



FNB Housing Index Presentation

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FirstMet



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Introduction to the FNB Housing Index

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Key Drivers of the Residential Property Market in

Namibia

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FNB Housing Index: Introduction

About the FNB Housing Index:

Based on Valuations by FNB Home Loan Department, not Purchase Price.

Data Source: FNB Home Loan Department

Sample size 45%, which is the FNB Market Share.

Base period: 2001 in line with NCPI of the NPC.

Used the Weighted Index Formulae as opposed to normal averages (2001 weights used).



FNB Housing Index: Coverage

FNB Overall Housing Index Covers all Regions, except Omaheke Region:

Windhoek (all suburbs, excluding Brakwater).

The North (Oshakati, Ondangwa, Ongwediva, Uutapi, Eenhana).

Southern Index (Luderitz, Mariental, Rehoboth).

The Coastal Index (Swakopmund, Walvis Bay, Henties Bay).

Katima Mulilo, Rundu

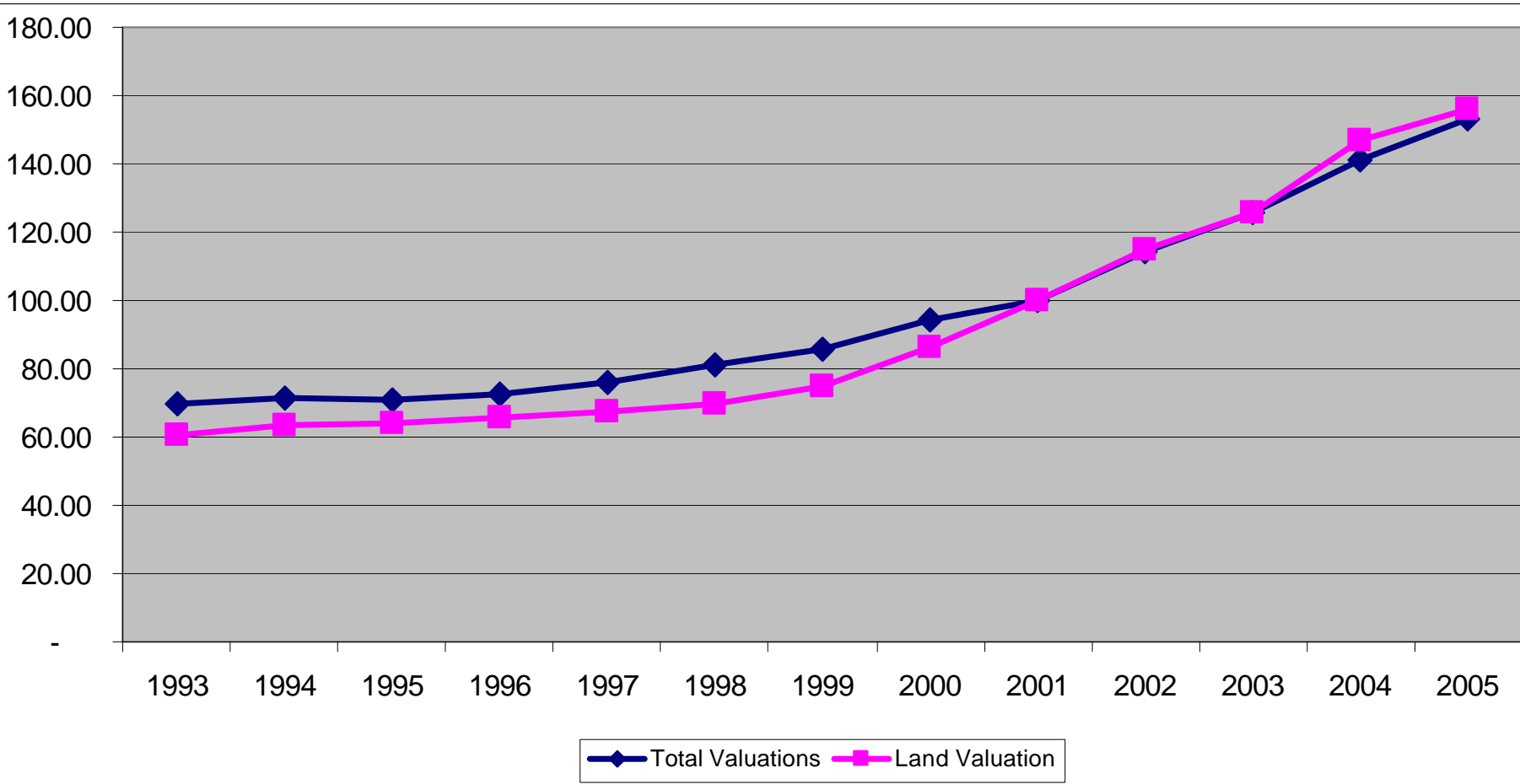


FNB Housing Index Weightings 2001 = 100

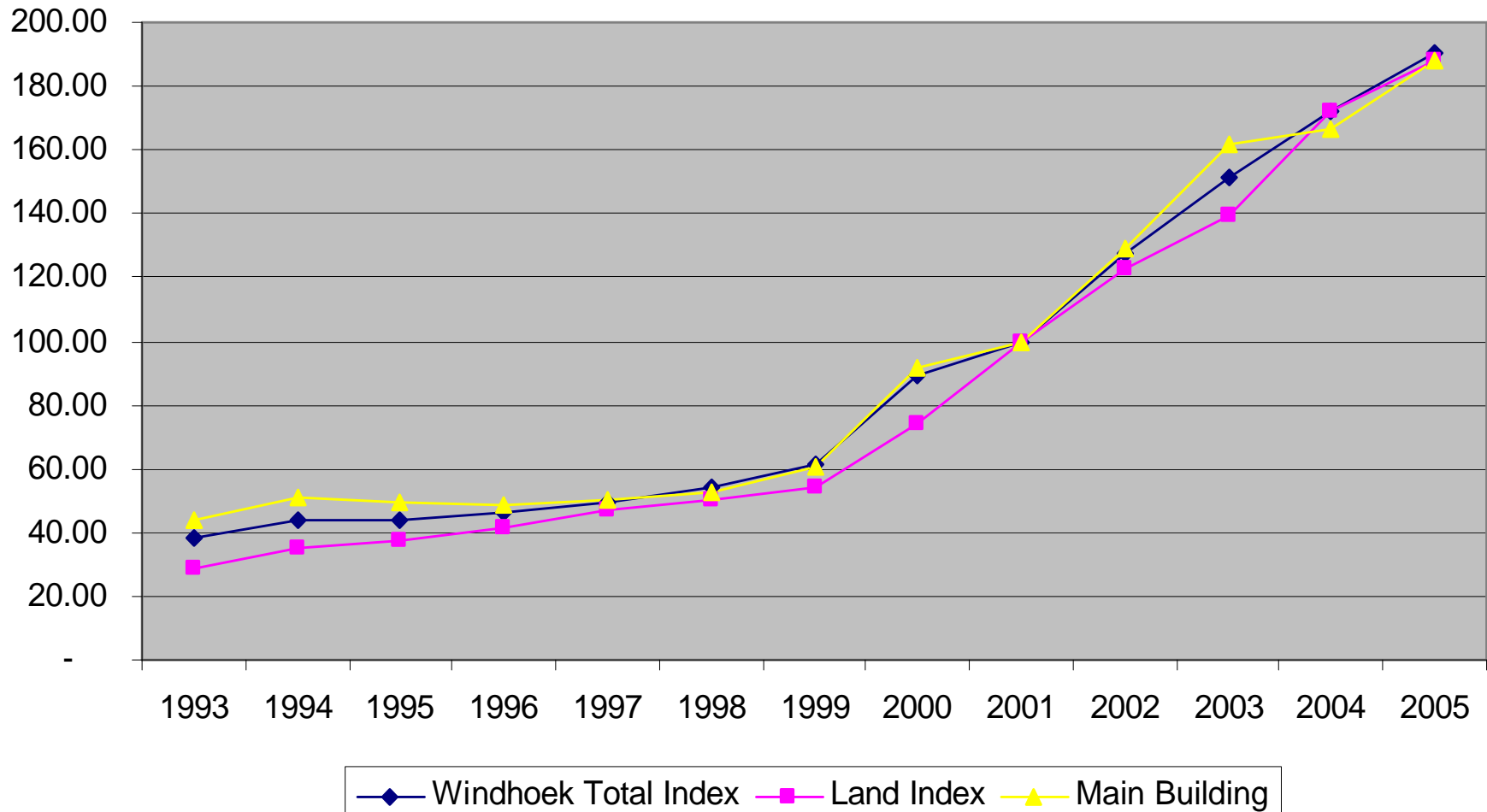
	Land Valuation	Total Valuation
Far North	4.3%	5.4%
Henties Bay	6.6%	10.5%
Katima Mulilo	6.7%	9.4%
Rundu	10.0%	9.1%
South	5.3%	9.6%
Swakopmund	13.6%	12.6%
Walvis Bay	10.0%	12.5%
Windhoek	43.5%	30.9%



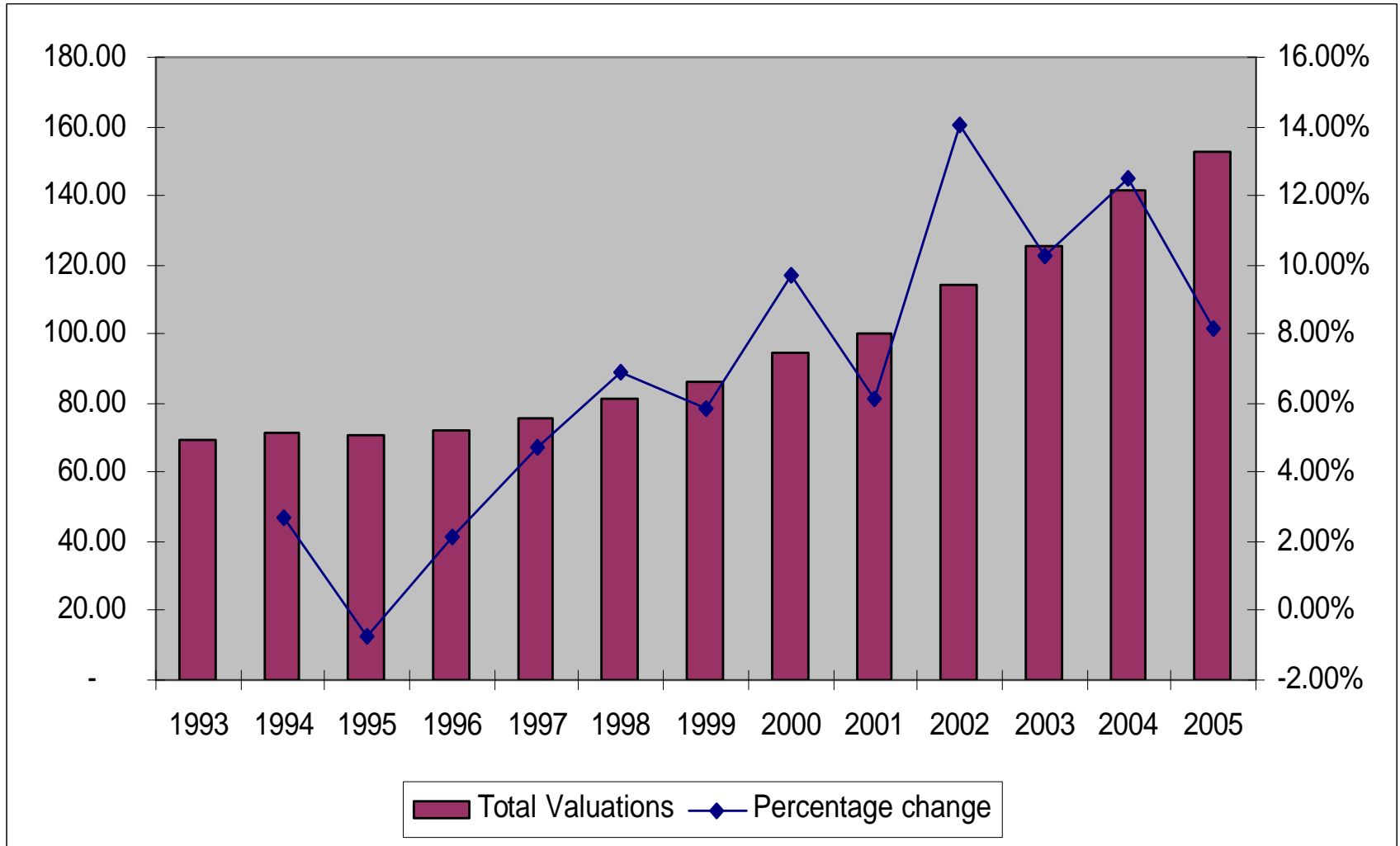
National Overall Weighted Index 2001 = 100



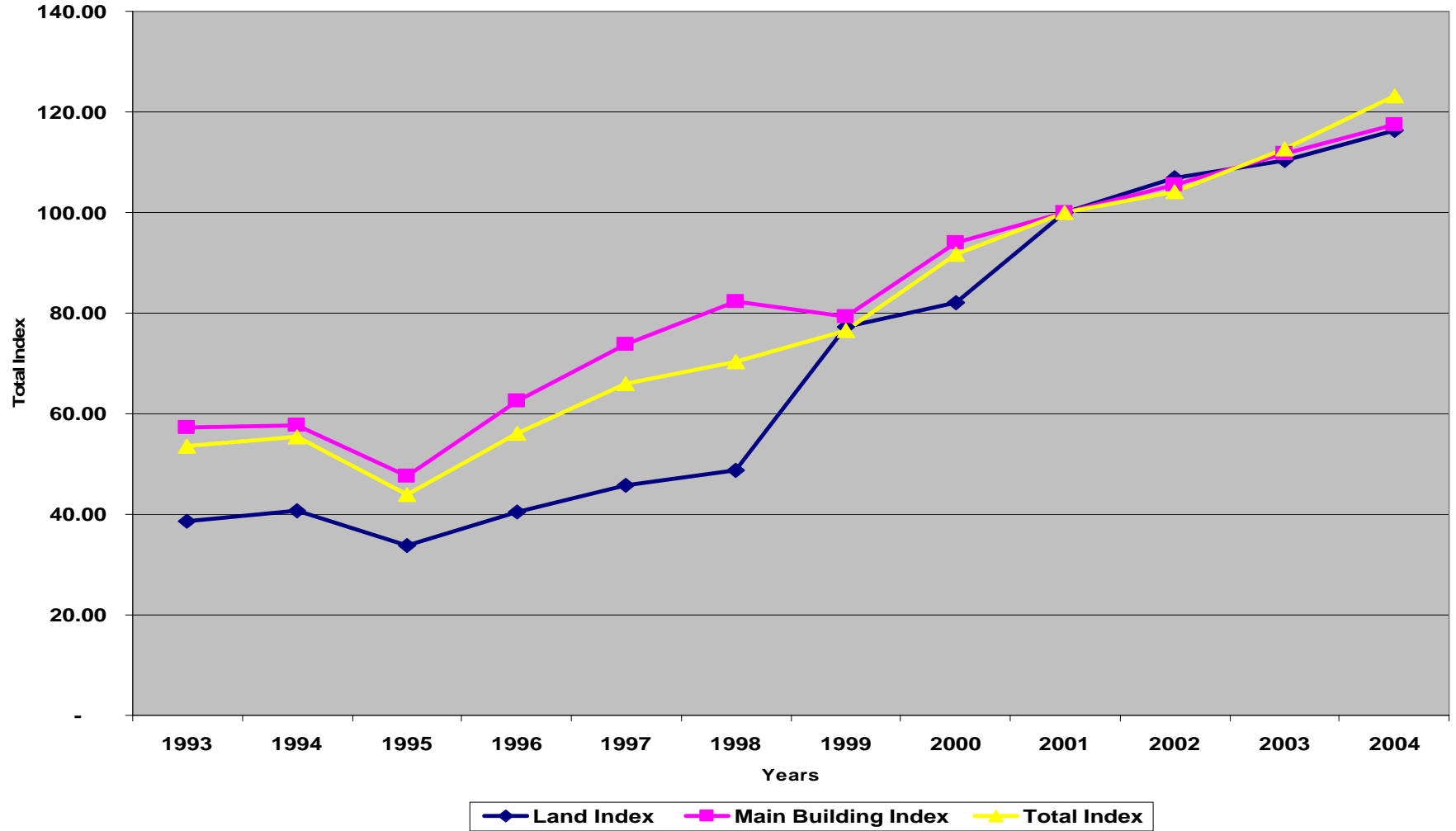
Windhoek Weighted Indexes 2001 = 100



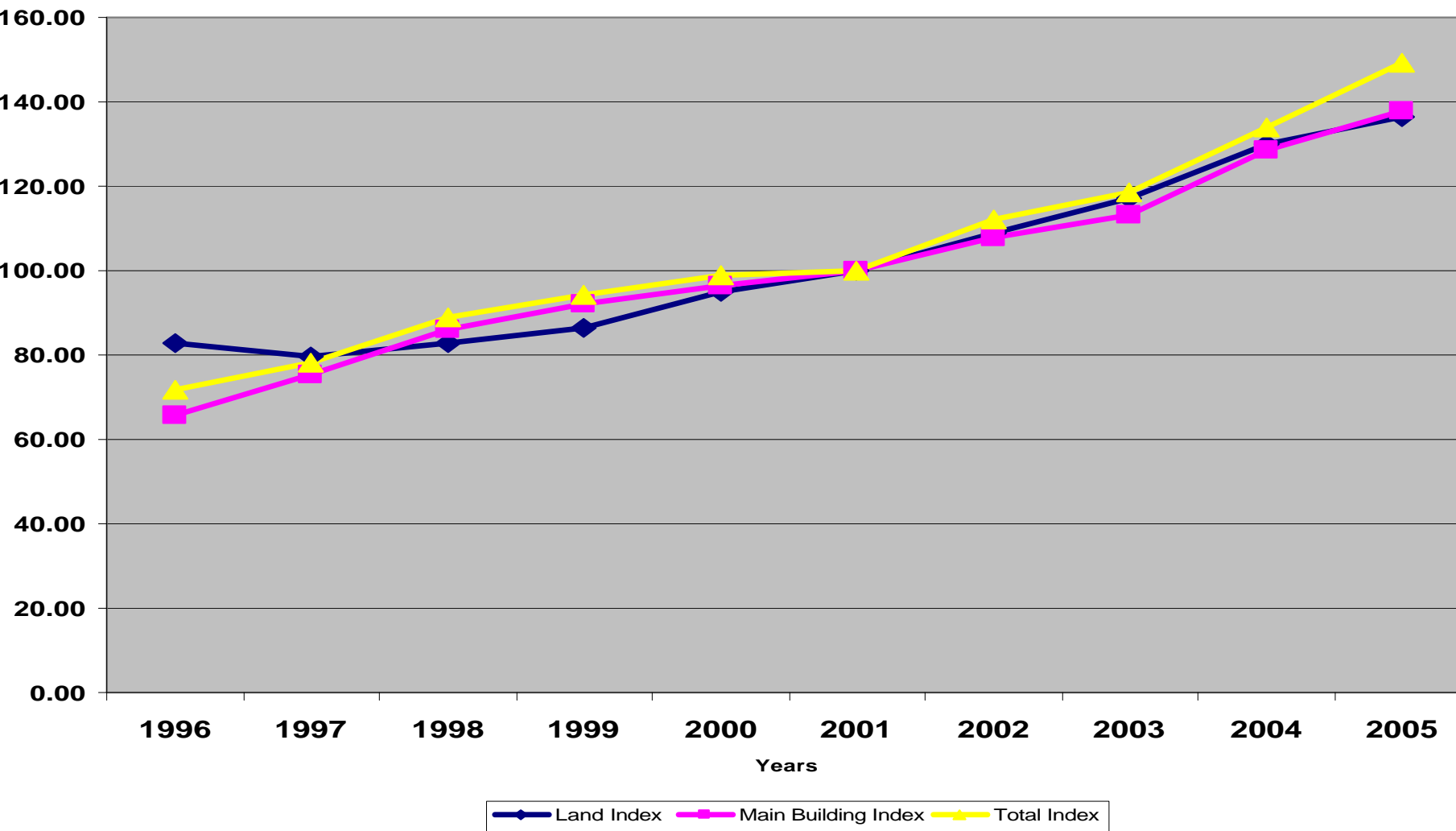
Overall Weighted Index vs Percentage Change



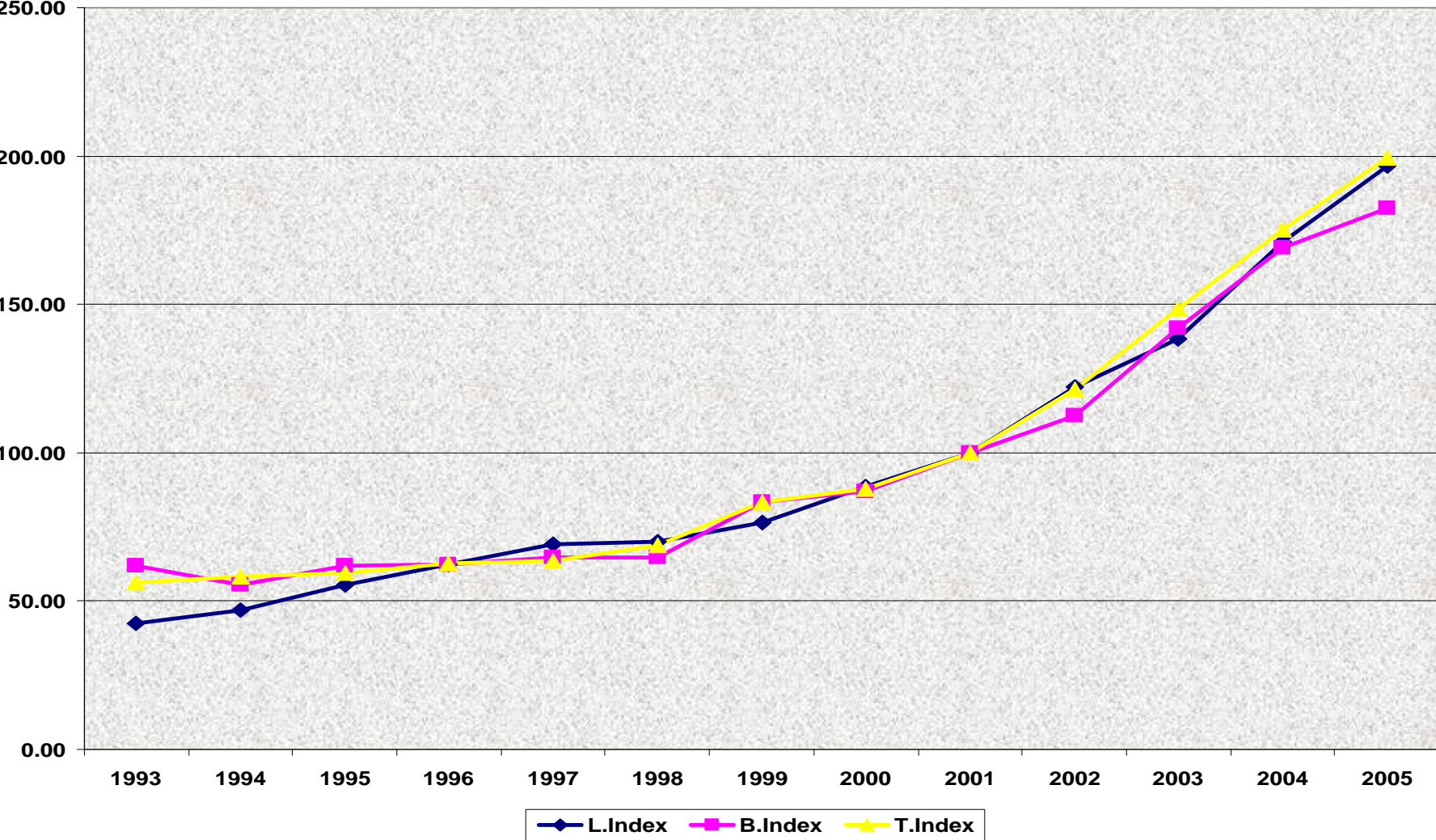
Southern overall Index 2001 = 100



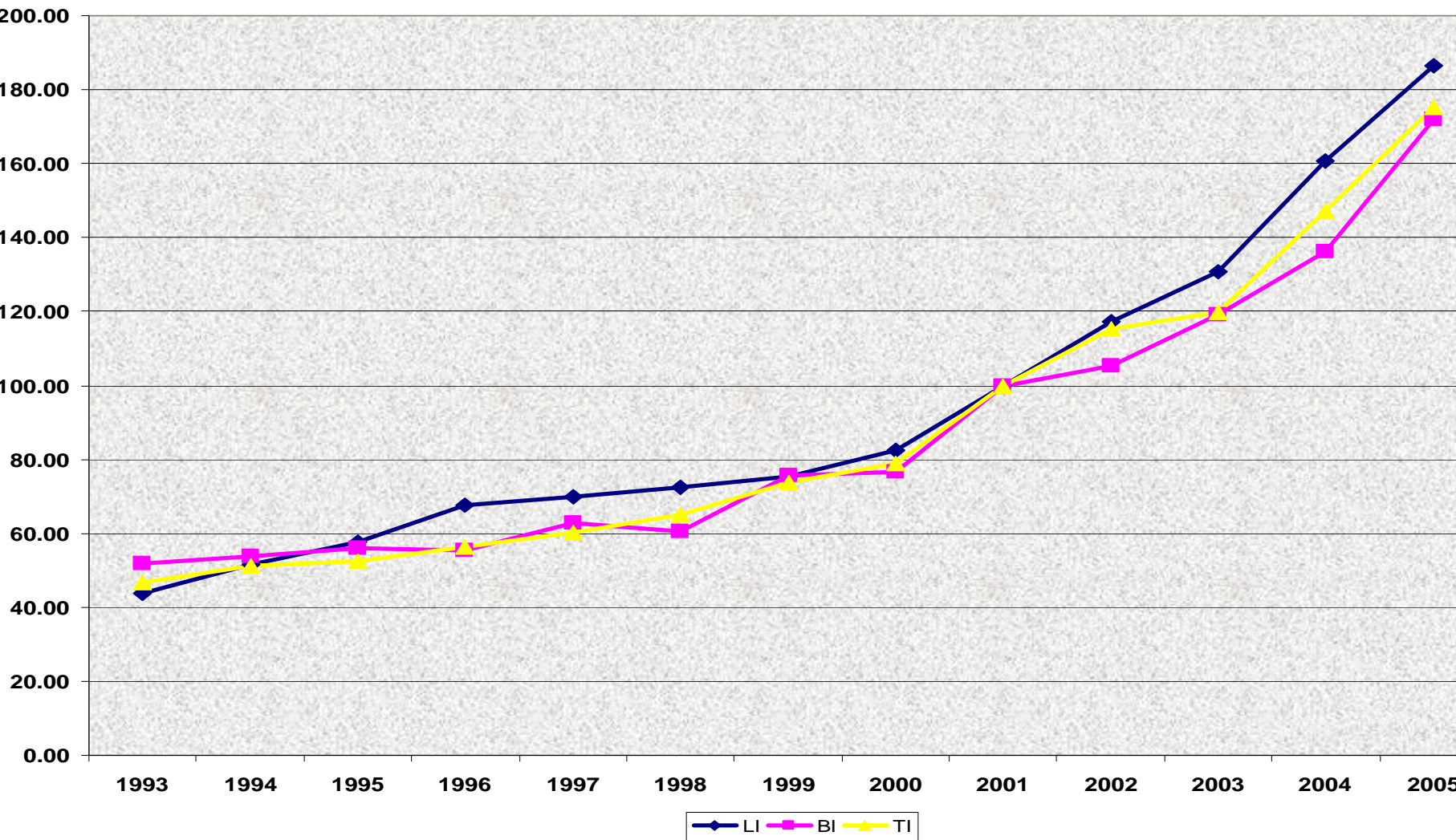
Coastal Region 2001 = 100



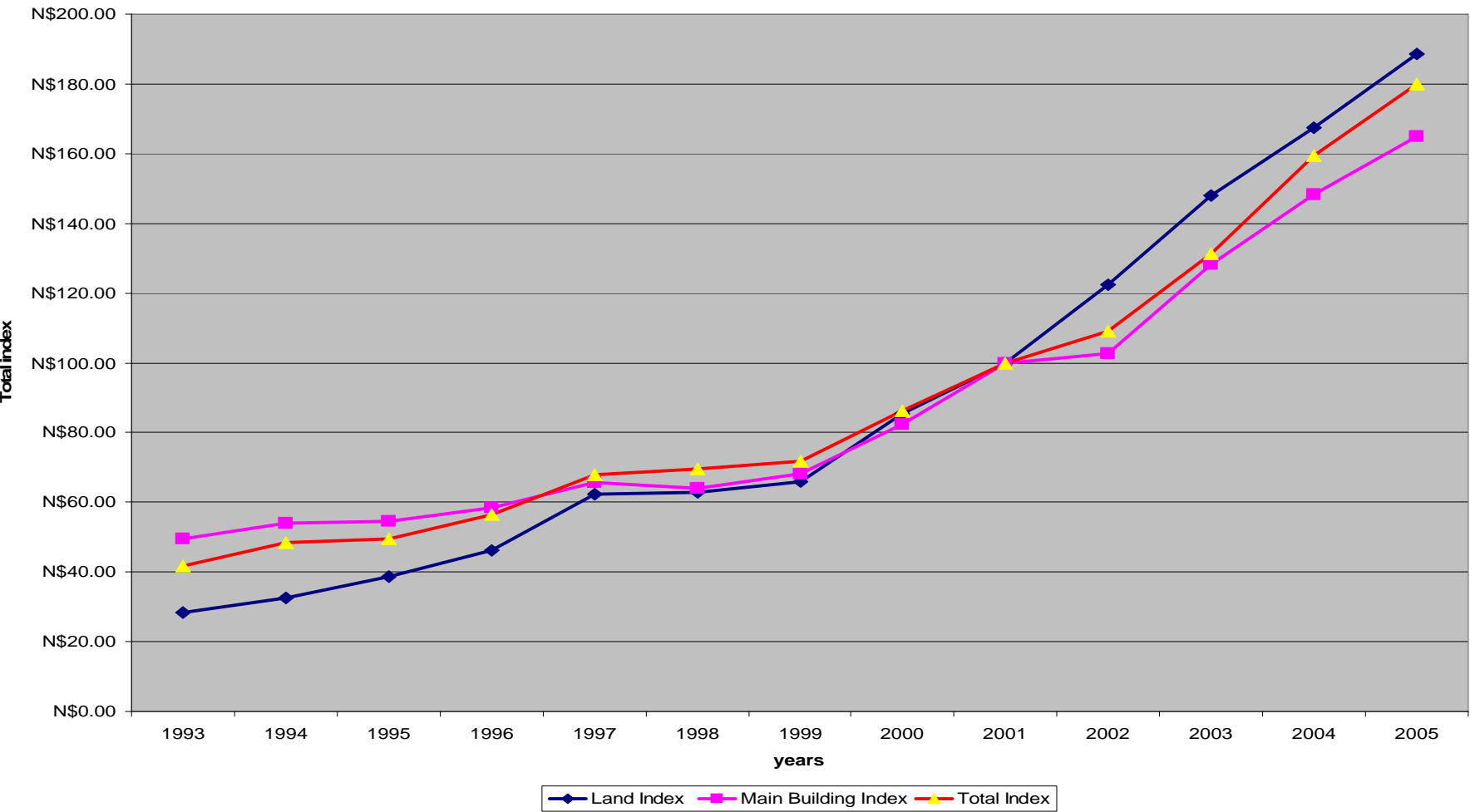
Pioneers Park 2001 = 100



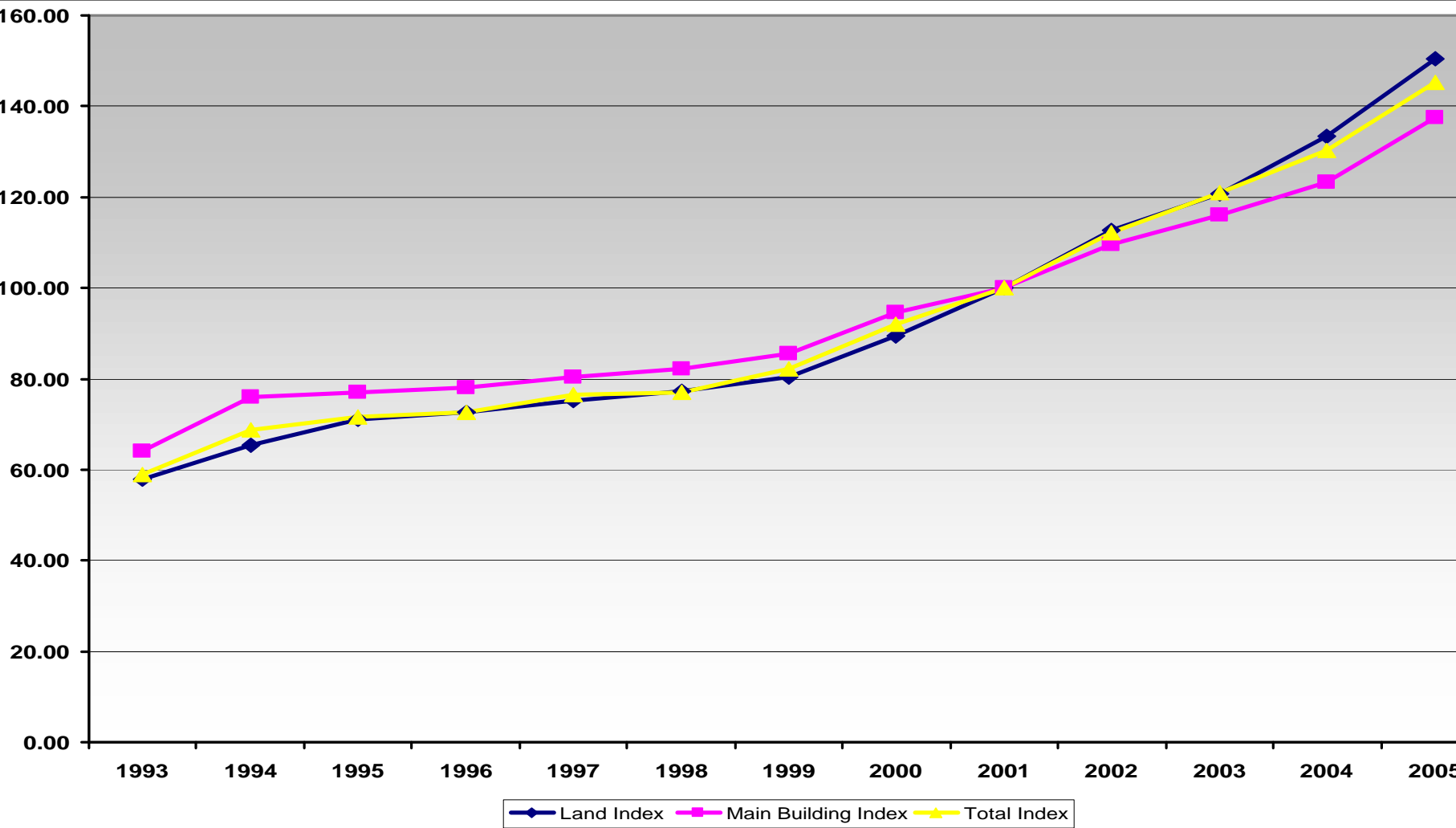
Suiderhof 2001 = 100



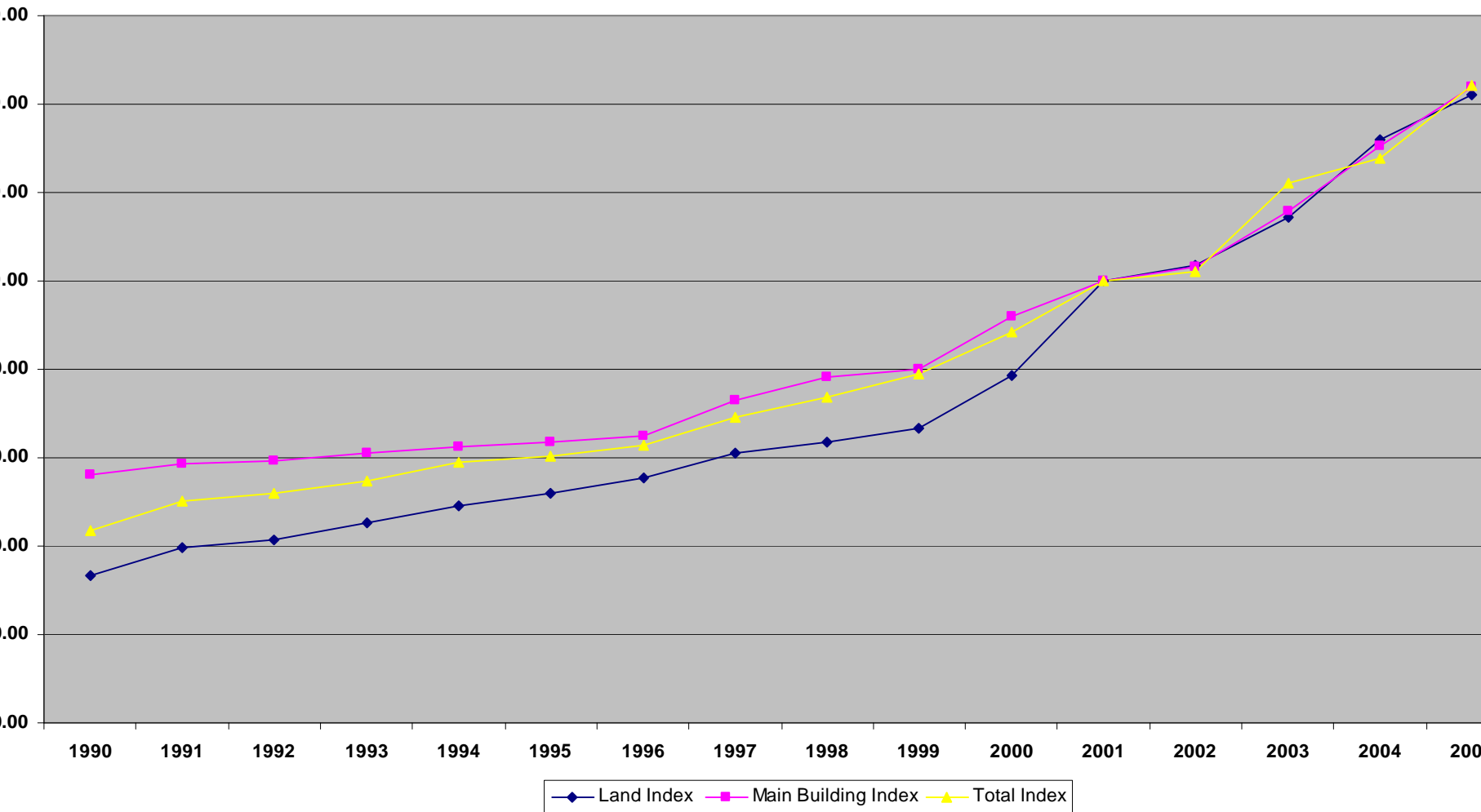
Olympia Index 2001 =100



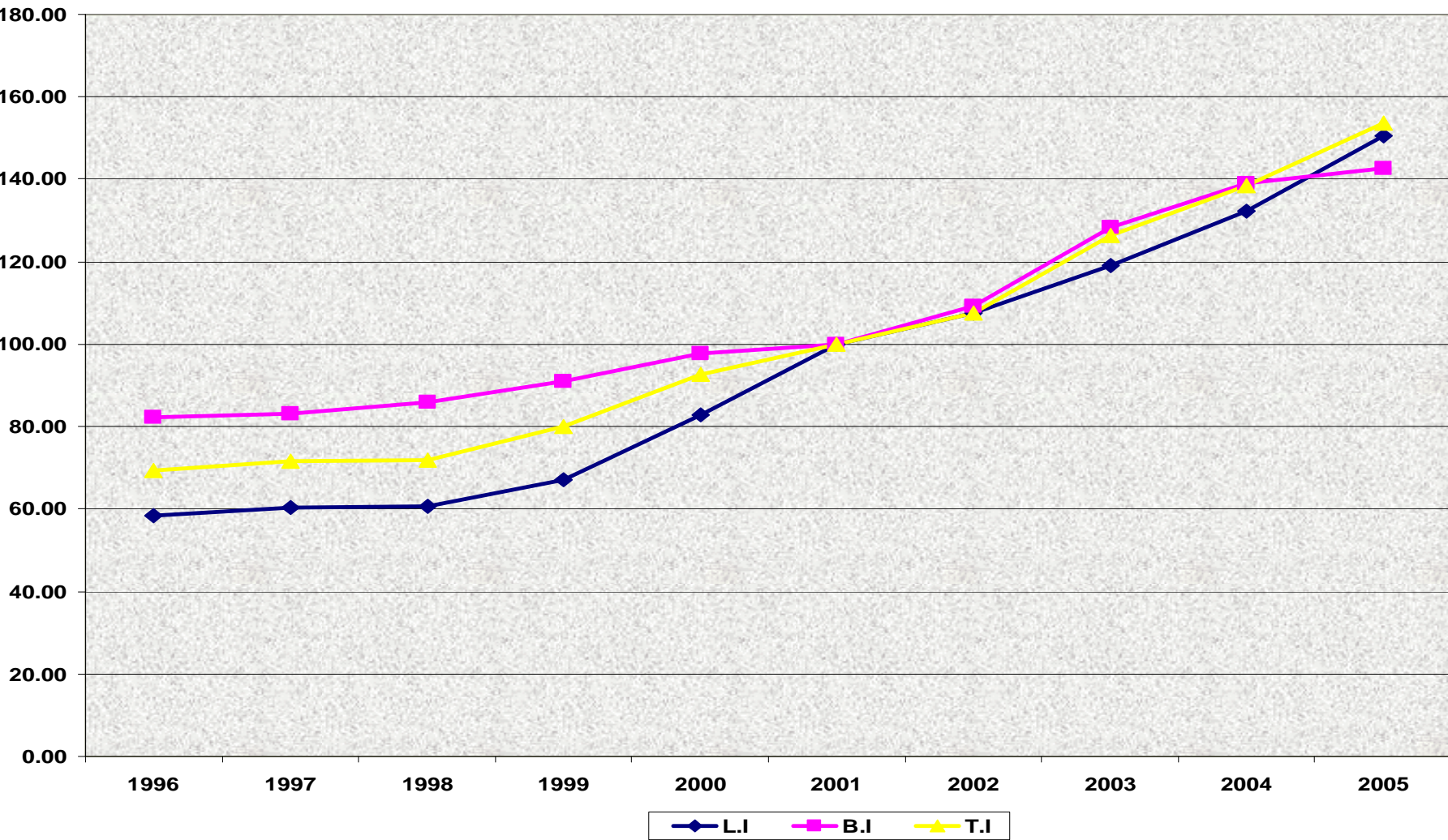
Dorado Park Index = 100



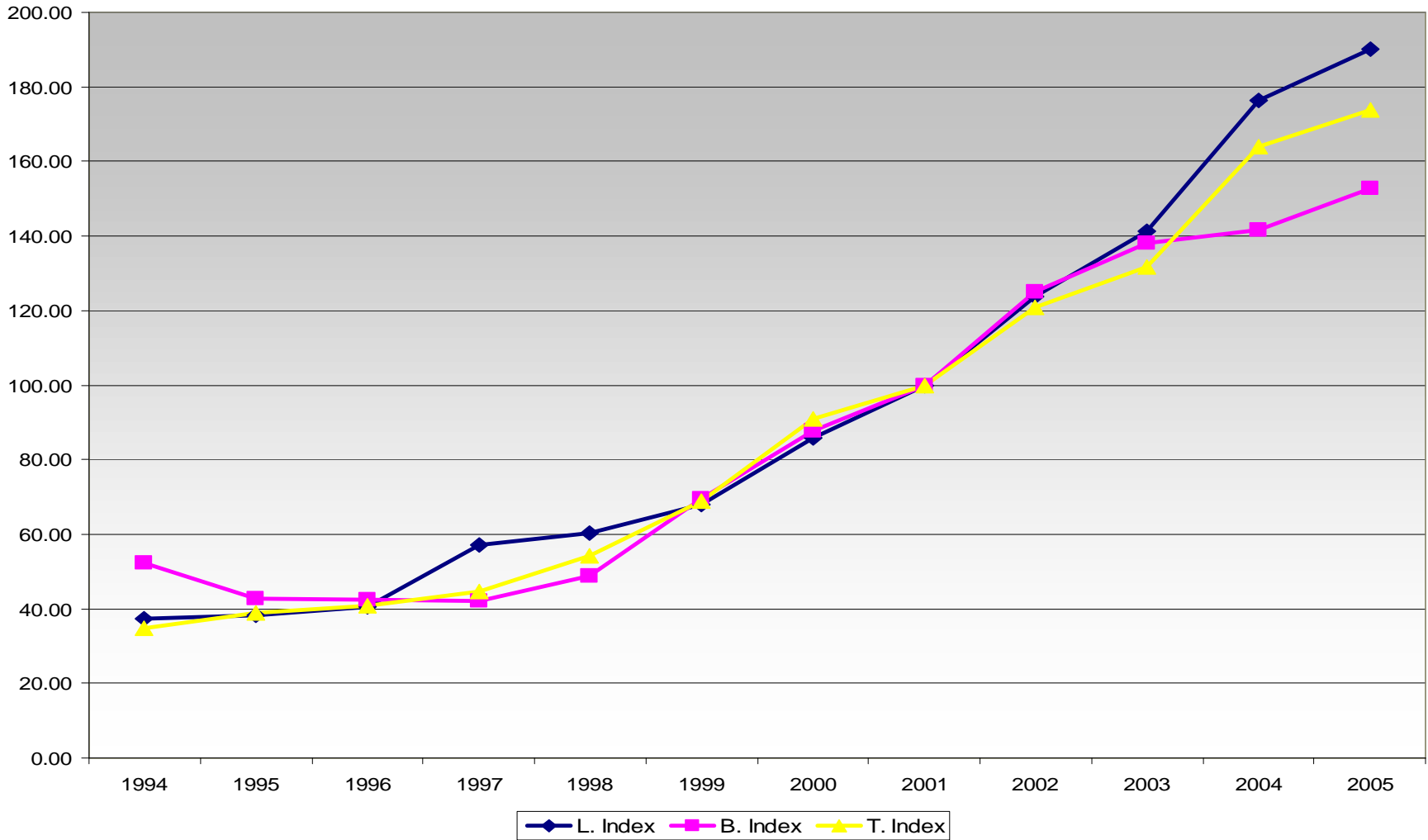
Khomasdal 2001 = 100



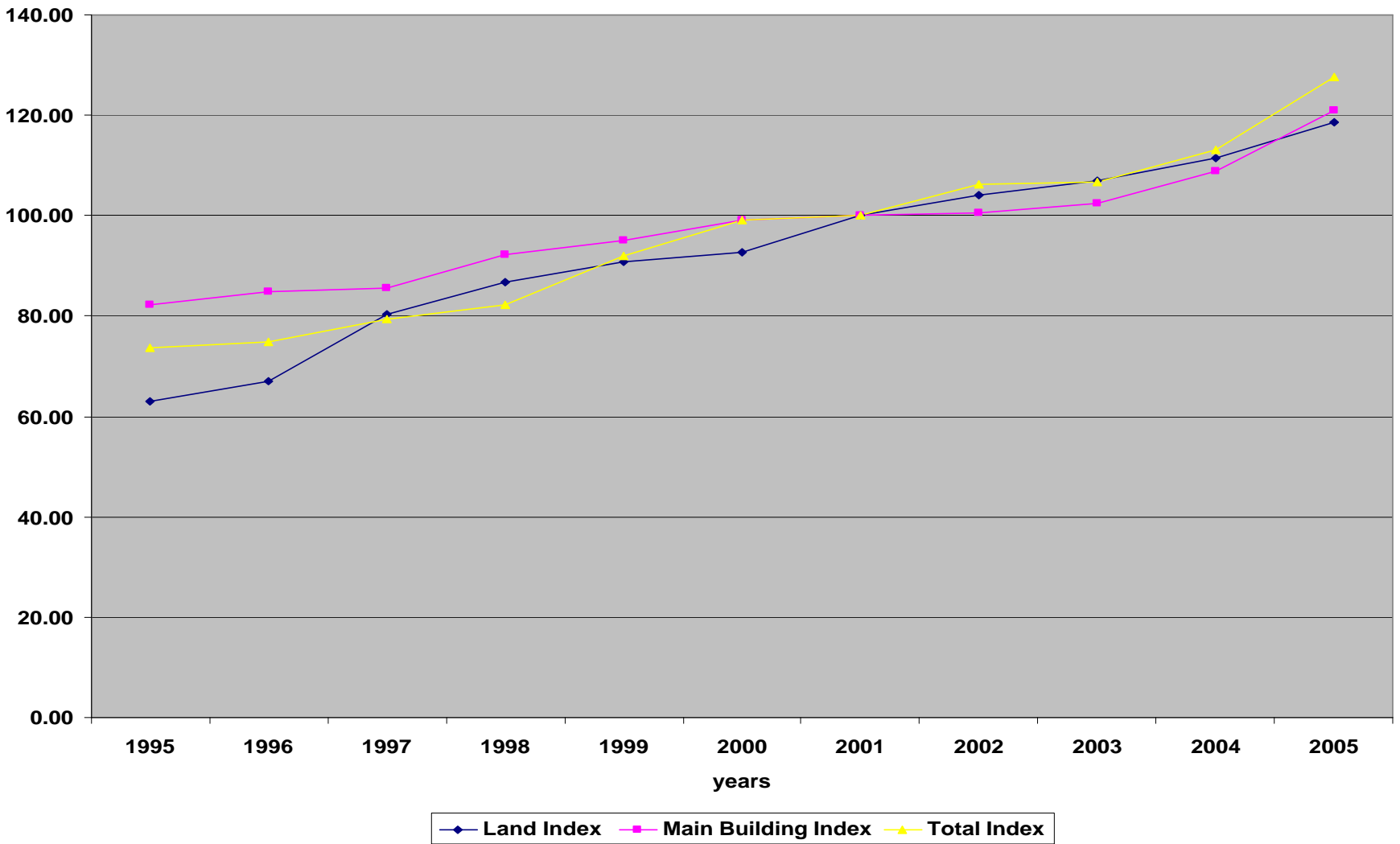
Cimbabasia Index 2001 =100



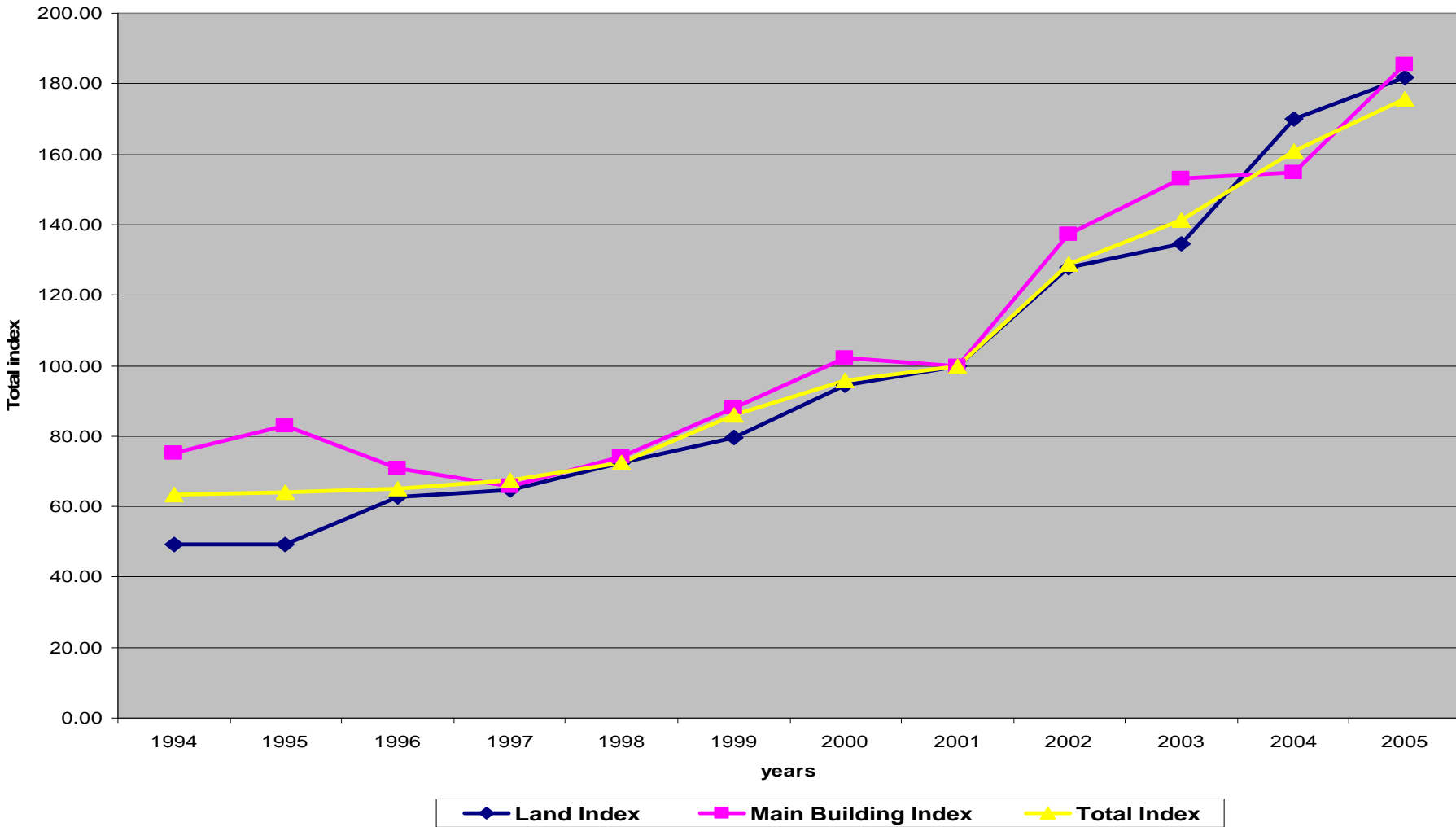
Eros Park 2001 =100



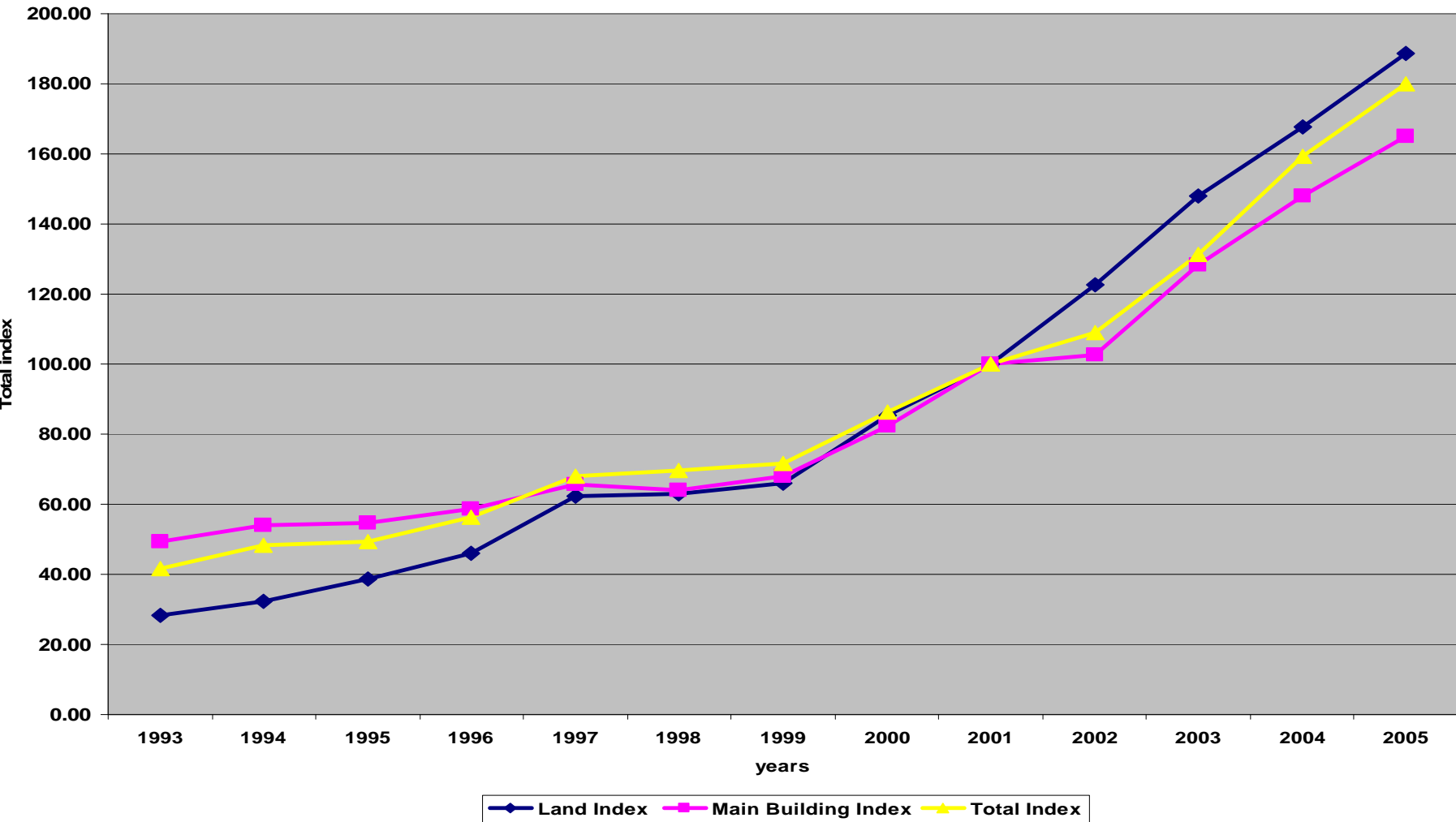
Rocky Crest 2001 = 100



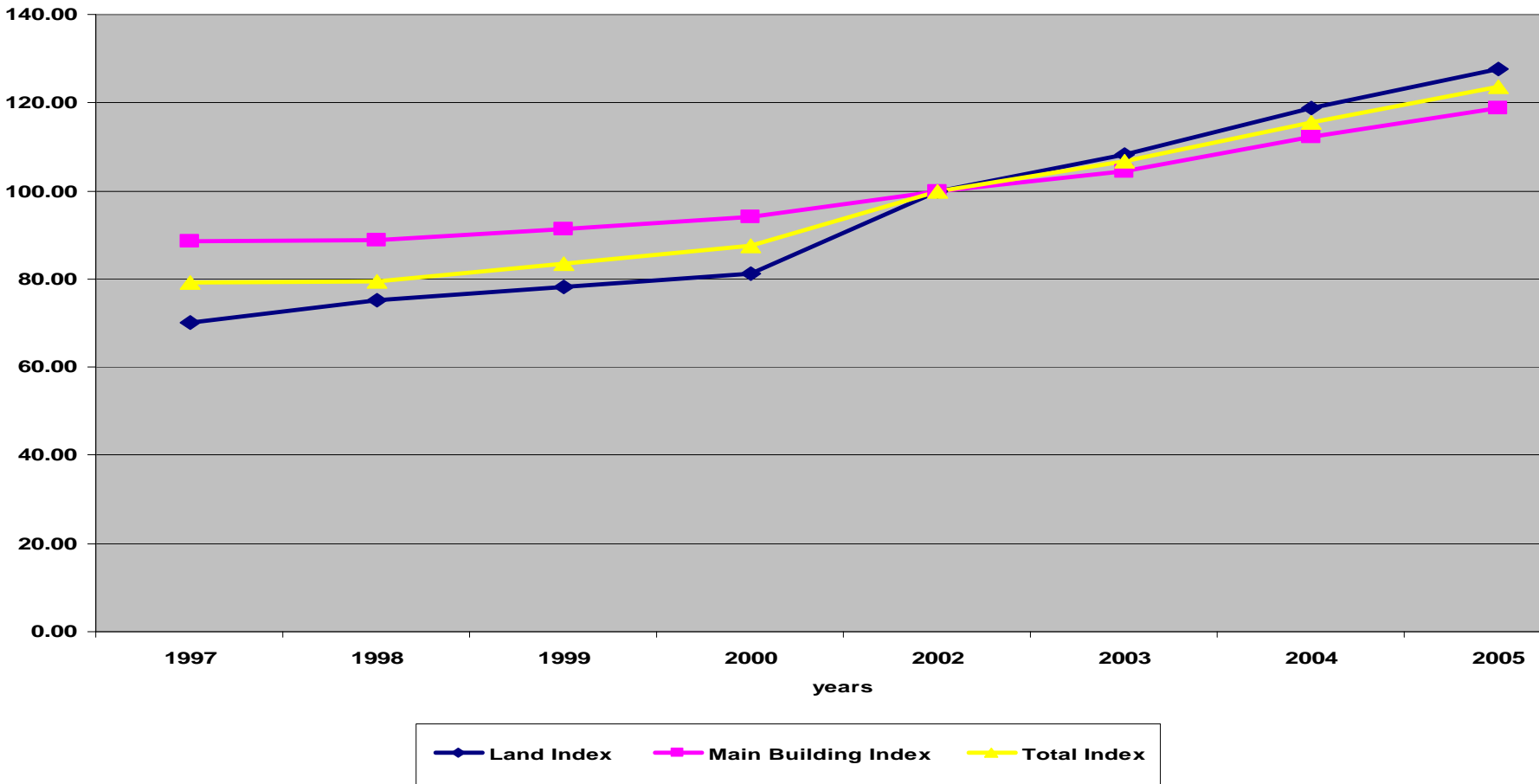
Hochland Park 2001 = 100



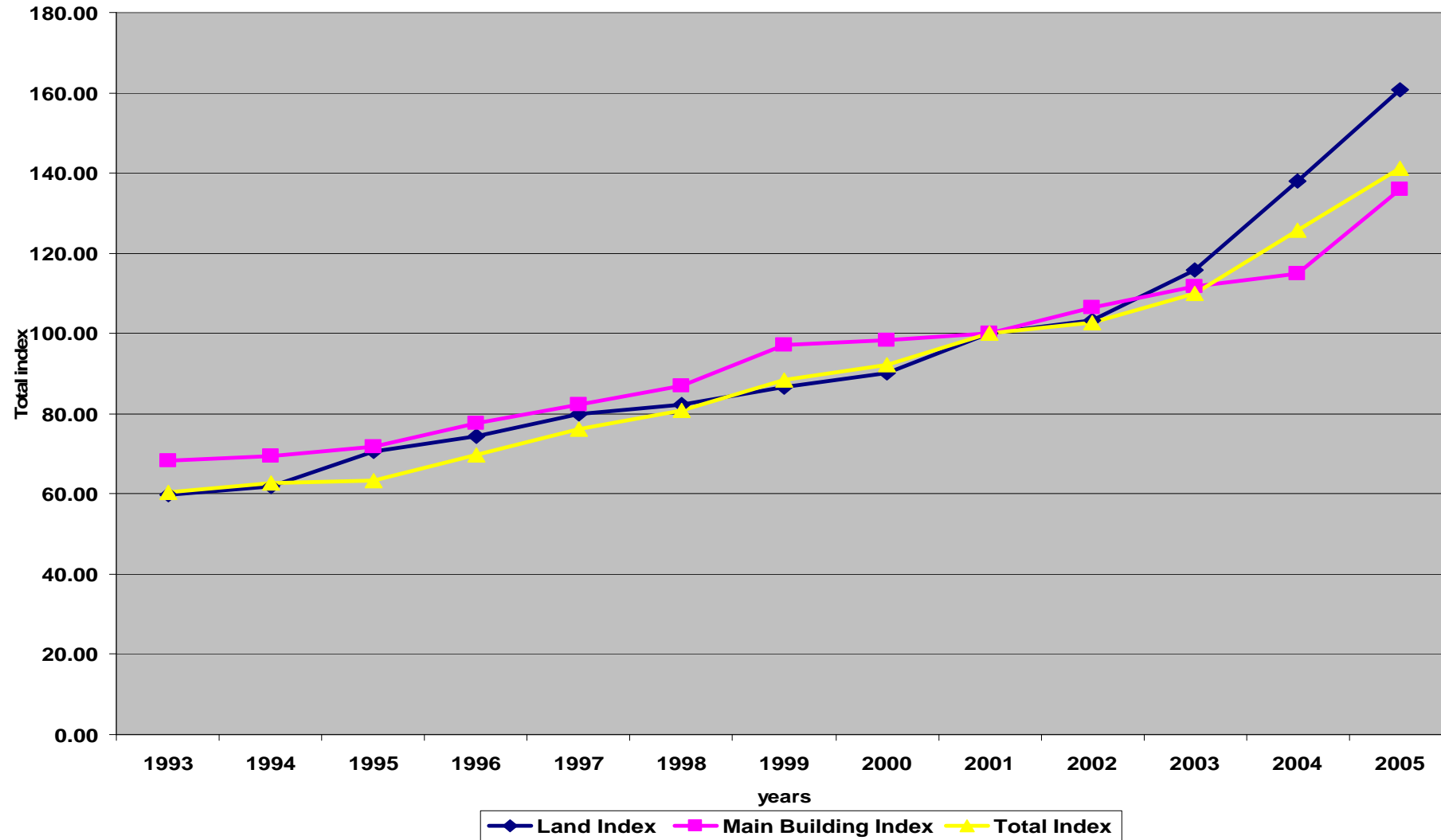
Olympia Index 2001 = 100



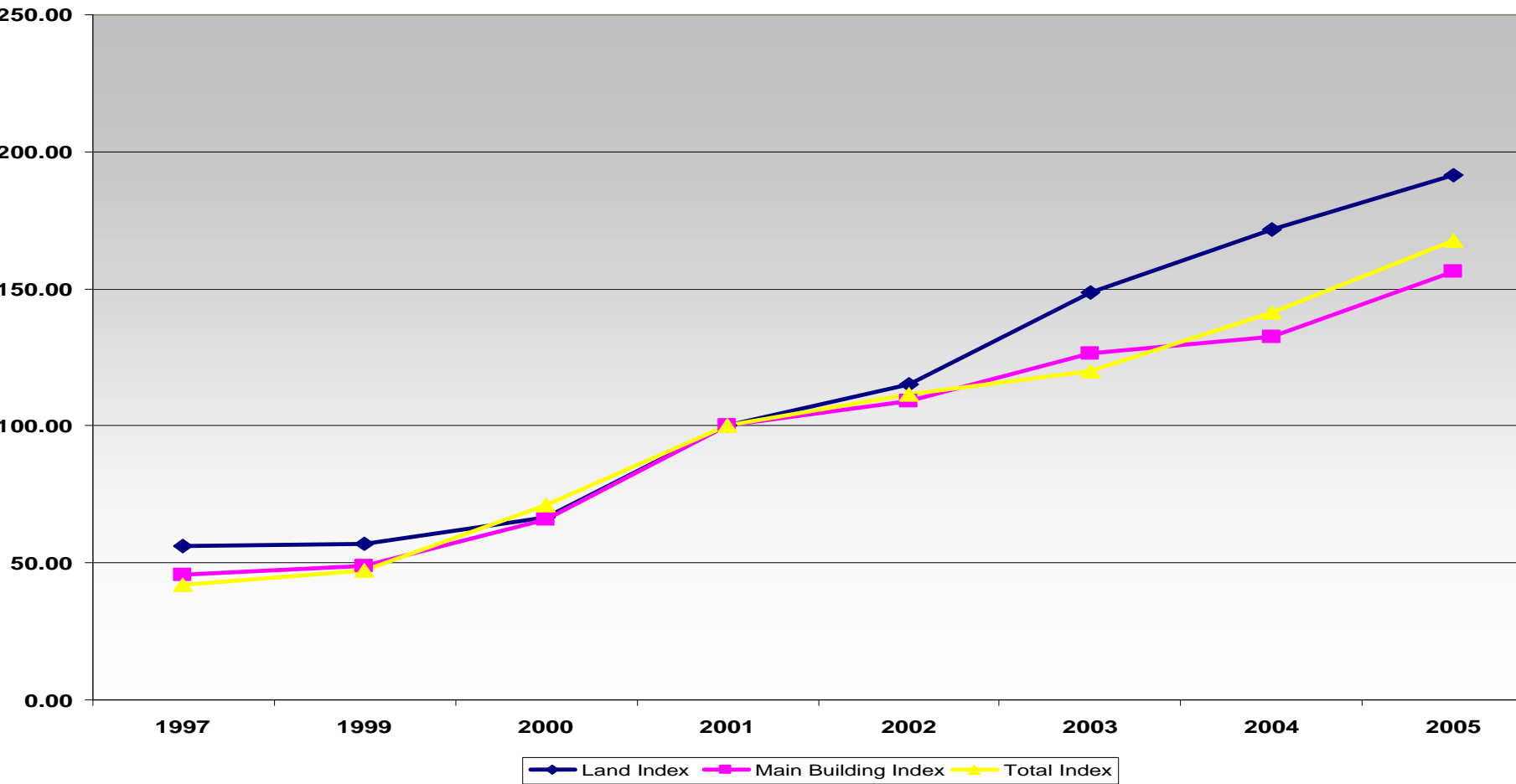
Otjomuise 2002 = 100



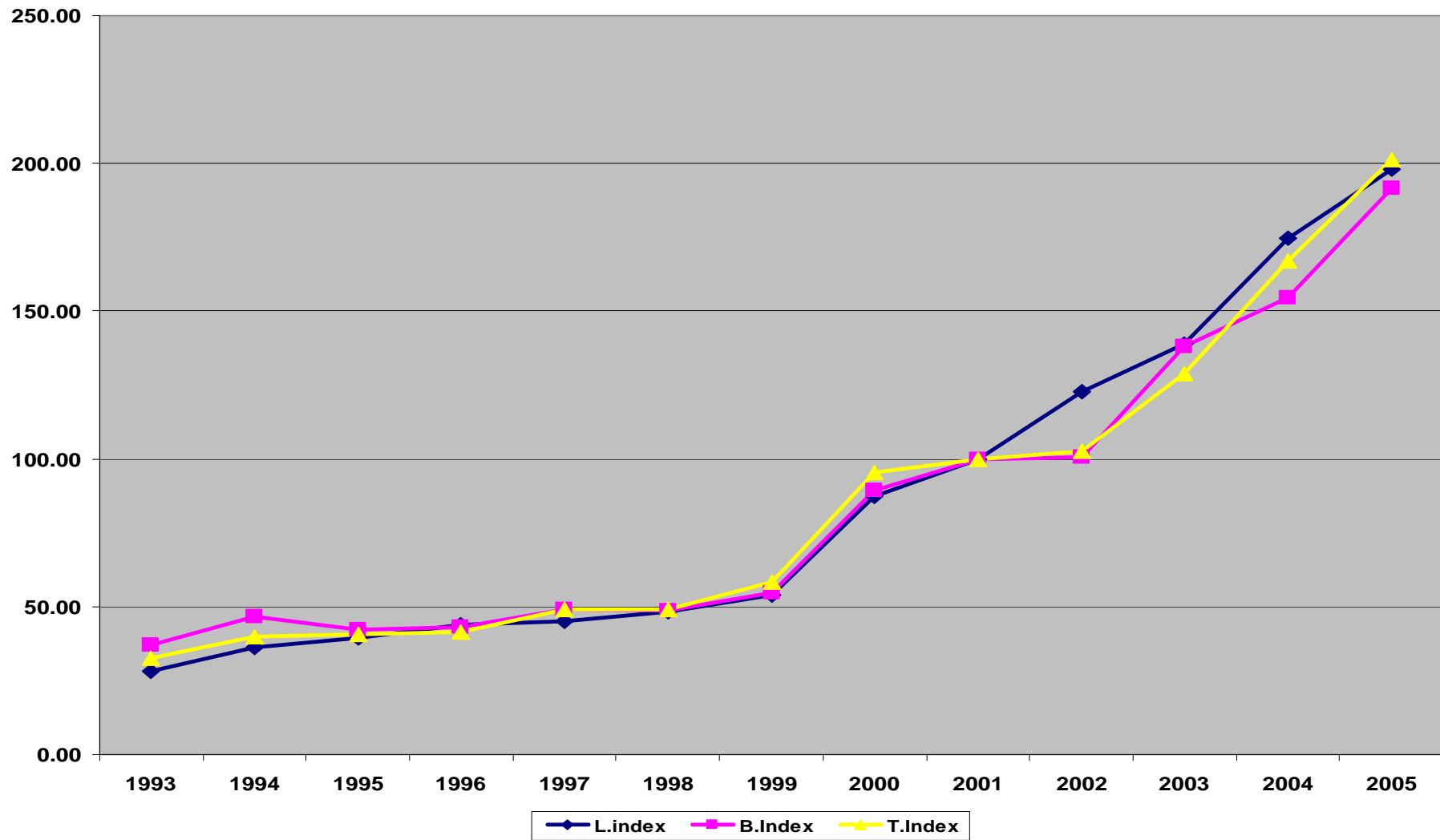
Windhoek West 2001 = 100



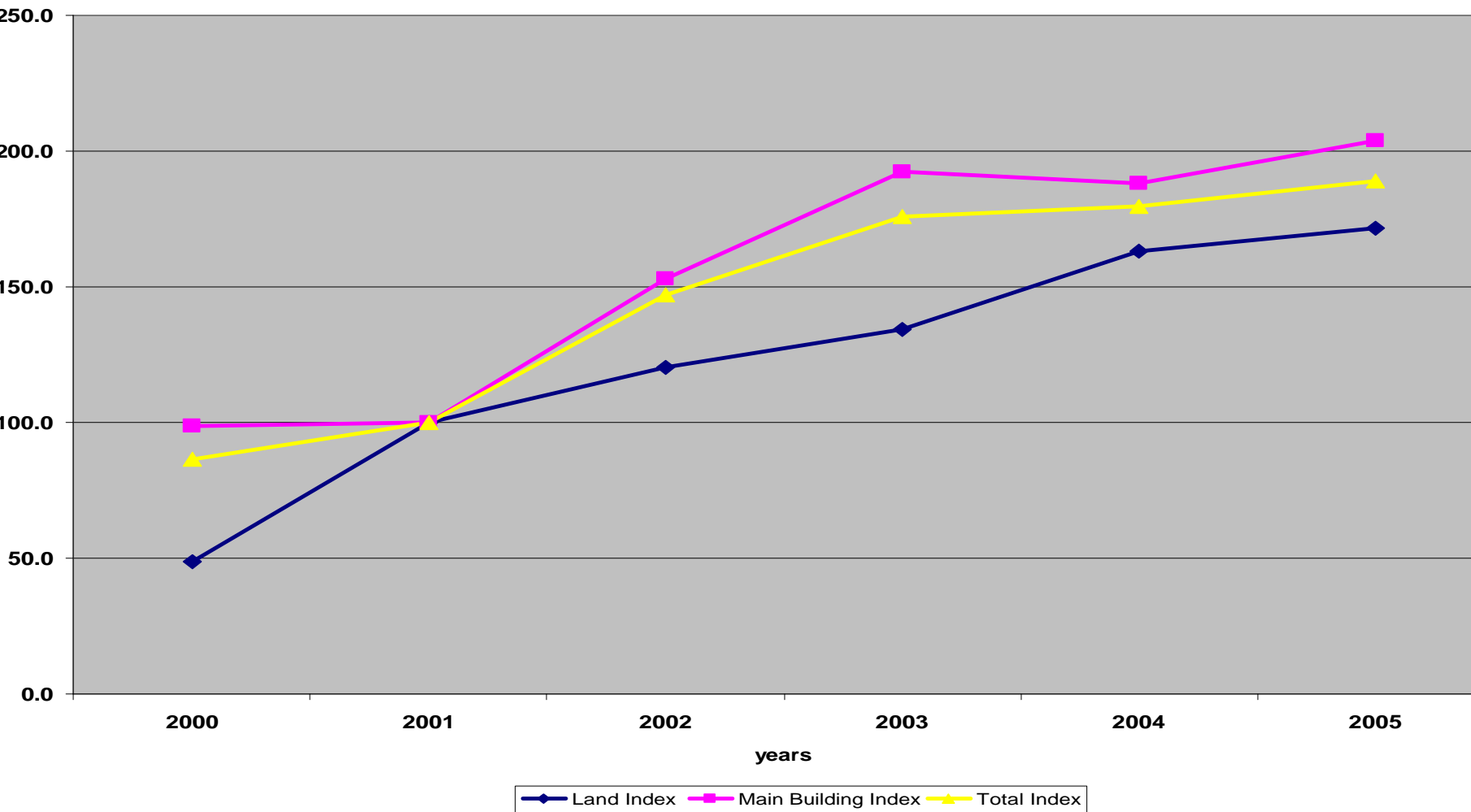
Kleinne Kuppe Index 2001 = 100



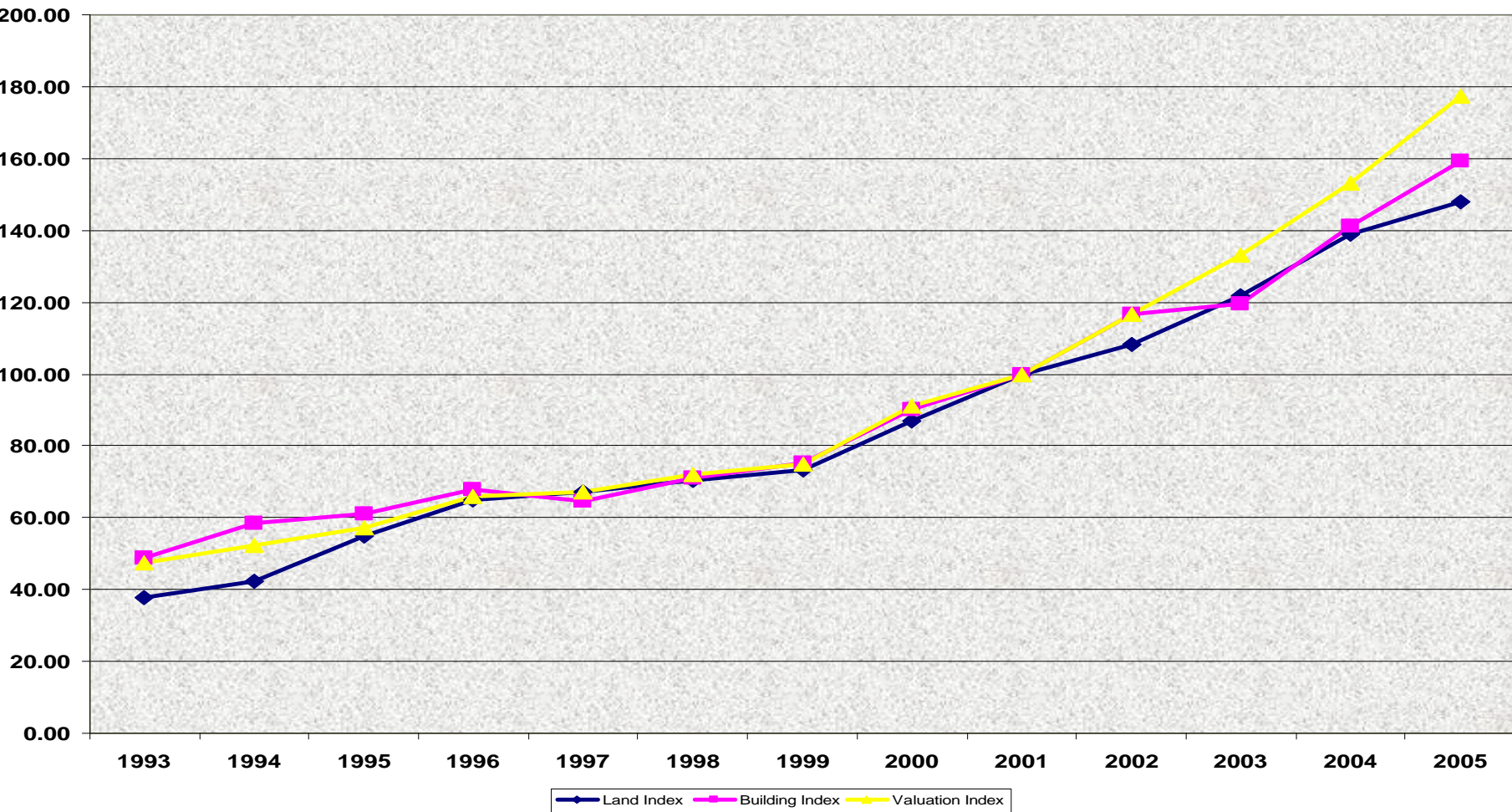
Klein Windhoek 2001 = 100



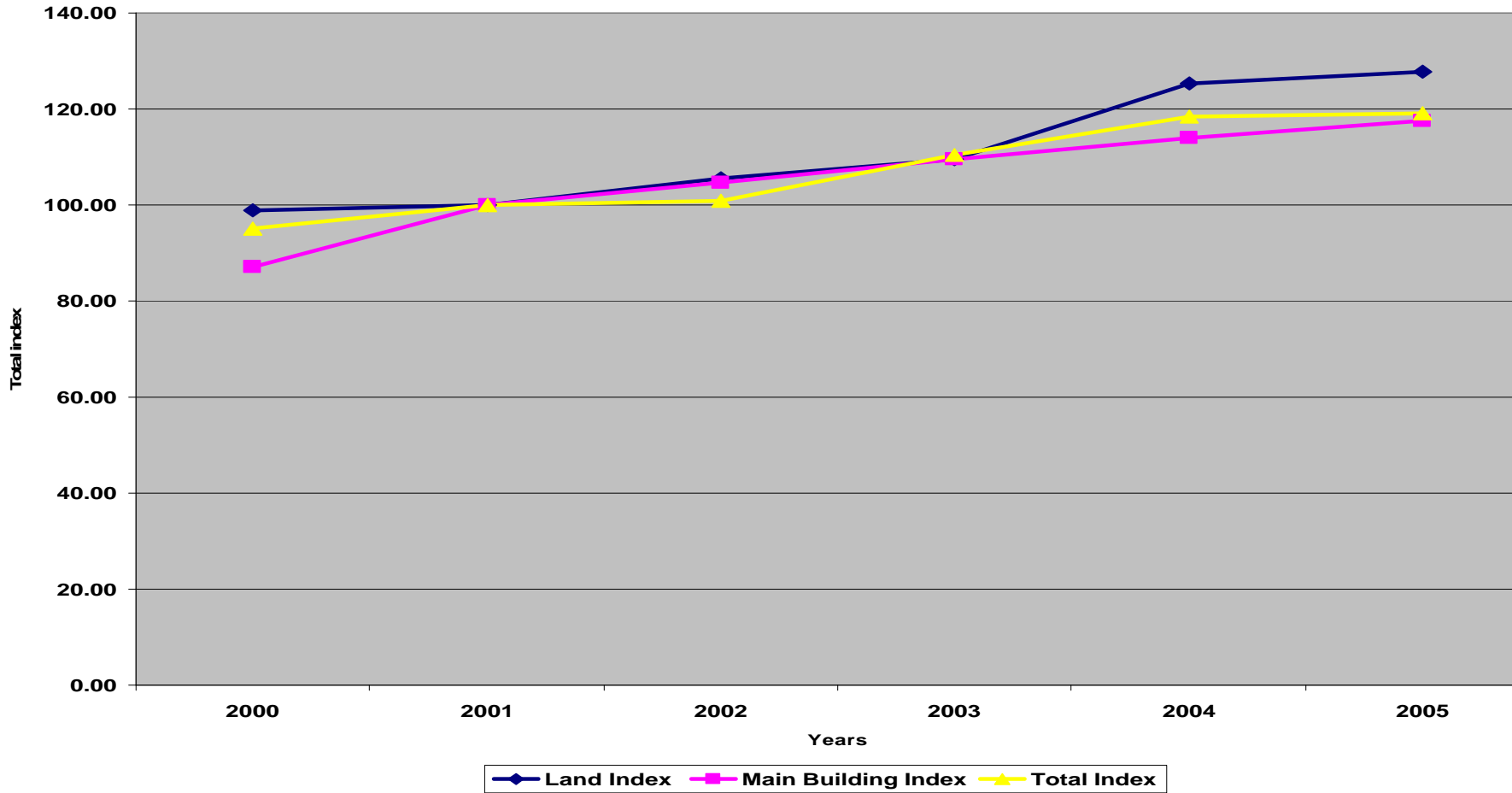
Ausblick 2001 = 100



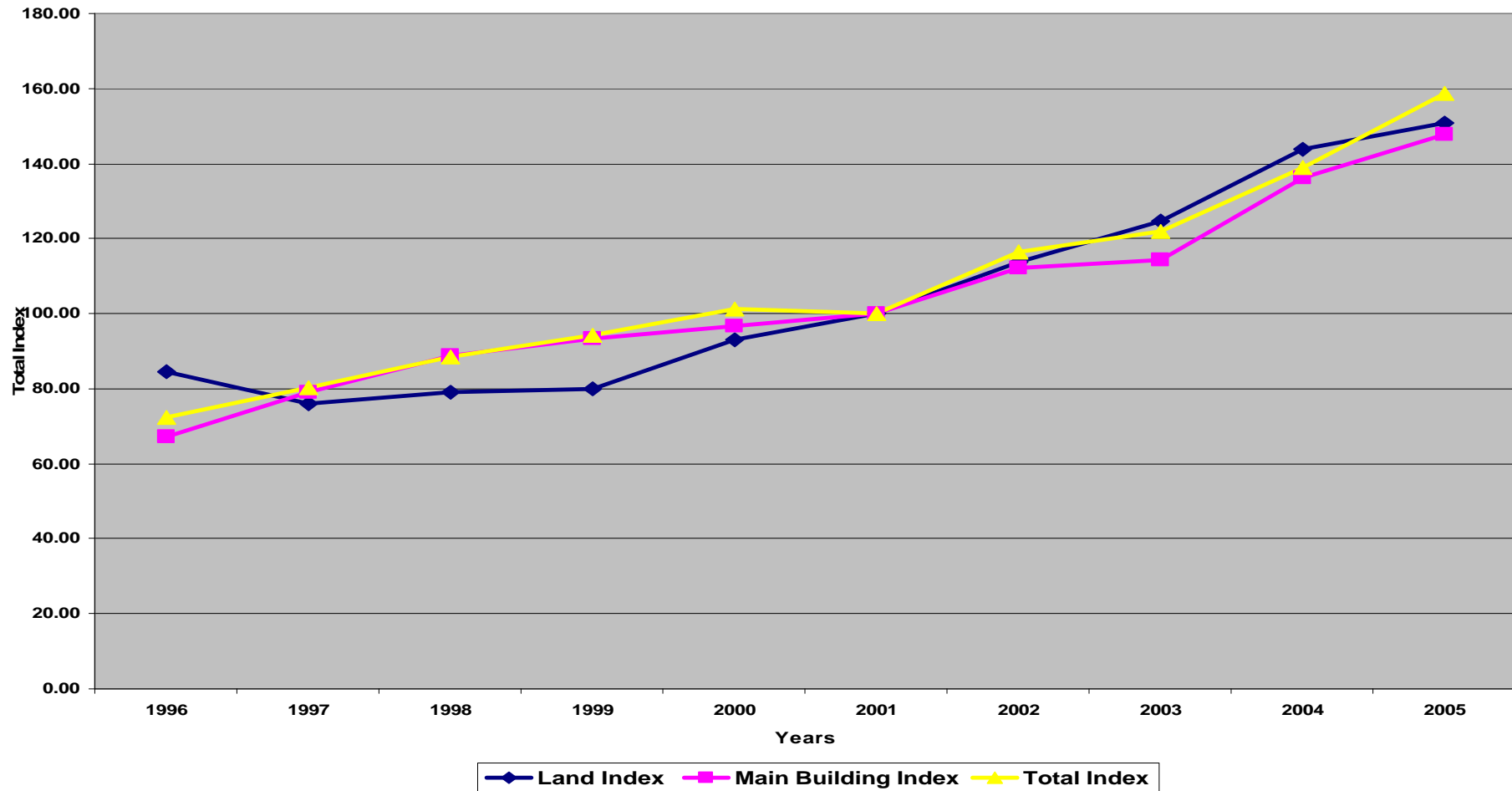
Academia 2001 =100



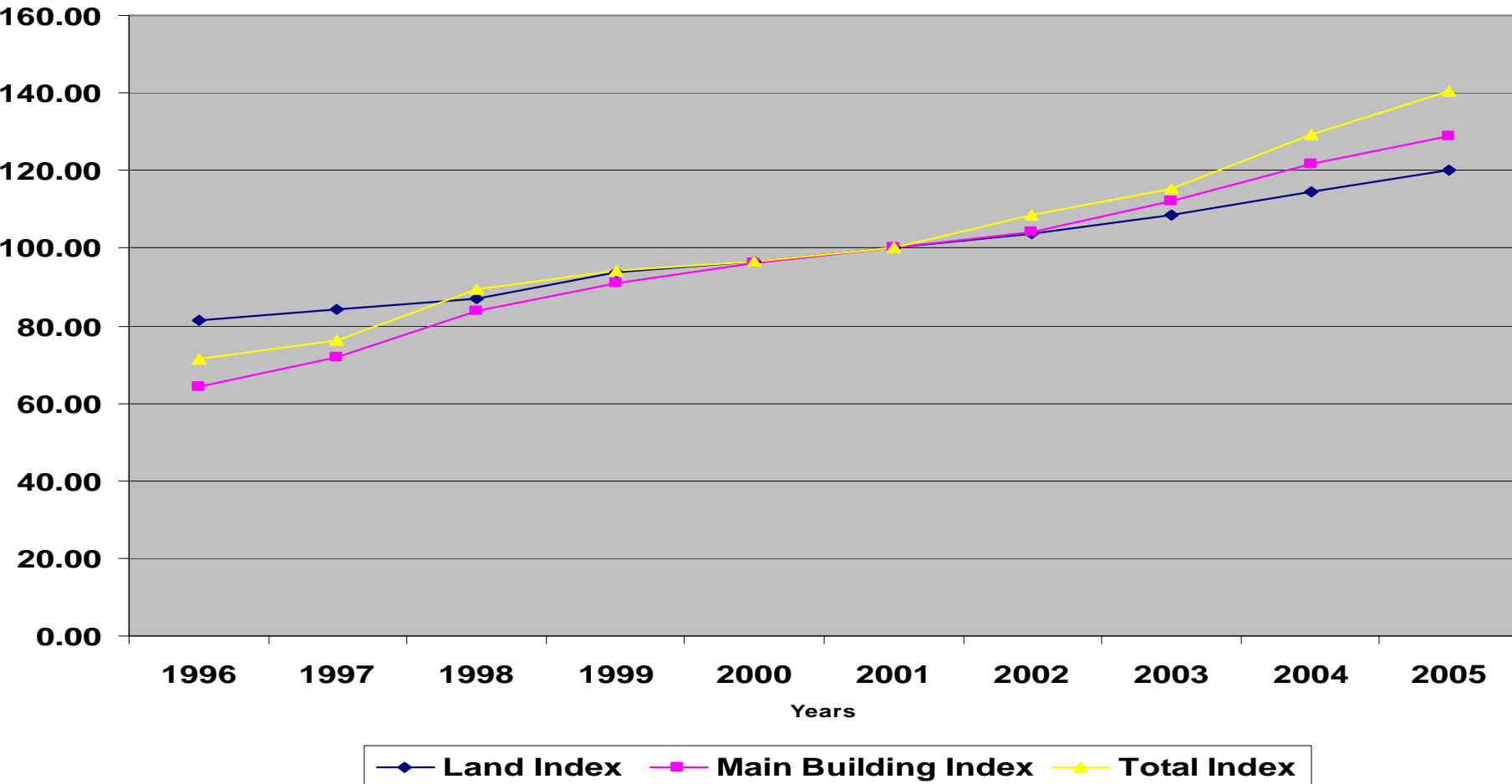
Rundu 2001 = 100



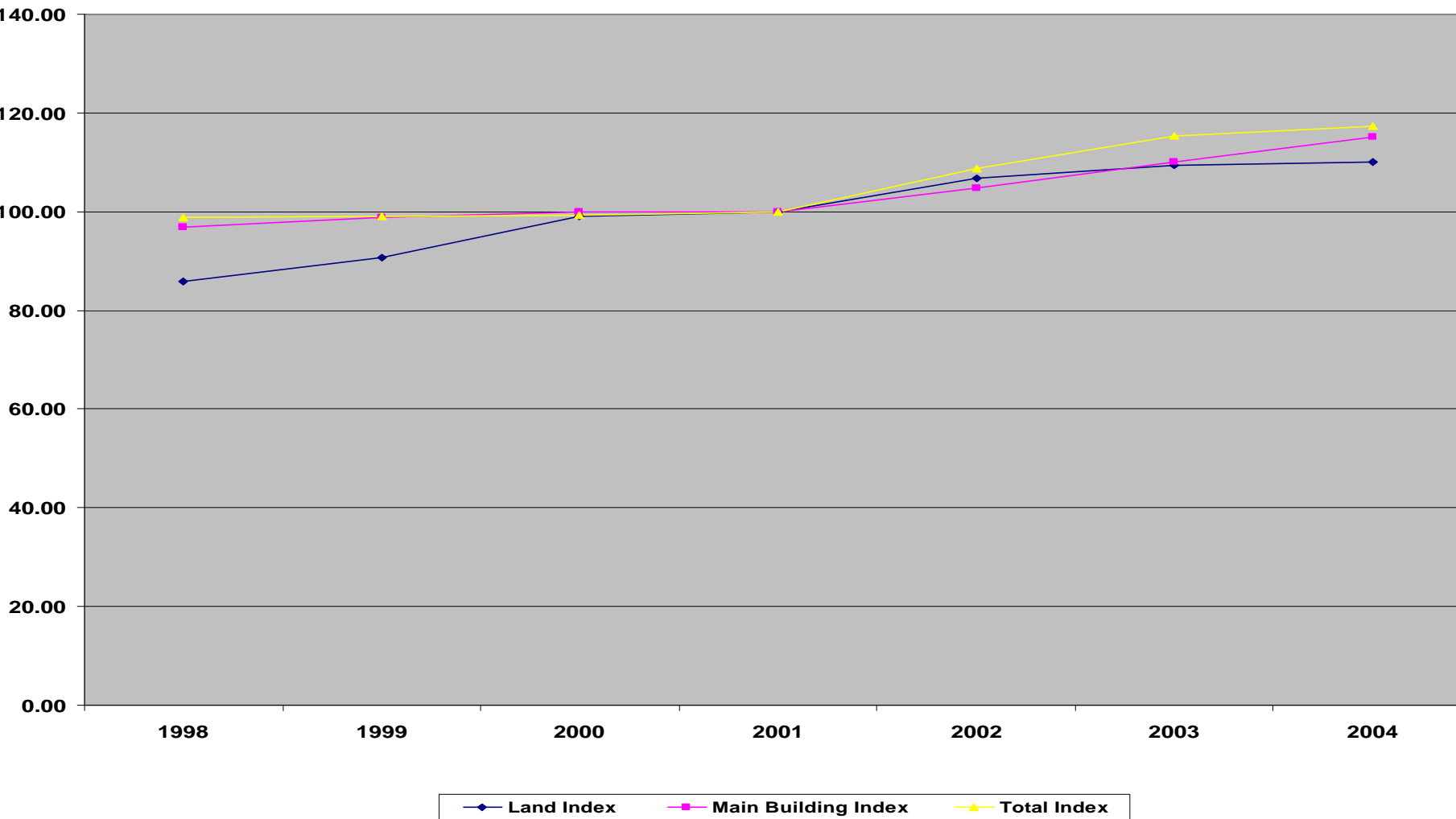
Swakopmund Overall Index



Walvis Bay Overall index 2001 = 100



Katima Mulilo 2001= 100



Migration: Black vs White Population

1991 – 1995: Huge Migration of Black People into white dominated areas such as Hochland Park, Pioneerspark, Academia.

1996 – 2000 & Beyond: Huge Migration of Black People into white dominated areas such as Klein Windhoek, Olympia, and other affluent WHK areas.

Demand for properties in these areas far exceeded supply and helped push prices up.

Whites speculated on their house prices and this partly pushed prices higher.



FNB Housing Index: Drivers of Property Prices

The main drivers are:

Economic Cycles

Population Growth/Migration.

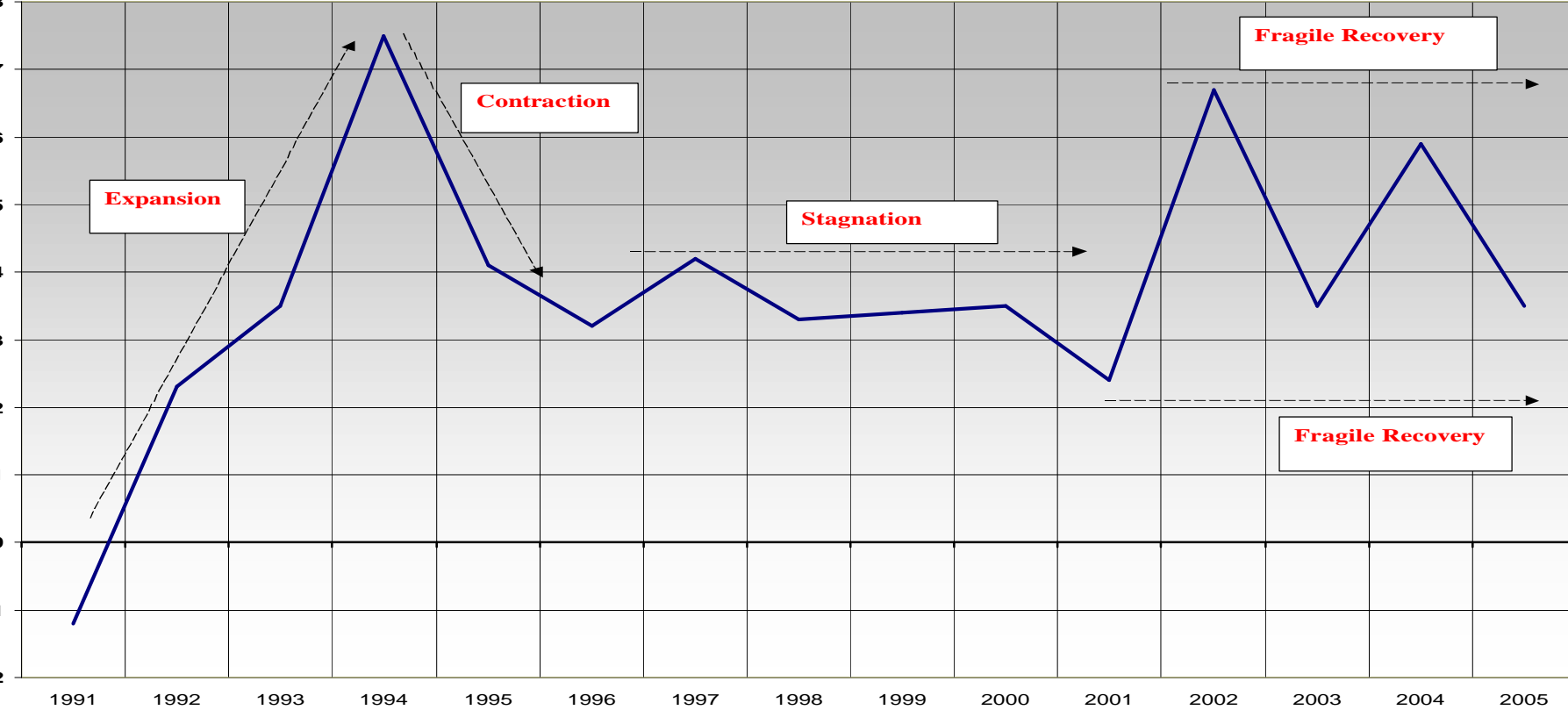
Disposable Income and Employment.

Interest Rate & Inflation

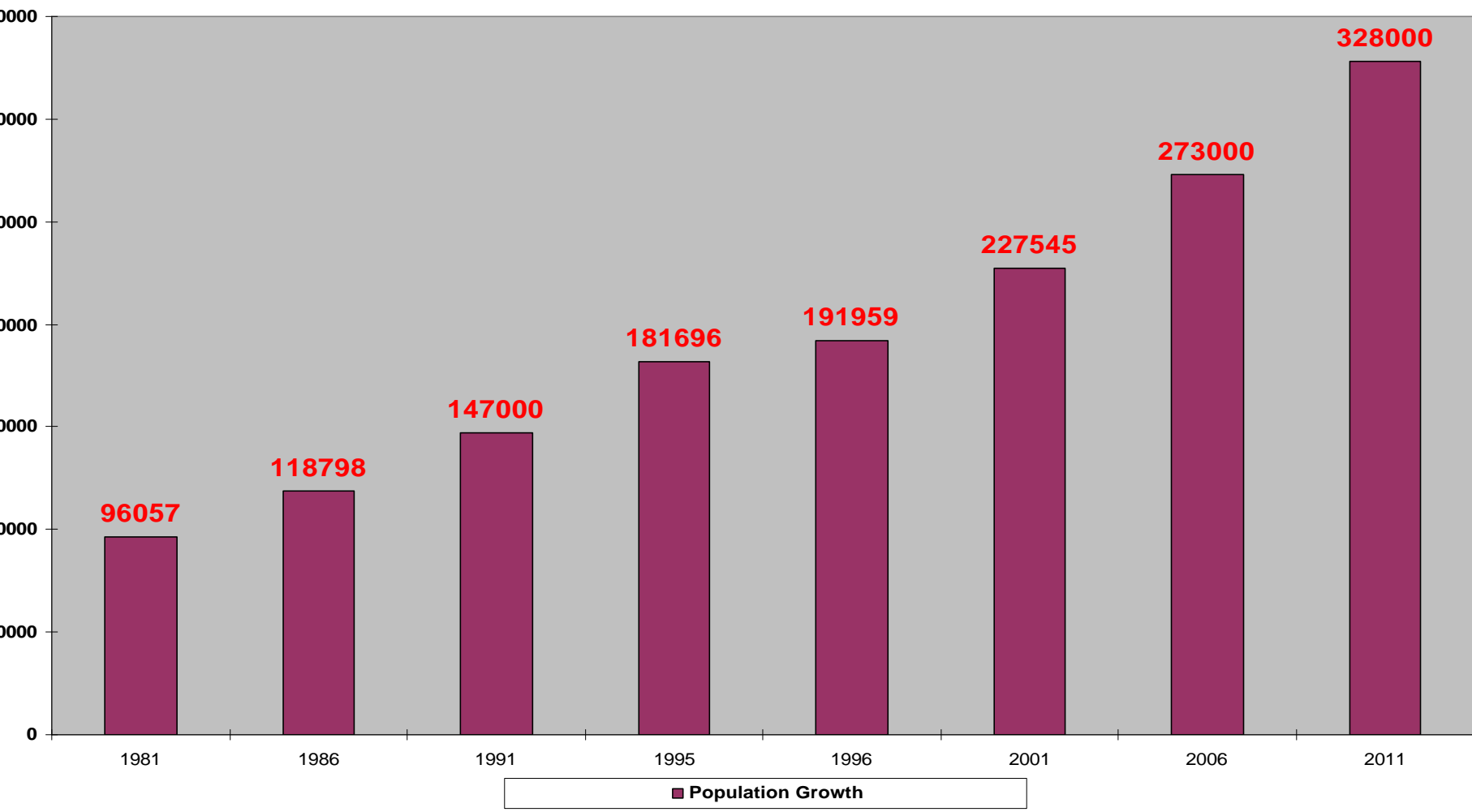


Namibia Economic Growth Cycles

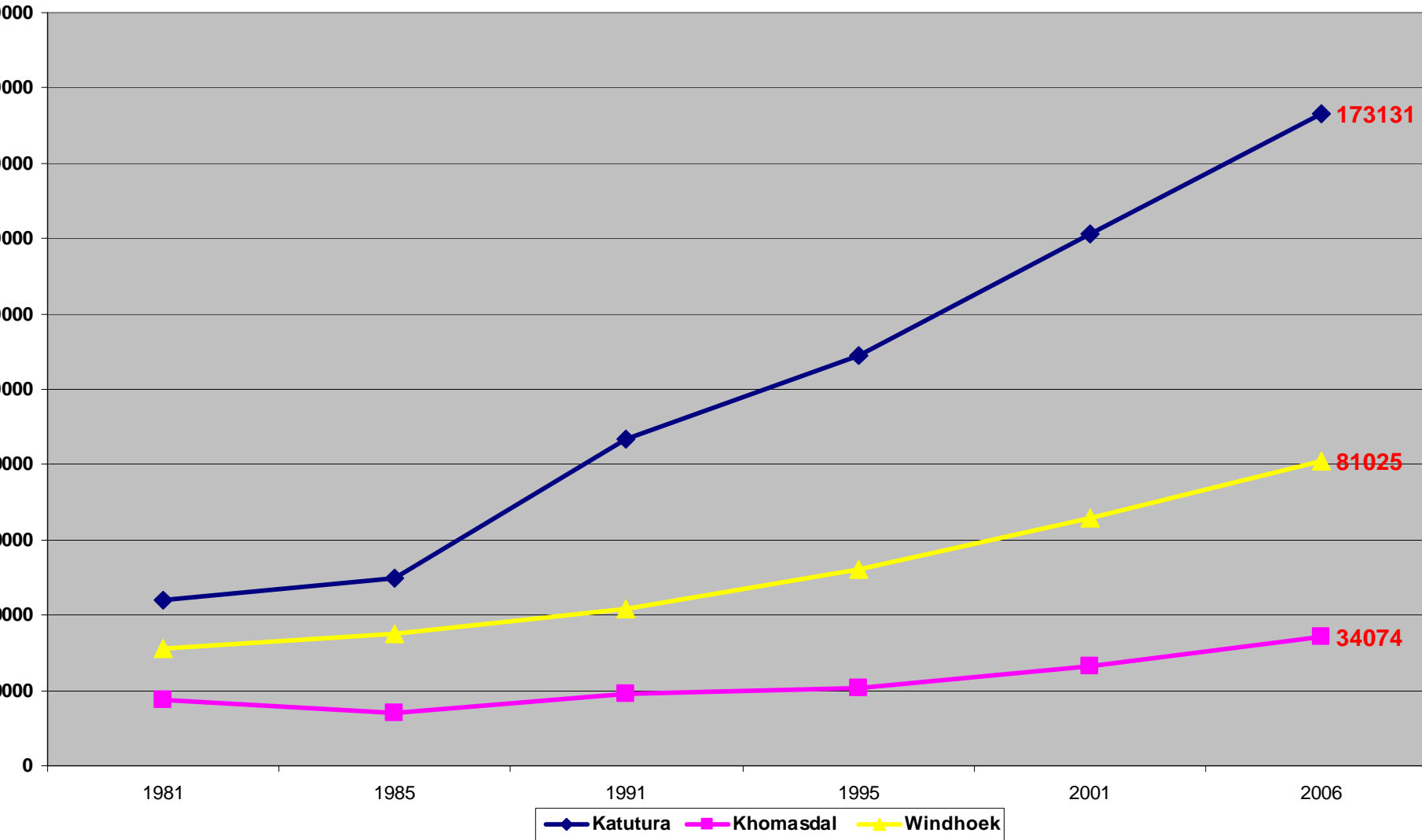
Namibian GDP annual change [1995 = base]



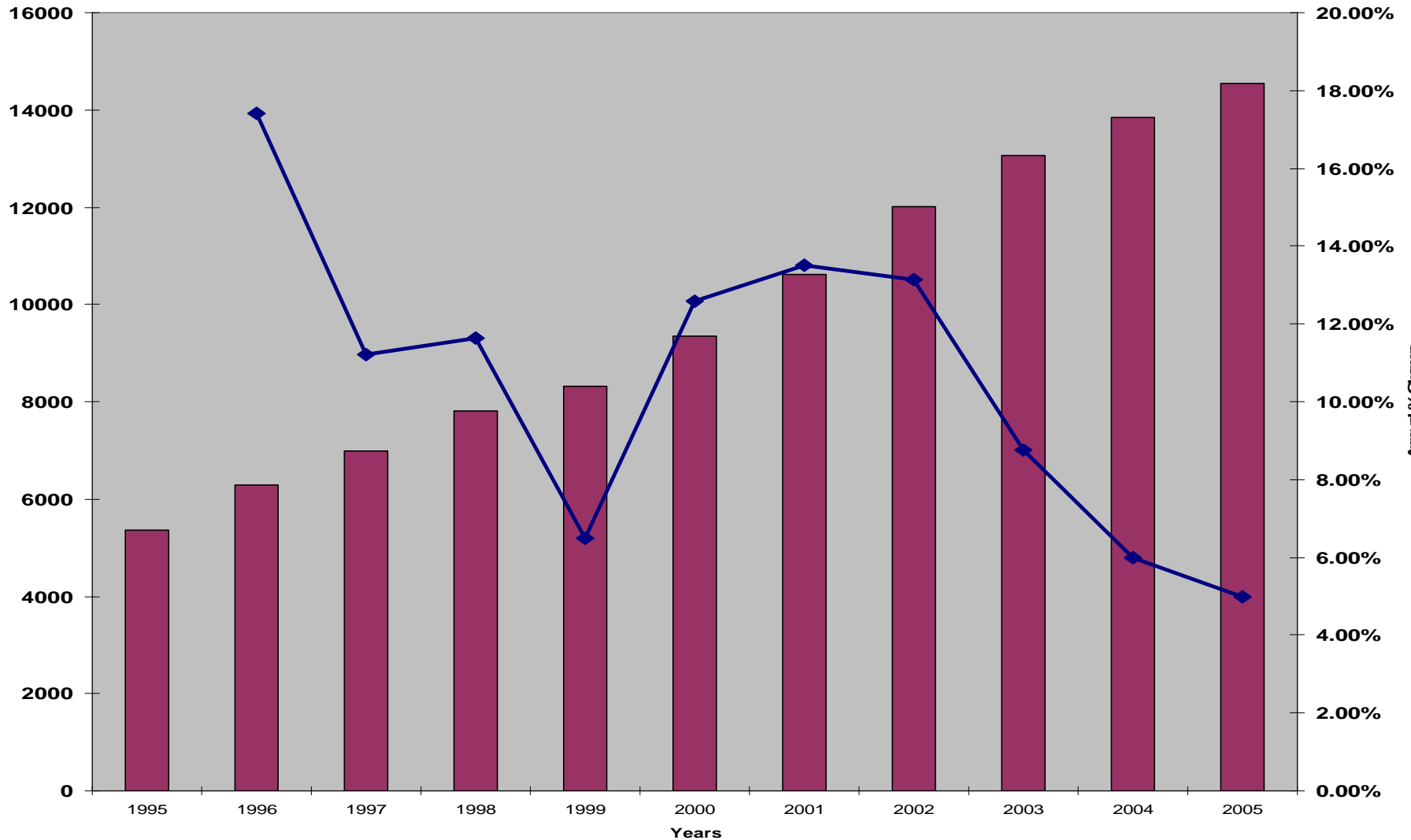
Windhoek Population Growth (Growth Rate 3.75%)



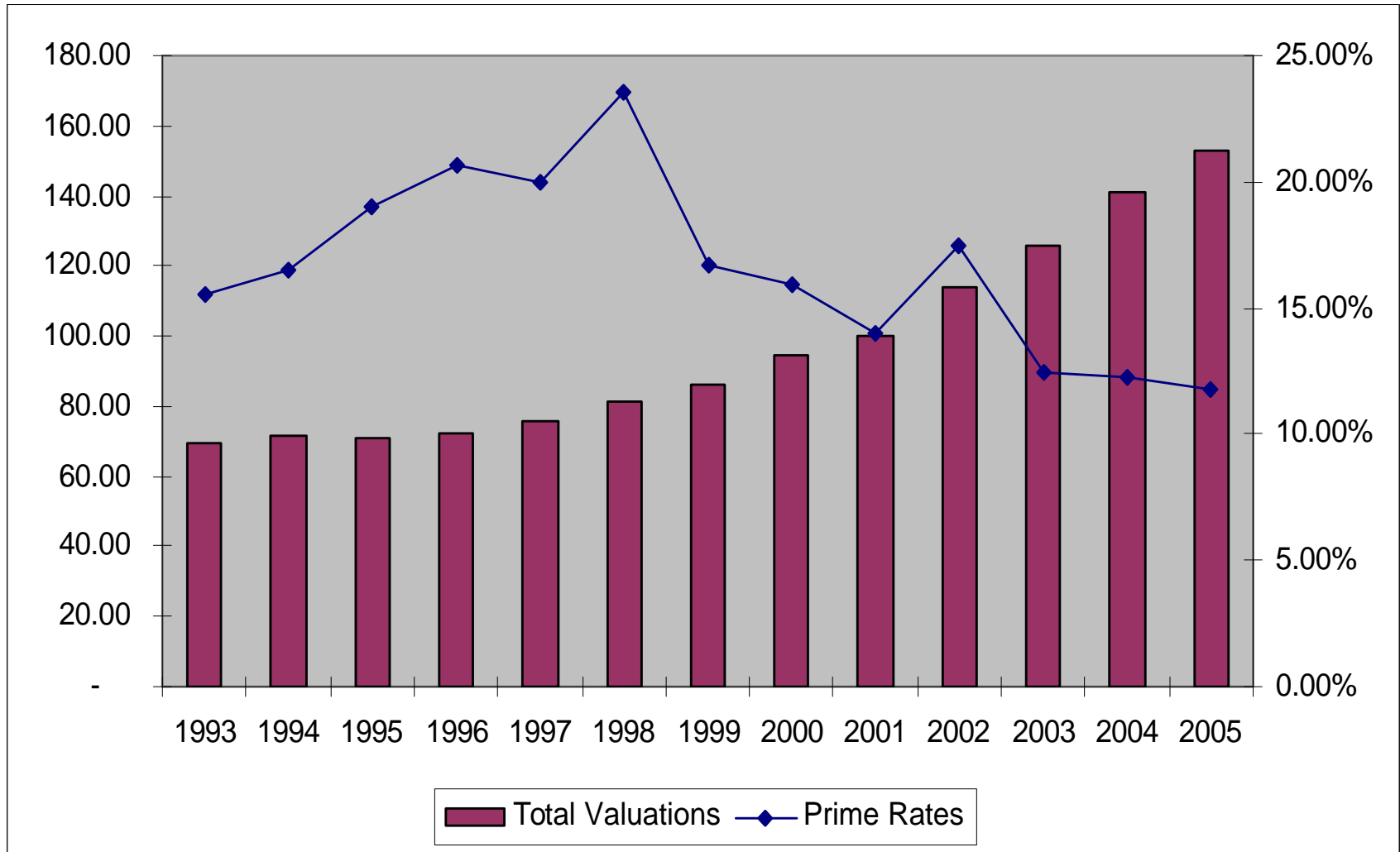
Population Growth: Geographical Distribution



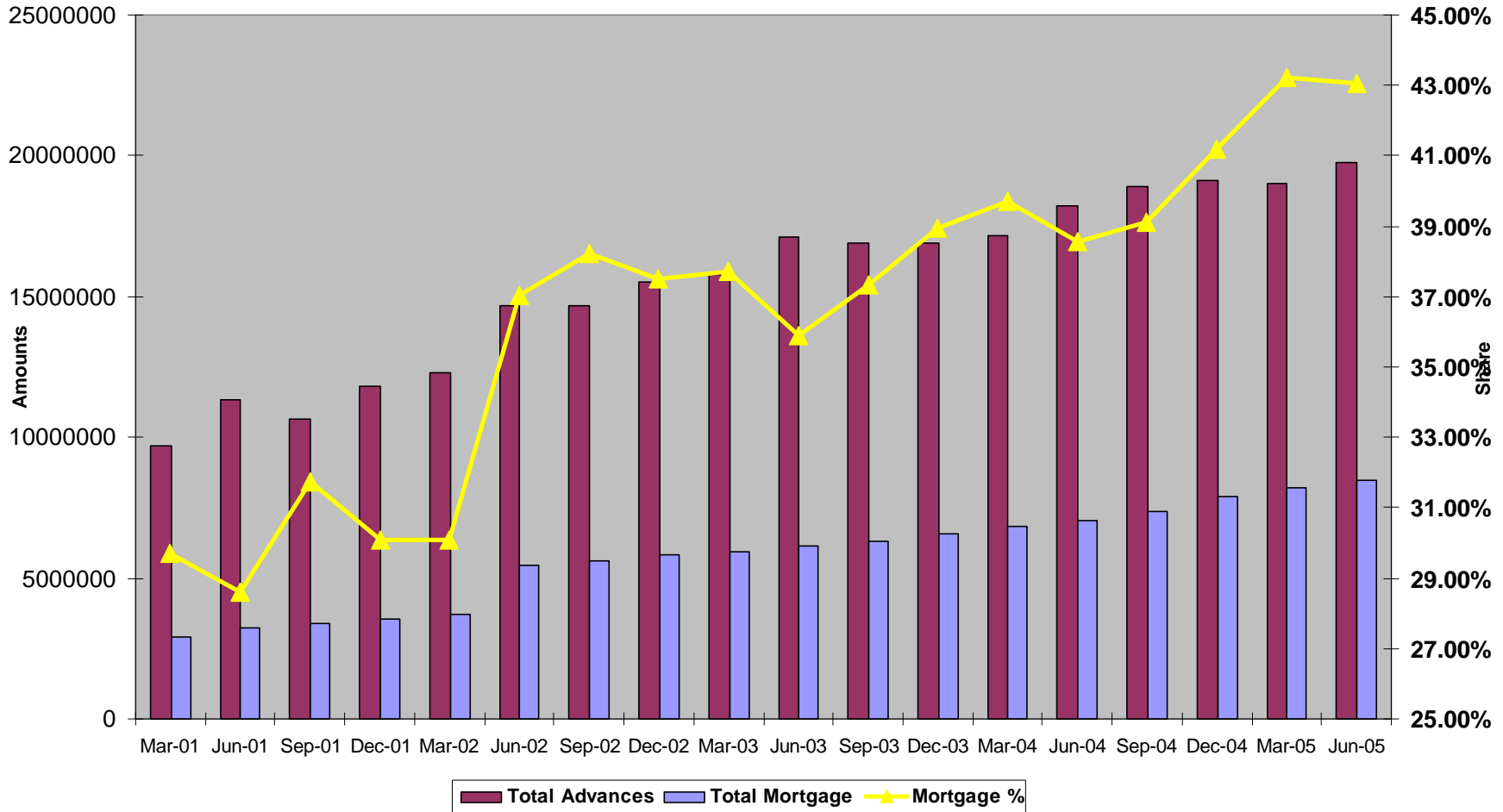
Income: Employee Compensation



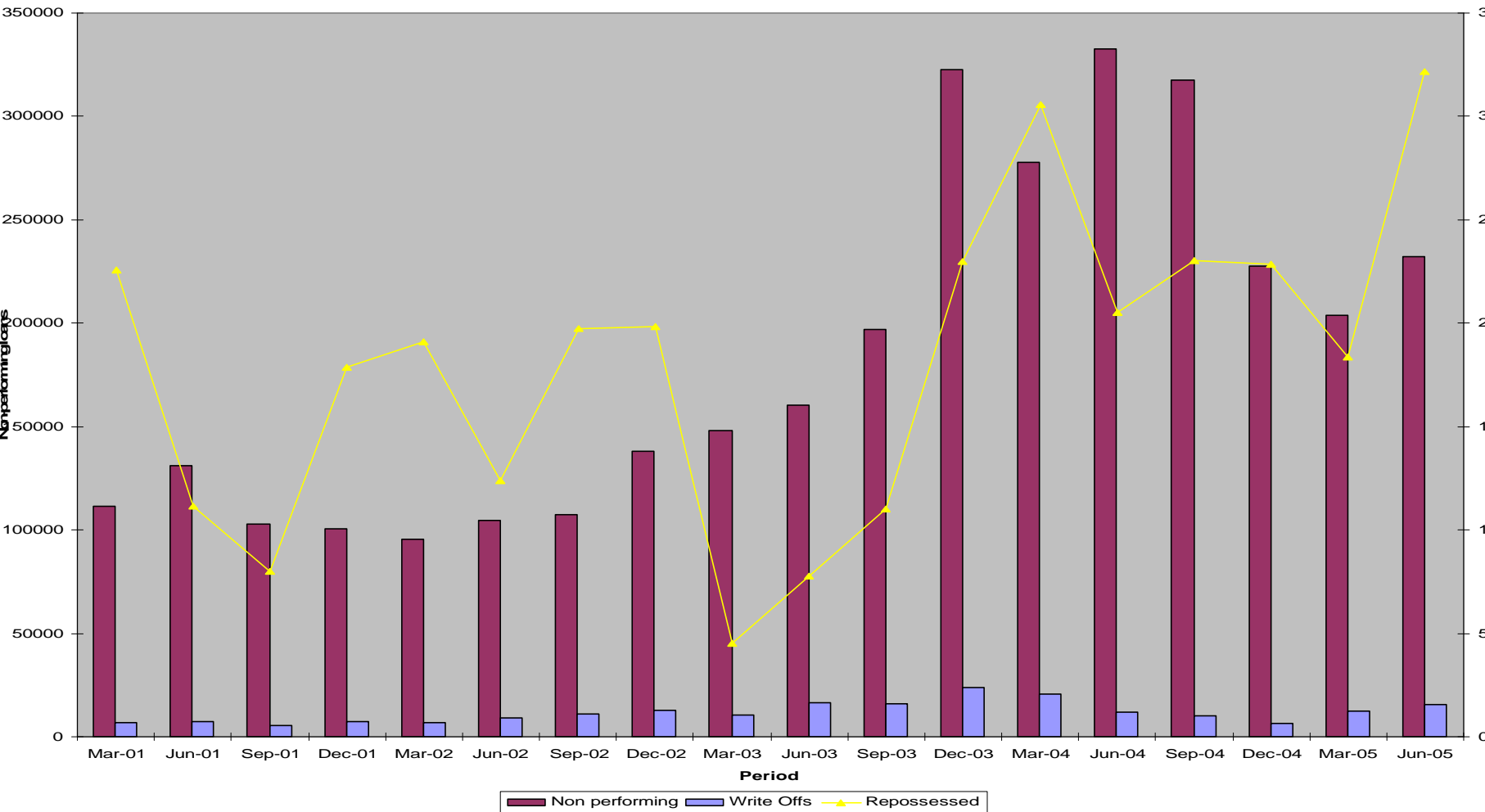
Overall Weighted Index vs Prime Rates



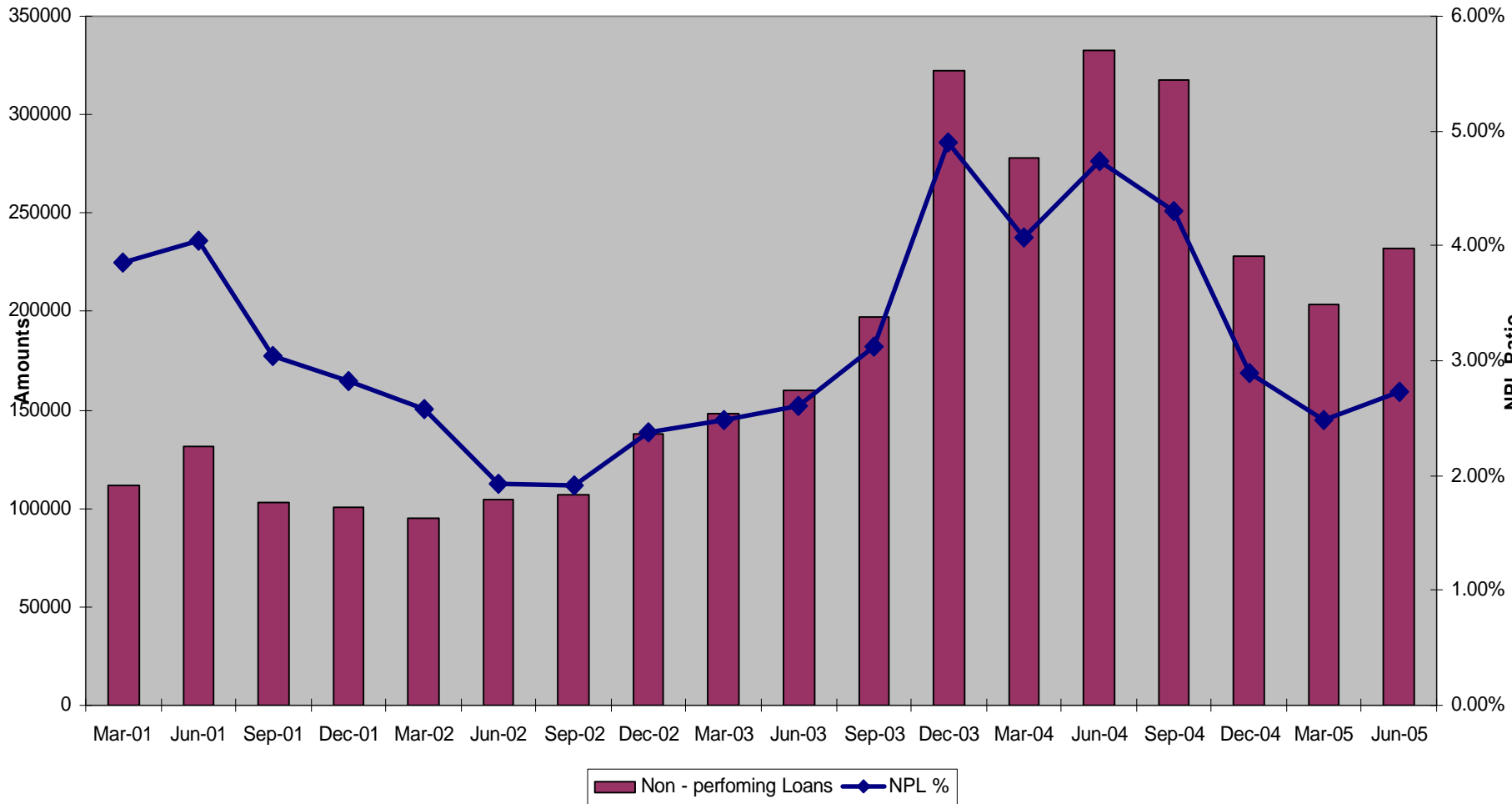
Total Advance, Home Loans



Non-Performing Home Loans



NPL & NPL Ratio



Conclusion

The Housing Market is still in its expansionary phase and has not peaked yet.

With Structural Decline in Inflation and Lower Interest rate, the property market remains an excellent investment vehicle.

Non-Performing loans, and debt-income ratio are low and no threat to the health of the property market.

With expected major infrastructure expenditure by government during Vision 2030, the property market will benefit.





FNB
Namibia Holdings

Thank You



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