

# RE/MAX housing report shows slow start for Q1 2018

 By [Adrian Goslett](#)

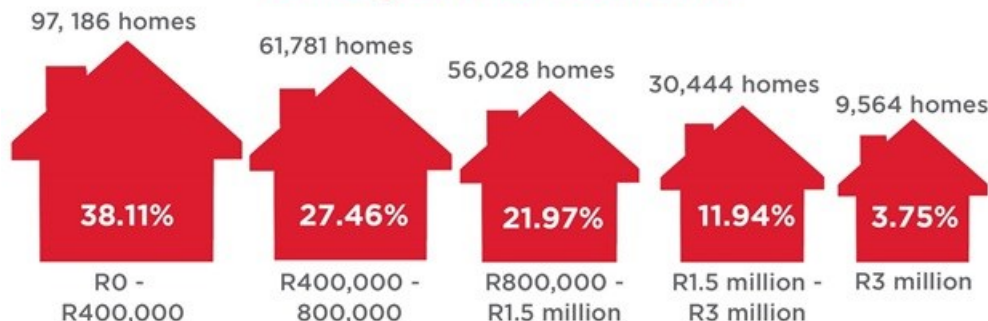
16 Apr 2018

In the first quarter of 2018, Lightstone data revealed that 31,875 new bonds were registered at the Deeds Office, totalling an amount of R33,666,534. This is down by 5,058 registered bonds since the last quarter of 2017. Data from all the major banks reveals that the average bond amount granted during this period was R1.056m which is up ever so slightly from the R1.051m of the last quarter for 2017.

During the first quarter of the year, around 41,565 bonds were cancelled – 2,935 more than were cancelled from October - December 2017. Of the 51,221 homes purchased between January and March, 14.69% were first-time registrations with the remaining 85.31% repeat sales. These figures are much the same as those that appeared for the last quarter of 2017.

## Housing Report - Quarter 1

### Percentage of homes sold per price bracket: January 2018 to March 2018



Total number of bonds registered in Q1:  
31,875  
Average bond amount:  
R1,056 million

### Number of properties sold during the first quarter of 2018



**21,783**  
freehold properties



**9,923**  
sectional title units

85.31%  
Repeat Sales

14.69%  
First-time registrations

Decrease in average home price from last year to Q1 2018:

-7.8%

freehold properties

-2%

sectional title units

### The Top 5 searched suburbs nationally between January 2018 and March 2018 on remax.co.za

Glen Marais - 2,597  
Morningside - 1,945  
Bryanston - 1,851  
Witpoortjie - 1,851  
Parklands - 1,774

AVG. RE/MAX active listing price

**R2,384,535.09**

(from January - March 2018)

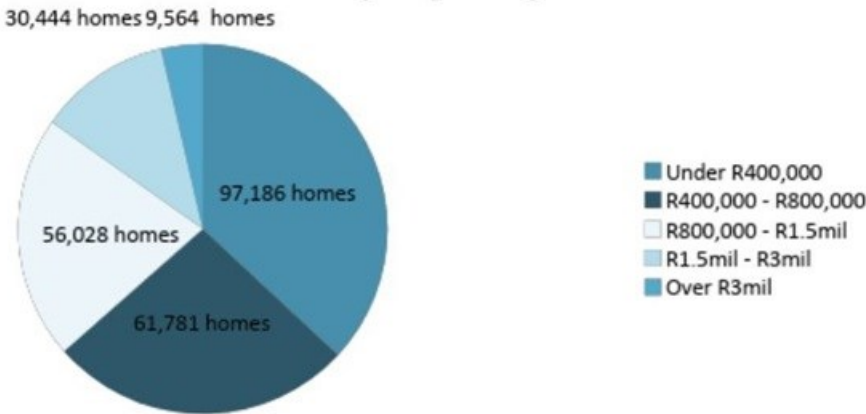
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## Sales grow for properties under R1.5m while sales drop for top-end market

Affordable housing continues to do well this quarter. As always, homes priced at R400,000 and below make up the largest percentage of properties sold each quarter. This quarter, 38.11% (up by just under 2% from last year) of all properties sold, both land only and fully developed homes, from the start of January to the end of March fall within this price range. 27.46% of homes sold within the last quarter were priced between R400,000 and R800,000, reflecting a significant growth of 4.3% on the figure from the last quarter of 2017. With a less impressive growth rate of just 0.23% on last year's figures, homes priced between R800,000 and R1.5m made up 21.97% of the country's property sales for this period.

However, homes priced from R1.5m to R3m represented only 11.9% share of the market, reflecting a 2.1% drop on figure for the October to December 2017 period. Properties priced over R3m accounted for just 3.75%, down from the 4.7% market share it represented for the last quarter of last year.

### Number of homes sold per price point



### Prices drop across the board

For the first quarter of 2018, Lightstone data revealed that 21,783 freehold properties and 9,928 sectional title homes have been sold countrywide. The current national median price of a freehold home now sits at R1,034,840, with the national median price of a sectional title unit at R998,043. This means that prices for sectional units have dropped by 2% since the last quarter of last year, and by 7.8% for freehold homes since the same period. This seems to be at odds with the positive economic growth curve our nation has seen over the last quarter that ultimately lead the Monetary Policy Committee (MPC) to announce an interest rate cut of 25 basis points just last week.



Standard Bank's house prices index shows continued slowed growth  
10 Apr 2018



### Growth spurt yet to come

It seems consumers have been playing it safe during this first quarter while they await the results of all the recent changes made to our political and economic environment, such as the instatement of a new president and presidential cabinet, an increase in VAT and a looming threat of junk status. Despite this uncertain start to the year, FNB projected a 4.8% average growth rate in national house price trends for 2018 in their March House Price Index.

We believe that we will see some positive growth in the next quarter. A lot of the year's earlier uncertainties have seen positive resolutions, and we predict that this will restore buyer confidence in the property sector.

## ABOUT ADRIAN GOSLETT

Adrian Goslett is CEO and regional director of RE/MAX Southern Africa. He joined RE/MAX Southern Africa in 2005 as a franchise development consultant, supporting various regions and offices. Throughout his career at RE/MAX he has held various positions. In 2010, after successfully leading 160 offices and over 1500 agents in six countries through the worst years real estate has ever seen in South Africa in 30 years, Goslett was appointed as CEO of RE/MAX Southern Africa.

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