

Why anyone in the property game should be watching #SONA2019

By [John Jack](#)

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A successful property market relies heavily on a strengthened economy for investment. Investors need to believe that their money will be secure and protected, and this security is encouraged by positive policies and sustainable taxes. President Cyril Ramaphosa's address will give an indication of the direction that the economy will progress and investors will be watching it closely.



President Cyril Ramaphosa will deliver the State of the Nation Address (SONA) at 7pm tonight.

Everyone will be watching the address today, hoping that the message gives clarity to the business sector as a whole. Clear policy allows occupiers and investors to take decisions related to their real estate portfolios. From an occupier perspective, whether to expand to new premises or consolidate their footprint into a smaller building will be front of mind. This is driven by changes in their employee count and/or inventories held. For investors, the decisions would be whether to sell or hold onto their portfolios in anticipation of reduced vacancies and capital growth. International investors will be watching it closely and so should anyone in the property game. South Africa needs foreign investment, but international investors need security and we need to give them confidence. There is a lot resting on tonight's State of the Nation Address (SONA).

Land expropriation without compensation

A key topic of interest will be the matter of land expropriation without compensation, which hopefully will be addressed in such a way so as to reassure foreign investors.

Another main focal point will be corruption. President Ramaphosa has already been under fire from the governments of Germany, the United Kingdom, the USA, the Netherlands and Switzerland. The memorandum written to the presidency – signed by all five countries – spoke of a concern about the challenges of foreign investment and so this part of the SONA address is an important one.

SONA will be televised on various broadcast networks such as eNCA and SABC from around 5pm today. Parliament's Youtube Channel will also be airing the address and various media outlets will be sharing highlights of the events as they unfold.

Don't forget to tune in.

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