

Hermanus Property Popular with SA Buyers

Residential property in the coastal town of Hermanus in the Western Cape remains sought after among home buyers around South Africa.

"While Hermanus's property market has experienced a slowdown in activity, as has the rest of the country, we are still seeing a strong demand among leisure buyers as well as a growing trend towards Gauteng purchasers," says Pam Golding Properties (PGP) area manager Adrian Kuiper.

In regard to the latter, he says a growing number of these are seriously considering the option of relocating to the Cape with the intention of commuting to the workplace, while others are looking at a permanent relocation. "The reason is that they require a secure base that is not threatened with perpetual crime, and generally, they are looking to buy mainly in the price range between R5m and R8m," says Kuiper.

"Traditionally, April has always been a good month for sales, as was the case this year. Our recent sales include that of a sizeable seafront home which fetched R9,25m. This three bedroom en suite home, complete with wooden floors and trusses, staff quarters and swimming pool, is set on a 1,200sq m erf," he adds.

Beachfront houses on stands of approximately 1,000sq m usually sell for between R10m and R13m. "We believe that such prime located seafront properties will continue to sell at a normal rate. Due to scarcity and high desirability of location, they will tend to retain their value."

He says, however, that the lower end of the market, below R1,5m, will be the most affected by the prevailing tighter market conditions.

"The owners of these properties are hardest hit by financial pressures and will have the greatest need to sell. As a result this is where the biggest bargains will be found in months to come. We are cautious yet optimistic as we believe there are good opportunities to be found in all sectors of the market.

Property has always been a good long term investment and now is a good time to buy. With the high inflation levels that we are experiencing, it is one of the times where it may well be cheaper to buy a ready built house than to buy a plot and build yourself," says Kuiper.