

Lightstone unpacks semigration trends across Western Cape, KZN, Gauteng

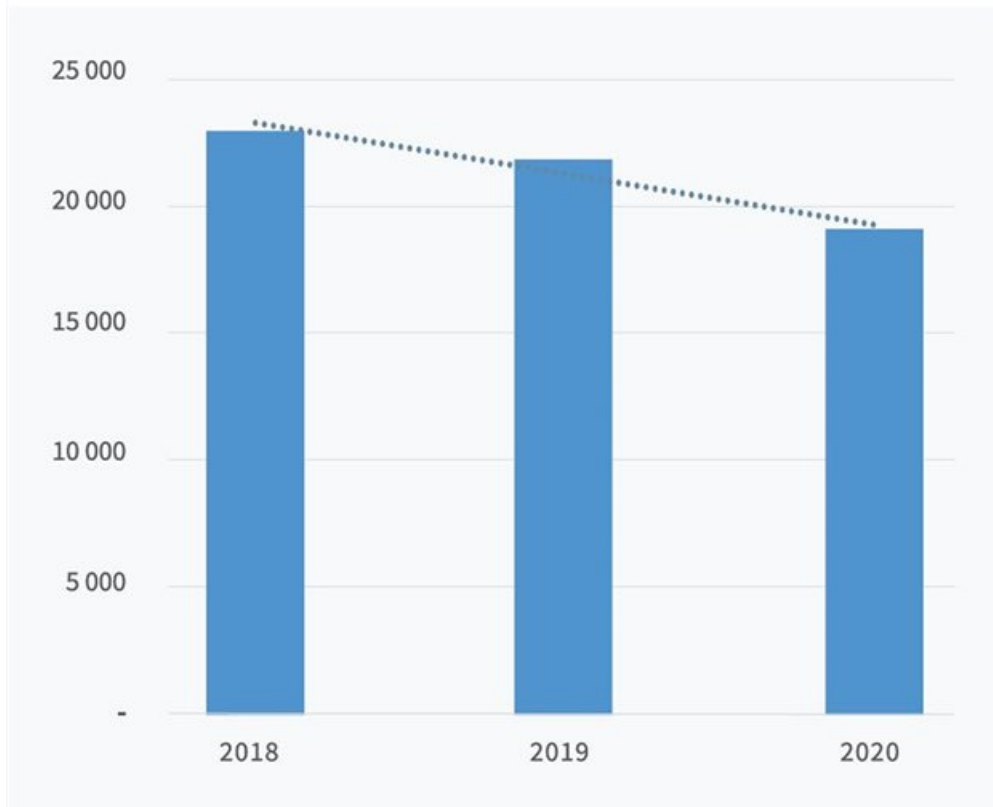
Nearly 15% of homeowners who sold and bought homes in the three years leading up to 2020 have moved from cities to smaller towns. This is according to recent data shared by Lightstone Property which highlights that most of these purchases from the Western Cape and KwaZulu-Natal show the appeal of opting for a quieter setting within their respective provinces, but Gauteng residents are moving all over the country.



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Hayley Ivins-Downes, head of digital at Lightstone Property, says, “Most homeowners move to and from the big three provinces. However, nearly 84,000 homeowners sold and bought elsewhere between 2018 and 2020 – with 76% moving from city to city, 14% relocating from a city to a smaller town while 10% headed the other way.”

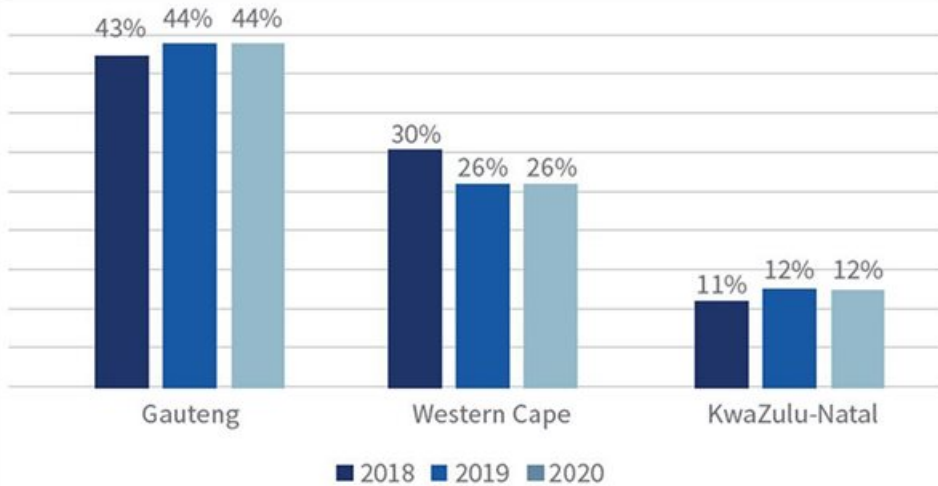
People moving from cities to cities



Lightstone's data reveals that movements from metro/city to metro/city have been declining over the years, from 22,919 in 2018 to 21,861 in 2019 to 19,005 in 2020. This is a significant number given the disruptions caused by Covid-19 and the lockdowns which restricted movement by people across the country.

People moving from metro/city to smaller towns

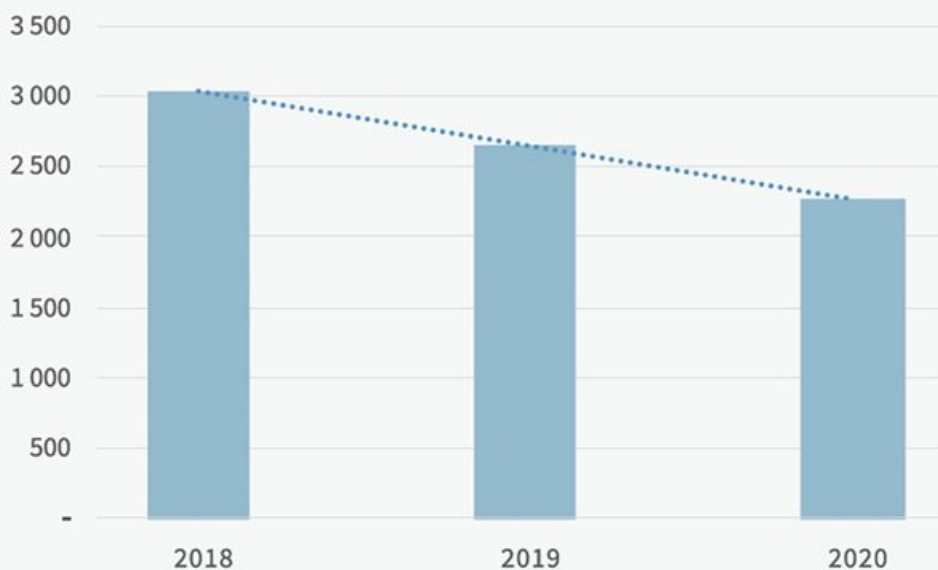
year	volume	Gauteng	Western Cape	KwaZulu-Natal
2018	4 297	43%	30%	11%
2019	4 080	44%	26%	12%
2020	3 502	44%	26%	12%
Grand Total	11 879			



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Nearly 12,000 homeowners left cities for smaller towns over the three years documented, with a slight decline from 2018 to 2019 (4,297 to 4,080) and then a more significant drop in 2020 to 3,502. Approximately 44% of homeowners relocated to smaller towns from Gauteng, followed by the Western Cape (between 26% - 30%) and KZN (11%-12%).

People moving from small towns to cities



In contrast, the number of homeowners moving from smaller towns to cities has been dropping over the past three years, from 3,031 (2018) to 2,658 (2019) and then to 2,262 in 2020.

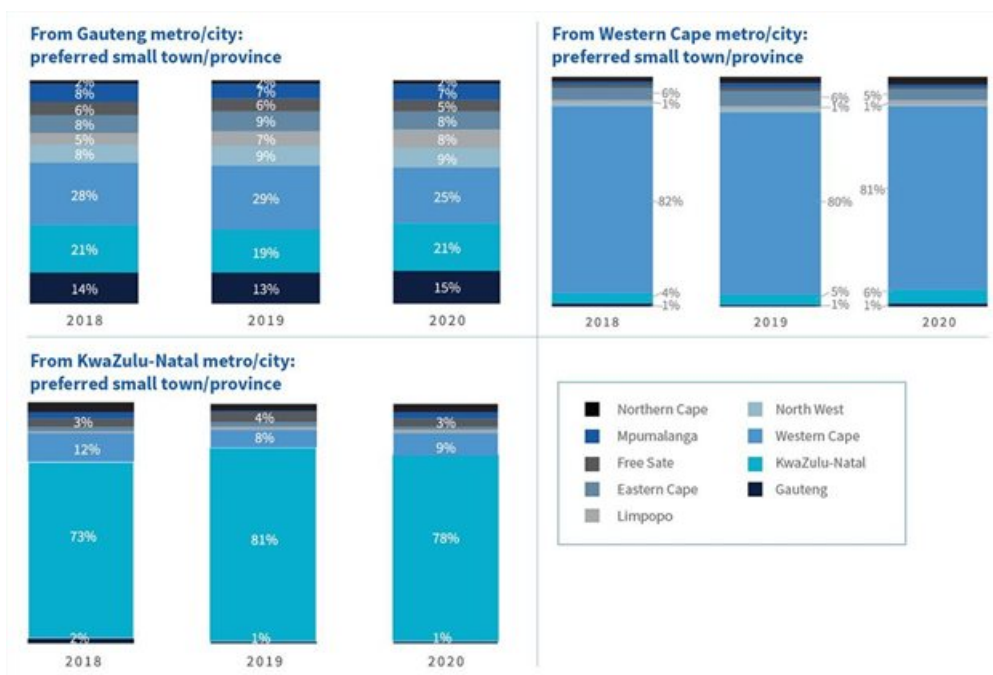
Gauteng			Western Cape		
	Leaving metro/city	Coming to smaller town		Leaving metro/city	Coming to smaller town
2018	1 829	297	2018	1 282	1 775
2019	1 783	263	2019	1 053	1 547
2020	1 529	259	2020	921	1 294

KwaZulu-Natal		
	Leaving metro/city	Coming to smaller town
2018	473	843
2019	489	857
2020	409	747

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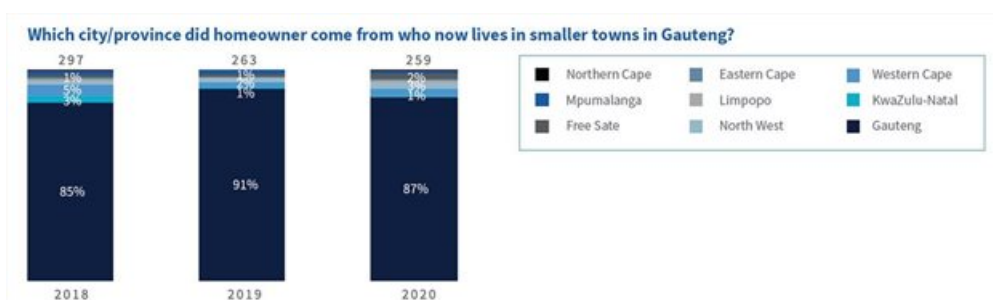
Ivins-Downes says, “Movement within provinces shows that more homeowners bought in small towns in the Western Cape and KZN over the past three years than left the cities. While in Gauteng many more left the cities compared to those settling in small towns.” The movement out of the major cities and metros in the Western Cape and KZN is lower than movement to the desirable smaller towns in these provinces (60:40). Meanwhile in Gauteng, the majority of people moving from a city to a smaller town is a far higher ratio (80:20).

Lightstone’s information also shows the provinces of choice for those moving to small towns. The majority of people in the Western Cape and KZN who left cities for smaller towns stayed within provincial borders (WC – 81% average; KZN – 77%). While those leaving Gauteng’s cities were more evenly spread across the provinces, with the Western Cape and KZN being the most popular destinations outside the province, while Mpumalanga, Eastern Cape and North West were also well-liked destinations.



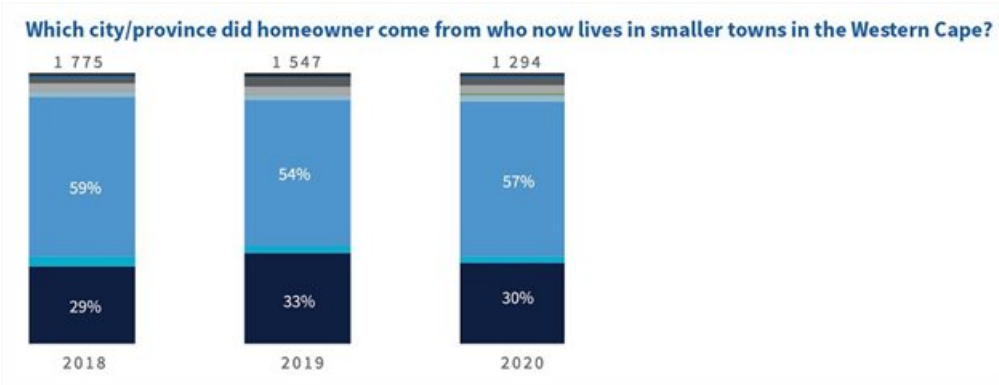
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Data indicates that the city or province of origin for homeowners now in small towns who left their home in the city for a new life in a smaller town mostly do so in the province in which they already live.

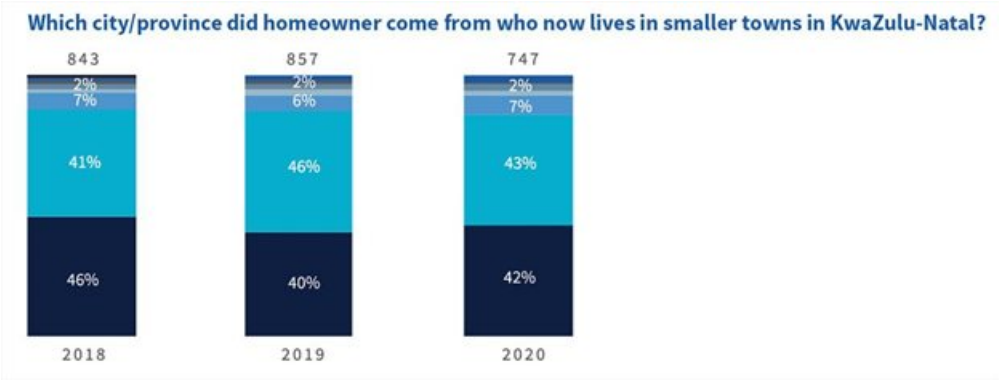


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The majority – 85% in 2018, 91% in 2019 and 87% in 2020 – of homeowners who live in small towns in Gauteng moved there from a city in the province. Homeowners moving from the WC accounted for between 2-5%, while those from KZN accounted for between 1-3%.



Almost 90% of homeowners who have settled in smaller towns in the WC have come from cities in that province or Gauteng. The remaining 10% is evenly spread among other provinces.



Approximately 90% of homeowners who have settled in smaller towns in KZN have come from cities in that province or Gauteng, with 7% relocating from the WC and the balance spread across other provinces.

The types of properties homeowners opted for when they relocated to a smaller town in KZN in 2019 was freehold, while in 2020 slightly more chose sectional title. Estate living came in third in both years. This is significantly different in the WC, where the vast majority of homeowners chose freehold, followed by estate living with limited numbers opting for sectional title.

Moving to KwaZulu-Natal			
Property type moving to	2019	2020	Grand Total
Estate	174	113	287
Freehold	311	281	592
Sectional Title	297	293	590
Grand Total	782	687	1 469

Moving from Gauteng				Moving to Western Cape			
Property type moving from	2019	2020	Grand Total	Property type moving to	2019	2020	Grand Total
Estate	220	167	387	Estate	338	308	646
Freehold	499	400	899	Freehold	933	765	1 698
Sectional Title	166	149	315	Sectional Title	98	72	170
Grand Total	885	716	1 601	Grand Total	1 369	1 145	2 514

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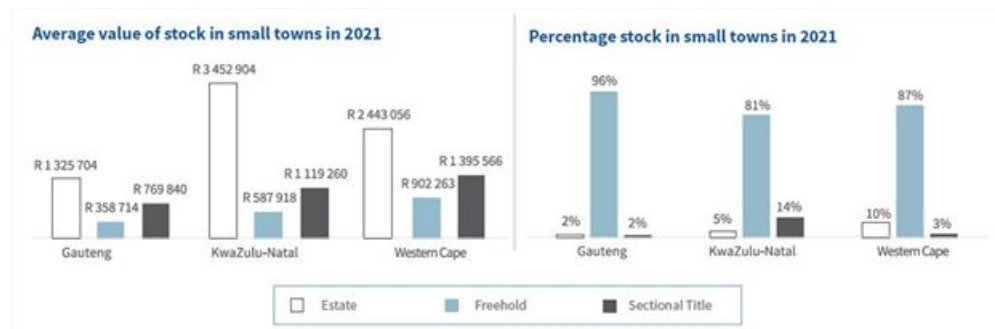
It is interesting to note that homeowners moving from Gauteng to smaller towns overwhelmingly preferred freehold and estate living over sectional title.

Moving from a metro/city to a smaller town in:



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Ivins-Downes adds, “Information on the preference variations boil down to availability and price. In KZN, the availability of housing in estates is on average more expensive than the other provinces, and so there is not the spread of price options that is available in the Western Cape and Gauteng. Interestingly, we see that there was almost no sectional title or estate stock available in Gauteng, while the Western Province had 10% availability in estate properties and KZN had 14% availability in sectional title properties.”



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If we take a look at who is moving, where and what are they buying, the majority of homeowners (63%) who moved in 2020 were between 45-65 years in age (2019: 62%), and most of those moving are buying mid-value (58%, 2019: 57%) and high-value homes (32%, 2019: 31%).

Age group of buyer									
	2020					2019			
	Gauteng**	KwaZulu-Natal	Western Cape	Grand Total		Gauteng**	KwaZulu-Natal	Western Cape	Grand Total
<35	3%	2%	1%	2%		3%	2%	1%	2%
35-45	32%	17%	12%	15%		26%	15%	11%	13%
45-65	51%	61%	65%	63%		60%	60%	63%	62%
65+	13%	20%	21%	20%		11%	23%	24%	23%
Total	100%	100%	100%	100%		100%	100%	100%	100%
Volume	105	692	1 152	1 949		111	789	1 383	2 283

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Wealth Segment									
	2020					2019			
	Gauteng**	KwaZulu-Natal	Western Cape	Grand Total		Gauteng**	KwaZulu-Natal	Western Cape	Grand Total
Affordable	4%	1%	2%	2%		6%	2%	2%	2%
Mid Value	56%	43%	66%	58%		51%	45%	63%	57%
High Value	38%	40%	27%	32%		41%	32%	29%	31%
Luxury	3%	15%	5%	8%		0%	21%	4%	10%
Super Luxury	0%	1%	0%	0%		0%	0%	0%	0%
Unknown	0%	0%	0%	0%		1%	0%	1%	0%

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"If we take a look at the towns in favour, we see quite a different picture from the rest of the country compared to the WC," says Ivins-Downes.

"The top three choices for those moving from Gauteng to KZN were Margate, Port Shepstone and Ballito. While those relocating within KZN chose Howick, Ballito and Salt Rock. Interestingly, Port Edward and Southbroom were among the favourites for those coming from Gauteng but did not make the KZN relocation list, while Howick nor Hilton were not favoured by those moving from Gauteng.

"Those relocating from within the province's borders and those coming from Gauteng shared a liking for Groot Brakrivier, while the other top choices for the WC were Langebaan, Hermanus and St Helena Bay. The top four choices for those moving from Gauteng were as mentioned Groot Brakrivier, and then Hermanus, Plettenberg Bay and Knysna.

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