

# 3 reasons why it's a good time to buy a holiday home

By [Julian Buck](#)

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It's the festive season and most South Africans will be flocking to their favourite parts of the country for a few weeks of relaxation, sun and quality time with the family. And, if you're in the mood to make your vacation experience a more permanent one, it may be the ideal time to find your perfect holiday home.



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The current market conditions make it an ideal time to buy the holiday home that will pay off as a future investment. A holiday home purchase today offers the buyer a personal home for holidays, a way of bringing in passive income through holiday rental income, and it's a long-term retirement plan. Added to this, the current market conditions make it the perfect time to consider buying a holiday home.

## There's lots of stock

As a result of the tough economic conditions in the country, there are a lot of homes on the market right now, especially in holiday towns and resorts. The large amount of stock gives buyers an opportunity to shop around to find the home that matches their criteria most closely and gives them the opportunity to get more for their money and negotiate for what they want.

## There are good buys to be had

Due to increased stock levels, it follows that there are some good buys to be had. We have rarely had good quality three-bedroom properties in the mid R1m's on the market; and if there are, they're usually snapped up in days. Now, we have a few homes like this on the market. A buyer who purchases these will be making a great investment as their values appreciate in future.

## Great lending rates

With mortgage advances outstripping house price growth in 2018 and 2019, and bond approval rates at their best in the last 10 years, it is evident that the banks have upped their lending to home buyers. Western Cape properties, in particular, are

seen as a great investment by banks and the easing of lending conditions has meant that banks are even offering home loans that include transfer fees.

If you look at it critically, there are so many good reasons to consider purchasing a holiday home. There just hasn't been a better time to buy in terms of property values since the market crashed 10 years ago; and the growth in mortgage advances is the cherry on top.

Knysna, and the Garden Route in general, has consistently been an area that delivers good capital growth for residents and holiday home investors and I would encourage prospective buyers to use the time they have here with us to investigate the market and purchase that home before the upswing kicks in.

## ABOUT THE AUTHOR

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