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

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Residential building statistics

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Strong growth in residential building activity on a segment level

The first seven months of 2015 saw improved levels of building activity with regard to new private sector-financed housing in South Africa (see explanatory notes), based on data published by Statistics South Africa. However, growth in activity levels in both the planning and construction phases of new housing was largely segment driven up to July this year.

The number of new housing units for which building plans were approved was up by around 5% year-on-year (y/y) to more than 35 000 units since January, with strong growth of 15,5% y/y recorded in the category of flats and townhouses. The two house-related segments showed very little movement in the first seven months of the year compared with a year ago.

Growth in the number of new housing units constructed was recorded at 6,3% y/y, with a total of almost 22 000 units built in the seven months up to July. This growth was largely the result of a relatively strong improvement in new houses built to the tune of 19% y/y to a total of 15 951 units. The number of new flats and townhouses built was down by 17,3% y/y in the seven-month period, but with these housing developments normally taking quite some time to complete as a result of the extent of construction, the double-digit growth in the planning of these types of housing will probably be reflected in the construction phase at much later stage.

The average cost per square metre of new housing built came to an average of R6 014 in the first seven months of 2015, which was 5,3% higher than in the corresponding period last year. Building costs per square metre were as follows in the various segments of housing in January to July this year:

- Houses of <80m²: R3 884, up by 12,8% y/y.
- Houses of ≥80m²: R6 293, up by 4,8% y/y.
- Flats and townhouses: R6 864, up by 8,4% y/y.

Growth in activity levels in the various segments of new housing built will be a result of the magnitude of the planning and construction phases, with a significant lag between the planning and eventual completion based on the extent of such housing developments, as well as other factors such as the process of rezoning and preparation of development land and the availability of municipal services such as water, sewerage and electricity. Trends in and the outlook for the economy, household finances and consumer and building confidence are also important drivers of residential building activity.

Residential building activity¹

1994 - 2015

Segment	Building plans approved		Buildings completed	
	Units	% of total	Units	% of total
Houses of <80m ²	693 766	43.4	552 423	46.6
Houses of ≥80m ²	480 294	30.0	318 216	26.8
Flats and townhouses	426 228	26.6	315 097	26.6
Total	1 600 288	100.0	1 185 736	100.0

¹Private-sector financed

Source: Stats SA

Residential building activity (January-July)¹

Segment	Plans approved						Buildings completed					
	Units 2014	Units 2015		m ² 2014	Building area 2015		Units 2014	Units 2015		m ² 2014	Building area 2015	
		Number	%Δ		m ²	%Δ		Number	%Δ		m ²	%Δ
Houses of <80m ²	13 112	13 103	-0.1	638 669	614 190	-3.8	7 661	9 127	19.1	372 001	456 411	22.7
Houses of ≥80m ²	9 798	9 816	0.2	2 568 181	2 701 880	5.2	5 745	6 824	18.8	1 436 317	1 795 288	25.0
Flats and townhouses	10 582	12 221	15.5	985 860	1 212 304	23.0	7 168	5 929	-17.3	691 927	580 165	-16.2
Total	33 492	35 140	4.9	4 192 710	4 528 374	8.0	20 574	21 880	6.3	2 500 245	2 831 864	13.3

¹Private-sector financed

Source: Stats SA

Residential building activity by province¹

Building plans approved

Segment	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
Total new houses, flats and townhouses	Jan-Jul 14	Number	6 672	1 646	364	1 180	4 463	1 435	14 567	2 402	763	33 492
	January - July 2015	Number	9 122	2 062	117	1 944	2 126	1 995	14 785	1 928	1 061	35 140
		% change	36.7	25.3	-67.9	64.7	-52.4	39.0	1.5	-19.7	39.1	4.9
		% of SA	26.0	5.9	0.3	5.5	6.1	5.7	42.1	5.5	3.0	100.0
Alterations and additions to existing houses	Jan-Jul 14	m ²	427 734	179 894	33 301	82 887	216 664	93 504	569 489	112 488	38 967	1 754 928
	January - July 2015	m ²	538 878	193 456	30 197	91 926	195 291	83 618	533 794	114 886	34 311	1 816 357
		% change	26.0	7.5	-9.3	10.9	-9.9	-10.6	-6.3	2.1	-11.9	3.5
		% of SA	29.7	10.7	1.7	5.1	10.8	4.6	29.4	6.3	1.9	100.0

Buildings completed

Segment	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
Total new houses, flats and townhouses	Jan-Jul 14	Number	5 243	928	100	529	1 469	1 418	8 180	2 145	562	20 574
	January - July 2015	Number	6 375	1 096	223	1 409	1 077	1 026	8 866	1 420	388	21 880
		% change	21.6	18.1	123.0	166.4	-26.7	-27.6	8.4	-33.8	-31.0	6.3
		% of SA	29.1	5.0	1.0	6.4	4.9	4.7	40.5	6.5	1.8	100.0
Alterations and additions to existing houses	Jan-Jul 14	m ²	221 116	54 957	13 775	10 231	83 716	14 481	197 455	56 944	4 508	657 183
	January - July 2015	m ²	265 873	56 493	15 702	21 255	79 376	55 710	102 417	69 864	1 868	668 558
		% change	20.2	2.8	14.0	107.8	-5.2	284.7	-48.1	22.7	-58.6	1.7
		% of SA	39.8	8.4	2.3	3.2	11.9	8.3	15.3	10.4	0.3	100.0

¹Private-sector financed

Source: Stats SA



