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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

16 February 2017

Subdued levels of residential building activity since 2009 continued in 2016

Levels of building activity in the South African market for new housing remained largely subdued in 2016, which were in line with trends since 2009 when the economy experienced recessionary conditions. The planning phase of new housing, as reflected by the number of building plans approved by local government institutions, showed some contraction last year compared with 2015. The construction phase of new housing, i.e. the volume of housing units reported as completed, recorded growth of much in line with that of 2015. These trends are based on data published by Statistics South Africa in respect of building activity related to private sector-financed housing (see explanatory notes).

The number of new housing units for which building plans were approved, was down by 6,4%, or 3 836 units, to 56 143 units in the twelve months up to December last year compared with a year ago. This came to only 54,7% of a total of 102 691 plans approved ten years ago in 2007. The drop in building plans approved in 2016 was largely the result of a combined decline of 16,5%, or 6 550 units, to a total of 33 214 units in the two segments of new houses. However, the number of plans approved for new flats and townhouses increased by 13,4%, or 2 714 units, in the 12-month period.

The volume of new housing units built increased by 4,6%, or 1 820 units, to 41 489 units in 2016 from 39 666 units constructed in 2015. This improvement in the construction phase was mainly the result of growth of around 19%, or 2 198 more units built in the segment for flats and townhouses to a total of 13 691 units last year. The two segments of houses showed a combined decline of only 1,3%, or 375 units, to 27 798 units in 2016.

The real value of plans approved for new residential buildings increased by R289,8 million, or 0,6%, to R50,72 billion in 2016, with the real value of new residential buildings reported as completed that increased by R629,5 million, or 2%, to R32,79 billion last year. These real values are calculated at constant 2015 prices.

The subdued trend of the past few years with regard to alterations and additions to existing houses continued in 2016 against the background of homeowners experiencing financial strain.

The average building cost of new housing constructed in 2016 increased by 6,9% to an average of R6 614 per square meter compared with R6 185 per square meter in 2015. Growth in building costs was on average about 9% per annum in the past ten years compared with an average headline consumer price inflation rate of 6,3% per annum over the same period. The average building cost and the year-on-year percentage change per square meter in the three categories of housing were as follows in 2016:

- Houses of <80m²: R4 436, up by 14,7% from R3 869 in 2015
- Houses of ≥80m²: R6 683, up by 4,7% from R6 383 in 2015
- Flats and townhouses: R7 659, up by 6,2% from R7 213 in 2015

Against the background of the continued relatively low level of consumer and building confidence, as well as recent trends in and the outlook for the economy and household finances, residential building activity is expected to remain largely subdued in 2017.

Residential building activity¹

1994 - 2016

Segment	Building plans approved		Buildings completed	
	Units	% of total	Units	% of total
Houses of <80m ²	720 764	42.9	574 870	46.2
Houses of ≥80m ²	503 355	29.9	335 789	27.0
Flats and townhouses	457 161	27.2	334 352	26.9
Total	1 681 280	100.0	1 245 011	100.0

¹Private-sector financed

Source: Stats SA

Residential building activity¹

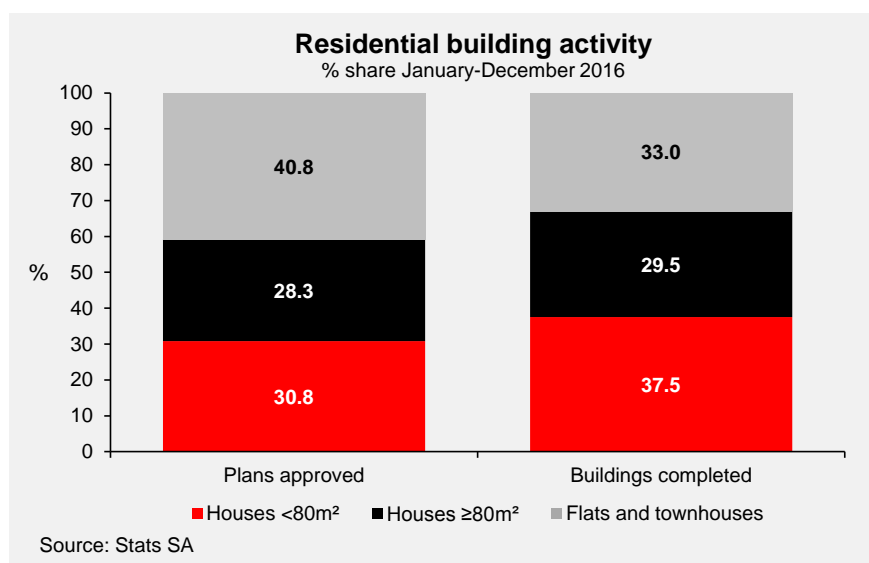
Period	Houses <80m ²		Houses ≥80m ²		Flats and townhouses		Total	
	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ
Building plans approved								
2007	37 806	1.8	31 772	-8.8	33 113	3.7	102 691	-1.2
2008	34 173	-9.6	21 441	-32.5	29 603	-10.6	85 217	-17.0
2009	25 115	-26.5	13 785	-35.7	16 522	-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	17 793	-21.2	16 582	6.8	15 445	4.9	49 820	-5.7
2013	17 894	0.6	16 203	-2.3	16 350	5.9	50 447	1.3
2014	20 717	15.8	17 121	5.7	18 981	16.1	56 819	12.6
2015	22 783	10.0	16 981	-0.8	20 215	6.5	59 979	5.6
2016	17 318	-24.0	15 896	-6.4	22 929	13.4	56 143	-6.4

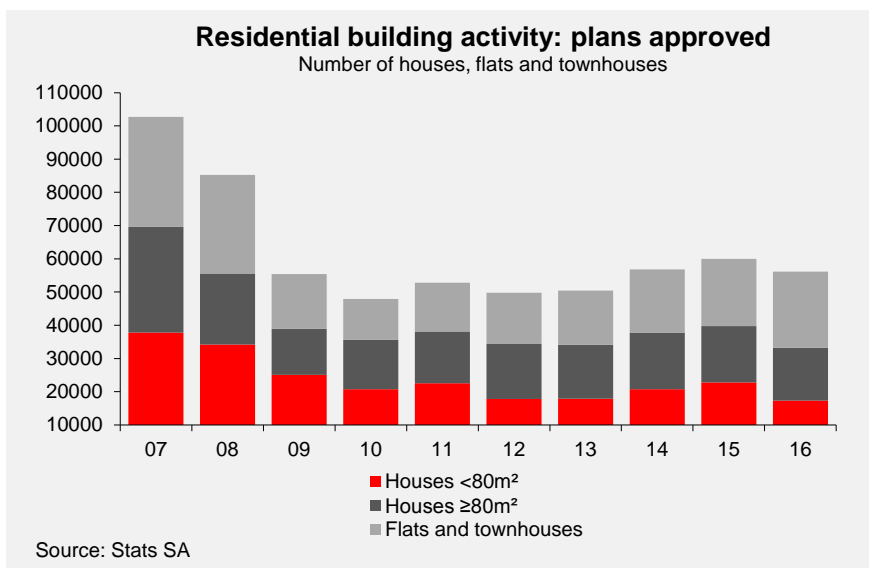
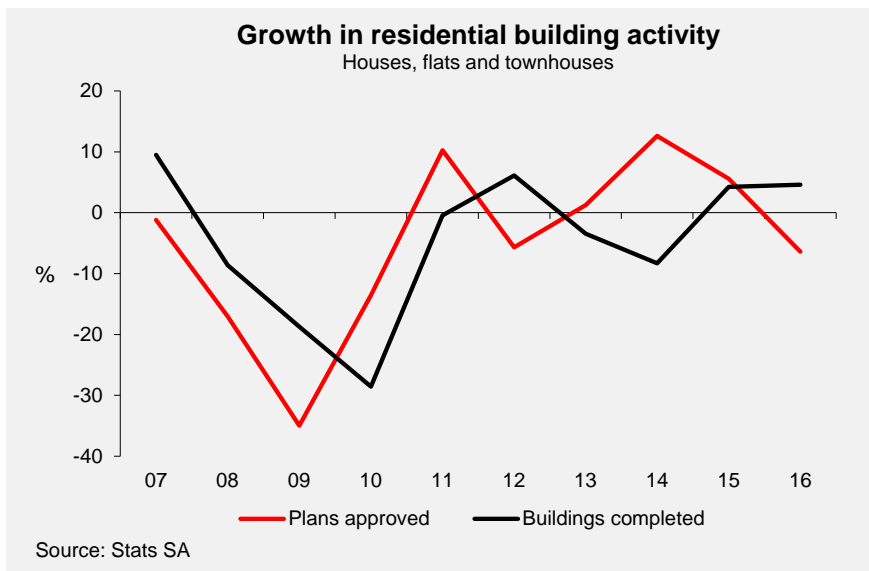
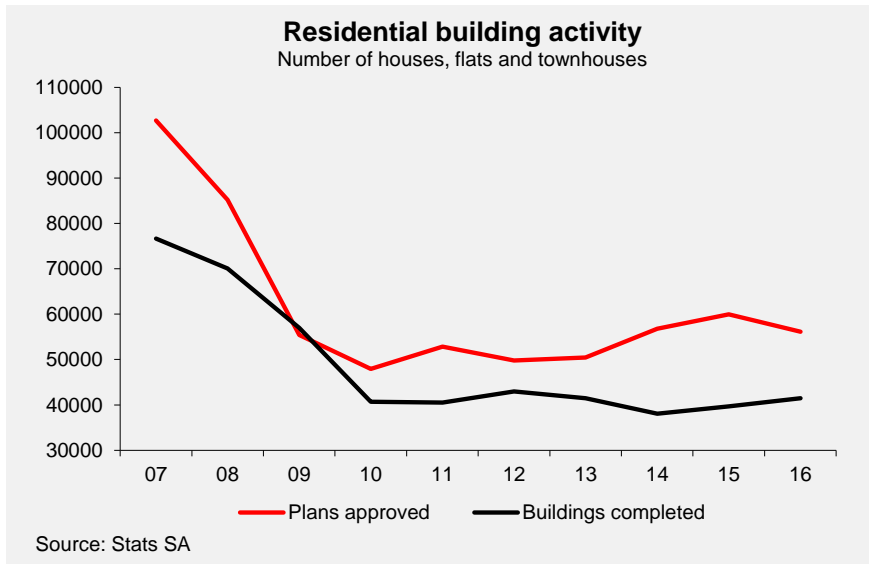
Buildings completed

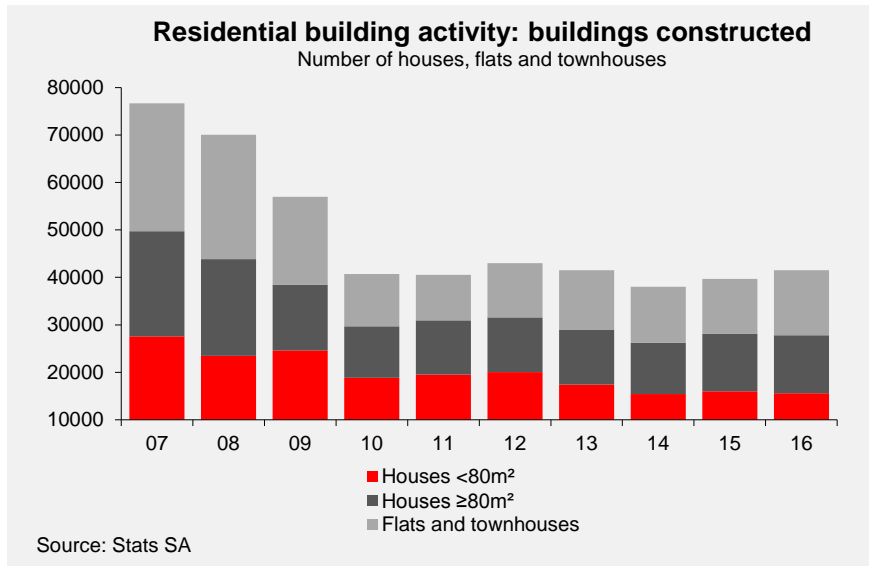
2007	27 555	14.7	22 157	0.2	26 949	13.0	76 661	9.5
2008	23 480	-14.8	20 357	-8.1	26 221	-2.7	70 058	-8.6
2009	24 579	4.7	13 906	-31.7	18 462	-29.6	56 947	-18.7
2010	18 858	-23.3	10 856	-21.9	10 965	-40.6	40 679	-28.6
2011	19 506	3.4	11 456	5.5	9 545	-13.0	40 507	-0.4
2012	20 023	2.7	11 569	1.0	11 386	19.3	42 978	6.1
2013	17 436	-12.9	11 538	-0.3	12 511	9.9	41 485	-3.5
2014	15 444	-11.4	10 750	-6.8	11 849	-5.3	38 043	-8.3
2015	16 012	3.7	12 161	13.1	11 493	-3.0	39 666	4.3
2016	15 562	-2.8	12 236	0.6	13 691	19.1	41 489	4.6

¹Private-sector financed

Source: Stats SA







Residential building activity by province¹

1994-2016

Building plans approved

Segment	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Number	155 059	70 820	6 239	49 964	52 421	41 224	287 923	36 810	20 304	720 764
	% of region	39.6	60.0	45.6	55.7	31.5	44.7	42.5	42.6	44.2	42.9
	% of SA	21.5	9.8	0.9	6.9	7.3	5.7	39.9	5.1	2.8	100.0
New houses (≥80m ²)	Number	130 202	30 607	4 852	21 599	49 395	30 517	186 471	33 991	15 721	503 355
	% of region	33.2	25.9	35.4	24.1	29.6	33.1	27.6	39.3	34.2	29.9
	% of SA	25.9	6.1	1.0	4.3	9.8	6.1	37.0	6.8	3.1	100.0
New flats and townhouses	Number	106 719	16 532	2 600	18 162	64 823	20 444	202 301	15 624	9 956	457 161
	% of region	27.2	14.0	19.0	20.2	38.9	22.2	29.9	18.1	21.7	27.2
	% of SA	23.3	3.6	0.6	4.0	14.2	4.5	44.3	3.4	2.2	100.0
Total houses, flats and townhouses	Number	391 980	117 959	13 691	89 725	166 639	92 185	676 695	86 425	45 981	1 681 280
	% of region	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	% of SA	23.3	7.0	0.8	5.3	9.9	5.5	40.2	5.1	2.7	100.0

Buildings completed

Segment	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Number	134 593	53 558	9 879	34 519	46 540	35 078	217 906	26 227	16 570	574 870
	% of region	42.6	62.8	67.9	60.8	38.8	50.7	43.5	48.2	58.8	46.2
	% of SA	23.4	9.3	1.7	6.0	8.1	6.1	37.9	4.6	2.9	100.0
New houses (≥80m ²)	Number	99 795	19 811	2 873	10 181	32 704	19 085	125 112	19 078	7 150	335 789
	% of region	31.6	23.2	19.8	17.9	27.3	27.6	25.0	35.0	25.4	27.0
	% of SA	29.7	5.9	0.9	3.0	9.7	5.7	37.3	5.7	2.1	100.0
New flats and townhouses	Number	81 400	11 872	1 791	12 113	40 663	15 046	157 853	9 138	4 476	334 352
	% of region	25.8	13.9	12.3	21.3	33.9	21.7	31.5	16.8	15.9	26.9
	% of SA	24.3	3.6	0.5	3.6	12.2	4.5	47.2	2.7	1.3	100.0
Total houses, flats and townhouses	Number	315 788	85 241	14 543	56 813	119 907	69 209	500 871	54 443	28 196	1 245 011
	% of region	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	% of SA	25.4	6.8	1.2	4.6	9.6	5.6	40.2	4.4	2.3	100.0

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
New houses (<80m ²)	Jan-Dec 15	Number	5 652	1 717	25	2 078	295	1 078	10 302	1 358	278	22 783
	January -	Number	7 152	1 303	33	803	328	112	6 351	1 014	222	17 318
	December	% change	26.5	-24.1	32.0	-61.4	11.2	-89.6	-38.4	-25.3	-20.1	-24.0
	2016	% of SA	41.3	7.5	0.2	4.6	1.9	0.6	36.7	5.9	1.3	100.0
New houses (≥80m ²)	Jan-Dec 15	Number	4 298	1 002	186	847	1 615	995	5 722	1 682	634	16 981
	January -	Number	4 639	1 157	185	859	1 339	908	4 915	1 262	632	15 896
	December	% change	7.9	15.5	-0.5	1.4	-17.1	-8.7	-14.1	-25.0	-0.3	-6.4
	2016	% of SA	29.2	7.3	1.2	5.4	8.4	5.7	30.9	7.9	4.0	100.0
New flats and townhouses	Jan-Dec 15	Number	5 588	308	4	437	2 346	1 174	9 366	428	564	20 215
	January -	Number	5 741	857	61	378	3 853	871	10 585	437	146	22 929
	December	% change	2.7	178.2	-	-13.5	64.2	-25.8	13.0	2.1	-74.1	13.4
	2016	% of SA	25.0	3.7	0.3	1.6	16.8	3.8	46.2	1.9	0.6	100.0
Total new houses, flats and townhouses	Jan-Dec 15	Number	15 538	3 027	215	3 362	4 256	3 247	25 390	3 468	1 476	59 979
	January -	Number	17 532	3 317	279	2 040	5 520	1 891	21 851	2 713	1 000	56 143
	December	% change	12.8	9.6	29.8	-39.3	29.7	-41.8	-13.9	-21.8	-32.2	-6.4
	2016	% of SA	31.2	5.9	0.5	3.6	9.8	3.4	38.9	4.8	1.8	100.0
Alterations and additions to existing houses	Jan-Dec 15	m ²	891 405	317 762	53 600	151 267	358 105	142 908	987 721	176 266	56 429	3 135 463
	January -	m ²	882 474	268 902	51 572	153 517	366 096	140 029	955 200	151 605	63 299	3 032 694
	December	% change	-1.0	-15.4	-3.8	1.5	2.2	-2.0	-3.3	-14.0	12.2	-3.3
	2016	% of SA	29.1	8.9	1.7	5.1	12.1	4.6	31.5	5.0	2.1	100.0

Buildings completed

Segment	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Jan-Dec 15	Number	5 201	854	38	2 016	238	71	6 321	1 072	201	16 012
	January -	Number	4 679	1 213	5	347	225	441	7 490	1 008	154	15 562
	December	% change	-10.0	42.0	-86.8	-82.8	-5.5	521.1	18.5	-6.0	-23.4	-2.8
	2016	% of SA	30.1	7.8	0.0	2.2	1.4	2.8	48.1	6.5	1.0	100.0
New houses (≥80m ²)	Jan-Dec 15	Number	3 391	595	179	288	812	785	4 920	957	234	12 161
	January -	Number	3 499	697	92	316	770	1 110	4 601	874	277	12 236
	December	% change	3.2	17.1	-48.6	9.7	-5.2	41.4	-6.5	-8.7	18.4	0.6
	2016	% of SA	28.6	5.7	0.8	2.6	6.3	9.1	37.6	7.1	2.3	100.0
New flats and townhouses	Jan-Dec 15	Number	3 085	147	54	266	999	1 130	5 199	348	265	11 493
	January -	Number	4 265	373	5	1 380	762	635	5 833	176	262	13 691
	December	% change	38.2	153.7	-90.7	418.8	-23.7	-43.8	12.2	-49.4	-1.1	19.1
	2016	% of SA	31.2	2.7	0.0	10.1	5.6	4.6	42.6	1.3	1.9	100.0
Total new houses, flats and townhouses	Jan-Dec 15	Number	11 677	1 596	271	2 570	2 049	1 986	16 440	2 377	700	39 666
	January -	Number	12 443	2 283	102	2 043	1 757	2 186	17 924	2 058	693	41 489
	December	% change	6.6	43.0	-62.4	-20.5	-14.3	10.1	9.0	-13.4	-1.0	4.6
	2016	% of SA	30.0	5.5	0.2	4.9	4.2	5.3	43.2	5.0	1.7	100.0
Alterations and additions to existing houses	Jan-Dec 15	m ²	472 421	76 428	26 375	32 331	147 678	86 462	207 521	107 460	4 075	1 160 751
	January -	m ²	543 063	61 679	38 762	33 872	137 488	69 030	258 151	76 054	6 081	1 224 180
	December	% change	15.0	-19.3	47.0	4.8	-6.9	-20.2	24.4	-29.2	49.2	5.5
	2016	% of SA	44.4	5.0	3.2	2.8	11.2	5.6	21.1	6.2	0.5	100.0

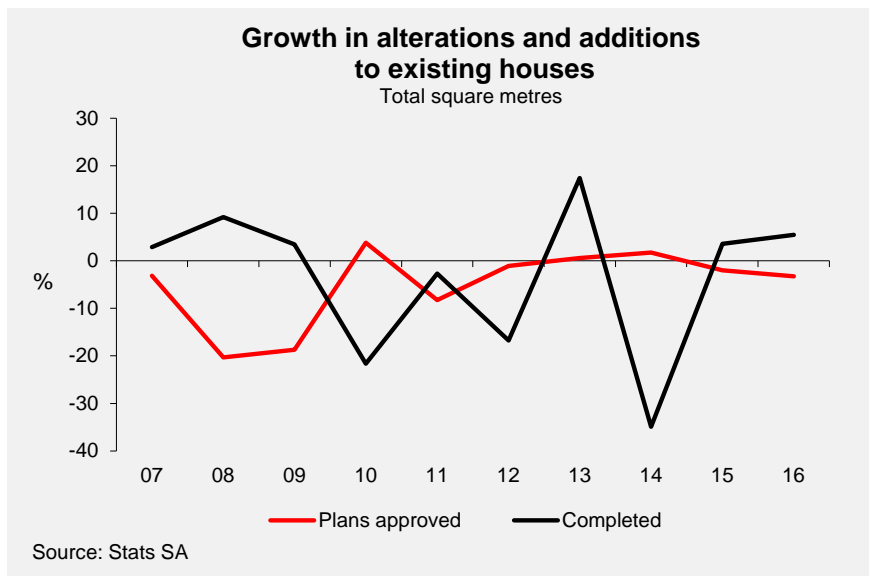
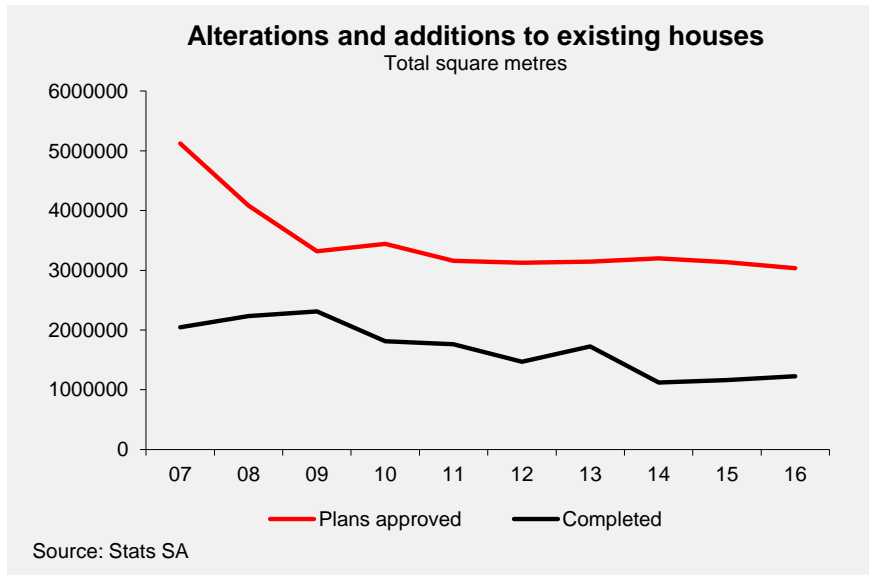
¹Private-sector financed

Source: Stats SA

Alterations and additions to existing houses

Period	Plans approved		Completed	
	m ²	% change	m ²	% change
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	3 125 614	-1.1	1 466 959	-16.8
2013	3 143 857	0.6	1 722 368	17.4
2014	3 199 308	1.8	1 120 747	-34.9
2015	3 135 463	-2.0	1 160 751	3.6
2016	3 032 694	-3.3	1 224 180	5.5

Source: Stats SA



Building cost of new housing constructed¹

Period	Houses of <80m ²		Houses of ≥80m ²		Flats and tow nhouses		Total	
	Rand per m ²	y/y% change	Rand per m ²	y/y% change	Rand per m ²	y/y% change	Rand per m ²	y/y% change
2007	1 898	5.8	3 341	17.4	3 463	9.3	3 197	12.7
2008	2 115	11.4	3 589	7.4	3 936	13.7	3 521	10.2
2009	2 112	-0.1	3 984	11.0	4 313	9.6	3 781	7.4
2010	2 192	3.8	4 421	11.0	4 736	9.8	4 112	8.8
2011	2 535	15.6	4 821	9.0	4 863	2.7	4 387	6.7
2012	2 589	2.1	5 196	7.8	5 294	8.9	4 729	7.8
2013	2 864	10.6	5 565	7.1	5 913	11.7	5 205	10.0
2014	3 620	26.4	6 145	10.4	6 509	10.1	5 825	11.9
2015	3 869	6.9	6 383	3.9	7 213	10.8	6 185	6.2
2016	4 436	14.7	6 683	4.7	7 659	6.2	6 614	6.9

¹Private-sector financed
Source: Stats SA

