

Savvy sales team keeps Waterfront property market buoyant



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Surging demand for a secure lifestyle and apartment living close to the waterfront has seen Pam Golding Properties conclude residential sales of over half a billion rand in Mouille Point, the Waterfront and Foreshore in the past year. This despite the recent slowdown in house prices experienced nationally, and the resultant price correction being seen in former “hot spot” property markets such as the Atlantic Seaboard and City Bowl. While the Cape remains the top performing metro housing market in the country, house price inflation in some areas has slowed in line with regional trends. Bearing in mind that the Atlantic Seaboard has come off an exceptionally high price base, having been the top-performing region in the metro housing market for almost a decade with a price appreciation of 125% recorded from 2013 until mid-2018, this slowdown was inevitable.

However, with its savvy understanding of buyers’ needs and the nuances of this area’s property market, Pam Golding Properties’ Waterfront team is positive that sales activity for 2019 will remain buoyant notwithstanding the current economic challenges. Mariël Burger, Kim Bailey and Paul Levy, top Pam Golding Properties agents for these areas, note that all indications point to another solid financial-year-end for the Waterfront office, with area sales of close to R60 million already confirmed over the holiday season. “We are confident that this activity bodes well for another promising year ahead. There have been enquiries for properties in all price bands, with strong interest in homes at the upper end of the market, where homes are listed for between R40 million and R60 million,” says Burger.

The lifting late last year of the City of Cape Town’s water restrictions has renewed confidence in the metro, and Cape Town Tourism reports a nearly 10% increase in foreign visitors to the city during peak season. Burger says that Pam Golding Properties’ Waterfront office, situated near to hotels in the area, has been well-placed to deal with enquiries from prospective foreign buyers looking to invest in property. The Waterfront is home to numerous hotels, including Africa’s first AC Marriott Hotel, situated in The Yacht Club development that also comprises 170 luxury apartments. With Cape Town’s cruise liner terminal also nearby, thousands of visitors arrive in port throughout the year to visit the Mother City. “Walk-in activity from tourists coming past the Pam Golding Properties office has led to many enquiries and several sales.”

But it’s not just foreign interest fueling this robust market, says Burger. The Waterfront also appeals to local and upcountry buyers. “We are selling to property owners already in the neighbourhood who are looking to upscale but remain in the area, or those wanting to invest in an additional property,” says Burger. Waterfront properties have an excellent track record in terms of capital appreciation, which also makes this a lucrative investment market, Burger adds. The same can be said for Mouille Point where, according to December 2018 property data, sectional title prices appreciated by 145% in the past five years. Coastal properties, defined by Lightstone property analysts as those within 500 metres of the sea, continue to enjoy a price premium, with a recorded house price inflation of 6.82% from January to August 2018, compared with the non-coastal price growth of 4.12% for the same period.

Security is top of mind for waterfront buyers, and Mouille Point is known for its secure apartments offering an enviable, seaside lifestyle, notes Bailey. Of the nine sales already confirmed by Pam Golding Properties for the first month of the year, six were in Mouille Point. The Waterfront offers estate-style living – with 24-hour security and concierge services – in a contemporary, urban environment, and two apartments sold this past month at The Waterfront Estate for R18.995 million and R12.99 million respectively. The average listing period of the apartments sold in Mouille Point and the Waterfront between December 1, 2018 and January 14, 2019 was 88 days or 12 weeks, well below the national average of 17 weeks and six days as reported by the FNB Estate Agent Survey for the third quarter of 2018. Three of the units were sold within 10 days of being listed. The average listing price was R7.4 million, with an average difference of just -5% on the actual sales price.

The recent opening of Battery Park, a dynamic urban space offering a variety of sporting opportunities and attractions, will certainly boost the appeal of living near the V&A Waterfront, says Levy. “Rising fuel costs, increased traffic congestion and a desire for safe living in an area near to amenities has led to the growing appeal of mixed-use residential precincts.” Also, the substantial investment by several global and blue chip companies in office headquarters in the area, means that its employees want to be accommodated in the nearby residential developments. As more people move into the Waterfront and surrounding areas, greater emphasis is placed on incorporating multidimensional open spaces that allow for pedestrian movement and outdoor activities. R1.1 billion has already been invested in the development of the Canal District that integrates with the Waterfront and CBD via various pedestrian routes.

With its enviable location and compelling lifestyle offerings, the Mouille Point and Waterfront housing markets continue to offer long-term investment opportunities, especially during times when market activity is muted, concludes Burger.

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