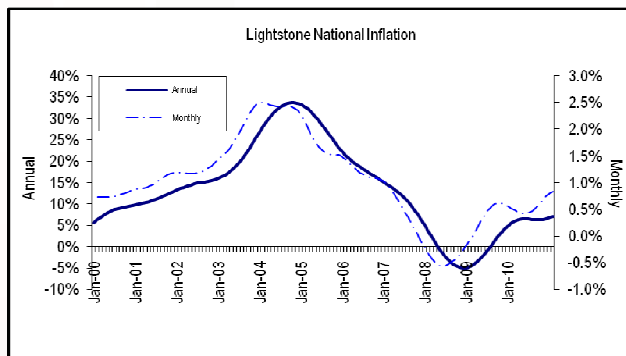


# Residential Property Indices



## LIGHTSTONE FEBRUARY 2011 REPEAT SALES INDICES



### Annual Inflation Table

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010				2011			
												Q1	Q2	Q3	OCT	NOV	DEC	JAN	FEB
	<b>NATIONAL</b>	9.1%	10.9%	14.9%	19.4%	30.0%	26.6%	17.4%	12.4%	1.0%	-0.3%	6.6%	7.1%	6.8%	6.3%	5.9%	6.7%	7.3%	7.1%
<b>PROVINCE</b>	<b>EASTERN CAPE</b>	6.9%	7.2%	12.1%	21.4%	38.1%	33.6%	21.1%	12.2%	1.5%	1.1%	4.5%	7.1%	10.7%	14.3%	12.5%	15.6%	15.2%	14.8%
	<b>GAUTENG</b>	11.3%	13.7%	18.2%	20.4%	26.0%	23.1%	16.2%	11.7%	0.5%	-0.3%	6.6%	6.7%	6.1%	5.4%	4.4%	5.2%	5.3%	5.7%
	<b>KWAZULU NATAL</b>	7.5%	8.7%	12.6%	21.4%	36.7%	33.4%	21.0%	12.6%	-0.9%	0.3%	5.5%	6.4%	5.9%	4.8%	5.9%	7.6%	8.1%	6.7%
	<b>WESTERN CAPE</b>	9.1%	8.8%	11.3%	17.8%	33.6%	29.3%	15.4%	11.9%	1.0%	-0.4%	7.4%	8.6%	7.3%	5.2%	4.1%	7.7%	5.2%	5.5%
<b>MUNICIPALITIES</b>	<b>CITY OF CAPE TOWN</b>	9.7%	8.7%	11.1%	17.5%	33.2%	29.4%	14.9%	11.9%	0.2%	-0.5%	7.7%	8.9%	6.3%	2.9%	4.3%	12.8%	10.2%	9.2%
	<b>CITY OF JOHANNESBURG</b>	12.7%	13.8%	18.9%	21.1%	26.2%	21.2%	14.5%	11.9%	0.9%	0.6%	7.0%	6.7%	5.7%	4.8%	3.7%	3.8%	3.5%	4.6%
	<b>CITY OF TSHWANE</b>	11.2%	15.1%	19.1%	18.1%	21.4%	22.8%	16.6%	11.5%	-0.5%	-1.8%	6.8%	7.0%	7.5%	7.7%	6.5%	7.6%	6.5%	6.1%
	<b>EKHURULENI METROPOLITAN</b>	10.0%	11.8%	17.3%	22.9%	32.4%	26.9%	17.0%	11.0%	0.6%	0.0%	5.1%	6.2%	4.9%	3.2%	2.1%	5.5%	8.3%	8.6%
	<b>ETHEKWINI</b>	9.0%	9.0%	12.3%	20.8%	36.9%	34.0%	20.5%	12.5%	-0.4%	-0.5%	4.7%	6.1%	5.6%	4.6%	6.8%	8.2%	8.2%	7.3%
	<b>NELSON MANDELA</b>	8.2%	8.0%	11.3%	23.7%	40.9%	34.0%	19.3%	9.8%	-0.8%	-0.4%	2.9%	6.6%	6.4%	6.4%	7.3%	11.9%	8.8%	5.3%
<b>COAST</b>	<b>NON-COAST</b>	9.3%	11.1%	15.0%	18.8%	29.0%	26.6%	17.6%	12.6%	1.1%	-0.3%	6.8%	7.2%	7.0%	6.6%	6.1%	6.7%	7.3%	6.9%
	<b>COAST</b>	6.6%	7.5%	15.8%	27.9%	43.1%	29.2%	13.8%	9.4%	-0.4%	-0.2%	5.8%	5.6%	4.4%	3.3%	4.5%	6.7%	6.5%	8.8%
<b>ST / FH</b>	<b>SECTIONAL TITLE</b>	8.0%	9.9%	14.8%	20.4%	30.4%	26.0%	15.3%	10.4%	0.1%	-0.4%	5.5%	5.5%	6.0%	6.4%	5.5%	6.3%	6.6%	6.5%
	<b>FREE HOLD</b>	10.3%	12.1%	15.2%	18.5%	29.2%	27.1%	19.9%	14.9%	1.8%	-0.1%	7.9%	8.5%	8.2%	7.3%	6.4%	7.4%	8.2%	8.8%
<b>AREA VALUE BANDS</b>	<b>LUXURY</b>	12.5%	14.0%	20.1%	27.4%	29.7%	19.1%	11.8%	10.9%	0.3%	0.6%	6.8%	7.3%	5.6%	3.8%	3.2%	3.6%	5.2%	4.7%
	<b>HIGH VALUE</b>	10.2%	12.2%	16.9%	21.3%	31.8%	24.1%	13.2%	9.7%	-0.6%	-0.3%	6.0%	6.0%	5.9%	5.7%	5.1%	5.5%	5.5%	5.2%
	<b>MID VALUE</b>	6.4%	8.1%	11.0%	15.5%	30.7%	34.5%	23.6%	16.1%	2.1%	-1.7%	6.3%	7.5%	8.1%	7.9%	6.1%	8.0%	8.3%	8.3%
	<b>AFFORDABLE</b>	16.2%	12.0%	11.1%	13.5%	22.3%	30.4%	38.0%	28.6%	17.5%	10.8%	15.1%	18.3%	22.7%	24.7%	25.3%	21.9%	25.8%	22.5%

### DISCLAIMER

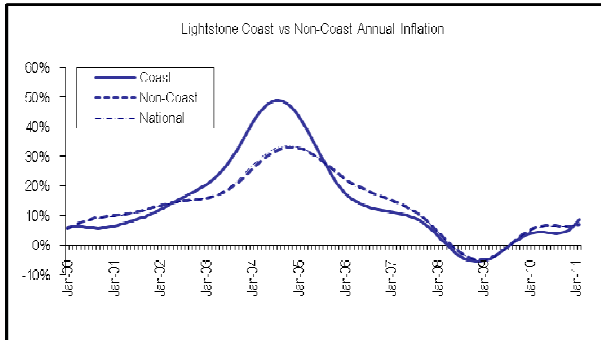
The Lightstone Repeat Sales Index system applies advanced statistical methods to a comprehensive property data base - compiled from the Deeds Office, the Surveyor General and other sources - to generate repeat sales inflation data for individual residential properties. Despite the statistical and actuarial rigour applied, Lightstone cannot guarantee the accuracy and reliability of the data. Furthermore, the index is a statistical tool and does not amount to advice and may not be applicable in some cases. Lightstone does not take responsibility for any losses incurred as a result of any person acting or omitting to act as a result of the publication of this index.

# Residential Property Indices



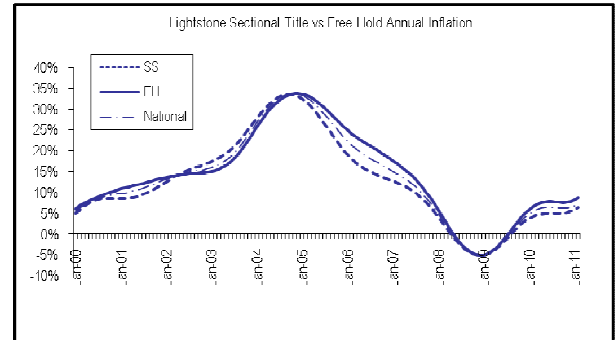
## COASTAL VS NON-COASTAL INDEX

### Coastal v Non-coastal Annual inflation

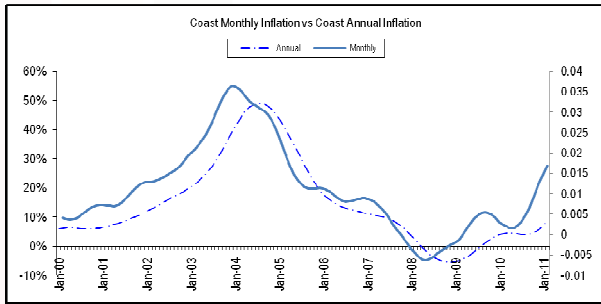


## FREE HOLD VS SECTIONAL TITLE INDEX

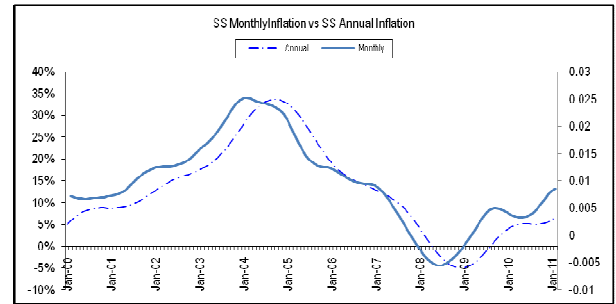
### Sectional title v Free hold Annual inflation



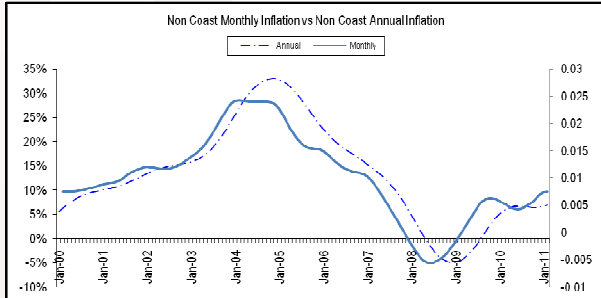
### Coastal Annual v Monthly Inflation



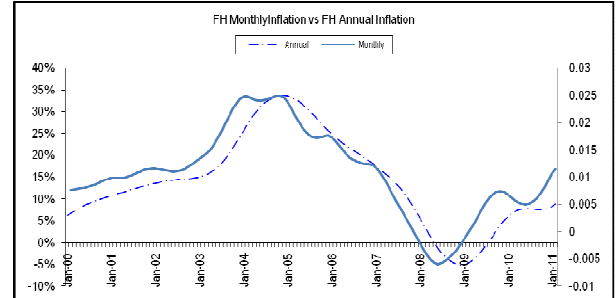
### Sectional tile Annual v Monthly Inflation



### Non-coastal Annual v Monthly Inflation



### Free hold Annual v Monthly Inflation



**Note:** Monthly house price inflation shows the inflation rate of the most recent month and emphasises recent market performance. However, monthly inflation tends to be much more volatile than annual inflation trends and so conclusions about the future trend of annual inflation must be made with caution.

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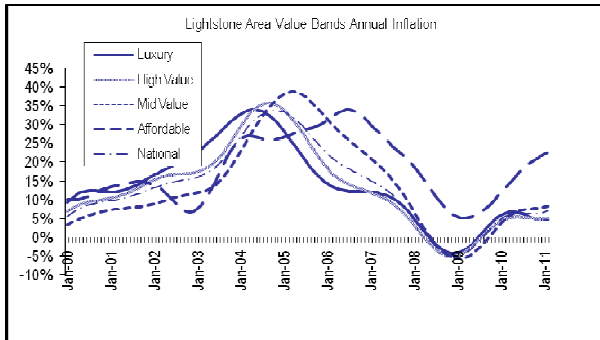
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# Residential Property Indices

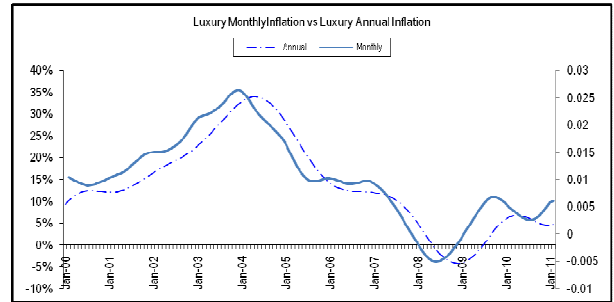


## AREA VALUE BAND INDEX

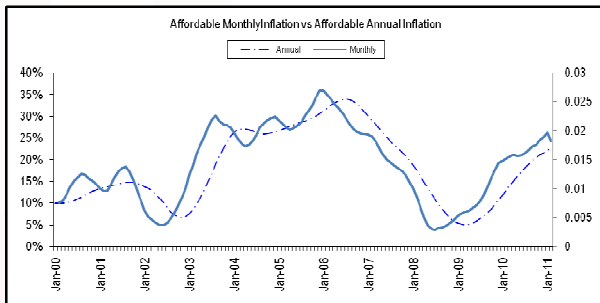
Area Value Band Annual inflation.



Luxury Market Annual v Monthly inflation.

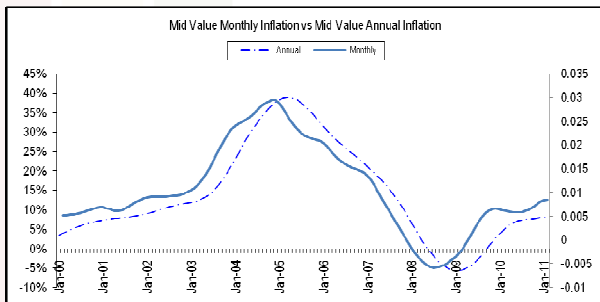


Affordable Market Annual v Monthly inflation

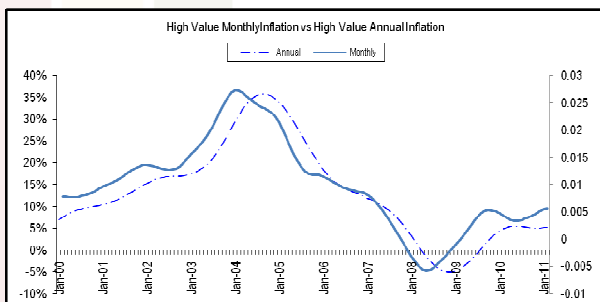


**Note:** Monthly house price inflation shows the inflation rate of the most recent month and emphasises recent market performance. However, monthly inflation tends to be much more volatile than annual inflation trends and so conclusions about the future trend of annual inflation must be made with caution.

Mid-value Market Annual v Monthly inflation.



High-value Market Annual v Monthly inflation.



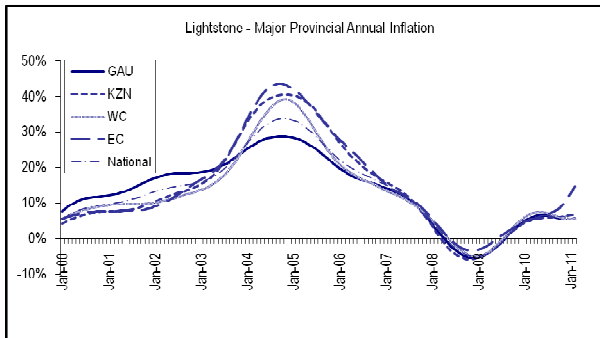
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# Residential Property Indices



## PROVINCIAL INDEX



## NOTE ON METHODOLOGY AND DATA

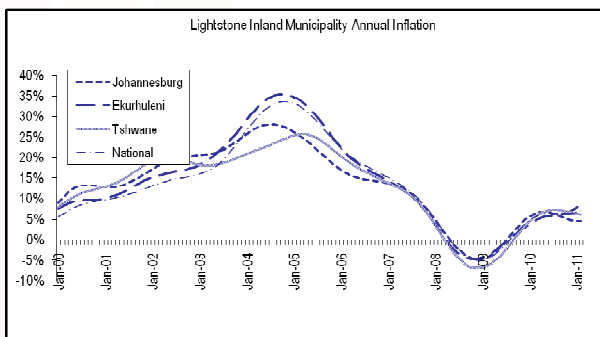
In contrast to 'average house price' indices, repeat sales indices provide a measure of the actual price inflation of houses that have transacted twice within a particular period of time. The main benefit of this is that it is less influenced by the mix of transacting properties. The repeat sales methodology is recognised as the premier methodology for indexing house prices and is used by many international residential property price indexers including the Office of Federal Housing Enterprise Oversight (OFHEO) in the United States.

All property transactions in South Africa are registered in the Deeds Office and each record contains the legal details of both the property and the transaction. For the purposes of the Repeat Sales Index for residential properties, the following transactions have been excluded: farms; any transactions which may be of a development, commercial or community services nature; new developments; sales made in execution of a judgement; non-arms-length transactions; transactions where the inflation is extremely different to the norm of the statistical distribution of inflation rates; and township transactions

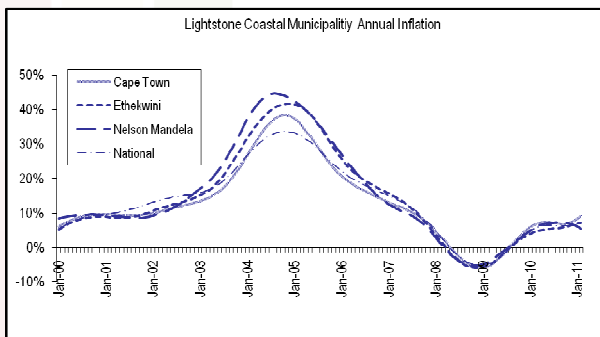
For more information please contact Lightstone [www.lightstone.co.za](http://www.lightstone.co.za)

## MUNICIPAL INDEX

### Inland Municipalities Annual inflation



### Coastal Municipalities Annual inflation



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