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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

18 February 2016

Muted growth in residential building activity in 2015

Levels of residential building activity in the South African market for new housing improved in 2015, but growth remained relatively low at between 4% and 5% from the 2014 levels of activity. Growth in the planning phase of new housing, as reflected by the number of building plans approved by local government authorities, was in 2015 markedly lower than in the preceding year. The construction phase of new housing, i.e. the volume of housing units reported as completed, showed some growth last year after two consecutive years of contraction. These trends are based on data published by Statistics South Africa in respect of building activity related to private sector-financed housing (see explanatory notes).

The number of new housing units for which building plans were approved increased by 5% to a total of 59 667 units in 2015. The segments of smaller-sized houses (<80m²) and flats and townhouses were the main contributors to the increased level of plans approved. These two segments of housing were the major focus areas of housing supply over the past more than twenty years, mainly as a result of factors such as the availability and cost of development land, building costs, the affordability of housing and continuously changing lifestyles in especially the major metropolitan areas of the country.

Although the number of new housing units reported as constructed increased by 4,3% to a total of 39 671 units in 2015, this number of housing units built was still the second lowest in the past ten years. The flat and townhouse segment showed a contraction of around 3% in construction activity in 2015 compared with 2014, with the two categories of houses responsible for the positive growth in total housing construction last year.

The real value of plans approved for new residential buildings increased by only 3,7%, or R1,37 billion, to R38,08 billion in 2015 from R36,71 billion in 2014. The real value of residential buildings reported as completed was up by 9,3%, or R2,13 billion, to R25,11 billion in 2015 from R22,98 billion in the previous year. These real values are calculated at constant 2010 prices.

The average building cost of new housing constructed came to R6 185 per square metre in 2015, which was 6,2% higher than the cost R5 825 per square metre in 2014. Although the increase building costs was down on the double-digit annual growth in 2013 and 2014, it remained above the average headline consumer price inflation rate of 4,6% in 2015. Building costs have been increasing by more than the average consumer price inflation rate over the past ten years and are affected by a number of factors such as building material costs, labour costs, transport costs, equipment costs, land prices, rezoning costs, and developer and contractor holding costs and profit margins.

Residential building activity will continue to be driven by a growing population and number of households, but activity levels in the various segments of new housing will be influenced by macroeconomic trends and developments, household finances, lifestyle trends and consumer and building confidence. The outlook is for subdued economic growth of 0,9% in 2016, with consumers set to face increased financial strain this year on the back of rising inflation, higher interest rates and increasing property-related costs. These trends will have a dampening effect on the demand for and supply of new housing over the next twelve months and beyond.

Residential building activity¹

1994 - 2015

Segment	Building plans approved		Buildings completed	
	Units	% of total	Units	% of total
Houses of <80m ²	703 452	43.3	559 318	46.5
Houses of ≥80m ²	487 458	30.0	323 555	26.9
Flats and townhouses	433 905	26.7	320 654	26.6
Total	1 624 815	100.0	1 203 527	100.0

¹Private-sector financed

Source: Stats SA

Residential building activity¹

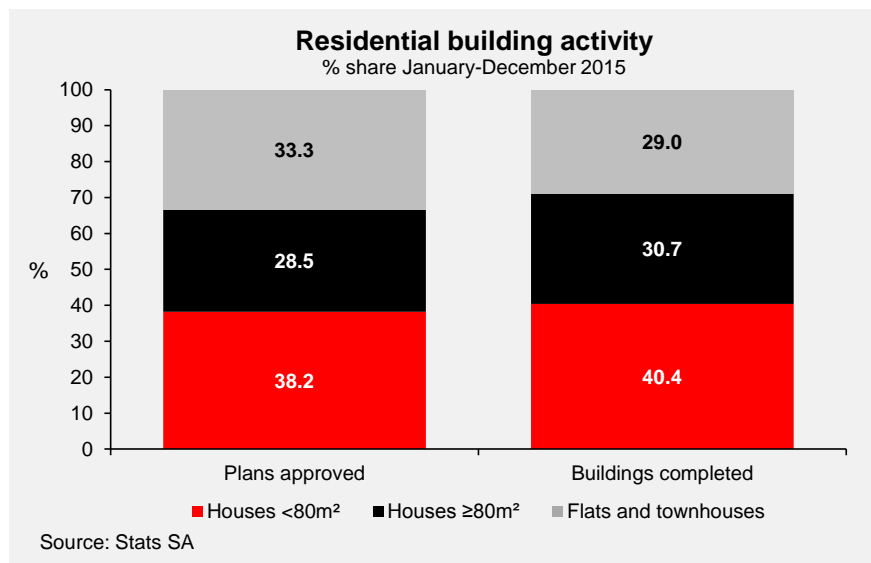
Period	Houses <80m ²		Houses ≥80m ²		Flats and townhouses		Total	
	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ	Units	y/y % Δ
Building plans approved								
2006	37 147	-1.4	34 846	2.1	31 932	4.8	103 925	1.6
2007	37 806	1.8	31 772	-8.8	33 113	3.7	102 691	-1.2
2008	34 173	-9.6	21 441	-32.5	29 603	-10.6	85 217	-17.0
2009	25 115	-26.5	13 785	-35.7	16 522	-44.2	55 422	-35.0
2010	20 752	-17.4	14 885	8.0	12 275	-25.7	47 912	-13.6
2011	22 567	8.7	15 529	4.3	14 728	20.0	52 824	10.3
2012	17 793	-21.2	16 582	6.8	15 445	4.9	49 820	-5.7
2013	17 894	0.6	16 203	-2.3	16 350	5.9	50 447	1.3
2014	20 717	15.8	17 121	5.7	18 971	16.0	56 809	12.6
2015	22 789	10.0	16 980	-0.8	19 898	4.9	59 667	5.0

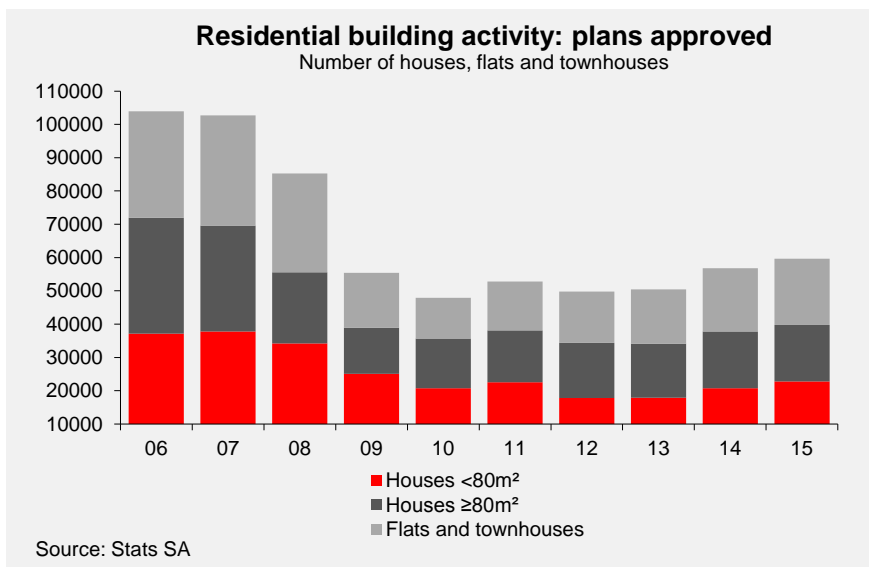
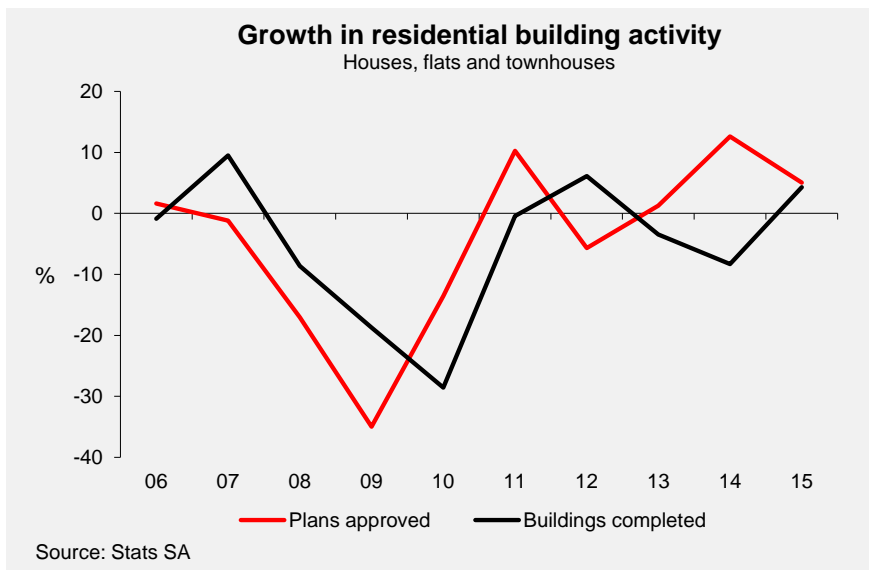
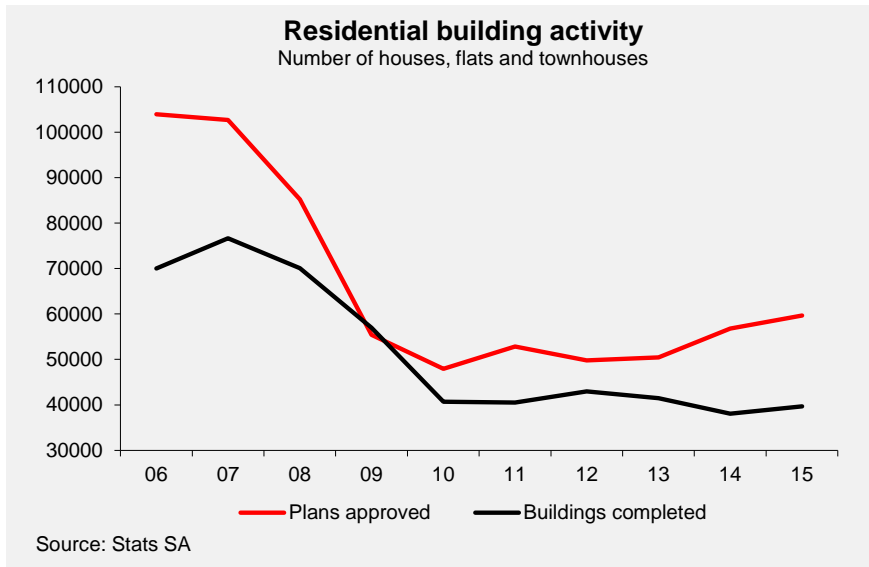
Buildings completed

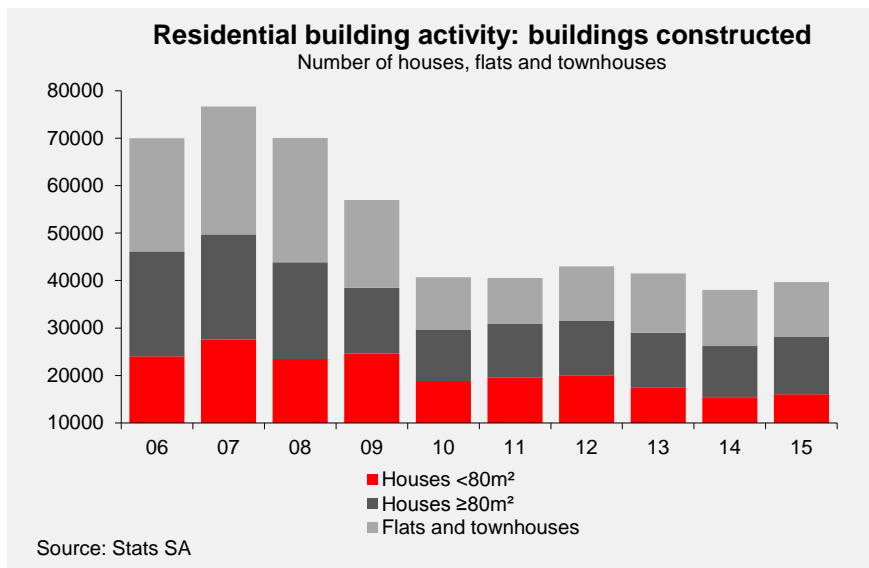
2006	24 029	-8.7	22 118	-0.6	23 858	8.1	70 005	-0.9
2007	27 555	14.7	22 157	0.2	26 949	13.0	76 661	9.5
2008	23 480	-14.8	20 357	-8.1	26 221	-2.7	70 058	-8.6
2009	24 579	4.7	13 906	-31.7	18 462	-29.6	56 947	-18.7
2010	18 858	-23.3	10 856	-21.9	10 965	-40.6	40 679	-28.6
2011	19 506	3.4	11 456	5.5	9 545	-13.0	40 507	-0.4
2012	20 023	2.7	11 569	1.0	11 386	19.3	42 978	6.1
2013	17 436	-12.9	11 538	-0.3	12 511	9.9	41 485	-3.5
2014	15 444	-11.4	10 750	-6.8	11 849	-5.3	38 043	-8.3
2015	16 022	3.7	12 163	13.1	11 486	-3.1	39 671	4.3

¹Private-sector financed

Source: Stats SA







Residential building activity by province¹ 1994-2015

Building plans approved

Segment	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m²)	Number	147 905	69 517	6 206	49 161	52 093	41 112	281 572	35 804	20 082	703 452
	% of region	39.5	60.6	46.3	56.1	32.3	45.5	43.0	42.8	44.6	43.3
	% of SA	21.0	9.9	0.9	7.0	7.4	5.8	40.0	5.1	2.9	100.0
New houses (≥80m²)	Number	125 556	29 450	4 667	20 740	48 056	29 609	181 556	32 733	15 091	487 458
	% of region	33.5	25.7	34.8	23.7	29.8	32.8	27.7	39.1	33.5	30.0
	% of SA	25.8	6.0	1.0	4.3	9.9	6.1	37.2	6.7	3.1	100.0
New flats and townhouses	Number	100 978	15 675	2 539	17 784	60 970	19 573	191 397	15 179	9 810	433 905
	% of region	27.0	13.7	18.9	20.3	37.8	21.7	29.2	18.1	21.8	26.7
	% of SA	23.3	3.6	0.6	4.1	14.1	4.5	44.1	3.5	2.3	100.0
Total houses, flats and townhouses	Number	374 439	114 642	13 412	87 685	161 119	90 294	654 525	83 716	44 983	1 624 815
	% of region	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	% of SA	23.0	7.1	0.8	5.4	9.9	5.6	40.3	5.2	2.8	100.0

Buildings completed

Segment	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m²)	Number	129 914	52 345	9 874	34 172	46 315	34 637	210 416	25 229	16 416	559 318
	% of region	42.8	63.1	68.4	62.4	39.2	51.7	43.6	48.2	59.7	46.5
	% of SA	23.2	9.4	1.8	6.1	8.3	6.2	37.6	4.5	2.9	100.0
New houses (≥80m²)	Number	96 294	19 114	2 781	9 865	31 934	17 975	120 511	18 208	6 873	323 555
	% of region	31.7	23.0	19.3	18.0	27.0	26.8	25.0	34.8	25.0	26.9
	% of SA	29.8	5.9	0.9	3.0	9.9	5.6	37.2	5.6	2.1	100.0
New flats and townhouses	Number	77 135	11 499	1 786	10 733	39 901	14 411	152 020	8 955	4 214	320 654
	% of region	25.4	13.9	12.4	19.6	33.8	21.5	31.5	17.1	15.3	26.6
	% of SA	24.1	3.6	0.6	3.3	12.4	4.5	47.4	2.8	1.3	100.0
Total houses, flats and townhouses	Number	303 343	82 958	14 441	54 770	118 150	67 023	482 947	52 392	27 503	1 203 527
	% of region	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	% of SA	25.2	6.9	1.2	4.6	9.8	5.6	40.1	4.4	2.3	100.0

¹Private-sector financed

Source: Stats SA

Residential building activity by province¹

Building plans approved

Segment	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Jan-Dec 14	Number	5 919	1 163	25	890	1 733	92	9 108	1 452	335	20 717
	January -	Number	5 650	1 717	25	2 078	295	1 078	10 302	1 366	278	22 789
	December	% change	-4.5	47.6	0.0	133.5	-83.0	1071.7	13.1	-5.9	-17.0	10.0
	2015	% of SA	24.8	7.5	0.1	9.1	1.3	4.7	45.2	6.0	1.2	100.0
New houses (≥80m ²)	Jan-Dec 14	Number	3 910	988	349	897	1 484	917	6 406	1 621	549	17 121
	January -	Number	4 291	1 002	186	847	1 615	995	5 722	1 686	636	16 980
	December	% change	9.7	1.4	-46.7	-5.6	8.8	8.5	-10.7	4.0	15.8	-0.8
	2015	% of SA	25.3	5.9	1.1	5.0	9.5	5.9	33.7	9.9	3.7	100.0
New flats and townhouses	Jan-Dec 14	Number	3 417	245	214	931	3 099	1 482	8 429	713	441	18 971
	January -	Number	5 588	308	4	437	2 346	1 174	9 057	420	564	19 898
	December	% change	63.5	25.7	-98.1	-53.1	-24.3	-20.8	7.5	-41.1	27.9	4.9
	2015	% of SA	28.1	1.5	0.0	2.2	11.8	5.9	45.5	2.1	2.8	100.0
Total new houses, flats and townhouses	Jan-Dec 14	Number	13 246	2 396	588	2 718	6 316	2 491	23 943	3 786	1 325	56 809
	January -	Number	15 529	3 027	215	3 362	4 256	3 247	25 081	3 472	1 478	59 667
	December	% change	17.2	26.3	-63.4	23.7	-32.6	30.3	4.8	-8.3	11.5	5.0
	2015	% of SA	26.0	5.1	0.4	5.6	7.1	5.4	42.0	5.8	2.5	100.0
Alterations and additions to existing houses	Jan-Dec 14	m ²	860 715	323 143	61 196	157 756	369 092	159 485	1 000 511	202 347	65 063	3 199 308
	January -	m ²	892 513	317 762	53 600	151 267	358 105	142 908	987 721	176 526	56 566	3 136 968
	December	% change	3.7	-1.7	-12.4	-4.1	-3.0	-10.4	-1.3	-12.8	-13.1	-1.9
	2015	% of SA	28.5	10.1	1.7	4.8	11.4	4.6	31.5	5.6	1.8	100.0

Buildings completed

Segment	Period	Variable	WC	EC	NC	FS	KZN	NW	GAU	MPU	LIM	SA
New houses (<80m ²)	Jan-Dec 14	Number	5 171	671	75	935	184	281	6 424	1 523	180	15 444
	January -	Number	5 201	854	38	2 016	238	71	6 321	1 082	201	16 022
	December	% change	0.6	27.3	-49.3	115.6	29.3	-74.7	-1.6	-29.0	11.7	3.7
	2015	% of SA	32.5	5.3	0.2	12.6	1.5	0.4	39.5	6.8	1.3	100.0
New houses (≥80m ²)	Jan-Dec 14	Number	2 335	637	97	182	759	974	4 639	873	254	10 750
	January -	Number	3 389	595	179	288	812	785	4 920	961	234	12 163
	December	% change	45.1	-6.6	84.5	58.2	7.0	-19.4	6.1	10.1	-7.9	13.1
	2015	% of SA	27.9	4.9	1.5	2.4	6.7	6.5	40.5	7.9	1.9	100.0
New flats and townhouses	Jan-Dec 14	Number	2 411	594	22	168	1 174	945	5 129	1 060	346	11 849
	January -	Number	3 085	147	54	266	999	1 130	5 199	341	265	11 486
	December	% change	28.0	-75.3	145.5	58.3	-14.9	19.6	1.4	-67.8	-23.4	-3.1
	2015	% of SA	26.9	1.3	0.5	2.3	8.7	9.8	45.3	3.0	2.3	100.0
Total new houses, flats and townhouses	Jan-Dec 14	Number	9 917	1 902	194	1 285	2 117	2 200	16 192	3 456	780	38 043
	January -	Number	11 675	1 596	271	2 570	2 049	1 986	16 440	2 384	700	39 671
	December	% change	17.7	-16.1	39.7	100.0	-3.2	-9.7	1.5	-31.0	-10.3	4.3
	2015	% of SA	29.4	4.0	0.7	6.5	5.2	5.0	41.4	6.0	1.8	100.0
Alterations and additions to existing houses	Jan-Dec 14	m ²	391 759	94 578	25 416	22 359	144 453	30 675	297 924	105 892	7 691	1 120 747
	January -	m ²	471 558	76 428	26 375	32 331	147 678	86 462	207 521	107 770	4 075	1 160 198
	December	% change	20.4	-19.2	3.8	44.6	2.2	181.9	-30.3	1.8	-47.0	3.5
	2015	% of SA	40.6	6.6	2.3	2.8	12.7	7.5	17.9	9.3	0.4	100.0

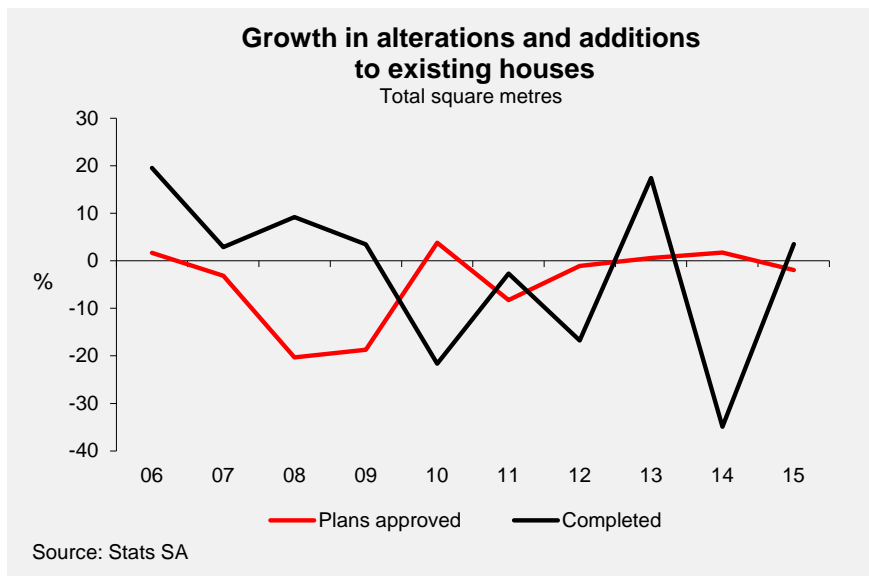
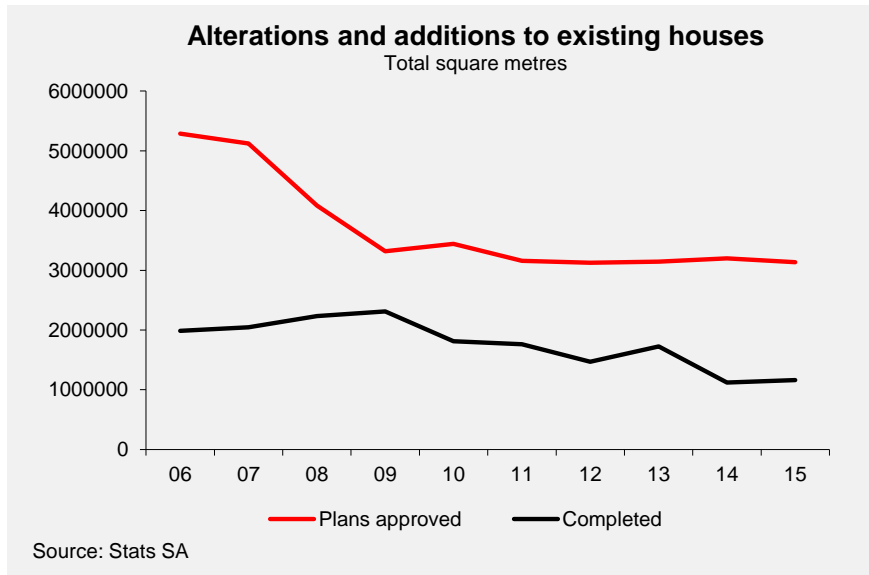
¹Private-sector financed

Source: Stats SA

Alterations and additions to existing houses

Period	Plans approved		Completed	
	m ²	% change	m ²	% change
2006	5 288 732	1.7	1 987 253	19.6
2007	5 123 325	-3.1	2 044 860	2.9
2008	4 081 631	-20.3	2 233 737	9.2
2009	3 318 140	-18.7	2 311 557	3.5
2010	3 443 686	3.8	1 811 174	-21.6
2011	3 160 212	-8.2	1 762 670	-2.7
2012	3 125 614	-1.1	1 466 959	-16.8
2013	3 143 857	0.6	1 722 368	17.4
2014	3 199 308	1.8	1 120 747	-34.9
2015	3 136 968	-1.9	1 160 198	3.5

Source: Stats SA



Building cost of new housing constructed¹

Period	Houses of <80m ²		Houses of ≥80m ²		Flats and tow nhouses		Total	
	Rand per m ²	y/y% change	Rand per m ²	y/y% change	Rand per m ²	y/y% change	Rand per m ²	y/y% change
2006	1 794	36.3	2 845	16.4	3 167	19.7	2 836	19.4
2007	1 898	5.8	3 341	17.4	3 463	9.3	3 197	12.7
2008	2 115	11.4	3 589	7.4	3 936	13.7	3 521	10.2
2009	2 112	-0.1	3 984	11.0	4 313	9.6	3 781	7.4
2010	2 192	3.8	4 421	11.0	4 736	9.8	4 112	8.8
2011	2 535	15.6	4 821	9.0	4 863	2.7	4 387	6.7
2012	2 589	2.1	5 196	7.8	5 294	8.9	4 729	7.8
2013	2 864	10.6	5 565	7.1	5 913	11.7	5 205	10.0
2014	3 620	26.4	6 145	10.4	6 509	10.1	5 825	11.9
2015	3 869	6.9	6 382	3.9	7 215	10.8	6 185	6.2

¹Private-sector financed
Source: Stats SA

