IMPACT INVESTMENT: MASSIVE SMALL

IMPACT THROUGH SCALE

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IMPACT INVESTMENT: **MASSIVE SMALL**

1. WHO WE ARE – TUHF & IMPACT INVESTMENT
2. MASSIVE SMALL OPPORTUNITIES
3. TUHF & MASSIVE SMALL URBAN DEVELOPMENT
4. NOTE & WHAT IS NEEDED

TUHF

TUHF FOUNDING OBJECTIVES

1. CREATING ENTREPRENEURS
2. AFFORDABLE HOUSING
3. URBAN REGENERATION
4. TRANSFORMATION & URBAN LAND REFORM

- Leading providers of commercial property finance for entrepreneurs in South African inner cities
- An SME empowerment financier with a housing outcome
- TUHF is committed to funding small and medium enterprises, catalyzing spatial & economic integration & facilitating urban renewal

TUHF

ABOUT TUHF

15 years

8 SA Metros

R4.7 billion total funding

R2.7 billion current loan book

350 entrepreneurs

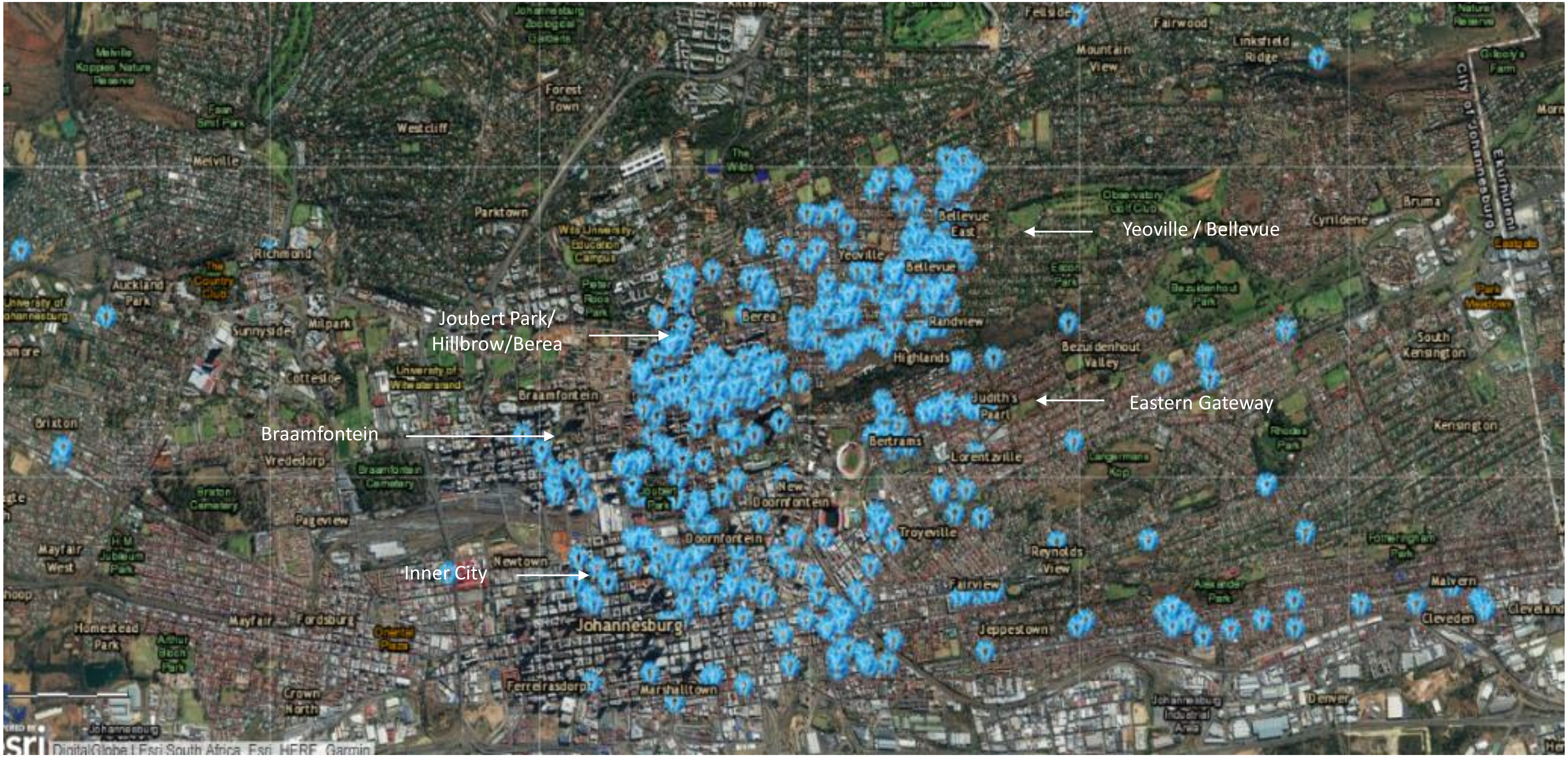
64% clients PDI

33 037 units financed

598 buildings

98% occupancy rate

2796 jobs 2017 / 2018



TUHF: INVESTED STAKEHOLDER

MASSIVE SMALL

"The key to fixing our broken patterns of urban development does not lie in grand plans or giant projects.

It lies in the collective initiative & energy of ordinary people delivering multiple small projects."

Massive small.....done well can be a powerful change agent because it can mobilise a whole city catalyzing massive change through small actions

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The Antidote to Bigness

- Bigness has grown out of control
- Small actions are the best way to cut bigness down to size
- Urban acupuncture approach
- Small everyday actions drive hope
- Build resilience & sustainability into the City from the ground up

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MASSIVE SMALL: TUHF ENGAGED

- Antidote to Bigness - 1 unit here, 3 units there, 2 shops on the next block
- Density & brownfields development – sustainable use of space & infrastructure, economies of scale
- Research & funding Near City Neighbourhoods & Massive Small impact at scale
- uMaStandi – financing the development of backyard rental in Townships
- Inthutuko – serious about transformation
- Luhlaza – sustainability, resilience & efficiency into the affordable market
- Urban acupuncture & urban management initiatives
- Sectional Title Rehabilitation Pilot – ownership & 'Better Buildings'

MASSIVE SMALL

IMPACT THROUGH SCALE

By financing the ordinary person TUHF has:

- **Developed more units than social housing without R1 subsidy!**
- Larger than **Cosmo City** or **Savanna City**
- Financed conversion of **136 011m^2** retail space - Bigger than **Mall of Africa or Sandton City**

Many small projects =

1. Lower transactions costs
2. Broader based participation/empowerment/urban land reform
3. Increased access for more entrepreneurs

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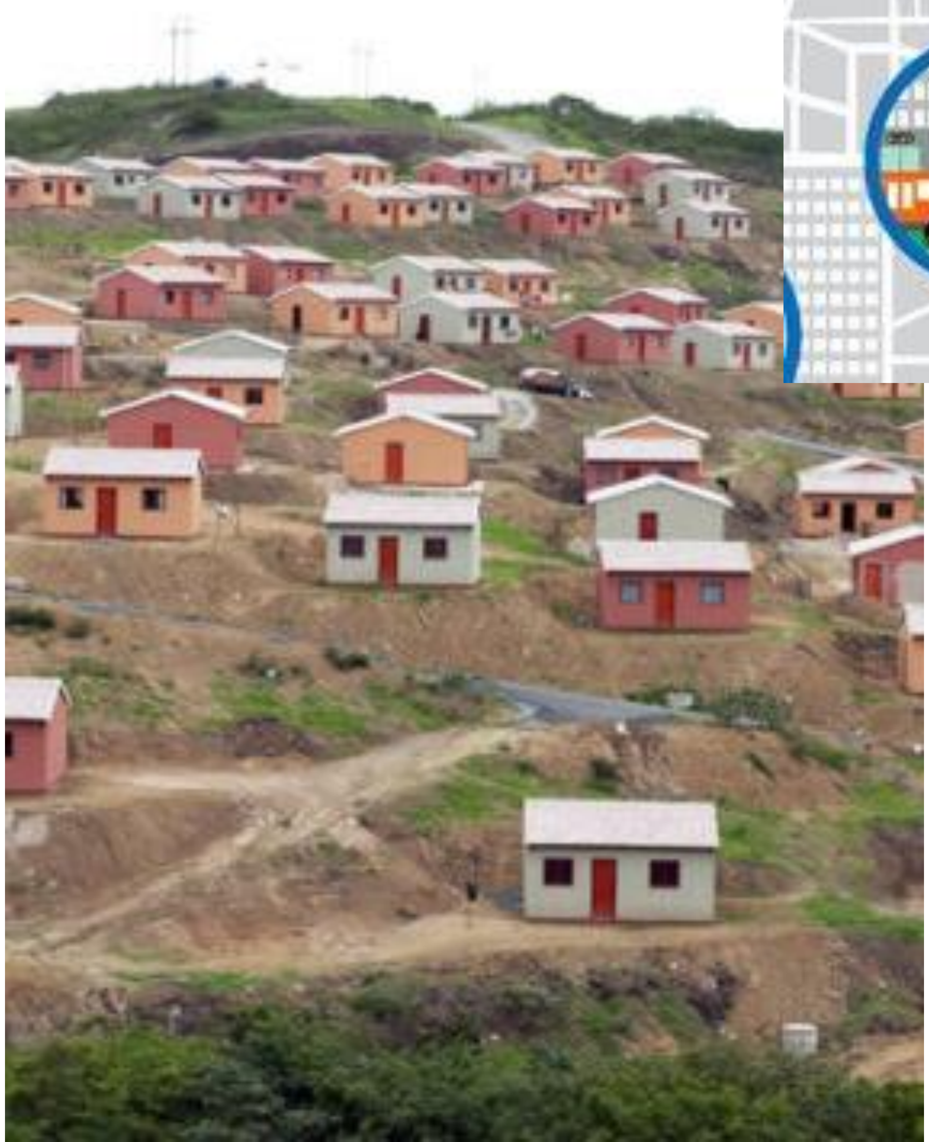

MASSIVE SMALL TO COMBAT URBAN SPRAWL

DENSITY & URBAN EQUITY!

Deliver density to gain critical mass for economic Opportunity –

AGGLOMERATION ECONOMIES!

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Why is it important?

Massive Small requires a commitment to urban land reform

Impact on the fiscus

Economic action, drives higher property values, & brings in people who are willing & able to pay for rates & services

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CITY's ROLE

REGULATOR & ENABLER

Get basics right:

- Service delivery
- Urban management
- By-law enforcement
- Efficient development application process

Resolve billing – we can assist, it's doable

Targeted land / building release in affordable areas (near city neighbourhoods & TOD)

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TUHF IMPACT DEVELOPMENT

POINTS TO NOTE:

"BOTH AND" POSITION…

Support both large projects (Cosmo City) & small projects – 10 000 / annum (TUHF units / massive small)

FUNDING & RESEARCH

This process is woefully under-funded & under-researched. Empowerment & transformation is a public good & should be resourced by Government

BIG PROJECT SYNDROME

SA traditionally likes big ribbon cutting projects. Tiny impact compared to TUHF's massive small approach & jobs created

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TUHF IMPACT DEVELOPMENT

BELIEF IN THE ORDINARY PERSON

LARGEST HURDLE

The most important step & the largest hurdle is the lack of belief in the ordinary person

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THANK YOU FOR BELIEVING IN THE INNER CITY!