



Local Market

**Intelligence**

Rates • Demand • Supply  
Pricing • Strategy

# Kenya Housing Market Report

Q2 2026 | Eden Heights Realty

*A Leading RE Companies of the World Partner*

# MARKET AT A GLANCE – Q2 2026



**12-16%**

**Mortgage Rate Range**

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*vs ~6.3% in the U.S.*



**+8.2%**

**Sale Price Growth (YoY)**

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*Driven by detached homes*



**+6.3%**

**Suburban Land Growth**

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*Outside Nairobi CBDs*



**< 3%**

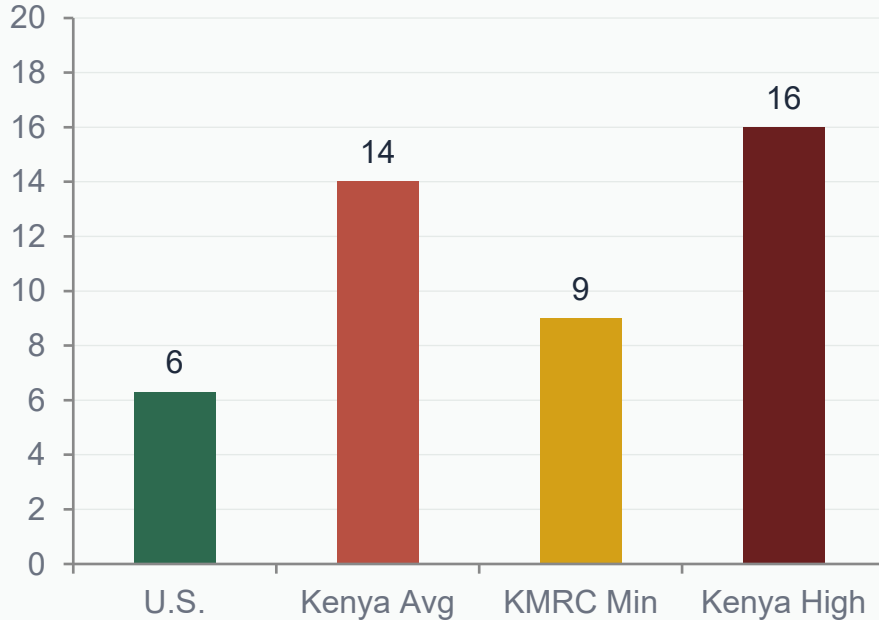
**Mortgage Penetration**

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*Cash buyers dominate*

# THE FINANCING STORY

Mortgage Rate Comparison (%)



## CBK Rate cut to 8.75%

Reduction in late 2025, but banks are slow to pass savings to borrowers.

## KMRC bridging the gap

Affordable housing products from 9% for qualifying buyers — mostly lower market.

## Cash & instalment rule

Most buyers skip mortgages entirely; developer payment plans are the norm.

## Only 11% qualify

Just 11% of Kenyans earn enough to meet standard mortgage requirements.

# PRICES & DEMAND

Property Type	Avg Price (KSh)	Approx USD
Nairobi Apartment	KSh 15.6M	~\$120,000
Nairobi House	KSh 106M	~\$820,000
Affordable Housing	From KSh 1M	~\$7,700+
Suburban Land	Varies	+6.3% YoY

## Demand Signals



Sale prices up 8.2% YoY — detached homes & land lead growth



Suburban shift: Kiserian, Ngong, Lukenya, Tatu City gaining fast



High-end rentals softening — Gigiri, Karen, Muthega oversupplied

 Kenya faces a housing deficit of over 2 MILLION units — underpinning long-term demand even as the market cools at the top end.

# THE SUBURBAN SHIFT


## Where Buyers Are Going


New infrastructure — roads, the SGR railway corridor, and improved utilities — is unlocking value in areas previously considered too remote from Nairobi's CBD.


High-net-worth individuals and diaspora buyers are driving demand for low-density, gated living with security and amenities.


### Emerging Hotspots

 **Tatu City**  
Mixed-use, gated

 **Kiserian**  
+6–8% land pa

 **Ngong**  
Affordable plots

 **Lukenya**  
Emerging hub

 **Ruiru / Ruai**  
SGR corridor

 **Kitengela**  
Value & space

Source: HassConsult, CNBC Africa, Cyttonn 2026 Outlook

## Why Suburbs Are Winning

- 1 Cheaper land**  
Suburban plots cost a fraction of Nairobi CBD parcels.
- 2 Developer incentives**  
Flexible payment plans & installments replace mortgage needs.
- 3 Lifestyle upgrade**  
Gated communities, pools, gyms — amenities driving purchase decisions.
- 4 Infrastructure ROI**  
Early buyers capture appreciation as roads and services improve.

# WHAT THIS MEANS FOR YOU



## BUYERS

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- Explore KMRC products, SACCOs & developer instalment plans
- Satellite towns offer real value today — don't wait for rates to fall
- Budget for stamp duty: 4% urban, 2% rural + legal fees



## SELLERS

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- Price to the market — overpriced listings are sitting longer
- High-end apartments in Westlands/Kilimani face more competition
- Flexible payment plans can expand your buyer pool significantly



## RELOCATION TEAMS

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- STR (short-term rentals) ideal for transferees on assignment
- Corporate & NGO demand remains active in Nairobi
- Diaspora buyers need Power of Attorney + legal representation



## The Bottom Line

Kenya's market in 2026 is fundamentally undersupplied but access-constrained. Unlike the U.S. where the key variable is rate levels, here the key variable is who can access financing at all.

*For those who can — through cash, diaspora savings, SACCOs, or improving KMRC products — this stabilisation period represents a genuine window of opportunity before the next growth cycle.*

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**Smart strategy. Accurate pricing. A relocation-experienced team.**