



Compiled by  
Jacques du Toit  
Property Analyst  
Absa Home Loans

45 Mooi Street  
Johannesburg | 2001

PO Box 7735  
Johannesburg | 2000  
South Africa

Tel +27 (0)11 350 7246  
jacques@absa.co.za  
www.absa.co.za

**Explanatory notes:**

The residential building statistics refer to private-sector financed housing, largely excluding government-subsidised low-cost housing, for which information was reported by local government institutions.

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## Residential building statistics

19 November 2015

### Steady growth in residential building activity over the past three quarters

Steady single-digit growth in building activity related to new private sector-financed housing in South Africa (see explanatory notes) was recorded in the first three quarters of 2015 compared with the corresponding period in 2014, based on data published by Statistics South Africa.

The number of new housing units for which building plans were approved increased by 6,3% year-on-year (y/y) to a total of just more than 46 000 in the nine months to September this year. This growth was largely driven by the segments for houses less than 80m<sup>2</sup> and flats and townhouses, with these two segments showing combined growth of 9% y/y, or 2 737 units, to a total of 33 184 units planned in the nine-month period from 30 447 units planned over the same period last year.

Year-on-year growth in the volume of new housing constructed was 7,7% from January up to September, with a total of almost 29 000 units built over this period. This growth was the result of an improvement of 15% y/y, or 2 679 units, in new houses built of smaller and larger than 80m<sup>2</sup>, to have reached a combined total of 20 596 units compared with 17 917 house built in the corresponding nine-month period of 2014. The number of new flats and townhouses built was down by 6,8% y/y in January to September. Due to the extent of flat and townhouse developments, there is normally a significant lag between the planning phase and the completion of these housing projects. The growth of 9,1% y/y in the planning phase of these types of housing so far this year is expected to be reflected in the construction phase at a later stage.

The average cost of new housing built increased by 5,4% y/y to an average of R6 092 per square metre in the nine months to September. Building costs per square metre were as follows in the various segments of housing in January to September this year:

- Houses of <80m<sup>2</sup>: R3 842, up by 10,4% y/y.
- Houses of ≥80m<sup>2</sup>: R6 309, up by 3,5% y/y.
- Flats and townhouses: R7 056, up by 10,5% y/y.

Trends in the economy, household finances and consumer and building confidence will continue to be the main driving factors of residential building activity. These factors, together with aspects such as building costs, the process of property rezoning where applicable, the availability of municipal services and the extent of the planning and construction phases affect new housing demand and supply, as well as the timing and timespan of housing projects and overall activity related to the residential building industry and its subsectors.

## Residential building activity<sup>1</sup>

1994 - 2015 year-to-date

| Segment                     | Building plans approved |              | Buildings completed |              |
|-----------------------------|-------------------------|--------------|---------------------|--------------|
|                             | Units                   | % of total   | Units               | % of total   |
| Houses of <80m <sup>2</sup> | 698 424                 | 43.3         | 554 949             | 46.5         |
| Houses of ≥80m <sup>2</sup> | 483 326                 | 30.0         | 320 335             | 26.9         |
| Flats and townhouses        | 429 430                 | 26.7         | 317 459             | 26.6         |
| <b>Total</b>                | <b>1 611 180</b>        | <b>100.0</b> | <b>1 192 743</b>    | <b>100.0</b> |

<sup>1</sup>Private-sector financed

Source: Stats SA

## Residential building activity (January-September)<sup>1</sup>

| Segment                     | Plans approved |               |            |                        |                    |            | Buildings completed |               |            |                        |                    |             |
|-----------------------------|----------------|---------------|------------|------------------------|--------------------|------------|---------------------|---------------|------------|------------------------|--------------------|-------------|
|                             | Units<br>2014  | Units 2015    |            | m <sup>2</sup><br>2014 | Building area 2015 |            | Units<br>2014       | Units 2015    |            | m <sup>2</sup><br>2014 | Building area 2015 |             |
|                             |                | Number        | %Δ         |                        | m <sup>2</sup>     | %Δ         |                     | Number        | %Δ         |                        | m <sup>2</sup>     | %Δ          |
| Houses of <80m <sup>2</sup> | 16 308         | 17 761        | 8.9        | 789 165                | 840 424            | 6.5        | 10 336              | 11 653        | 12.7       | 501 674                | 582 018            | 16.0        |
| Houses of ≥80m <sup>2</sup> | 12 872         | 12 848        | -0.2       | 3 424 086              | 3 516 852          | 2.7        | 7 581               | 8 943         | 18.0       | 1 938 654              | 2 343 542          | 20.9        |
| Flats and townhouses        | 14 139         | 15 423        | 9.1        | 1 377 467              | 1 541 729          | 11.9       | 8 899               | 8 291         | -6.8       | 864 841                | 817 098            | -5.5        |
| <b>Total</b>                | <b>43 319</b>  | <b>46 032</b> | <b>6.3</b> | <b>5 590 718</b>       | <b>5 899 005</b>   | <b>5.5</b> | <b>26 816</b>       | <b>28 887</b> | <b>7.7</b> | <b>3 305 169</b>       | <b>3 742 658</b>   | <b>13.2</b> |

<sup>1</sup>Private-sector financed

Source: Stats SA

## Residential building activity by province<sup>1</sup>

Building plans approved

| Segment                                      | Period     | Variable       | WC      | EC      | NC     | FS      | KZN     | NW      | GAU     | MPU     | LIM    | SA        |
|--|------------|----------------|---------|---------|--------|---------|---------|---------|---------|---------|--------|-----------|
| Total new houses, flats and townhouses       | Jan-Sep 14 | Number         | 9 028   | 1 998   | 518    | 1 896   | 5 405   | 1 804   | 18 807  | 2 878   | 985    | 43 319    |
|  | January -  | Number         | 11 709  | 2 477   | 147    | 2 351   | 3 279   | 2 809   | 19 546  | 2 453   | 1 261  | 46 032    |
|  | September  | % change       | 29.7    | 24.0    | -71.6  | 24.0    | -39.3   | 55.7    | 3.9     | -14.8   | 28.0   | 6.3       |
|  | 2015       | % of SA        | 25.4    | 5.4     | 0.3    | 5.1     | 7.1     | 6.1     | 42.5    | 5.3     | 2.7    | 100.0     |
| Alterations and additions to existing houses | Jan-Sep 14 | m <sup>2</sup> | 592 590 | 246 987 | 42 948 | 121 199 | 280 110 | 123 734 | 763 471 | 157 315 | 49 495 | 2 377 849 |
|  | January -  | m <sup>2</sup> | 679 918 | 239 937 | 40 089 | 116 020 | 259 465 | 108 732 | 730 941 | 141 524 | 42 491 | 2 359 117 |
|  | September  | % change       | 14.7    | -2.9    | -6.7   | -4.3    | -7.4    | -12.1   | -4.3    | -10.0   | -14.2  | -0.8      |
|  | 2015       | % of SA        | 28.8    | 10.2    | 1.7    | 4.9     | 11.0    | 4.6     | 31.0    | 6.0     | 1.8    | 100.0     |

Buildings completed

| Segment                                      | Period     | Variable       | WC      | EC     | NC     | FS     | KZN     | NW     | GAU     | MPU    | LIM   | SA      |
|--|------------|----------------|---------|--------|--------|--------|---------|--------|---------|--------|-------|---------|
| Total new houses, flats and townhouses       | Jan-Sep 14 | Number         | 7 313   | 1 237  | 151    | 735    | 1 757   | 1 595  | 10 739  | 2 652  | 637   | 26 816  |
|  | January -  | Number         | 8 442   | 1 328  | 239    | 1 923  | 1 483   | 1 320  | 11 941  | 1 704  | 507   | 28 887  |
|  | September  | % change       | 15.4    | 7.4    | 58.3   | 161.6  | -15.6   | -17.2  | 11.2    | -35.7  | -20.4 | 7.7     |
|  | 2015       | % of SA        | 29.2    | 4.6    | 0.8    | 6.7    | 5.1     | 4.6    | 41.3    | 5.9    | 1.8   | 100.0   |
| Alterations and additions to existing houses | Jan-Sep 14 | m <sup>2</sup> | 285 134 | 69 551 | 19 525 | 17 182 | 107 541 | 17 984 | 241 049 | 79 220 | 5 204 | 842 390 |
|  | January -  | m <sup>2</sup> | 361 874 | 64 107 | 20 381 | 25 738 | 111 424 | 82 676 | 141 206 | 84 583 | 3 060 | 895 049 |
|  | September  | % change       | 26.9    | -7.8   | 4.4    | 49.8   | 3.6     | 359.7  | -41.4   | 6.8    | -41.2 | 6.3     |
|  | 2015       | % of SA        | 40.4    | 7.2    | 2.3    | 2.9    | 12.4    | 9.2    | 15.8    | 9.5    | 0.3   | 100.0   |

<sup>1</sup>Private-sector financed

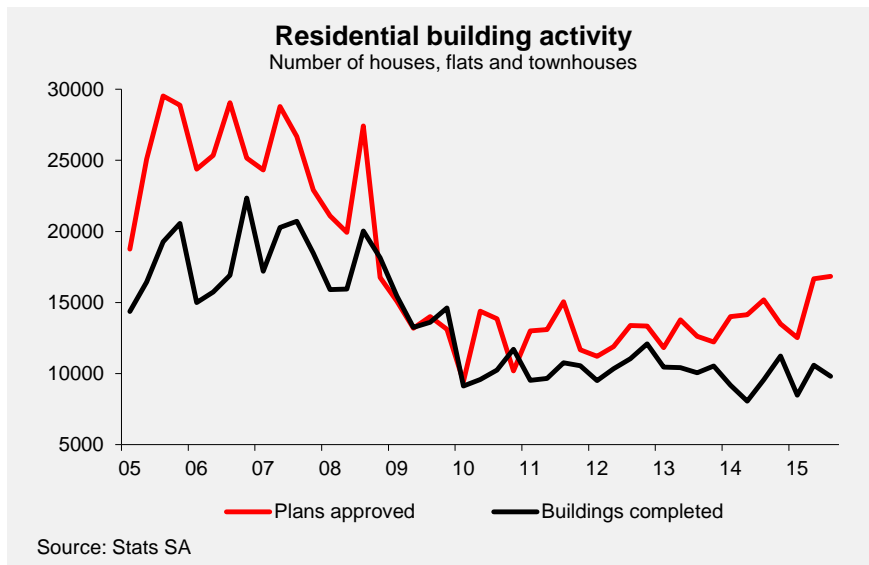
Source: Stats SA

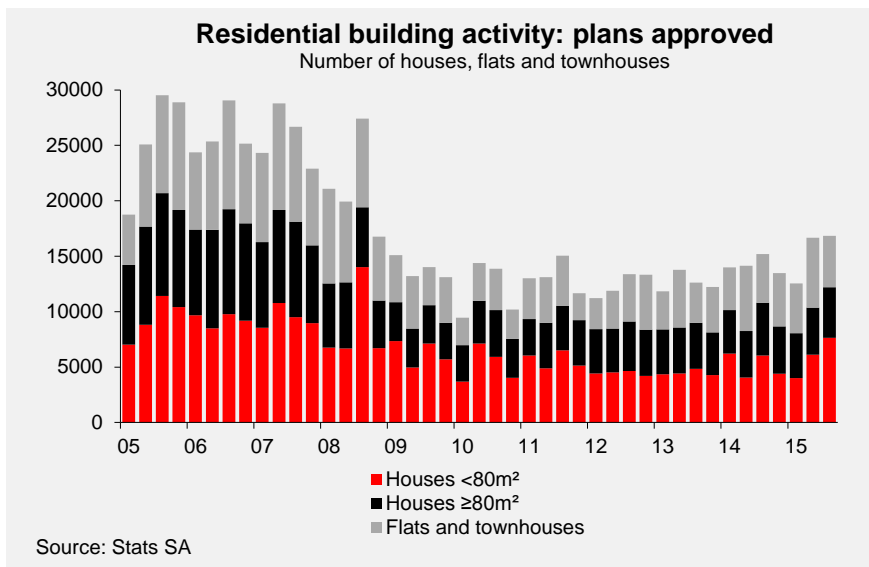
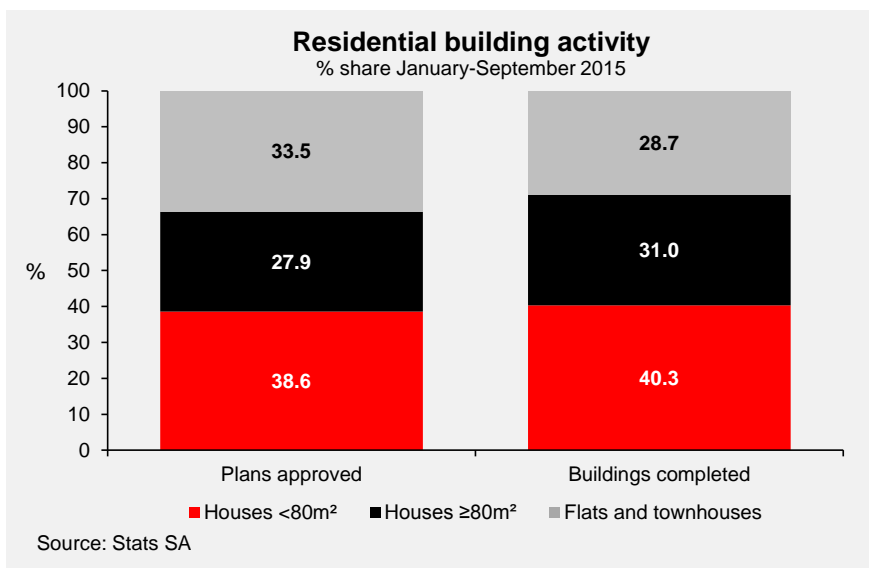
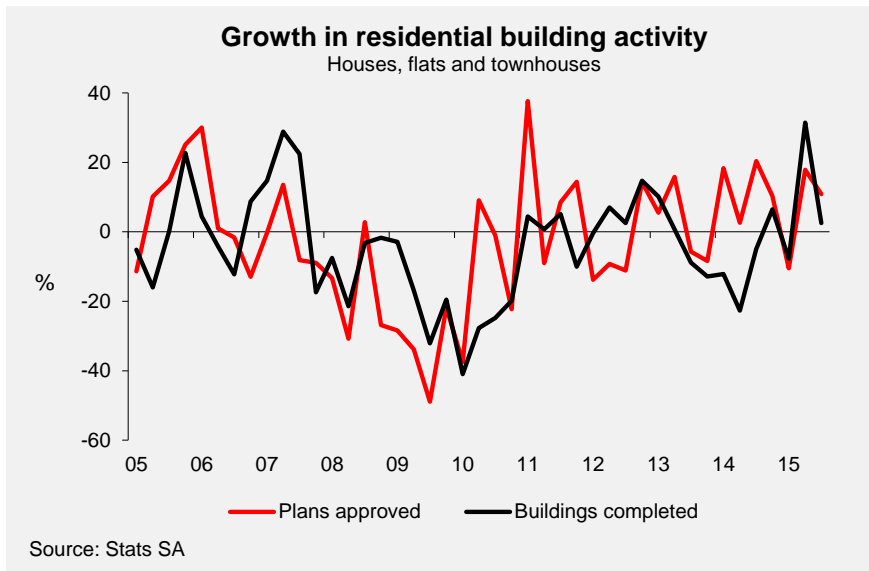
## Residential building activity<sup>1</sup>

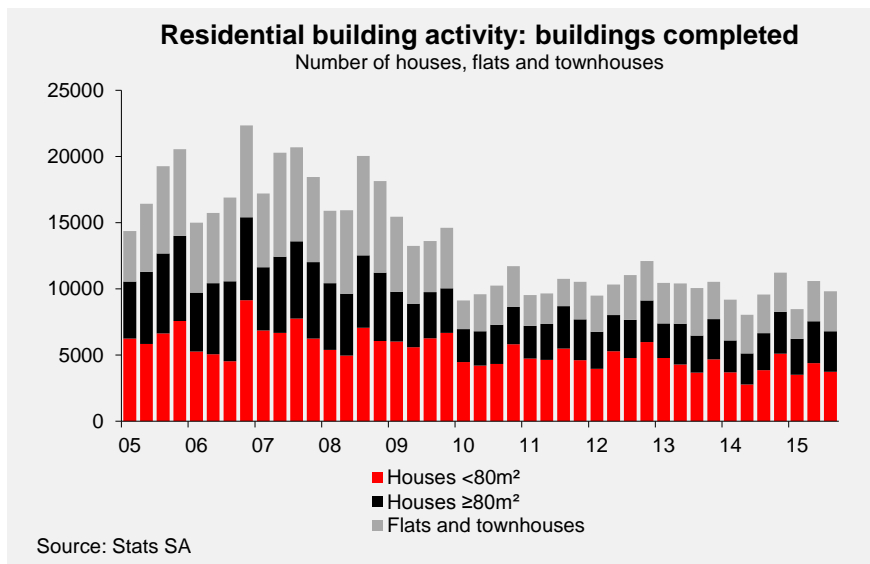
| Period                         | Houses <80m <sup>2</sup> |         | Houses ≥80m <sup>2</sup> |         | Flats and townhouses |         | Total  |         |
|--------------------------------|--------------------------|---------|--------------------------|---------|----------------------|---------|--------|---------|
|                                | Units                    | y/y % Δ | Units                    | y/y % Δ | Units                | y/y % Δ | Units  | y/y % Δ |
| <b>Building plans approved</b> |                          |         |                          |         |                      |         |        |         |
| 1Q 2013                        | 4 361                    | -1.4    | 4 043                    | 1.0     | 3 428                | 23.0    | 11 832 | 5.5     |
| 2Q 2013                        | 4 430                    | -2.1    | 4 151                    | 5.4     | 5 191                | 51.2    | 13 772 | 15.8    |
| 3Q 2013                        | 4 835                    | 4.0     | 4 145                    | -7.1    | 3 636                | -14.8   | 12 616 | -5.7    |
| 4Q 2013                        | 4 268                    | 1.6     | 3 864                    | -7.6    | 4 095                | -17.4   | 12 227 | -8.3    |
| 1Q 2014                        | 6 205                    | 42.3    | 3 924                    | -2.9    | 3 872                | 13.0    | 14 001 | 18.3    |
| 2Q 2014                        | 4 051                    | -8.6    | 4 198                    | 1.1     | 5 885                | 13.4    | 14 134 | 2.6     |
| 3Q 2014                        | 6 052                    | 25.2    | 4 750                    | 14.6    | 4 382                | 20.5    | 15 184 | 20.4    |
| 4Q 2014                        | 4 409                    | 3.3     | 4 249                    | 10.0    | 4 832                | 18.0    | 13 490 | 10.3    |
| 1Q 2015                        | 4 012                    | -35.3   | 4 049                    | 3.2     | 4 475                | 15.6    | 12 536 | -10.5   |
| 2Q 2015                        | 6 112                    | 50.9    | 4 242                    | 1.0     | 6 306                | 7.2     | 16 660 | 17.9    |
| 3Q 2015                        | 7 637                    | 26.2    | 4 557                    | -4.1    | 4 642                | 5.9     | 16 836 | 10.9    |
| <b>Buildings completed</b>     |                          |         |                          |         |                      |         |        |         |
| 1Q 2013                        | 4 789                    | 20.8    | 2 607                    | -6.9    | 3 066                | 12.1    | 10 462 | 10.1    |
| 2Q 2013                        | 4 294                    | -18.9   | 3 090                    | 12.7    | 3 033                | 31.7    | 10 417 | 0.8     |
| 3Q 2013                        | 3 672                    | -23.3   | 2 810                    | -2.4    | 3 582                | 6.1     | 10 064 | -8.9    |
| 4Q 2013                        | 4 681                    | -21.7   | 3 031                    | -3.7    | 2 830                | -4.7    | 10 542 | -12.9   |
| 1Q 2014                        | 3 700                    | -22.7   | 2 414                    | -7.4    | 3 076                | 0.3     | 9 190  | -12.2   |
| 2Q 2014                        | 2 773                    | -35.4   | 2 361                    | -23.6   | 2 923                | -3.6    | 8 057  | -22.7   |
| 3Q 2014                        | 3 863                    | 5.2     | 2 806                    | -0.1    | 2 900                | -19.0   | 9 569  | -4.9    |
| 4Q 2014                        | 5 108                    | 9.1     | 3 169                    | 4.6     | 2 950                | 4.2     | 11 227 | 6.5     |
| 1Q 2015                        | 3 527                    | -4.7    | 2 708                    | 12.2    | 2 247                | -27.0   | 8 482  | -7.7    |
| 2Q 2015                        | 4 391                    | 58.3    | 3 161                    | 33.9    | 3 040                | 4.0     | 10 592 | 31.5    |
| 3Q 2015                        | 3 735                    | -3.3    | 3 074                    | 9.6     | 3 004                | 3.6     | 9 813  | 2.5     |

<sup>1</sup>Private-sector financed

Source: Stats SA



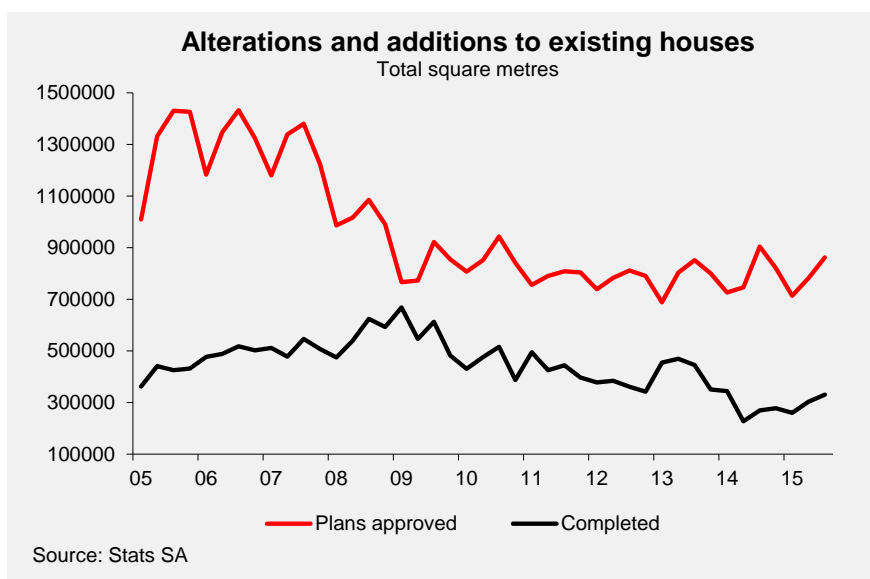


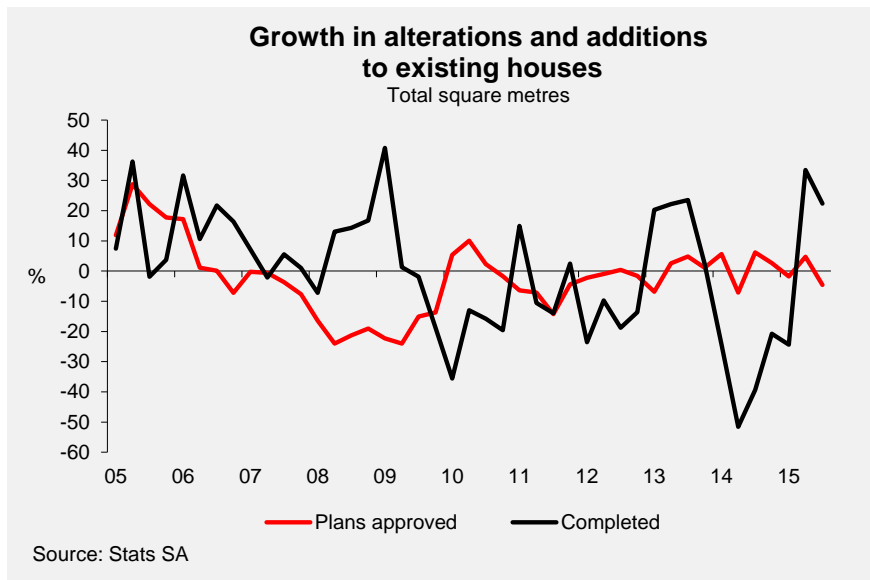


### Alterations and additions to existing houses

| Period  | Plans approved |          | Completed      |          |
|---------|----------------|----------|----------------|----------|
|         | m <sup>2</sup> | % change | m <sup>2</sup> | % change |
| 1Q 2013 | 688 414        | -6.9     | 455 328        | 20.2     |
| 2Q 2013 | 803 498        | 2.6      | 469 649        | 22.2     |
| 3Q 2013 | 851 664        | 4.9      | 445 970        | 23.6     |
| 4Q 2013 | 800 281        | 1.2      | 351 421        | 2.5      |
| 1Q 2014 | 726 982        | 5.6      | 344 566        | -24.3    |
| 2Q 2014 | 746 691        | -7.1     | 227 554        | -51.5    |
| 3Q 2014 | 904 176        | 6.2      | 270 270        | -39.4    |
| 4Q 2014 | 821 459        | 2.6      | 278 357        | -20.8    |
| 1Q 2015 | 714 097        | -1.8     | 260 453        | -24.4    |
| 2Q 2015 | 782 355        | 4.8      | 303 821        | 33.5     |
| 3Q 2015 | 862 665        | -4.6     | 330 775        | 22.4     |

Source: Stats SA





### Building cost of new housing constructed<sup>1</sup>

| Period  | Houses of <80m <sup>2</sup> |             | Houses of ≥80m <sup>2</sup> |             | Flats and townhouses    |             | Total                   |             |
|---------|-----------------------------|-------------|-----------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
|         | Rand per m <sup>2</sup>     | y/y% change | Rand per m <sup>2</sup>     | y/y% change | Rand per m <sup>2</sup> | y/y% change | Rand per m <sup>2</sup> | y/y% change |
| 1Q 2013 | 2 476                       | -9.0        | 5 342                       | 6.9         | 5 805                   | 15.7        | 4 898                   | 5.8         |
| 2Q 2013 | 2 773                       | 8.8         | 5 376                       | 8.7         | 5 419                   | 4.3         | 4 977                   | 10.7        |
| 3Q 2013 | 3 205                       | 23.3        | 5 651                       | 4.6         | 6 044                   | 12.7        | 5 438                   | 10.9        |
| 4Q 2013 | 3 066                       | 21.3        | 5 869                       | 8.8         | 6 299                   | 14.1        | 5 470                   | 12.9        |
| 1Q 2014 | 3 015                       | 21.8        | 5 932                       | 11.0        | 6 645                   | 14.5        | 5 619                   | 14.7        |
| 2Q 2014 | 3 645                       | 31.4        | 6 016                       | 11.9        | 6 317                   | 16.6        | 5 787                   | 16.3        |
| 3Q 2014 | 3 711                       | 15.8        | 6 336                       | 12.1        | 6 343                   | 4.9         | 5 937                   | 9.2         |
| 4Q 2014 | 3 946                       | 28.7        | 6 221                       | 6.0         | 6 753                   | 7.2         | 5 909                   | 8.0         |
| 1Q 2015 | 3 794                       | 25.8        | 6 129                       | 3.3         | 6 943                   | 4.5         | 5 894                   | 4.9         |
| 2Q 2015 | 3 810                       | 4.5         | 6 330                       | 5.2         | 6 845                   | 8.4         | 6 037                   | 4.3         |
| 3Q 2015 | 3 876                       | 4.4         | 6 463                       | 2.0         | 7 501                   | 18.3        | 6 346                   | 6.9         |

<sup>1</sup>Private-sector financed  
Source: Stats SA

