

Shelter Afrique signs US\$11m Credit Line with BancABC as Zimbabwe confirms Plans to Host the 41st Annual General Meeting

- *The facility will be used for the construction of 2,500 housing units and mortgage origination.*

Harare: June 2nd, 2021: Pan-African housing development financier Shelter Afrique has signed a US\$11 million housing deal with Harare-based African Banking Corporation (BancABC).

The facility will be used for the construction of 2,500 residential housing units; mortgage origination, home extension & improvement; onward lending to affordable housing projects; and financing small-scale commercial project such as small shopping malls.

Commenting on the deal, shelter Afrique Group Managing Director and CEO Andrew Chimphondah said the line of credit would be crucial in addressing the housing backlog in Zimbabwe.

“Our Centre of Excellence research shows that many African countries are facing a housing crisis. Zimbabwe, for instance, is facing an estimated housing shortfall of close to 1.5 million units. The extension of the US\$11 million facility to BancABC reaffirms our commitment to addressing Zimbabwe’s housing crisis through provision of affordable housing solutions for her citizens,” Mr. Chimphondah said.

“These will be the third and fourth facilities to African Banking Corporation having granted it a ten-year US\$ 7 million loan facility in 2011 and US\$5 million in 2013 one-year-trade finance facility which was rolled over for one more year in 2014. The trade finance facility was repaid on schedule,” he said.

On his part, African Banking Corporation banking Chief Executive Officer Dr. Lance Mambondiani lauded the long term partnership enjoyed by the two institutions.

“Our partnership with Shelter Afrique dates back to 2011 when BancABC drew its first facility. We are pleased to partner with Shelter Afrique again on a project of such magnitude, because of the many lives it will impact. Our Corporate and Investment Banking team has been working on putting this deal together and today we are proud to sign off on it. We look forward to a longer term relationship as we explore further areas of interest together,” Dr. Mambondiani said.

The 7-year facility, which includes a 20-months grace period, will be due for repayment in 2027. The announcement of the deal sees Shelter-Afrique ramp up its activities in Zimbabwe, which has been announced as the venue for the 41st AGM having successfully hosted the 37th AGM in 2017. It will be recalled that Zimbabwe was also the venue of the newly established masterclass session of Shelter-Afrique’s Centre of Excellence in 2019.

Chimphondah, himself a Zimbabwean national, remarked that Zimbabwe was one of five countries to have completed their capital subscriptions till date, "Zimbabwe continues to lead in the SADC region and indeed the organization as one of our most active shareholders, and is a fine example of how we deliver on our second strategic goal of shareholder value and development impact".

Notes to editor

About Shelter Afrique

Shelter-Afrique is a pan African housing finance and development institution established by African governments to address the need for sustainable housing delivery system and related infrastructure projects in Africa. Shareholders include 44 African countries, the African Development Bank, and the African Re-Insurance Corporation. The company's mandate is to provide financing by way of debt, quasi-equity and equity to both public and private institutions for housing and urban infrastructure projects in its member countries. 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 Africa Banking Corporation (BancABC)

African Banking Corporation of Zimbabwe Limited ("BancABC") is part of ABC Holdings Limited (ABCH), a Botswana-incorporated company. ABCH was created by the amalgamation of regional and international businesses that had been active in the sub-Saharan financial markets for 50 years. This was achieved through a series of successful share swaps between the shareholders in the former Ulc regional companies, First Merchant Bank Holding, UDC Holdings and Bard Group of Companies and a new capital partner, Zephyr Management, during the year 2000. ABC Holdings (ABCH) Limited was acquired by Atlas Mara Limited in August 2014.

For more information, please visit <https://www.bancabc.co.zw/bancabc/>

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