

Think-tank to discuss how to fill the 'gap'

THERE may finally be light at the end of the tunnel for average earners, with the government, the banking industry, property developers and funders of affordable housing coming together next month to discuss pressing issues about the delivery of affordable housing in SA.

The think-tank on innovative funding and delivery of gap housing in the country, hosted by International Housing Solutions, takes place next Wednesday in Johannesburg.

International Housing Solutions managing partner Soula Proxenos says the segment is called "gap" housing because there is a gap in the market in terms of the supply of homes for average-earning South Africans. These prospective home owners earn too much to qualify for government subsidies but not enough to qualify for average home financing.

Speakers at the think-tank include representatives from all the major banks and developers, the director-general of housing settlements as well as the Banking Council of SA, the National Housing Finance Corporation and Finmark Trust.

Betterbond marketing director Deon Lessing says: "This is a sector of the market that should not be overlooked as the current economy has not deterred sales activity to the same extent here."

Absa head of affordable housing Silumko Mayaba says it is important to note that the levels of demand for affordable housing have, to a certain extent, cushioned levels of negative growth in this sector.

"This has therefore made negative growth in the affordable housing segment of the market less pronounced than in the other sectors of the property market," Mayaba says.

Proxenos says: "It is unusual to have people responsible for end-user finance, development finance, and housing policy in one room. We all usually are trying to solve the problem with one tool — this think-tank will bring people together so that the full tool kit can be used to solve the problems we face."

"The discussions will seek solutions to the chronic shortage of affordable housing in SA by using current examples both onshore and in other parts of the world."

"We need to understand and challenge the bottlenecks which exist in providing homes for people — from finance to development options. This needs to be overlaid by a clear understanding of market needs. The government is an important partner in any housing development, which is why we have spearheaded the initiative and invited the most important players in the sector to engage around the topic," Proxenos says.

The global economic crisis has exacerbated the challenge in the financing of homes, she says.

