

R625m invested in Cosmopolitan Group housing projects

Futuregrowth Asset Management has invested R625m in Cosmopolitan Group's major housing projects in Gauteng. The investment is primarily being used to fund regulatory approvals and to install bulk services for integrated housing developments that have been designed to include amenities ranging from schools to shopping centres in areas close to major CBDs in Gauteng.

Cosmopolitan is a lower-to-middle-income housing specialist; their houses are priced from R400,000, with packages tailored for families earning between R10,500 to around R30,000 a month.



"Demand for housing in this income group far outstrips supply," says Futuregrowth portfolio manager and investment analyst Paul Semple. "These developments enable mainly first-time homeowners to move from outlying areas into growing metropolitan suburbs situated closer to places of work and with amenities and facilities on their doorsteps."

"This is real social transformation and wealth creation. It gives young families upward mobility by enabling them to create equity and to eventually trade up in the property market."

Internal and external bulk services

Futuregrowth's investment will fund the installation of internal and external bulk services ranging from the provision of water to sanitation, electricity and roads prior to proclamation of council-approved stands that will be developed with new houses for sale into the market.



Cosmopolitan has planned to roll out a total of 30,000 homes over the next eight to 10 years, with the largest development near Alberton, south of Johannesburg, where 15,300 residential one and high density housing units are planned in a 740 hectare area. Known as Watervalspruit, the project will be launched in early 2017 and makes provision for development of a regional shopping centre, 16 educational facilities including an independent school and 17 social nodes for community facilities.

Other projects where services are being installed are in Protea Glen, Windmill Park and Alberton. Cosmopolitan is also developing projects in Savana City, Stretford and Evaton, and is planning to develop 4,700 homes and various amenities on land formerly occupied by the Lion Park north of Johannesburg.

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