

Affordable housing platform by HDFC



■ **HDFC Ltd's subsidiary may invest in mid-income housing** MINT/FILE

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BENGALURU: Prestige Estates Projects Ltd on Wednesday said it will create an affordable housing platform with HDFC Capital Advisors Ltd, a subsidiary of HDFC Ltd, to jointly invest Rs2,500 crore in low- and mid-income housing projects.

Investments, to be made through a mix of equity and debt, will be used to primarily buy land across cities to develop residential projects, said Venkat K. Narayana, chief executive, Prestige Group. HDFC Capital has been offering long-term equity capital to select real estate developers, mainly to develop affordable housing, preferred by builders and investors alike.

Last October, Mahindra Lifespace Developers Ltd, the real estate arm of Mahindra Group, partnered with HDFC Capital to jointly invest Rs500 crore over the next three years to develop affordable housing projects across geographies.

HDFC Capital's investments are done through its HDFC Capital Affordable Real Estate Fund-1. HDFC Capital's first fund is dedicated to addressing this funding gap by providing long-term equity-oriented capital for development in urban and semi-

urban peripheral areas, Vipul Roongta, chief executive, HDFC Capital Advisors, said last year.

In line with the government's aim to provide housing for all by 2022, the Union budget on 1 February proposed to set up an affordable housing fund under the National Housing Bank (NHB). The 2017 budget had proposed assigning infrastructure status to affordable housing projects and facilitate higher investments. Renu Karnad, managing director, HDFC Ltd said, "Affordable Housing has become the new mantra in the country and also a growth driver for the real estate sector. Our association with Prestige Group is to develop affordable homes and cater the largely unmet demand in mid income segment."

Irfan Razack, chairman and managing director of Prestige Group said, "With this partnership, we are poised to grow manifold, and it will help us continue to build on the legacy of trust and efficacy that we are known for. Our endeavour is to scale up our residential platform, especially in the affordable housing sector that's picked up huge demand and is currently vacuumed of supply and we are positive that this platform will facilitate long-term, sustainable value creation."