



People Who Benefit

PEOPLE WHO BENEFIT

The following three families have benefited from RHLF by accessing loans from RHLF approved lender, Nurufin Financial Services which operates in North West Province:

*Kentse Mary Bloom,
Lothakane Village, North West Province*

Ms. Kentse Bloom lives at Lothakane Village in the Ngaka Modiri Molema District Municipality, North West Province. She works as a clerk at Setlopo Secondary School. Ms. Bloom is a single parent with five children, three boys (aged 28, 24 and 21) and two girls, aged 18 and 14 years.

She initially borrowed R20, 000 from Norufin to start building the family house. Using her own savings plus additional loans from Norufin, she has been able to complete her house. She took repeat loans from Norufin totaling R48, 500. Her completed house is an eleven room house that adequately caters for the household needs. Ms. Bloom is very happy with the service she got from Norufin and now plans to take another loan to install electricity in her house.



PEOPLE WHO BENEFIT

Mr Modise Manuel Dibe Signal Hill Village, North West Province

The Dibe family lives at Signal Hill Village, in the Ngaka Modiri Molema District Municipality. Modise stays with his wife and two boys, aged 26 and 16. He is currently employed by the provincial Department of Public Works as a garden assistant and his wife is unemployed.

Mr Dibe started building his house in 2005. He borrowed R10, 000 in 2005 and started building a two room house. In 2007, Modise took another loan of R20, 000 to complete the house by adding three rooms and a bathroom. He used some money to connect electricity to the house. Mr Dibe is very happy with the service he received from Norufin such that he has even referred some of his friends to Norufin.



PEOPLE WHO BENEFIT

Timothy Kegoamang Moss Makouspan Village, North West Province

The Moss family lives at Makouspan Village in the Ngaka Modiri Molema District Municipality in North West Province.

Both Mr Moss and his wife have taken loans from Norufin in order to improve their housing condition and quality of life. The family started living in a four room house and took repeat loans totaling R34, 000 to extend their house into a six room house. They have used part of the loan to finance education of their daughter at Taletso FET College when she registered there in 2009. Mr Moss works as a service officer and the wife as a housekeeping supervisor. They have six children, one boy, five girls and two grandchildren. The Moss family still wants to further improve their house and provide for education of their children.



PEOPLE WHO BENEFIT

Implementing RHLF's Strategic Initiative to Assist in Rural Worker Housing: a Case study of Rhys Evans Group Employees, Northern Free State

Rhys Evans Group is a third generation family owned business with headquarters on the farm Huntersvlei near Viljoenskroon in the northern Free State Province. It is one of South Africa's best known agri-business companies with interests in farming (including summer crops, beef cattle and pigs), meat processing, and peanut shelling and sorting, and suppliers of harvesting equipment. The Group employs about 150 employees, excluding periodic/seasonal employees.

Mr. Anthony Evans (the Group Executive Chairman and CEO) approached the Mqohaka Local Municipality, which falls under Northern Free State District Municipality, and the Free State Provincial Government to provide the

identified vacant land in Rammulotsi which belonged to the Department of Land Affairs for the benefit of employees.

The serviced land was transferred and 300 houses were built on a 120,000sqm of land for occupation in July 2009. Hyde Park Lane Properties, a special purpose vehicle established by Rhys Evans Group, applied for government subsidies on behalf of the farm workers. The subsidies flowed in and out of the company when building contractors and consulting engineers were paid.

Employees are now proud owners of their own homes built on a 400sqm land per family and no longer live on the farm. The size of each house is 45sqm and consists of a kitchen, lounge, bathroom

and two bedrooms. The houses look good, but some of the farm workers want to extend the current living space by about 10.50 sqm.

RHLF has approved a facility of R2 million to enable current employees of the Rhys Evans Group to extend their houses and effect other incremental improvements on their houses at the Rammulotsi village. Through this initiative, RHLF has partnered Rhys Evans Group in its efforts to improve housing conditions of its employees. To implement this initiative, Rhys Evans Group has registered the Park Lane Properties SPV as a credit provider with the NCR in order to ensure that housing loans are provided in compliance with the National Credit Act.





KEY HIGHLIGHTS

FIVE YEAR HISTORY

		2006	2007	2008	2009	2010
Cumulative commitments	R'000s	410,189	447,539	580,739	620,240	705,139
Cumulative disbursements	R'000s	411,669	489,599	595,909	681,701	738,701
Cumulative facilities approved	number	74	78	86	91	100
End user loans financed p.a	number	26,648	32,028	37,643	40,537	33,112
Annual commitments	R'000s	47,000	37,350	133,200	39,501	84,900
Annual disbursements	R'000s	81,549	77,930	106,310	85,792	57,000
Annual disbursements including mez funding	R'000s	81,549	89,930	118,310	139,313	161,133
Total capital employed	R'000s	188,260	146,062	272,385	280,060	330,073
RHLF gross advances book	R'000s	115,370	117,165	176,038	227,911	230,415
Advance impairments	R'000s	(20,454)	(18,450)	(28,318)	(37,138)	(47,643)
Advance impairment %	%	18%	16%	16%	16%	21%
Interest income	R'000s	17,725	22,681	30,521	40,671	42,566
Operating costs	R'000s	(9,088)	(8,987)	(9,633)	(9,694)	(9,013)
Net impairments raised	R'000s	(7,119)	(6,403)	(10,001)	(8,821)	(10,505)
Surplus after tax	R'000s	2,103	4,616	5,867	8,430	29,719
Headcount	number	11	10	9	8	8
% Staff PDI	%	91%	80%	78%	75%	75%

STRATEGIC PERFORMANCE INDICATORS

Key Performance area	Measurement	Strategic Objective	Outcome	Variance
Active clients	number	12	12	0%
Annual disbursements	R'000s	130,900	161,133	23%
End user loans financed	number	37,400	33,112	(11%)
Surplus	R'000s	9,879	29,719	201%
Expenditure	R'000s	(12,469)	(9,013)	28%
Cost Revenue %	%	36%	28%	23%
Loans receivable impairment %	%	15%	21%	(39%)
Committed funding	R'000s	0	56,400	100%

KEY HIGHLIGHTS (Continued)

DEVELOPMENTAL IMPACT

Development impact statistics compiled from monthly Housing Impact Monitoring Reports	2006	2007	2008	2009	2010
Number of new loans	26,648	32,028	36,310	40,537	33,112
Loan usage					
New House	2%	2%	6%	8%	3%
Extension	6%	10%	8%	17%	8%
Improvement	49%	48%	56%	50%	71%
Services	16%	10%	4%	3%	2%
Housing loan usage	74%	70%	74%	78%	84%
Other (mainly education)	26%	30%	26%	22%	16%
	100%	100%	100%	100%	100%
Repeat loan borrowers					
Repeat loan borrowers	25%	27%	25%	22%	29%
Borrowers using loan together with government subsidy					
Borrowers using loan together with government subsidy	12%	25%	27%	28%	32%
Gender of borrower					
Male	51%	49%	48%	46%	41%
Female	49%	51%	52%	54%	59%
Borrower's employment					
Private sector	41%	43%	44%	43%	30%
Public sector	57%	55%	54%	53%	68%
Self-employed, informal	1%	2%	2%	4%	2%
Borrower's income					
less than R1 500	21%	25%	29%	30%	45%
R1 500-R2 500	22%	19%	14%	12%	9%
R2 500-R3 500	19%	20%	15%	16%	8%
	62%	64%	58%	59%	62%
R3 500-R6 000	26%	22%	24%	22%	17%
more than R6 000	12%	14%	18%	19%	21%
	100%	100%	100%	100%	100%

