



GAUTENG PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA



GPF

GAUTENG PARTNERSHIP FUND

Catalyst for delivering sustainable human settlemen

2023



CONTENTS

1	GPF: 20 Years of Improving the Lives of Gauteng Residents	04
2	The Strategic Focus of the Gauteng Partnership Fund	10
3	MEC Foreword	14
4	CEO Reflection	18
5	Message from the Board Chairperson	22
6	A Message from the CEO of the South African Cities Network	26
7	Developer Profile: Renier Erasmus	27
8	Developer Profile: Patrica Tshitema	30
9	Developer Profile: Dandy Matamela	34
10	Funding Seminar Propels Affordable Housing Initiatives	38
11	Rental Housing and EEPF Fact Sheet	48
12	Social Housing and Student Accommodation Fact Sheet	49





GPF: OVER TWENTY YEARS OF IMPROVING THE LIVES OF GAUTENG RESIDENTS

The year 2022 marked the **20th anniversary** of the establishment of the Gauteng Partnership Fund by the Gauteng Provincial Government. The agency, led by CEO Ms Lindiwe Kwele, looks to partner with private and public external senior funding entities, such as commercial banks and other development finance institutions, to come up with innovative funding solutions that can be offered to property developers.

Operating in Gauteng means performing the unenviable task of addressing the province's housing backlog conundrum – put at 1.2 million people during the latest Gauteng Department of Human Settlements' budget vote. Figures by Statistics South Africa put the Gauteng population at an estimated 15,2 million people - just over a quarter (25,8%) of the country's population living in this province. Additionally, statistics suggest that around 1.55 million people moved into Gauteng between 2016 and 2021.

There are no signs of that slowing down, as people flock here for opportunities – economic, academic, or otherwise; thus there is a need for the acceleration of the delivery of quality, integrated human settlements in the province.

Accordingly, the GPF's mandate was expanded from implementing social and affordable housing to raising the capital needed for Mega Projects and overseeing their implementation, as well as the upgrading of informal settlements programme (UISP). The GPF is the custodian of the allocated annual budget for this programme and is therefore responsible for the processing of claims from the mega projects. This is critical, given the implications of lengthy delays on property developers' cash flow. The GPF pays validated invoices from developers within 48 hours -15 days and assists developers with cash flow to enable successful developments.

Mega Projects are critical because they deliver at least tens of thousands of residential units and place a greater number of people closer to economically active areas. The vision is to create a landscape in which everyone has access to socially and economically inclusive human settlements – places where people can live, work, and play. It is the government's aim to break away from sporadic, small, and isolated housing projects that still put people far from these opportunities. Mega Projects are also in line with the National Development Plan as well as the Gauteng City-Region strategy, which both aim to redefine future cities.

The MEC for Human Settlements, Urban Planning and COGTA, Lebogang Maile said: "Our role as government is to identify infrastructure project opportunities that can

draw in private sector investment, deal with systemic and structural challenges that are a hindrance to the construction sector playing its optimum role in economic recovery and development and remove any regulatory bottlenecks that frustrate infrastructure and human settlement projects."

The MEC added that the GPF exists to help with the "implementation of human settlement projects that will deliver maximum social return and attract, as well as enable greater private sector investment that has a catalytic effect on economic development and growth within the province as well as promote economic transformation". The upshot of these strategic focuses is that there lies a great opportunity for property developers to participate in the transformation of the living conditions of the people of this province.

Of pride for the agency is the creation of its Empowerment Entrepreneur Property Fund, which is a programme that has already stimulated the participation of previously disadvantaged individuals in the affordable rental property market. Only companies with 100% shareholding by historically disadvantaged individuals (or HDIs) qualify for this programme. The GPF recently launched a marketing campaign encouraging historically disadvantaged individual-owned companies, especially women and youth to apply for funding.

Since its inception, there are around a hundred companies in the programme of which 50 have secured projects, and around R500-million of government funding was made available toward funding projects within the programme. Our projects are located across the Gauteng Province within in-fill sites in areas such as the inner-city of

Johannesburg, Kempton Park, City of Tshwane North.

Access to funding has commonly been identified as a stumbling block for prospective property developers, yet according to CEO Lindiwe Kwele, the GPF has designed innovative solutions that afford adequate support to developers, while also ensuring financial integrity is maintained.

“On both a personal and overall organisational objective, we are very intentional about spatial transformation aimed at achieving social justice and the restoration of dignity to all the people of this beautiful country,” said Kwele.

She stated that the GPF offers interest rates that are very affordable compared with those of other mezzanine funders, and its 20-year term – as opposed to the 10-year terms of commercial bank loans – makes a significant difference to a developer’s cash flow over the course of the project.

Kwele said the GPF is the preferred partner to government, property developers, as well as co-funding partners, thanks to its long track record of promoting economic empowerment by offering preferential rates to BBBEE accredited developers, a variety of attractive products, as well as the job creation, and local economic development spin-offs stimulated by its funded projects.

The GPF has forged successful partnerships with institutions such as Futuregrowth, Trust for Urban Housing (TUHF), National Empowerment Fund (NEF) and the Public Investment Corporation (PIC) in co-funding projects. The Gauteng Partnership Fund has

directed over R2 billion towards affordable and social housing and has been able to leverage about R3 billion from the private and public sectors to support the delivery of various human settlements projects. The spin-offs of all this include job creation and local economic development. That is a track record that Kwele believes should inspire any developer or senior funder to work with the GPF.

She added that over the next five years, the agency is keen to investigate alternative financing mechanisms, engineer capital-raising mechanisms in partnership with the private sector, strengthen its strategic partnerships with other state institutions, as well as continuously improve efficiencies in its loan book management.

THE GAUTENG PARTNERSHIP FUND’S PRODUCTS:

- Empowerment Entrepreneur Property Fund – Programme designed to promote the participation of previously disadvantaged owned companies in the affordable rental property market. Only companies with 100% shareholding by HDIs are encouraged to apply.



rental housing entities that require additional funding for the project. The equity type loan enhances the debt-to-equity ratio for projects to enable lenders to finance on favourable terms. Any company or project Special Purpose Vehicle (SPV) with a recognised legal form that provides rental or delayed ownership schemes to households with monthly income less than R20 000 (adjusted according to Consumer Price Index). *[PICTURE & CAPTION: Evening Shade Properties]*

social housing institutions that require an equity injection to the project. The GPF equity enhances the debt-to-equity ratio for projects to enable lenders to finance on favourable terms. Any social housing institution or project Special Purpose Vehicle (SPV) with a recognised legal form that provides rental or delayed ownership schemes to households with monthly income less than R15 000 (adjusted according to Consumer Price Index).



Student Accommodation Fund – Developed for student accommodation service providers that require additional funding to the project. The mezzanine or junior type loan enhances the debt-to-equity ratio for projects to enable senior lenders to finance. Any company or project Special Purpose Vehicle (SPV) with a recognised legal form that provides student accommodation that conforms to the norms and standards of the Department of Higher Education and Training (DHET).





Is a new product introduced into the real estate market to address housing shortages and the formalisation of affordable rental developments in townships within the Gauteng province. **This programme aims to enhance the township economy by providing funding for the development of real estate housing in the township.** The funding provided is a loan that will have to be repaid within a specified period in line with the GPF funding policy.

Develop
your existing
township property
with **KASI 4 REAL**

WHAT IS THE OFFERING?

Kasi 4 Real is a programme designed to enhance the township economy through providing funding for your existing township development in Gauteng.

APPLICATION REQUIREMENTS

- You must be a resident of any township within the jurisdiction of Gauteng.
- You must be the registered title deed owner
- Residents who own land in the township and have space to build additional units in their backyard to develop affordable rental accommodation.



Gauteng Partnership Fund



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Gauteng Partnership Fund



GPF2002



www.gpf.org.za



For more information or to apply for funding contact: Ms Palesa Ramokone

CALL: 011 685 6600

EMAIL: kasi4real@gpf.org.za

SCAN CODE



THE STRATEGIC FOCUS OF THE GAUTENG PARTNERSHIP FUND

1. VISION

To be a partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng.



2. MISSION

To facilitate the development of integrated, sustainable human settlements for communities in Gauteng by:

- Raising and managing the capital required for the successful implementation of identified and sustainable human settlements;
- Serving as a turnkey property developer on strategic public land and providing management services; and
- Enhancing the lives of people in communities, while also providing investors and partners with sound financial returns.

The Gauteng Partnership Fund (GPF) was established in 2002 as an agency of the Gauteng Department of Human Settlement (GDHS) and was initially mandated to focus on social and affordable housing.

Both the GPF and the GDHS have since undergone several transformation processes in response to changing socio-political and strategic imperatives related to the delivery of housing and the establishment of human

settlements. As an agency of the GDHS, the GPF is accountable to the MEC who is also the Executive Authority of the GDHS. The mandate and strategic direction of the GPF is directly informed by the MEC and the Gauteng Provincial Government's Executive Council (EXCO).

Prior to the introduction of mega projects, the GPF's mandate focused on the provision of financial solutions for social and affordable

housing. This was successfully implemented, with over 20 000 social and affordable housing units having been delivered.

In 2017/18, the GPF was given the mandate to move beyond the affordable housing market to raising the capital needed for mega projects and overseeing its implementation. It is important to emphasise that the capital-raising element involves raising the funds required for the overall mixed-use development of mega projects (i.e., for human settlements as well as for social and economic amenities).

In 2019/20 (aligned with the priorities of the Sixth Administration of GPG), GPF's mandate was further extended to include the Upgrading of Informal Settlements Programme (UISP), and the implementation of the Rapid Land Release Programme (RLRP) in Gauteng.

In implementing its mandate, the organisation is bound to comply with and make a meaningful contribution to the strategic outcomes of the GDHS and thus to the GGT2030 Plan of Action and MTSF 2019-2024.

As a provincial public entity, the GPF contributes to the fulfilment of various Human Settlements priorities. Some of the priority human settlements delivery programmes of the GPF's mandate include:

- **Mega Projects:** This programme entailed a move away from delivering separate housing projects which, in many instances, are located away from economic activity or transportation hubs to the delivery of developments which could yield 10 000 or more units with mixed housing types to

cater for various housing market segments. The GPF has been mandated by the GDHS to serve as its capital-raising and implementing agent for the roll out of this programme. The capital-raising function of the GPF is sourcing the funding from the private sector and other development finance institutions, as well as donors. The GPF currently has in place an Implementation Protocol with the National Department of Human Settlements to deliver a minimum of 8 mega projects.

- **Rapid Land Release Programme (RLRP):**

The RLRP Programme aims to fast-track the release of serviced stands from state-owned land, to qualifying beneficiaries. The GPF was appointed by the GDHS as the implementation agent responsible to facilitate a process to acquire serviced stands on behalf of the department. These stands must be already serviced with all municipal engineering services (water reticulation, sewer reticulation, roads, stormwater, drainage systems and electrical reticulation); for allocation to qualifying beneficiaries.

- **Upgrading of Informal Settlements Programme (UISP):**

The upgrading of informal settlements is one of the strategic pillars of the Mega Project paradigm and has both a short- and long-term focus on issues relating to water and sanitation. The GPF was appointed for planning and implementation monitoring for the installation of water, electricity, sanitation, and access roads services for the upgrading of the identified 75 informal settlements within the metropolitan and district municipalities.



TAU VILLAGE

Location:

Tshwane

Background Information about the project:

Funded by Yeast City Housing, The Tau Village project entailed the reconstruction and refurbishment of a hotel as a mixed-use facility of 109 two-storey walk-up housing units. It is interesting to note that this development also includes accommodation for the aged and communal accommodation for girls at risk, and has upgraded commercial space on the ground floor. Moreover, the project has a drop-in centre and a childcare centre. Some R9-million in funding from the GPF and R21-million in cofunding saw the completion of the project in 2009.



THEMBELIHLE VILLAGE

Location:
Tshwane

Background Information about the project:

Approved under the social housing fund, the Thembelihle Village project is part of the City of Tshwane's Human Settlement Programme and the West Capital Project. The Thembelihle Village project rentals concentrates on the lower income groups with a monthly income of between R 2 250 and R 7 500 per month. This project has yielded 733 social housing units.



MEC FOREWORD



GPF
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Catalyst for delivering sustainable human settlements

The **Gauteng Partnership Fund** is an implementing entity of the Gauteng Provincial Government through the Gauteng Department of Human Settlements, in order to facilitate the accelerated delivery of sustainable housing units to the people of Gauteng as well as facilitate spatial transformation through the fast-tracking of human settlements project delivery.

The Gauteng Partnership Fund plays an important role in facilitating accelerated human settlements delivery in the human settlements value chain within the province through the establishment of strategic partnerships with the private sector and other key stakeholders within the sector, with the aim of creating innovative funding solutions and effective, efficient project implementation mechanisms as well as driving transformation of the sector within the province, which is an economic hub of both the country and the continent.

The Gauteng Partnership Fund's core mandate is to raise and manage the capital required in order to bring about the successful, expeditious implementation of identified human settlements projects within the province and it has a vision to be a *"partner of choice in catalysing the funding and development of integrated and sustainable human settlements in Gauteng"*.

The entity has a diverse product offering: rental housing fund, entrepreneur empowerment property fund, social housing fund, student housing fund, mixed-income housing development funding and the soon to be launched Real (Real Estate Access Lending) 4 Kasi product, which position it strategically as an investment driver for the province, given the catalytic impact of human settlements delivery on economic growth and development, particularly when looking at the backward and forward linkages of the sector.

Within the framework of a developmental state, development type entities and agencies such as the Gauteng Partnership Fund are significant contributors to improving public service infrastructure delivery and advancing developmental agendas worldwide. As we celebrate twenty years of the Gauteng Partnership Fund's existence, we seek to reposition and capacitate the entity so that it can bring about innovative project implementation mechanisms that bring together development finance institutions, local government, relevant provincial departments and private sector investors, with the aim of enhancing our capacity to drive spatial and socio-economic transformation within the province.

We remain committed to continue working closely with the private sector, development finance institutions, local government, and communities to ensure the timeous completion and delivery of human settlements projects across our province.

Lebogang Maile MPL

MEC: Human Settlements and Infrastructure Development



WATERSHED

Location:

Roodepoort

Background Information about the project:

Funded under the ambit of the student accommodation fund, Watershed entailed the acquisition of a farm which was developed to deliver 276 student accommodation rental units yielding 543 beds. The units boasts a kitchen on every floor. Students will have access to amenities such as laundry room, TV room, indoor games room, library, computer and a printing centre etc. Watershed was developed in line with the DHET guidelines and its located just 200m from the Monash Higher Institution of learning.



125 VILLAGE HUB

Location:
Tshwane

Background Information about the project:

The project entailed the acquisition of Erf 267 located on 125 Madiba street and converting into 210 affordable rental units. The development was co-funded with the National Empowerment Fund (NEF). This development is co-owned by Mr. Dandy Matamela and Mr. Contrast Nemvumoni.



CEO REFLECTION **TRANSFORMING** **HUMAN** **SETTLEMENTS:** *Celebrating over* *20 Years of Impact* *with the Gauteng* *Partnership Fund*

It is with great pleasure and a deep sense of pride that I present this commemorative book as the CEO of the Gauteng Partnership Fund (GPF). Having marked our 20th anniversary in 2022, we have reflected on our journey, achievements, and the transformative impact we've had on human settlements in Gauteng.

Over the past two decades, the GPF has remained steadfast in its commitment to being a partner of choice in catalysing the funding and development of integrated and sustainable human settlements. We have worked tirelessly to fulfil our mandate, which aligns closely with the strategic priorities of the Gauteng Department of Human Settlements (GDHS) and the broader government objectives.

Our journey has been characterised by significant milestones. We have made great strides in achieving our targets and delivering on our mandate. We have crafted and adopted a new strategy and business model, laying the foundation for our future endeavours. Additionally, we have successfully executed, and managed various mega projects assigned to us by the GDHS, contributing to the realisation of strategic human settlements objectives. GPF has proven to be a key player in the facilitation of affordable housing developments for Gauteng Province.

At the heart of our work lies the mobilization of resources, both financial and technical, to fund

and execute crucial projects. We have fostered funding partnerships with various private sector companies, leveraging their expertise and resources to drive our initiatives forward. Furthermore, our strategic partnerships with other sister state entities within the human settlements space have allowed us to synergize efforts and enhance the impact of our interventions.

In line with our vision, we have placed a strong emphasis on broadening the involvement of historically disadvantaged groups and empowering small, micro, and medium enterprises (SMMEs). By dedicating a significant portion of our capital budget to SMMEs, we are not only catalysing economic growth but also promoting inclusivity and gender equality. We take pride in the fact that our operations have created a total of 4960 jobs, contributing to the socio-economic development of communities.

Looking to the future, our 5-year strategic plan sets a clear trajectory for our organisation. We remain focused on executing the Mega Projects Fund mandate and exploring new possibilities for human settlements projects. Additionally, we are actively seeking alternative funding opportunities and capacity building mechanisms to strengthen our impact. We continually appeal to all partners to join GPF as we implement our strategic interventions. We are more than ever keen to see new players (developers and investors) who are interested in funding and developing affordable housing rental units.

As we move forward, we are cognizant of the challenges we face. Inward migration patterns and the growing demand for integrated human settlements pose formidable obstacles. However, we are undeterred in our commitment to finding innovative solutions and leveraging partnerships to overcome these challenges. GPF is now well poised to drive its strategy much more aggressively over the next five years. This entails proactively sourcing housing development projects in the province, packaging them and going to market to raise suitably structured senior funding instruments.

I extend my heartfelt gratitude to the founder the MEC of Human Settlements, the GDHS, GPF Board, management, and staff for their unwavering dedication, expertise, and hard work. Our accomplishments would not have been possible without their tireless efforts. I also extend my appreciation to our partners, stakeholders, and the Gauteng community for their continued trust and support. Together, we are transforming lives and creating sustainable communities. In closing, I express my utmost optimism for the future of the GPF. Our journey continues, guided by our unwavering determination, strategic vision, and the commitment to providing housing, security, and comfort for all. With the continued collaboration and support of our stakeholders, we will navigate the challenges ahead and achieve even greater milestones in the years to come.

Sincerely,

Lindiwe Kwele

Chief Executive Officer

Gauteng Partnership Fund



AFRI - VILLAGE

Location:

Rand West Local Municipality

Background Information about the project:

Funded under the ambit of the student accommodation fund, Watershed entailed the acquisition of a farm which was developed to deliver 276 student accommodation rental units yielding 543 beds. The units boasts a kitchen on every floor. Students will have access to amenities such as laundry room, TV room, indoor games room, library, computer and a printing centre etc. Watershed was developed in line with the DHET guidelines and its located just 200m from the Monash Higher Institution of learning.



DAN TLOOME

Location:

Rand West Local Municipality

Background Information about the project:

The Dan Tloome Mega Project is found in the Rand West Local Municipality. It will deliver 22 101 Mixed Housing Opportunities with mix tenure (rental and ownership) with socio-economic amenities.



MESSAGE FROM THE BOARD CHAIRPERSON

EMPOWERING COMMUNITIES, ENABLING GROWTH:

Commemorating Over 20 Years with the Gauteng Partnership Fund

It is with immense pleasure and pride that I present this publication, marking a significant milestone in the journey of the Gauteng Partnership Fund (GPF). As we look back on our 20-year journey, we celebrate the significant strides we've made in promoting integrated and sustainable human settlements throughout Gauteng. Our unwavering commitment to empowering communities and enabling growth has positioned us as a trusted partner in the realization of the province's housing objectives.

Since its inception, the GPF has continuously evolved, adapting to the ever-changing landscape of housing delivery and development. With each passing year, we have strived to refine our strategies, enhance our capabilities, and deepen our impact. Today, we stand as a dynamic organisation, ready to tackle the complex challenges facing our province.

In the 2017/18 financial year, the GPF embarked on implementing its revised mandate, focusing on the assessment of implementation readiness for various phases of mega projects. This marked the beginning of our transformative journey as a property developer, responsible for managing GPG strategic property assets and serving as a turnkey developer for identified mega projects on designated GPG land.

The significance of our work cannot be overstated. The GPF is an essential contributor to the human settlement outcomes and targets outlined in the Medium-Term Strategic Framework (MTSF) 2019-2024 and the Growing Gauteng Together 2030 (GGT2030) Plan of Action. Our success will be measured by the impact we make in Priority 3 - the Integration of Human Settlements - of the GGT2030, as we strive to transform apartheid cities into connected, liveable, smart, and green spaces through our Mega Projects Programme. In doing so, we play a crucial role in realizing the Gauteng Provincial Government's commitment to spatial transformation, township economic revitalization, and substantial infrastructure investment.

I am honoured to lead a dedicated and experienced board that is deeply committed to supporting the GPF's mission. We understand the importance of our role as the capital-raising and implementing agent for identified mega projects and key housing delivery programs in the province. We recognize the potential of these initiatives to uplift communities, enhance socio-economic opportunities, and create a better future for all Gauteng residents.

In this publication, you will find a comprehensive overview of our achievements, challenges, and future plans. It is a testament to the hard work, perseverance, and collective effort of our entire team, as well as our invaluable partners and stakeholders. Together, we have made significant strides, delivering on our mandate, funding critical projects, fostering public-private collaborations, and empowering communities.

As we embark on the next phase of our journey, we remain steadfast in our commitment to excellence, innovation, and accountability. We will continue to develop our capabilities, strengthen our capacity, and upscale service delivery to serve our province and its people more effectively. I extend my deepest gratitude to our dedicated staff, our esteemed partners, and the Gauteng Department of Human Settlements for their unwavering support and collaboration. Together, we will shape a future where every person in Gauteng has access to quality housing, secure tenure, and improved living conditions.

I invite you to delve into the pages of this commemorative eBook, celebrating 20 years of transformative impact and envisioning the path ahead. Together, let us build a Gauteng that is prosperous, inclusive, and sustainable for generations to come.

Sincerely,

Mr. Craig J. Cornish
Chief Executive Officer
Gauteng Partnership Fund



HIGHLANDS URBAN LIVING

Location:

Johannesburg

Background Information about the project:

Funded under the Rental Housing Fund, Highlands Urban Living was developed in three phases. This development has yielded 210 new affordable housing units which will be leased to beneficiaries earning less than 15 000. This project is well located as it has excellent access to all the highways in and out of Johannesburg. It is close to all amenities and is a focus area for rejuvenation for the JDA.



REHOBOTH HILLS

Location:
Ekurhuleni

Background Information about the project:

Bixowise is one of the first few selected companies to be selected in 2010 for funding under the ambit of the Entrepreneur Empowerment Property Fund which was also just launched. This project owned by 2 HDIs is located in Primrose Hill, Ekurhuleni. It has yielded 12 1 - bedroom units and 2 - bedroom units.



COMMEMORATING OVER 20 YEARS WITH THE GAUTENG PARTNERSHIP FUND

A MESSAGE FROM THE CEO OF THE SOUTH AFRICAN CITIES NETWORK

Over the years, the GPF has had undeniable accomplishments in the spatial transformation of the Gauteng City Region through the funding and implementation of integrated and sustainable human settlement developments. Driven by a singular desire for excellence in meeting the human settlements needs of the Gauteng City Region, the GPF has developed critical skills and competencies in fundraising and investment facilitation; project preparation and funding packaging; project financing; and project implementation, coordination and financing. The ability of the GPF to leverage strategic partnerships has been a hallmark of how it has grown and effect meaningful and sustainable change in an otherwise complex operating environment. As the SACN, we have witnessed this progressive form of partnership with the recent co-hosting of the 2022 Urban Festival.

As the SACN, we are committed to working with the GPF on how to meaningfully manage urbanisation and deliver improved living conditions for the people of Gauteng. Undoubtedly the challenges ahead are daunting, but by working in partnership, we should be able to reverse the spatial legacies of the past. With both organisations reaching the 20-year mark of existence in 2022, we have the skills, competencies, and energy to drive impactful change.

Thank you very much, and I wish the GPF all the best in its future years of existence.

Yours Sincerely

Sithole M. Mbanga

CEO: South African Cities Network

DEVELOPER PROFILE



Renier Erasmus
Madulammoho

How did you enter the property industry?

In 1999 MES and the Trust for the homeless started the first Transitional development in Johannesburg and was working for MES as the operation's manager. In 2005 I started Madulammoho Housing Association to deliver Social Housing units to people in very low-income categories in Hillbrow. From there we opened projects in Soweto, Fleurhof, and Cape Town. Today we own and manage 2600 Social Housing units.

What are the major challenges that you faced?

Finding the correct property at the right price will make Social Housing units feasible. Social Housing also has a very specific tenant management approach with external factors not associated with open market units. These include political influences, education and understanding levels of tenants, and the cost of municipal services against low rental levels.

How did you find out about The Gauteng Partnership Fund?

I found out about GPF through various networking events and workshops.

In short, what was the process that you followed to obtain funding?

Firstly, the project needs to be approved by the Provincial Steering Committee, then it must be approved for funding by the SHRA with the CCG. During this time, we would submit a funding proposal to the GPF with a sustainable and feasible financial plan.

What does the future hold for your company?

We are developing 205 new units in Maitland, Cape town and we are packaging a further 510 units in Belhar, Cape Town for 2025.

What are the main skills required to become a property developer?

Vision, planning, and patience.



JABULANI VIEWS

Location:
Soweto

Background Information about the project:

Funded by madulamoho Housing Association, the Jabulani residential development is a part of the larger Jabulani CBD development consisting of an amphitheatre, a retail centre and a commercial or office development. The proposed development is part of a greater development plan for the greater Soweto area. The project is adjacent to the Jabulani Mall, with several schools and clinics in a 3km radius. The development will consist of 140 single-bedroom units of 30m² each and 160 units of 40m² each, with two bedrooms and a bathroom.



FLEURHOF VIEWS

Location:

Roodepoort

Background Information about the project:

Funded by Madulamoho Housing Association, the Fleurhof Extension 2 residential development in which the Fleurhof Views project is located was strategic, because the development is the result of a partnership between the City of Johannesburg and Calgro M3, the landowner and turnkey contractor. The development is viewed as an infill project connecting Soweto with Florida via the proposed Westlake Road. Fleurhof Extension 2 is an integrated housing project consisting of fully subsidised housing, social housing (with rental opportunities) and bonded housing. It is anticipated that the development will unlock further land for development in the area owing to the infrastructure installed. The total cost of the project development was some R77.8-million, with the GPF funding the project to the amount of just over R23-million.



Patricia Tshitema Bono Property Development

UNVEILING THE TRAILBLAZING JOURNEY OF MS. TSHITEMA IN PROPERTY DEVELOPMENT

Q1: What motivated you to get into property development and how did it all begin?

A: I've always envisioned creating sustainable employment opportunities and leading youth empowerment efforts. In 2017, my husband and I were stumped by our 6-year-old daughter's question: "Why are we not rich?" That innocent query sparked a new way of thinking.

We were already interested in property investment and had sold smaller properties profitably. With a foundation in place, all that was needed was the right training and mentorship. Thus began our transformative journey into property development and investment.

Q2: What are the early challenges that you encountered as a woman in the property development space?

A: Early on, it was clear that there were few women in property development. Often the sole woman in meetings, I consistently reminded myself of my purpose and pushed through. Trust had to be earned in a male-dominated industry, prompting me to enhance my knowledge, contribute substantively, and persevere in discussions.

We faced neighbourhood opposition and the curveball of a pandemic. Yet, I must express gratitude to the supportive men I encountered during our flagship project, "Opal Students Apartments." Their respect and collaboration eased my path in this challenging realm.

Q3: Tell us how you came to know about the GPF and its product offering.

A: The introduction to GPF came from Mr. Dandy Matamela of MUMA Architects, a mentor guiding me through property development. Enrolled in his mentorship program, I glimpsed the potential of property investment. GPF aligned perfectly with my aspirations. My focus on GPF was driven by the Entrepreneur Empowerment Property Fund (EPPF), designed to empower previously disadvantaged entities in the affordable rental property market. GPF opened the door for individuals like me, especially black women, to enter and thrive in property development and investment.

Q4: In what areas has the GPF assisted you to ensure that the development of your project runs smoothly?

A: Our flagship project faced the challenge of COVID-19 amid rising material costs and supply disruptions. GPF played a pivotal role, offering not just financial support but a responsive approach. Timely milestone claims and payments ensured the project's continuous progression. GPF's presence in project meetings helped address

and mitigate challenges. The 12-month project was completed in 10, thanks to GPF's availability and support. This intentional partnership facilitated the creation of a cutting-edge student accommodation facility.

Q5: Why did you choose to focus specifically on student accommodation?

A: The aftermath of the #FeesMustFall movement revealed a dire need for student accommodation after a surge in enrollments. Having experienced housing struggles myself and being a staunch youth advocate, the path was clear. @opalstudents was born, offering purposeful student living spaces that fostered development, empowerment, and community.

Q6: Your project was completed two months ahead of schedule, during the COVID-19 pandemic. What advice would you give to other property developers who struggle with timelines?

A: My advice is hands-on involvement. Understand every project stage intimately, work closely with the project team, and be ready to tackle challenges head-on. Don't rely solely on progress reports; immerse yourself.

Appoint the right project team, demand accountability, and maintain a clear project plan. Projects don't always adhere to schedules, so understanding and adaptability are key. Know your project better than anyone, and success will follow.

Q7: How would you like to see more women empowered in a field that has been traditionally dominated by men?

A: I envision a future where women play a larger role in the property space. Women's economic empowerment must be a realized goal, not just a policy. This calls for mentorship, networking, and support structures to propel women forward.

True gender equality includes addressing land rights and governance. Women must have access to resources, funding, and opportunities. Government, along with community leaders and private funders, should collaborate to accelerate women's empowerment and make it an enduring reality.

Q8: Raising capital for a project is intimidating. How did you go about raising your equity and what advice would you give others who want to do the same but don't know how?

A: Raising equity was daunting, especially for an inexperienced woman. Mentorship played a pivotal role; mentors connect you to potential investors and advocate on your behalf. It's essential to learn the industry inside-out and knock on doors fearlessly. Trust comes with experience, so having mentors who've walked the path is crucial. The journey may involve failures, but persistence is key. Seek investors who believe in your vision, and remember, success often follows a mix of resilience and learning from setbacks.



BONO

Location:
Naturena

Background Information about the project:

Funded under the student accommodation fund, Bono consisted of the development of two storey residential building comprising of 94 units yielding 376 beds. This development is targeting students from the University of Johannesburg's Soweto Campus. It is co-owned by a woman and a male who are both HDIs.



GOLDEN PUPIL

Location:
Soweto

Background Information about the project:

Funded under the student accommodation fund, golden pupil is a greenfield development which consists of 35 units and has delivered 140 beds. The project is located on Dynamo Street less than 1km away from the UJ Soweto Campus



A DECADE OF VISION AND RESILIENCE: A CONVERSATION WITH A PIONEER IN PROPERTY DEVELOPMENT

In the dynamic landscape of property development, one individual has stood as a beacon of innovation and tenacity for over a decade. With an unwavering commitment to reshaping the urban fabric and creating spaces that resonate with both aesthetics and functionality, this luminary's journey through the corridors of architecture and development is nothing short of awe-inspiring.

Q: Your journey in the realm of property development spans more than a decade. Could you kindly share with us the odyssey that led you to your current stature?

A: Ah, where to begin? If ever there was a personification of "staying true to one's calling," it might well be me. It all began in 2005 when I founded "Dembe Studios" at the age of 24 – an endeavour that was short-lived but served as a catalyst for my future undertakings. Amidst a series of partnerships and ventures, the emergence of "Muma Construction" in 2006 marked a pivotal moment. From that point, our ethos of innovation guided us as we embarked on designing and constructing homes for the middle-income demographic, pushing the envelope with innovative materials and designs even before such practices became commonplace.

Dandy Matamela Property Developer

Q: Your dedication to innovation is palpable. Could you provide us with insights into the ground-breaking approaches you've embraced in your projects?

A: Certainly. Innovation has been the cornerstone of our journey. Take, for instance, our use of Hydraform bricks to extend a Naturena residence in 2006 or the Neo-lite bricks, fashioned from recycled flying ash, for a 540sqm double-storey house in Bendor Polokwane. These choices exemplified our drive to think beyond the conventional. Even in recent times, we've employed Hydraform in an 8-storey urban marvel in Tshwane Central. A more recent innovation involves using fauxing on walls instead of traditional plaster and paint, a cost-effective yet stunning solution that has been a lifesaver for projects adversely affected by the Covid-19 crisis.

Q: Your journey appears to have been a tapestry woven with diverse experiences. Could you delve into the moment you recognized your desire to tread the path of property development?

A: The allure of property development captivated me early on, as evidenced by my first venture into the field in 2007 with the creation of 17 townhouses under "CoMU Properties." This marked my official entry into the world of development, a turning point that would reshape my trajectory.

Q: Your involvement in both design and development sounds exhilarating. Can you elaborate on your experience designing your inaugural building?

A: Designing and building my first development, "Villa Savoye," was an exhilarating experience. At 25, the prospect of architecting and crafting my own project,

from conception to construction, was both exhilarating and daunting. It was a moment where figures like R12 million took on a life of their own. Little did I know, that was just the commencement of value creation and appreciation.

Q: Funding has often been a hurdle in property development. How did you navigate this aspect, particularly securing senior backing for your projects?

A: Funding, an eternal challenge, often requires strategic manoeuvres. In our initial venture, "Villa Savoye," Business Partners provided the needed capital, requiring my partner and me to inject equity. The experience underscored the significance of financial partnerships in propelling our projects forward.

Q: Your connection with the GPF has been noteworthy. Could you expound on your interaction with the organization and the lessons you've assimilated through the years?

A: My journey with GPF is a tapestry woven with "firsts." From becoming the CEO of Yeast City Housing through a capacitation grant, to pioneering applications under the Economic Empowerment Property Fund, GPF's role has been profound. Lessons gleaned include fostering value creation and capturing it, persevering in times of uncertainty, and realizing that sometimes courage and foolishness aren't very different.

Q: In your recent endeavour, the development of 125 Village, what insights emerged that left an indelible impression?

A: The transformation of an aging structure into 125 Village showcased the resilience inherent in both architecture and humanity. The endeavour, initiated prior to the pandemic, witnessed the unwavering determination of a team united by a shared purpose, even when financial logic seemed to elude us.

Q: Challenges inevitably arise in every venture. How did you overcome the obstacles faced during the development of 125 Village?

A: Cost overruns, often rooted in the unexpected, proved to be a central challenge. Covid-19's impact further complicated matters, straining resources and spirits alike. Yet, perseverance, innovation, and a shared sense of purpose enabled us to surmount these hurdles.

Q: What is it about the property sector that ignites your enthusiasm?

A: Property development holds the power to address current needs for shelter while paving the way for a more sustainable future. Its dual role in solving immediate concerns and shaping the legacy of urbanization is a source of perpetual excitement.

Q: For those aspiring to step into the world of property, what wisdom would you impart?

A: The property sector is an empowering realm, capable of translating aspirations into tangible realities. Opportunities abound, funds exist, and creative thinking flourishes. The adage "don't wait until you have all the money" resonates – courage to commence can lead to remarkable achievements. And remember, the core is not just monetary gain, but creating happiness and legacies that money follows.

Q: Your commitment to nurturing the next generation is admirable. Could you shed light on your role in shaping emerging property developers?

A: Muma Investments has fostered over 140 candidates, nurturing them into developers and practitioners, and propelling them towards their first ventures. Accredited courses and equity platforms have provided avenues for growth, demonstrating our steadfast belief in nurturing talent and ensuring deals succeed.



NELISA

Location:
Windsor West

Background Information about the project:

Funder under the Entrepreneur Empowerment Property Fund, Nelisa consist of a three storey walk-up development comprising of 30 two bedroomed units offering convenient, secure and aesthetically appealing environments. It is owned by 2 historically disadvantaged HDIs



EPITOME

Location:
Kempton Park

Background Information about the project:

Funded under the EEPF (Entrepreneur Empowerment Property Fund), Epitome is co-owned by a women and a male whom are both 100% HDIs. The project included the development of Erf 77 into 26 two bedroom affordable rental units in Kempton Park.



GAUTENG PARTNERSHIP FUND'S FUNDING SEMINAR PROPELS AFFORDABLE HOUSING INITIATIVES THROUGH STRATEGIC PARTNERSHIPS

Sandton, March 29, 2023—

The Gauteng Partnership Fund (GPF) achieved resounding success with its inaugural funding seminar, attracting key stakeholders from both the private and public sectors. The event, held under the theme *"Twenty years in delivering affordable housing through strategic partnerships,"* showcased the GPF's achievements and reinforced its commitment to addressing the pressing housing shortage in the province of Gauteng.

With an estimated housing backlog of 1.2 million amidst a steady influx of hundreds of thousands of people into Gauteng each

year, it has become evident that traditional government budgets alone cannot meet the demand for housing. The GPF recognizes that forging partnerships with the private sector is instrumental in overcoming this challenge. As an agency of the Gauteng Department of Human Settlements, the GPF celebrates its 20th anniversary this year. Over the years, it has harnessed the power of collaboration between the private and public sectors to accelerate the delivery of affordable rental housing. Impressively, the GPF has secured over R3 billion in leveraged funds from private and public sources, with more than R2 billion directed towards vital affordable housing projects.

During the funding seminar, Lindiwe Kwele, the CEO of the GPF, emphasized the organization's financial prudence and exemplary governance, boasting a clean financial audit record for the past 13 consecutive financial years. She highlighted the significance of maintaining a positive reputation to attract new investors and foster strong partnerships with existing investors, bolstering investor confidence in the GPF's initiatives.



The GPF has successfully collaborated with renowned entities such as the Public Investment Corporation and Future Growth, solidifying its expertise in fund management. Furthermore, its extensive experience in structured financing, including bridging finance, term loans, equity-type investments, and institutional subsidies, has positioned the organization as a trusted partner in the field of affordable housing.

The funding seminar featured a distinguished panel of speakers, including Azola Mayekiso, the newly appointed CEO of the National Housing Finance Corporation; Zama Khanyile, Divisional Executive for Venture Capital & Corporate Finance at the National Empowerment Fund; Lusanda Netshitenzhe, CEO of TUHF21; Lizanne Hennop, Manager of the Property Development Service Unit at Urban-Econ; Dr. Prisca Kasanhayi-Simbanegavi, Senior Lecturer at Wits University; Mandy Jayakody, Director at Aquila Projects, and Shiraaz Lorgat, Acting Chief Investment and Development Officer at the GPF. Their insights and expertise enriched the discussions on impact investment and how the GPF has become a preferred partner for driving positive change through strategic alliances.

The panel, consisting mainly of government-sponsored institutions, noted the opportunity for its combined resources to be augmented by the R9 trillion assets under management in the retirement fund sector. National Treasury recently amended Regulation 28 of Pensions' Fund Act, 1956 which provides investment limits per asset class. The massive increase to 45% in the allocation to infrastructure, which includes social infrastructure of which affordable housing is a subset, provides an opportunity for pension funds to get exposure to this asset class through partnerships with institutions such as GPF.

A notable highlight of the event was the opportunity for property developers to share their success stories, showcasing the transformative impact of GPF-funded projects. Furthermore, aspiring developers seized the chance to seek advice on accessing funding for their own initiatives.

Daniel Molokomme, Deputy Director General for Planning & Property Management at the Gauteng Department of Human Settlements, emphasized the GPF's pivotal role in providing housing units for students and social housing. Molokomme affirmed that the GPF is collaborating closely with higher education institutions to tackle the urgent challenge of student accommodation, working towards a sustainable solution.

Kwele concluded by emphasizing the GPF's status as the preferred partner for government, property developers, and co-funding institutions. The organization's track record of promoting economic empowerment, offering preferential rates to Broad-Based Black Economic Empowerment (BBBEE) accredited developers, an array of attractive products, and stimulating job creation and local economic development through its funded projects have solidified its reputation as a trusted ally.

As the GPF charts its path forward, this successful funding seminar has invigorated its mission to forge impactful partnerships and drive innovative solutions, aiming to make affordable housing a reality for all in Gauteng.



Catalyst for delivering sustainable human settlements





ORDICODE

Location:

Johannesburg

Background Information about the project:

Funded under the (EPPF) the project included the acquisition of Erven 2242, Erf 2243, Erf 2248 and Erf 2249 Johannesburg, located on 85 Wolmarans Street in Braamfontein; and redeveloping it into 39 housing units comprising of 9 bachelor units, 24 one bedroom units and 6 two bedroom affordable residential units and a ground floor retail space. This development is well located with easy access to M2 highway is within a walking distance to Gautrain Station, Rea Vaya Bus Station, Johannesburg Park Station and taxi rank and other amenities. This project is owned by a woman.



BERTRAMS MEWS

Location:

Johannesburg

Background Information about the project:

This project, located in the historic Bertrams suburb of Johannesburg, is strategically positioned near major sporting facilities and educational institutions. Situated less than 500m from the University of Johannesburg Doornfontein Campus and close to a Rea Vaya station, the project provides student accommodation – specifically, it includes 57 self-contained 2-bedroom units, totalling 228 beds.

The development, spearheaded by Proxisol (Pty) Ltd—a joint venture between Thebe Property Asset Management (TPAM) and Devco Holdings—comes at a total cost of just over R31 million. The project aligns with the vision of fostering accessible and quality student accommodation in a vibrant and educational-centric neighbourhood.



EABLE PROPERTIES

Location:

Tshwane

Background Information about the project:

This project was funded under the ambit of the rental housing fund. It consists of 4 block of two storey units which have yielded 100 two bedroom units. This developed is owned by 2 HDI's



STORMSTRONG

Location:

Johannesburg

Background Information about the project:

In March 2014, the GPF invited the seventh group of Historically Disadvantaged Individual ("HDI") owned companies to participate in a dedicated Entrepreneur Empowerment Property Fund (EPPF) programme, which is aimed at encouraging HDI-owned companies to participate in the affordable housing rental market, through ownership of residential rental portfolios. Stormstrong is among the 24 HDI-owned companies that were selected to be part of the EPPFP. Stormstrong (Pty) Ltd is 100% owned by Ms Onnica Lesego Monnakgotla, a historically disadvantaged individual (HDI).

Aligned with GPF's mandate, the project focuses on providing affordable housing for beneficiaries earning below R18,000.00. Co-funded by the Public Investment Corporation, the project comprises 22 affordable residential units, contributing to the vision of empowering historically disadvantaged individuals in the property sector.



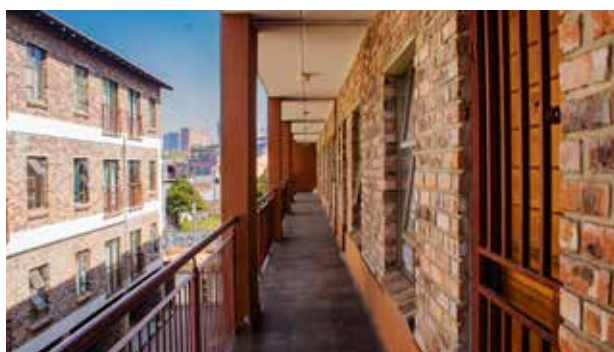
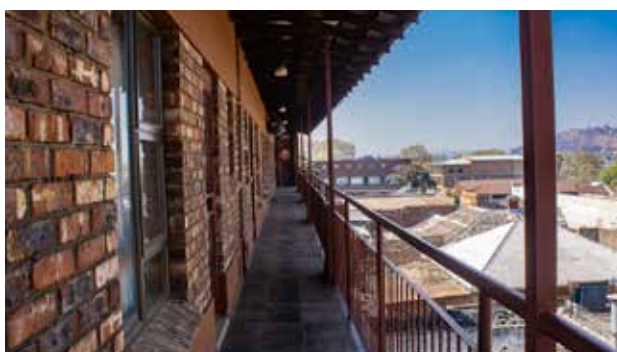
ELIJAH BARAYI

Location:

Merafong City Local Municipality

Background Information about the project:

The project entailed the acquisition of Erf 267 located on 125 Madiba street and converting into 210 affordable rental units. The development was co-funded with the National Empowerment Fund (NEF). This development is co-owned by Mr. Dandy Matamela and Mr. Contrast Nemvumoni.



CERTUM ESTATE 130

Location:

Johannesburg

Background Information about the project:

Established with a clear vision, the borrowing entity is dedicated to investing in inner-city affordable housing. A significant milestone was reached in 2006 when the company acquired the Ellis Park Hotel, undertaking an extensive refurbishment exceeding R2.5 million. The outcome was a three-story apartment block featuring 30 thoughtfully designed two-bedroom, one-bathroom units.

Strategically positioned, the development stands near the Rea Vaya bus station and taxi route, enhancing its appeal to commuters seeking convenience. The total project cost, inclusive of capitalised interest, was just over R10 million, reflecting a comprehensive investment in creating quality, accessible housing in the heart of the city. This initiative not only transforms a historic space but also contributes to the broader goal of fostering sustainable and affordable living options in urban environments.



EMPOWERMENT ENREPRENEUR PROPERTY FUND (**EFPF**) FACT SHEET

Funding Breakdown

EFPF has 48 live projects of which 38 are completed projects with 37 that have acquired occupational certificates and 1 has temporary OC.

Projects	Approved	Completed	Under Construction	Pre-Construction
Number	48	38	5	5
Units	2420	2039	220	161
Amounts	R 511 532 340 .00	R411 471 929,00	R 67 994 868	R 32 065 543

Rental Housing Fund Fact Sheet

Projects	Approved	Completed	Cancelled	BEE %
Number	43	35	8	61% of projects have majority shareholding
Units	4124	3408	716	
Amounts	R 411 436 614	R 335 958 674	R 75 477 940	

SOCIAL HOUSING FUND FACT SHEET

The GPF has facilitated (through the management of the Institutional Subsidy programme) and financed 24 Social housing projects. This represents approximately 6 900 social housing units completed.

The GPF has currently 11 Social Housing projects on the loan book accounting for 3260 units. Total loans approved for the 11 projects is R206 million.

Student Accommodation Fund Fact Sheet

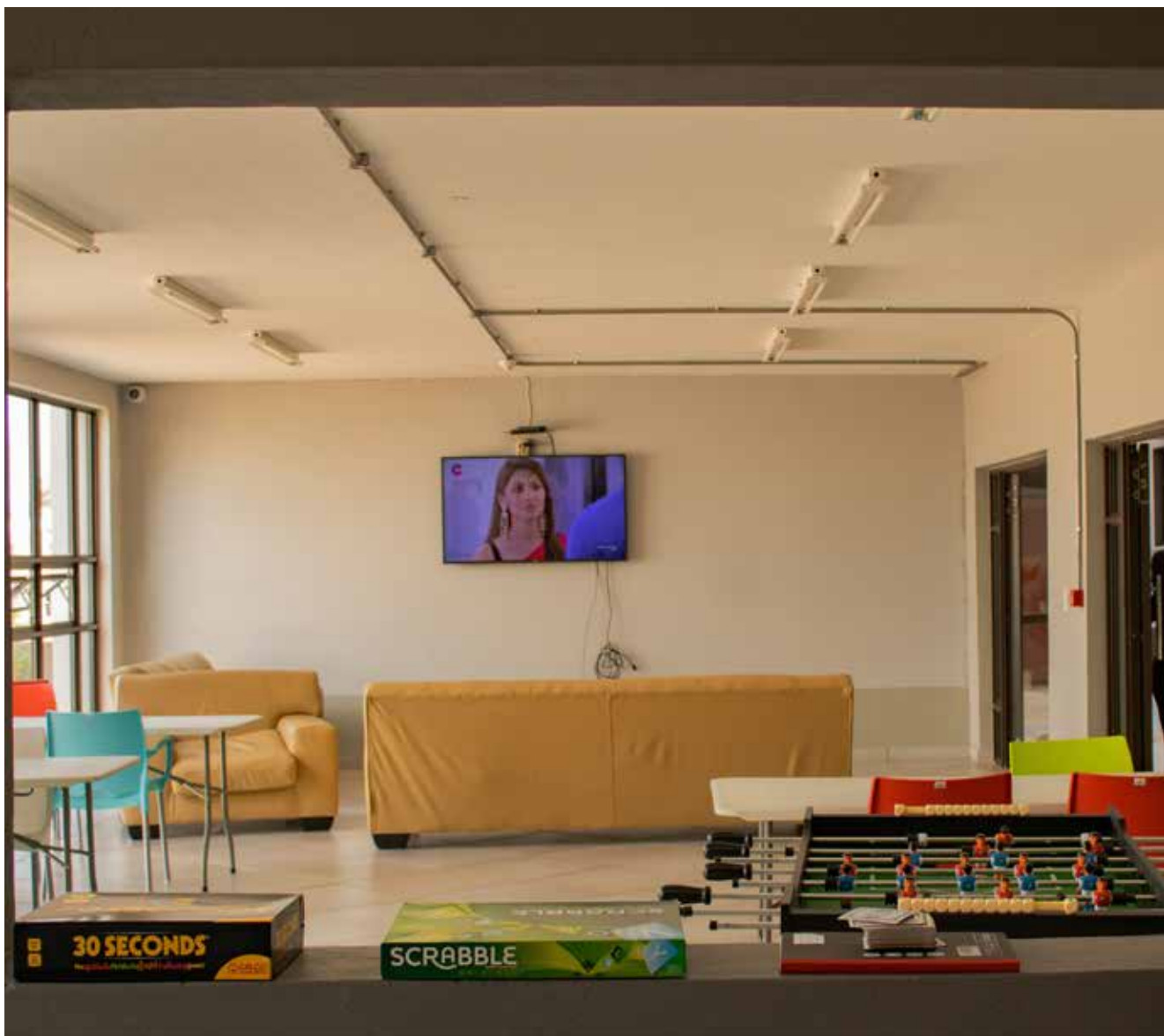
Participation Breakdown

The Student Accommodation Fund has 20 approved projects:

- Predominantly Male Shareholding – 12 projects
- Predominantly Female Shareholding – 3 projects
- Mixed Shareholding – 5 projects
- 100% BBBEE Shareholding – 17 projects
- Youth Shareholding – 2 projects

Projects	Approved	Completed	Under Construction	Pre-Construction
Number	20	9	5	3
Units / Beds	1397 / 4762	726 / 2455	517 / 1557	97 / 534

Total loans approved for the 20 loans is R272 million.







GAUTENG PROVINCE
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

