

## AUHF Awards: Cases of the award winners' innovative initiatives



*KMRC's Head of Risk and Compliance Flora Muthaura and the Company CEO Johnstone Oltetia, receive KMRC's award for the most Innovative Housing PPP.*

The AUHF Awards are a programme aimed at identifying, recognising and showcasing developers, financiers, NGOs, and local government departments that are breaking new ground in the affordable housing sector. The Affordable Housing Awards will be an annual event, pulling in and recognising innovative projects and pioneering work done by AUHF and non-AUHF members alike. The inaugural AUHF awards took place on Day 1 of the 39<sup>th</sup> AUHF Conference and Annual General Meeting held in Windhoek, Namibia. Several applications and nominations were received in the months leading up to the first AUHF Awards and all, without exception, were highly innovative and impactful initiatives by the various organisations. However, only six of the applicants were selected and invited to be the recipients of the awards on the day. The 6 categories under which the 6 winners were awarded are:

- **Green and Sustainable Affordable Housing Development**
- **Best Administrative Region in Which to Deliver Affordable Housing**
- **Innovative Housing PPP**
- **Innovative Property Technology of the Year**
- **Promising Emerging Affordable**
- **Affordable Housing Investor of the Year**

## Green and Sustainable Affordable Housing Developments

### Easy Housing Concepts



*Wolf Bierens, co-founder of Easy Housing poses with their award for the most innovative Green and Sustainable Affordable Housing Developments.*

[Easy Housing](#) was founded in 2020 by Wolf Bierens and Niels van den Berge as a response to the need for decent, affordable and sustainable housing solutions in Africa. They started with a pilot of two homes in Beira, Mozambique which they constructed in partnership with a local developer, Casa Real. The process and steps gone through to see the construction of the Beira units through opened Easy Housing to the idea of locally sourcing materials, skills and resources to reduce costs which is contrary to the initial idea of self-built homes delivered as a package with assembly instructions. The need for climate resilient homes in Beira because of tropical cyclones further entrenched Easy Housing's stance on building green and sustainable homes that are also durable. The two homes then went on to be the standard of all Easy Housing units there were to be subsequently built.

The value proposition central to Easy Housing's units is the innovation they apply in the construction method. Using circular, biobased, and climate-resilient building technology, Easy Housing is increasingly becoming a leading eco-conscious developer. Pivotal to the construction innovation is sustainable timber, it is a durable and regenerative building material which makes it very sustainable. Timber as a construction method is still relatively new in the African context, thus Easy Housing's solution is somewhat of a pioneer in responding to the pressing demand for affordable, environmentally friendly housing in various African countries. Another defining feature of the Easy Housing homes is their adaptability, achieved through co-creation with stakeholders and the homes' end-users. This tailoring process ensures that the homes seamlessly integrate with the unique contexts of diverse communities. In addition to customisation, Easy Housing homes embody scalability and flexibility.

The construction methodology employed by Easy Housing concept further distinguishes itself from traditional approaches. Assembled using screws instead of nails, the homes are not only incrementally extendable but also boast a construction process significantly quicker than conventional methods. This efficiency translates into tangible benefits, with each home built generating 20 jobs, accommodating approximately five individuals, and mitigating about 26 tonnes of CO<sub>2</sub> emissions. Notably, timber acts as a carbon store, contributing to a global reduction in CO<sub>2</sub> emissions.

Another key partnership that adds to the Easy Housing concept's environmental consciousness, is the collaboration with Green Home Transformations in Uganda. The partnership involves the use of foundation bricks made from recycled plastic which further enhances the sustainability quotient of the structures. The result is a series of homes that are not only climate-friendly but also promote a healthy living environment and demonstrate resilience against natural disasters.

## **Best Administrative Region in Which to Deliver Affordable Housing**

### **City of Kigali**

Due to urbanisation among several other factors, the number of households in Kigali, Rwanda is expected to increase by at 5% every year. There is therefore a fundamental need to provide sufficient housing stock for the city's growing population, more-so for the low-income earners residing in Kigali. The most urgently needed affordable housing scheme in Kigali, ought to be targeted at the city's brownfields that are prone to disasters and lack basic physical and social infrastructure. These areas account for more than 60% of Kigali's built-up area, making it quite challenging for the city to meet the desired housing demand. Under the country's framework for supporting the development of Affordable Housing Projects for low and middle-income earners, the Government of Rwanda seeks to provide support to developers who meet the affordability requirements as set in the framework. The government, on the demand side, is also looking to provide support to households or



*Access to Finance Rwanda's Ephrem Rutagarama receives the City of Kigali's award for the Best Administrative Region in which to Deliver Affordable Housing.*

buyers that that fulfil the beneficiary conditions of attaining a property at the supported Affordable Housing Projects.

As such, the [City of Kigali in Rwanda](#) has demonstrated commendable organisation and collaboration with various entities in a strategic bid to address the housing need in the city. Functioning as a catalyst for development, the city has assumed a dual role, acting as both a regulator and administrator, thus championing the realisation of affordable housing. The city's commitment to this cause is highlighted through two key projects:

#### Mpazi Participatory Rehousing Project

In partnership with the World Bank, UN-HABITAT, and the PROECCO program of the Swiss Cooperation, the City of Kigali has embarked on the Mpazi Participatory Rehousing Project. This initiative focuses on upgrading several neighbourhoods within unplanned settlements in Kigali through a participatory Rehousing Strategy. The approach places local communities at the forefront, actively involving them in the design and construction processes, in situ rehousing, and the utilisation of sustainable materials. The result has been the completion of five residential and mixed-use blocks, effectively rehousing over 100 families. Notably, the project's cost-efficient construction technology and the city's efficient execution of its administrative role has successfully maintained construction costs at US\$300 per square meter.

### Green City Kigali (GCK)

Aligned with the Government of Rwanda's commitment to global goals and sustainable urban development, the Green City Kigali (GCK) project takes a holistic approach. It integrates green building and design, efficient and renewable energy practices, recycling initiatives, and a commitment to inclusive living. Positioned to become a blueprint for cities not only in Rwanda but across the region and the entire continent, Green City Kigali stands as a testament to the nation's dedication to setting new standards for sustainable urban living.

Under the GCK project, the city seeks to develop a model community in the 600-hectare Kinyinya Hill area of Gasabo, a district in Kigali. The model will provide affordable housing for target groups in sustainable and culturally compatible, climate-resilient urban communities, which establishes new standards that can be replicated elsewhere in Rwanda and beyond, thus setting the city and the country on a trajectory towards a Net Zero future. The first stage of this model community will be in the form of a mixed-use pilot situated on a circa, 16-hectare parcel (the Pilot). The project seeks to reflect the Rwandan context in terms of its current and future cultural and environmental climate. Doing so engages with the challenges of housing affordability and supply, vulnerability to climate change, and increasing urban sprawl.

The City of Kigali's multifaceted approach, coupled with its successful project implementations, showcases a model for other cities to emulate in the pursuit of affordable and sustainable urban development.

## **Innovative Housing Public-Private-Partnership (PPP)**

### Kenya Mortgage Refinance Company

Established in 2018 under the Kenya Affordable Housing Project (KAHFP) and the Companies Act of 2015, the [Kenya Mortgage Refinance Company \(KMRC\)](#) is a non-deposit taking financial institution whose mandate is to provide long-term funds to primary mortgage lenders (PMLs) for the purposes of increasing availability of affordable home loans to Kenyans. The company was set up as a response to low home ownership rates in urban centres across Kenya caused by limited and inaccessible housing finance as well as the high cost of housing. KMRC stands at the cornerstone of Kenya's pursuit of affordable housing solutions, more specifically unlocking demand side finance which has been a major constraint for many Kenyan households. By providing competitive, low-interest, fixed, long-term financing to participating lenders, KMRC has significantly contributed to making home loans both attractive and financially feasible for aspiring homeowners. With a generous



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repayment period extending up to 25 years, this financial model aligns with the broader goals of the Kenya Affordable Housing Project.

A key component to KMRC's structure is that it was established as a public private partnership (PPP); with the National Treasury owning 25.5% of the company, and the remaining 75% owned by 8 commercial banks, 1 microfinance bank (MFB), 11 SACCOs and 2 Development Finance Institutions (DFIs). In the few years of the company's existence, KMRC's impact is already perceptible. The company has positively affected the lives of over 10,000 families through its refinancing initiatives. This success not only reflects the effectiveness of KMRC's financial strategy but also underscores its pivotal role in advancing the government's Affordable Housing Programme. Integrated into the 4-pillar national economic strategy, the Affordable Housing Program relies on KMRC's provision of affordable interest rates, and the success of these rates is attributed to the standardisation KMRC brings to Kenya's evolving mortgage market. Based on the 2022 Central Bank of Kenya Annual Report, the average interest rate on commercial mortgages was 12.1% compared to an average interest rate of 9.5% on KMRC backed home loans advanced by participating lenders.

Other noteworthy successes achieved through KMRC's PPP model include:

1. **Accessibility** - KMRC has promoted financial inclusion by on-boarding SACCOs thus, enabling them to offer mortgages to their members. This has diversified the pool of

mortgage lenders for borrowers, thus fostering an environment of healthy competition among lenders.

2. **Gender inclusivity** - Of KMRC's total loans to mortgage lenders, 45% have been extended to women, therefore contributing towards achieving gender parity in access to Kenya's financial products.
3. **Enhanced linkages between supply and demand** - The lack of housing supply data limits the potential for lenders to extend KMRC financing to borrowers. KMRC has thus developed a portal on the company's website which provides a catalogue of affordable housing units available in the country. See <https://www.kmrc.co.ke/affordable-houses-catalogue/>.
4. **Risk Sharing** - Through the PPP model, the Kenyan government has been able to subsidize the cost of construction by providing land to private developers for the construction of affordable housing units. Additionally, private developers who build more than 100 units for each project benefit from corporate tax incentives and reduced Value Added Tax (VAT) on construction inputs. This has increased the supply of affordable housing, allowing KMRC to fund primary mortgage lenders to ensure offtake for those developments. KMRC has also initiated the process of developing a Risk Sharing Facility (RSF) to de-risk borrowers by offering a partial mortgage guarantee on the mortgage portfolios generated by lenders mainly from borrowers with non-formal income, to widen the scope of finance and reduce the housing financing gap.

It is also important to note the endorsement and support received by KMRC from global financial institutions which has further cemented KMRC's success. Both the World Bank and the African Development Bank (AfDB) have invested in KMRC's program, recognising its potential to drive positive change in Kenya's housing sector. This collaborative effort signifies a shared commitment to fostering sustainable and accessible housing solutions, positioning KMRC as a key player in the realisation of Kenya's affordable housing objectives.

## Innovative Property Technology of the Year

### Citra Development

[Citra Development](#) is one of the leading property technology (proptech) companies in South Africa. Citra is at the forefront of innovative solutions to affordable housing provision through their cutting-edge designs that reduce costs and are more sustainable. These pioneering designs are not just a concept but have been realised and proven on the ground in Cape Town, South Africa, thus showcasing Citra's drive to transforming the housing landscape.



*The Citra team including Joel Bauer, Lyndon van Rooyen and Realm Chitando accept the award for the most Innovative Property Technology of the Year.*

The Citra Building Technology allows for faster, more cost effective, exceptional quality and more environmentally friendly construction. It utilises the latest technologies in advanced computational design, including parametric design, Finite Element Models

(FEM), and tools to optimise offcuts and waste during construction. The Citra Building Technology:

1. reduces construction time by 75% and construction costs by 20%, and it requires 70% less cooling and heating than conventional construction materials.
2. It comprises of lightweight material, of which 20% is recycled, which expedites the building processes by minimising the use of support structures and heavy machinery.

The result is enhanced strength, and thermal insulation. Key to the Citra Building Technology are the walls which are incredibly strong and of high quality, thus eliminating the need for steel and reducing the external building shell to the absolute minimum. The main technical innovation is the introduction of the I-Beam concept to a shotcrete-MgO-EPS composite panel, increasing strength through the lever-arm concept while maintaining low weight and high thermal insulation.

The good environmental impact and structural integrity make Citra a formidable force in the proptech arena, poised to redefine the standards of modern and sustainable housing solutions.



## Promising Emerging Affordable Housing Developer

GulfCap Real Estate:



*GulfCap's Martin Kariuki, May Waihenya and Mahmoud Fauz receive the award for the most Promising Emerging Affordable Housing Developer.*

[Gulf Cap Real Estate](#) is a growing residential real estate development company operating in Kenya. They are rapidly becoming a powerhouse in Kenya's affordable housing market by setting new standards with their commitment to modern architecture and their customer centric stance that adapts to evolving customer trends. This promising emerging developer transcends the development of just shelter, but they are dedicated to promoting a holistic lifestyle within secure and serene environments. Their philosophy is centred around building a lifestyle hence their sharp focus on providing, in addition to shelter, facilities such as a community centres, early childhood educational facilities, social halls, sports facilities, recreational areas, swimming pools, retail facilities, food & beverage outlets, indoor and outdoor gyms, jogging tracks, dedicated footpaths, and many more amenities.

At the forefront of Kenya's affordable housing initiatives, GulfCap Real Estate is actively involved in implementing key projects under the government's Affordable Housing Agenda. In Mombasa, GulfCap is currently working on the Buxton Point development worth KES6 billion (US\$38.1 million) of which the first phase is complete. The successful completion and handover of Buxton Phase 1 underscores GulfCap's capabilities in affordable housing delivery

and it made them the first private developer, in partnership with the government, to deliver a project of such magnitude. Before GulfCap's development, Buxton Estate was once a place with little housed just a few households, and basic utilities were a luxury. The lack of social amenities left the community yearning for a better life. GulfCap Real Estate saw the potential for transformation and took on the challenge of revitalising this area. The old Buxton Estate had 500 units and now GulfCap is building 2, 000 units in the same area with the much-needed amenities included. Excitingly, preparations are underway for the imminent groundbreaking of Buxton Phase 2, signalling the company's continued dedication to reshaping Kenya's affordable housing landscape.

Meanwhile, in Nairobi, GulfCap is at the initial stages of the Starehe Point development. A groundbreaking ceremony, graced by the President in March 2023 marked the beginning of this monumental project for GulfCap. It will be much larger than Buxton Point with an estimated total cost of KES20 billion (US\$126.6 million). Notably, 40% of the development has already been sold to end-users in the form of presales, reflecting the keen interest and public trust garnered by GulfCap Real Estate.

GulfCap Real Estate's commitment to innovation, quality, and customer satisfaction positions them as a key player in Kenya's evolving real estate sector. As they forge ahead with groundbreaking projects, GulfCap Real Estate continues to be a driving force in the realisation of accessible and thriving communities across the nation.

## **Affordable Housing Investor of the Year**

### **TAF Africa Global**

[TAF Africa Global](#), a distinguished Pan-African real estate company with over three decades of experience, has consistently been a driving force in sustainable human settlements across West Africa. With notable projects in The Gambia, Sierra Leone, and Nigeria, TAF Africa Global has established itself as a key player in the region's real estate landscape.

TAF Africa Global's investments bring valuable capacity to economies where the demand for affordable housing is pressing, contributing significantly to the advancement of sustainable urban living.

A standout project that exemplifies TAF Africa Global's dedication is the ambitious TAF City. With a substantial investment of US\$650,000,000 (Six Hundred and Fifty Million United States Dollars), TAF City is set to emerge on approximately 500 hectares of land. This expansive development, twice the size of Banjul, the capital city of The Gambia, is meticulously designed and master planned. Anticipated to comprise about 5,000 units of



*TAF Africa Global's CEO, Mustapha Njie accepts the award for the best Affordable Housing Investor of the Year.*

affordable homes, spanning various price ranges and house types, TAF City represents a well-crafted vision for the future of accessible and thriving urban living.

TAF Africa Global Limited's unwavering commitment to sustainable development and its monumental investments make it a pivotal player in shaping the future of real estate across the African continent. As TAF City takes shape, it stands as a testament to the company's dedication to redefining urban landscapes and providing affordable housing solutions that positively impact communities and economies alike.

## Conclusion

All the above award winners have managed to achieve remarkable feats in their respective organisations, geographies and links on the housing value chain. The AUHF extends our many congratulations to each visionary organisation and wishes they keep the outstanding work up. Their unwavering dedication to reshaping the landscape of affordable housing in Africa is inspiring.

These innovators – [Easy Housing Concepts](#), the [City of Kigali](#), [Kenya Mortgage Refinance Company](#), [Citra Development](#), [GulfCap Real Estate](#), and [TAF Africa Global](#) – have not only demonstrated excellence in their respective fields but have also become catalysts for positive

change. From innovative building technologies to community-centric urban planning, each winner has left an indelible mark on the affordable housing sector.

Since its formation in 1984, the AUHF has evolved into a member-based, industry association of mortgage banks, building societies, housing corporations, Development Finance Institutions and other organisations involved in the mobilisation of funds for shelter and housing on the African continent. As an industry body, the AUHF promotes the development of effective housing markets and the delivery of affordable housing across Africa, working in the interests of its members and the industry as a whole. For more details about the AUHF, email Thandiwe Dhlamini: [thandiwe@housingfinanceafrica.org](mailto:thandiwe@housingfinanceafrica.org)