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MARKETBEAT
SHYMKETN
Q1 2026

Better never settles

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Q1 2026

SHYMKENT OVERVIEW

THE EMERGING ECONOMIC CENTER OF THE SOUTH OF KAZAKHSTAN

Shymkent is strengthening its position as the country's third largest city and a key economic core of the southern macroregion. The city accounts for about 3.5% of Kazakhstan's GDP, while over the past decade the volume of GRP has almost quadrupled from 1.2 to 4.7 trillion tenge.

The economy is based on trade, construction, manufacturing, and real estate transactions. The high growth rates of GRP confirm the steady dynamics of private investment and the development of the business sector.

STABLE DEMOGRAPHIC GROWTH AND INTERNAL MIGRATION

The population of Shymkent reached 1.26 million people at the beginning of 2025, an increase of about 50% over the past ten years. The influx of residents is due to active housing construction, the expansion of the service sector and the creation of new jobs. Shymkent is one of the three cities with the largest population growth along with Astana and Almaty.

STEADY INCOME GROWTH

The average monthly salary in the second quarter of 2025 reached 332,295 tenge (approx.646), having almost tripled since 2018. Steady income growth is supported by the development of the construction, retail and service sectors, as well as small businesses that are actively developing in new residential areas.

TRANSPORT HUB OF REGIONAL IMPORTANCE

Shymkent is located at the intersection of the most important transit corridors in Central Asia, connecting Kazakhstan with Uzbekistan, Kyrgyzstan and China. The city airport serves as an international hub, providing connections to the largest cities in the region. The structure of the transport network is dominated by Baydibek bi, Tauke Khan and Kunayev Avenues, which form the main streams of urban traffic.

A NEW URBAN PLANNING MODEL

Shymkent is in the process of transition from a compact to a multifunctional polycentric structure. New development zones in Turan district, the north-west of Abai district and the eastern quarters of Karatau district are becoming points of concentration of residential and commercial development. The implementation of the master plan involves the formation of modern residential clusters, business centers and public spaces along the Baydibek bi and Abulkhair Khan highways.

The limited availability of land in the central part and the growing demand pressure stimulate the active development of peripheral territories, where new residential areas and transport infrastructure are being created. Together, this forms the basis for sustainable growth and increased investment attractiveness of the city.

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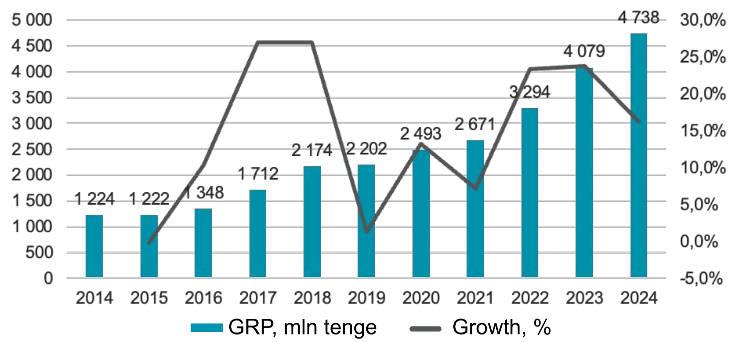
GRP

Shymkent, located in the south of Kazakhstan, is the third largest city in the country and an important industrial and commercial center of the region.

From 2014 to 2024, the volume of the gross regional product (GRP) of the city increased almost fourfold — from 1.2 to 4.7 trillion tenge. Shymkent's share in Kazakhstan's GDP structure has fluctuated between 3-3.5% in recent years.

The economic structure of the city is characterized by diversification: along with traditional industrial enterprises, trade, construction and the service sector are actively developing.

Shymkent's GRP



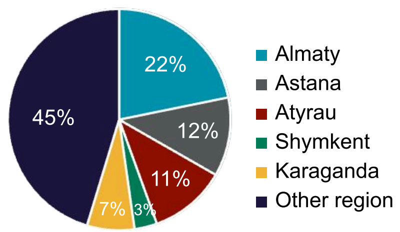
AVERAGE WAGE

646 USD

553 705 tenge

latest data for Q2 2025

Shymkent's Share Of GRP In GDP

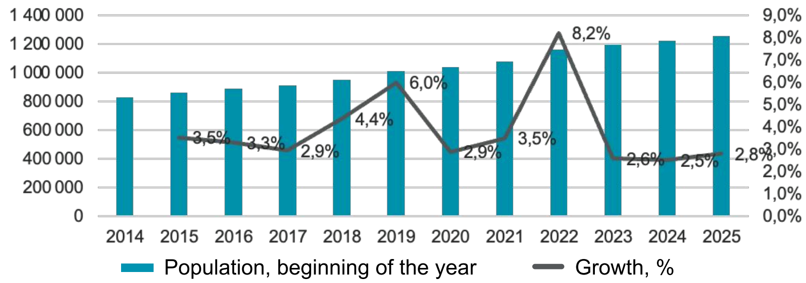


DEMOGRAPHY

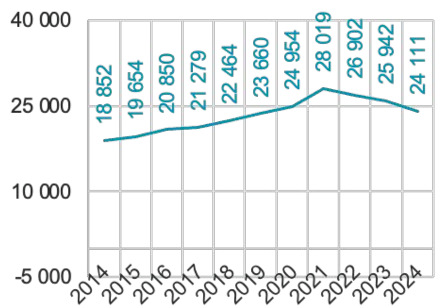
The population of Shymkent, the third largest city in Kazakhstan and one of the most dynamically developing regional centers of the country, amounted to 1.26 million people at the beginning of 2025, which is equivalent to about 10% of the total urban population of Kazakhstan. Over the past ten years, the city's population has grown by almost 430,000 people, demonstrating a steady average annual increase of 3-4%.

According to forecasts, the city's population will continue to increase by an average of 2.5–3% per year. According to the baseline scenario, the population of Shymkent may reach 1.8 – 1.9 million people. man by 2040.

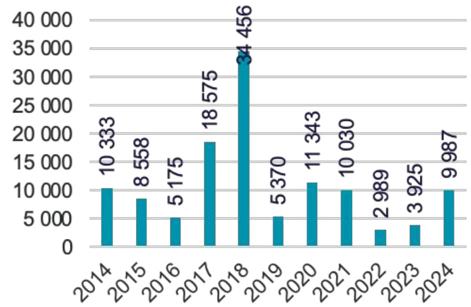
The population of Shymkent



Population growth



Net migration



Source: Bureau of National Statistics

CITY ZONING

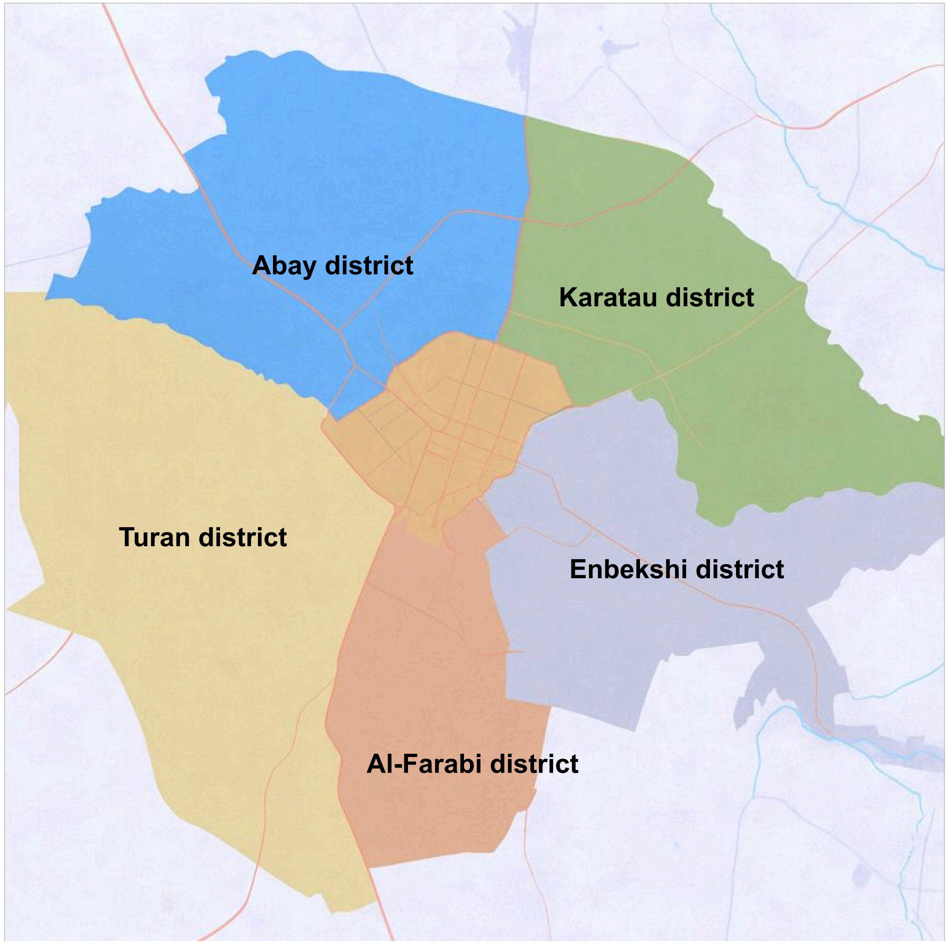
The Abai district covers the northwestern part of the city and is one of the largest in area. Residential areas and industrial zones, including enterprises of the light and food industries, join here. The infrastructure is actively developing in the area: New residential complexes, schools, and medical facilities are being built.

Karatau district is located in the eastern part of the city and includes both urban and suburban areas. The area is characterized by a large area and a diverse landscape, with residential areas, industrial zones and agricultural land alternating here. Karatau district is actively developing through individual development and new residential complexes, gradually forming modern urban neighborhoods.

Turan district is located in the south-west, actively being built up. Major housing projects are also being implemented here and a new planning structure with wide avenues and modern engineering infrastructure is being formed.

Yenbekshinsky district occupies the southeastern part of the city. Historical quarters, the old center, as well as a significant part of the social infrastructure are adjacent here. In recent years, the district has been actively modernizing: roads are being updated, landscaping is being carried out, new residential buildings are appearing.

Al-Farabi district is located in the central and southern part of the city and is the administrative, business and cultural core of Shymkent. Key city authorities, large business centers, universities, hotels, as well as major public and retail spaces are concentrated here. The area is characterized by a high density of buildings and a well-developed infrastructure, including transport interchanges and historical streets.



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RESIDENTIAL REAL ESTATE

THE PACE OF HOUSING COMMISSIONING REMAINS HIGH AMID THE GROWTH OF THE CITY

Shymkent is showing steady growth in housing construction, supported by population growth and active migration from neighboring regions. Housing starts remain consistently high, while the main focus is on the development of functional and affordable formats that meet demographic growth and demand for family planning.

THE STRUCTURE OF THE OFFER IS SHIFTING IN FAVOR OF COMFORT AND BUSINESS CLASS

There is a gradual transition in the market from economy formats to higher-quality products, both in architecture, landscaping and engineering solutions. Developers are strengthening their presence in the comfort and business class segments, focusing on the needs of the growing middle class, as well as buyers who consider housing as an investment tool.

HIGH CONSTRUCTION ACTIVITY IN PERIPHERAL AND NEW AREAS

The expansion of the city forms new residential clusters. Active construction is underway in the northern and eastern parts of Shymkent, where there is potential for integrated development of territories. Quarterly concepts are being developed here, modern social infrastructure and improved transport accessibility are being created.

MORTGAGE LENDING

During 2024, Kazakhstan's total mortgage portfolio reached KZT 6.1 trillion, of which Otbasy Bank JSC accounted for KZT 3.5 trillion, or 57.4% of the total market.

From a regional point of view, Astana and Almaty are in the lead, accounting for 29% and 25% of the mortgage portfolio respectively in 2024, and together they form 52% of the total market volume. Shymkent's share in mortgage lending is about 5%.

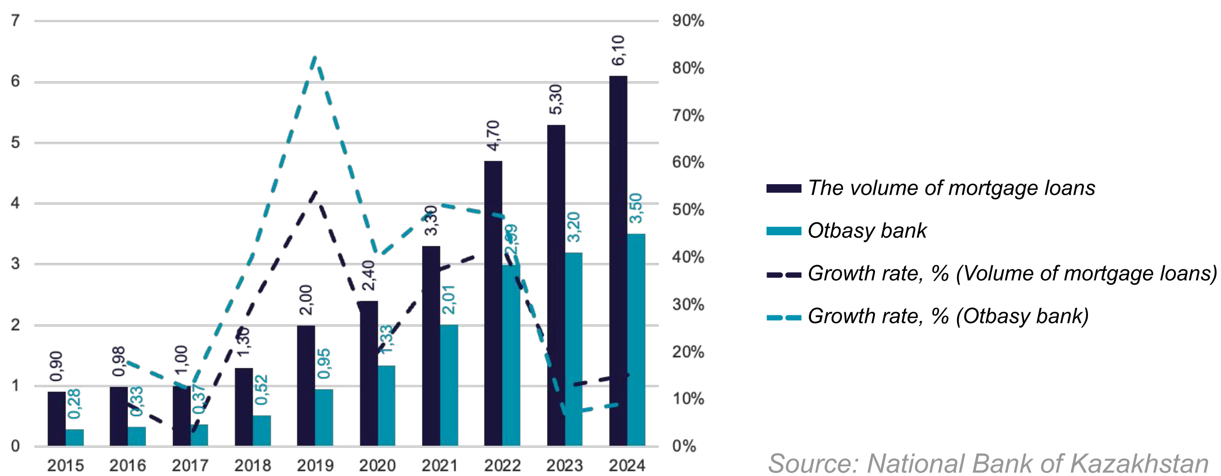
During 2022-2023, the market showed signs of slowing down. One of the key factors was the limitation in the amount of financing of preferential mortgage programs, which reduced the availability of loans on attractive terms. Additional pressure on demand was exerted by a sharp increase in the base rate in 2022, as a result of which potential borrowers postponed decision-making in anticipation of more favorable lending conditions.1

+21%

276 bln
2023

333 bln
2024

Mortgage lending volumes, trillion tenge



Source: National Bank of Kazakhstan

Analysis of marketed residential property sales prices

Class	Av. price, KZT/m²	Range, KZT/m²	USD/m²
Elite class	≈ 780 000	720 000 – 850 000	1 403 – 1 654
Business class	≈ 492 000	480 000 – 850 000	934 – 1 654
Comfort class	≈ 450 000	330 000 – 600 000	642 – 1 167

USD exchange rate from the NBK for the 2nd quarter of 2025: 513.77

The average price level in Shymkent's primary residential market is noticeably lower than in Almaty, reflecting differences in both household purchasing power and construction costs. As of the end of 2024, the average price per square meter stood at approximately KZT 450,000 in the comfort-class segment, around KZT 620,000 in the business-class segment, and about KZT 850,000 in the premium segment.

At the same time, the price gap between the comfort and business-class segments remains moderate, which is linked to the blurring of boundaries between segments: some developers position economy-level projects as comfort-class in order to enhance perceived value and market attractiveness.

At the upper end of the price spectrum, there are only a limited number of projects offering enhanced features and higher-quality architectural and engineering solutions. However, the share of such properties remains relatively small, and overall price levels in Shymkent are 30–40% lower than in Almaty, despite similar growth trends in the comfort and business-class segments.

LUXURY HOUSING SEGMENT

Existing premium residential complexes are typically characterized by low residential density, high ceilings, panoramic glazing, signature architecture, and the use of high-quality materials. Particular attention is given to the design of common areas, ranging from spacious entrance lobbies to professionally designed landscaping and recreation zones.

Infrastructure in premium residential complexes includes:

- gated courtyards with designer landscape solutions;
- rooftop terraces, sports, and recreational areas;
- play hubs, tennis and squash courts, street workout zones;
- underground parking with EV charging stations;
- premium designer lobbies, concierge service, and IP video intercom systems;
- thoughtfully planned amenities and "green rooms" for quiet relaxation.

Source: Central Bank of Armenia

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HOTEL REAL ESTATE

THE GROWTH OF TOURIST FLOW AND FLIGHTS SUPPORTS THE DEMAND FOR HOTELS

Shymkent continues to show steady growth in the tourist flow: in 2024, about 500 thousand people visited the city. human. Shymkent Airport plays the role of a major transport hub in the south of the country, which forms a stable base for further growth in hotel occupancy.

DEVELOPMENT OF THE DEMAND STRUCTURE IN FAVOR OF BUSINESS AND EVENT TOURISM

The demand for accommodation in Shymkent is increasingly balanced between tourist and business trips. A significant share is made up of corporate clients, participants in conferences, industry exhibitions and official delegations.

THE GROWING ACTIVITY OF OPERATORS AND THE STRENGTHENING OF THE BRAND SEGMENT

The presence of major international operators in the city – Rixos, Hilton, Ramada by Wyndham - creates a competitive environment and raises the standards of service quality. The construction of the new Hilton (opening in 2026) will further strengthen Shymkent's position as a regional center of hotel brands. Improving the quality of rooms and services contributes to the growth of trust on the part of corporate clients and foreign tourists.

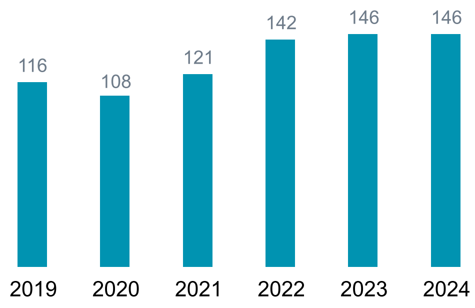
THE TOURIST FLOW OF SHYMKENT

Shymkent's tourist flow in 2019-2024 demonstrates a steady recovery after the pandemic recession. If the city's attendance dropped to its lowest levels in 2020, then steady growth began in 2021: domestic tourism was actively rebooting thanks to interregional trips, while external tourism gradually returned to pre-crisis levels.

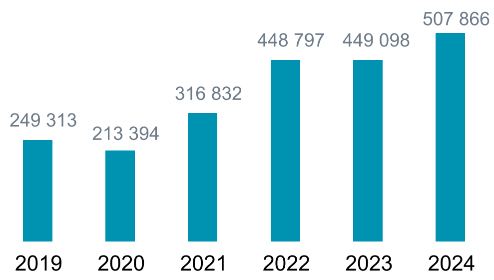
By 2024, Shymkent has updated its historical maximum: 475 thousand rubles. domestic tourists and 32 thousand people. This confirms the continuing interest in the city as a gastronomic, business and cultural destination. Urban infrastructure development, events, and improved transport accessibility were key factors supporting demand.

In 2024, Shymkent's hotel fund served 507.9 thousand people. visitors, while there are 3,470 beds in the city. The average cost of accommodation in the city is 12,418 tenge, and the average annual load is 47.4%, reflecting stable demand.

Number of accommodation facilities in Shymkent



Number of visitors served, person



Source: Bureau of National Statistics

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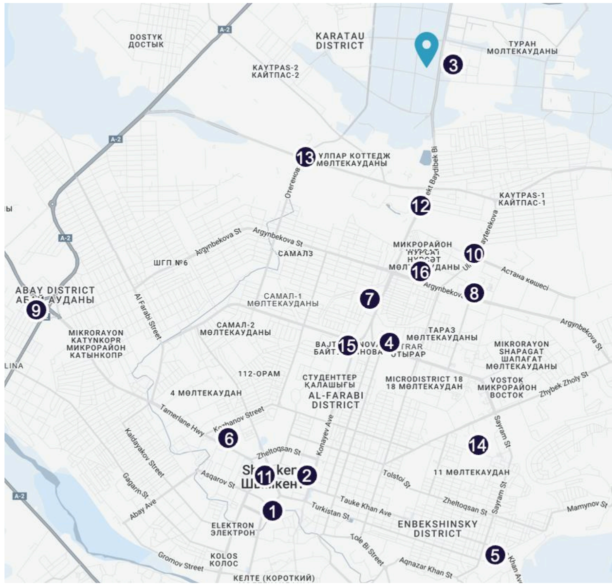
RETAIL

MARKET CONDITIONS AND PROSPECTS

In the Shymkent retail market, with the exception of the large modern Shymkent Plaza and Shym city mall centers, there is a clear division into two types: facilities with high-quality finishes, but narrow fashion functionality, and complexes with a basic level of repair, but a pronounced entertainment component.



№	Mall	GBA sq.m.	Building spot, ha	Plot, ha	Spot % of the plot
1	**SHYMKENT PLAZA**	**48 400**	1,25	3,63	**34,44 %**
2	**MEGA PLANET**	**28 523**	0,6	1,03	**58,25 %**
3	SHYMKENT CITY MALL	16 000	0,5	1,34	37,31 %
4	HYPER HOUSE	20 000	0,5	1,0	50,00 %
5	FIRKAN CITY	40 000	1,3	2,7	48,15 %
6	AL-FARABI	7 075	0,3	0,7	42,86 %
7	NAURYZ PARK	9 500	0,35	0,9	38,89 %
8	RAHIMA PLAZA	7 064	0,78	2,1	37,14 %
9	БЕКЖАН	36 828	3,8	5,75	66 %
10	DIAMOND PLAZA	8 000	0,2	0,5	40,00 %
11	CITY SHOPPING GALLERY	12 000	0,4	0,62	64,52 %
12	DUR PLAZA	15 000	0,25	0,5	50,00 %
13	BUY PARK	2 850	0,11	0,22	50,00 %
14	5+	3 000	0,15	0,3	50,00 %
15	ROYAL PLAZA	11 400	0,21	0,39	53,85 %
16	NURSAT CITY	7 500	0,38	0,71	53,52 %
	Average				48,5 %

STREET RETAIL - THE FORMATION OF SHOPPING CLUSTERS IN NEW RESIDENTIAL AREAS

The rapid development of the city leads to the fact that the key demand for commercial space is concentrated in new residential areas. It is important for developers to implement commercial functions at an early stage of design in order to keep up with the growing needs of the arrays. The high proportion of small businesses makes a flexible rental policy a key factor in the successful filling of commercial premises. Local entrepreneurs are sensitive to deposits and vacations. This requires developers to provide more active support for tenants and individual conditions. Shymkent has a particularly strong neighborhood and micro-format grocery stores, as well as democratic f&b concepts: bakeries, tea houses, a street Christmas tree, and inexpensive coffee shops.

Source: Central Bank of Armenia

The city's retail structure is gradually evolving: whereas development previously occurred in a fragmented manner through standalone shopping centers and informal commercial zones, recent years have shown a shift toward a more systematic integration of retail space within residential projects. Developers are actively adopting the community retailformat – compact neighborhood centers, built-in retail lines on ground floors, and storefront premises along key streets – creating a sustainable local retail ecosystem.

Demand for street retail is most evident in areas of intensive residential development and along the city's main transport corridors, such as Tauke Khan Avenue and the nearby parallel streets of Mayly Kozha and Turkestanskaya, Kunaev Street and Baidybek Bi Avenue, Tamerlan Highway, Zheltoksan Street, and the Nursat residential district (where the large Seyitzhan Qari Yeszhanuly Mosque and the Shymkent city akimat administration building are located). Overall, the city's most notable expansion is taking place in the eastern and northern directions. These areas are generating new pedestrian and vehicular traffic hubs, which in turn stimulate the growth of coffee shops, service businesses, and fashion formats, gradually laying the foundation for a more mature urban street retail culture.

The high share of small businesses makes flexible leasing policy a key factor in the successful occupancy of commercial premises. Local entrepreneurs are sensitive to security deposits and rent-free periods. This requires developers to provide more active tenant support and individualized leasing terms.

The growing importance of everyday street retail is also evident: FMCG, pharmacies, children's goods, services, and daily-needs formats remain the main drivers of market resilience. In Shymkent, neighborhood and micro-format grocery stores are particularly strong, along with affordable F&B concepts such as bakeries, teahouses, street food outlets, and low-cost coffee shops.

ANALYSIS OF RENTAL RATES (AREAS OF 40 - 120 SQ.M. M, MAINLY THE SECONDARY MARKET)

According to the results of a sample of rental rates for commercial premises with an area of 40 - 120 square meters, there is significant variability by area, reflecting differences in traffic and the formation of local demand. The average values range from 5 500 - 6 750 tg / sq. m. months, which is typical for second-tier street retail premises.

ANALYSIS OF SALES PRICES (AREA 40-200 SQ. M.) M, MAINLY THE SECONDARY MARKET)

In the segment of sales of commercial premises with an area of 40-200 square meters, there is also a wide range of prices depending on the local infrastructure and the status of the area. Average prices range from 450,000 to 565,000 tenge / sq. m. m, while the advantage of secondary facilities is noted, where the premises already have a formed flow.

OFFICE

THE LACK OF MODERN BUSINESS CENTERS OPENS UP OPPORTUNITIES FOR DEVELOPERS

The main part of the office stock is represented by b/b-format buildings. The shortage of facilities with high engineering standards, convenient layouts and well-developed infrastructure creates the potential for the construction of class A projects and hybrid format buildings (mixed-use with an office component).

Demand from large tenants significantly exceeds the supply of high-quality premises.

INTEREST IN ENVIRONMENTALLY FRIENDLY AND ENERGY-EFFICIENT OFFICES IS INCREASING

The appearance of the first certified facility In Shymkent can become an entry point for global brands that choose exclusively eco-friendly Class A business centers.

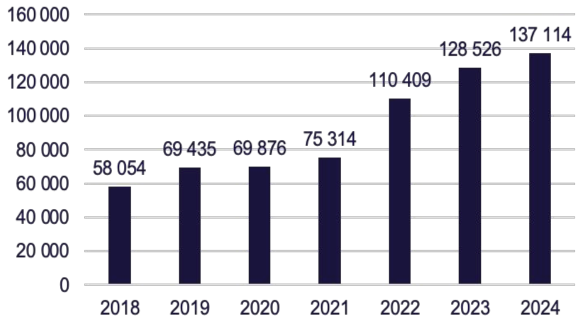
Shymkent's office real estate market is developing steadily, reflecting the general strengthening of entrepreneurial activity in the city. Over the past six years, the number of registered small and medium-sized businesses has grown from 71.7 thousand people. in 2018, up to 147.9 thousand people. in 2024, that is, twice. At the same time, the number of operating enterprises increased from 58 thousand people. up to 137 thousand, which indicates a high level of real business involvement in the city's economy – about 93% of registered entities are actively functioning.

The growth of entrepreneurial activity creates a steady demand for office space, but the market is still characterized by a limited amount of high-quality space. Most companies are located in adapted rooms and small business centers of class b and c, while there are practically no A-level offices in the city.

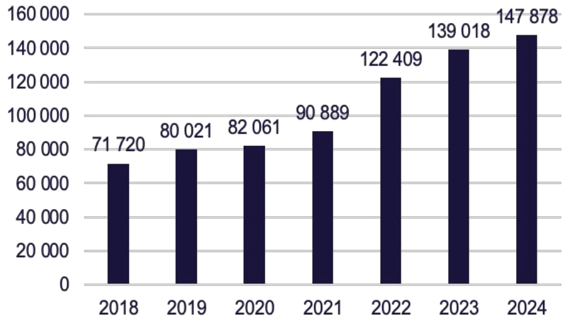
The most active development of business infrastructure is observed in the districts of Al-Farabiy and Karatau, where large shopping and office complexes and new mixed-use projects are adjacent. At the same time, demand remains local, with minimal presence of international companies and a low proportion of large corporate tenants.

In general, Shymkent can be described as an emerging regional office market, where the growth in the number of operating enterprises is gradually stimulating interest in creating better and more modern business spaces.

Number of operating SME entities in Shymkent city districts



Number of registered SMEs by districts of Shymkent city



Source: Bureau of National Statistics

CHARACTERISTICS OF TENANTS

Key office projects in the central part of Shymkent: Alban, Jeltoqsan, tbs, businesshub 3, Esko and Q48 form the main offer of the central part of the city. These buildings are mainly classified as class b and b+, considering the modern facade appearance with a limited set of engineering solutions.

Most of the facilities are compact business centers with a height of 3 to 6 floors, with the exception of the Alban multi-storey complex, which stands out for its scale and status.

The nature of the tenants confirms the local and applied orientation of the office market. The main pool is represented by financial, telecommunication and consulting companies, as well as second-tier banks, insurance companies and branches of government organizations.

Examples include Home Credit Bank, Otbasy Bank, KazPost, Freedom Telecom, 2gis, Nomad Life, as well as representative offices of medium-scale consulting and service companies.

This tenant structure indicates that the demand for office space in the central part of Shymkent is formed mainly by regional players and branches of national brands, while international companies are practically absent. The office segment retains a functional rather than an image character, where accessibility, convenient location and a basic level of comfort remain a priority, rather than the status of the facility.

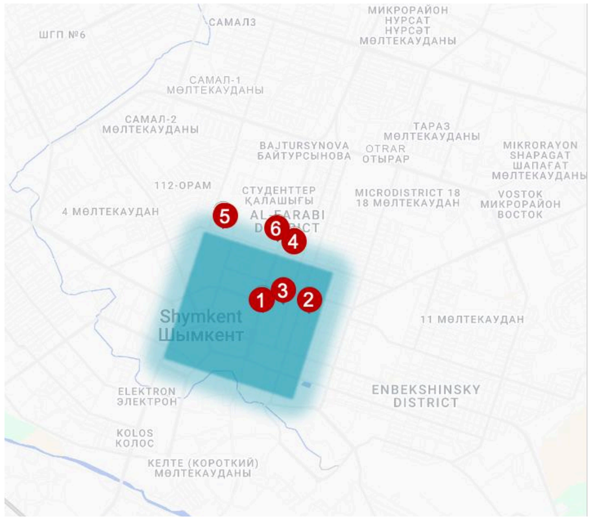
RENTAL RATES

The average rental level of office space in Shymkent varies within 4 000 - 7 000 tg/m² per month, depending on the location and condition of the building.

The highest price level is recorded in the central districts, along Kunayev Avenues.

Rental rates are lower in the peripheral parts of the city. 2 500 - 3 500 tg/m².

Location on the map



CURRENT OFFERS OF THE CENTRAL PART OF THE CITY

1. Alban
2. Jeltoqsan
3. Tbs
4. BusinessHub 3
5. Esko
6. Q48

Shymkent city - The central part of the city

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