

## Kazakhstan



# Astana Commercial Real Estate Market Overview

Quarterly Report | Office, Retail & Industrial | Q1 2026

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## Executive Summary

As of Q1 2026, Astana's commercial real estate market continues to demonstrate stable growth supported by government activity, public sector demand, and ongoing urban development.

Key market characteristics include:

- Stable demand for office space, driven by government, quasi-government, and corporate tenants
- Expanding retail sector, supported by population growth and rising incomes
- Developing industrial & logistics segment, with increasing strategic importance
- Attractive high single-digit yields, reflecting moderate risk and limited liquidity

Astana offers a core-plus / income-oriented investment profile, with stable cash flows and lower volatility, though with less depth and liquidity than Almaty.

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## Macroeconomic Context

Kazakhstan's economy remains stable entering 2026, supported by:

- Oil and gas revenues
- Government spending and infrastructure development
- Growth in services and construction sectors

Astana, as the political and administrative capital, benefits from:

- Concentration of government institutions
- Presence of national companies and state-owned enterprises
- Ongoing large-scale urban development

This underpins consistent demand for commercial real estate, particularly in the office sector.

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## Office Market

### Market Overview

Astana's office market is institutionally structured but demand-driven by the public sector, with a large share of tenants including:

- Government entities
- National companies (quasi-government)
- Financial and professional services firms

The market features:

- Modern Class A business centers
- Administrative buildings
- Mixed-use developments

Compared to Almaty, demand is more state-driven and less diversified.

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### Rents & Occupancy

- Prime (Class A): ~\$20-30 per sqm/month
- Secondary (Class B): ~\$12-20 per sqm/month

Occupancy:

- Stable in prime assets
- Slightly more variable in secondary buildings

Tenant preferences include:

- Central locations (Left Bank / CBD)
  - Modern инженерные системы
  - Large floorplates for institutional tenants
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### Yields & Investment Metrics

- Prime office yields: 7.5% - 9%
- Secondary assets: 9% - 10.5%

Implications:

- Income multiples: ~10x - 13x
  - Slightly higher yields than Almaty due to lower liquidity
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### Outlook

- Stable demand driven by public and quasi-public sectors
  - Limited rental growth
  - Continued income-focused investment profile
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### Retail Market

#### Market Overview

Astana's retail market has expanded significantly in recent years, characterized by:

- Large-scale shopping malls
- Mixed-use retail developments
- Growing presence of international and regional brands

Demand drivers include:

- Population growth
  - Rising disposable income
  - Urban expansion
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### Key Trends

- Dominance of destination shopping malls
- Growth of family-oriented and entertainment-driven retail
- Increasing importance of F&B and leisure components

Retail performance is generally stable, though dependent on location and footfall.

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### Rents

- Prime retail rents vary significantly depending on mall quality and location
  - Strong premium for high-footfall shopping centers
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### Yields & Investment Metrics

- Prime retail: 7.5% - 9%
- Secondary retail: 9% - 10.5%

#### Yields reflect:

- Moderate liquidity
  - Stable tenant demand
  - Institutional-grade assets in prime locations
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### Outlook

- Stable performance with moderate growth
  - Continued dominance of shopping mall format
  - Potential for selective repositioning of older assets
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### Industrial & Logistics Market

#### Market Overview

Astana's industrial and logistics sector is developing but less mature than Almaty, supported by:

- Government-led industrial programs
  - Infrastructure development
  - Growing domestic distribution needs
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#### Market Characteristics

- Limited stock of modern logistics facilities
  - Increasing development of:
    - Industrial parks
    - Warehouse complexes
  - Strong role of state-supported development zones
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## Rents

- Warehouse rents: ~\$3-6 per sqm/month
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## Yields & Investment Metrics

- Logistics / warehouse: 8% - 10%
- Industrial assets: 9% - 11%

Higher yields reflect:

- Market immaturity
  - Limited private-sector participation
  - Lower liquidity
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## Outlook

- Gradual development of logistics infrastructure
  - Increasing importance as a regional distribution hub
  - Long-term growth potential
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## Investment Market & Pricing

### Capital Values & Multiples

- Typical pricing: ~10x - 13x income multiples

Market characteristics:

- Dominance of local investors
  - Limited institutional transactions
  - Strong focus on income stability
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## Market Positioning

Astana is best positioned as:

- Income-driven, core-plus market

Compared to peers:

- Less liquid than Almaty

- Lower growth than Tashkent or Yerevan
  - More stable than frontier markets
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## Risk & Return Profile

### Key Risks

- Dependence on government and quasi-government tenants
  - Limited liquidity and exit depth
  - Currency exposure
  - Seasonal demand fluctuations
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## Investment Case

### Astana offers:

- Stable yields (7.5% - 10%+)
- Predictable tenant demand
- Lower volatility compared to frontier markets

### Best suited for:

- Income-focused investors
  - Long-term hold strategies
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## Strategic Outlook (2026-2028)

Sector	Outlook
Office	Stable, demand driven by public sector
Retail	Moderate growth, mall-dominated
Industrial	Gradual development, state-supported growth

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## Key Catalysts

- Government spending and development programs
  - Infrastructure expansion
  - Urban population growth
  - Industrial policy initiatives
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## Conclusion

As of Q1 2026, Astana's commercial real estate market remains a stable, income-oriented investment environment, characterized by:

- Strong public-sector-driven demand
- Developing but improving private sector participation
- Limited but growing institutional activity
- Office: stable and state-driven

- Retail: mature in format, stable in performance
- Industrial/logistics: early-stage but developing

Overall, Astana represents a defensive, income-focused market, suitable for investors seeking:

- Predictable cash flows
- Moderate yields
- Lower volatility within Central Asia

For additional information regarding this market review, please

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