

Homes selling for above asking price in competitive market

Buyers competing for sought-after homes priced below R2.5m are in some instances pushing up asking prices, reports fixed-fee agency, Eazi Real Estate.



Bergvliet home sold by Eazi Real Estate for R3.395m in one day.

“Not only are asking prices in this price band readily being achieved, they are also sometimes being exceeded, with these high-demand properties selling in one or two days,” says Richard Day, CEO of Eazi Real Estate. “This is occurring where buyers are submitting competitive offers, resulting in properties being sold for above the asking price.

“Despite the lockdown, our sales volumes have increased significantly year-on-year by 166%, 366% and 200% respectively for the months of June, July and August 2020, while enquiries have also more than doubled over this period. Although we sell most homes in less than 30 days, we are recently finding numerous properties being snapped up in just a few days.”

With interest rates at record lows and no transfer duty payable on properties up to R1m, many of Eazi’s purchasers are first-time buyers and young couples or families, including those upsiing or downsizing. This trend is underlined by mortgage originator, Ooba, whose first-time buyers in August (2020) comprise 53.4% of total mortgages.



Fish Hoek home sold by Eazi Real Estate for R2.75m in two days.

Says Day: “The interest rate drop has had a marked impact on the number of buyers who have decided to buy rather than rent. In addition, we have concluded a few linked sales where owners are upscaling and therefore not only selling their property but also buying bigger properties through Eazi.

“Notably, and not surprisingly given the economic impact of the lockdown, we are seeing a strong demand for affordably priced properties, especially those realistically priced in the price band up to R1.5m.

“Interestingly, and probably as a result of the lockdown restrictions, in the sectional title market we are seeing a trend towards homes with gardens - as outdoor space is considered increasingly appealing,” concludes Day.

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