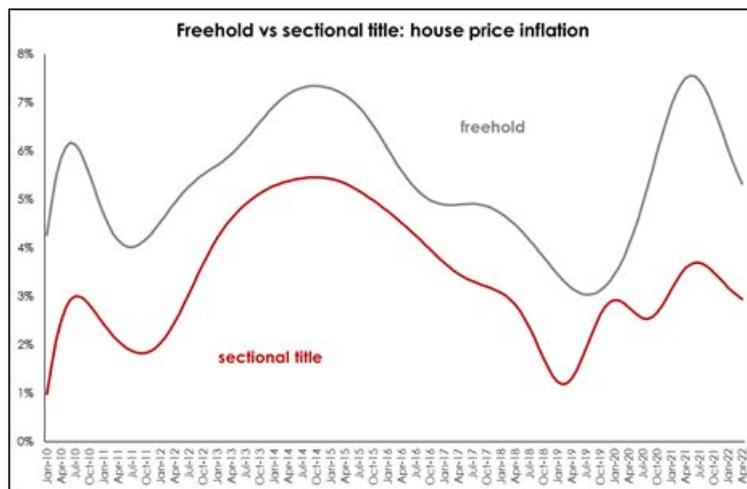


Nelson Mandela Bay, other coastal areas still feeling the property price boom

The Pam Golding Residential Property Index highlights some ongoing shifts in the national housing market. These include the fact that the Covid-induced boom in freehold residential property price inflation continues to fade when compared with sectional title, with the gap narrowing to a revised 2.4% in April 2022, having peaked at 3.9% in March 2021.



Image source: Taryn Elliott from [Pexels](#)



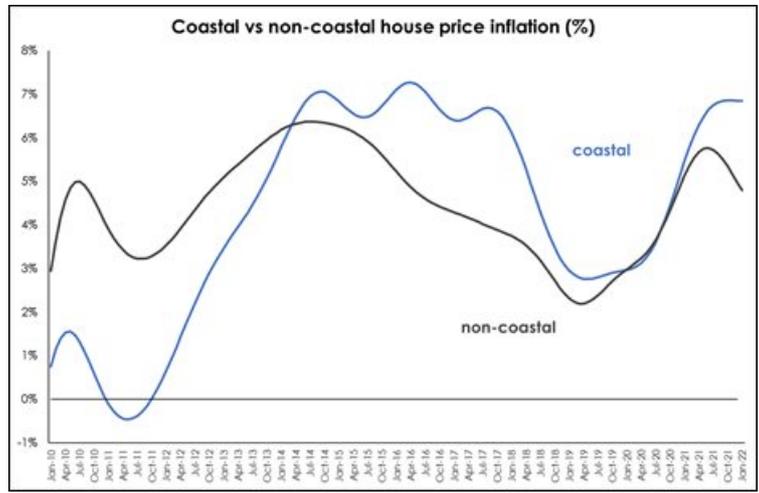
Source: PamGolding Properties Residential Property Index

Says Dr Andrew Golding, chief executive of the Pam Golding Property group: “This would indicate that the convenience factor and appeal of lock-up-and-go sectional title properties in prime locations and hubs around the country, including those in vibrant mixed-use developments and in lifestyle estates, has re-emerged as everyday life more or less returns to normality. This has offset, to some degree, the increased demand seen during the early waves of Covid for properties with more living and open space.”

The Index also reveals that while non-coastal residential property price growth has slowed sharply to 4.8% in January 2022

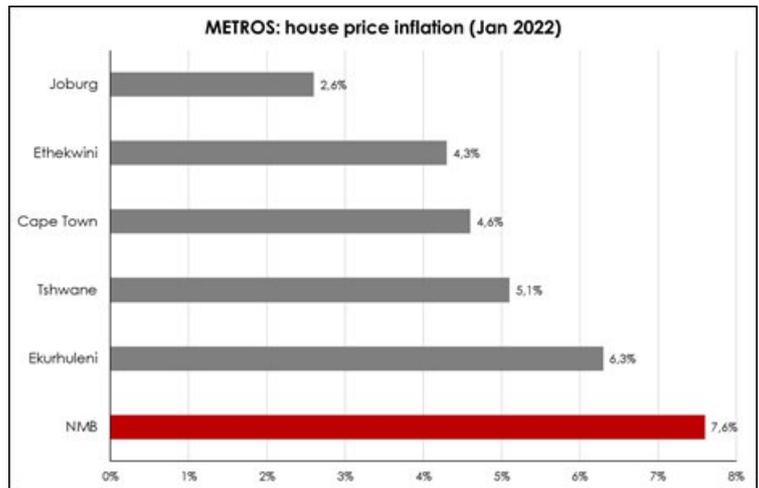
(latest data), price growth of coastal homes (located within 5km of the coastline) remained steady at a robust 6.8% that month, revealing that the coastal price premium widened to over 2% for the first time since early-2018.

Dr Golding points out that this would indicate an increased demand for homes along South Africa’s extensive, scenic coastline, which offers a wide variety of highly appealing locations from metros to tranquil hamlets, as well as an ongoing trend towards semigration for a host of reasons. “Apart from those seeking immediate or future retirement, a leisure property, or a more balanced lifestyle – including those with young families, due to its very nature coastal property has and always will enjoy a strong demand, particularly as many continue to be able to work from home in a preferred location.”



Source: Lightstone

While house price growth in all major metro housing markets is now slowing, Nelson Mandela Bay (a smaller metro housing market) remains the top performing market with a recent data revision by Lightstone showing a renewed acceleration in house price inflation of 7.6% in January 2022 (latest data). Among the major metro housing markets, Ekurhuleni continues to outperform with growth of 6.3% in January 2022, while Tshwane is also showing resilience with house price growth of 5.1%. These two Gauteng metro housing markets are followed by Cape Town at 4.6%, eThekweni at 4.3% and Johannesburg at just 2.6%.



Source: Lightstone

Interestingly, house prices in the Northern Cape continue to soar, reaching 9.2% in January 2022 (latest data), while growth in house prices in the Eastern Cape inched higher, rising by 6.45% in the same month.

From a national perspective, where data is available to April 2022, the slowdown in house price inflation continues, easing from a mid-2021 peak of 5.9% to 4.8% in April 2022. After averaging 5.7% last year, house price inflation has averaged 4.95% in the year to date. The Western Cape recorded the strongest growth rate of 6.3% in April 2022, followed by KwaZulu-Natal at 5.2% and Gauteng 4.2%.

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