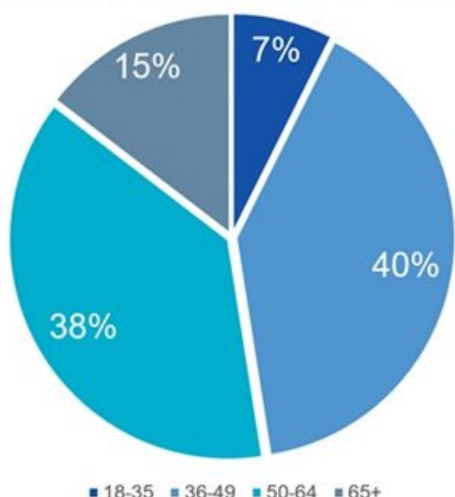


Lightstone data reveals the age groups dominating property investment in SA

According to property data analytics provider Lightstone, around 40% of multiple residential property owners in South Africa fall between the ages of 36-49 years, while 38% of multiple property owners fall between 50-64 years. Holiday homes are included in the investment property category.

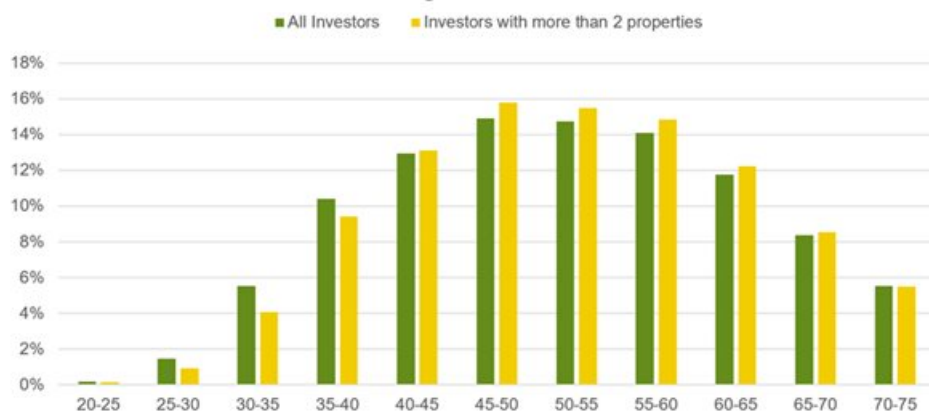
Age group of multiple property owners



As demonstrated in the above graph, Generation Xers – those born between 1965 and 1980 that have been defined by Global Young Voices as ‘entrepreneurial, self-sufficient and independent’, make up the single largest investor group, perhaps following lessons learnt from baby boomers.

“What’s interesting is when we add the 50-64 year age group together with the 65+ age group defined by this data, the ‘baby boomer’ generation does make up the largest group of multiple property owners in South Africa – testament to being described as one of the most influential generations in history,” says Hayley Ivins-Downes, Lightstone’s head of sales.

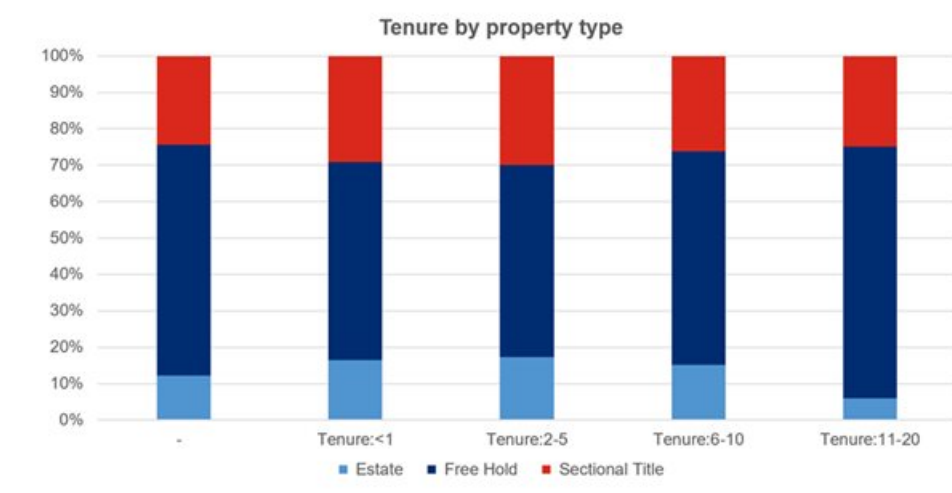
Age of investor



There are currently 6.91 million residential properties in South Africa of which 1.38 million are owned by private individuals and 716,000 of them own more than one property (also noting that there may be multiple owners per property).

“In a holistic view of multiple property trends, most investors sell within two to five years and from the 716,000 individual investors, 240,000 of them have sold a total of 510,000 properties over their lifetime of property transactions,” says Ivins-Downes.

“It also appears that the average growth in property profitability is taking place within the first two years for astute investors who may spot an opportunity with a property to either renovate or develop to later sell at a profit.”



The value band of investment property is sitting between R1m-R1.5m – deemed as the luxury band, followed by properties purchased at around R750,000. From a property type perspective, nearly 55% of multiple property investors are opting for freehold properties followed by sectional title at 28.6%, and estate properties at 16.5%.



“It’s clear that South Africans have seen the value of investing in South African property, even if this means holding a joint share in the purchase, which is really positive for the property market. It will be interesting to see how the further reduction in the interest rate and current ‘buyers’ market’ climate will affect these results over the coming months,” concludes Ivins-Downes.

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