Changing Lives:

FAMILY HOMES FUNDS

AFRICAN UNION FOR HOUSING FINANCE

What is our Story?

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Family Homes Funds Limited (FHFL)

Initial Shareholding by the Ministry of Finance Incorporated (MOFI) and the Nigeria Sovereign Investment Authority (NSIA).

Medium term objective is to diversify shareholding.

Our model is adapted for diversified funding from other sources including DFI Partners, the Capital Market and Loans to finance the programme.

Our primary objective is to promote financing structures for housing that is affordable for Nigerians.

Current partners includes state governments, private developers, Housing Corporations, Cooperatives, DFIs etc.

The complementary objectives are to promote job creation, local manufacturing and economic growth.

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Confronting the Reality

More than ever, there is a growing need to impact the quality of lives of Nigerians, particularly the poor and vulnerable.

Having a decent home is a recognised step towards providing necessary comfort and security for Nigerians on low income.

The current reality for most Nigerians on low to middle income is an incredibly difficult access to a decent home they can afford.

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Impact Footprints

Over 16,000 homes financed
Over 84,000 jobs created

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Impact on Communities

Vibrant, sustainable communities

Quality life: access to healthcare/schools etc.

Green spaces/recreational facilities

Promotion of small business enterprises

Growth in local economies

Secure life for IDPs in Northeast

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Impact in Job Creation

Over 84,000 direct and indirect jobs

1,000+ artisans trained

Facility maintenance jobs

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Challenges and Lessons

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Home building and buying

Supply Side

- Institutional positioning for positive investment grade ratings
- DFIs partnership (AFD etc.)
- Capital market fundraising (N30bn Sukuk)
- Diversified funding approach

Demand Side

- Only 10% of Nigerians can afford a home/mortgage (CBN: 2019)
- A lot of families like the Okonkwos need support
- Instalment Payment options for FHFL homes
- Partnership with PMBs for flexible mortgages
- Partnership with AfDB to expand access

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Land Acquisition

The difficulties

- Land use act
- Land title issues
- Cost of private land, especially in urban areas

Finding solutions

- Strong partnership with state governments (statutory custodians)
- Partnership with corporations/cooperatives
- Land banking across the country

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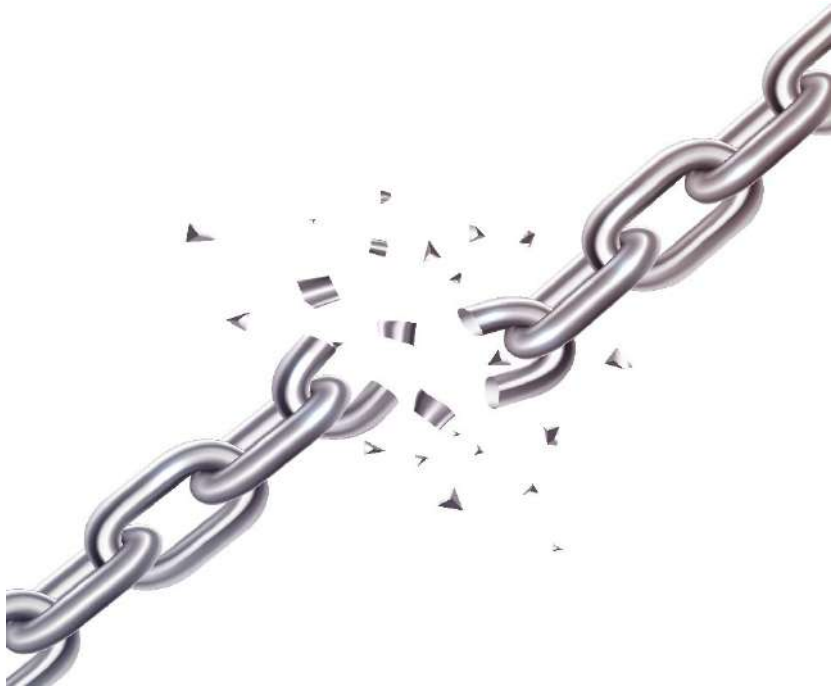
Strong Partnerships



The Challenges

- Strong partnerships are difficult
- Capacity level of prospective partners can be a problem (corporate governance issues, data)

Our Efforts

- We are building the capacity of local partners, especially developers who must meet best standards
- Trainings for Independent Project Managers

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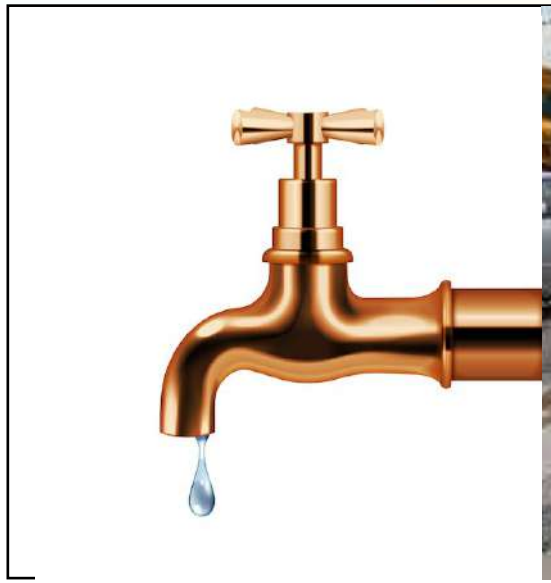
Developing Infrastructure and Services



The problems

- Pervasive infrastructure deficit
- Poor infrastructure affects affordable housing and discourage homebuyers

Finding solutions

- Infrastructural development is a fundamental part of our partnerships
- Infrastructure before homes
- High consideration for proximity to urban infrastructure and services when choosing a project location

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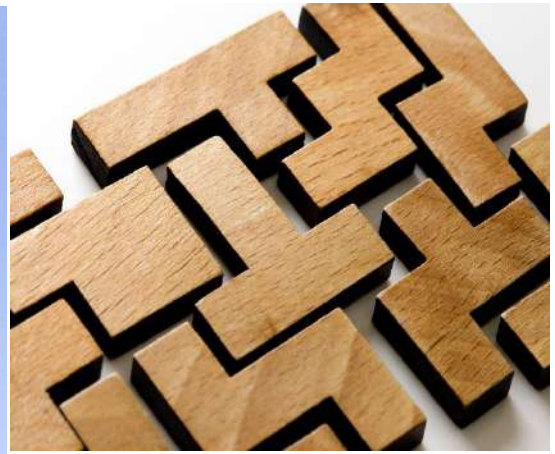
Localising the solutions



The problems

- High dependance on foreign building materials
- Mismatch between foreign solutions and local problems

Finding solutions

- Building the capacity of local producers/suppliers
- Promoting local solutions for local problems where they are best options
- Quarterly Stakeholders Roundtable across the Country to promote knowledge sharing

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Push for Innovation

The issues

- Limited approaches are producing limited results
- Many institutions stuck with old ideas

Finding solutions

- Innovative Financing solutions
- Creating sustainable communities
- Environmentally friendly and sustainable construction

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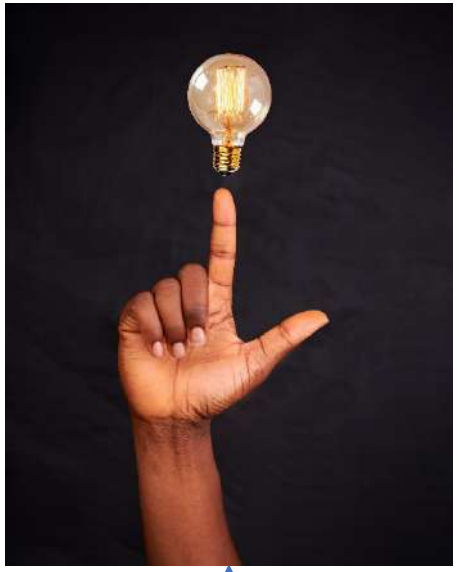
Final Thoughts

Lead with Innovation



Build a strong team

Forge strong partnerships

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...financing social housing

THANK YOU