

Wealthy buyers continue to flock to eThekweni's north coast

Residential property prices in KwaZulu-Natal's eThekweni reflect the ongoing migration of affluent buyers towards the north coast, coupled with the economic and social challenges faced by the central and southern areas which have been further compounded in recent years by the 2021 insurrection, 2022 floods, and reports of inadequate service delivery within the metro.



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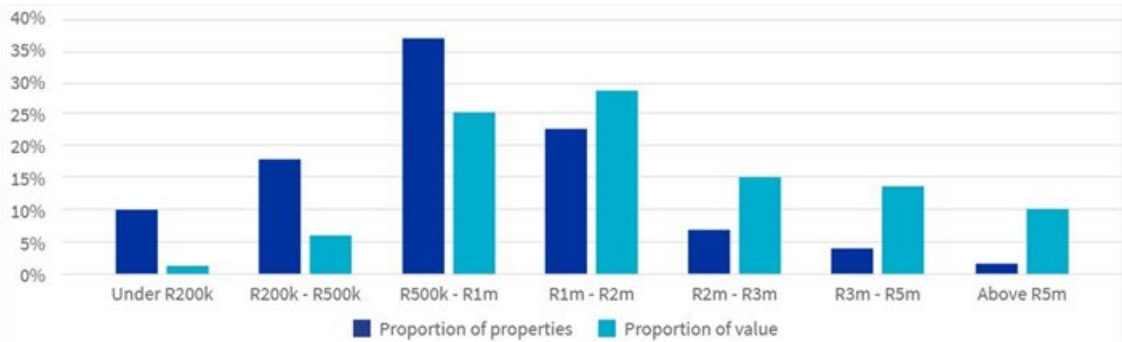
eThekweni is the province's largest metro and economic hub, with a population of approximately 3.5 million people. In 2000, the municipality was created by merging seven previously independent local councils and tribal land.

Lightstone divides the metro into four primary geographic regions, which include Durban city, Amanzimtoti and Kingsburgh to the south, Hillcrest and Kloof to the northwest, and Umhlanga to the north.



Hayley Ivins-Downes, head of digital at Lightstone, said there were 480,000 residential properties in eThekwini in 2022, valued at R470bn, at an average value of R1.1m a property which was 62% up on the average value of R680,000 10 years ago.

The single largest property band – with 35% of properties – was the R500,000-R1m band but it represented only 25% of the stock value, while the R2m-R3m band represented only 5% of the properties but 15% of the stock value.



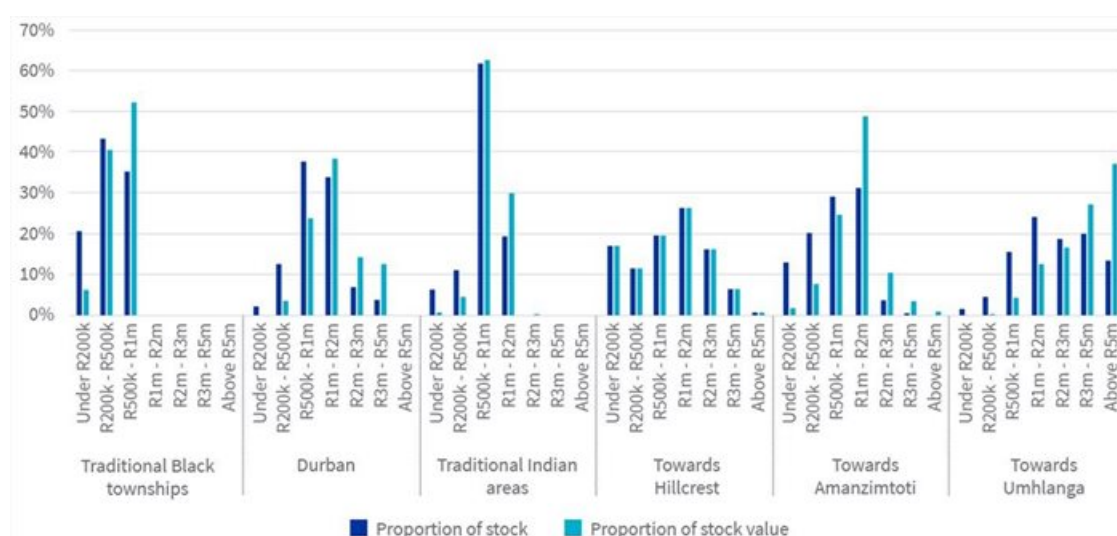
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Ivins-Downes said Durban, with nearly 150,000 properties, accounted for 31% of the volume and 34% of the value of properties in the municipality, while townships accounted for 21% of the volume but just 8% of the value.

	Number of properties	% of volume	% of value
Traditional black townships	101 905	21	8
Durban	146 635	31	34
Traditional Indian areas	91 310	19	14
North-west towards Hillcrest	81 596	17	21
South towards Amanzimtoti	23 768	5	4
North towards Umhlanga	33 902	7	18
	479 116		

Value of properties

Proportion of stock and stock value within areas - 2022



“The highest average value suburbs in Durban were, in order of value, Durban North, Virginia, Glenashley and Athlone, where the average values were above R3m. The average value in Durban North was above R4m,” she said.

Of the high-value suburbs, Virginia recorded the highest value growth – 72% in the last 10 years, compared to around 50% in Durban North, Athlone and Glenashley.

On a less positive note, Durban Point saw property values increase by only 8% in 10 years to its average value of R2.4m in 2022.

There were 1,200 properties valued above R5m in Durban, and almost 7,000 valued above R3m.



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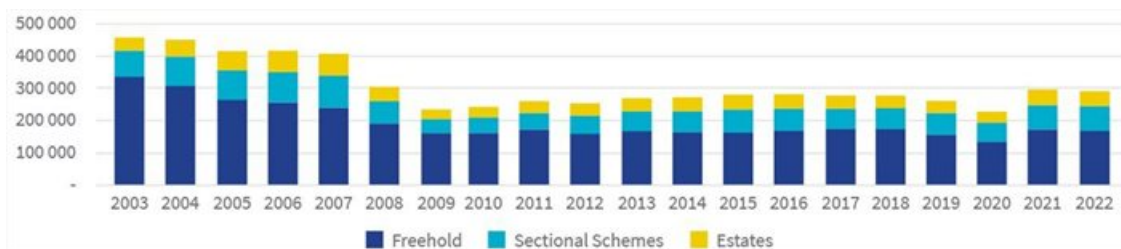
Hayley Ivins-Downes 9 Jan 2023



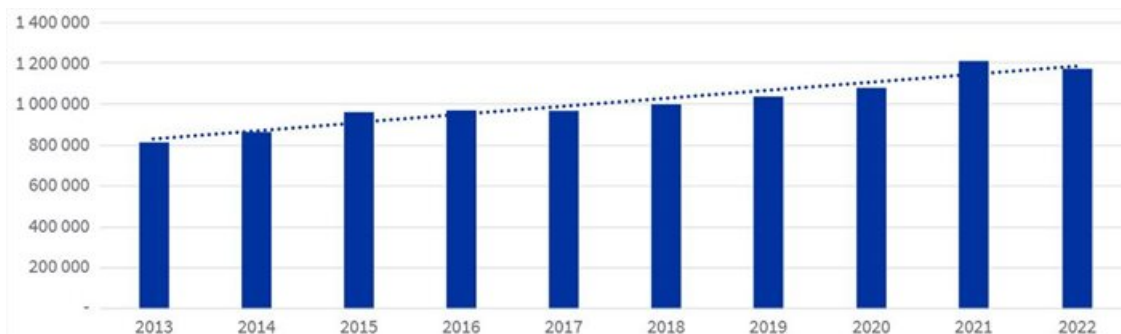
Sales in Durban

Sales volumes in Durban have tracked the national averages. Of the 6,700 sales which took place in 2022, 56% were under R1m and 32% between R1m–R2m.

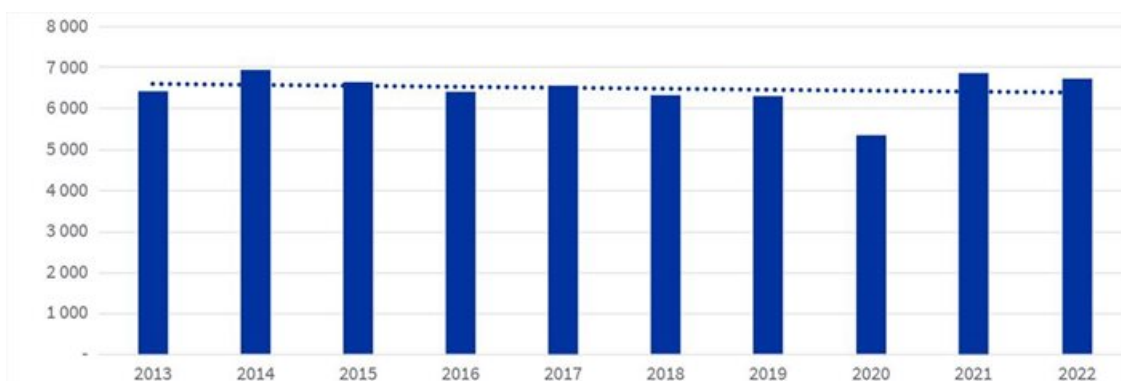
Ivins-Downes said average sales prices had been increasing while volumes had moved consistently between 6,000–7,000 sales a year, other than in 2020 when Covid-19 dampened the market.



Average sales price



Sales volume



Durban Central recorded the most transactions in 2022, followed by Bulwer and Musgrave although, as the table below indicates, the highest average prices were found in Morningside and Essenwood.

Suburb	2022 transactions	Average price
Durban Central	488	R348 554
Bulwer	396	R903 803
Musgrave	330	R1 360 662
Essenwood	287	R1 508 393
Morningside	262	R1 673 393
Montclair	213	R845 286
Windermere	206	R1 354 020
Reservoir Hills	205	R1 072 562
South Beach	198	R581 069
Malvern	183	R1 470 713

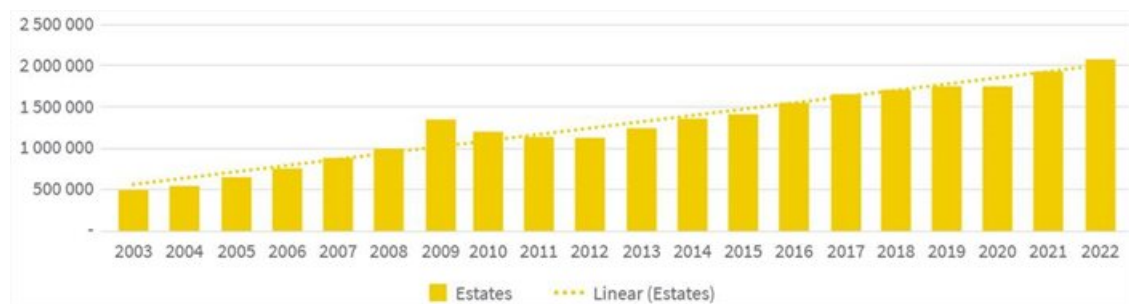
Of the approximately 6,000 sectional scheme properties in Durban Central, almost 500 transacted in 2022, including a full scheme of 150 units purchased. About 50 of the remaining 350 properties were bought at values below their valuation 10 years ago, providing evidence of the challenges facing the Durban Central area.

The average value of sectional schemes in Durban Central delivered lower than average growth. The properties were valued at just 34% higher in 2022 than their valuations 10 years ago (R560,000 compared to R320,000).

The average transaction value in 2022 for sectional scheme properties in Durban Central was R425,000(excluding the

purchase of all units in the Russel Mansion scheme). Some 9% of the units in the iconic John Ross House were sold during 2022 at an average price of R466,000, indicating value erosion in real terms as sales prices increased by just 32% over 10 years.

Going north towards Umhlanga



Gauteng, Western Cape dominate estate markets

The area going north – including Umhlanga, Mount Edgecombe, Umdloti and Tongaat – recorded the highest stock growth in the metro in terms of units over the past 10 years, with 3,700 new units in Umhlanga and 1,300 in Umdloti. The balance was spread across the region.

The suburbs where the highest volume of stock was added, were:

Estate properties per province

Town	Suburb	Average value	New stock
Umhlanga	Umhlanga Ridge New Town Centre	R1 739 932	2 077
Umhlanga	Izinga	R5 958 227	768
Umdloti	Sibaya Coastal Precinct	R3 256 661	711
Umdloti	Hillhead	R3 024 899	514
Umhlanga	Umhlanga Rocks	R4 803 773	375
Mount Edgecombe	Mount Edgecombe	R3 952 559	298
Umhlanga	Umhlanga Ridgeside	R4 277 240	285
Umhlanga	La Lucia	R4 619 230	131
Tongaat	Desainagar	R2 303 669	113

Ivins-Downes said Umdloti gained a third of its stock in the last year – which included the Sibaya Coastal Precinct, with a mix of residential, commercial and retail components – and Umhlanga gained 20% more stock over the past 10 years. As with most of the North Coast, accessibility to schools, shopping centres and the King Shaka International Airport helped drive the rising value in residential properties.

The highest value suburbs are:

Town	Suburb	No. of properties	Average current value	Sales in 2022	Average 2022 sales value
Umhlanga	Hawaan Forest Estate	138	R7 228 571	6	R7 888 333
Umhlanga	Izinga	1 089	R6 386 696	266	R2 736 827
Mount Edgecombe	Mount Edgecombe	2 568	R4 944 036	196	R4 143 970
Umhlanga	Herrwood Park	504	R4 899 096	31	R4 525 000
Umhlanga	Umhlanga Rocks	4 548	R4 653 546	243	R4 483 922
Umhlanga	La Lucia	2 238	R4 603 039	114	R4 449 465
Umhlanga	Umhlanga Ridgeside	286	R4 277 240	16	R3 608 125
Umdloti	Selection Beach	198	R3 713 963	11	R5 393 636
Umdloti	Sibaya Coastal Precinct	714	R3 255 994	277	R1 909 278
Umhlanga	Prestondale	591	R3 145 221	39	R2 894 103
Umdloti	Hillhead	515	R3 024 899	17	R1 995 000

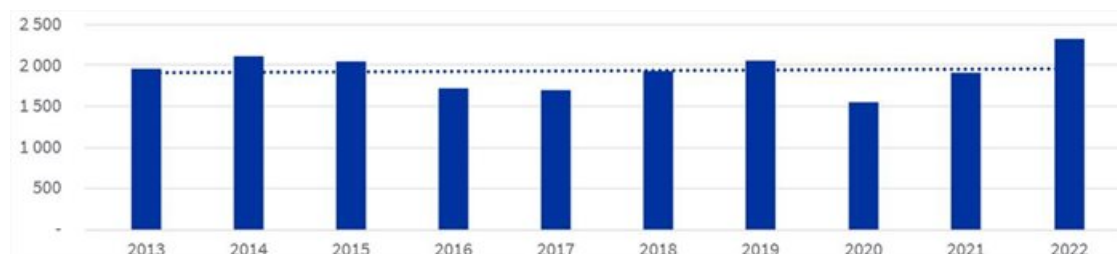
The strength of the Umhlanga area was evident when analysing some of the data. Sales in Umhlanga totalled almost R4bn in 2022, at an average of R2.8m per transaction. This contrasted with almost R1bn recorded in Umdloti at an average of

R2.1m and the total in Durban Central of R170m at an average of R350,000.

There were 11,000 properties in the Umhlanga area valued at more than R3m (compared to 7,000 properties in Durban) and 4,400 properties valued at more than R5m, compared to 1,200 in Durban.

“Sales also told a different story, with volumes increasing from 2016 until Covid-19, as opposed to Durban where sales had been flat. Sales recovered in 2022 and the trend line should move upwards if current patterns continue,” said Ivins-Downes.

Towards Umhlanga: sales transactions



North-east towards Hillcrest and Kloof

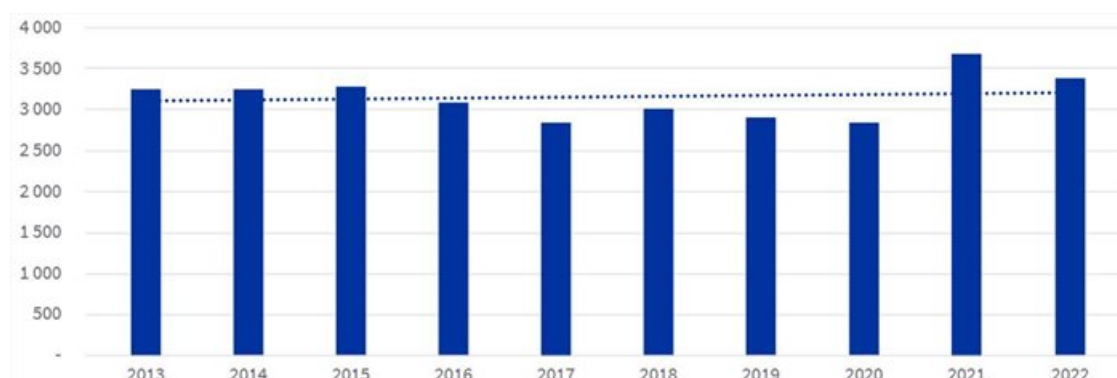
The north-eastern areas, which included Botha's Hill, New Germany, Hillcrest, Kloof, Pinetown and Westville, saw stock growth of just 5% in the last 10 years, compared to 22% in the broader Umhlanga area.

The highest value suburbs for 2022 include:

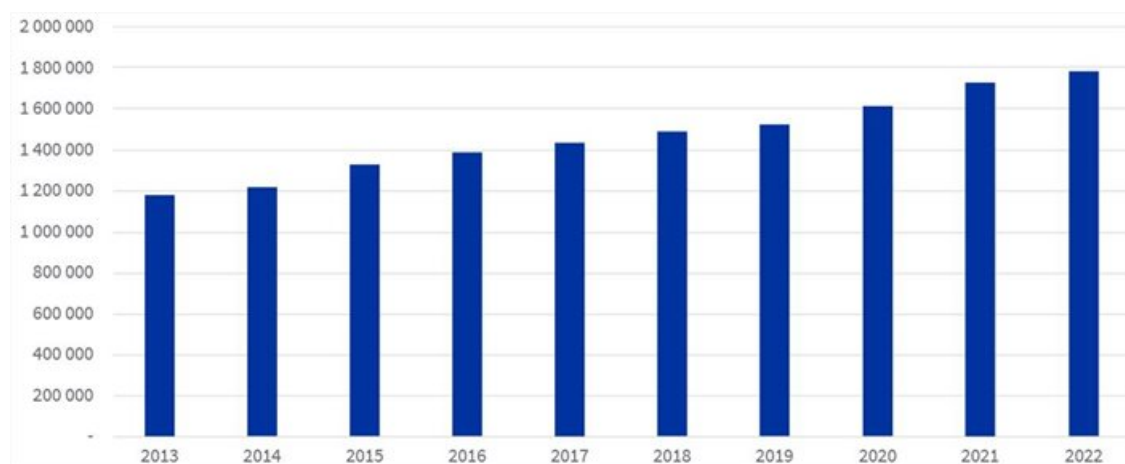
Town	Suburb	No. of properties	Average value
Kloof	Cotswold Downs	727	R4 983 522
Bothas Hill	Alverstone	77	R4 041 666
Bothas Hill	Phezulu	143	R3 670 863
Bothas Hill	Summerveld	120	R3 614 000
Kloof	Everton H C	309	R3 417 065
Kloof	Stockville Valley	73	R3 235 000
Kloof	Winston Park	716	R3 155 876

Sales transactions improved significantly in 2021, while the average value of transactions has been increasing steadily over the past 10 years.

Sales transactions



Average transactions value



Kloof led sales in the area, with 7% of properties transacting at an average value of over R2m.

Town	2022 sales	2022 average value
Bothas Hill	182	R2 207 747
Kloof	1 584	R2 157 393
New Germany	307	R883 023
Pinetown	867	R1 123 814
Westville	441	R2 168 200

Suburbs with a significant number of sales in 2022 (more than 20) with values higher than R2m were:

Town	Suburb	2022 sales above R2m	Average value of transactions
Kloof	Cotswold Downs	56	R5 038 536
Kloof	Winston Park	41	R3 425 335
Pinetown	Cowies Hill	15	R3 350 000
Kloof	Plantations	28	R3 219 643
Westville	Beverley Hills	24	R3 194 583
Kloof	Waterfall	105	R3 176 564
Kloof	Kloof	149	R3 169 067
Westville	Berea West	27	R3 089 741
Bothas Hill	Assagay	43	R3 063 103
Kloof	Everton	62	R3 029 677

Going south

There were just 1,600 new units added to the residential property stock in the area towards Amanzimtoti, in contrast to 6,000 in the Umhlanga area.

More significantly, the growth in value (47%) has been lower than any other area in eThekeni – Durban’s value grew by 50%, towards Hillcrest by 61%, and towards Umhlanga by 55%.

There were just 10 properties valued above R5m (total value of R90m) which transacted during 2022 in the area, and only 105 over R2m at a total value of R343m.

The area’s best performer in terms of value growth was Panorama Park in Kingsburgh.

Biggest suburbs

Town	Suburb	Average value	Properties
Amanzimtoti	Amanzimtoti	R1 330 556	5 657
Kingsburgh	Warner Beach	R1 306 776	1 388
Kingsburgh	Doonside	R1 119 951	1 037
Kingsburgh	Winklespruit	R1 440 000	726
Umkomaas	Craigieburn	R545 828	621
Kingsburgh	Illovo Beach	R1 112 637	604
Umkomaas	Naidooville	R993 044	598
Umkomaas	Umkomaas	R1 113 870	504
Kingsburgh	Astra Park	R1 403 705	459
Umkomaas	Roseneath	R147 880	443

Highest value suburbs

Town	Suburb	Average value	Properties
Umkomaas	Clansthal	R2 673 722	141
Kingsburgh	Panorama Park	R1 966 677	320
Kingsburgh	Winkelspruit	R1 440 000	726
Kingsburgh	Astra Park	R1 403 705	459
Kingsburgh	St Winifreds	R1 394 326	313
Kingsburgh	Doon Heights	R1 358 338	333
Amanzimtoti	Amanzimtoti	R1 330 556	5 657
Kingsburgh	Warner Beach	R1 306 776	1 388
Kingsburgh	Illovo Glen	R1 246 515	442

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