Habitat for Humanity®

Terwilliger Center for Innovation in Shelter

AUHF 41st Annual Conference:

MicroBuild 1 – A Blended Debt Experience for Housing MicroFinance

October 15th, 2025

Speakers & Agenda

Patrick McAllister,TCIS
Introduction

Debra L. Erb, DLE Advisors
Investor Perspective

Naeem Razwani, TCIS
Operations and Impact

Q&A



This information is not intended to constitute an offer or solicitation of securities; legal, tax, accounting, finance or investment advice; or an investment recommendation.

Exec Session Agenda
Communicating decision to TJ between Exec Session and Board Plenary
Board Meeting Agenda

The MicroBuild Initiative

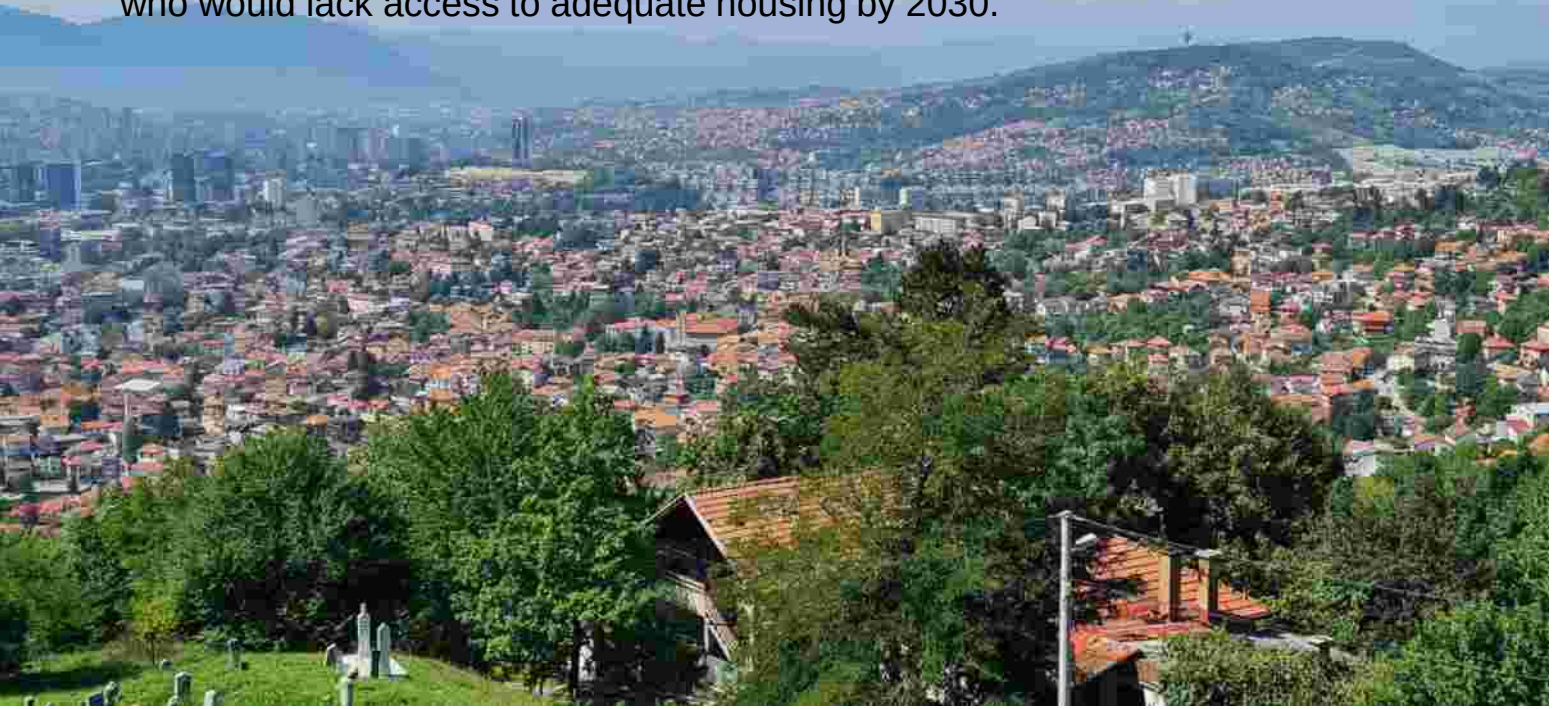
The next step in Habitat's evolution towards advancing affordable housing finance solutions for low-income families.

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The need

Worldwide 1 in 3 people live in inadequate housing

The world needs to **build 96,000 new affordable homes every day** to house the estimated 3 billion people who would lack access to adequate housing by 2030.



What is inadequate housing?

- **Unsafe or unhealthy homes,** which may have no windows, a dirt floor, or leaky walls and roofs.
- **Overcrowded homes.**
- **Limited or no access to basic services** such as water, toilets, electricity and transportation.
- **Unstable homes** with weak structures that are often destroyed during storms and earthquakes.
- **No secure land tenure,** meaning residents could be evicted at any point.

Lack of decent, affordable shelter has an adverse impact on quality of life, affecting **health** and **educational** outcomes, along with **economic and climate resiliency**.

The problem

Globally, most low-income households improve their homes incrementally, but there are common barriers to this process:

Lack of access to **affordable, appropriate financial products** delays homeowners' construction plans.

Limited availability of **affordable, quality building materials** undermines the longevity and reliability of home improvements.

Poor information flows and social norms can lead to suboptimal building choices.

Accessing safe, adequate housing often takes families many years, risking both waste of materials and negative impacts on people's health, education and employment opportunities.



What are some common home improvements?

- **Improving access to water or electricity.**
- **Energy efficiency upgrades.**
- **Replacing or repairing roofs or walls.**
- **Adding a toilet or bathroom.**
- **Expansions: building an additional bedroom, living room, kitchen or workspace.**
- **New builds.**
- **Securing land rights.**
- **Purchasing insurance.**

THE OPPORTUNITY

Since our founding in 1976, Habitat has moved from helping hundreds of people to millions of people each year through housing. The exponential increase in our impact is due to a shift in our strategic thinking, from "How many houses can we build?" to

"What would it take to meaningfully reduce the housing need?"

The Terwilliger Center for Innovation in Shelter seeks to demonstrate this impact at scale by influencing the housing market system, private sector and public sector stakeholders, to better address the housing needs of low-income families around the world.





The MicroBuild Fund 1

An affordable housing finance solution dedicated to helping low-income families improve their homes.

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Investor Perspective

Debra L. Erb, Principle – DLE Advisors LLC

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Operations and Impact

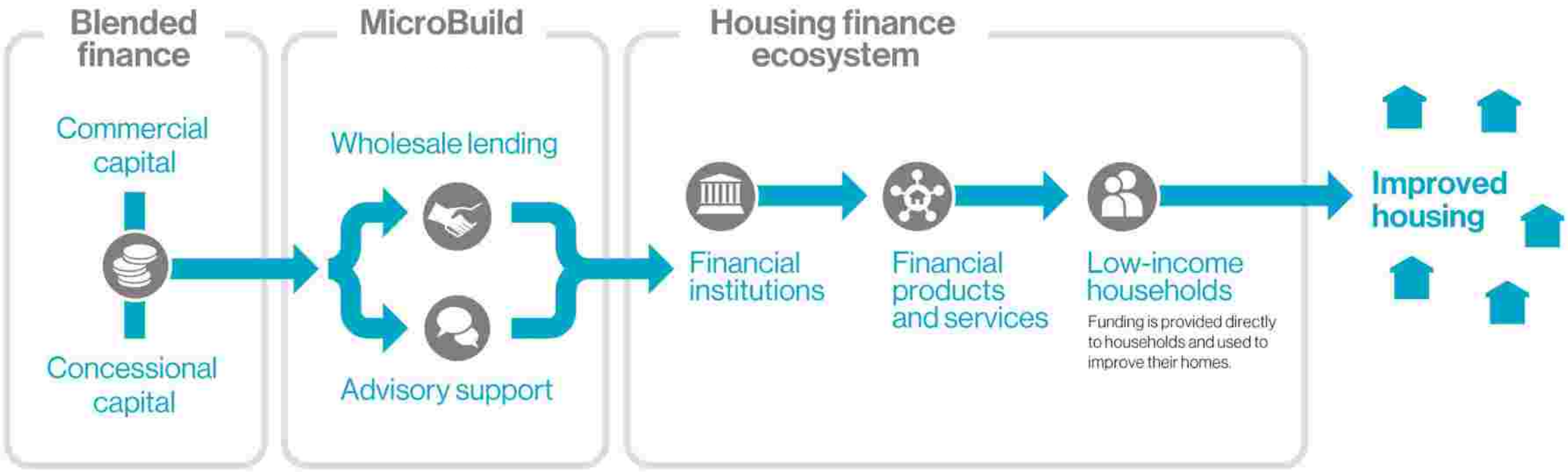
Naeem Razwani, Senior Director, Housing Finance Systems, TCIS

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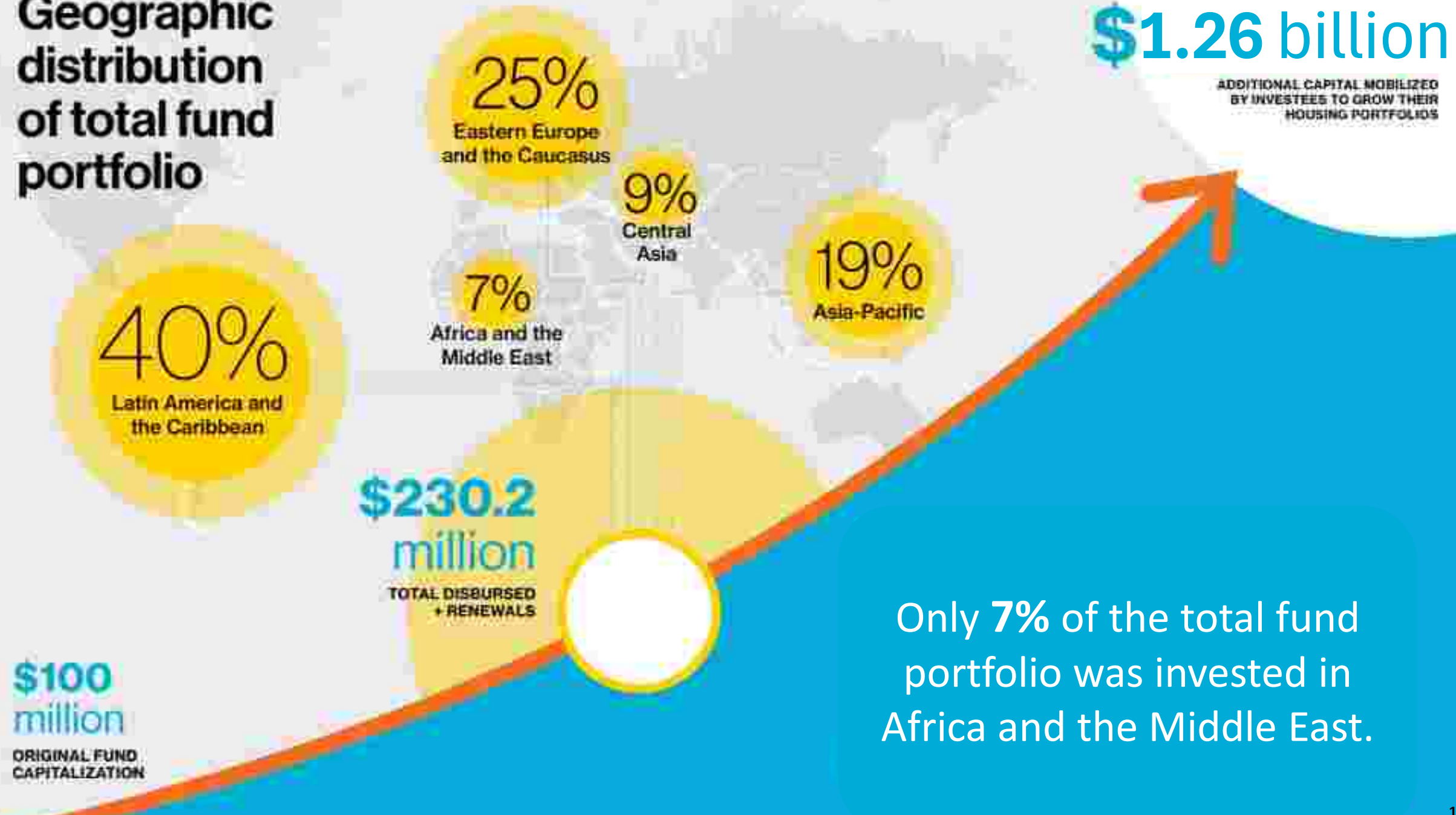
MicroBuild 1

With a fund size of US$100 million over 10 years, MicroBuild provided funds and advisory support to microfinance institutions offering home improvement or construction loans to low-income households.



Concessional capital:
Public or philanthropic investors provide funds on below-market terms within the capital structure to lower the overall cost of capital or to provide an additional layer of protection to private investors, including grants.

Geographic distribution of total fund portfolio



Only **7%** of the total fund portfolio was invested in Africa and the Middle East.

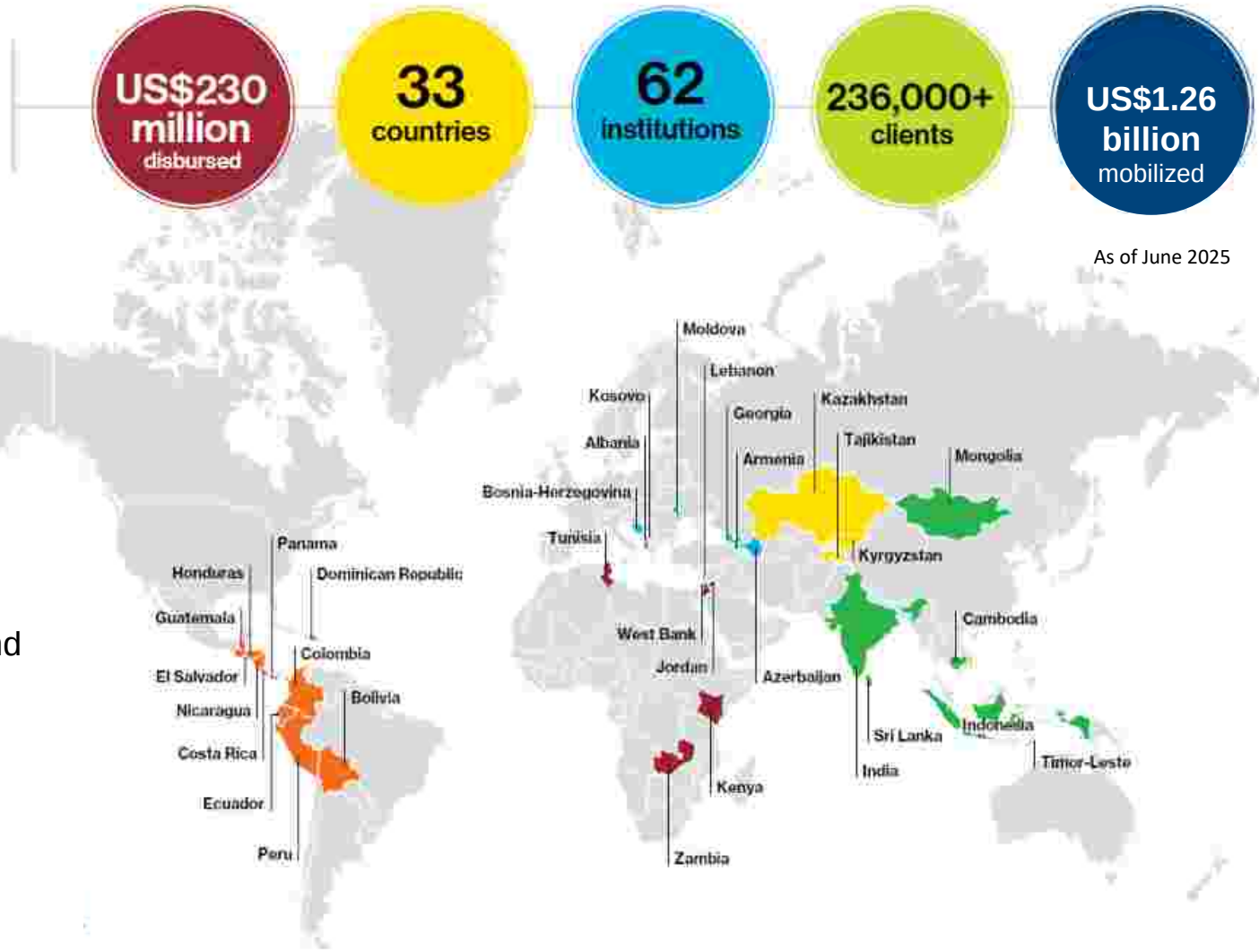
IMPACT OF THE FIRST MICROBUILD FUND

From the original goal of a US$100 million fund size, **US$230 million was disbursed** due to loan renewals.

Out of **236K clients, approximately 83% were female borrowers and 75% were rural borrowers**.*

As of June 2025, **1.18 million individuals have benefited from improved housing** through MicroBuild.

MicroBuild has had a strong impact



MicroBuild demonstrated the demand and viability of affordable housing finance in emerging markets. Most of the Fund's investees have embraced housing as a critical part of their portfolios and have **mobilized a cumulative US$1.26 billion to grow their housing portfolios**.

*Gender and rural stats are a proxy based on GLP.

Award-winning solution



The barrier that many poor people face is not that they can't build or improve their own home, but banks won't lend them the money to enable it to happen. MicroBuild is a hugely ambitious global microfinance system that solves that problem for millions of people on low incomes. It is an amazing achievement [to serve] households that would otherwise not have had access to formal financial services or support.

— David Ireland, CEO, World Habitat

world habitat awards

Silver Award Winner 2023

The first MicroBuild Fund was named a 2023 Silver World Habitat Award winner from a pool of over 200 applicants.

Organized by World Habitat, in partnership with UN-HABITAT, the World Habitat Awards are the world's leading housing awards, recognizing the most innovative, outstanding and revolutionary housing ideas, projects and programs from across the world.


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Thank you.