



L'Ermitage Chateaux & Villas in Franschhoek

HOT SPOT

Living the Winelands life

Estate living in the Cape Winelands continues to attract interest across the buyer spectrum – from overseas investors to city-dwelling families looking for a secure and tranquil environment and retirees ready to downscale to lifestyle villages

WORDS: HELÉNE MEISSENHEIMER – PHOTOS: SUPPLIED

A popular retirement spot, the Cape Winelands now also includes estate living on multigenerational developments with adjacent retirement villages, golf and country estates as well as smaller boutique estates.

On offer is everything from modest two-bedroom apartments to freestanding homes and smallholdings. In line with changing global trends as reported by New World Wealth, local developers are also creating small neighbourhoods within these estates. This allows for more open spaces and

parklands, unlike the old model where homes were spaced evenly around an entire property.

Moreover, lifestyle estates are proving to be a secure property investment option that is sought after in these uncertain times. According to Chris Gilliers, CEO and co-principal of Lewy Giffen Sotheby's International Realty in the Winelands, the estate sector has remained fairly constant over the past two years even though economic turmoil has muted buyer activity in the residential property market.

This is confirmed by the AfrAsia Bank's SA Wealth Report for 2019,

which indicates that the Paarl, Franschhoek and Stellenbosch districts saw growth of 21% in the area's wealth markets over the past decade.

Residential estate living is on the rise, especially among the more affluent. New World Wealth estimates that more than 40% of South African high net worth individuals (HNWIs) live in or own homes on residential estates, says Pam Golding Properties senior research analyst Sandra Gordon.

Property experts predict that lifestyle estates will be one of the sectors to continue drawing buyer interest despite the current economic

and political uncertainty. Dr Andrew Golding, chief executive of the Pam Golding Property group, highlighted an increasing demand for homes in secure lifestyle estates as one of the trends evident in the marketplace as lockdown restrictions eased. A consistently high level of buyer interest in Cape Winelands lifestyle estates has been reported.

According to Ryk Neethling, marketing director for Val de Vie multigenerational estate near Paarl, projections indicate that it will have a good year, especially in the higher end of the market, as Val de Vie's premium properties have

had the biggest increase in sales volumes.

GROWING POPULARITY

The benefits of living on an estate development in the Winelands are ample. On offer is a high-quality lifestyle on a spacious and secure property surrounded by scenic beauty, close to a range of top amenities such as schooling, shops, entertainment options and a variety of outdoor activities.

According to Gilliers, in recent years families are choosing to leave Cape Town's bustling suburbs in favour of more peaceful estate living in the Winelands. They are attracted by the many good schools in the area, combined with easy access to the C3D and the Cape Town International Airport.

"Convenience and on-site amenities are also a growing priority. The better lifestyle estates offer excellent sports and fitness facilities, cycling and hiking trails, gyms, clubhouses and even schools," adds Gilliers.

Modern benefits like a fast internet connection add appeal for the growing number of people who would choose to continue working from home after the lockdown.

DEVELOPMENT HUBS

The area between the historic town of Stellenbosch and adjacent Somerset West, amid the mountains and

False Bay, has seen a prolific development of lifestyle estates in recent years. Prices range from an affordable R175m (including VAT) for a two-bedroom house to more than R20m for an ultra-luxury home.

Buyers are spoilt for choice both at established estates such as De Zalze Winelands Golf Estate and Welgevonden Estate in Stellenbosch and Schoenberg in Somerset West. New developments including Vini Fera at Anura and Welgevonden Domaine Priel in Stellenbosch and Mzuri Estate and Croydon Gardens Estate in Somerset West are also popular.

According to Katya Varga, assistant branch and projects manager for Pam Golding Properties Stellenbosch and Somerset West, Purchasers here include locals and the occasional international investor, whereas multigenerational estates such as Val de Vie are proving attractive to families, mainly from Cape Town, who are looking for a less stressful environment.

Neethling says a new feature on the estate is the addition of office blocks for residents to rent or share. This is to accommodate the growing trend of de-urbanisation and remote working.

Buyers from Cape Town and Gauteng are also relocating to lifestyle estates in Wellington and Franschhoek. The latter is popular, especially among

European "swallows" who stay for up to six months and favour the fine selection of world-class wineries and restaurants in the area. Franschhoek offers a number of smaller high-end security estates such as L'Ermitage Chateaux & Villas, a luxury lifestyle development with spacious two-bedroom villas in a French-inspired country village setting.

According to Surina du Toit, Pam Golding Properties branch manager for Paarl, Wellington, Franschhoek and Elgin, more than 50% of the annual residential sales in Franschhoek are properties in security estates.

RETURN ON INVESTMENT

Security estates are among the property investments that can show substantial price growth in the current economic climate and buyers are willing to dig deep for the privilege of living in one. Lighthouse Property reports that selling prices for sectional title homes in the Cape Winelands increased by 152% over the past seven years, from R10.5m in 2012 to R2.65m in 2019.

For the luxury of a quality lifestyle and top security, buyers are often prepared to pay a premium of 20% to 40%, says Samuel Seef, chairman of the Seef Property Group. According to him, it is not uncommon for top homes to sell for between R5m and R20m and even

much more, especially in high-end country estates in the Constantia Valley and in the Winelands towns of Franschhoek, Stellenbosch and Paarl.

The rental market is strong too, but the average monthly rental rate varies greatly depending on demand and the availability of apartments to let, says Werner Scheffer, Multi Spectrum Property (MSP) Development sales manager. For instance, in Somerset West a two-bedroom apartment in Acorn Creek Lifestyle Estate priced at R1099,900 can achieve a monthly rental of R8,500 – a gross yield of 19.2% and a net yield of 7.4% after monthly levies, rates and taxes.

Jooste says owners here have seen rental income in excess of R20,000 per month, with income returns of 8.5% and higher. But what attracted a lot of investors is the capital growth of 152% over the past seven years," he says.



Val de Vie near Paarl