



## COMPANY PROFILE

Micro Housing Finance Corporation Limited ("MHFC") was incorporated on May 16, 2008 with the objective to provide housing finance for lower income households (mostly in the informal sector) in urban India. The company has received the necessary regulatory clearance from the National Housing Bank ("NHB") in the form of the Certificate of Registration ("COR").

As background, the promoters of MHFC have been interested in market based solutions to issues of social concern for some time now, and in particular, were thinking about helping with a solution for the lack of housing for the low income unorganized sector in urban India. They believe that one of the issues stalling the development of low income housing is the lack of finance available to buy such homes, and hence set up MHFC to specifically address this gap. MHFC will model itself on regular housing finance companies but will also borrow techniques from the microfinance world, particularly its focus on, and closeness to the customer.

## VISION

To help urban low income households, particularly those in the informal sector, own an independent home.

MHFC believes that shelter / housing is a fundamental right and affects core human issues - quality of life, security, basic dignity. Unfortunately, a significant segment of the population is being denied this right (by being excluded from accessing housing loans) simply due to a lack of documentation. MHFC is committed to offering an opportunity to families in the informal sector to access a housing loan, so that they may buy independent, quality homes, and improve living standards. It believes that it can achieve this in a commercially viable manner.

## TEAM

MHFC has been set up by finance and property development professionals with several years of local and international experience between them. The company will also be working closely with other developmental institutions which have an interest in stimulating the lower income housing sector. For specific details of the management team, please visit our website [www.mhfcindia.com](http://www.mhfcindia.com)



## ▶ STRATEGY

MHFC's business will be project led. It will tie up with developers who have a similar focus on affordable housing (defined by MHFC as flats which have a final price of approx Rs 5-6 lakhs), and lend to its potential buyers, especially those from the informal segment. The typical project will be located in the outskirts of the city but with good transport links so there is accessibility to the workplace. The area will also have necessary social infrastructure in place like schools, hospitals, markets etc which will make it convenient for the buyer to relocate. MHFC will have a stringent builder and project screening model, which will not only vet the technical and legal parameters of the project, but will also look at the social parameters, to try and ensure that buyers are improving the quality of their lives when they move into the homes being purchased.

However, in order to catalyze the real social change sought (which is an improvement in shelter / quality of life), MHFC is committed to helping the overall eco-system of affordable housing in any way it can. To this end, it will work with developers interested in this space, it will collaborate with microfinance institutions, banks, policymakers – or any institution that has similar aims of financial inclusion / supporting housing solutions for lower income households.

## ▶ PRODUCT

MHFC loans will be long term (15 years max tenor) micro mortgages for need based housing. The amount will be typically in the Rs 5 lakhs range, against the security of the house being bought. MHFC will be flexible in its documentation requirements, given the market that it seeks to assist, and also believes that its interest rates will be affordable. The credit model, which is being developed in house, will seek to qualify applicants primarily on affordability (EMI as a proportion of income) and the margin that is put down (MHFC requires a minimum 20% contribution from the borrower).

## ▶ CONTACT US

We welcome questions, suggestions and feedback about MHFC and its effort to help low income households in urban India own an independent home.

For job, internship or volunteer opportunities, please submit your resume and statement of interest to [jobs@mhfcindia.com](mailto:jobs@mhfcindia.com). We will contact you as soon as opportunities become available.

For builders - we would be very interested in hearing from, and creating partnerships with, builders developing affordable housing projects in urban India. If you have a project in mind and are looking to tie up financing for your prospective buyers, please contact [builders@mhfcindia.com](mailto:builders@mhfcindia.com).

For any other enquiries, please contact **+91 22 65229330-31**  
[contact@mhfcindia.com](mailto:contact@mhfcindia.com)



**Micro Housing Finance Corporation Limited ("MHFC")**

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