Statement of Commitments made after the 41st Annual General Meeting of the AUHF held in Nairobi, Kenya, from 13-16 October 2025

We, the Board of the African Union for Housing Finance (AUHF), having gathered with our members in Nairobi, Kenya from 13th to 16th October 2025, recognise that urban development across Africa is reaching a critical point of transformation. With rapid urbanization exceeding 4% annually in Sub-Saharan Africa and a projected tripling of our continent's population by 2050, we face both unprecedented challenges and extraordinary opportunities.

To begin with, we acknowledge that across Africa we face a collective housing deficit of over 50 million units, with mortgage penetration remaining below 3% of GDP in most countries. Traditional financing models alone are insufficient to close this gap, particularly given that over 80% of employment on the continent is informal. Addressing the challenge therefore requires innovative financial solutions, supported by a more enabling environment that allows such tools to thrive.

We also recognise that the scale of investment needed cannot be fulfilled by either the public or private sectors alone but must rather be pursued by both in collaboration. Following deliberations at the State and City Roundtable, and the AUHF Conference discussions over the three subsequent days, we understand the opportunities for blended finance, which leverages public or concessional capital to stimulate private capital investment. As such, we commit to participating in blended finance transactions through the provision of capital, as well as by bringing investment discipline, scale and sustainability to projects that would otherwise remain grant-dependent or small scale in nature.

We acknowledge that structures must precede finance. Blended finance should not be a substitute for weak systems but rather a catalyst for well prepared, investable opportunities. On the basis of our consultation and peer-learning over the course of the four days, we therefore agreed that the following are fundamental in unlocking blended finance for affordable housing in Africa: ***Building foundational structures*** - including clear housing pipelines, transparent governance and regulatory readiness before mobilizing blended finance instruments; ***minimising the continued invention of new models*** but instead learning from proven approaches and customising global and regional practices that investors understand, to African contexts; ***aligning development preconditions*** such as availability of development land, building approvals, housing funds, banking products and market data so that developers and financiers can transact at scale with confidence.

OUR COMMITMENT

We expect the State to play a strong role in setting up the preconditions for investment and supporting the development process. As their partners, we, the practitioners in the field, renew our commitments as follows:

Partnership and Collaboration: The AUHF recognises that delivering affordable housing at scale across Africa requires collective action. Effective partnerships and collaboration are therefore central to mobilising the diverse resources, expertise, and innovations needed to make blended finance work. By fostering dialogue, aligning incentives, and coordinating across sectors, we can create housing ecosystems where public objectives and private investment converge to deliver sustainable, inclusive outcomes. The AUHF therefore commits to strengthening partnerships across governments, DFIs, private investors, developers, and civil society to advance blended finance solutions that leverage each actor's comparative advantage. They pledge to promote platforms for coordination, for joint project preparation, and for knowledge sharing that enhance market efficiency, build trust, and accelerate the delivery of affordable housing for all Africans.

Local Currency Solutions: The AUHF acknowledges that foreign exchange volatility limits the sustainability and scalability of affordable housing investment across Africa. Access to long-term, local currency finance is vital to building resilient markets and protecting stakeholders from currency risk. The AUHF commits to prioritise the mobilisation of local currency–denominated funding for affordable housing and to work collaboratively with central banks, DFIs, and local financial institutions to encourage local institutional investors to participate in housing transactions. The AUHF pledges to advocate for policies and partnerships that expand local capital participation and ensure that African housing finance systems are grounded in stable, homegrown financial ecosystems.

Policy Advocacy and Reform: We recognise that blended finance can only thrive within a sound and transparent regulatory framework that inspires investor confidence and enables efficient project execution. Clear policies, consistent regulation, accessible data, and streamlined approval processes are fundamental to reducing risk and transaction costs across the housing value chain. An enabling environment must also prioritise land governance, building standards, and cross-sector coordination to ensure that financial innovation translates into tangible, affordable housing outcomes. The AUHF therefore commits to engage proactively with governments, regulators, and policymakers to strengthen the institutional and regulatory foundations necessary for blended finance to succeed, at national as well as at local level. As the AUHF, we pledge to advocate for housing policies that promote market transparency, regulatory alignment, and investment readiness, creating predictable, efficient, and inclusive systems that attract sustainable capital into Africa's housing markets.

Infrastructure Integration: We recognise that affordable housing delivery cannot be achieved in isolation from essential infrastructure. The integration of housing with supporting infrastructure is critical to creating liveable, connected, and sustainable communities. However, the high cost of infrastructure often inflates housing prices and constrains project viability. Addressing this requires coordinated planning, innovative financing, and collaboration between housing developers, utilities, and public authorities. The AUHF commits to champion the separation of infrastructure costs from housing costs in project structuring and financing. As the AUHF, we pledge to work with governments, DFIs, and private sector partners to design blended finance mechanisms that sustainably address both infrastructure and housing components. We will promote integrated development models that align infrastructure investment with housing delivery, ensuring that affordability, functionality, and quality of life remain at the heart of Africa's urban growth.

Data Transparency and Knowledge Sharing: We acknowledge that credible, accessible, and standardised data is the foundation of effective housing market development and the success of blended finance. Strengthening data infrastructure and transparency is therefore essential to de-risk investment, improve decision-making, and attract both domestic and international capital into affordable housing. The AUHF thus commits to participate in and support initiatives such as the Open Access Initiative that enhance housing market data collection, analysis, and dissemination across Africa. We also pledge to engage governments to champion transparent disclosure of subsidies and incentives to build market confidence and to develop national housing aggregators and registries to centralise project data. We further commit to sharing insights and evidence within the AUHF network to strengthen collective learning and foster trust among market participants.

Innovation in Financial Instruments: The AUHF recognises that achieving housing affordability and inclusivity across Africa demands bold innovation in financial product design and delivery. Traditional mortgage instruments remain inaccessible to the majority, particularly within the informal economy. To bridge this gap, we must embrace solutions that expand access to finance, diversify housing delivery models, and ensure that underserved populations can participate meaningfully in housing markets. Innovation is not only about new products but also about creating systems that make housing finance more inclusive, responsive, and scalable. The AUHF commits to explore, develop and scale innovative financial products, including collateral replacement mechanisms, first-loss guarantee structures, housing bonds, securitisation products, and rental housing finance solutions, that broaden access to affordable housing finance. As the AUHF, we pledge to champion inclusive market innovation by supporting pilots, sharing knowledge, and fostering collaboration across public and private actors to accelerate the growth off viable, accessible housing finance ecosystems across Africa.

A CALL TO OUR GOVERNMENTS

While we stand with these commitments – committing also to report on them in the following year – we urge our governments to play their part in enabling effective investments into affordable housing. Specifically, we call on our governments to:

Actively engage in measures to reduce the cost of capital: The cost of capital is a defining factor in the viability of any investment and is often what undermines investments in affordable housing where margins are already thin. Recognising the fundamental impact that a country's macro-economic framework has on local opportunities for and interest in development, we urge our governments to calculate their revenue gains in housing terms – and to address the critical link between the cost of capital and the cost of housing.

Create local mechanisms for managing forex risk: Our ability to receive foreign investments is influenced by the risk of negative fluctuations in the exchange rate. In many cases, this ultimately means we cannot access foreign capital safely. While we continue to seek local investments in our businesses, we urge our governments to consider interventions to reduce the impact of forex risk on affordable housing investments.

Create an enabling environment for urban transformation through area-based investment and growth: We understand that place matters, and that the land market is a product of where state and private sector investment happens. To this end, we urge our governments to engage proactively in building sustainable and productive land markets by investing in infrastructure, land administration tools such as title deeds, and urban governance.

Play their regulatory role efficiently and effectively, with special attention to enabling investments in affordable housing: A key factor that makes or breaks an affordable housing investment is the efficiency of local government in applying development controls. Affordable housing projects, by their nature, have very limited margins. Delays in approvals, punitive application of development controls, slow titling systems, a failure to deliver basic infrastructure, are just some of the failures that can all lead to increased costs, undermining affordability and investor interest. We urge our governments to make compliance fast and simple, so that they can build good quality affordably, and so they can pass on this affordability to their customers.

In Summary:

We call upon:

- *African Governments* to engage in and commit public resources to blended finance transactions, while creating enabling regulatory environments that support efficient and effective investment in affordable housing in our countries.
- *Development Finance Institutions* to increase their commitment to housing sector development and innovative financing mechanisms where capital is blended to minimize risk and maximise impact. Further, DFIs should strengthen coordination and collaboration within shared jurisdictions to ensure greater efficiency and collective impact.
- *Private Sector Practitioners* to package and recognise affordable housing as a bankable, profitable and impactful investment opportunity, to collect and share data on the investment experience, and to work with their governments in driving working, affordable housing markets.
- *International Partners* to support our continental agenda through technical assistance for the better structured blended finance transactions, and for improved investment environments for affordable housing.

As the _African Union for Housing Finance_, we commit to:

- Document and disseminate lessons from successful blended finance transactions
- Provide technical assistance and capacity building to our 70+ members across 23+ countries
- Advocate at continental and global forums for supportive policies and increased investment in affordable housing
- Foster peer-to-peer learning and collaboration among stakeholders
- Engage investors including DFIs and philanthropies to consider appropriate blended finance transactions in favour of affordable housing
- Engage governments to create an enabling environment for blended finance to thrive fully in an African context

Adopted on Wednesday, 22 October 2025 in Nairobi, Kenya, by the AUHF Board of Directors:

- Mr Kehinde Ogundimu – Chairman
- Mrs Mildred Mutesa- Vice Chairman
- Mr Johnston Oltetia – Treasurer
- Mr Mfundo Mabaso – Secretary
- Mr Paul Jackson – Chair of Lobbying and Advocacy Committee
- Mrs Pascaline Sefawe – Chair of Member Service Committee
- Mr Thierno Habib Hann – Director

On behalf of the following active members of the AUHF:

1. 14Trees ltd (Kenya)
2. ADHI- Rwanda ltd
3. Affordable Housing Institute (International)
4. Agence de Cessions Immobilières (ACI-SA) (Mali)
5. Altair (International)
6. Atenu Developments (Namibia)
7. Bashmoh Homes Limited (Nigeria)
8. Bonginkosi Ncalu (South Africa)
9. Botswana Housing Corporation
10. Bryan McCoy (Zambia)
11. Caisse Régional de Refinancement Hypothécaire de l'UEMOA (CRRH-UEMOA)
12. CBZ Bank Limited (Zimbabwe)
13. Central Africa Building Society (Zimbabwe)
14. Citra (South Africa)
15. CPS Africa (Tanzania)
16. CRDB Bank Plc (Tanzania)
17. Credit Foncier du Cameroun
18. Development Workshop Namibia
19. Easy Housing Concepts (International)
20. Empowa (Mozambique)
21. Family Homes Funds (Nigeria)
22. FBC Building Society (Zimbabwe)
23. Federal Mortgage Bank of Nigeria
24. First Housing Finance (Tanzania) Limited
25. First National Bank - Home Finance (South Africa)
26. FSD Kenya
27. Habitat for Humanity International
28. HFC Group (Kenya)
29. Hydraform International (Pan African)
30. iBuild Global Inc (International)
31. iLima Foundary (South Africa)
32. Immoci Research (Cote d'Ivoire)
33. JoboAfrica (International)
34. Kenya Mortgage Refinance Company
35. Lesotho Housing and Land Development Corporation
36. MDW Inc (South Africa)
37. Millard Fuller Foundation (Nigeria)
38. Miyamoto International (International)
39. Mr Chimutsa Colin (Zimbabwe)
40. Mr Gideon MfonAbasi (Nigeria)
41. Mr Michael Kaniu (Kenya)
42. Mr Nkasiobi Nwoko (Nigeria)
43. Mr Pegdwende Jacques TIENDREBEOGO (Burkina Faso)
44. Mr Saheed K Yemi Adelakun (Nigeria)
45. Mr Stanely Maina (Kenya)
46. Mr Stephen Wanjala (Kenya)
47. Ms Debra Erb (USA)
48. Ms Louisa Waddingham (UK)
49. Ms Olajumoke Akinwunmi
50. Ms Sharon Trail (South Africa)
51. National Housing Finance Corporation (South Africa)
52. Nigeria Mortgage Refinance Company
53. NMB Plc Tanzania
54. Plexus Africa Finance (Togo)
55. RE Advisory (Nigeria)
56. Select Advisors Limited (South Africa)
57. Shelter Afrique Development Bank
58. Social Housing and Mortgage Finance Fund
59. Standard Bank Real Estate Finance CIB
60. TAF Africa Global (Pan African)
61. Tanzania Mortgage Refinance Company Ltd
62. TUHF Limited (South Africa)
63. UrbaMonde (International)
64. Urban Think Tank Empower (South Africa)
65. Watumishi Housing Investments (Tanzania)
66. Western Forms Inc (International)
67. Zambia National Building Society
68. Zambian Home Loans
69. ZEP-RE Reinsurance Company (Pan African)