FNB House Price Index Report

Second Quarter 2026

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Key Highlights

- The FNB House Price Index grew by 7.4% on a 12-month average in 2Q26, an uptick from 7.1% recorded in 1Q26 but below the 7.7% growth observed in 2Q25.
- The 12-month national weighted average house price grew to N$1,461,215 in 2Q26, from N$1,440,483 in 1Q26 and is significantly above the N$1,360,664 seen in 2Q25.
- Transaction volumes growth moderated to 2.8% in 2Q26, from 10.4% in 1Q26, and was well below the 15.5% growth in 2Q25.

REGIONAL SNAPSHOTS (12MA)

House Prices	Central	N$1 877 000	8.9% y/y
	Coastal	N$1 576 000	11.9% y/y
	Northern	N$971 000	-0.7% y/y
	Southern	N$905 000	-5.2% y/y
Land Prices/ Square Metre	Central	N$1113	35.1% y/y
	Coastal	N$732	21.6% y/y
	Northern	N$899	38.3% y/y
	Southern	N$627	38.3% y/y

FNB HOUSING SEGMENTS (12MA)

Small	N$0.5mn - N$1.5mn	N$942 000	2.6% y/y
Medium	N$1.5mn - N$3.5mn	N$2 171 000	2.1% y/y
Large	N$3.5mn - N$6.5mn	N$4 469 000	6.6% y/y
Luxury	N$6.5mn and higher	N$9 254 000	21.0% y/y

Overall Residential Property Index

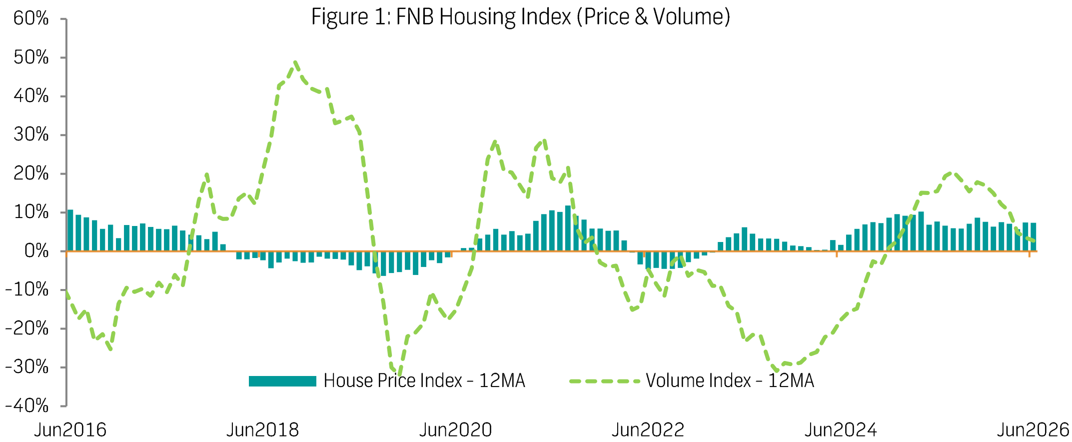


Figure 1: FNB Housing Index (Price & Volume)

House Prices Steady as Volumes Growth Tempers

The FNB House Price Index grew by 7.4% on a 12-month average basis in 2Q26, an increase from 7.1% observed in 1Q25 but slightly below the 7.7% recorded in 2Q25. Continued house price appreciation suggests that housing demand remains resilient, which is likely to sustain elevated housing costs and contribute to sticky inflation within the housing sub-category.

Growth across market segments was varied, with the small and medium segments growth moderating to 2.6% and 2.1% respectively, while the large and luxury segments surged to 6.6% and 21.0% respectively. From a regional perspective, the central and coastal regions' price growth accelerated by 8.9% and 11.9% respectively, by contrast the northern and southern regions' prices contracted by 0.7% and 5.2% respectively during 2Q26.

The overall national average house price rose to N$1,461,15 at the end of 2Q26, up from N$1,440,483 in 1Q26 and well above the N$1,360,664 recorded in 2Q25. On a 12-month moving average basis, regional prices for the central, coastal, northern, and southern regions stood at N$1,877,000, N$1,576,000, N$971,000 and N$905,000, respectively.

Transaction volumes continued to lose momentum in 2Q26, with growth slowing to 2.8% on a 12-month moving average basis, down from 10.4% in 1Q26 and 15.5% in 2Q25. The moderation in transaction activity contrasts with the continued rise in house prices, as slower transaction growth points to a market where affordability and supply-side constraints are increasingly influencing buying activity.

The slowdown in transaction volumes was broad-based across all regions. On a 12-month moving average basis, volume growth in the central, coastal, northern, and southern regions eased to 4.0%, 7.4%, 0.0%, and 0.0%, respectively, in 2Q26. Despite the subdued performance, the coastal region remained the strongest contributor to market activity. Transaction volumes in the southern region, however, remain exceptionally low, with only 23 transactions recorded out of a national total of 756 during the quarter. As a result, trends in the region should be interpreted with caution, given the heightened susceptibility to statistical volatility arising from a small transaction base.

From a market segment perspective, transaction volume growth remained uneven in 2Q26. On a 12-month moving average basis, the small, medium, large, and luxury segments recorded growth rates of -1.1%, 9.8%, 20.0%, and 0.0%, respectively. While the large and luxury segments posted relatively strong growth, these results should be interpreted with caution given the low number of transactions recorded in these market categories. The large and luxury segments recorded average transaction volumes of just 40 and 6 properties, respectively, compared to 498 transactions in the small segment and 213 in the medium segment during the second quarter of 2026.

Namibia's residential property market continues to exhibit a divergence between house price growth and transaction activity, highlighting the uneven nature of the current housing cycle. While house prices remain supported by persistent supply-side constraints, including limited housing stock, delays in land servicing, and elevated construction costs, transaction volumes have moderated, reflecting growing affordability pressures across much of the market. Rising house prices relative to income growth, combined with the increase in interest rates in June 2026 and higher inflation driven by ongoing geopolitical tensions, have placed additional strain on household finances and borrowing capacity.

These dynamics are evident in mortgage credit growth, which improved to 2.1% y/y in June 2026 but remains relatively subdued by historical standards. Although demand appears resilient in selected market segments, particularly among higher-income households and investors, affordability constraints continue to limit participation among lower- and middle-income earners. The persistence of house price growth suggests that housing costs are likely to remain elevated, contributing to sticky inflation within the housing sub-category.

Looking ahead, ongoing supply shortages are expected to continue supporting house prices, but higher financing costs, inflationary pressures, and affordability challenges are likely to constrain transaction activity and prevent a broad-based recovery in housing market participation.

Central Region

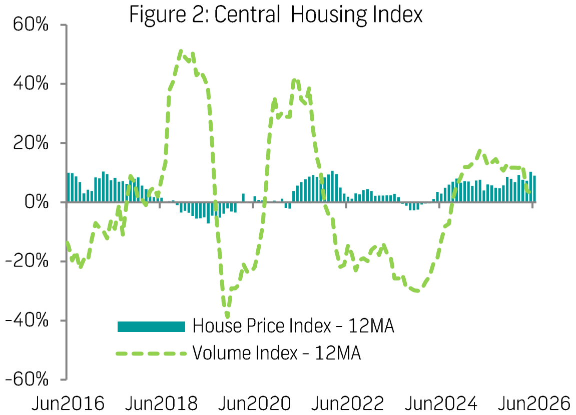


Figure 2: Central Housing Index

The Central House Price Index accelerated to 8.9% in 2Q26 on a 12-month average, up from 7.6% growth recorded in 1Q26 and well above the 6.0% growth recorded in 2Q25. The sustained growth underscores the resilience of the central region housing market since its recovery from contraction in 1Q23. The average house price in the central region now stands at N$1,877,000 in the second quarter of 2026.

In contrast, transaction volumes index growth eased to 4.0% in 2Q26 on a 12-month rolling basis, from 12.5% recorded in 1Q26, which was unchanged from the growth observed in 2Q25. Volumes for the medium, large and luxury segments recorded 12-month average growth rates of 11.1%, 32.9% and 16.7%, respectively, while the small segment contracted by 5.2% in 2Q25. The luxury segment's growth should be viewed cautiously given that only three transactions took place during the quarter.

The central region nevertheless remained the largest contributor to national housing market activity, accounting for 37.8% of total transactions, albeit down from 46.7% in 1Q26 and 40.0% a year earlier.

The central region price surged as volumes growth eased particularly in the small housing segment.

Coastal Region

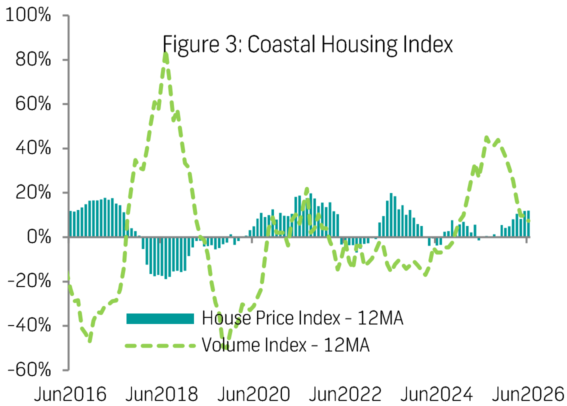


Figure 3: Coastal Housing Index

The Coastal House Price Index growth surged to 11.9% on a 12-month average in 2Q26, up from 10.6% in 1Q26 and marking a strong recovery from the -0.3% growth recorded in 2Q25. The average house price in the coastal region stands at N$1,576,000 at the end of 2Q26.

Meanwhile, transaction volume index growth moderated to 7.4% in 2Q26 on a 12-month average, down from 16.3% in 1Q26 and significantly below the 35.0% growth observed in 2Q26. The slower pace of activity was primarily driven by the small, medium, and large segments, which recorded growth rates of 3.8%, 15.0%, and 33.3%, respectively. The luxury segment emerged from contraction, posting growth of 14.3% in 2Q26. It should be noted that the large and luxury housing segments are characterised by relatively low transaction volumes and are therefore highly susceptible to statistical base effects. During the quarter, only five transactions were recorded in the large segment and three in the luxury segment.

The coastal region's share of total housing transactions rose to 24.8% in 2Q26, up from 19.0% in 1Q26 and 20.7% in 2Q25.

The coastal regions price increased while the transaction volumes growth continue to slow driven by the small, medium and large segments.

Northern Region

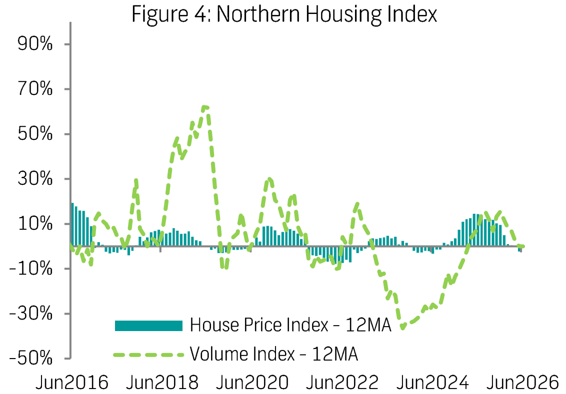


Figure 4: Northern Housing Index

The Northern House Price Index growth contracted by 0.7% in 2Q26 on a 12-month rolling basis, a deterioration from the 0.4% growth recorded in 1Q26 and well below the 14.4% growth observed in 2Q25. The average house price for this region stands at N$971,000.

Transaction volumes growth also remained subdued, easing to 0.0% in 2Q26 on a 12-month rolling basis, from 6.7% in 1Q26 and 8.1% in 2Q25. From a segment perspective the small, medium, large and luxury segments grew by 0.1%, -5.7%, 0.0% and 50.0% respectively on a 12-month average. The large segment had one transaction while the luxury segment had no housing transactions over the quarter. Therefore, the large and luxury housing segments should be interpreted cautiously as they are characterized by low and inconsistent transaction volumes and are therefore highly susceptible to statistical base effects.

The northern region accounted for 34.5% of total housing transactions in 2Q26, making it the second-largest housing market by transaction volume. This share increased from 33.1% in 1Q26, although it remained below the 36.5% recorded in 2Q25.

The northern regions housing prices and transaction volumes growth remain sluggish over the quarter.

Southern Region

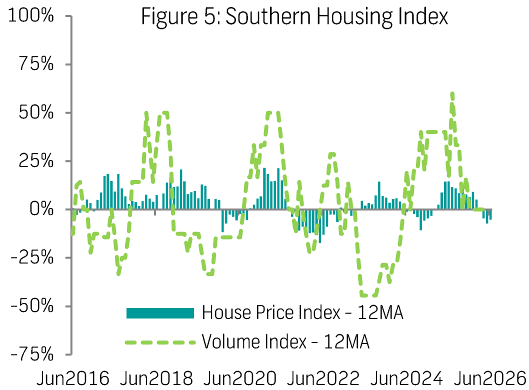


Figure 5: Southern Housing Index

The Southern House Price Index growth contracted further by 5.2% in 2Q26 on a 12-month rolling basis, compared to a 0.7% decline in 1Q26 and 14.6% growth a year earlier. The average house price in the southern region stands at N$905,000.

The transaction volume index growth was muted at 0.0% in 2Q26 on a 12-month rolling basis from the previous quarter and below the 16.7% observed in 2Q25. The average transaction volumes remained low at seven transactions on a 12-month rolling average basis. Housing market activity in the southern region continues to be exceptionally thin, with only 23 transactions recorded during 2Q26, making volume indicators particularly susceptible to statistical volatility. As such, movements in the transaction volume index should be interpreted with caution. From a segment perspective, the small and medium segments recorded growth rates of -2.5% and 0.0%, respectively, while no transactions were recorded in either the large or luxury segments during the quarter.

The southern region's share of total housing transactions increased to 2.9% in 2Q26, up from 1.2% in 1Q26 and slightly above the 2.8% share recorded in 2Q25.

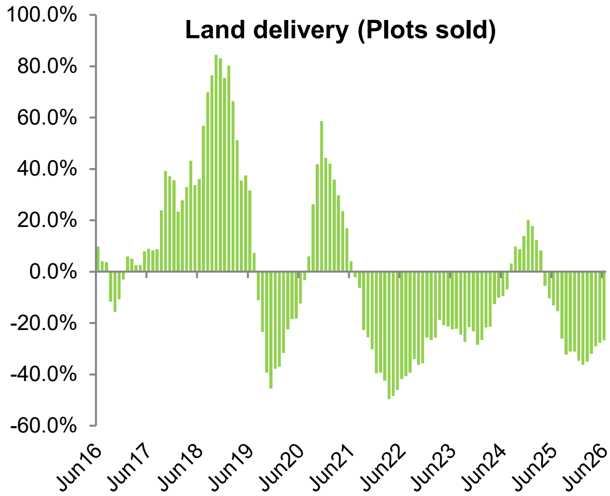
Southern region prices remained in contraction whereas volumes growth was unchanged.

Land Delivery

Residential plot sales remained in contraction during 2Q26, declining by 26.7%, from the 32.0% contraction recorded in 1Q26. Performance also remained significantly weaker than the 13.1% decline observed in 2Q25.

At a regional level, all major regions remained in contraction during 2Q26. On a 12-month average basis, plot sales declined by 33.3% in the central region, 44.3% at the coastal region, 14.5% in the northern region, and 0.4% in the southern region. The southern region continues to exhibit heightened volatility due to its relatively small market size, making it particularly susceptible to base effects and large statistical fluctuations.

The average price per square metre increased by 35.1% in the central region, 21.6% at the coastal region, and 38.3% in both the northern and southern regions, marking a sharp turnaround from the price declines recorded in previous quarter.



Conclusion

The FNB House Price Index continues to highlight a persistent supply-demand imbalance in Namibia's residential property market. House prices remained resilient in 2Q26, increasing by 7.4% y/y, despite transaction volume growth slowing to 2.8% y/y. This divergence suggests that house prices are being driven more by structural supply constraints, including shortages of serviced land, limited housing stock, and elevated construction costs, than by broad-based growth in demand. Regionally, price growth remained strongest in the central and coastal markets, where stronger economic activity and demand from higher-income households and foreign buyers continue to support market performance. Transaction volumes generally moderated across most regions, with the small housing segment recording the largest contraction in activity, while the medium and large segments showed some improvement, indicating that higher-value market segments continue to exhibit greater resilience.

Mortgage credit growth to households showed signs of recovery, rising to 2.1% y/y in June 2026. However, this improvement stems from a relatively low base and does not yet signal a broad recovery in housing demand. Household finances remain under pressure from elevated living costs and affordability challenges, limiting the ability of many potential buyers to take on new mortgage debt. Consequently, residential property activity appears increasingly concentrated among higher-income households and foreign buyers, who typically have stronger balance sheets and greater access to cash funding.

Adding to these pressures, the Bank of Namibia increased the repo rate by 25 basis points in June 2026, a surprise move that is expected to further dampen appetite for long-term credit and weigh on mortgage demand. Structural challenges, particularly delays in land servicing and the limited delivery of serviced plots, continue to constrain housing supply, while broader economic conditions hinder a more inclusive recovery in housing market participation.

Looking ahead, Namibia's residential property market is expected to remain relatively resilient. Persistent shortages of serviced land and limited housing supply should continue to underpin house price growth, particularly in the central and coastal regions. While affordability constraints may continue to temper activity in the lower-value segment, improving mortgage credit growth, sustained economic activity, and stronger demand in the medium- and upper-value segments provide grounds for cautious optimism. Over the medium term, accelerated land servicing, increased housing delivery, and firmer income growth could help broaden market participation and support a more balanced and inclusive expansion of the housing market.

Appendix A:

Annual Average House Prices

(N$)

Towns	2Q2025	1Q2026	2Q2026	Q/Q Growth	Y/Y Growth
Arandis	561 462	451 828	612 352	35.5%	9.1%
Eenhana	823 223	701 403	760 299	8.4%	-7.6%
Gobabis	905 738	840 694	828 438	-1.5%	-8.5%
Grootfontein	1 163 250	717 333	655 184	-8.7%	-43.7%
Helao Nafidi	498 936	558 000	661 790	18.6%	32.6%
Henties Bay	1 284 305	1 570 047	1 480 941	-5.7%	15.3%
Karasburg	615 000		900 000		46.3%
Karibib	1 148 453	128 000	842 467	558.2%	-26.6%
Katima Mulilo	682 128	614 000	1 061 560	72.9%	55.6%
Keetmanshoop	538 786	456 050	810 429	77.7%	50.4%
Luderitz	598 011	1 012 667	630 950	-37.7%	5.5%
Mariental	819 114	668 382	1 858 083	178.0%	126.8%
Nkurenkuru	734 670	786 750	1 055 688	34.2%	43.7%
Okahandja	1 130 561	1 049 575	1 086 718	3.5%	-3.9%
Okahao	505 051	1 155 750	525 000	-54.6%	3.9%
Okakarara	300 000	390 799	514 666	31.7%	71.6%
Omaruru	721 896	975 333	605 147	-38.0%	-16.2%
Omuthiya	932 520	779 971	648 223	-16.9%	-30.5%
Ondangwa	895 686	920 478	807 888	-12.2%	-9.8%
Ongwediva	978 773	901 622	1 091 165	21.0%	11.5%
Oniipa	1 018 500	957 000	1 188 505	24.2%	16.7%
Opuwo	1 067 000	654 820	863 813	31.9%	-19.0%
Oranjemund	1 133 044	873 713	828 125	-5.2%	-26.9%
Oshakati	788 518	937 513	1 005 353	7.2%	27.5%
Oshikuku	737 021	748 300	675 262	-9.8%	-8.4%
Otjiwarongo	756 040	843 094	975 497	15.7%	29.0%
Outapi	747 782	794 356	805 336	1.4%	7.7%
Outjo	885 000	540 000	1 083 000	100.6%	22.4%
Ruacana	508 585	650 500		-100.0%	-100.0%
Rundu	812 629	977 302	841 779	-13.9%	3.6%
Swakopmund	1 231 391	1 366 467	1 373 566	0.5%	11.5%
Tsumeb	1 271 982	843 667	763 333	-9.5%	-40.0%
Walvis Bay	1 189 152	1 063 993	1 236 755	16.2%	4.0%
Windhoek	1 691 238	1 750 990	1 871 379	6.9%	10.7%

METHODOLOGY

This report is based on bonds registered in the names of natural persons at the Deeds Office and as such excludes all bonds registered in the names of juristic persons such as Close Corporations, Private Companies and Trusts. Rehoboth properties (Rehoboth has its own Deeds Office), farms, properties over 100,000m² and properties in industrial areas, are excluded, as these may not always be residential properties. Outliers below N$100,000 (2007 prices adjusted annually) are also excluded, along with further bonds (second, third, fourth, etc. bonds over the same properties). Exclusions were rigorously tested using existing data, to filter out as much noise as possible.

Bond values are used as a proxy for house prices, since there are no consistent records for house prices in Namibia and therefore prices shown should only be used as a general guide to property values. These values are aggregated by way of the mean value as the central measure of tendency to resist the fluctuation between different prices. Average house prices are smoothed using a twelve- month moving average, with the national value computed as a weighted average of regional prices. Whilst the information provided has been obtained from a credible source, the values quoted are indicative, and past performance should not be taken as a guarantee of future performance.

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