



Housing Review

First Quarter 2010

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Summary

- The South African economy emerged from recession in the second half of 2009, with real GDP rising at an annualised rate of 0,9% in the third quarter. Positive real economic growth of 2,5% is forecast for 2010.
- Despite a trend of declining interest rates during the course of 2009, the household sector continued to experience a fair amount of financial pressure on the back of major job losses over a wide front, declining real disposable income and relatively high levels of debt. However, the cost of servicing household debt declined markedly as a result of lower interest rates.
- House price growth in all segments of the market slowed down further during the course of 2009, with some categories recording a nominal drop in prices. In real terms, prices declined further in all segments.
- In 2009 the average price of affordable houses increased by 2,8% to R291 700 in nominal terms, while declining by 4% in real terms. In 2008 prices in the affordable segment increased a nominal 10,2%, but dropped by a real 0,8%.
- House prices in the middle segment of the market declined by a nominal 0,2% to R965 700 in 2009, after prices dropped markedly in the first half of the year, but started to recover in the second half. A nominal price rise of 4,1% was recorded in 2008. In real terms middle-segment house prices declined by 6,8% in 2009, after dropping by 6,2% in the previous year.
- In the luxury segment of the market house prices were up by almost 1% to about R4,5 million in 2009, compared with a growth rate of 8,8% in 2008. The average real price of luxury housing was down by 5,8% last year after declining by 2% in the preceding year.
- At provincial, metropolitan and coastal level, house prices were marginally up last year in some regions in nominal terms, but after adjustment for the effect of inflation, price declines occurred in all areas compared with 2008.
- The affordability of housing improved further during the course of 2009, based on the ratio of house prices as well as mortgage repayments to disposable income. This was the net result of trends in nominal house prices, nominal household disposable income and interest rates.
- The steady recovery evident in the residential property market since late 2009 is expected to gather further momentum in 2010 as a result of better economic conditions, the lagged effect of lower interest rates and less tight credit conditions. Nominal house price growth of around 6% is currently forecast for 2010, but with a projected average consumer price inflation rate of also 6%, no real price growth is expected this year.

Economic overview

The South African economy emerged in the second half of 2009 from its first recession in seventeen years. Real gross domestic product (GDP) increased at a seasonally adjusted annualised rate of 0,9% in the third quarter of last year, after contracting for three consecutive quarters since the fourth quarter of 2008. This improvement in the country's economic performance was largely driven by a recovery in the real value added by the secondary sector, especially the manufacturing industry, which increased at an annualised rate of 7,6% in the third quarter (-11,1% in the second quarter). The tertiary, or services sector, also turned around in the third quarter, posting annualised real growth of 0,8%, after contracting by 1,7% in the preceding quarter. The primary sector, comprising agriculture and mining, continued to contract in the third quarter of last year, by an annualised 7%.

Financial conditions in the household sector remained tight during the course of last year, despite a declining trend in inflation and interest rates. Recessionary economic conditions led to major job losses across most sectors, which put substantial pressure on real household disposable income, declining by more than 6% at an annualised rate in the first half of the year, and slowing down to -1,1% in the third quarter. As a result, real household consumption expenditure dropped by about 6% at an annualised rate in the first six months of the year, and another 2% in the third quarter.

Against the background of these prevailing conditions in the household sector, the ratio of household debt to disposable income remained relatively high at 79% in the third quarter of 2009, but was somewhat lower than the all-time high of 83,4% recorded in the first quarter of 2008. As a result of a lower debt-to-income ratio, as well as declining interest rates since late 2008, the cost of servicing household debt as a percentage of disposable income was markedly lower at 8,4% in the

third quarter of last year, compared with 12,3% in the final quarter of 2008.

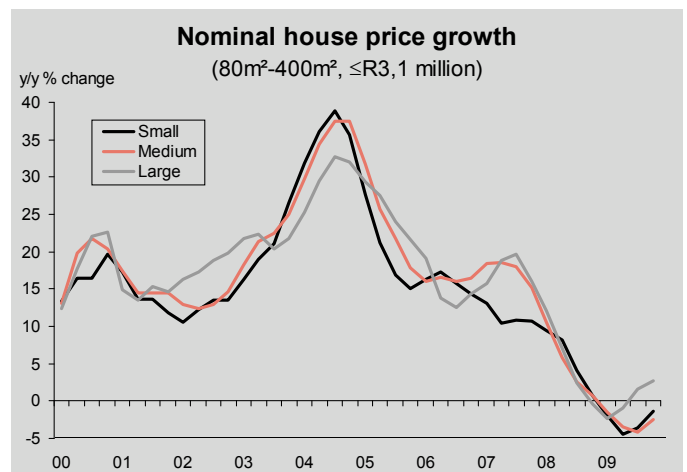
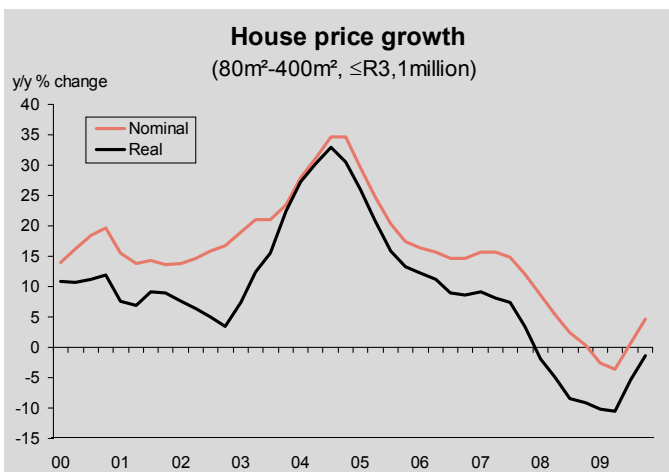
The ratio of net household saving to disposable income remained in negative territory at a level of -0,4% in the third quarter last year (-0,5% and -0,6% in the first and second quarter respectively), not alleviating any of the financial stress experienced by the household sector. Net household saving is based on the level of gross saving, taking account of depreciation write-offs on the value of fixed assets, such as residential buildings, held by households.

Real residential fixed capital formation contracted by 9,9% year-on-year (y/y) in the third quarter of 2009, after declining by 10,1% y/y in the second quarter, which is further evidence of prevailing conditions in the housing market up to late last year against the background of a financially struggling household sector. These trends reflect significantly lower levels of residential building activity during the past year.

Growth in mortgage advances to the household sector, largely related to residential property, was at a level of 2,7% y/y at the end of last year, slightly up from 2,5% y/y in November. This marginal improvement indicates the lagged effect of declining interest rates since late 2008, less tight credit conditions and a better economic performance in the second half of 2009.

House price trends in 2009

The South African housing market experienced tough conditions in 2009 on the back of an economic recession and the lagged effect of rising interest rates between mid-2006 and mid-2008. The result was that house prices dropped in nominal terms on a year-on-year basis in the first half of last year. However, as the effect of declining interest rates since late 2008 started to filter through to the property market, house prices started to rise steadily in the second half of the year.



In real terms, i.e. after adjustment for the effect of consumer price inflation, house prices continued to decline up to the end of 2009, but the pace of price deflation slowed down from more than 10% y/y in the first half of the year to just more than 1% y/y in the fourth quarter. This was the result of nominal price growth and a lower inflation rate towards the end of the year.

Affordable housing

In 2009 the average price of houses in the affordable category (houses of 40m²-79m² and priced at R430 000 or less) increased by a nominal 2,8% y/y, down from 10,2% y/y in 2008. This translated into a real price decline of 4% y/y in 2009 from -0,8% in 2008.

In the fourth quarter of 2009, the average nominal price of affordable houses increased by 2,9% y/y to R296 700, with growth of 2,5% y/y recorded in the preceding quarter. In real terms, house prices in the affordable segment declined by 3% y/y in the fourth quarter, compared with a real price decline of 3,7% y/y registered in the third quarter.

Middle-segment housing

The average price of houses in the middle segment of the market (houses of 80m²-400m² and priced at R3,1 million or less) declined by a marginal 0,2% in 2009 (+4,1% in 2008). This was the net result after price deflation of around 3% y/y was recorded in the first half of the year, while prices increased by about 2,7% y/y in the last six months of the year. Real price deflation of 6,8% was registered in 2009, after prices dropped by a real 6,2% in 2008.

Middle-segment house prices were up by a nominal 4,7% y/y in the fourth quarter of 2009 to a level of about R1 005 300, after rising by 0,7% y/y in the third quarter. In real terms, house prices in this category dropped by

1,3% y/y in the final quarter of the year (-5,3% y/y in the third quarter).

In 2009 the following price trends occurred in the three middle-segment categories of the housing market:

- Small houses (80m²-140m²): -2,8% y/y (nominal) and -9,3% y/y (real).
- Medium houses (141m²-220m²): -2,9% y/y (nominal) and -9,3% y/y (real).
- Large houses (221m²-400m²): 0,3% y/y (nominal) and -6,4% y/y (real).

Luxury housing

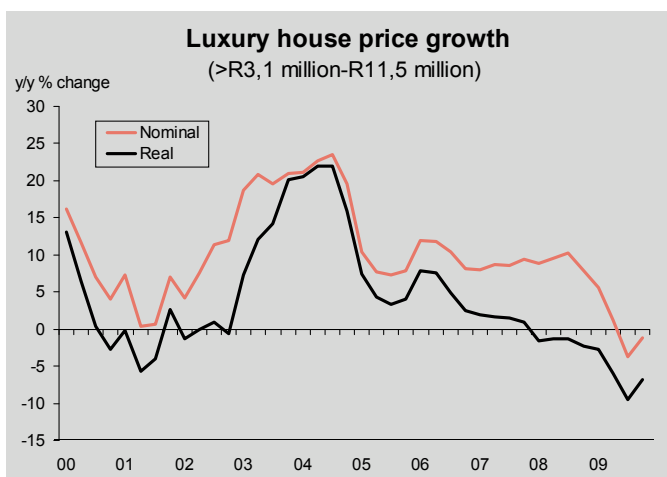
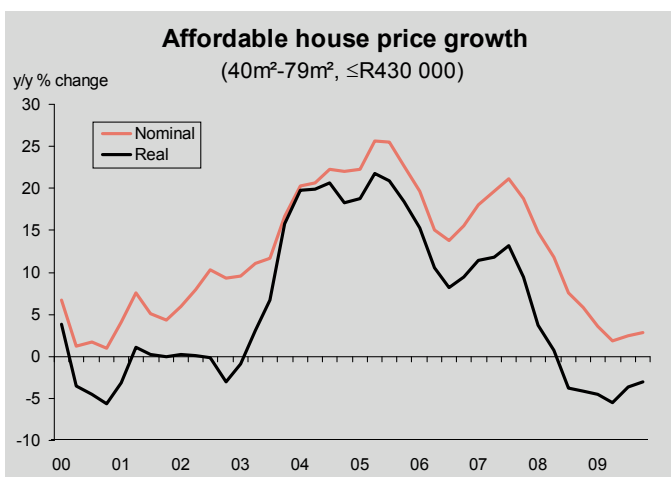
Nominal house prices in this segment (houses valued at above R3,1 million up to R11,5 million) increased by an average of 0,9% in 2009 (8,8% in 2008). After adjustment for the effect of inflation, prices were down by 5,8% in 2009, compared with a drop of 2% in 2008.

The average nominal price of luxury housing declined by 1,2% y/y in the fourth quarter of last year (-3,7% y/y in the preceding quarter). In real terms, house prices in this segment dropped by 6,8% y/y in the final quarter of 2009 (-9,5% y/y in the third quarter).

Regional house prices

In 2009 house prices declined in all provinces, metropolitan areas and coastal regions in real terms, while in some regions nominal price increases were recorded. Apart from general economic factors, area-specific factors also played an important role in these price trends. House prices performed as follows at provincial level in 2009:

- Northern Cape: 4,8% up in nominal terms (-2,1% in real terms).
- Free State: up by a nominal 2,6% (-4,2% in real terms).
- Gauteng: 1,9% higher in nominal terms (-4,9% in real terms).



- Mpumalanga: 1,4% up in nominal terms (-5,3% in real terms).
- KwaZulu-Natal: up by a nominal 0,6% (-6,1% in real terms).
- Limpopo: down by 0,1% in nominal terms (-6,7% in real terms).
- Western Cape: 1% down in nominal terms (-7,6% in real terms).
- North West: down by a nominal 1,8% (-8,4% in real terms).
- Eastern Cape: 5,4% down in nominal terms (-11,7% in real terms).

Last year house prices were down in nominal terms in all major metropolitan areas, except in Greater Johannesburg, where an increase of almost 3% was registered. The performance of house prices in the metropolitan areas was as follows in 2009:

- Greater Johannesburg: up by a nominal 2,8% (-4% in real terms).
- Cape Town: 0,7% down in nominal terms (-7,3% in real terms).
- East London: down by a nominal 1,2% (-7,7% in real terms).

- Bloemfontein: 1,9% lower in nominal terms (-8,4% in real terms).
- Pretoria: down by 2,1% in nominal terms (-8,6% in real terms).
- Durban: 5,5% down in nominal terms (-11,8% in real terms).
- Port Elizabeth/Uitenhage: down by a nominal 9,9% (-15,9% in real terms).

House prices in coastal regions dropped by a nominal 4,8% in 2009, while declining by 11,1% in real terms compared with 2008. The performance of house prices along the coast was as follows in 2009:

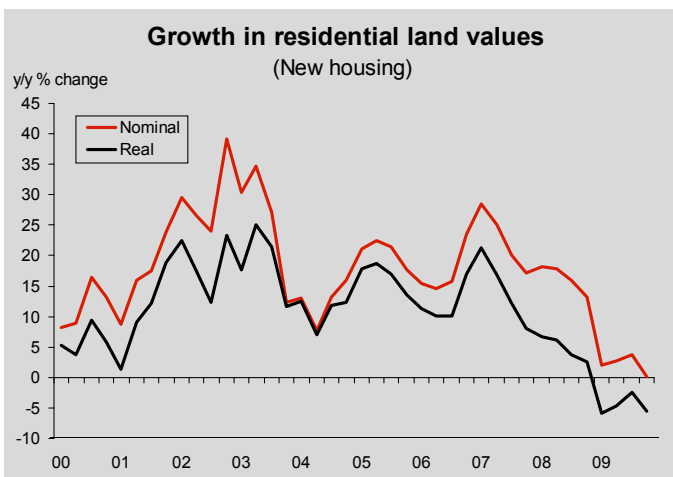
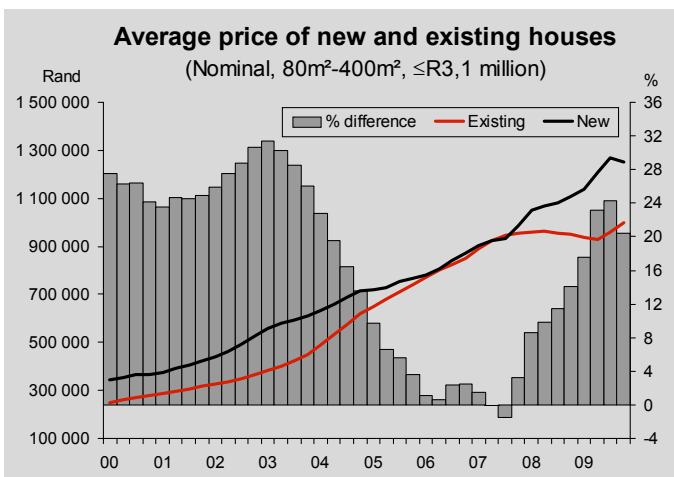
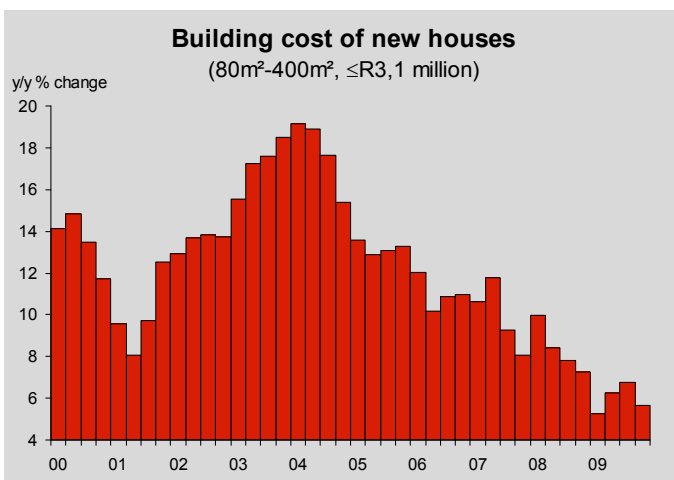
- Western Cape: down by 3,3% in nominal terms (-9,7% in real terms).
- KwaZulu-Natal: 4,7% lower in nominal terms (-11,0% in real terms).
- Eastern Cape: down by a nominal 6,5% (-12,7% in real terms).

Building costs and new and existing house price trends

The average increase in the cost of building a new house in the middle segment of the market came to a nominal 6% in 2009, down from 8,3% in 2008. This contributed to the average price of a new house having increased by a nominal 13% to about R1 216 600 last year, which was a real 5,5% higher than in 2008. The average price of an existing house came to about R955 700 in 2009 (down by 2,1% and 6,8% in nominal and real terms respectively). This made it R260 900, or 21,5%, cheaper to buy an existing house than to build a new one in 2009.

In the fourth quarter of 2009 the building cost of a new house was up by a nominal 5,6% y/y (6,7% in the third quarter), which was much in line with consumer price inflation averaging 6% y/y in the same period.

The average price of a new house increased by a nominal 10,3% y/y to a about R1 252 400 in the fourth



quarter of last year, which translated into a real increase of 6,8% y/y. The average price of an existing house was up by a nominal 4,8% y/y to about R996 300 in the fourth quarter, which came to a decline of 1,2% y/y in real terms. As a result, it was R256 100, or 20,5%, cheaper to buy an existing house than to have a new one built in the fourth quarter of 2009.

Land values

In 2009 land values for new housing increased by a nominal 2,2% to an average of about R424 500, compared with an increase of 16,3% in 2008. In real terms land values dropped by 4,6% in 2009 (+4,8% in 2008).

In the fourth quarter of 2009, average land values increased by a marginal 0,1% y/y, while declining by real 5,6% y/y in the quarter.

In coastal regions land values for new housing averaged about R440 800 in nominal terms last year, which were 5,8% down on the average for 2008. This came to a real price decline of 12,1% in 2009.

Land values along the coast declined by a nominal 9,6% y/y to around R396 200 in the fourth quarter of 2009, which came to a drop of 14,5% y/y in real terms.

Mortgage finance

The South African Reserve Bank has kept the key monetary policy interest rate, the repo rate, unchanged since August 2009 when it was cut by 50 basis points. The variable mortgage interest has since been stable at a level of 10,5%. In general, monthly mortgage repayments are 26,3% lower compared with December 2008, when the mortgage rate was at a level of 15,5%. This, together with banks' selective relaxation of mortgage lending criteria during last year, contributed to the improvement in the affordability of housing and led to higher levels of market activity and volumes of property transactions.

The impact of changes in the mortgage interest rate is reflected in the tables at the back of the report, presenting monthly mortgage repayments for various loan amounts at various interest rates, as well as mortgage loan amounts based on various fixed monthly repayments at various interest rates. These calculations are based on a 20-year repayment term.

Affordability of housing

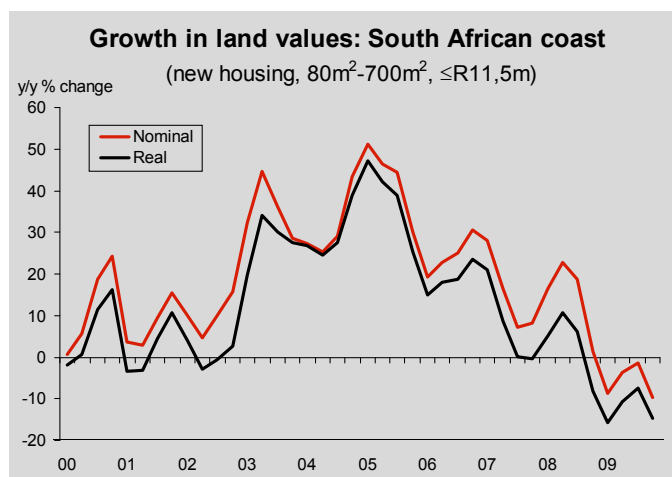
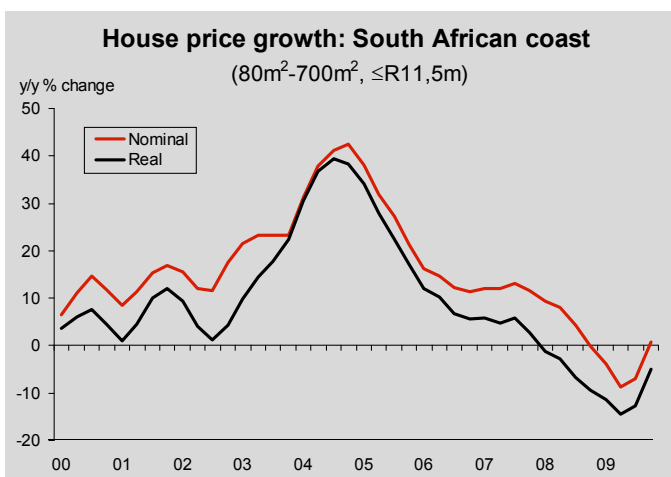
The affordability of housing has substantially improved during the past two years on the back of house price and interest trends during this period. This conclusion is based on the trends in the ratios of house prices and mortgage repayments to household disposable income (see graph on the affordability of housing).

After being on a declining trend since mid-2007, the ratio of house prices to disposable income picked up in the third quarter of 2009, which was the net result of house prices rising by a nominal 0,7% y/y, while nominal disposable income growth tapered off further to 1,8% y/y in the quarter.

In the third quarter of 2009 the ratio of mortgage repayments to household disposable income dropped to its lowest level since mid-2002. This was the net result of the abovementioned trends in nominal house prices and household disposable income, as well as a lower average mortgage interest rate during this period.

Economic outlook and prospects for the housing market

The South African economy emerged from recession in the second half of last year and is forecast to record real GDP growth of about 2,5% in 2010, mainly on the back of the global economic recovery and somewhat higher levels of domestic demand. Consumer price inflation accelerated to above 6% recently, but is forecast to come back within the target range of 3%-6%



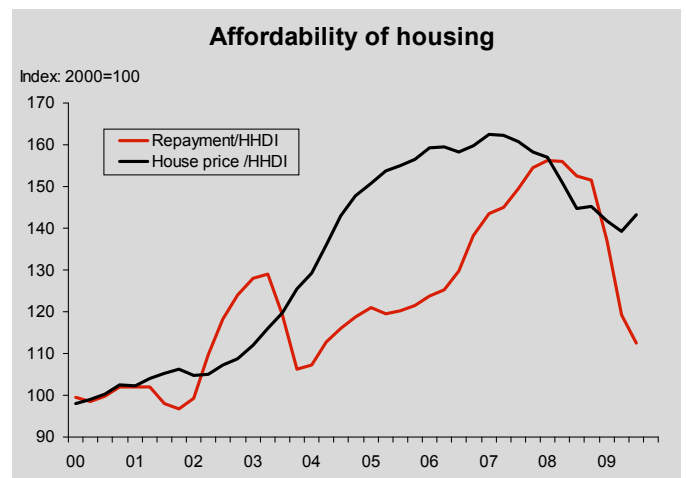
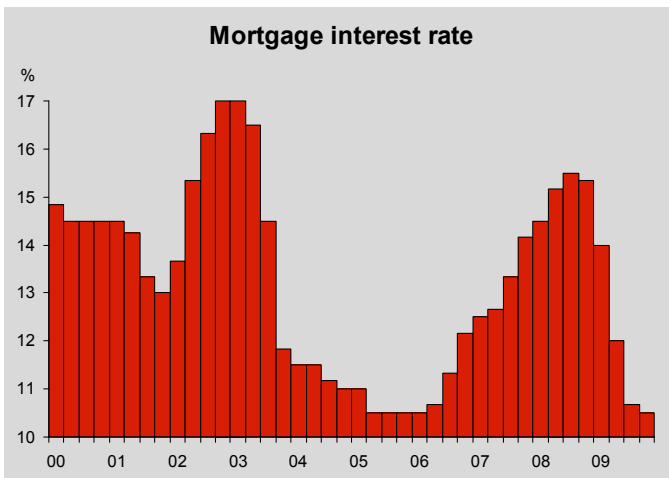
in the second half of the year. With inflation set to be under some upward pressure as a result of, among other factors, a possible sharp hike in electricity tariffs, interest rates are forecast to remain unchanged until late this year before being raised in an attempt to control inflation.

Against the background of relatively high levels of debt, tight labour market conditions and pressure on disposable income, many households still experience a fair amount of financial strain. These conditions are only expected to improve gradually during the course of 2010.

The steady recovery evident in the residential

property market is expected to gather further momentum in 2010 as a result of better economic conditions, the lagged effect of lower interest rates and less tight credit conditions. However, the positive effect of lower interest rates will gradually wear off towards the end of the year.

In view of these developments and expectations, nominal house price growth of around 6% is currently forecast for this year. Based on this house price forecast and a projected average consumer price inflation rate of also 6% in 2010, no real price growth is expected this year.



Statistics

Average nominal house prices											
	2006 Rand	2007 Rand	2008 Rand	2009 Rand	2008		2009				
					Q4 Rand	Q1 Rand	Q2 Rand	Q3 Rand	Q4		
									Rand	q/q % Δ	y/y % Δ
National											
Middle segment (80m²-400m², ≤R3,1m)	812 188	929 898	967 869	965 679	960 610	943 595	938 555	975 257	1 005 307	3,1	4,7
Small (80m ² -140m ² , ≤R3,1m)	581 689	647 210	683 089	663 645	677 005	670 238	657 841	658 620	667 881	1,4	-1,3
Medium (141m ² -220m ² , ≤R3,1m)	772 214	929 898	950 384	923 110	949 474	936 051	917 910	912 275	926 205	1,5	-2,5
Large (221m ² -400m ² , ≤R3,1m)	1 121 770	647 210	1 386 498	1 390 014	1 373 920	1 364 297	1 379 237	1 404 640	1 411 882	0,5	2,8
New (80m ² -400m ² , ≤R3,1m)	825 241	929 898	1 076 440	1 216 612	1 106 297	1 136 008	1 208 513	1 269 533	1 252 393	-1,4	13,2
Existing (80m ² -400m ² , ≤R3,1m)	811 553	647 210	957 741	955 700	951 137	936 999	928 401	961 065	996 336	3,7	4,8
Affordable (40m²-79m², ≤R430 000)	216 620	929 898	283 805	291 747	288 475	288 716	288 690	292 781	296 749	1,4	2,9
Luxury (>R3,1m-R11,5m)	3 764 506	647 210	4 434 982	4 474 680	4 542 235	4 548 316	4 494 720	4 386 971	4 489 689	2,3	-1,2
Provinces											
Eastern Cape	749 781	846 834	865 905	818 744	859 049	781 324	776 728	838 375	862 990	2,9	0,5
Free State	570 749	689 403	732 014	751 152	742 414	759 266	738 173	763 143	746 086	-2,2	0,5
Gauteng	848 158	974 298	999 136	1 017 926	983 397	989 981	995 292	1 027 248	1 051 607	2,4	6,9
KwaZulu-Natal	817 814	880 797	854 099	858 961	860 733	817 918	816 338	872 592	915 526	4,9	6,4
Limpopo	701 616	825 274	838 184	837 588	889 118	855 885	816 812	806 670	870 986	8,0	-2,0
Mpumalanga	665 480	757 375	799 349	810 436	778 875	785 739	782 823	820 507	852 676	3,9	9,5
North West	622 480	715 735	793 424	778 782	794 669	778 216	746 448	773 551	816 913	5,6	2,8
Northern Cape	550 579	621 343	672 178	704 763	678 790	684 271	705 794	725 894	703 093	-3,1	3,6
Western Cape	942 142	1 050 061	1 102 627	1 091 268	1 094 644	1 078 742	1 076 039	1 096 055	1 109 823	1,3	1,4
Metropolitan regions											
PE/Uitenhage (Eastern Cape)	770 737	866 948	893 888	805 405	851 155	789 859	773 844	805 672	852 245	5,8	0,1
East London (Eastern Cape)	801 874	886 809	993 397	981 729	993 714	984 427	988 716	986 084	967 688	-1,9	-2,6
Bloemfontein (Free State)	760 638	932 906	960 947	942 779	950 659	969 194	934 489	918 026	949 409	3,4	-0,1
Greater Johannesburg (Gauteng)	875 887	1 011 114	1 045 384	1 074 530	1 029 626	1 032 934	1 049 301	1 088 915	1 120 805	2,9	8,9
Johannesburg Central & South	762 781	876 429	880 664	872 824	868 952	862 465	849 547	867 646	911 640	5,1	4,9
Johannesburg North & West	1 075 124	1 235 007	1 278 442	1 304 453	1 266 038	1 266 567	1 268 331	1 313 721	1 369 192	4,2	8,1
East Rand	754 270	873 377	912 214	930 056	902 907	903 869	920 355	944 722	951 276	0,7	5,4
Pretoria (Gauteng)	925 808	1 074 302	1 067 036	1 044 796	1 049 468	1 041 529	1 035 138	1 041 770	1 060 745	1,8	1,1
Durban/Pinetown (KwaZulu-Natal)	852 754	981 194	982 250	927 937	965 817	879 159	865 563	926 411	1 040 617	12,3	7,7
Cape Town (Western Cape)	967 979	1 071 217	1 095 756	1 087 681	1 072 708	1 062 949	1 074 876	1 099 324	1 113 574	1,3	3,8
Coastal regions											
South Africa	1 009 765	1 132 761	1 192 571	1 135 679	1 169 377	1 139 910	1 105 501	1 118 615	1 178 689	5,4	0,8
Western Cape	1 055 374	1 186 768	1 232 956	1 191 877	1 205 921	1 184 547	1 165 421	1 175 381	1 238 475	5,4	2,7
West Coast	1 004 350	1 114 256	1 270 060	1 142 553	1 275 775	1 199 073	1 140 847	1 116 106	1 114 185	-0,2	-12,7
Cape Peninsula and False Bay	1 042 277	1 156 175	1 207 810	1 160 121	1 171 788	1 148 385	1 122 068	1 141 540	1 228 491	7,6	4,8
South Coast	1 115 242	1 324 412	1 321 586	1 309 159	1 300 962	1 302 368	1 331 607	1 315 659	1 287 004	-2,2	-1,1
Eastern Cape	874 891	993 914	1 096 307	1 024 708	1 108 313	1 024 025	982 283	1 028 334	1 064 192	3,5	-4,0
KwaZulu-Natal	1 066 649	1 153 434	1 161 824	1 107 326	1 147 137	1 105 076	1 077 586	1 113 845	1 139 996	2,3	-0,6
South Coast	1 022 780	1 094 073	1 060 997	910 673	1 042 976	998 601	953 852	864 120	826 120	-4,4	-20,8
North Coast	1 118 311	1 204 433	1 239 965	1 208 310	1 222 967	1 186 835	1 126 382	1 211 016	1 309 006	8,1	7,0

House prices are based on the total smoothed purchase price of houses (including all improvements) in respect of which loan applications were approved by Absa Bank. House prices for the provinces and metropolitan regions are smoothed for all houses between 80m² and 400m², up to R3,1 million. House prices for the coastal regions are smoothed for all houses between 80m² and 700m², up to R11,5 million.

Key variables and projections									
Annual averages									
		2003	2004	2005	2006	2007	2008	2009	2010
\$/R exchange rate	Rand per US\$	7,56	6,45	6,36	6,77	7,05	8,25	8,44	7,71
CPI headline inflation rate	%	5,9	1,4	3,4	4,6	7,1	11,0	7,1	6,0
Mortgage interest rate	%	15,0	11,3	10,6	11,2	13,2	15,1	11,8	10,6
Household disposable income	Real % Δ	2,7	6,0	5,9	7,3	5,5	2,4	-3,1	0,3
Final consumption by households	Real % Δ	2,8	6,2	6,1	8,3	5,5	2,4	-3,5	0,2
Household saving to disposable income	%	0,6	0,4	0,1	-0,8	-0,8	-0,8	-0,5	-0,3
Household credit extension (end of period)	Nominal % Δ	13,6	26,5	22,3	24,0	19,5	15,5	2,1	6,5
Mortgage advances (end of period)	Nominal % Δ	16,5	24,5	28,6	30,4	25,3	13,7	2,9	6,9
Household debt to disposable income	%	54,1	57,4	63,9	72,4	79,1	80,7	79,7	78,7
Household debt servicing to disposable income	%	8,1	6,5	6,8	8,1	10,4	12,2	9,4	8,3
Gross domestic product	Real % Δ	2,9	4,6	5,3	5,6	5,5	3,7	-1,9	2,5
House prices (80m²-400m², ≤R3,1m)	Nominal % Δ	21,2	32,2	22,7	15,3	14,5	4,1	-0,2	6,0
House prices (80m²-400m², ≤R3,1m)	Real % Δ	14,5	30,4	18,7	10,2	6,9	-6,2	-6,8	0,0

Average nominal house prices by middle-segment category in the fourth quarter 2009

	Small: 80m ² – 140m ²			Medium: 141m ² – 220m ²			Large: 221m ² – 400m ²		
	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ	Price Rand	q/q % Δ	y/y % Δ
National and provinces									
South Africa	667 881	1,4	-1,3	926 205	1,5	-2,5	1 411 882	0,5	2,8
Eastern Cape	539 210	-0,8	-11,2	830 028	-1,5	-3,2	1 288 554	1,2	0,6
Free State	467 941	-14,0	-16,2	625 237	-8,5	-10,7	993 099	-4,8	-2,1
Gauteng	657 888	-0,8	-5,1	909 140	0,8	-1,7	1 453 966	0,9	6,6
KwaZulu-Natal	622 171	-2,2	0,3	913 694	1,6	4,8	1 329 347	0,3	-1,8
Mpumalanga	594 744	6,5	10,5	815 771	4,1	5,6	1 177 128	1,1	5,9
North West	538 165	6,0	6,8	770 964	8,1	0,7	1 206 524	7,3	11,0
Northern Cape	512 445	-8,5	-11,0	670 816	8,1	2,3	1 040 608	0,0	11,2
Limpopo	527 399	-2,3	-16,9	775 645	-5,6	-14,4	1 222 885	-1,0	1,5
Western Cape	797 598	3,6	4,1	1 110 499	2,2	-1,1	1 622 990	0,7	0,8
Metropolitan regions									
PE/Uitenhage (Eastern Cape)	558 312	4,2	-15,8	785 179	-3,4	-1,7	1 330 269	2,4	5,8
East London (Eastern Cape)	574 064	-3,6	-12,0	963 715	-6,1	5,8	1 246 369	-8,4	-25,6
Bloemfontein (Free State)	639 201	-2,0	-6,0	809 526	-6,8	-4,4	1 133 408	-3,4	-9,3
Greater Johannesburg (Gauteng)	713 465	-1,7	-4,7	971 671	1,1	-2,7	1 521 509	-0,3	9,7
Johannesburg Central & South	548 437	-3,1	-11,5	933 731	4,4	2,4	1 436 356	2,7	-0,9
Johannesburg North & West	857 426	-0,9	-7,3	1 155 042	2,9	-0,1	1 755 997	3,6	11,6
East Rand	681 960	-6,3	-8,0	825 933	-1,8	-5,1	1 267 156	-0,2	10,0
Pretoria (Gauteng)	645 404	2,9	-3,0	901 822	0,5	-4,5	1 450 867	4,0	3,5
Durban/Pinetown (KwaZulu-Natal)	711 419	0,2	-5,2	1 021 314	12,5	5,3	1 443 726	-2,1	0,8
Cape Town (Western Cape)	819 786	3,3	5,2	1 150 485	2,8	2,5	1 688 174	3,0	6,1

House prices are based on the total smoothed purchase price of houses (including all improvements) between 80m² and 400m², up to R3,1 million, in respect of which loan applications were approved by Absa Bank.

Monthly mortgage repayment
(rand, calculated over a period of 20 years)

Mortgage amount	Repayment at a mortgage rate of											
	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
100 000	965	998	1 032	1 066	1 101	1 136	1 172	1 207	1 244	1 280	1 317	1 354
200 000	1 930	1 997	2 064	2 133	2 202	2 272	2 343	2 415	2 487	2 560	2 634	2 708
300 000	2 895	2 995	3 097	3 199	3 303	3 408	3 515	3 622	3 731	3 840	3 950	4 062
400 000	3 860	3 994	4 129	4 266	4 404	4 545	4 686	4 829	4 974	5 120	5 267	5 416
500 000	4 825	4 992	5 161	5 332	5 505	5 681	5 858	6 037	6 218	6 400	6 584	6 769
600 000	5 790	5 990	6 193	6 399	6 607	6 817	7 029	7 244	7 461	7 680	7 901	8 123
700 000	6 755	6 989	7 225	7 465	7 708	7 953	8 201	8 452	8 705	8 960	9 218	9 477
800 000	7 720	7 987	8 258	8 531	8 809	9 089	9 373	9 659	9 948	10 240	10 534	10 831
900 000	8 685	8 985	9 290	9 598	9 910	10 225	10 544	10 866	11 192	11 520	11 851	12 185
1 000 000	9 650	9 984	10 322	10 664	11 011	11 361	11 716	12 074	12 435	12 800	13 168	13 539
1 500 000	14 475	14 976	15 483	15 996	16 516	17 042	17 574	18 111	18 653	19 200	19 752	20 308
2 000 000	19 300	19 968	20 644	21 329	22 022	22 723	23 432	24 147	24 870	25 600	26 336	27 078
2 500 000	24 126	24 959	25 805	26 661	27 527	28 404	29 289	30 184	31 088	32 000	32 920	33 847

Mortgage amount at fixed monthly repayment
(rand, calculated over a period of 20 years)

Mortgage repayment	Repayment at a mortgage rate of											
	10,0%	10,5%	11,0%	11,5%	12,0%	12,5%	13,0%	13,5%	14,0%	14,5%	15,0%	15,5%
1 000	103 625	100 162	96 882	93 771	90 819	88 017	85 355	82 824	80 417	78 125	75 942	73 862
2 000	207 249	200 325	193 763	187 542	181 639	176 035	170 710	165 649	160 834	156 250	151 885	147 724
3 000	310 874	300 487	290 645	281 313	272 458	264 052	256 065	248 473	241 250	234 375	227 827	221 585
4 000	414 498	400 649	387 526	375 083	363 278	352 069	341 421	331 297	321 667	312 501	303 769	295 447
5 000	518 123	500 811	484 408	468 854	454 097	440 086	426 776	414 122	402 084	390 626	379 711	369 309
6 000	621 748	600 974	581 289	562 625	544 916	528 104	512 131	496 946	482 501	468 751	455 654	443 171
7 000	725 372	701 136	678 171	656 396	635 736	616 121	597 486	579 770	562 918	546 876	531 596	517 032
8 000	828 997	801 298	775 052	750 167	726 555	704 138	682 841	662 595	643 335	625 001	607 538	590 894
9 000	932 622	901 460	871 934	843 938	817 375	792 156	768 196	745 419	723 751	703 126	683 480	664 756
10 000	1 036 246	1 001 623	968 815	937 708	908 194	880 173	853 551	828 243	804 168	781 251	759 423	738 618
15 000	1 554 369	1 502 434	1 453 223	1 406 563	1 362 291	1 320 259	1 280 327	1 242 365	1 206 252	1 171 877	1 139 134	1 107 926
20 000	2 072 492	2 003 245	1 937 631	1 875 417	1 816 388	1 760 346	1 707 103	1 656 487	1 608 337	1 562 503	1 518 846	1 477 235
25 000	2 590 615	2 504 057	2 422 038	2 344 271	2 270 485	2 200 432	2 133 878	2 070 608	2 010 421	1 953 128	1 898 557	1 846 544