

# Foreign interest in SA property remains strong

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BUSINESS in Gauteng and leisure in the Western Cape are driving the majority of purchases of South African property by foreigners.

According to property analytics company Lightstone, foreign confidence in the local property market is holding firm, although sales by foreigners outnumbered purchases in the last year. Transaction data collected by Lightstone shows that in the past 12 months 8 530 of the 280 395 properties sold in South Africa were bought by foreigners.

Gauteng attracted the most foreign buyers, with more than 4 000 transactions, followed by the Western Cape with just over half that number. KwaZulu-Natal saw more than 1 000 foreign buyers in the period, followed by the Eastern Cape (376) and Mpumalanga (185).

Gauteng's attraction seems to be access to business in the rest of Africa, and the Western Cape's strong point is the lifestyle it offers.

With the rand having depreciated by about 33% over the past three years, property prices in South Africa are

## SA property buyers

Province	Property registrations	Total purchase prices	Foreign buyers			Foreign sellers		
			Property registrations	Total buyers	Total purchase prices	Property registrations	Total sellers	Total sale prices
<b>Eastern Cape</b>	16 842	R11.53bn	325	376	R0.34bn	378	374	R0.36bn
<b>Free State</b>	11 178	R6.80bn	131	143	R0.78bn	148	146	R0.10bn
<b>Gauteng</b>	114 922	R109.93bn	3 436	4 054	R4.24bn	3 541	3 518	R4.58bn
<b>KwaZulu-Natal</b>	34 881	R34.46bn	895	1 024	R1.18bn	1 218	1 206	R1.56bn
<b>Limpopo</b>	5 472	R4.04bn	87	94	R0.71bn	59	59	R0.50bn
<b>Mpumalanga</b>	14 188	R7.37bn	158	185	R0.14bn	166	166	R0.15bn
<b>North West</b>	11 564	R6.67bn	122	146	R0.12bn	84	84	R0.09bn
<b>Northern Cape</b>	4 059	R2.37bn	33	36	R0.02bn	22	22	R0.01bn
<b>Western Cape</b>	59 493	R71.72bn	2 049	2 343	R3.35bn	1 996	1 985	R3.77bn
<b>Unknown</b>	7 796	R5.05bn	114	129	R0.13bn	93	93	R0.12bn
	<b>280 395</b>	<b>R259.96bn</b>	<b>7 350</b>	<b>8 530</b>	<b>R9.68bn</b>	<b>7 705</b>	<b>7 653</b>	<b>R11.28bn</b>

Graphic: FIONA KRISCH

Source: LIGHTSTONE

tempting for investors holding dollars, euros or pounds.

The total value of foreign purchases over the past 12 months was R9.68-billion at an average price of R1.2-million, while foreign sellers of South African property raked in a collective R11.28-billion.

During the past year more foreigners sold South African property on a net basis, which Lightstone attributed to the state of the world economy and the local political landscape — including the government review of land policies, which could soon make it more dif-

ficult for foreigners to own South African property.

According to the data, 53% of foreign buyers bought for cash, with the rest bonded, although requirements by local banks make the process of applying for a bond much more difficult for foreign buyers.