

## Supply of smaller apartments in Kileleshwa and Kilimani aim to resuscitate stalling apartment market

- Residential sales prices remained stagnant in Q4 with a drop of 1.2 percent bringing the annual rise in prices over 2020 to just 0.17 percent.
- Stagnant price growth over the year was attributed to apartments that fell an average 4.6 percent over the year while both detached and semi-detached houses retained positive growth.
- Within the apartment segment, Kileleshwa and Kilimani led the pack with the biggest quarterly and annual sales price falls at 2.6 and 2.8 percent and 9.9 and 8.6 percent respectively .
- Residential rental prices accelerated by 1.1 percent in the quarter, despite a fall in apartments rents of 1.24 percent in the same period. Apartments in Kilimani showed the strongest fall in quarterly rents at 4.0 percent followed by Kileleshwa, recording price falls of 2.6 percent over the Q4.
- The annual rental price uptick across all properties of 5.5 percent in the year was led strongly by the 7.3 rise in rental prices for detached houses in 2020.

### Property Index Highlights:

The Hass Composite Sales Index	Quarter % Change	Annual % Change	Change From Jan 2011
All Properties	-1.2%	-0.2%	1.48 Fold
Detached Houses	-1.8%	0.03%	1.37 Fold
Semi Detached Houses	0.5%	2.3%	1.87 Fold
Apartments	-1.8%	-4.6%	1.44 Fold
Segment with Highest Quarterly Increase in Sales Price	Apartments in Langata (+2.3 % over last quarter)		
Segment with Lowest Quarterly Increase in Sales Price	Apartments in Kilimani (-2.8 % over last quarter)		
Segment with Highest Annual Increase in Sales Price	Houses in Loresho (+6.7 % over last year)		
Segment with Lowest Annual Increase in Sales Price	Apartments in Kileleshwa (-9.9% over last year)		

The Hass Composite Rental Index	Quarter % Change	Annual % Change	Change From Jan 2011
All Properties	1.1%	5.5%	1.68 Fold
Detached Houses	2.3%	7.3%	1.58 Fold
Semi Detached Houses	1.3%	4.9%	2.10 Fold
Apartments	-1.2%	2.8%	1.60 Fold
Segment with Highest Quarterly Increase in Rental Price	Apartments in Ongata Rongai (+3.4% over last quarter)		
Segment with Lowest Quarterly Increase in Rental Price	Apartments in Kilimani (-4.0% over last quarter)		
Segment with Highest Annual Increase in Rental Price	Apartments in Ongata Rongai (+8.1% over last year)		
Segment with Lowest Annual Increase in Rental Price	Apartments in Kilimani (-9.4% over last year)		

HassConsult today unveiled the results of its property price indices in the final quarter of 2020, revealing residential sales prices remained stagnant in Q4 with a drop of 1.2 percent bringing the annual rise in prices over 2020 to just 0.17 percent. Stagnant price growth over the year was attributed to price falls on apartments that fell an average 4.6 percent over the year while both detached and semi-detached houses retained positive price growth.

Within the apartment segment, Kileleshwa and Kilimani led the pack with the biggest quarterly and annual sales price falls at 2.6 and 2.8 percent and 9.9 and 8.6 percent respectively. As at the end of 2020 Kilimani and Kileleshwa accounted for 28 percent and 17 percent of the sales property mix or a combined 45 percent effectively now accounting for nearly one out of two properties on sale in Nairobi.

"We have seen the Kilimani and Kileleshwa markets move from steep price growth, in all ways a price boom, until it reached levels that buyers could no longer reach with the roadblocks in mortgage finance and reduced liquidity from a global pandemic. Against this backdrop, the loading of extra costs onto developers, as soaring land prices and sky high finance costs, has served in shifting developers to create smaller apartments with lower price tags to allow buyers to continue to access their products at a price that works for both buyer and seller. This shift in supply has led to suburb wide apartment repricing." said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

On the rental price frontier, residential rental prices accelerated by 1.1 percent in the quarter, despite a fall in apartment rents of 1.24 percent in the same period.

Apartments in Kilimani showed the strongest fall in quarterly rents at 4.0 percent followed by Kileleshwa, recording price falls of 2.6 percent over Q4. The annual corrections amounted to a fall of 9.4 percent in Kilimani and a fall of 8.4 percent in Kileleshwa over 2020.

"While smaller apartments dominate the new build market in Kilimani and Kileleshwa and provide middle income housing at lower ticket prices, the sheer volume of new stock created rental price vulnerability for larger and older stock during the economic slowdown caused by 2020's global pandemic, resulting in rental price corrections." said Ms. Hassanali.

A year in review of rental prices showed an uptick of 5.5 percent in the year, and was led strongly by the increasing rental prices for detached houses – up 7.3 percent in 2020 and particularly in Karen and Muthaiga showcasing the high end market resilience to economic slowdowns.

**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 2011	Quarter % Change	Annual % Change	Change From Jan 2011
Donholm	-1.9 %	-3.5 %	1.81 FOLD	-0.9 %	-5.6 %	1.52 FOLD
Gigiri	0.02 %	2.8 %	1.97 FOLD	-1.6 %	-3.2 %	1.60 FOLD
Karen	0.8 %	2.3 %	2.24 FOLD	1.9 %	5.8 %	1.74 FOLD
Kileleshwa	0.4 %	-0.04 %	2.04 FOLD	1.2 %	0.4 %	2.09 FOLD
Kilimani	1.5 %	-0.6 %	1.65 FOLD	0.9 %	1.6 %	1.64 FOLD
Kitisuru	1.4 %	3.2 %	2.35 FOLD	-0.2 %	-4.2 %	1.90 FOLD
Langata	0.9 %	3.8 %	2.40 FOLD	-0.6 %	-1.1 %	1.32 FOLD
Lavington	-0.3 %	-1.5 %	2.10 FOLD	0.3 %	-3.9 %	2.07 FOLD
Loresho	0.6 %	6.7 %	2.08 FOLD	0.7 %	-2.7 %	1.58 FOLD
Muthaiga	0.7 %	5.3 %	2.18 FOLD	1.1 %	7.9 %	1.96 FOLD
Nyari Estate	0.7 %	1.8 %	2.07 FOLD	0.4 %	-2.9 %	1.47 FOLD
Ridgeways	-0.7 %	-0.2 %	1.81 FOLD	-1.1 %	-2.8 %	1.70 FOLD
Runda	1.4 %	5.9 %	2.22 FOLD	0.2 %	-1.5 %	1.43 FOLD
Spring Valley	0.4 %	1.3 %	1.74 FOLD	-0.01 %	-3.6 %	1.48 FOLD
Westlands	-0.5 %	1.1 %	2.29 FOLD	-0.4 %	-1.5 %	2.21 FOLD

## Apartment Price Trends By Suburb Nairobi

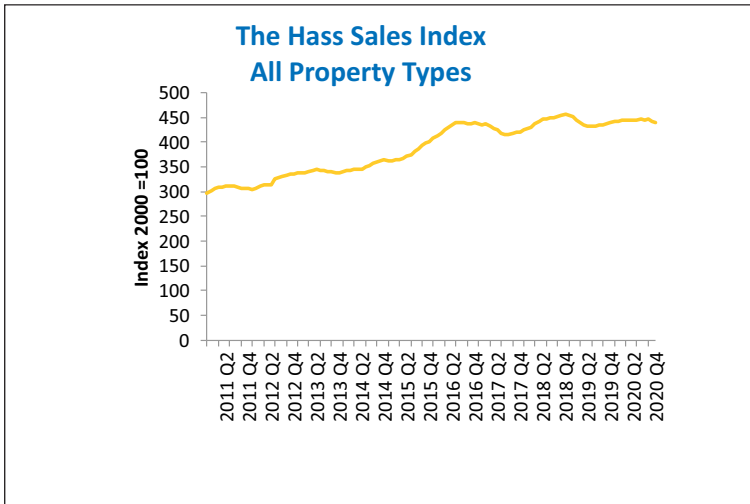
Nairobi Suburbs Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2011	Quarter % Change	Annual % Change	Change From Jan 2011
Kileleshwa	-2.6 %	-9.9 %	1.34 FOLD	-2.6 %	-8.4 %	1.61 FOLD
Kilimani	-2.8 %	-8.6 %	1.17 FOLD	-4.0 %	-9.4 %	1.49 FOLD
Langata	2.3 %	-3.1 %	1.45 FOLD	2.3 %	-2.6 %	1.73 FOLD
Lavington	0.1 %	-3.1 %	1.41 FOLD	0.5 %	-3.0 %	1.28 FOLD
Parklands	-1.7 %	-6.0 %	1.77 FOLD	1.8 %	7.4 %	2.23 FOLD
Riverside	0.2 %	-7.1 %	1.84 FOLD	0.4 %	-4.3 %	1.96 FOLD
Upperhill	-0.4 %	1.3 %	1.90 FOLD	-0.6 %	-4.5 %	2.00 FOLD
Westlands	-0.3 %	-2.1 %	1.58 FOLD	-1.5 %	-5.9 %	1.69 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 2011	Quarter % Change	Annual % Change	Change From Jan 2011
Athi River	-0.8 %	-7.0 %	2.36 FOLD	-2.1%	-3.9 %	1.24 FOLD
Juja	-0.5 %	-7.5 %	1.42 FOLD	-0.8 %	-0.4 %	1.95 FOLD
Kiambu	-0.3 %	1.4 %	2.19 FOLD	-0.02 %	-2.6 %	1.53 FOLD
Kiserian	-0.04 %	2.8 %	1.94 FOLD	-0.6 %	7.0 %	1.96 FOLD
Kitengela	-0.7 %	-3.4 %	1.99 FOLD	2.0 %	6.2 %	1.61 FOLD
Limuru	-2.4 %	-4.3 %	2.25 FOLD	0.7 %	2.5 %	2.07 FOLD
Ngong	1.2 %	2.2 %	2.03 FOLD	-1.4 %	8.0 %	2.44 FOLD
Ongata Rongai	-0.9 %	-7.4 %	1.92 FOLD	0.4 %	-2.4 %	1.69 FOLD
Ruiru	0.6 %	-0.5 %	2.14 FOLD	-0.3 %	7.0 %	2.15 FOLD
Tigoni	0.4 %	-4.8 %	1.74 FOLD	0.4 %	7.0 %	1.76 FOLD

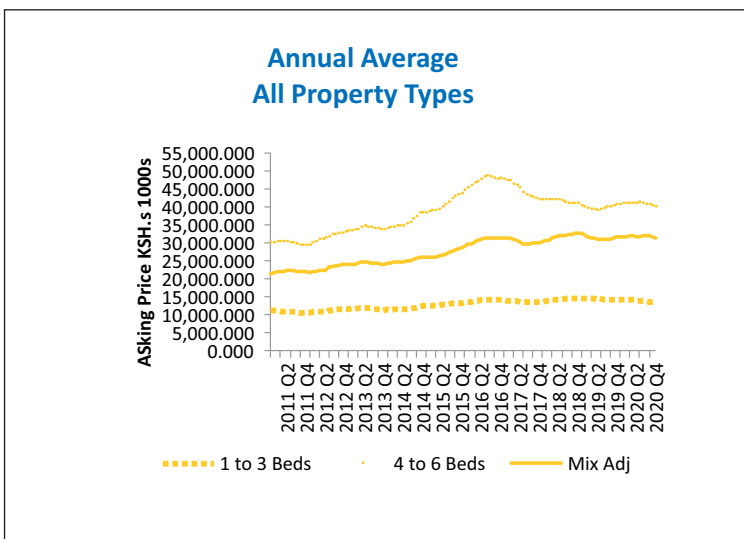
## Apartment Price Trends By Town in Nairobi's Satellite Areas

Nairobi Satellite Property Index - Apartments	Sales Prices			Rental Prices		
	Quarter % Change	Annual % Change	Change From Jan 2011	Quarter % Change	Annual % Change	Change From Jan 2011
Athi River	-0.1 %	-3.7 %	1.46 FOLD	0.5 %	-0.7 %	1.19 FOLD
Kiambu	2.2 %	0.1 %	2.06 FOLD	-0.3 %	-6.7 %	1.87 FOLD
Kitengela	-1.7 %	-7.8 %	1.67 FOLD	1.0 %	-5.9 %	1.55 FOLD
Mlolongo	-2.2 %	-2.2 %	1.47 FOLD	3.2 %	-3.5 %	1.73 FOLD
Ngong	-0.7 %	-0.4 %	2.24 FOLD	0.01 %	4.8 %	1.92 FOLD
Ongata Rongai	-1.3%	-3.7 %	1.52 FOLD	3.4 %	8.1 %	1.92 FOLD
Ruaka	-0.4 %	-0.7 %	1.51 FOLD	-2.4 %	1.2 %	2.17 FOLD
Syokimau	0.7 %	1.3 %	1.57 FOLD	-0.2 %	0.2 %	1.49 FOLD
Thika	1.8 %	1.0 %	1.40 FOLD	-0.6 %	3.4 %	1.70 FOLD



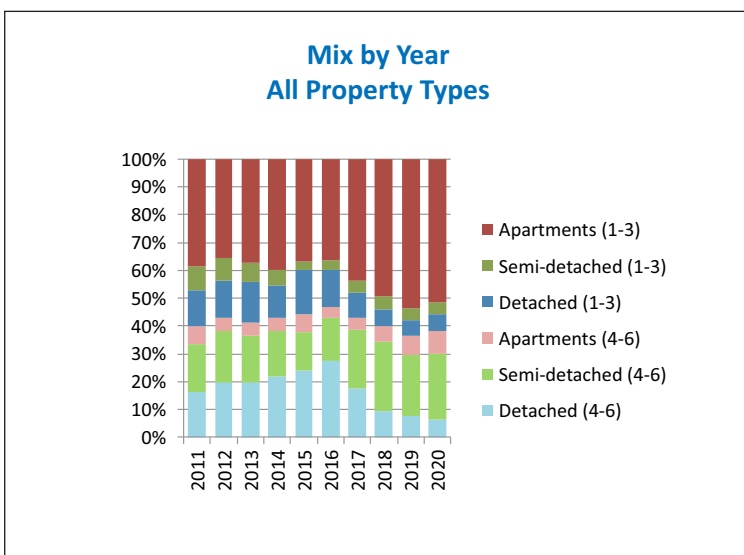
#### SNAP SHOTS:

- The Hass Composite Sales Index is representative of all properties for sale in Kenya.
- Property values have increased by 4.40 times since 2000.
- The index shows a property price fall of -0.7% in the last month, fall of -1.22% in the last quarter and a 0.17% fall in the last year.



#### SNAP SHOTS:

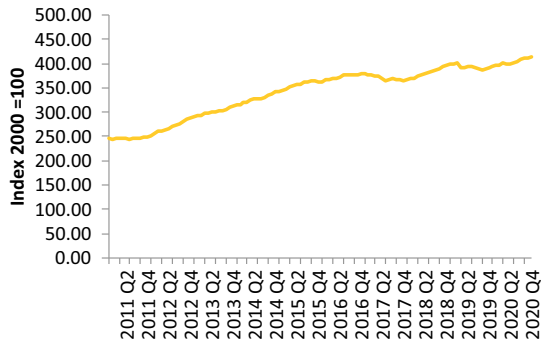
- The annual average is representative of the average price of all mid to upper class properties offered for sale in Kenya.
- The average value for a property has gone from 7.1 million in December 2000 to 31.5 million in December 2020.
- The average value for a 4-6 bedroom property is currently 40.0 million.
- The average value for a 1-3 bedroom property is currently 13.6 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 2020 however, Apartments took up 58.8% of the market, Semi-detached Houses took up 28.8% of the market and Detached Houses took up 12.4% of the market.

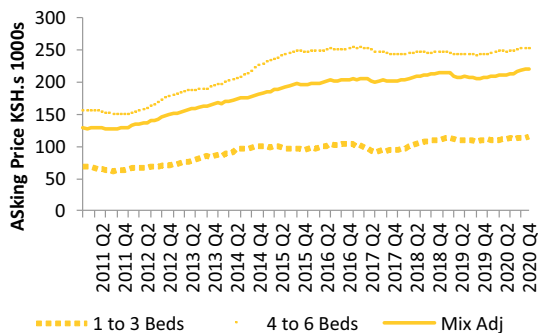
**The Hass Rental Index  
All Property Types**



**SNAP SHOTS:**

- The Hass Composite Letting Index is representative of all properties for rental in Kenya.
- Rents have increased by 4.13 fold since 2001.
- The index shows a property price rise of 0.1% in the last month, rise of 1.1% in the last quarter and have risen by 5.5% in the last year.

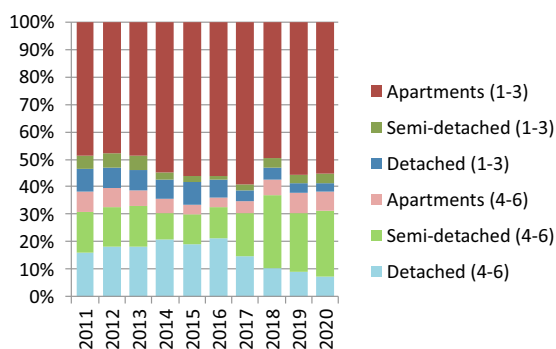
**Annual Average  
All Property Types**



**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. 158,980 in December 2020.
- The average rent for a 4-6 bedroom property is currently Kshs. 236,619.
- The average rent for a 1-3 bedroom property is currently Kshs. 84,958.

**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 34.1% of the market.
- In December 2020 however, Apartments took up 62.2% of the market, Semi-detached Houses took up 27.5% of the market and Detached Houses took up 10.3% of the market.