



SUCCESS STORY

HOME Finds its First Home at SOCOLAVIM



WOCCU HOME Chief of Party, Claude Clodomir [left] with SOCOLAVIM Board Chairman Julio Innocent [center] and Managing Director, Prophète Fils Aimé [right] sign the first HOME program sub agreement to support increasing access to housing finance to low-to-moderate income Haitians. (Photo credit: Fabiola Coupet)



A loan from SOCOLAVIM will enable Joselande Kenole Moute to build a home, instead of continuing to pay rent. "I had never requested a loan for construction because I was sure that someone like me could never get one. Financing a house, borrowing to build is something I thought was reserved for rich people." (Photo credit: Fabiola Coupet)

Through the Haiti Home Ownership Program (HOME), World Council of Credit Unions (WOCCU)¹ signed its first agreement on March 4, 2016 with Société Coopérative pou Lavi Miyo (SOCOLAVIM)² credit union at the credit union's headquarters in Saint-Marc, Haiti. This partnership is the first of several that will leverage a "pay-for-performance" award system to incentivize financial institutions to increase access to housing loans for low-to-moderate income Haitians. The agreement encourages SOCOLAVIM to grow its housing finance loans by 120% to reach an additional 185 low-to-moderate income Haitians within 10 months.

SOCOLAVIM has high expectations for the HOME program. According to SOCOLAVIM's Managing Director, Prophète Fils-Aimé, "This partnership with HOME is going to help SOCOLAVIM do something we have long been yearning to do, bring housing lending products to all of those previously unserved by the traditional banking institutions, especially those hard-working Haitian women who keep our society afloat. They deserve this opportunity and we are glad that we can now offer them solutions tailored to their specific needs."

Wadson Paul, SOCOLAVIM's credit director plans to leverage the demand generated from the housing product. The credit union's management has sought to promote products that will provide long-term funding for its clients. Paul believes that the housing product will give "oxygen" to the loan portfolio by encouraging clients to obtain more loans for incremental housing construction while also encouraging them to save with SOCOLAVIM.

SOCOLAVIM's current average housing loan is much larger than what the lower income households targeted by HOME can afford. After only two months with HOME's technical assistance, SOCOLAVIM has adapted its housing product to meet the target market's needs. The credit union has also assigned and trained four credit officers, who specialize in housing finance, to manage the anticipated demand growth in Saint-Marc and Gonaïves. SOCOLAVIM plans to launch a marketing campaign and has hired a civil engineer to assist credit agents in the technical evaluation of credit requests.

Thus far, SOCOLAVIM has issued 29 loans — of which 25 support incremental home building and the rest support land acquisition — representing a total of USD 234,000 in private capital. Additionally, 34.5% of these loans were made to households led by women. "Besides giving me a home that I have been dreaming about for years, this loan is helping my daughter look up to me. It's helping her understand that a woman can indeed take charge of her own life and not only survive but do well and live happily, and that means everything," explains, Joselande Kenole Moute one of the first beneficiaries of the HOME program through SOCOLAVIM. She received a housing loan of 150,000 HTG (USD 2,372) to begin construction on a home.

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¹ Implementing partners on the HOME program include Affordable Housing Institute (AFI) and Habitat for Humanity International (HFHI).

² SOCOLAVIM credit union, founded in 1993 in Saint-Marc with one office, has expanded to serve the community of Artibonite with branches in Saint-Marc, Montrouis, Pont-Sonde, L'Estere, Dessalines, Chemin Neuf and Gonaïves. With more than 52,600 depositors SOCOLAVIM is the second largest Central Bank-regulated credit union in Haiti.