

Apartment rental prices rebound after months of consecutive falls in 2021. Investors focused on the impact of the proposed Landlord and Tenant Bill

- Overall property sales prices revved up on inflationary pressures, registering a 2.8 percent increase over the quarter accumulating in an annual 6.8 percent rise from March 2021 .
- This was driven largely by the price rises seen in detached houses while apartment pricing remained static in the quarter.
- House price rises in the quarter were concentrated in suburbs enjoying improved access from the new Redhill Link Road. Spring Valley, Nyari and Kitisuru were up 4.2 percent, 3.9 percent and 2.7 percent respectively.
- Rents improved mildly over the quarter up 1 percent led by apartments which recorded a 2.2 percent increase in the same period after consistent price corrections in the majority of 2021.
- Apartment rents in Ruaka rose 2.9 percent in the quarter as it solidifies its position as the largest supplier of apartments in the satellite towns accounting for 3 percent of all advertised units .
- Direction on rents will also be influenced should the Landlord and Tenant Bill be passed into law.

Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Apr 2012
All Properties	2.8%	6.8%	1.49 Fold
Detached Houses	4.3%	11.8%	1.44 Fold
Semi Detached Houses	0.8%	0.8%	1.70 Fold
Apartments	-0.6%	-3.4%	1.30 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 Kileleshwa (-3.9 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Langata (+11.2 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Kileleshwa (-11.0% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Apr 2012
All Properties	1.0%	2.4%	1.63 Fold
Detached Houses	0.7%	4.7%	1.60 Fold
Semi Detached Houses	0.2%	0.6%	2.17 Fold
Apartments	2.2%	-0.6%	1.40 Fold
Segment with Highest Quarterly Increase in Rental Price	Houses in Athi River (+7.2% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Houses in Kiambu (-3.1% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Apartments in Kitengela (+16.9% over last year)		
Segment with Lowest Annual Increase in Rental Price	Houses in Gigiri (-8.6% over last year)		

HassConsult today announced results for the Hass property price indices for the first quarter of 2022, with overall sales prices increasing by 2.8 percent over the quarter driven by price rises in detached houses across the board.

Apartment sales pricing however remained static with a 0.6 percent drop in the quarter and a 3.4 percent drop in the year to March 2022.

Property rental prices however, showed a mild improvement primarily driven by a rebound of previously depressed apartment rental prices. Apartment asking rents recorded a 2.2 percent increase over the quarter lifting overall asking rents by 1 percent. Detached, semi-detached house rents were static at 0.7 percent, and 0.2 percent respectively.

Satellite towns recorded the strongest growth in apartment rents with Ngong and Kitengela at 5.5 percent and 5.2 percent respectively. Ruaka, whose apartment market boasts the largest supply, saw rents edge up by 2.9 percent.

“Ruaka enjoys easy access to the city's more affluent suburbs, rendering high land values that can only be absorbed on high density apartment developments. Ruaka has therefore become the largest stock holder of apartments within the satellite as it presents the ability for the working population to enjoy both housing affordability and reduced transportation costs,” said Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

Ms. Hassanali added that looking ahead to the Landlord and Tenant Bill, 2021 which if enacted into law will give the government power to cap rent increases on commercial and residential premises could potentially influence the direction on rents.

“It is still too early to say with certainty the impact of the proposed rent control laws, but investors are keeping tabs. Similar laws such as the 2016 Banking Act that aimed at controlling interest rates to support consumers had unintended consequences of reducing credit availability for the market.”

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 2012	Quarter % Change	Annual % Change	Change From Apr 2012
Donholm	3.7 %	5.5 %	1.56 FOLD	1.3 %	9.2 %	1.41 FOLD
Gigiri	0.3 %	2.0 %	1.73 FOLD	-2.3 %	-8.6 %	1.21 FOLD
Karen	-0.6 %	0.1 %	1.94 FOLD	0.5 %	5.2 %	1.66 FOLD
Kileleshwa	0.1 %	1.6 %	1.83 FOLD	-0.8 %	-1.6 %	1.80 FOLD
Kilimani	3.0 %	4.9 %	1.34 FOLD	-2.5 %	0.6 %	1.56 FOLD
Kitisuru	2.7 %	6.6 %	2.15 FOLD	-0.1 %	-2.1 %	1.42 FOLD
Langata	1.8 %	11.2 %	2.27 FOLD	-0.9 %	-1.8 %	1.21 FOLD
Lavington	0.7 %	2.9 %	1.94 FOLD	-1.3 %	-0.1 %	1.88 FOLD
Loresho	2.9 %	7.5 %	2.05 FOLD	2.1 %	2.8 %	1.45 FOLD
Muthaiga	-1.8 %	-0.8 %	2.08 FOLD	2.1 %	10.9 %	2.12 FOLD
Nyari Estate	3.9 %	3.0 %	1.82 FOLD	-1.1 %	1.3 %	1.39 FOLD
Ridgeways	-0.8 %	2.1 %	1.83 FOLD	1.2 %	6.6 %	1.57 FOLD
Runda	-0.5 %	-2.5 %	1.75 FOLD	-1.7 %	-3.5 %	1.32 FOLD
Spring Valley	4.2 %	9.1 %	1.66 FOLD	0.5 %	1.0 %	1.33 FOLD
Westlands	2.0 %	4.8 %	2.04 FOLD	-2.7 %	-5.3 %	1.75 FOLD

Apartment Price Trends By Suburb Nairobi

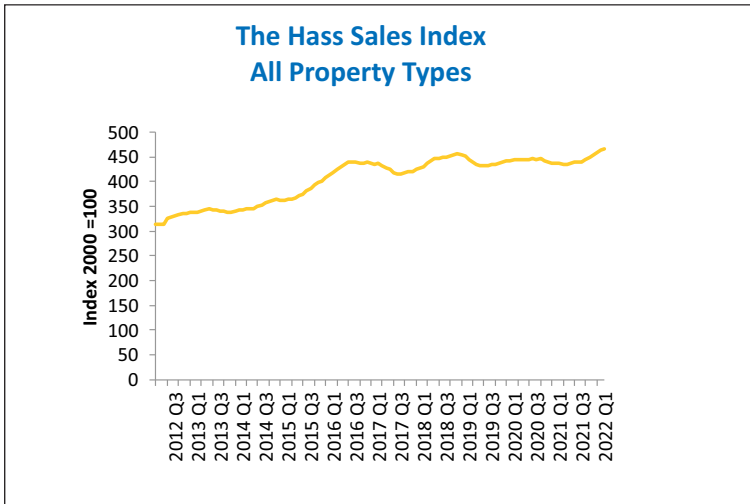
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Apr 2012	Quarter % Change	Annual % Change	Change From Apr 2012
Kileleshwa	-3.9 %	-11.0 %	1.01 FOLD	0.7 %	0.3 %	1.31 FOLD
Kilimani	-2.1 %	-7.3 %	0.94 FOLD	0.2 %	-1.2 %	1.26 FOLD
Langata	-0.6 %	0.3 %	1.30 FOLD	-2.2 %	-3.5 %	1.58 FOLD
Lavington	-3.2 %	-5.0 %	1.27 FOLD	-0.8 %	0.5 %	1.19 FOLD
Parklands	0.0 %	3.1 %	1.52 FOLD	1.9 %	3.6 %	2.08 FOLD
Riverside	2.5 %	-1.4 %	1.56 FOLD	-0.8 %	-4.7 %	1.79 FOLD
Upperhill	-2.8 %	0.6 %	1.54 FOLD	-0.8 %	-2.7 %	1.71 FOLD
Westlands	1.5 %	-5.2 %	1.36 FOLD	1.8 %	-5.4 %	1.46 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 2012	Quarter % Change	Annual % Change	Change From Apr 2012
Athi River	0.2 %	2.4 %	1.98 FOLD	7.2%	11.0 %	1.24 FOLD
Juja	-1.9 %	-6.4 %	1.11 FOLD	2.9 %	7.8 %	1.83 FOLD
Kiambu	-0.8 %	-0.9 %	2.04 FOLD	-3.1 %	2.6 %	1.49 FOLD
Kiserian	1.3 %	5.8 %	1.73 FOLD	-0.5 %	-0.6 %	1.72 FOLD
Kitengela	1.4 %	0.04 %	1.64 FOLD	-0.5 %	-5.0%	1.44 FOLD
Limuru	0.5 %	-0.8 %	1.98 FOLD	1.4 %	1.2 %	1.86 FOLD
Ngong	6.0 %	8.1 %	1.91 FOLD	2.7 %	11.1 %	2.46 FOLD
Ongata Rongai	4.5 %	10.7 %	1.97 FOLD	0.3 %	4.2 %	1.64 FOLD
Ruiru	0.8 %	6.9 %	2.00 FOLD	1.5 %	12.7 %	2.35 FOLD
Tigoni	0.3 %	-3.7 %	1.57 FOLD	1.8 %	9.4 %	1.81 FOLD

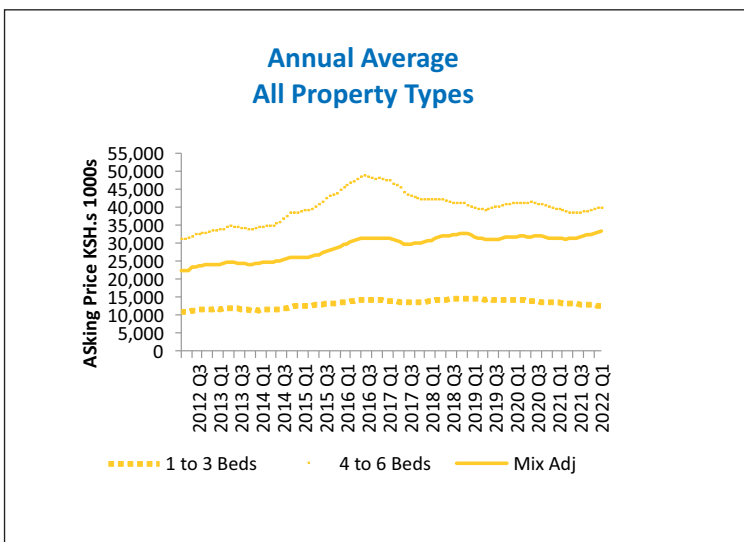
Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Apr 2012	Quarter % Change	Annual % Change	Change From Apr 2012
Athi River	-3.0 %	1.0 %	1.38 FOLD	-0.3 %	7.9%	1.18 FOLD
Kiambu	-0.3 %	-7.5 %	1.76 FOLD	2.5 %	2.0 %	1.60 FOLD
Kitengela	1.2 %	2.8 %	1.46 FOLD	5.2 %	16.9 %	1.53 FOLD
Mlolongo	0.6 %	6.5 %	1.35 FOLD	1.3 %	-2.9 %	1.41 FOLD
Ngong	0.7 %	4.5 %	2.03 FOLD	5.5%	8.3 %	1.99 FOLD
Ongata Rongai	-1.3%	-6.5 %	1.13 FOLD	-0.5 %	-0.9 %	1.78 FOLD
Ruaka	-1.8 %	-3.2 %	1.51 FOLD	2.9 %	7.5 %	1.98 FOLD
Syokimau	-1.0 %	-0.7 %	1.50 FOLD	0.2 %	2.9 %	1.35 FOLD
Thika	0.4 %	-2.2 %	1.21 FOLD	0.8 %	-0.9 %	1.45 FOLD



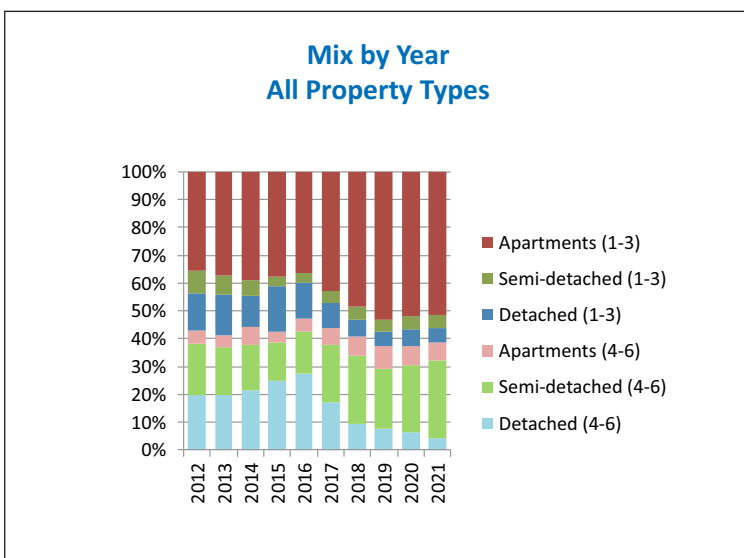
SNAP SHOTS:

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 4.66 times since 2000.
- The index shows a property price rise of 0.58% in the last month, a rise of 2.79% in the last quarter and a 6.80% rise in the last year.



SNAP SHOTS:

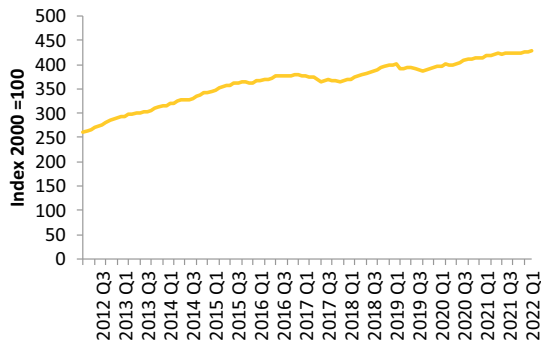
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 33.4 million in March 2022.
- The average value for a 4-6 bedroom property is currently 39.7 million.
- The average value for a 1-3 bedroom property is currently 12.7 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 2021 however, Apartments took up 57.9% of the market, Semi-detached Houses took up 32.6% of the market and Detached Houses took up 9.5% of the market.

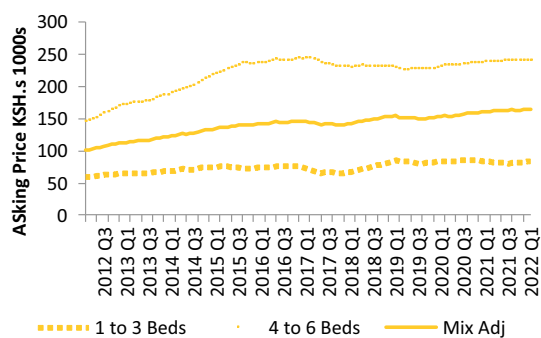
The Hass Rental Index All Property Types



SNAP SHOTS:

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.28 fold since 2001.
- The index shows a property price rise of 0.49% in the last month, rise of 0.96% in the last quarter and have risen by 2.39% in the last year.

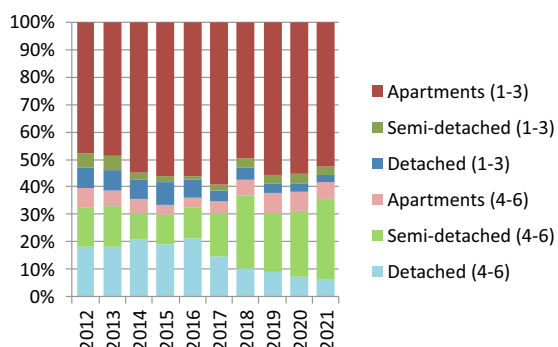
Annual Average All Property Types



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. 164,800 in March 2022.
- The average rent for a 4-6 bedroom property is currently Kshs. 240,497.
- The average rent for a 1-3 bedroom property is currently Kshs. 84,021.

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 58.9% of the market, Semi-detached Houses took up 32.4% of the market and Detached Houses took up 8.7% of the market.