

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

Date: 2nd December 2025

EXECUTIVE SUMMARY

This report provides a comprehensive overview of NW Realite's property valuation portfolio, analyzing key performance indicators, growth trends, client and geographic distribution, and inherent risks. The portfolio demonstrates robust value growth, currently standing at KShs 12.33 billion across 114 properties. While experiencing significant month-on-month value growth, the portfolio exhibits high concentration in both client segments and geographic locations, primarily Nairobi, and specific land use types like Commercial and Mixed Use. A notable portion of the portfolio's value is subject to encumbrances, requiring careful risk management. The analysis highlights opportunities for strategic diversification and optimization to enhance stability and capitalize on market trends.

1. Portfolio Overview

NW Realite's property valuation portfolio comprises 114 distinct properties, totaling an impressive market value of KShs 12,331,200,000. The average property value stands at KShs 108,168,421, however, the median property value is significantly lower at KShs 51,000,000. This substantial disparity, coupled with a high Coefficient of Variation of 157.3%, indicates a highly diverse portfolio with a significant number of high-value properties skewing the average upwards and suggesting a wide range in property sizes and

types.

The total land area covered by these valuations spans 690.32 acres, underscoring the substantial scale of assets under management. This portfolio structure suggests a strategy that includes a mix of large, high-value assets alongside a broader base of moderately valued properties, demanding tailored valuation and risk assessment approaches.

2. Key Performance Indicators

The following key indicators summarize the current state and performance of the property valuation portfolio:

- Total Market Value: KShs 12,331,200,000
- Total Properties: 114
- Month-on-Month Growth (Value): 135.3%
- Average Days to Valuation: 20.6 days
- Percentage of Portfolio Value Encumbered: 19.9%
- Most Active County: Nairobi
- Top 5 Client Concentration: 74.2%

3. Growth & Trends Analysis

The portfolio has demonstrated remarkable growth in value, recording a 135.3% month-on-month increase, yet the number of properties remained stable with 0.0% MoM growth. This significant value surge suggests the addition of substantial high-value properties or revaluation of existing assets during the period, rather than an expansion in the sheer volume of properties. Year-to-date figures align with the current totals, reflecting this recent robust performance.

Operational efficiency is demonstrated by an average valuation turnaround time of 20.6 days, which is a reasonable metric for complex property assessments. With two valuers actively serving the portfolio, averaging 10.4 inspections per month, there is a consistent level of activity. The substantial value growth alongside stable property count warrants further investigation into the specific high-value properties or revaluations that contributed to this surge.

4. Client & Geographic Insights

The portfolio is characterized by a high degree of client and geographic concentration. Our client base consists of 26 unique clients, with the top 5 clients accounting for a significant 74.2% of the total market value. The Bank client segment is overwhelmingly dominant, representing 77 properties and KShs 7,751,300,000 in market value, followed by Corporate (KShs 2,612,000,000) and Individual (KShs 1,938,400,000) clients. This heavy reliance on a few key clients, particularly banks, exposes the portfolio to concentration risk.

Geographically, our valuations cover 23 counties, indicating a broad reach across Kenya. However, the top 5 most active counties account for 81.0% of the portfolio's value, with Nairobi identified as the most active county. This reinforces a concentrated geographic footprint, primarily centered in the capital city. While Nairobi offers substantial market opportunities, over-reliance on a single region could impact portfolio

stability during localized economic downturns or regulatory changes.

DETAILED ANALYSIS & RECOMMENDATIONS

5. Risk Assessment

Risk metrics reveal a significant portion of the portfolio is subject to encumbrances. Approximately 28.9% of the properties within the portfolio are encumbered, representing KShs 2,449,100,000 in Value at Risk. This translates to 19.9% of the total portfolio value being encumbered. Such a high percentage of encumbered properties and value indicates potential exposure to liabilities and could impact liquidity or the ability to realize full market value under certain conditions.

It is crucial to closely monitor these encumbrances and understand their nature, such as mortgages, liens, or other charges. While common in property transactions, a detailed analysis of the types and terms of these encumbrances, along with client creditworthiness, is vital for proactive risk management and mitigation strategies. This insight should inform our risk appetite and client selection processes.

6. Land Use & Value Analysis

The portfolio's value is heavily skewed towards specific land use types. Commercial properties represent the largest share, contributing 41.5% of the total value (KShs 5,118,500,000) from 37 properties, with an average value of KShs 138,337,838. Mixed Use properties follow, accounting for 28.7% of the value (KShs 3,534,000,000) from 17 properties, boasting the highest average value per property at KShs 207,882,353. Agricultural properties also contribute a substantial 14.4% of the value (KShs 1,770,800,000). Residential properties, while having the highest count (42 properties), account for a comparatively lower 13.1% of the total value, with a much lower average value of KShs 38,366,667 per property.

The overall average value per acre is KShs 381,017,335, while the median value per acre is KShs 129,139,176. This significant difference between the average and median value per acre further highlights the presence of highly valuable land parcels, likely in prime Commercial or Mixed Use zones, which drive the overall average upwards. Understanding these land use dynamics is critical for future business development and targeted market penetration.

7. Strategic Recommendations

Based on the detailed analysis, the following strategic recommendations are proposed:

- 1. Implement a client diversification strategy to reduce reliance on the top 5 clients, exploring opportunities with Corporate and Individual segments more actively.**
- 2. Initiate targeted marketing and business development efforts to expand our geographic footprint beyond the top 5 concentrated counties, especially in high-growth regional hubs.**
- 3. Develop a robust encumbrance monitoring framework to better understand the nature and risk profile of encumbered properties and clients, informing lending or valuation**

recommendations.

- 4. Capitalize on the strong performance of Commercial and Mixed Use properties by actively seeking new valuation opportunities within these high-value segments.**
- 5. Evaluate valuer capacity and consider expanding the team or optimizing workflows to potentially reduce the average days to valuation and increase monthly inspection throughput.**
- 6. Explore opportunities in underrepresented but high-potential land use categories or specific niches that offer attractive value-per-acre prospects.**
- 7. Enhance relationship management for top-tier clients to ensure retention while simultaneously fostering growth with emerging clients to balance the portfolio.**

8. Key Takeaways

The following are the most important insights derived from the portfolio analysis:

- 1. The portfolio demonstrates strong month-on-month value growth, although this is driven by high-value additions rather than an increase in property count, indicating a strategic focus on premium assets.**
- 2. High client and geographic concentration, particularly with Bank clients and in Nairobi, presents both strong revenue streams and significant concentration risks that require proactive management.**
- 3. Almost 20% of the portfolio's value is encumbered, underscoring a need for enhanced risk assessment protocols and a deeper understanding of underlying liabilities.**
- 4. Commercial and Mixed Use properties are the primary value drivers, suggesting these segments should remain a strategic focus while also exploring diversification.**
- 5. There is a significant disparity between average and median property values and value per acre, highlighting the presence of highly valuable outlier properties and a diverse risk-reward profile within the portfolio.**

Portfolio Trend Chart

