

INTERNATIONAL HOUSING FUND EXPANDS TO CAPE

Nearly 500 new homes and shops worth R170-million in Eerste River are to be built thanks to a massive cash injection by private equity partners, International Housing Solutions (I H S).

Eerste River which borders the Cape's Winelands, is desperately short of accommodation. The area's residents buck the country's unemployment figures and can afford to buy or rent homes but due to a lack of development funding and developers, not enough new homes are being built to satisfy demand.

The project represents IHS's first foray into the Cape. It has already spearheaded a string of new affordable housing developments in Gauteng, including the 3550 new homes in downtown Jozi, 2400 homes at Carnival City on the East Rand and 11725 units in massive new developments in sought after Soweto and surrounding areas including Fleurhof between Soweto and Roodepoort and Protea Glen and Jabulani Village.

The new Cape based homes are to be built in **four** developments called Alpine, Himalaya, and the Rocky's all on Forest drive 500m from the Station and on the **Station, First Terraces**. They comprise 441 residential sectional title apartments and 31 retail spaces.

Named after mountain ranges because they will be the 'highest' buildings in the area, the developments comprise 3-storey walk-up units featuring apartments and duplexes in garden setting with landscaped walkways. All the developments will have **24 hour security**. **high security walls and a remote control electric gate entrance**.

The apartments range in price from R250 000 to R 499 000 while the retail shops will **sell from around R479 900 for a 45 square meter unit**. **be sold or rented by the Developer**.

The units also offer excellent investment potential with returns of around 8% because there is such a high demand for rental accommodation.

Another major plus factor is the area's close proximity to the excellent public transport. Eerste River station and taxi rank is one of the busiest in the country with substantial volumes of foot traffic, making it ideal for a retail and residential mix.

Soula Proxenos, Managing Partner of I H S says the project is a first of its kind for the area. "We are very excited to close our first deal in the Western Cape, and we have several more transactions we hope to close this year in the Cape.

"The developer, Frans De Jongh of Jumbo Properties 021 948 3333 is a well known civil contractor in the region. He brings over 20 years experience in the area as well as a birds eye insight into community needs and is providing homes

that are secure, modern and sophisticated. You can also view development at www.jumboproperties.co.za or www.tar.co.za .

“The retail component of the project will allow entrepreneurs to buy or rent retail sites in a prime location with major pedestrian and commuter traffic. ”

Proxenos says IHS partnered on this project after identifying the massive demand for and shortage of suitable housing in the area.

“IHS not only provides equity finance, but our research and global expertise allows us to minimise risk for the developer and our investors.

“We know the development will be a success due its proximity and easy access to various amenities including shopping centres, schools and various transport nodes.

“Another positive is that the product is the first of its kind for the area and will offer residents a new concept that will cater for its growing population.”

Joel Rosen IHS’s dealmaker for the project says regional market research shows the average asking price for rental accommodation in the area is between R3 000 and R3 500 per month.

“This makes significant financial sense for the buy-to-let investor which is very important target market for developments like this. Many employers in the area want to secure good accommodation for their staff and the investment potential makes a strong business case.

“The location is an excellent one - it is an area with a very active property market and high demand for townhouses. The units are priced correctly and well sized. The location of the development sites and their proximity to amenities and public transport is a strong selling point. Investors and buy-to-live owners will find value and the developments will do well.” Eersterivier is situated close to one of the biggest Industrial areas, Blackheath and Saxenpark. This is also close to the new Dreamworld Film City also being build in Eersterivier.

Building will commence shortly coupled to a sales launch of the units. The development will commence in phases with the first phase expected to be completed by year end.

Ends

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