

Recent investments in affordable rental accommodation

Authors: Kearon Gordon, Investment Analyst

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Futuregrowth, as a capital provider, has recognised for some time that it can make a positive contribution to this sector on behalf of its clients. This is a fundamental investment thesis that underpins the various investments we have made in the affordable rental accommodation sector.



Our most recent investment in the sector is in the **Divercity Urban Property Fund**, a property investment company that focusses on affordable rental apartments in and around the Johannesburg CBD. Through the acquisition and redevelopment of existing properties, and the development of new ones in a precinct approach, the fund has uplifted and regenerated large parts of the CBD.

Divercity's precinct philosophy has also enabled it to create a safe environment with abundant amenities for residents. Businesses operating in the commercial spaces in the precinct also benefit, with a vibrant tenant base to support their growth. Many of the properties' tenants would otherwise have been forced to continue living on the urban periphery, enduring long commutes into the CBD for work. Divercity recently welcomed a major new investment from a foreign development finance organisation that will position it to continue building its portfolio and the footprint of affordable accommodation in Johannesburg and beyond.



Africrest Properties, another of Futuregrowth's more recent investee companies, follows a slightly different approach to Divercity, while playing an equally important role in providing quality rental accommodation in the Gauteng market. The Africrest team has developed unique market insights to identify up-and-coming residential nodes. Leveraging insights from their commercial property portfolio, they identify

commercial properties in nodes that lend themselves to redevelopment into residential accommodation. While typically offering accommodation at a higher price point than inner-city rental accommodation providers such as Divercity, the Africrest properties are competitively priced and provide access to accommodation in areas close to major employers and commercial hubs, where their tenants may not otherwise be able to live.

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