

# CONFIDENTIAL



REPUBLIC OF KENYA  
MINISTRY OF HOUSING  
*Facilitating Decent and Affordable Housing  
in Sustainable Human Settlements*



## KENYA NATIONAL BUREAU OF STATISTICS

*In collaboration with*

### THE MINISTRY OF HOUSING

#### 2011/2012 NATIONAL HOUSING SURVEY

#### BUILDING FINANCIERS' QUESTIONNAIRE

- *This data is collected in accordance with the statistics Act 2006*
- *Information supplied in this form shall be treated as **confidential***

#### Respondent identification details box:

Name of Financier	
Contact details	
Year of commencing operations	
Year of commencing lending for housing	
Date of interview	
Name of Respondent	
Position of Respondent	
Location of Respondent Branch (Town, District, County)	
Scope of operation (County / Counties, Country-wide)	

**FIN1:** Type of financier – Please, Code 1-5 as is appropriate to you.

1. Commercial Bank
2. Microfinance institution
3. SACCO
4. Employers Scheme
5. Other: Specify \_\_\_\_\_

**FIN2:** Are you a deposit taking organization? (If YES = 1, if NO = 2)

**FIN3:** What is the composition of your customer base for deposits and for lending? Provide approximate % of each.

	Customer base deposits	Customer base lending
a. Individuals		
b. Companies		
c. Self-Help groups		
d. NGOs and Religious institutions		
e. Other: Specify		
<b>TOTAL</b>	100%	100%

**FIN4:** What was your total number of deposit accounts / membership accounts as at December 2010? \_\_\_\_\_

**FIN5:** What were your total deposits and loans (in KSh) in the year 2010?

Deposits\_KSh \_\_\_\_\_  
 Loans\_KSh \_\_\_\_\_  
 Housing Loans\_KSh \_\_\_\_\_

**FIN6:** Provide your **sources of funding** by % as at December 31, 2010

Source	% of total funding
1. Share capital	
2. Profits	
3. Deposits	
4. Member's shares (SACCOs)	
5. Short-term loans (less than 2 years)	
6. Long-term loans (more than 2 years)	
7. Bonds	
8. Other: Specify	
<b>Total</b>	100%

**FIN7:** a). Do you have any savings products specifically geared towards saving for a mortgage?  
 If yes code 1, if no code 2

b) If YES, describe the product.

**FIN8:** Does your institution provide loans for the following products? Provide details of the number and value.

Product type	Offered (yes=1 ,No=2)	Number of loans as at December 31, 2010	Value of loan for this product as at December 31, 2010
a. Land Acquisition			
b. Construction financing for sale units			
c. Construction financing for rental units			
d. Construction financing for owner occupation			
e. Incremental construction financing			
f. Mortgage Finance			
g. Graduated loans (where premium increases over time)			
h. Loans for purchase of rental properties			
i. Other, Specify			

**FIN9:** How many housing units of the following types did you provide through **construction finance** in the year 2010?

TYPE OF HOUSE	No. of units for sale	No. units for rental	No. of units for owner occupation	Total No. of units	Price range of units financed (lowest to highest in KSh)		Size of units financed (smallest to largest sq M).	
					Lowest price	Highest price	Smallest	Largest
House/ Bungalow								
Flat								
Maisonette								
Swahili								
Shanty								
Manyatta/ Traditional								
Other (Specify)								
TOTAL								

**FIN10:** How many housing units did you provide **end buyer / mortgage financing** for in the year 2010?

Type of house	Total number of units financed	Price range of units financed (lowest – highest)		Size of units financed (smallest to largest) sq M	
		Lowest	Highest	Smallest	Largest
House/ Bungalow					
Flat					
Maissionette					
Swahili					
Shanty					
Manyatta / Traditional					
Other (specify)					
TOTAL					

**FIN11:** What lending guidelines does your organization apply for the following products?

Product type	Borrower's Minimum contribution %	Maximum duration (years)	Any additional security is required in addition to property itself. Yes=1 No=2	Do you use Credit Reference Bureaus Yes=1 No=2	Other guidelines
Land Acquisition					
Construction financing for sale					
Construction financing for rent					
Incremental construction financing					
Mortgages					
Graduated loans (where premium increases over time)					
Term loans for rental					
Other(Specify)					

**FIN12:** What additional fees does a mortgage borrower have to pay and what % of the loan does this comprise of?

Fees	% of loan principal
a. Valuation fees	
b. Conveyancing (legal) fees	
c. Mortgage insurance	
d. Stamp duty	
e. Building Insurance	
f. Other	
TOTAL	

**FIN13:** How long does your standard loan appraisal process take for mortgages? *Give answer in weeks.*

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**FIN14:** What is the value in KSh. of your total deposits and loans that are held in counties across the country? Provide the breakdown.

Code	County	Value in KSh of deposits from County	Value in KSh of all types of loans to County	Value in KSh of Housing ( i.e. construction , mortgages, etc) loans to County	Code	County	Value in KSh of deposits from County	Value in KSh of loans to County	Value in KSh of Housing ( i.e. construction, mortgages, etc) loans to County
1	MOMBASA				25	SAMBURU			
2	KWALE				26	TRANS-NZOIA			
3	KILIFI				27	UASIN GISHU			
4	TANA RIVER				28	ELGEYO MARAKWET			
5	LAMU				29	NANDI			
6	TAITA TAVETA				30	BARINGO			
7	GARISSA				31	LAIKIPIA			
8	WAJIR				32	NAKURU			
9	MANDERA				33	NAROK			
10	MARSABIT				34	KAJIADO			
11	ISIOLO				35	BOMET			
12	MERU				36	KERICHO			
13	THARAKA				37	KAKAMEGA			
14	EMBU				38	VIHIGA			
15	KITUI				39	BUNGOMA			
16	MACHAKOS				40	BUSIA			
17	MAKUENI				41	SIAYA			
18	NYANDARUA				42	KISUMU			
19	NYERI				43	HOMA BAY			
20	KIRINYAGA				44	MIGORI			
21	MURANGA				45	KISII			
22	KIAMBU				46	NYAMIRA			
23	TURKANA				47	NAIROBI			
24	WEST POKOT								

**FIN15:** How do you monitor construction progress?

Code 1-3 as appropriate

1. Rely on reports provided by Borrower or his representative
2. Send your own representative to check construction progress
3. Other \_\_\_\_\_

**FIN16:** For construction loans, how do you calculate and charge your interest rate?

Code 1-5 as appropriate

1. Weekly basis
2. Monthly basis
3. Quarterly basis
4. Half-yearly basis
5. Other, specify \_\_\_\_\_

**FIN17:** Out of your total mortgage products, provide the breakdown in KSh according to the categorization given.

Product	Value in KSh
a. Fixed rate	
b. Variable Rate	
c. Short term fixed then variable	
d. Other	
<b>TOTAL</b>	

**FIN18:** If you provide a short term fixed rate then a variable rate (i.e. FIN17 c), on average, what is the duration of the fixed rate. *Give duration in years*

**FIN19:** Interest rates:

- a. What was the average mortgage Interest rate for the calendar year 2010  
\_\_\_\_\_ % per annum
- b. What was the average mortgage interest rate for the calendar year 2011  
\_\_\_\_\_ % per annum

**FIN20:** Do you have construction or mortgage products specially designed for youth, women, the disabled, Sharia compliant or multi-generational lending? : Is the demand for these products low, medium or high?

Group	a). Product available? Yes=1; No=2	b). Demand L=1, M=2, H=3

Youth		
Women		
Disabled		
Sharia compliant		
Multi-generational		

c). if yes for any of above, please describe the product: e.g. how long is the grace period (if any).

d) Under Sharia compliant products, does the borrower pay anything instead of interest? Yes=1, No=2

**FIN21:** How do you encourage borrowers to pay on time? Multiple responses allowed

1. Penalties on late payment
2. Lower interest rate on subsequent loans
3. Interest rebates
4. Other: Specify

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**FIN22:** How long after the due date do you regard a loan as non-performing?

1. 30 days
2. 60 days
3. 90 days
4. 120 days
5. 180 days

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**FIN23:** As at 31 December 2010, what % of your housing (mortgage and construction finance) loan portfolio comprised of non-performing loans? \_\_\_\_\_% (*in value*)

**FIN24:** What recovery processes have you applied for non-performing loans in the last 5 years?

Process	No. of occasions (frequencies) used	Length of recovery process (months)
1. Reschedule the loan including creating a graduated payment schedule, capitalizing arrears etc		
2. Auction property publicly		
3. Sale by private treaty		
4. Ask them to refinance with another institution		
5. Put into receivership		
6. Ask them to pay a notional rent		
7. Other: Specify		
Total frequencies		

**FIN25:** What are the key barriers for lending for mortgage and construction financing?

Multiple responses allowed. Kindly rank them in order of priority.

1. Title deed cannot always be relied on to be secure
2. High default rate
3. Lack of long term capital
4. Fluctuating interest rate environment
5. Lengthy legal processes for recovery of non-performing loans
6. Lengthy registration process for land, mortgages etc
7. Other: Specify \_\_\_\_\_

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**FIN26:** What are the 3 main challenges with recovering on your housing construction loans/ mortgage loans? List them in order of priority.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**FIN27:** If a mortgage (end-buyer) borrower wishes to repay the loan before the loan maturity, what options does s/he have?

1. Clear the loan by paying the outstanding loan balance including any interest for the month in which repayment occurs
2. Clear the loan by paying the outstanding loan balance plus all interest that would have accumulated till maturity
3. Other, Specify \_\_\_\_\_

Do you charge any penalties for early redemption of loan? Yes=1, No=2

**FIN28:** Are there restrictions on the maximum amount of funding that can be channeled towards financing of housing (construction and mortgages?)

- a. Yes
- b. No

**FIN29:** If yes, what are the restrictions based on: Rank top three in order of priority. *Most important = 1, Second most important = 2, third most important = 3*

- a. Regulator's directive and guidelines
- b. Board of Directors / Senior Management guidelines
- c. Policies & Procedures based on the Organization's Risk assessment
- d. Capital inadequacy
- e. Lack of long-term funds
- f. Other: Specify

**FIN30:** Are there financial incentives currently in place to lend more for housing? Yes=1, No=2

- a. If yes, which ones?

- b. Are these effective? Yes=1, No=2

- c. Why or

- d. Why not? \_\_\_\_\_

**FIN31:** What is the most effective way of promoting housing development in the country?

**FIN 32:** Would your institution be willing to work with other stakeholders in the industry to create standardized loan appraisal processes and forms? Yes=1, No=2

**FIN33:** What other general comments you would like to make?

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Name of person giving information .....

Designation .....

Telephone contact .....

Signature .....