

## FUSION EARMARKS D-REIT FOR LANDMARK MERU PROPERTY

**March 16, 2016...**Real estate developer Fusion Capital has announced that cash raised from its D-REIT (Development Real Estate Investment Trust) will be used to develop a landmark property in Meru County.

Located in a prime address within Meru town on which construction work has already started, the Sh3.7 billion Greenwood City is a mixed use development that will comprise a shopping mall, an upscale office block and executive apartments. The project is to be developed and sold within 36 months at a yield to investors.

“Besides being the commercial hub of an agriculturally productive catchment, with a cash-rich economy, Meru is currently under-served with similar developments. Greenwood City was conceptualized to meet this need and provide first-class shopping and executive residential accommodation for a growing and vibrant middle class and grade A office space for firms doing business in the region,” said Luke Kinoti, Group Chief Executive at Fusion Capital. We want to make this the ultimate destination providing a holistic ‘live, work and play’ environment. In addition to its attractiveness, Meru County is a major transit gateway town, a big contributor to the tourism economy and is home to all major banking and financial institutions.

This development is a game changer for Meru County, and provides a model approach for other counties we are targeting. Initial marketing has generated a promising uptake for the development, he added.

Last month, Fusion Capital received approval from the Capital Markets Authority to launch D-REITs into the Kenyan market. The nod from the regulator allows it to facilitate the issue and eventual listing on new units of a commercial D-REIT of a minimum value of Sh1.15 billion and an upper threshold of Sh2.3 billion.

Speaking at the time, Mr. Kinoti said Fusion Capital would move fast to ensure the D-REIT is available to investors through an initial public offering (IPO) and subsequent listing on the Nairobi Securities Exchange, with the minimum investment being Sh 5,000,000

The move by Fusion Capital Limited comes at a time when property as an asset class is receiving a lot of attention in Kenya with sustained talk of a boom. According to the latest Economic Survey, growth in real estate and property sector is set to continue, driven by demand for new office space and urban housing. The survey notes that high demand for fixed assets, largely property, was a major contributor to a 5.3 per cent expansion in the Kenyan economy in 2014.

Demand for high quality commercial and residential property continues to grow at one with the country’s economy and rising wealth. The real estate sector has further been bolstered by

the devolved system of Government which has created investment and development opportunities in the counties.

**About Fusion Capital Limited...**Fusion Capital Limited, a Kenyan private equity firm and real estate developer, is the promoter of Greenwood City, a high potential commercial and residential asset in Meru, Meru County. The decade-old firm has established its credentials and experience as a solid property developer, with an expansive and well capitalized asset portfolio of up to \$200 million which comprises 13 assets, 11 of which are fully funded. The firm is inviting individual and corporate investors to participate in its latest project, Greenwood City, through the issuance and eventual listing on the Nairobi Securities Exchange of Kenya's first D-REIT (Development Real Estate Investment Trust).

#### **FOR MORE INFORMATION**

FUSION CAPITAL LIMITED

Luke M. Kinoti

Group Chief Executive

ACK Garden House, Block A, 1<sup>st</sup> Ngong Avenue

Tel: +254 (20) 2710149/53/55 or + 254 722 723110

Email: [mndambuki@fusiongroupafrica.com](mailto:mndambuki@fusiongroupafrica.com)