

Best Practice ID#: 430

**Best Practice Initiative on Improving the Living Environment
Pre-screening Report**

A. ID Tag, Summary and Recommendation

BP Title: Eryaman Project	Recommended for TAC as BP: YES
Country: TURKEY	Recommended for BP 100 List: YES
Date of Submission: December 1995	Recommended for Good Practice List: YES
Date of Review: 3 January 1996	Not recommended:
Summary:	

Eryaman which is a new settlement area, is located 20 km's from the city center on the Ankara Peripheral Highway of the West Corridor, near the industrial zones. The region is planned by the HDA for 40 000 housing units on 1000 ha. Within 8 years, a total of 15 153 housing units, regarding all infrastructural and social facilities have been constructed and handed over to their owners. The sales of the units produced were effected after the completion of the project. Mortgage loans amounting to 60-80 percent of the full value of the unit were extended to the buyers. Thus, the financing of the construction was completely borne by the HDA which also assumed the responsibility of selling. This method was later changed so that now the selling of the housing units takes place at the beginning of the construction. The sales price of each unit is finalized by taking into account the cost of land, infrastructure, social facilities, and technical services. The housing units to be constructed are sold with a downpayment of 20-25 percent of the full price. Maturities range from 75 to 240 months and the share of payments in the family budget remains the same throughout the maturity.

Initials, Date: 3 January 1996

REPORT

B. Compliance with Nomination Criteria

1. *Tangible impact on improving the living environment*

a/ Documented and explained:	Yes/No
b/ Quantitative evidence/data:	Yes/No
c/ Other substantiating evidence (explain):	Yes/No

d/ Recommendations to authors:

2. *Partnership*

a/ Two or more partners involved:	Yes/No
Government:	Yes/No
Local authorities:	Yes/No
NGOs/CBOs:	Yes/No
Academic/Research/Training:	Yes/No

Media:	Yes/No
Private Sector:	Yes/No
Prof. Association:	Yes/No
Other (Please specify): Cooperatives.	Yes/No

b/ Names of two or more actors provided:	Yes/No
c/ Addresses provided:	Yes/No
d/ Phone provided:	Yes/No
Fax provided:	Yes/No
E-Mail provided:	Yes/No
e/ Recommendations to authors regarding partnerships:	

3. *Sustainability*

a/ Laws, by-laws, standards, codes:	Yes/No
b/ Decision-making processes:	Yes/No
c/ Resource allocation:	Yes/No
d/ Management system(s):	Yes/No
e/ Technology:	Yes/No
f/ Replicated initial area/stakeholders:	Yes/No
g/ Replicated/transferred elsewhere:	Yes/No
h/ Other (please specify):	Yes/No

i/ Recommendations to author(s):

C. Compliance with Reporting Format

4. Description of Before:	Yes/No
5. Description of After:	Yes/No
6. Description of Strategy:	Yes/No
7. Is before-to-after process clear?	Yes/No
Comments if any:	

7. Use of gender assessment:	Yes/No
a/ Gender issues documented/analysed:	Yes/No
b/ Gender impact analysis or assessment:	Yes/No
c/ Use of gender-sensitive language:	Yes/No

Recommendations to the author(s):

D. Lessons to be learned from the Best Practice

8. Are lessons learned described? Yes/No
9. What are, in your judgement, the lessons to be learned from this case study?
1. **Improving urban environment in major cities through housing states.**
 2. **A new method in financing of the construction and economy in the construction cost.**
 3. **The viability of housing projects; production for suitable land of construction and new tool to adress the problem of population growth in the major cities.**
9. In your opinion, are these lessons transferable? Yes/No
Please circle, as appropriate:

North-North North-South
South-South South-North

Comments?

E. Category/Classification
(Please circle, as appropriate)

Major Category 1: Sustainable shelter and community development

- a/ Affordable housing and services
- b/ Access to land and finance
- c/ Community-based planning and participation
- d/ Extension of safe water supply and sanitation
- e/ Inner-city core, neighbourhood/settlement revival/rehabilitation
- f/ Safe, healthy and environmentally-sound building materials
- g/ Other (please specify) _____

Major Category 2: Sustainable urban and regional development

- a/ Job creation and poverty alleviation
- b/ Reduction of pollution, improvement of environmental health
- c/ Improved access to public transport and communication
- d/ Improved waste collection, re-use and re-cycling
- e/ Greening of the city and effective use of public space
- f/ Improved production/consumption cycles/reduction in use of non-renewable resources
- g/ More efficient energy use and production
- h/ Other (please specify) _____

Major Category 3: Sustainable, efficient, accountable and transparent settlements management

- a/ More effective and efficient admin/management & info systems
- b/ Gender equality and equity in decision-making/design and implementation
- c/ Crime reduction and prevention
- d/ Improved disaster preparedness, mitigation and re-construction
- e/ Social integration and reduction of exclusion
- f/ Other (please specify) _____

Key words

Please select not more than six key words from the key words list which could be used to qualify the best practice:

- | | |
|-------------------------|------------------------|
| 1. AFFORDABILITY | 4. MORTGAGE |
| 2. FINANCIAL MANAGEMENT | 5. SETTLEMENT PLANNING |
| 3. HOUSING POLICY | 6. URBAN DEVELOPMENT |

Scale of Intervention

- 1. Global/regional
- 2. National
- 3. Provincial
- 4. Metropolitan
- 5. City/Town
- 6. Village
- 7. Neighbourhood

Ecosystem:

- Arid & semi-arid
- Tropical & Sub-tropical
- Continental
- Coastal zone
- Mountain/high plateau
- Riparian (river basins, water sheds)

F. Recommendations (Optional)

If recommended/not recommended (please circle) for consideration by the TAC, why?/why not?

This project is a very good example to solve housing problems of the middle and low income groups in Ankara.

**NOMINATION FOR
"BEST PRACTICES"**

TURKEY

**PRIME MINISTRY
HOUSING DEVELOPMENT ADMINISTRATION**

**HOUSING PRODUCTION ON LANDS OWNED BY THE
HOUSING DEVELOPMENT ADMINISTRATION**

(ERYAMAN PROJECT)

IDENTIFICATION TAG

Title :Housing Production on Lands Owned by the

Housing Development Administration

Key Organization and Groups:

- The Housing Development Administration (HDA)
 - * Project Development Department
 - * Implementation Department
 - * Finance and Marketing Department
- General Directorate of Land Office
- Consultants
 - * Project Management Consultants
 - * Design Consultants
 - * Construction Supervision Consultants
- Construction Contractors
- Banks
- Demanders

Contact Addresses:

President : Yiğit GÜLÖKSÜZ

Vice President : Ömer KIRAL

Prime Ministry
Housing Development Administration
Atatürk Bulvarı No:163
Bakanlıklar,06680
Ankara/TÜRKİYE
Telephone:(312)418 21 04

IMPACT ASSESSMENT

The housing estates that have been developed by the HDA on some sites such as Eryaman (Ankara), Halkalı and Ataköy (Istanbul), and Yahyakaptan (Kocaeli) comprising 34 thousand housing units,

represents significant achievements in terms of economies in construction costs, qualities of building and environmental design, as well as the ways in which the property rights are transferred to medium-to-low income households in need of housing.

As a result, arrangements have been made to produce 8,782 hectares of land in 16 provinces which would be sufficient for over 367 thousand housing units.

SUSTAINABILITY AND POTENTIAL FOR BROADER APPLICATION

The projects introduce important novelties in terms of:

- * Improving urban environment in major cities through housing states.
- * A new method in financing of the construction.
- * The viability of housing projects; production for suitable land of construction.
- * A new tool to address the problem of population growth in the major cities.
- * Building smaller housing units which are demanded but not found in the market.
- * Economy in construction costs.

SUMMARY

In its role as a real estate developer, the HDA has also developed large tracts of land to be used for low-cost housing projects. It has large stock of land in the vicinity of Istanbul and Ankara, and is in the process of enlarging this stock through land acquisitions in other cities. The great demand to live in modern urban environments in big cities and the availability of such a land stock have led the HDA to develop projects of "urban environment" in these cities, in addition to its primary function as the supplier of loans to the housing projects of cooperatives and municipalities.

Initially, the sales of the units produced were effected after the completion of the project. Mortgage loans amounting to 60-80 percent of the full value of the unit were extended to the buyers.

Thus, the financing of the construction was completely borne by the HDA which also assumed the responsibility of selling. This method was later changed so that now the selling of the housing units takes place at the beginning of the construction. The cost of houses are determined after receiving the quotations of the contractors. The sales price of each unit is finalized by taking into account the cost of land, infrastructure, social facilities, and technical services. The housing units to be constructed are sold with a downpayment of 20-25 percent of the full price. Maturities range from 75 to 240 months. The monthly installments as well as unpaid loan balances are adjusted every six months on the basis of salary increases in the public sector. Thus, the share of payments in the family budget remains the same throughout the maturity.

This method of selling has been successfully tested in the HDA projects in Ankara and Istanbul. The housing units are offered for sale only to first time home buyers who have not benefited from the HDA loans before. The monthly installments are generally kept at levels comparable with the prevailing rents.

The viability of this method of housing production largely depends on the production of land suitable for housing projects. In order to serve the needs of low-income groups, sufficient quantities of land should be made available at affordable prices. To this end, the HDA has mobilized its resources and suitable areas have been identified at the periphery of big cities and in the growth poles of the underdeveloped parts of the country.

AN EXAMPLE: ERYAMAN PROJECT

Eryaman which is a new settlement area, is located 20 km's from the city centre on the Ankara Peripheral Highway of the West Coridor, near the industrial zones. The region is planned by the HDA for 40.000 housing units on 1000 ha. 4 phases of the project has been constructed as;

- 4740 units in the I.Phase,
- 3180 units in the II.Phase,
- 3195 units in the III.Phase,
- 4038 units in the IV.Phase,

with a percentage of % 21.5 below 60 m² dwellings,
% 26.5 60-80 m² dwellings,
% 51.5 80-100 m² dwellings,
% 00.5 above 100 m² dwellings,

and within 8 years, a total of 15.153 housing units, regarding all infrastructural and social facilities have been constructed and handed over to their owners.

	AREA (ha.)	NO. OF HOUSES	BEGINNING OF CONSTRUCTION	END OF CONSTRUCTION
PHASE I	95	4,064 676	July,1987 July,1987	July,1990 November,1992
PHASE II	50	3,180	October,1992	November,1993
PHASE III	60	3,195	October,1993	July,1995
PHASE IV	84	4,038	February,1994	November,1995
TOTAL	289	15,153		