

Harare City Council and Central African Building Society seal U.S. \$15 million housing deal

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HARARE City Council has signed an agreement with the Central African Building Society to build 3 102 core houses worth US\$15 million in Budiriro.

The houses, for low-income earners, will be built over a two-year period, according to the agreement. Each of the four-roomed core houses will cost around US\$12 000.

Beneficiaries are expected to pay an initial deposit which is yet to be announced. For the balance, CABS will provide mortgage finance that will be repaid over a period to be agreed upon.

CABS managing director Mr Kevin Terry said once the Budiriro project is completed, the bank will approach council for more land for housing.

Harare has an estimated half a million people on the housing waiting list while the national housing backlog stands at around 1.25million.

Acting Mayor Cnr Emmanuel Chiroto said the investment by the bank was a way of giving back to society.

He said besides reducing the housing backlog, the project was going to create employment and boost the economy.

"I urge other corporate companies to engage the city and get land for housing development," he said.

Cnr Chiroto said adjacent to the piece of land that CABS is going to develop, there is land enough to accommodate another 5 000 housing units.

He described housing provision as the biggest form of empowerment that can be passed onto the people. Cnr Chiroto urged council officials to ensure that only people on the housing waiting list access the core houses.

Town clerk Dr Tendai Mahachi described the project as the biggest that has ever happened in the history of the council at once.

Chairman of the education, health, housing and community services committee Cnr Charles Nyatsuro welcomed the development saying council was open to doing business with serious companies.

"We want services to be extended to the people. We are happy with this development," he said.

Combined Harare Residents Association chairman Mr Simbarashe Moyo warned that any attempts to disregard the city's housing waiting list would be resisted.

He said the project should only benefit the poor.

The housing development comes at a time Government has engaged foreign financial institutions to provide mortgage for millions of local homebuilders.

In the 2012 budget Government allocated US\$9 million for on-going housing development projects managed by the Infrastructure Development Bank of Zimbabwe.

Another US\$6.4 million was allocated to the Ministry of National Housing and Social Services to complete various housing projects across the country.