Proportion of a purchase funded by lenders

The latest FNB Residential Property Barometer shows that national loan-to-price ratio - the proportion of the purchase price that lenders are willing to fund - has increased to 94.9% in the first quarter of 2022.

The Good, the Bad and the Ugly

These figures show that South Africans who have purchased a home this year, have put down the smallest deposits seen in the last 14 years, with banks approving an increasing number of zero-deposit home loans.

Of course, while prospective buyers may wish to take advantage of this lenient lending landscape, it means that the amount of the deposit is added to the long-term loan, which inevitably, costs them so much more over the 20 years of payback.

Cape Town T: 021 406 9100 Blouberg T: 021 521 4000 Centurion T: 012 001 1546
Claremont T: 021 673 4700 Tyger Valley T: 021 943 3800 Bedfordview T: 011 453 0577
Fish Hoek T: 021 784 1580 Illovo T: 011 219 6200 East London T: 043 721 1234
Helderberg T: 021 850 6400 Fourways T: 010 001 2632