



THATCHERS ASSOCIATION OF SOUTH AFRICA DEKKERSVERENIGING VAN SUID-AFRIKA

Newsletter 3/2012
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Abrie Visagie
NATIONAL CHAIRMAN

NEWSLETTER

E-TOLL SYSTEM

The "Leadership Intelligence Bulletin" of May 2, 2012 was sent to members as well as an earlier piece of information regarding the pros and cons of the E-Toll System. Especially our Gauteng members will be adversely affected by this system and we will seek especially for them to keep abreast of what the experts are saying about it.

WOODEX FOR AFRICA CONFERENCE AND EXHIBITION, 22-24 March 2012: GALLAGHER CONVENTION CENTRE IN MIDRAND

The Woodex for Africa Conference and Exhibition went well and the opportunity to introduce the TASA more widely was well utilized.

Mr. and Mrs. John Smith of Biggarsberg Thatchers (TASA's National Vice Chairman) have not only manned the stall, but was also responsible for the equipping thereof.

We want to extend our warm gratitude for their sacrifice and competent manner in which they represented the TASA.



ANNUAL GENERAL MEETING

A decision has not been made on the date and place where the 2012 AGM will be held. Members will soon be notified.

During the AGM the spotlight will fall mainly on the role of the TASA and the TASA's invitation to the International Thatching Association to act as host for their 2013 conference which will be held in Cape Town.

HOEDSPRUIT FLOODS

Mr David Hoffman of Hoffmans' Thatching Specialists (TASA's National Treasurer) reports as follows:

It was Wednesday, 18 January 2012, 5 o'clock in the morning when I was woken up by a phone call from a friend who manages a lodge in the Klaserie Game Reserve. "Quick, get outside and look for any signs of flooding! We're stranded on the airfield and our entire lodge has been flooded."

Only at this stage did I realize that it had been raining all night. First daylight would reveal flooding and a changed landscape of a magnitude never seen before. The area received between 400mm and 500mm in 30 hours which equals the annual rainfall.

Riverbeds that were dry, even through most of our rainy summer months, burst their banks, sweeping away buildings and infrastructure, and in some instances were re-routed due to the sheer force and volume of the now raging rivers which showed no respect for the 100 year flood line.

Most of the roofs in the area are thatched, and the damage was devastating. It was mainly caused when the walls or support columns collapsed. Where the walls could resist the rushing waters, water levels rose over 3m, submerging large parts of the roofs.

Hundreds of people, including our friends, had to be airlifted to safety, but unfortunately lost all their possessions.

As the repair work slowly continues we can once again stand in those dry riverbeds, and question whether the water level will ever reach that point again, although that seems to be replaced by a silent gaze at the debris still visible up to 10m high in the large trees on the riverbanks.



After the flood



Before the flood

House Price Growth Continues in February 2012

According to the latest statistics released by ooba – South Africa’s leading bond originator - property prices in February showed positive year-on-year growth of 4.3%. This is the fourth consecutive month that ooba has recorded positive house price growth and follows growth of 6.7% recorded in January 2012, which was the highest year-on-year price increase since July 2010.

The February oobarometer price index reveals that the average house price rose to R 868 174 from R 832 105 a year earlier, while month-on-month property prices increased by 2.1%.

The average purchase price amongst first time buyers also continues its upward trajectory, showing year-on-year growth of 10.7% to R 663 092, from R 599 105 a year earlier. According to Saul Geffen, CEO of ooba, this is being driven partly by the relaxation in deposit requirements, which is providing a more favourable environment for first time homebuyers. The average approved bond size increased 10.9% to R 738 835 from R 666 124 a year ago, while the average deposit decreased by 25.1% to R129 339, down from R165 981 a year earlier. The average deposit is now equivalent to 14.9% of the purchase price.

However, a lower deposit size is one of the reasons for the initial bank decline ratio increasing by 2.3% year-on-year to 48.2% and the effective approval ratio showing a year-on-year decrease of 2% to 62.8%. “A higher proportion of lower deposit applications will typically result in higher decline rates, as they are considered more risky.

“Nevertheless, the relaxation allowing lower deposit loan applications is a positive, even though it initially results in a higher overall decline rate, as ultimately it opens up an opportunity for approving a segment of customers which have limited available funds for cash deposits.”

The ratio of applications declined by one lender but granted by another is showing a nominal year-on-year decrease of 0.5%, to 22.8% of applications.

Full oobarometer analysis:

Indicator	February 2012	February 2011	Change yr on yr (Feb 12 vs Feb11)	January 2012	Change month on month (Feb 12 to Jan 12)
Avg purchase price	868,174	832,105	4.3%	850,589	2.1%
Avg purchase price of first time buyer	663,092	599,105	10.7%	650,574	1.9%
Avg approved bond size	738,835	666,124	10.9%	722,900	2.2%
Avg deposit (as % of purchase price)	14.9% (R129,339)	19.9% (R165,981)	-25.1%	15.0% (R127,689)	-0.7%

Avg initial decline ratio (first bank decline)	48.2%	45.9%	2.3%	50.3%	-2.1%
Ratio of applications declined by one lender but approved by another	22.8%	23.3%	-0.5%	20.5%	2.3%
Effective approval ratio	62.8%	64.8%	-2.0%	60.0%	2.8%

Kind regards

Abrie Visagie
NATIONAL CHAIRMAN

Thatchers Association of South Africa
P O Box 15936
LYTTELTON
0140

Fax 086 6409 151
Mobile 083 283 8429
Email address: admin@sa-thatchers.co.za
Website www.sa-thatchers.co.za