

# Rental returns in coastal locations



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Holidaymakers seeking leisure rental property still turn to coastal locations.

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Coastal locations remain a destination of choice for many holidaymakers seeking to rent leisure rental property, says Greta Daniel, national sales and operations manager for Pam Golding Franchise Services.

“The demand for coastal property to rent is from all provinces – particularly Gauteng, as well as from overseas visitors, with the busiest holiday season being December/January, with Easter and June/July breaks also periods when holiday homes are sought for leisure rental,” she says.

In Cape Town, the Blouberg area is very popular for its views of Table Mountain, long sandy beaches and water sports. All other amenities are close by, including restaurants, nightclubs, excellent medical facilities and a reliable and safe bus service to Cape Town CBD and the V&A Waterfront.

In the Blouberg area Pam Golding Properties (PGP) has a variety of one and two bedroom apartments and three bedroom homes available at daily rates from R750 per day out of season to R1500 a day during season for two bedroom units. Rates are affected by the specific block, area, finishes and furnishings and views, and apartments or houses with sea and/or mountain views are high in demand, with close proximity to the beach being the next priority. In addition, there is always a demand during the season for better priced options as visitors arrive. Local visitors are mostly from Gauteng while overseas visitors are mainly from Europe and the UK, with some from New Zealand and Australia. Usually the stays range from three weeks up to three or four months.

In Port Alfred, PGP reports that the most popular location is the Royal Alfred Marina, with its easy access to the canal and river, followed by beachfront property or accommodation within walking distance of the beach. Says Daniel: “Most of our Port Alfred office’s leisure rental bookings are for Gauteng visitors, with the bulk of enquiries for stays of seven to 10 days. We are seeing a trend towards young families and couples coming here on holiday with their parents. Rates range from R1 800 per day for an average three bedroom, two bathroom home and R2 550 for a beachfront property up to R5 500 per day for a seven bedroom, marina home. The average daily rate for a marina home is R3 800.”

She says in nearby St Francis Bay and Cape St Francis, holidaymakers are primarily from Gauteng but with numerous visitors from KwaZulu-Natal and the Western Cape, and some international visitors, with the norm for stays being between 14 and 21 days. “Here we usually find two to three families coming here to spend time together along with a mix of grandparents, parents and children.”

PGP reports that prime locations are Cape St Francis and St Francis Bay beachfront areas and St Francis Bay canals. There are numerous activities in St Francis Bay, such as canal and river cruises, various water sports including surfing, kite surfing, fishing and sailing, walks and other daily fun activities, music concerts with well-known bands and an active nightlife. Prices range from around R1 500 per day for a basic three bedroom or one to two bathroom cottage in Cape St Francis or a one to two bedroom flat in St Francis Bay, while for R9 000 per day one can rent a five to eight bedroom prime situated home on the St Francis canals.

With access to beautiful beaches and two rivers and in close proximity to a number of game reserves, PGP in Kenton on Sea reports the demand is from all provinces, with the higher priced houses generally sought by residents from Gauteng and the Western Cape. Many of their tenants are returning holidaymakers, including a number of young families and families sharing a house. PGP’s Kenton on Sea office enjoyed a very good 2012 season, while traditionally Easter is relatively quiet in the rental market as many homeowners go to Kenton at that time of year. All the rental properties on PGP’s books are freestanding homes with rates ranging from R750 per day for two bedrooms and 1.5 bathrooms to R4 400 per day for six bedroom, four bathroom homes.

In Knysna, on the Garden Route, PGP finds that during peak season in the December/January period the majority of holidaymakers are from Gauteng and Cape Town, generally booking for two to three weeks, with mid-season summer month rental enquiries mainly from the British and elsewhere in Europe. The January/February/March season is popular among overseas visitors, who tend to stay for up to three months, while longer term ‘swallows’ from Europe are usually here for the summer, from November to April.

Popular locations are The Heads, an upmarket suburb with spectacular ocean and lagoon views; Thesen Islands - with direct access to the water and easy access to Harbour town and central Knysna, Knysna Quays - an upmarket village on the waterfront, Leisure Isle - which is completely surrounded by the lagoon and an ideal and secure holiday venue for children with boating facilities, lovely beaches, walks and views, and Pezula Private Estate and Pezula Golf Estate - which have high appeal for the high-end Johannesburg golfing fraternity. Daily rates are from R3 500 to R7 000 per night ranging from three to five en suite bedrooms in luxury, self-catering accommodation. For overseas visitors who stay for months at a time monthly rentals range

from around R15 000 to R30 000 per month.

In Mossel Bay, PGP reports that leisure properties – many of which are within walking distance of the beach as well as entertainment activities in the Hartenbos area - range from apartments at R1 200 per day, with three bedroom, two bathroom apartments and also houses at rentals from R2 200 per day. On estates such as Pinnacle Point Beach & Golf Resort daily rates can reach R4 000 a day for a four bedroom, four bathroom freestanding property, although there are four bedroom, four bathroom lodges and villas at Pinnacle Point that are available from R1 800 upwards. Pinnacle Point includes a renowned golf course, beautiful fynbos and local fauna. Adds Daniel: “Our Mossel Bay office finds the demand is mainly for 10 day stays as they are finding the general trend is for shorter vacations, with an increasing number of holidaymakers from KwaZulu-Natal than previously. More enquiries are being received this year (2013) compared to the previous year.”

For further information contact **Pam Golding Properties Franchise Services** on 012 346 1667 or email [greta.daniel@pamgolding.co.za](mailto:greta.daniel@pamgolding.co.za) or [bryony.duncan@pamgolding.co.za](mailto:bryony.duncan@pamgolding.co.za).