

my return objectives are very high because I am taking a very big risk," he explains.

"Whereas if you structure the capital well, like debt, mezzanine debt, equity in the right proportion, you can enhance



Uganda's real estate future depends on affordable housing, smarter financing, and stronger mortgage systems. Sustainable development isn't luxury apartments alone; it's creating accessible homes for the rising urban populations. PHOTO / FILE

Real estate. |

TOBBIAS JOLLY OWINY

Government is intensifying calls for investors to prioritise Gulu, positioning the northern city as a future logistics and commercial hub capable of transforming Uganda's trade footprint across East and Central Africa.

The renewed pitch was made during the Gulu City Property Investment and Development Conference 2026 at Acholi Inn, where policymakers, real estate developers, financiers, contractors, and investors gathered to explore opportunities in northern Uganda.

Organised by Knight Frank and NCBA Bank, the conference is part of the Secondary Cities Property Investment and Development Conference Series, which seeks to unlock growth in Uganda's secondary urban centres.

Gulu occupies a strategic position because of its proximity to South Sudan and eastern DR Congo, markets with growing demand for goods and services, but limited domestic production capacity, which officials said makes it a premium investment hub.

Ministry of Finance Commissioner for Economic Development Policy and Research Joseph Enyimu described Gulu as a "natural node" within the northern growth corridor.

"The Acholi sub-region and Gulu City constitute a natural node within the northern tip of the Growth Triangle, anchored by cross-border trade and logistics to the north, and tourism assets extending to Murchison Falls and Kidepo Valley," he said.

Gulu City emerges as northern Uganda's next investment hub

Enyimu said the ongoing infrastructure projects, including the rehabilitation of the Tororo-Gulu railway, the Gulu-Nimule road, and improved connectivity to DR Congo, are laying the foundation for a modern regional supply chain network capable of serving South Sudan's estimated 12 million people and eastern DR Congo with supplies such as food, construction materials, manufactured goods, pharmaceutical products and financial services.

He also noted that the city presents immediate investment opportunities in warehousing, container freight stations, cold chain facilities, banking services, hospitality, office space and retail infrastructure.

However, the Gulu Investment Market Report 2026, launched during the conference, revealed that although Gulu ranks highly among Uganda's secondary cities in investment potential, it still lacks modern retail infrastructure, quality office space, and high-end hospitality facilities.

Indian-style retail businesses continue to dominate, while organised retail formats remain limited, in addition to poor parking infrastructure and lack of enough modern hotels to serve rising business and tourism demand.

Knight Frank head of research Hillary Mbaihayo, said Gulu's hospitality sec-

tor is growing steadily, with hotel rates ranging from Shs120,000 to Shs560,000 per night, although most facilities remain low-end lodges.

"There is growing demand from tourists and business travellers, but the supply of high-quality accommodation remains limited," he said.

Gulu's proximity to attractions such as Murchison Falls National Park, Ajai Wildlife Reserve, Aruu Falls and Fort Patiko presents untapped opportunities for hospitality and tourism investors.

The city's transformation has accelerated since it attained city status in 2021. Its boundaries expanded from about 55

square kilometres to nearly 255 square kilometres, incorporating Bungatira, Ongako, Kolo and Unyama into the urban planning framework.

The expansion has triggered a real estate boom, with land values rising sharply because of increased urban demand and planning expectations.

In established neighbourhoods such as Pece and Laroo, plot prices now range from Shs50m to more than Shs300m.

However, many landowners still value land based on its rural past, creating what economists describe as a rare investment window for developers.

Mark Moro, coordinator of the Uganda Chamber of Commerce and Industry for northern Uganda, said demand for quality housing remains one of the city's biggest opportunities.

"We still lack adequate prime residential housing despite increasing numbers of expatriates and professionals seeking quality accommodation," he said, adding that condominium apartments could become a game-changing investment model for Gulu's emerging middle class.

For decades, northern Uganda was associated with conflict, displacement and humanitarian crises. However, Gulu has transformed due to restored peace, government infrastructure in-

vestment, and the resilience of communities rebuilding after years of war.

The Uganda National Household Survey 2023/24 shows poverty levels in the Acholi sub-region have fallen from 67.7 percent to 20.5 percent over the past decade.

Gulu City Planner Charles Luwaa said the city has developed an investment profile identifying priority sectors, including logistics, agro-processing, manufacturing, real estate, and infrastructure development. "What we now urgently need is a properly established industrial park," he said.

Investments such as the Gulu Logistics Hub, Tororo-Gulu railway rehabilitation, improved border infrastructure and road upgrades under the Uganda Support to Municipal Infrastructure Development programme have strengthened Gulu's investment profile.

Gulu City Engineer Christo Omara Balmoyi said the city is implementing a comprehensive drainage master plan to prevent flooding.

"We want to ensure investors are protected through robust infrastructure and efficient planning. Once complete submissions are made, we guarantee approvals within 30 days," he said.

The recent establishment of the city's Land Board has also eased land registration and approval processes, although challenges such as land fraud, boundary disputes and high transaction costs persist.

As Uganda pursues its Tenfold Growth Strategy, which targets a \$500b economy by 2040, secondary cities such as Gulu are increasingly being viewed as critical engines of economic expansion.

Uganda has fewer than 40,000 registered mortgages, a figure that Moses Lutalo suspects may be an overestimate.

Key figures

Shs300m

In established neighbourhoods such as Pece and Laroo, plot prices now range from Shs50m to more than Shs300m.

255

The elevation of Gulu to a city expanded its boundaries from about 55 square kilometres to nearly 255 square kilometres.