



# Refurbishing inner city buildings for affordable housing



Invest in the repurposing of abandoned or underutilised office buildings to create good quality, affordable housing rental units.

## GEOGRAPHY



South Africa

Pretoria, Cape Town, Johannesburg and Durban



## NEED CASE

1.5 million families live in informal settlements. Over 70% of South Africans will live in urban areas by 2030.



**2.3M**  
housing backlog  
in 2019.

There is a significant need for affordable housing and traditional developments are unable to keep up with demand.

## POTENTIAL IMPACT

Contribute to economic growth and job creation, sustainable human settlements, access to basic services.

### SDG Indicators

**11.1.1.** Proportion of urban population living in slums, informal settlements or inadequate housing.

**11.3.1.** Ratio of land consumption rate to population growth rate.

**1.4.1.** Proportion of population living in households with access to basic services.

## BENEFICIARIES

South Africans that need access to affordable housing, Builders and contractors, Property entrepreneurs/owners, Property managers, Architects and engineers, local municipalities.



**INFRASTRUCTURE**  
Real estate



**RETURN PROFILE**

**15%** ROI in 2018.

Gross rental yield in city centers is 10.29%.



**MARKET SIZE**

There is a national housing deficit of

**2.3 million units**

In 2019, the cheapest, newly built house was estimated at US \$28K. The total investment opportunity is potentially billions of rands.



**TIMEFRAME**

**Medium to long term**

TUHF funds entrepreneurs with a 15-year loan. The total length of investment is 10 to 15 years.



**PARTNERS**

**Investors:** Human Settlements Development Bank, Intuthuko Equity Fund, The Jobs Fund, Gauteng Partnership Fund and National Housing Finance Corporation, First National Bank, International Housing Solutions, Residential Partners Partnership, European Investment Bank, Rural Housing Loan Fund, Social Housing Regulatory Authority, Public Investment Corporation.

**Companies:** South Africa Siyasebenza, The New Housing Company, TUHF, uMaStandi, Chartwell Group, Home Finance Guarantors Africa Reinsurance, Kuyasa Housing Finance Company, Ooba, SA Home Loans, The National Housing Finance Corporation and Select Advisors Limited.

**Public sector:** GreenCape, Habitat for Humanity International, Banking Association of South Africa, Ministry of Finance, National Treasury, National Credit Regulator, National Department of Human Settlements, National Home Builders Registration Council, National Housing Finance Corporation, National Urban Reconstruction and Housing Agency and Social Housing Regulatory Authority.

**Learn more** Access additional data about the enabling environment, risk factors, users & beneficiaries, and externalities in the South Africa SDG Investor Map dataset.