



## INVESTOR REPORT - MAY 2025

As we move further into 2025, South Africa's residential property market—particularly in the Western Cape—continues to demonstrate cautious resilience amid global and domestic economic headwinds.

The latest FNB House Price Index (HPI) reflects a modest yet steady year-on-year growth of 2.2% in April, the fastest pace seen in two years, indicating improving sentiment and stabilizing demand. While transaction volumes remain approximately 16% below pre-pandemic levels, agents are reporting a noticeable uptick in buyer interest. Activity ratings have reached a three-year high in Q1 2025, underscoring renewed confidence in the market. However, a persistent buyer caution - driven by affordability challenges and broader economic uncertainty - continues to temper the pace of sales.

In the Western Cape—long regarded as one of the country's most stable and sought-after residential regions—demand remains relatively robust, especially in well-positioned suburban and coastal areas. Although time-on-market has lengthened slightly to just over 12 weeks, quality listings in prime locations are still seeing healthy levels of interest. Looking ahead, anticipated interest rate cuts and a proposed increase in the transfer duty threshold could further stimulate activity, particularly in the affordable and mid-tier segments.

Overall, while the market is not yet in full recovery, the trajectory suggests continued progress, offering a positive backdrop for our ongoing and upcoming projects.

## PROGRESS ON CURRENT PROJECTS

### Heron View

We're pleased to share some updates on Heron View.

Thanks to a strong start this year, 31 units have been sold since January, marking an impressive run for the sales team. With this momentum, only 33 units remain available for purchase in the entire complex of 166 units, a clear sign of growing demand and market confidence.

Due to the dampened property market as a whole in 2023 and 2024, a strategic decision was taken by the Development team to hold off on selling units in certain blocks in anticipation of better market conditions and potentially higher sales prices. The three consecutive drops in the interest rate by the South African Reserve Bank (SARB) in September and November of 2024, as well as January 2025 vindicated this decision as heightened purchaser confidence at the start of 2025 has been the strongest catalyst for the run of good sales experienced on the project over the course of the last few months.

Construction of these final units is scheduled to progress in the last quarter of this year, keeping pace with the current development timeline. Even better, buyer interest continues for the remaining properties, and it is anticipated the units could be fully sold by the end of September 2025.

It is hoped that SARB will give further respite to the economy by dropping the rates again at their scheduled announcement in May, which should go some way to aiding the achievement of the sales goal for Heron View. Overall, the current situation reaffirms the value and potential of the investment strategy. We at Opportunity Private Capital, and the associated role players, are grateful for your continued support as the final stages of this project are approached.



### Goodwood Refurbishment Project

To date 35 sales have been achieved with this project, a testament to both market demand and the quality of the refurbishment work carried out. It's been rewarding to see new residents settling in comfortably and being part of the community.

There is currently a brief transitional phase as the next batch of homes are readied for refurbishment. This promotes the next part in the strategy of revitalization, with the relevant sales to follow on from that.

Kind Regards,

Opportunity Private Capital

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