

Where is the money? Equity Focus

East Africa Property Investment Summit

24 April 2018, 16:30 hrs

Equity in the real estate capital stack

Traditional capital stack



Equity forms in EA deals

- Common Equity / Developer equity
- Preferred Equity / Mezzanine Debt - fixed annual payback over a specific investment term but potentially can participate in the upside or continued success of the investment
- Land Equity - contributed by JV partner
- REITs

Panelist firm profiles

Actis

- Actis is a global platform offering a multi-asset strategy through the asset classes of private equity, energy and real estate. Our depth of experience, global insight and local understanding make us the partner of choice for investors, management teams, entrepreneurs and governments.
- We invest with an exclusive focus on intra-growth market investing (our 'south-south' approach): sharing knowledge and experience across regions and businesses to help deliver consistent, competitive returns responsibly.

CDC

- Our mission is to support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places.
- We aim to invest in countries where we can have the greatest impact. In countries where the private sector is weak and jobs are scarce.
- We invest in sectors where growth leads to jobs – both directly and indirectly. In sectors such as manufacturing, agribusiness, infrastructure, financial institutions, construction, health and education. Last year, the businesses we invest in created more than a million jobs.

Panelist firm profiles contd.

IFC

- IFC has established a leading position promoting private sector investment in Africa. Over nearly six decades, IFC has invested more than \$25 billion in African businesses and financial institutions, and our current portfolio exceeds \$5 billion. We are a leading provider of advice to promote a sustainable private sector and mobilize capital from other investors who invest alongside IFC in critical sectors for Africa's future.
- Our investments across a range of sectors help drive the region's development forward. We collaborate with other World Bank Group institutions to support agriculture, power, job creation, health, education, and capital markets. Our priorities include bridging the infrastructure gap, helping build productive industries, and fostering inclusive business approaches.

OPIC

- The Overseas Private Investment Corporation (OPIC) is a self-sustaining U.S. Government agency that helps American businesses invest in emerging markets. Established in 1971, OPIC provides businesses with the tools to manage the risks associated with foreign direct investment, fosters economic development in emerging market countries, and advances U.S. foreign policy and national security priorities.
- OPIC helps American businesses gain footholds in new markets, catalyzes new revenues and contributes to jobs and growth opportunities both at home and abroad. OPIC fulfills its mission by providing businesses with financing, political risk insurance, advocacy and by partnering with private equity investment fund managers.

Actis Equity Investments in EA



- XX

CDC Equity Investments in EA



- XX

IFC Equity Investments in EA

- XX

OPIC Debt Investments in Private Equity funds



- In response to the shortfall of private equity capital in developing countries, OPIC provides support for the creation of privately-owned and managed investment funds. OPIC is one of the largest private equity fund sponsors in developing nations and the agency is typically one of the first fund sponsors to enter an unproven market. These funds make direct equity and equity-related investments in new, expanding or privatizing emerging market companies. OPIC-supported funds help emerging economies access long-term growth capital, management skills, and financial expertise, all of which are key factors in expanding economic development and creating new opportunities for people in low-income and developing nations.
- OPIC has committed \$4.1 billion to 62 private equity funds in emerging markets since 1987. These funds in turn have invested \$5.6 billion in more than 570 privately-owned and managed companies across 65 countries. Through our commitments, we catalyze U.S. foreign direct investment and accelerate the economic and social development within these markets.