Almaty Office Market Overview

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Q2 2026

Kazakhstan

Almaty Office Real Estate Market – Q2 2026 Report
Period: Q2 2026
Market: Almaty, Kazakhstan
Sector: Office Real Estate
Currency: KZT / USD

Executive Summary

The Almaty office real estate market in Q2 2026 continued the transition toward a more balanced market that had already become visible in Q1 2026.

The market continues to demonstrate strong underlying demand for high-quality office space, particularly from international companies, financial institutions, IT businesses, consulting firms and large corporate occupiers. At the same time, a substantial volume of new office space has entered the market, resulting in a measurable increase in vacancy and a gradual improvement in tenant choice.

By May 2026, the total volume of vacant office space had increased to approximately 62,100 sq. m, compared with approximately 13,800 sq. m at the beginning of 2024. The vacancy rate consequently increased to approximately 3.6%. At the same time, average Class A rental rates continued to rise, reaching approximately KZT 22,500/sq. m/month, demonstrating that increased supply has not yet resulted in significant downward pressure on prime rents.

Approximately 98,300 sq. m of new office space was delivered in Almaty between the beginning of 2024 and May 2026. This represents an important change from the structural shortage that characterized the market through 2025 and into Q1 2026. However, the market remains undersupplied in terms of high-quality, large and contiguous office blocks.

The market is therefore transitioning from:
Severe undersupply → increasing supply → moderate vacancy growth → gradual market normalization
rather than moving directly into a tenant-dominated market.

The comparison with Q1 2026 is particularly important. At the beginning of 2026, the premium office segment remained highly constrained, with Class A vacancy reported at approximately 0% in Q1 2026, while Class B vacancy was approximately 4.9%. By Q2 2026, additional supply had begun to materially improve availability, although demand for modern Grade A/A+ premises remained strong.

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1. Market Dynamics and Economic Context

A. Macroeconomic Drivers
Almaty continues to be Kazakhstan's largest financial, commercial and corporate center.
The city's economy maintained positive momentum during the first half of 2026. Real GRP increased by approximately 4.6% year-on-year in Q1 2026, while services accounted for approximately 81.2% of the city's GRP structure.

The city's business environment also continues to expand:

- population reached approximately 2.37 million as of June 1, 2026;
- registered legal entities increased by approximately 6.2% year-on-year;
- registered SMEs increased by approximately 6.8%;
- fixed-capital investment increased by approximately 4.6% in January-June 2026;
- construction activity increased by approximately 22.5% in January-June 2026;
- retail trade increased by approximately 3.6% in real terms during the same period.

These indicators continue to support demand for professional office accommodation.
Economic indicators – Almaty, 2026

Indicator	Q2 / H1 2026
Population	~2.37 million
Real GRP growth, Q1 2026	+4.6%

Indicator	Q2 / H1 2026
Registered legal entities	+6.2%
Registered SMEs	+6.8%
Fixed-capital investment	+4.6%
Construction activity	+22.5%
Retail trade	+3.6%
CPI, June 2026 vs. Dec. 2025	+5.1%

The combination of economic growth and rising business activity provides a supportive foundation for office demand.

At the same time, continued construction activity is increasing the amount of commercial space entering the market. This creates a more complex environment for landlords, as future absorption will depend increasingly on location, building quality, fit-out and tenant requirements rather than simply on the availability of additional floor area.

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2. Supply and Market Segmentation
A. Structural Changes in Supply
The most significant change in the Almaty office market during 2026 has been the increase in new supply. Approximately 98,300 sq. m of office space was delivered between the beginning of 2024 and May 2026. This new supply has materially increased the amount of space available for lease and has begun to reduce the extreme supply constraints observed in previous periods.

The total high-quality office market is estimated at approximately 1.0 million sq. m GLA, with approximately 70% of the stock represented by Class B offices.

This confirms that the structural imbalance remains: most of the market consists of older or lower-grade buildings, while modern Class A/A+ stock represents a relatively limited share.
Estimated market segmentation

Office Grade	Approx. Share / Market Position	Key Characteristics
Grade A+	Limited	Premium buildings, advanced engineering, high service standards
Grade A	Limited but expanding	Strong corporate demand
Grade B+	Significant	Increasing alternative to Class A
Grade B	~70% of stock	Largest segment, significant variation in quality

The key issue in 2026 is therefore no longer simply the quantity of office space, but the quality, location and configuration of available space.

New supply is gradually expanding the choice available to tenants. However, much of the additional space does not directly substitute for premium Grade A/A+ premises because corporate occupiers frequently require specific technical standards, parking capacity, efficient floor plates, professional management and large contiguous blocks.

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3. Occupancy and Vacancy Analysis
A. Vacancy Rates
The market experienced a noticeable increase in vacancy as new projects entered the market.

By May 2026:

- vacant office space reached approximately 62,100 sq. m;
- overall vacancy reached approximately 3.6%;
- vacant space had increased approximately 4.5 times compared with the beginning of 2024.

The Q2 2026 level represents a material change from the highly constrained conditions observed at the beginning of the year.

A separate market assessment based on Cushman & Wakefield Veritas data for Q1 2026 reported approximately 0% vacancy for Class A and approximately 4.9% for Class B, illustrating the significant difference between premium and secondary segments.

The Q2 increase in overall vacancy should not therefore be interpreted as a collapse in demand.
Industry specialists continue to report a shortage of high-quality office premises, particularly large contiguous office blocks. The market is experiencing an increase in total availability while simultaneously retaining a shortage of the specific types of space required by major corporate occupiers.
Vacancy / occupancy indicators

Segment	Q2 2026 Market Condition
Grade A+	Very high demand / limited availability
Grade A	Strong demand; increasing availability due to new supply
Grade B+	Moderate vacancy, affected by new deliveries
Grade B	Highest availability
Overall market	~3.6% vacancy as of May 2026

Q1 2026 → Q2 2026
The most important change during the quarter was not a fundamental deterioration in demand, but an increase in the amount of space available to tenants.
Q1 2026:
Very limited premium availability → strong landlord position → limited tenant choice.
Q2 2026:
Increasing availability → moderate vacancy growth → improving tenant choice → gradually increasing competition among landlords.
This indicates that the market is moving toward equilibrium, although it has not yet reached a tenant-dominated phase.

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4. Rental Rate Analysis
One of the most notable features of the Q2 2026 market is that rents continued to increase despite rising vacancy.

According to Bright Rich market data, the average Class A rental rate reached approximately KZT 22,500/sq. m/month by May 2026. This represents continued growth from approximately KZT 21,300/sq. m/month at the beginning of 2024.

Indicative rental levels remain highly dependent on building quality, location and lease structure.
Indicative rental rates

Office Grade	Indicative Monthly Rent
Grade A+	~KZT 30,000-36,000+
Grade A	~KZT 22,500 average
Grade B+	~KZT 14,000-18,000
Grade B	~KZT 10,000-13,000

The A+ figure should be regarded as an indicative market level rather than a directly comparable quarterly average. Premium assets can command substantially higher rents depending on location, fit-out, technical specifications and tenant package.

Rental rates vary considerably depending on:

- location;
- building quality;
- fit-out;
- parking;
- operating expenses;
- VAT treatment;
- lease term;

- size of premises;
- floor and visibility;
- building management.

Important market observation
The increase in vacancy has not yet translated into a significant decline in prime rents.
This indicates that landlords of high-quality buildings retain relatively strong negotiating positions, particularly for modern, well-located premises.

However, the relationship between supply and rents is beginning to change. As tenant choice increases, landlords are likely to face greater pressure to provide fit-out contributions, rent-free periods, flexible lease structures and other incentives.

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5. Comparison with Q1 2026
The transition from Q1 2026 to Q2 2026 represents an important change in market dynamics.

Indicator	Q1 2026	Q2 2026
Overall vacancy	Low; Class A approximately 0%, Class B approximately 4.9%	~3.6% overall
Grade A/A+	Very limited availability; strong demand	Strong demand; increasing availability
Available quality space	Limited	Increasing due to new supply
Class A rent	~KZT 20,700-21,000 indicative	~KZT 22,500 average
New supply	Supply cycle accelerating	~98,300 sq. m delivered since 2024
Market balance	Strong landlord position	Moving toward greater equilibrium
Tenant choice	Limited	Improving
Rental trend	Stable to moderately increasing	Continued growth despite higher vacancy
Landlord competition	Relatively limited	Increasing
Tenant negotiating power	Limited	Gradually increasing

Rental figures should be treated as indicative because different market sources may apply different methodologies concerning VAT, operating expenses, fit-out and property selection.
Key conclusion

The market has not reversed, but it has continued to change phase.
In Q1 2026:
Demand for high-quality office space significantly exceeded the immediately available supply.
By Q2 2026:
Supply began to catch up with demand, resulting in higher vacancy and improved tenant choice, while quality office space remained relatively scarce.
The key transition can therefore be summarized as:
Q1 2026:
Severe supply constraints → strong landlord position → limited tenant choice
Q2 2026:
Increasing supply → moderate vacancy growth → improving tenant choice → gradual market normalization
The important distinction is that the increase in vacancy has so far been accompanied by continued rental growth rather than a sharp correction in prime rents.

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6. New Development and Supply Pipeline
The development pipeline has become the main factor influencing the market.
Market sources estimate that more than 85,000 sq. m of additional office space could enter the Almaty market

during 2026. Another market assessment based on Cushman & Wakefield Veritas data expects approximately 150,000 sq. m of new office space during 2026-2027.
The different estimates reflect differences in methodology, project completion assumptions and the definition of office stock.
Expected market effect
The additional supply should:

1. increase tenant choice;
2. reduce pressure on existing premium buildings;
3. increase competition between business centers;
4. encourage landlords to improve services and building standards;
5. slow the growth of rental rates;
6. increase the importance of tenant incentives.

However, a sharp correction in prime rents is not currently the most likely scenario.
The main reason is that new supply does not necessarily represent direct substitutes for existing premium stock. Large corporate occupiers continue to require specific locations, building standards and floor configurations.
As a result, the market may simultaneously experience:
higher overall vacancy + strong demand for premium premises.

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7. Tenant Behaviour
Tenant requirements are becoming more sophisticated.
Companies increasingly evaluate not only the rental price but also:

- quality of building management;
- technical documentation;
- engineering systems;
- parking availability;
- security;
- reception and common areas;
- energy efficiency;
- flexibility of floor plans;
- quality of fit-out;
- ability to integrate modern technology.

According to market participants, companies continue to prefer offices with completed fit-out, as many tenants are reluctant to assume significant CAPEX for their own premises.
This trend is particularly important for landlords of older Class B buildings.
As the supply of office space increases, tenants are gaining greater ability to compare buildings and negotiate lease conditions. Consequently, the competitive environment is shifting from a simple "space availability" model toward a broader comparison of total occupancy cost and workplace quality.

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8. Flexible Offices and Coworking
The flexible office segment continues to develop as an important component of the Almaty commercial real estate market.

As of early 2026, the city had approximately 57 coworking/flexible-office locations, while the wider flexible-office market was estimated at approximately 59,000 sq. m and around 7,000 workstations.
Demand is being supported by:

- SMEs;
- technology companies;
- international organizations;
- project teams;
- companies entering the Almaty market;
- businesses requiring temporary or flexible office capacity.

The segment is therefore increasingly complementary to the traditional office market rather than simply competing with it.
Flexible office operators also provide an alternative for companies that want to reduce initial CAPEX or maintain flexibility while evaluating their longer-term office requirements.
The continued development of this segment may also support demand for Grade A buildings, as flexible-office operators generally prefer well-located properties with strong infrastructure and efficient floor configurations.

9. ESG, Technology and Building Standards

The requirements for modern office buildings continue to increase.

International and major corporate tenants increasingly expect:

- modern HVAC systems;
- energy-efficient infrastructure;
- smart-building technology;
- digital access control;
- professional facility management;
- reliable technical systems;
- sustainable building practices;
- high-quality common areas.

This is increasing the gap between modern Grade A/A+ properties and older Class B stock.
The competitive advantage of a building is therefore increasingly determined not only by location, but also by the quality of its infrastructure and management.
For developers, this creates additional capital requirements but also provides an opportunity to differentiate new projects from the existing stock.
For landlords of older buildings, modernization of common areas, engineering systems, security and tenant services may become increasingly important for maintaining occupancy.

10. Investment Activity

The investment outlook for quality commercial real estate remains positive.

The main investment rationale is based on:

- sustained corporate demand;
- relatively high rental rates;
- limited supply of premium buildings;
- continued growth of the Almaty economy;
- increasing number of companies;
- development of modern business districts.

At the same time, investors face a more competitive market than in previous years.
The increase in supply means that future investment projects must demonstrate:

- strong location;
- modern specifications;
- efficient floor plates;
- parking;
- high-quality management;
- competitive operating costs;
- ESG and technology characteristics.

The development economics of A+ projects remain challenging because of high land costs, construction costs and the relatively narrow pool of potential premium tenants.
The Q2 2026 market environment suggests that investors should pay particular attention to the quality and absorption potential of new supply.
Projects with large floor plates, modern engineering, strong accessibility and high-quality tenant amenities are likely to be better positioned to capture demand from large corporate occupiers.

11. Main Risks

11.1. Increasing Vacancy

The increase in vacancy to approximately 3.6% demonstrates that the market is moving away from the extreme supply shortage that characterized the previous period.
If a large volume of new projects enters the market simultaneously, vacancy could increase further.
The principal risk is therefore not necessarily weak demand, but temporary oversupply in specific locations or building segments.

11.2. Construction Costs

Higher construction and operating costs continue to put upward pressure on rental rates and development budgets.
This may limit the number of financially viable premium projects despite continued demand.

11.3. Inflation

Consumer prices in Almaty increased by approximately 5.1% between December 2025 and June 2026, contributing to higher operating and maintenance costs.

Persistent inflation may also affect tenant budgets and limit the ability of companies to absorb further rental increases.

11.4. Competition Among Business Centers

As tenants receive more options, landlords will need to compete not only on price but also on:

- fit-out;
- services;
- parking;
- flexibility;
- building management;
- lease incentives.

This will be particularly important for Class B and B+ buildings competing with newly delivered projects.

11.5. Uneven Absorption of New Supply

The market may experience different levels of absorption across locations and property classes.

New Grade A projects in established business districts may attract demand relatively quickly, while secondary buildings or projects with weaker accessibility may experience longer vacancy periods.

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12. Market Outlook – H2 2026

The second half of 2026 is expected to represent a further transition toward a more balanced office market.

Base-case scenario

Supply increases → vacancy rises moderately → tenant choice improves → rental growth slows → market gradually stabilizes.

A significant decline in prime rents is not expected in the base case because demand for high-quality premises remains strong and the market still lacks sufficient large modern office blocks.

However, rental growth is expected to become more moderate as additional supply provides tenants with greater negotiating leverage.

Expected trends

Indicator	H2 2026 Outlook
Supply	↑ Increasing
Vacancy	↑ Moderate increase
Grade A demand	Strong
Grade A rents	↔ / ↑ Moderate growth
Grade B rents	More competitive
Tenant negotiating power	↑ Increasing
Landlord negotiating power	↓ Gradually decreasing
New development	↑ Active
Flexible offices	↑ Growing

The most likely market scenario is therefore gradual normalization rather than a sharp correction.

The market is expected to move closer to equilibrium as new projects are absorbed, but the premium segment is likely to remain relatively tight.

Conclusion

The Almaty office real estate market in Q2 2026 continued the transition that had already become visible in Q1 2026.

In Q1 2026, the dominant market characteristic remained a shortage of high-quality Grade A/A+ space and extremely limited availability in the premium segment. Class A vacancy was reported at approximately 0%, while Class B vacancy was approximately 4.9%.

By Q2 2026, the substantial increase in new supply had started to rebalance the market. Approximately 98,300 sq. m of office space had been delivered between the beginning of 2024 and May 2026, while vacant space

increased to approximately 62,100 sq. m and the overall vacancy rate reached around 3.6%.
However, the market has not entered a tenant-dominated phase.

The most important observation is that rents continued to increase despite higher vacancy. Class A rents reached approximately KZT 22,500/sq. m/month, demonstrating that high-quality office space continues to command a premium.

The market can therefore be characterized as:
“Growing supply, moderate vacancy, but continuing structural shortage of high-quality office space.”
The key market trend for the remainder of 2026 is expected to be gradual stabilization rather than a sharp correction.

For tenants, the market is becoming more favorable because the number of available options is increasing. Companies are gaining greater ability to compare buildings, negotiate lease terms and select premises according to quality, location and total occupancy cost.

For landlords, however, competition will become stronger, particularly among older Class B and B+ buildings. The ability to offer high-quality fit-out, professional management, parking, flexible lease structures and competitive operating costs will become increasingly important.

For investors and developers, the strongest long-term opportunities remain concentrated in well-located Grade A/A+ assets with modern engineering, professional management, flexible layouts, parking and high-quality tenant services.

Overall, the Q2 2026 market should be viewed not as a market downturn, but as a transition from an extreme supply-constrained environment toward a more balanced and competitive office market.

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