

ADVANCING ECONOMIC DEVELOPMENT AND FINANCIAL SECTOR DEEPENING THROUGH AFFORDABLE HOUSING



UNLOCKING AFFORDABLE HOUSING AT SCALE WILL STIMULATE ECONOMIC DEVELOPMENT, JOB CREATION AND FINANCIAL SECTOR DEEPENING IN AFRICA AND ASIA

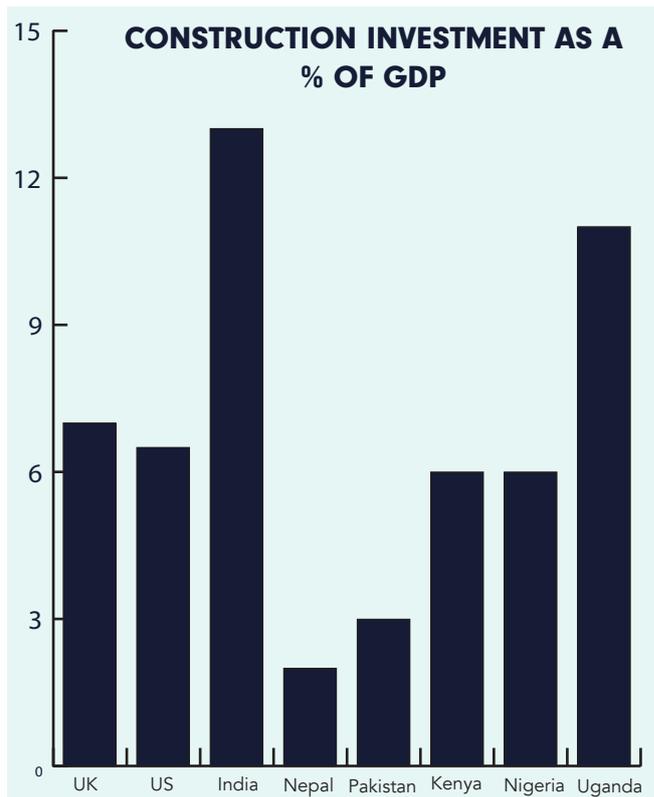
WHY IS IT A SUSTAINABLE IMPACT?

1.2 billion people worldwide do not have access to adequate housing. Resolving this deficit will require a massive global investment into land acquisition, housing development and construction, and the facilitation of mortgage finance. Reall sees this investment as a unique opportunity to stimulate economic growth, job creation and financial sector deepening at scale, worldwide.

HOUSING & ECONOMIC DEVELOPMENT: THE GLOBAL CONTEXT

Closing the global housing deficit requires the construction of 300 million new homes by 2030. To fund this, approximately \$17 trillion must be invested to facilitate land acquisition and housing construction.

The economic multiplier effect on this investment is an unprecedented opportunity to stimulate GDP growth and formalise vast swathes of informal housing. Investment in affordable housing also results in significant and sustained job creation, producing approximately five new jobs per house in Africa and Asia. At the same time, the facilitation of formal and commercial housing loans for people on low incomes has powerful financial sector deepening effects, as it drives the financial inclusion of the previously unbanked (in particular women).



HOUSING & ECONOMIC DEVELOPMENT: REALL'S BREAKTHROUGHS

- 1 **AFRICA & ASIA** Created 80k new jobs as a result of Reall's investment in housing construction.
- 2 **AFRICA & ASIA** Facilitated end-user housing finance solutions for over 17K households, positively impacting over 85K people. This significantly contributes towards financial sector deepening.
- 3 **MOZAMBIQUE, NEPAL, PAKISTAN** Brokered the first commercial bank mortgages in these countries targeted at people on low incomes, advancing financial inclusion for people in the bottom of the income pyramid.
- 4 **AFRICA & ASIA** Delivered permanent housing to low-income families at a cost of less than \$10K per house, demonstrating the commercial viability of affordable housing and paving the way for capital investment at scale.

HOUSING & ECONOMIC DEVELOPMENT: REALL'S STRATEGY

JOB CREATION

Employment is a bridge between economic growth and poverty reduction. Housing construction plays an important role in urban economies throughout the world by creating new jobs, directly through on-site employment and indirectly through backward linkages with other industries.

Reall invests in housing developers throughout Africa and Asia to prove the commercial viability and social impact of affordable housing. On average, five jobs are created for every house that is built by Reall's developer partners.

FINANCIAL INCLUSION

Up to one billion people worldwide are excluded from the formal financial system,

especially in low-income countries. Yet, those who have most difficulty acquiring financial products and services are those who benefit most from them. Reall drives financial inclusion by brokering formal housing finance for low-income people. This includes proving why commercial banks and lenders should move 'downmarket' and launch innovative new products targeted explicitly at the low-income segment. Reall also facilitates the direct lending of finance to women and female-headed households whenever possible, recognising that equipping women with access to bank accounts and credit is an important gateway to additional financial services.

TRANSFORM MARKETS

Reall harnesses evidence generated through building

affordable homes to crowd in others to transform the affordable housing market.

Reall acts as a market facilitator, sparking positive change by connecting financial institutions, developers, governments and multilateral agencies, leveraging their skills and streamlining processes.

This market-building approach catalyses economic development by crowding in additional private sector investment, as well as governments and policymakers. To advance this, Reall invests in its capacity to design and deliver effective national, regional and global advocacy strategies that transform housing markets.