Shelter Afrique and Habitat for Humanity sign deal to establish housing fund for Africa

- The Memorandum of Understanding (MOU) signed in Nairobi now paves way for the establishment of incremental building fund to support people who cannot afford commercial mortgages but need decent housing
- The collaboration will also focus on building capacity for institutions offering housing microfinance and providing technical assistance.

Nairobi: July 23, 2019- Pan African housing development financier, Shelter Afrique has signed a Memorandum of Understanding (MOU) with the Terwilliger Centre for Innovation in Shelter, the market development/system arm of Habitat for Humanity International, which will see TCIS assist Shelter Afrique in mobilizing capital for affordable housing that will be extended to institutions focusing on provision of housing loans to low–middle income population in Kenya and 43 other country where Shelter Afrique has presence.

The collaboration formalized in Nairobi by Shelter Afrique’s Chief Executive Officer Andrew Chimphondah and Habitat for Humanity’s Associate Director for Capital Markets & Financial Inclusion Ms. Elena Milanovska at a signing ceremony, will majorly focus on the establishment of an incremental building fund for Africa, capacity building in housing microfinance, and technical assistance.

In reference to the MOU, Mr. Chimphondah said the partnership now makes it easier for the two institutions to jointly facilitate efficient and inclusive housing market systems with the main objective of making affordable housing a reality across Africa, more so within the lower end of the housing market.

“Research on housing finance options for Africa conducted by our Centre of Excellence has shown that the penetration of housing mortgage throughout Africa is quite low - meaning that the mortgage might not be the right option for low-middle income population. This partnership with Habitat for Humanity International gives Shelter Afrique an opportunity to add other innovative ways to finance housing development in the continent,” Mr. Chimphondah said.

“Our aim is to work with entities like Habitat for Humanity International to set up incremental building fund to support people who cannot afford commercial mortgages but also need decent housing. We want to give Kenyans and other people in our other 43 member states the opportunity to have a dignified living and we believe this fund will make it easy for such people to access financing to build decent houses in their own area,” Mr. Chimphondah added.

Ms. Milanovska said the partnership with Shelter Afrique was a perfect match, adding that Habitat for Humanity International had established USD100million micro-build fund that supplies debt capital and technical expertise to help microfinance institutions increase the availability of housing loan products for their low-income customers.

“There is shortage of affordable housing and there is also substandard housing. Habitat for Humanity International is excited to sign this partnership deal with Shelter Afrique as we see a lot
of potential in addressing the growing deficit in the provision of affordable housing in Africa. ” Ms. Milanovska said

Ms. Milanovska noted that Habitat for Humanity International had invested more than USD 4 million in Africa from the micro-build fund, adding that the partnership with Shelter Afrique will make it easy for the organization to significantly increase its investment in Africa.

Habitat for Humanity International has operations in 12 countries in Africa including Kenya, Uganda, Tanzania, Rwanda, Ethiopia, Egypt, Cote d’ Ivore, Malawi, Ghana, Zambia, Lesotho and South Africa. Shelter Afrique has presence in 44 countries across Africa. #End#

Notes to Editors

About Shelter Afrique
Shelter Afrique is the only pan-African finance institution that exclusively supports the development of the housing and real estate sector in Africa. By meeting the needs of the continent’s rapidly growing urban population, our work has a direct and positive impact on the lives of many.

A partnership of 44 African Governments, the African Development Bank (AfDB) and the Africa Reinsurance Company, Shelter Afrique builds strategic partnerships and offers a host of products and related services to support the efficient delivery of affordable housing and commercial real estate. These include project finance, institutional lending, equity investments & joint ventures, trade finance, and social housing. We also offer practical advice and technical assistance to a wide range of industry stakeholders.

For more information please visit http://www.shelterafrique.org/
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About Habitat for Humanity
Driven by the vision that everyone needs a decent place to live, Habitat for Humanity began in 1976 as a grassroots effort on a community farm in southern Georgia. The Christian housing organization has since grown to become a leading global nonprofit working in local communities across all 50 states in the U.S., and in more than 70 countries.

For more information, please visit https://www.habitat.org

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