

National Cooperative Housing Union Ltd of Kenya

Housing Finance Products

PRODUCTS AND SERVICES

- NACHU got involved in an organisational development in 1999 that resulted in the development of a strategic and business plan, which has continued to guide on the way forward including restructured strategies for sustainability. NACHU has been implementing this process for the last four years in which it has continuously reviewed its products to ensure they align with the needs of the members.

Nyumba Housing Scheme

- This is a tailor made housing improvement loan scheme. It is designed for those who want to invest specifically in housing development. There are five sub-products in this scheme. These are:

House Rehabilitation/ Improvement Loans

- These are loans specifically for the poor members who cannot afford new housing but are willing and consider it a worthwhile investment to repair or improve the current structures in which they live.

New House Loans

- These are loans to people who have bought land and are willing to move in with the construction of at least a starter unit. The starter units can then “grow” as and when the member has either a new loan or has another source of income for expansion.

Decent House Built by a Member



Income Generating Housing Loans

- This is a category of loans given to cooperatives that wish to put up a commercial buildings (usually in phases) as an income generating activity and provide rental houses to the urban dwellers.

Resettlement Loans

- These comprise loans to co-ops which are totally landless and in most cases squatters in either public or privately owned land. These co-op members are usually vulnerable to evictions by the landowners. NACHU devised this product that is available to those co-op members who are willing to move out of that situation and into their own land with a little help from NACHU. When this category of people move, they can later qualify for Rehabilitation, New Housing or Infrastructure Loans.

Infrastructure Loans

- These are loans to co-operative members who can be either in the category of Rehabilitation or New Loans but who view infrastructure services provision as a priority. Examples include roads, water, sanitation, and electricity. Through NACHU's education programmes an increasing number of co-ops are looking for this kind of loan because they have seen its importance in the increment of their property values.

Member Mobilization and Training



Education Savings Scheme (Watoto)

- This scheme enables parents to plan for the education and future commitments of their children. This facilitates literacy in the housing cooperatives.

Business Savings Scheme(Biashara)

- This is designed to meet the needs of the people engaged in small-scale businesses. The scheme allows one to access credit guarantees. It empowers members economically to save and access credit for housing.

Term Savings Scheme (Sungura)

- The scheme is suited to those persons in self-employment and who want to accumulate funds for specific periods. It serves as an introduction to the savings culture for the members.

General Savings Scheme (Akiba)

- This is designed for those with some regular income with the intention of making small savings from their earnings. It provides alternative banking services since they cannot afford the services of the ordinary Commercial Banks.