

Growth of Sale and Rent Prices Slows on High Interest Rates in First Quarter of 2024

- Sale prices across all property went up by 2.7 percent in the first quarter of the year, which was lower than 4.1 percent in the previous quarter.
- Prices maintained positive trajectory despite high interest rates that made financing house purchases expensive.
- Ridgeways and Loresho were the suburbs with the highest price increase, while Juja, Ngong and Limuru led the satellite towns.
- Rental prices rose 0.4 percent in the quarter, as the market remained sensitive to tough economic conditions.
- Westlands led all areas in quarterly rental price appreciation at 5.8 percent.

Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Apr 2014
All Properties	2.7%	5.3%	1.45 Fold
Detached Houses	3.7%	5.5%	1.45 Fold
Semi Detached Houses	0.6%	3.0%	1.57 Fold
Apartments	1.5%	8.0%	1.30 Fold
Segment with Highest Quarterly Increase in Sales Price	Apartments in Ongata Rongai (+4.9 % over last quarter)		
Segment with Lowest Quarterly Increase in Sales Price	Apartments in Langata (-2.6 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Athi River (+12.2 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Upper Hill (-6.0% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Apr 2014
All Properties	0.4%	3.4%	1.37 Fold
Detached Houses	0.1%	-0.1%	1.26 Fold
Semi Detached Houses	-0.3%	2.9%	1.60 Fold
Apartments	1.4%	10.6%	1.42 Fold
Segment with Highest Quarterly Increase in Rental Price	Apartments in Kitengela (+7.0% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Houses in Muthaiga (-2.4% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Apartments in Kitengela (+20.5% over last year)		
Segment with Lowest Annual Increase in Rental Price	Houses in Muthaiga (-4.6% over last year)		

HassConsult has released the Hass Property price index for the first quarter of 2024, showing a 2.7 percent growth in asking prices across all property in the period despite high interest rates that have raised financing costs for developers and buyers.

Although the growth was slower than the 4.1 percent reported in the fourth quarter of 2023, a positive trajectory indicates the property market retained its resilience, even as banks raised their loan rates above 20 percent after the Central Bank of Kenya (CBK) increased its base lending rate.

A stronger shilling (by 17 percent year-to-date) also subdued foreign investment.

Ridgeways and Loresho led suburbs in quarterly price expansion at 2.9 percent and 2.7 percent respectively, while in satellite towns, the top performing areas were Juja at 3.4 percent, Ngong at 2.7 percent and Limuru at 2.2 percent.

“The rise in asking prices moderated in the first quarter of the year as credit conditions tightened following the increase in the CBK's base lending rate to 13 percent, which has had the effect of sweeping liquidity from the market,” said Ms. Sakina Hassanali, Head of Development, Consulting and Research at Hass Consult.

On the rental market, prices went up by 0.4 percent in quarter one 2024, slowing from 2.5 percent in the fourth quarter of 2023.

In Nairobi's 18 suburbs and 14 satellite towns, only Muthaiga and Ridgeways reported falling rental prices in the quarter. All the others managed to increase their asking rents, albeit on a smaller scale compared to the previous quarter.

“Although inflation has fallen since the beginning of the year, the economy remains generally subdued, muting growth in rental yields to 6.9 percent in March from 6.7 percent in December 2023,” added Ms. Hassanali.

Tenants in the rental market also considered other factors such as accessibility and convenience when choosing where to let.

For this reason, Westlands, which is served by a good road network and has emerged as the most attractive business district in the city, reported a 5.8 percent increase in asking rent, outperforming all other suburbs.

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 Apr 2014	Quarter % Change	Annual % Change	Change From Apr 2014
Gigiri	0.3 %	0.7 %	1.61 FOLD	2.4 %	3.4 %	1.01 FOLD
Karen	1.8 %	5.3 %	1.79 FOLD	1.9 %	4.2 %	1.47 FOLD
Kileleshwa	1.7 %	3.7 %	1.62 FOLD	1.8 %	4.4 %	1.26 FOLD
Kilimani	1.8 %	6.8 %	1.34 FOLD	2.7 %	6.3 %	1.35 FOLD
Kitisuru	0.7 %	-0.6 %	1.50 FOLD	1.0 %	0.9 %	1.00 FOLD
Langata	0.6 %	7.3 %	2.33 FOLD	1.2 %	9.3 %	1.14 FOLD
Lavington	1.6 %	5.5 %	1.54 FOLD	0.7 %	2.1 %	1.38 FOLD
Loresho	2.7 %	6.2 %	2.01 FOLD	3.2 %	10.9 %	1.32 FOLD
Muthaiga	0.2 %	1.2 %	2.08 FOLD	-2.4 %	-4.6 %	1.44 FOLD
Nyari Estate	1.8 %	8.8 %	1.90 FOLD	3.0 %	9.3 %	1.36 FOLD
Ridgeways	2.9 %	3.2 %	1.58 FOLD	-1.3 %	2.1 %	1.31 FOLD
Runda	-0.7 %	-1.0 %	1.25 FOLD	2.6 %	5.4 %	1.16 FOLD
Spring Valley	-1.5 %	-0.9 %	1.44 FOLD	0.2 %	1.0 %	1.03 FOLD
Westlands	-0.1 %	-1.1 %	1.43 FOLD	5.8 %	7.4 %	1.35 FOLD

Apartment Price Trends By Suburb Nairobi

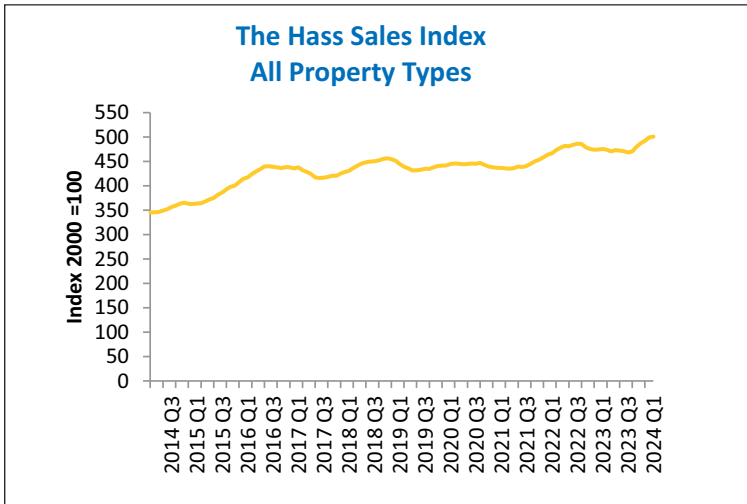
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Apr 2014	Quarter % Change	Annual % Change	Change From Apr 2014
Kileleshwa	1.6 %	6.8 %	1.03 FOLD	4.2 %	12.6 %	1.18 FOLD
Kilimani	-0.4 %	-0.5 %	0.79 FOLD	0.5 %	5.6 %	1.01 FOLD
Langata	-2.6 %	2.3 %	1.39 FOLD	1.5 %	1.8 %	1.48 FOLD
Lavington	-0.3 %	-2.8 %	1.05 FOLD	0.9 %	1.5 %	0.96 FOLD
Muthangari	-1.5 %	-3.0 %	1.07 FOLD	3.9 %	7.1 %	0.99 FOLD
Parklands	1.5 %	3.5 %	1.24 FOLD	2.6 %	6.8 %	1.48 FOLD
Riverside	-0.1 %	-2.2 %	1.31 FOLD	1.9 %	6.2 %	1.55 FOLD
Upperhill	-1.0 %	-6.0 %	1.05 FOLD	0.7 %	4.7 %	1.12 FOLD
Westlands	-1.3 %	0.6 %	1.20 FOLD	2.8 %	11.6 %	1.11 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 Apr 2014	Quarter % Change	Annual % Change	Change From Apr 2014
Athi River	0.3 %	12.2 %	1.85 FOLD	2.2%	14.8 %	1.45 FOLD
Juja	3.4 %	9.4 %	0.93 FOLD	2.0 %	8.6 %	1.64 FOLD
Kiambu	0.6 %	4.3 %	1.67 FOLD	3.9 %	0.5 %	1.24 FOLD
Kiserian	-0.3 %	6.0 %	1.58 FOLD	0.8 %	-2.0 %	1.29 FOLD
Kitengela	0.9 %	5.6 %	1.58 FOLD	2.9 %	12.7%	1.45 FOLD
Limuru	2.2 %	2.0 %	1.59 FOLD	0.3 %	3.4 %	1.57 FOLD
Ngong	2.7 %	9.0 %	2.33 FOLD	1.9 %	7.1 %	2.55 FOLD
Ongata Rongai	1.9 %	7.4 %	1.67 FOLD	3.2 %	13.0 %	1.53 FOLD
Ruiru	0.6 %	3.7 %	1.80 FOLD	0.1 %	4.4 %	2.53 FOLD
Tigoni	0.4 %	5.6 %	1.38 FOLD	0.2 %	5.5 %	1.78 FOLD

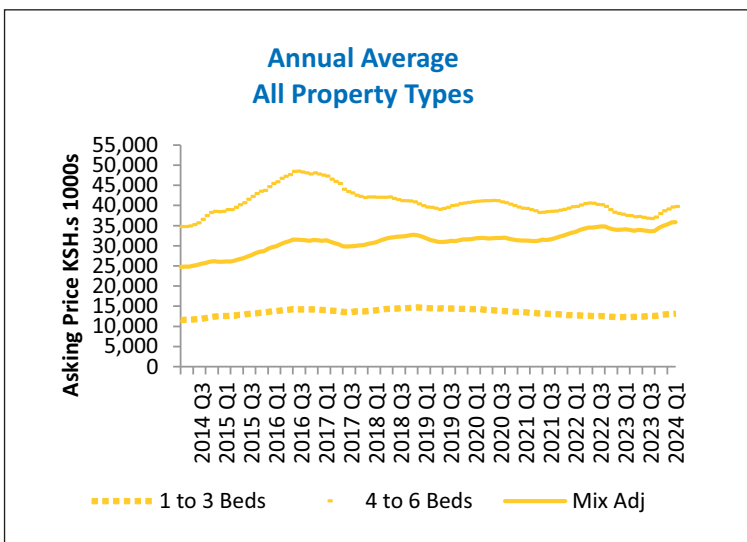
Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Apr 2014	Quarter % Change	Annual % Change	Change From Apr 2014
Athi River	0.7 %	4.4 %	1.26 FOLD	0.8 %	-3.0%	1.09 FOLD
Kiambu	1.2 %	8.0 %	1.58 FOLD	-0.4 %	-2.4 %	1.18 FOLD
Kitengela	1.6 %	-1.5 %	1.19 FOLD	7.0 %	20.5 %	1.61 FOLD
Mlolongo	2.0 %	8.1 %	1.37 FOLD	4.1 %	2.6 %	1.30 FOLD
Ngong	-0.2 %	3.7 %	1.77 FOLD	1.9%	9.8 %	1.99 FOLD
Ongata Rongai	4.9%	5.3 %	0.95 FOLD	1.5 %	12.4 %	2.01 FOLD
Ruaka	0.8 %	6.4 %	1.14 FOLD	-0.4 %	1.7 %	1.80 FOLD
Syokimau	2.3 %	7.2 %	1.37 FOLD	2.0 %	10.4 %	1.42 FOLD
Thika	4.6 %	8.8 %	1.20 FOLD	6.3 %	3.9 %	1.46 FOLD



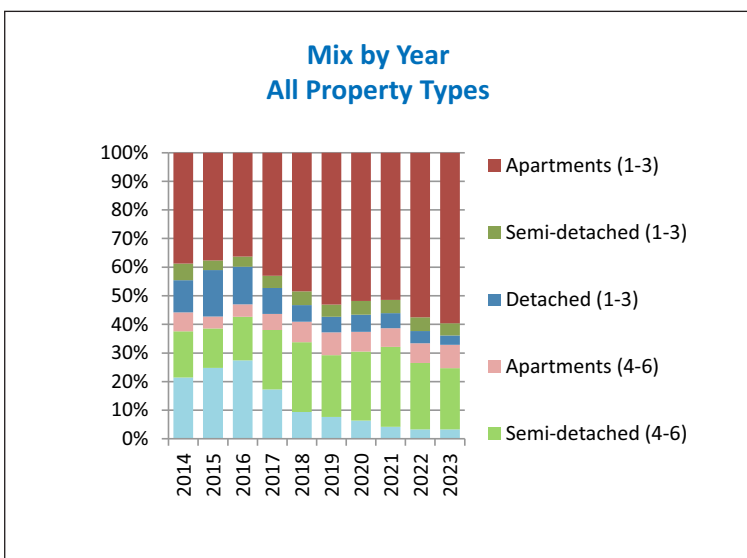
SNAP SHOTS:

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 5.00 times since 2000.
- The index shows a property price rise of 0.35% in the last month, and a rise of 2.73% in the last quarter and a 5.27% rise in the last year.



SNAP SHOTS:

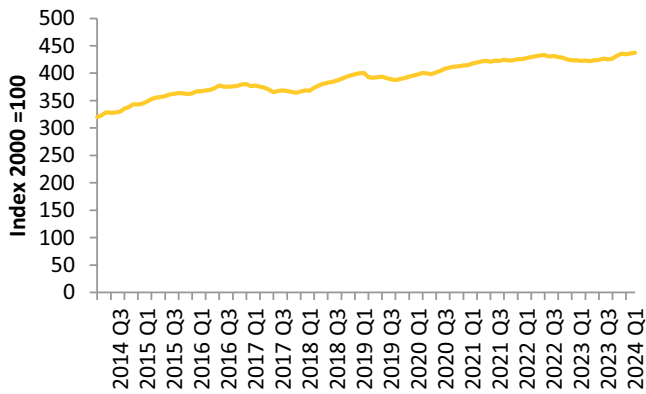
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 35.9 million in March 2024.
- The average value for a 4-6 bedroom property is currently 39.7 million.
- The average value for a 1-3 bedroom property is currently 13.1 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.

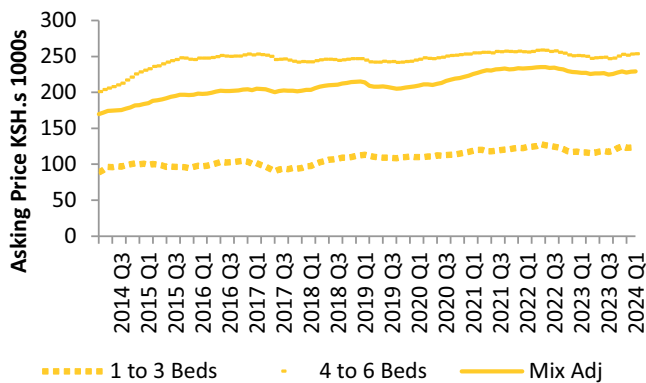
The Hass Rental Index All Property Types



SNAP SHOTS:

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.37 fold since 2001.
- The index shows a property price rise of 0.17% in the last month, a rise of 0.37% in the last quarter and have risen by 3.41% rise in the last year.

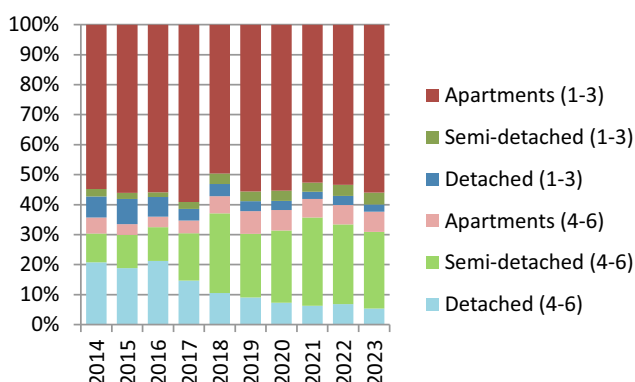
Annual Average All Property Types



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.168,359 March 2024.
- The average rent for a 4-6 bedroom property is currently KES. 239,253.
- The average rent for a 1-3 bedroom property is currently KES. 93,959.

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.