

Location is ticket to ride for property near station

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PROPERTY prices in areas surrounding the Gautrain stations have increased. Those close to the Joburg, Rosebank, Sandton, Hatfield and Pretoria Gautrain stations have seen the highest growth.

These rises in value are likely as a result of the convenient locations of the properties to the stations.

This should not be too surprising because properties near to stations open up more transport options, resulting in their values going up.

This naturally is good news for estate agents who operate in those

areas. There are many other market factors effecting property prices, but close proximity to a Gautrain station is expected to have a positive effect on property value.

For potential buyers and sellers, knowing what has recently sold in areas surrounding the stations will be a good benchmark to compare a potential offer value.

This growth in property prices also comes from higher demand of sectional-title properties like flats in the denser areas surrounding most stations.

The Centurion, Midrand and Rhodesfield Gautrain stations, however, have not shown much effect on

residential property growth yet. This is mainly because of unavailability of residential stock close to the stations.

To measure the effect Gautrain has on property value, the average inflation growth for properties within 2km of the stations was compared with the average price growth for residential properties within 5 to 8km.

Between 2011 and last year, when the stations were fully developed, the data was collected by Lightstone, a provider of comprehensive data, analytics and systems on property, automotive and business assets.

This week Paul-Roux de Kock,

data and analytics director at Lightstone, said when looking at property sales last year sectional scheme properties within 2km of a Gautrain station showed higher average inflation than for freehold properties.

It is interesting to note, De Kock said, that in some instances, such as with the Joburg, Rosebank and Marlboro stations, properties 1km to 2km away from a Gautrain station achieved better inflation than properties that were located less than 1km away from the same station, which shows that being closer to a station does not automatically mean a property will see an increase in inflation, he said.