

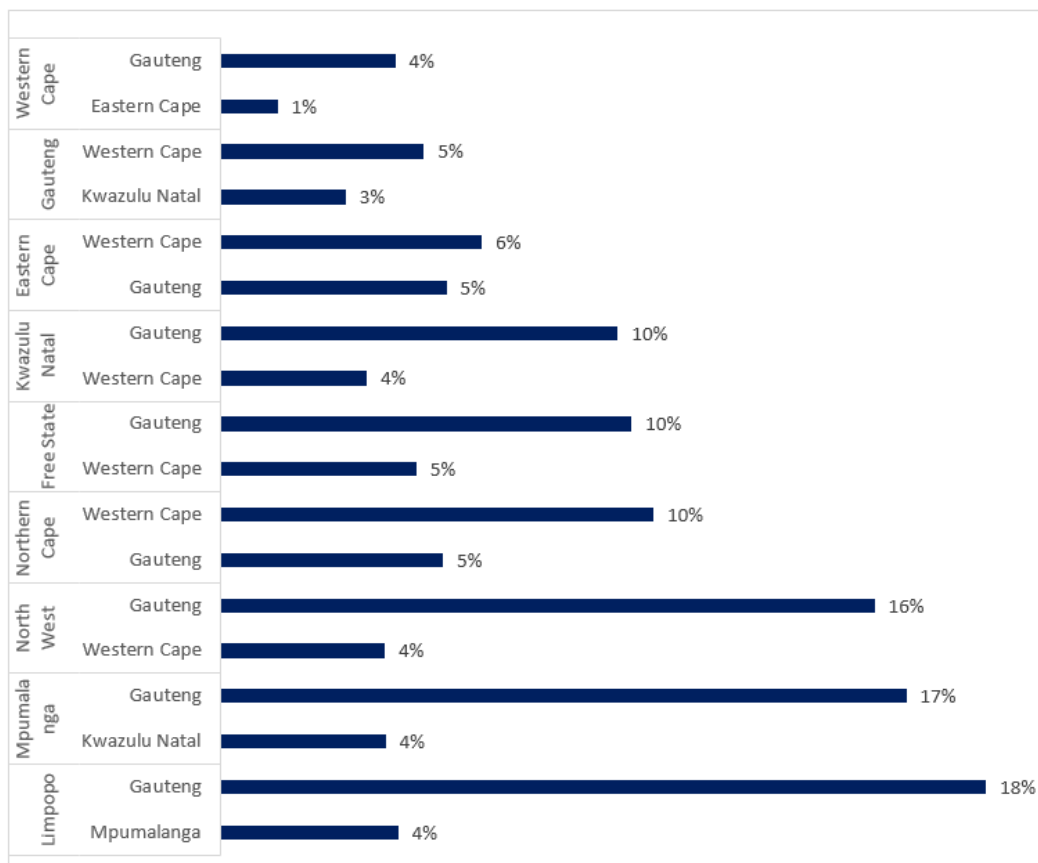


## Where are South Africans migrating to locally?

We often hear of friends or family who decide to trade in the fast-paced city life for a more tranquil one in the countryside or near the beach. And while some people make the move from one major city to another based on a lifestyle decision, there are others who opt to move from rural areas to major cities for better career opportunities. Migration trends published by StatsSA suggest that these movements between provinces are significant, with many individuals moving from more rural provinces like the Eastern Cape and Limpopo to nearby metros.

In this month's newsletter we set out to test if the same trends observed by Stats SA are present in the property market, and if there is a higher propensity by people to settle in specific areas. In order to perform this analysis, we evaluated the buyer behaviour of all repeat homeowners (excluding homeowners who own multiple properties) over a period of five years.

The table below shows the major migration patterns between provinces. The vertical text indicates which province a property owner migrated from, while the horizontal text indicates which province property owners migrated to.



A quick glance at the data confirms the findings of StatsSA with more than 15% of homeowners once residing in Limpopo, Mpumalanga and North West, moving to Gauteng. This could be indicative of people who are looking for better job opportunities and career growth in a bigger metro such as Gauteng. It is also evident that the largest migration is toward Gauteng and the Western Cape. As we have noted in past newsletters, the Western Cape is a popular destination for those looking to purchase holiday homes or enjoy a more laid-back way of life, which could be a big driver of migration to the province.

Delving further into the data, it is interesting to note that there are preferred areas which homeowners tend to move to when relocating from a different province. The table below shows the preferred province, municipality, town and suburb to which homeowners moving from different provinces tend to settle in.

Area migrated from	Most Popular Area Migrated To			
	Province	Municipality	Town	Suburb
Eastern Cape	Western Cape	City Of Cape Town	Pretoria	Parklands - Milnerton
Free State	Gauteng	City Of Tshwane	Pretoria	Stilfontein - Stilfontein
Gauteng	Western Cape	City Of Cape Town	Cape Town	Parklands - Milnerton
Kwazulu Natal	Gauteng	City Of Johannesburg	Pretoria	Weltevreden Park - Roodepoort
Limpopo	Gauteng	City Of Tshwane	Pretoria	Elandsfontein Rail - Germiston
Mpumalanga	Gauteng	City Of Tshwane	Pretoria	Moreleta Park - Pretoria
North West	Gauteng	City Of Tshwane	Pretoria	Parys - Parys
Northern Cape	Western Cape	City Of Cape Town	Bloemfontein	Fichardtspark - Bloemfontein
Western Cape	Gauteng	City Of Johannesburg	Pretoria	Moreleta Park - Pretoria

As stated previously, Gauteng and the Western Cape remain the most popular provinces to relocate to (with Gauteng firmly holding the larger majority.) Surprisingly, however, is that within Gauteng, the City of Tshwane is the most popular municipality to relocate to, while Pretoria seems to be the most popular town. Popular suburbs within the City of Tshwane that see a large chunk of migration include: Faery Glen, Garsfontein and Moreleta Park, which lie primarily in Pretoria East.

While Pretoria is a popular town to move to, it does not necessarily mean that a Pretoria suburb will be the most popular suburb for those relocating. This is because people who relocate to Pretoria tend to pick differing suburbs for a variety of reasons (based on particular lifestyle, personal or career needs.) Parklands in Millerton for example provides the perfect blend between beach and beauty and is the most popular suburb for property owners relocating from the Eastern Cape or Gauteng.

Regardless of reasoning for moving from one place to another, the fact that relocation within South Africa looks to be happening on a regular basis – contributing in large part to property supply and demand across provinces - is good news for the property market on the whole.