



# Central Housing Index

June 2010

## Auasblick Prices Up 240%

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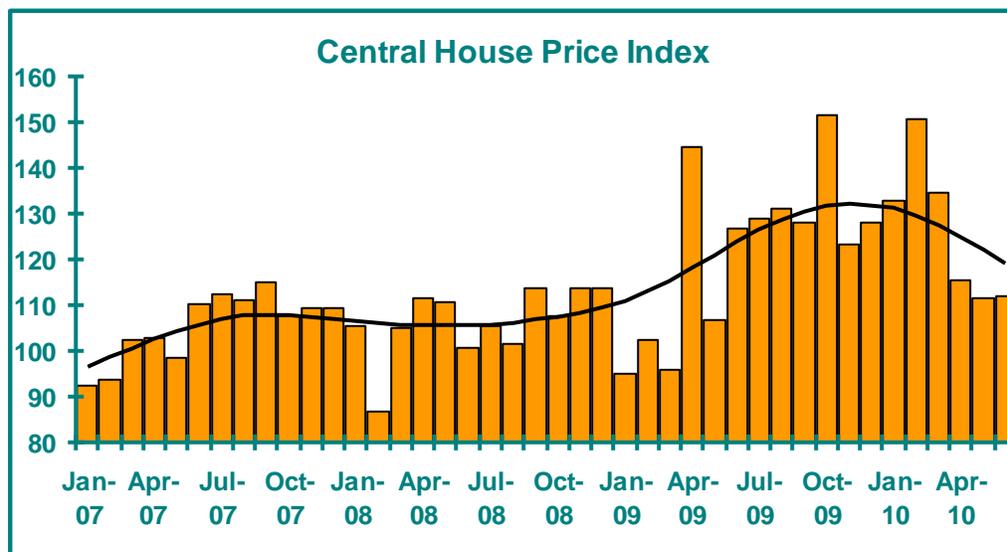
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**Methodology**  
The FNB House Price Index is based on the median house price from Deeds Office data.

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This report covers the developments in the central housing index for June 2010. The data is based on bonds registered for natural persons at the Deeds Office. Data has been smoothed using Hodrick Prescott smoothing function. Bonds smaller than N\$100,000 and further mortgage bonds are excluded because they may not reflect the true cost of housing and as such may distort the index. It must be remembered that this index reflects the median price of properties that were traded over this period. This limitation of not being able to get to average prices about the stock of housing is a perennial challenge for housing indices.

### FNB Central Housing Index

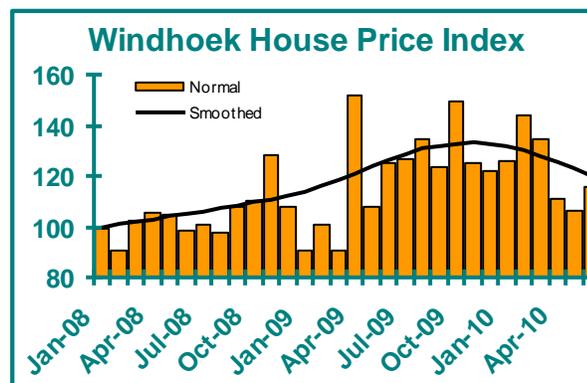


The FNB central house price index has been on the downward trajectory for the whole of 2010. The trend is similar across Windhoek, Okahandja and Gobabis – the main towns in the central area. Deeper analysis shows that Windhoek house price index is falling because the supply of properties and even in the low priced areas such as Otjomuise has increased (31% of volumes), where the house price index has declined by 14%. We find similar trends in Gobabis and Okahandja.

### Windhoek Property Market

Windhoek Property Market		
Neighbourhood	Jun-10	YoY Growth
Auasblick	\$2,460,052	240.4%
Brakwater	\$1,916,039	108.0%
Klein WHK	\$2,197,023	82.6%
Hochland Park	\$1,377,944	82.4%
Kleine Kuppe	\$1,357,453	46.0%
Olympia	\$1,493,103	41.8%
Okuryangava	\$332,825	40.4%
Academia	\$1,148,205	39.9%
Dorado Park	\$792,149	32.7%
Cimbebasia	\$836,804	32.5%
Eros	\$1,579,723	28.5%
Rocky Crest	\$611,550	26.6%
Goreangab	\$251,908	23.8%
Khomasdal	\$480,001	19.0%
Wanaheda	\$311,476	15.4%
Pioneers Park	\$1,039,508	11.5%
Central	\$283,888	-4.4%
Katutura	\$276,819	-4.9%
Otjomuise	\$270,707	-14.7%

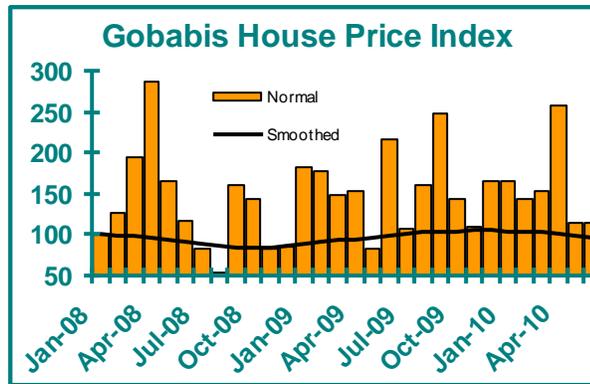
Above, is the median price per neighbourhood and year on year growth for Windhoek residential areas. Data shows substantial price movements in Auasblick, Brakwater, Klein Windhoek and Hochland Park, while prices in Windhoek Central, Katutura and Otjomuise have fallen somewhat. However, the overall trend has shadowed the developments in Katutura and Otjomuise on sheer volumes traded.



#### Gobabis Property Market

Gobabis Property Market		
Neighbourhood	Jun-10	YoY Growth
Epako	292400.1	45.9%
Nossobville	130145.8	-36.9%

Month on month, the Gobabis property price index has generally been declining all year long, but of late the declines have been more pronounced, while year on year price movements have been positive. The Epako neighbourhood has experienced 46% median house price growth year on year, while Nossobville has experienced 37% decline in median house prices. Very little trade in property occurs in Gobabis and hence only two neighbourhoods are reported on.



### Okahandja Property Market

Okahandja Property Market		
Neighbourhood	Jun-10	YoY Growth
Nau-Aib	\$204,000	38.6%
Veddersdal	\$222,000	4.9%

The property price index in Okahandja has been declining since March 2010. Because the most traded neighbourhoods have increased year on year in the above table, we believe that the decline is in the mix of properties being traded; meaning that more lower end homes were traded, which drags down the house price index. Property prices in Nau-Aib neighbourhood have increased 38.6% year on year, while property prices in Veddersdal have increased 4.9%.

