



Housing Review

Fourth Quarter 2011

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Summary

- South Africa's real economic growth came to a seasonally adjusted annualised rate of 1,3% in the second quarter of 2011, after rising by 4,5% in the first quarter. Growth was influenced by global and domestic demand trends; the Japanese earthquake and tsunami, which negatively affected the local manufacturing sector as a result of supply shortages; and labour action in some sectors of the economy, which impacted production and service delivery. Real economic growth of 3,1% is projected for 2011, marginally higher than growth of 2,8% achieved in 2010.
- Household income and consumption expenditure continued to grow in real terms in the second quarter of 2011, although at a slower pace as a result of rising inflation, which impacts consumers' spending power. The ratio of household debt to disposable income was somewhat lower at around 76% in the second quarter, which contributed to contain the cost of servicing debt against the background of low interest rates. Many consumers are still battling with impaired credit records, negatively affecting their ability to take up credit, with this situation being reflected in continued low growth in household credit extension.
- Trends in nominal house prices varied on an annual as well as a quarterly basis in the different segments of the market and geographical areas in the third quarter of 2011. In real terms, i.e. after adjustment for the effect of consumer price inflation, house prices declined year-on-year and quarter-on-quarter in the various regions and categories of housing during the quarter. Recent trends in house prices are believed to be affected by various factors related to the macro economy and the state of household finances.
- The ratios of house prices and mortgage repayments to household disposable income, depicting the affordability of housing, were virtually unchanged in the second quarter of 2011. This was the net result of trends in house price and income growth during the quarter, while interest rates remained unchanged during this period. As a result, the affordability of housing remained favourable up to mid-2011. However, many households' ability to take advantage of these affordability trends is still hampered by a relatively high level of indebtedness, impaired credit records, the impact of the National Credit Act and banks' resultant lending criteria. The continued low growth in outstanding mortgage balances in the household sector is indicative of the impact of these factors on the residential property market, and the demand for and accessibility of mortgage finance.
- Based on house price trends up to the third quarter of 2011, and prospects for the economy and household finances, nominal price growth in the middle segment of the market is forecast to be well within single digits for the full year of 2011, projected at between 2% and 2,5%. In real terms, house prices are expected to continue to decline in the rest of the year and in 2012 on the back of rising headline consumer price inflation, which is forecast to marginally breach the 6% level by the end of the year and for part of 2012.

Overview

The economy

After the South African economy expanded at a seasonally adjusted annualised rate of 4,5% in the first quarter of 2011, growth in the country's real gross domestic product (GDP) slowed down to an annualised rate of only 1,3% in the second quarter. This significantly lower economic growth came on the back of:

- adverse global economic developments;
- the earthquake and tsunami in Japan, which negatively affected the local manufacturing sector, especially the vehicle industry, as a result of supply constraints; and
- labour action in some sectors of the economy, which impacted production activities and service delivery.

The upward trend in the headline consumer price inflation rate continued into the third quarter of the year, and has been above the 5% level since July this year. Some of the main drivers of inflation include food price inflation, rising housing operating costs and transport costs, impacted by international oil price and rand exchange rate movements, influencing domestic fuel prices. Although core inflation (headline consumer price inflation, excluding food, non-alcoholic beverages, petrol and energy) is also rising, it remained below the 4% level up to September this year. Above-inflation wage settlement rates in the first half of the year may cause further inflationary pressures over the short to medium term.

Despite the rising trend in inflation, lending rates have remained stable since last cut in November 2010, and are currently at their lowest level in more than three decades. Global economic uncertainties and the possible impact of related developments on the domestic economy, low economic growth and many consumers still experiencing financial pressure, are

factors that most likely contributed to the decision to keep interest rates unchanged so far this year.

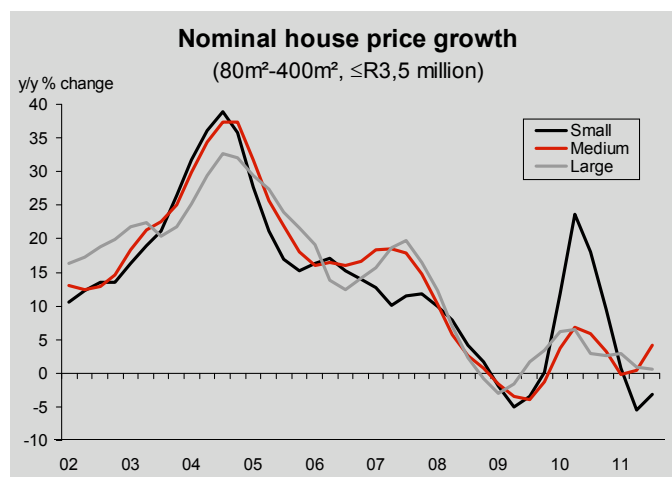
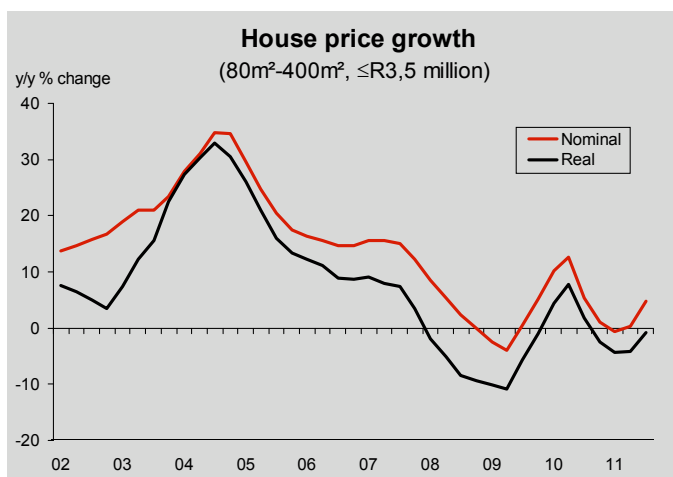
The household sector

Household income and consumption expenditure continued to grow in real terms in the second quarter of 2011, although at a slower pace as a result of rising inflation, which impacts consumers' purchasing power. The ratio of debt to disposable income was lower at around 76% in the second quarter, which contributed to keep the cost of servicing debt under control against the background of low interest rates. Many consumers are still battling with impaired credit records, negatively affecting their ability to take up credit, with this situation reflected in continued low growth in household credit extension.

Growth in real household disposable income came to an annualised 4,1% in the second quarter of the year, compared with 5,4% in the first quarter. The further growth in real disposable income was driven by an above-inflation wage settlement rate of 7,5% on average in the first half of 2011, with headline consumer price inflation averaging 4,2% during this period.

Real household consumption expenditure increased at an annualised rate of 3,8% in the second quarter of 2011, down from 5,2% in the preceding quarter. The slower pace at which household spending increased is related to inflationary pressures, which affected consumers' spending power, as reflected by the abovementioned lower growth in real disposable income in the second quarter.

The ratio of net household saving to disposable income, in negative territory since 2006, was at a level of -0,2% in the second quarter of 2011, which is indicative of the continued dire saving situation in the household sector. Net household saving is based on the level of gross saving, adjusted for depreciation



write-offs on the value of fixed assets held by households, such as residential buildings.

Household credit extension, comprising instalment sales credit, leasing finance, mortgage advances, credit card debt, overdrafts and general loans and advances (mainly personal and microloans), continued to show single-digit growth into the third quarter of 2011. This is regarded as a reflection of many households still experiencing financial pressure, with the number of credit-active consumers having an impaired credit record remaining high, and consumer confidence being at a relatively low level (see below). These factors, against the background of the National Credit Act (NCA) and banks' lending criteria, which take account of consumers' risk profile, affect the demand for and access to credit.

According to the National Credit Regulator, a total of 8,8 million credit-active consumers, or 46,7% of a total of 18,84 million, had an impaired credit record in the second quarter of 2011. This was about 2,7 million, or 44%, more than the 6,11 million credit-active consumers having an impaired credit record in mid-2007.

In the second quarter of 2011 the ratio of household debt to disposable income was at a level of 75,9%, down from 76,8% in the first quarter. This was the lowest debt ratio since the fourth quarter of 2006, and the net result of debt increasing by 0,9% and income rising by a nominal 2,1% in the second quarter of the year compared with the first quarter. Based on these developments and a stable prime interest rate, the cost of servicing household debt as a percentage of disposable income was around 6,8% in the second quarter of the year, marginally down from 6,9% in the first quarter.

The net wealth of households was somewhat lower at a level of 356,7% of disposable income in the second quarter of 2011 compared with 361% in the first quarter

of the year. Although house prices were on average slightly higher in the second quarter than in the first quarter, equity prices came under pressure as a result of global economic developments and prospects, which impacted financial market sentiment worldwide. The net wealth of households is the total value of tangible assets (mainly residential buildings) and financial assets (mainly assets with monetary institutions; interest in pension funds and long-term insurers; equities; and bonds), less liabilities (mortgages and other debt).

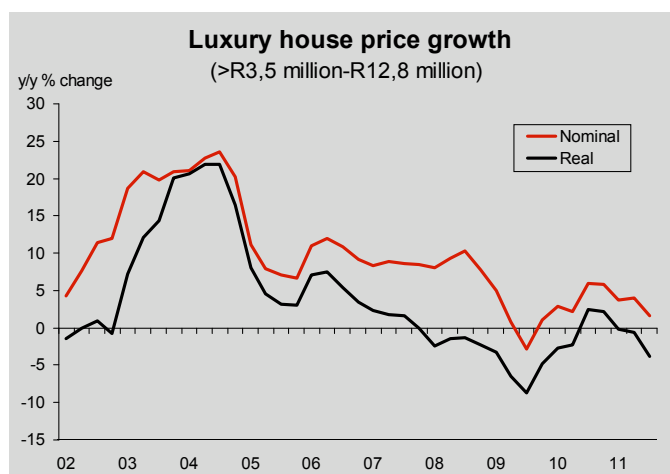
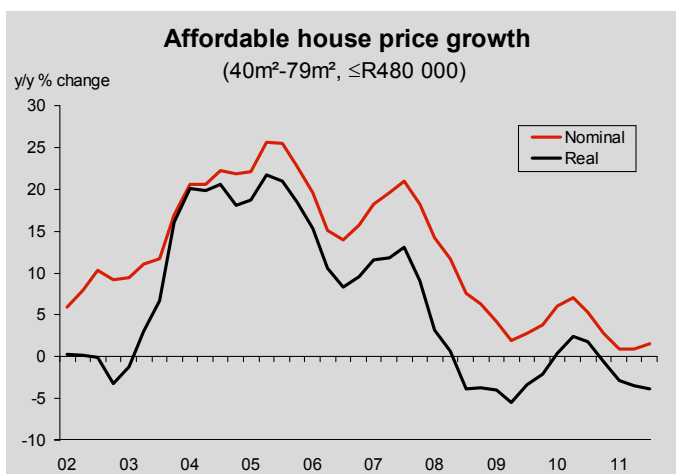
Labour market conditions remained tight up to mid-2011, based on Statistics South Africa's latest *Quarterly Labour Force Survey*. According to this survey, a total of 13,125 million people were employed by the end of the second quarter this year, which were 902 000 less compared with 14,027 million people having jobs at the end of 2008.

In view of the abovementioned developments regarding factors impacting households' finances, the level of consumer confidence, as published by the Bureau of Economic Research at the University of Stellenbosch, was significantly lower at only 4 index points in the third quarter of 2011, compared with 11 index points in the second quarter and 15 index points in the third quarter of last year.

Residential fixed capital formation and building activity

The real value of residential fixed capital formation continued to contract in the second quarter of 2011, but at a slowing pace of -3,6% year-on-year (y/y) compared with -4,9% y/y in the first quarter. However, residential building activity showed some improvement in the first eight months of the year compared with a year ago, which are set to be reflected in increased residential investment towards the end of 2011 and into 2012.

According to Statistics South Africa, the volume of



building plans approved by local authorities for new houses, flats and townhouses was up by almost 13% y/y in the period January to August this year. This improvement in the planning phase of new housing was largely evident in the categories of houses smaller than 80m², and flats and townhouses, which is an indication of the increasing demand for smaller-sized and higher-density housing against the background of the affordability of housing and mortgage finance, as well as rising housing operating costs.

Mortgage finance

In the first three quarters of 2011 the growth in the value of outstanding mortgage balances in the household sector was below 2% y/y. The slowing pace of growth in outstanding household mortgage advances during the course of the year is related to factors impacting consumer finances, such as relatively high levels of existing debt and impaired credit records, impacting consumers' ability take up credit, and rising consumer price inflation eroding spending power. Against this background, the value of new mortgage loans granted by banks in respect of residential property was down by a massive 34% y/y in the second quarter of 2011.

The ratio of outstanding household mortgage debt to disposable income came to 44,8% in the second quarter of the year, down from 45,7% in the first quarter. This was the net result of growth in household mortgage debt of 0,2% quarter-on-quarter (q/q) and nominal disposable income growth of 2,1% q/q in the second quarter. Households' mortgage debt was around 59% of their total debt in the second quarter of 2011.

The cost of servicing household mortgage debt as a percentage of disposable income was marginally lower at around 4% in the second quarter of the year from about 4,1% in the preceding quarter. This was the net

result of the abovementioned growth in household mortgage debt and nominal disposable income, while the mortgage interest rate was unchanged in the second quarter.

House price trends

On an annual as well as a quarterly basis, house price trends varied in nominal terms in the various geographical areas and segments of the market in the third quarter of 2011. In real terms, i.e after adjustment for the effect of consumer price inflation, house prices declined on a year-on-year and quarter-on-quarter basis in the various categories and geographical regions during the quarter. Recent trends in house prices are believed to be affected by various factors related to the macroeconomy and household finances (see sections above on the economy and the household sector).

The house price trends referred to in this report are based on the value of homes for which Absa approved mortgage finance in the specific period.

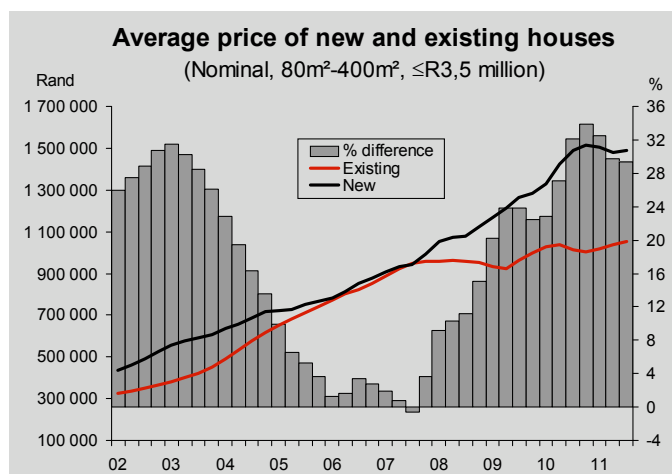
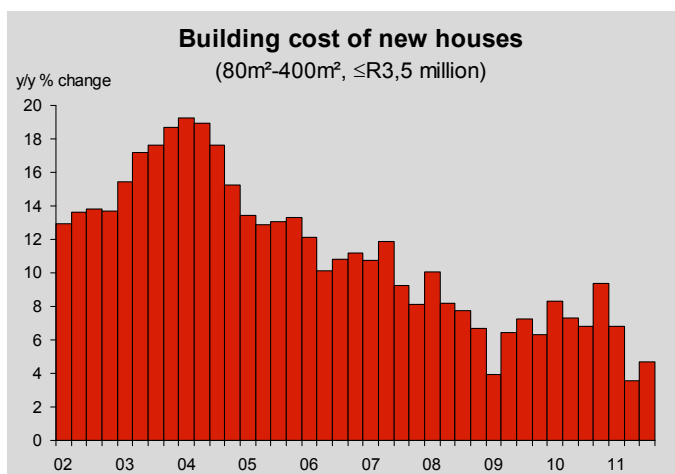
Affordable housing

The average price of affordable houses (houses of 40m²-79m² and priced at up to R480 000 in 2011) increased by a nominal 1,5% year-on-year (y/y) to around R314 000 in the third quarter of the year, with real price deflation of 3,9% y/y evident during the quarter.

Small, medium-sized and large housing

Year-on-year price changes in the categories of small, medium-sized and large houses with a building area of between 80m² and 400m², and priced at R3,5 million or less, were as follows in the third quarter of 2011:

- Small houses (80m²-140m²): -3,2% nominal and -8,3% real.
- Medium-sized houses (141m²-220m²): 4,2% nominal and -1,3% real.



- Large houses (221m²-400m²): 0,6% nominal and -4,8% real.

Luxury housing

The average nominal price of houses in the luxury category, i.e. those valued at above R3,5 million up to R12,8 million in 2011, was up by 1,6% y/y in the third quarter this year. This brought the average nominal price of a luxury home to almost R4,8 million in the third quarter. In real terms the average price of a house in this segment of the market was down by 3,8% y/y in the third quarter of 2011.

Regional house prices

House price trends varied at a provincial, metropolitan and coastal level in nominal and real terms. Price growth occurred on an annual as well as a quarterly basis in most regions in the third quarter of 2011, whereas price declines were recorded in a few regions (see tables at the back of the report presenting house price trends at a geographical level).

Although affected by national economic trends and developments, the performance of the residential property market at geographical level is also much dependent on regional and area-specific factors and developments. These may include infrastructure-related aspects; economic growth and the sophistication of economic development; socio-economic conditions; investor focus; location; and the relative size of the property market in the region, which may all have an effect on property supply and demand conditions, and on the divergence of property price levels, trends and growth at regional level.

Building costs and new and existing house price trends

The cost of having a new middle-segment house (80m²-400m², up to R3,5 million) built, was 4,5% y/y higher in

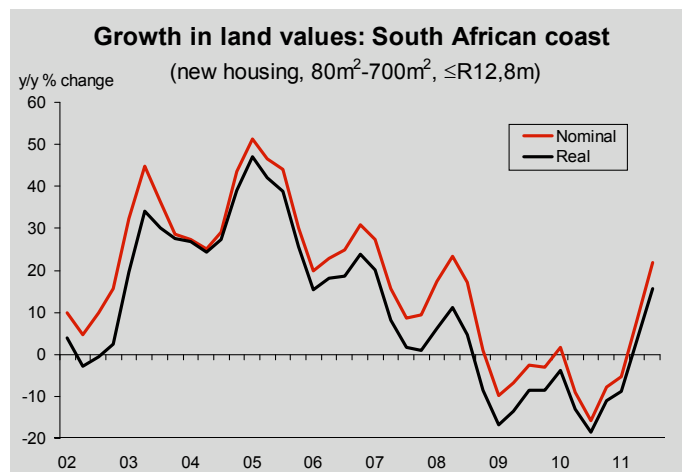
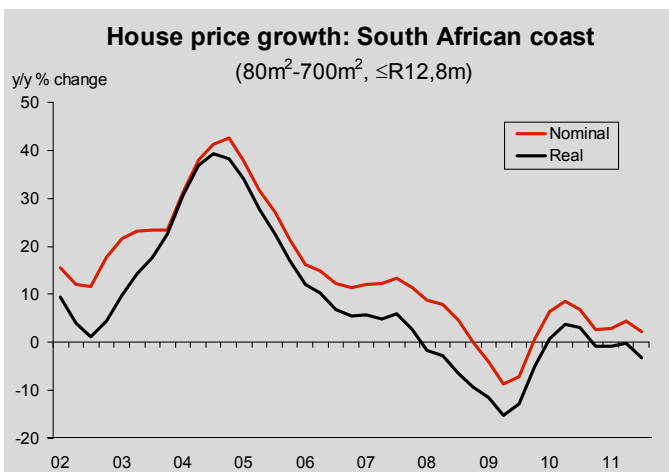
the third quarter of 2011, after rising by 3,6% y/y in the preceding quarter. Factors impacting building costs include material costs; equipment costs; transport costs; labour costs; developer and contractor profit margins; and the cost of suitable vacant development land, which is impacted by aspects such as scarcity, the availability of services and the cost of rezoning.

The average nominal price of a new house was virtually unchanged at a level of about R1 488 100 in the third quarter of the year compared with the same quarter last year. In real terms the average price of a new house was down by 5,3% y/y in the third quarter. The average price of an existing house was around R1 050 600 in the third quarter of 2011, which was 3,9% y/y higher in nominal terms but down by a real 1,6% y/y. As a result, it was R437 500, or 29,4%, cheaper to have bought an existing house than to have a new one built in the third quarter of the year.

Land values

In the third quarter of 2011 nominal land values for new housing in the middle and luxury segments of the market for which Absa approved mortgage finance, were down by 9,3% y/y to an average of about R489 000 nationally. In real terms land values were 14,1% y/y lower in the third quarter compared with a year ago.

In the coastal regions, land values for new housing of 80m²-700m², and priced at up to R12,8 million, increased by a nominal 21,9% y/y to around R471 300 in the third quarter of 2011. In real terms the average price of vacant land for new housing along the coast was up by 15,5% y/y in the second quarter. This trend in land values in coastal areas could have been impacted by a number of transactions in respect of larger and more expensive stands compared with the corresponding period last year.



Interest rates and mortgage repayments

Interest rates remained stable up to the third quarter of 2011, after last cut in November 2010. This was despite a rising trend in headline consumer price inflation during this period, which moved above the 5% level in recent months. However, core inflation (headline consumer price inflation, excluding the components of food, non-alcoholic beverages, petrol and energy), although on a rising trend, remained below 4% up to September this year.

Banks' prime and variable mortgage interest rates are currently at a level of 9%, which are the lowest lending rates since late 1973/early 1974. The low variable mortgage rate has the effect of monthly mortgage repayments being 33,5% lower compared with December 2008, when the mortgage rate was 15,5%, positively impacting the affordability of mortgage finance.

The impact of changes in the mortgage interest rate is reflected in the relevant tables at the back of the report, presenting monthly mortgage repayments for various loan amounts at various interest rates, as well as mortgage loan amounts based on various fixed monthly repayments at various interest rates. These calculations are based on a 20-year repayment term.

Affordability of housing

The ratios of house prices and mortgage repayments to household disposable income, depicting the affordability of housing, were virtually unchanged in the second quarter of 2011 from the first quarter (see graph on the affordability of housing). This was the net result of trends in house price and income growth in the quarter, while interest rates were unchanged during this period.

In view of these developments, the affordability of housing remained relatively favourable up to mid-2011. However, many households' ability to take advantage of these affordability trends is still hampered by a relatively high level of indebtedness, impaired credit records, the

impact of the NCA and banks' resultant lending criteria. The continued low growth in outstanding mortgage balances in the household sector is indicative of the impact of these factors on the residential property market and the demand for mortgage finance.

A downward/upward trend in the abovementioned two housing affordability ratios implies that house prices and mortgage repayments are rising at a slower/faster pace than household disposable income. The result is that housing has in effect become more/less affordable.

Outlook

The economy

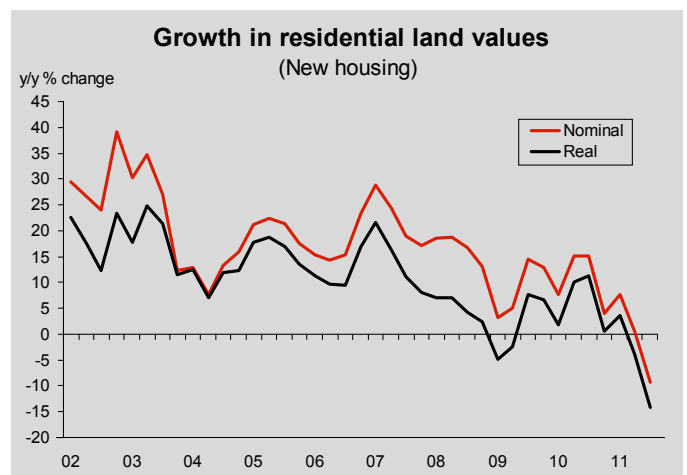
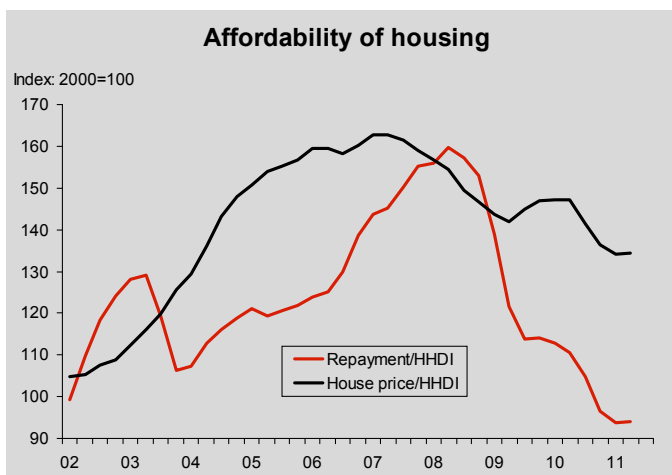
Real growth of 3,1% is expected for the South African economy in 2011, with growth forecast to rise marginally to 3,4% in 2012. These growth forecasts are against the background of a relatively subdued pace of economic growth expected in North America and Europe, as well as in the United Kingdom and Japan in the rest of this year and in 2012. South Africa's real gross domestic expenditure, a reflection of domestic demand, is forecast to show steady growth of just above 4% per annum in 2011 and 2012, supporting the economy's growth performance from a domestic perspective.

Although headline consumer price inflation, including core inflation, is expected to rise further, interest rates are forecast to remain at current levels until late next year before being hiked, with room for rates to drop further if economic conditions continue to deteriorate.

The residential property market

The residential property market is expected to continue to reflect conditions and developments with regard to the macroeconomy and the household sector.

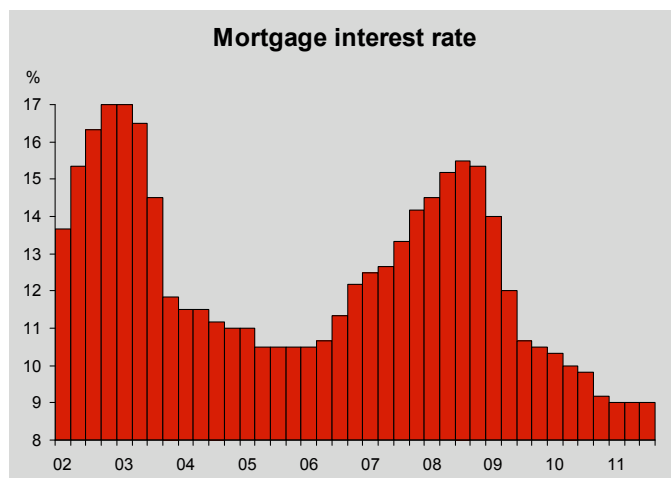
Based on trends in home values up to the third quarter



of 2011, and future prospects for the economy and household finances, nominal price growth in the middle segment of the market is forecast to be well within single digits for the full year of 2011, projected at between 2% and 2,5%. In real terms, house prices are expected to continue to decline in the rest of the year and in 2012 on the back of rising headline consumer price inflation, which is forecast to marginally breach the 6% level by the end of the year and for part of next year.

The performance of the economy, but especially labour market conditions; a rising trend in inflation, negatively impacting consumers' real disposable income; low but stable interest rates since November 2010; the level of consumer confidence; a large number of credit-active consumers still having impaired credit records; the extent of household debt; and the effect of the National Credit Act and banks' lending criteria, are some of the main factors affecting consumers' demand for, access to and affordability of credit. Against this

background, year-on-year growth in household credit extension, including mortgage finance, is forecast to remain relatively low towards the end of the year and into 2012.



Statistics

Average nominal house prices											
	2007 Rand	2008 Rand	2009 Rand	2010 Rand	2010		2011				
					Q3 Rand	Q4 Rand	Q1 Rand	Q2 Rand	Q3		
									Rand	q/q % Δ	y/y % Δ
National											
Middle segment (80m²-400m², ≤R3,5m)	930 287	967 280	965 002	1 033 818	1 024 725	1 018 530	1 032 759	1 055 823	1 073 154	1,6	4,7
Small (80m ² -140m ² , ≤R3,5m)	647 269	685 057	667 598	771 697	779 272	755 567	756 800	757 534	754 379	-0,4	-3,2
Medium (141m ² -220m ² , ≤R3,5m)	906 184	948 583	924 157	969 677	968 746	965 760	964 026	981 609	1 009 522	2,8	4,2
Large (221m ² -400m ² , ≤R3,5m)	1 318 979	1 385 009	1 386 478	1 449 649	1 445 025	1 456 812	1 481 895	1 471 679	1 453 547	-1,2	0,6
New (80m ² -400m ² , ≤R3,5m)	943 130	1 081 222	1 233 295	1 439 117	1 488 278	1 514 051	1 506 388	1 479 769	1 488 126	0,6	0,0
Existing (80m ² -400m ² , ≤R3,5m)	929 599	957 068	954 750	1 018 788	1 010 940	1 000 633	1 016 657	1 039 893	1 050 575	1,0	3,9
Affordable (40m²-79m², ≤R480 000)	257 454	283 360	292 728	308 126	309 130	308 291	308 994	311 879	313 872	0,6	1,5
Luxury (R3,5m-R12,8m)	4 084 727	4 428 732	4 500 829	4 683 055	4 711 520	4 829 895	4 788 730	4 765 141	4 785 139	0,4	1,6
Provinces											
Eastern Cape	847 889	867 533	829 686	906 644	895 314	889 070	906 662	899 064	874 614	-2,7	-2,3
Free State	688 899	726 788	754 394	843 939	857 618	840 070	812 725	889 500	972 261	9,3	13,4
Gauteng	974 660	998 161	1 024 000	1 082 139	1 077 418	1 081 472	1 107 039	1 118 287	1 124 794	0,6	4,4
KwaZulu-Natal	882 469	852 694	853 347	926 009	917 744	872 588	930 799	984 829	1 008 411	2,4	9,9
Limpopo	825 424	835 340	839 602	889 989	881 738	873 164	883 617	888 266	880 277	-0,9	-0,2
Mpumalanga	754 478	798 252	809 289	856 954	863 280	856 961	882 440	907 050	910 648	0,4	5,5
North West	715 779	791 525	781 005	838 137	834 213	787 143	780 024	826 834	880 583	6,5	5,6
Northern Cape	622 859	667 186	696 694	776 532	773 817	793 704	747 618	706 689	749 734	6,1	-3,1
Western Cape	1 049 992	1 103 161	1 097 649	1 179 144	1 183 721	1 179 738	1 162 079	1 152 022	1 156 937	0,4	-2,3
Metropolitan regions											
PE/Uitenhage (Eastern Cape)	869 274	895 967	816 866	898 239	882 800	900 458	913 689	890 329	846 223	-5,0	-4,1
East London (Eastern Cape)	889 027	1 002 285	1 013 868	1 044 952	1 048 916	1 048 440	1 023 387	953 799	870 962	-8,7	-17,0
Bloemfontein (Free State)	933 492	950 286	944 341	1 093 759	1 122 852	1 106 169	1 068 851	1 090 233	1 152 751	5,7	2,7
Greater Johannesburg (Gauteng)	1 011 510	1 044 402	1 076 764	1 107 764	1 087 771	1 102 214	1 151 197	1 159 651	1 163 314	0,3	6,9
Johannesburg Central & South	873 972	883 981	890 819	911 707	890 514	910 621	931 671	929 048	938 984	1,1	5,4
Johannesburg North & West	1 236 084	1 274 053	1 298 624	1 393 149	1 387 761	1 375 720	1 405 367	1 401 379	1 374 853	-1,9	-0,9
East Rand	874 775	913 344	933 555	952 600	942 627	957 040	977 585	1 007 442	1 045 148	3,7	10,9
Pretoria (Gauteng)	1 074 578	1 062 460	1 058 386	1 162 191	1 176 857	1 174 971	1 175 932	1 186 777	1 202 887	1,4	2,2
Durban/Pinetown (KwaZulu-Natal)	981 355	980 651	916 646	996 321	980 873	913 595	962 718	1 014 315	1 074 768	6,0	9,6
Cape Town (Western Cape)	1 071 646	1 097 963	1 096 529	1 201 407	1 209 203	1 200 646	1 169 112	1 150 953	1 182 764	2,8	-2,2
Coastal regions											
South Africa	1 133 928	1 193 997	1 136 024	1 204 736	1 202 381	1 210 427	1 241 695	1 255 120	1 228 352	-2,1	2,2
Western Cape	1 187 503	1 233 535	1 190 382	1 273 409	1 274 735	1 311 359	1 361 056	1 346 651	1 321 703	-1,9	3,7
West Coast	1 114 052	1 271 048	1 130 445	1 226 557	1 267 070	1 327 833	1 369 144	1 379 491	1 362 431	-1,2	7,5
Cape Peninsula and False Bay	1 157 218	1 208 907	1 159 312	1 244 270	1 243 187	1 249 542	1 277 901	1 276 003	1 280 485	0,4	3,0
South Coast	1 324 415	1 319 943	1 308 365	1 373 478	1 402 215	1 492 132	1 566 247	1 522 891	1 396 150	-8,3	-0,4
Eastern Cape	994 889	1 106 448	1 035 819	1 084 424	1 041 271	1 061 197	1 097 777	1 092 463	1 021 244	-6,5	-1,9
KwaZulu-Natal	1 156 638	1 162 410	1 108 368	1 197 411	1 218 877	1 194 752	1 249 945	1 361 699	1 331 045	-2,3	9,2
South Coast	1 102 094	1 064 357	914 647	1 073 850	1 130 369	1 093 079	1 094 077	1 048 416	969 297	-7,5	-14,2
North Coast	1 203 499	1 238 402	1 207 847	1 279 330	1 288 554	1 260 841	1 348 388	1 488 505	1 511 919	1,6	17,3

House prices are based on the total smoothed purchase price of houses (including all improvements) in respect of which loan applications were approved by Absa Bank. House prices for the provinces and metropolitan regions are smoothed for all houses between 80m² and 400m², up to R3,5 million. House prices for the coastal regions are smoothed for all houses between 80m² and 700m², up to R12,8 million.

Key variables and projections									
Annual averages									
		2005	2006	2007	2008	2009	2010	2011	2012
\$/R exchange rate	Rand per US\$	6,36	6,77	7,05	8,25	8,44	7,32	7,10	7,10
CPI headline inflation rate	%	3,4	4,6	7,1	11,0	7,1	4,3	5,0	6,1
Mortgage interest rate	%	10,6	11,2	13,2	15,1	11,7	9,8	9,0	9,1
Household disposable income	Real % Δ	5,9	7,3	5,3	2,2	-1,4	4,5	4,6	4,0
Final consumption by households	Real % Δ	6,1	8,3	5,5	2,2	-2,0	4,4	4,6	4,1
Household saving to disposable income	%	0,1	-0,8	-1,0	-1,0	-0,3	-0,3	-0,2	-0,4
Household debt to disposable income	%	64,3	72,8	79,9	81,9	80,9	78,3	76,2	76,0
Household debt servicing to disposable income	%	6,8	8,1	10,5	12,4	9,5	7,7	6,9	6,9
Gross domestic product	Real % Δ	5,3	5,6	5,6	3,6	-1,7	2,8	3,1	3,4
House prices (80m²-400m², ≤R3,5m)	Nominal % Δ	22,7	15,3	14,6	4,0	-0,2	7,1	2,3	4,9
House prices (80m²-400m², ≤R3,5m)	Real % Δ	18,7	10,2	7,0	-6,3	-6,9	2,7	-2,6	-1,1

Average nominal house prices by middle-segment category in the third quarter 2011

	Small: 80m ² – 140m ²			Medium: 141m ² – 220m ²			Large: 221m ² – 400m ²		
	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ
National and provinces									
South Africa	754 379	-0,4	-3,2	1 009 522	2,8	4,2	1 453 547	-1,2	0,6
Eastern Cape	602 728	-7,6	-3,9	837 004	-5,1	-4,2	1 245 677	-4,2	-11,1
Free State	682 554	-5,7	2,4	797 327	13,6	13,1	1 185 385	9,8	7,1
Gauteng	767 486	-0,9	-4,2	996 685	1,9	5,0	1 509 697	-2,1	2,4
KwaZulu-Natal	680 993	1,2	6,3	938 059	-0,8	4,0	1 523 281	0,6	10,9
Mpumalanga	700 320	5,9	3,5	894 911	6,3	5,7	1 211 872	-1,9	6,3
North West	570 704	6,5	-11,1	875 075	10,6	16,5	1 096 813	-0,7	-1,1
Northern Cape	616 216	-1,7	8,1	725 396	15,8	-5,3	840 072	-15,8	-12,4
Limpopo	599 251	-4,7	-6,9	949 190	-4,5	6,1	1 105 654	-8,3	-13,5
Western Cape	852 876	-0,6	-8,7	1 168 497	0,4	-1,2	1 696 708	2,1	4,5
Metropolitan regions									
PE/Uitenhage (Eastern Cape)	497 041	-19,7	-16,3	817 958	-1,3	3,2	1 159 951	-12,2	-15,8
East London (Eastern Cape)	792 150	-5,8	-2,8	923 416	-3,5	-14,9	1 296 293	-10,7	-13,7
Bloemfontein (Free State)	844 569	2,3	7,1	928 509	3,4	0,1	1 395 757	6,1	-2,5
Greater Johannesburg (Gauteng)	779 434	-2,3	-4,6	1 038 180	0,3	5,5	1 601 096	-0,2	5,7
Johannesburg Central & South	538 705	-8,2	-14,1	800 037	-2,0	-10,5	1 814 663	10,5	21,6
Johannesburg North & West	952 016	-5,7	-12,2	1 269 289	2,9	6,4	1 687 849	-2,5	-1,6
East Rand	802 678	2,3	6,3	905 381	-1,2	4,6	1 407 094	3,0	7,2
Pretoria (Gauteng)	794 508	-1,9	-11,0	1 062 837	4,5	5,6	1 545 113	-0,9	2,8
Durban/Pinetown (KwaZulu-Natal)	758 345	2,3	6,0	955 342	0,4	3,3	1 622 889	2,2	8,3
Cape Town (Western Cape)	890 183	2,2	-6,7	1 208 988	-0,1	-3,4	1 733 364	3,8	3,1

House prices are based on the total smoothed purchase price of houses (including all improvements) between 80m² and 400m², up to R3,5 million, in respect of which loan applications were approved by Absa Bank.

Monthly mortgage repayment (rand, calculated over a period of 20 years)

Mortgage amount	Repayment at a mortgage rate of													
	9,0%	9,5%	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
100 000	900	932	965	998	1 032	1 066	1 101	1 136	1 172	1 207	1 244	1 280	1 317	1 354
200 000	1 799	1 864	1 930	1 997	2 064	2 133	2 202	2 272	2 343	2 415	2 487	2 560	2 634	2 708
300 000	2 699	2 796	2 895	2 995	3 097	3 199	3 303	3 408	3 515	3 622	3 731	3 840	3 950	4 062
400 000	3 599	3 729	3 860	3 994	4 129	4 266	4 404	4 545	4 686	4 829	4 974	5 120	5 267	5 416
500 000	4 499	4 661	4 825	4 992	5 161	5 332	5 505	5 681	5 858	6 037	6 218	6 400	6 584	6 769
600 000	5 398	5 593	5 790	5 990	6 193	6 399	6 607	6 817	7 029	7 244	7 461	7 680	7 901	8 123
700 000	6 298	6 525	6 755	6 989	7 225	7 465	7 708	7 953	8 201	8 452	8 705	8 960	9 218	9 477
800 000	7 198	7 457	7 720	7 987	8 258	8 531	8 809	9 089	9 373	9 659	9 948	10 240	10 534	10 831
900 000	8 098	8 389	8 685	8 985	9 290	9 598	9 910	10 225	10 544	10 866	11 192	11 520	11 851	12 185
1 000 000	8 997	9 321	9 650	9 984	10 322	10 664	11 011	11 361	11 716	12 074	12 435	12 800	13 168	13 539
1 500 000	13 496	13 982	14 475	14 976	15 483	15 996	16 516	17 042	17 574	18 111	18 653	19 200	19 752	20 308
2 000 000	17 995	18 643	19 300	19 968	20 644	21 329	22 022	22 723	23 432	24 147	24 870	25 600	26 336	27 078
2 500 000	22 493	23 303	24 126	24 959	25 805	26 661	27 527	28 404	29 289	30 184	31 088	32 000	32 920	33 847

Mortgage amount at fixed monthly repayment (rand, calculated over a period of 20 years)

Mortgage repayment	Mortgage amount at a mortgage rate of													
	9,0%	9,5%	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
1 000	111 145	107 281	103 625	100 162	96 882	93 771	90 819	88 017	85 355	82 824	80 417	78 125	75 942	73 862
2 000	222 290	214 562	207 249	200 325	193 763	187 542	181 639	176 035	170 710	165 649	160 834	156 250	151 885	147 724
3 000	333 435	321 843	310 874	300 487	290 645	281 313	272 458	264 052	256 065	248 473	241 250	234 375	227 827	221 585
4 000	444 580	429 124	414 498	400 649	387 526	375 083	363 278	352 069	341 421	331 297	321 667	312 501	303 769	295 447
5 000	555 725	536 405	518 123	500 811	484 408	468 854	454 097	440 086	426 776	414 122	402 084	390 626	379 711	369 309
6 000	666 870	643 686	621 748	600 974	581 289	562 625	544 916	528 104	512 131	496 946	482 501	468 751	455 654	443 171
7 000	778 015	750 967	725 372	701 136	678 171	656 396	635 736	616 121	597 486	579 770	562 918	546 876	531 596	517 032
8 000	889 160	858 248	828 997	801 298	775 052	750 167	726 555	704 138	682 841	662 595	643 335	625 001	607 538	590 894
9 000	1 000 305	965 529	932 622	901 460	871 934	843 938	817 375	792 156	768 196	745 419	723 751	703 126	683 480	664 756
10 000	1 111 450	1 072 810	1 036 246	1 001 623	968 815	937 708	908 194	880 173	853 551	828 243	804 168	781 251	759 423	738 618
15 000	1 667 174	1 609 216	1 554 369	1 502 434	1 453 223	1 406 563	1 362 291	1 320 259	1 280 327	1 242 365	1 206 252	1 171 877	1 139 134	1 107 926
20 000	2 222 899	2 145 621	2 072 492	2 003 245	1 937 631	1 875 417	1 816 388	1 760 346	1 707 103	1 656 487	1 608 337	1 562 503	1 518 846	1 477 235
25 000	2 778 624	2 682 026	2 590 615	2 504 057	2 422 038	2 344 271	2 270 485	2 200 432	2 133 878	2 070 608	2 010 421	1 953 128	1 898 557	1 846 544