

DEVELOPMENT FEATURE

Kimberley's market

According to Salvatore Buonadonna, area principal for Pam Golding Properties, Kimberley, Kimberley is enjoying increasing economic growth and is today a vibrant and rapidly expanding city.

"The Northern Cape in general is buoyed by the strength of mining and agriculture and to a lesser extent, tourism, with benefits for all sectors of our regional economy," he says.

Well situated in the centre of South Africa with two national roads leading into it bringing increasing tourism, Kimberley, although remaining heavily mining dependent, has a local economy which is increasingly diversifying with:

- A. construction of the new Kimberley Mall on the south side of the city about to commence – with major retailers as anchor tenants
- B. the R64 million expansion of The Diamond Pavilion to create 4 881 m² in additional retail space, shopping and parking facilities
- C. a new business complex to open on the Cape Town road
- D. a new cement plant planned for Postmasburg
- E. and expansion of output by Mittal Steel at its Sishen iron ore mine

– all of which have positive spin-offs for the local property market.

"However among the key economic drivers of the city is a definite upswing in tourist volumes with positive news of a R50 million project by mining conglomerate De Beer's to upgrade the 'Big Hole' as a tourist attraction, along with the construction of a R44 million Protea Hotel adjacent to it," says Buonadonna.

In terms of the residential property market in Kimberley, Neumann says the highest activity is below the R500 000 mark despite the recent interest rate increases, with solid demand and steady sales volumes in the price range up to R850 000 and with the demand for homes to rent increasing by over 15% over last year.

Kimberley's rapid transition into a major commercial hub in the province has also seen demand for business premises escalate, a factor which has further impacted on former residential suburbs and stock levels as homes are now rapidly being converted into offices as demand for rental space outstrips supply. ●