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Explanatory notes:

The residential building statistics refer to private sector-financed housing, largely excluding subsidised low-cost housing, for which information was reported by local government institutions.

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Residential building statistics

19 July 2013

Slowdown in residential building activity in May

Levels of residential building activity, i.e. with regard to building plans approved for new housing and new housing units completed in the South African market, tapered off in May 2013, after a relatively strong performance in earlier months. However, activity levels were still up in the first five months of the year compared with the corresponding period last year.

Although the number of building plans approved for new housing increased by 11,3% year-on-year (y/y) in January to May this year, marginal growth of just 0,5% y/y was recorded in May. Plans were approved for a total of 4 658 new housing units in May, down by 435 units, or 8,5%, compared with April, driven by a sharp drop of 32,1% y/y in plans approved in the segment for houses less than 80m² to a total of 1 113 units. The category of flats and townhouses saw plans approved increasing by 32,1% y/y to 2 171 units in May.

The construction phase of new housing saw the number of units completed rising by 8,6% y/y in the first five months of the year, influenced by a drop of 17,3% y/y to 3 130 units in May, which was the result of the number of smaller-sized houses completed down by 51,8% y/y.

The real value of plans approved for new residential buildings was up by 18,2% y/y, or R2 billion, to R12,94 billion in the first five months of 2013 from R10,95 billion a year ago. The real value of residential buildings reported as completed was up by 11,2% y/y, or R901,8 million, to R8,93 billion in the period January to May from R8,03 billion in the corresponding period last year. These real values of residential building activity are calculated at constant 2010 prices.

Conditions with regard to the economy, household finances, consumer and building confidence and factors related to the demand for supply of new housing will continue to drive residential building activity.

Residential building plans approved (January - May)

| Category of housing | Units 2012 | Units 2013 | | m ² 2012 | Building area 2013 | |
|-----------------------------|---------------|---------------|-------------|---------------------|--------------------|-------------|
| | | Number | %Δ | | m ² | %Δ |
| Houses of <80m ² | 7 561 | 7 179 | -5.1 | 365 041 | 359 090 | -1.6 |
| Houses of ≥80m ² | 6 553 | 6 816 | 4.0 | 1 507 649 | 1 692 246 | 12.2 |
| Flats and townhouses | 5 279 | 7 588 | 43.7 | 505 125 | 681 996 | 35.0 |
| Total | 19 393 | 21 583 | 11.3 | 2 377 815 | 2 733 332 | 15.0 |

Source: Stats SA

Residential buildings completed (January - May)

| Category of housing | Units 2012 | Units 2013 | | m ² 2012 | Building area 2013 | |
|-----------------------------|---------------|---------------|------------|---------------------|--------------------|------------|
| | | Number | %Δ | | m ² | %Δ |
| Houses of <80m ² | 7 585 | 8 048 | 6.1 | 341 031 | 367 936 | 7.9 |
| Houses of ≥80m ² | 4 640 | 4 615 | -0.5 | 1 112 304 | 1 125 490 | 1.2 |
| Flats and townhouses | 4 232 | 5 215 | 23.2 | 394 530 | 482 538 | 22.3 |
| Total | 16 457 | 17 878 | 8.6 | 1 847 865 | 1 975 964 | 6.9 |

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-May 12 | Number | 4 414 | 1 058 | 584 | 690 | 1 170 | 793 | 9 063 | 1 080 | 541 | 19 393 |
| | January - May 2013 | Number | 5 252 | 922 | 197 | 1 109 | 1 858 | 1 647 | 8 640 | 1 300 | 658 | 21 583 |
| | | % change | 19.0 | -12.9 | -66.3 | 60.7 | 58.8 | 107.7 | -4.7 | 20.4 | 21.6 | 11.3 |
| | | % of SA | 24.3 | 4.3 | 0.9 | 5.1 | 8.6 | 7.6 | 40.0 | 6.0 | 3.0 | 100.0 |
| Alterations and additions to existing houses | Jan-May 12 | m ² | 337 148 | 120 496 | 22 708 | 62 970 | 129 030 | 69 272 | 413 218 | 51 041 | 26 897 | 1 232 780 |
| | January - May 2013 | m ² | 342 820 | 112 061 | 16 029 | 59 310 | 127 370 | 73 197 | 406 990 | 66 257 | 27 765 | 1 231 799 |
| | | % change | 1.7 | -7.0 | -29.4 | -5.8 | -1.3 | 5.7 | -1.5 | 29.8 | 3.2 | -0.1 |
| | | % of SA | 27.8 | 9.1 | 1.3 | 4.8 | 10.3 | 5.9 | 33.0 | 5.4 | 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-May 12 | Number | 3 900 | 1 575 | 50 | 527 | 940 | 589 | 7 885 | 824 | 167 | 16 457 |
| | January - May 2013 | Number | 5 925 | 1 552 | 28 | 433 | 1 175 | 546 | 7 100 | 853 | 266 | 17 878 |
| | | % change | 51.9 | -1.5 | -44.0 | -17.8 | 25.0 | -7.3 | -10.0 | 3.5 | 59.3 | 8.6 |
| | | % of SA | 33.1 | 8.7 | 0.2 | 2.4 | 6.6 | 3.1 | 39.7 | 4.8 | 1.5 | 100.0 |
| Alterations and additions to existing houses | Jan-May 12 | m ² | 255 805 | 42 448 | 24 668 | 20 842 | 73 908 | 14 934 | 155 528 | 32 163 | 3 996 | 624 292 |
| | January - May 2013 | m ² | 410 548 | 62 155 | 7 798 | 19 665 | 74 507 | 12 920 | 172 746 | 30 831 | 2 985 | 794 155 |
| | | % change | 60.5 | 46.4 | -68.4 | -5.6 | 0.8 | -13.5 | 11.1 | -4.1 | -25.3 | 27.2 |
| | | % of SA | 51.7 | 7.8 | 1.0 | 2.5 | 9.4 | 1.6 | 21.8 | 3.9 | 0.4 | 100.0 |

Source: Stats SA



