

## 29<sup>th</sup> AUHF Annual Conference

The AUHF team had a busy month in September with the AUHF Annual conference taking place from 11-13 September 2013 in Mauritius. The conference, which was themed, 'Mobilising Capital for Housing Finance' attracted over 100 delegates from across 23 countries to engage in discussion on the mobilisation of funds to finance housing.

The conference set the scene with an overview of housing finance investors, and highlighted the key risks and challenges of the sector. Housing Finance Kenya presented on their experience in issuing two bonds and this item was an example of how funds can be raised and began to suggest ideas to addressing the lack of funding for housing on the continent.

Some of the issues raised included:

Urbanisation and its effects on the demand and supply of housing, partnerships, affordability challenges, global regulations (such as Basel 3) and their impact, the lack of long term funding, government intervention, ratings and objective measures and the sharing of knowledge and best practice. The AUHF hopes to take the lead in bringing organisations together and taking these issues further to finding solutions and building the capacity of its members in financing for housing on the continent.

All the conference presentations are available on AUHF website on the following link: <http://www.auhf.co.za/conference/mobilising-capital-for-housing-finance/>

The conference report, will be available soon on the AUHF website ([www.auhf.co.za](http://www.auhf.co.za)). If you're on our mailing list, you will have it delivered directly to your mailbox.

*FINANCING HOUSING in Africa is a monthly publication of the African Union for Housing Finance for its members. Please submit material for inclusion to Kecia Rust, at [kecia@housingfinanceafrica.org](mailto:kecia@housingfinanceafrica.org) or Lorraine Nzimande at [lorraine@housingfinanceafrica.org](mailto:lorraine@housingfinanceafrica.org).*

### AFRICAN UNION FOR HOUSING FINANCE

The AUHF is an association of thirty-seven mortgage banks, building societies, housing corporations and other entities involved in the mobilization of finances for the development of shelter and housing on the African continent. The AUHF is a non-governmental association and has its presence in some sixteen countries across the continent of Africa. See [www.auhf.co.za](http://www.auhf.co.za)

 Group: African Union for Housing Finance



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## In the news

This month in African housing & finance

### West African News

#### Developments in Nigeria's mortgage market

The Nigerian government working towards improving its legal and policy framework for mortgage finance. A \$300m loan from the World Bank has been secured to establish a mortgage refinance company in the country. Further, the Federal Mortgage Bank was launched this year, and it is hoped that it will help build 500 000 new homes. The bank plans to float a 200 billion Naira (\$1.2 billion) bond, the proceeds from which will benefit home buyers with the state guaranteeing against default for five years. Source (16 Sept 2013): [BusinessDay](#).

#### New Housing Minister for Nigeria

Nigeria's former housing minister, Ms Ama Pepple, was among the nine ministers that were dismissed by president Goodluck Jonathan's administration. The acting minister of Lands Housing and Urban Development is now Mohammed Musa Dada. Source (17 Sept 2013): [3InvestOnline](#).

### Southern African News

#### Housing subsidy for 1<sup>st</sup> time homebuyers in South Africa

As South Africa implements its new housing subsidy, the Finance Linked Individual Subsidy Program (FLISP) launched in April this year, the Eastern Cape Province has spent R3.5 million (US\$ 341 428), with 86 applicants having been approved thus far. This programme which enables the lower to middle income groups to obtain a home loan also offers an incentive for developers to get involved in affordable housing developments. Source (4 Sept 2013): [All Africa](#).

#### Namibian retirement funds consider linking pensions to funding for housing

The Namibian government has announced its plans to build about 180 000 housing units over the next 17 years at a cost of N\$45 billion (US\$ 4.4 billion). In response to this, the Retirement Funds Institute of Namibia (RFIN) is now considering linking pensions to funding for housing. This was discussed at their recent annual conference where they looked at the means of doing so. AUHF member, the **National Housing Enterprise** will be mandated to build houses for low to middle income earners. Source (23 Sept 2013): [All Africa](#).



### **Bank ABC Zambia launches housing loan scheme**

Bank ABC Zambia is piloting a new housing loan scheme to cater for low income earners in the country. As part of the scheme, the bank has signed a memorandum of understanding with Lafarge Cement for cement supplies to the clients who would receive the loans. Source (17 Sept 2013): [All Africa](#).

### **Angolan Cuvelei Housing programme inaugurated**

The first phase of the Cuvelei housing programme was unveiled in September by the Cunene province governor, Antonio Didalelwa, with 1000 houses. The provincial director of Urbanisation and Housing of Cunene province reported that this construction cost AKZ 571.9 million (US\$5.8 million). Source (19 Sept 2013): [All Africa](#).

## **East African News**

### **Ethiopia: Addis Ababa City administration to construct 130 000 houses in two years**

The Addis Ababa city administration plans to construct 130 000 houses in the next two years as part of its revised housing development plan. Source (22 Sept 2013): [All Africa](#).

### **Housing Microfinance boost in Kenya**

Habitat for Humanity, in partnership with the MasterCard Foundation is helping build capacity of three Kenyan local financial institutions, which will be expected to develop new innovative housing microfinance products for the poor. Kenya is among the three targeted African countries for the undertaking of this programme in the next five years. Habitat for Humanity is to provide technical support to the institutions and the Mastercard foundation will be providing funds (\$6.5 million) to develop the products. Source (25 Sept 2013): [Standard Digital](#).

## **Member news**

Updates & resources from AUHF members

### **IFC and NHFC invest in International Housing Solutions fund for Sub Saharan Africa**

The International Finance Corporation (IFC) has invested more than \$63 million in the International Housing Solutions (IHS) Fund II, for the development of affordable housing in South Africa and sub-Saharan Africa. The IFC has partnered with the National Housing Finance Corporation (NHFC) in making the investment. (11 Sept 2013): [BusinessDay](#).

### **Housing Finance Kenya unveils home loan for first time- buyers, supported by Home Finance**

#### **Guarantors Africa**

Housing Finance Kenya has unveiled a new home loan product, called Ezesha, meaning 'enable'. This product eliminates the need for mortgage collateral. Housing Finance will finance up to 105% of the property value, with flexible repayment for up to 20 years. It will be available for mortgages of up to Sh15 million (US\$173 000), to homebuyers or self-builders with incomes of up to Sh350 000 (US\$ 4000) a month. This product is backed by British- American Insurance and Home Finance Guarantors Africa. Source (4 Sept 2013): [All Africa](#).

### **Housing Finance Kenya plans to go regional**

Housing Finance Kenya plans to go regional, with Uganda and Rwanda as its first two targets. Source (4 Sept 2013): [All Africa](#).

### **Shelter Afrique issues 30 million Euro bond**

Shelter Afrique has launched a 30 million Euro five year bond with a provision to raise the amount to Sh5 billion in the event of over subscription. Shelter Afrique plans to invest in further housing projects in Western and Southern Africa. Source (17 Sept 2013): [3InvestOnline](#).

### **Tanzania's National Housing Corporation appeals for land to construct affordable houses**

As part of its social corporate responsibility, the corporation had entered into an agreement with the Vocational Education Training Authority (VETA) to train youth on brick making technology for the construction of affordable houses in the country. The corporation now needs district councils to provide land to build the houses. Source (30 Sept 2013): [All Africa](#).

### **HFC Bank Ghana supports new housing development in Ghana**

Blue Rose Company Limited, a real estate development company, and HFC Bank Ghana have partnered to support the development of 500 semi-detached and detached unit houses in Ghana. The project is ongoing and has recently been inspected and approved of, by the deputy Minister for Water resources, Works and Housing, Mr Sampson Ahi. HFC Bank is providing a loan facility of about 80% of the total cost of homes at interest rates between 10-15%. Source (28 Sept 2013): [All Africa](#).



## UPCOMING EVENTS

### 2013

6-11 Oct [Housing Finance Programme for Sub-Saharan Africa 2013](#). University of Cape Town, South Africa.  
*DISCOUNT for AUHF members!*

24-25 Oct [Conference for Housing Excellence](#). Accra, Ghana.

### 2014

28 Feb [The 2nd Hague Housing Conference](#). The Hague, Netherlands.

Feb African Ministerial Conference on Housing and Urban Development (AMCHUD). N'Djamena, Chad.

5-7 Apr [World Urban Forum 7](#). Medellin Columbia.

26 May - 26 Jun Developing Social Housing Projects 2014. For details email. [ihs.study5@gmail.com](mailto:ihs.study5@gmail.com)

16 – 18 Jun City Development. Cape Town, South Africa.  
Contact Mavis Yong for details  
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Visit [www.auhf.co.za](http://www.auhf.co.za) for event details

## Members:

Please submit any current news on your organisation, for the Member News section. Please also feel free to submit any content you may find useful for the newsletter.

Any submissions can be sent to Lorraine Nzimande on [Lorraine@housingfinanceafrica.org](mailto:Lorraine@housingfinanceafrica.org)

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