

# 4IR, employment shifts drive new real estate trends

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As the economic and growth data of the country continues to paint a bleak picture, it also tells the story of employment and entrepreneurial shifts driving new trends in terms of where we live and work.



The Loft Collection in Sunnydale. Image supplied

The good old office out in an industrial area which requires a long commute is fast making way for more fluid workspaces. People are now choosing to live in apartments close to work. Residential houses and blocks of flats in busy roads are transforming into business, retail and leisure hubs to meet the shifting needs of employment and services.

Technology is advancing rapidly, bringing improved productivity and efficiency. It enables people to overcome many current constraints. Just think of how Airbnb disrupted the way we book holiday accommodation while enabling property owners to earn an income from their property (other than the traditional renting model).

## Rethinking where we live and work

As South Africa's small entrepreneurial and new digital and creative class grow, we are needing to think about where we live and work. The shift to a service and digital economy means there are plenty of opportunities to ditch the corporate world for self-employment in one form or another. People are transforming their homes and/or combining this with a coworking solution of sorts. One downfall of a working-from-home arrangement is that it is isolating and lonely and might not offer the right image if you need to meet people.

You could set up meetings at a nearby coffee shop, but that too might have distractions. The solution is coworking spaces. Just one of the shifts driving demand for real estate, say the team. On the one hand, there is demand for coworking space, and on the other, the opportunity to create more.

Global consolidation, industrial automation, online shopping and the impact of artificial intelligence on the workforce means that surplus or redundant areas in commercial real estate sectors are on the increase.



### 5 reasons why coworking spaces work for entrepreneurs

13 Nov 2018



## Meeting coworking space demand

The rise in startup businesses provide an ideal opportunity for landlords and tenants to create coworking spaces to cater for this demand. From retailers creating coffee shops, meeting places and shared retail spaces within their stores to hotels offering office and conference facilities or the establishment of on-demand spaces in vacant commercial and industrial buildings or shopping centres. However you look at it, future proofing building design and construction to embrace coworking spaces makes perfect sense.

The benefits are huge. Today's professionals, creatives and startups no longer need to rent expensive business premises and incur the cost of setting up an office with meeting rooms. Coworking spaces offer the benefit of cost efficiency and is one of the fastest growing property trends to meet the needs of a growing entrepreneurial, creative and digital business class in the country.

These spaces offer the opportunity to retain a sense of independence and freedom yet benefit from a professionally structured environment and working alongside like-minded individuals where you can even share ideas and leverage further work opportunities.

Aside from the financial benefits, it allows you to project a professional image while at the same time alleviating some of the isolation associated with working from home.

Coworking spaces generally offer a complete one-stop solution with fully furnished workspaces, meeting facilities, high-speed internet, sometimes with secretarial facilities, coffee utilities and more. You can literally just arrive with your laptop, plug in and start operating, or just arrive for a business meeting.



### 7 characteristics of great coworking spaces

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## Long-term commitment-free

The economies of scale are ideal for startup entrepreneurs who have the problem of a limited budget to rent or own working space. Starting their new business, they generally don't have enough capital to buy furniture or equipment and don't have to commit their new business into a long-term lease.

Even corporate companies are increasingly utilising these spaces to enjoy collaboration with other companies and entrepreneurs in addition to leveraging savings on operating costs. It offers an ideal solution for large organisations who may be unable to recruit suitable workforces to their corporate headquarters due to its location in relation to where individuals live.

The commute to the office in the major cities is increasingly seen as time wastage, costly and counter-productive. Enabled by technology, these corporates can now set up remote teams in distant coworking spaces, often with the added benefit of more flexible leases.

Coworking spaces aren't confined just to traditional areas but are popping up everywhere - even in Cape Town's South Peninsula area.

## ABOUT THE AUTHOR

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