

Information Summary for the Public

Host Country(ies):	Kenya
Name of Project:	Edenvale
Project Description:	The Project is the first under the Acorn Housing Project Loan Facility approved by OPIC's Investment Committee on June 5, 2017, to support the development, construction and leasing of approximately 4,000 affordable studio apartments in up to 10 separate projects around central Nairobi, Kenya providing accommodation for approximately 6,000 university students. The Project is on 0.39 acres of land, and the building has nine stories with a build area of 10,115 sq. meters, of which 87% is comprised of 344 furnished studio units of approximately 15 sq. meters each. The remainder of the building is comprised of community retail stores (pharmacy, dry cleaners, small restaurant, and convenience store) on the ground floor and parking spaces in the basement. The building is energy efficient, secure, and includes common areas for the residents.
Proposed OPIC Loan:	Up to \$3,800,000
Total Project Costs:	\$6,491,881
U.S. Sponsor/Eligibility:	Acorn Holdings Limited (“ AHL ”), a Mauritius private limited company that owns 100% of Acorn Project One LLP, is beneficially owned 50% each by Acorn Investments Ltd. (“ AIL ”) and Accord HoldCo Limited (“ Accord ”). Accord’s equity funding comes solely from Helios Investors III LP (“ Fund III ”), which is 47.2% owned by U.S. eligible investors. Fund III, through Accord, contributes 95% of AHL’s equity into all the Facility’s projects, including the Project.
Foreign Sponsor:	Acorn Projects One LLP and Heber Investments Limited
Policy Review	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. U.S. procurement in the form of legal and financial advisory services is expected to have a <i>de minimis</i> impact on U.S. employment. The Project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This Project is expected to have a positive developmental impact in Kenya by increasing the supply of affordable student housing in Nairobi. This Project will help address the housing supply gap

	<p>by developing over 300 rental units that are affordable to the student population in Nairobi. The Government of Kenya has estimated an urban housing need of 150,000 dwellings per year, which is expected to increase as the urban population grows and demand continues to outpace supply. The rise in Kenya's university population, which has grown by over 35% since 2012, has created increasing demand for student housing. The shortfall in housing is worsened by the fact that developers mainly target the upper-middle and upper income earners who can afford to purchase their homes with cash or have easier access to mortgages. Further, the long-term OPIC loan will provide the developer with a stable source of patient capital. The Project will also indirectly strengthen the Kenyan construction sector through procurement of local goods and services and temporary construction labor. Finally, the Project aligns with UN Sustainable Development Goal #11 (Sustainable Cities & Communities).</p>
Environment:	<p><u>Screening:</u> The Project has been reviewed against OPIC's categorical prohibitions and has been determined to be categorically eligible. Projects involving residential real estate construction are screened as Category B projects under OPIC's environmental and social guidelines because impacts are site-specific and readily mitigated.</p> <p><u>Applicable Standards:</u> OPIC's environmental and social due diligence indicates that the Project will have impacts which must be managed in a manner consistent with the following of the International Finance Corporation's (IFC) 2012 Performance Standards (PS): PS 1: Assessment and Management of Environmental and Social Risks and Impacts; PS 2: Labor and Working Conditions; PS 3: Resource Efficiency and Pollution Prevention; PS 4: Community Health, Safety and Security. The Project is located in an urban area and is not expected to have any impact on critical habitat or local biodiversity. Therefore PS 6 is not triggered at this time. In addition to the Performance Standards listed above, the IFC's April 30, 2007 Environmental, Health, and Safety General Guidelines are applicable to the Project.</p> <p><u>Environmental and Social Risks and Mitigation:</u> In addition to typical impacts from construction activities, the primary environmental issues associated with the Project include the need for a robust Environmental Management Plan, appropriate</p>

occupational health and safety measures during construction, waste and wastewater management during occupancy, and adequate life and fire safety elements incorporated into the building design. The Project is subject to Climate Resiliency Screening per Executive Order 13677. The Project developer has an Environmental Policy that includes commitments to reducing environmental impact, continually improving environmental performance, and encouraging environmental stewardship in the developer's customers, suppliers, and business associates. The Policy also commits the Project to comply with applicable environmental law, minimize waste, and conserve energy and water resources. The General Contractor (GC) during construction was selected from the developer's list of approved and pre-qualified contractors. The GC has appointed an on-site Health, Safety, and Environment (HSE) Officer who is managed by the developer's HSE Manager during the development phase. During occupancy, the developer's HSE Manager is managing the environmental and social aspects of the Project, assisted by an EHS committee comprising of staff working at the facility. Induction training will be carried out for all new employees, contractors, and subcontractors covering environmental, social, health, and safety requirements. The developer has developed a Site Compliance Framework (SCF) Policy to ensure contractors working on its developments adhere to adequate environmental and OHS standards. The developer is also required to ensure strict compliance with the Kenyan Occupational Safety and Health Act (OSHA) of 2007, which lists OHS requirements, including those relating to general health and safety provisions, administration, enforcement, registration of workplaces, welfare facilities, and penalties. During both construction and occupancy, potable water provision and solid waste removal services is provided by the local municipality. During construction, portable toilets were provided to Project workers and emptied by a licensed third-party contractor. During occupancy, the Project building is connected to the municipal sewerage system. The developer hired a qualified professional to review the Life and Fire Safety (L&FS) aspects of the Project. Based on the results of the L&FS Review, a Life and Fire Safety Implementation Plan (L&FSIP) was produced to ensure the Project is as close as is practicable to compliant with NFPA 101 (which the developer has agreed to follow for this Project). The Project is fully alarmed and sprinklered. Because the building was already under construction, the retrofit of the Project based on the requirements identified in

	<p>the L&FSIP was completed in June of 2018. Until the updated L&FS systems were installed, the Project was implementing a 24/7 fire watch. Ongoing compliance with the requirements of the L&FSIP are a condition of the OPIC loan. GHG emissions are expected to be less than 1,000 tons CO2 equivalent per year.</p>
Social Assessment:	<p>The Project will be required to operate in a manner consistent with the International Finance Corporation's Performance Standards, OPIC's Environmental and Social Policy Statement and applicable local laws. OPIC's statutorily required language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age of employment, prohibition against the use of forced labor, non-discrimination, hours of work, the timely payment of wages, and hazardous working conditions. Standard and supplemental contract language will be applied to all workers of the Project, including contracted workers.</p> <p>The Project involves the construction of a nine-story mixed-use commercial residential building in Nairobi, Kenya. The building will house 344 apartments plus retail units on the ground level and parking spaces below ground.</p> <p>The Project is implementing an overarching ESMS that addresses social risk, including labor, commensurate with the risks associated with the Fund's anticipated Portfolio. The Borrower will also be required to implement an internal training plan to increase Borrower capacity for social and environmental due diligence and performance monitoring.</p> <p>This review covers the commensurate human rights risks associated with housing projects in Kenya.</p>