



## Phatisa partners with Africa Reit to develop housing project in Kenya

Anna Lyudvig  
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The Pan African Housing Fund (PAHF), managed by Phatisa, has invested an undisclosed amount in a special purpose vehicle with Africa Reit to develop an apartment complex in Kikuyu Town, west of Nairobi, Kenya.



Eton Price, PAHF fund partner and deal team leader, said that the deal "marked a significant milestone" for Phatisa, as it was the first transaction for the Fund.

"This is the Fund's first investment in Kenya and we are extremely positive that another will follow this initial investment in the very near future," he said.

"The conclusion of this deal is the result of many months of groundwork and will enable us to use this platform to increase deployment of funds into our target geographies and sector," he added.

Kenya, and in particular Nairobi, is experiencing a shortage of good-quality middle income housing units (200,000 units per year, according to the Ministry of Land Housing and Urban Development, Kenya Government).

This investment adds good-quality middle income residential apartments to the Nairobi market.

According to Phatisa, Kikuyu Town housing demand is strong and there is a limited supply of quality middle-income housing units.

This project involves the development of 66 residential apartment units in a single phase in two eight-story towers, with a lift in each tower, within a gated, access-controlled security estate.

Africa Reit is experienced and well versed in residential development, with a proven track record – this development gives Phatisa the opportunity to work with Africa Reit on larger developments in the region.

Africa Reit has significant business interests in East African real estate and has completed six similar residential apartment developments in Nairobi over the last six years.

The Westpoint Heights development will be managed on a day-to-day basis by a strong local management team that has extensive experience with real estate developments in Kenya.

The joint venture will enable Africa Reit to deliver the project rapidly with decreased risk by unlocking bank funding, and providing value-enhancing project management mechanisms.

"We are looking forward to building on the very good working relationship we enjoy with Africa Reit and look forward to finally getting our boots dirty," said Price.

It is envisaged that PAHF will exit this investment through the sale of units to end-users.

PAHF is a private equity fund that provides risk capital to the fast-growing and lucrative middle and affordable housing sector in Eastern and Southern Africa.

Phatisa, as the manager of PAHF, is committed to providing development-enabling equity finance to experienced and reputable property developers to enable the increase in the supply of affordable middle class housing in East Africa, Zambia and Mozambique.

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