

Message from the National Director

Dear Friends of HFH Kenya,

The last six months have been quite eventful. Habitat for Humanity Kenya (HFH Kenya), with your support and donations, has been able to make positive changes in the lives of many low income families.

I am excited to report that our building project for the internally displaced people took off and we have helped settle 32 families in spacious, three-roomed houses, from the old and tattered tents they have been living in for the last one and half years. Those who have been following events in Kenya must be aware of the tragic events that happened after the disputed presidential elections of 2007. Ethnic violence started immediately after the announcement of the results with communities that have co-existed over the years taking arms against one another, killing and maiming and burning houses.

By the time order had been established and a peace and power sharing agreement brokered by the international community, 1,133 people had lost their lives and 630,000 had been displaced from their homes and were living in deplorable conditions in displaced



A happy homeowner (center) & her mother (left) & Peter, HFH Kenya Officer, in our Embu region rejoices after receiving a bible from the UK Eltham College team during a farewell party after a two week build.

peoples' camps that dotted the hitherto peaceful Kenyan landscape.

HFH Kenya was heavily involved in the design of displaced peoples' kits and it has been our desire to provide more long term assistance to the displaced people. That dream has come to pass through your kind donations. We were able to partner with a group of 116 very resilient and determined displaced persons whose desire was to restart their lives in a new place, where they would have some assurance of security. This group pooled together funds that they had been provided with by the government to rebuild their former homes, purchased land and asked us to help them build homes for them. It was not difficult to say yes after seeing their suffering and the commitment they had to move on and improve their

lives. We in HFH Kenya salute these valiant men and women and for the 32 that are now proud owners of decent, durable, shelter, wish them well as they reconstruct their lives. Construction work for another group of 84 has started.

We wish to thank you all most sincerely for your kind contributions that has made this happen.

We have also been very busy creating awareness nationally on the need for simple, decent, but affordable shelter for those in our societies that don't have a lot of resources. The National Board of Directors and I have hosted Kenyan business leaders for breakfast to discuss the contribution the corporate sector can make to eliminating poverty housing. We have also been on four

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Habitat for Humanity Kenya housing microfinance project begins to bear fruits

Over the last one and half years, Habitat for Humanity Kenya has been implementing a new model of housing delivery for low income families. When it started operations in Kenya in 1982, HFH Kenya used a model known as the affiliate model to organize communities and provide them with simple, durable and affordable housing. Key characteristics of this model were community organizations known as affiliates that had the responsibilities of managing the loan funds provided to them and supervising all constructions, with HFH Kenya providing technical support and oversight. It soon became obvious that these affiliates had significant shortcomings in leadership and accountability and could not enforce repayment of the housing loans.

Full houses were also constructed for members which were costed and amortized over a 6-10 year period. To counter inflation, repayment was based on the price of a bag of cement. Homeowners, who were mostly small scale farmers, did not have the discipline to serve long term loans and began to miss payments from the 3rd year. Cement prices also increased at a rate that had not been anticipated, making the house loans more expensive.

To address this, since mid-2007, HFH Kenya has made major changes in the way it provides housing loans to low income families. Borrowing from the microfinance best practices, a new approach was designed and is being implemented. The approach focuses

on groups of up to 30 members who meet regularly and contribute savings for their own capital accumulation. The groups are trained in group dynamics and the main objective of the groups is to build or improve their houses through loans from HFH Kenya.

The loans are fully guaranteed by the group members, houses are built in incremental stages and loans are disbursed in phases. The loans are repaid in shorter periods and the homeowners occupy their houses as they continue paying for their loans. They are, therefore motivated to repay their initial loans quickly in order to acquire subsequent loans to continue improving their houses.

Homeowners are happy with this incremental approach as they are taking loans in smaller amounts that they can afford to pay back, but at the same time getting a full house over time. We in HFH Kenya are happy because repayment rates are good - averaging between 95% to 100%, thereby enabling us to reach more people in need.

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A beneficiary of the first loan, which is used to do the first stage of a house.



The second loan is enough to do the walls of a standard HFH Kenya house.



Final product of a HFH Kenya house in Naivasha.

HFH Kenya takes their vision of providing decent housing a step further!

Kenya's last general election (2007) results were marred by irregularities which sparked a lot of violence leading to displacements of thousands of families. The most affected families were from the breadbasket regions of the country. As a result, the affected families camped in different grounds which they felt were safer. Since then, some families have moved back to their homes while others have continued to live in camps

for fear of fresh attacks in their original homes.

As part of their Corporate social responsibility activity, Habitat for Humanity Kenya started building 116 low cost decent houses for the Internally Displaced Persons (IDPs) in Maai Mahiu. The families will not incur any cost towards the construction of the house but will contribute labour.

Construction of the first 32 houses has been completed and the beneficiaries have already moved in.

The current cost for a standard IDP house (three-roomed) is KES180,000.00 (\$2,400.00). In order to achieve the objective of providing shelter for all the families targeted, we are appealing for well wishers to support us.



A skeleton of the original house of an IDP after it was burnt down during the violence.



The tent where IDP families live in and HFH Kenya funded houses under construction.



Completed & occupied HFH Kenya funded houses for the IDPs in Maai Mahiu.

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major television stations, actively advocating on the need for decent housing and what we as an organization are doing to ensure that every family in Kenya has a decent place to call home and live in. We are overwhelmed by the support that we have received and the immensity of the task ahead of us, but are confident that by constructing one house at a time, we will make our contribution to ensuring that families do not live in poorly constructed, leaking and dusty structures that do not afford them dignity, decency and security.

I wish to thank teams of local and international volunteers who have been visiting us on our build sites and contributing their money and sweat to ensure that families have decent, durable shelter. This last six months we have been privileged to host volunteers from two local companies, the Housing Finance Company of Kenya and Unilever East Africa Ltd., who constructed houses for the internally displaced families in Maa Mahiu. We also had the immense privilege of hosting for the first time employees of the Department for International Development (DFID) of the British government, who in one afternoon, laid foundations for six houses for the internally displaced people. I am sure that the aching muscles and fatigue after this very tiring work was well rewarded by the smiles on the faces of the families that have now occupied these houses.

Many thanks to the team that came in from Northern Ireland (Bilal and Shauna's open team), the two teams from Great Britain (Eltham College led by Simon and Caroline, and an open team led by Ian Brown) and the team from the United States (Babette Ford's open team and Adrienne Wilson open team). We appreciate the sacrifices that you made to travel to Kenya during this very hard economic times. We are confident that your time and sacrifices will be well rewarded.

Our housing microfinance project has taken off and we couldn't be more excited! Individuals in groups who have been taking loans have been very faithful in repaying them and repayments are almost 100%. Read more about this very exciting housing product elsewhere in this newsletter.

I want to thank our newest local donor, East African Cables, for their very kind donation of KES350,000 (about US \$4,667) and welcome them to continue walking the journey of eliminating poor housing with us. They can rest assured that it will be worth their while, as all of you who have contributed and walked with us over the years can testify. East African Cables is the largest manufacturer of cables in the East African region. Here is a link to their website www.eacables.com for more information on what they do to improve the quality of life of East Africans. We thank them most sincerely for their kind donation that will enable a family own a decent, durable shelter. Many thanks!



From Left: Timothy Ndegwa (Commercial Manager, E.A Cables), Rose Mwaura (HR Manager, E.A Cables), Koome Kiragu (Chairman, Habitat for Humanity@ Kenya) and Joseph Kinyua (Finance Manager, E. A Cables).

Finally, I sincerely thank all our individual donors for their faithful giving over the years, and all our USA Habitat for Humanity affiliate partners, who have been tithing to the Kenya Program over the years. We continue to appreciate their support and assure them that their generosity and commitment is indeed making a difference in Kenya. Thank you for walking this journey with us!



Ian Brown Great Britain team takes a break after a busy morning shoveling.

Unilever at it yet again!

Housing Finance Corporation of Kenya in action!