

REPORT AND VALUATION
UPON
A PLANNED RESIDENTIAL PROJECT



TITLE NO: KIAMBAA/RUAKA/520, TARAJI HEIGHTS
RUMINYI, ALONG LIMURU ROAD IN RUAKA,
KIAMBU COUNTY



Our Ref: RVI/V.O/2018/5345

Friday, January 5th, 2018

Senior Project Manager & Head of Regional Markets,
Cytonn Real Estate,
3rd Floor, Liaison House, State House Avenue,
P.O Box 20695-00200,
Nairobi, Kenya.

Dear Sir,

**RE: VALUATION OF TITLE NO. KIAMBAA/RUAKA/520, TARAJI HEIGHTS,
ALONG LIMURU ROAD, KIAMBU COUNTY**

Pursuant to your request and in accordance with an award of contract received dated **Friday, 15th December, 2017**(cancelled and replaced by another dated **Friday, 26th January, 2017**), we inspected the above captioned property on **3rd January, 2018**, and we are pleased to submit the accompanying Report and Valuation.

The report, including exhibits, fully describes the approach to value and contains all pertinent data gathered in the investigation of the subject property.

The value opinion reported below is qualified by certain assumptions, limiting conditions, certifications, and definitions, which are set forth in the report.

Respectfully submitted,

FRANCIS K. WANJOHI
B.A. LAND ECONOMICS,
MBA (FINANCE), CPA (K), M.I.S.K
REGISTERED AND PRACTISING VALUER
HEAD OF VALUATION

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EXECUTIVE SUMMARY

This Executive Summary must be read in the context of and in conjunction with the full valuation report of which it forms a part of. All comments, terms and conditions contained in the full valuation report relate directly to this Executive Summary.

SUMMARY OF SALIENT FACTS

INSTRUCTING PARTY:	CYTONN INVESTMENTS MANAGEMENT LIMITED
PROPERTY ADDRESS:	TITLE NO: KIAMBAA/RUAKA/520, TARAJI HEIGHTS, RUMINYI, ALONG NORTHERN BY-PASS IN RUAKA, KIAMBU COUNTY
DATE OF INSPECTION:	WEDNESDAY, 3RD JANUARY 2018
DATE OF VALUATION:	TUESDAY, 30TH JANUARY 2018
REGISTERED PROPRIETOR:	CYTONN INVESTMENTS PARTNERS TEN, LLP
INTEREST APPRAISED:	FREEHOLD TENURE
PURPOSE OF VALUATION:	BOOK PURPOSES
MAIN DEVELOPMENTS:	FOUR (4) APARTMENT BLOCKS & A CLUB HOUSE
LAND SIZE:	1.21 HECTARES OR 3.0 ACRES
LAND USE:	PLANNED RESIDENTIAL USE

BRIEF PROPERTY AND NEIGHBOURHOOD DESCRIPTION

This is a development site for a master planned residential community situated in Ruminyi along Limuru road and directly opposite Westview Apartments in Ruaka, Kiambu County. The site which slopes gently southwards and has deep red soils, is currently being developed with four residential blocks which upon completion shall comprise a total of 246 apartments (123No two bedroom, 105No three bedrooms and 18No three bedrooms + DSQ). Work done as at the date of this valuation is estimated at 12 percent. Upon completion it shall offer other support services a retail facility, a private clubhouse with a swimming pool, gym and spa and well-manicured gardens as well as borehole, water storage, back-up power generators, ample parking, et cetera.

Notable estates or landmarks in the immediate neighbourhood include, Ruaka town, Two Rivers Mall, Rosslyn Riviera Mall, Runda Estate, The Tribe, among others.

VALUATION SUMMARY

		Current Values (KES)	Values upon Completion (KES)
(i)	Market Value	687,000,000.00	2,299,000,000.00
(ii)	Mortgage Value	584,000,000.00	1,954,000,000.00
(iii)	Forced Sale Value	515,000,000.00	1,724,000,000.00
(iv)	Value of Land (Assuming Vacant)	300,000,000.00	616,000,000.00

1. DEFINITION OF TERMS

1.1. VALUATION RATIONALE

The subject property consists of approximately 3.0 acres of a planned gated estate site fronting Limuru road, Ruminyi in Ruaka, Kiambu County.

We have consequently adopted the Sales Comparison/Market Approach and Residual Method to arrive at the opinion of Market Value.

Sales Comparison/Market Approach

According to the *RICS¹ Valuation - Professional Standards 2014²*, the Sales Comparison/Market Approach of valuation provides an indication of value by comparing the subject assets with identical assets for which price information is available. We have adopted this methodology in analysing the sampled comparable valuations within the neighbourhood.

Contractors Method/Cost Approach

The *RICS Valuation - Professional Standards 2014*, defines the Cost Approach as one that provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or construction. Valuation of villas and infrastructure components is based on this methodology applying the appropriate depreciation. Valuation of villas once complete will be based on sales comparison.

Residual Method

The residual method of valuation could be expressed in the form of a simple equation where the value of a property is the residue (a sum left over) after deducting the cost of development from the value of development. It may also be considered as the amount that a developer would be prepared to pay for such a property in order to obtain the development potential.

¹ Royal Institution of Chartered Surveyors

² The RICS Valuation – Professional Standards 2014 are fully compliant with the International Valuation Standards 2013.

1.2. BASIS OF VALUATION

Market Value

According to the *RICS Valuation – Professional Standards 2014*, Market value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

1.3 POTENTIAL, HIGHEST AND BEST USE

1.3.1 Potential

This is the difference between the present use of a property and the highest and best use of the same property.

1.3.2 Highest and Best Use

This is the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported and financially feasible and that results in the highest value.

2. PROPERTY SETTING

2.1 LOCATION

The property is in Ruminyi area fronting Limuru road in Ruaka, Kiambu County.

The geographical coordinates of the site’s approximate centre are **1°12'2.60"S** and **36°45'26.62"E**.

2.2 NEIGHBOURHOOD AND LOCAL DATA

Taraji Heights and the immediate neighbourhood is zoned as a low to medium density residential area. However, sections along Limuru road, Ruminyi and Ruaka towns are heavily commercialized. This neighbourhood, whereas not so well planned, has well-organised systems of service provision. Developments are characterised mainly by high rise blocks of apartments.

Notable estates or landmarks in the immediate neighbourhood include, Ruaka town, Two Rivers Mall, Rosslyn Riviera Mall, Runda Estate, The Tribe, among others.

2.3 SERVICES AND AMENITIES

Mains water, electricity and sewer are connected to the property.

Immediate access roads are all tar surfaced

3 PARCEL AND ASPECTS OF TITLE

3.1 TENURE AND PROPRIETORSHIP

An inspection of the copy of title and a copy of certificate of official search from the Kiambu Lands Registry revealed that the property is held as freehold interest registered in the name of **Cytonn Investments Partners Ten, LLP**.

3.2 PARCEL ACREAGE

According to the copy of title and map, the parcel measures **1.21 hectares** or **3.0 acres** approximately.

3.3 ENCUMBRANCES

No encumbrances were registered against the title.

A copy of the certificate of official search is attached as Appendix IV.

3.4 LAND RATES

Unascertained.

3.5 LAND DESCRIPTION

3.5.1 Land Ownership in Kenya

In Kenya, there are three (3) different land classifications: private land, public land, and community land.

Private land is land owned by an individual under freehold or leasehold tenure.

Public land is vested in the government for the benefit of the people of Kenya. It includes roads, all water bodies, forests, national parks, and land that have minerals, among others.

Community land is held by and managed by communities. It includes land registered under group representatives, shrines, grazing areas and ancestral lands.

3.5.2 Title No: Kiambaa/Ruaka/520, Taraji Heights,

This property lies on a prime 3.0 acre parcel in Ruminyi along Limuru road in Ruaka, Kiambu County.

The title is held on freehold Interest granted under The Land Registration Act No. 3 of 2012 and The Registered Land Act, (Cap 300) now repealed.

4 POTENTIAL, HIGHEST AND BEST USE ANALYSIS

The property is located in Ruminyi along Limuru road in Ruaka, Kiambu County. The site as currently used is yet to realize any of its potential. However, the proposed project: Taraji Heights, which is apparently based on a well planned master plan ensuring creation of a secure and well serviced gated community; shall indeed, upon full completion, result into the highest and best use of the land.

5. IMPROVEMENTS/DEVELOPMENTS

5.1 GENERAL DESCRIPTION

This is a development site for a master planned mixed use gated community situated in Ruminyi along Limuru road in Ruaka area of Kiambu County. The site is currently being developed with four residential blocks which upon completion shall comprise a total of 246 apartments (123No two bedroom, 105No three bedrooms and 18No three bedrooms + DSQ). Work done as at the date of this valuation is estimated at 12 percent. Other support services such as a retail facility, a private clubhouse with a swimming pool, gym and spa, well-manicured gardens, borehole, water storage, back-up power generators, ample parking, et cetera; shall be provided.

5.2 General Construction Details

The following construction details were obtained from both the field inspection of the ongoing work and the details of the building plans on site.

The buildings are constructed of concrete block walls rendered and painted or stone clad externally, plastered and painted or clad with ceramic tiles to wet areas internally. Roofs are pitched timber trusses covered with decra roofing tiles with parts being flat reinforced concrete slabs converted to rooftop gardens. Ceilings are painted concrete slab undersides while topmost floors are/will be lined with gypsum boards.

Floors are finished either in solid laminated or timber boards to the main areas, ceramic tiles and marble to the wet areas or wood plastic composite decking on some terraces.

Doors are the heavy steel panelled type externally, solid timber panelled type or standard timber flush type internally and sliding steel/ aluminium casements to balconies.

Windows are either standard or full height glazed steel framed casement type with magnificent views of well manicured gardens and landscaping below.

Fittings include a double drain sinks, fully fitted kitchens with provisions for refrigeration, oven, dishwasher and both electric and gas cookers, full height wardrobes to the bedrooms.

The units will be fitted and connected to state-of -the -art security, fire safety and internet system.

5.3 Accommodation Details

The four blocks are arranged back to back and have a mix of two bedrooms, three bedrooms and three bedrooms apartments with servant’s quarters. The units have typical accommodation details.

A summary of the blocks and distribution of units is provided in the table below.

SUMMARY OF UNITS AT TARAJI HEIGHTS																				
FLOOR	BLOCK 1					BLOCK 2					BLOCK 3					BLOCK 4				
	3 BEDRM + DSQ	3 BEDROOM	2 BEDROOM	1 BEDROOM	OTHERS	3 BEDRM + DSQ	3 BEDROOM	2 BEDROOM	1 BEDROOM	OTHERS	3 BEDRM + DSQ	3 BEDROOM	2 BEDROOM	1 BEDROOM	OTHERS	3 BEDRM + DSQ	3 BEDROOM	2 BEDROOM	1 BEDROOM	OTHERS
B	P	P	P	P	P	P	P	P	P	P	0	0	0	0	0	0	0	0	0	0
B	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	0	0	0	0	0
GR	0	1	2	0	R	0	4	2	0	0	0	2	4	0	0	1	1	1	0	0
1	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
2	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
3	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
4	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
5	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
6	0	2	4	0	0	0	4	2	0	0	0	2	4	0	0	2	2	2	0	0
7	0	2	4	0	0	0	4	2	0	0	0	1	2	0	T	2	2	2	0	0
8	0	2	4	0	0	0	4	2	0	0	0	0	0	0	0	2	2	2	0	0
9	0	2	4	0	0	0	4	2	0	0	0	0	0	0	0	1	1	1	0	0
10	0	2	4	0	0	0	4	2	0	0	0	0	0	0	0	0	0	0	0	0
11	0	2	4	0	0	0	2	1	0	T	0	0	0	0	0	0	0	0	0	0
12	0	2	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	0	1	2	0	T	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	26	52	0	0	0	46	23	0	0	15	30	0	0	18	18	18	0	0	
Summary of Units																				
3 Bedroom + DSQ												18								
3 Bedroom												105								
2 Bedroom												123								
Total												246								

K E Y
 B - Basement parking
 P - Ground floor parking
 GR - Ground Floor
 T - Roof Terrace
 R - Retail

5.4 Accommodation Details for Typical Apartments

Two Bedroom Apartment

- Entrance PORCH;
- LIVING ROOM with door to small BALCONY;
- DINING AREA with door to KITCHEN;
- KITCHEN with PANTRY;
- PASSAGEWAY;
- Two (2) BEDROOMS each ensuite with a BATHROOM having a shower CUBICLE, Wash Hand Basin and a WC; and wall-wall wardrobes.

Gross Built Up Area: 84.0 m² approximately.

Three Bedroom Apartment

- Entrance PORCH;
- LIVING ROOM with door to small BALCONY;
- DINING AREA with door to KITCHEN;
- KITCHEN with PANTRY;
- PASSAGEWAY;
- BEDROOM 1;
- Common SHOWER ROOM having a Shower CUBICLE, Wash Hand Basin and a WC;
- BEDROOM 2;
- Master BEDROOM ensuite with a BATHROOM having a shower CUBICLE, Wash Hand Basin and a WC; and wall-wall wardrobes.

Gross Built Up Area: 117.0 m² approximately.

Three Bedroom Apartment + DSQ

- Entrance PORCH;
- LIVING ROOM with door to small BALCONY;
- DINING AREA with door to KITCHEN;
- KITCHEN with PANTRY;
- PASSAGEWAY;
- BEDROOM 1;
- Common SHOWER ROOM having a Shower CUBICLE, Wash Hand Basin and a WC;
- BEDROOM 2;

- Master BEDROOM ensuite with a BATHROOM having a shower CUBICLE, Wash Hand Basin and a WC; and wall-wall wardrobes.
- DSQ with BATHROOM having a OHS, Wash Hand Basin and a WC; and wardrobes.

Gross Built Up Area: 130.0 m² approximately.

5.5 Construction Progress & Level of Completion

The blocks were under various stages of construction and upon completion will have high standards of fixtures and fittings as demonstrated by the internal finishing and fitting to the show house (three completed units in block A).

We approximate the completion levels as follows:

Block	Approximate completion level	Work progress
Block 1	5%	Preliminary work and a bit of excavation done. The rest of the work is still pending.
Block 2	5%	Preliminary work and a bit of excavation done. The rest of the work is still pending.
Block 3	40%	Substructure, superstructure done up to ground floor. All other works are still pending.
Block 4	40%	Substructure, superstructure done up to fourth floor. All other works are still pending.
Swimming Pool	80%	Substructure, superstructure and plastering done. All other works are still pending.
Club House	80%	No work done

#	Description	Stage of Construction					
		At 100%	Block Description				Club House & Pool
			1	2	3	4	
1	Setting out	1	1	1	1	1	1
2	Excavation and Earthwork	3	3	3	3	3	3
3	Concrete foundations	2	1	1	2	2	2
4	Walls to D.P.C	2	0	0	2	2	2
5	Hardcore infill	3	0	0	3	3	3
6	Concrete floor slab	5	0	0	4	4	5
7	Walling	12	0	0	10	10	12
8	Door frames and windows	14	0	0	8	10	14
9	Roof support	6	0	0	0	0	6

10	Roof covering	10	0	0	0	0	8
11	Ceiling joists and brandering	2	0	0	0	0	1
12	Wardrobes and cupboards	5	0	0	0	0	3
13	Internal plumbing and drainage	10	0	0	4	0	8
14	Wall finishes	6	0	0	1	2	4
15	Ceiling boards	4	0	0	0	0	1
16	Window boards, picture rails, sundries in woodwork	1	0	0	0	0	0
17	Floor finishes	2	0	0	1	1	1
18	Doors complete	5	0	0	1	2	4
19	Glazing	2	0	0	0	0	0
20	Painting and decoration	5	0	0	0	0	2
	TOTAL	100	5	5	40	40	80

The overall work done as at the date of this valuation can be estimated at 12%. Considering the ongoing construction work to all the blocks, the project should be completed in the next twenty four months. This is assuming no unforeseeable interruptions occur during the estimated period.

5.6 ENVIRONMENTAL & LAND CONTAMINATION CONCERNS

Although this is not an Environmental Impact Assessment, we can confirm that there was no evidence of pollution or land contamination on the subject property or on the adjoining site. Our physical inspection of the property and its neighbourhood can be summarized in the table below:-

	Property Observations	Motivation
1	Briefly describe the surrounding environment of the property (e.g. industrial, residential, rural or commercial)	Mix of commercial and residential
2	Is the property located close to a water source or a sensitive ecological area (e.g. river, protected area, nature reserve)? If yes, please elaborate.	No
3	Do the operations/activities on the property involve the handling, storage, transportation or disposal of hazardous material (e.g. fuel, chemicals and fertilizer)? If yes, please elaborate.	No
4	In your opinion, are potential environmental and/or social risks satisfactorily managed on the property/site? (E.g. Yes, an Environmental Management System is in place)?	Yes

6 TENANCY / OCCUPANCY

6.1 TENANCY/OCCUPANCY

At the time of inspection, the property was vacant safe for ongoing construction works.

6.2 SUBJECT PROPERTY RATINGS

On a scale of 1-9 the subject property would perform in the current and future markets as tabulated below. These rating assessments have taken into consideration the factors outlined in this report as at the date of valuation.

CURRENT DEMAND				
SCALE	RATING	LETTABILITY	SALEABILITY	BUILDING CONDITION
9	Excellent			
8	Very Good			
7	Good			
6	Above average			
5	Average			
4	Below average			
3	Poor			
2	Very poor			
1	Unlettable			
ANTICIPATED FUTURE DEMAND				
SCALE	RATING	LETTABILITY	SALEABILITY	BUILDING CONDITION
9	Excellent			
8	Very Good			
7	Good			
6	Above average			
5	Average			
4	Below average			
3	Poor			
2	Very poor			
1	Unlettable			

OVERALL RATING			
RATING	LETTABILITY	SALEABILITY	BUILDING CONDITION
Average	7.5	8	8.5

7 SWOT ANALYSIS

We provide a SWOT analysis of the subject property as below:

Strengths:

- Prime location of the property;
- Frontage to a major road;

Weaknesses:

- Location too close to busy and noisy highways;

Opportunities:

- Close proximity shopping and recreational facilities;
- Located in a busy and popular controlled neighbourhood.

Threats:

- Volatility of the national and global economy is negatively impacting on the local property market;
- Negative political environment.

8. MARKET OVERVIEW

8.1 GENERAL MARKET COMMENTARY

Local

This is a prime three acre parcel of land situated in Ruminyi along Limuru road in Ruaka area of Kiambu County. The estate also is in close proximity to popular malls such as Two Rivers Mall, Rosslyn Riviera Mall, The Village Market, among others. These factors coupled with the tasteful planned development that will upon completion offer convenience, comfort and security; make Taraji Heights a popular destination for home buyers in Nairobi and Kiambu as well as those looking for a place to invest in terms of rental units.

Considering the competitive prices being offered by the developer as well as a guarantee to complete the project on time as planned, has seen a good number of units purchased off plan. Other prospective buyers have also given commitments to purchase units upon completion.

The project has highlighted the fact that the Kenyan real estate market is still vibrant and can offer good returns for developers who are going the extra mile to offer the public affordable housing where and when needed.

Global/Regional

The global and regional economic environment will continue to influence Kenya's economic developments by influencing commodity prices, the volume and direction of international capital flows, and trade. As such, risks to the global economic outlook have the potential to affect consumer and investor confidence and curtail growth in the Kenyan economy. The major forces driving the global economic outlook are soft commodity prices and the turbulence in the global financial system triggered by increasingly divergent monetary policies across AEs (Advanced Economies) and these have direct implications for the Kenyan economy.

More specific issues of note include the growth of the private sector that has seen more international companies setting up their headquarters in Nairobi. This is owed to the strategic positioning of the city as a regional hub. This has created increased demand for high quality Grade A office space that meets international standards as well as high end residential accommodation.

Confirmations

We have also perused the Ndung'u Land Report and the property does not appear to have been illegally allocated or acquired.

The property is also not mentioned in the National Land Commission Review of Grants and Disposition of Public Land Report of July 2017.

9. VALUATION CERTIFICATE

We have analyzed the information obtained from the physical inspection of the property, information pertaining the asking prices for similar parcels of land in the area, current costs of construction, as well as taken into account the economic conditions on the date of valuation to arrive at the opinion of value of the property as of **Friday 5th January, 2018** as follows:

	Value	Current Values (12.0% Complete) (KES)	Values upon Completion (100%) (KES)
(i)	Market Value	687,000,000.00	2,299,000,000.00
		Read: Kenya Shillings Six Hundred Eighty Seven Million Only	Read: Kenya Shillings Two Billion, Two Hundred Ninety Nine Million Only
(ii)	Mortgage Value	584,000,000.00	1,954,000,000.00
		Read: Kenya Shillings Five Hundred Eighty Four Million Only	Read: Kenya Shillings One Billion, Nine Hundred Fifty Four Million Only
(iii)	Forced Sale Value	515,000,000.00	1,724,000,000.00
		Read: Kenya Shillings Five Hundred Fifteen Million Only	Read: Kenya Shillings One Billion, Seven Hundred Twenty Four Million Only
(v)	Value of Land (Assuming Vacant)	300,000,000.00	616,000,000.00
		Read: Kenya Shillings Three Hundred Million Only	Read: Kenya Shillings Six Hundred Sixteen Million Only

Apportionment of Market Value of Improvements

	Block	At 100% (KES)	At 12 % (KES)
1	Block 1	511,700,000.00	45,850,000.00
2	Block 2	488,300,000.00	43,900,000.00
3	Block 3	274,500,000.00	42,800,000.00
4	Block 4	408,500,000.00	254,450,000.00
	Total	1,683,000,000.00	387,000,000.00

**FOR AND ON BEHALF OF
REGENT VALUERS INTERNATIONAL (K) LIMITED**

**VINCENT OGENDO NYABWARI
B.A.LAND ECONOMICS (HONS), M.I.S.K (VS)
VALUER**

**FRANCIS K. WANJOHI
B.A.LAND ECONOMICS,
MBA (FINANCE), CPA (K), M.I.S.K, RV, REA
REGISTERED AND PRACTISING VALUER
HEAD OF VALUATION**

APPENDIX I: PICTORIAL ILLUSTRATION OF THE PROPERTY



-Views of the subject property -



-View of the site entrance & access road-



-View of the neighborhood-

DISCLAIMER

We certify that the valuer has inspected the subject property on the date above and has assessed the market value on the date above. This valuation is made subject to the details, remarks and qualifications made in this final report and it is intended for the sole use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third parties in relation to this valuation and report. The valuer has neither a pecuniary interest in, nor with either party associated with the transaction that would conflict with the independent valuation of the property.

Where it is stated in the Report that information has been supplied to the Company by another party, this information is believed to be reliable but the Company accepts no responsibility if this should prove not to be so. Where information is given without being attributed directly to another party, this information has been obtained by our search of records and examination of documents or by enquiry from government or other appropriate departments.

Where Market Value is assessed, it reflects the full contract value and no account is taken of any liability for taxation on sale or of the costs involved in effecting a sale.

The Valuation is not valid, unless it is duly signed by the Principal Valuer of this company and bears the Official Company Seal.

TERMS OF ENGAGEMENT

Neither the whole nor any part of this report or valuation, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way, nor disclosed to any third party without the prior written consent of the firm.

Neither all nor part of the contents of the report shall be reproduced for dissemination to the public through advertising media, public relations media, news media, sales media, social media or any other public means of communication without the prior consent and written approval of the appraisers.

This appraisal is based on the condition of the local and national economy, purchasing power of money and financing rates prevailing on the effective date of valuation.

SCOPE AND EXTENT OF INSPECTION

Our valuation report includes; the site together with its all supporting systems such as electrical and mechanical systems. The progress on the ongoing project has been inspected, and due consideration given in this report and valuation.

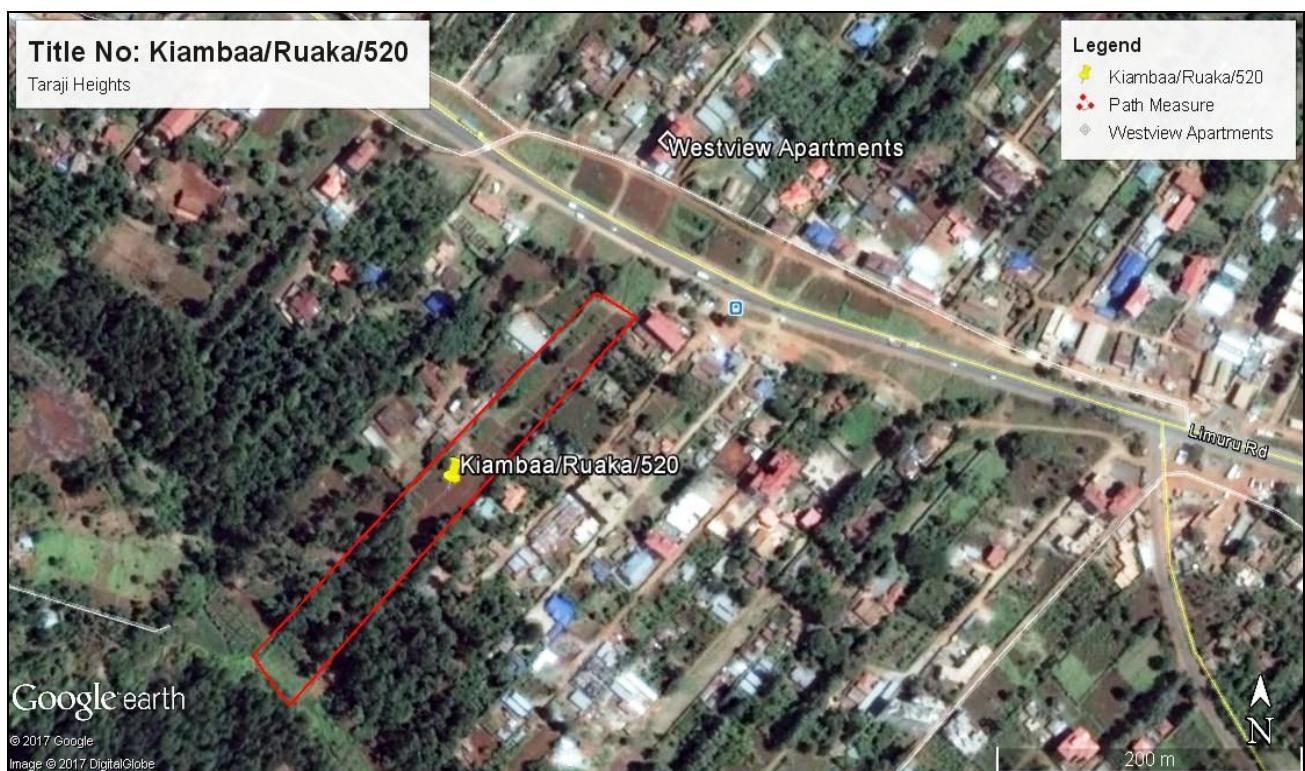
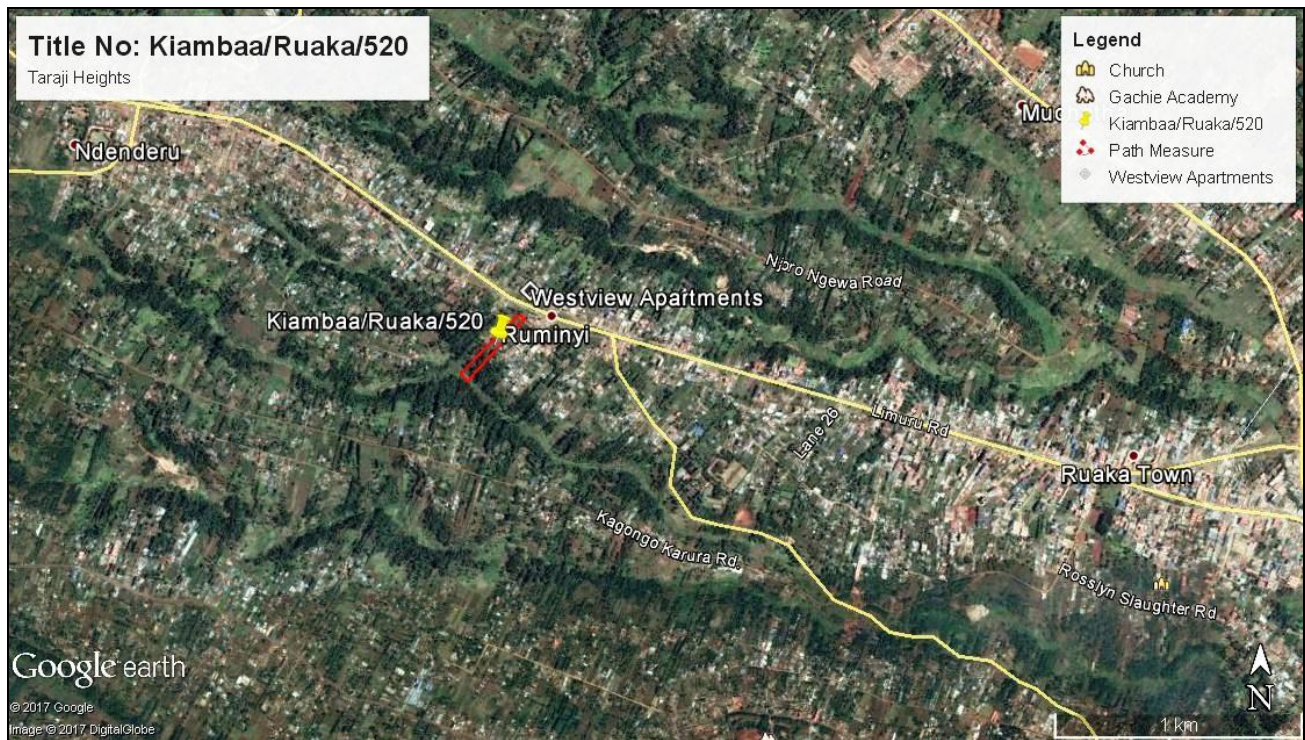
We have inspected the property as far as is reasonably necessary for valuation purposes. This has comprised a visual inspection of the exterior and interior of the property, such as could be undertaken from standing at ground level within the boundaries of the site and adjacent public/communal areas and as was readily accessible with safety and without undue difficulty including standing at the various floor levels.

We have not carried out a building survey of the buildings nor have we inspected woodwork, steelwork or other parts of the property which are covered, unexposed or inaccessible and we are therefore unable to report that any such parts of the property are free from defect. Our report does not purport to express an opinion about or to advise upon the condition of uninspected parts. Neither have we carried out any tests of any kind on the electrical, plumbing or other services installed.

MARKET CHANGE DISCLAIMER

This valuation is current as of the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to this particular property). We do not accept liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon a year from the date of the valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

APPENDIX II: GOOGLE EARTH IMAGES OF THE PROPERTY



APPENDIX III: COPY OF THE SURVEY MAP EXTRACT



