

Toll roads and transport costs now an even bigger influence on home choices

With SANRAL apparently trying to convert Gauteng e-toll arrears into traffic fines and the Western Cape government having recently gone to court to halt the Winelands e-toll plan, transport costs remain top of mind again for South Africa's consumers as they go back to work this month.

With all the attention that e-tolls get, it is easy to overlook the fact that the ordinary tolls on main routes such as the N1, N3 and N4 are even more onerous for many local road users and businesses – and go up every year.

However, consumers are increasingly aware of the costs of commuting in both time and money terms, and this is already having a significant effect on home buying patterns in most major centres, which we expect to see intensify in the year ahead.

In Gauteng, for example, there is likely to be even higher demand among young buyers for flats and townhouses in inner city areas close to their workplaces, and in suburbs close to Gautrain and MetroRail stations and on convenient bus routes. In fact, we think that access to good public transport could become a factor almost as important as price for such buyers, because being able to go without a car and all the related expenses may well make all the difference for them between being able to buy a home and having to carry on renting.

Meanwhile among older, more established buyers with families there is likely to be sharply increased demand this year in the more central, "heritage" suburbs for homes with space for home offices – even if there is just a garage or an outbuilding that can be converted – so that owners can cut down on office commutes while also gaining easy access to good schools and convenient shopping.

And such buyers may even be prepared to trade off a somewhat higher home price against lower transport costs, especially if they have been living further out of town and can now save a lot of the time they used to spend in traffic.

On the other hand there is also likely to be increased demand for homes in self-contained estates that have their own schools, shops and are close to decentralised office nodes.

When making these purchases, however, most buyers will be looking to limit home costs as they will probably still have to bear some commuting expenses. Consequently, the highest demand is likely to be for the more compact, more affordable houses and townhouses which are now becoming available on many more lifestyle estates, and for homes in the newer, estate-like sectional title complexes.

From an investment point of view the introduction of e-tolling has already substantially boosted the demand for rental homes close to workplaces, good schools and public transport hubs, and for student flats and rooms that make it possible for students to get to classes without a car.

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