

AIDA NATIONAL FRANCHISES PREDICTIONS FOR 2013

Neville McIntyre, chairman of Aida's parent company Jigsaw Holdings, says the expectation all over the world, and not just in SA, is that a scarcity of capital will prevail in 2013 and that there will thus be no increase in mortgage lending.

"The demand for housing, on the other hand, is set to increase dramatically, and because of that we foresee that there will be a slight increase in the number of property transactions and in the number of new developments coming to the market.

"There will also, of course, be strong demand for rental properties, which will be good for buy-to-let investors and prompt an increase in investment purchases."

He says large numbers of "distressed" properties still being brought to market by the banks and sold at below market value will suppress home prices in 2013 – "but at the same time these 'bargain' properties will sustain activity and awareness and make homeownership more accessible for quite a number of people".

McIntyre also notes that a lack of skills and capacity in government and planning departments and well as in some Deeds Office branches remains of serious concern to the real estate industry.

"It causes major delays in developments, zoning approvals and transfers, and that has financial implications for everyone in the property sale chain."

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