

Kenya Property Index Report

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BuyRentKenya

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Message from CEO



Elizabeth Costabir,
CEO BuyRentKenya

The BuyRentKenya (BRK) Property Index is a comprehensive market report designed to equip property stakeholders, from investors to first-time homebuyers, with accurate, data-driven insights to guide their purchase decisions.

As we release this edition, it's encouraging to note that Kenya's real estate sector continued to demonstrate resilience in early 2025, recording a 5.3% growth, closely aligned with the national GDP expansion of 4.9%.

While agriculture and ICT drove much of the country's overall economic momentum, property remained a steady contributor, reflecting improved market stability and rising investor confidence.

This positive performance reinforces the need for reliable data to help Kenyans navigate an evolving landscape and identify emerging opportunities.

Having access to the right information helps you determine:

- Where to buy property for investment vs. personal residence.
- How to evaluate property performance and forecast return on investment (ROI).
- What emerging market trends could impact your next purchase or development project.

At BuyRentKenya, we believe data is power—and the H2 2025 Index is our commitment to helping Kenyans make smarter, more informed property decisions.





Executive Summary

The H2 2025 Property Index provides an overview of property prices and market trends across Kenya's major regions, covering apartments, houses, and land.

Kenya's housing demand continues to outstrip supply.

- The country requires approximately 250,000 new housing units annually, yet only about 50,000 units are delivered each year.
- This leaves a shortfall of 200,000 homes annually and a backlog exceeding 2 million units (Habitat for Humanity Kenya, World Bank).

Homeownership vs Renting

According to KNBS, 73% of urban dwellers rent their homes, while only 23% own.

With an average formal income of Ksh 55,000 per month (Zamara), owning a home through a mortgage often exceeds the recommended 30% income allocation for housing, forcing many into the rental market.

This report also examines mortgage trends, affordable housing initiatives, policy shifts, and market outlooks, providing a holistic picture of Kenya's real estate landscape.



Methodology

The data used in this report is drawn from BuyRentKenya's extensive property listings database, which features tens of thousands of listings across Kenya.

We derived averages for each property type and region, cross-referencing with public data sources and developer reports to ensure reliability.

BuyRentKenya's data advantage:

- One of the largest sets of real estate data points in Kenya.
- Continuous tracking of price movements, demand, and listing volumes.
- Insights drawn from agents, and developers.

Key Trends at a Glance

1. Land

Land prices have remained stable across most regions, with minor dips in Eastleigh due to shifting investor sentiment.

Land remains a preferred investment vehicle, either for:

- Development projects, or
- Land banking - holding property long-term for appreciation.

Most investors view land as a long-term wealth preservation tool, with increasing interest in satellite towns such as Kitengela, Ruiru, and Joska.





2. Apartments

Apartment prices have been largely stable compared to H1 2025.

The increased supply in areas like Kilimani, Kileleshwa, and Westlands has slowed price growth.

Emerging Trends:

Off-plan purchasing continues to rise - developers attract early buyers with discounts of 5-10%, easing financing pressure.

Studio and one-bedroom units dominate the new supply pipeline, catering to:

- Young professionals,
- Short-term rental investors (Airbnb market),
- Buyers prefer cash or installment payments over mortgages.

Growth in satellite apartment developments, especially in Syokimau, Ruaka, and Ongata Rongai.



3. Houses

Detached and semi-detached houses are being developed primarily in low-density and suburban zones, including:

Loresho, Karen, Runda, Limuru, Ruiru, Juja, Kitengela, and Ngong.

Demand is driven by gated community living, offering:

- Controlled access,
- Improved infrastructure (sewage, water, power),
- Enhanced security and amenities.

Developers are focusing on smaller gated clusters of 10–30 houses for exclusivity and lower maintenance costs.



Market Overview

Kenya's property market continues to strive toward balancing affordability and quality.

Developers are attempting to bridge the housing gap, but supply remains far below demand.

In prime areas like Westlands, Kilimani, and Riverside, prices for luxury apartments exceed Ksh 50 million, making affordable projects financially unviable due to high land acquisition costs.



This has resulted in a dual market:

- High-end properties targeting expatriates and upper-income buyers.
- Affordable housing initiatives aimed at the lower- to middle-income segments.

Economic Context

The broader economic environment remains challenging:

- Wage growth continues to lag behind inflation, limiting disposable income.
- Rising interest rates and currency depreciation have increased construction costs.
- However, foreign investment and diaspora remittances remain strong, sustaining demand in the middle to high-end markets.

Mortgage Rates and Financing

Mortgage uptake remains significantly low across Kenya.

According to Zamara, only 4% of Kenyans can afford a mortgage above Ksh 10 million.

The average mortgage amount stands at Ksh 9 million, with an average tenure of 11 years.

Average interest rates hover around 14.8% per annum





Affordable Mortgage Options

The Kenya Mortgage Refinance Company (KMRC) continues to play a key role, offering 9.5% interest rates to first-time homebuyers purchasing homes below Ksh 10.5 million.

Increased uptake of homes priced under Ksh 8 million as developers adjust to target this segment.

Affordable Housing

The Affordable Housing Programme (AHP) aims to deliver 200,000 units annually to reduce the national housing deficit.

However:

- Deliveries dropped by over 50% in 2024 compared to 2023 (State Department for Housing).
- With 60% of Nairobi's population living in informal settlements, the challenge remains significant.

While the AHP is ambitious, success depends on:

- Financing accessibility for low-income earners.
- Private sector participation through Public-Private Partnerships (PPPs).
- Infrastructure investment in transport, water, and power to support new developments.

Policy Updates

1. Restrictions on SEZ Housing Developments

The government has proposed limiting residential developments in Special Economic Zones (SEZs), such as Tatu City and Tilisi, to employees working within the zones.

Developers in SEZs currently enjoy significant tax incentives, such as:

- Reduced import duties,
- VAT exemptions, and
- Lower corporate tax rates.

These advantages have allowed them to offer properties at more competitive prices than developers outside SEZs, giving them a market edge that others argue is unfair in the broader residential housing market.

2. Annual Land Tax

The government is also considering the introduction of an annual tax on land based on its current market rate.

This replaces the previous structure where landowners only paid tax upon sale or transfer.

The tax would apply to both freehold and leasehold titles, in addition to existing county land rates.

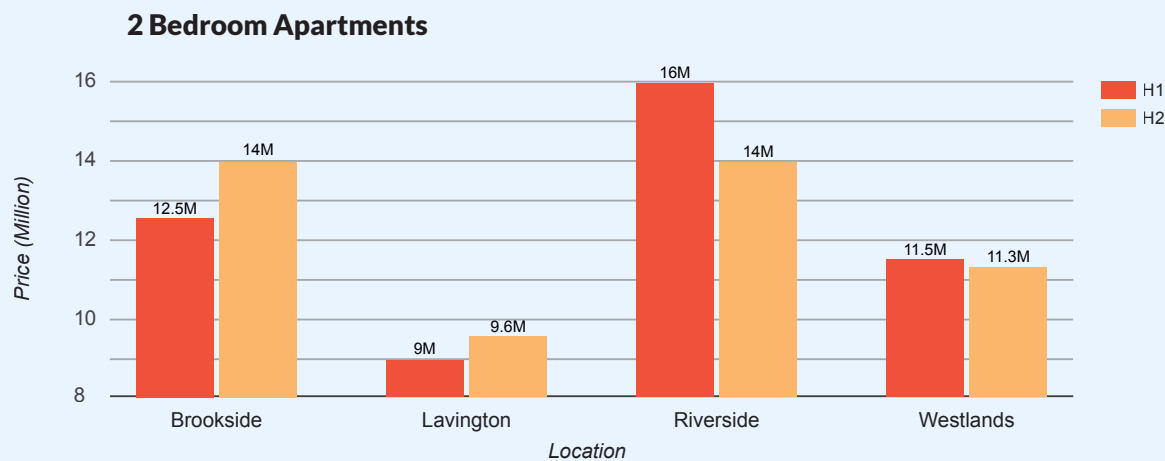
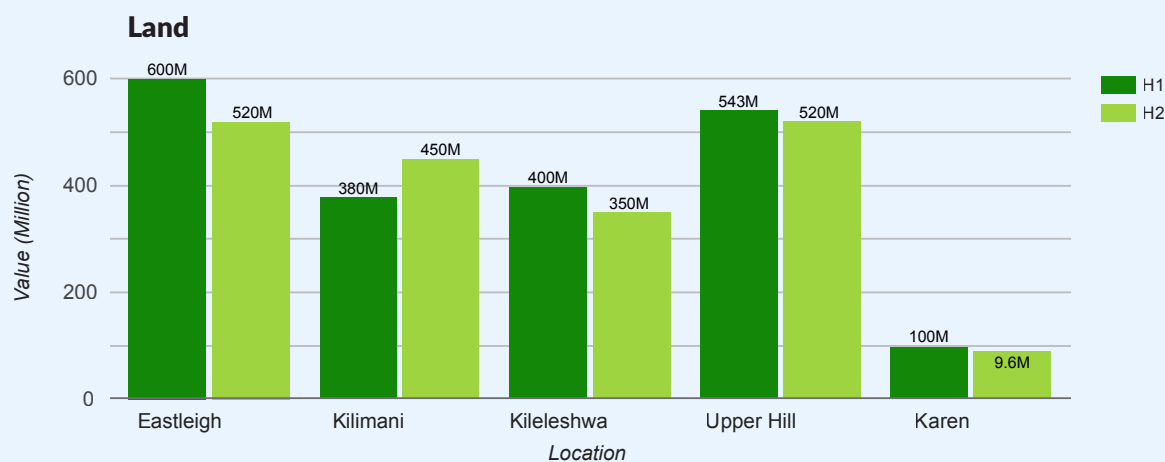
This policy could disproportionately affect elderly or rural landowners, whose land has appreciated but who have limited liquid income, and are not digital savvy to keep up with Ardhisasa.



Half-Year Comparison

There has been minimal price movement between H1 and H2 2025.

- **Land:** Stable, with slight dips in Eastleigh and Kangundo.
- **Apartments:** Prices in Kilimani and Westlands softened by 2–3%.
- **Houses:** Moderate appreciation in Ruiru, Kitengela, and Juja (up 4–6%) driven by infrastructure upgrades.



Top 3 Most Expensive Areas

Category	1st	2nd	3rd
Houses	Rosslyn	Muthaiga	Lower Kabete
Land	Nairobi CBD	Brookside/South B	Eastleigh
Apartment	General Mathenge	Spring Valley	Kilimania

Outlook & Predictions for 2026



Apartments

Expect continued influx of new developments, especially in Westlands, Kileleshwa, and Upper Hill.

Satellite towns (Ruaka, Syokimau, Ruiru, Ongata Rongai) will emerge as new apartment hubs, attracting investors priced out of Nairobi's core.

Short-stay and serviced apartments will grow as tourism and remote work increase demand.



Houses

Stand-alone developments will shift further to peri-urban areas like Limuru, Gikambura, Tigoni, Kamiti Road, and Kikuyu.

Growth in gated communities offering controlled environments, shared amenities, and modern infrastructure.

Buyers increasingly prefer community living over isolated plots.



Land

Expect gradual appreciation in land values in satellite towns, supported by ongoing road expansions and anticipated election-year infrastructure projects.

Land in strategic zones near highways and industrial parks will outperform.



Property Price Index H2

Kenya's property market remains resilient and evolving, despite economic pressures. While affordability continues to challenge many, data-driven decisions, strategic location choices, and government-backed programs are gradually reshaping homeownership possibilities.

For investors and homebuyers alike, the BuyRentKenya H2 2025 Property Index serves as a compass, guiding informed, confident, and rewarding property decisions.

Land Price Index

Bamburi	Ksh 40,000,000	Kilimani	Ksh 450,000,000
Bofa	Ksh 65,000,000	Nairobi CBD	Ksh 850,380,952
Brookside	Ksh 550,000,000	Runda	Ksh 110,000,000
Diani	Ksh 25,000,000	South B	Ksh 550,000,000
Eastleigh	Ksh 520,000,000	Spring Valley	Ksh 200,000,000
Gikambura	Ksh 30,000,000	Tatu City	Ksh 90,000,000
Isinya	Ksh 6,000,000	Thigiri	Ksh 180,000,000
Juja	Ksh 30,000,000	Thindigua	Ksh 100,000,000
Karen	Ksh 90,000,000	Thome	Ksh 60,000,000
Kiambu Road	Ksh 70,000,000	Tigoni	Ksh 40,000,000
Kiambu Town	Ksh 45,000,000	Upper Hill	Ksh 520,000,000
Kikuyu Town	Ksh 55,000,000	Zimmermann	Ksh 140,000,000
Kileleshwa	Ksh 350,000,000		

High Demand Areas

High to Medium Demand Areas

Moderate Demand Areas

Emerging Areas

1 Bedroom Apartment

Athi River	Ksh 3,325,000	Rhapta Road	Ksh 7,500,000
Bamburi	Ksh 3,138,778	Riverside	Ksh 8,422,917
Brookside	Ksh 7,676,774	Rosslyn	Ksh 12,287,500
Diani	Ksh 13,513,268	Ruaka	Ksh 5,544,000
Kabete	Ksh 4,123,333	Syokimau	Ksh 5,261,667
Kileleshwa	Ksh 6,000,000	Tatu City	Ksh 7,000,000
Lavington	Ksh 6,500,000	Upper Hill	Ksh 7,500,000
Naivasha Road	Ksh 5,000,000	Westlands Area	Ksh 7,500,000
Nyali Area	Ksh 6,500,000		

■ Very High Demand
 ■ High Demand
 ■ Medium Demand
 ■ Low / Seasonal Demand



2 Bedroom Apartment

Bamburi	Ksh 4,741,055	Nyali Area	Ksh 11,805,664
Brookside	Ksh 14,088,378	Ongata Rongai	Ksh 5,129,185
General Mathenge	Ksh 20,000,000	Parklands	Ksh 14,602,963
Kileleshwa	Ksh 9,489,557	Rhapta Road	Ksh 14,587,239
Kilimani	Ksh 10,000,000	Riara Road	Ksh 12,866,667
Kitisuru	Ksh 10,920,833	Riverside	Ksh 14,000,000
Lavington	Ksh 9,650,275	Ruaka	Ksh 7,853,175
Mtwapa	Ksh 5,061,538	Syokimau	Ksh 8,000,000
Naivasha Road	Ksh 6,597,143	Tatu City	Ksh 10,000,000
Ngong Road	Ksh 8,500,000	Westlands Area	Ksh 11,370,881

Very High Demand
 High Demand
 Medium Demand
 Low / Seasonal Demand





4 Bedroom Apartment

Brookside	Ksh 29,345,454	Nyali Area	Ksh 33,340,882
General Mathenge	Ksh 48,743,939	Parklands	Ksh 26,907,609
Hurlingham	Ksh 20,000,000	Rhapta Road	Ksh 33,943,333
Kahawa West	Ksh 14,000,000	Riara Road	Ksh 26,000,000
Kiambu Road	Ksh 19,750,000	Riverside	Ksh 48,197,082
Kileleshwa	Ksh 22,925,952	Ruaka	Ksh 11,500,000
Kilimani	Ksh 18,895,771	Spring Valley	Ksh 60,204,545
Kizingo	Ksh 34,535,714	Syokimau	Ksh 15,478,750
Langata	Ksh 22,000,000	Tudor	Ksh 14,500,000
Lavington	Ksh 23,487,500	Upper Hill	Ksh 26,000,000
Loresho	Ksh 68,684,211	Valley Arcade	Ksh 22,000,000
Mkomani	Ksh 28,666,667	Westlands Area	Ksh 24,984,615

■ Very High Demand
 ■ High Demand
 ■ Medium Demand
 ■ Low / Seasonal Demand



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