

Property market shows signs of growth

Despite the ever increasing costs of living, the property market has performed exceptionally well, showing positive signs of growth for the first six months of the year.



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This according to Chris Tyson, CEO of Tyson Properties, who confirmed that the number of sales in Durban between January and June 2015 have increased favourably when compared to sales achieved over the same period in 2014. In addition to this, the average value of the sales achieved by Tyson Properties has increased by 10%.

"Although the property market growth hasn't been substantial it has certainly performed solidly, and has come regardless of some challenging economic conditions experienced over the last year, such as a depreciating exchange rate and unrelenting electricity tariff increases. The fact that that the market has continued to grow is extremely encouraging and the consistency of growth is very positive for all property investors," Tyson says.

Increase in prices

This sentiment was further reiterated by bond originators, BetterLife Home Loans, who confirmed that overall market performance has been positive, highlighting the fact that the average purchase price in KwaZulu-Natal had increased from R969,927 in June 2014 to R1,035,697 in June 2015.

"Our statistics show that lifestyle and security remains a paramount requirement in the South African residential market, and that buyers are prepared to pay a premium for this," explains Tyson. "The property industry is currently experiencing a shortage of stock, where demand far outweighs supply. This shortage will continue to create urgency in the market place for well priced homes - a factor that will contribute to growth in market.

"If inflation is contained and the interest rates remain stable then the final months of 2015 should provide the impetus for a further spike in residential property sales. Throughout our areas we are seeing a significant growth in the new development sector, which is sure to stimulate fresh growth," Tyson concludes.

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