

## **FREQUENTLY ASKED QUESTIONS (FAQs)**

### **THE REVISED NATIONAL AFFORDABLE HOUSING PROGRAMME**

#### **Brief overview of the Revised National Affordable Housing Programme**

The Government of Ghana through the Ministry of Works and Housing initiated a revised National Affordable Housing Programme dubbed: *'My Home My Peace'*, which adopts a programmatic approach to tackle the affordability gap and improve access to housing for Ghanaians.

In this revised version, Government will subsidize the housing units with land and infrastructure, which is to absorb a critical component of the construction cost. The private sector will complement these efforts by raising funds to build the apartments on a cost-recovery basis.

The initial project under this revised programme entails the construction of 8,000 housing units on a 203-acre land in Pokuase/Amasaman in the Greater Accra Region, and 6,000 housing units on a 200-acre land in Dedesua in the Ashanti Region.

Thorough feasibility studies, including assessments of environmental, social, property, and traffic impacts, as well as housing stress and financial analysis, have been conducted. Drawing from past experience, this revised strategy acknowledges the financial constraints faced by many citizens and strives to make housing more accessible for all, ensuring the success of the programme.

#### **What is the Approach or the Strategy for the National Affordable Housing Programme.**

The framework of the National Affordable Housing Programme uses an appropriate mix of public and private sector investments to meet the needs and financial capacity of the average working Ghanaian.

Under this strategy, each of the component that contributes to the cost of housing units – land and on-site infrastructure such as roads, drainage, electricity and water have been identified and provided for by the Government. This will significantly subsidize the cost of housing unit and reduce it by at least 40%. With this approach and the appropriate mortgage arrangements in place, these housing units will be affordable to Ghanaian workers and ultimately address the supply-side of the housing market.

#### **How many developers are involved in the Programme and who are they?**

Five (5) developers comprising both local and international companies with several years of experience and expertise, as well as resources have been selected to participate in the programme. The Five developers are as follows:

- i. Rehoboth Properties
- ii. State Housing Company Limited

- iii. Devtraco Group Limited
- iv. FrankPauls Ventures Company Limited
- v. Douja Promotion Addoha Groupe Limited

**What is government's commitment to the Revised National Affordable Housing Programme?**

The government's commitment to the National Affordable Housing programme will be in the provision of land and on-site infrastructure such as roads, drainage, electricity, water, social services as well as mortgage subsidies.

**What is the expected time of completion for the Pokuasi Affordable Housing Project?**

The construction of the entire 8000 housing units will be in two (2) phases. The first phase comprises 4000 housing units to be constructed in 18 months with the remaining 4000 housing units to be completed in the second phase within the same timeframe.

**What will be the average cost for the various housing Units upon completion?**

Government has subsidized the cost of the houses through the provision of land and on-site infrastructure to make the units affordable. To ensure the subsidy is transferred to buyers of the housing units, Government has worked with the developers to agree on price ceiling for the various housing units. Developers cannot sell above the agreed price ceiling but they can sell below the agreed price ceiling.

S/N	HOUSE TYPE	FLOOR AREA (m <sup>2</sup> )	PERCENTAGE	MAXIMUM ESTIMATED UNIT PRICE (US\$)
1.	Studio	32m <sup>2</sup>	10	US\$13,800
2.	One-Bedroom	48 m <sup>2</sup>		US\$20,700
3.	Two-Bedroom	80 m <sup>2</sup>	60	US\$34,500
4.	Three-Bedroom	100 m <sup>2</sup>	30	US\$42,550

**NB: The amounts are payable in Ghana cedis at the prevailing Bank of Ghana exchange rate.**

### What payment plan is in place for Ghanaians to own these Affordable Housing Units?

The project provides for flexible payment options to accommodate different financial capacities of potential buyers. Three payment models have been identified:

a) **Mortgage Payment:**

- i. This model will allow buyers to secure housing units through mortgage financing under the model being run by the National Homeownership Fund (NHF). This option would be beneficial for buyers who require long-term payment plans and wish to spread their payments over an extended period. The NHF will collaborate with financial institutions to facilitate the provision of mortgage financing to eligible buyers.
- ii. Interested buyers can make private mortgage arrangements with their banks.

b) **Scheduled Payment Plan:** This model will enable buyers to make regular instalment payments towards the purchase of the housing units based on agreed terms.

c) **Outright Payment:** This model will cater for buyers who can afford to make a lump-sum payment for their housing units based on agreed terms.

### How does one contact the developers to purchase and make other enquiries?

Developers	Contact Details
Rehoboth Properties	Tel: 0244 684 497 Email: <a href="mailto:williamsasu@rehobothproperties.com">williamsasu@rehobothproperties.com</a>
State Housing Company Limited	Tel: 0244 761 290/ 055 289 1038 Email: <a href="mailto:info@statehousing.gov.gh">info@statehousing.gov.gh</a>
Devtraco Group Limited	Tel: 027 000 0004/ 0243 426 436 Email: <a href="mailto:merek.milton@devtracogroup.com">merek.milton@devtracogroup.com</a>

<b>FrankPauls Ventures Company Limited</b>	<b>Tel: 0544 080 899/ 0241 404 660</b> <b>Email: frankpaulsvenltd@gmail.com</b>
<b>Addoha Group</b>	<b>Tel: 0302 789 757</b> <b>Email: m.zemmama@groupaddoha.com</b>

## **UNIQUE FEATURES OF THE REVISED NATIONAL AFFORDABLE HOUSING PROGRAMME**

### **Master Plan**

The programme has an approved Master Plan that responds to the needs of a wider catchment area far beyond Pokuase to include the 4 adjoining Metropolitan / Municipal / District Assemblies. Facilities such as football fields, tennis court, volleyball court, basketball court, swimming pools and children's playgrounds will serve the adjoining communities. In effect, the aim is to build a liveable sustainable community and not just affordable houses.

### **Concept of Affordability**

As a strategy to achieve the concept of affordability, Government collaborated with selected private developers to ensure that the apartments are affordable to Ghanaian workers. By so doing, Government is providing land, on-site infrastructure as well as mortgage subsidies to ensure affordability, while the developers provide the apartments on a cost -recoverable basis.

### **Private Developers**

This is the first Government Housing Project which has successfully collaborated with the private sector, with developers taking the burden of building the apartments while Government focuses in acquisition and provision of infrastructure.

### **Expanded Scope of Site Infrastructure**

Unlike all the existing public housing projects, this particular project has redefined the scope of site infrastructure to go beyond roads drains water, electricity and sewerage. Site infrastructure include football fields which doubles as community events centre and an array of sporting facilities - basketball court, volleyball court, swimming pools, children play are and police post.

### **Use of local Building Materials (Burnt-Clay Bricks)**

This project has a high content of burnt-clay bricks to be used at the three different levels – for a perimeter fence wall of 200-acre coverage, for external walls of the apartments and also for paving

the walkways. Beyond this, the Ministry is using this project in collaboration with the Brick Producers Association and BRRI to path a strategy for a sustained growth of the local building materials industry.

### **Feasibility Studies**

This is the first Government Housing Project which has been subjected to a detailed feasibility study as a pre-condition for funding by the Ministry of Finance. Feasibility studies done covered environmental impact assessment, social impact assessment, property impact assessment, traffic impact assessment, housing stress analysis and financial analysis.

### **Estate Maintenance and Management**

Unlike previous Government Housing Projects where estate maintenance and estate management are considered as an after-thought or completely ignored, this project is taking off with a comprehensive set of estate management provisions in place all led by the private sector.

### **Sewerage Treatment Facilities**

The project is supported with mini sewerage treatment plants, which will initially be maintained by the service provider. However, the Ministry is using this project to build capacity within Ga North Municipal Assembly in operating and maintenance of sewerage treatment plants. Through this arrangement, the Ga North Assembly can become an incubator for other relevant Assemblies to also attain capacities.

### **Public Transport Strategy**

The Ministry will be piloting a public transport programme with the Pokuase Housing Project. Selected bus companies such as Metro Mass etc. will be engaged to operate a shuttle service for the estate to reduce the anticipated high volume of cars, taxis and uber services.

### **Carbon Credits Strategy**

This project seeks to be favourable in terms of Carbon credits accumulation. There is extensive landscaping along the road corridors and also public open spaces, children's play areas. In addition, the extensive use of eco-friendly burnt-clay bricks all go to improve the carbon credit status of the estate.

### **What is the status of the Saglemi Housing Project?**

Saglemi Affordable Housing Project was initiated in 2012 to deliver 5,000 Housing units at a total cost of US\$ 200 million. By the end of stipulated project execution period, only 1,506 out of planned 5,000 housing units had been initiated and approximately US\$ 196m representing 98% of total project funds had been expended. The 1,506 housing units were at various stages of completion. Moreover, none of the 1,506 housing units were habitable because no provision had been made for water, electricity and other related amenities.

In keeping with Government's commitment to complete the project and make them available for habitation, assessment was done on outstanding work required for completion of the project. The following exercise revealed the following:

- US\$ 46 million required for the provision of off-site infrastructure - water, electricity and storm drains.
- US\$ 68 million required for the completion 1,506 housing units and other works on the buildings.

Total additional investment from Government was approximately **US\$ 114million** to complete all outstanding works to make the 1,506 Housing Units habitable. This will be in addition to the investment of approximately **US\$ 196 million** of public funds.

After detailed assessment of Government's initial investment and the additional investment required to complete the project, Government directed the Ministry of Works and Housing on October 31, 2022, to *'explore the possibility of disposing off the Saglemi Housing Project, covering the 1,506 housing units, at the current value to a private sector entity to complete and sell the housing units to the public, at no further cost to government'*. Further, Government decision was for *'the proceeds to be realized from the sale to be re-invested into Affordable Housing Projects'*. To date, the following has been done:

1. In November 2022 a Technical Working Group (TWG) consisting of representatives from various state and independent professional institutions was inaugurated to:
  - ✓ Draw a roadmap to procure a private sector entity to complete the Saglemi Housing Project.
  - ✓ Oversee all necessary engagements to complete the Saglemi Housing Project.
  - ✓ Ensure transparency and accountability throughout the process.
  - ✓ Ensure value for money in the process.
2. The Public Procurement Authority has granted approval for the Ministry:
  - ✓ To engage the Ghana Institution of Surveyors to determine the current value of the project.
  - ✓ To engage the services of a Transactional Advisor to facilitate the sale of the project to interested private sector entity.

Projected Timelines for the above activities are as follows:

- ✓ Determination of current value of the project not later than September 30, 2023
- ✓ Engagement of a Transactional Advisor not later than October 30, 2023
- ✓ Procurement of a private sector entity to complete the project not later than June 30, 2024