Almaty Market Overview

Residential

Scot Holland PROFESSIONAL SERVICES

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Q1 2025

BRIEFLY ABOUT THE MAIN THING

	Compared 1Q 25	1Q 24
Prices	↑	↑
Absorption	↔	↔

MAIN TOPICS

- Activity in the housing market;
- The number of purchase transactions

  housing sales;
- Housing stock and commissioning of residential buildings;
- Volumes of mortgage lending;
- Average market sales prices and rental rates.

REVIEW

The number of purchase and sale transactions in the Republic in the period January-March 2025 decreased by 0.01% compared to the same period in 2024.
Quantity Transactions of purchase and sale registered for the period January-March 2025 in the city of Almaty by 17.0% less compared to the same period in 2024. The number of purchase and sale transactions in December 2024 is 16.5% more than in December 2023.

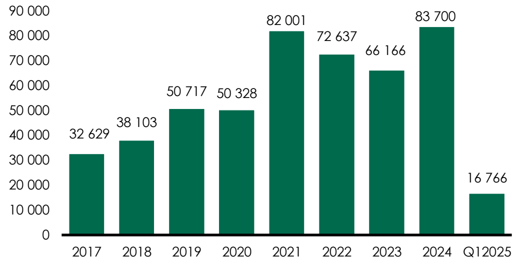
Almaty traditionally remains one of the leaders after Astana, among the regions in terms of the number of transactions concluded. In January-March 2025, the share of Almaty amounted to 19.12% of the total Republican market.

Amount of investment in housing construction

Almaty in January-June 2024 amounted to 280 billion tenge, which is 1.4% less compared to the same period in 2023. The volume of investments in housing construction in the Republic of Kazakhstan in January-June 2024 amounted to 1,375 billion tenge, which is 3.7% more compared to the same period in 2023.

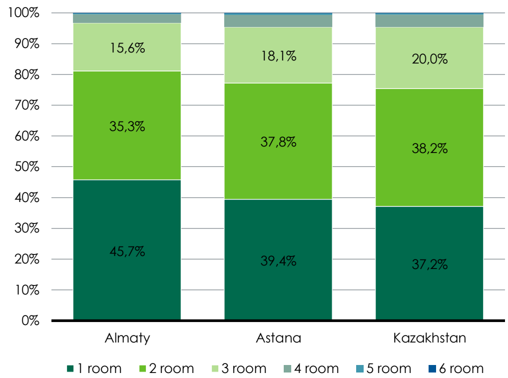
In January-June 2025, the total area of commissioned housing increased by 8.6% and amounted to 1341.6 thousand square meters, of which in apartment buildings - by 15.4% (1174.1 thousand square meters). The total area of commissioned individual residential buildings decreased by 23.1% (167.5 thousand square meters).

Number of housing purchase and sale transactions in Almaty, 2017-Q12025



Source: Bureau of National Medicine. Statistics of the Republic of Kazakhstan

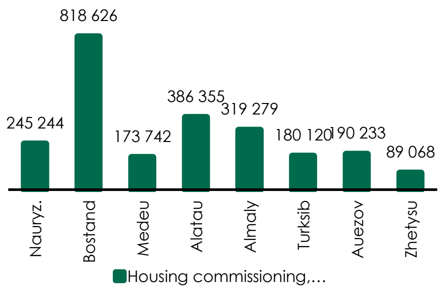
Distribution of apartment purchase and sale transactions by number of rooms in Q12025



ECONOMIC INDICATORS

- Population as of March 1, 2025 - 2,305,765 people;
- Unemployment rate (Q1, 2025) - 4.5%;
- GRP (January-March 2025) - 6,5%;
- Inflation (June 25) - 7,7%;
- Weighted average official exchange rate KZT/USD (Q1, 25) - 510.28

Commissioning of housing by districts, sq.m (January-December 2024)



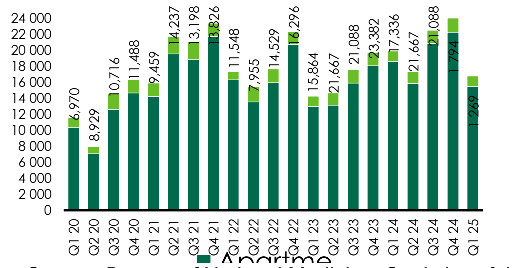
Source: Bureau of National Medicine. Statistics of the Republic of Kazakhstan

In the period from January - March 2025, the largest volume of construction work was traditionally in Bostandyk (39.47%) and Alatau (14.69%) districts. The share of other districts was: Medeu - 3.61%, Nauryzbay - 10.62%, Almaly, Auezov, Zhetysu and Turksib - 1 2.01%, 9.8%, 2.51% and 7.25%, respectively.

Source: Bureau of National Medicine. Statistics of the Republic of Kazakhstan

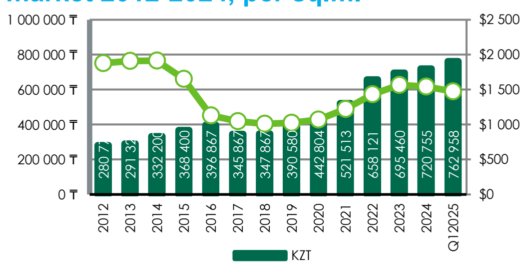
The share of transactions with apartments in Q1 2025 is 93%, and with houses - 7%. On average, in Kazakhstan, the share of transactions with apartments is 72%, and with houses - 28%.

Transactions for the purchase and sale of housing in Almaty, 2020-Q12025



Source: Bureau of National Medicine. Statistics of the Republic of Kazakhstan

Average supply prices in the housing market 2012-2024, per sq.m.



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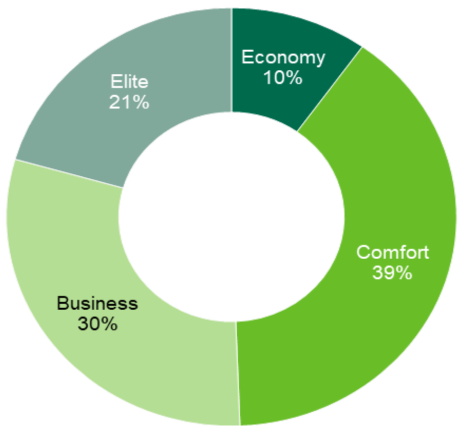
Distribution of housing projects in the primary market of Almaty by classes



Source: Scot Holland LLP

As of April 1, 2025, the banking sector of the Republic of Kazakhstan is represented by 21 second-tier banks, of which 12 banks with foreign participation, including 9 subsidiary banks.

As of April 1, 2025, the assets of the banking sector amounted to 62.0 trillion KZT, having increased by 1.6% in March of this year (an increase of 0.7% since the beginning of 2025), mainly due to the growth of the loan portfolio of banks by 2.0% to 36.7 trillion KZT.

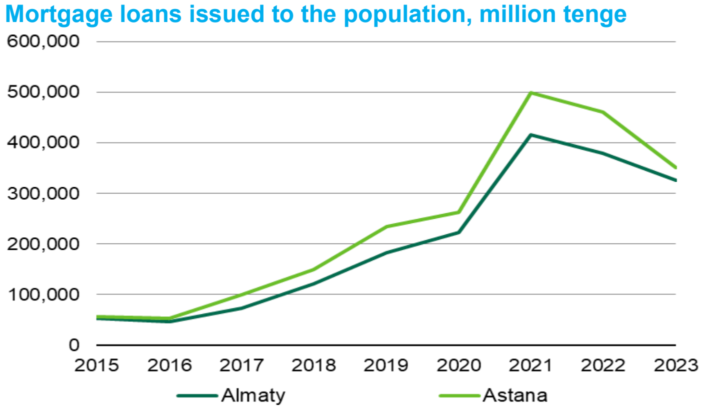
In the structure of issuing new mortgage loans, the positive dynamics of market lending continues - since the beginning of the year, mortgage loans for 617.8 billion KZT have been issued on market terms, which is 36.3% more compared to the same period in 2023. As a result, their share increased from 31.3% to 34.6% compared to the same period in 2023.

Loans to the population amounted to 21.4 trillion KZT, having increased by 1.3% in March 2025 (an increase of 3.5% since the beginning of 2025) as a result of an increase in consumer loans by 1.9% to 14.4 trillion KZT.

In March 2025, the weighted average interest rate on loans issued to the population in tenge increased to 19.7% (in February 2025 - 18.6%) due to an increase in the rate on consumer loans from 19.1% to 20.4%.

The quality of the loan portfolio of banks remains at a high level. So, as of 01.04.2025. The share of loans overdue for more than 90 days in the total loan portfolio amounted to 3.4% or 1.2 trillion KZT, slightly increasing from 3.3% a month earlier.

Mortgage loans issued to the population, million tenge



Source: National Bank of the Republic of Kazakhstan

In the first quarter of 2025, there are several mortgage programs in Kazakhstan that offer different conditions for buying a home. Major programs include 7-20-25, Nauryz, Otau, as well as programs from specific banks such as Freedom Bank and Altyn Bank. Within the framework of these programs, preferential conditions are provided, such as reduced interest rates and the possibility of buying housing in the primary and secondary markets.

Below is information on the average sales prices obtained by us during the analysis of supply in the primary residential real estate market in the city of Almaty in the 1st quarter of 2025 (by class; thousand tenge per sq.m.):

Steward	Comfort	Business	Elite
450-600	700-1000	1000-1200	1500-2500

Source: Scot Holland LLP

At the moment, developers are loyal and offer discounts and installment options when purchasing an apartment in the primary market.

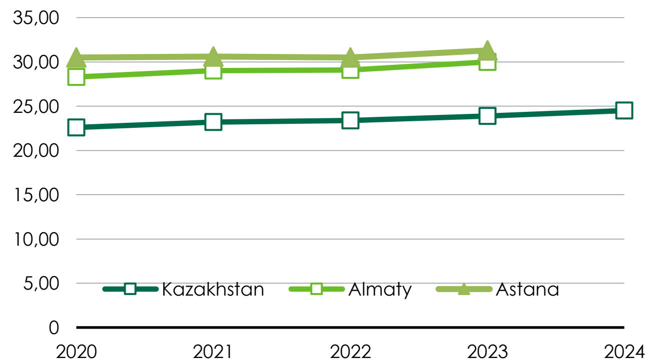
The measures taken by the state to ban infill development in Almaty, as well as to limit the height of residential construction, will shift the focus to the outskirts of the city of Almaty.

The average cost of renting apartments by room per 1 sq. m. 2025 is (thousand tenge):

1 room	2 rooms	3 rooms
250-350	350-450	500-700

Source: Scot Holland LLP

Provision of housing per capita, sq.m.



Source: Bureau of National Medicine. Statistics of the Republic of Kazakhstan

Almaty Market Overview

Office Real Estate

Scot Holland PROFESSIONAL SERVICES

www.shre.kz

Q1 2025

BRIEFLY ABOUT THE MAIN THING

	Compared 1kW 25	1kW 24
Rental rates	↔	↔
Occupancy	↔	↔

MAIN TOPICS

- Current supply of Class A and B office space;
- Projects under construction and planned;
- Increase in occupancy rates in high-quality business centers of the city;
- Stabilization of office rental rates.

ECONOMIC INDICATORS

- Population as of March 1, 2025 - 2,305,765 people;
- Unemployment rate (Q1, 2025) - 4.5%;
- GRP (January-March 2025) - 6,5%;
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REVIEW

Inflation in the Republic of Kazakhstan in March 2025 for the year amounted to 10% (in February 2025 - 9.4%), for the month - 1.3% (in the previous month - 1.5%).

In the office real estate market, there is an increase in the weighted average rental rate in the market, which significantly exceeds the growth of inflation. By the beginning of the fourth quarter of 2024 in Almaty, the growth exceeded 23% compared to the previous year.

The vacancy rate on average in the city remains at the level of 0-3%. At the same time, it is important to note that class A and B offices with finishing are 95-100% full. There are Class A office buildings with a waiting list for vacant space.

At the moment, there are no factors that could lead to a reduction in rates in the short or medium term. Moreover, by mid-2025, rates are projected to increase by more than 10%. This is due to the specifics of the market, where tariffication is tied to the inflation rate, which reached 8.4% in November. The growth of rental rates is affected not only by inflation, but also by an increase in construction costs, an increase in utility tariffs and a reduction in available land suitable for the construction of office buildings.

The total leasable area of high-quality office space in Almaty is about 906 thousand sq. m of GLA, with a clear concentration in key areas. Bostandyk district occupies a leading position, concentrating 53% of the city's business centers due to high business activity, developed infrastructure and convenient transport accessibility. In second place is the Medeu district with 18% of the area, which attracts tenants with its prestigious location and status as a historical business center.

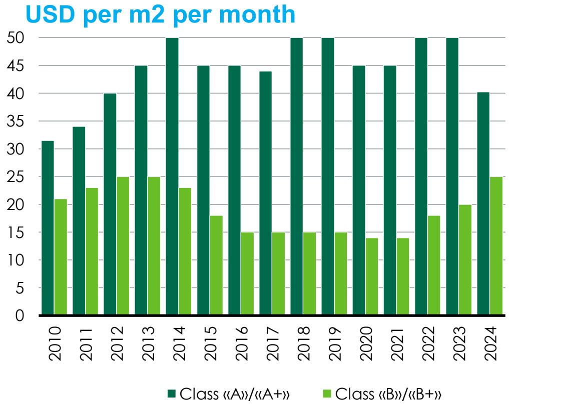
In mid-2025, it is planned to commission two new facilities: the Ortau multifunctional complex with 9 thousand square meters of Class A offices and the Capital Street business center with 10 thousand square meters of Class B+ offices. The total declared volume of office space for commissioning significantly exceeds the indicators of these two projects, but the deadlines for the completion of other facilities have not yet been specified

For the 1st quarter of 2025, the weighted average rental rate compared to the same period last year in Almaty is as follows: in class "A+" offices, the rate showed an increase to 30,208 tenge/sq.m. per month, class "A" - the average rate was 21,184 tenge/sq.m. per month, in class "B+" the increase is 16,922 tenge/sq.m. per month, in class "B" the average rate is 11,199 tenge per sq.m. per month It should be noted that the rates presented are calculated taking into account operating expenses, but not including VAT and utility costs. The main factors behind the growth in rental rates were the low vacancy rate of vacant premises, the growth of operating costs, as well as the cost of construction.

Average rental rates, per m2 9 months 2024

Source: Scot Holland LLP

Dynamics of office rental cost in Almaty, USD per m2 per month

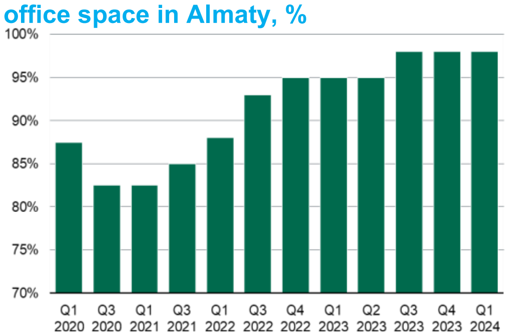


Source: Scot Holland LLP

Sale prices of office space in Almaty, USD per m2

Source: Scot Holland LLP

Dynamics of occupancy of class A and B office space in Almaty, %



Source: Scot Holland LLP

Location of large office projects in Almaty:

Source: Google, Scot Holland LLP

Administrative districts

Alatau is a new administrative district of Almaty, which until recently was the western outskirts of the city; the district includes private houses of low quality, industrial enterprises, etc.;

Almaly – the central part of Almaty; mainly residential real estate; retail facilities; a small number of office space and light industry facilities;

Auezov - covers the western part of Almaty; mainly residential real estate, not very prestigious buildings, apartment buildings in the south-eastern part of the district, private houses in other parts; simple retail facilities; modern office space is absent;

Bostandyk – covers the southern part of Almaty; the number is mainly multi-apartment residential properties of business class and several prestigious residential projects; an increasing number of retail facilities; business centers in the eastern part of the district;

Medeu – covers the south-eastern part of Almaty; the most prestigious residential part; retail facilities of excellent and standard level; business center of Almaty;

Turksib – the north-eastern part of Almaty; not prestigious private houses; trade facilities of a simple level; a small number of industrial facilities;

Zhetysu - northern part of Almaty; population of about 160,000; mix of industrial facilities, shopping malls and less prestigious residential properties

Nauryzbay - On July 2, 2014, it was decided to create a new district - Nauryzbay. The district includes private houses of various quality, industrial enterprises, etc.

For more information about this market overview, please contact:

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