

# Property Sale Prices Post Significant Recovery Despite Worsening Economic Conditions

- Average property prices went up by 4.1 percent in the fourth quarter of 2023, after a year of price corrections.
- Prices up despite high inflation and weak shilling that raised input costs for developers.
- Ridgeways, Spring Valley and Langata posted strong quarterly growth in prices among suburbs, while Juja, Kitengela and Athi River led the satellite towns.
- Rental prices also recovered, rising 2.5 percent in the quarter, defying the reduced spending power of consumers in the economy due to elevated inflation.
- Ongata Rongai and Loresho recorded the highest growth in asking rents among satellite towns and suburbs respectively.

## Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Jan 2014
All Properties	4.1%	2.5%	1.43 Fold
Detached Houses	4.1%	2.4%	1.42 Fold
Semi Detached Houses	4.6%	-0.1%	1.59 Fold
Apartments	3.4%	7.3%	1.29 Fold
Segment with Highest Quarterly Increase in Sales Price	Apartments in Mlolongo (+5.6 % over last quarter)		
Segment with Lowest Quarterly Increase in Sales Price	Apartments in Upper Hill (-3.2 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Athi River (+14.5 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Upper Hill (-9.2% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Jan 2014
All Properties	2.5%	2.5%	1.38 Fold
Detached Houses	0.8%	-1.4%	1.28 Fold
Semi Detached Houses	4.6%	2.5%	1.64 Fold
Apartments	3.9%	10.2%	1.41 Fold
Segment with Highest Quarterly Increase in Rental Price	Houses in Athi River (+7.5% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Apartments in Langata (-2.4% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Apartments in Ongata Rongai (+17.3% over last year)		
Segment with Lowest Annual Increase in Rental Price	Apartments in Athi River (-3.3% over last year)		

HassConsult has released the Hass Property price index for the fourth quarter of 2023, revealing a marked reversal of property sale and rental asking price trends in the fourth quarter of 2023 up by 4.1 percent and 2.5 respectively after a year of price corrections. This comes despite difficult economic conditions characterised by high inflation and a weakening currency.

The elevated inflation, which averaged 7.7 percent in 2023, has meant reduced spending power for both home buyers and rental customers, while the weaker shilling raised input costs for developers which in high demand suburbs had inflationary effects on property prices.

Despite this, the property market offered a total return (capital gains plus rental yield) of 8.3 percent in the fourth quarter of the year, illustrating renewed resilience in the face of the challenging conditions that also included high interest rates.

“Although the weaker currency raises input costs for developers on ongoing and future projects, it makes the Kenyan property market attractive to foreign investment, buoying asking prices due to augmented demand from these investors,” said Ms. Sakina Hassanali, Head of Development, Consulting and Research at Hass Consult.

All 18 Nairobi suburbs recorded higher buying prices, led by Langata, Ridgeways and Spring Valley, while in the satellite towns, Juja, Kitengela and Athi River were top performers during the quarter.

The best rental returns on an annual basis were found in Ongata Rongai (15.4 percent), Athi River (15 percent) Kitengela (11.6 percent), Loresho (11.5 percent) and Nyari (9.9 percent).

These returns competed favourably with those of Treasury bills and bonds whose net returns ranged from 9.5 percent to 17 percent in 2023. Concerns about the safety of bonds due to the government's high debt exposure however saw some investors seek alternative investments, which included property.

The property returns from the best performing satellite towns and suburbs also outperformed the NSE 20 Share Index, which had a return of -9.4 percent in 2023, and bank savings that averaged 3.8 percent in interest through the first 10 months of the year

**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 2014	Quarter % Change	Annual % Change	Change From Jan 2014
Gigiri	0.3 %	2.7 %	1.65 FOLD	-1.1 %	0.8 %	1.04 FOLD
Karen	3.5 %	3.3 %	1.79 FOLD	2.7 %	3.6 %	1.50 FOLD
Kileleshwa	3.5 %	0.8 %	1.68 FOLD	3.2 %	0.6 %	1.31 FOLD
Kilimani	0.7 %	9.5 %	1.34 FOLD	3.7 %	3.3 %	1.36 FOLD
Kitisuru	2.4 %	-4.6 %	1.52 FOLD	-0.1 %	-1.0 %	1.05 FOLD
Langata	4.4 %	12.9 %	2.39 FOLD	0.9 %	9.5 %	1.18 FOLD
Lavington	3.6 %	4.1 %	1.58 FOLD	2.8 %	1.0 %	1.46 FOLD
Loresho	3.9 %	5.3 %	1.96 FOLD	1.7 %	11.5 %	1.37 FOLD
Muthaiga	2.0 %	3.1 %	2.16 FOLD	-1.0 %	0.6 %	1.54 FOLD
Nyari Estate	3.4 %	9.7 %	1.89 FOLD	1.9 %	9.9 %	1.40 FOLD
Ridgeways	4.9 %	0.7 %	1.62 FOLD	1.7 %	5.2 %	1.36 FOLD
Runda	3.7 %	-3.2 %	1.31 FOLD	3.3 %	2.5 %	1.19 FOLD
Spring Valley	4.4 %	-0.8 %	1.47 FOLD	1.2 %	1.6 %	1.08 FOLD
Westlands	1.9 %	-3.6 %	1.48 FOLD	1.9 %	2.8 %	1.35 FOLD

## Apartment Price Trends By Suburb Nairobi

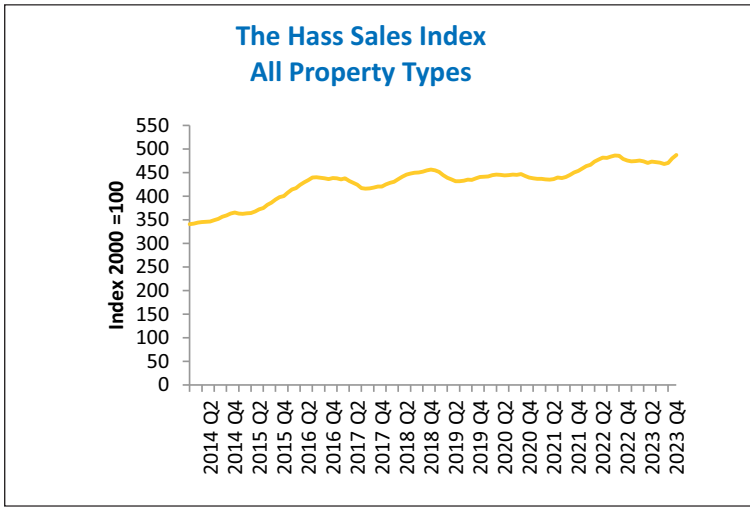
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2014	Quarter % Change	Annual % Change	Change From Jan 2014
Kileleshwa	4.3 %	6.3 %	1.04 FOLD	4.1 %	6.7 %	1.21 FOLD
Kilimani	-0.4 %	-0.5 %	0.83 FOLD	3.1 %	4.8 %	1.08 FOLD
Langata	3.3 %	11.4 %	1.47 FOLD	-2.4 %	0.4 %	1.53 FOLD
Lavington	-0.9 %	-2.9 %	1.07 FOLD	1.1 %	0.6 %	0.99 FOLD
Muthangari	-1.4 %	-3.0 %	1.08 FOLD	3.9 %	7.1 %	1.02 FOLD
Parklands	2.3 %	-1.5 %	1.29 FOLD	5.0 %	0.8 %	1.58 FOLD
Riverside	-0.3 %	-5.6 %	1.36 FOLD	2.4 %	1.7 %	1.58 FOLD
Upperhill	-3.2 %	-9.2 %	1.12 FOLD	5.5 %	-0.02 %	1.24 FOLD
Westlands	-2.1 %	4.4 %	1.25 FOLD	4.0 %	7.8 %	1.14 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 2014	Quarter % Change	Annual % Change	Change From Jan 2014
Athi River	3.8 %	14.5 %	1.89 FOLD	7.5%	15.0 %	1.44 FOLD
Juja	4.6 %	4.6 %	0.91 FOLD	2.1 %	3.7 %	1.65 FOLD
Kiambu	0.4 %	7.2 %	1.70 FOLD	1.8 %	-1.9 %	1.23 FOLD
Kiserian	1.9 %	3.8 %	1.62 FOLD	-0.3 %	0.9 %	1.30 FOLD
Kitengela	4.4 %	7.1 %	1.59 FOLD	5.6 %	11.6%	1.46 FOLD
Limuru	0.3 %	-3.4 %	1.62 FOLD	0.5 %	3.7 %	1.60 FOLD
Ngong	0.1 %	8.4 %	2.29 FOLD	2.6 %	9.2 %	2.51 FOLD
Ongata Rongai	2.8 %	9.1 %	1.69 FOLD	5.6 %	15.4 %	1.53 FOLD
Ruiru	0.2 %	6.2 %	1.84 FOLD	0.1 %	6.0 %	2.60 FOLD
Tigoni	2.1 %	9.6 %	1.40 FOLD	5.1 %	3.9 %	1.82 FOLD

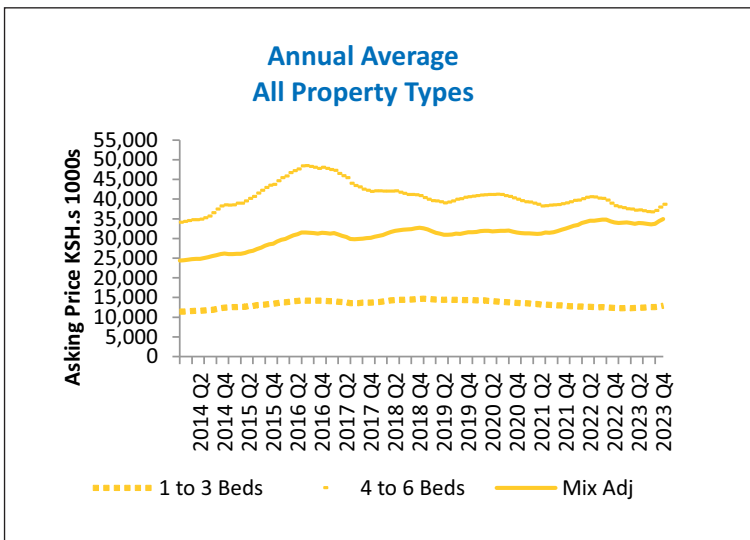
## Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2014	Quarter % Change	Annual % Change	Change From Jan 2014
Athi River	1.8 %	2.8 %	1.27 FOLD	-1.0 %	-3.3%	1.12 FOLD
Kiambu	-0.3 %	6.0 %	1.60 FOLD	1.2 %	3.2 %	1.22 FOLD
Kitengela	0.7 %	-5.9 %	1.20 FOLD	3.8 %	13.3 %	1.54 FOLD
Mlolongo	5.6 %	7.4 %	1.37 FOLD	-1.7 %	1.0 %	1.29 FOLD
Ngong	0.3 %	6.4 %	1.81 FOLD	7.7%	11.0 %	2.03 FOLD
Ongata Rongai	2.0%	0.6 %	0.92 FOLD	5.9 %	17.3 %	2.03 FOLD
Ruaka	3.6 %	5.8 %	1.20 FOLD	-0.7 %	5.3 %	1.81 FOLD
Syokimau	4.8 %	4.2 %	1.38 FOLD	3.6 %	13.0 %	1.42 FOLD
Thika	3.7 %	9.6 %	1.17 FOLD	-1.2 %	3.2 %	1.38 FOLD



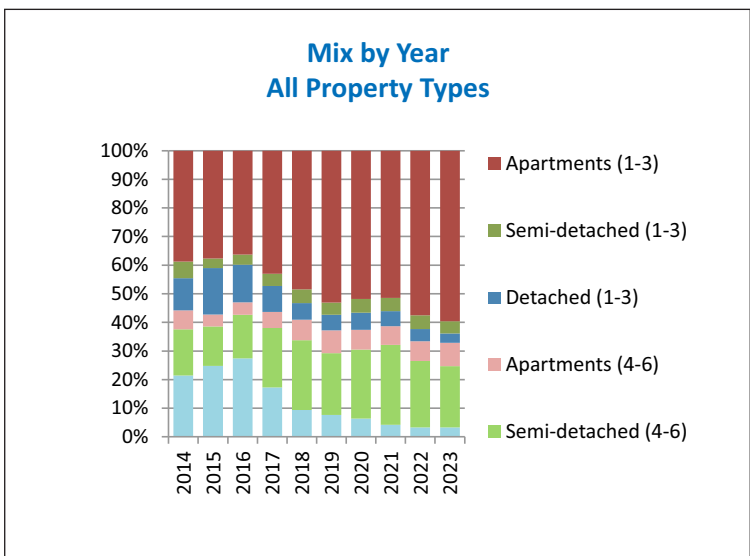
**SNAP SHOTS:**

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 4.87 times since 2000.
- The index shows a property price rise of 1.48% in the last month, and a rise of 4.09% in the last quarter and a 2.50% rise in the last year.



**SNAP SHOTS:**

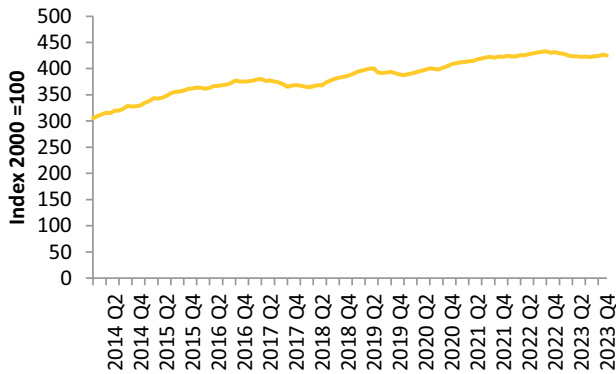
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 34.9 million in December 2023.
- The average value for a 4-6 bedroom property is currently 38.7 million.
- The average value for a 1-3 bedroom property is currently 12.9 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 2023 however, Apartments took 67.7% of the market, Semi-detached Houses took up 25.7% of the market and Detached Houses took up 6.6% of the market.

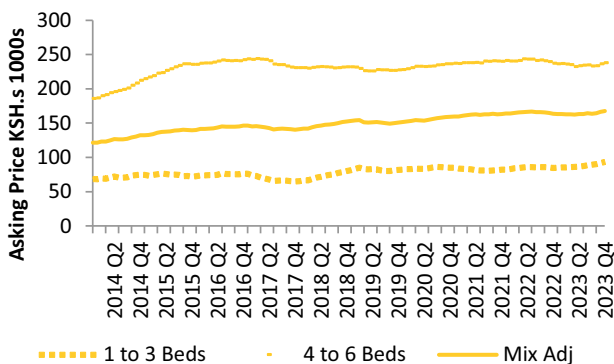
## The Hass Rental Index All Property Types



### SNAP SHOTS:

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.36 fold since 2001.
- The index shows a property price rise of 0.85% in the last month, a rise of 2.49% in the last quarter and have risen by 2.48% rise in the last year.

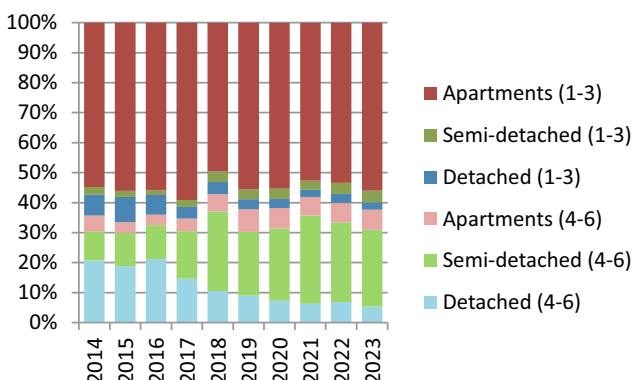
## Annual Average All Property Types



### 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.167,738 December 2023.
- The average rent for a 4-6 bedroom property is currently KES. 238,202.
- The average rent for a 1-3 bedroom property is currently KES. 93,197.

## 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 2023 however, Apartments took up 62.8% of the market, Semi-detached Houses took up 29.4% of the market and Detached Houses took up 7.8% of the market.