

Residential property in 2019 - what to expect

 By [Nardee Brims](#)

7 Jan 2019

Political and economic uncertainty, combined with increasing petrol prices and rising household costs saw the property market slowdown dramatically throughout the first, second and third quarters of 2018. However, early signs in the fourth quarter show renewed confidence and we are now seeing houses that are well priced, especially in major metros, moving very quickly towards the end of last year. This is likely to continue well into 2019 with children moving schools, parents changing jobs and a new year hopefully bringing new energy to the sluggish real estate market of 2018.



Nardee Brims, COO, PropertyFox

Popular price brackets in buyers' eyes shifted slightly lower towards the end of 2018 which will likely remain the trend into 2019. This can be attributed to rising household costs and property prices. Homes close to airports, major highways, business hubs and schools will continue to be the ones that perform best across all provinces.

The average time that a house spends on the market increased from 11.1 weeks to 16.4 weeks from the first to second quarters of 2018, with 96% of properties having to drop their price after listing in order to achieve a sale. Accurate valuation of properties has become critical and will remain a pivotal part of selling quickly in 2019.

7 top trends in 2019

The sharing economy

We believe the trend of buying to Airbnb or buying with friends to get onto the property ladder will continue to gather steam in 2019. While 2018 did see a decrease in investment property for short-term lets, especially due to the water crisis, we believe this will turn around in 2019.

The caring economy

High costs of living and tough economic conditions have led to a rise of the 'caring economy' with parents helping their children get onto the property ladder either by assisting with deposits or buying in their name for their children to live in – or both.

Semigration

The Johannesburg-Cape Town semigration trend slowed during 2018, most likely due to the Western Cape water crisis. However, with the dam levels back up in the 70-80% region, we expect to see the number of Johannesburg families moving south start to rise once again in the early months of 2019.

Many families semigrating from Johannesburg to the Cape will be looking to purchase homes within the catchment areas of their preferred schools.



4 home buying tips to help secure your school of choice

31 Oct 2018



Downscaling

The increasing petrol prices and all-round living costs have added to the trend of sellers looking to downscale in 2018 which we believe will continue into 2019, with sellers looking to live closer to work and school.

Estate living for security

The growing popularity of security estates – and as a result rising values - will continue throughout 2019. There are few new security estate developments close to the major hubs in Cape Town and Johannesburg, which means estate prices will continue to rise with the added demand versus supply.

Ecologically friendly housing

We expect homes that are water and electricity conscious to increase in demand as people continue to look for ways to keep household costs down in the near future. We certainly saw homeowners investing more in this regard in the past 12 months, especially properties which have boreholes and rainwater tanks. Again, we expect this to continue in 2019.

The rise and rise of prop-tech

As the value of time increases, with society trying to squeeze every last second out of every day, and money increasingly tight in most households due to the ever-rising costs of living, technology that allows sellers and buyers to save time and save money will increase in importance like never before. The majority of buyers already start searching for their new home online, and we anticipate that number to continue growing throughout 2019. We anticipate more and more consumers will turn to nimble online digital agencies for the efficiency of the process and the attractive fees.

ABOUT NARDEE BRIMS

Nardee Brims is chief operations officer at PropertyFox, a digital estate agency.
■ #BizTrends2019: Residential property in 2019 - what to expect - 7 Jan 2019

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>