

Cape Town's Southern Suburbs: Rising prices and shorter listing times

Since the revival of semigration in 2021, the surge in market activity in the Southern Suburbs has continued unabated with the steady rise in demand leading to a drop in the time properties are spending on the market as well as a declining gap between asking and selling price.



Source: Supplied.

This is according to Claude McKirby, co-principal for Lew Geffen Sotheby's International Realty in the Southern Suburbs and False Bay who adds: "We've been inundated by enquiries for both sales and rental properties as people looking to buy will often rent first while they search for a home to purchase, and well-priced family homes are often snapped up as soon as they're listed."

Three of the most popular suburbs due to their proximity of good schools and other top amenities are Newlands, Rondebosch and Claremont where demand is clearly evidenced by Propstats data which reveals steady price inflation and shorter listing times.

In 2021, houses in Newlands were selling at an average price of R6.5m, an average 11.1% lower than asking price after 176 days on the market, although some properties were selling in under one month.

By November this year, the average selling price had risen to R8.15m at 7.5% below asking with listing days decreased to

76 although more properties are now selling within a week and many within two months.

In Rondebosch, the average house price in 2021 was R5.3m, 10.6% below asking and properties spent 124 days on the market. The current average selling price is R5.8m, 7.5% below asking and the average listing time is just 51 days.

Claremont's 2021 average sale price was R4.34m, 8.3% below the asking price and properties spent an average of 77 days on the market. The average selling price has increased to R5.8m, just 6.4% below asking and houses here now spend an average of 69 days on the market.

"Stock has become an issue, though," says McKirby, "and there are few houses available at the current average selling prices and almost none at the entry level.

"The rental market is equally competitive throughout the whole Southern Suburbs region and, with the current stock shortages, we are finding that free standing houses in the broad price range of R15,000 to R55,000 do not stay on the market for long.

"Properties have barely been listed and the enquiries literally pour in with some properties even being taken without viewings. Generally, these are potential tenants from Gauteng or KZN or abroad."

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