

- Grant Recipient: Transaction Support Centre
- Partners: Centre for Affordable Housing Finance in Africa & 71point4
- Grant amount: \$50,000
- Duration: 9 months
- Year: 2019/2020

TRANSACTION SUPPORT CENTRE

Securing tenure, building wealth

Project overview

What is the problem?

South Africa has a vibrant residential property market that is serving a growing proportion of the population. For many lower-income residents, however, factors such as the lack of formal title deeds to their properties limit their ability to access the value in their homes or to participate in the performing property market.

Where is it?

Khayelitsha, a township in Cape Town, South Africa

Who does it affect?

Lower income households living in low-cost housing

What are the causes?

There is a lack of support for low-income property owners who need help navigating formal processes for acquiring their title deeds, as well as a lack of access to critical information. There is also a large title deed backlog for state-funded houses, and the time and costs involved in the title transfer process can be prohibitive. Finally, the participation of mortgage lenders is limited for lower income clients in areas of lower value homes.

Approach

The Transaction Support Centre (TSC) is a walk-in advice office that works with low-income clients to formalise their residential property rights and resolve other property-related issues. It is located in Makhaza in Khayelitsha, a lower-income neighbourhood of Cape Town consisting principally of subsidy properties built by the government.

The TSC was established as an action-research pilot project by the consulting company 71point4 in partnership with the Centre for Affordable Housing Finance in Africa (CAHF). Beyond assisting clients, the TSC's partners, 71point4 and CAHF, document client case studies and explore ways to improve the process for formalising property rights.

Lessons learned from the TSC are shared with public and private sector partners in an effort to improve client experiences and outcomes, as well as to advocate for systemic change and to facilitate its broader advocacy strategy with government and stakeholders at the national, provincial and city level.

Achievements

- The TSC has logged 392 walk-in cases since opening in July 2018; the office in Makhaza remains open and continues to receive new, walk-in clients.
- 26 title deeds have been successfully transferred to clients, while 7 more transfers have been lodged in the Deeds Office and 52 cases are being prepared for transfer.
- In addition to walk-in cases, the TSC has proactively enumerated a further 930 households across four sites in Makhaza where no primary transfer has taken place (i.e., title deeds have not yet been registered). Of these, 656 have been identified as uncontested, and their transfer is currently being negotiated.
- Insights and lessons learned from cases were detailed in a comprehensive [report](#) that was presented in a public webinar and meetings with key stakeholders in the public, private and development sectors to support a broader advocacy strategy.
- As a result of this work, the TSC was able to secure funding for a further phase of work and is in the process of negotiating an agreement with the City of Cape Town to collaborate more deliberately in the resolution of low-income households' tenure rights. Discussions are also underway with two commercial banks for a partnership with the TSC as they extend their mortgage loan product down-market.
- A position paper on the Land Titles Adjustment Act was developed that sets the basis for a pilot intervention in support of dispute resolution over competing land rights claims; the pilot will be initiated in the next phase of the TSC's work.

Testimonies

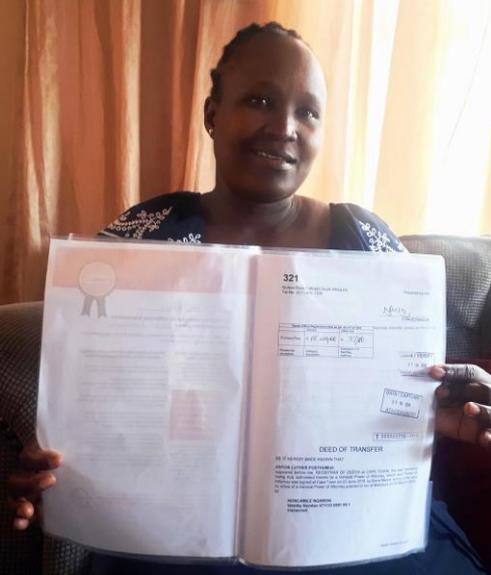
"I found the most helpful people, who gave me a warm welcome [at the TSC]. They never gave up on me, they always made sure I understood the process. You always called with updates. I would like to give my utmost gratitude to you guys."

—TSC client, after the resolution of her informal cash sale

Lessons learned

Although South Africa's national housing policy seeks to realise the constitutional right of access to adequate housing, it has struggled with the formal transfer of title deeds to low-income owners of lower value properties. This is not for lack of trying: the national housing policy has established a Title Deeds Restoration Programme, and various legal NGOs offer subsidised conveyancing services. But the TSC has found that additional services are also needed to help low-income clients with their title deeds.

- By successfully working through actual cases, the TSC has learned that the advice office and the case resolution function it provides are critical accompaniments to any administrative or legal solution. In representing its clients, the TSC holds administrative systems to account and provides a pathway for the positive resolution of each and every case.
- It is possible to both create sensible policy that embraces technology and develop legislation and regulation to support lower-cost property transfer in South Africa.
- Working with clients in using these mechanisms to resolve individual cases, the TSC is leveraging the property market to create the foundations for inclusive growth.



Centre for Affordable Housing Finance in Africa

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