



Centre for Affordable  
Housing Finance  
in Africa

 A division of FinMark Trust

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# **Regulatory, policy & supply issues in housing finance in Africa**

## **Finding the market opportunities**

**Kecia Rust**  
**Tuesday, 6 September 2011**

**African Union for Housing Finance Conference & AGM**  
6-9 September 2011, Johannesburg, South Africa

# Outline

- The contradiction of African economies
- Challenges facing housing financiers & investors
- Finding the opportunities
- A role for the AUHF





Photo: Matthew Charles-Taylor Dimitros, 2007, Nigeria



Photo: biasharacity.com, Kampala, Uganda



Photo: biasharacity.com, Nairobi, Kenya

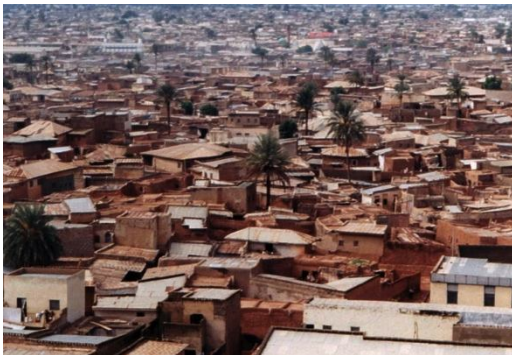


Photo: [www.uni.edu/gai/Nigeria/pictures/housing.html](http://www.uni.edu/gai/Nigeria/pictures/housing.html)



Photo: Google Earth photo in Kampala, Uganda



Photo: Nachu house, Nairobi, Kenya

# THE CONTRADICTION OF AFRICAN ECONOMIES



- Market development & innovation
- Housing policy frameworks
- Building the value chain

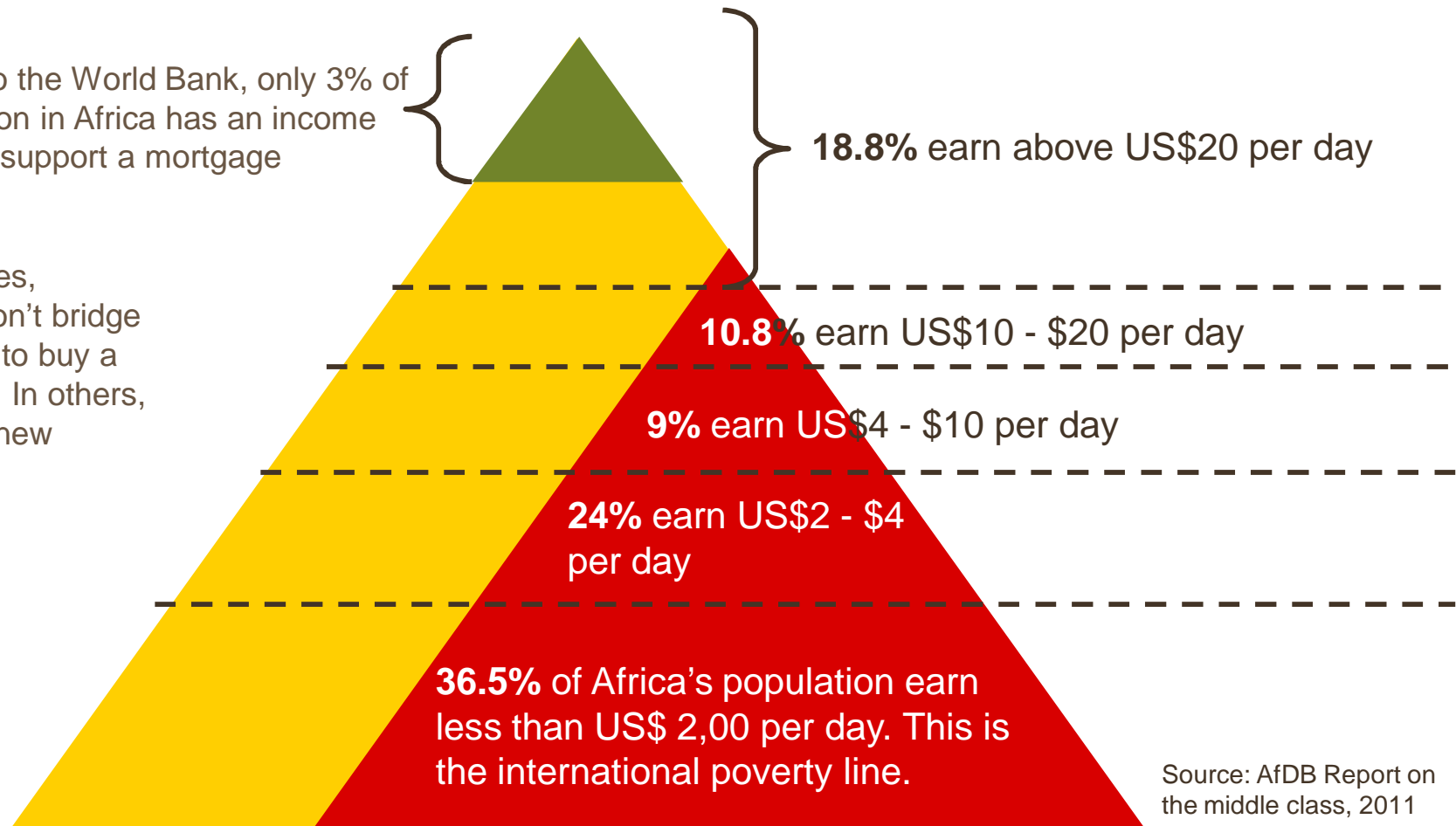
**FINDING THE OPPORTUNITIES**



# Affordability of consumers

According to the World Bank, only 3% of the population in Africa has an income sufficient to support a mortgage

In most cases, subsidies don't bridge affordability to buy a new house. In others, they cause new affordability challenges.



Source: AfDB Report on the middle class, 2011

**FINDING THE OPPORTUNITIES**

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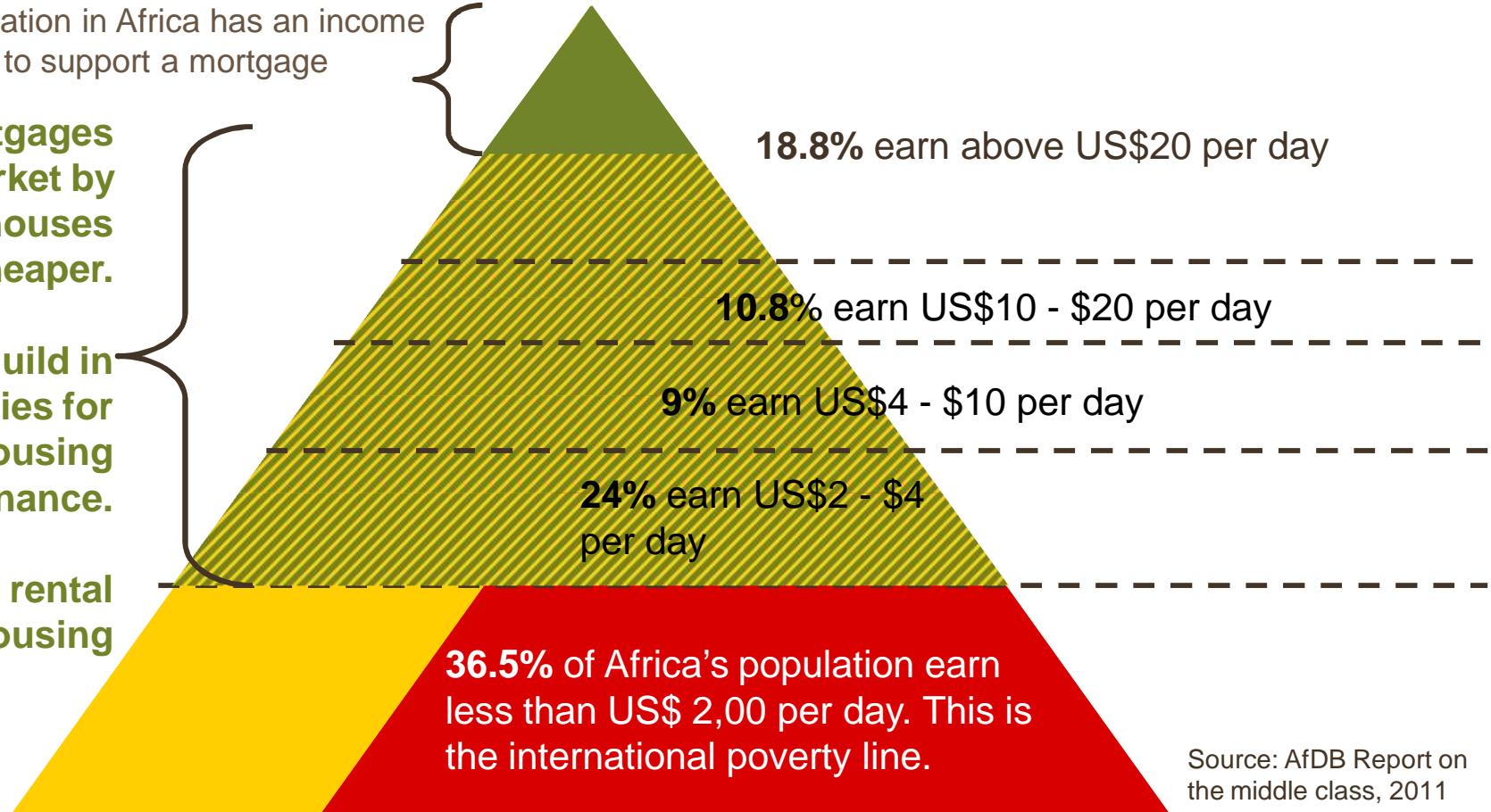
# Market development & innovation

According to the World Bank, only 3% of the population in Africa has an income sufficient to support a mortgage

Bring mortgages down-market by making houses cheaper.

Build in opportunities for housing microfinance.

Finance rental housing



Source: AfDB Report on the middle class, 2011

**FINDING THE OPPORTUNITIES**

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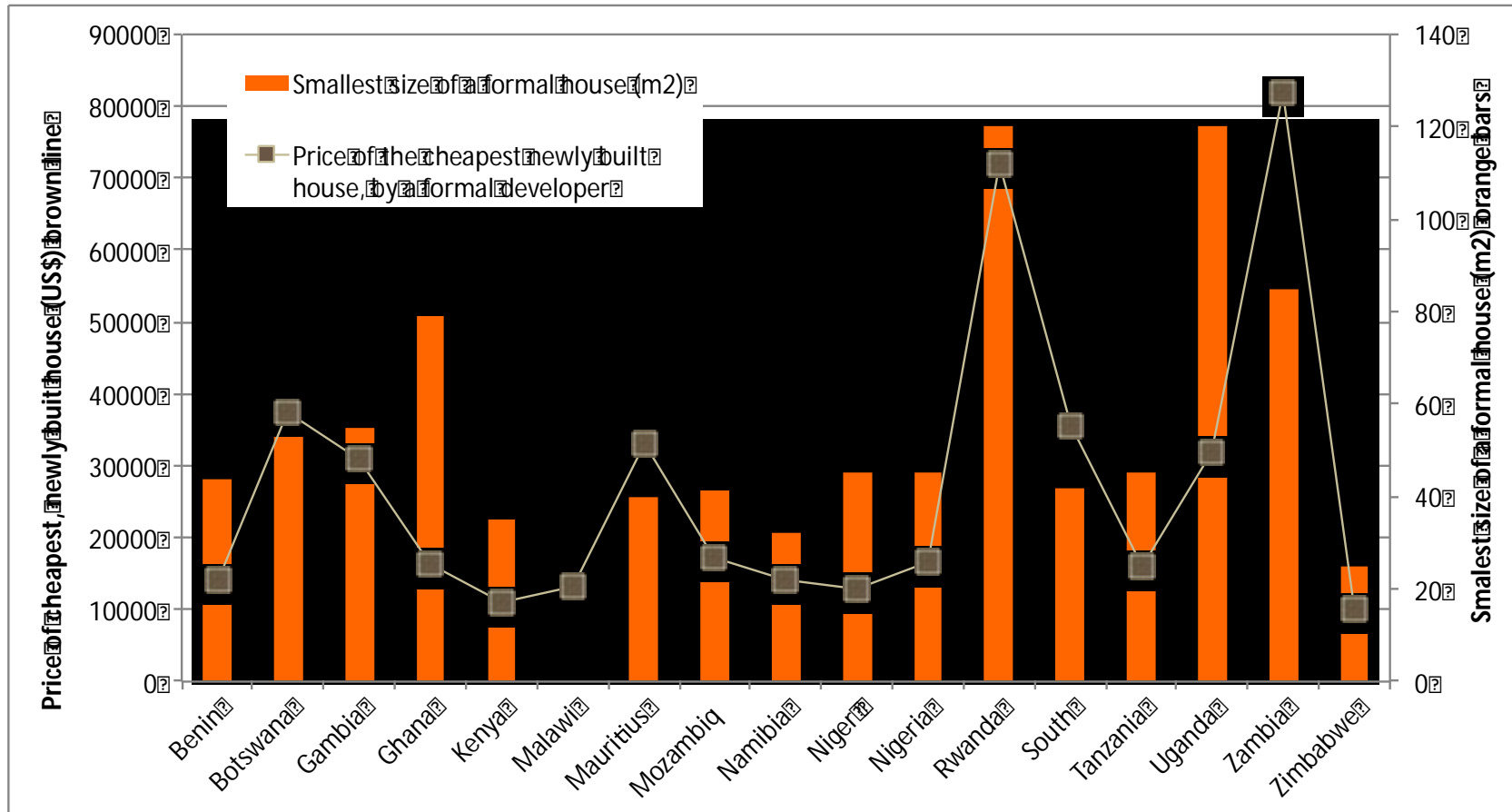
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# Market development & innovation

A new approach to housing standards will deepen mortgage markets and broaden access to adequate housing

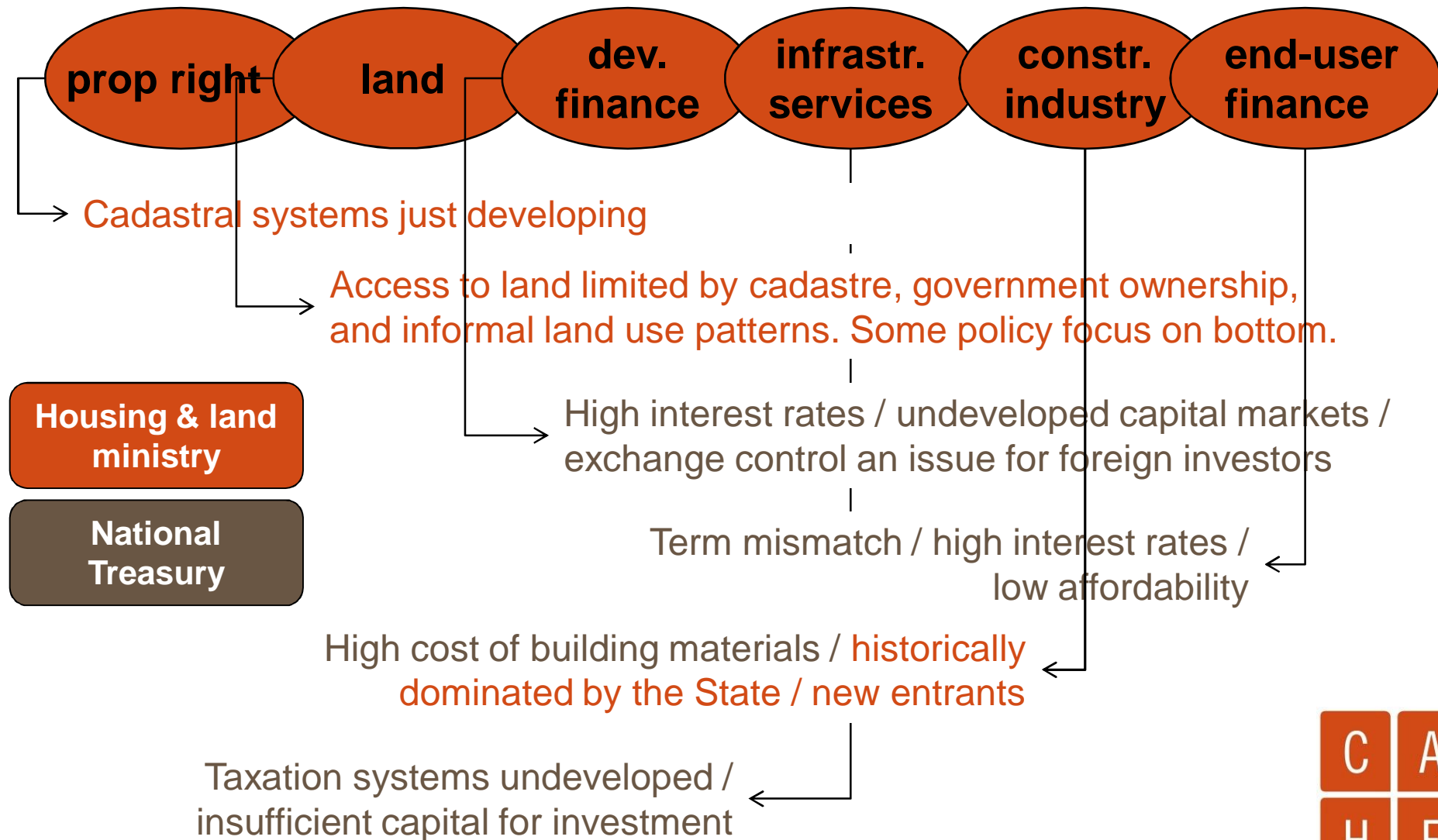


Source: Responses to an email question, July & August 2011

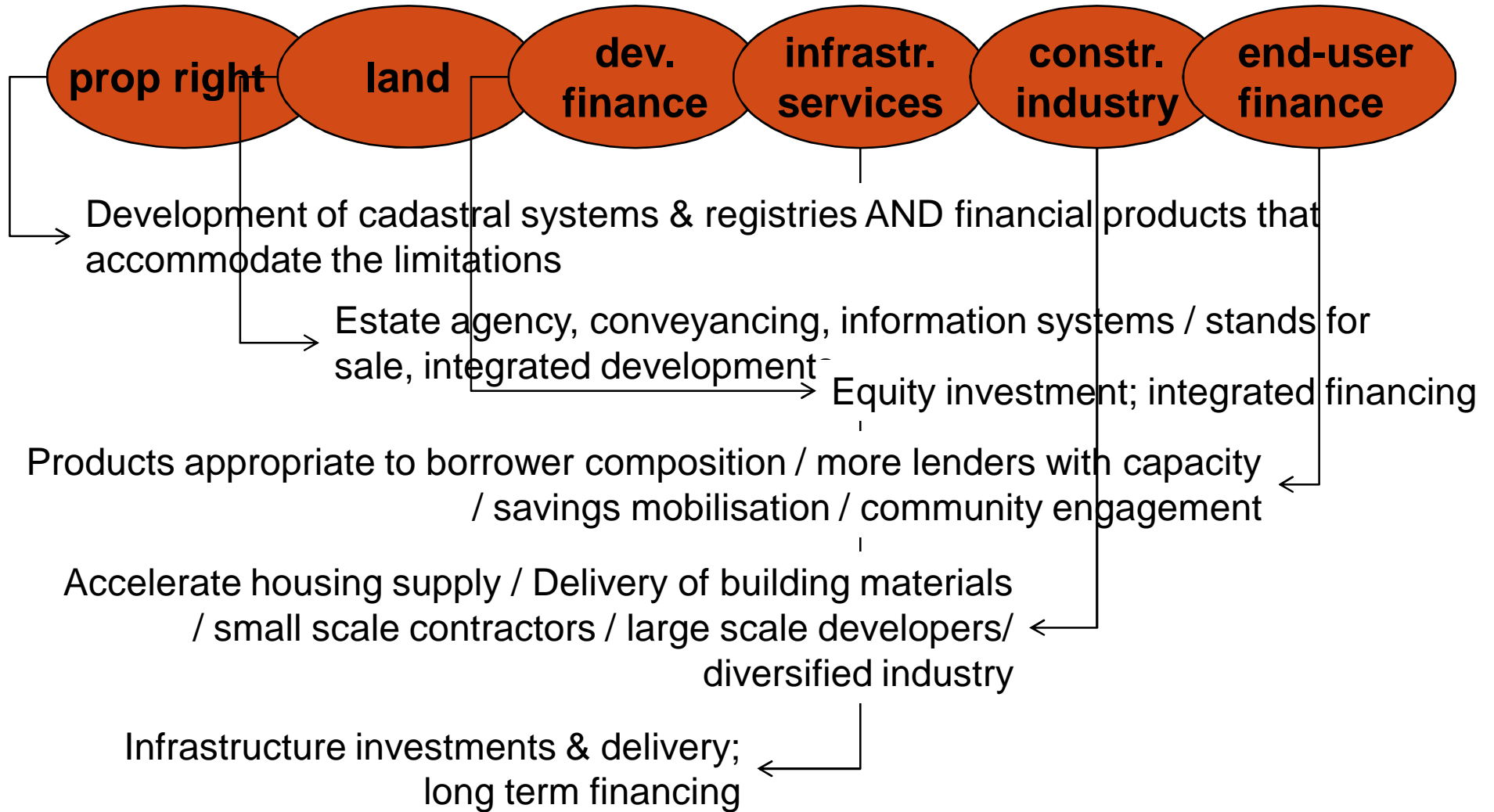
**FINDING THE OPPORTUNITIES**



# Housing policy frameworks



# Building the value chain



**FINDING THE OPPORTUNITIES**

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- Commission research
- Develop lobbying programme
- Bridge silos
- Monitor progress

## A ROLE FOR THE AUHF





Thank you!

Kecia Rust

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