

Cape Town skyscraper to include “affordable” apartments

Cape Town property developers FWJK have promised that their planned city centre skyscraper will include affordable housing - but the price of the “affordable” apartments will be “less than R800,000”.

By [Ashleigh Furlong](#) 25 Aug 2017



Artist's impression of the Zero-2-One building on Adderley Street in Cape Town.

If it is given the go-ahead, the Zero-2-One skyscraper planned for the corner of Strand and Adderley Street will be the tallest building in Cape Town and will contain more than 620 apartments.

FWJK says affordable housing has been included in the plans through the provision of 104 apartments which will sell for “less than R800,000”, according to regional director Craig Armstrong. Armstrong told GroundUp the apartments would be sold on a “first come, first served basis to qualifying buyers”.

Asked to say who would be “qualifying buyers”, Armstrong said the target market was the “sectional title sale development market” and that the company believed “market forces will prevail through the provision of such low priced apartments in the city centre”.

“We are ... not aware of any apartments currently selling in the city centre at well under R1m,” he said.

There is no set definition of “affordable” housing. But using [FNB's “affordability calculator”](#), in order to qualify for a loan of R800,000 with only a small deposit, a household would have to earn more than R25,000 a month.

The cut-off point for a housing subsidy is R15,000 a month.

According to the 2011 census, the [median household income in Cape Town](#) was R57,300 a year. The median income is the point where half the households earn more than it and half the households less. At ti

level, a Cape Town family could only afford a housing loan of R145,929.

Activist movement Ndifuna Ukwazi said the City of Cape Town would have to grant the developers “a significant departure from land use rights” before construction could go ahead.

The city should use the FWJK application “to put binding conditions for a contribution towards affordable housing and apply this to all future developments”, said Ndifuna Ukwazi. “The binding conditions must set terms around the following: the cost of affordable apartments, the intended beneficiaries, the plan to protect the affordability of units in the long-term, and the organisation responsible for managing the apartments.”

The city should compel FWJK to introduce rented social housing units in the Zero-2-One project, said Ndifuna Ukwazi, and sell them to a social housing institution at a previously agreed upon cost price. Each unit would cost around R600,000 to build.

Brett Herron, mayoral committee member for transport and urban development confirmed that a planning application had been received from FWJK. He said he was “not able to comment on the application but I understand it has not yet been processed or finalised”.

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