

Downtown

How to make inner-city investment pay off

Conscience

Mindful business is capitalism with conscience

Manufacturing

Toyota's billion bonanza to boost local suppliers

Books

Fred Khumalo's journey back in time

Coast of Dreams



Capital CONNECTIONS

If ever there was a vivid representation of the bounce in this market it would be the picture snapped last month of prospective buyers queuing in a line of cars that snaked down a dirt road near Sheffield Beach. They were there to buy one of the many plots staked out at Seaton, a development overlooking the Indian Ocean.

According to the research arm of specialist property company Rainmaker Marketing, sales on the KZN North Coast are something to behold.

These figures relate to the year before Covid lockdown, so April 2019 to March 2019, and are broken into various areas.

• **uMhlanga** – 964 transfers: 71% were within Sectional Title

We all know the KZN North Coast is booming, but stating the obvious is one thing, actually processing it is another

developments and the average price was R2,498-million. The total value of all residential transfers was R2,906-billion (includes La Lucia, uMhlanga New Town Centre, Hawaan, Izinga, Sunningdale).

• **Sibaya** – 266 transfers: 98% were within Sectional Title developments and the average price was R2,540-million. The total value of all residential transfers was R673-million.

• **Ballito** – 852 transfers: 53% were within Sectional Title developments and the average price was R1,674-million, with 40% of transfers being within estates. The average price was R3,5-million and the total value of transfers was R2,196-billion.

• **Salt Rock** – 462 transfers: 23% were within Sectional Title developments and the average price was R1,819-million, with 54% of transfers being within estate developments. The average price was R4-million and the total value of all residential transfers was R1,394-billion.

Cumulatively that is over 2 500 properties worth over R7-billion. Compare this with growing areas of Gauteng, although this is merely for the sake of comparison and critical factors



PICTURE: CHRIS ALLAN



are different, including that Gauteng areas have bigger populations.

Midrand – 4 653 transfers: 58% were Sectional Title and the average price was R750 000, while 18% of the transfers were within estates where the average price was R1,997-million. The total value of transfers was R4,722-billion.

Sandton – 5 624 transfers: 61% were Sectional Title and the average price was R1,3-million, while 24% of transfers were within estates and the average price was R3-million. The total value of all transfers in Sandton was R12,7-billion.

Kristy Davidson, head of Market Research at Rainmaker, said the drive north was motivated by the obvious. EThekweni's population was growing, there was demand for new gated estates on the North Coast, the King Shaka International Airport and Dube TradePort were a success, and proximity to this precinct was prized.

There was semigration from Gauteng

LEFT: CELEBRATING THE LAUNCH OF SALES AT SEATON ARE MELANIE CLARKSON, DAVID CAMERON, ANDREW SMITH AND PATRICK LAMBIE. **PICTURE:** SAMORA CHAPMAN
BELOW: SPECTACULAR VIEWS FROM PRIME SITES AT SEATON.



with Johannesburg business people choosing to live in KZN and commute to work weekly.

The wealthy northern corridor is increasingly aspirational. Seaton recently did more than R179-million in sales for the first two segments of beautiful ocean-side land owned by developer Murray Collins. In one week one precinct on his Sheffield Beach property sold out, realising over R80-million in sales.

There was a queue of more than 50 cars waiting for the gates to open for prospective buyers who had travelled from afar afield as Pretoria and the Free State, according to Seaton. The beachfront stands have resulted in sales of R100-million, and Seaton sites were priced between R3-million and R15-million. Seaton has more than a kilometre of beach frontage and buyer interest indicates the development will be the catalyst for the area that Collins predicted.

“It confirms what we’ve instinctively known – if you have an exceptional product in a perfect location at the right price point, there will always be significant demand. Seaton is that.” Over the next five years Seaton should come to life offering residents a beach club house, a multi-sports facility, 26km of running and cycling trails, equestrian facility, wetlands and forest rehabilitation.

“We couldn’t have known just how soon the future would be here,” says Collins, “but we knew what it would



ABOVE: TONGAAT HULETT’S BONGANI GUMEDE.
BELOW: A PROSPECTIVE BUYER CONSIDERS HIS OPTIONS OF PLOTS TO BUY.

look like. Seaton will be the next wave, the springboard for a new, mindful way of living extraordinarily well on the North Coast of KZN.”

Collins is among a group of private landowners in the areas who believe there will be a R70-billion investment in one of South Africa’s fastest growing residential nodes over the next 20 years.

Tongaat Hulett’s Bongani Gumede said the KZN North Coast remained

the lead development region in a challenging economic environment. The resilience was derived from strategic alignment of planning and execution across all spheres of government and a partnership with the private sector. This created an environment conducive to sustainable investment and ensured integrated long-term planning. The plan, approved in October 2019, links four municipalities and integrated coastal and inland development.

“It provides a more detailed investment platform and Tongaat

Seaton recently did more than R179-million in sales for the first two segments of beautiful ocean-side land

Hulett’s property portfolio is strategically integrated to facilitate unlocking of stakeholder value in this partnership.”

Gumede added that the next two decades would see the integration of the economic corridor from Durban to Ballito and ultimately Richards Bay, much like the corridor linking Durban to Pietermaritzburg.

“The linkages are highly complementary in terms of economic market diversity, like Midrand (in Gauteng) feeds off Johannesburg and Pretoria.” *

