

Kazakhstan



Astana Real Estate Market Q3 2025 Report

The Astana office real estate market in Q3 2025 is defined by its role as Kazakhstan's administrative and governmental capital, characterized by a stable demand for high-quality offices, particularly in and around the new administrative center. The market is larger in terms of total quality stock compared to smaller regional peers but faces a significant challenge in balancing supply and demand for the highest quality Grade A and A+ spaces.

1. Market Dynamics and Economic Context

A. Economic and Investment Drivers

Astana's office market is uniquely insulated by its primary function as the political and financial services hub, which drives specialized demand.

* Government & Financial Services: Demand is predominantly driven by government-affiliated bodies, national companies, state-owned enterprises, and institutions like the Astana International Financial Centre (AIFC). This stabilizes demand, making the market less prone to fluctuations than purely commercial hubs.

* Strong Investment: Astana is a major recipient of capital infusion. Real investment growth surged by 42% in the first seven months of 2025, with strong dynamics observed in real estate operations and finance, indicating continued confidence and a pipeline of future commercial development.

* Decentralization: Unlike Almaty, which has higher concentration, Astana's planned urban layout means office space is distributed between the old and new administrative centers, with the highest-grade buildings concentrated in the modern areas near the AIFC.

B. Supply and Stock Segmentation

Astana has a significant volume of office space, but the quality remains highly polarized. The total market has approximately 1.7 million sq. m. (GLA), but a large portion consists of older or converted stock.

Office Grade Segment	Share of Quality Stock (Est.)	Total Area (GLA est.)	Key Characteristic
Grade A / A+	~17%	~160,000 sq. m.	Concentrated in new administrative center; high-specification
Grade B+	~22%	~256,000 sq. m.	Modernized and well-located stock.
Grade B / C	~61%	Dominant volume.	Older, lower efficiency, high vacancy potential

2. Occupancy and Rental Rate Analysis

A. Vacancy Rates

The vacancy rate presents a mixed picture in Astana, where some high-quality segments show tightness, while others show moderate availability, reflecting ongoing relocation and absorption processes.

* Grade A Vacancy: While some reports indicate very low occupancy for the absolute best A+ assets (such as those in the AIFC), the overall weighted Grade A vacancy was around 24.9% in H2 2024, a relatively high figure for a prime segment. This suggests a significant amount of new, but sometimes highly specialized or large, Grade A space has recently been commissioned and is in the process of being absorbed.

* Grade B Vacancy: This segment is extremely tight, with weighted vacancy reported as low as 1.8%. This indicates a strong "spillover" demand from tenants who cannot afford or find suitable space in the top grade, or for whom the available Grade A stock does not fit their requirements.

B. Rental Rates

Rental rates for quality office space remain high, driven by the cost of construction, fit-out, and the demand from organizations with robust budgets. Rents are quoted in KZT and often indexed to the USD.

Office Grade	Estimated Monthly Rent Range (USD/sqm/month)*	Estimated Monthly Rent Range (KZT/sqm/month)**	Trend (vs. Q2 2025)
Grade A (Weighted Average)	\$28 - \$35+	KZT 15,000 - KZT 19,000+	Stable to Moderate Increase
Grade B+ (Effective)	\$18 - \$28	KZT 9,500 - KZT 15,000	Stable and Firm

**USD ranges are illustrative and based on a weighted average from market reports, often excluding VAT and OPEX. *KZT values are based on KZT 510-540 per USD.

3. Key Market Trends and Outlook

A. New Supply Pipeline

The supply pipeline is substantial, with Astana aiming to double its total area of Class A offices by 2027 to over 500,000 sq. m. Major projects like Capital City Park and Ortau (with a combined area of approximately 136,000 sq. m.) are expected to be commissioned, significantly altering the supply-demand balance.

* Impact on Pricing: The influx of new, high-quality supply is generally expected to stabilize or potentially moderate rental rate growth in late 2025/early 2026, though the pre-leasing rate (often around 40% for new Grade A space) will be key in determining the true impact on vacancy.

B. Industrial Integration and Mixed-Use

Astana is focusing heavily on industrial modernization and the creation of Special Economic Zones (SEZs) and industrial parks. This is driving demand for specific commercial and office space that supports these industrial and logistics operations, such as the office components within the new Small Industrial Zone (SIZ).

C. Investment Appeal

The commercial real estate sector in Astana, particularly for well-managed office assets, offers high returns. Residential rental yields in Astana average around 12.2%, suggesting a favorable investment environment for the commercial sector as well, especially for core, income-producing assets.

Conclusion and Outlook

The Astana office market in Q3 2025 is in a dynamic growth and absorption phase. While overall economic demand is robust, the current picture is marked by a transitional vacancy bump in the Grade A segment due to new supply commissioning. This new stock is essential for modernizing the city's commercial profile and meeting the sophisticated needs of its institutional and financial tenants. Rental rates for the best-in-class assets are expected to remain high and stable throughout the remainder of 2025, supported by the city's status and strong investment inflows.

For additional information regarding this market review, please
Contact: **Scot Holland LLP**
050051, 105 Dostyk Ave., 3rd floor
T: +7 (727) 258 1760

Roger Holland President
roger.holland@shre.kz

Evgeny Dolbilin Vice President
eugene.dolbilin@shre.kz

Sergey Matveyev Managing Director
sergey.matveyev@shre.kz

Serik Kabdrakhmanov Senior Valuation Manager
serik.kabdrakhmanov@shre.kz

2025 SCOT HOLLAND LLP DISCLAIMER

The information contained in this document has been obtained from sources recognized as reliable. While we have no doubt as to the accuracy of this information, we have not verified it and we do not make any warranties or representations about it. It is your responsibility to independently confirm verify its accuracy and completeness. Any forecasts, conclusions, assumptions or estimates used are for illustrative purposes only and do not reflect current or future market behavior. This information is intended solely for the use of Scot Holland LLP customers and may not be reproduced without prior written permission

Scot Holland LLP.