



Shelter Afrique Responds to the Caa1 Moodys Downgrade

Nairobi, 1st May 2017

Shelter Afrique the Pan-African Housing Financier dealing exclusively with the promotion of affordable housing has responded to the recent downgrading of its long term user rating to Caa1 and the placing of a negative outlook on its rating by Moody's Global Credit Rating Agency.

Shelter Afrique revealed that it had expected a review in June after the meeting of Shareholders as agreed with Moodys when additional capital expected from Shareholders should start flowing in and does not understand the rationale of a further review barely 7 weeks after a full review in ebruary.

Reacting to the Moodys report, Acting Managing Director, Femi Adewole said "While we respect the independence of Moody's as a rating agency, we do not agree with the basis of the review. We believe it is premature and in some instances includes assumptions which are simply inaccurate. We wish to assure our creditors and other partners that they have nothing to worry about. The fact is that since the Extraordinary General Meeting in January, Shelter Afrique has received written commitments from 11 sovereign shareholders to inject additional capital of up to US\$60m this year. We expect to receive additional commitments from 4 shareholders before June. Given that receiving payment from government treasuries will often involve lengthy processes, most of the cash commitments will not be received before September. To date, we have received US\$14m in new capital which is ahead of our projections so there is no serious cause for concern"

The Housing Financier also revealed that its turnaround is on track and it continues to enjoy the confidence and support of its shareholders because they understand the value the organisation brings as the only specialist housing finance institution in supporting them to address the critical issue of good quality housing for people on low income across major cities in Africa. It continued that in addition to strengthening the Company's capital base, the company was also refocussing its effort towards developing housing solutions that really matter to our shareholders.

Adewole continued "Within the next week, we expect to complete a collaboration agreement with UN-Habitat towards a joint effort towards financing Housing and housing-related infrastructure in Africa, a Pan-African Slum Eradication program based on best practices; Employer Sponsored Housing Programs, a Africa Rental Housing Promotion initiative, creation of an African Urban Institute for the education, capacity building in the Private and Public Sector".

.....END.....

Note to Editors

About Shelter Afrique

Shelter Afrique (SHAF) is the only Pan-African finance institution that exclusively supports the development of the housing and real estate sector in Africa. A partnership of 44 African Governments, the African Development Bank (AfDB) and the Africa Reinsurance Company, Shelter Afrique builds strategic partnerships and offers a host of products and related services to support the efficient delivery of affordable housing and commercial real estate.

For More Information Kindly Contact

Name: Babatunde Oyateru

Designation: Communication & Marketing Officer

Telephone: +254733623569

Email: boyateru@shelterafrique.org

Website: www.shelterafrique.org