

# New R1bn affordable housing project may rejuvenate Boksburg

A NEW R1bn affordable housing development near Carnival City Casino, in Boksburg, is expected to breathe new life into the area, with 2 400 new homes going up along North Boundary Road.

The project, developed by the Brian Falconer Property Group in partnership with International Housing Solutions (IHS), will have 10 phases.

The 2 400 sectional title units will be housed in four-storey apartment blocks, each having between 12 and 16 units offering accommodation ranging from bachelor pads to three-bedroomed apartments.

The development, named Carnival City, will feature solar-generated energy and provide lifestyle features such as recreational areas with swimming pools and crèches for young families.

IHS business development director in SA Phia van der Spuy says the homes, which will be to rent or buy, will cost an average of R350 000, which is in line with the IHS philosophy of providing homes costing less than R550 000.

The entire project is worth about R1bn, with each of the 10 phases estimated to cost an average of R120m.

"The location and the very compelling pricing of the development are its major draw cards. It is superbly positioned, with Boksburg on one side and the Wadeville industrial area on the other, and will offer a highly sought-after, affordable home for many working in the East Rand area," Van der Spuy says.

"Pre-sales of the project in the past month at a starting price of R279 000 have shown there is good demand — 105 units were sold in the first few weeks alone."

Brian Falconer Property Group



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sales manager Justin Cohen says that with more than 30 developments successfully completed, the company understands what the market wants.

Van der Spuy says first-phase construction will start early next year and occupation will be by mid-year.

Developers like the Brian Falconer Property Group chose to partner with IHS in order to reduce some of their risk exposure, she says. "IHS provides capital up front without the need for the developer to pay interest. It operates on an equity basis instead, which allows developers to grow their businesses and manage their own capital more efficiently without having to worry about interest payments."

IHS SA country director Elize Stroebel says institutional equity investments in housing projects, especially in affordable housing, are a relatively new concept in SA, with most funders still providing debt-based instruments to projects. "IHS is different in that it provides the majority of the equity needed in a large development deal."

