

Shelter Afrique courts Actis, Shapoorji Pallonji in continental housing deal

- *The partnership is vital in scaling up provision of affordable housing across Africa*

Nairobi, Kenya – February xx, 2023: Pan-African housing development financier – Shelter Afrique is working on an affordable housing partnership deal with Actis - a global private equity investment firm, and India's real estate giant Shapoorji-Pallonji.

Speaking when he met Actis and Shapoorji Pallonji teams in Nairobi, Shelter Afrique Managing Director and CEO Mr. Thierno-Habib Hann said the partnership with the two entities would be vital in scaling up the provision of affordable housing across Africa.

"There huge housing demand across Africa which requires well-thought out partnerships to tackle and India's experience in real estate development has provided us with a great learning on how to approach affordable housing in Africa," Mr. Thierno-Habib Hann.

"We are looking forward to the partnership with Shapoorji Pallonji – one of India's top real estate company; the global private equity firm, Actis, and their local joint venture Mi-Vida- to see how we can scale up and replicate their model across our member States," Mr. Hann said.

Commenting on the partnership Shapoorji-Pallonji Real Estate Business Head Sumit Sapru said there were many similarities between India's and Africa's real markets that Shelter Africa could build on, adding that "We would be delighted to partner with shelter Afrique in developing real estate sectors across Africa."

Actis Director Koome Gikunda said the joint venture with Shapoorji Pallonji was borne out optimism and the desire to delve into the real estate sector, adding, "we hope to do a similar thing with Shelter Afrique across Africa.

Through joint venture, Actis and Shapoorji Pallonji have delivered the first project at Garden City in Nairobi, Kenya, is planning to launch three more projects in Nairobi.

Under-developed mortgage sector

Mr. Hann said the partnership with Shapoorji Pallonji would be Crucial in building Africa's mortgage market, which he says, is grossly underdeveloped.

He said many countries in Africa do not have well developed mortgage market, noting this was a huge constraint and gap in the provision of affordable housing that needs to be address urgently.

"For instance, Kenya which is one of the most developed markets in Africa and with a population of 50 million people has only 30, 000 mortgage subscribers and the story is the same across Africa. India on the other hand has a well-developed mortgage sector - boasting over USD20 billion mortgage market - that's why such a partnership would be important to help us draw fundamental lessons," Mr. Hann said.

According to Statista, most African countries have very low mortgage to GDP ratio. In 2021 Cabo Verde was ranked first at 23.4%, with South Africa coming second at 23.3%, and Kenya at 2.1%. Nigeria, Mali and Uganda stood at 0.5%, while Algeria recorded the lowest ratio at 0.02%.

The mortgage to GDP ratio compares a country's total mortgage debt to its gross domestic product.

Notes to Editor

Shelter Afrique

Shelter-Afrique is a pan African housing finance and development institution established by African governments to address the need for a sustainable housing delivery system and related infrastructure projects in Africa. Shareholders include 44 African countries, the African Development Bank, the African Re-Insurance Corporation, and Fonds de Solidarité Africain (FSA).

The Company's mandate is to provide financing through 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.

The Company offers 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 Actis

Actis is a global investment firm focused on the private equity, energy, infrastructure, and real estate asset classes. It was formed in July 2004, as a spinout of CDC Group plc (formerly the Commonwealth Development Corporation), an organization established by the UK Government in 1948 to invest in developing economies in Africa, Asia, and the Caribbean. The Actis management team acquired majority ownership of CDC's emerging markets investment platform. It is focused on investments in emerging markets in Africa, China, India, Latin America, and South East Asia. Actis is a signatory to the United Nations Principles for Responsible Investment (UNPRI), an investor initiative developed by the UNEP FI and the UN Global Compact.

For more information, please visit <https://www.act.is/>

About Shapoorji-Pallonji

Shapoorji Pallonji & Company Private Limited, trading as Shapoorji Pallonji Group, is an Indian conglomerate, headquartered in Mumbai. It operates in construction, real estate, textile, engineered goods, home appliances, shipping, publications, power, and biotechnology.

For more information, please visit <https://www.shapoorjipallonji.com/>

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