



**Terwilliger Center for
Innovation in Shelter**

Household profiles

**Clients of MicroBuild
Fund investees**

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Habitat's Terwilliger Center would like to express its gratitude to each of the households profiled in this publication. Their lives are at the core of the work Habitat does so that one day, everyone will have a decent place to call home.

About Habitat's Terwilliger Center for Innovation in Shelter

Families partner with Habitat for Humanity to build strength, stability and independence through safe, sustainable and affordable shelter. Yet, with more than 1.6 billion people around the globe still lacking adequate and decent shelter, local markets prove critical in addressing this challenge. To that end, Habitat established the Terwilliger Center to work with housing market systems by supporting local firms and expanding innovative and client-responsive services, products and financing so that households can improve their shelter more effectively and efficiently. The Terwilliger Center's approach stays true to Habitat's original principles of self-reliance and sustainability by focusing on improving systems that enable families to achieve safe and affordable shelter without needing ongoing direct support.

The Terwilliger Center consolidates more than a decade of experience in developing market-based solutions for housing and the body of work resulting from these early efforts, formerly referred to as the Center for Innovation in Shelter and Finance. The Terwilliger Center works to enhance the inclusivity of housing market systems for low-income households on both the supply and demand sides. The center does so by mobilizing the flow of capital to the housing sector and serving as a facilitator and adviser to market actors on strategies to more effectively engage low-income households. In addition, the center advances knowledge around housing markets by conducting research studies on the impact of these strategies, compiling sector insights and best practices in flagship publications, developing tool kits for practitioners, and presenting and educating at key industry events to foster increased impact in the sector.

About MicroBuild Fund

In 2012, Habitat's Terwilliger Center for Innovation in Shelter launched the MicroBuild Fund, the first housing-specific microfinance investment vehicle, to demonstrate the financial viability and scale opportunity of housing microfinance. The MicroBuild Fund provides debt finance to institutions offering larger, longer-term housing microfinance products to clients. In addition to funding, microfinance institutions receive institutional technical assistance to scale their products, and borrowing clients receive housing support services, mainly in the form of financial education and, in a few cases, construction technical assistance. The MicroBuild Fund is now a \$100 million fund capitalized by \$10 million of equity and \$90 million of debt from the Overseas Private Investment Corporation, or OPIC. As the sponsor of the fund, Habitat owns the majority equity stake of 51 percent. Other equity investors include the Omidyar Network, MetLife Foundation and Triple Jump, which is also the fund manager. In addition, Habitat committed \$10 million in technical assistance to investee institutions to support the growth of housing loan products.

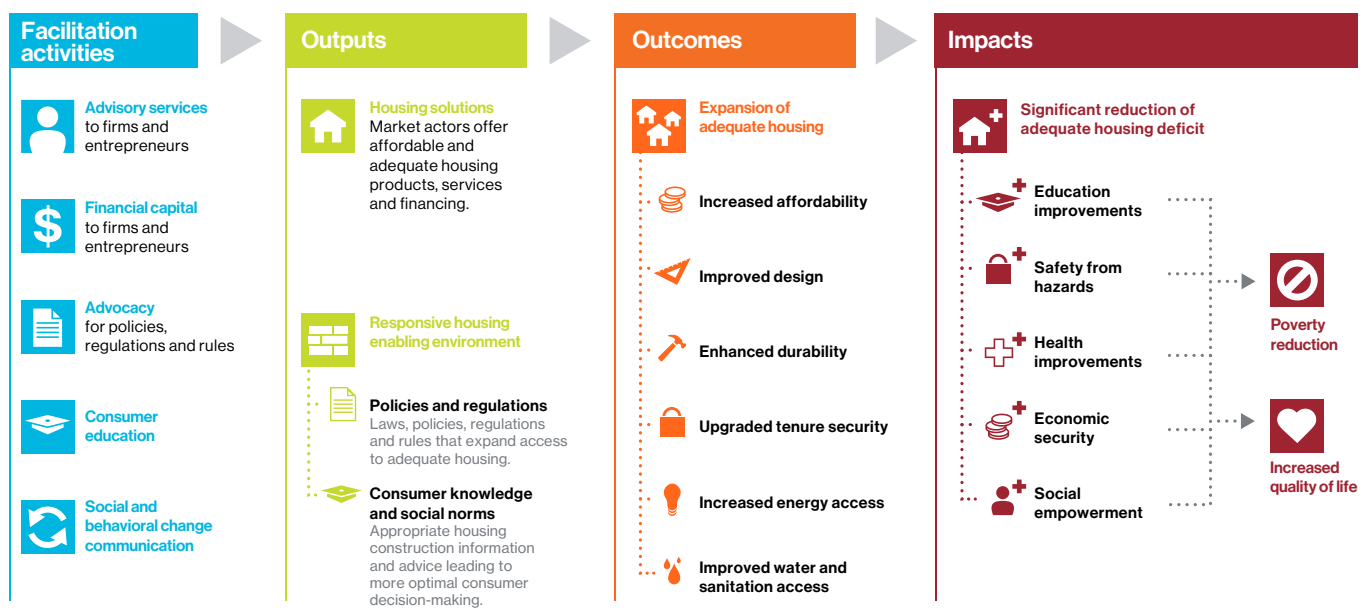
If you are interested in learning more about the work of the Terwilliger Center for Innovation in Shelter, please check out our website, habitat.org/TCIS, or email us at TCIS@habitat.org.

Introduction

The impact expected from the work of Habitat's Terwilliger Center is a significant reduction in the adequate housing deficit, evidenced by improvements in education, health, safety from hazards, economic security and social empowerment, with the ultimate aim of reducing poverty and increasing the quality of life of low-income populations. The process by which the Terwilliger Center intends to realize these aims is laid out in its theory of change (Figure 1).

As one of the Terwilliger Center's key programs, implemented by the capital markets team in tandem with the financial inclusion team, the MicroBuild Fund has pursued not only the potential of housing microfinance as a viable product for financial institutions to keep expanding housing markets, but also the impact of such products on the lives of low-income households by reducing inadequate housing and improving their quality of life.

Figure 1: Theory of change — Habitat's Terwilliger Center housing market systems



The purpose of the MicroBuild Fund is to demonstrate the success of housing microfinance in directly improving the lives of families who receive loans, and to demonstrate the financial viability and scalability of these products. In doing so, the MicroBuild Fund aims to drive additional capital into the market to bolster the housing microfinance sector.

Anecdotal research and field observations, along with impact evaluations commissioned by the Terwilliger Center (see Box 1 and Box 2) and other research undertaken by the center, have demonstrated that improved housing conditions have had a positive impact on the lives of low-income households.

Box 1: Summary of impact evaluations conducted by OXFAM Novib

Overview

In partnership with Oxfam Novib, the Terwilliger Center performed an impact evaluation in 2015 on housing microfinance products provided by LOK MCF in Bosnia and Herzegovina and ENLACE in El Salvador. The goal of the study was to measure changes in the lives of the institutions' housing microfinance clients as a result of accessing home improvement loans.

Methodology

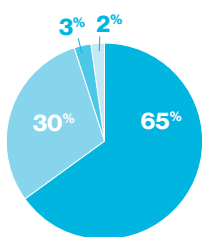
A theory of change was developed in coordination with the microfinance institutions, and expected impacts were tested via a survey of the target and control groups. Clients in the target group had received housing microfinance loans three to five years prior, while clients in the control group were either currently waitlisted for housing microfinance loans or had received their loans within the past six months. To reduce selection bias, propensity score matching was used to match individuals in the treatment and control groups, based on observable characteristics. Between 400 and 500 clients from each institution participated in the study.

Key themes and findings

- Housing loans had a positive long-term impact on life and security indicators, and on the confidence index (the latter implying that clients in the target group were more confident in their ability to cope with potential future disasters than the control group).
- Housing loans resulted in higher perceived levels of empowerment among female clients in the target group versus the control group.
- Contrary to expectations, there was no significant impact related to client health.

About the microfinance institutions *(during the impact evaluation, 2015)*

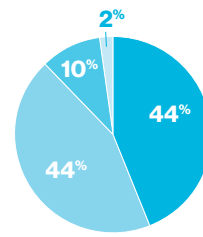
LOK MCF (Bosnia and Herzegovina)



- Basic home repairs
- Incremental housing
- Full house/formal construction
- Land purchase/tenure

- **\$1.4 million** in outstanding housing microfinance loans in 2015.
- **\$665,144** debt financing from MicroBuild for housing microfinance loans since 2014.
- **99%** of housing microfinance clients receive technical assistance.

ENLACE (El Salvador)



- Basic home repairs
- Incremental housing
- Full house/formal construction
- Land purchase/tenure

- **\$2 million** in outstanding housing microfinance loans in 2015.
- **\$1.5 million** debt financing from MicroBuild for housing microfinance loans since 2014.
- **84%** of housing microfinance clients receive technical assistance.

To access the full reports, visit habitat.org/TCIS.

Box 2: Summary of impact evaluation conducted by Genesis Analytics and the Leibniz Institute for Economic Research

Overview

The Terwilliger Center contracted Genesis Analytics and the Leibniz Institute for Economic Research to conduct an impact evaluation of the Building Assets, Unlocking Access project in Kenya. The analysis focused on the Nyumba Smart Loan provided by the Kenya Women Microfinance Bank, or KWFT, to determine the impact of housing microfinance on housing quality, health and household economic power.

Methodology

To determine the impact of housing microfinance on households, it was necessary to examine what would have happened to the households if they had not received a loan. A difference-in-differences method was used to compare the outcomes in the treatment group at baseline and at the endline. These results were then compared with outcomes experienced over the same period by a preselected control group. Because of concerns over statistically significant differences between certain indicators, the analysis uses propensity score matching to improve the evaluation design. The selection of the treatment and control sample sites was not random because KWFT chose comparable branches. Over 1,200 KWFT members participated in both the baseline and endline surveys.

Key themes and findings

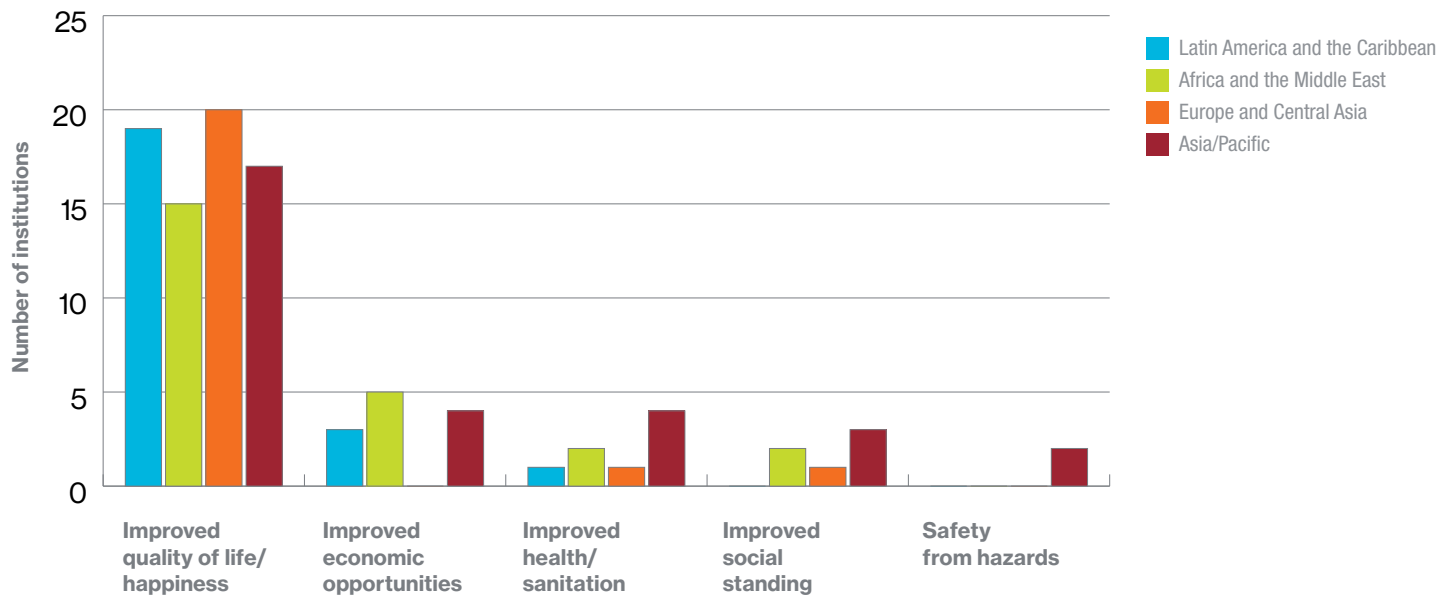
- In general, the Nyumba Smart Loan had a positive effect on overall housing conditions. A significant number of clients used the loan to improve the quality of their houses by installing improved roofing, improved walls or a separate kitchen. Household satisfaction with the quality of floors, walls, roofs and the overall house improved.
- A significant proportion of households used the loan to install flush toilets and to increase access to water through a piped connection or access to a water carrier.
- Loan recipients saw an increase in household health, particularly with illnesses associated with allergies and environmental factors.
- The Nyumba Smart Loan had ambiguous effects on asset accumulation, but this result may change in a longer period once the recipients pay back the loan.
- There was no statistically significant impact of the loan on the form of household tenure or confidence in security of tenure.

To know more about the Building Assets, Unlocking Access project, visit [habitat.org/impact/our-work/terwilliger-center-innovation-in-shelter/shelter-solutions-for-people-in-sub-saharan-Africa](https://www.habitat.org/impact/our-work/terwilliger-center-innovation-in-shelter/shelter-solutions-for-people-in-sub-saharan-Africa).

The most recent publication produced by the Terwilliger Center, *The 2016-17 State of Housing Microfinance*, indicated that desire to achieve social impact is a primary driver for financial institutions to add housing microfinance portfolios to their operations, which is not surprising considering the social-mission-driven nature of most of the institutions serving “the base of the pyramid.”

Housing microfinance has, in fact, been touted as a conduit for profound social impact, largely based on the ancillary benefits of improved living conditions: reductions in illness based on a healthier environment, enhanced capacity for self-employed homeowners to expand their businesses, and more stable environments leading to improved educational attainments in children. One of the questions posed to the over 100 financial institutions that participated in the survey underlying the report was what they expected the primary social impact of their housing microfinance products to be. The responses revealed a dramatic lean toward improved quality of life/happiness as the primary expected social impact, as shown in the figure below.¹

Figure 2: Expected primary social impact of housing microfinance products



1. *The 2016-17 State of Housing Microfinance: Building the Business Case for Housing Microfinance*. Habitat for Humanity International: The Terwilliger Center for Innovation in Shelter. November 2017.

After having reached its five-year mark, the MicroBuild Fund has seen positive results in terms of outreach of the fund (see Box 3) and in the performance of the housing microfinance portfolios of its investee institutions.

Box 3: The MicroBuild Fund five-year outlook



\$91.2 million disbursed



48 institutions



29 countries



540,000 individuals served (approximately 108,000 households)

The financial institutions that have received a loan from the MicroBuild Fund have often realized stronger portfolio quality, with the average housing microfinance PAR30 (portfolio at risk over 30 days) registering at 2.04 percent versus 4.62 percent for the financial institutions' general portfolios. This is made possible even as financial institutions' average housing loan size, at \$2,252 as of September 2017, is greater than the average size of their general loans, at \$1,289. There is no doubt that social impact is not the only key driver for adding housing microfinance portfolios to the operations of financial institutions, but that seeking to make these portfolios a relevant part of the overall operations of the financial institutions also is a factor.

The focus of this publication is to showcase profiles of some of the clients of financial institutions that have embraced housing microfinance and received a loan from MicroBuild, along with support from the Terwilliger Center to continue expanding those products.

The following pages showcase clients of Fundación para el Desarrollo de Nueva Segovia, or FUNDENUSE; Microcredit Foundation Sunrise; Hattha Kaksekar Ltd., or HKL; Lanka Orix Leasing Co. (Cambodia) PLC, or LOLC; and Al Majmoua. This small sample of clients represents the faces of the approximately 108,000 households behind the MicroBuild Fund. These clients agreed to share with the Terwilliger Center their journey to incrementally build and improve their housing conditions, along with their perspective on how housing loans have helped them improve their quality of life.



Bosnia-Herzegovina, Microcredit Foundation Sunrise

Suvada



Suvada, 47, lives in Donje Poljane, on the outskirts of Sarajevo, with her husband, Enes, 54, and two sons: Elvir, 19, who is in his first year of geodesy, and Elvedin, 26, who is an engineer in medical radiology and currently works as head of a sport sales shop. They live on a piece of land Suvada inherited from her parents, and on which the family had been constructing their own house for 10 years.

Suvada is a private nurse taking care of a child and an elderly woman. She earns US\$371 per month, while her husband, who does not have a regular job, can make up to US\$620 a month by working as a mason building private houses.

The plot of land they own is officially registered, and the permission for construction has been issued. Suvada still needs to register the constructed house, however, and the

procedure to do so is costly, around US\$3,436.

The family has been building the two-story house from scratch. Using their savings, they built the foundations and ground walls without plasterwork. The urgency of covering the walls to protect the construction led Suvada to apply for a loan. They needed to continue with the second floor and install all the pipework and electricity, so upon completion of the first loan, they applied for an additional housing loan. Suvada is now in the third loan cycle with Sunrise, with a housing microfinance loan for US\$6,200.

Because her husband is a construction specialist, the family has done most of the work themselves, getting help from other specialists when needed.

The ground floor is nearly finished, and the family is about to move in, but first they need to install the heating system on the ground floor. After that urgent need, they will finish the bathroom by arranging the ceramic tiles and will add internal finishes for the living room and bedrooms. Then they will work on finishing the first floor so that her older son can move in with his girlfriend. For this, they need to mortar the walls and arrange basic living conditions.

Suvada is very enthusiastic about building her own house. **She is looking forward to moving in very soon and waking up early according to her own schedule, without sharing the small space with her in-laws.** She and her husband are also excited about the bigger yard and enjoying traditional Bosnian coffee outside their new house. They especially are fond of their orchard with cherry, quince, plum, apricot, apple, pear, cherry and walnut trees; Suvada already has made 6-7 kilograms of jam. She and her older son are also happy to have secured a separate living space for his future family.



Bosnia-Herzegovina, Microcredit Foundation Sunrise

Razija



Razija, 57, works as a nurse in a private health clinic, earning US\$745 monthly. She makes and sells handicrafts seasonally. She is divorced and has two grown sons who live on their own. Currently, she lives in a very small 38-square-meter apartment in Kosevo community in the suburbs of Sarajevo.

Before her employer gave her the current apartment, Razija was offered another apartment. For 10 years, she tried to register it as her own, spending nearly US\$18,600 – mainly supported by loans – while competing with another family for the rights to the apartment. Eventually, the apartment was taken by the other family.

Although she received the current apartment for free from her employer, the apartment was in very poor condition when she moved in, and she had to register it, which was very costly. Having spent so much money and having no other choice, Razija continued taking out loans to address the repairs needed at her new apartment, which consists of one room, a kitchen, a bathroom, a balcony and a small corridor. The concrete ceiling was in good condition, but the kitchen floor was made of dilapidated concrete. The living room floor was covered with old and damaged parquet. Some windows and doors were unusable.

Razija already has made quite substantial renovations. She put new floors in the kitchen and demolished some walls

and built new ones. She also disassembled the old closet, installed a water system, changed the electrical system and painted the joinery. In the living room, she changed windows and joinery and whitewashed the walls. In the bathroom, she completely renovated the floor and walls by installing new tiles. She also changed the window and the door. She installed a new water heater, a bathtub, a toilet, a sink and a fountain.

To complete these renovations, she has taken out four consecutive loans with Sunrise. The current loan, for US\$6,200, is being used to improve the heating system and change the radiators. She has hired specialists for most of the renovations, though sometimes she asks her sons to help out.

After so many years of fighting for her prior apartment, she is extremely pleased with having her own, albeit tiny, place. **Although initially she felt hopeless because of the apartment's deterioration and the prospect of having to embrace a new, nearly impossible, registration process, she now enjoys configuring the space to her own liking,** having successfully settled the ownership issues. "I have my own space," she says.

She enjoys the quiet and green neighborhood as well. It's not that far from the overcrowded city center, but with more fresh air, she says. She also feels good about saving around US\$190 a month, which was the amount she had to pay in rent. Though the building has no elevator, she says, "I live in the first floor and am not afraid of getting old there." Since the apartment is in the vicinity of her workplace, she saves a lot of time on commuting.

When she finishes repaying her current loan, she plans to apply for another to continue renovating the apartment, especially for internal finishes that will make the space "stylish and enjoyable."



Cambodia, Lanka Orix Leasing Co. (LOLC)

Mun



Mun, 39, and her husband, Sek, 35, live in Svay Domrak village, about 40 kilometers from the capital, Phnom Penh. Mun and Sek rely on income from selling the rice and vegetables that they grow. When it's harvest time, they can make an average of US\$1,000 each planting season. Sek also takes on construction work and other jobs that come his way. He keeps a small boat for fishing in the lake located about 1 kilometer from his home. By selling the fish he catches and doing construction work in the community, he can earn up to US\$500 per month.

Currently, Sek and his family live in a wooden house with bamboo slat walls. Their cows are kept in front of the house, where an extended roof provides some cover. With the animals in close proximity, the family's living conditions are not ideal.

Mun and Sek took out their first housing microfinance loan of US\$1,000 from LOLC to build a toilet and shower area adjoining their house for the sake of their young daughters. Raksa, 9, studies in a local school while her 2½-year-old sister, Samnag, stays home with her mother. **“We never had our own toilet/washroom, so we decided to build this first,” Mun says. “As the children grow older, it is important for them to have privacy.”**

Her family used to go out to the fields to relieve themselves. “The toilet makes it easier for all of us,” Mun says. “We have privacy, and it's cleaner to use the toilet than the open fields. Now that we have our own wash area, we do not need to feel shy about bathing outdoors where we had no privacy.”

She is satisfied with the ease in which she and her husband obtained their loan. “The support from LOLC was very good, and they were easy to work with in securing the loan.” she says.

After experiencing proper sanitation, Mun and Sek plan to take out a new loan of US\$10,000 to build a new house. Their dream house will be similar to many in Svay Domrak, made of wood and raised on 4-meter-high concrete posts.

Mun says her dream house will have a wooden floor, two rooms and a large space below the elevated house for a kitchen, a place to keep their animals, and room for storage. “We feel it is important to have a safe and beautiful home for our two children,” she says.



Cambodia, Lanka Orix Leasing Co. (LOLC)

Sreymom



Sreymom, 45, and her husband, Narith, 44, have lived all of their lives in Koh Charam commune, Ksach Kandal district, in Kandal province. Their main source of income is the rice crop and the cows that they raise. They estimate that their annual income is about US\$2,800.

After living in the same house since she was born, Sreymom felt it was time to build their dream house. Their decades-old home has deteriorated over the years; the wood is rotting, and the roof leaks in the rainy season.

Without a steady income because of the seasonality of agriculture, it is difficult for families like Sreymom and Narith to borrow from the bank. Instead, they turn to microfinance organizations for loans to improve their quality of life. They approached LOLC to take out a housing loan for US\$10,000 to build a new home. "Over the past several years, we have taken four loans through Prasak Microfinance for agricultural needs," Sreymom says, "but we obtained the loan for the house through LOLC. This is our first housing loan."

After receiving the loan, they cleared the land to prepare for the construction of their house, which they expect to

complete within one month. Their new house will have two rooms on the upper floor and an open space below, which can be used for housing the animals that they raise and sell. "There will be a cooking area and rest area where we can relax in the afternoon when it is hot," Sreymom says. **"Our family will have a cleaner environment, a more secure house and more space for the animals that we raise."**

Sreymom says the new house will be easier to keep clean, and she won't have to worry about the rains coming into the house. Her family can stay healthier, since they are less likely to catch a cold in the dampness.

"I feel that the new house will make it easier for my son to study," she says. "There will be better light, more room to study, and the house will be safer and more secure than the old house." The new home also will be more aesthetically pleasing, and Sreymom believes it will improve her family's standing in the community.

Her family will make a monthly repayment of US\$410 over three years. Sreymom's daughter Biroza, 24, will help out with the monthly repayments. After repaying the housing loan, Sreymom and her husband are considering taking out another loan to build a shop on the plot where their old house currently stands. They wish to sell food and drinks and are thinking of opening a restaurant. "The restaurant would be for families from the community to come enjoy and spend time with their families," she says. "We will have a volleyball court set up so they can play sports while they are here."

"We feel that our friends in the community respect us more than before. They see us building a beautiful new house, and we plan to do more work on it when we can afford to. We feel proud to be able to improve the quality of our lives and appreciate the help we have from LOLC to do this."



Cambodia, Hattha Kaksekar Ltd. (HKL)

Bumak



Bumak, 35, and his wife, Saeang, 32, live with their son, Thanat, 9, and daughter, Khanchana, 4, in Vimean Trong commune, Phnom Penh. Bumak sells ice cream from a side cart attached to his motorbike, and Saeang works in a garment factory.

For years they lived in a very small 12-square-meter room that they rented in the same community where they live now. Burglars frequently broke into the couple's room while they were at work.

Because the place was so small and did not have the security they needed for their children, the family was forced to live apart for four years. "We felt it was best to have our two children stay with our parents," Bumak says. "It was not safe for them."

The years that they lived apart from their children had been trying for Bumak and Saeang. But the thought of reuniting in a safe and secure house of their own kept them going.

In 2013, Bumak and Saeang used their savings to buy a plot of land and start building their own house. They took out a US\$2,000 loan from HKL to install a metal roof on the house. In 2014, their dream came true: They moved into their new place. **"We were so happy to be able to leave the rental room and move into this house, and have the children with us all the time," Bumak says. "We were able to bring our family back together."**

The couple took out an additional US\$2,000 loan in 2015 to lay new floor tiles and plaster and paint the walls. "Without the loans from HKL, we could not afford to complete our house, so we are thankful for this," Saeang says.

After the current loan is repaid, the couple plans to take out another loan from HKL. "We have a room upstairs which is used for storage," Bumak says. "We would like to turn it into a bedroom so we can have more space." Currently, the couple and their two children all sleep in a room downstairs.

"Now that we are here, I am happy with what we have," Bumak says. "I feel that if you are happy in your home, then you can do well in your business. I enjoy selling ice cream in the community." His son, Thanat, likes his improved house for a simple reason: "There is a lot of room for us to play in, and I feel happy here."

His neighbors also make a difference. "They see us working on the house to make it better for our family, so they are friendly to us. We have many friends, and we are happy to be here after all these years of renting a room that was not safe."



Cambodia, Hattha Kaksekar Ltd. (HKL)

Kun



Kun, 39, and his wife, Saphany, 36, have lived in a rural community of Doeum Ruos village, Doeum Ruos commune, Kandal Stoeun province, for 10 years. They live in a single room in their elevated house, which primarily is used for sleeping at night, as it is stuffy during the day.

In 2016, Kun and Saphany took out a home improvement loan from HKL for US\$3,500 to add a room to their home, along with a roof extension.

After building the additional room, Kun says, “we don’t feel as crowded as before.” The new room is spacious, with white ceramic floor tiles that also cover half of the surrounding walls. Being cooler than the room upstairs, it is a welcome spot for napping. “The room addition is also newer and cleaner than the house. We tend to spend more time in the new room, where we eat all our meals.” Kun’s 6-year-old son, Kun Vannak, says, “It is more comfortable. I can do my school work here, and there is light.”

In addition to the loan for the room addition, Kun and Saphany borrowed US\$3,000 from HKL to extend the metal roof over their patio.

The extension of the patio roof not only keeps the family cool during the hot season but also shelters them from heavy rains. **“When it rained, the children would often get wet and stay wet,” Kun says. “This could lead to them getting a cold. Now the rains do not come close to the house, so we can all stay drier.”**

Having improved their house, Kun and Saphany can turn their attention to their livelihood. Saphany, who works in a garment factory, wants to run a beauty salon, and Kun wants to build a small shop in front of their house. Kun says they will use their personal funds for this purpose. Saphany can operate the business in the evenings when she is back from the garment factory and on weekends. The additional earnings will help to supplement the family income.

For now, Kun is proud of what he has achieved. He had wanted to build a new room for a long time. “The loans from HKL have helped us a lot. We are grateful,” he says. “People who saw the room we added and the extended roof are surprised at all that had been done. They always compliment us. It makes me feel prouder of the house that my wife and I have.”



Lebanon, Al Majmoua

Hana



In the 15 years since her marriage, Hana has lived in the peri-urban community at the outskirts of Saida, a city to the south of Beirut. It is the local custom for a groom to provide a house for the bride, though the title to the home typically is held by the groom only. She and her husband divorced a few years ago, but he still lives in the house and doesn't contribute financially.

Hana works as a cleaning lady in the school in Saida, a 10-minute walk from her house. She used to be hired directly by the school, earning approximately US\$766 per month. But when the school outsourced the service, her wages dropped to US\$367 per month for the same job that provides no social benefits, such as health insurance. Hana also works seasonally producing the famous Lebanese Zatar spice mixture. She also takes on ad hoc cleaning work in the area. Her oldest son stopped

attending school at age 11 to help support the family; he makes chain-link fences for US\$16 per week. Hana hopes when the middle child starts working, it will be much easier for all of them.

Hana's family lives in half of the house that they inherited from her father-in-law. The other half of the house belongs to her ex-husband's brother, who coincidentally married her sister. Suffering from paralysis, Hana's sister is also under her care. Hana's half of the house consists of a living room, a kitchen, a bathroom and three tiny bedrooms. The house is quite small; most of the available space in the bedrooms is taken up by beds and wardrobes. There is no dedicated place for kids to study. The house is made out of bricks and a concrete floor, with a concrete roof prepared for building additional floors in the future. The house, which is officially registered to her ex-husband and his brother by title deed, is old and badly in need of repair. The roof nearly collapsed in recent years, and Hana had to take out a US\$10,000 loan to repair it.

Hana has taken out two loans with Al Majmoua: first a personal loan for US\$800, and then a housing microfinance loan for US\$1,500, which she received within a week because of her good credit history. **She has used the housing loan to transform part of the garden into a playground so that the kids can play safely behind the house instead of by the busy street, where stones from the passing cars can hit them.** Half of the garden is paved, and there are concrete benches to sit on. She is also building a column to reinforce the structural weaknesses in the house.

In the future, Hana plans to take out subsequent loans to build two additional stories to create flats for her sons and nephews (four boys in total), so that when they get married, "They will be able to provide a house for their families," she says.



Lebanon, Al Majmoua

Nabih



Nabih, 42, lives in a village called Baysour with his wife; daughter, Nadine, 20; and son Samah, 25. Nadine is studying to become a nurse, and Samah studies engineering. Though Nabih brings in the family's only income, the family has managed well. Nabih owns a grocery shop in the center of the village. It's a successful business, but his income is lower in the winter.

The house they live in was built in the early 1990s, and there were only two rooms. As time went on, they built two additional rooms and a bathroom, then the upper floor for his oldest son, Sami (30), and his wife. To improve their housing conditions, Nabih and his wife have taken out

three loans with Al Majmoua. The most recent was for US\$5,000 with a loan duration of 12 months. With this loan, they laid new flooring and extended the house to enlarge the kitchen. Today, the house looks very nice and clean, and it has been built with high-quality materials.

After many years of incremental improvements, the family is planning to renovate the bathroom – changing the pipes, washbasin and toilet – buy more furniture and do some internal finishes. Once these projects are done, the work on the house will be completed. **As Nabih mentions, "We have attained a high standard of living."**



Lebanon, Al Majmoua

Nisrine



Nisrine lives with her father in his two-story house. Her brother and his family live on the upper floor. The house is next to the biggest Palestinian camp in Beirut, and as such is considered to be in a neighborhood in decline.

Nisrine is a self-employed hairdresser and makeup stylist. She visits her clients in their homes, although at times they come to her house. Sometimes hairdressing salons call her to help during the high season, around holidays like Christmas, Eid, Mother's Day and New Year's Eve. Her "low season" is in September and October, when people invest their money in sending kids to school.

Initially, the house, which was built by her father 40 years ago, consisted of two rooms, including a kitchen in one corner of one room. Nisrine started making incremental renovations and has repaired damage caused by excess humidity. To accomplish this, she has taken out six loans with Al Majmoua. She has been Al Majmoua's client for six years and has never taken a loan from another financial institution. The lowest loan amount has been US\$800, while her most recent loan, at US\$3,000, is the highest loan amount she's taken out. The last three loans have been home improvement loans, and she has fully used them to cover the cost of renovations. "As the loan sizes are too small to cover all the costs of renovation at once, I am renovating incrementally," she says.

Within the incremental building process, she extended the house to add a kitchen and one more room. Because of leaking pipes in the bathroom and the kitchen of her brother's apartment above, water was penetrating her

ceiling. With her most recent loan, she fixed the ceiling, and put tiles on the floor in the living room and the bedroom, which was concrete before.

Nisrine also created a second entrance to the house from the street. Before, the entrance was next to the female part of the house, so when people visited, she never had time to put on her hijab. Now, with the new entrance, male guests enter the living room for her father, whereas the other entrance is used by her friends and any female guests, for whom she doesn't have to wear the hijab. She also upgraded the wooden windows to metal ones and made other similar improvements. She is now in the process of renewing the bathroom: The pipes have been replaced, and the wall tiles, new bath and new sink will be done soon. Renovations were temporarily halted because of a death in the family and the illness of her sister, but all work will resume shortly.

In the future, she plans to continue taking out loans to improve the bathroom and buy furniture for the house, and to make small finishing touches. The walls also need refreshing every year because of the humidity.

Nisrine considers the main benefit of improving her house to be the change in their health. **"We have decreased the humidity levels, and I am no longer experiencing irritation in my eyes, and have stopped snoring in my sleep,"** she says.

She also feels that this has increased her social status. From a cultural perspective, the change of location for the main entrance means that she is no longer surprised without her hijab by unexpected male visitors. Thanks to the tiles, her home stays cleaner. Before, she says, "you could never tell the difference when you cleaned the house; it looked as dirty as ever." Now, she says, "I can invite clients to my home with no shame."



Nicaragua, FUNDENUSE

Maribel



Maribel is a homemaker who lives with her sister, two nephews and two grandchildren in Somoto. As a homemaker, she doesn't generate an income but lives off of remittances from her two daughters, who currently live in Spain. On average, she receives about US\$500 per year from remittances. Maribel's sister works at the Ministry of Economy and earns US\$330 per month to contribute to the household.

Fortunately, Maribel owns the land where she and her family live. She bought the land 25 years ago and has a

formal land title registered at the national registry. She has received numerous loans from financial institutions for home construction and improvements. She currently has a loan of US\$4,177 with FUNDENUSE, which she has used to build a perimeter wall made of stone and concrete to replace the deteriorated wood fence that was in place before.

As part of the loan package, Maribel was able to participate in a construction technical assistance program provided by FUNDENUSE and Habitat for Humanity Nicaragua. Maribel was very pleased with these services, which included support with a blueprint and visualizing how the perimeter wall would look. "Initially, the engineer proposed to build a metal fence," Maribel says, "and I told him that I did not want that. He was very kind. He came five times to visit."

With a big smile, Maribel says, "I am fine now because I feel safe. Before, people could have pushed through the old fence and broken in to steal something. Thank God it did not happen. Now we can go out feeling that our home is safe."

"Our neighbors and people who come visit say that the wall is pretty. I am satisfied with my investment. I know that my money was well-invested. I feel happy. I do not have to keep spending money in repairing the old wooden fence, because I know that my perimeter wall will last for many years to come. I sent a picture of the perimeter wall to my daughters, and they say that it is pretty."

Maribel will finish paying off the credit in 2019, and she is unsure whether she will apply for another loan. She received this loan specifically to build the perimeter wall, but there have been moments when she has had to "tighten her belt" to make the payments.



Nicaragua, FUNDENUSE

Marlon



Marlon lives in Ocotal with his wife and 7-year-old daughter. He earns US\$1,000 per month as an independent consultant at the Ministry of the Environment, and his wife earns US\$233 per month working at a supermarket in Ocotal. They have lived in their current neighborhood, which was developed by the local municipality, for three years.

Marlon has used government loans in the past, primarily to finance building his home. He received a loan of about US\$170 from CARUNA, a government-run cooperative, to build his living and dining rooms. He also has received loans to invest into his poultry farm.

Marlon and his family received a housing loan of US\$1,800 from FUNDENUSE to build a full bathroom and install a sewage catchment tank. He secured the loan from FUNDENUSE because it is the only microfinance institution in his area that provides credit for this type of project.

Before getting the loan from FUNDENUSE, he and his family had to use a latrine and shower outdoors using a bucket. With the loan, he was able to build a full bathroom with quality materials, including locally made adobe blocks, concrete walls, a zinc roof, tiles, a shower, and a toilet with a sewage catchment tank.

The loan that Marlon received from FUNDENUSE also included construction technical assistance provided through Habitat for Humanity Nicaragua. This included support from an engineer with construction plans and guidance on home improvements. Saul the engineer “helped us a lot,” Marlon says. “Our mason had not installed this type of system before, so his advice was very useful.”

Marlon feels that the home improvements have had a huge impact on their lives. “We had a latrine, but it was difficult for our daughter to use,” he says. “It was not safe, and it was deep, so she used a potty. Even though we kept it clean, we had flies there. Now we do not have the bad smell coming from the latrine. Now we can shower in the bathroom, instead of washing outdoors using a bucket.”

Having a new bathroom had a great impact on their daughter, he said. “Now she showers on her own before going to school. Before, her mom bathed her. She is not scared anymore of going to the latrine; it was dark inside. Now we can have privacy when taking a shower, since before people could watch us from the empty lot behind our home. Now we have a door to keep us safe.”

Marlon mentions that they feel motivated to keep improving their home. In the future, Marlon and his family have more plans for home improvement. “My dream is to build a kitchen and two more bedrooms, finish the garage and build a concrete wall to improve safety.”

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