

# AFFORDABLE LIVING SOLUTIONS AFRICA

## COMPANY PROFILE



**AFFORDABLE LIVING SOLUTIONS AFRICA (ALSA)** is a socially orientated, integrated housing developer, established in 2007. ALSA's vision is to become a leading provider of affordable, socially integrated housing projects that are in harmony with the needs of communities and the environment in which they live. In doing so, ALSA intends to be a champion of appropriate urban planning which will contribute to a better quality of life both for individuals and communities. ALSA has its roots in international best practice.

*ALSA's primary focus is on residential development and specifically in the subsidised, social rental, affordable and middle income market. ALSA was established partly as a result of the Memorandum of Understanding entered into between the South African and Dutch Ministries responsible for housing delivery and urban development. ALSA aims to deliver on the goals stipulated in this Memorandum which is to support social housing in South Africa, and specifically targeted support for delivery of social housing and for the implementation of the National Rental Housing Strategy which intends to deliver approximately 75.000 social housing units in the next four years.*

### >>OUR APPROACH

Typically, ALSA seeks to develop up to several thousand houses per location, mainly in expansion areas of existing urban nodes. Each project is tailored to specific local requirements. ALSA will project manage the entire process, from design of the urban plan

*The aim is for all ALSA developments to be well managed, integrated mixed use and inclusionary developments providing a high level of urban amenity and access to services and economic opportunities for its residents and users.*

*The developments will be sustainable, providing resource efficient solutions to housing delivery and minimising the carbon footprint of the development though an emphasis on a compact and efficient design; a non-motorised transport network; and greening.*

*ALSA is committed to innovation, sustainability and quality.*

(including bulk-infrastructure, services, communal facilities and recreational areas, etc.) to delivery of the project at market-ready stage.

On every project, ALSA co-operates with key persons and organisations with strong local presence and knowledge, ensuring local empowerment and economic benefit.

>>OUR SERVICES

- Project development
- Project scope, cost and time management
- Project team management
- Quality and risk management
- Energy-efficient urban planning & housing design
- Securing green finance & access to soft loans
- Facilitation in obtaining Clean Development Mechanism (CDM) status & benefits for projects
- Land acquisition & township establishment
- Consultancy for Integrated Development Plans & Spatial Development Frameworks
- Consultancy for Urban Management Business Plans

>>COMPANY STRUCTURE

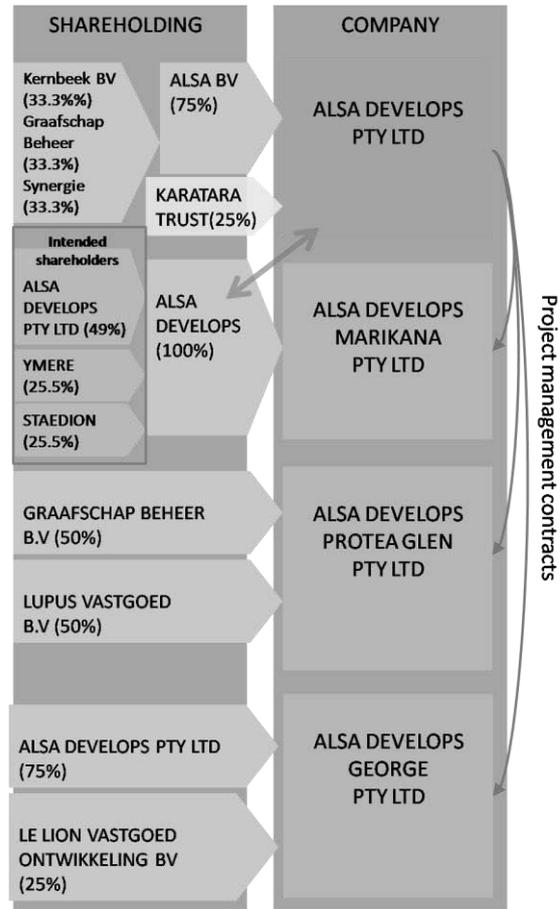
ALSA Develops Pty Ltd is the South African-registered parent company for project specific ALSA companies, each of which is an independent and fully resourced operating business, under the strategic leadership of ALSA Develops. These companies house the financial and operational control of the project, whilst allowing for increased local shareholding by South African entities specific to that project. Currently there are three project specific companies:

- ALSA Develops Marikana Pty Ltd
- ALSA Develops Protea Glen Pty Ltd
- ALSA Develops George Pty Ltd

The aim is to create regional companies such as ALSA Gauteng, ALSA Western Cape and ALSA North West (already established). These companies would house the project specific special purpose vehicles and conduct due diligences for acquisition within these regions.

>> SHAREHOLDING / OWNERSHIP

Current shareholding and ownership depicted in the diagram below. The intention is to increase South African shareholding in the four companies significantly over the next years. Negotiations are currently underway.



>> HOW ALSA OPERATES

As ALSA is still quite a young organisation and is mainly involved in acquisition and consultancy at this stage, the company has maintained a lean staffing component. ALSA has however formed several long-term strategic partnerships with reputable & experienced project management companies and consultants. ALSA has the ambition to grow into a medium sized company with 25 to 30 staff within the next 3 to 5 years. Currently ALSA has offices in Cape Town and in Johannesburg.

ALSA has a technical advantage in being a sister company to both Teamwork Technology BV and Kernbeek Project Development in the Netherlands, from which leading edge expertise in renewable energy solutions and expertise in social housing development is sourced. The Netherlands has long been a recognised leader in social housing development.

Teamwork Technology is an innovative, Netherlands-based organisation that has been active in projects involving renewable energy

solutions for over fifteen years (please refer to: [www.teamwork.nl](http://www.teamwork.nl)).



Kernbeek Project Development is a company with a wide range of experience in housing development in the Netherlands (please refer to: [www.kernbeek.nl](http://www.kernbeek.nl)).



## >> OUR VALUE PROPOSITION

- To create value and deliver, directly or indirectly, an economic, social and environmental return for all stakeholders;
- To deliver a financially sustainable return to the land owners and public and private sector investors;
- To develop well-managed urban areas providing environmental sustainability and social cohesiveness;
- To be sensitive and responsive to community needs and ensure on-going opportunities for improvement to the community's quality of their daily lives;
- To undertake developments in a manner that build capacity and create economic empowerment for the immediate and broader community;
- To create effective partnerships to enhance development capacity and delivery.

## >> ALSA DEVELOPS MARIKANA PTY LTD

ALSA Develops Marikana Pty Ltd is the owner of over 250 ha of land in Marikana & has the ambition of being instrumental in the development of a well-integrated, socially and environmentally sustainable urban development in Marikana.

ALSA Develops Marikana works closely with two of the largest social housing institutions in the Netherlands. Both organisations are involved in large scale developments of new rental and sale residential units, urban renewal, urban management, community development and social upliftment programmes.

Ymere owns and manages 82,500 houses as well as shops, commercial space and facilities. The institution aims to build 2,500 houses per year and employs over 900 people. The foundation expects to invest € 3,6 billion in new build and renovation from 2008 to 2012 and had a turnover of € 930 million in 2009. Furthermore, € 284 million was invested (non-profitable) in communities in 2009. The council taxations of the properties add up to € 15.1 billion.

Staedion owns and manages over 36,300 houses as well as shops, commercial space & facilities. The total value of the property is over € 1,5 billion. The institution aims to build 1,000 houses per year and employs 441 people. The turn-over in 2009 was € 234 million. € 78 million was invested in community projects in 2009 (non-profitable).

The housing associations have provided soft loans for the development which they intend to convert into long-term loans for the South African Housing Institution that will manage and possibly own (or part-own) the rental stock in Marikana. Ymere & Staedion intend to reinvest any profits made through the project back into the project or into other projects in South Africa.

## >> COMPLETED PROJECTS

ALSA has successfully completed a number of projects. These include:

- A Spatial Development Framework for Marikana to be incorporated into Rustenburg's Integrated Development Plan.
- Project Management of amendment to development plan for Cape Town Community Housing Company.
- A feasibility study & proposal for energy efficient urban development for Anglo Coal.

>> CURRENT PROJECTS

ALSA has purchased over 255 hectares of land in Marikana, with the intention of developing integrated sustainable developments totalling in excess of 15.000 housing units.

Preparation for the development of Marikana Phase 1 has commenced. This highly ambitious project consists of approximately 5,700 energy-efficient housing units. The project is to be a show-case for socially responsible, economically viable and environmentally sustainable development and innovative financial modelling and urban management.



>> CONTACT DETAILS

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ALSA is currently project managing three separate proposed developments in Protea Glen, Soweto. ALSA has purchased, and is in the process of purchasing, in excess of 9 hectares of land for the development of approximately 467 sectional title and rental units.

