

Building Plans

August 2023



Overview

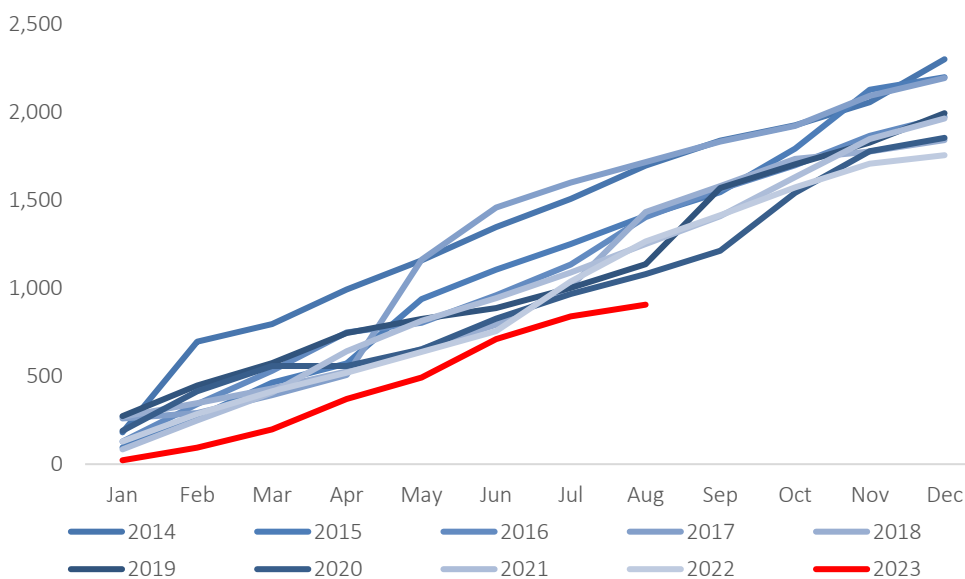
Plans Approved	31-August-23		N\$ Value YTD		N\$ Change	% Change
	Number	Value (N\$ m)	2022	2023	YTD	YTD
Additions	151	31.8	642.5	369.7	(272.8)	-42.5%
Commercial & Industrial	4	2.7	101.1	218.7	117.7	116.4%
Flats & Houses	26	32.0	520.1	317.0	(203.1)	-39.1%
Total	181	66.5	1,263.6	905.4	(358.2)	-28.3%

Plans Completed						
Additions	44	14.3	94.0	61.9	(32.1)	-34.1%
Commercial & Industrial	4	13.2	42.9	94.6	51.6	120.2%
Flats & Houses	19	92.2	251.2	302.8	51.6	20.5%
Total	67	119.7	388.1	459.2	71.1	18.3%

Source: City of Windhoek, IJG Securities

The City of Windhoek **approved a total of 181 building plans in August**, which is 13 fewer than were approved in July. In monetary terms, **the approvals were valued at N\$66.5 million**, 48.7% or N\$63.1 million lower than in July. 1,290 building plans worth N\$905.4 million have been approved year-to-date, which is 22.6% lower than the number of approvals over the same period last year, and 28.3% lower in value terms. On a twelve-month cumulative basis, 2,090 building plans worth N\$1.40 billion were approved, a decline of 17.3% in number- and 29.4% in value terms over the comparative 12-month period a year ago. A total of 67 building plans worth N\$119.7million were completed during the month.

Year-to Date Value of Building Plans Approved (N\$ millions)



Source: City of Windhoek, IJG Securities

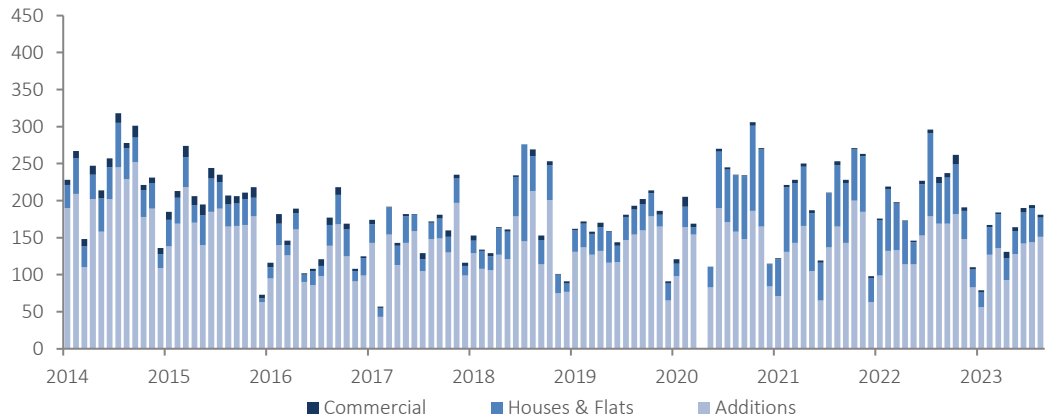
Additions to Properties

August saw 151 additions to properties approved, valued at N\$31.8 million, making it the highest number of monthly approvals so far this year, but the second lowest value. Year-to-date, 977 additions to properties worth N\$369.7 million have received the nod, representing a year-on-year contraction in number terms of 10.6% and 42.5% in value terms. 44 additions to properties valued at N\$14.3 million were completed during the month.





Monthly Number of Plans Approved

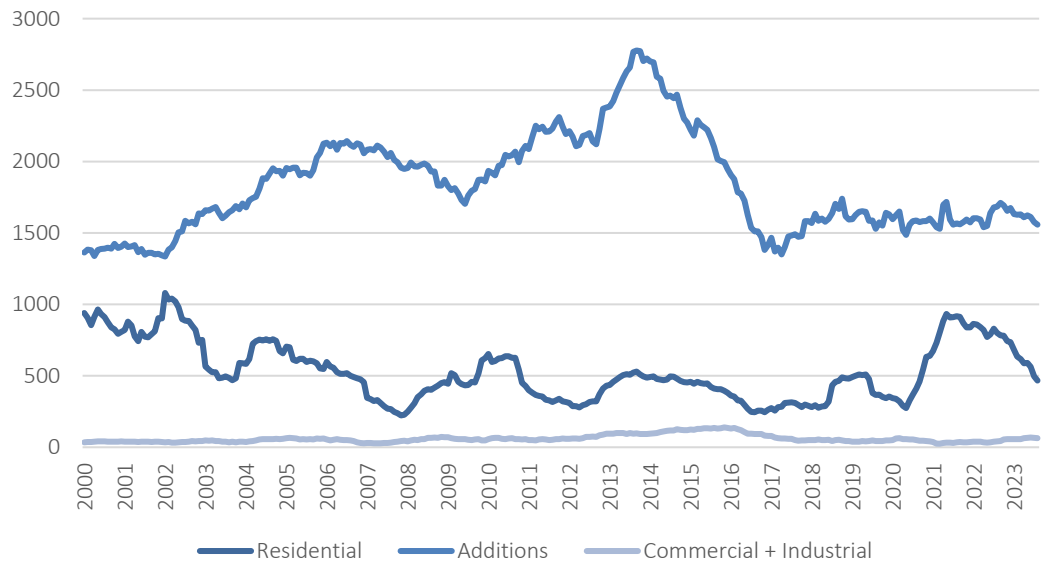


Source: City of Windhoek, IJG Securities

Residential Units

26 Residential building plans valued at N\$32.0 million were approved in August, both figures falling below the year-to-date monthly averages of 35 units worth N\$39.6 million. The 12-month cumulative number and value of residential approvals have been dropping consistently since August 2021. At the end of August, the 468 units valued at N\$501.0 million over the 12-month period was 41.6% and 41.9% lower, respectively, than during the corresponding period a year ago. 19 Residential units worth N\$92.2 million were completed during the month.

12-Month Cumulative Number of Plans Approved



Source: City of Windhoek, IJG Securities

Commercial & Industrial

4 Commercial and industrial building plans were approved during the month, valued at N\$2.7 million. This brings the sector's year-to-date approvals to 36 worth N\$218.7 million, 20.0% more in number terms than at the same point in 2022 and 116.4% in monetary terms, although it is worth pointing out that one of these approvals is a N\$100 million plan approved in June. 4 commercial and industrial plans valued at N\$13.2 million were completed in August.



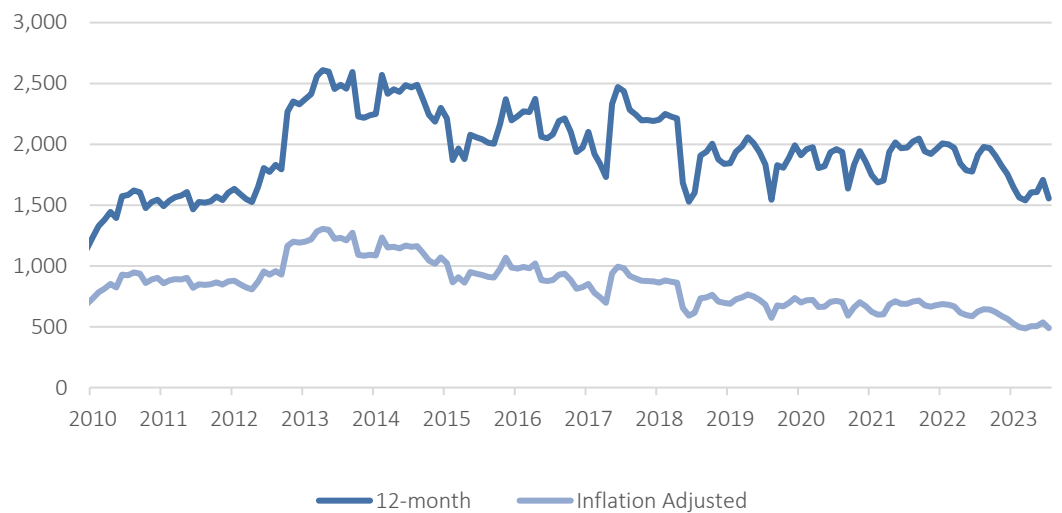


The Bottom Line

Both the number and value of building plan approvals in August came in below the monthly averages witnessed year-to-date. The longer-term trends indicate that overall planned construction activity in the capital remains weak.

Additions to properties make up 75% of the number of 12-month cumulative building plan approvals, but only 44% of the value of approvals, indicating that the majority of planned construction projects are relatively low value. Although the cumulative number of commercial approvals are 50% higher than during the corresponding period a year ago, and 52.0% higher in value terms, these increases are from a low base. As mentioned earlier, cumulative residential building plan approvals have been dropping consistently since the end of 2021, and at the end of August were 41.6% lower in number terms and 41.9% lower in value terms than they were a year ago.

12-Month Cumulative Value of Plans Approved
(N\$ millions)



Source: City of Windhoek, IJG Securities

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