

BUILDING PLANS

August 2024

Construction activity in Windhoek increased in August 2024, with 222 building plans approved valued at N\$ 116.8 million, this translated into an 17.5% m/m increase and a 9.4% y/y increase when compared to August 2024 and August 2023 respectively. These approvals included 166 additions, commercial and industrial plans, 34 House plans, 0 pool plan, 1 public plan and 21 Wall plans. (See Table 1)

During the month under review 151 buildings were completed in Windhoek, with a total value of N\$ 67 million. This indicated an improvement when compared to July 2024, depicting a 9.4% m/m and 101% y/y increase. Completed additions, commercial and industrials accounted for 101, flats and houses 32, 0 pool and 18 walls. (See Table 1)

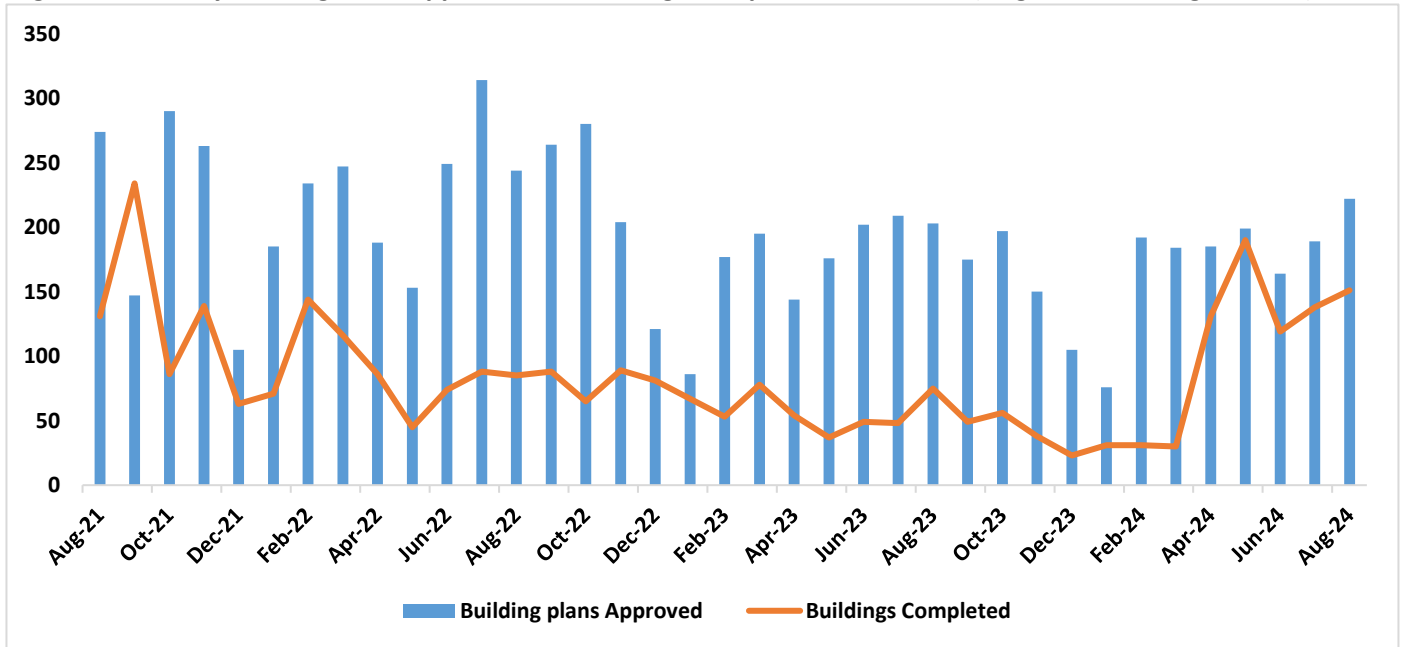
Table 1: Overview of Approved and Completed Plans

| Plans Approved | Amount | Value (N\$) | Annual Change (N\$) | Annual % Change |
|---|------------|--------------------|---------------------|-----------------|
| Additions Commercial & Industrial | 166 | 57,254,703 | 22,738,299 | 7% |
| Flats & Houses | 34 | 46,664,900 | 14,639,300 | 31% |
| Pool | 0 | - | (136,000) | -100% |
| Public | 1 | 10,000,000 | 10,000,000 | 0% |
| Wall | 21 | 2,975,000 | 1,001,200 | 5% |
| Total | 222 | 116,894,603 | 48,242,799 | -57% |
| Plans Completed | | | | |
| Additions, Commercial & Industrial | 101 | 41,880,790 | 36,284,790 | 432% |
| Flats & Houses | 32 | 24,104,700 | (21,634,924) | 10% |
| Pool | 0 | - | - | 0% |
| Public | 0 | - | - | 0% |
| Wall | 18 | 1,037,000 | 1,037,000 | 0% |
| Total | 151 | 67,022,490 | 63,805,028 | 442% |

Source: City of Windhoek & HEI Research

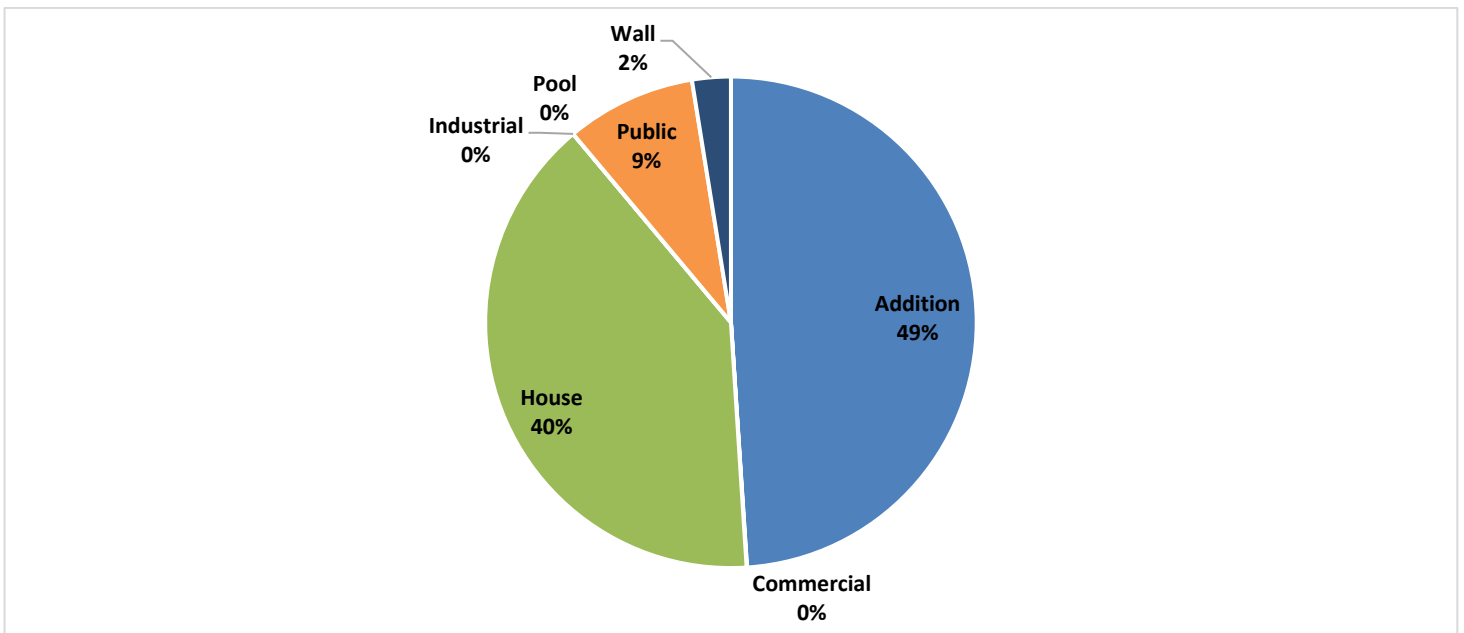
The overall number of building plans approved continues on a positive trajectory. The recent reduction in interest rates may further influence this upward trend, making financing more accessible and potentially leading to an increase in approved building plans.

Figure 1: Monthly Building Plans Approved Vs. Buildings Completed, Windhoek (August 2021 - August 2024)



Source: City of Windhoek & HEI Research

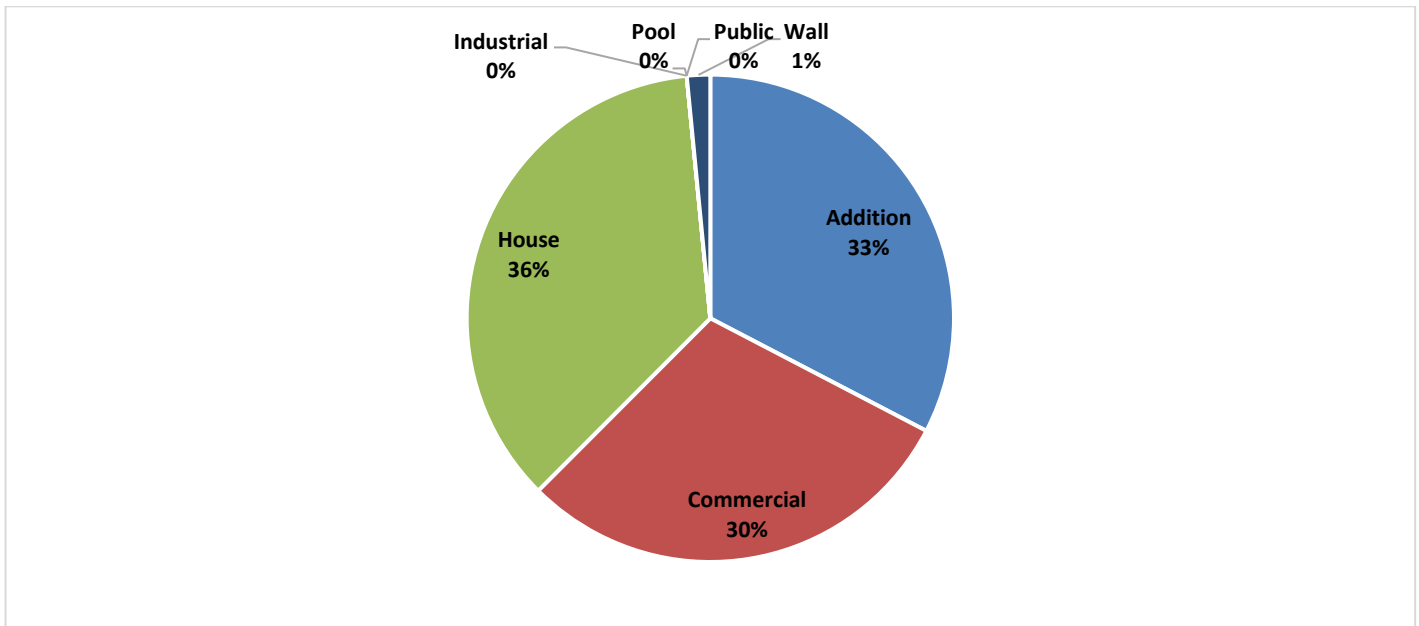
Figure 2: Approved Building Plans by Category, August 2024



Source: City of Windhoek & HEI Research

In August 2024, commercial plans contributed 49% to the total approved building plans, followed by additions, which accounted for 37% of the total value of approved plans. The Windhoek locality registered the highest value of approved commercial and house plans, with N\$ 24 million and N\$ 13 million, respectively.

Figure 3: Completed Building Plans by Category, August 2024



Source: City of Windhoek & HEI Research

Completed houses dominated, accounting for 36% of the total buildings completed in August 2024. The Otjomuise locality recorded the highest value at N\$ 5 million. Addition buildings comprised 33% of the total value of completed buildings, with Khomasdal contributing N\$ 7 million.

Outlook

The construction sector in Namibia is poised for a cautiously optimistic outlook for the remainder of 2024, driven by a combination of reduced interest rates and a notable increase in residential building plans, particularly in areas like Khomasdal and Klein Windhoek. This trend reflects a growing demand for housing as population dynamics shift and urbanization continues.



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