

# First IHS project delivers

The wraps are off the first low-cost housing development by International Housing Solutions SA (IHS). The project involved conversion of the old Greatermans building in downtown Johannesburg to over 400 rental apartments, costing less than R2000 a month.

**The conversion cost over R80m, and is the first of a string of projects funded by the R1,7bn South Africa Workforce Housing Fund that are set to come on stream later this year.**

Elize Stroebel, country director, IHS SA, says the development has 419 units and a show flat was completed at the end of February. She says the apartments feature superb finishes, including DSTV aerials, VoIP telephones and wireless Internet, all in a well-managed security block.

"This development ... is an excellent example of the way in which affordable housing can be attractive and allow for stylish living.

The developer, already a significant provider of rental products in the Johannesburg CBD, also has plans for a childrens' play area in the block, for example." Stroebel says residents can rent studio apartments for R1800 or a 2-bedroom unit for R3300.



**The old Greatermans building in Johannesburg has been converted into low-income housing.**

Other projects in the works include a R500m Witbank development in partnership with Bigen Africa and ABSA. "This project, construction of which is set to start in November this year, features 3000 units priced from R250 000 to R850 000."

IHS is also involved in a development in the Carnival City area of Gauteng, where 2400 units are being constructed. That project, says Stroebel, will be launched towards the end of the year.

She adds that IHS, by virtue of the South Africa Workforce Housing Fund, is well positioned to partner developers with access to well-located land at reasonable prices.

"We are not bankers, but business partners, so we do not charge interest on our investment but instead share in the profits of the project. We operate on an equity basis rather than on interest-based income, which helps developers, as a portion of their finance does not require an interest payment." ■

*(News of this development was released only after this month's cover story had been completed - Ed.)*