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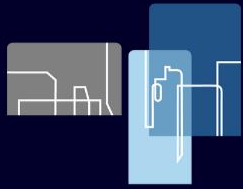
11TH ANNUAL CONFERENCE • 8 & 9 MAY 2024

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WCPDF

WESTERN CAPE PROPERTY
DEVELOPMENT FORUM

IGNITING *growth* & innovation

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**DOMINIQUE
DHOTMAN**



oobahomeloans

Is Western Cape Semigration For Real?

Big Data?



- Big data refers to extremely large and *diverse collections* of data that are complex in volume, velocity, and variety
- Datasets that are diverse and when coherently combined provide for *novel* insights, given the HD context
- We do have lots of data - *this is valuable*, but we have *not yet combined* diverse sources to help us answer these questions differently or more predictively

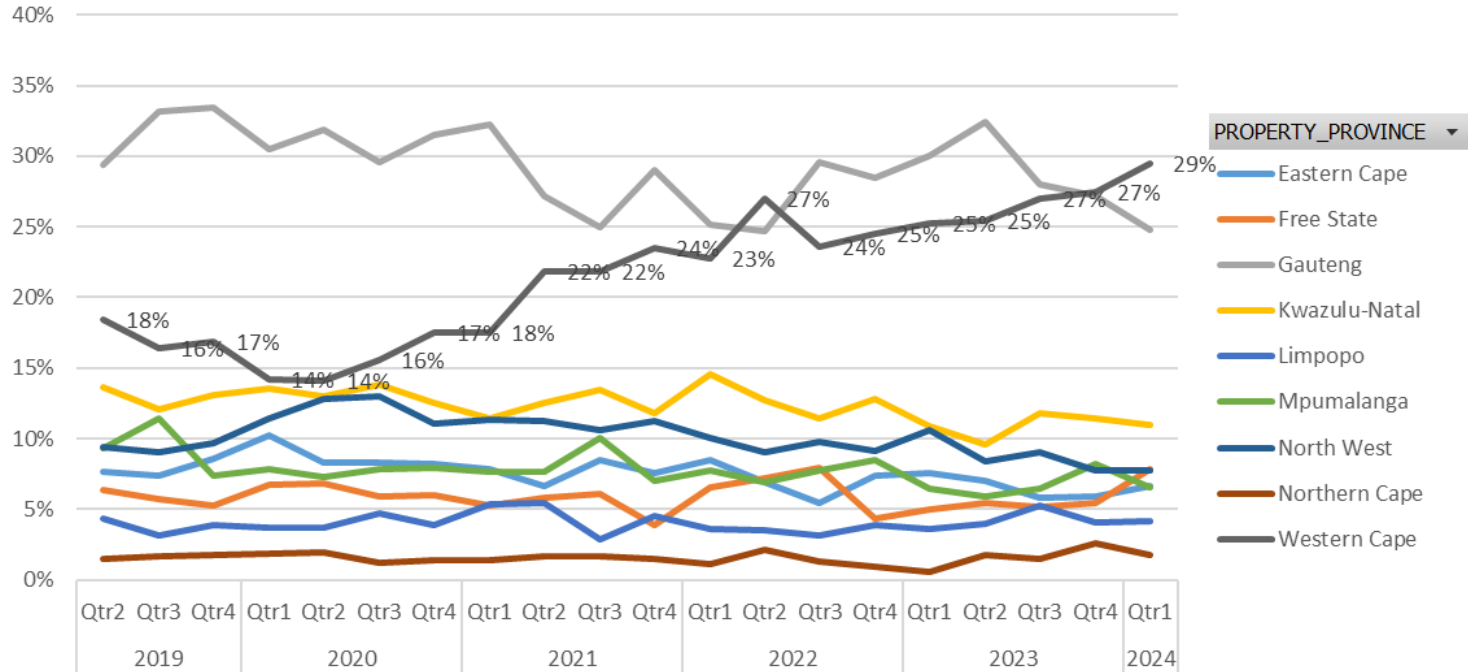
The data we have & our methodology

- ooba's bond application data for the *past 5 years*, corroborated with SwitchX data, which accounts for *~50% of all bonded transactions* in SA and *~30% of the entire SA housing market*
- The SwitchX data used to corroborate findings equates to *~391,000 data points*
- The 5-year window is important because the period prior to the pandemic (2019) is more reflective of the most recent 12 months (to March 2024)
- We do not include cash sales and only consider residential transactions

MOVING FROM		MOVING TO	SEGMENT
Suburb	=	Suburb	A "Up the road"
Suburb	<>	Suburb	B Intra-Town
Town	=	Town	
Suburb	<>	Suburb	C Intra-Province
Town	<>	Town	
Province	=	Province	
Province	<>	Province	D Inter-Province

* The combined data set is representative of the market and ooba's data is shown highly correlated to the bigger SwitchX data set

Application Intake Trend – Inbound Semigration

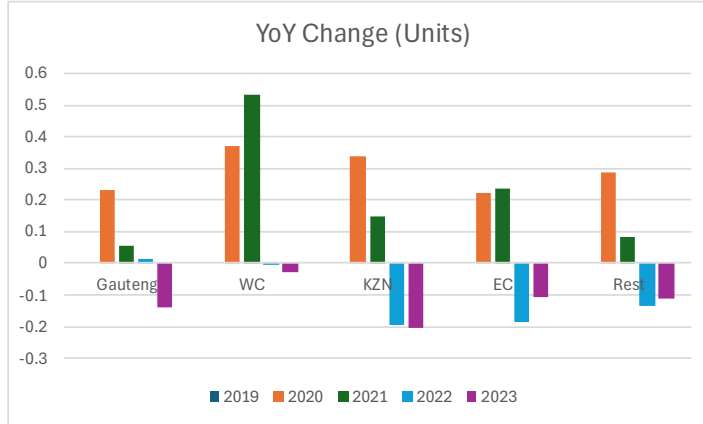


- ooba data, on a unit basis for all property use types (primary residence, investment, holiday homes, etc.)
- Measurement reflected quarterly from Q2 2019 to Q1 2024 as a percentage of total applications
- Important to read these trends in the context of the (high) interest rate environment.

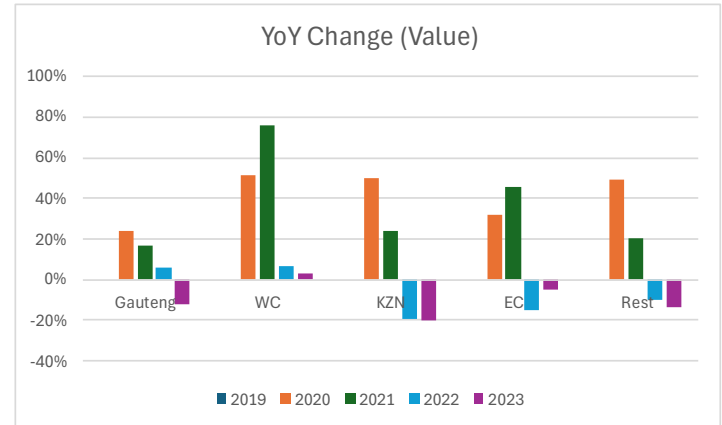
SwitchX Applications YoY Change By Province

YoY Change	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Gauteng		23%	6%	2%	-14%		24%	17%	6%	-12%
WC		37%	53%	-1%	-3%		52%	76%	7%	3%
KZN		34%	15%	-19%	-21%		50%	24%	-20%	-20%
EC		22%	24%	-19%	-11%		32%	46%	-15%	-5%
Rest		29%	9%	-13%	-11%		49%	20%	-10%	-14%

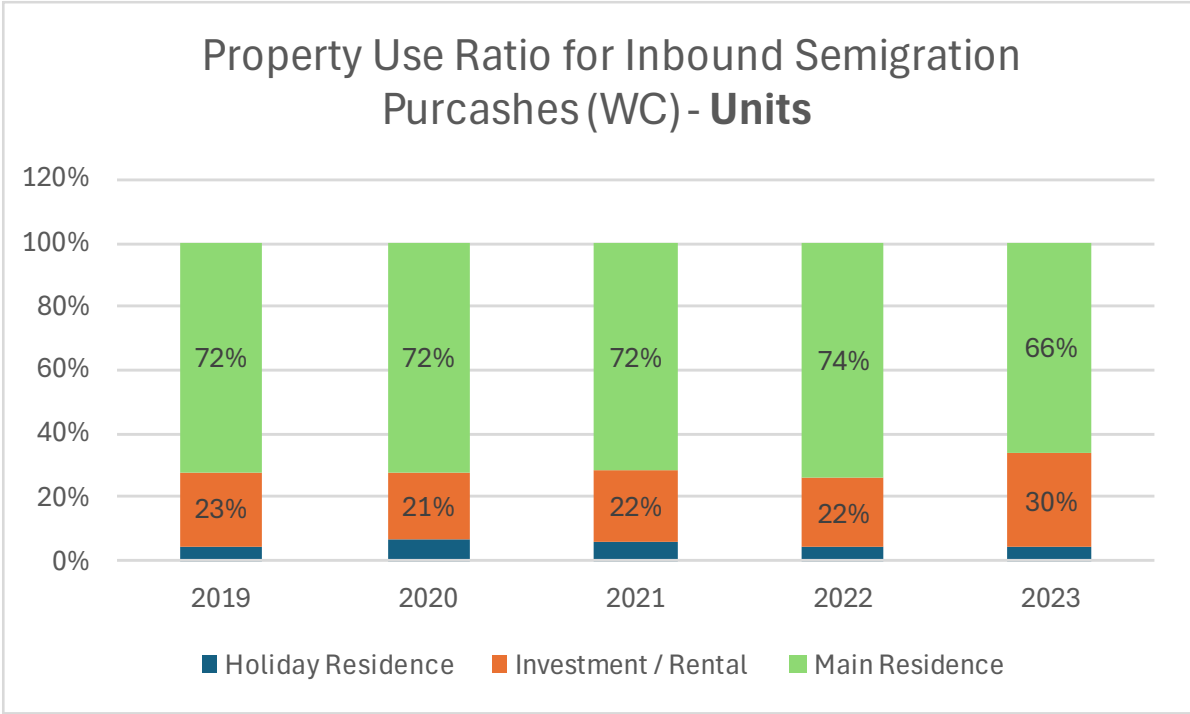
Units



Purchase price in Rb

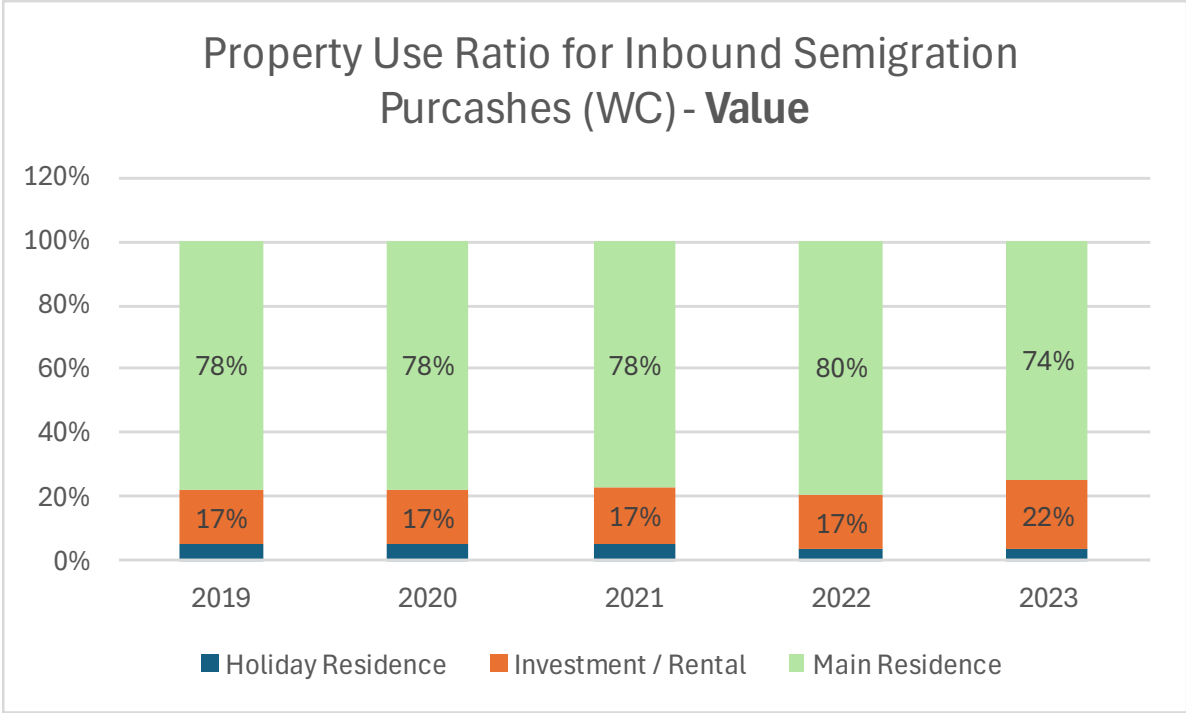


Property Use Trend Within WC Semigrated Purchases



- SwitchX data, on a unit basis for all property use types when semigrated buyer purchases within WC

Property Use Trend Within WC Semigrated Purchases



- SwitchX data, on a *value* basis for all property use types when semigrated buyer purchases within WC

Is Western Cape Semigration For Real?

Key Take Outs:



Yes



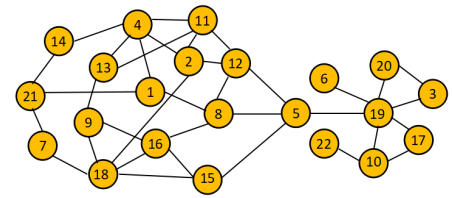
No



Maybe

- While all provinces experience semigration the WC trend from 14% in Q2 2020 to 29% in Q1 2024 is significant and outstrips all other provinces.
- In the most recent 12 months the WC represented 25% of all property trades, but 32% of all moves into provinces
- While not in the presented slides, WC semigration accounts for 15% of all WC transactions.
- 30% of the semigrating buyers indicate the purchase is for investment (compared to 15% in other provinces and up from 23% in 2019)

Back to Big Data – A Call To Action



- The nature of this question is multifaced but primarily *forward looking* – are more people moving into the WC and does this therefore indicate a growing market demand?
- The data presented here were all *lagging indicators* (i.e. backward looking)
- To more accurately forecast market demand, we need incorporate leading indicators to our “big data”
- This information production problem could be solved by associating other data sets, including search trends (property portals), rentals (TPN), buyer prequalifications, the interest rate cycles, and localised labour market statistics
- How can we *partner to create better insights*?



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