



Residential Building Statistics

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Levels of residential building activity deteriorate in the first quarter of 2012

The first quarter of 2012 saw levels of residential building activity in the South African market for new housing deteriorating. Both the planning and construction phases of new residential property development experienced lower levels of activity on a quarterly as well as an annual basis in the first three months of the year.

On the planning side, the number of new housing units for which building plans were approved by local government institutions was down by 1 783 units to a total of 11 226 in the first quarter from a year ago. This decline was largely evident in the segments for smaller-sized houses and flats and townhouses, while from a regional perspective the Western Cape and Gauteng provinces were the main contributors to the drop in building plans approved for new housing, followed by the Free State.

The construction phase of new housing experienced a marginal drop of 140 units in the first quarter of the year to a total of 9 391 units compared with the same period in 2011. Only the category of smaller-sized houses, i.e. houses of less than 80m², recorded a drop in first-quarter construction volumes from a year ago, with the other two segments registering double-digit year-on-year growth. At a regional level Gauteng was the main supporting factor in the construction of new housing in the first quarter, showing growth of 37,4% year-on-year (y/y), or 1 277 units, from the corresponding period last year. The number of new housing units built was down in six of the nine provinces in the first quarter on a year-on-year basis.

The real value of plans approved for new residential buildings came to R4,35 billion in the first quarter of 2012, down by 1,6% y/y from R4,42 billion in the first quarter of last year. The real value of new residential buildings completed increased by 3,8% y/y to an amount of R 3,35 billion in the first quarter from R3,23 billion a year ago. These real values are calculated at constant 2005 prices.

The future demand for and supply of new housing will be driven by developments with regard to the local economy in general, factors related to the residential building sector, as well as trends in respect of household finances and consumers' risk profile, which may impact the affordability of housing and the accessibility of mortgage finance.

Residential Building Activity (January-March)

Category of housing	Building plans approved			Buildings completed		
	Units 2011	Units 2012		Units 2011	Units 2012	
		Number	% change		Number	% change
Houses of <80m ²	6 046	4 420	-26.9	4 743	3 846	-18.9
Houses of ≥80m ²	3 294	4 018	22.0	2 466	2 810	13.9
Flats & townhouses	3 669	2 788	-24.0	2 322	2 735	17.8
Total	13 009	11 226	-13.7	9 531	9 391	-1.5

Source: Stats SA

Residential Building Activity by Province

Building plans approved												
	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
Total new houses, flats and townhouses	Jan-Mar 11	Number	3 347	395	164	1 082	790	668	5 307	961	295	13 009
	January- March 2012	Number	2 408	791	553	466	695	466	4 835	705	307	11 226
		% change	-28.1	100.3	237.2	-56.9	-12.0	-30.2	-8.9	-26.6	4.1	-13.7
		% of SA	21.5	7.0	4.9	4.2	6.2	4.2	43.1	6.3	2.7	100.0
Alterations and additions to existing houses	Jan-Mar 11	m ²	206 528	65 388	8 843	29 849	90 465	41 184	256 360	36 602	20 558	755 777
	January- March 2012	m ²	196 697	69 418	14 795	39 066	74 358	41 950	251 344	33 033	17 328	737 989
		% change	-4.8	6.2	67.3	30.9	-17.8	1.9	-2.0	-9.8	-15.7	-2.4
		% of SA	26.7	9.4	2.0	5.3	10.1	5.7	34.1	4.5	2.3	100.0
Buildings completed												
	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
Total new houses, flats and townhouses	Jan-Mar 11	Number	2 467	1 165	119	732	683	342	3 418	378	227	9 531
	January- March 2012	Number	2 018	860	36	226	504	459	4 695	518	75	9 391
		% change	-18.2	-26.2	-69.7	-69.1	-26.2	34.2	37.4	37.0	-67.0	-1.5
		% of SA	21.5	9.2	0.4	2.4	5.4	4.9	50.0	5.5	0.8	100.0
Alterations and additions to existing houses	Jan-Mar 11	m ²	161 712	42 412	6 906	20 722	59 242	10 108	162 261	31 033	1 068	495 464
	January- March 2012	m ²	159 819	23 405	17 035	11 841	43 916	8 603	90 569	22 608	2 224	380 020
		% change	-1.2	-44.8	146.7	-42.9	-25.9	-14.9	-44.2	-27.1	108.2	-23.3
		% of SA	42.1	6.2	4.5	3.1	11.6	2.3	23.8	5.9	0.6	100.0

Source: Stats SA



