



Housing Review

Third Quarter 2010

Contents

Overview ...2

House price trends ...3

Building costs and new and existing house price trends ...5

Land values ...5

Mortgage finance ...5

Affordability of housing ...6

Economic and housing market outlook ...6

Statistics ...7

Compiled by:
Jacques du Toit
Senior Property Analyst
Absa Home Loans
Absa Group Limited
(Reg No 1986/003934/06)

45 Mooi Street
Johannesburg
2001

PO Box 7735
Johannesburg
2000
South Africa

Tel: +27 (11) 350 7246
Fax: +27 (11) 350 5351
E-mail: jacques@absa.co.za
Website: <http://www.absa.co.za>

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Summary

- The recovery in the South African economy accelerated, with real GDP growing at a seasonally adjusted annualised rate of 4,6% in the first quarter of 2010, from 3,2% in the preceding quarter. Real economic growth is forecast at 3,3% this year, after a contraction of 1,8% in 2009.
- Household finances improved further in the early stages of the year, but many households are still plagued by a relatively high level of debt in relation to disposable income. The ratio of households' debt to income is expected to remain at around 78% in the rest of the year.
- Residential property market conditions continued to improve up to mid-2010, with house price growth increasing further in both nominal and real terms.
- In the affordable segment of the market the average price of a house increased by a nominal 2,6% y/y to a level of R296 100 in the second quarter of 2010, declining by 1,9% in real terms.
- Middle-segment house price growth averaged a nominal 14,4% y/y in the second quarter of 2010. This brought the average price to a level of R1 075 600 in the quarter. House prices in the middle-segment increased by a real 9,4% y/y in the second quarter of the year.
- The average price of luxury houses dropped by a nominal 1,8% y/y to a level of about R4,4 million in the second quarter of the year. In real terms prices of houses in the luxury segment were down by 6,1% y/y in the second quarter.
- At geographical level house prices increased further in nominal terms on a year-on-year basis in the second quarter of 2010, while in real terms prices were slightly down in some areas compared with a year ago.
- After some deterioration in the affordability of housing in the second half of 2009 on the back of rising house price growth while growth in household income remained under pressure, affordability did not deteriorate further in early 2010. This is based on the latest trends in the ratios of house prices and mortgage repayments to household disposable income.
- Taking into account house price developments in the recent past, year-on-year price growth appears to be near an upper turning point, largely as a result of the base effects of a recovery in house price growth in the second half of 2009. This is expected to impact the trend in price growth in the second half of this year.
- Nominal house price growth of around 10,5% is forecast for 2010, after prices declined by a marginal 0,2% in 2009. Based on the outlook for nominal house price growth and a projected average consumer price inflation rate of about 5% in 2010, real price growth of between 5% and 5,5% is forecast for this year.

Overview

The economy

The recovery in the South African economy accelerated in the first quarter of 2010, after growth resumed again in the third quarter of 2009 on the back of a recession in the first half of the year. The country's real gross domestic product (GDP) increased at a seasonally adjusted annualised rate of 4,6% quarter-on-quarter (q/q) in the first quarter of the year, up from 3,2% q/q in the fourth quarter of last year.

The first-quarter economic performance was largely driven by growth of 11,8% q/q in the real value added by the primary sector (i.e. agriculture and mining) as well as real growth of 2,7% q/q recorded in the services sector. Growth in the real value added by the secondary sector moderated to 7% q/q in the first quarter of 2010 (8,1% q/q in the final quarter of 2009), resulting from slower growth registered in the manufacturing and construction sectors.

The household sector

Household finances improved further in the first quarter of 2010 compared with the fourth quarter of 2009, mainly driven by lower inflation; rising real household disposable income; and a slightly lower debt-to-income ratio. Labour market conditions, however, remained tight in the first quarter of the year.

According to Statistics South Africa, the level of employment in the economy was slightly lower in the first quarter of 2010 compared with the preceding quarter. Consumer price inflation slowed down to below 5% year-on-year (y/y) recently, and is at its lowest level since mid-2006. First-quarter growth in real household disposable income increased further to 5,1% q/q, from 2,3% q/q in the fourth quarter of last year. On the back of these developments, real household consumption

expenditure increased by an annualised 5,7% q/q in the first quarter of the year, up from 1,6% q/q in the final quarter of 2009.

Growth in credit extended to the household sector, comprising instalment sales credit, leasing finance, mortgage advances, credit card debt and other loans and advances, remained relatively low at less than 4% y/y in the first few months of the year, after bottoming at 2,6% y/y in November last year. This is a reflection of households' financial position improving only gradually after the economy emerged from recession in mid-2009.

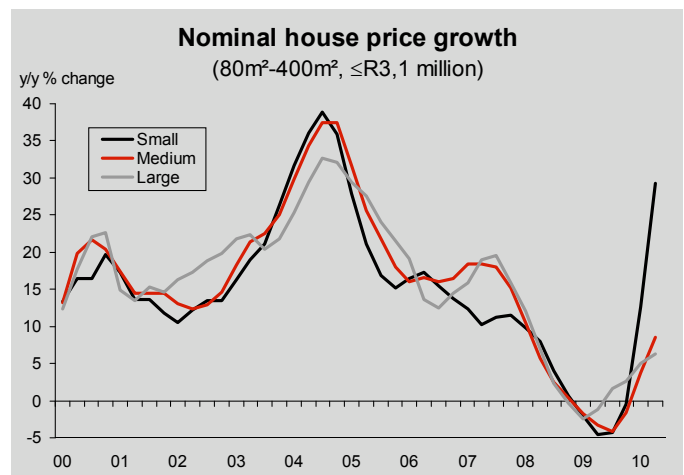
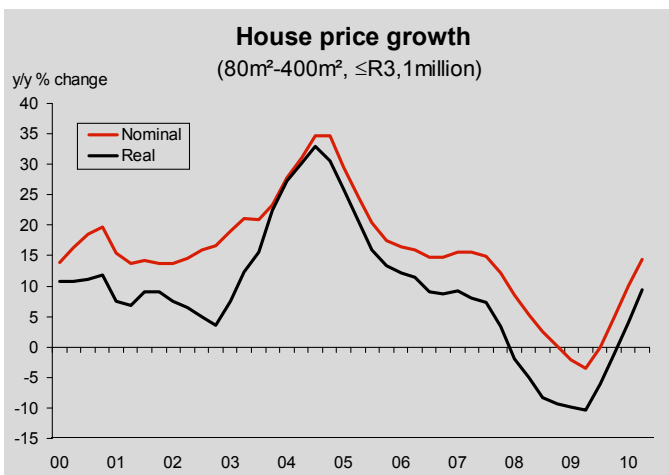
Although commercial banks' lending rates are currently much lower than 18 months ago, the household sector was still plagued by a relatively high ratio of debt to disposable income of 78,4% in the first quarter of 2010. It was, however, somewhat lower than the ratio of 79,9% recorded in the preceding quarter. The lower first-quarter debt ratio was the net result of household debt increasing by 1,6% q/q, whereas nominal household disposable income increased by 3,6% q/q in the quarter.

In view of the lower debt ratio, and a marginally lower average prime interest rate in the first quarter of the year compared with the fourth quarter of last year after rates were cut by 50 basis points in March 2010, the cost of servicing household debt as a percentage of disposable income was down to 8,1% in the first quarter from 8,4% in the final quarter of 2009.

The ratio of net household saving to disposable income, which is in negative territory since the fourth quarter of 2005, was at a level of -0,2% in the first quarter of 2010. Net household saving is based on the level of gross saving, adjusted for depreciation write-offs on the value of fixed assets, such as residential buildings, held by households.

The residential property market

The pace of contraction in real residential fixed capital



formation slowed down to -5,8% y/y in the first quarter of 2010, from year-on-year rates of -9,6% and -8,3% recorded in the third and fourth quarter of last year respectively. The continued contraction in residential capital formation, albeit at a slower pace over the past two quarters, is evident of the still declining trend in residential building activity, as measured by plans approved for new housing and the construction of new housing in the first few months of the year compared with a year ago.

Both nominal and real year-on-year house price growth accelerated further in the second quarter of 2010, largely as a result of base effects; the continued recovery in the economy; the effect of low interest rates (the mortgage rate is currently at its lowest level since mid-1974); and banks' less tight credit criteria.

Year-on-year growth in the value of outstanding mortgage balances in the household sector, mainly related to residential property, remained relatively low at around 4% y/y in recent months since bottoming at 3,6% in November last year. This continued subdued growth in the level of household mortgage advances growth is a reflection of households' financial position, as discussed above.

The ratio of outstanding household mortgage debt to disposable income was lower at 47,8% in the first quarter of 2010, from 48,8% in the fourth quarter of 2009. This was the net result of trends in the growth of household mortgage debt (1,5% q/q) and nominal disposable income (3,6% q/q) in the first quarter of the year compared with the preceding quarter. Households' mortgage debt was relatively stable at a level of about 61% of total debt over the past few quarters up to early 2010, still being the single largest component of total household debt.

The cost of servicing household mortgage debt as a percentage of disposable income came in at 4,9% in

the first quarter of 2010, marginally down from 5,1% in the final quarter of 2009, and is at its lowest level since late 2006. This was due to the abovementioned trends in growth of household mortgage debt and disposable income, while the mortgage rate was on average somewhat lower in the first quarter compared with the preceding quarter.

House price trends

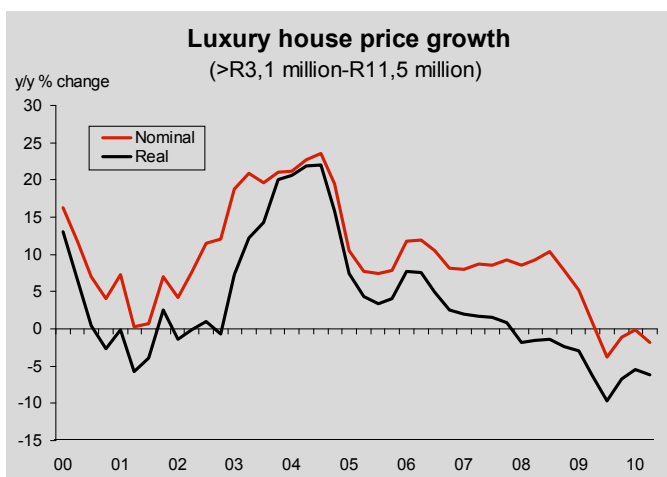
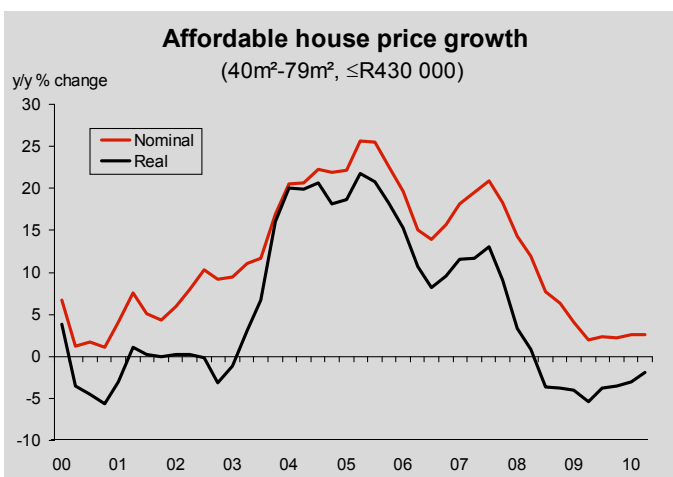
On the back of various positive factors, nominal year-on-year house price growth accelerated further in the second quarter of 2010. House prices also increased at a faster rate in real terms in the second quarter, i.e. after adjustment for consumer price inflation, which was lower in the quarter compared with the preceding quarter. These house price trends are based on the value of houses for which mortgage finance was approved by Absa.

Affordable housing

In the category of affordable housing (houses of 40m²-79m², priced at up to R430 000), the average nominal property value increased by 2,6% y/y to about R296 100 in the second quarter of 2010, compared with growth of 2,5% y/y recorded in the first quarter. Nominal year-on-year price growth has remained relatively stable at around 2,4% since the third quarter of last year. In real terms, the average price of affordable houses declined by 1,9% y/y in the second quarter of the year (-3% y/y in the first quarter).

Middle-segment housing

Year-on-year growth in the nominal value of middle-segment housing (houses of 80m²-400m², priced at up to R3,1 million) increased to 14,4% y/y to R1 075 600 in the second quarter of 2010, up from 10% y/y in the preceding quarter. House prices in this segment of the



market increased by a real 9,4% y/y in the second quarter of the year, compared with a growth rate 4,1% y/y registered in the first quarter.

The following price trends occurred in the three middle-segment categories in the second quarter of 2010:

- Small houses (80m²-140m²): 29,2% y/y (nominal) and 23,6% y/y (real). Relatively strong price growth was evident in the category for small houses in recent times, which is believed to have been largely influenced by the aspect of affordability (see section below on the affordability of housing). Factors such as rising electricity prices, water tariffs and property rates and taxes, increasingly impacting on the cost of running a property, are also contributing to households focusing on more affordable property.
- Medium-sized houses (141m²-220m²): 8,5% y/y (nominal) and 3,7% y/y (real).
- Large houses (221m²-400m²): 6,2% y/y (nominal) and 1,6% y/y (real).

Luxury housing

In the luxury segment (houses valued at above R3,1 million up to R11,5 million) the average value of homes

was down by a nominal 1,8% y/y to about R4,4 million in the second quarter of 2010 (-0,1% y/y in the first quarter). After adjustment for the effect of inflation, prices of luxury housing were down by 6,1% in the second quarter of the year (-5,5% y/y in the preceding quarter).

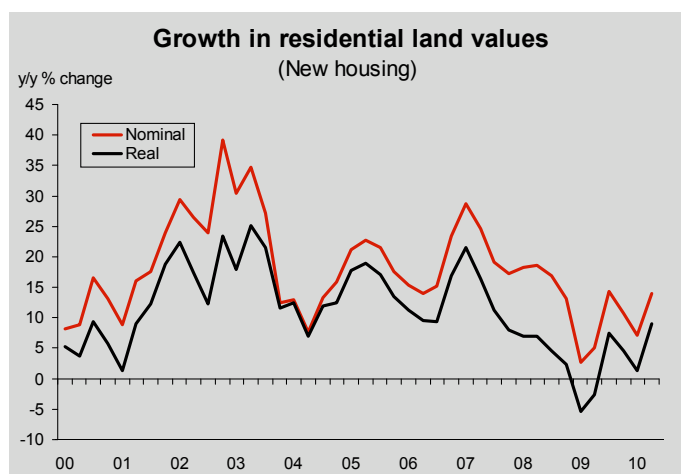
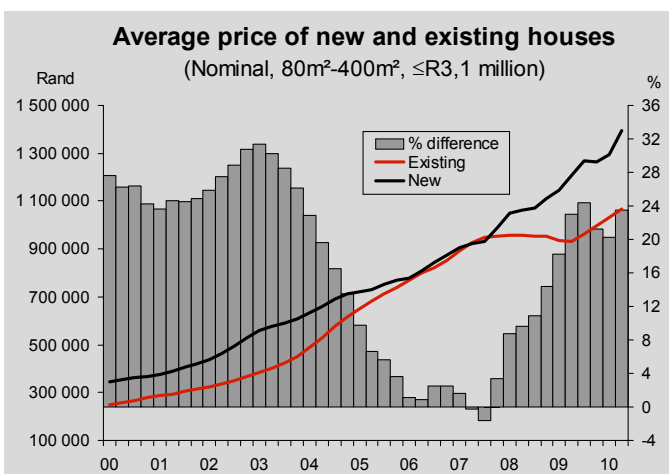
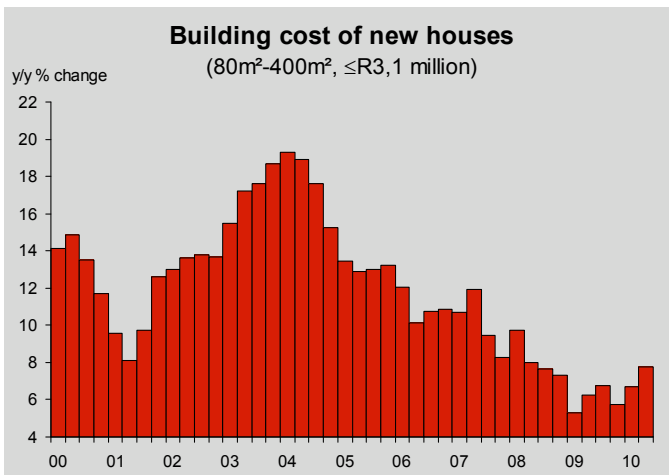
The average nominal value of luxury housing was lower for the fourth consecutive quarter in the second quarter of 2010, measured on a year-on-year basis, while in real terms prices were declining on an annual basis since the first quarter of 2008. In both nominal and real terms the average value of houses in this segment of the market was down in the second quarter of the year compared with the first quarter. These trends are a reflection of the market for luxury housing still experiencing the aftermath of the slowdown in economic activity which started in 2008, and the eventual recession in the first half of 2009.

Regional house prices

At a geographical level home values increased further in nominal terms on a year-on-year basis in the second quarter of 2010, while in real terms prices were slightly down in some areas compared with a year ago. On a quarterly basis prices were down in both nominal and real terms in a few provinces, metropolitan areas and coastal regions. These trends might be an early indication of expected price developments towards the end of the year.

At a provincial level, nominal year-on-year house price growth varied between 7,1% in Mpumalanga to as high as 24,9% in the Eastern Cape in the second quarter of 2010.

In the major metropolitan areas house price growth ranged from a nominal 3,2% y/y on the East Rand in Gauteng to a relatively strong 22,6% y/y in the Durban/Pinetown area in KwaZulu-Natal in the second quarter of the year.



House prices in the coastal regions increased by a nominal 7,8% y/y in the second quarter of 2010, after rising by 6,3% y/y in the preceding quarter. This is an indication that the coastal market, which to some extent is influenced by the demand for investment property, is recovering at a steady pace, but is still lagging in price growth compared with some other regions. In real terms, house prices in the country's coastal regions increased by 3% y/y in the second quarter of 2010, after rising by 0,6% y/y in the first quarter of the year.

Although influenced by national economic trends and developments, the performance of the residential property market at geographical level, i.e. the provinces, metropolitan areas, the coast and rural regions, is also impacted by regional and area-specific factors. These may include infrastructure-related aspects; growth in economic activity and the sophistication of economic development; socio-economic conditions; investor focus; location; and the relative size of the property market in the region.

Building costs and new and existing house price trends

In the second quarter of 2010 the cost of building a new house in the middle segment of the market increased by a nominal 7,8% y/y, which is up from a growth rate of 6,7% y/y recorded in the first quarter. Although the residential building and construction sector is experiencing tough conditions, judging from the latest trends in the planning and construction phases of new housing, the upward trend in building cost increases over the past two quarters is probably related to rising costs such as wages, transport, etc.

Against this background of faster rising building costs over the past two quarters, the average value of a new house increased by a nominal 15,5% y/y to R1 396 200 in the second quarter of the year (12,9% y/y in the first quarter), which came to a real increase of 10,4% y/y (a real 6,8% y/y in the preceding quarter).

The average value of an existing house increased by a nominal 14,6% y/y to about R1 067 500 in the second quarter of 2010 (10,1% y/y in the first quarter). In real terms this translated into an increase of 9,6% y/y in the second quarter (4,2% y/y in the preceding quarter).

As a result of the abovementioned price trends, it was around R328 700, or 23,5%, cheaper to buy an existing house than to have a new one built in the second quarter of 2010.

Land values

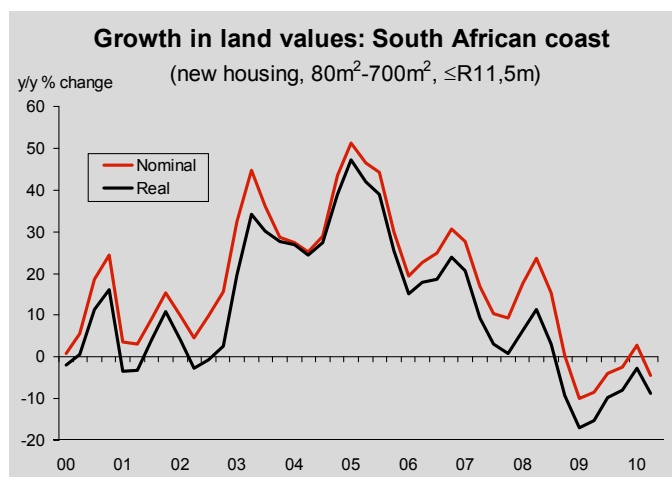
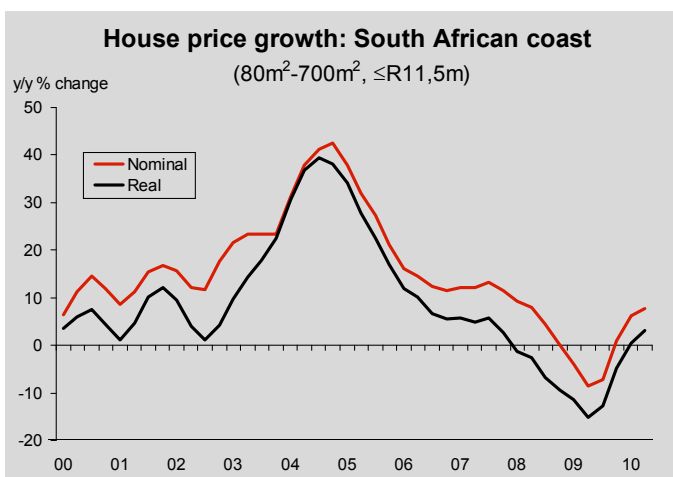
Land values for new housing increased by a nominal 14% y/y to an average of about R498 100 in the second quarter of 2010, compared with an increase of 7,1% y/y in the first quarter. In real terms land values increased by 9% y/y in the second quarter (up by 1,3% y/y in the preceding quarter). The faster pace of year-on-year growth in land values in the second quarter of the year is evident of improved residential property market conditions in many areas up to mid-2010.

Along the coast, however, land values for new housing still experienced some downward pressure in the second quarter of the year, declining by a nominal 4,4% y/y and a real 8,6% y/y in the quarter. This brought the average nominal value of a coastal stand to a level of about R430 900 in the second quarter.

Mortgage finance

Based on recent trends in and expectations for consumer price inflation, interest rates remained unchanged since the last rate cut in March this year, when rates were lowered by 50 basis points.

Commercial banks' variable mortgage interest rate is currently 10%, which is at its lowest level since mid-1974. As a result of the rate cuts over the past 18 months, monthly mortgage repayments are 28,7%



lower compared with December 2008, when the mortgage rate was still 15,5%.

The impact of changes in the mortgage interest rate is reflected in the tables at the back of the report, presenting monthly mortgage repayments for various loan amounts at various interest rates, as well as mortgage loan amounts based on various fixed monthly repayments at various interest rates. These calculations are based on a 20-year repayment term.

Affordability of housing

After some deterioration in the affordability of housing in the second half of 2009 on the back of rising house price growth while growth in household income remained under pressure, affordability did not deteriorate further in the first quarter of 2010. This is based on the latest trends in the ratios of house prices and mortgage repayments to household disposable income (see graph on the affordability of housing).

The ratio of house prices to disposable income was relatively stable in the first quarter of the year compared with the last quarter of 2009, which was the net result of house price and nominal disposable income growth in the first quarter. House prices increased by a nominal 3,2% quarter-on-quarter (q/q) in the first quarter of 2010, while households' nominal disposable was up by 3,6% q/q in the same period.

The ratio of mortgage repayments to household disposable income was slightly down in the first quarter of 2010 compared with the preceding quarter. This was the net result of the abovementioned trends in nominal house prices and household disposable income in the first quarter, while the mortgage interest rate was on average slightly lower during this period.

A downward/upward trend in the abovementioned two affordability ratios implies that house prices and

mortgage repayments are rising at a slower/faster pace than household disposable income. The result is that housing has in effect become more/less affordable.

Economic and housing market outlook

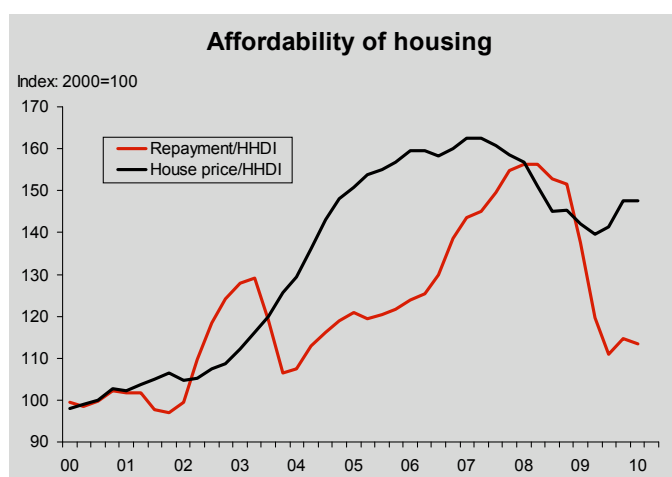
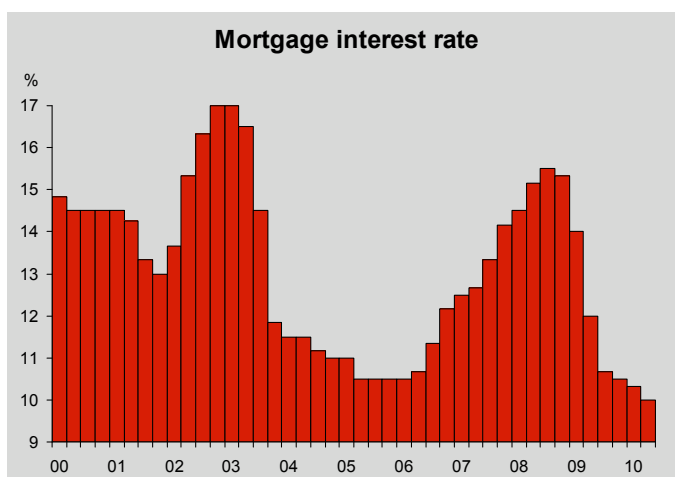
The South African economy is forecast to grow by 3,3% in real terms this year, driven by the global recovery and rising domestic demand.

Consumer price inflation is forecast to bottom in the near future, rising gradually towards the end of the year and into 2011 on the back of expected inflationary pressures. Double-digit administered price inflation and wide-spread wage increases of well above the inflation rate will contribute to inflationary pressures later this year.

House price growth has improved markedly in the first half of 2010, based on the better economic conditions since the second half of 2009, low interest rates, banks' less tight lending criteria as well as base effects. However, taking into account house price developments in the recent past, year-on-year price growth appears to be near an upper turning point, largely as a result of the base effects of a recovery in house price growth in the second half of 2009. This is expected to impact the trend in price growth in the second half of this year.

Against the background of these developments and expectations, nominal house price growth of around 10,5% is forecast for 2010, after prices declined by a marginal 0,2% in 2009. Year-on-year price growth is expected to slow down in the second half of the year due to the abovementioned base effects.

Based on the outlook for nominal house price growth and a projected average consumer price inflation rate of about 5% in 2010, real price growth of between 5% and 5,5% is forecast for this year. House prices dropped by a real 6,9% in 2009, after declining by 6,3% in real terms in 2008.



Statistics

Average nominal house prices											
	2006 Rand	2007 Rand	2008 Rand	2009 Rand	2009			2010			
					Q2 Rand	Q3 Rand	Q4 Rand	Q1 Rand	Q2		
									Rand	q/q % Δ	y/y % Δ
National											
Middle segment (80m²-400m², ≤R3,1m)	812 229	930 126	967 655	965 244	940 005	968 388	1 005 659	1 041 946	1 075 645	3,2	14,4
Small (80m ² -140m ² , ≤R3,1m)	580 480	646 478	682 072	662 434	652 925	653 038	676 056	752 189	843 893	12,2	29,2
Medium (141m ² -220m ² , ≤R3,1m)	772 284	930 126	949 379	923 476	917 083	912 141	932 369	967 355	995 123	2,9	8,5
Large (221m ² -400m ² , ≤R3,1m)	1 122 042	646 478	1 386 673	1 387 924	1 375 748	1 402 902	1 410 224	1 431 805	1 461 630	2,1	6,2
New (80m ² -400m ² , ≤R3,1m)	825 920	930 126	1 073 959	1 222 446	1 208 856	1 269 067	1 264 486	1 295 120	1 396 203	7,8	15,5
Existing (80m ² -400m ² , ≤R3,1m)	811 478	646 478	956 012	956 271	931 139	960 371	995 785	1 032 340	1 067 539	3,4	14,6
Affordable (40m²-79m², ≤R430 000)	216 655	930 126	283 508	291 328	288 697	292 509	295 132	296 332	296 148	-0,1	2,6
Luxury (>R3,1m-R11,5m)	3 765 603	646 478	4 429 951	4 463 521	4 472 718	4 388 583	4 486 188	4 514 199	4 392 768	-2,7	-1,8
Provinces											
Eastern Cape	749 438	847 494	867 388	820 915	777 803	834 319	869 433	923 175	971 383	5,2	24,9
Free State	570 535	687 156	731 682	754 281	731 749	759 950	775 730	841 580	836 750	-0,6	14,3
Gauteng	848 468	974 060	998 271	1 019 420	993 871	1 026 489	1 055 791	1 084 757	1 091 487	0,6	9,8
KwaZulu-Natal	817 413	880 822	853 739	847 308	817 733	859 305	884 728	937 675	1 001 889	6,8	22,5
Limpopo	700 840	826 872	837 260	830 049	810 456	803 225	859 229	911 314	925 109	1,5	14,1
Mpumalanga	665 540	756 869	799 660	811 202	782 963	821 468	857 406	852 216	838 167	-1,6	7,1
North West	622 523	715 960	793 647	781 030	749 386	770 356	825 027	861 361	893 159	3,7	19,2
Northern Cape	550 253	621 867	669 111	699 720	699 095	720 445	703 551	759 384	848 434	11,7	21,4
Western Cape	942 072	1 050 455	1 102 179	1 095 209	1 077 856	1 095 503	1 120 183	1 162 013	1 200 705	3,3	11,4
Metropolitan regions											
PE/Uitenhage (Eastern Cape)	769 737	868 919	898 016	815 520	774 124	816 136	877 713	916 224	933 418	1,9	20,6
East London (Eastern Cape)	803 352	887 584	990 985	994 478	986 516	990 326	1 014 458	1 058 384	1 109 664	4,8	12,5
Bloemfontein (Free State)	761 123	931 937	954 872	942 773	921 676	914 945	992 156	1 072 295	1 071 035	-0,1	16,2
Greater Johannesburg (Gauteng)	876 036	1 011 053	1 045 878	1 075 554	1 053 629	1 090 235	1 115 980	1 128 550	1 112 475	-1,4	5,6
Johannesburg Central & South	763 512	873 846	879 950	876 896	856 729	872 800	907 630	911 274	892 045	-2,1	4,1
Johannesburg North & West	1 075 192	1 234 978	1 278 524	1 299 644	1 266 136	1 311 494	1 358 090	1 397 762	1 432 027	2,5	13,1
East Rand	754 329	874 210	913 714	935 823	929 788	948 535	952 067	953 602	959 724	0,6	3,2
Pretoria (Gauteng)	926 637	1 074 503	1 061 252	1 048 310	1 025 102	1 039 089	1 080 393	1 130 022	1 168 140	3,4	14,0
Durban/Pinetown (KwaZulu-Natal)	852 695	983 408	978 655	915 986	873 522	924 756	986 304	1 018 574	1 070 629	5,1	22,6
Cape Town (Western Cape)	967 917	1 071 673	1 095 702	1 092 325	1 074 621	1 098 891	1 130 585	1 179 772	1 223 670	3,7	13,9
Coastal regions											
South Africa	1 009 765	1 132 761	1 192 571	1 135 679	1 107 259	1 120 425	1 178 991	1 207 621	1 193 232	-1,2	7,8
Western Cape	1 055 374	1 186 768	1 232 956	1 191 877	1 165 046	1 179 528	1 240 523	1 250 544	1 237 457	-1,0	6,2
West Coast	1 004 350	1 114 256	1 270 060	1 142 553	1 124 077	1 109 248	1 134 176	1 150 540	1 143 716	-0,6	1,7
Cape Peninsula and False Bay	1 042 277	1 156 175	1 207 810	1 160 121	1 123 971	1 144 215	1 228 263	1 247 976	1 221 871	-2,1	8,7
South Coast	1 115 242	1 324 412	1 321 586	1 309 159	1 327 156	1 312 221	1 292 066	1 297 197	1 297 032	0,0	-2,3
Eastern Cape	874 891	993 914	1 096 307	1 024 708	991 885	1 027 825	1 065 691	1 114 384	1 133 761	1,7	14,3
KwaZulu-Natal	1 066 649	1 153 434	1 161 824	1 107 326	1 086 904	1 117 054	1 133 708	1 146 426	1 199 817	4,7	10,4
South Coast	1 022 780	1 094 073	1 060 997	910 673	947 962	859 946	854 700	980 396	1 103 518	12,6	16,4
North Coast	1 118 311	1 204 433	1 239 965	1 208 310	1 141 698	1 218 061	1 283 942	1 274 408	1 243 589	-2,4	8,9

House prices are based on the total smoothed purchase price of houses (including all improvements) in respect of which loan applications were approved by Absa Bank. House prices for the provinces and metropolitan regions are smoothed for all houses between 80m² and 400m², up to R3,1 million. House prices for the coastal regions are smoothed for all houses between 80m² and 700m², up to R11,5 million.

Key variables and projections									
Annual averages									
		2003	2004	2005	2006	2007	2008	2009	2010
\$/R exchange rate	Rand per US\$	7,56	6,45	6,36	6,77	7,05	8,25	8,44	7,61
CPI headline inflation rate	%	5,9	1,4	3,4	4,6	7,1	11,0	7,1	4,9
Mortgage interest rate	%	15,0	11,3	10,6	11,2	13,2	15,1	11,7	10,1
Household disposable income	Real % Δ	2,7	6,0	5,9	7,3	5,5	2,4	-2,7	2,6
Final consumption by households	Real % Δ	2,8	6,2	6,1	8,3	5,5	2,4	-3,1	2,6
Household saving to disposable income	%	0,6	0,4	0,1	-0,8	-0,8	-0,8	-0,3	-0,3
Household credit extension (end of period)	Nominal % Δ	13,6	26,5	22,3	24,0	19,5	15,5	2,9	5,7
Mortgage advances (end of period)	Nominal % Δ	16,5	24,5	28,6	30,4	25,3	13,7	3,4	5,8
Household debt to disposable income	%	54,1	57,4	63,9	72,4	79,1	80,7	79,7	78,1
Household debt servicing to disposable income	%	8,1	6,5	6,8	8,1	10,4	12,2	9,3	7,9
Gross domestic product	Real % Δ	2,9	4,6	5,3	5,6	5,5	3,7	-1,8	3,3
House prices (80m²-400m², ≤R3,1m)	Nominal % Δ	21,2	32,2	22,7	15,4	14,5	4,0	-0,2	10,5
House prices (80m²-400m², ≤R3,1m)	Real % Δ	14,5	30,4	18,6	10,3	6,9	-6,3	-6,9	5,3

Average nominal house prices by middle-segment category in the second quarter 2010

	Small: 80m ² – 140m ²			Medium: 141m ² – 220m ²			Large: 221m ² – 400m ²		
	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ
National and provinces									
South Africa	843 893	12,2	29,2	995 123	2,9	8,5	1 461 630	2,1	6,2
Eastern Cape	653 905	9,4	22,4	976 617	7,7	22,4	1 454 226	5,6	17,3
Free State	668 329	16,6	22,9	682 178	0,0	-1,0	1 140 006	2,4	9,2
Gauteng	857 932	7,6	24,3	1 006 252	3,7	11,2	1 506 455	2,4	9,4
KwaZulu-Natal	694 528	7,8	9,7	937 663	0,3	10,5	1 456 648	8,5	11,3
Mpumalanga	668 395	4,5	24,5	841 727	0,6	9,3	1 067 700	-4,9	-8,9
North West	762 746	23,9	59,2	806 174	1,8	11,8	1 110 667	-2,5	4,6
Northern Cape	612 397	8,4	6,5	740 716	5,7	18,9	1 084 592	7,8	13,8
Limpopo	844 325	23,5	57,6	900 446	6,6	6,3	1 322 749	2,3	7,3
Western Cape	976 492	10,4	28,1	1 140 745	1,0	3,2	1 674 312	0,3	6,0
Metropolitan regions									
PE/Uitenhage (Eastern Cape)	652 724	5,0	18,9	896 958	1,0	11,9	1 356 784	3,3	8,6
East London (Eastern Cape)	816 066	13,8	32,0	1 145 245	11,7	25,4	1 591 760	5,2	8,1
Bloemfontein (Free State)	841 138	20,8	21,8	925 972	6,4	8,6	1 375 737	5,9	11,0
Greater Johannesburg (Gauteng)	867 098	1,0	13,9	1 091 406	4,8	12,5	1 572 919	2,9	9,3
Johannesburg Central & South	635 633	4,8	6,8	895 577	-4,6	2,9	1 934 979	13,2	37,6
Johannesburg North & West	1 228 533	16,6	33,5	1 354 568	2,1	20,3	1 688 063	-3,6	5,0
East Rand	805 777	7,8	6,3	915 524	5,3	10,6	1 348 765	8,1	9,5
Pretoria (Gauteng)	922 303	23,6	46,1	989 947	2,3	10,3	1 514 694	0,3	10,2
Durban/Pinetown (KwaZulu-Natal)	811 534	12,1	13,0	954 344	-4,4	8,3	1 565 394	6,8	13,0
Cape Town (Western Cape)	1 028 048	11,9	30,8	1 210 783	1,6	8,7	1 703 219	-0,8	7,5

House prices are based on the total smoothed purchase price of houses (including all improvements) between 80m² and 400m², up to R3,1 million, in respect of which loan applications were approved by Absa Bank.

Monthly mortgage repayment (rand, calculated over a period of 20 years)

Mortgage amount	Repayment at a mortgage rate of												
	9,5%	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
100 000	932	965	998	1 032	1 066	1 101	1 136	1 172	1 207	1 244	1 280	1 317	1 354
200 000	1 864	1 930	1 997	2 064	2 133	2 202	2 272	2 343	2 415	2 487	2 560	2 634	2 708
300 000	2 796	2 895	2 995	3 097	3 199	3 303	3 408	3 515	3 622	3 731	3 840	3 950	4 062
400 000	3 729	3 860	3 994	4 129	4 266	4 404	4 545	4 686	4 829	4 974	5 120	5 267	5 416
500 000	4 661	4 825	4 992	5 161	5 332	5 505	5 681	5 858	6 037	6 218	6 400	6 584	6 769
600 000	5 593	5 790	5 990	6 193	6 399	6 607	6 817	7 029	7 244	7 461	7 680	7 901	8 123
700 000	6 525	6 755	6 989	7 225	7 465	7 708	7 953	8 201	8 452	8 705	8 960	9 218	9 477
800 000	7 457	7 720	7 987	8 258	8 531	8 809	9 089	9 373	9 659	9 948	10 240	10 534	10 831
900 000	8 389	8 685	8 985	9 290	9 598	9 910	10 225	10 544	10 866	11 192	11 520	11 851	12 185
1 000 000	9 321	9 650	9 984	10 322	10 664	11 011	11 361	11 716	12 074	12 435	12 800	13 168	13 539
1 500 000	13 982	14 475	14 976	15 483	15 996	16 516	17 042	17 574	18 111	18 653	19 200	19 752	20 308
2 000 000	18 643	19 300	19 968	20 644	21 329	22 022	22 723	23 432	24 147	24 870	25 600	26 336	27 078
2 500 000	23 303	24 126	24 959	25 805	26 661	27 527	28 404	29 289	30 184	31 088	32 000	32 920	33 847

Mortgage amount at fixed monthly repayment (rand, calculated over a period of 20 years)

Mortgage repayment	Mortgage amount at a mortgage rate of												
	9,5%	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
1 000	107 281	103 625	100 162	96 882	93 771	90 819	88 017	85 355	82 824	80 417	78 125	75 942	73 862
2 000	214 562	207 249	200 325	193 763	187 542	181 639	176 035	170 710	165 649	160 834	156 250	151 885	147 724
3 000	321 843	310 874	300 487	290 645	281 313	272 458	264 052	256 065	248 473	241 250	234 375	227 827	221 585
4 000	429 124	414 498	400 649	387 526	375 083	363 278	352 069	341 421	331 297	321 667	312 501	303 769	295 447
5 000	536 405	518 123	500 811	484 408	468 854	454 097	440 086	426 776	414 122	402 084	390 626	379 711	369 309
6 000	643 686	621 748	600 974	581 289	562 625	544 916	528 104	512 131	496 946	482 501	468 751	455 654	443 171
7 000	750 967	725 372	701 136	678 171	656 396	635 736	616 121	597 486	579 770	562 918	546 876	531 596	517 032
8 000	858 248	828 997	801 298	775 052	750 167	726 555	704 138	682 841	662 595	643 335	625 001	607 538	590 894
9 000	965 529	932 622	901 460	871 934	843 938	817 375	792 156	768 196	745 419	723 751	703 126	683 480	664 756
10 000	1 072 810	1 036 246	1 001 623	968 815	937 708	908 194	880 173	853 551	828 243	804 168	781 251	759 423	738 618
15 000	1 609 216	1 554 369	1 502 434	1 453 223	1 406 563	1 362 291	1 320 259	1 280 327	1 242 365	1 206 252	1 171 877	1 139 134	1 107 926
20 000	2 145 621	2 072 492	2 003 245	1 937 631	1 875 417	1 816 388	1 760 346	1 707 103	1 656 487	1 608 337	1 562 503	1 518 846	1 477 235
25 000	2 682 026	2 590 615	2 504 057	2 422 038	2 344 271	2 270 485	2 200 432	2 133 878	2 070 608	2 010 421	1 953 128	1 898 557	1 846 544