



A HOME
FOR
HUMAN
POTENTIAL

Reall

MEETING CLIMATE AND AFFORDABLE HOUSING CHALLENGES FOR CITIES IN AFRICA

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Influence, REALL*

12th Annual African
Property Investment
Summit
6-10 September 2021

WE ARE BUILDING A HOME FOR HUMAN POTENTIAL

We are an innovator and investor in affordable homes.

We develop, refine and share innovative housing models and unlock the political will, capital investment and end-user finance needed to create the conditions for families to secure their own homes.

In Africa Reall has invested \$40million to support African affordable housing developers over the past decade

OUR STRATEGY

BUILD

Prove we can build commercially and environmentally viable houses for bottom 40% of the income pyramid.

BROKER

Take proof-of-concept build work & make strategic political, regulatory & financial interventions to generate access to climate-smart affordable housing at scale.



OUR IMPACT IN NUMBERS

Over **3,500,000** people reached through Reall projects, including:



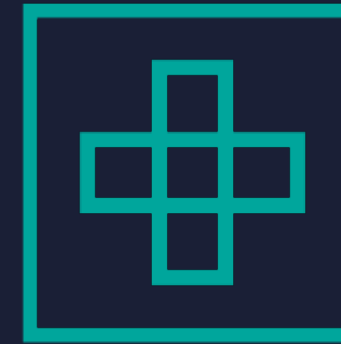
Over **730,000** people living on low incomes having been empowered to improve, develop or own their own home



Almost **1,300,000** people gaining security from threat of eviction

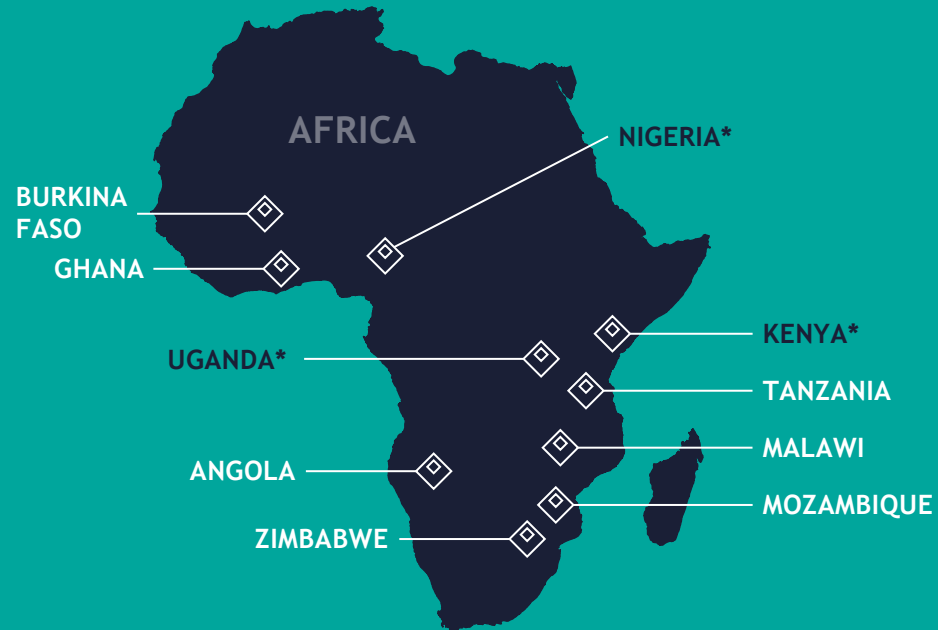


Over **450,000** people benefitting from improved water provision



Over **1,100,000** people benefitting from improved sanitation

REALL'S NETWORK



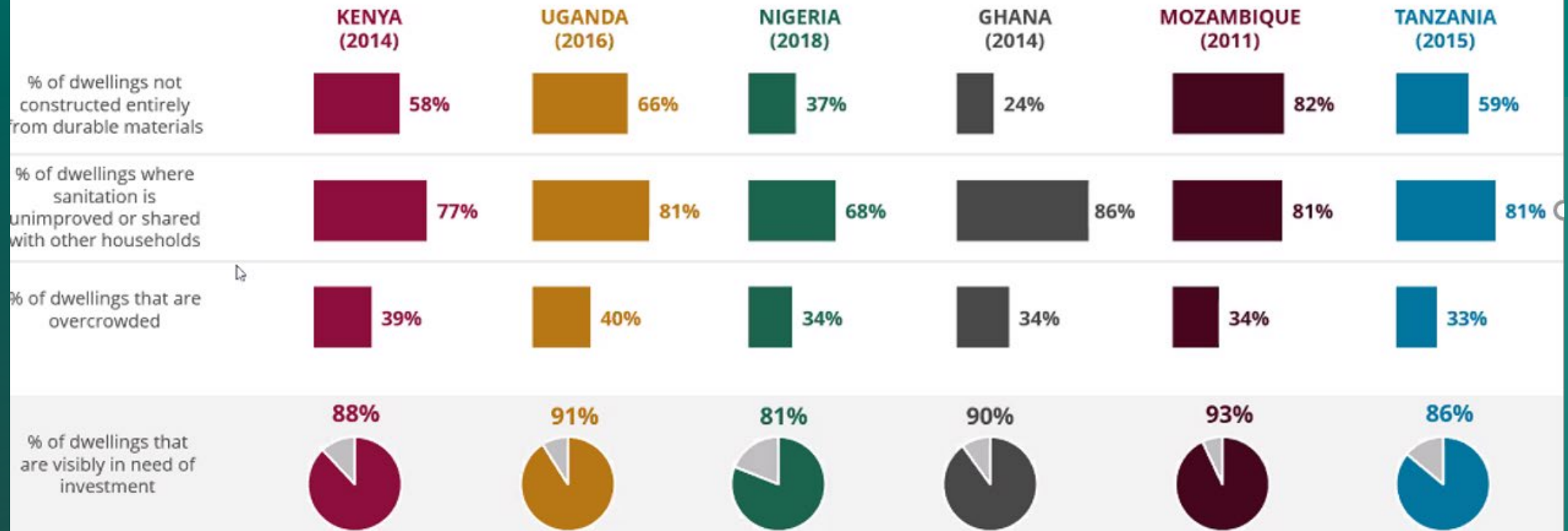
*Priority countries



AFRICA'S HOUSING DISCONNECT

- Globally 1.2 billion people lack access to decent and affordable housing
- This figure will rise to 3 billion in less than 30 years
- Africa will see 950m more people in cities by 2050
- In which there is a housing gap of 60 million homes already
- More than 90% cannot access finance or afford what is built
- Africa's 'Infrastructure Paradox' & Affordability Window

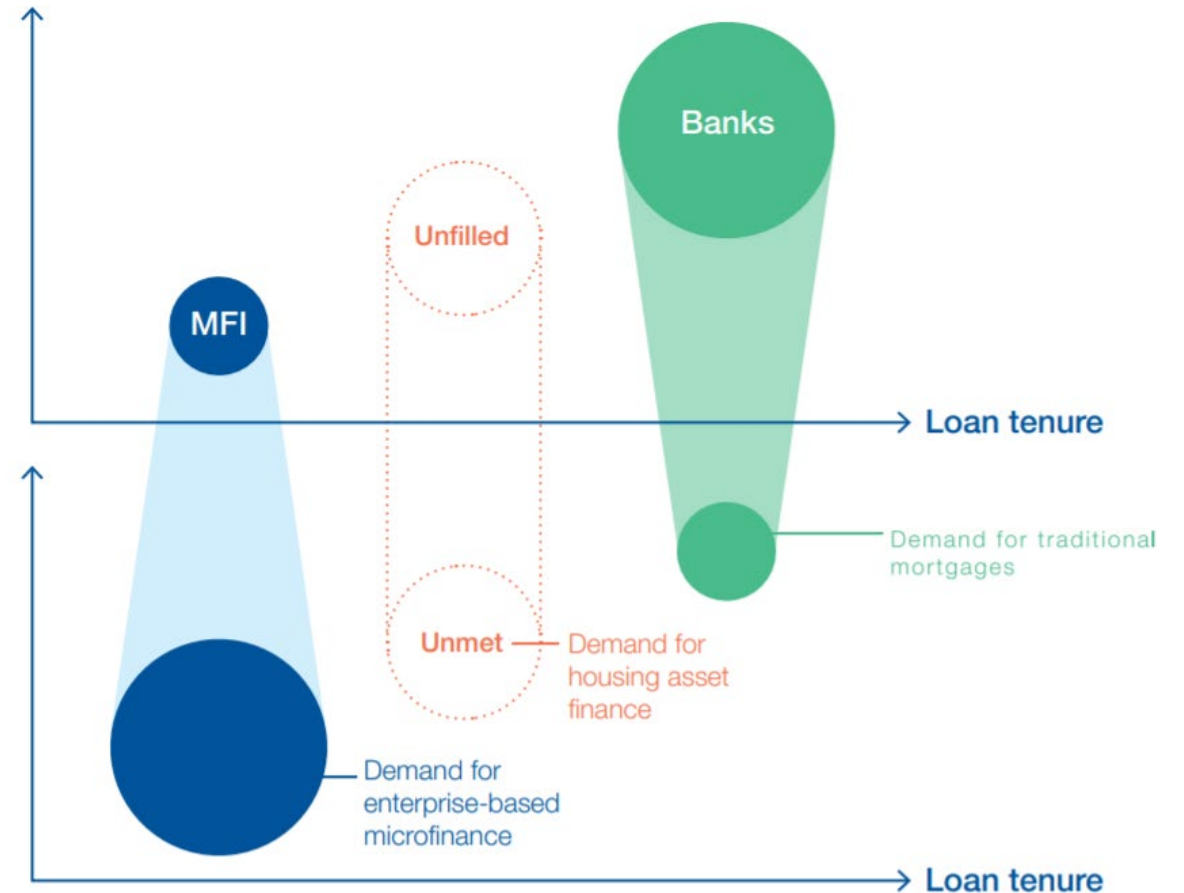
Housing need



BANKING ON AFFORDABLE HOUSING

Providers
Size of sphere
indicates relative
number of loans
available

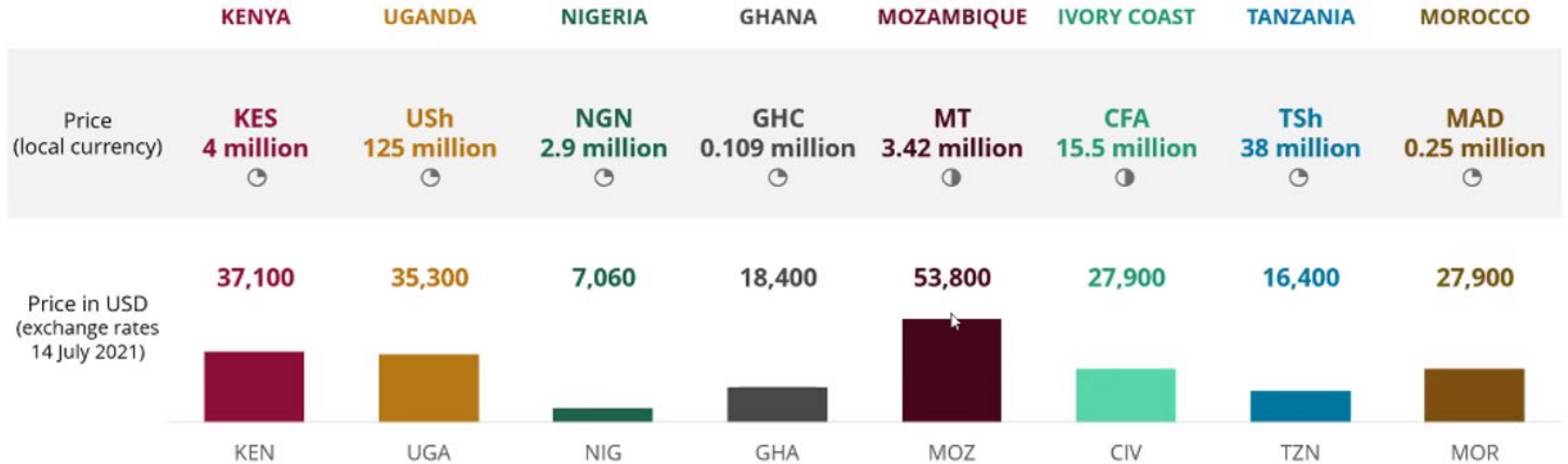
Market Size
(households)
Size of sphere
indicates relative
size of demand



Source: Affordable Housing Institute

CHEAPEST HOUSE

Price of the cheapest newly built house by a developer



Source: CAHF consultant from Tsavo Real Estate website (Kenya), five property developers in Uganda, two well-established, low-income developers in Nigeria, Damax Construction Company Limited website (Ghana), Casa Minha website (Mozambique), Abidjan Solution website (Ivory Coast), real estate websites (Morocco)



WHERE DO OPPORTUNITIES LIE?

- Africa is also young, modern, digital and urban
- Infrastructure undeveloped & underinvested: starting from low GHG emission base
- A USD600b opportunity: green & low-emission revolution to support 'The Africa We Want'
- Tapping into future-focussed approaches/actors
- Africa has the opportunity to be an incubator for innovation, creativity & investor in change
- Housing solutions are a key catalyst

CLIMATE-SMART & AFFORDABLE HOMES

Affordable housing is an untapped \$17tn market to address climate mitigation & resilience at scale.

39% of GHG emissions from built environment.

70% of buildings that will exist in Africa by 2050 are yet to be built.

77% of population growth by 2050 will occur in Sub-Saharan Africa & South Asia: two of the most vulnerable regions to the effects of climate change.

NewAfrican

News & Analysis

Interviews

Opinion

Innovative, climate-smart housing is commercially viable



NEW AFRICAN

03/05/2021

0 COMMENTS



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Real

THE NEED FOR GREEN BUILDINGS

BUILT ENVIRONMENT IMPACTS

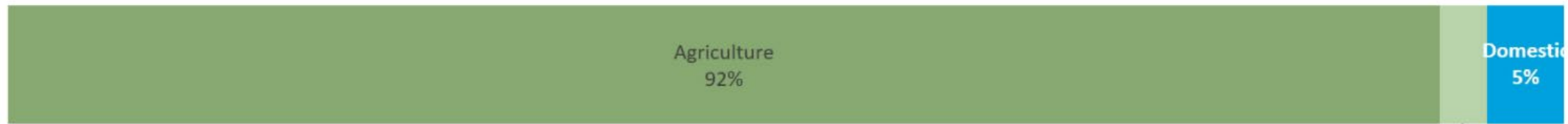
35% of Global Energy Consumption 2010



15% of Global GHG Emission 2010



5% of Global Water Use 2010



Source: UNEP, Source: International Energy Agency: Transition to Sustainable Building

Industry
3%

CLIMATE-SMART STANDARDS & FINANCE



- EDGE standard for green buildings. Saving at least 20% across energy usage, water usage, embodied energy in project
- Reall increasing proportion of EDGE certified homes, working with developer partners to specify EDGE as minimum requirement. Engaging with IFC to boost capacity and roll-out EDGE to sector
- Targeting innovative green construction partners: modular construction, waste reduction, alternative materials & tech.
- Embedding clean energy solutions within affordable housing projects (e.g. solar collectors for heating water)
- Working to unlock and mobilise green finance, including collaboration with IFC to engage local banks on green mortgages

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BUILDx STUDIO | KENYA

Off-site, modular affordable housing utilising modern, low-carbon methods of construction.

- Pilot underway & targeting EDGE Advanced
- Continual research & development of low-carbon construction methods, including mass-timber.

CASA REAL | MOZAMBIQUE



- 190 resilient homes built which have withstood recent cyclones in Beira
- Have shifted housing from \$50,000+ towards \$10,000
- Linked to innovative financing: Since 2019, Casa Real has partnered with ABSA
- Has unlocked & de-risked housing finance for families on low incomes
- Rent to buy, non-mortgage finance etc.



SMART HAVENS AFRICA (SHA)

- Award winning construction innovator
- Stabilised Soil Interlocking Bricks: climate-smart, EDGE Certifiable
- Formally partnered with Reall in 2020
- Focus on disadvantaged families, especially women-headed households
- 1st Reall project underway in Bukalango, Wakiso (near Kampala)
- Intention to learn from and leverage relationships with banks and Government, to broker housing finance and services

Photo shows completed units in the first phase funded by Reall



GETTING TO SCALE: THE ROLE OF POLICY

Policy incentives are essential for scale: incentivisation & integration is essential

Linking PropTech to FinTech solutions

- Kenya: Where AH is a 'Big 4' policy priority
 - Tax exemption on interest income for bonds and securities for certified green buildings. Free land for social housing developers building to EDGE standard
- 'Green Accra': Discounted building permit fees
- Rwanda: Rwanda Green Building Minimum Compliance System for public buildings

***THE CHALLENGES OF
AFFORDABLE AND
CLIMATE-SMART AND
RESILIENT CITIES MUST
BE MET
SIMULTANEOUSLY.
THERE CAN BE NO
TRADE-OFF BETWEEN
THE POVERTY AND
CLIMATE AGENDAS, AND
THERE ARE GREATER
OPPORTUNITIES IN
MEETING BOTH
CHALLENGES AS ONE***



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