AFRICAN UNION FOR HOUSING FINANCE

1984 - 2024

ISMMA

International Secondary Mortgage Market Association

SHARKROOM: BUILDING TO LAST: PTICH PRESENTATIONS



PROF. JAPHET LYAKU

AUHF/ISMMA Conference 2024
Zanzibar, Tanzania.







Maximizing Financing Viability

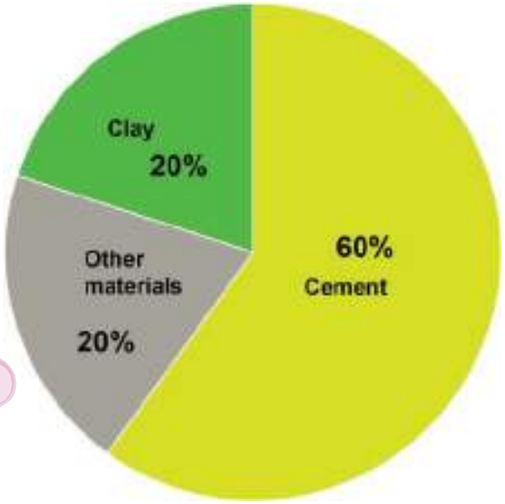
Dodoma Clay Brick and Tiles Project

Dodoma, Tanzania

- BAH first infrastructural input manufacturer in Tanzania, 2014.
- Utilising local resources clay, coal and gas
- Applying latest technology for bricks, roofing tiles, pavers, water tanks and accessories.

Situational Analysis

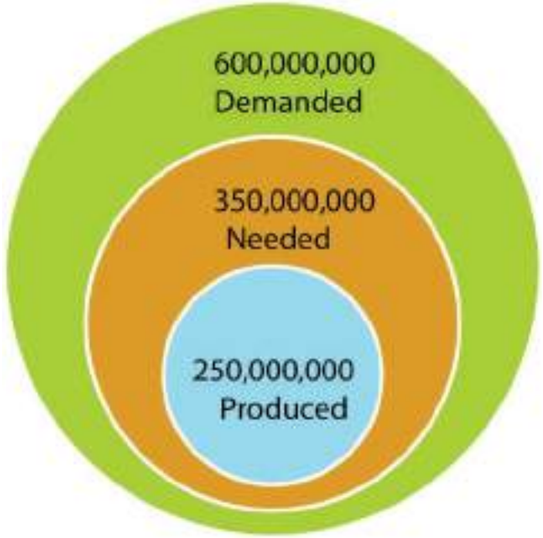
Types of Building Materials





25 Types 180 million/Year

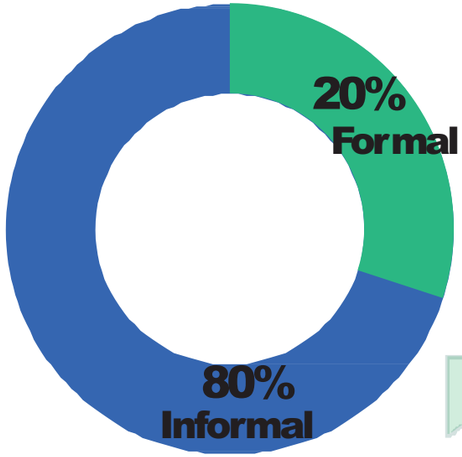
Brick Market





3 Types 52 million/Year

Brick Makers





3 Types 36 million/Year

Project Milestones



Setting the Stage



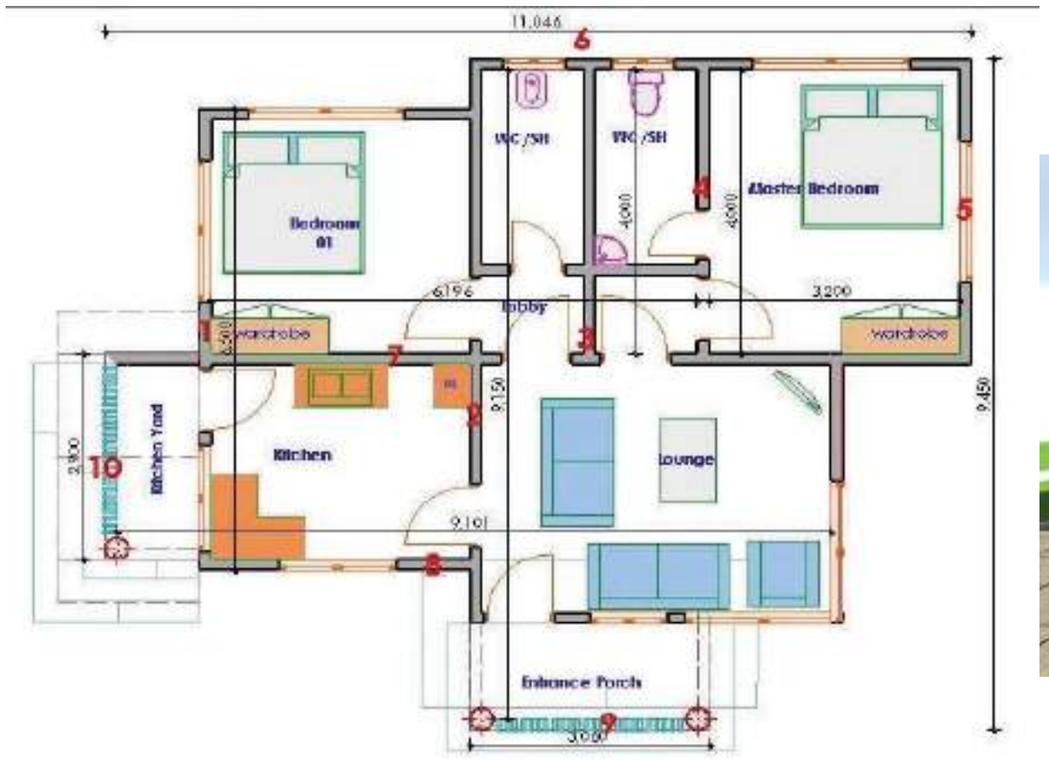


Governance

Scalability

Growth

Model Affordable House







House Size: 135.88 sq. meters **Brick Size: 248 X 365 X 249 mm** **Total Bricks Needed: 4,700**
Wall cost: USD 2,261 **Roofing, Floor, Doors & windows, Ceiling, Sewage: USD 3,960**
House Building Total Costs: USD 6,221

Key Ask: Viable Project

- Return on Investment
- Intellectual

- Sustainability
- Equipment capacity

- Local engegament

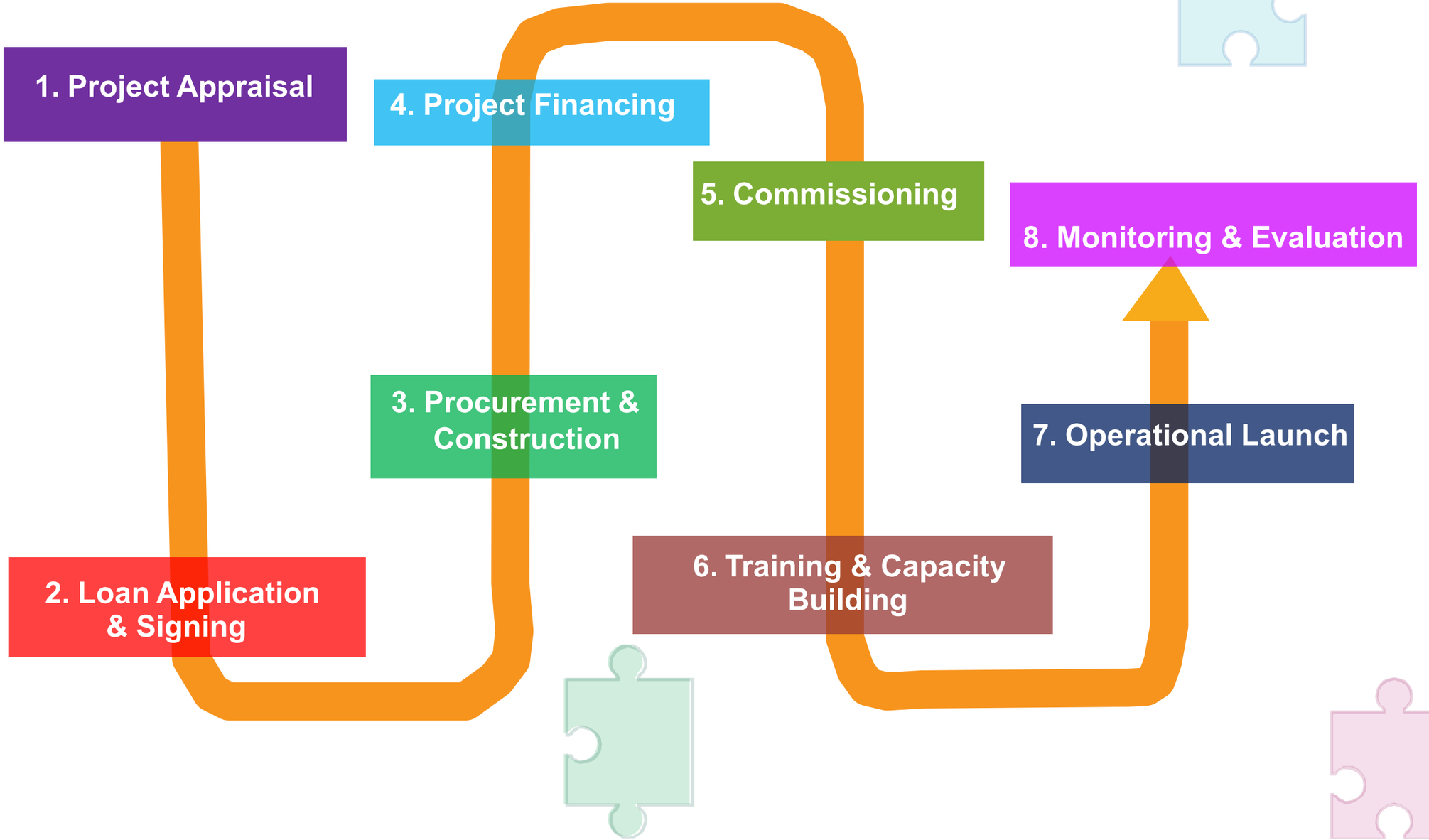
- Compliance
- Green solutions



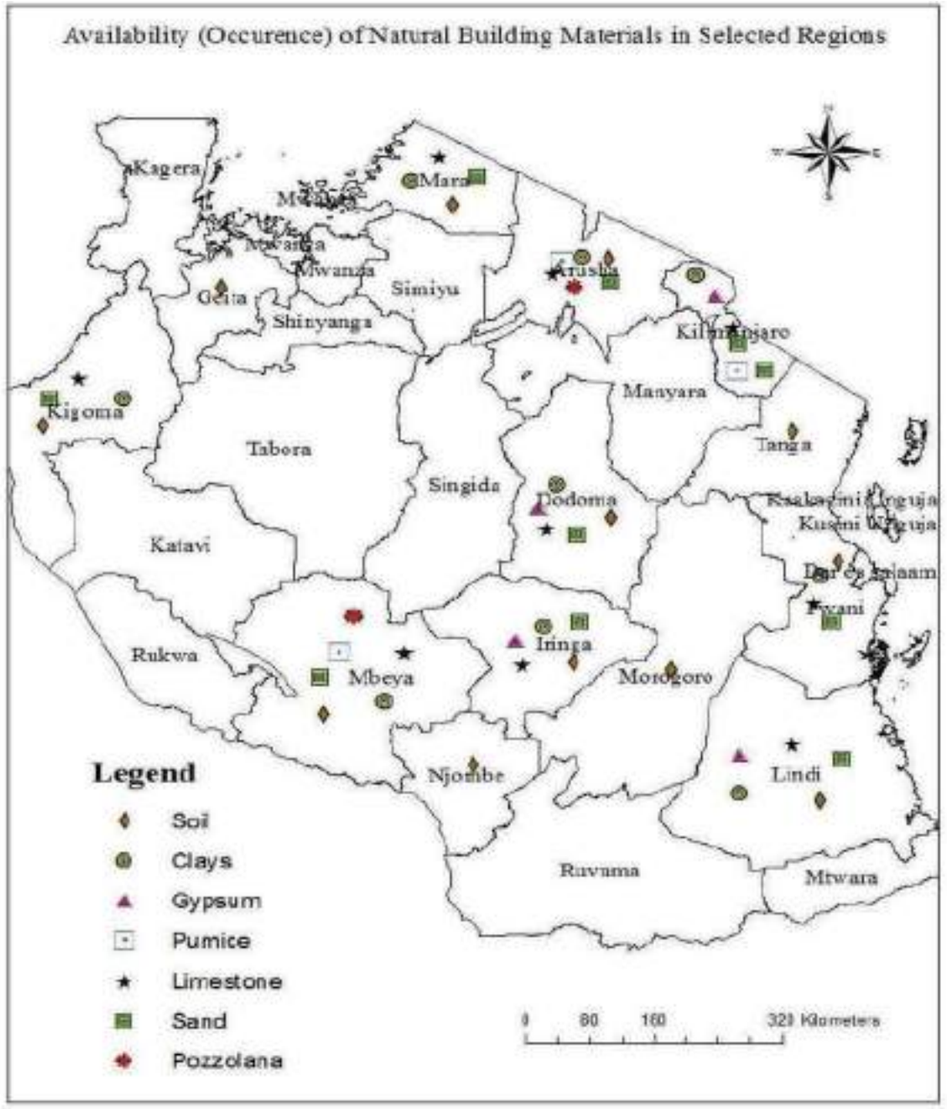
Project Value: USD 24.0 million

Asking: USD 16.0 million

Project Implementation



Building Materials Occurance in Tanzania



Risk and Mitigation

			
• Price fixed for longer periods (5-10 years) • Take or pay all quantity produced	• LPAs with State owned Developers, with Government guarantees • Project Partners with strong government relations	• Structuring Project debt on same currency as brick sales revenues • Inflation rate adjusted price in the LPAs	• Project finance debt with fixed interest for 5 years or more

Project key Metrics

Project capacity:	**485,000 Clay Bricks/Day**
Project cost:	**USD 24 million**
Location:	**Mbabala, Bihawana Ward, Dodoma**
NPV, IRR, ROI:	**USD 42.5, 49.5%, 1st 33%, 2nd 39%, 3rd45 %, 4th 47%, 5th 49%**
Households benefit:	> 50,500
Expected life of project:	**Above 25 years**
Projector Contractor:	**SABO SA, Greece**
Owner's Consultant:	**BETA Bricks, Makoro Bricks, Botswana**
Bricks and Tiles supplied:	**Watumishi Housing, NHC, SUMA JKT**
Planned Construction start:	**October, 2024**
Planned completion date:	**April, 2026**