

## Nairobi satellite towns land prices in slowest growth in 18 months as tough economy dents demand from middle class buyers

- Land prices in the Nairobi satellite towns expanded by 1.9 percent in the fourth quarter, the slowest margin since June 2023.
- Economic challenges and high interest rates impacted the ability of developers to finance land purchases.
- Thika and Mlolongo had the biggest price growth decline, going from 6.3 percent and 6.6 percent in the third quarter to 0.9 percent and 1.1 percent respectively in the fourth quarter.
- Prices in Nairobi’s suburbs grew by 1.7 percent in the fourth quarter of 2024, slightly higher compared to quarter three’s growth of 1.6 percent.
- Parklands (3.4 percent), Upperhill (3.3 percent), Spring Valley (3.1 percent) and Kileleshwa (3.0 percent) led in price appreciation in the period.

### Land Index Highlights:

The Hass Composite Land Index, Nairobi Suburbs	Quarter % Change	Annual % Change	Change From 2015
Nairobi-18 Composite Index Results	1.65%	6.48%	1.33Fold
Suburb with Highest Quarterly Increase in Land Price	Land in Parklands (+3.36 % over last quarter)		
Suburb with Highest Annual Increase in Land Price	Land in Spring Valley (+14.97 % over last year)		
Suburb with Lowest Quarterly Increase in Land Price	Land in Kitisuru (-1.53 % over last quarter)		
Suburb with Lowest Annual Increase in Land Price	Land in Kilimani (+1.91 % over last year)		

The Hass Composite Land Index, Nairobi Satellite Towns	Quarter % Change	Annual % Change	Change From 2015
Nairobi Satellite-14 Composite Index Results	1.93%	10.62%	2.12 Fold
The Town with Highest Quarterly Increase in Land Price	Land in Juja (+4.15 % over last quarter)		
The Town with Highest Annual Increase in Land Price	Land in Kiserian (+18.10 % over last year)		
The Town with Lowest Quarterly Increase in Land Price	Land in Kiambu (-0.32 % over last quarter)		
The Town with Lowest Annual Increase in Land Price	Land in Ngong (+2.64 % over last year)		

HassConsult today released the Hass Land price indices for the fourth quarter of 2024, showing that land prices in Nairobi's satellite towns grew at the slowest pace since June 2023 as a tough economic environment stifled demand.

The average cost of an acre of land satellite towns rose by 1.9 percent in the period, down from 3.02 percent in the previous quarter and the slowest rate of expansion since the 1.22 percent seen six quarters ago.

Nine out of the 14 towns tracked recorded a deceleration in price expansion, led by Thika and Mlolongo where growth fell from 6.3 percent and 6.6 percent in the third quarter to 0.9 percent and 1.1 percent, respectively, in the fourth quarter.

Kiambu (-0.3) and Ngong (-0.2 percent) recorded negative growth, while notable declines were also seen in Ruiru (4.9 to 3.2 percent), Syokimau (4.8 to 3.4 percent) and Kiserian (4.7 to 2.0 percent).

Satellite towns have in previous quarters seen impressive growth driven by both private and commercial property developers, but a tough economy which came with job losses, and high interest rates have impacted would be land buyers.

“Periods of economic uncertainty and slowing GDP growth can lead to some developers putting off decisions to acquire land, thus reducing demand which drives prices higher,” said Ms. Sakina Hassanali, Head of Development Consulting and Research at HassConsult.

“It also shows that the infrastructure-led price boost in areas such as Thika, Kiserian, Mlolongo, and Syokimau is starting to wane, given the sharp price jumps of previous quarters.”

The increase in prices in the suburbs remained steady at 1.7 percent, compared to an increase of 1.6 percent in the third quarter.

Suburb price gains were led by Parklands (3.4 percent), Upperhill (3.3 percent), Spring Valley (3.1 percent), and Kileleshwa (3.0 percent).

For more information, please contact:

Sakina Hassanali, Head of Development Consulting & Research

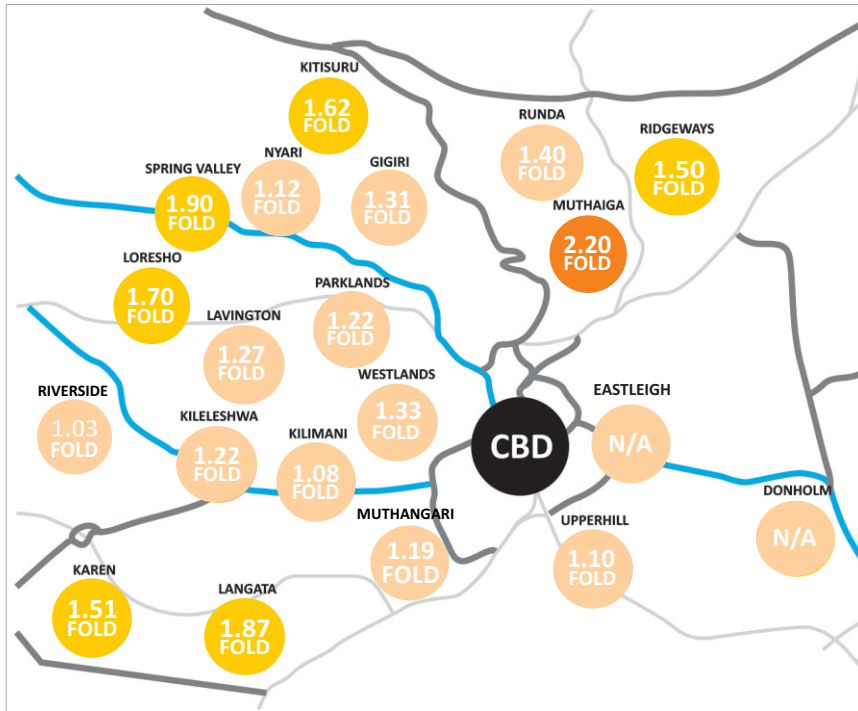
Nairobi Suburbs Land Index	Quarter % Change	Annual % Change	10 Year Change From Jan 2015	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Gigiri	-0.9 %	3.1 %	1.31 FOLD	243,400,000	200,000,000	300,000,000
Karen	0.8 %	4.6 %	1.51 FOLD	69,000,000	61,000,000	74,000,000
Kileleshwa	3.0 %	7.0 %	1.22 FOLD	312,300,000	275,000,000	350,000,000
Kilimani	1.0 %	1.9%	1.08 FOLD	410,000,000	360,000,000	451,300,000
Kitisuru	-1.5 %	2.0 %	1.62 FOLD	98,200,000	80,000,000	111,100,000
Langata	1.5 %	8.2 %	1.87 FOLD	86,800,000	65,000,000	112,000,000
Lavington	2.8 %	14.4 %	1.27 FOLD	262,500,000	196,200,000	330,000,000
Loresho	0.4 %	4.2 %	1.70 FOLD	110,400,000	80,000,000	133,300,000
Muthaiga	-0.5 %	4.9 %	2.20 FOLD	233,200,000	200,000,000	250,000,000
Muthangari	0.4 %	3.8 %	1.19 FOLD	384,700,000	333,300,000	423,800,000
Nyari	1.1 %	4.6 %	1.12 FOLD	116,000,000	100,000,000	129,800,000
Parklands	3.4 %	10.5 %	1.22 FOLD	448,700,000	360,000,000	520,000,000
Ridgways	0.2 %	5.7 %	1.50 FOLD	92,200,000	80,000,000	96,000,000
Riverside	2.7 %	8.0 %	1.03 FOLD	340,400,000	285,700,000	366,700,000
Runda	1.1 %	4.4 %	1.40 FOLD	93,300,000	80,000,000	108,000,000
Spring Valley	3.1 %	15.0 %	1.90 FOLD	278,300,000	166,700,000	381,600,000
Upperhill	3.3 %	9.3 %	1.10 FOLD	522,700,000	428,600,000	533,300,000
Westlands	1.6 %	6.7 %	1.33 FOLD	487,300,000	397,400,000	560,000,000

Nairobi Satellite Town Land Index	Quarter % Change	Annual % Change	10 Year Change From Jan 2015	Average Value Per Acre (KES)	25 Percentile	75 Percentile
Athi River	1.2 %	8.3 %	1.94 FOLD	20,200,000	8,000,000	28,000,000
Juja	4.1 %	16.8 %	3.53 FOLD	23,100,000	12,000,000	28,000,000
Kiambu	-0.3 %	4.9 %	1.54 FOLD	49,600,000	30,000,000	61,700,000
Kiserian	2.0 %	18.1 %	2.43 FOLD	12,000,000	5,500,000	16,800,000
Kitengela	2.9 %	10.0 %	2.41 FOLD	17,800,000	10,000,000	20,000,000
Limuru	2.7 %	17.2 %	1.74 FOLD	24,600,000	15,400,000	31,000,000
Mlolongo	1.1 %	15.5 %	1.59 FOLD	43,700,000	25,000,000	55,800,000
Ngong	-0.2 %	2.6 %	2.25 FOLD	35,900,000	22,000,000	48,000,000
Ongata Rongai	3.3 %	10.3 %	1.81 FOLD	28,100,000	13,000,000	35,400,000
Ruaka	1.0 %	9.0 %	2.06 FOLD	111,200,000	78,300,000	140,000,000
Ruiru	3.2 %	15.8 %	2.46 FOLD	35,600,000	21,200,000	45,000,000
Syokimau	3.4 %	15.7 %	2.26 FOLD	37,800,000	29,000,000	40,000,000
Thika	0.9 %	6.2 %	2.02 FOLD	28,900,000	18,200,000	32,000,000
Tigoni	0.7 %	5.4 %	1.99 FOLD	33,400,000	25,000,000	36,000,000

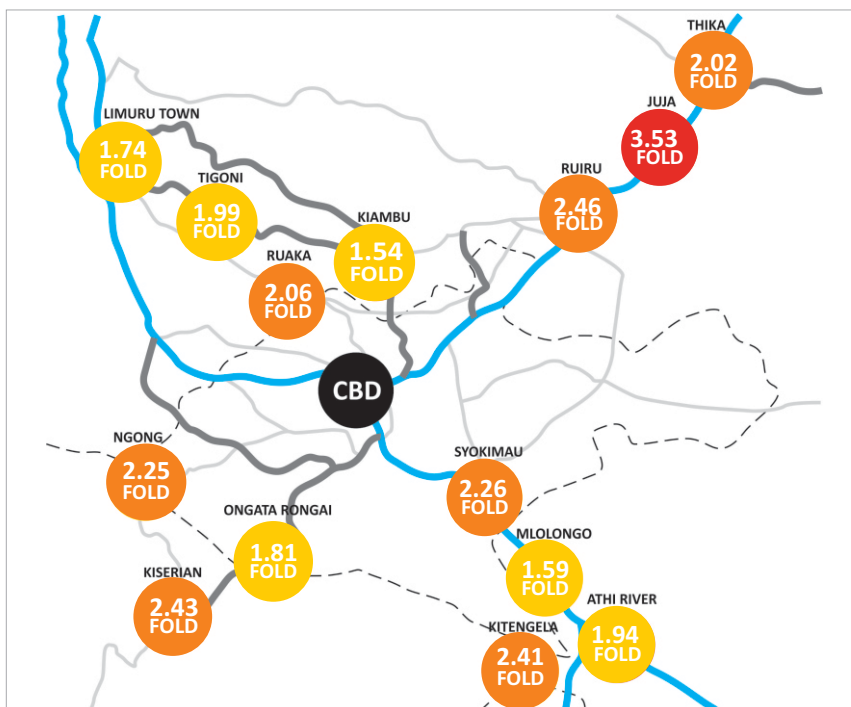
\*Price Values rounded to nearest Kshs. 100,000

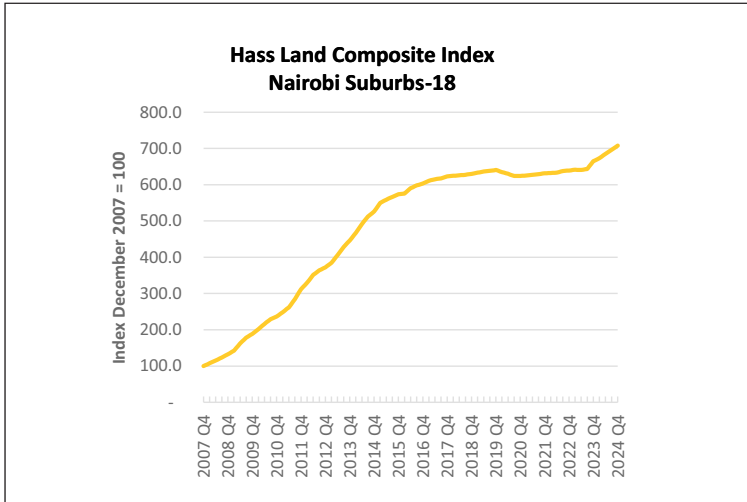
## Land Index Heat Maps

### Nairobi-18 Suburbs Change in Prices Since Jan 2015



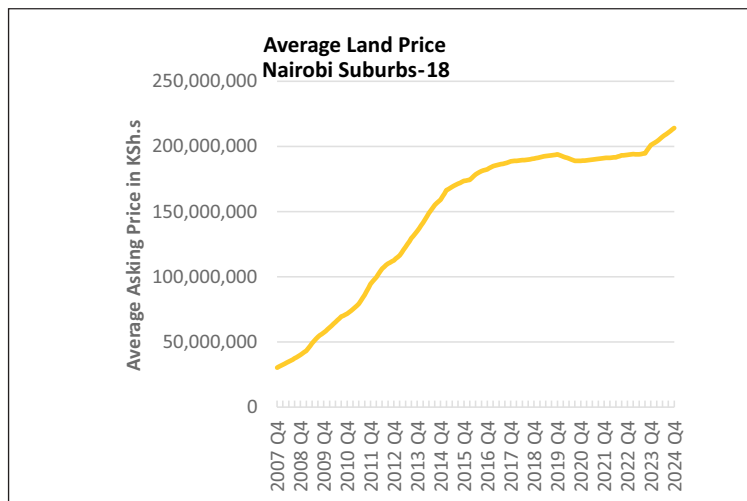
### Nairobi-14 Satellite Towns Change in Prices Since Jan 2014





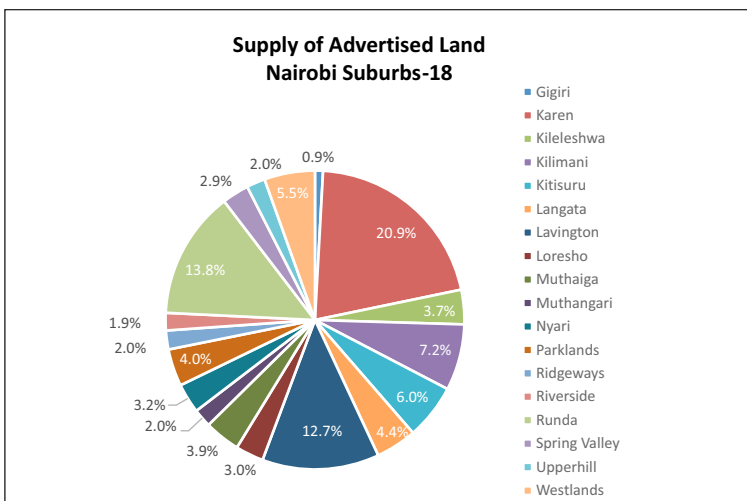
**SNAP SHOTS:**

- The Nairobi Suburbs-18 Land Index is representative of Land for Sale in Nairobi covering 18 highest activity suburbs.
- Land values have increased by 7.08 fold since December 2007.



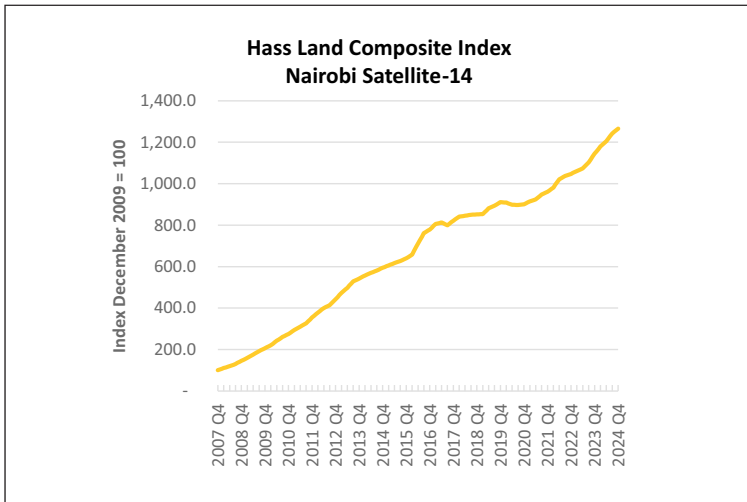
**SNAP SHOTS:**

- 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 214.2 million in December 2024.



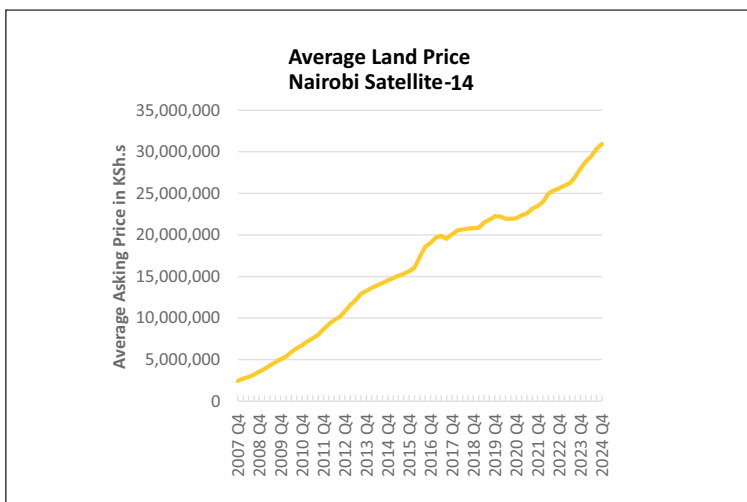
**SNAP SHOTS:**

- The Mix is a measure of the percentage that each suburb represents in the market for 18 Nairobi suburbs.
- Land in Gigiri took up 0.9% of the market, Karen 20.9%, Kileleshwa 3.7%, Kilimani 7.2%, Kitisuru 6.0%, Langata 4.4%, Lavington 12.7%, Loresho 3.0%, Muthaiga 3.9%, Muthangari 2.0%, Nyari 3.2%, Parklands 4.0%, Ridgeways 2.0%, Riverside 1.9%, Runda 13.8%, Spring Valley 2.9%, Upperhill 2.0% and Westlands 5.5% respectively.



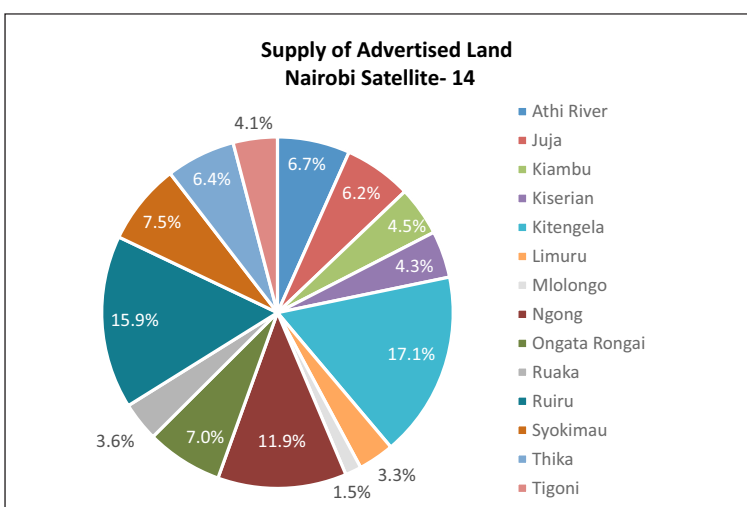
**SNAP SHOTS:**

- The Nairobi Satellite-14 Land Index is representative of Land for Sale in 14 Satellite towns outside Nairobi suburbs.
- Land values have increased by 12.66 fold since December 2007.



**SNAP SHOTS:**

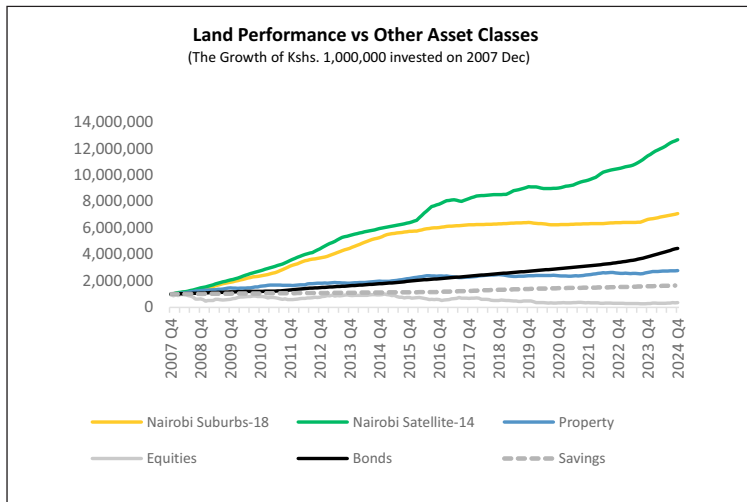
- The annual average is representative of the average price of land for sale in outside Nairobi covering 14 highest activity Satellite towns.
- The average value for land has gone from 2.4 million in December 2007 to 30.9 million in December 2024.



**SNAP SHOTS:**

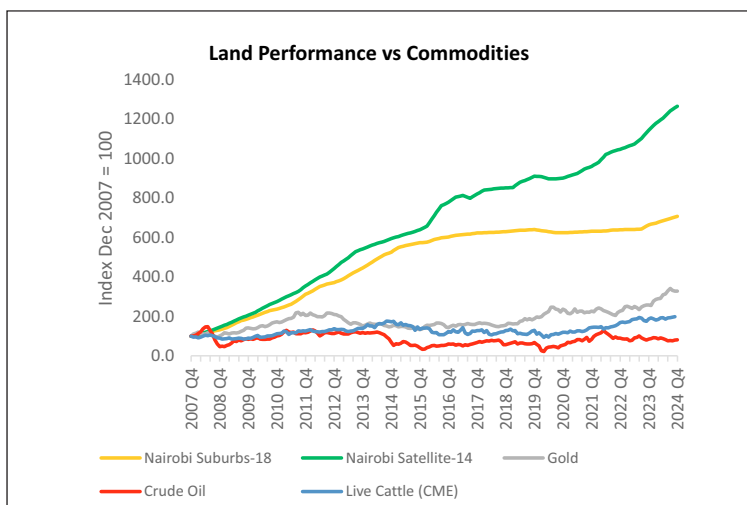
- The Mix is a measure of the percentage that each town represents in the market for the Nairobi 14 Satellite towns.
- Land in Athi River took up 6.7% of the market, Juja took up 6.2%, Kiambu 4.5%, Kiserian 4.3%, Kitengela 17.1%, Limuru 3.3%, Mlolongo 1.5%, Ngong 11.9%, Ongata Rongai 7.0%, Ruaka 3.6%, Ruiru 15.9%, Syokimau 7.5%, Thika 6.4% and Tigoni 4.1% respectively.

## Land as an Investment



### SNAP SHOTS:

Ksh. 1 Million invested at the end of 2007 would have been worth KES. 12.66M if invested in land in Nairobi Satellite-14, KES. 7.08M if invested in land in Nairobi Suburbs-18, KES. 2.78M if invested in property (The Hass Sales Composite Index, All Properties), KES. 4.45M if invested in bonds and KES. 1.65M if invested in savings and only KES. 0.36M if invested in Equities.



### SNAP SHOTS:

The Hass Land Composite Index, Nairobi Satellite-14 index value was 1266.0 outperforming Nairobi Suburbs-18 which had an index value of 707.7, Gold 328.7, Live Cattle (CME) 199.2 and Crude Oil worst performing with only 80.8 index value.