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Residential building statistics

21 February 2013

2012 saw a continued low level of residential building activity

Building activity in the South African market for new housing remained subdued in 2012 compared with the period of 2005 to 2008. While activity with regard to plans approved for new housing contracted in 2012, levels of activity in the construction phase showed some growth last year on the back of double-digit growth in activity in the planning phase in 2011.

The number of new housing units for which building plans were approved was down by almost 6% in 2012, mainly as a result of a contraction of more than 21% in the planning phase of houses smaller than 80m². The category for houses of 80m² and larger as well as flats and townhouses showed some improvement in terms of plans approved, but the growth in these segments remained well in single digits. The real value of plans approved for new residential buildings amounted to R15,52 billion in 2012, up by only R326,58 million, or 2,1%, from R15,19 billion in 2011. In the period of 1994 to 2012, plans were approved for a total of 1 457 847 new private sector-financed housing units, of which 1 020 713 units, or 70%, were in the segments of smaller-sized houses and higher-density flats and townhouses. These numbers exclude government-financed and government-subsidised housing.

The construction phase of new housing recorded an increase of just more than 6% in the level of activity in 2012 compared with 2011, which is a lagged effect of an improvement in the planning phase in 2011. The growth in construction volumes last year was mainly the result of an increase of 20% in the number of flats and townhouse units completed, which came on the back of 20% growth in the level of plans approved for these types of housing in the previous year. The real value of new residential buildings completed was up by R1,14 billion, or 11,1%, to a level of R11,40 billion in 2012 from R10,26 billion in 2011. From 1994 to 2012, a total number of 1 084 381 private sector-financed new housing units were built, of which 73,4%, or 795 273 units, were houses of less than 80m² and flats and townhouses.

Residential building activity will in 2013 continue to be affected by economic trends, household finances, property investment sentiment with regard to buy-to-let properties, and consumer confidence in general. These factors, together with trends in building costs and lifestyle, are expected to be reflected in the future demand for and supply of new housing, which will also be affected by activity in the secondary property market. Housing affordability is set to remain an important factor in view of households' financial position, property prices, transaction costs and property running costs. As a result, it is expected that the focus of the majority of homebuyers in the South African market will largely remain on the segments for smaller-sized houses and higher-density flats and townhouses, as reflected by the above-mentioned trends in residential building activity since the mid-1990s.

Residential building activity (January-December)

Category of housing	Building plans approved			Buildings completed		
	Units 2011	Units 2012		Units 2011	Units 2012	
		Number	% change		Number	% change
Houses of <80m ²	22 567	17 781	-21.2	19 506	20 004	2.6
Houses of ≥80m ²	15 529	16 562	6.7	11 456	11 573	1.0
Flats & townhouses	14 728	15 432	4.8	9 545	11 454	20.0
Total	52 824	49 775	-5.8	40 507	43 031	6.2

Source: Stats SA

Residential building activity¹

1994 - 2012

	Building plans approved		Buildings completed	
	Units	% of total	Units	% of total
Houses <80m ²	642 040	44.0	510 397	47.1
Houses ≥80m ²	437 134	30.0	289 108	26.7
Flats and townhouses	378 673	26.0	284 876	26.3
Total	1 457 847	100.0	1 084 381	100.0

¹Private-sector financed

Source: Stats SA

Residential building activity

	Houses <80m ²		Houses ≥80m ²		Flats and townhouses		Total	
	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ
Building plans approved								
2005	37 658	3.0	34 121	6.1	30 479	26.8	102 258	10.3
2006	37 147	-1.4	34 846	2.1	31 932	4.8	103 925	1.6
2007	37 806	1.8	31 772	-8.8	33 113	3.7	102 691	-1.2
2008	34 173	-9.6	21 441	-32.5	29 603	-10.6	85 217	-17.0
2009	25 115	-26.5	13 785	-35.7	16 522	-44.2	55 422	-35.0
2010	20 752	-17.4	14 885	8.0	12 275	-25.7	47 912	-13.6
2011	22 567	8.7	15 529	4.3	14 728	20.0	52 824	10.3
2012	17 781	-21.2	16 562	6.7	15 432	4.8	49 775	-5.8
Buildings completed								
2005	26 307	-31.1	22 251	24.6	22 066	51.0	70 624	-0.1
2006	24 029	-8.7	22 118	-0.6	23 858	8.1	70 005	-0.9
2007	27 555	14.7	22 157	0.2	26 949	13.0	76 661	9.5
2008	23 480	-14.8	20 357	-8.1	26 221	-2.7	70 058	-8.6
2009	24 579	4.7	13 906	-31.7	18 462	-29.6	56 947	-18.7
2010	18 858	-23.3	10 856	-21.9	10 965	-40.6	40 679	-28.6
2011	19 506	3.4	11 456	5.5	9 545	-13.0	40 507	-0.4
2012	20 004	2.6	11 573	1.0	11 454	20.0	43 031	6.2

Source: Stats SA

Residential building activity by province

Building plans approved

	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Jan-Dec 11	Number	6 697	398	835	2 178	647	556	9 036	800	1 420	22 567
	January-December 2012	Number	4 676	678	505	1 304	800	511	8 286	768	253	17 781
		% change	-30.2	70.4	-39.5	-40.1	23.6	-8.1	-8.3	-4.0	-82.2	-21.2
		% of SA	26.3	3.8	2.8	7.3	4.5	2.9	46.6	4.3	1.4	100.0
New houses (≥80m ²)	Jan-Dec 11	Number	3 103	845	275	784	1 384	1 167	5 681	1 766	524	15 529
	January-December 2012	Number	3 239	849	204	881	1 299	1 170	6 770	1 620	530	16 562
		% change	4.4	0.5	-25.8	12.4	-6.1	0.3	19.2	-8.3	1.1	6.7
		% of SA	19.6	5.1	1.2	5.3	7.8	7.1	40.9	9.8	3.2	100.0
New flats and townhouses	Jan-Dec 11	Number	2 786	734	362	572	2 202	1 677	5 236	663	496	14 728
	January-December 2012	Number	4 061	728	114	752	1 681	1 009	6 209	369	509	15 432
		% change	45.8	-0.8	-68.5	31.5	-23.7	-39.8	18.6	-44.3	2.6	4.8
		% of SA	26.3	4.7	0.7	4.9	10.9	6.5	40.2	2.4	3.3	100.0
Total new houses, flats and townhouses	Jan-Dec 11	Number	12 586	1 977	1 472	3 534	4 233	3 400	19 953	3 229	2 440	52 824
	January-December 2012	Number	11 976	2 255	823	2 937	3 780	2 690	21 265	2 757	1 292	49 775
		% change	-4.8	14.1	-44.1	-16.9	-10.7	-20.9	6.6	-14.6	-47.0	-5.8
		% of SA	24.1	4.5	1.7	5.9	7.6	5.4	42.7	5.5	2.6	100.0
Alterations and additions to existing houses	Jan-Dec 11	m ²	867 479	281 797	53 588	141 532	378 913	153 979	1 073 107	138 920	70 897	3 160 212
	January-December 2012	m ²	840 021	288 663	57 465	156 812	328 751	167 682	1 058 534	150 897	72 810	3 121 635
		% change	-3.2	2.4	7.2	10.8	-13.2	8.9	-1.4	8.6	2.7	-1.2
		% of SA	26.9	9.2	1.8	5.0	10.5	5.4	33.9	4.8	2.3	100.0

Buildings completed

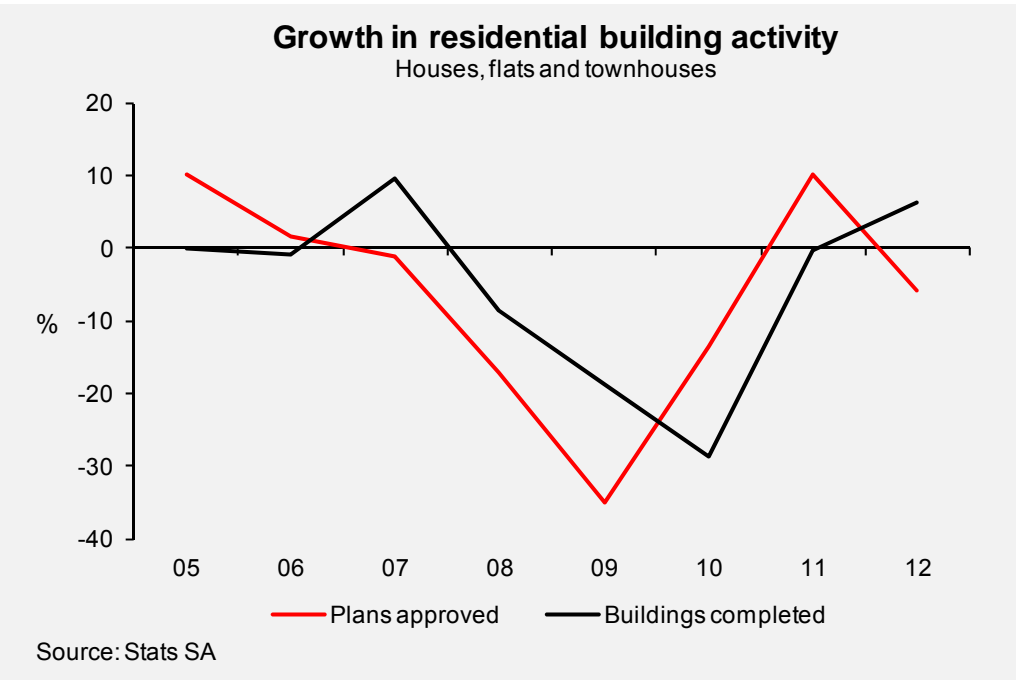
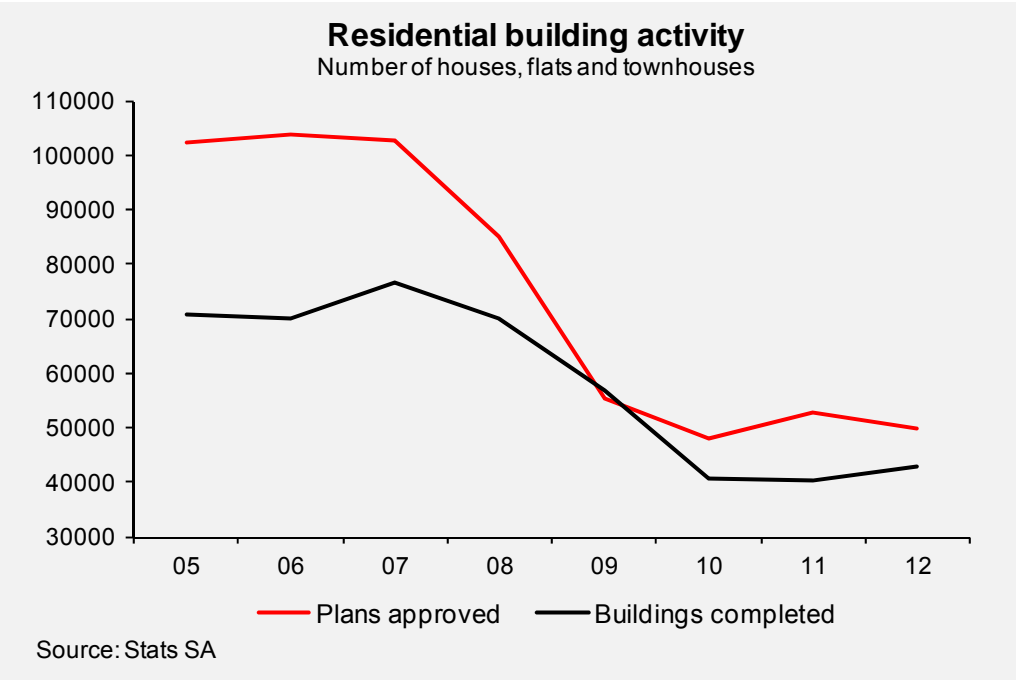
	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Jan-Dec 11	Number	5 970	1 846	743	1 093	530	280	8 155	726	163	19 506
	January-December 2012	Number	6 132	3 248	5	475	388	139	9 072	449	96	20 004
		% change	2.7	75.9	-99.3	-56.5	-26.8	-50.4	11.2	-38.2	-41.1	2.6
		% of SA	30.7	16.2	0.0	2.4	1.9	0.7	45.4	2.2	0.5	100.0
New houses (≥80m ²)	Jan-Dec 11	Number	2 869	583	103	359	966	799	4 494	1 104	179	11 456
	January-December 2012	Number	2 925	527	73	483	933	767	4 580	1 058	227	11 573
		% change	2.0	-9.6	-29.1	34.5	-3.4	-4.0	1.9	-4.2	26.8	1.0
		% of SA	25.3	4.6	0.6	4.2	8.1	6.6	39.6	9.1	2.0	100.0
New flats and townhouses	Jan-Dec 11	Number	2 322	155	79	84	1 331	772	4 252	334	216	9 545
	January-December 2012	Number	3 114	433	25	326	982	647	5 253	427	247	11 454
		% change	34.1	179.4	-68.4	288.1	-26.2	-16.2	23.5	27.8	14.4	20.0
		% of SA	27.2	3.8	0.2	2.8	8.6	5.6	45.9	3.7	2.2	100.0
Total new houses, flats and townhouses	Jan-Dec 11	Number	11 161	2 584	925	1 536	2 827	1 851	16 901	2 164	558	40 507
	January-December 2012	Number	12 171	4 208	103	1 284	2 303	1 553	18 905	1 934	570	43 031
		% change	9.0	62.8	-88.9	-16.4	-18.5	-16.1	11.9	-10.6	2.2	6.2
		% of SA	28.3	9.8	0.2	3.0	5.4	3.6	43.9	4.5	1.3	100.0
Alterations and additions to existing houses	Jan-Dec 11	m ²	660 952	130 653	33 672	51 938	230 652	37 468	511 670	100 870	4 795	1 762 670
	January-December 2012	m ²	575 583	106 707	46 716	50 637	172 398	30 488	404 750	74 150	5 980	1 467 409
		% change	-12.9	-18.3	38.7	-2.5	-25.3	-18.6	-20.9	-26.5	24.7	-16.8
		% of SA	39.2	7.3	3.2	3.5	11.7	2.1	27.6	5.1	0.4	100.0

Source: Stats SA

Alterations and additions to existing houses

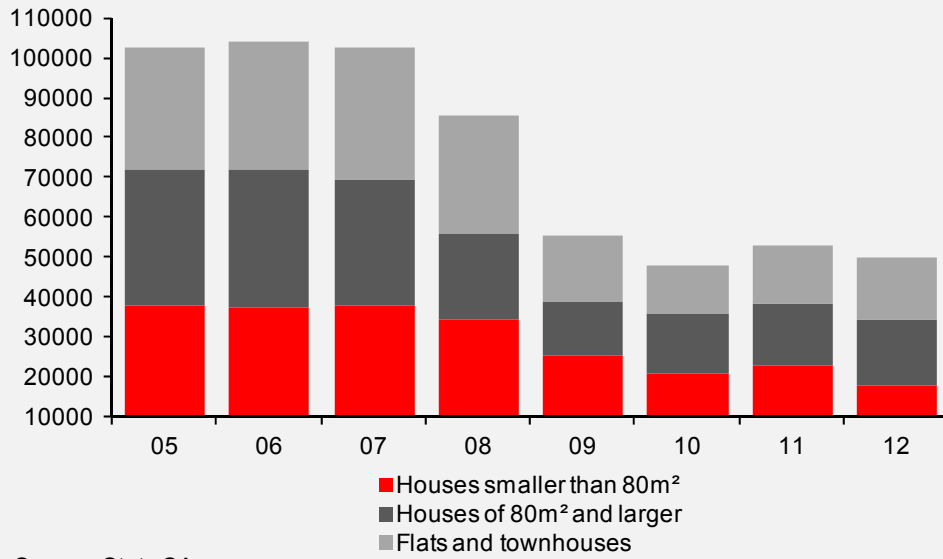
	Plans approved		Completed	
	m ²	% change	m ²	% change
2005	5 200 397	20.4	1 662 014	9.9
2006	5 288 732	1.7	1 987 253	19.6
2007	5 123 325	-3.1	2 044 860	2.9
2008	4 081 631	-20.3	2 233 737	9.2
2009	3 318 140	-18.7	2 311 557	3.5
2010	3 443 686	3.8	1 811 174	-21.6
2011	3 160 212	-8.2	1 762 670	-2.7
2012	3 121 635	-1.2	1 467 409	-16.8

Source: Stats SA



Residential building activity: plans approved

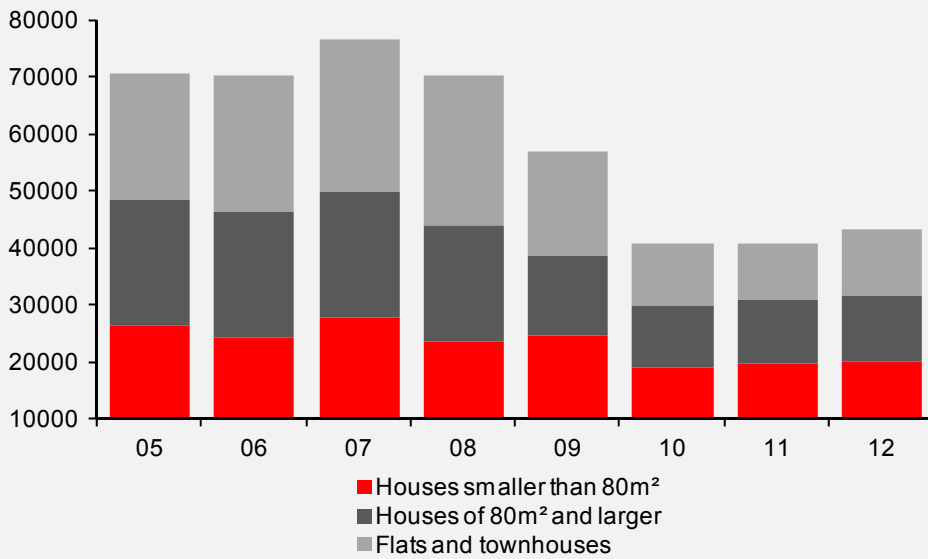
Number of houses, flats and townhouses



Source: Stats SA

Residential building activity: buildings constructed

Number of houses, flats and townhouses



Source: Stats SA

