NW Realite

Property Valuation Analysis Report

Executive Summary - Key Metrics

Metric	Value
Total Properties	114
Total Portfolio Value	KShs 12,331,200,000
Average Property Value	KShs 108,168,421
Total Land Area	690.32 acres
Properties with Encumbrances	28.9%
MoM Growth (Properties)	0.0%
Avg Days to Valuation	20.6 days

Analysis & Insights

NW Realite Property Valuation Report

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EXECUTIVE SUMMARY

This report provides a comprehensive analysis of NW Realite's property valuation portfolio as of 2nd December 2025. It highlights key performance indicators, growth trends, client and geographic insights, risk assessments, and strategic recommendations to inform stakeholders on the portfolio's current state and future opportunities.

1. Portfolio Overview

NW Realite's current valuation portfolio comprises 114 properties, reflecting a substantial total market value of KShs 12,331,200,000. The average property value stands at KShs 108,168,421, though the median property value is notably lower at KShs 51,000,000. This significant disparity, coupled with a high Coefficient of Variation of 157.3%, indicates a highly diverse portfolio with a concentration of a few exceptionally high-value assets alongside a larger number of lower to moderately valued properties. The portfolio encompasses a total land area of 690.32 acres, underscoring its varied scale and nature.

The portfolio's current structure reveals a strong leaning towards commercial and mixed-use developments, which collectively account for a dominant share of the total market value. While demonstrating robust growth in overall value, the portfolio also exhibits specific areas of concentration in client segments and geographic distribution, which necessitate strategic consideration for balanced growth and risk management.

2. Key Performance Indicators

* **Total Portfolio Value:** KShs 12,331,200,000

* **Month-on-Month (MoM) Value Growth:** 135.3%

* **Average Property Value:** KShs 108,168,421

* **Average Days to Valuation:** 20.6 days

* **Value at Risk (Encumbered):** KShs 2,449,100,000 (19.9% of portfolio value)

* **Top 5 Client Concentration:** 74.2% of total value

* **Top 5 Geographic Concentration:** 81.0% of total value

3. Growth & Trends Analysis

The portfolio experienced a remarkable 135.3% month-on-month growth in total market value, signaling a significant surge in high-value valuations or the addition of substantial assets during the reporting period. This considerable increase in value was achieved despite the number of properties remaining stable with 0.0% MoM growth, indicating that the value growth was driven by the valuation of larger, more valuable properties rather than an increase in property count. Year-to-date, the firm has valued 114 properties totaling KShs 12,331,200,000.

Operational efficiency metrics show an average valuation turnaround time of 20.6 days. With two active valuers, Simon Oruka Orwa and Danish Onyango Orech, the team manages an average of 10.4 inspections per month. This suggests a focused effort on managing the existing valuation pipeline effectively, but the capacity for scaling up the number of properties might require further assessment, especially if the volume of smaller, more frequent valuations were to increase.

4. Client & Geographic Insights

The client base is diversified across 26 unique clients, with Banks representing the dominant segment, accounting for KShs 7,751,300,000 across 77 properties. Corporate clients follow with KShs 2,612,000,000 (13 properties) and Individuals with KShs 1,938,400,000 (21 properties), while Saccos contribute a smaller KShs 29,500,000 (3 properties). A significant concern is the high concentration among the top 5 clients, who collectively contribute 74.2% of the total portfolio value, exposing the firm to potential revenue volatility if relationships with these key clients were to shift.

Geographically, NW Realite covers 23 counties, demonstrating a broad reach. However, a substantial 81.0% of the portfolio's value is concentrated within the top 5 most active counties, with Nairobi being the most active. While this concentration in high-value urban areas like Nairobi is expected due to market dynamics, it also highlights a dependency on specific regional markets. Expanding the firm's footprint in other growth areas or deepening engagement in less-concentrated counties could offer diversification benefits.

DETAILED ANALYSIS & RECOMMENDATIONS

5. Risk Assessment

A critical area for attention is the prevalence of properties with encumbrances. Currently, 28.9% of the properties in the portfolio are reported with encumbrances, translating to a significant KShs 2,449,100,000 in Value at Risk, which constitutes 19.9% of the total portfolio value. These encumbrances can range from charges and easements to ongoing legal disputes, potentially affecting the liquidity, marketability, or transferability of these assets.

This substantial proportion of encumbered value poses a financial and operational risk, particularly given the high client and geographic concentrations. A downturn in the market, or specific issues affecting major clients or regions, could amplify the impact of these encumbrances. Proactive monitoring and clear communication with clients regarding the implications of encumbered properties are essential for mitigating potential negative impacts on valuation accuracy and client satisfaction.

6. Land Use & Value Analysis

The portfolio's land use breakdown reveals a strategic focus on high-value asset classes. Commercial properties lead by total value, accounting for KShs 5,118,500,000 (41.5% of the portfolio) across 37 properties, with an average value of KShs 138,337,838. Mixed-use properties, though fewer in count (17), are highly valuable, contributing KShs 3,534,000,000 (28.7%) and boasting the highest average value at KShs 207,882,353. Residential properties, while most numerous (42 counts), have a lower total value of KShs 1,611,400,000 (13.1%) and the lowest average value of KShs 38,366,667. Agricultural properties also contribute significantly with KShs 1,770,800,000 (14.4%) from 12 properties.

The overall average value per acre is KShs 381,017,335, while the median is KShs 129,139,176 per acre. This large discrepancy further illustrates the portfolio's composition, where a few high-value, possibly smaller-acreage urban commercial or mixed-use developments significantly inflate the average, alongside larger tracts of lower-value per acre properties (e.g., agricultural land). Understanding these nuances in value per acre across different land uses and geographies is crucial for strategic growth and market positioning.

7. Strategic Recommendations

1. **Client and Geographic Diversification:** Develop a strategy to reduce over-reliance on the top 5 clients and counties. Actively seek to expand the client base within underserved segments and explore emerging high-growth counties to spread risk and foster sustainable growth.

2. **Encumbrance Risk Mitigation:** Implement a more robust framework for assessing and reporting encumbrances, including potential impacts on valuation. Consider offering advisory services to clients on managing encumbrances to improve the overall quality of assets being valued.

3. **Optimize Valuer Capacity and Efficiency:** While current valuation days are reasonable, evaluate the workload of the two valuers against the average inspections and the potential for increased property volumes. Explore technological solutions or additional staffing to enhance inspection capacity and reduce turnaround times further.

4. **Leverage High-Value Segments:** Capitalize on the firm's strong performance in Commercial and Mixed-Use valuations. Develop specialized marketing and expertise in these areas to attract more high-value clients and further solidify NW Realite's market leadership in these profitable segments.

5. **Data-Driven Market Intelligence:** Conduct deeper analysis into the drivers of the 135.3% MoM value growth. Identify specific market trends, property types, or client acquisition strategies that contributed to this surge to replicate success and forecast future growth more accurately.

6. **Targeted Portfolio Expansion:** Based on land use and value per acre analysis, identify specific property types or geographical niches that offer attractive returns or diversification benefits. For instance, strategically target specific sub-segments within residential or agricultural sectors that offer higher value per acre or growth potential.

8. Key Takeaways

* **Exceptional Value Growth:** The portfolio achieved significant MoM value growth (135.3%) this period, driven by high-value property valuations, despite a stable property count.

* **Concentration Risks:** High client (74.2%) and geographic (81.0%) concentrations represent potential vulnerabilities, necessitating a focused diversification strategy.

* **Significant Encumbrance Impact:** Nearly 20% of the portfolio's value is encumbered, requiring proactive risk management and client advisory.

* **Commercial & Mixed-Use Dominance:** The portfolio is heavily weighted towards high-value Commercial and Mixed-Use properties, underscoring specialized expertise and market positioning.

* **Strategic Diversification:** Future growth and stability will hinge on deliberate efforts to diversify client relationships, expand geographic reach, and mitigate identified risks.

Portfolio Trend Chart