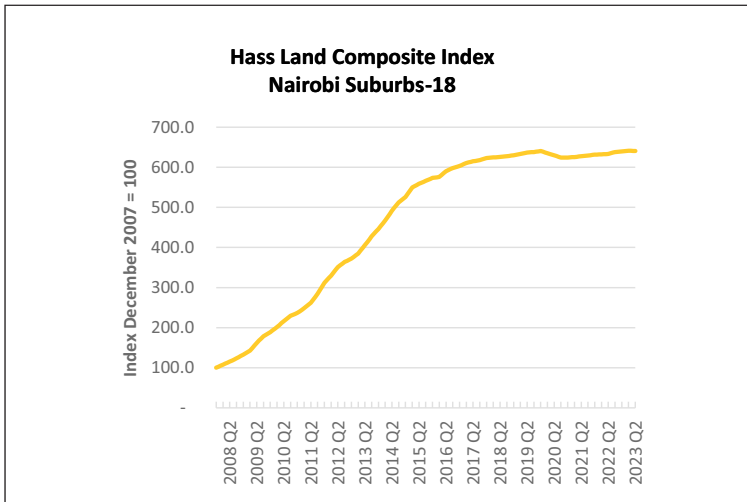
Land Index Heat Maps

Nairobi-18 Suburbs Change in Prices Since Jul 2013



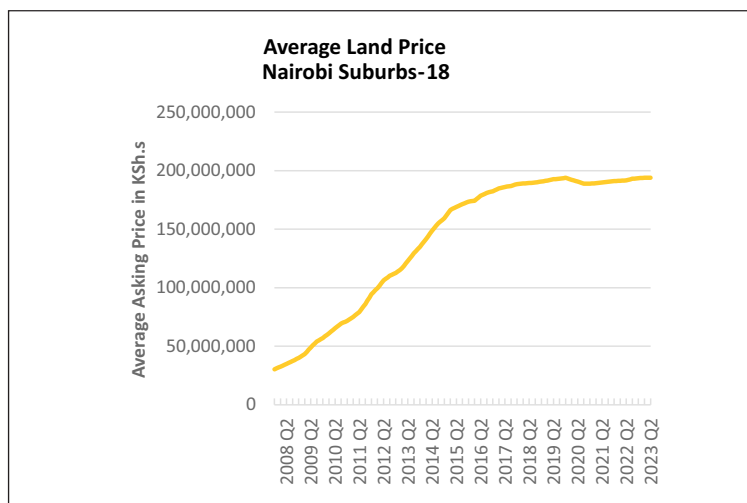
Nairobi-14 Satellite Towns Change in Prices Since Jul 2013





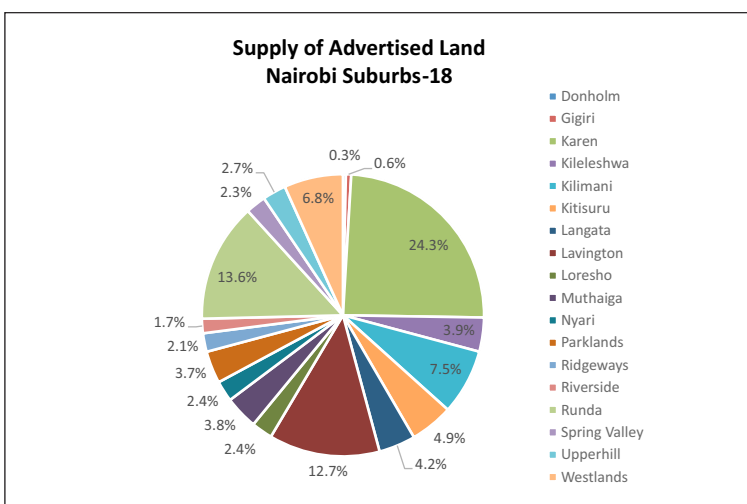
SNAP SHOTS:

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



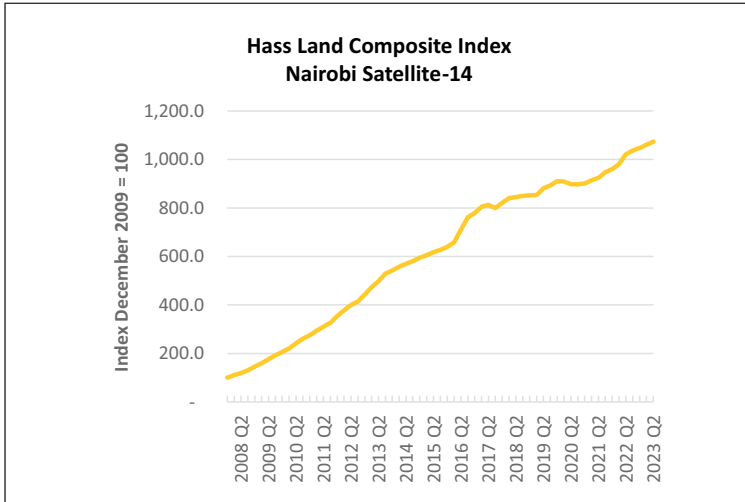
SNAP SHOTS:

- 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 June 2023.



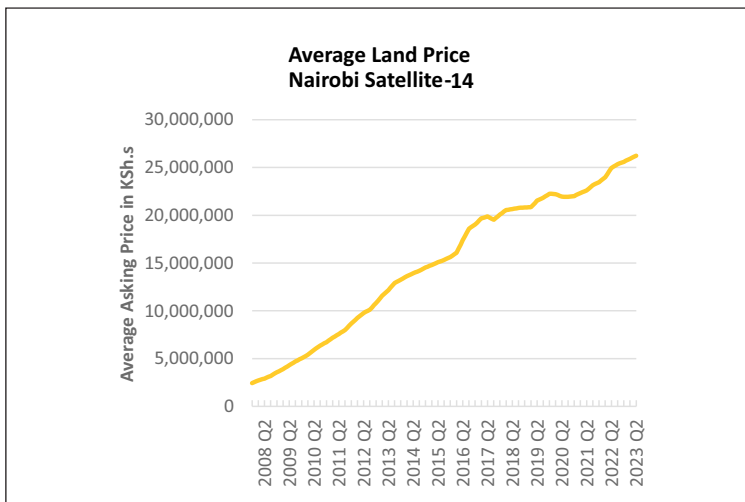
SNAP SHOTS:

- 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.



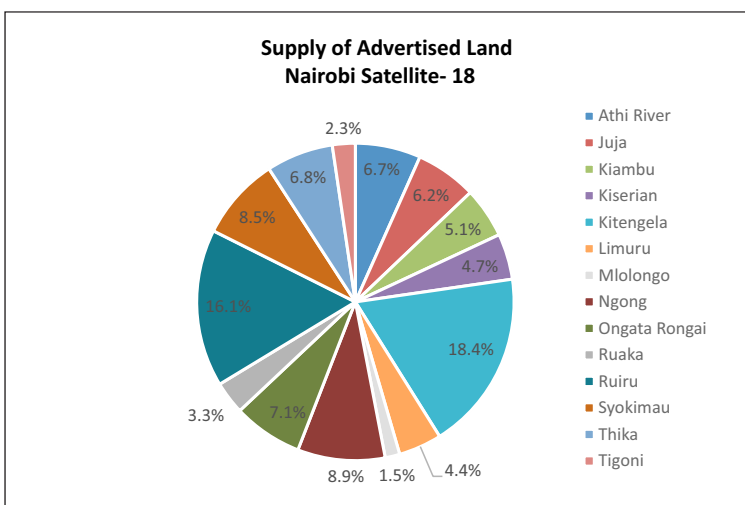
SNAP SHOTS:

- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi suburbs.
- Land values have increased by 10.74 fold since December 2007.



SNAP SHOTS:

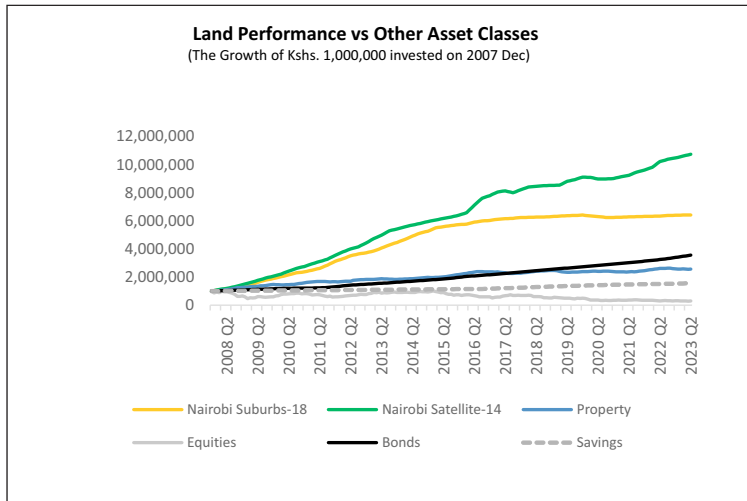
- The annual average is representative of the average price of land for sale in outside Nairobi covering 14 highest activity Satellite towns.
- The average value for land has gone from 2.4 million in December 2007 to 26.2 million in June 2023.



SNAP SHOTS:

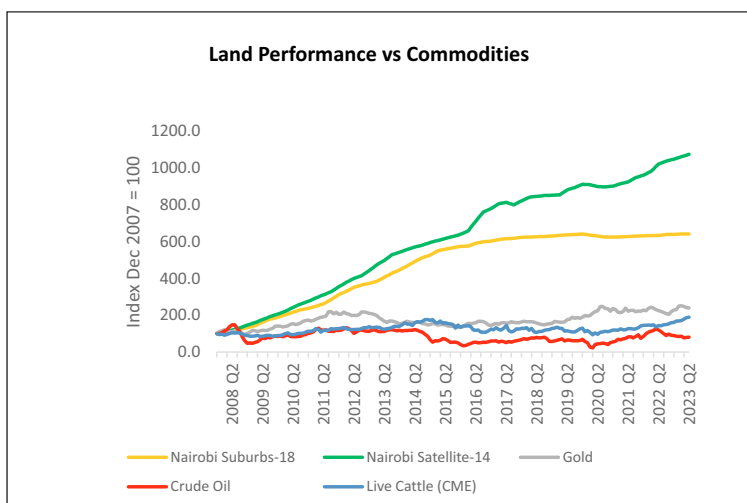
- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns.
- Land in Athi River took up 6.7% of the market, Juja took up 6.2%, Kiambu 5.1%, Kiserian 4.7%, Kitengela 18.4%, Limuru 4.4%, Mlolongo 1.5%, Ngong 8.9%, Ongata Rongai 7.1%, Ruaka 3.3%, 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. 10.71M if invested in land in Nairobi Satellite-14, KES. 6.41M if invested in land in Nairobi Suburbs-18, KES. 2.56M if invested in property (The Hass Sales Composite Index, All Properties), KES. 3.56M if invested in bonds and KES. 1.55M if invested in savings and only KES. 0.29M if invested in Equities.



SNAP SHOTS:

The Hass Land Composite Index, Nairobi Satellite-14 index value was 1073.8 outperforming Nairobi Suburbs-18 which had an index value of 640.9, Gold 239.9, Live Cattle (CME) 189.3 and Crude Oil worst performing with only 80.2 index value.