

Terms of Reference  
Housing Rental Market Study (HRMS)  
CAMEROON

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## 1. INTRODUCTION

Cameroon is a lower middle-income country with a population of approximately 25 million covering 475 440 m<sup>2</sup>. It is 55.8 percent urbanised with an urbanisation growth rate of 3.6 percent and a population growth rate of 2.5 percent. Its demographic features lead to various issues that challenge the well-functioning of public policy such as access to social housing and housing finance.

The country has a big housing supply problem. Most of its production is too expensive for majority of the population. Fifty-three per cent of household owns their property, which are mostly self built, while 30 per cent are tenants. The average rental prices for three-bedroom homes ranges from CFA 60 000 (US\$ 102) to CFA 125 000 (US\$215) in urban and semi-urban areas, respectively. As the middle class grows, there is a shift from ownership towards rentals, especially for new households in the urban and semi-ruban areas. Despite ongoing efforts towards increasing housing production, the national housing backlog is still large and significant.

Both housing for ownership and rental is in high demand and opportunities for rental accommodation are increasing. Because supply increasingly lags demand, there has been at least a 10 per cent year-on-year increase in rentals. On average, it takes up to one month to find quality housing in Douala, Yaoundé and other main cities. A growing number of real estate companies are providing buying and rental services to clients. However, these services remain essentially available to household with a relatively high income profile. The challenge is to provide housing for the growing and urbanising population, almost half of which live in informal dwellings and settlements.

Building a better understanding of the housing rental market as another alternative to increase access to housing for income earner from low to middle income bracket becomes essential.

## 2. PROJECT BACKGROUND AND OBJECTIVES

With the aim of stimulating the development of housing rental market that is more responsive to household needs, resources and spending habits, the Center for Affordable Housing Finance in Africa (CAHF) conducted the same study in countries like [Côte d'Ivoire](#) and [Senegal](#) (HRMS).

CAHF recognises that stimulating investment in the housing rental markets requires an in-depth understanding of the set of indicators that constitutes a rental market. The HRMS identifies , analyses

and presents various existing data sources that provide information on the housing rental market value chain in Cameroon. In addition, it investigates on various research methods to enable the finding of solutions that could appear during the development of the study. The research aims to build a data-set on housing rental market in Cameroon (in the main cities) by assessing qualitative and quantitative indicators along the national housing rental markets value chain. It is also aimed at providing useful recommendations to improve the existing data-set necessary for the creation of an evolutionary rental markets across Cameroonian main cities. The proposed research builds on the research of the Macro economic environment and population, the tenants and landlords profiles, and; the supporting institutions operating in the rental market at a national or local level.

## **RESEARCH GOAL**

The overall goal of the research is to produce a comprehensive set of information presenting the different set of indicators which constitutes the housing rental market in Cameroon.

## **RESEARCH OBJECTIVE**

The research aims at building a data-set on housing rental market across Africa by assessing qualitative and quantitative indicators along the national housing rental markets value chain. It is also aimed at providing useful recommendations to improve the existing data-set necessary for the creation of an evolutionary rental markets across Cameroonian cities. The specific objectives of the study relate to four thematic areas.

- (i) **The Macro economic environment and population:** Under this theme the study aims to,
  - map the macro economic indicators, and;
  - map the category of the population;
- (ii) **Tenants and landlords profiles:** Under this theme the study aims to,
  - map the various forms of tenancy, the percentage of households renting in urban and rural areas, households composition, the housing structure, etc;
  - map the various forms of ownership (inheritance, self building, etc.), the percentage of ownership in urban and rural areas;
  - develop a list of rental prices in urban and rural areas,
- (iii) **Supporting institutions:** Under this theme the study aims to,
  - map the existing institutions from the private and public sector that support access and the development of housing rental market

- map both the formal and informal institutions used to construct a house (for ownership and rental markets)
- (iv) **The availability of data:** Under this theme the study aims to,
- log the steps/processes followed to access housing rental market related data; and
  - identify the challenges faced in accessing specific data (macro economic environment and population, tenants and landlords profiles, supporting institutions, etc.) during the development of the study and the innovative process created to circumvent those challenges.

### 3. PROJECT SCOPE AND DELIVERABLES

#### DELIVERABLES

- I. **Tenants and landlords survey data (micro-case studies):** Interviews will be organized into a collection of case studies that 'chronicle' every aspect of the tenancy decisions of each tenants (as household renting an accommodation) and the investment decisions of landlords into housing rental market.
- II. **Housing rental market dissemination information:** a comprehensive dissemination of the data collected from the interviews will be designed to facilitate the development of a comprehensive set of information on the housing rental market in Cameroon that meet the actual needs of housing investors.
- III. **Study paper on housing rental market in Cameroon:** The study will draw key learnings for the creation of a replicable methodology in quantifying and characterising the key aspects of housing rental market in their diversity, breadth and depth.
- IV. **Infographic/motion graphic materials:** Data from the tenants and landlords surveys will be used to create data rich visuals.

### 4. METHODOLOGY

This study can be done in English or in French based on the preference of the consultant.

Data will be gathered using tenants and landlords surveys in the form of a questionnaires. This will include both open-ended and close-ended questions. These questionnaires will be designed to gather useable data on the time, household structure, rental prices required to rent a home in Cameroon, the

housing typology as well as the percentage of renters and property owner in urban or rural areas. These will form the main research themes. The CAHF data team will also identify information data points required to update the Hofinet Cameroon Survey<sup>1</sup> as well as those relevant to CAHF's Housing and the Economy Model and include this into the household survey. This data will also be used to create various info and motion graphic content on the Cameroon housing rental market and will be used across CAHF's country level projects.

Questions relating to the above-mentioned themes are outlined below.

- I. Time: for tenant: How long have you been renting this property? Or how long do you plan to rent this property?/ for landlords: How long did you take to build this property? How long has it been on the rental market ?
- II. Financing: for landlords: What are the various financial instruments—both formal and informal, credit and other—that you use, and when, to finance your housing process? Is the rent your sole or main source of income?/ for tenants: is the rent affordable? What percentage of your income is used up to cover for your rent?
- III. Housing typology: Which building materials are used? Where are they purchased? Are building materials saved up before building? Are there toilets and basic commodities? Do households construct and manage rental accommodation on their properties?
- IV. Land and title: Do landlords have formal or informal title? How did they access the land? Are they willing to sell the property in case a tenant would be interested in purchasing?

## 5. PROJECT MILESTONES

Proposals for the project should be submitted electronically by March 30, 2020. Electronic proposals are required and should cover the consultant's interpretation of and approach to the brief. Proposals should not be longer than five pages, excluding CVs and company documents if these are not already held by CAHF.

It is anticipated that the project will be finalised by September 2020. The following deadlines will apply

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<sup>1</sup> The Centre for Affordable Housing Finance in Africa (CAHF) works with the Housing Finance Information Network (HOFINET) to consolidate, and make widely available, African housing finance information and knowledge. With HOFINET, we conduct surveys to produce standardised sets of housing market, housing finance and policy measures that are tested internationally and can be expanded and adjusted over time.

Milestone	Expected Deadline	Disbursement
Meeting with CAHF to identify data points in the HH Survey	June 29, 2020	
Finalization implementation plan and Survey design	July 10, 2020	
Hand- over of raw survey data AND Presentation (via skype) To small group of CAHF Staff on research findings and draft report.	August 10 , 2020	
Comments from CAHF Staff	August 20, 2020	
Final Report	September 15, 2020	

## 6. CONTENTS OF THE PROPOSAL

### Proposals to undertake this project must include:

1. A response to the ToR, demonstrating familiarity with the subject matter, expansion on the proposed methodology and key issues for consideration in the work. To this end, the consultant should consider the diversity of local housing context in Cameroon.
2. A detailed work plan, demonstrating the feasibility of the proposal.
3. **Considering the particular constraints caused by the Covid-19 outbreak, consultants might not be able to travel and conduct face to face meetings with stakeholders. The consultants must demonstrate in their proposal how they will address this constraint in order to achieve the desired outcome. Utilisation of new technologies, familiarity with local landscape, knowledge and personal relationships with key stakeholders will be an asset.**
4. Statement of qualifications of all relevant firm(s). Note that capacity to engage with households in local languages is an advantage.
5. Name and CV of staff members responsible (i) for overseeing the work; (ii) for undertaking the work. Some level of local representation in the countries targeted for the study would be preferred.
6. Fee proposal and costs estimates, indicating the basis of calculation of fees, including cost of travel if necessary.
7. Capacity building and black economic empowerment are key objectives of CAHF. In rendering the service, the consultant must endeavour to achieve these goals. South Africa consultants must report on their BBBEE accreditation. Other capacity building efforts can also be proposed, such as the use of students to support the research process, or workshop methods to engage with a wider stakeholder sector in Cameroon. The focus of such capacity building would be on the use of data to consider and understand the role of housing in national economies. The proposal must comment on the manner in which the consultant intends to give effect to the capacity empowerment objective.

8. Supporting documents for registered firms include tax clearance certificate (for South African applicants), banking details and verification of banking details, company registration and verification documents and equity employment compliance certificates.
9. Familiarity with the Centre for Affordable Housing Finance in Africa's work is important. See [www.housingfinanceafrica.org](http://www.housingfinanceafrica.org).

## 7. PROJECT EVALUATION

Proposals will be assessed according to:

1. Relevant, demonstrated competence of firm in undertaking community-based surveys: 20 percent.
2. Demonstrated expertise of key individuals to be involved in this project including ability to access data in relevant languages: 20 percent.
3. Content, quality and originality of proposal, including innovation in and feasibility of approach: 35 percent.
4. Affirmative action OR use of local professional capacity and capacity empowerment: 15 percent.
5. Financial proposal: 10 percent.

The Centre for Affordable Housing Finance in Africa reserves the right to not make an appointment should it not find a suitable service provider.

## 8. GUIDELINE NOTES TO BIDDERS

The Centre for Affordable Housing Finance in Africa reserves the absolute right to use its discretion in the interpretation of the award criteria. The following notes are intended to provide broad guidance only on how proposals will be evaluated. Bidders may be required to clarify their proposals by way of a telephone call or presentation.

1. "Relevant, demonstrated competence of firm(s) in this area" - you should aim to demonstrate how the firm's collective experience can be applied (or adapted) to address the specific brief set out in the terms of reference. You are welcome to describe the firm's general experience of financial sector development issues (e.g. in other geographies or topical areas) but the evaluation will focus particularly on the application of that experience for the specific task at hand.
2. "Demonstrated expertise of key individuals to be involved in this project" – the evaluation places considerable emphasis on the role and demonstrated expertise (i.e. track record) of the key individuals to be involved on the project rather than on the expertise of the firm itself.
3. "Use of local professional capacity (consulting, analysis, coordination etc.)" – Centre for Affordable Housing Finance in Africa wishes to ensure that local capacity is used and developed. International firms are therefore encouraged to partner with local organisations.

4. “Content, quality and originality of proposal” – proposals should address the brief set out in the terms of reference in a comprehensive manner. Bidders should aim for innovation as well as professional presentation. Whilst similar, relevant experience in other markets will be an advantage for a bidder, each market is different and so proposals need to reflect the particular characteristics of that market, as well as the challenge set by the terms of reference.
5. “Affirmative action scorecard” - This includes ownership, management, and staff development.
6. “Fee basis” – value for money, as well as absolute cost, will be considered.

## 9. SUBMISSION OF PROPOSALS

Proposals and any queries should be submitted to [olivier@housingfinanceafrica.org](mailto:olivier@housingfinanceafrica.org) or [jean.philippe@housingfinanceafrica.org](mailto:jean.philippe@housingfinanceafrica.org).

**The deadline for submission is June 24, 2020.**