

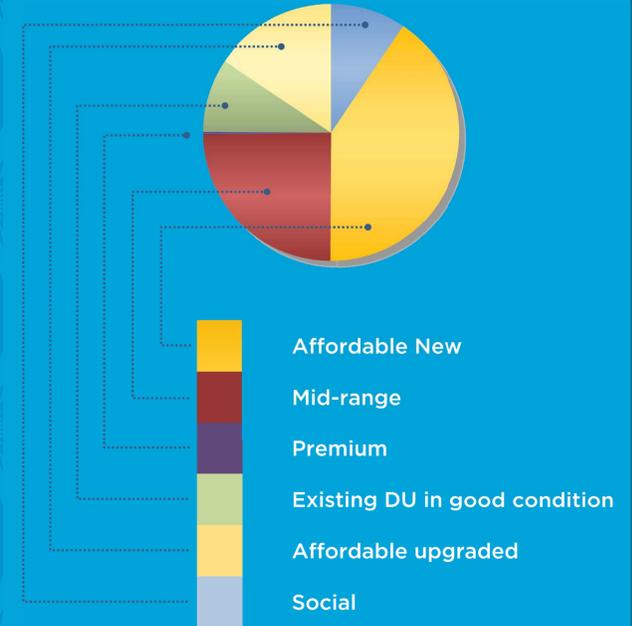


THE KIGALI HOUSING MARKET

A RISING STAR IN AFRICA

Demand, Typology, Financing (DTF) Matrix

CATEGORY	DESCRIPTION	FINANCING	QUINTILE (Q)	MONTHLY GROSS INCOME Range in Rwf		TYPOLOGY	DU	%DU	COST per DU											
				From	To				Rwf		Usd									
									From	To	From	To								
New Duellings																				
Social	Low-rise row housing (possibly in autoconstruction)	Full subsidy, some rent, contribution with labor during construction period	Q1/Segment 1 / Below Poverty Line	>	33,500	A1/A2	43,436	9.48%	n.a.	2,711,089	n.a.	4,457								
Affordable New	Low-rise row housing	Not financing by conventional mortgages, for instance, rent-to-own	Q1/Segment 1/Above Poverty Line	33,501	200,000	A2/B	186,163	40.62%	2,711,089	3,333,823	4,457	5,481								
Mid-range	Low rise and Mid-rise row housing and multi storey apartments	Mortgage loans	Q1/Segment 3 to Q5/Segment 14	200,001	2,500,000	B1-B4, C1-C3	112,867	24.63%	3,333,823	69,827,778	5,481	114,797								
Premium	Multi storey apartments, attached and detached units	Mortgage loans	Q5/Segment 15	2,500,001	<	C3 and Detached	1,601	0.35%	69,827,779	<	114,797	<								
Existing Stock							71,487													
Existing DU in good condition	Various existing typologies, mostly low rise but also apartments	Mostly mortgage loans or self financing	Mostly in Q4 and Q5	Above 2,000,000		Various existing	42,710	9.32%	n.a.	n.a.	n.a.	n.a.								
Affordable to be Upgraded	Various existing typologies, mostly low rise	For instance, micro-loans (micro-finance and mortgages)	Q1/Segment 1/Above Poverty Line	33,501	200,000	Upgraded existing DU	71,487	15.60%	n.a.	n.a.	n.a.	n.a.								
							458,265	100%												



Breakdown of Demand for New Housing (2012 - 2022)

QUINTILE	SEGMENT	Monthly HH Income Rwf		Monthly HH Income USD		YEAR										TOTAL DU PER QUINTILE	PROPORTION (Rounded)		
		From	To	From	To	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021			2022	
Q1	1	<	100,000	<	164	13,720	13,661	13,603	13,545	13,488	13,431	13,374	13,318	13,262	13,207	13,152	147,761	268,865	78%
	2	100,001	200,000	165	329	4,567	5,167	5,758	6,341	6,915	7,481	8,039	8,588	9,130	9,663	10,189	81,838		
	3	200,001	300,000	330	493	1,957	2,155	2,396	2,680	3,005	3,371	3,777	4,221	4,703	5,223	5,778	39,266		
Q2	4	300,001	400,000	494	658	1,367	1,449	1,546	1,660	1,795	1,953	2,137	2,350	2,594	2,874	3,189	22,914	46,239	13%
	5	400,001	500,000	659	822	866	924	987	1,058	1,136	1,224	1,324	1,436	1,563	1,708	1,873	14,100		
Q3	6	500,001	600,000	823	986	579	615	656	701	751	807	869	938	1,014	1,100	1,196	9,225	15,809	5%
	7	600,001	700,000	987	1,151	470	495	521	551	583	620	660	704	754	808	869	7,035		
Q4	8	700,001	800,000	1,152	1,315	338	357	379	402	428	455	485	518	554	594	637	5,147	8,254	2%
	9	800,001	900,000	1,316	1,480	234	248	264	281	299	320	342	367	394	423	455	3,627		
Q5	10	900,001	1,000,000	1,481	1,644	169	179	190	201	215	229	245	262	281	302	325	2,599	4,901	1%
	11	1,000,001	1,100,000	1,645	1,808	133	140	147	156	165	176	187	199	213	228	244	1,987		
Q5	12	1,100,001	1,500,000	1,809	2,466	301	306	311	317	323	330	338	346	355	366	377	3,669	1,601	
	13	1,500,001	2,000,000	2,467	3,288	129	142	155	169	183	197	212	227	243	259	276	2,193		
Q5	14	2,000,001	2,500,000	3,289	4,110	59	63	71	77	87	95	106	117	131	143	158	1,107	1,601	
	15	2,500,001	<	4,111	<	95	103	109	118	127	139	151	164	179	198	218	1,601		
TOTAL DU						24,982	26,003	27,094	28,257	29,501	30,827	32,244	33,756	35,372	37,096	38,936	344,068		

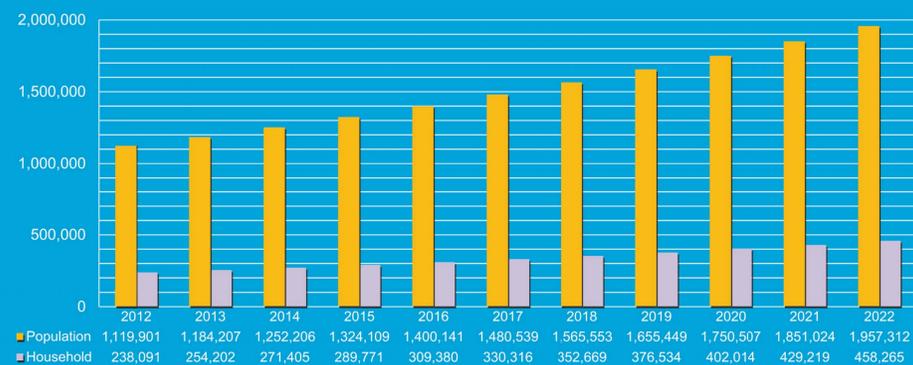
SUPPLY & DEMAND

A Supply and Demand Study uses demographic analysis of future population growth and household size to predict total Dwelling Units (DU) needed to accommodate the future population. Housing need in Kigali for 2012 is estimated to be 458,265 DU.

SUPPLY is based on "what we have": existing housing stock that can be used (in good condition or upgradable); projects "in the pipeline"; and housing development trends. Of existing housing stock in 2011 (223,000 DU), about 1/2 is estimated to be useable: (42,710 DU in good condition and 71,487 DU in upgradeable condition). The remaining (108,803 DU) constitutes overcrowded or low-quality units, which probably need to be replaced. Projected additional supply based on current development rates and projects "in the pipeline" is 37,686 DU.

DEMAND is assessed by calculating the GAP between "what we need" and "what we have." Projected new housing demand is 344,068 DU (plus 71,487 DU upgraded.) The gross number of new DU is distributed across market "segments"/Quintiles that identify DU needed by income category. The following rounded proportions of new/total housing are recommended in each monthly income category: SOCIAL Housing (below Rwf 34,000), 13% new/10% total; AFFORDABLE Housing (between Rwf 34,000 and 200,000) 54% new/41% total; MIDRANGE housing (between Rwf 200,000 and 900,000), 33% new/25% total; and PREMIUM housing (above Rwf 900,000), less than 1% new/less than 1% total.

Kigali Population and Projected Households 2012-22



Kigali Housing Requirements 2011-2022 in DU

1	Assessment of Existing Housing Stock (2011)	DU	%
1.1	Good Condition	42,710	19,15%
1.2	To be Upgraded	71,487	32,06%
Subtotal A	(1.1+1.2)	114,197	
1.3	To be Replaced	108,803	48,79%
		223,000	100,00%

2	New Dwellings (including backlog) to be built 2012-22	DU	%
2.1	Social Housing	43,436	12,62%
2.2	Affordable Housing	186,163	54,11%
2.3	Mid-range Housing	112,867	32,80%
2.4	Premium Housing	1,601	0,47%
Subtotal B	(2.1+2.2+2.3+2.4)	344,068	100,00%

3	Meeting Housing Needs in Kigali 2012-22	DU	%
Subtotal A	Existing Housing Stock	114,197	24,92%
Subtotal B	New Dwellings	344,068	75,08%
	Total	458,265	100,00%

