



Kenya REITs

Chart Book | 2025 H1



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A Vision for Data-Driven REIT Excellence

This inaugural Kenya REIT Chart Book was conceptualized by **Ruth Okal**, CFA—Chairperson of the REIT Association of Kenya (RAK) Policy, Research, and Publications (PPR) Sub-Committee, and Assistant General Manager at ILAM Fahari I-REIT. As a trailblazing founder REIT manager, Ruth has spearheaded transformative initiatives, including the pioneering restructuring of STANLIB Fahari I-REIT—East Africa's first listed Income Real Estate Investment Trust—into a restricted REIT structure, marking a regional milestone. Her vision drives this Chart Book: to deliver data-driven insights, enhance market transparency, and elevate research standards across Kenya's REIT sector.

This Chart Book is compiled by Crispus Kamau, AssocRICS, the Executive Director of Sterling Real Estate Advisory (STREAD).

Crispus Kamau is a REIT structuring and real estate investment specialist with experience across listed property markets in Africa. He is an Executive Director at STREAD. Prior to this, he served as Senior Asset Manager – Kenya and Pan-African Industrial Platform at the LSE-listed Grit Real Estate Income Group Limited. He is an ongoing contributor to the REIT Association of Kenya's policy and research initiatives. Crispus is an Associate Member of the Royal Institution of Chartered Surveyors (AssocRICS), an IFC EDGE Expert, a CAIA candidate, and an alumnus of the University of Cape Town's Property Studies Programme.

With support from **Babra Rotich**, Investment Analyst at ICEA LION Asset Management Limited (ILAM), the promoter and REIT Manager of ILAM Fahari I-REIT.

Data has been provided and independently reviewed by the Nairobi Securities Exchange (NSE) by **Bryan Nthiga**, Business development manager and the REIT Association of Kenya (RAK).

RAK Disclaimer

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1. INTRODUCTION

This Chart Book provides a snapshot of the performance of Kenyan Real Estate Investment Trusts (REITs) relative to other key asset classes in the Kenyan capital markets, analysing short-, medium-, and long-term trends over the 2020–2025 period. The publication focuses on returns, income characteristics, liquidity, and valuation metrics, using publicly available market data.

The objective of the Chart Book is to support market participants, policymakers, and investors with consistent, transparent, and comparable performance indicators for the Kenyan REIT market.

2. PERFORMANCE

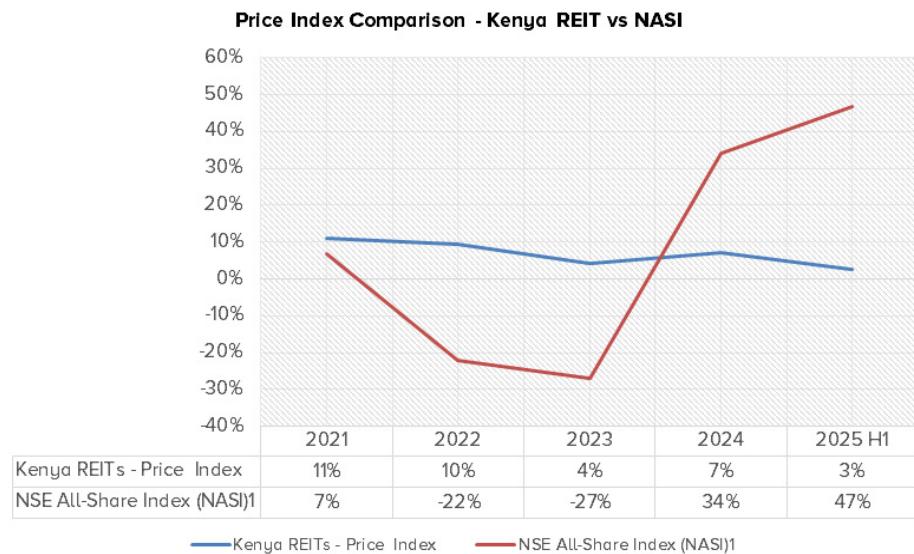
This table summarises the annual performance of Kenyan REITs relative to the NSE All-Share Index and the 10-Year Government Bond yield, highlighting comparative returns across property, equities, and fixed income over the period.

Period	Kenya REITs - Price Only Index	NSE All-Share Index (NASI)	Kenya REITs - Total Index	10 Year Bond Yield
2020 FY	n/a	-6.2%	n/a	11.9%
2021 FY	11.0%	7.0%	8.3%	12.5%
2022 FY	9.5%	-21.9%	9.2%	13.8%
2023 FY	4.2%	-26.8%	5.9%	15.7%
2024 FY	7.0%	34.0%	5.5%	13.6%
2025 H1	2.7%	46.8%	1.0%	12.4%

1 – The NSE All-Share Index (NASI) is a price-only index and excludes income returns.

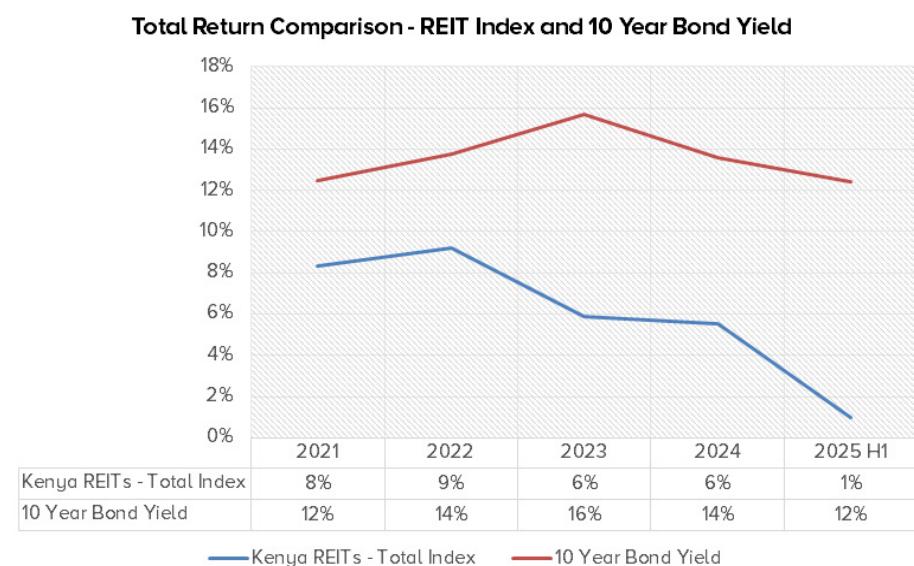
3. RETURN INDEXES COMPARISON

This chart compares the price index movements of listed Kenyan REITs against the NSE All-Share Index (NASI) over the period 2021 to H1 2025. It presents the indexed price trends for both asset classes on a common percentage basis, allowing for a clear visual comparison of how REIT prices and the broader equity market have moved over time.



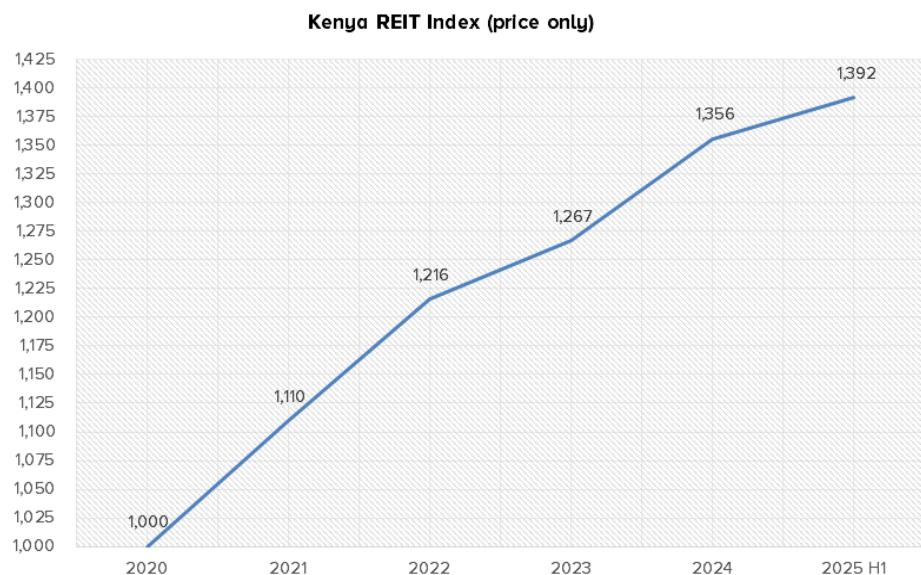
1 – The NSE All-Share Index (NASI) is a price-only index and excludes income returns.

This chart presents a comparison between the Kenyan REIT total return index and the 10-year government bond yield over the period 2021 to H1 2025. It shows the indexed annual return profile of listed Kenyan REITs alongside prevailing long-term risk-free yields, providing a visual reference of their relative movement over time.



4. Kenya REIT Index (Price Only)

This chart isolates pure price performance of listed Kenyan REITs, excluding income distributions, to highlight capital appreciation trends and market pricing dynamics.



5. Comparative Price Return Investment Correlation

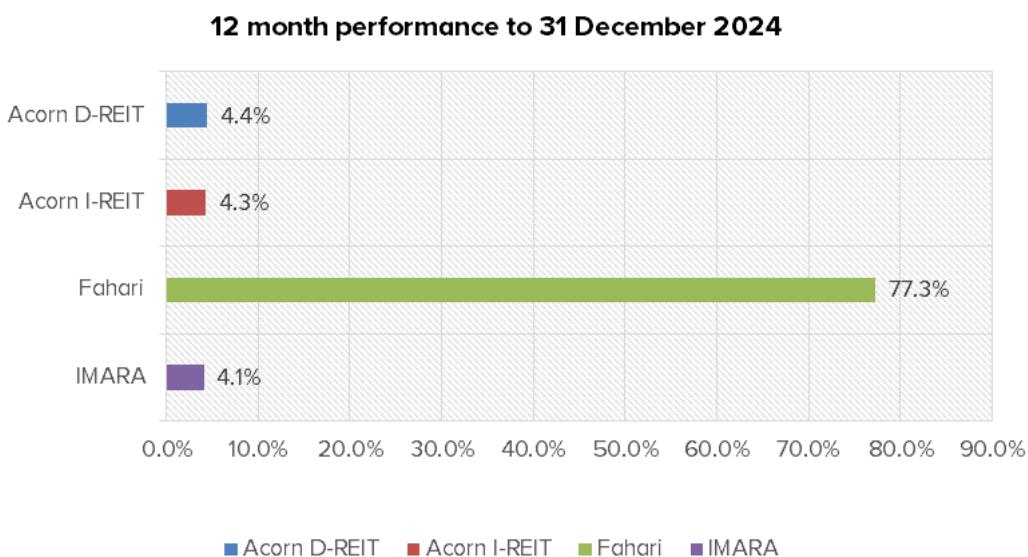
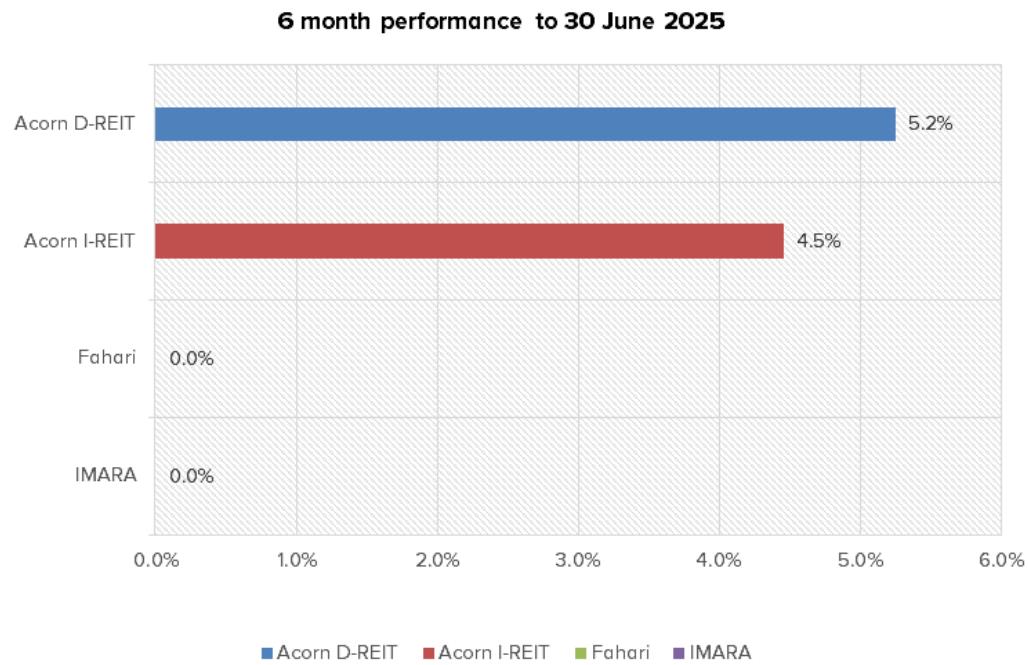
This chart presents the correlation of price returns between Kenyan REITs and selected equity and fixed income indices, illustrating diversification characteristics independent of income distributions.

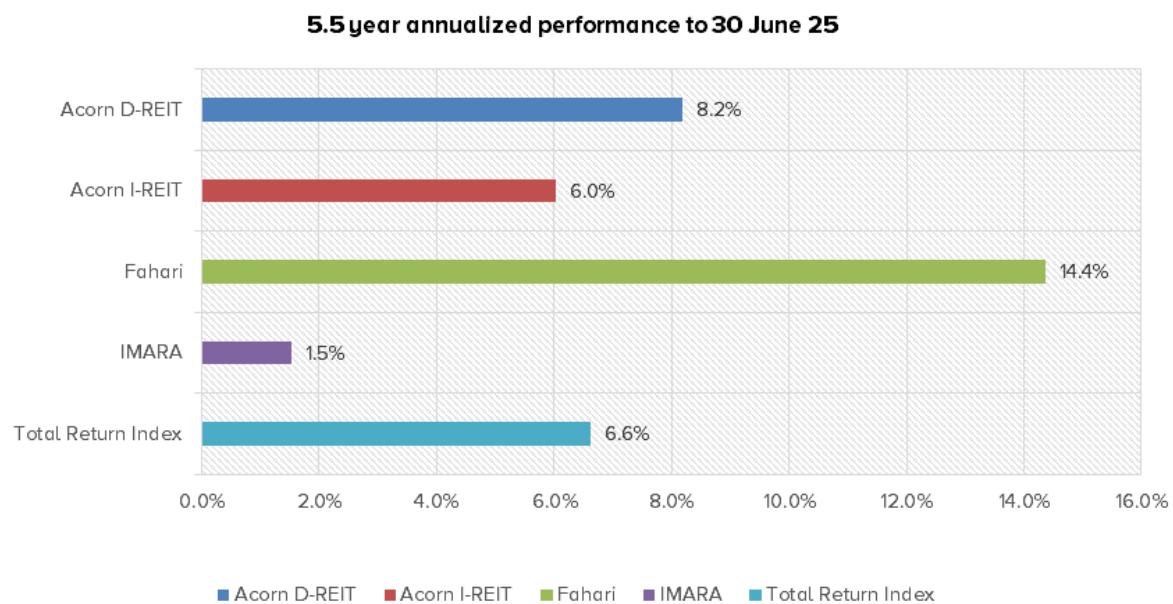
	NASI	NSE 20	NSE Manufacturing	NSE Financial	S&P Kenya Bond Index ²	Kenyan REITs
NASI	1.00	0.82	0.59	0.79	0.11	0.14
NSE 20	0.82	1.00	0.57	0.86	0.06	0.23
NSE Manufacturing	0.59	0.57	1.00	0.53	-0.01	0.22
NSE Financial	0.79	0.86	0.53	1.00	0.12	0.25
S&P Kenya Bond Index	0.11	0.06	-0.01	0.12	1.00	0.09
Kenyan REITs	0.14	0.23	0.22	0.25	0.09	1.00

2 - S&P Kenya Sovereign Bond Index (Total Return) reflects both price changes and reinvested coupon income.

6. Kenyan REITs – Short-, Medium- and Long-Term Performance

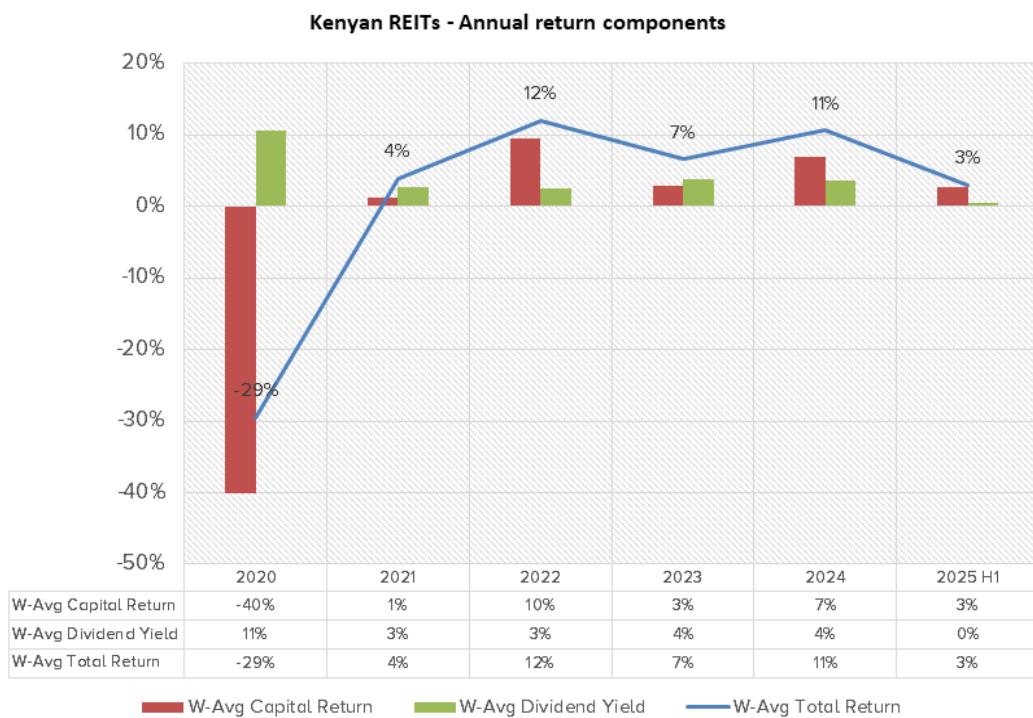
This chart compares Kenyan Total REIT performance across different investment horizons, highlighting consistency, cyclical, and resilience over time.





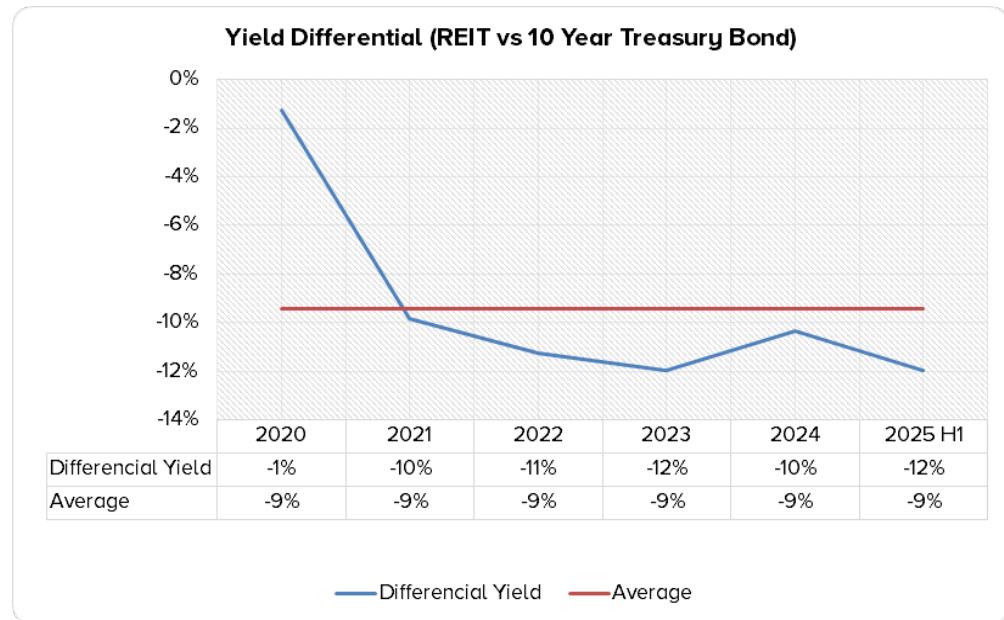
7. Kenyan REITs - annual return components

This chart decomposes annual REIT returns into income and price components, providing insight into the primary drivers of investor returns.



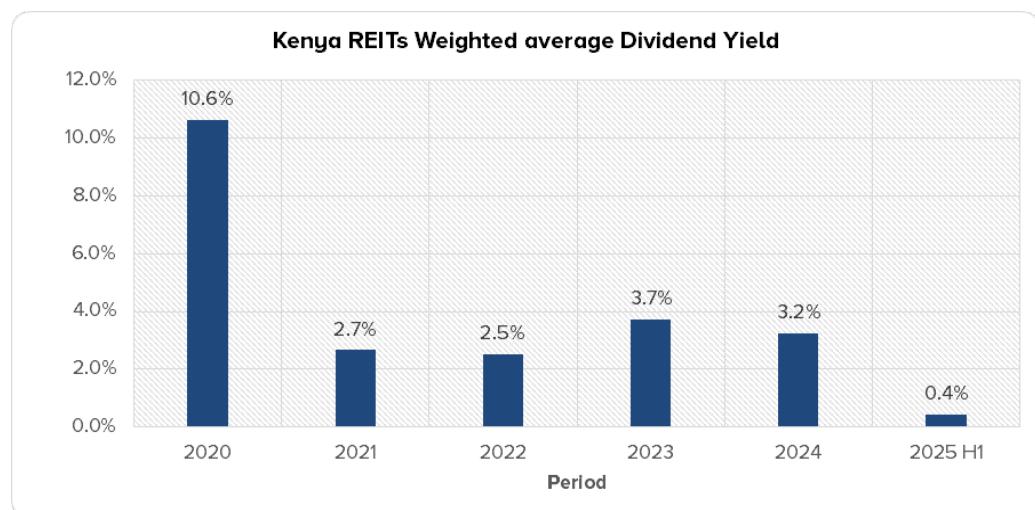
8. Yield Differential (REIT vs 10 Year Treasury Bond)

This chart shows the yield spread between Kenyan REITs and the 10-Year Government Bond, illustrating the relative income attractiveness of REITs versus risk-free assets.

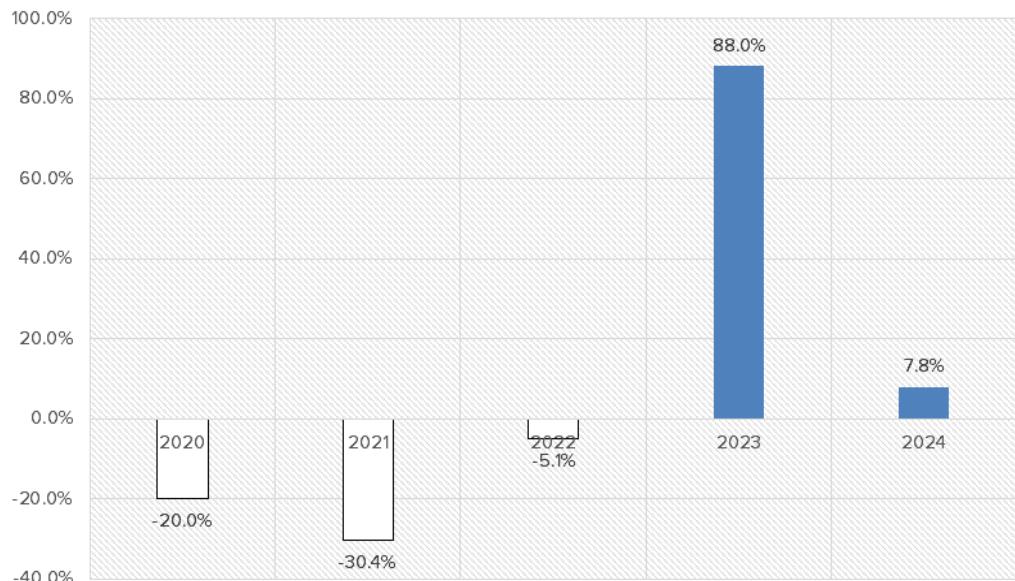


9. Kenyan REITs – Income and Distribution Trends

This chart tracks historical distribution levels and income stability, highlighting the role of REITs as income-generating investment vehicles.



Kenya REITs – Weighted Distribution Growth (Rolling 12 Months)

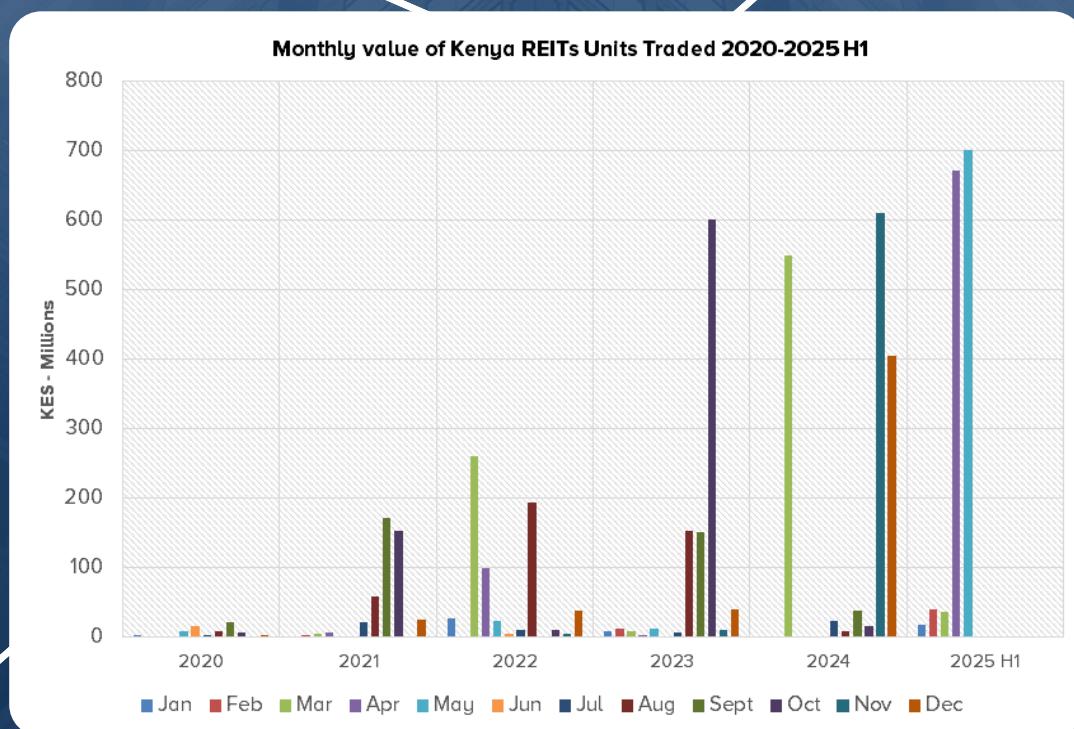
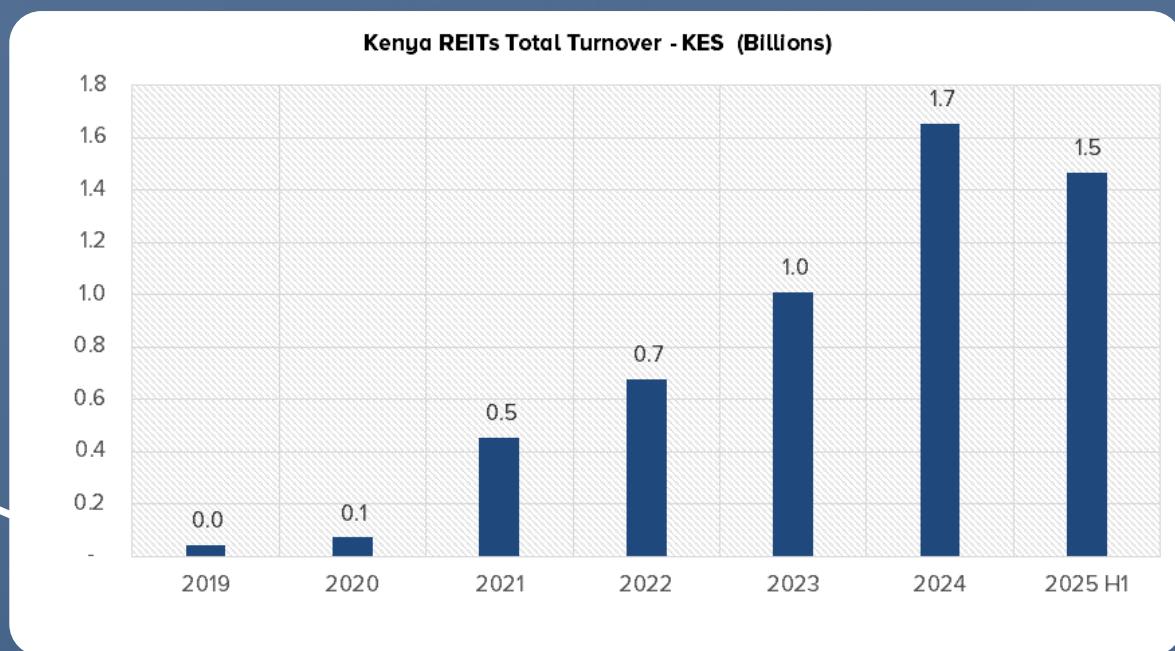


Kenya REITs Annual Dividend Yield Trends



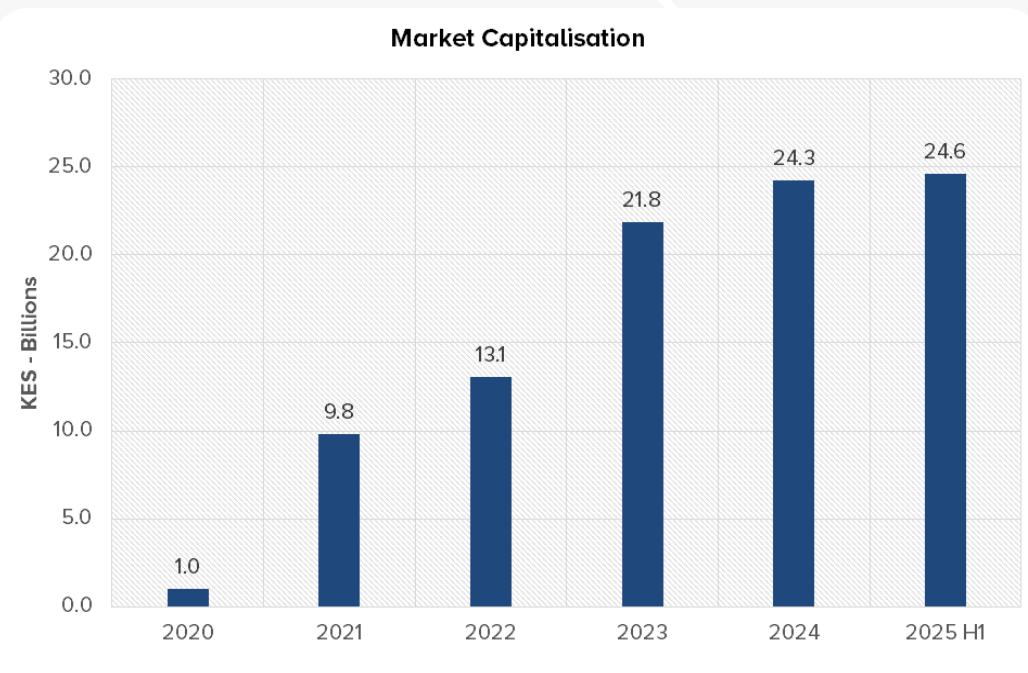
10. Kenyan REITs – Liquidity and Trading Activity

This chart presents trading volumes and turnover trends for Kenyan REITs, providing insight into market depth, liquidity, and investor participation.



11. Market Capitalisation

This chart illustrates the evolution of total market capitalisation of listed Kenyan REITs, reflecting growth in market size, asset base, and investor confidence.



Annexes

12.1 Data Source

1. **Acorn Holdings Africa** – Official investor updates and financial reports on D-REIT and I-REIT
2. **ILAM Fahari I-REIT** – Financial disclosures, historic NSE listings, USP migration updates
3. **LAPTrust Imara I-REIT** – REIT manager statements and market updates
4. **RAK Data Analysis Files** – Custom Excel datasets provided
5. **NSE** – REIT market cap, price, and trading volume data
6. **Central Bank of Kenya (CBK)** – Historical exchange rate: USD/KES
7. **Bloomberg** – Equities and fixed income data

12.2 Methodologies

Total Return – Methodology

The Kenya REIT Total Return Index measures annual investor returns by combining price movements and income distributions. Total return is calculated as annual price return plus dividend yield per unit, capturing both capital appreciation and income. The index is constructed using market capitalisation-weighted annual total returns, rebased to 1,000 in 2020, and updated annually based on the weighted average performance of eligible REITs.

Price Return – Methodology

The Kenya REIT Price Return Index tracks annual changes in listed REIT unit prices, excluding income distributions. The index is constructed using market capitalisation-weighted annual price returns, with a base value of 1,000 in 2020. REITs are included in the index from the first full calendar year after listing to ensure valid year-on-year performance comparisons. The index level is updated annually based on the weighted average price return of all eligible REITs.

Correlation Analysis – Methodology

Correlation analysis is based on Pearson Product-Moment correlation coefficients calculated using monthly return data. The analysis measures the strength and direction of linear relationships between Kenyan REITs and selected equity and fixed income benchmarks.

Annualised Performance – Methodology

Annualised returns are calculated by compounding periodic returns over the relevant time horizon and converting them to an annual equivalent rate. This ensures consistency and comparability across different performance periods.

Rolling Distribution Growth – Methodology

Rolling 12-month distribution growth measures the percentage change in weighted average distributions paid over the most recent 12-month period, recalculated on a rolling basis to smooth seasonality and one-off distribution effects.



(+254) 0111 045 600
(+254) (0)723153219
info@sterlingreit.co.ke
sterlingreit.co.ke



+254 (0) 20 2750000
Mobile: 0719 071000 | 0730 151000
Contact Centre: 0719 071999
ilamreit@icealion.com
ilamfahariireit.com



(Office) (020) 28 31 000
(Mobile) +254 100 849 765
raksecretariat@nse.co.ke

rak.co.ke