



STUDENT ACCOMMODATION ALMATY 2024

Better never settles



CUSHMAN &
WAKEFIELD

VERITAS

HEADLINES ALMATY

for 2023-2024 academic year

DEMAND

186.6 THOUSAND



FULL-TIME STUDENTS STUDYING AT HIGHER EDUCATION PROVIDERS



THE DEMAND POOL FOR ACCOMMODATION NOW STANDS AT JUST UNDER

57 239

OVER

31%

OF STUDENTS REQUIRE A BED DURING THEIR COURSE OF STUDY, ACROSS ALMATY CITY UNIVERSITIES



ALMATY IS NOW HOME TO MORE THAN

10 600

INTERNATIONAL STUDENTS

2023/24 ENTRY DATA SHOWS A

7.1% GROWTH IN ACCEPTANCE

COMPARED TO 2022-2023 ACADEMIC YEAR

SUPPLY

NUMBER OF NEW BEDS BEING DELIVERED CURRENTLY STANDS AT

44% PER YEAR



NET INCREASE IN BEDS SINCE 2017 TO 2023 STANDS AT

11 763 BEDS

STUDENT HOUSING IN NEW SCHEMES HAS INCREASED IN SIZE BY NEARLY



50 969 m² SINCE 2017/23

AS PART OF THE ROADMAP OF THE ALMATY CITY DEVELOPMENT PROGRAM, IT IS PLANNED TO CREATE

+12 000 BEDS

BY THE END OF 2025

+20 000 BEDS

BY THE END OF 2030

THE RENTAL RATE WAS STABLE SINCE 2021

50 000 KZT AVERAGE PRICE IN 2023

THERE ARE CURRENTLY

6 PROJECTS IN THE DEVELOPMENT PIPELINE, OF WHICH 4 HAVE BEEN APPROVED

DEMAND VS SUPPLY



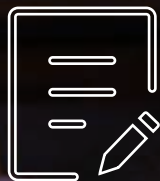
AVERAGE STUDENT TO BED RATION STANDS AT

1.61:1

DEMAND POOL FOR ACCOMMODATION HAS INCREASED BY

28 689

STUDENTS, 2017 TO 2023



CUSHMAN & WAKEFIELD'S FORECASTING SHOWS THAT MARKET HEADROOM HAS THE POTENTIAL TO GROW BY A FURTHER

280 000

STUDENTS BY 2028



AFFORDABILITY

THE GOVERNMENT PARTIALLY SUBSIDIZES ACCOMMODATION COSTS IN COLLEGE AND UNIVERSITY DORMITORIES FOR STUDENTS RECEIVING SOCIAL ASSISTANCE, WITH THE SUBSIDY CAPPED AT

29 MCI

100,050 KZT IN 2023

GOVERNMENT REIMBURSEMENT

THE FINANCE CENTER WILL REIMBURSE DEVELOPERS FOR THEIR INVESTMENT UPON COMMISSIONING OF THE DORMITORY.

NEW CONSTRUCTION



230 MCI

(in 2024 equals 849 160 KZT)

per occupied bed per year



6 years will be paid in

RECONSTRUCTION



92 MCI

(in 2024 equals 339 664 KZT)

per occupied bed per year



8 years will be paid in

The MCI, or Monthly Calculation Index, is an annual coefficient used to calculate social benefits and other payments. As of 2024, the MCI is set at 3692 KZT.

THE AVERAGE MONTHLY PRIVATE SECTOR RENT STANDS AT

from 15 000 KZT to 50 000 KZT

THE AVERAGE UNIVERSITY (GOVERNMENT) MONTHLY RENT STANDS AT

17 500 KZT



01. DEMAND

The demand for student accommodation in Almaty has grown steadily, driven by a rising number of nonresident students. The city's universities continue to attract students from neighboring countries, particularly in Central Asia. This growing demand is putting pressure on the limited available housing, especially in centrally located areas. While the number of students has increased significantly over the past five years, the supply of affordable, purpose-built student accommodation has not kept pace, exacerbating the demand-supply gap and leading to higher competition for housing.

The city of Almaty, as a leading educational hub in Kazakhstan, hosts a significant number of higher education institutions and attracts a vast student population from various regions and countries. This influx of students creates a substantial demand for accommodation, particularly in student dormitories. Understanding the dynamics of this demand is crucial for policy-making and infrastructure development.

In 2023, the total number of students enrolled in higher education institutions in Almaty reached 186,663. This marked a continued growth in the student population, reflecting the city's expanding educational opportunities and its appeal to both local and international students.

A significant portion of these students requires accommodation due to their nonresident status. In 2023 57,239 students expressed the need for dormitory housing. This figure represents approximately 30.7% of the total student population in Almaty. The demand for dormitories is influenced by several factors, including students' financial situations, the availability of housing options, and institutional policies regarding dormitory allocation.

Despite the high demand, only 35,609 students were accommodated in dormitories in 2023. This means that about 62.2% of the students who needed dormitory housing were provided with it, leaving a gap of 21,630 students who had to seek alternative accommodation solutions.

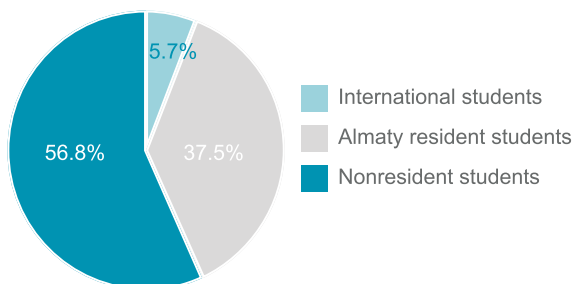
STUDENT ACCEPTANCE GROWTH 2017/2018 – 2022/2023



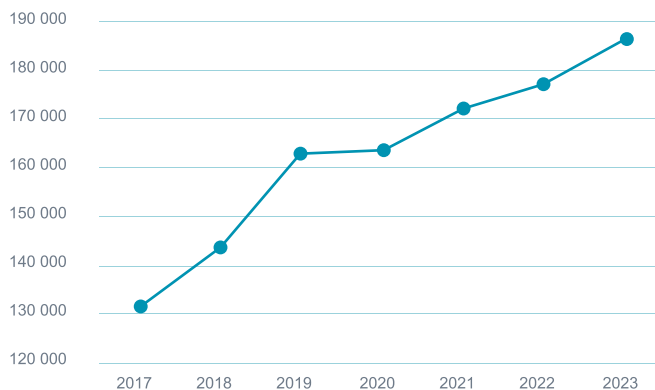
STUDENTS
+18 042
+49.8%

Source: Ministry of Statistics of the Republic of Kazakhstan

% DISTRIBUTION OF STUDENT CATEGORIES



NUMBER OF STUDENTS IN ALMATY



Source: Ministry of Statistics of the Republic of Kazakhstan

NONRESIDENT STUDENTS

Nonresident students – those who come from regions outside of Almaty – constitute a significant segment of the student population. In 2023, there were 106,043 nonresident students studying in Almaty, accounting for approximately 56.8% of the total students in the city.

Of these nonresident students 57,239 (about 53.98%) applied for and needed dormitory accommodation. The other half of nonresident students, however, did not apply for dormitory housing. This group, totaling 48,804 students, represents around 26.1% of the total student population.

Most of these nonresident students who did not apply for dormitory housing are presumed to rent apartments or have other housing arrangements in Almaty. This trend can be attributed to the prioritization policies for dormitory allocation. According to institutional guidelines, dormitory spaces are first allocated to socially vulnerable populations, followed by winners and prize-winners of international Olympiads, and then first-year students on educational grants. Other students are considered only if there are remaining vacancies. Consequently, many non-priority nonresident students opt for renting due to the low probability of securing dormitory accommodation. Therefore we assume that the **real number of students demanding in dorm is 70,434 student.**

INTERNATIONAL STUDENTS

International students add to the diversity and demand for student housing in Almaty. In 2023, the city hosted **10,661 international students**, which is about 5.7% of the total student population.

The top three countries from which the most international students come to study in Kazakhstan are **India, Uzbekistan, and Turkmenistan**. Almaty stands as the top destination for international students in Kazakhstan, attracting **38% of all international students** enrolled in the country's universities. This reflects Almaty's growing reputation as an international educational destination, especially among students from these neighboring and regional countries.

Students from **India** have shown a significant presence in Kazakhstan, with numbers increasing over the years:

- 2017: 3,500 students
- 2023: 8,984 students

Similarly, students from Uzbekistan and Turkmenistan have consistently chosen Kazakhstan for higher education:

Uzbekistan:

- 2017: 3,683 students
- 2023: 6,933 students

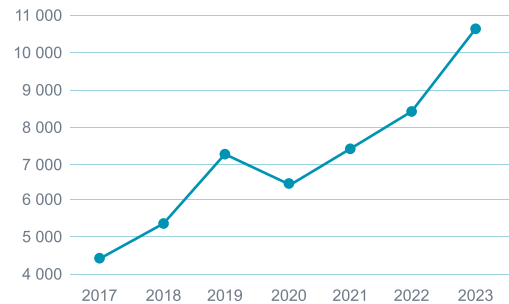
Turkmenistan:

- 2017: 1,320 students
- 2023: 2,061 students

The influx of students from these countries contributes to the overall demand for student housing, including dormitories. International students often face additional challenges in securing accommodation due to unfamiliarity with the local housing market and potential language barriers. Many rely on university-provided housing options, making dormitory availability crucial for this group.

By recognizing the origins of its international student population, Almaty can tailor its support services and housing policies to better accommodate these students, enhancing their educational experience and integration into the university community.

NUMBER OF INTERNATIONAL STUDENTS IN ALMATY



FUNDING SOURCES

An analysis of funding sources for international students reveals that:

- **84%** of international students study at their own expense or through various grants.
- **16%** are funded by the state budget of the Republic of Kazakhstan. This includes support through scholarship programs, intergovernmental agreements, ministry quotas, and grants from local authorities.

This indicates that the majority of international students are self-funded, which may influence their accommodation choices and affordability considerations.

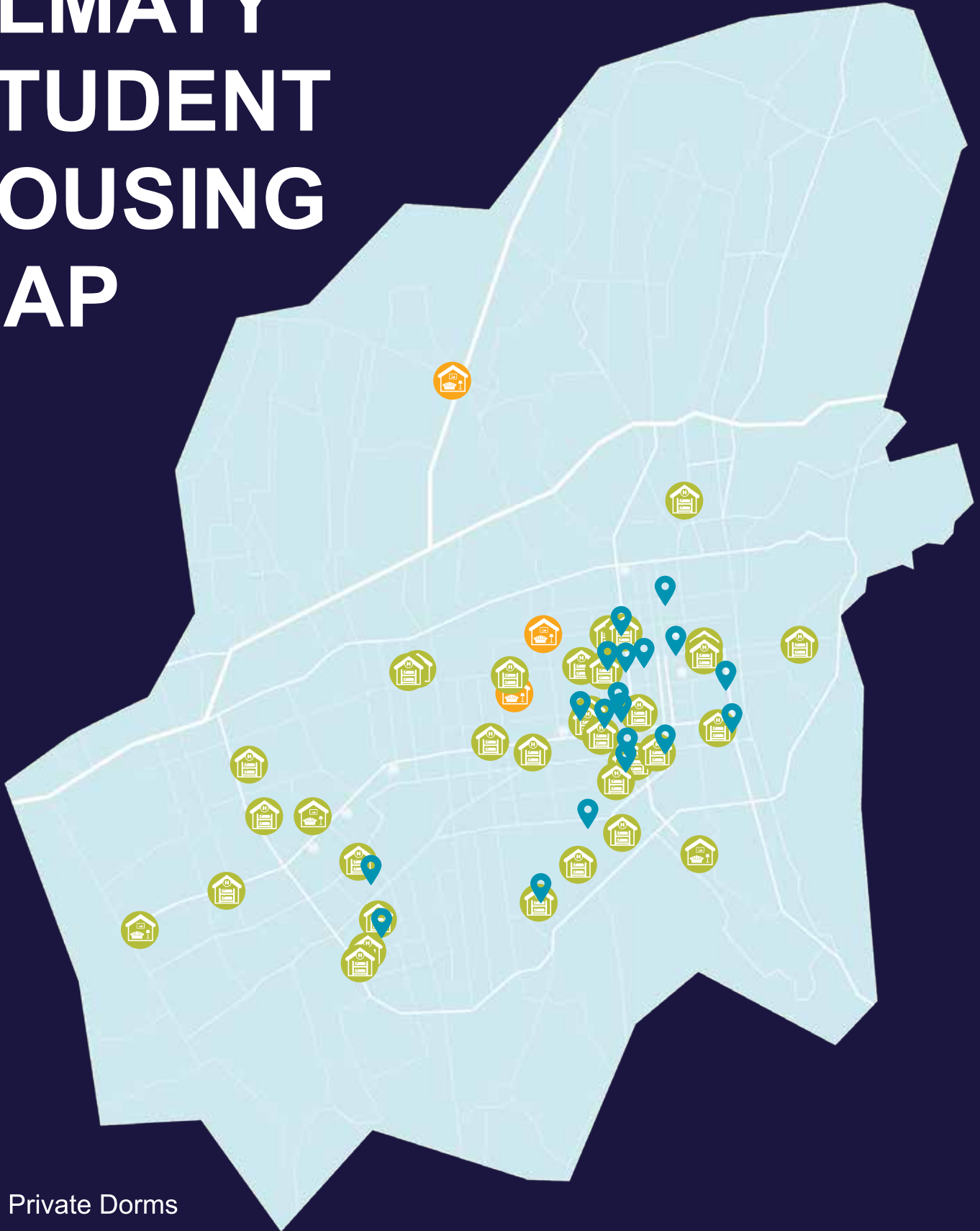
ACADEMIC MOBILITY STUDENTS

In the first half of 2023, there were 415 international students studying in Almaty through academic mobility programs:

- 113 students studied online.
- 302 students studied offline.

These programs contribute to the internationalization of higher education in Almaty and increase short-term demand for student housing, especially for those attending in-person programs.

ALMATY STUDENT HOUSING MAP



Private Dorms



University's Dorms



Universities



02. SUPPLY

The supply of purpose-built student accommodation (PBSA) in Almaty remains insufficient to meet the growing demand, especially from nonresident students. Dormitory bed supply has stagnated, increasing by less than 1% annually, while the number of nonresident students has grown significantly.

The pandemic further delayed new developments, and private sector involvement in student housing remains limited. As a result, many students are forced to rely on expensive private rental housing. The lack of large-scale dormitory projects and slow renovation of existing dormitories exacerbate the supply-demand imbalance, driving up rental prices and limiting housing options for students.

The provision of adequate student housing is a critical component of supporting the academic and social well-being of university students. In Almaty, the supply of dormitories has been a focal point in accommodating the growing student population, which includes a significant number of nonresident and international students.

34

UNIVERSITIES

109

DORMITORIES

The capacity of dormitories in Almaty has seen fluctuations over the years, influenced by new constructions and renovations. The growth in the total area of dormitories reflects the efforts to increase accommodation space for students.

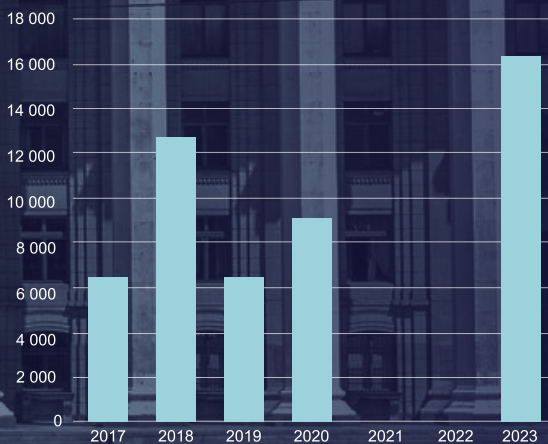
THE AVERAGE MONTHLY PRIVATE UNIVERSITY RENT STANDS AT

75 000 KZT

THE AVERAGE UNIVERSITY (GOVERNMENT) MONTHLY RENT STANDS AT

17 500 KZT

THE TOTAL AREA OF DORMITORIES COMMISSIONED IN ALMATY



Currently, there are **five dormitory projects** under development in Almaty to address the growing accommodation needs of students. One of these projects is scheduled to be completed and put into operation as early as 2024. The addition of these new facilities is expected to increase the dormitory capacity significantly, helping to mitigate the existing shortfall in student housing. These projects demonstrate ongoing efforts by universities and private developers, possibly supported by government programs, to expand and improve the availability of student accommodation in the city.

The market for long-term student accommodation in Almaty is dominated by dormitories owned by educational institutions and local housing stock. The term “local housing stock” refers to “a house in multiple occupation”, typically with three or more tenants sharing communal areas such as a kitchen, bathroom, or other living space. Dormitories are often the most affordable and popular option for students, as they are usually located near universities and offer basic amenities such as beds, desks, and communal spaces. Private hostels are serving as competitive alternatives to dormitories due to price loyalty. At the same time the supply of private-based students accommodation in the city is limited.

Monthly pricing per bed varies depending on the room type, with prices ranging from KZT 10,000 to KZT 100,000, and an average monthly price of KZT 50,000. Students who rent local housing stock typically share apartments with 3-4 people, paying between KZT 60,000 and KZT 80,000 per month per person. In the autumn of 2022, the student population in Almaty was severely affected by a significant increase in rental apartment rates, primarily due to the reallocation of expatriates from Russia. This further aggravated the already limited supply issue, causing additional challenges for students seeking affordable and quality accommodation options.

There are notable differences between private and state dormitories. State dormitories are generally more affordable but often accommodate up to six students per room. In contrast, private dormitories typically house 2-3 students per room, offering more privacy and comfort. Private dormitories also provide enhanced amenities such as wardrobes, refrigerators; sports rooms, showers, and laundries with washing machines and dryers. While state dormitories meet basic needs at a lower cost, private dormitories offer a higher standard of living for students willing to pay more.

2024 NEW DORMITORY

On the eve of the academic year in Almaty, a grand opening was held for the new dormitory of **Narxoz University, Emen Student Housing**. The Emen Student House was built in record time – less than a year – using the shareholder's own funds, without attracting subsidies or partners. It comprises a complex of buildings with three, five, and seven floors, totaling 8,700 m² in area.

424
BEDS
CAPACITY

11.2 m²
LIVING AREA PER
PERSON



Each dormitory room is designed for 2–3 people and is equipped with beds, bedside tables, ottomans, wardrobes, and a refrigerator.

Each dormitory building includes a kitchen, lounges, sports rooms, showers, and laundries equipped with modern appliances—washing machines, dryers, ironing boards, and irons.

All dormitories have Wi-Fi internet access. The lounges are equipped with plasma TVs featuring satellite and local channels. To ensure the safety of all residents, the dormitories are guarded around the clock.



80 000 KZT
PRICE PER BED



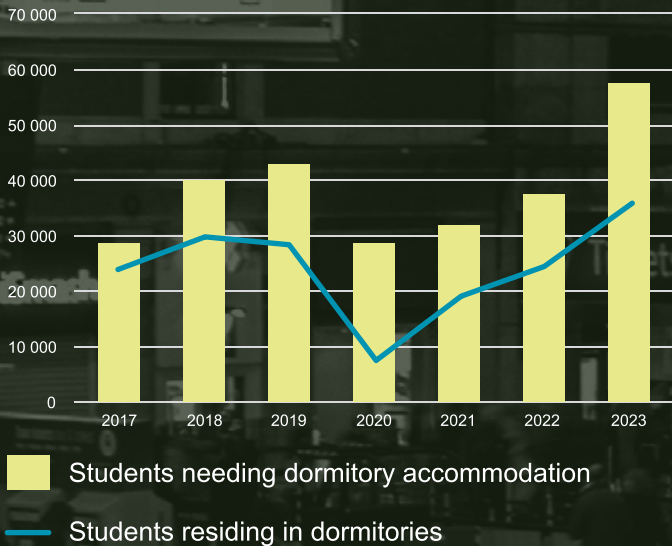


03.

DEMAND–SUPPLY DYNAMICS

Almaty's student accommodation market is characterized by a significant imbalance between demand and supply. The number of nonresident students has seen substantial growth over the past five years, driven by the city's appeal as a regional education hub. However, the supply of dormitory beds has not kept pace with this demand, leading to overcrowding in existing facilities and increased reliance on private rental housing. The limited development of new purpose-built student accommodation has intensified competition for available beds, resulting in rising rental prices and a growing affordability challenge for students.

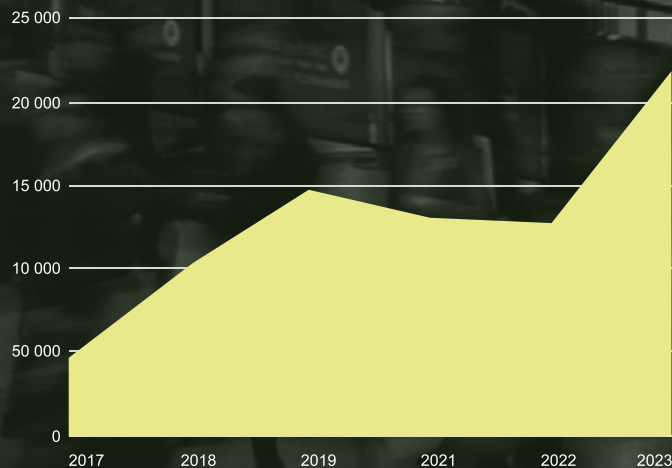
RATIO OF STUDENTS NEEDING DORMITORY ACCOMMODATION VS. STUDENTS RESIDING IN DORMITORIES



From 2017 to 2023, the number of students who applied for dormitory housing but did not receive accommodation in Almaty exhibited significant fluctuations. In 2017, there were **4,704** such students, which **increased almost by 3 times in 2019**. We do not consider the data for 2020 due to the pandemic, as students were studying online and the need for dormitories was essentially nonexistent. In 2021, the figures had not yet returned to pre-pandemic levels because not all universities had resumed offline learning; many reinstated in-person classes only in the second semester of the 2021-2022 academic year.

From 2022 to 2023, however, there was a significant growth in the number of students who applied for but did not receive dormitory accommodation. The number rose from 12,689 in 2022 to 21,630 in 2023, marking an increase of approximately **70.5%**. This surge occurred despite the **total dormitory area expanding by 16,349 m²** in 2023. The sharp rise highlights the growing demand for student housing that outpaces the current supply, even with recent expansions in dormitory facilities.

GROWTH OF STUDENTS NEEDING ACCOMMODATION BUT UNABLE TO SECURE DORMITORY SPACE



In the graphs presented, the figures used are sourced from the Statistics Committee of Republic of Kazakhstan and represent the number of students who applied for dormitory accommodation. However, we believe that the actual demand is even higher since the number of nonresident students increases every year. In 2023, there were **106,043 nonresident students** in Almaty, but only 57,239 of them applied for dormitory beds. This suggests that the remaining students also need accommodation but choose to rent apartments instead. Many of these students share apartments and divide the costs. They take such measures because they understand that they are not prioritized in the allocation of dormitory places, typically being senior students who are lower on the priority list.

21 630

STUDENTS IN 2023
NEEDING ACCOMMODATION
BUT UNABLE TO SECURE
DORMITORY SPACE



04.
**GOVERNMENT
SUPPORT**


Considering the high demand for student dormitories, a state program has been implemented to reduce interest rates through subsidies. The program provides a maximum amount of up to **15 billion tenge** with a remuneration rate of the **National Bank's base rate plus 5%**. Of this, **9% is paid by the entrepreneur, and the difference is subsidized** by the Entrepreneurship Development Fund JSC Damu.


Entrepreneurs planning to offer dormitory services need to approach a second-tier bank. After receiving a positive decision from the bank, the entrepreneur applies to the Damu Fund for interest rate subsidization. If the entrepreneur lacks sufficient collateral, they **can obtain a guarantee from Damu for up to 85% of the loan**.

Additionally the government has established a mechanism for phased reimbursement of investment costs for the construction and renovation of student dormitories, with the AO "Finance Center" serving as the program operator.



TO QUALIFY FOR REIMBURSEMENT, INVESTORS MUST:

 construct dormitory at their own cost

 ensure that the building's intended use remains unchanged for at least 20 years

The Finance Center will reimburse developers for their investment upon commissioning of the dormitory.

NEW CONSTRUCTION

 **230 MCI**
(in 2024 equals 849 160 KZT)

 **6 years** will be paid in

per occupied bed per year

RECONSTRUCTION

 **92 MCI**
(in 2024 equals 339 664 KZT)

 **8 years** will be paid in

per occupied bed per year

All the numbers are for Almaty city. The MCI, or Monthly Calculation Index, is an annual coefficient used to calculate social benefits and other payments. As of 2024, the MCI is set at 3692 KZT.

Aside from government reimbursements, investors can also generate revenue through rent paid by students. Dormitory owners are free to determine the rent amount charged. Additionally, developers have the option to create commercial spaces within the dormitories, such as cafeterias, fitness centers, laundry facilities, and other amenities to provide services to their tenants and generate additional revenue.

RESEARCH & ADVISORY

KEN DALA BUSINESS CENTER
38, DOSTYK AVENUE
ALMATY, KAZAKHSTAN
AGENCY@CUSHWAKE.KZ
CUSHWAKE.KZ

SEMYON YURCHENKO MRICS

Partner | Head Of Occupier Services
+7 (701) 951 15 24
semyon.yurcheko@cushwake.kz

DALEL MUSSINA

Consultant | Investor Services
+7 (777) 026 63 95
dalel.mussina@cushwake.kz

ALI KASSYMGUZHIN

Consultant
+7 (701) 276 64 99
ali.kassymguzhin@cushwake.kz

ADELIYA BOLYSBEK

Analyst
+7 (771) 574 35 42
adeliya.bolysbek@cushwake.kz

GULSHAT SARIYEVA

Partner | Head Of Country
+7 (701) 266 97 13
gulshat.sariyeva@cushwake.kz

CHINGIZ MUSSIN

Consultant | Occupier Services
+7 (701) 221 07 46
chingiz.mussin@cushwake.kz

ADIYA ABISHEVA | EDITOR IN CHIEF

Graphic Designer
+7 (771) 211 49 15
adiya.abisheva@cushwake.kz

ALZHAN NURGALIYEV

Consultant
+7 (702) 069 15 99
alzhan.nurgaliyev@cushwake.kz

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