

# Sectional title homes dominate South Africa's property market

Sectional title homes are proving to be the most popular property at the moment in South Africa, with recent stats showing that the prices of sectional title homes rose at a faster pace than freehold properties.



Source: Supplied. The Rubik, Loop Street, Cape Town.

And, according to home loan data from an SA lender, sectional title sales accounted for 67,4% of all investment properties sold in 2023.

Alexa Horne, managing director of DG Properties, provides some insights as to why sectional title is hot property in South Africa at the moment:

“Sectional title properties often offer a more affordable entry point into the property market compared to freehold properties. This makes them attractive to first-time buyers, young families, and people looking to invest in property. Indeed, for investors, sectional title is particularly appealing as they offer good capital appreciation and rental income.”

“Most sectional title developments offer security features such as gated access, security guards, and CCTV surveillance,” says Horne, “and the developments also often include shared facilities like a pool, gym, and communal garden areas - features that can be cost-prohibitive, and possibly unattainable for freehold homeowners.”

"These common areas are maintained via the body corporate which further reduces costs as well as the burden of responsibility."

"Further adding to the attractiveness of sectional title property is the fact that many of the developments are located in prime urban areas close to schools, shopping centres, entertainment, restaurants and public transportation. They also offer a lock-up-and-go lifestyle which is increasingly in demand among homeowners and tenants – both young and old."

Horne adds that another perk of sectional title ownership is the legal protection afforded under the Sectional Titles Act, which regulates the management and governance of sectional title schemes.

Overall, the combination of affordability, security, convenience, and community living makes sectional title property ownership a popular choice in South Africa. So where would your money be best spent if you are looking to invest in sectional title property in Cape Town?

## A biophilic oasis in Cape Town CBD

"One of the most popular sectional title developments on the market at the moment is The Fynbos in the Cape Town CBD," says Paul Upton, head of developments for DG Properties.

"This first-of-its-kind biophilic building is currently under construction on Upper Bree Street in the heart of Cape Town's CBD, and will feature 689 apartments, a rooftop sunset terrace with a lap pool and co-working space, a rooftop fitness centre, as well as a ground-floor plant-based restaurant, a tearoom, and a botanical bar.

Apartments here are priced to appeal to a diverse audience, with the studio units starting at R1,152m. One-bedroom apartments start at R1,968m and the two-bedroom apartments start at R4,920m."

## A luxurious marvel

Another cutting-edge sectional title development in Cape Town's CBD is The Rubik, currently nearing completion on the corner of Loop and Riebeeck Streets.

"The Rubik consists of luxury residential apartments above premium offices and high-end retail space – all housed within a highly distinctive modern glass-clad "tiered" building that promises to become an icon in Cape Town's central business district," advises Upton. "Apartments here start at R3,349m and there are one-bedroom, two-bedroom and apartment units within the building."

A sectional title development on the Atlantic Seaboard that has proven to be extremely popular is Station House, situated at 19 Kloof Road in the heart of Sea Point – with only three units left of the 201 luxury apartments housed within this 12-storey building.



### Popularity of sectional title homes continues to surge in SA

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"Station House also features a signature Pick n Pay supermarket, restaurants by the Kove Collection at street front and the 9th floor levels, a private residents' lounge, braai areas, kinetic gym and pet park, a residents pool, a laundry, a water-less car wash, and pods which include yoga and gym facilities, and a co-working area.

The development is also able to function off the electrical grid, with generators providing full power to the entire building. There is also a water reticulation and water filtration system."

“These are just a few examples of some of the ground-breaking sectional title developments currently on the market in Cape Town that are drawing high levels of interest for obvious reasons,” concludes Upton. “There are many other options available to suit buying tastes, budgets and location preferences and all of them continue to see robust demand from buyers.”

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