

Understanding the nitty gritty of zoning regulations

While most people understand that zoning determines the purpose for which a property can be used, many aren't aware that there are also numerous sub-categories which can offer investors potentially lucrative investment opportunities.



Source: Supplied

And, as the Johannesburg property landscape continues to transform in response to market shifts and emergent trends, a thorough understanding of zoning and land use regulations is key to reaping maximum returns in this dynamic market.

This is according Cobus Odendaal, CEO of Lew Geffen Sotheby's International Realty in Johannesburg and Randburg, who adds that because rezoning a property is a time-consuming process, it can cause costly delays if applied for after purchase.

Recognising value and potential

"First prize is to buy a property with approved zoning already in place and when such properties do come onto the market, especially in sought-after nodes, investors must be able to recognise the value and potential so as not to miss out on remunerative opportunities."

He advises that it's therefore essential to familiarise oneself with the three factors that determine the restrictions of buildings

to be constructed in this category; namely coverage, F.A.R and density.

“Coverage is the maximum area of land on which one is permitted to build; F.A.R. (floor area ratio) is the maximum floor area under roof allowed; and density is the number of dwellings permitted per 10,000m².”

Grahame Diedericks, manager principal in Midrand where development has been the order of the day in recent years, says: “To most people’s minds, residential zoning is simply a choice between sectional title and freehold and, until a few years ago, it wasn’t necessary know any more detail.

“But nowadays it quite literally pays to be aware of - and understand - the applications and regulations of the sub-categories.”



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Residential zoning

Residential 1: This density stipulation allows for only one dwelling per erf - a house with a permitted coverage of 40% of the total erf size, including outbuildings and garages. Regardless of whether it is a single- or double-storey home, the 40% footprint applies.

Residential 2: This category allows for a density of between 10 and 20 dwellings per 10,000m² and it is therefore the preferred zoning for cluster or townhouse developments.

Residential 3: Allows for a density of between 21 and 40 dwellings per 10,000m² which is ideal for secure estates and larger cluster complexes.

Residential 4: This zoning permits a density of between 41 and 120 dwellings per 10,000m² and therefore is most commonly applied for when constructing blocks of flats.

The growing prevalence of mixed-use areas in Johannesburg has elevated the significance of zoning in the commercial sector and properties with business rights in these areas highly sought-after.

However, Diedericks cautions that the zoning stipulations must be strictly adhered to by developers, landlords and business owners in order to co-exist harmoniously with the residential component in these suburbs.

“And if you are considering purchasing land or property for business purposes that will require rezoning, it’s a good idea to check the perimeter of the area to determine where the business district meets the residential neighbourhood.”

Business/Commercial zoning

Business 1: This zoning applies to general business, particularly retail, in the form of shopping centres or malls. This category is largely unrestricted in terms of what type of shops the developer accepts as tenants.

Business 2: This also pertains to shopping centres, but with certain restrictions which usually apply to the property’s immediate surroundings. For instance, a restriction may be placed on opening a bottle store if the centre is adjacent to a school or popular child-friendly venues.

Business 3: A stricter zoning which will not allow a wider variety of businesses to open and operate in the centre.

Business 4: This zoning provides for office use (with or without residential use) and is typified by the growing number of office parks that one sees in South African urban centres today.

The availability of parking may affect the type of commercial zoning that is permitted and there can also be rules regarding the proximity of certain types of businesses to others.

Industrial zoning

Unlike residential and business or commercial zoning, for industrial zoning, a 70% coverage is typically allowed.

Industrial 1: This provides zoning for standard factories, warehouses or storage depots.

Industrial 2: This zoning is specifically for operations which can involve noxious and/or unpleasant odours and emissions, such as abattoirs, foundries or glue works.

Industrial 3: This zoning provides for specific applications, such as specialist workshops or mini-factories.

“Although the stipulations are strictly regulated, it is also possible to combine zoning designations to form a combination-use zone that is unique to the needs of the community or project at hand,” says Odendaal. “However, it is always advisable to consult a town planner to avoid lengthy and costly delays.

“Yes, you will save on his fee by doing it yourself, but the advantages of your application being submitted by a specialist who is familiar with all aspects and potential pitfalls of the lengthy procedure, as well as all the relevant departments and officials, is immeasurable.”

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