



Wellers iMPACT

Transformative impact through real estate investment

Refinancing to deleverage current structure

Wellers Impact

Who we are: UK-based, FCA regulated impact investment manager. We work with ethical partners (i.e. charities, not-for-profit groups and ethical businesses) to enable transformative community impact

Our objective: Reducing ethical partners' donor dependency, strengthening them as institutions whilst aiming to offer investors fair financial returns

Our ambition: To unlock innovation and support our ethical partners in releasing over US\$25m a year through our projects

Investment Opportunity

Financial: Investors can attain an attractive rate of return in re-financing a completed 16-storey Grade A commercial development in the desirable suburb of Kilimani, Nairobi, using an asset-backed financial structure

Deal: Refinancing up to c. £4.4m, secured against the development, loan to value of less than 85% based on unsold portion currently valued at c.£7.1m

Key Metrics:

Over 50% of the available space has been sold and there is a large proportion under offer

Existing Financial Structure	Proposed Financial Structure
Secured Bank Debt c. £1.5m	Secured Institutional Debt c. £0 - 3.2m (denominated in KeS)
Secured Mezzanine Debt c. £0.9m	Secured Non-Institutional (Convertible) Debt c. £0 - 3.2m (denominated in KeS)
Unsecured Subordinated Debt c. £1.6m	
Equity c. £0.5m	Equity c. £1.2 - 2.0m

Pecking Order

CMS-Africa

Who we are: A not-for-profit providing business development and training programs for youth and women across seven African countries including Kenya

Our assets: Owner of prime land in Kilimani, Nairobi, that has recently been developed with a gross development value of c.£7.1m and the potential to generate income of US\$0.35m p.a. from our proportion of the development

Our goal: Use income generated from the development to expand the breadth and depth of business development and training programs

Social: Wellers Impact has a Fair Deal Agreement with CMS-Africa, who contributed their land for the construction period. In return they received c. 20% equity share of the development and will receive a share of any excess profits

Deal: Continued ownership of land, equity share of new development and annual rental income of US\$0.35m

Key Metrics:

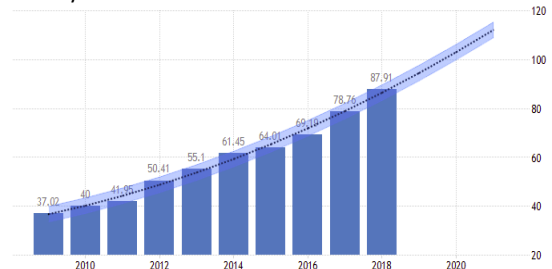
- **Program Delivery:** Through increased revenue from rental income, CMS expects to employ new teachers, provide new students with vocational training and enable creation of small businesses
- **Construction:** Provided 15 local students with on-site construction management apprenticeships
- **UN SDGs:** Construction of the development and CMS-Africa's programs directly contribute towards a number of UN SDGs



Kenyan Economy

- Kenya's economy is rapidly growing, has a pro-business government agenda and is politically stable relative to the rest of East Africa
- Nairobi is the business centre for East Africa and is an attractive destination for many international firms' African headquarters
- The three to five-year outlook is attractive with annual GDP growth of c. 5%+, consistent with positive growth over the last decade
- Interest rate cap removal signed into law on 7th November 2019, which should boost the economy given lending has been constrained

Kenya GDP Historical and Forecasted Source: World Bank



Why Are We Refinancing?

- **Existing Financial Structure:** Capital was raised at project inception in 2016, structure and pricing reflected inherent risk at the time
- **Proposed Financial Structure:** Capital to be refinanced and proposed pricing reflects reduced risk in the project. Further deleveraging will take place through sale of remaining space. Capital will be returned to investors as this occurs, reducing investor risk exposure throughout the term of the financing



For further information or any questions please contact:
Wellers Impact CEO: Neil Sandy, neil.sandy@wellersimpact.com or +44 7590 573516
Investment Consultant: Roopal Kanabar, roopal.kanabar@wellersimpact.com or +44 7401 798856
 We can facilitate site visits, insight trips, due diligence and provide additional detail on request