



Commercial property finance – affordable housing development

The Orlando Ekhaya housing precinct development is a project in the heart of Soweto, Johannesburg. It aims to address the housing shortage in the city by providing formalised and quality affordable housing while promoting economic development and job creation.

The development is situated along the Chris Hani transport corridor close to the Orlando Dam, Chris Hani Baragwanath Hospital, the University of Johannesburg Soweto Campus, Bara taxi rank and Bara Mall. It forms part of a broader investment initiative driven by the City of Johannesburg that intends to transform the area into a growth node. Aligning housing needs with a well-located area will promote sustainable human settlements.

The housing development consists of multiple phases, with a total of **2 800** residential apartments to be rolled out over a few years. It is being developed by a consortium that is led by Sonama Africa, UrbanDev and the Raubex Group.

FNB has provided a loan facility of R276,4 million to fund project 1, the Orlando Towers Lifestyle Estate South. It will include 568 walk-up units in a range of sizes and priced between R650 000 and R950 000. The first phase of 136 units is almost complete, with unit handover scheduled to take place during November 2023. Once the first phase is completed, FNB will unlock funding for the next phases, with the completion of project 1 planned to take place in February 2025.

The Orlando Towers Lifestyle Estate South offers:

- One- and three-bedroom apartments that are energy-efficient and use LP gas for water heating (geysers) and cooking.
- Lifestyle amenities, including a clubhouse, sports facilities and outdoor braai areas.

FNB's alternative energy team is assisting the developers in assessing options for solar electricity and a bulk battery storage facility.

The development has a strong focus on upskilling and training the local community. The developers will ensure that labourers and suppliers gain valuable skills and experience to participate in other projects and the broader market. The main contractor, Raubex Group, will provide support, training and oversight as part of the development.

The socio-economic contribution of project 1 as at 30 June 2023

424 direct job opportunities created for the local community by the developer and the construction company;

approximately **40** micro, small and medium-sized enterprises (MSMEs) supported in ward 25 (Pimville), where the project is located;

596 indirect jobs supported through suppliers and contractors;

517 operational job opportunities created (unskilled service-related jobs); and

approximately **40%** of the total jobs supported are held by black women and 35% by black youth.