

March 2011

Turning houses into homes.



How do you start making a house a home? By giving it four walls, a roof and a floor. The building itself doesn't make a home but it sure helps to have one. For some, having a roof that doesn't leak rivers of rain over their meager belongings is a distinct advantage. For others, flaws in the fractured walls of hastily built buildings that blast frigid air in winter, have a way of cooling the belief that a house could ever be a home. Although there's something to be said for having a house first, to call your home; one that works anyway.

It is the home of a Phakamani client that most quickly reveals the benefits of a Phakamani loan. So many proud clients tell how, even after the first loan, they've been able to add a room, a roof or a door with a lock. Feeling safe and keeping warm and dry all add to the conviction that a house can become a home.

No one understands this more than Mrs. Maria Mthimkhulu. Her family of six lived in a three roomed home. One Room which was a garage, has been converted into a work space for her "broken business". When Phakamani gave her, her first loan, new life was injected into her sewing business. She made comforters, curtains, church and school uniforms etc. Her unemployed husband helped her transport her wares in their rusty old van, to Witbank, some 200 kms away.

Within a year she had built another garage. The four children moved out of the bedroom they shared with their parents into the garage. Now if you stand outside the house you see the foundations for a lovely new home (the picture at the top of the page). Mrs. Mthimkhulu is no longer



afraid for the future. Proudly she shows off the sewing she does to provide for her family and build the house that will one day become her home.



Mrs. Linah Phoku sits outside her home built on tiny property on a massive rock atop a hill. Full of laughter Mrs. Phoku explains that the dilapidated wooden structure that sits on her property is a church and next to it, her "spaza" shop where she sells fruit and vegetables, cool-drink, meat etc. She allows Phakamani to use the church building to have their bi-monthly center meetings.

Mrs. Phoku wasn't always smiling. She has nine people to take care of. Three adults and six children. They were all crammed into a two roomed house. Five loans later she has added three rooms to her house and judging by the smiles, her house too has become a home.



Then there's Mrs. Cynthia Mashabe who carries her sixteen month old wrapped on her back. Her four year old daughter plays with Mrs. Phoku's grandchildren next to the church. She explains she also sells fresh meat which she keeps in an old fridge, cigarettes, and old clothes. Her dreams are still in the early stages of formation. Right now she's just happy to be able to buy food for her children and to actually go out and buy them clothes. Her dream for her own home will come. One day. She's working on it.

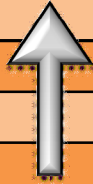
Phakamani Statistics and News

	February 2010		February 2011	
	ZAR	USD	ZAR	USD
Active Members	1130	1130	2420	2420
Average loan size	R 779	\$113	R 767	\$111
Repeat Loans	66%	66%	60%	60%
Loans Issued to Date	2875	2875	7425	7425
Value of loans issued to date	R 3,240,000	\$ 472,992	R8,751,000.00	\$1,277,518.25
Sustainability	34%	34%	56%	56%

Phakamani continues to grow, this past month we opened our sixth branch in Mpumalanga. 40 field staff now consider Phakamani "home". During the month of March, Phakamani issued 945 loans, 325 of these were to new clients who have never had a loan before.

As important as some of these numbers are, the product of our work is best measured in terms of impact. What difference has it made to this poor family that Phakamani Foundation provided them with a loan and all of the services that come with it? In evaluating this we examined all clients who have taken out 5 loans with Phakamani. The results show a tremendous improvement in quality of housing, food, business values and savings. Just what we want to see happen!

Impact from Loan 1 to Loan 5	
Housing	10%
Food	7%
Business Value	230%
Savings	368%



During this past quarter we have also completed our first internal compliance/audit and rolled out a new impact monitoring system.

Would you like to Contribute?

Whatever you are able to contribute to give a poor family a "Hand-Up" will be most gratefully received and put to good use. Our target is to reach 6000 families this year. Each part, however big or small, makes up the whole.

- R 2000 (US \$ 300) supports one family, for a year
- R10 000 (US \$ 1 500) a group of 5 families, for a year
- R80 000 (US \$ 12 000) a centre of 8 groups, for a year
- R320 000 (US \$ 48 000) a village of 4 centres, for a year

If you feel a tug and you want to be part of this, please send funds to Phakamani Foundation as follows:

Bank Transfer in South Africa send funds to our bank account at Nedbank — Ferreira St Branch (Nelspruit), account name Phakamani Foundation, Branch # 146805, Account # 1468126873. For tracking purposes, please follow this up with an email to info@phakamanifoundation.org

Canada, USA or International By Credit Card Log on to the secure Canada Helps Website and contribute using Interac or your credit card. The link is www.canadahelps.org. Once you get into the website, type in Phakamani Foundation and our link will appear. Canada Helps will inform us of your donation and also send you a tax receipt. This service is available Globally

By Cheque in Canada Cheques should be made out to Phakamani Foundation Canada and sent to B3-1410 Parkway Blvd, Box 41, Coquitlam, BC, V3E 3J7. Please make sure you include your details so that we can send you an acknowledgement as well as a tax receipt at the end of the year.

With our sincere thanks for your support and your prayers,

Mark and Shirley Tucker, the team at Phakamani Foundation, Phakamani Foundation Canada and Ripple Effect in Australia