

## **Mara Delta continues east african expansion with yield accretive USD16.88 million Kenyan acquisition**

**Mara Delta (formerly Delta Africa), the first multi-listed property fund to offer international property investors direct access to immediate high growth opportunities on the African continent outside of South Africa, continues to trailblaze across the continent.**



The Company today announced that it has entered into negotiations to acquire a 13 560 m2 distribution facility in Nairobi, Kenya from Imperial Health Sciences Kenya Limited (“Imperial Health Sciences”) on a sale and leaseback basis secured by a renewable 10 year triple net lease.

The purchase consideration amounts to USD16 880 000 and will be funded on a debt free basis. Imperial Health Sciences is a subsidiary of JSE-listed global conglomerate Imperial Holdings Limited.

In addition, Mara Delta will also acquire a 20 220 m2 vacant plot of land adjacent to the distribution facility for a purchase consideration of USD2 996 000. Bronwyn Corbett, Chief Executive of Mara Delta commented: “We are very excited about this transaction that will increase our exposure in Kenya to 5.4% of our total portfolio. The transaction is accretive at a purchase yield attributable to shareholders of 8.4%. In line with our risk mitigation framework, Mara Delta assumes no operational cost or risk as the acquisition is secured by a renewable, 10 year triple net lease.

“Another very important consideration when acquiring an asset is counter party strength. In this regard Imperial Holdings Limited has underwritten the lease payments over the lease period.

“The distribution centre currently services Imperial’s entire East African pharmaceutical distribution operation. We also acquired the vacant plot of land adjacent to the facility which offers excellent development and expansion potential. Our intention is to sell the land shortly after conclusion of the transaction to our development partner at cost, as Mara Delta won’t assume development risk.” In terms of the negotiations, Mara Delta will provide Imperial Health Sciences with a licence to occupy this property for a period of 2 years with an option to acquire the development.

The transaction is subject to suspensive conditions usually associated with transactions of this nature.