



"Msasa Mews" Crescent Street PLETTENBERG BAY

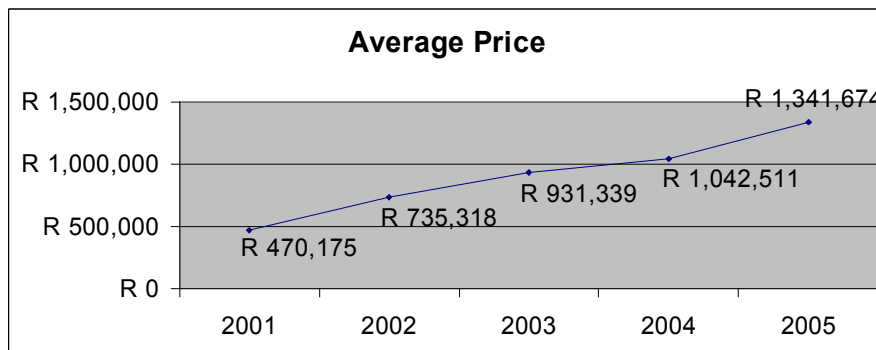
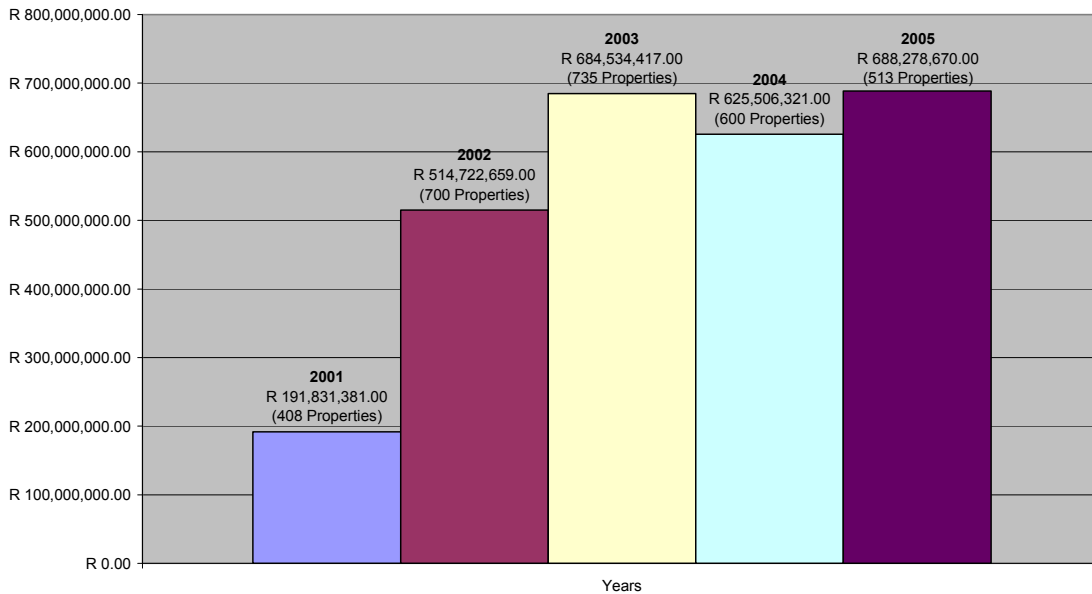
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# Property Biz @ Bitou

A bi-annual newsletter for Property Investors  
 February 2006

## Total Value of Transfers in Plettenberg Bay



Statistics obtained from the Deeds Office  
 Applies to the township of Plettenberg Bay only & does not include  
 the Sectional title transfers

### Property Market Review

Plettenberg Bay's property market fared remarkably well in 2005, considering the gloomy outlook forecast by the vast majority of economists. The current strength and growth of the South African economy as a whole, coupled with Plett being one of the most desirable places to own property, can be thanked for this.

House prices have far outstripped the growth in income, so one would expect the market to cool off over the next few years. However, this was the expectation nationally for 2005, and it proved to be wrong for Plett. The boom continues.

Majority of the sales for 2005 took place in the last six months of the year. Of the 513 properties sold, only 210 of these were before July.

The yearly increase in average house prices was slowing down between 2001 and 2004. 2005 saw a stop to this trend, as the average price jumped substantially by almost R300 000.00. The average house price has risen by 180% from 2001 to 2005. The increase was 20% from 2004 to 2005.

Fewer properties have sold in 2005, but at higher prices. A number of prime beachfront properties sold at phenomenal prices. If the commercial, development & prime residential properties are considered, there were 40 transferred for a total of R228,482,000.00, which is roughly a third of the total value of transfers for the year. Their average price was +/-R5, 7million. This

leaves the remaining residential properties with an average price of +/-R 929,800.00. There are very few houses in Plett that sell for less than R1m, so it is obvious that the majority of these sales have been vacant plots. With the decline in new buildings, it is clear that most purchases have been for speculation.

It will be interesting to see what 2006 holds in store. What effect will the decline in houses being built have? Will the boom continue? See the next edition of Property Biz @ Bitou for details.

### Building Plans Approved in 2005:

Total plans passed: **468**

New Structures: **147**  
(Incl. public buildings)

Alterations: **321** (incl. pools)

Total Municipal estimated cost: **R 244 842 801.00**

(NB this does not reflect the actual cost of the construction being done)

The total estimated cost of construction is R50 000.00 higher than last year. The number of alterations remained stable, but the number of new structures has declined by 30% (this follows a 25% decline from 2003 to 2004). Costs of construction rise as the number of new dwellings declines.

### Significant Rezoning Applications:

Ptn 53 of 444 Knysna RD (9,8ha) from agricultural to residential to accommodate the Clairisons Retirement Village, comprising 173 Modern Cape Dutch Style

units, possible frail care facilities, dining & service centre, & 3ha private open space. Location: 3km north of Plett off the N2 highway.

The structural restoration of the Old Rectory (erf 3339, on the left side before parking area at Hobie Beach) for use as a new guest house.

### A Solution to Squatter Settlement Problems?

Gerald Gordon's patented? Twin Thin-Skin Construction provides a method of using the existing structure of shacks to create highly desirable & affordable housing. Can you imagine tourists flocking from all over the world to see Bossies Gif? The building technique involves the use of two thin skins made up of reinforcing stainless steel wire mesh, and structural mortar, which can be formed to any desirable shape, leaving an end product comparable to the housing found on the Greek Islands. For more info: [www.sustainablesettlement.co.za/event/SBE2004/papers/SB020.pdf](http://www.sustainablesettlement.co.za/event/SBE2004/papers/SB020.pdf)

### Contact

If you would like to receive future editions of Property Biz @ Bitou, send us your e-mail address. Feel free to contact us for any information on property and recent sales in your area.



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