

AFFORDABLE HOUSING

Protea Glen R50m Global fund investment in Soweto rental units

The Protea Glen development in Soweto has received an injection of R50 million from International Housing Solutions. The RBA development has a total of 176 units of which 100 have been completed and are already occupied.



International Housing Solutions, being a player in the affordable housing space, saw this as a good opportunity to invest in much needed rental stock in the Soweto area where demand is still very high for affordable rental units.

IHS announced its part in the construction of a massive R50-million housing development in Protea Glen in Soweto. The project will provide 176 sectional title two-storey apartments which will cost tenants around R3200 a month including parking.

About 100 of the 176 units have already been built and are already 100% occupied. The remaining 76 units which are currently under construction will be completed next month and it is envisaged that tenants will be able to move in during April 2010.

The project, which is being co-funded by the National Housing Finance Corporation

(NHFC) to the tune of R29,4-million, is being developed by a wholly owned subsidiary of RBA Holdings.

Since its establishment 13 years ago, RBA has built more than 6 700 houses in Gauteng and successfully completed 42 projects. The company consists of engineers, architects, legal advisors and a project management team with a wealth of experience as well as its own construction and property marketing teams.

Yankho Chitsime who is responsible for the deal from International Housing Solutions' Development Team says the Protea Glen development is aimed at providing affordable rental opportunities to individuals earning less than R15 000 a month. "The response has been phenomenal with all the available rental units snapped up as they came onto the market. Research shows that

the demand for rental stock in Soweto and especially in the Protea Glen area is very high and there is very little stock at present. The area has a historically high mortgage default rate which is generally attributed to the high debt levels of many households which makes our rental model for such an area particularly fitting."

This is a ground-breaking project in South Africa as affordable rental stock is more commonly found in inner cities and not in neighbourhoods like Soweto.

"Protea Glen with its duplex units which are conveniently situated in Soweto fits completely with the IHS philosophy of providing homes which are affordable and attractive."

Proxenos said IHS would be investing into Protea Glen project the first R9,8-million was invested in December last year and a further R7,4-million would be invested in February



2010 once the remaining 76 units were completed and the sectional title registers opened. For further information contact IHS on 011 447 6248.